VENICE
SUSTAINABLE
FASHION
FORUM

JUST FASHION TRANSITION

Edition 2026

Strategic Study designed & developed by TEHA Group

VENICE SUSTAINABLE FASHION FORUM 2026

SHAPING TOMORROW

CONFINDUSTRIA VENETO EST
Area Metropolitana
Venezia Padova Rovigo Treviso

VENICE SUSTAINABLE fashion

CONFINDUSTRIA MODA
FEDERAZIONE TESSILE E MODA

THE STUDY AT A GLANCE

I CHALLENGES

1.1 2030 INDUSTRY PATHWAYS

A value engine at risk of thinning

Fashion's impact reaches well beyond its own perimeter, but the production base behind it is thinning. Protecting manufacturing capacity means protecting a multiplier for the whole economy.

1.2 FASHION ATTRIBUTES OF VALUE

Reputation must become credibility

Italy's fashion reputation is a strong asset, but it does not automatically translate into credibility. Legality is the topic that can erode Made in Italy's positioning or, through visible enforcement, strengthen it.

1.3 CLIMATE CHANGE IN THE MARKET

Climate breaks the seasonal calendar

Longer summers and later winters are pulling demand away from the traditional seasonal calendar. Collections, deliveries and materials will need to follow the weather, not the season.

II READINESS

2.1 EU POLICY AGENDA

Simplification, but not for all topics

The simplification of sustainability standards is leading to delays or revisions that affect governance more than they do the product itself. The number of standards is increasing over time, but with limited resources to support them.

2.2 ITALIAN SUPPLY CHAIN

Sustainability and innovation run apart

Italian suppliers face the transition with thinner margins and still treat sustainability and innovation as separate agendas. Yet, where the two are managed together, innovation becomes more disciplined and measurable.

2.3 CONSUMER TRENDS

More volume, less value

Fashion consumption is moving toward volume and low prices, while luxury loses its middle. Concern for sustainability is rising, but it still struggles to shape what people buy.

III SOLUTIONS

3.1 SUSTAINABLE INNOVATION

Processes, not technology, are the gap

Most clean solutions already exist. What holds sustainable innovation back is the capacity to adopt them: clear strategies, structured scale-up, and metrics that turn projects into measurable results.

3.2 CIRCULAR ECONOMY

Circularity needs demand

European and national circularity ambitions are outpacing industrial capacity and economic viability. Second-hand is growing commercially and reshaping purchasing decisions.

IV PROPOSALS

INNOVATION

1. Co-invest with suppliers
2. Scale innovation through processes
3. Integrate climate in planning
4. Build the Extended Lifestyle Ecosystem

CIRCULARITY

5. Create demand for recycled fibre
6. Scale textile sorting capacity

RESILIENCE

7. Plan skills and hiring to 2033
8. Defend value through legality

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

CONTENT INDEX

Introduction 4

Goals of the study: fashion as an experience engine 5

The sources and the analyses the study counts on 6

Working Group and Data partners 7

Advisory Board members 8

Foreword 9

SECTION I

Challenges 10

1.1 2030 Industry pathways 11

1.2 Fashion attributes of value 18

1.3 Climate change influence on the market 33

SECTION II

Readiness 40

2.1 Outlook on the EU policy agenda 41

2.2 Italian supply chain 49

2.3 Consumer trends and the shifting perception of value 65

SECTION III

Solutions 70

3.1 Sustainable innovation 71

3.2 Circular economy 80

SECTION IV

Proposals for a European Fashion Competitive Transition 92

8 proposals at a glance 93

How to read the proposals 94

#1 Co-invest with suppliers 95

#2 Scale innovation through processes 98

#3 Integrate climate in planning 101

#4 Build the Extended Lifestyle Ecosystem 104

#5 Create demand for recycled fibre 107

#6 Scale textile sorting capacity 110

#7 Plan skills and hiring to 2033 113

#8 Defend value through legality 116

Bibliography 119

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

Introduction

GOALS OF THE STUDY: FASHION AS AN EXPERIENCE ENGINE

Building on the previous insights and according to the ambition to further explore "lifestyle" dimension, **the 2026 Strategic Study aims to explore a new paradigm: Fashion as an Experience Engine**. After the post-Covid rebound, the industry has entered a phase of contraction and redefinition, in an increasingly volatile geopolitical and economic environment. Fashion can no longer be assessed by its manufacturing output alone: its value also lies in the reputation, skills and lifestyles it shapes and in the activity it generates across the economy. Therefore, we identified 3 key questions:

CHALLENGES

How is the global "predators's era" affecting the Fashion Industry transition's trajectories, at a time when the sector is redefining itself? Can Europe leverage Fashion as a strategic asset to drive a broader Competitive Transition, moving beyond cost-based competition towards leadership built on reputation and ecosystem value creation?

READINESS

How prepared are fashion companies, supply chains and consumers to face the new requirements of the transition, from EU rules and ESG requests from clients and banks to shifting consumer preferences and demand? What capabilities, resources and partnerships are required to strengthen the role of Fashion as an enabler of economic and social value?

SOLUTIONS

How is the innovation ecosystem responding to this transformation? Which technologies, circular models, management processes, financial instruments and ecosystem initiatives can help European Fashion reinforce its long-term competitiveness?

Study carried out by TEHA Group on behalf of Confindustria Moda and Confindustria Veneto Est.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

THE SOURCES AND THE ANALYSES THE STUDY COUNTS ON

PROPRIETARY ASSESSMENTS

1,100 Italian companies assessed by the sustainability questionnaire in 4 years

234 Available technologies mapped and analysed along the whole value chain

5 Countries' narrative positioning assessed on worldwide industry-specific and general media

PROPRIETARY ELABORATIONS

>2.9K Economic performances of brands & companies among EU and Italian fashion supply chain

>22K Global respondents - consumer statistics sample

>1,500 Datapoints on EU fashion industry performance analysed to elaborate 2030 scenarios

PUBLIC SOURCES

>50 Scientific articles, papers, and informative reports consulted

304 European and Italian policy measures or frameworks analysed

>30 Databases extracted and analysed at European level

This symbol highlights throughout the study the unreleased contents which have been elaborated thanks to these analyses and sources.

WORKING GROUP AND DATA PARTNERS

The study has been developed by TEHA Group team led by **Carlo Cici** (**Partner & Head of Sustainability Practice**). The working group is composed as follows:

TEHA

- Pietro Cellè (Analyst)
- Anna D'Este (Stage)
- Francesco Dubini (Senior Professional)
- Margherita Melazzini (Junior Professional)
- Matteo Rimini (Professional)
- Klarisa Stafa (Analyst)
- Anna Taglialatela (Analyst)

Confindustria Moda

- Guido Bottini (Head - Sustainability Circular Economy & Environment Department)
- Mauro Chezzi (Vice-director)
- Chiara Costantino (Sustainability Specialist - Sustainability, Circular Economy & Environment Department)
- Liuba Napoli (Sustainable Innovation Manager)
- Mauro Sampellegrini (Director - Research, Innovation & Sustainability)

A special thanks to

We would like to thank the brands and industry associations that helped us convey the questionnaire to analyse the state of the art of Fashion supply chains in dealing with sustainability issues, without whom it would not have been possible to reach such a large number of companies. We also thank

- **Erion Textiles** for providing expert insights on circularity matters - Erion Textiles is the Compliance Scheme of the Erion System dedicated to Companies in the textile sector.
- **Kantar** for providing a vast and extraordinary global consumer preferences database - Kantar is a world leader in brand advisory and insight. It supports clients in understanding the reality and defining marketing and communication strategies for their brands.
- **Retex.green** for providing expert insights on textile EPR matters - Retex.Green is the non-profit EPR consortium of the Italian fashion industry, established within Confindustria Moda by SMI.

ADVISORY BOARD MEMBERS

The study benefited from the strategic contribution of an Advisory Board composed as follows:

- Matteo Agliaudi | **Hyosung**
- Stefano Albini | **Albini Group**
- Elena Antiga | **Assopellettieri**
- Sara Bertoncin | **Confindustria Moda – Federazione Tessile Moda**
- Valentina Boffi | **Gruppo Florence**
- Elena Bonafè | **Confindustria Veneto Est**
- Chiara Bonafini | **UniSalute**
- Ercole Botto Poala | **Idea Biella**
- Veronica Bovo | **Holding Industriale**
- Mauro Campanini | **Chargeurs PCC Italy**
- Luca Canevelli | **Valentino**
- Raffaella Caprioglio | **Umana**
- Cristina Catani | **Lyria**
- Grazia Cerini | **Centro Tessile e Abbigliamento Centrocot**
- Carlo Cici | **TEHA Group**
- Barbara Cimmino | **Yamamay**
- Bruno Conterno | **Nice Footwear**
- Andrea Crespi | **Eurojersey**
- Gianfranco Di Natale | **Confindustria Moda – Federazione Tessile Moda**
- Enrico Fatarella | **TIL Kering**
- Cristina Fava | **Confindustria Moda – Federazione Tessile Moda**
- Andrea Favaretto Rubelli | **Confindustria Veneto Est**
- Michele Gasparini | **ANFAO**
- Nicola Gaverina | **Valentino**
- Roberta Ghilardi | **Deloitte**
- Cristina Ghiselli | **Gianni Versace**
- Laura Greppi | **Pattern**
- Luca Lambertini | **UniSalute**
- Roberto Lombardi | **Guess Europe**
- Rita Lutzoni | **Boggi**
- Roberto Mascali | **Umana**
- Silvia Mazzanti | **Save The Duck**
- Marco Minorini | **MCG – Management Consultance Group**
- Chiara Morelli | **Prada**
- Niccolò Moschini | **Kering**
- Liuba Napoli | **Confindustria Moda – Federazione Tessile Moda**
- Ida Palombella | **Deloitte**
- Danila Passantino | **Confindustria Moda – Federazione Tessile Moda**
- Maria Teresa Pisani | **UNECE**
- Giorgio Possagno | **Assocalzaturifici**
- Eugenio Puddu | **Deloitte**
- Rossella Ravagli | **Giorgio Armani**
- Matteo Rimini | **TEHA Group**
- Francesca Romana Rinaldi | **SDA Bocconi**
- Alessandra Rocchi | **UniCredit**
- Cinzia Ronchi | **ANFAO**
- Pier Paolo Rotondi | **Decathlon**
- Federica Ruzzi | **Golden Goose**
- Elena Salvaneschi | **Confindustria Accessori Moda**
- Mauro Sampellegrini | **Confindustria Moda – Federazione Tessile Moda**
- Mauro Scalia | **EURATEX**
- Olga Sironi | **Tessitura Enrico Sironi**
- Roberto Tiburzi | **Arena Sport**
- Veronica Toppetta | **Confindustria Moda – Federazione Tessile Moda**

FOREWORD: HOW SUSTAINABILITY IS CHANGING IN "THE PREDATORS' ERA"

The world is changing, and the transition is changing with it. We have entered "the predators' era": a phase in which global superpowers and tech giants act with growing assertiveness, setting their own rules rather than abiding by shared ones [1].

The institutions and norms that have long kept markets and international relations in balance are losing their grip, and global priorities are being redrawn at speed. Defence, artificial intelligence and energy now attract trillions, while what protects people and the planet is still counted in billions. The question is not whether to press ahead or turn back. It is which priorities should underpin the future competitiveness of Europe's productive system. Amid geopolitical fragmentation, mounting competitive pressure and permanent regulatory uncertainty, the transition must be rethought, starting from the areas that are non-negotiable if Europe is to keep competing, innovating and creating value.

Citizens are changing too: 3 in 4 worry about climate change, yet fewer than 1 in 12 consumers will pay more for sustainability. What is missing is not awareness, but a credible and desirable vision of the future.

This is not a contest between policy and industry. It is a matter of aligning the direction of public action with industrial priorities and citizens' expectations. Without dialogue, collaboration and a shared vision, businesses, policymakers and citizens risk drifting along diverging paths, which blunts the impact of both industrial policy and private investment.

The transition is a paradigm, not a trend, but there is no single way to respond to it: compliance, tactics, ethics or competitiveness, the choice lies with each company. For TEHA, a 'Competitive Transition' means two things. On the environmental side, it means prioritising solutions that reconcile long-term environmental goals with short-term profitability through innovation. On the social side, it means addressing the legitimate expectations of stakeholders, building the consensus a company needs for long-term success while reducing its social dependencies. These two paces need not coincide, and the opportunities will go to those who anticipate change rather than endure it.

Source: (1) «L'ora dei predatori», Giuliano Da Empoli (2025).

Carlo Cici
Partner & Head of Sustainability, TEHA Group

Section I
Challenges

Section's Key Messages Overview

1.1. 2030 Industry pathways
Fashion's impact reaches well beyond its own perimeter, but the production base behind it is thinning. Protecting manufacturing capacity means protecting a multiplier for the whole economy.

1.2. Fashion attributes of value
Italy's fashion reputation is a strong asset, but it does not automatically translate into credibility. Compliance with the law can either undermine the value of "Made in Italy" or reinforce it through visible checks and measures.

1.3. Climate change influence on the market
Longer summers and later winters are pulling demand away from the traditional seasonal calendar. Collections, deliveries and materials will need to follow the weather, not the season.

Fashion's impact reaches well beyond its own perimeter, but the production base behind it is thinning. Protecting manufacturing capacity means protecting a multiplier for the whole economy.

01 A MULTIPLIER FOR THE ECONOMY

In Italy, €1 of fashion demand activates **€1.95 of output along the value chain**. **Over 40%** of the value added, wages and hours it activates falls outside fashion.

02 A SHRINKING PRODUCTION BASE

EU fashion could lose **146,000 jobs by 2030** (-13%). Italian firms may fall by **20%**, while France, with its >48k companies, may overtake Italy as the largest EU manufacturing base in 2026

03 A CHAIN THAT RELIES ON OTHERS

Foreign workers already account for **41.8% of planned hires** in Italy and are set to become the majority by 2033, opening a new knowledge transfer-related challenge for the "Made in".

EU FASHION HAS DECOUPLED GROWTH FROM EMISSIONS, BUT MEETING FIT FOR 55 GOALS REQUIRES CUTTING CO_2 1.5X FASTER THAN TODAY[1]

Between 2018 and 2024, EU fashion revenues grew by 18%, from €181bn to €214bn, while emissions fell by 20%, from 140 to 111 Mt CO_2 eq. The industry is now able to generate €1.92 of revenue each kilogram of CO_2 emitted, up from €1.30 in 2018.

The decoupling held even through the pandemic: after the 2020 shock, revenues rebounded by 17% in 2021, while emissions rose by only 6%.

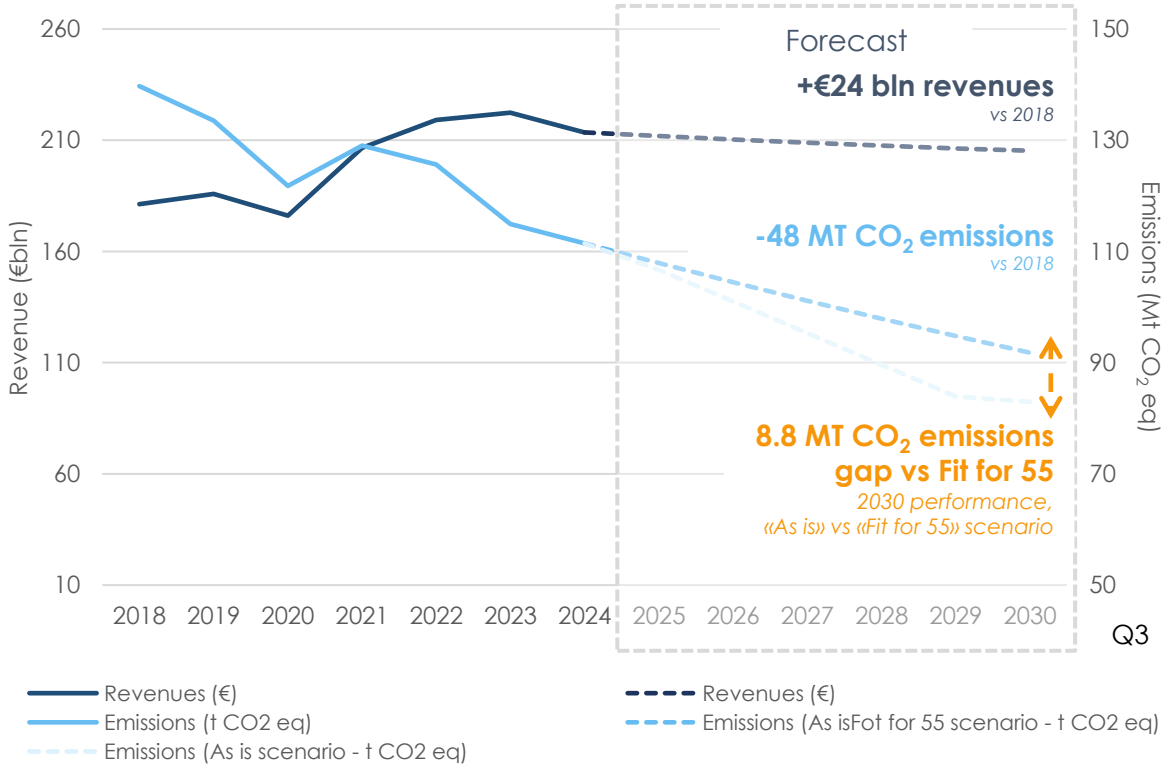
Looking towards 2030, revenues are set to slow in line with ECB's inflation forecasts, reaching €205bn by 2030 with a projected CAGR slowing down from the 2.86% registered in the 2018-25 period to the -0.63% expected for 2025-30.

On the current trajectory, the industry's compound emissions would fall to 92 Mt CO_2 - around 48% below 1990 levels but short of the Fit for 55 target of 8.8 Mt – showing the crucial role of innovation in supporting this pathway.

According to the estimates, closing this gap means cutting emissions by almost 5% a year instead of 3%, and raising revenue per kilogram of CO_2 to €2.47, against €2.24 in the as-is scenario.

Fashion's road ahead: revenue vs decarbonisation pathway[1]

EU fashion revenues and emissions, 2018-2030 (2025-2030 = TEHA projections)



Sources: TEHA Group elaboration on (1) Eurostat: Annual detailed enterprise statistics for industry from 2021 to 2024 (retrieved on 31/08/2026); (2) ECB, long-term inflation forecast (retrieved on 31/08/2026); (3) Global fashion sector turnover for FY2025, Statista (retrieved on 31/08/2026); (4) European Environment Agency: EEA greenhouse gases - data viewer from 2018 to 2024 (retrieved on 07/10/2026);

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

FASHION JOBS IN EU ARE RECONFIGURING: EMPLOYMENT SHRINKS AND CONCENTRATES IN ITALY AND FRANCE, BUT ITS VALUE ADDED STILL STRUGGLES

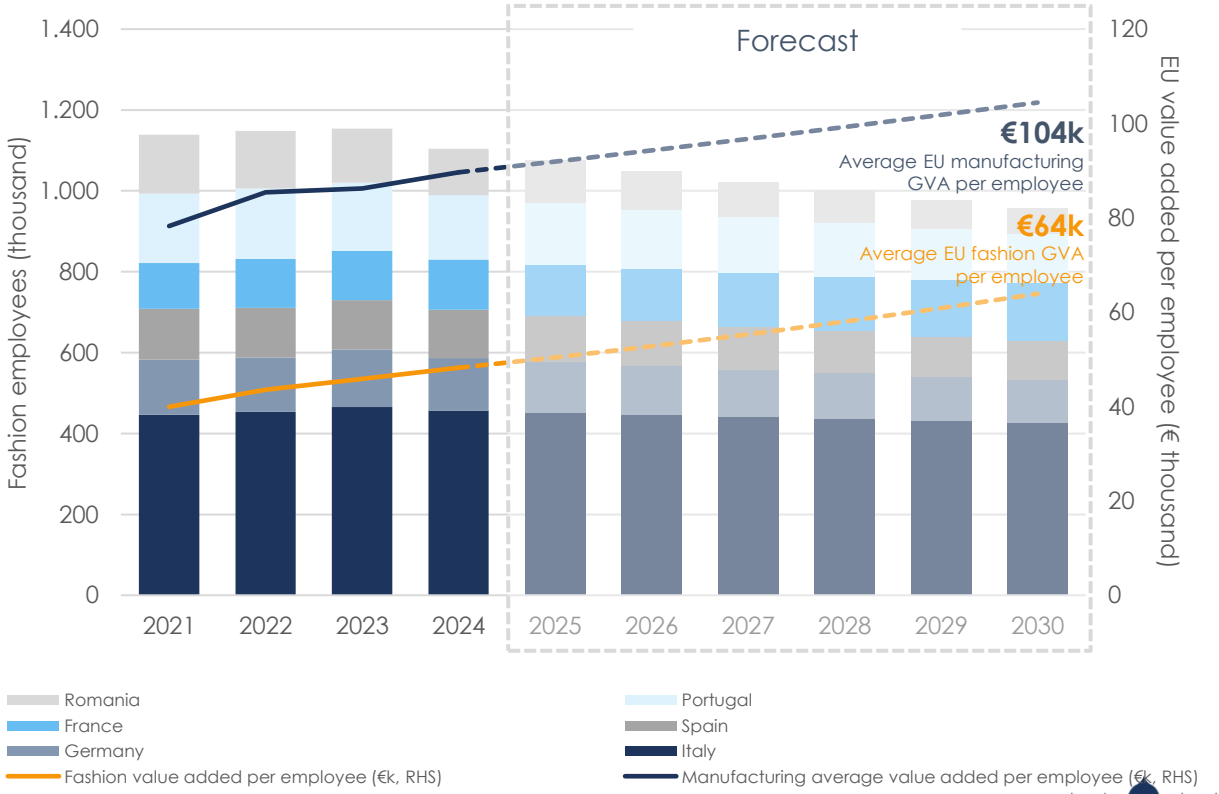
EU fashion employed 1.10 million people in 2024, 3% fewer than in 2021, and is projected to fall to 958,000 by 2030, a further loss of 146,000 jobs (-13%)[1].

The trend diverges sharply by country. Italy, the largest employer with 457,000 workers, grew by 2% to 2024 but is expected to ease to 426,000 by 2030 (-7%). France is the only growing market, up 10% since 2021 and set to add 18,000 jobs by 2030. As a result, Italy and France would account for 59% of employment in 2030, up from 53% in 2024[1]. Hiring trends are visibly shifting: companies tend to prioritise critical thinking, communication, and adaptability over purely technical skills as machine learning and data analysis[2,3].

Meanwhile, fewer workers are generating more value, but fashion remains structurally less productive than the rest of manufacturing. EU value added per employee in fashion rose by 21% between 2021 and 2024, from €40,000 to €48,000, and is projected to reach €64,000 by 2030. Over the same period, the EU manufacturing average went from €78,000 to €90,000 and is set to reach €104,000 by 2030[1].

Fashion employment by country vs EU value added per employee[1]

Fashion (C13-C15) vs manufacturing average, 2021-2030 (2025-2030 = TEHA projections)



Sources: (1) TEHA Group elaboration on Eurostat: Annual detailed enterprise statistics for industry from 2021 to 2024 (retrieved on 07/10/2026); (2) BOF, Fashion's Most (and Least) In-Demand Skills (2025); (3) McKinsey, GenAI and automation to be central productivity levers (2025).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

MADE IN ITALY OR BY ITALIANS? FOREIGN WORKERS ARE PROJECTED BECOME THE MAJORITY OF NATIONAL FASHION HIRES BY 2033

Foreign workers are becoming structural to Italian fashion manufacturing: in 2025 they accounted for 41.8% of planned hires in textiles, apparel and footwear, almost twice the national average (23.4%) and well above the share of foreigners among current employees (22.8%)[1].

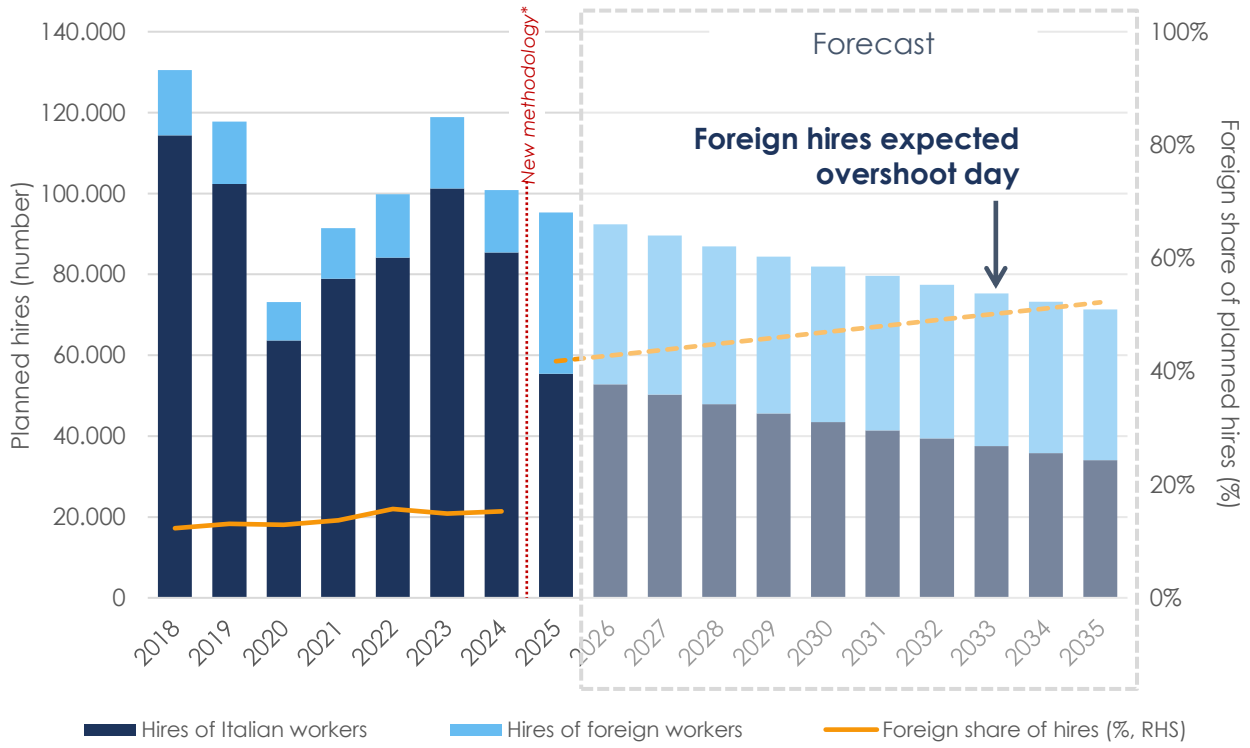
This reflects both demand and supply factors: labour cost per employee is €30-37k – far less than the €46k of manufacturing[2] – 55% of hires are already considered by companies "hard to fill"[1], and Italy's working-age population is set to decline by over 7 million by 2050[3].

Between 2018 and 2024, the fall in planned hires concerned almost only Italian workers. Should these dynamics persist, foreign workers could account for most new hires between 2030 and 2033[4].

Preserving the value of Made in Italy will depend on automation as well as on transferring know-how to a more diverse workforce and on consistency between migration and industrial trajectories.

Planned hires in Italian textiles, apparel and footwear[1,4]

Italian vs foreign workers, 2018-2035 (2026-2035 = TEHA projections)



Sources: (1) TEHA Group elaboration on Unioncamere – Ministry of Labour, Sistema Informativo Excelsior (2018-2025) and Foreign workers dashboard (2026; employees: 2024 data); (2) Istat, Rapporto sulla competitività dei settori produttivi (2024), 2021 data; (3) Istat, Previsioni della popolazione residente, base 1/1/2025 (2026); (4) TEHA Group projections on Excelsior data (2018-2025). *Since 2025 Excelsior estimates foreign hires with a new methodology, not directly comparable with 2018-2024 (disclosed hiring intentions vs actual measurement) Projections apply 2018-2024 compound annual rates of Italian (-4.7%) and foreign (-0.7%) hires to 2025 levels (crossover in 2033); linear trends excl. 2020 give 2030.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

WITH >48K COMPANIES, FRANCE IS SET TO OVERTAKE ITALY AS THE LARGEST FASHION MANUFACTURING BASE BY 2026, AFTER A 35% RISE IN FIRMS SINCE 2021

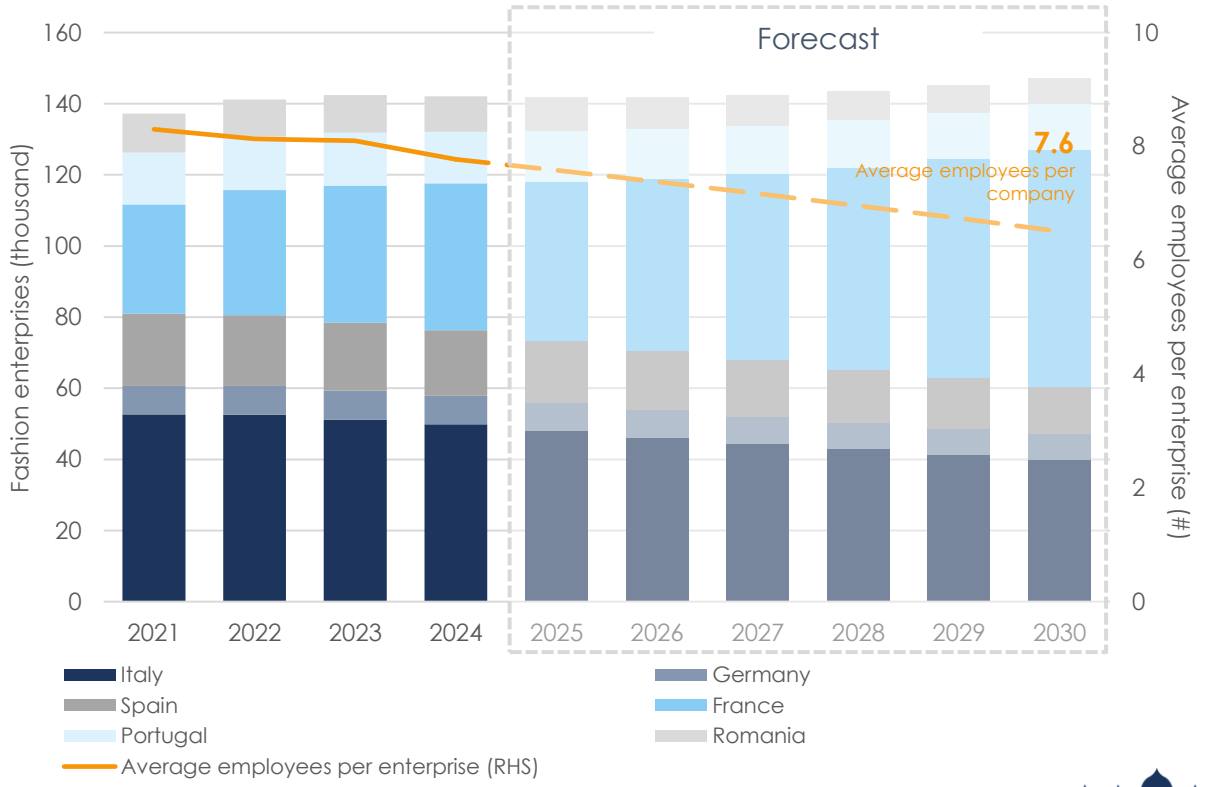
Across its 6 key EU countries, fashion manufacturing counted 142,000 enterprises in 2024, 3.5% more than in 2021, and is projected to reach 147,000 by 2030. The 6 countries represent 61% of EU-27 fashion enterprises in 2024, rising to 68% by 2030[1].

The trend diverges sharply by country. Italy remains the largest base with 49,800 firms but lost 5% since 2021 and could fall to 39,700 by 2030 (-20%). France is the only expanding market, up 35% since 2021 to 41,300 firms, and set to overtake Italy in 2026, reaching 66,700 by 2030. Spain and Romania are projected to lose 27% of their firms by 2030, while Portugal (-12%) and Germany (-9%) decline more slowly[1].

As a result, Italy and France would account for 72% of enterprises in 2030, up from 64% in 2024[1], highlighting the opportunity for a deeper collaboration among these industrial ecosystems. In this context, however, firms are getting smaller. Average employees per enterprise in the 6 countries fell from 8.3 in 2021 to 7.8 in 2024 and is set to drop to 6.5 by 2030. As the number of firms grows while employment declines, fragmentation rises, led by small new entrants in France[1,2].

Fashion enterprises by country vs average employees per enterprise[1]

Fashion manufacturing (C13-C15), 2021-2030 (2025-2030 = projections)



Sources: (1) TEHA Group elaboration on Eurostat: Annual detailed enterprise statistics for industry from 2021 to 2024 (retrieved on 07/10/2026); (2) OECD, Industry concentration in Europe (2025.)

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

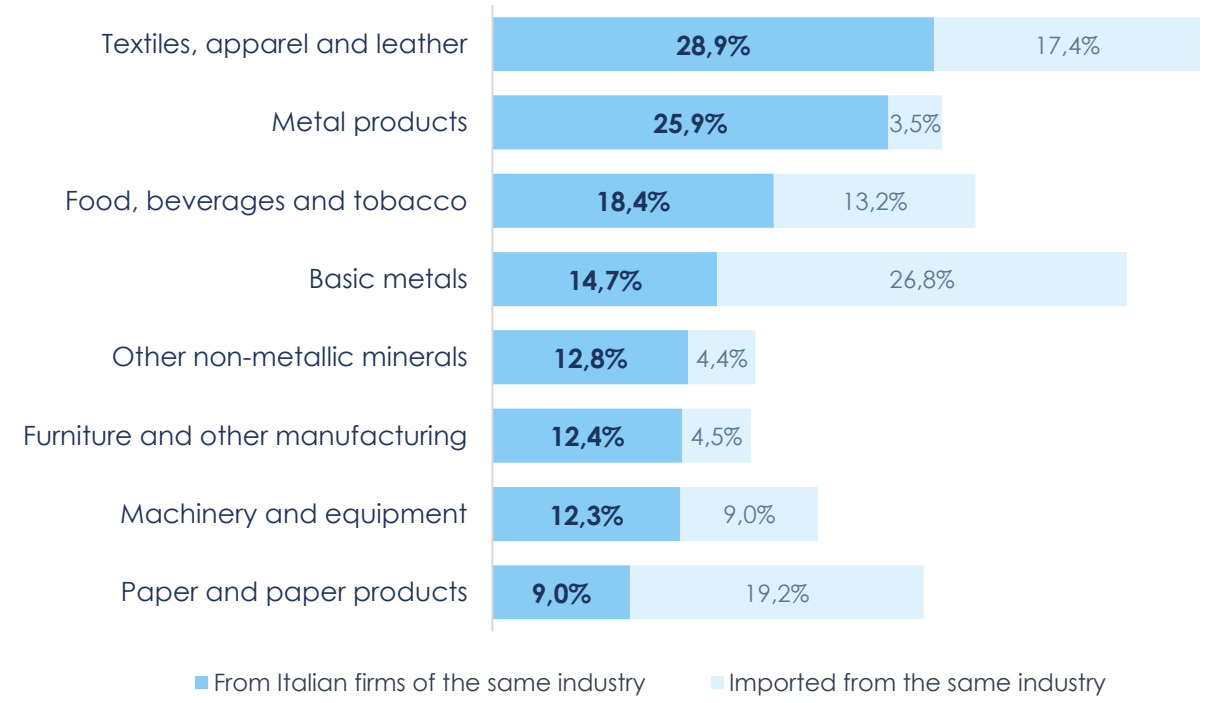
IN ITALY, FASHION IS THE MOST LOCALLY INTERDEPENDENT MANUFACTURING INDUSTRY AND THIS, IN A SHRINKING ECONOMY, MAY AMPLIFY SHOCKS

The Italian fashion industry relies heavily on its domestic supply chain. For every €100 spent on inputs bought from other firms, €29 go to other Italian fashion companies and €17 to foreign suppliers within the same industry[1]. The remaining €54 is spent on other industries' inputs – inside or outside the country. the This is the highest domestic share in Italian manufacturing, despite fashion's overall input intensity remaining below the manufacturing median[1].

These close connections support the industry but also make it more vulnerable to shocks, as declining demand can quickly affect Italian suppliers and subcontractors, many of which are small businesses. Meanwhile, the share of imported inputs rose from 25.4% in 2020 to 29.1% in 2022, while domestic intra-industry purchases fell by nearly four percentage points[2].

Share of the Italian industry's own purchases bought from the same industry[1]

% of total intermediate purchases of each branch, Italy, 2022



Sources: (1) (1) TEHA Group elaboration on Istat, Input-Output Tables 2020–2022 (Dec. 2025), 2022 symmetric tables (63 branches, total and imports). Shares of intermediate purchases at basic prices; no input-output model applied. Fashion = V13_15 (textiles, apparel, leather and footwear, including intra-sector façon flows); manufacturing = C10–C33. Per €100 purchased: €28.9 from Italian fashion, €42.0 from other Italian sectors, €17.4 imported from fashion and €11.7 from other foreign sectors (Italy: €70.9; imports: €29.1). Two-thirds of domestic cross-sector purchases are services; chemicals and energy dominate non-service inputs.

IN ITALY, EVERY EURO OF FASHION DEMAND GENERATES €1.95 OF OUTPUT ACROSS NATIONAL ECONOMY, WELL BEYOND THE FASHION INDUSTRY ALONE

At the national level, every euro of final demand in Italy for fashion activates €1.95 of output inside the Country: €1.26 within the fashion chain and €0.69 in other industries, for a total of €182 bln in 2022[1].

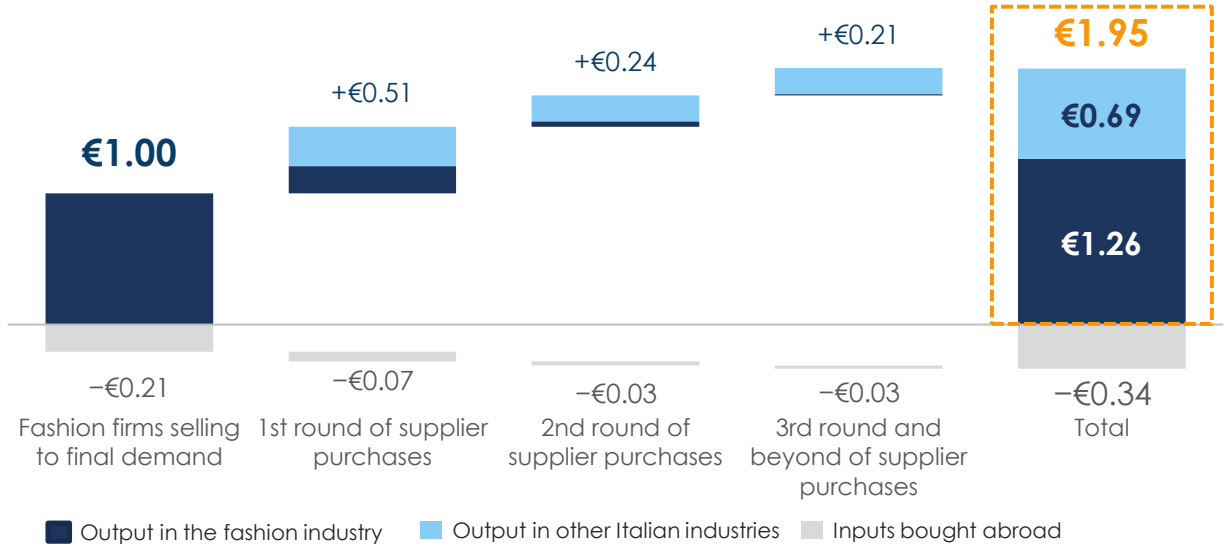
The effect spreads through successive rounds of purchases: on a €1 mln export order, the producer buys €0.51 mln from Italian suppliers (€0.21 mln from other fashion firms, €0.30 mln from chemicals, energy, logistics and business services) and those suppliers in turn buy €0.24 mln from theirs, and so on. From the second round onwards, over 80% of the output activated is outside fashion[1].

Each euro also generates 65 cents of Italian value added and 31 cents of wages, while every €1million of demand activates 17,400 hours worked: in all three cases, 40-45% is generated outside fashion[1].

Each demanded euro, activates also 34 cents of spending abroad, almost 2/3 of them directly by fashion firms[1]: the more of the chain stays in Italy, the more each euro generates for the whole economy.

How €1 of final demand for Italian fashion spreads through the economy[1]

Output activated in Italy per €1 of final demand for fashion, 2022





Value added
€61 bln in 2022

55% inside fashion
45% outside fashion



Wages
€29 bln in 2022

60% inside fashion
40% outside fashion



Hours per €1 mln
1.63 bln hours in 2022

57% inside fashion
43% outside fashion

Sources: (1) TEHA Group elaboration on Istat, Il sistema di tavole input-output – Anni 2020-2022 (December 2025): symmetric branch-by-branch tables (total and imports) and use table at basic prices (hours worked), 63 branches, 2022 data; domestic flows = total less imports; type I Leontief model, no household closure; values per €1 of final demand at basic prices. Rounds = successive rounds of domestic intermediate purchases (Leontief power series): sector averages, not firm-level supply tiers. Fashion = branch V13_15 (textiles, wearing apparel, leather and footwear).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

Italy's fashion reputation is a strong asset, but it does not automatically translate into credibility. Compliance with the law can either undermine the value of "Made in Italy" or reinforce it through visible checks and measures.

01 A RECOGNISED IDENTITY

Italy leads global press coverage on **Design (18%)** and ranks among the top countries on Heritage and Craftsmanship, a position that holds in the foreign press.

02 LEGALITY IS THE WEAK SPOT

Italy accounts for **22% of breach mentions** worldwide, close to China (25%), but also for **46% of mentions of action taken**: enforcement can become credibility.

03 VALUE BEYOND THE GARMENT

Narratives show how an Extended Lifestyle Ecosystem already exists: Home & Living and Accessories **rank 1st and 2nd** among sectors most closely tied to fashion, in both reputation and revenue.

REPUTATION IS A SOURCE OF VALUE: BRAND TRUST WEIGHS AS MUCH AS PRICE AND QUALITY IN PURCHASE DECISIONS

In mature consumer markets, purchase decisions no longer rest only on product features and price. They are increasingly played out on perceptions: what the brand stands for, how credible it is, what story it tells and which value system it places the buyer in[1].

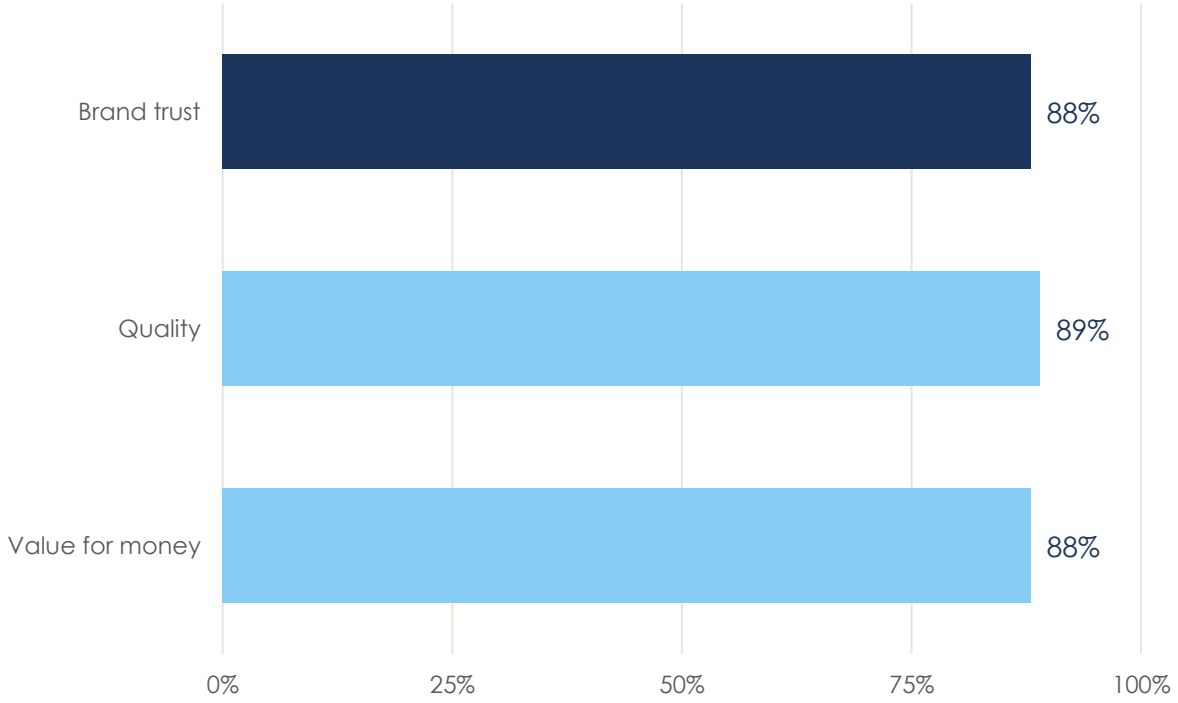
88% of consumers consider brand trust an important or decisive purchase criterion. That is the same weight given to value for money (88%) and almost the same as quality (89%)[2].

This perceived capital translates into measurable results. Brands perceived as meaningful and different generate up to 9 times the volume market share of weaker brands. They can also command a price premium of up to 70% and are 4 times more likely to grow in the future[3].

Narratives are therefore a strategic lever: they affect volumes, price premium and growth prospects. Also in fashion, the gap between story and reality now carries a cost.

Purchase criteria considered important by consumers

% of consumers who consider the criterion important or decisive[2]



Sources: (1) European Commission, Consumer Conditions Scoreboard 2025. (2) Edelman, Trust Barometer 2026, Special Report "Brand Growth in an Insular World". (3) Kantar, BrandZ Meaningful-Different-Salient framework, methodology (Demand, Pricing and Future Power).

TO MEASURE FASHION REPUTATION, WE TRACK 8 ATTRIBUTES OF VALUE, FROM HERITAGE TO LEGALITY

A review of academic literature, industry reports, consumer surveys and fashion trade media identified over 20 recurring attributes of fashion value, then consolidated into 8 macro-categories.

Building on last year's analysis, the framework has been updated to mirror the topics most covered by the media. Working Conditions and Human Rights has become Legality, to capture the full range of compliance issues reported in fashion: labour rights, counterfeiting, false "Made in", customs and tax offences.

Heritage
Tradition, legacy

- Historical legacy of fashion houses and brands
- Continuity of regional textile and tailoring traditions
- Preservation and celebration of fashion memory

Luxury
Prestige, exclusivity

- Prestige and desirability of fashion brands
- Exclusivity and high-end positioning of fashion products
- Recognition of a country as a home of luxury fashion

Craftsmanship
Quality, know-how

- Manual skills and know-how of fashion artisans
- Quality of materials and garment workmanship
- Transmission of fashion skills to new generations

Price
Cost, affordability

- Affordability of fashion products for consumers
- Cost competitiveness of fashion production and sourcing
- Impact of tariffs and trade measures on fashion prices

Design
Creativity, style

- Creativity of fashion designers and creative directors
- Stylistic identity and recognizability of collections
- Nurturing of new fashion talent

Legality
Rights, compliance

- Respect for labor rights in fashion supply chains
- Protection of fashion designs and of "Made in" origin
- Compliance with tax, customs and environmental rules

Innovation
Technology, R&D

- Development of innovative fibers and fabrics
- Use of AI, digital tools and automation in fashion
- Investment in fashion R&D and fashion-tech start-ups

Sustainability
Environmental impact

- Circularity of fashion: recycling, resale, textile waste
- Reduction of emissions across the fashion supply chain
- Credibility of fashion green claims and regulation

Sources: TEHA elaboration on Bilkey & Nes, Country-of-Origin Effects on Product Evaluations, Journal of International Business Studies (1982); Verlegh & Steenkamp, A review and meta-analysis of country-of-origin research, Journal of Economic Psychology (1999); Samuel, Systematic Review of COO Influence in Fashion (2024); McKinsey & BoF, The State of Fashion (2017–2026); Bain & Company, Luxury Report – Long Live Luxury (2023); Deloitte, Fashion & Luxury Private View (2022); Ipsos, Global Views on Fashion Sustainability (2021); Statista, Consumer Preferences in Apparel (2023); YouGov, BrandIndex Fashion Perception (2022); Vogue Business, The Business of Fashion, WWD (2020–2024).

WE ANALYSED 7,540 SENTENCES TO MEASURE WHICH COUNTRIES THE PRESS LINKS TO EACH ATTRIBUTE, AND IN WHICH ROLE

Approach and scope

The study measures how the national and international press associates countries with the 8 fashion value attributes: Luxury, Craftsmanship, Innovation, Sustainability, Price, Legality, Design and Heritage. The scope covers the whole fashion supply chain: textiles, apparel, knitwear, footwear, leather goods and tanning (NACE C13–C15). The corpus is **1,613 articles** in 5 languages (EN, FR, ES, ZH, IT), published between January 2024 and September 2026 in general, business, fashion and trade outlets (197 sources). Searches used neutral keywords with no country, city or brand names, so the sample does not favour any country. Brand websites, press releases, NGOs, institutions and blogs were excluded.

Each article was broken down into sentences, headline included. Every sentence naming a country and referring to the attribute was coded: 7,540 country-coded sentences in total. A country counts when it appears by name, adjective, "Made in" label, city or production district. Brand names alone and cities mentioned only as event venues do not count. Each sentence that mentions a country is coded according to the role the country plays in it (e.g. producer, market, regulator). To prevent a single article from weighing too much, each article contributes at most 3 sentences for the same country and role.

Metrics

"Share of voice" measures how present a country is in the international fashion narrative on each attribute. It is the percentage of all country mentions on that attribute that refer to a given country, whatever role the country plays (production, market, regulation or other). *Share of voice(c,a) = 1/5 × Σ(l) [Mentions(c,a,l) / Σ(k) Mentions(k,a,l)] ×100.* Here "*c*" is the country, "*a*" the attribute, "*l*" the language and "*k*" any country in the world. Shares are calculated separately for each language and then averaged, with each language weighing 20%, to neutralise the different corpus sizes. In the detailed slides, share of voice is broken down by country role.

Limits

- **Nature of the sample:** this is not a census of media coverage, so results are indicative. The 95% bootstrap confidence intervals average about ±4 points for the main countries.
- **Access to sources:** major general newspapers (e.g. Le Monde, Les Echos, El País, Corriere della Sera, Il Sole 24 Ore) were not accessible. The corpus therefore relies mainly on fashion trade media, complemented by accessible general and business outlets.
- **Use of AI**: articles were collected and analysed with AI tools following common rules. To test the consistency of results, a sample of articles was analysed twice by two independent coders. The comparison shows near-full agreement on the countries mentioned (Krippendorff's alpha 0.91) and good agreement on the role each country plays (0.75), both above the 0.70 reliability threshold.

SAMPLE: 1,613 ARTICLES IN 5 LANGUAGES

	EN	FR	ES	ZH	IT	TOTAL
Articles	692	235	237	211	238	**1,613**
% of articles	*42.9%*	*14.6%*	*14.7%*	*13.1%*	*14.8%*	*100%*
Coded sentences	2,958	1,108	1,276	1,138	1,060	**7,540**
% of sentences	*39.2%*	*14.7%*	*16.9%*	*15.1%*	*14.1%*	*100%*

HOW EACH COUNTRY MENTION IS CLASSIFIED

Country roles	Meaning	% of sentences
Producer	The country is where the attribute is made, created or happens, including negative cases (e.g. labour violations, textile waste)	58%
Market	The country is where fashion is bought and consumed: demand, sales, consumers and tourists (e.g. luxury spending in China)	21%
Regulator	The country sets or enforces the rules: laws in force, policy proposals and debates, investigations, sanctions and tariffs (e.g. France's anti-fast fashion law)	11%
Other	The country is mentioned only in passing, without a link to the attribute (e.g. a CEO's nationality)	10%

IN THE GLOBAL PRESS ITALY LEADS ON LEGALITY AND DESIGN, FRANCE ON CRAFTSMANSHIP AND HERITAGE, WHILE CHINA ON LUXURY AND PRICE

Italy holds a distinctive position in the global fashion narrative, but visibility does not always translate into a competitive advantage.

Italy leads on Design (18%) and Legality (26%), while France outperforms it on Heritage and Craftsmanship. But Italy's lead on Legality is a reputational risk: 86% of production-related mentions are negative.

China and the USA dominate Luxury and Price, but not as fashion creators. On Luxury they are cited as markets, and on Price China is cited as a low-cost producer and the USA through tariffs. Italy is less visible on Innovation (9%) and Price (5%).

Which countries the press associates with each fashion attribute

Share of voice, % of all country mentions on each attribute (world = 100%), read by column

	LEGALITY	DESIGN	HERITAGE	CRAFTSMANSHIP	SUSTAINABILITY	LUXURY	INNOVATION	PRICE
ITALY	**26%** 👎	**18%**	**17%**	17%	10% !	10%	9%	5% 👎
FRANCE	4% !	13%	**19%**	**20%**	**15%**	10%	11%	11%
SPAIN	7% 👎	5%	**11%**	**10%**	9%	2%	**10%**	5%
CHINA	**18%** 👎	10%	8%	11%	15% !	**25%** !	17%	**23%** !
USA	8%	11%	12%	5%	12%	**19%**	**16%**	**26%**
REST OF THE WORLD	37%	43%	33%	37%	39%	34%	37%	30%



Bold = top 3 attributes per country · EU outlined

👎 Mostly negative tone (≥50% of production mentions) ! Mixed tone (30–49%)

Note: share of voice counts all country mentions, whatever the role. Five languages pooled (unweighted). Each cell is the country's share of all country mentions on the attribute; the Rest of the world row collects the remaining mentions, so each column sums to 100% (most cited: United Kingdom on Design, Luxury and Heritage; Japan on Craftsmanship; Sweden on Sustainability; India on Legality). Tone measured on production mentions only (negative = negative + half of mixed; cells with at least 15 mentions). Source: TEHA elaboration on 1,613 press articles in EN, FR, ES, ZH and IT (Jan 2024 – Sep 2026).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

SEEN FROM ABROAD, ITALY STILL LEADS ON LEGALITY AND DESIGN, WHILE COVERAGE OF CHINA TURNS MORE CRITICAL

National fashion identities remain recognisable beyond domestic media, although countries differ in their ability to attract international coverage.

Excluding domestic press, Italy retains its leadership in Design and Legality, ranking second in Heritage and Craftsmanship. Similarly, France leads on Heritage and Craftsmanship, China on Luxury and the USA on Price.

Foreign coverage is more critical of China: on Sustainability and Luxury the tone turns from mixed to mostly negative (52% and 62% of production mentions), and Legality reaches 94% negative. For Italy, Legality remains mostly negative (83%), while Price improves from negative to mixed and the mixed signal on Sustainability disappears.

How the foreign press associate countries with each fashion attribute

Share of voice abroad: % of country mentions, excluding each country's own outlets

	LEGALITY	DESIGN	HERITAGE	CRAFTSMANSHIP	SUSTAINABILITY	LUXURY	INNOVATION	PRICE
ITALY	**17%** 👎	**13%**	**12%**	9%	4%	9%	4%	2% !
FRANCE	3% !	**10%**	**13%**	**12%**	8%	9%	8%	8%
SPAIN	1%	**3%**	**3%**	1%	2%	1%	**4%**	1%
CHINA	**11%** 👎	4%	2%	2%	7% 👎	**21%** 👎	7%	**18%** !
USA	5%	10%	10%	4%	10%	**18%**	**14%**	**22%**
REST OF THE WORLD	63%	60%	60%	72%	69%	42%	63%	49%

<5% · 5–9% · 10–14% · 15–19% · 20–24% · ≥25%

Bold = top 3 attributes per country · EU outlined

👎 Mostly negative tone (≥50% of production mentions) ! Mixed tone (30–49%)

Note: share of voice abroad = all country mentions (any role), 5 languages pooled, excluding for each country the articles of its own outlets. Estimate: the own-language column is fully excluded (IT for Italy, FR for France, ES for Spain, ZH for China); for English-language outlets of the same country (e.g. US, French and Italian outlets in English) mentions are reduced in the same proportion observed on production sentences. Ranking among the 5 countries tracked. Source: TEHA elaboration on 1,613 press articles in EN, FR, ES, ZH and IT (Jan 2024 – Sep 2026). Tone measured on production mentions in foreign press only (negative = negative + half of mixed; cells with at least 15 mentions); percentages show share of voice abroad; Rest of the world = remaining mentions, so each column sums to 100%

BY SUB-SECTOR, THE MEDIA LINKS EACH PART OF FASHION TO DIFFERENT ATTRIBUTES: DESIGN IN APPAREL, SUSTAINABILITY AND INNOVATION IN TEXTILES

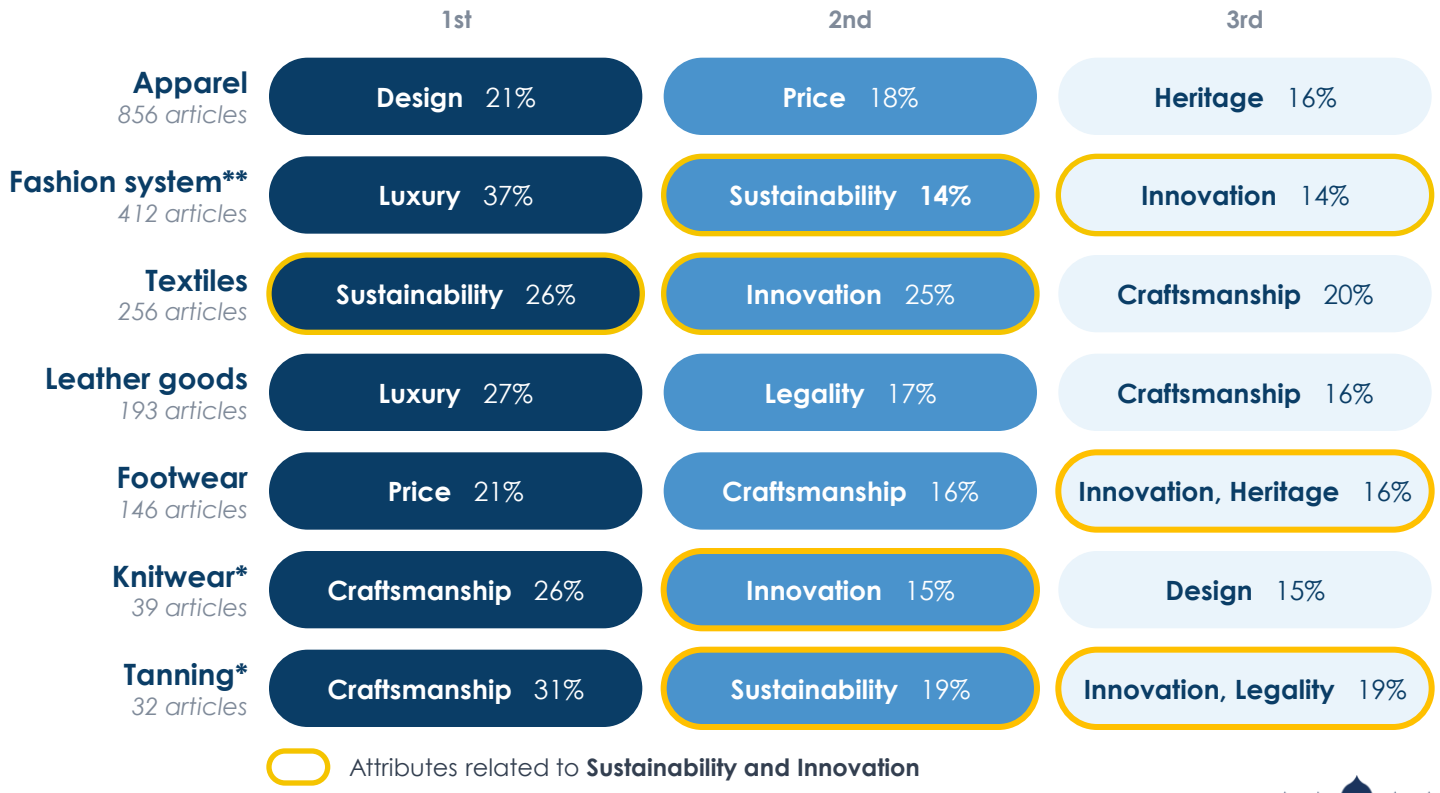
Fashion sectors reveal different drivers of value and reputation, with Italy's manufacturing strengths particularly visible in the leather value chain.

Sustainability and Innovation rank among the top 3 attributes across several sub-sectors. Their relevance is particularly evident in Textiles, where they rank first (26%) and second (25%), respectively. Sustainability also stands out in Tanning (19%) and the broader Fashion system (14%), while Innovation features prominently in Footwear and Knitwear.

Italy is the leading producer country across the leather and knitwear chain, a lead that holds in the foreign press too. Where Italy appears, the story is Craftsmanship in Footwear, Knitwear and Tanning, Design in Apparel and Innovation in Textiles. Leather goods is the exception: Legality is the top theme (25% of articles on Italian production) and the tone is split, reflecting investigations into luxury supply chains.

What each sub-sector is talked about

Top 3 attributes by share of each sub-sector's articles (worldwide, 5 languages pooled)



Note: share of each sub-sector's articles that deal with the attribute (worldwide, all press, 5 languages pooled); the corpus was collected by attribute (about 200 articles each), and sub-sectors were tagged afterwards, so an article can belong to more than one sub-sector. Ties are shown in the same cell. * Small base (fewer than 40 articles): read as indicative. ** Fashion system = articles not tied to a specific sub-sector (luxury groups, brands, shows, training). Source: TEHA elaboration on 1,613 press articles in EN, FR, ES, ZH and IT (Jan 2024 – Sep 2026).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

THE PRESS PORTRAYS EU AS THE MAIN GLOBAL PRODUCER OF HERITAGE, LUXURY AND CRAFTSMANSHIP, MUCH LESS OF INNOVATION AND SUSTAINABILITY

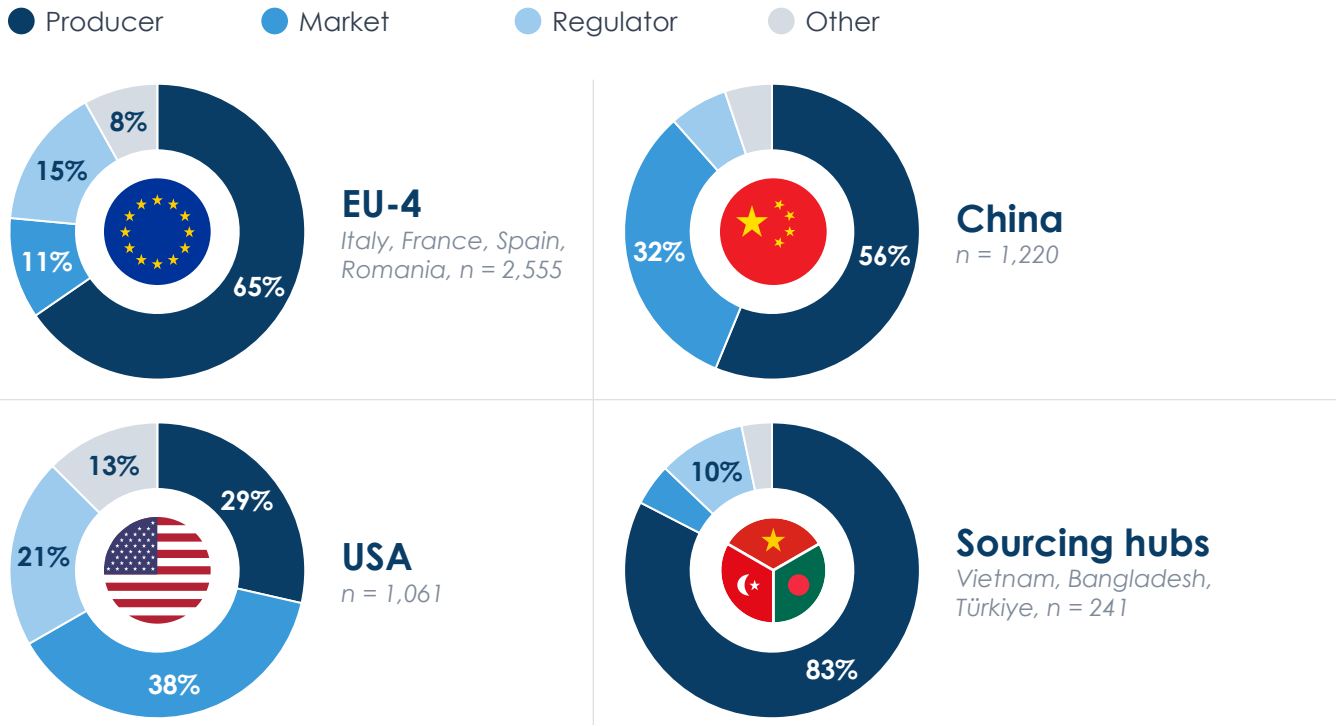
The global fashion narrative portrays Europe mainly as a place where fashion is made, while China and the USA emerge as key markets shaping global demand.

Europe is predominantly portrayed as a producer (65%), accounting for a substantial share of global production-related mentions on Heritage, Luxury and Craftsmanship. By contrast, China and the USA account for 51% of market-related mentions, highlighting their central role in driving demand. China, however, is also a major producer: it is the second most-cited country for production after Italy.

However, Europe's leadership as a producer, strong on traditional fashion attributes, does not fully extend to future-oriented ones. As producers, the EU-4 account for over 50% of global production-related mentions on Heritage, Luxury and Craftsmanship, but only 33% for Innovation and 27% for Sustainability, where other producing regions gain ground.

How each group of countries is told: producer, market or regulator

Breakdown of all mentions by country role, all attributes (5 languages pooled)



Note: EU-4 = the 4 EU countries individually tracked (Italy, France, Spain, Romania); other EU members are included in "other countries", so EU-4 figures are a lower bound for the EU. Country roles coded at sentence level; 5 languages pooled, all press. Source: TEHA elaboration on 1,613 press articles in EN, FR, ES, ZH and IT (Jan 2024 – Sep 2026).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

REGULATION IS MAINLY ABOUT LEGALITY, PRICE AND SUSTAINABILITY, WITH ITALY STANDING OUT FOR ENFORCEMENT AND THE USA FOR TARIFFS

Fashion regulation reflects distinct national priorities, with Legality, Price and Sustainability accounting for 84% of regulatory mentions.

Regulatory coverage spans Existing regulations, Proposed regulation(proposed or announced measures) and Regulatory enforcement (investigations, sanctions and application of rules).

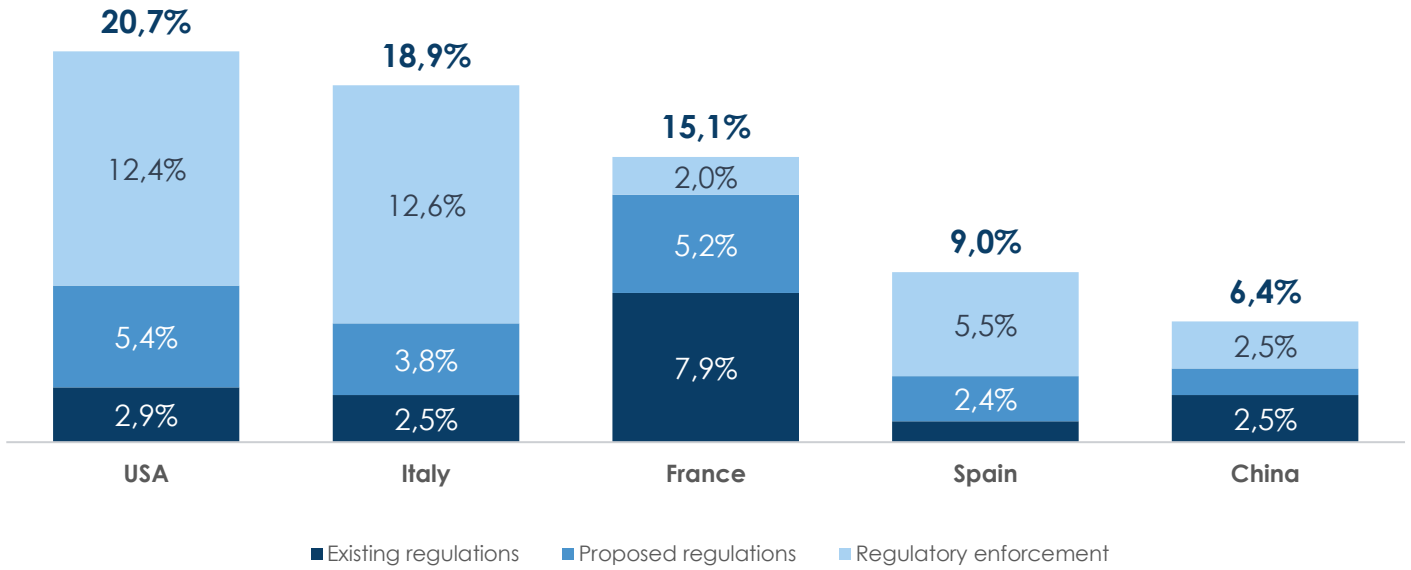
Italy stands out for enforcement (67%), particularly investigations into labour exploitation and supply chain compliance in luxury fashion. France focuses on environmental regulation, including anti-fast-fashion legislation, environmental labelling and textile waste management, with 87% of coverage concerning existing or developing rules. The USA primarily relies on trade measures (60% enforcement), including tariffs and restrictions on duty-free imports.

Regulatory activity by country and regulatory approach

Regulatory intensity, % of the country's mentions

Top 3 attributes targeted by regulatory intervention, *% of each country's regulatory sentences*

USA	Italy	France	Spain	China
Price **50%** Legality **20%** Luxury **16%**	Legality **74%** Sustainability **15%** Price **4%**	Sustainability **53%** Price **26%** Legality **8%**	Legality **54%** Sustainability **25%** Price **10%**	Legality **38%** Price **21%** Sustainability **17%**



Note: regulatory roles R1 (rules in force), R2 (policy in the making: proposals, negotiations, debates, announced tariffs) and R3 (enforcement: investigations, sanctions, seizures, applied tariffs) as coded at sentence level. 5 languages pooled, all press (including each country's own outlets). Counts reflect press coverage, not the number or effectiveness of policies; cells with few mentions should be read with caution. Source: TEHA elaboration on 1,613 press articles in EN, FR, ES, ZH and IT (Jan 2024 – Sep 2026).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

CONSUMERS ARE AWARE OF LABOUR ISSUES IN FASHION, BUT STRUGGLE TO TELL WHICH BRANDS ARE ACTING ON THEM

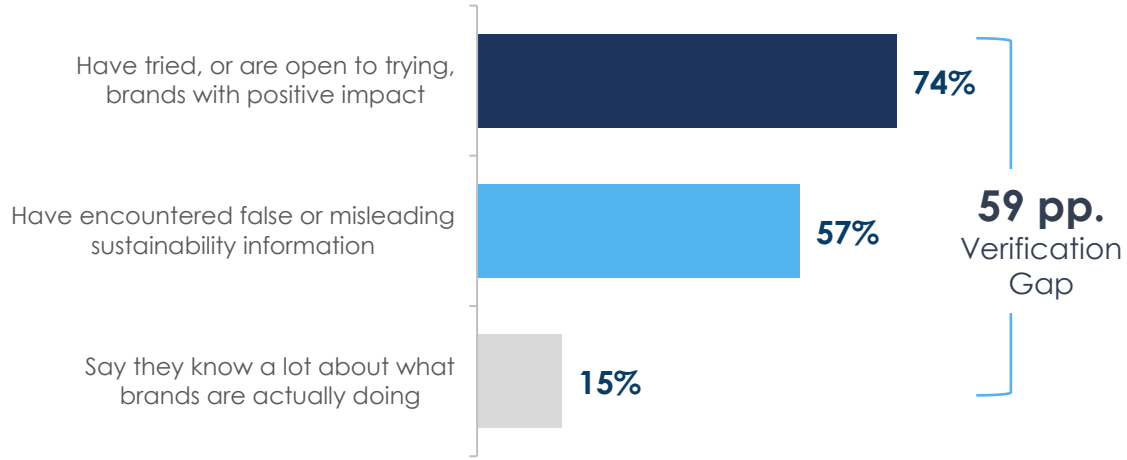
With more than 90 million garment workers worldwide, 75% of them in Asia[3], working conditions remain one of fashion's most visible social challenges. Child labour and sweatshops are among consumers' leading concerns, contributing to clothing and footwear ranking in the lowest quartile of Kantar's Sustainability Sector Index for licence to operate[1,2].

Yet knowing that problems exist is very different from knowing which companies are addressing them. Only 15% of consumers globally say they know a lot about brands' sustainability efforts, while 57% have encountered misleading sustainability information, a figure that rises to 67% in the US clothing and footwear sector.

Even remaining silent carries reputational risks, as 53% suspect brands that say nothing may be hiding something[1,2]. There is nevertheless considerable openness towards more responsible alternatives, with 74% of consumers having tried or willing to try brands with a positive impact, although environmental concerns (29%) still rank behind wars and conflicts (36%)[1].

What consumers say they can verify about brand sustainability

Share of respondents agreeing, global, 2026 (%)[1]



53% assume that a brand saying nothing is doing nothing, or hiding something[1]

Sources: (1) Kantar, Sustainability Sector Index 2026 (13,000 respondents, 12 markets, fielded November 2025); (2) Kantar, Sustainable Fashion Forum 2026 materials, drawing on SSI 2026 and BrandSustainability; (3) ILO, Advancing decent work in supply chains: textiles and clothing sector (2025)

ETHICAL CONCERNS RARELY DRIVE FASHION PURCHASES, BUT INVESTORS AND RETAIL PARTNERS CAN EXERT SIGNIFICANT PRESSURE ON BRANDS

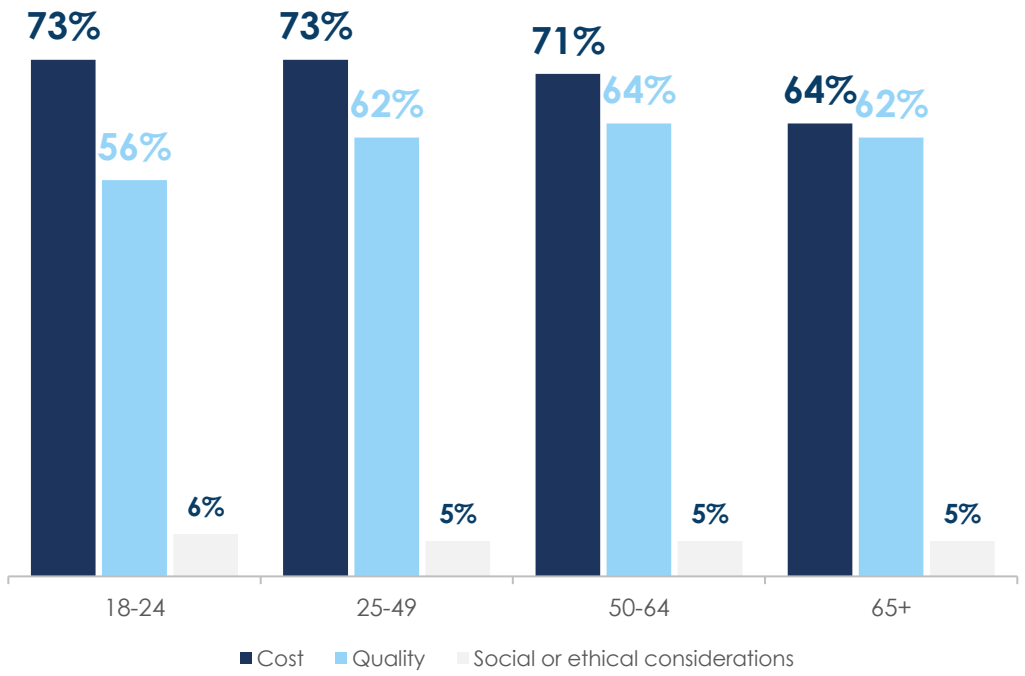
Social and ethical concerns come last in the purchase decision. In the UK, 5% of consumers put them among the 2 most important factors when choosing a product, against 64-73% for price and 56-64% for quality. Younger consumers are no different: 6% among 18-24s, 5% among the over-65s[1].

The pressure on brands comes from elsewhere. In July 2020 the Sunday Times reported on pay and conditions at Boohoo's suppliers in Leicester. The share price fell 46% in a month and recovered only partly over the following months, never returning to its pre-scandal level; Standard Life Aberdeen sold almost all of its stake within days, and Next, ASOS, Amazon, Very and Zalando stopped selling Boohoo products[2,3]. Sales did not suffer: revenue grew 41% to £1.7 billion in the year to February 2021[2].

Investors are organising around these issues. The Platform Living Wage Financials is a group of 22 financial institutions with more than €7 trillion under management, set up in 2018 to press clothing and footwear companies on wages. It now engages more than 50 companies[4].

What matters most when choosing a product

2 most important factors, by age, UK, 2025 (%)[1]



Sources: (1) YouGov, Ethical shopping: for how many consumers is it a top priority? (2025); (2) Boohoo Group, Annual Report and Accounts 2021 and FY21 results; (3) Business & Human Rights Resource Centre, Aberdeen Standard Investments statement (July 2020); (4) Platform Living Wage Financials, Annual Report 2024–2025: Living wages gain momentum on the political stage (2026)

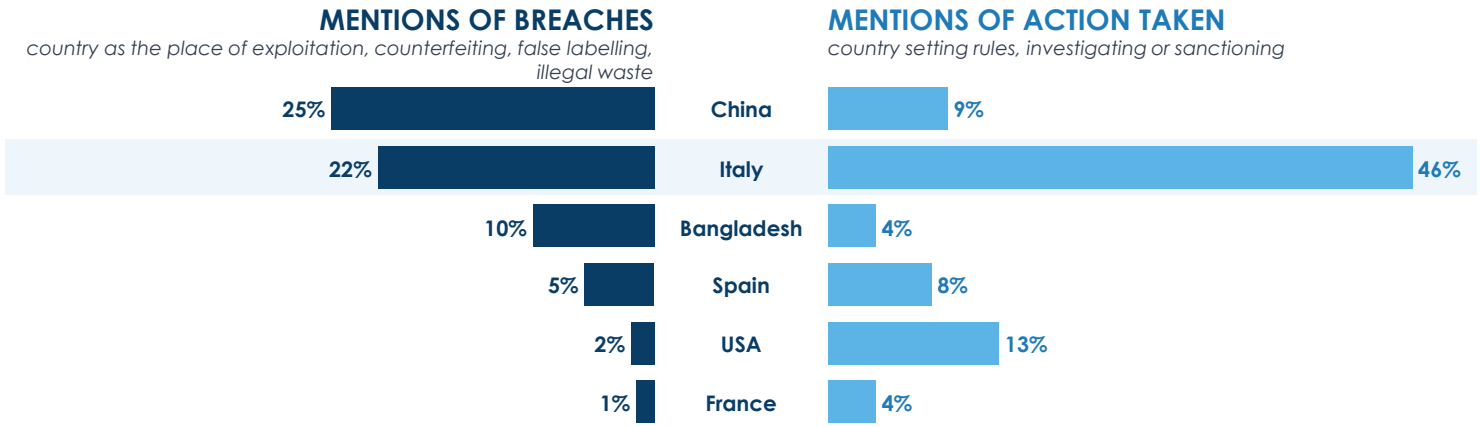
ITALY IS AMONG THE MOST EXPOSED TO COVERAGE OF ALLEGED LEGAL BREACHES, BUT ALSO THE MOST VISIBLE FOR OF ACTIONS TAKEN AGAINST THEM

Italy's Legality narrative reveals a dual reality: high media exposure to breaches, but also strong visibility for actions taken to address them.

Italy accounts for 22% of press mentions of breaches worldwide, close to China (25%) and more than twice Bangladesh (10%). The share holds outside domestic press: Italy accounts for 14% of breach mentions in foreign media. However, 55% of Italy's Legality coverage concerns regulatory action, and Italy accounts for 46% of all mentions of action taken worldwide.

Two sides of Legality: where breaches happen vs. who acts against them

Share of worldwide press mentions, by country (each column = 100% incl. other countries)



What is at stake for the Made in Italy system

Reputation	Labour exploitation is now linked to Italian luxury: the probe has extended to 13 brands, with suppliers under judicial administration.
Supply chain	Brands react by cutting subcontractors (e.g. 250 supplier contracts terminated), putting pressure on the SMEs of the production districts.
Meaning of "Made in"	Outsourcing to Chinese-owned workshops in Prato and around Milan blurs what "Made in Italy" guarantees.
Environmental credibility	Illegal exports of textile waste (4,200 tonnes seized on the Italy-Türkiye route) undermine the circularity narrative.

Note: figures count press mentions, not the number of actual breaches or actions. Read by column: each column = 100% of worldwide mentions of that type, incl. countries not shown (e.g. Italy is the place of 22% of all breach mentions and the actor in 46% of all action mentions); the two columns have different bases. Mentions of breaches = sentences naming the country as the place of the breach, with negative or mixed tone; mentions of action taken = sentences where the country sets rules, investigates or sanctions. 5 languages pooled, all press; foreign-press figures are language-balanced. Examples from article titles in the database. Source: TEHA elaboration on 1,613 press articles in EN, FR, ES, ZH and IT (Jan 2024 – Sep 2026).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

THE SAME ATTRIBUTES OF VALUE DEFINE A WIDER LIFESTYLE ECOSYSTEM, WHERE VALUE MEANS DESIGN, HERITAGE & EXPERIENCE

Fashion does not compete alone: it is the gateway to a wider lifestyle economy, where value comes from meaning as much as from function.

Sociology defines lifestyle as the set of consumption choices through which people express identity and status[1]. **Institutions** group fashion, jewellery, design and hospitality into the high-end cultural and creative industries[2], the same perimeter Altagamma represents in Italy[3]. **Markets** confirm the convergence, with fashion brands extending into home, beauty and hospitality[4].

In this study, **lifestyle sectors** are those that share the value attributes of fashion (design, heritage, craftsmanship, experience) and through which Italy projects its image abroad.

Sectors included in the lifestyle ecosystem

NACE Rev. 2 codes by sector[5]

THE LIFESTYLE ECOSYSTEM · 5 sectors sharing the same value attributes

FASHION · the scope of the Strategic Study
C13 Textiles **C14** Wearing apparel **C15** Leather goods & footwear

Tourism & Culture

N79	Travel agencies & tour operators
I55	Hotels & similar accommodation
R	Arts, entertainment & recreation

Home & Living

C31	Furniture
M741	Specialised design activities
C324	Games & toys
N772	Rental of household goods

Wellness & Personal services

C204	Soaps, detergents & perfumes
C323	Sports goods
S96	Other personal service activities

Luxury personal accessories

C321	Jewellery & bijouterie
C265	Measuring instruments & watches

Sources: (1) P. Bourdieu, La Distinction (1979); A. Giddens, Modernity and Self-Identity (1991); (2) European Commission, SWD(2012) 286 on high-end industries (2012); (3) Fondazione Altagamma; (4) BoF Insights, The Lifestyle Era: Luxury's Opportunity in Home and Hospitality; (5) TEHA elaboration on the Eurostat NACE Rev. 2 classification of economic activities.

HOME & LIVING AND LUXURY ACCESSORIES MOVE MOST CLOSELY WITH FASHION, BOTH IN THE PRESS AND IN REVENUE

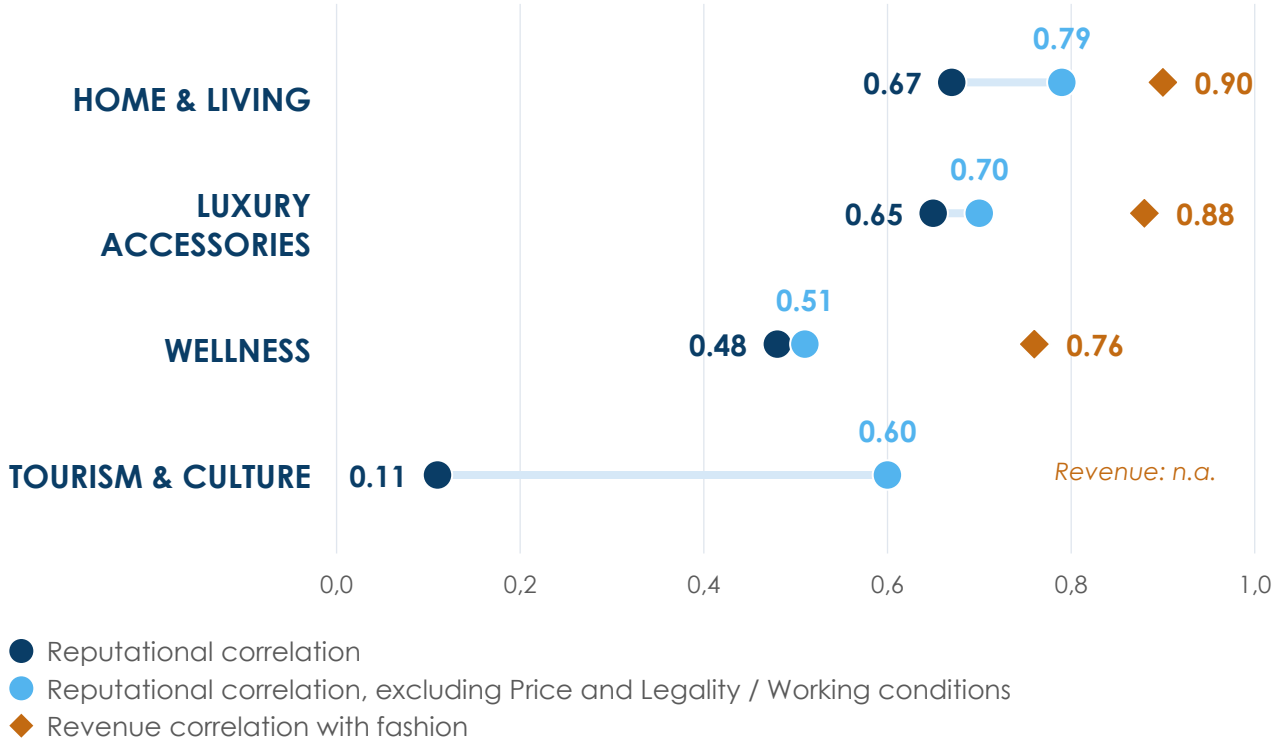
Home & Living and Luxury Accessories track Fashion most closely, both in press reputation and in revenue. In the press, Home & Living (0.67) and Luxury Accessories (0.65) lead, followed by Wellness (0.48).

Economic correlations are even stronger, reaching 0.90 for Home & Living, 0.88 for Luxury Accessories and 0.76 for Wellness. These findings highlight Fashion's role within a broader Lifestyle ecosystem, where sectors share common drivers of value, reputational strengths and interconnected economic dynamics.

Tourism's low overall alignment (0.11) is driven by Price and Working conditions, which capture sector-specific issues (travel costs and hospitality labour, dominated by the USA) rather than country identity. On the six identity-related attributes, tourism tracks fashion closely (0.60).

How closely each sector tracks fashion, in the press and in revenue

Press: correlation of the country × attribute maps · Revenue: correlation of revenue with fashion



Note: Pearson correlation on the country × attribute matrix (7 countries: Italy, France, Spain, China, USA, Vietnam, Bangladesh), share of "origin" mentions; significance by exact permutation of countries (5,040 permutations). All values p < 0.01 except tourism on all 8 attributes (p = 0.27). Accessories exclude Working conditions (no mentions for the 7 countries). Fashion = Legality; other sectors = Working conditions. Revenue: Pearson r between fashion and sector revenue; tourism & culture n.a. Source: TEHA elaboration on 2,136 English-language press articles (Jan 2024 – Sep 2026): fashion 692, home & living 375, luxury accessories 358, wellness 316, tourism & culture 395.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

ACROSS LIFESTYLE SECTORS, ITALY'S REPUTATION RESTS ON CRAFTSMANSHIP, WHILE SUSTAINABILITY AND INNOVATION REMAIN GAPS

Italy's reputation extends beyond Fashion, with Craftsmanship providing a common foundation across Lifestyle sectors, while Sustainability and Innovation remain less established strengths.

Craftsmanship is Italy's strongest common asset, ranking first or second across all 5 sectors. Fashion and Home & Living show strong alignment, with Italy leading on Luxury in both and on Design (22%) and Innovation (15%) in Home & Living. Tourism reinforces Italy's established identity, ranking first on Craftsmanship - as part of the destination's appeal - and second on Luxury, Design and Heritage. Luxury Accessories and Wellness show a more fragmented positioning, with France and Switzerland leading on several attributes.

Sustainability and Innovation remain gaps in Italy's international reputation. Italy never leads on Sustainability (best: #3 in Tourism), while Innovation ranks #4 or lower outside Home & Living.

Italy's rank and share of voice by attribute, across lifestyle sectors

Rank among all countries cited · % of country mentions on the attribute (sector = 100%)

Fashion most talked attributes	Home & living	Luxury accessories	Wellness	Tourism & culture
2° Design	#1 · 22%	#6 · 4%	#11 · 2%	#2 · 10%
3° Heritage	#3 · 15%	#4 · 12%	#7 · 5%	#2 · 8%
4° Craftsmanship	#1 · 15%	#2 · 15%	#2 · 13%	#1 · 15%
5° Luxury	#1 · 22%	#3 · 7%	#6 · 5%	#2 · 10%
6° Sustainability	#4 · 8%	not cited	#7 · 4%	#3 · 5%
7° Innovation	#2 · 15%	#9 · 2%	#7 · 4%	#4 · 6%
Price *No relevant correlation found*	#12 · 2%	#8 · 2%	#12 · 2%	#3 · 7%
1° Legality *No relevant correlation found*	#7 · 5%	not cited	not cited	#4 · 5%

#1 | #2–3 | #4–6 | #7 or lower

Note: share of "origin" mentions (the country as protagonist of the attribute), Italy's rank among all countries cited in each sector (not only the tracked ones). Fashion: English-language subset of the 1,613-article corpus, for comparability with the other sectors (all EN); Legality in fashion corresponds to Working conditions in the other sectors. Wellness covers beauty, spa and sport. Source: TEHA elaboration on 2,136 English-language press articles (Jan 2024 – Sep 2026).

Longer summers and later winters are pulling demand away from the traditional seasonal calendar. Collections, deliveries and materials will need to follow the weather, not the season.

01 LONGER SUMMERS, LATER WINTERS

Europe's fashion capitals could gain **34 summer-like days a year** on average by 2050 (up to 42 in Paris), and cold weather is set to arrive 13–18 days later, yet **46%** of coat imports still land in August–October.

02 WEATHER ALREADY MOVES SALES

A **+5°C** temperature variation cuts coat sales by 9% and lifts light garments by 11%. In France, temperature explains **over half** of the seasonal swings in apparel sales.

03 FIBRES ARE SHIFTING

Wool's share of EU knitwear imports has **nearly halved** since 2012, to 2.4%. Climate explains **about a third** of the swings in wool demand.

WITH UP TO 42 MORE SUMMER-LIKE DAYS A YEAR, EUROPEAN FASHION CAPITALS ARE WARMING FASTER SINCE THE MID-2000S

Since 1990, summers at midlatitudes have lengthened by approximately 6 days per decade, beginning earlier in the year and extending further into autumn[1].

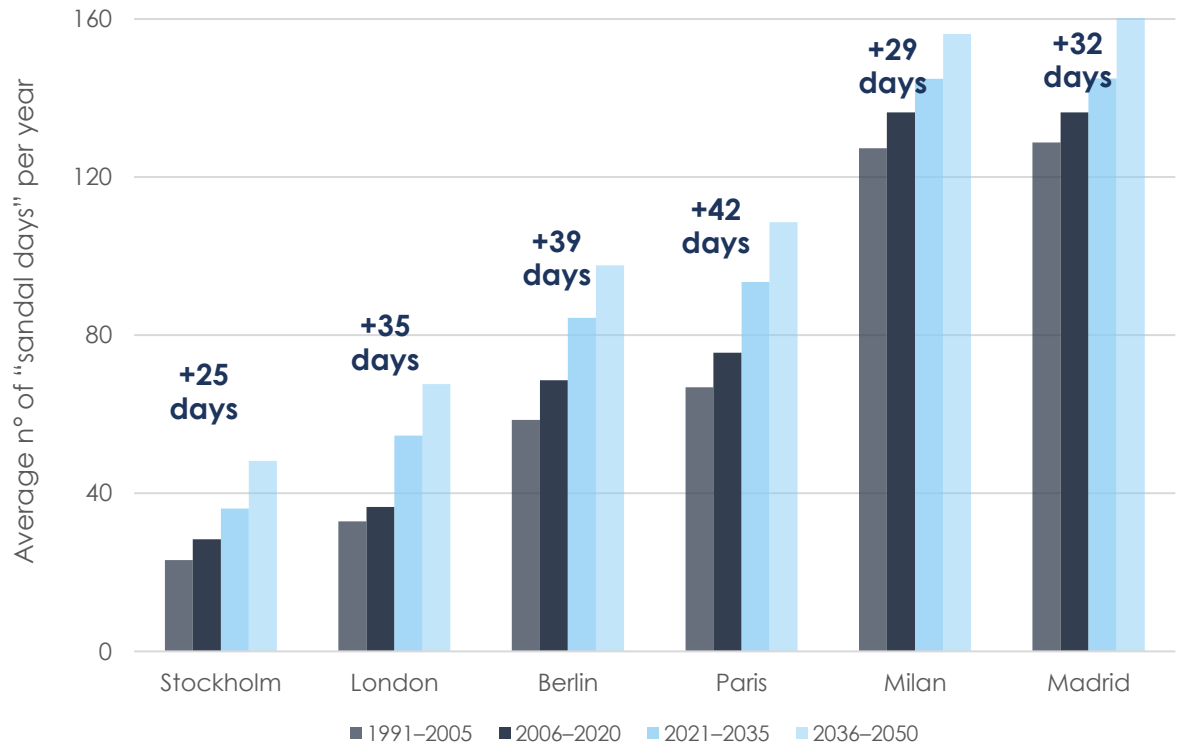
The same pattern can be observed across Europe's major fashion capitals, where the number of days with average temperatures above 18°C has increased since the early 1990s and is projected to continue rising.

By 2036–2050, Paris could experience 42 additional summer-like days annually (+63%) compared with 1991–2005, while London and Stockholm could see their number more than double[2]. The pace of change has also accelerated, particularly in Berlin, London and Paris, where the 2021–2035 period adds 16–18 days compared with 2006–2020.

Climate projections suggest that this trend will continue through mid-century, with a further increase of 12–16 days across the cities analysed, except Milan, where the projected increase is 11 days[2].

"Sandal days" per year in European fashion capitals

*15-year averages, 1991–2050 (days)[2]**



Sources: (1) Scott, White & Donner, Summers over land and ocean are becoming longer, transitioning faster, and accumulating more heat, Environmental Research Letters (2026); (2) TEHA Group elaboration on Copernicus ERA5 and CMIP6 HighResMIP data (via Open-Meteo), 2026. *Sandal day: day with daily mean temperature of at least 18 °C. 2021–2035: observed data up to 2025, projections from 2026. Projections: 3 CMIP6 models, high-emission scenario (SSP5-8.5); shaded band = range across models.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

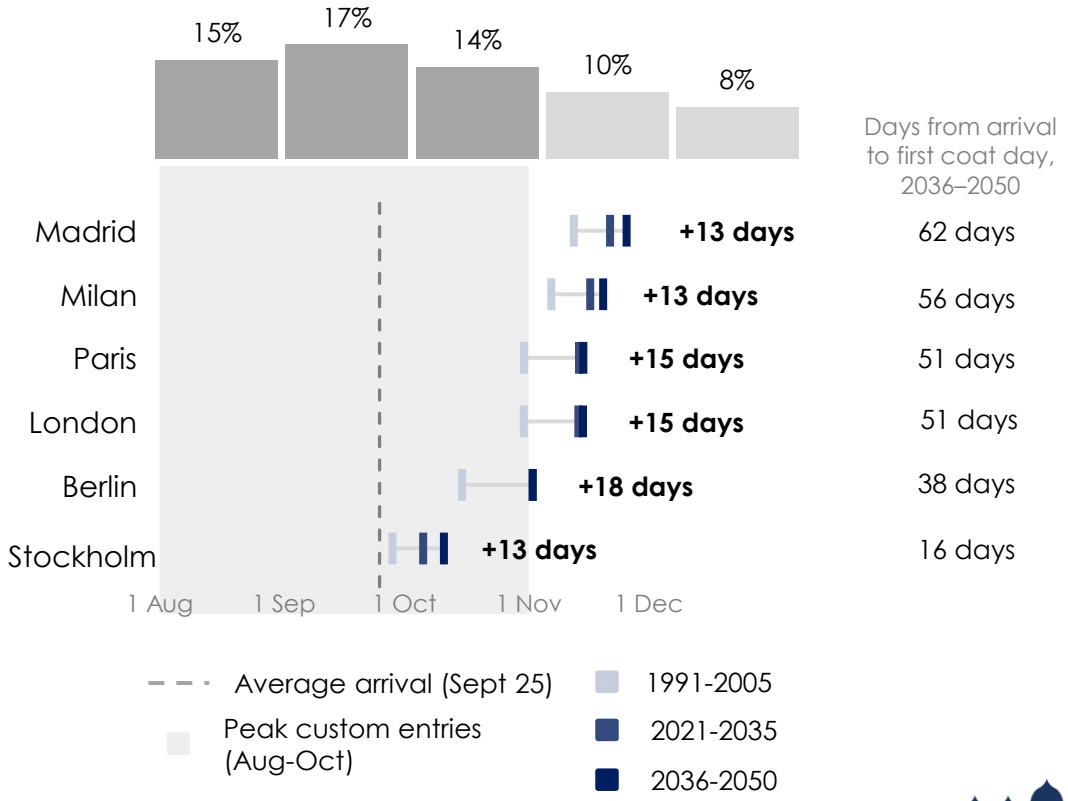
WINTER COATS ARE REACHING EUROPEAN MARKETS INCREASINGLY EARLY, AS COLDER WEATHER SHIFTS TOWARDS THE END OF THE YEAR

With European winters arriving progressively later, fashion's traditional delivery calendar is becoming increasingly disconnected from the weather. By 2036–2050, the first sustained cold weather is projected to arrive 13–18 days later than in 1991–2005, potentially shifting the beginning of winter to mid-November in London and Paris and late November in Madrid[1]. At the same time, 46% of extra-EU coat imports continue to arrive between August and October, with deliveries peaking in late September[2].

If these patterns persist, winter collections could reach stores almost two months before temperatures create a real need for heavier clothing in Madrid and Milan[1,2]. The consequences are already becoming visible in retailers' performance. During the unusually warm autumn of 2023, delayed demand for heavier garments contributed to weaker sales at a major fast-fashion group, whose net sales declined 4% between September and November[3]. With European regulations also restricting the destruction of unsold apparel[4], adapting production to changing weather conditions is increasingly important.

When winter coats arrive in EU vs the first coat day[1,2]

Selected European cities, 15-year averages, 1991–2050



Source: (1) TEHA Group elaboration on Copernicus ERA5 and CMIP6 HighResMIP data (via Open-Meteo), 2026; (2) TEHA Group elaboration on Eurostat Comext data, 2021–2025; (3) Modern Retail (2024); (4) Regulation (EU) 2024/1781 (ESPR).*First day from 1 August with 7-day average temperature below 10 °C for at least 10 days. Average arrival: weighted mean of monthly extra-EU coat imports (HS 6201–6202), Jul–Dec 2021–2025, assumed constant. Cities ranked by days from arrival to first coat day, 2036–2050. Berlin: 2021–2035 and 2036–2050 coincide (2 November). Projections: average of three CMIP6 models, SSP5-8.5.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

WHEN THE WEATHER RUNS 5°C WARMER THAN USUAL, COATS SELL 9% LESS AND LIGHT GARMENTS 11% MORE…

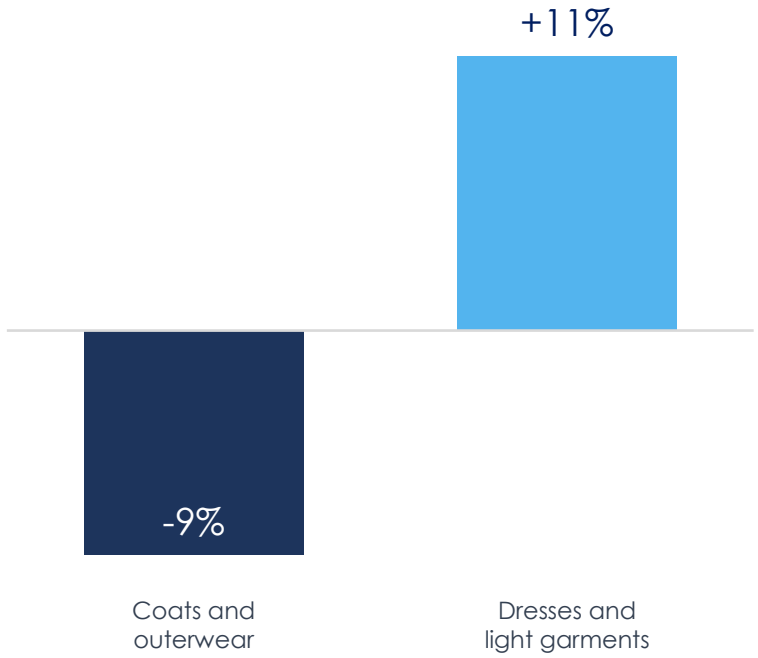
The relationship between weather and fashion sales is already measurable at product level. A study covering 98 stores across Italy, Spain, France and Germany found that temperatures 5°C above seasonal norms reduce coat sales by approximately 9%, while increasing dress sales by 11%[1].

These fluctuations are becoming more relevant as unusually warm conditions occur more frequently. In 2024, 45% of days in Europe were classified as much warmer than average, compared with the 10% expected under the historical reference distribution. The following year, Europe recorded just 117 days of strong or more severe cold stress, the lowest figure since 1950, compared with an average of 146 days during the 1950s[2].

Fashion companies are increasingly recognising the impact of unusual weather on sales. References to "unseasonable weather" in apparel companies' financial filings increased from just 9 in 2019 to 72 in 2023"[3]. In Italy, unusually warm temperatures in September 2023 led consumers to postpone purchases of autumn and winter clothing. Fashion retailers reported a 6% decline in sales, equivalent to an estimated €320 million in lost revenue[4].

What a warm spell does to what people buy

Change in units sold per visitor, +5°C vs the seasonal norm (%)[1]



Sources:(1) Martínez-de-Albéniz V., Belkaid A., Here comes the sun: Fashion goods retailing under weather fluctuations, European Journal of Operational Research 294(3) (2021); (2) TEHA elaboration on Copernicus C3S, European State of the Climate 2025, Figure 5.4 underlying data (ERA5-HEAT), "Europe" = WMO Region VI; days much warmer than average from C3S, ESOTC 2024, Temperature (E-OBS; above the 90th percentile of 1991-2020); (3) GlobalData via Just Style, Signal: Unseasonable weather impacts European apparel brand results (22/11/2023); (4) Federazione Moda Italia–Confcommercio, Survey of member fashion retailers on September 2023 (Oct. 2023)

…AND IN FRANCE, TEMPERATURE ALONE EXPLAINS MORE THAN HALF OF THE SWING IN APPAREL SALES

On 30 years of French monthly apparel sales, temperature anomalies alone explain 52% of how far spring sales depart from their seasonal norm, and 58% in autumn, with the temperature effect significant at the 99% confidence level[1].

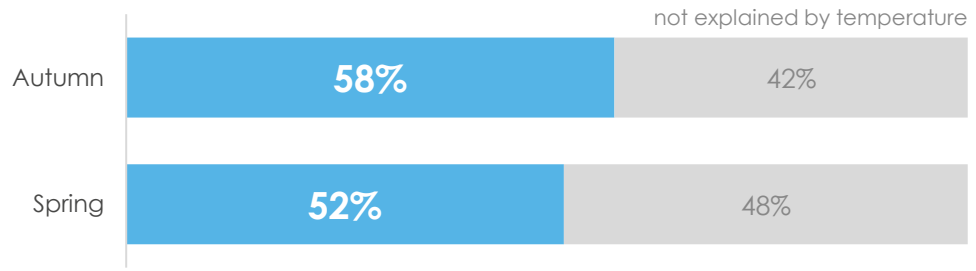
Removing the weather effect cuts the standard deviation of the month-on-month change from 5.7% to 3.9%[1].

The effect runs through every distribution channel, including distance selling, where the customer buys from home: a warm autumn costs hypermarkets 3.5% of sales for each degree above normal, and catalogue sales 1.6%[1]. Nor does the web make up for it: in US store-level data, the weather that depresses shop sales does not lift the same retailer's website[2].

Italy has already paid the bill. Retailers put the loss at €320 million in September 2023 alone, with clothing sales down 6% in the month; in autumn 2025, 30% of Italians bought fewer winter garments against 18% who bought more, 38% in the South against 25% in the North[3,4].

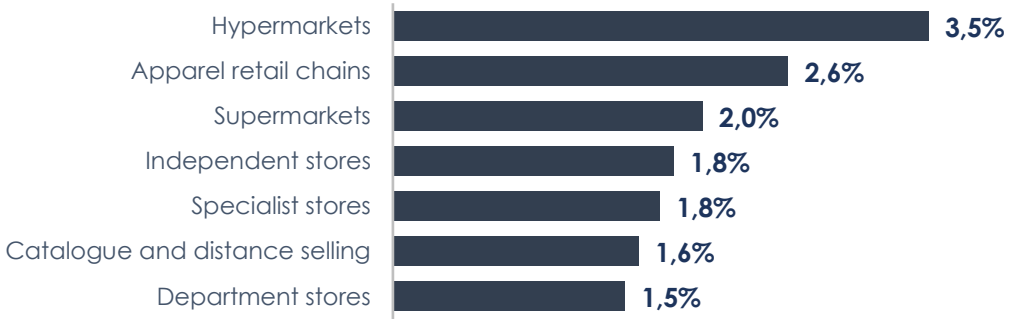
How much of the swing in sales temperature accounts for

Deviation from normal seasonal sales explained by temperature, France (%)[1]



A warm autumn costs sales in every channel

Apparel sales lost for each 1°C above the seasonal norm, by channel, autumn, France (%)[1]



Sources: (1) Bertrand J.-L., Brusset X., Fortin M., European Journal of Operational Research, 244(1), 2015; (2) Roth Tran B., Sellin' in the Rain: Weather, Climate, and Retail Sales, Management Science, 69(12), 2023; (3) Federazione Moda Italia–Confcommercio, Survey of member fashion retailers on September 2023 sales (Sondaggio sulle aziende associate, vendite di settembre 2023), Oct. 2023; (4) Fismo-Confesercenti, autumn 2025 monitoring, published Sept. 2026.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

THE LIGHTER THE CLOTHES PEOPLE BUY, THE LESS TIME GOES INTO MAKING THEM, A SHIFT THAT WARMING COULD ACCELERATE

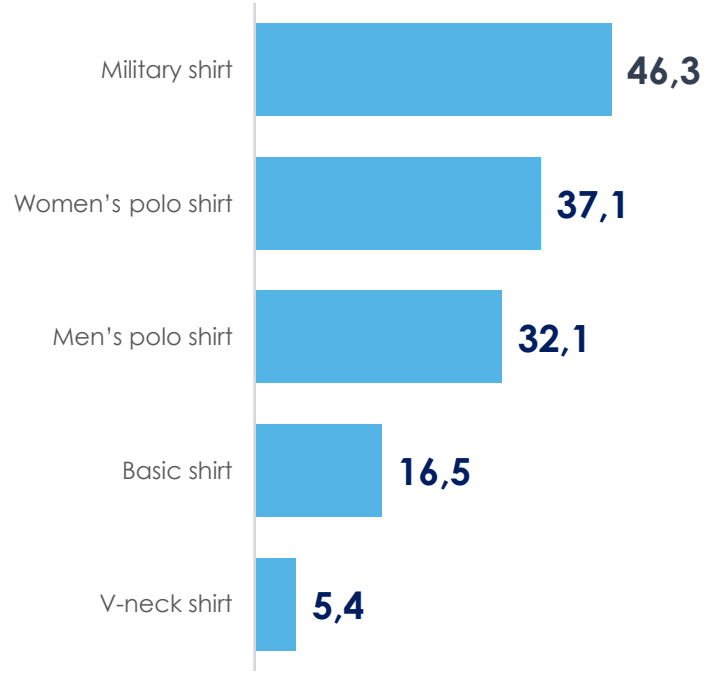
For much of human history, clothing served primarily as protection against cold weather, before gradually acquiring more complex social and cultural functions. The invention of the eyed needle approximately 40,000 years ago made it possible to produce more tailored and layered garments, marking an important step in the evolution of clothing construction[1].

This complexity continues to have a direct impact on manufacturing costs. A study of garment production found that the standard labour time required to make a V-neck shirt was 3.8 minutes, compared with 23.3 minutes for a military shirt. Actual production times showed an even wider difference, ranging from 5.4 to 46.3 minutes[2].

As warmer temperatures gradually reduce the need for heavy insulation and multiple layers, some of the complexity traditionally associated with garment construction could shift towards material performance. Fabrics capable of regulating temperature and providing comfort with fewer layers may become increasingly relevant, potentially changing both product design and manufacturing requirements.

How much work goes into one shirt

Minutes actually worked per piece, 1 plant, 5 products[2]



Sources:(1) Elaboration on I. Gilligan, Palaeolithic eyed needles and the evolution of dress, Science Advances (2024), DOI 10.1126/sciadv.adp2887; (2) M.A. Abtew et al., Statistical Analysis of Standard Allowed Minute on Sewing Efficiency in Apparel Industry, Autex Research Journal (2019), DOI 10.2478/aut-2019-0045: 25-day time study, Almeda Textile PLC, Ethiopia; standard work content = reported sewing efficiency × minutes per piece.

IMPORTS SHOW INTEREST IS DRIFTING AWAY FROM FIBRES THAT KEEP PEOPLE WARM, WITH WOOL HALVING ITS SHARE OF EU KNITWEAR

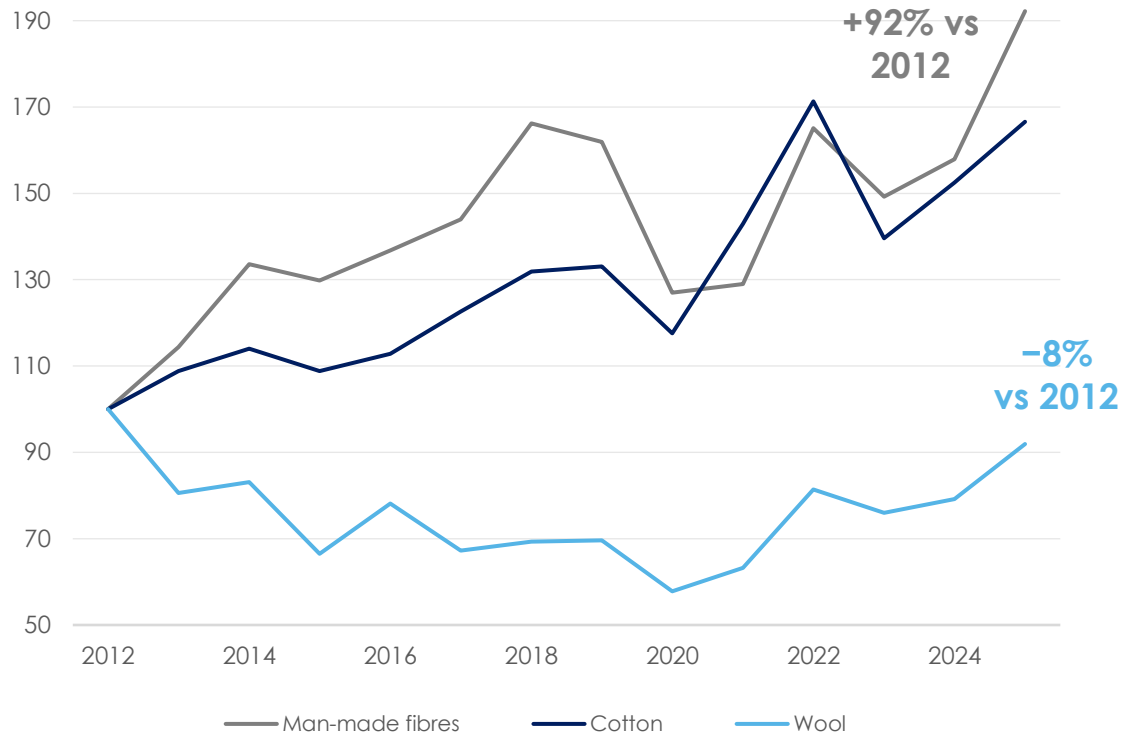
Between 2012 and 2025, EU knitwear imports grew on cotton and man-made fibres. Imports of man-made fibres rose 92% in volume and cotton 67%, while wool fell 8%. Wool did not collapse so much as fail to take part in the growth: its share of total knitwear imports almost halved, from 4.6% to just 2.4%[1]

In US dollar terms wool fell 17% between 2012 and 2025 and cotton fell 13%, leaving the wool-to-cotton ratio essentially where it started, at around six to one[2] - so the change in share is not explained by a change in relative price. Wool also remains significantly more expensive than competing fibres, costing around 6 times as much as cotton and 14-16 times as much as Chinese polyester staple fibre. The gap widened further in 2026, after the period measured here, as Australian wool prices rose by around 60% over the 2025/26 season[3].

Yet wool retains a distinctive advantage: its demand tends to increase in colder years, with a correlation of +0.59 between wool consumption and heating degree days[4]. However, this weather-related demand has not been enough to offset the long-term shift towards cheaper fibres.

Wool is the only fibre not taking part in the growth

EU knitwear imports by fibre, volume (2012 = 100)[1]



Sources: (1) TEHA elaboration on Eurostat Comext, DS-045409, EU27 imports from extra-EU27 by weight, extracted 16/09/2026: HS 6110 and subheadings 611011 (wool), 611020 (cotton), 611030 (man-made). (2) IMF Primary Commodity Prices via FRED, annual averages in USD: wool, coarse (23 micron, AWEX spot); cotton (Cotlook A Index, CIF Liverpool); polyester staple fibre, China spot, June 2026; quoted at different chain stages and delivery points, so ratios are orders of magnitude, not like-for-like prices. (3) Australian Wool Innovation, Beyond the Bale, no. 106 (2026): AWEX Eastern Market Indicator, 2025/26. (4) Pearson's r vs Eurostat heating degree days (nrg_chdd_a), EU27, 2012-2025; association, not causation.

Section II
Readiness

Section's Key Messages Overview

2.1. Outlook on the EU policy agenda
The simplification of sustainability standards is leading to delays or revisions that affect governance more than they do the product itself. The number of standards is increasing over time, but with limited financial resources to support them.

2.2. Italian Supply Chain
Italian suppliers face the transition with thinner margins and still treat sustainability and innovation as separate agendas. Yet, where the two are managed together, innovation becomes more disciplined and measurable.

2.3. Consumer trends and the shifting perception of value
Fashion consumption is moving toward volume and low prices, while luxury loses its middle. Concern for sustainability is rising, but it still struggles to shape what people buy.

The simplification of sustainability standards is leading to delays or revisions that affect governance more than they do the product itself. The number is increasing over time, but with limited financial resources to support them.

01 A DENSE, SHIFTING RULEBOOK

New ESG policies in the EU and Italy rose from 7 a year before 2020 to **over 30 a year** since. Only **8 of the 15** EU rules specifically targeting fashion remain on schedule.

02 RULES, NOT RESOURCES

Over **8 in 10** policies set obligations. Only **4 of 84** circular economy measures provide resources, and just 1 in supply-chain transparency does so.

03 DATA AS A BUSINESS ASSET

Origin, supplier and composition data feed **9 of 14** EU fashion rules, yet only **28%** of CSRD reporters draw significant value from their reporting.

OVER 300 NEW ESG POLICIES SINCE 2010 HAVE MADE THE ESG-RELATED LANDSCAPE INCREASINGLY COMPLEX IN THE EU AND IN ITALY

According to the TEHA ESG Policy Tracker, since 2010, the EU and Italy have adopted or proposed 304 sustainability-related policies, 205 at EU level and 99 at national level. Over 75% of them were issued after 2019: the annual average rose from 7 in 2010-2019 to over 30 a year since 2020.

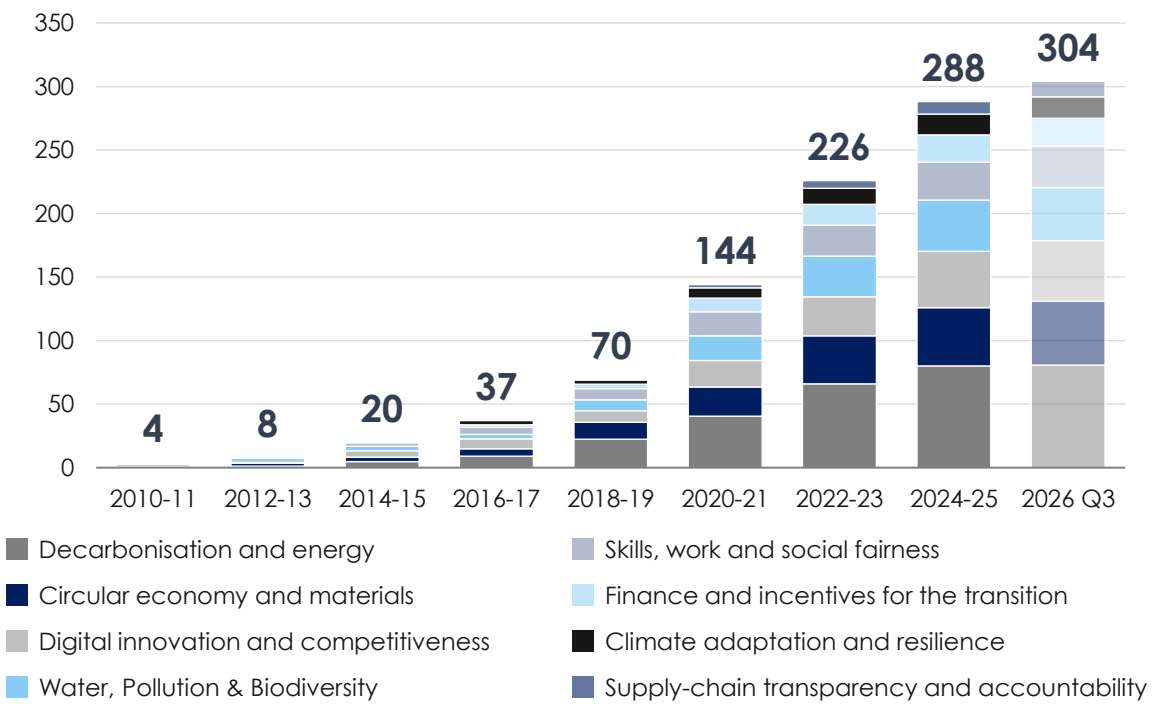
In the last 4 years, the share of measures on supply-chain transparency has more than tripled, while circular economy has held at about 1 in 6. Rules are shifting to how products are designed, labelled and disposed of, and to supply chains.

Complexity comes from overlap as well as volume: more than 4 in 10 policies touch 2 or more thematic areas. The Ecodesign Regulation alone spans circularity, chemicals, digital product passports and supply-chain data.

Regulatory uncertainty is a further challenge. Since 2024 the pace has slowed as the EU shifted towards simplification. The Omnibus packages amend rules already in force; yet key files – from the Circular Economy Act to the universal PFAS restriction – are still open[1].

TEHA ESG Policy Tracker – New policies and legislation by topic

N. of EU and Italian ESG-related policies and legislation, cumulative every 2 years (2010-2026 Q3)[1]



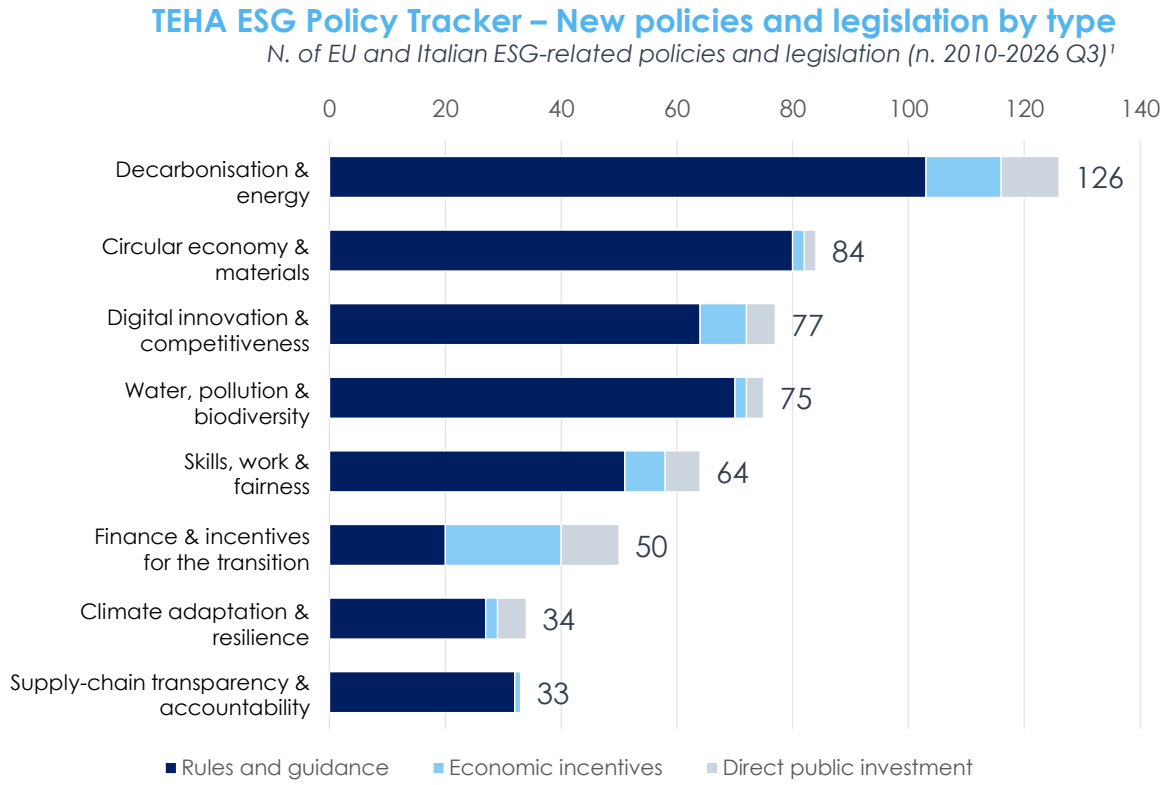
Source: (1) TEHA Policy Tracker, 2026. The TEHA ESG Policy Tracker is a TEHA database of ESG policies and legislation adopted or proposed by the EU and Italy: 308 acts from 2000 to September 2026, 304 of them since 2010. It covers binding acts, non-binding acts, and legislative proposals, each classified by thematic area, legal nature and policy instrument. Each policy is split equally across its topics, so columns add up to the number of policies. Years refer to the latest version of each act; 2026 = January-September. Legislative proposals are included.

MORE THAN 8 IN 10 POLICIES SET RULES RATHER THAN RESOURCES, AND SUPPORT FOR CIRCULARITY AND SUPPLY-CHAIN TRANSPARENCY IS ALMOST ABSENT

Policies can steer the transition by setting rules, or by providing resources. Rules prevail, with at least 79% of policies in every cluster except finance, and the imbalance is sharpest where fashion is most exposed. Only 4 of the 84 circular economy measures provide resources, and just 1 in supply-chain transparency. The trend is not improving: of the circular measures dated 2022 or later, only 1 provides resources. Where support exists, it comes mostly from general programmes, and from national budgets, with Italy accounting for almost 75% of resource-providing measures[1].

Member States can also act through taxation. Italy has used it repeatedly to support industrial investment, from Transizione 5.0 to the 2026-2028 Iperammortamento, both rewarding companies that invest in new, more efficient equipment[2].

For fashion companies, the transition therefore arrives mainly as obligations set in Brussels, while sector-specific support comes from national measures, such as Italy's €15 million grant programme for textile, fashion and accessories SMEs, which includes support for digital traceability and environmental certifications[3].



Sources: (1) TEHA Group elaboration on EU and Italian policy database (2026). Policies issued from 2010, proposals included; fiscal incentives (7 acts, all national) excluded from the chart. Each policy is assigned to its prevailing instrument; a policy can belong to more than one cluster, so column totals exceed the number of policies. (2) Italian Government, Decree-Law 2 March 2024 no. 19, art. 38 (2024); Law 30 December 2025 no. 199, art. 1, paragraphs 427-436 (2025). (3) Ministry of Enterprises and Made in Italy, Interministerial Decree of 8 August 2024 implementing Law 27 December 2023 no. 206, art. 11(2) (2024).

EU AND ITALIAN ESG POLICY COMBINES BINDING AND SOFT LAW IN BALANCE, WITH MORE OBLIGATIONS ON SUPPLY CHAINS AND FEWER ON DIGITAL

In an uncertain and fast-changing regulatory environment, soft law (strategies, action plans and guidelines) shows companies how binding rules (hard law) will be applied and which ones will follow. Soft law signals early where policy is heading; hard law sets what companies must do and by when. **A balance between the two kinds helps companies find their way. Across adopted EU and Italian policies, the balance accounts for around 56% of the total[1].**

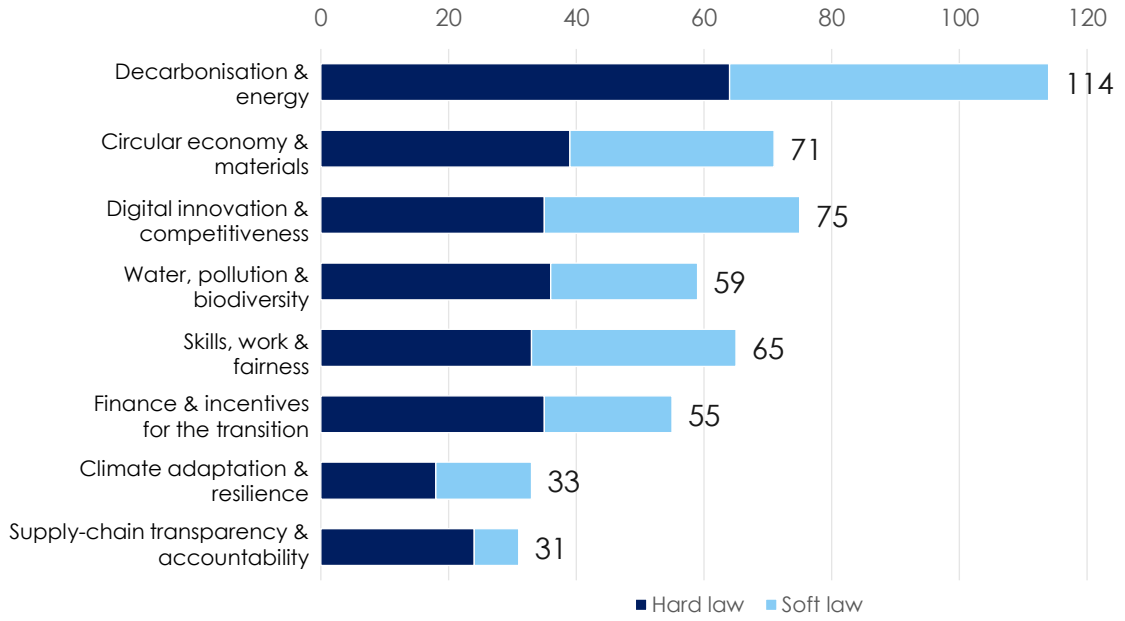
Supply-chain transparency stands out at 77%: reporting, due diligence, the forced labour ban and deforestation-free products become direct obligations for companies and their suppliers, beyond EU borders. It is also where fashion faces growing judicial scrutiny[2].

Digital innovation is the only cluster where soft law prevails (53%): innovation cannot be imposed by law, so strategies and incentives drive it, while binding acts, from the AI Act to the Data Act, set rules on its use. **In circular economy and social issues more than 4 in 10 measures are still soft law, which often anticipates obligations**[1].

TEHA ESG POLICY TRACKER – NEW POLICIES AND LEGISLATION BY LEGAL NATURE

N. of EU and Italian ESG-related policies and legislation (n. 2010-2026 Q3)[1]

LEGISLATIVE PROPOSALS ARE EXCLUDED



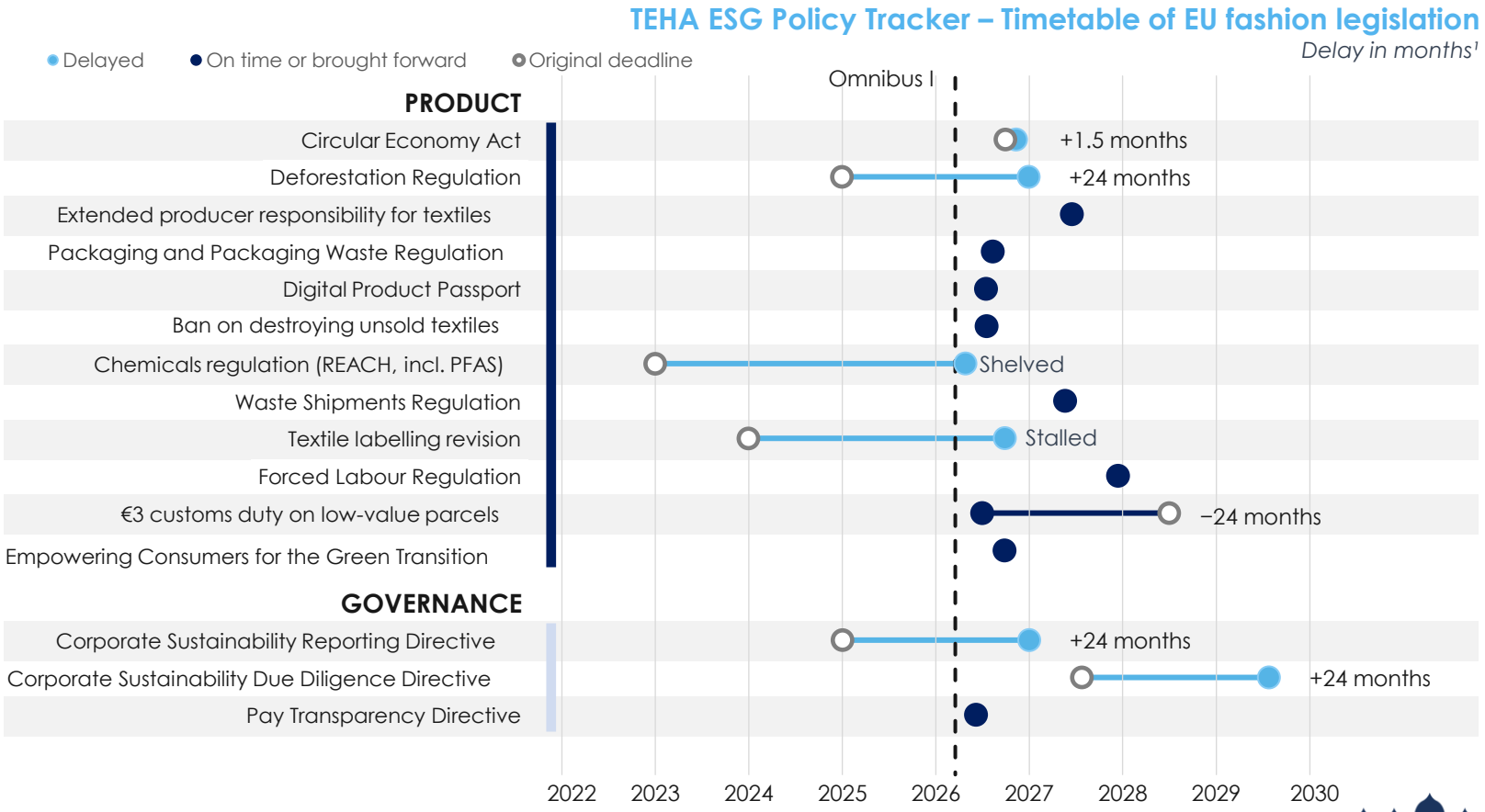
Sources: (1) TEHA Group elaboration on EU and Italian policy database (2026). Adopted policies issued from 2010 (264): proposals excluded, fiscal incentives included. Shares in the text count each policy once; a policy can belong to more than one cluster, so column totals exceed the number of policies. (2) Court of Milan, Preventive Measures Section, judicial administration orders on five fashion companies (2024-2025).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

SIMPLIFICATION HAS HIT GOVERNANCE HARDER THAN PRODUCT, WITH 2 OF 3 GOVERNANCE RULES SLIPPED BY 2 YEARS

Of the 15 EU rules most relevant to fashion, only 8 remain on schedule: 6 have been delayed, stalled or shelved and only the end of the customs exemption for low-value parcels has been brought forward.

Sustainability reporting and due diligence were postponed by 2 years and their scope narrowed, with about 80% of companies leaving the reporting obligations[1], while the deforestation regulation was postponed twice and lost leather from its scope. Ecodesign requirements for textiles, the core of the 2022 Textiles Strategy, are not expected before 2027[2]. Simplification goes beyond sustainability: Omnibus I is one of 12 packages proposed, from defence to digital and agriculture[3].



Sources: (1) European Commission, Commission Staff Working Document accompanying the Omnibus I proposal, SWD(2025) 80 (2025); (2) TEHA Group elaboration on official EU documents, including the ESPR Working Plan 2025-2030, COM(2025) 187 (2026); (3) European Commission, Simplification: omnibus proposals January 2025-June 2026 (2026)

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

WHERE NON-EU PLAYERS LAG BEHIND, EU RULES CAN TURN EARLY COMPLIANCE INTO AN ADVANTAGE, BUT ONLY IF IMPORTS PLAY BY THE SAME RULES

Using the TEHA ESG Policy Tracker, the 13 adopted EU rules most relevant to fashion were scored on the burden they place on EU companies and on the readiness of non-EU players, measured by whether similar rules apply in key production countries and markets.

A level playing field is emerging on chemicals, packaging, waste and labelling. **A competitive shield, where EU burden is high relative to foreign readiness, covers 4 rules: the DPP, due diligence, the forced labour ban and textile EPR.**

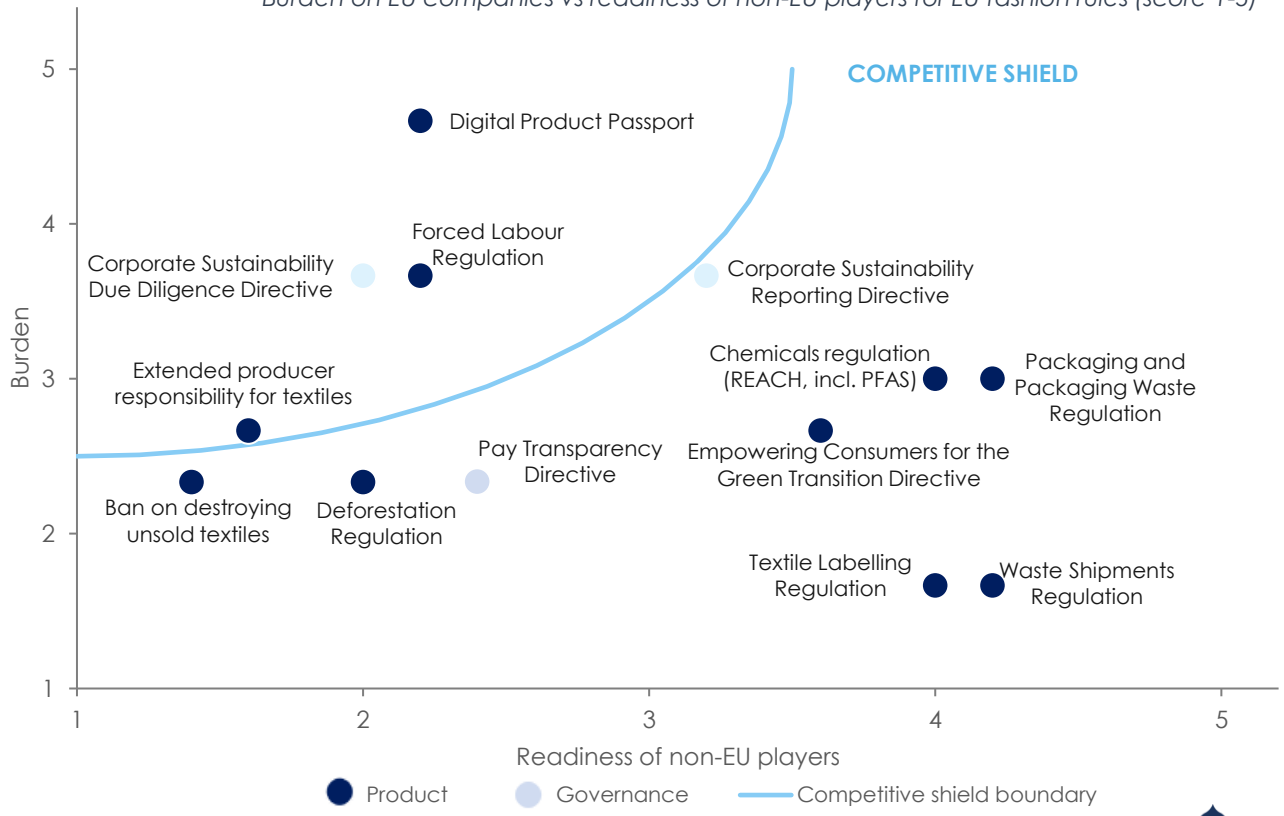
Three require deep supply-chain data, and only 7% of textile firms in production countries use interoperable data standards[2].

To consolidate the shield, the EU now should focus on enforcement[3]: customs, market surveillance and, once its textile rules apply, the DPP may represent leverages to act on but should match the actual control capacity.

The €3 duty on these parcels, in force since July 2026, is one of these tools, due by design from non-EU sellers[4].

TEHA ESG Policy Tracker – Competitive Shield Matrix

Burden on EU companies vs readiness of non-EU players for EU fashion rules (score 1-5)[1]



Sources: (1) TEHA Group elaboration on EU legislation and national rules of China, Bangladesh, Türkiye, India, Vietnam, Egypt, Pakistan, United States, United Kingdom and Japan (2026); (2) UNIDO, Digital Product Passport Readiness Assessment Study for the Textile Industry in the Global South (2025); (3) European Commission, A comprehensive EU toolbox for safe and sustainable e-commerce, COM(2025) 37 (2025); (4) European Commission, Guidance and legal text on temporary flat fee on low-value imports (2026). Note: The Circular Economy Act has no legislative proposal yet and cannot be scored. The €3 customs duty on low-value parcels is excluded, as its burden falls by design on non-EU sellers.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

METHODOLOGY: 14 EU RULES AND 10 COUNTRIES ANALYSED TO MEASURE WHERE EU RULES SHIELD EUROPEAN FASHION

Approach and scope

The analysis measures whether EU rules relevant to fashion give European companies a competitive edge over non-EU players. It covers 14 rules adopted or in force, on products and on company governance. Each rule is scored on 2 dimensions: the burden it places on EU companies and the readiness of non-EU players, measured as the presence of equivalent rules in 10 countries. 7 are production countries the EU imports from (China, Bangladesh, Türkiye, India, Vietnam, Egypt, Pakistan) and 3 are competing markets (United States, United Kingdom, Japan). Scores are based on 139 sources: 14 EU legal acts, 113 national laws, regulations and official documents, and 12 studies (e.g. European Parliament, UNIDO, Chatham House).

Metrics

Readiness: each country is scored 2 if a mandatory equivalent is in force, 1 if partial or in draft, 0 if none. The equally weighted mean is rescaled from 1 to 5.

Readiness of rule r = 1 + 4 × (sum of the 10 country scores) / 20.

Burden: mean of 3 criteria scored from 1 to 5 (functions involved, supplier data required, investment or process change).

Competitive shield: a rule is in the shield when its distance from the point of lowest readiness and highest burden (1, 5) is within 2.5.

Limits

- **Nature of the scores:** scores are ordinal and assigned by analysts on legal texts. Readiness measures whether equivalent rules exist, not whether they are enforced.
- **Methodological choices:** the result was tested on 29 alternative specifications (radius, reference point, scoring of partial equivalents, country and criteria weights) and with each burden score moved by ±1 point. The DPP and due diligence stay in the shield in 100% of specifications, forced labour in 97% and textile EPR in 72%.
- **Sample of countries**: the 10 countries are a reasoned, not random, sample, and equal weights are a normative choice.
- **Use of AI:** national rules were searched and scores drafted with AI tools under a shared protocol. Each score is linked to a primary source and was checked by analysts, with uncertain cases flagged for review. No double coding was performed.

HOW EACH COUNTRY IS SCORED ON READINESS

Score	Meaning	Production countries	Competing markets	Total
2	A mandatory rule equivalent to the EU one is in force (e.g. UK gender pay gap reporting)	21%	33%	25%
1	Partial equivalent: narrower scope, voluntary or still in draft (e.g. China's recommended standard for a digital product passport)	42%	55%	46%
0	No equivalent rule (e.g. no extended producer responsibility for textiles in Bangladesh)	37%	12%	29%

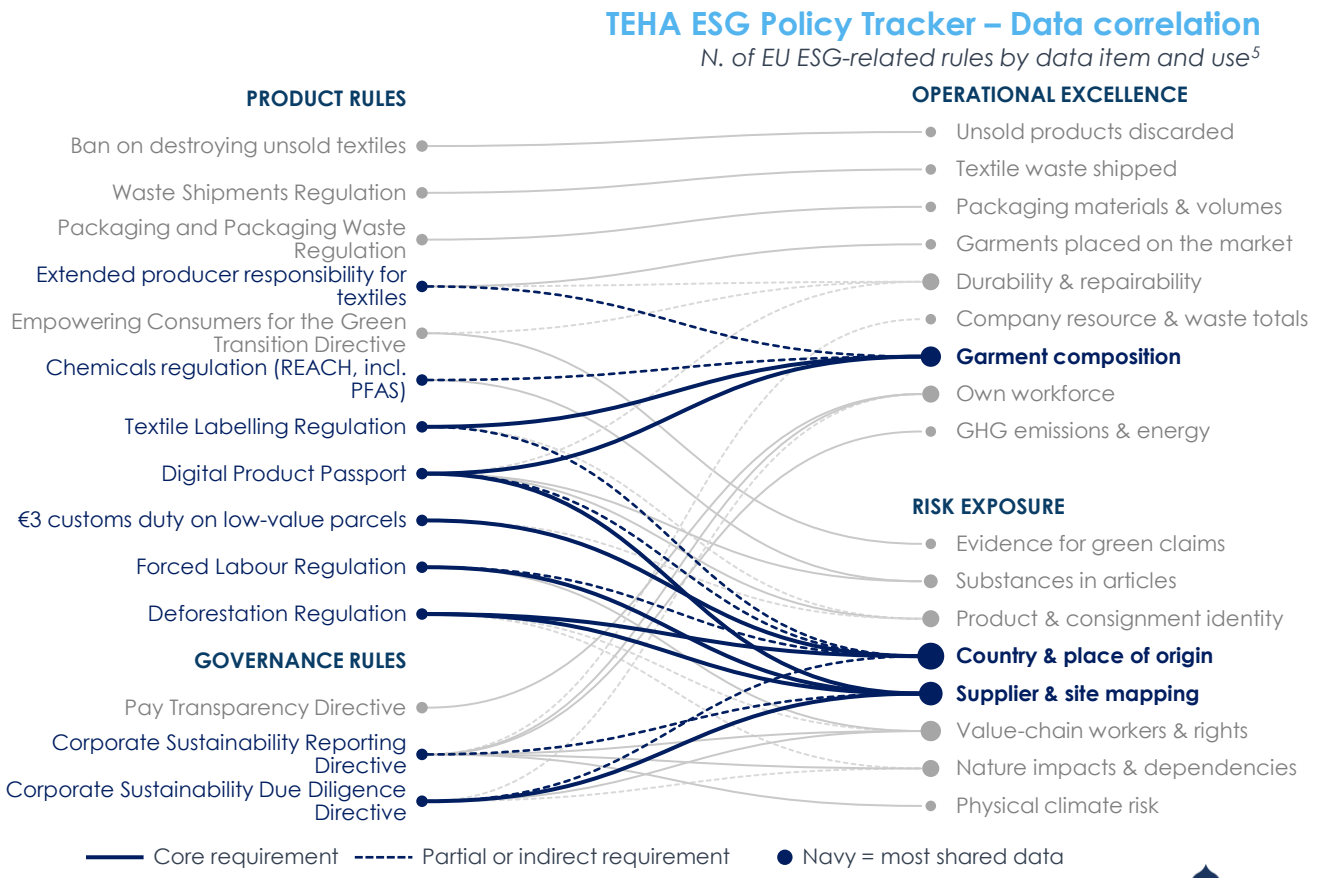
HOW THE BURDEN ON EU COMPANIES IS SCORED

Criterion	Meaning	Product rules	Governance rules	Total
Functions involved	1 = 1 function; 5 = company-wide	2.7	4.0	3.0
Supplier data required	1 = none; 5 = full traceability to raw materials	2.8	2.7	2.8
Investment or process change	1 = administrative only; 5 = structural transformation	2.4	3.0	2.5

ORIGIN, SUPPLIER AND MATERIAL DATA FEED 9 OF 14 EU FASHION RULES: COLLECTED ONCE, THEY CAN SERVE BOTH COMPLIANCE AND BUSINESS

14 EU fashion rules require 17 types of data: the most requested, country and place of origin (6 rules), supplier and site mapping (5) and garment composition (4), feed 9 of them. Yet for most companies they remain a compliance exercise: only 28% of CSRD reporters draw significant value from reporting, and those that do are 3 times as likely to use it for strategy[1]. Once collected, the same data can work for the business in two ways:

- **Operational excellence:** Volumes placed on the market and unsold stock, combined with sales and weather data, improve forecasting: 4–9% of textiles on the EU market are destroyed unused[2].
- **Risk exposure:** Origin and supplier data map dependencies on climate-exposed regions, where 94% of business leaders report losses but 79% lack the data to act[3]. Product identity data in the DPP help prove a product is genuine, against counterfeits costing EU fashion makers €12 billion a year[4].



Sources: (1) PwC, From insight to value, Global Sustainability Reporting Survey (2025); (2) EEA, The destruction of returned and unsold textiles in Europe's circular economy (2024); (3) Capgemini and Sweep, Sustainability in action 2026. The new rules of business resilience (2026); (4) EUIPO, Economic cost of IPR infringement in the clothing, cosmetics and toy sectors in the EU (2024); (5) TEHA Group elaboration on EU legislation (2026). Core requirement: the rule explicitly requires the data; partial / indirect: the data are needed to comply or are planned in a revision. Each data item is shown under its main business use. Note: The Circular Economy Act has no legislative proposal yet and cannot be scored.

Italian suppliers face the transition with thinner margins and still treat sustainability and innovation as separate agendas. Yet, where the two are managed together, innovation becomes more disciplined and measurable.

01 VALUE STAYS DOWNSTREAM

Brands earn margins **almost 3 times** those of their suppliers, whose profitability has fallen by **up to 33%** since 2021.

02 TWO SEPARATE TRACKS

Of the **3.3% of turnover** invested in innovation, about 1 point serves sustainability. Still, over **37%** of companies cannot say what their spending serves.

03 INTEGRATION PAYS OFF

When sustainability co-designs innovation, **78%** of companies manage projects through stage-gates, against **7%** where it is absent.

ITALIAN BRANDS EARN MARGINS ALMOST 3 TIMES THOSE OF THEIR SUPPLIERS, WHOSE PROFITABILITY HAS FALLEN BY UP TO 33% SINCE 2021

Value in Italian fashion is captured downstream: 54 Italian brands generate about 38% of the value chain's turnover but 63% of its EBITDA, with margins almost 3 times those of their suppliers[1].

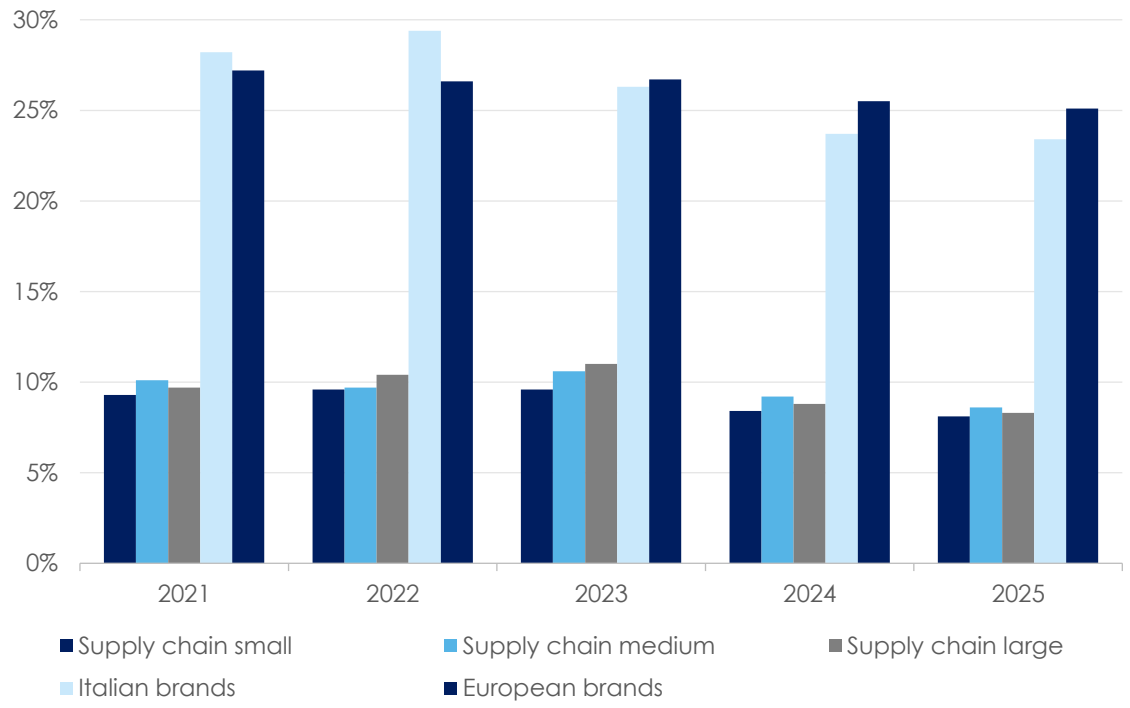
Supply chains differ widely: across textiles (1,017 companies), apparel (807), footwear (450), tanning (290) and leather goods (183), 2025 supplier margins ranged from 7.0% in apparel to 9.5% in textiles.

Small firms also bear a heavier labour cost than larger ones, 20.5% of turnover against 11.9%[1]. Margins have been falling since the post-Covid peak, and the size premium has gone. Until 2023 margins grew with size, from 9.6% for small suppliers to 11% for large ones. By 2025 large suppliers had fallen to 8.3%, below medium-sized ones (8.6%), while apparel suppliers lost 3.5 points since 2021[1].

Brands lost margin too, but less than their suppliers in relative terms. **The absolute profits of Italian brands actually grew over the period: the decline in margin reflects turnover growing faster than EBITDA, concentrated in a handful of fast-growing houses[1].**

How value is distributed along the fashion value chain

*(EBITDA margin by segment of the Italian fashion value chain, 2021-2025, %)[1]**



Source: (1) TEHA elaboration on Bureau van Dijk AIDA and Orbis (2026)
**Sample: 3,060 Italian fashion companies with 2025 accounts and turnover above €3m, of which 1,964 small, 893 medium and 125 large supply chain companies and 78 Italian brands (consolidated group excluded from the supply chain); 65 European brands of the monitored list. Aggregate values (sum of EBITDA / sum of turnover).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

TEHA JUST FASHION TRANSITION PULSE 2026: A FOCUSED SNAPSHOT OF 54 SUPPLY CHAIN COMPANIES, NOT A TREND

supply chain companies answered the TEHA Just Fashion Transition Pulse 2026, run with Confindustria Moda and Confindustria Veneto Est between September and October 2026 on sustainability oversight and, for the first time, innovation.

Limitations

Results are not comparable with previous editions. The questionnaire has been simplified and the collection perimeter revised, so 2026 figures are read as a stand-alone snapshot.

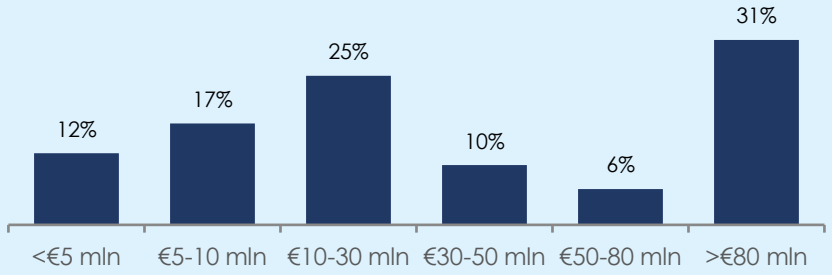
The sample is smaller and skewed towards larger companies: 52% have a turnover below €30 million (70% in 2025) and 54% operate in textiles. Over half of the respondents are sustainability managers.

We therefore look for clear signals, not headline numbers. With about 50 answers the margin of error reaches ±14 points[1], so we focus on clear patterns, such as the gap by company size, and do not break results down by segment.

THE 2026 EDITION

54 responses collected	**26** questions	**52%** companies < €30 mln

SAMPLE BY TURNOVER, FY 2025 (% OF COMPANIES)



SAMPLE BY SUPPLY CHAIN SEGMENT (% OF COMPANIES)



Note: one test entry and four questionnaires with only the company profile filled in are excluded. Incomplete questionnaires are kept for the sections answered: company profile, sustainability requests, governance and environmental monitoring 54, social monitoring 53, innovation 49. "Other" includes multi-segment groups, spinning, trading and medical hosiery. Figures may not add up to 100% due to rounding.
(1) 95% confidence level, for a share of 50% and n=54 (±13 points; ±14 points on innovation, n=49). Source: TEHA Group elaboration on TEHA Just Fashion Transition Pulse 2026 data.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

SUSTAINABILITY OVERSIGHT GROWS WITH COMPANY SIZE: FROM 32% UNDER €10 MLN OF TURNOVER TO 69% ABOVE €50 MLN

Company size makes the difference. Out of the 9 oversight tools surveyed, companies above €50 million of turnover have on average 6.2 in place, those under €10 million 2.9[1].

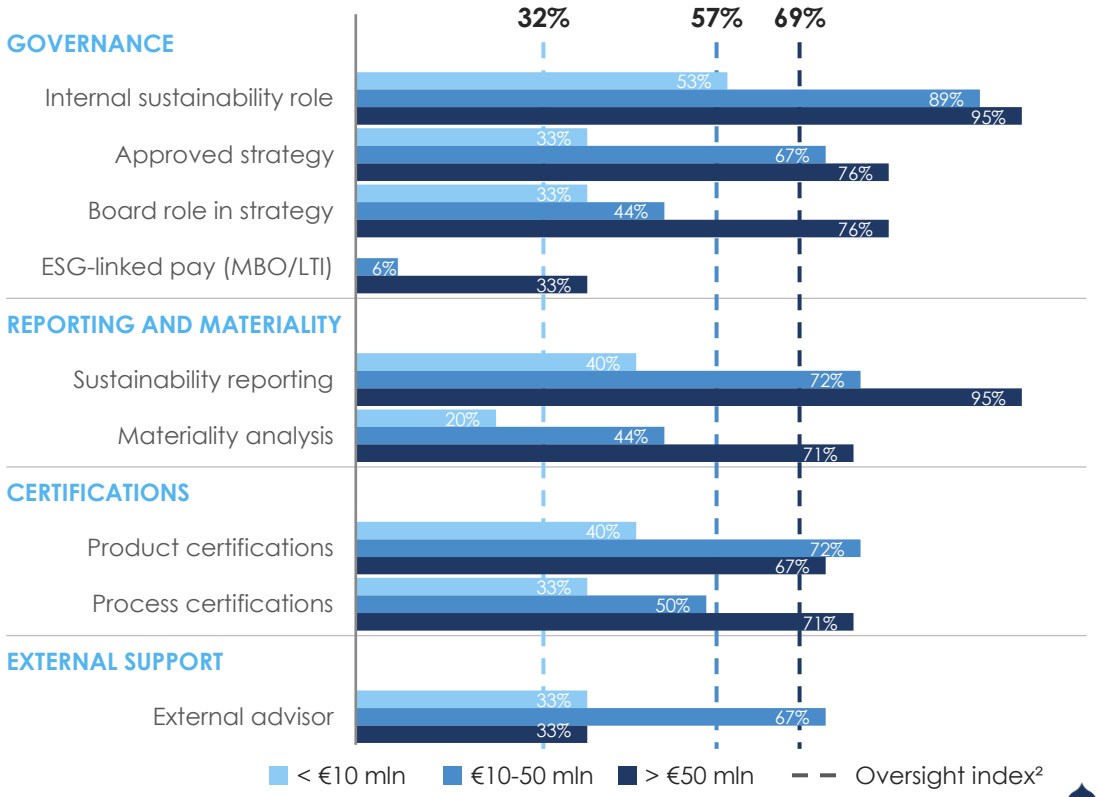
8 in 10 companies have someone in charge of sustainability and 7 in 10 report on it. The gap opens up with more structured tools: 7 in 10 companies above €50 million carry out a materiality analysis, against 1 small company in 5[1].

Sustainability rarely reaches pay. Only 15% of companies link remuneration to ESG targets (MBO or LTI), and 7 of these 8 are above €50 million. External advisors are the only tool that clearly falls with size: 67% between €10 and 50 million, 33% above[1].

Smaller companies risk being left behind. 1 in 5 under €10 million has none of these tools and only 1 in 3 has an approved sustainability strategy, against 3 in 4 above €50 million[1].

TEHA Just Fashion Transition Pulse - Sustainability oversight tools

By company turnover (% of companies)[1]



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 54 companies (15 under €10 mln, 18 between €10 and 50 mln, 21 above €50 mln). Notes: (2) Average share of the 9 tools in place among the companies of each turnover class, shown as dashed lines.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

9 IN 10 COMPANIES RECEIVING 3 OR MORE TYPES OF ESG REQUESTS FROM CLIENTS HAVE AN APPROVED SUSTAINABILITY STRATEGY

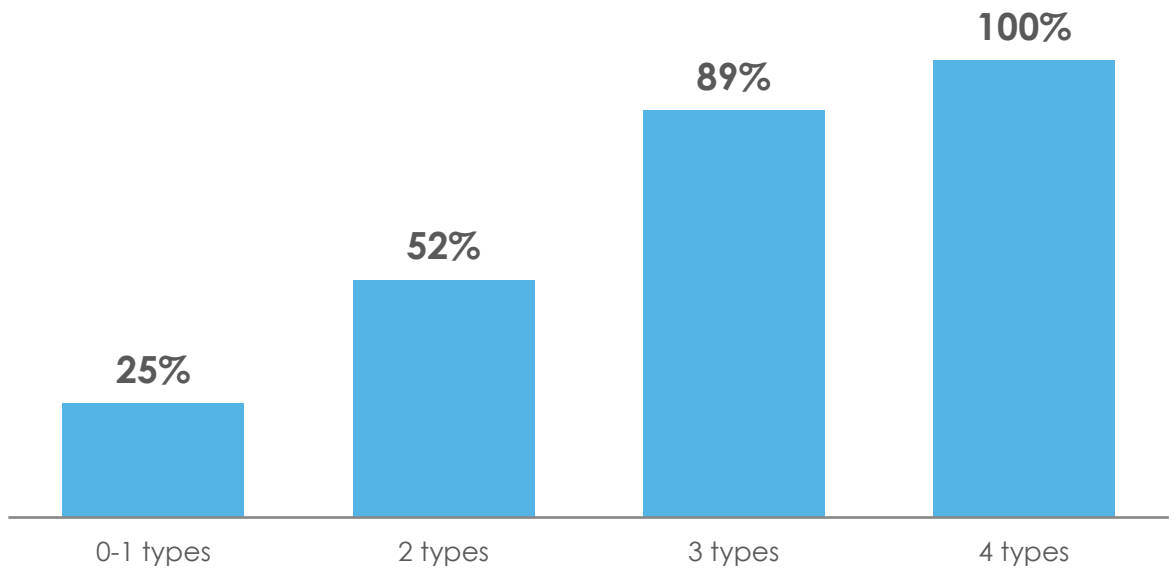
Sustainability reaches the supply chain mainly through private channels: clients and banks[1].

Clients ask for ESG information in different forms: questionnaires, audits, contractual or financing clauses and training. The more forms a company receives, the more likely it is to have a formally approved sustainability strategy: from 25% with 1 form or none to 100% with all 4, a group of 10 companies, 7 of them between €10 and 50 million. Training matters most: 95% of companies trained by their clients have an approved strategy, against 39% of the others, while questionnaires show no significant link net of size[1].

Banks act as a second lever, mainly on larger companies. 65% of companies above €30 mln face ESG-linked lending conditions, against 25% of smaller ones. Where banks apply them, the Board has a role in the sustainability strategy in 79% of cases, against 33%, and 75% hold process certifications, against 37%. Only the Board gap holds net of company size and of client requests[1].

TEHA Just Fashion Transition Pulse - ESG requests and practices

(% of companies with approved sustainability strategy, by type of requests.
4 types of requests: questionnaires · audits · ESG clauses in contracts/financing · training*)*



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 54 companies. Forms of client requests: questionnaires, audits, contractual or financing clauses linked to ESG criteria, training. The link between the number of types of client requests and having an approved strategy is strong (correlation of 0.51 on a 0–1 scale) and holds when comparing companies of similar size. Association between each type of request and an approved strategy net of turnover class: training r = 0.51, ESG clauses 0.35, audits 0.29, questionnaires 0.05 (not significant).

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

ENVIRONMENTAL TOPICS ARE WIDELY MONITORED, BUT TARGETS ARE STILL RARE AND BIODIVERSITY REMAINS A BLIND SPOT

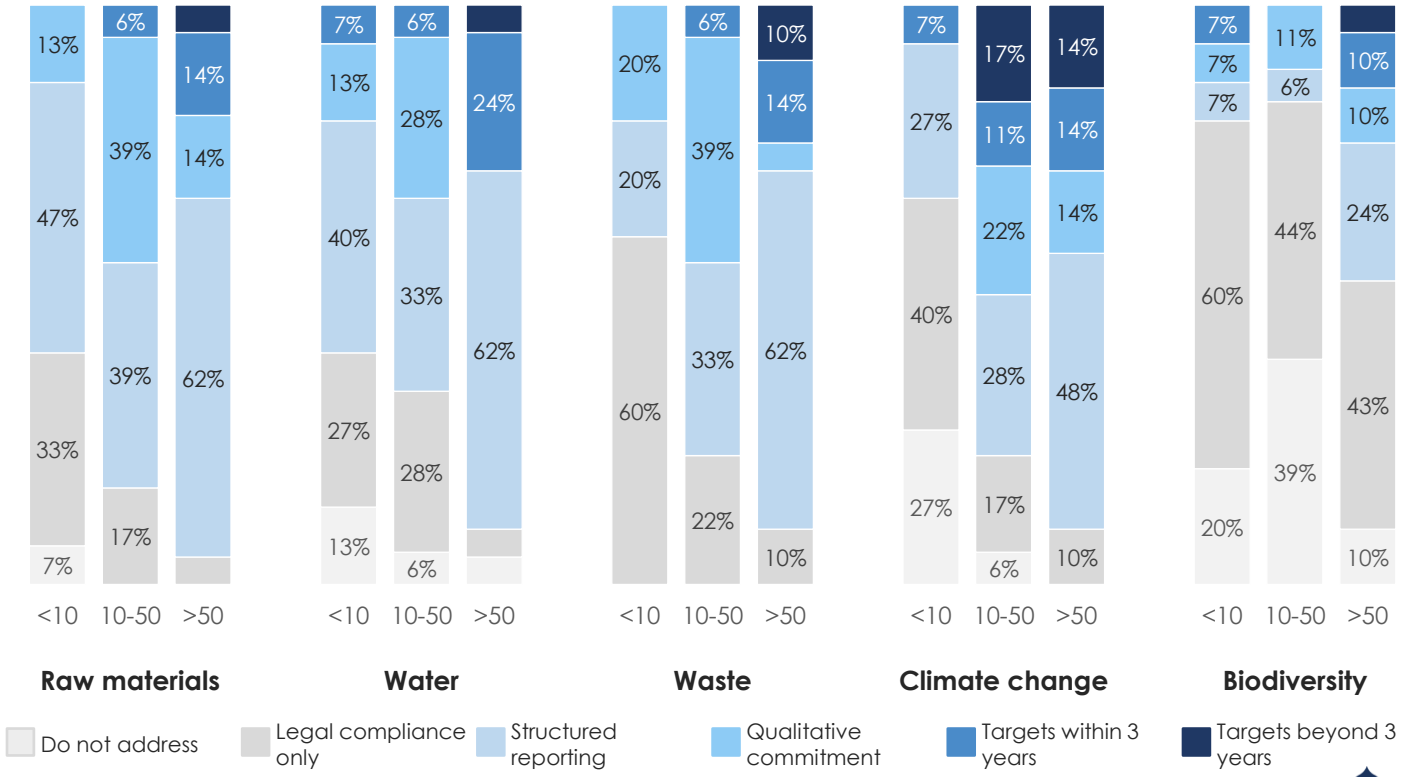
Almost every company keeps an eye on its main environmental impacts: 9 in 10 or more monitor climate change, raw materials, waste and water in some form[1].

For many, however, this means meeting legal requirements or reporting data rather than setting goals. Fewer than 1 company in 4 has set targets to cut emissions, and only 9-15% for water, waste or raw materials[1].

Size matters, and biodiversity is still overlooked. 2 in 3 companies under €10 million do not address climate change or do so only to comply with the law, against 1 in 10 above €50 million. Biodiversity is the least covered topic overall: more than 1 company in 5 does not consider it necessary and almost half manage it only to comply with the law[1].

TEHA Just Fashion Transition Pulse- Oversight waterfall on environmental topics

(% of companies, from quantitative targets at the top to topics not addressed at the bottom; turnover in € mln)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 54 companies (15 / 18 / 21 by turnover class). Topics are ordered by level of oversight: share of companies going beyond legal compliance. Bars read as an oversight waterfall, from quantitative targets (top) to topics not addressed (bottom). Labels below 5% are not shown; totals may not add up to 100% due to rounding.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

SOCIAL TOPICS ARE ADDRESSED BY ALMOST ALL COMPANIES, BUT FEW TRANSLATE COMMITMENTS INTO MEASURABLE TARGETS

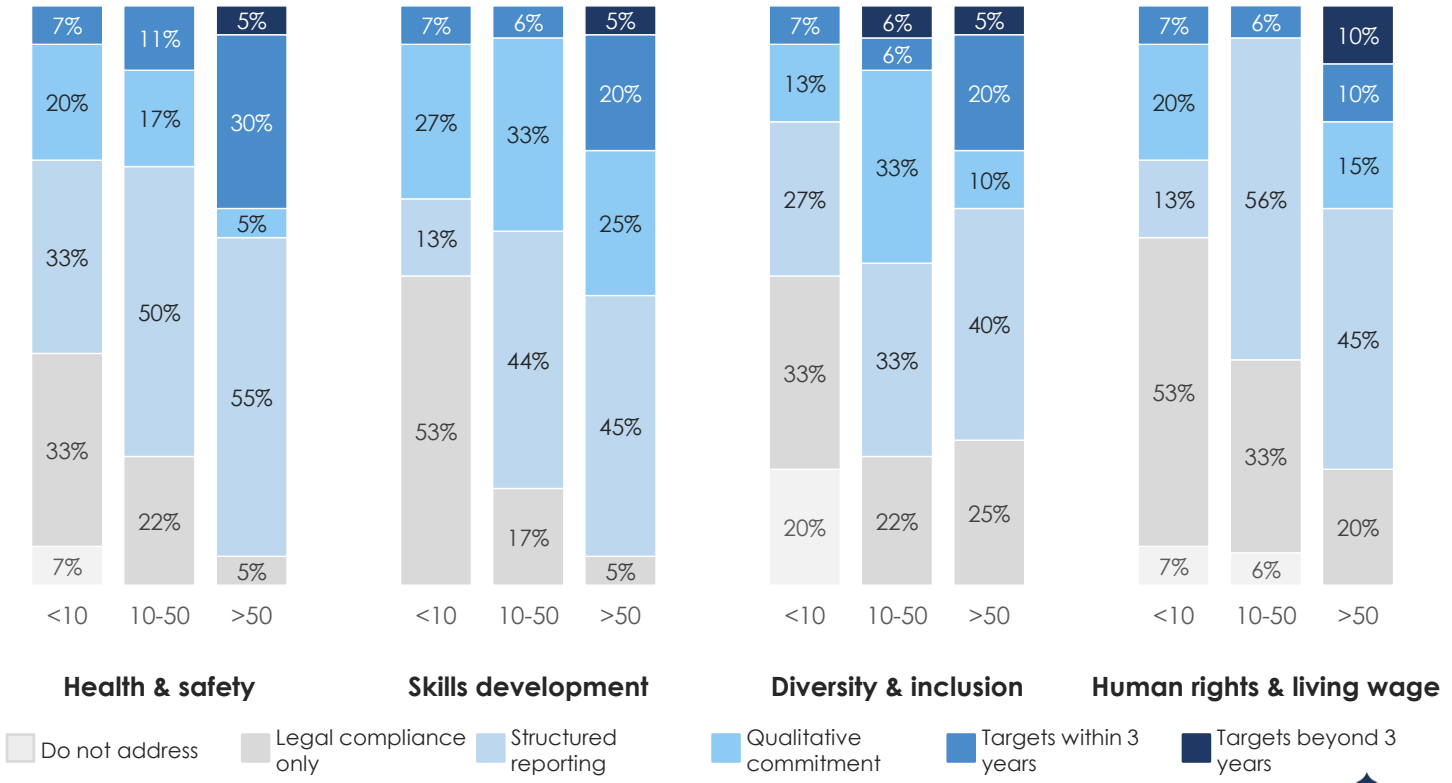
People-related topics are on almost every company's agenda: all address skills development, and nearly all health and safety, human rights and diversity and inclusion[1].

Commitments, however, are mostly qualitative: fewer than 1 company in 5 has measurable targets on any social topic, and more than 1 in 3 manages human rights and fair wages along its supply chain only to comply with the law[1].

Smaller companies rely more on legal compliance. More than half of those under €10 million manage skills development, the topic closest to the transfer of know-how, only to meet legal requirements, against fewer than 1 in 10 above €50 million. Larger companies set targets more often, especially on health and safety (more than 1 in 3)[1].

TEHA Just Fashion Transition Pulse - Oversight waterfall on social topics

(% of companies, from quantitative targets at the top to topics not addressed at the bottom; turnover in € mln)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 53 companies (15 / 18 / 20 by turnover class). Topics are ordered by level of oversight: share of companies going beyond legal compliance. Bars read as an oversight waterfall, from quantitative targets (top) to topics not addressed (bottom). Labels below 5% are not shown; totals may not add up to 100% due to rounding.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

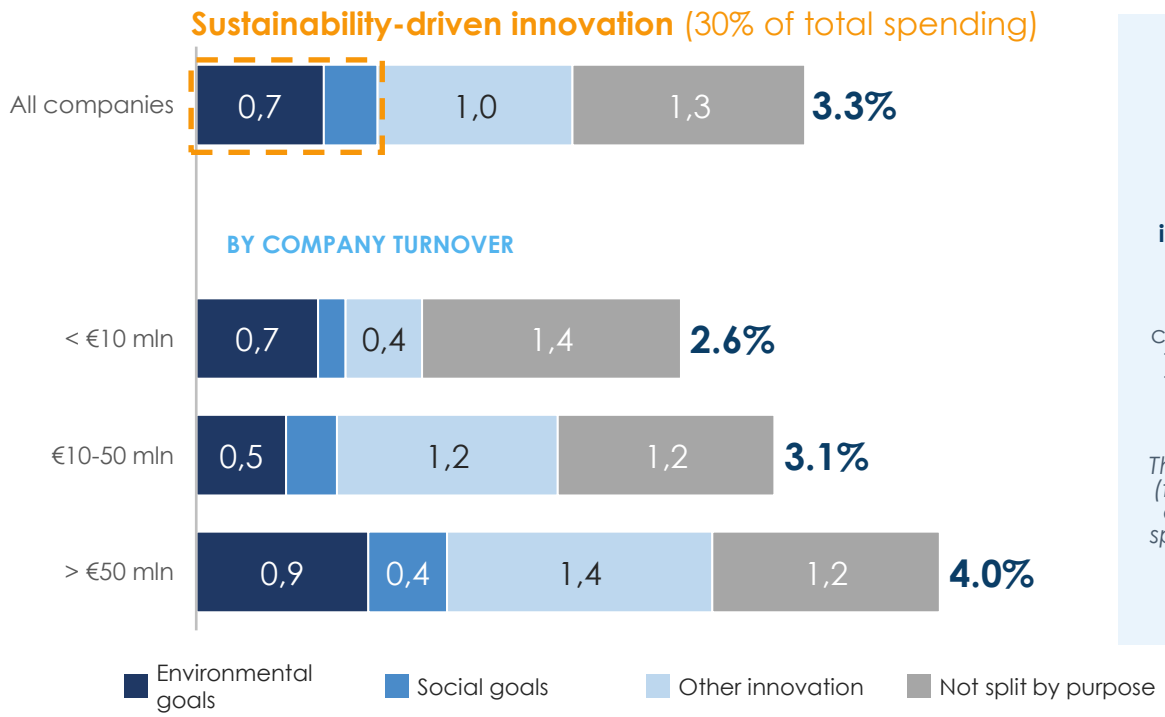
INNOVATION IS WORTH ABOUT 3.3% OF TURNOVER: ABOUT 1 POINT SERVES SUSTAINABILITY, MORE THAN A THIRD IS NOT SPLIT BY PURPOSE

More than half of the companies invest no more than 3% of their turnover in innovation, and fewer than 1 in 4 go beyond 5%[1].

On average, innovation is worth about 3.3% of turnover. About 1 point of it serves sustainability goals: 0.7 points environmental and 0.3 social. Larger companies spend more (4% above €50 million), but the sustainability share does not clearly grow with size[1].

Across the wider value chain, investment is shrinking. After peaking at €1.35 billion in 2023 (3.7% of turnover), investment by Italian fashion value chain companies fell to €1.13 billion in 2025 (3.3%), €213 million less in two years[2]. The drop is sharpest among large suppliers, down to 2.7% of turnover, against 3.8% for medium-sized and 3.2% for small ones[2].

TEHA Just Fashion Transition Pulse - Innovation spending and its sustainability share
(average % of turnover, 2026)[1]



REALITY CHECK

3.3%

average yearly investment intensity of Italian fashion value chain companies

Benchmark on 2,982 companies[2], in line with the 3.3% declared by the TEHA Just Fashion Transition Pulse respondents.

The two measures differ (total investment in the accounts, innovation spending in the survey), but the Pulse sample does not appear to overstate spending.

Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. (2) TEHA elaboration on Bureau van Dijk AIDA and Orbis (2026)
*Sample: 2,982 Italian supply chain companies with 2025 accounts and turnover above €3m (brands and group accounts excluded). Investments = change in tangible fixed assets plus depreciation; 2020 excluded (asset revaluation law).

INNOVATION IS FUNDED BY OWN RESOURCES AND TAX CREDITS: EU PROGRAMMES REACH FEWER THAN 1 COMPANY IN 10

According to the TEHA Just Fashion Transition Pulse, innovation in the Italian fashion value chain is funded mostly from within: over 80% of companies leverage own resources, which cover on average almost 60% of their innovation investment. 71% also use tax incentives such as Transition 5.0 and R&D tax credits, which cover about a fifth of it[1].

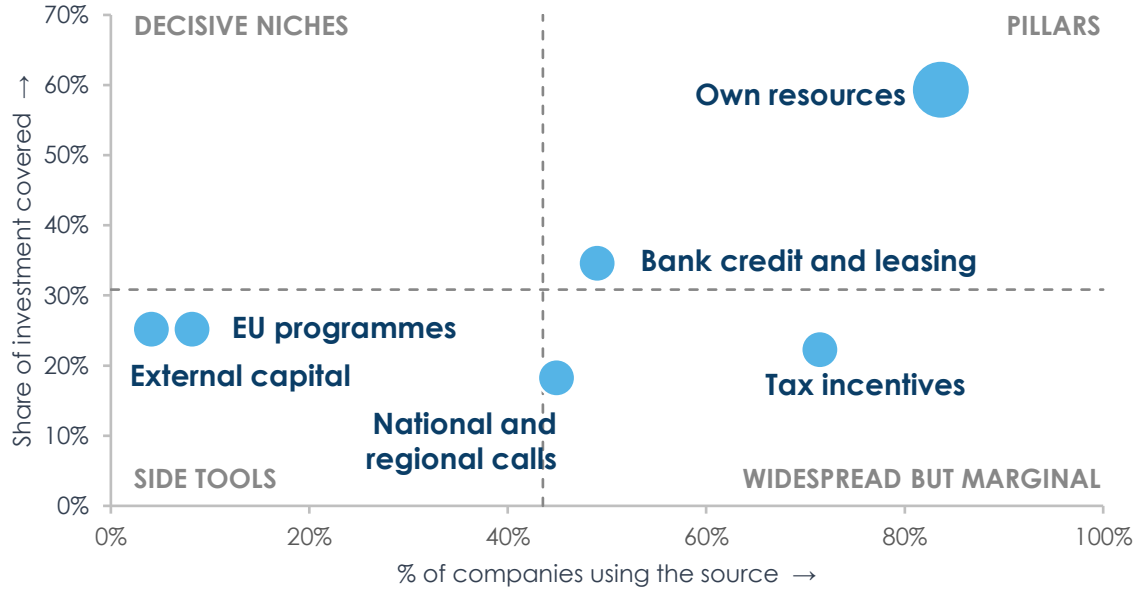
Bank credit is used by almost 1 company in 2, but rarely as the main source: on average, according to the 2,982 annual accounts of Italian supply chain companies analysed, the aggregate debt ratio fell from 46.9% in 2023 to 43.2% in 2025[2].

National or regional calls, including the PNRR, were used by less than 1 out of 2 companies, while EU programmes such as Horizon Europe, LIFE and the Innovation Fund remain almost out of reach (8% of companies)[1].

With little recourse to debt, lower profitability is likely to mean lower investment.

TEHA Just Fashion Transition Pulse: what sources to fund innovation?

(x: % of companies that used the source in the past 3 years; y: average share of innovation investment covered, among users)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. (2) TEHA elaboration on Bureau van Dijk AIDA and Orbis (2026). Tax incentives include Transition 5.0 and R&D tax credits; EU programmes include Horizon Europe, LIFE and the Innovation Fund. Base: 49 companies that answered the question. Answer ranges converted to their midpoints (12.5%, 38%, 75.5%); dashed lines show the average across the six sources (x 44%, y 31%).

ITALY RANKS 4TH FOR EU RESEARCH FUNDS FOR TEXTILES, BUT THE POT IS SMALL AND ITS RESEARCH CENTRES LAG BEHIND

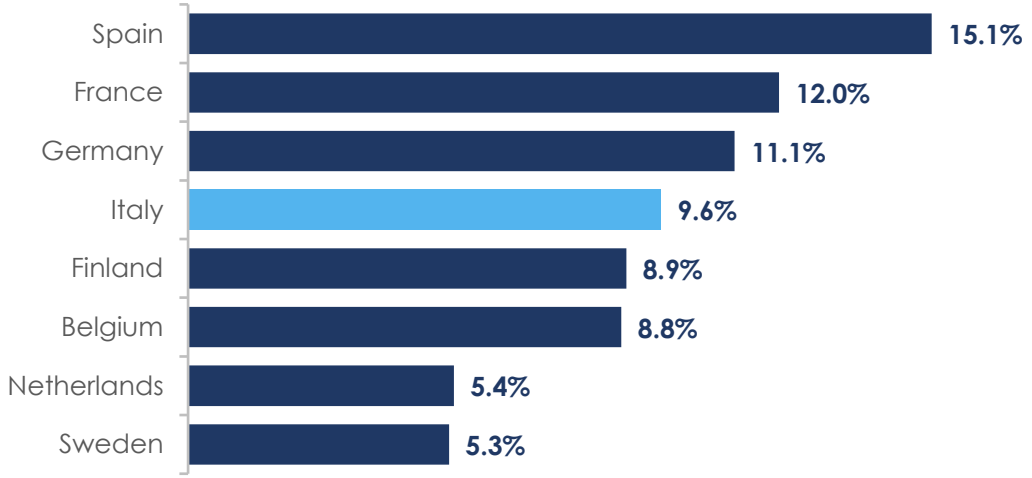
EU research funding for textiles is a small pot. Since 2021, Horizon Europe has funded 107 textile projects worth €406 million, 0.6% of the €64 billion awarded by the programme[1]. **Italy takes part widely, but with smaller roles.** Italian organisations join 43% of textile projects and coordinate 9, almost as many as Germany and Spain (10), yet receive 9.6% of the funds going to EU countries, 4th after Spain, France and Germany[1]. This is no more than Italy obtains across all of Horizon Europe (9.3%)[1]: its strength in fashion does not translate into a larger share of research funds.

The gap lies in specialised research centres. Research organisations receive 21% of Italy's textile funds, against 30% across the EU and 46% in Spain[1]. The largest beneficiaries include applied research centres such as VTT in Finland, Fraunhofer in Germany and the Belgian textile centre Centexbel, while in Italy one centre, Next Technology Tecnotessile in Prato, takes 61% of research organisations' textile funds[1].

Universities are the missing link. Abroad, textile-focused universities such as Ghent, Aalto, Lille and Lyon are complemented by technology centres active in textile research, such as Portugal's CITEVE. Italy lacks the level of university specialization in textiles seen in countries such as Spain, France and Germany. As the next EU research and innovation programme (proposed €175 bln[2]) may bring research closer to industry, Italian universities could play a larger role in technical textiles and fashion, also building on initiatives such as the recent agreement with the MICS (Made in Italy Circolare e Sostenibile) partnership.

Share of EU research funds for textiles, top 8 countries

(% of Horizon Europe funds to EU-27 participants in textile projects, extract of October 2026)



1 in 10 euros
Italy's share of EU funds: 9.6% in textiles, 9.3% across Horizon Europe[1]

€343k vs €414k
EU funds per participation in textile projects, Italy vs EU-27 average[1]

21% vs 30%
Research organisations' share of textile funds, Italy vs EU-27[1]

Sources: (1) TEHA elaboration on CORDIS, Horizon Europe projects dataset (extract of 15 October 2026, data.europa.eu): 107 projects with "textile" in the title or keywords, EU contribution to participants; country shares computed on EU-27 participants. Note: across alternative selections of textile projects (68 to 213), Italy's share of funds ranges from 8.4% to 10.3% and its rank from 3rd to 6th. (2) European Commission, Proposal for a Regulation establishing Horizon Europe, the Framework Programme for Research and Innovation, for the period 2028–2034, COM(2025) 543 final/2, Art. 6 (July 2025); budget under negotiation.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

7 IN 10 COMPANIES START INNOVATION FROM THE TOP, BUT ONLY 1 IN 4 PLANS IT WITH MEASURABLE OBJECTIVES

Innovation in the supply chain is a top-down process: projects originate from the owners or top management in 69% of companies, and in 53% also from explicit client or brand requests[1].

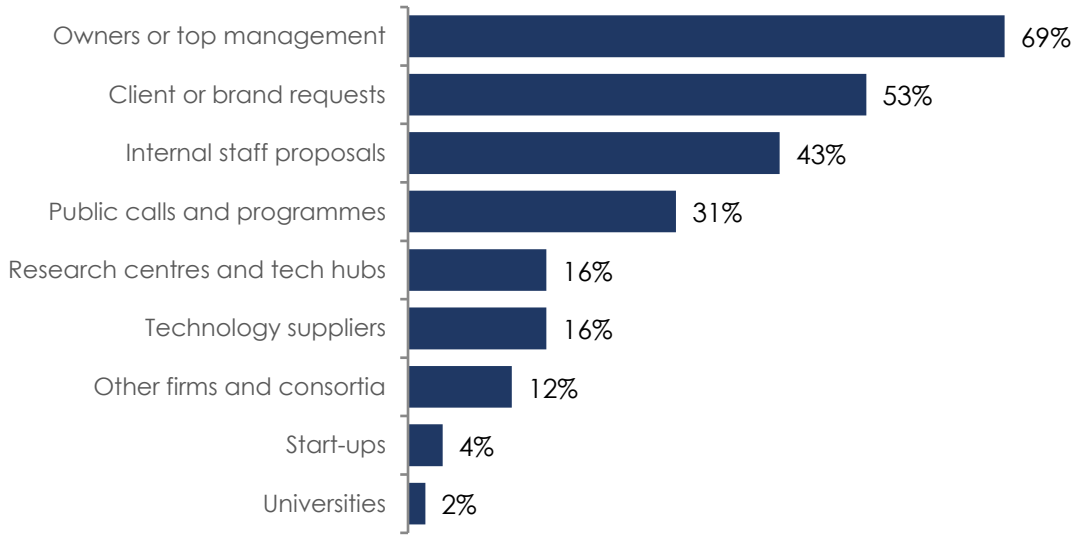
Internal staff proposals feed innovation in 43% of companies and public calls in 31%, while the wider ecosystem stays at the margins: 16% draw on research centres and technology hubs, 16% on technology suppliers and just 2-4% on universities or start-ups. Scouting follows the same pattern, as 7 companies in 10 rely on trade fairs and industry associations and only 16% follow scientific research[1].

Few companies manage innovation as a structured process. Only 1 in 4 includes measurable innovation objectives in its investment plan, and 20% have no criteria to evaluate projects, more than half of them under €10 million of turnover[1].

Accessing public funds takes a dedicated function. Tracking calls and writing EU proposals require dedicated staff, a fixed cost that few suppliers can carry alone.

TEHA Just Fashion Transition Pulse - Origin of innovation projects

(% of companies, multiple answers allowed)



FROM THE ADVISORY BOARD

"Monitoring calls and preparing EU proposals is a full-time job. Without it, these funds are simply out of reach."

Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 49 companies. For the organisation of innovation, companies selecting more than one option are classified by the most structured one.

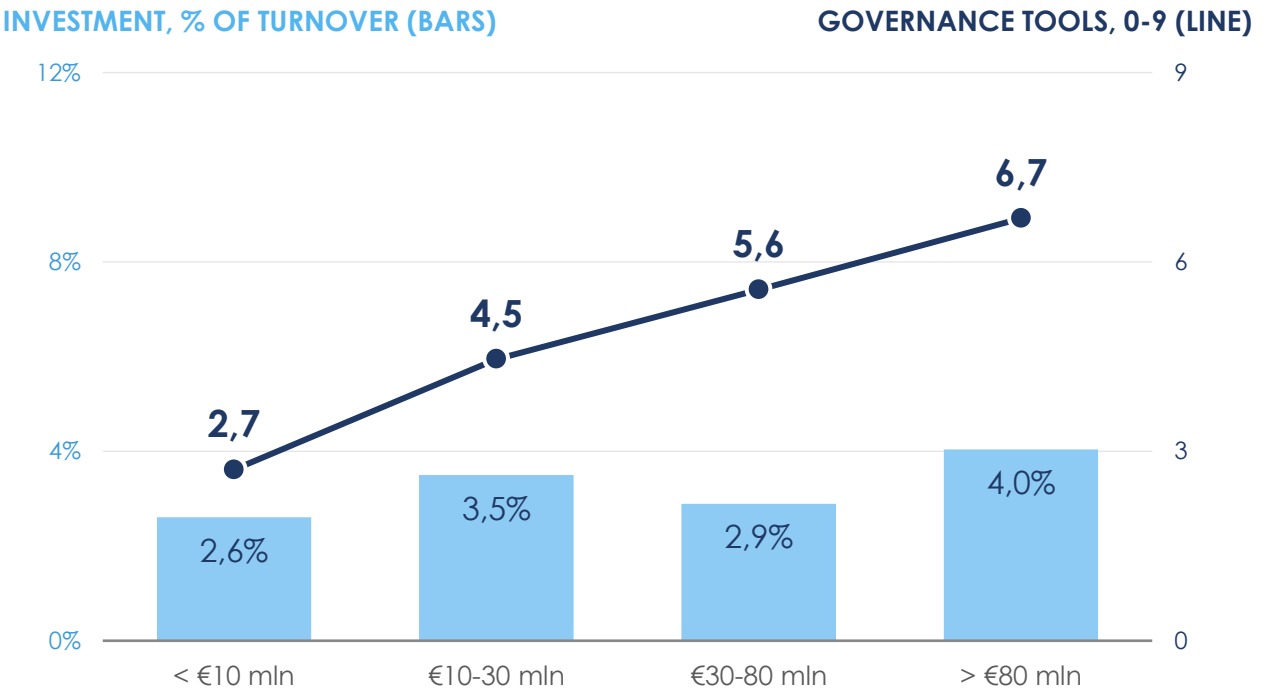
WITH SIZE, ESG GOVERNANCE TOOLS RISE FROM 3 TO ALMOST 7 OUT OF 9: THEY DO NOT RAISE INNOVATION SPENDING, BUT HELP MEASURE IT

ESG governance tools shape how innovation is measured, not how much is spent[1].

Governance grows steadily with size: the ESG governance tools in place rise from 2.7 out of 9 among companies under €10 million of turnover to 6.7 above €80 million. Total innovation spending, instead, moves between 2.6% and 4.0% of turnover with no clear pattern[1].

The link shows up in what can be measured. Companies with 7 to 9 tools devote 1.3 points of turnover to sustainability-driven innovation, against 0.6 with up to 3 tools, and only 13% cannot split spending by purpose, against 47%. Under €10 million innovation rests on the owners alone in 71% of companies, against 17% of larger ones: for small suppliers the issue is less how much they invest than their ability to direct and measure it[1].

TEHA Just Fashion Transition Pulse – Innovation Investment and ESG Governance
(by company turnover, FY 2025)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 49 companies that answered the innovation section; investment as midpoint of the declared class, governance as number of the 9 oversight tools surveyed. Correlation with turnover: r = 0.14 for innovation intensity, r = 0.57 for governance tools. Between governance tools and innovation intensity: r = 0.21, not significant (0.16 net of turnover class). Sustainability-driven innovation: intensity × declared environmental and social shares (zero if not available); up to 3 and 7-9 tools: 14 and 15 companies, to be read as indications; Fisher's exact test p = 0.03.

COMPANIES USING TAX INCENTIVES INVEST 4.1% OF TURNOVER IN INNOVATION, ALMOST 4 TIMES THOSE THAT DO NOT

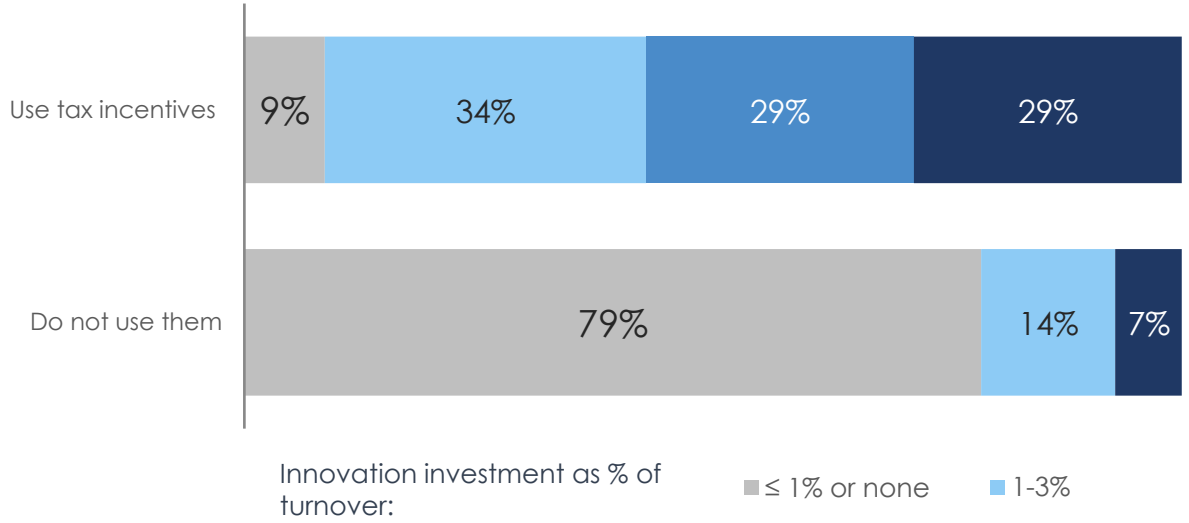
Tax incentives are the funding source most closely associated with innovation intensity[1].

Companies using R&D tax credits, Transition 5.0 or equivalent measures invest on average 4.1% of their turnover in innovation, against 1.1% of those that do not. The gap runs across the whole distribution: almost 6 users in 10 invest more than 3% of turnover, against 7% of non-users, while almost 8 non-users in 10 invest 1% or less. The relationship holds even when company size is taken into account[1].

European programmes remain out of reach. Only 4 companies out of 49 have drawn on Horizon Europe, LIFE or the Innovation Fund, against 7 in 10 for national tax incentives, with no difference by company size[1]. The direction of causality remains open, as companies that invest more may also be better equipped to claim tax credits. Still, the evidence suggests that simple, automatic instruments best reach the supply chain, provided their rules stay certain: R&D credits claimed in 2015-2019 were reassessed years later, leading to a dedicated repayment procedure[2].

TEHA Just Fashion Transition Pulse – Innovation investment, with and without tax incentives

(% of companies by share of turnover invested in innovation)



FROM THE ADVISORY BOARD

"Innovation is still paid for largely out of our own pocket. Tax credits help, but two or three years later the investment can be excluded from the scope of application, and the credit is no longer recognised."

Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 49 companies. Tax incentives: R&D and innovation tax credits, Transition 5.0 or equivalent measures covering any share of innovation investment in the last 3 years. Association net of turnover class: partial r = 0.46. *Fewer than 15 companies: figures to be read as indications. (2) Italian Government, Decree-Law 21 October 2021 no. 146, art. 5, paragraphs 7-12, converted by Law 17 December 2021 no. 215: repayment procedure for 2015-2019 R&D tax credits, last reopened until 3 June 2025.

78% OF COMPANIES WHERE SUSTAINABILITY CO-DESIGNS INNOVATION USE STAGE-GATES, AGAINST 7% WHERE IT IS ABSENT

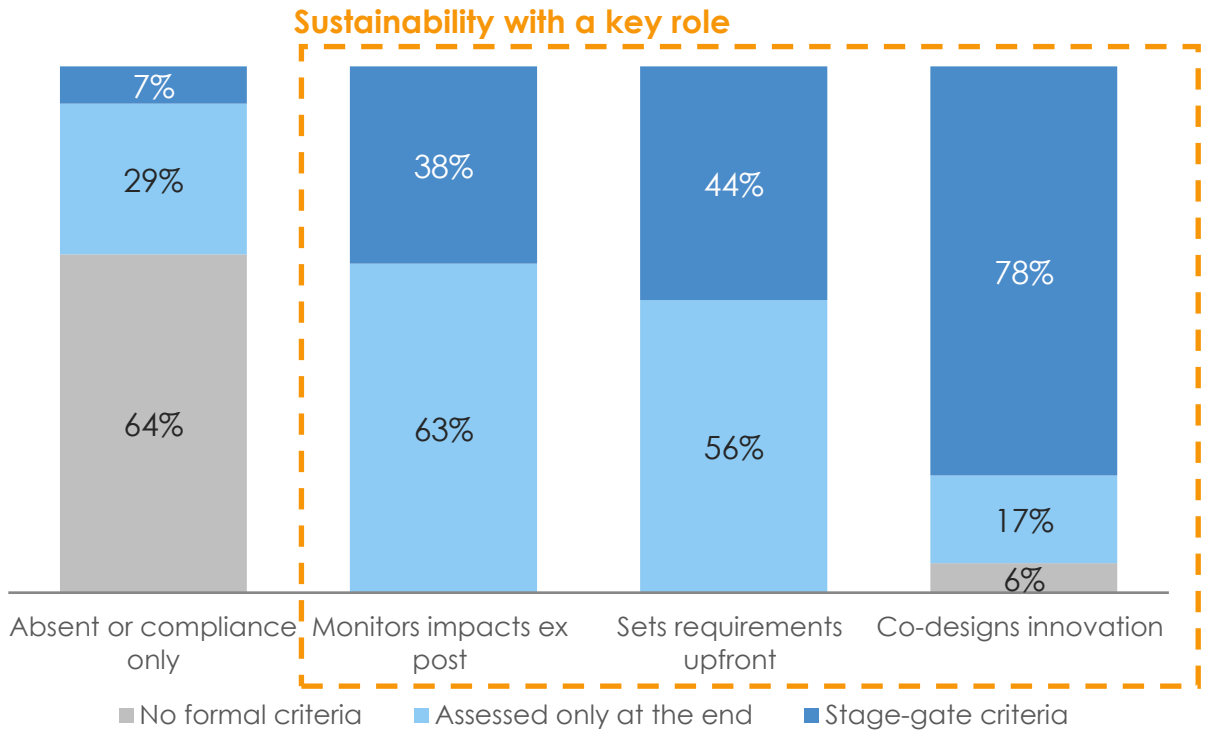
When sustainability co-designs innovation, projects are managed with more discipline[1].

Where the sustainability function acts as a partner that proposes and co-designs projects, 78% of companies evaluate innovation through predefined stage-gates, against about 4 in 10 where it sets requirements upfront or monitors impacts ex post, and 7% where it is absent or limited to compliance. In this last group almost 2 companies in 3 have no formal criteria at all to evaluate innovation. The link holds regardless of company size[1].

This integration is still a minority practice. Sustainability co-designs innovation in more than 1 company in 3, 18 out of 49, while in more than a quarter it is absent or limited to compliance. It is also the factor most closely associated with environmental oversight across the whole survey[1].

TEHA Just Fashion Transition Pulse – Sustainability Involvement in innovation

(% of companies, by role of sustainability)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 49 companies. Stage-gate: evaluation criteria applied at predefined stages, with or without explicit accountability when intermediate targets are missed. Association net of turnover class: partial r = 0.54; correlation with environmental oversight: r = 0.64. Stage-gates with and without explicit accountability are shown together: the latter covers only 1 company per group. *Fewer than 15 companies: figures to be read as indications.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

WHEN INNOVATION STARTS FROM CLIENT REQUESTS, ONLY 15% OF COMPANIES INVOLVE RESEARCH OR PARTNERS, AGAINST 48%

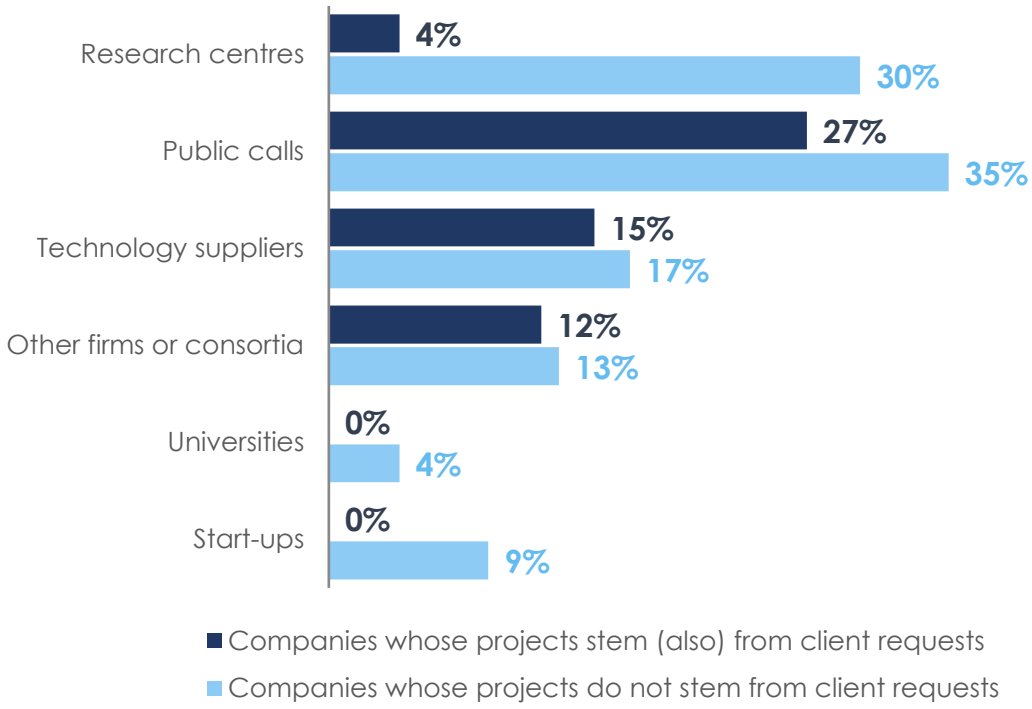
Innovation driven by client requests goes hand in hand with a narrower set of partners[1].

53% of companies cite client or brand requests among the origins of their innovation projects. Among them, only 15% have projects born with research centres, universities, start-ups or other supply-chain companies, against 48% of companies whose innovation starts elsewhere. The gap is widest for research centres, involved by 4% of client-driven innovators against 30% of the others, while universities and start-ups are absent altogether[1].

Client and top-management agendas leave little room for the ecosystem. In 3 out of 4 client-driven companies projects also stem from the owners or top management, and even among those citing three origins only 19% involve research or partners, against 80% of the others. They also draw less on public calls (35% against 57%), the usual gateway to research partnerships[1]. Opening these projects to research partners would turn client demands into new solutions.

TEHA Just Fashion Transition Pulse - Origin of innovation

(% of companies, by whether projects stem from client requests)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 49 companies. Multiple answers allowed (up to 3). Ecosystem actors: universities, research centres or technology hubs, start-ups, other supply-chain companies or consortia. Association net of turnover class: partial r = -0.33. Public calls in the text: use as a funding source in the past 3 years.

WITHOUT A SUSTAINABILITY ADVISOR, 54% OF COMPANIES CANNOT TRACK WHAT INNOVATION SPENDING SERVES, AGAINST 17% WITH ONE

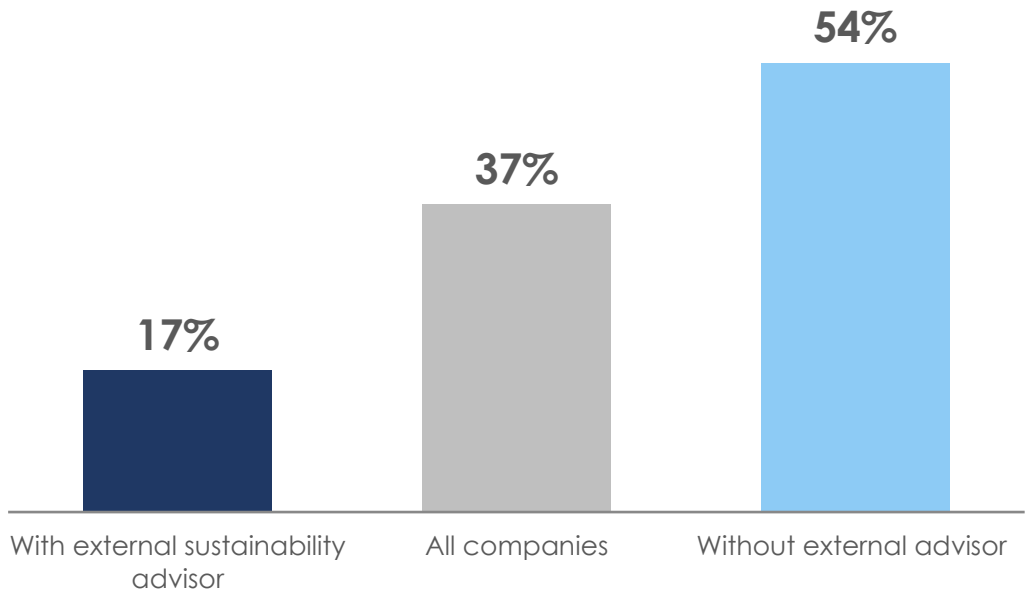
Knowing where innovation spending goes requires dedicated skills[1].

37% of companies cannot say which share of their innovation investment serves environmental or social goals. Among those supported by an external sustainability advisor the share falls to 17%, against 54% of those without one. Other governance tools, such as materiality analysis or ESG reporting, show no significant difference: what matters is access to specific expertise rather than the formal tools in place[1].

Where spending is tracked, the social dimension lags behind. Among companies able to split their investment, 12 in 33 devote more than a quarter of innovation spending to environmental goals, but only 3 in 31 do so for social goals[1], while almost two thirds of their spending goes to other goals. Without tracking, suppliers struggle to show clients, banks and funders the value of their innovation.

TEHA Just Fashion Transition Pulse - Traceability of spending

(% of companies that cannot split innovation spending by purpose)



Sources: (1) TEHA elaboration on TEHA Just Fashion Transition Pulse 2026 data. Base: 49 companies. "Cannot split": the company does not distinguish innovation investment by purpose for environmental and/or social sustainability. Group differences tested with Fisher's exact test.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

Fashion consumption is moving toward volume and low prices, while luxury loses its middle. Concern for sustainability is rising, but it still struggles to shape what people buy.

01 MORE VOLUME, LESS VALUE

Clothing purchases have risen by **42%** since 1995, while fashion's share of household spending fell from 6.3% to **4.1%**.

02 RECORD IMPORTS, LOWER PRICES

The EU imported a record **6.3 million tonnes** of clothing and footwear in 2025, at the lowest real value per kilo in 15 years (**€15.0**).

03 CONCERN WITHOUT A PREMIUM

85% of Italian consumers are concerned about sustainability, but of the **53% worldwide** who would pay more for sustainable clothing, **half stop at a 10% premium**.

EUROPEANS BUY 42% MORE CLOTHING THAN IN 1995, YET FASHION TAKES A THIRD LESS OF THEIR HOUSEHOLD BUDGET

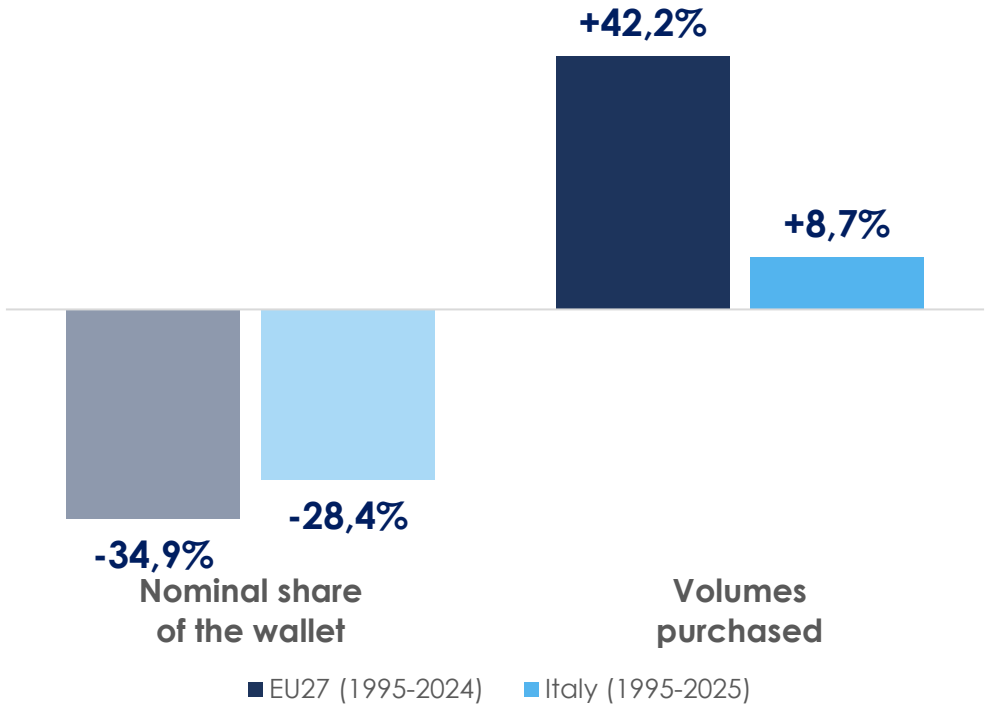
In 1995, clothing and footwear accounted for 6.3% of household spending in the EU, compared with just 4.1% in 2024[1]. This decline does not reflect a comparable reduction in consumption, however, as Europeans purchased 42% more clothing and footwear over the same period, against a 51% increase in overall consumption volumes.

In nominal terms fashion's share of the household budget fell by 34.9%, from 6.3% in 1995 to 4.1% in 2024. Measured in volumes, the same share fell by 5.8%. The gap between the two, 83% of the nominal decline, is the effect of relative prices[1]. Clothing has become considerably cheaper relative to other goods and services. Between 2000 and 2025, EU consumer prices increased by 81.7%, while clothing prices rose by just 22%[2].

The difference is even more pronounced in the United States, where apparel prices were 9.2% lower in nominal terms than in 1990[3]. **Italy presents a somewhat different picture.** Clothing and footwear still account for 5.3% of household consumption, above the European average, although the volumes purchased remain 2.8% below their 2007 level[1].

More clothing bought, a smaller share of the budget

Change in household consumption of clothing and footwear, 1995-2024/25 (%)[1]



Sources: (1) TEHA elaboration on Eurostat, Household final consumption expenditure by purpose, COICOP 2018 (nama_10_cp18), current prices (PC_TOT) and chain-linked volumes (CLV_I15); (2) Eurostat, HICP - annual data, average index (prc_hicp_aind), CP00 and CP03; (3) TEHA elaboration on US Bureau of Economic Analysis, PCE by type of product, chain-type price index for clothing and footwear.

EUROPE IS IMPORTING RECORD VOLUMES OF FASHION, AT THE LOWEST REAL VALUE PER KILO IN AT LEAST 15 YEARS

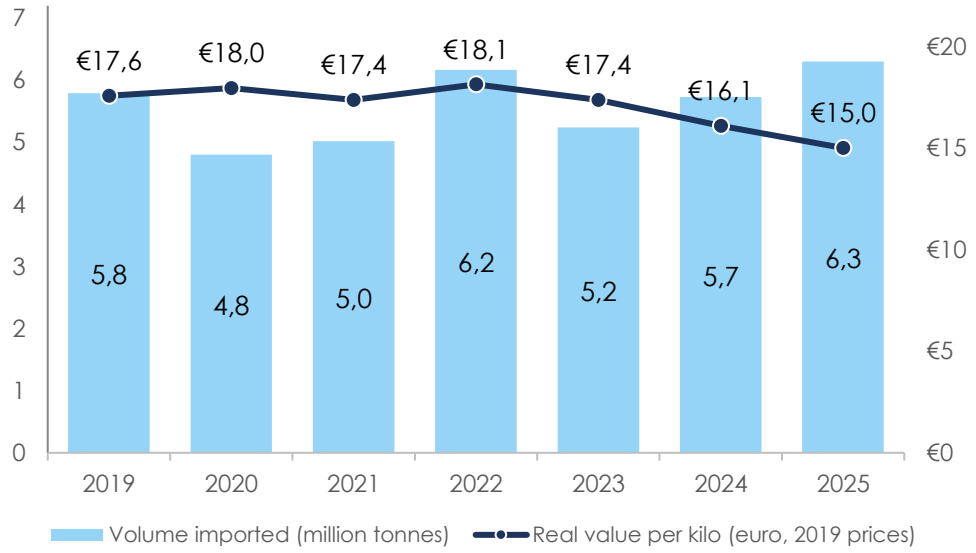
In 2025, the EU imported 6.3 million tonnes of clothing and footwear from outside the Union, the highest volume in at least 15 years and 23% above 2010 levels[1]. Yet the real value of these imports has moved in the opposite direction. Adjusted for EU consumer price inflation, the average value fell to €15.0 per kilo, 17% below 2022 and the lowest level recorded in the 2010–2025 series[1].

China's position in European fashion imports has also started to recover. After declining from 55% of import volumes in 2010 to 33% in 2023, its share rose to 36%, while Chinese knitwear imports increased by 54% since 2021[1].

The rapid expansion of low-value cross-border shipments adds another dimension to this trend. Across all product categories, consignments valued below €150 increased from 1.4 billion in 2022 to almost 5.9 billion in 2025, accounting for 97% of EU import volumes but just 2.1% of their value, with an average price below €9[2]. A temporary €3 duty per item was introduced in July 2026 and is scheduled to remain in place until July 2028[3].

More arriving, less value per kg

Extra-EU imports of clothing and footwear, 2019-2025. Both scales start at zero[1]



6.3 Mt
imported in 2025, an all-time high

−17%
real value per kilo since 2022

+54%
Chinese knitwear volume since 2021

Sources: (1) TEHA elaboration on Eurostat Comext, dataset DS-045409, reporter EU27, partner extra-EU27, imports of HS chapters 61, 62 and 64 (knitted apparel, woven apparel, footwear), extracted 15/09/2026; unit values deflated with Eurostat HICP, EU27, annual average index (prc_hicp_aind). (2) European Commission, DG TAXUD, Goods bought online (2026) – figures cover ALL low-value consignments, not fashion alone; no product breakdown is published. (3) Council of the EU, Temporary flat fee on low-value imports (12/12/2025), applicable from 01/07/2026: the duty is charged per item, by tariff heading, within each consignment.

THE MIDDLE DISAPPEARS, WITH BIG SPENDERS NOW GENERATING 46-47% OF LUXURY VALUE AGAINST 30% IN 2019

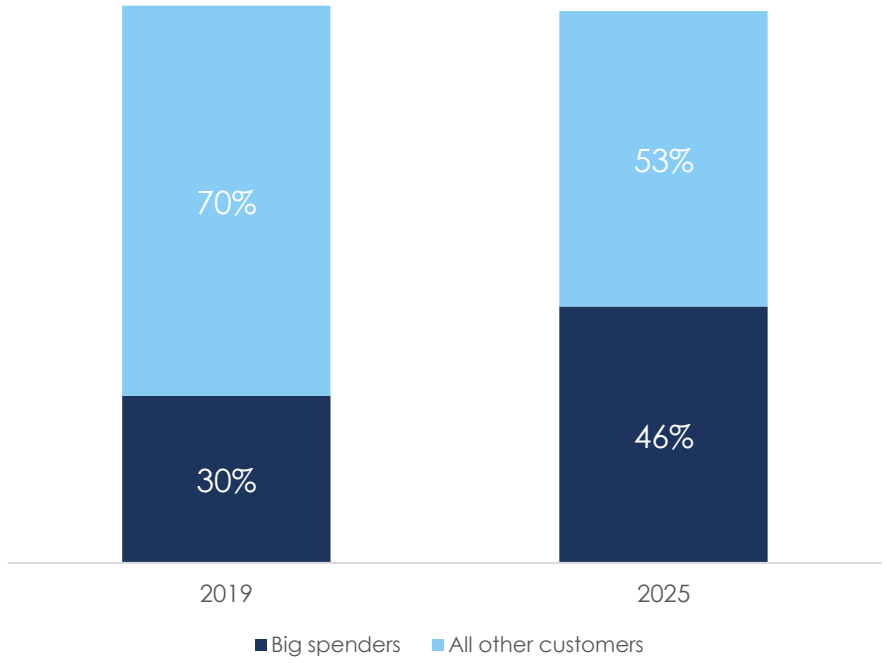
Between 2022 and 2025, the global personal luxury market lost about 70 million customers, reducing its consumer base from around 400 million to 330 million. The proportion of potential customers actively purchasing luxury goods also declined, from approximately 60% to 40–45%[1].

As more occasional customers leave the market, luxury spending is becoming increasingly concentrated among its wealthiest consumers. Between 2019 and 2024 big spenders' share rose from 30% to 45%, and their spending nearly doubled, from €88 billion to €165 billion. Since 2024 that spending has been flat, while their share has edged up to 46%: the market contracted around them, from €369 billion in 2023 to €358 billion in 2025[1].

The pressure is also visible in profitability, with industry EBIT margins declining to 15-16%, compared with 23% in 2012[1]. Affordability concerns extend well beyond luxury. More than 80% of consumers consider value for money a major purchasing criterion, while over 60% expected to trade down in late 2025[2]. In Italy, 47.5% of households purchasing clothing reported reducing either the quantity or quality of their purchases, rising to 57.6% in Southern Italy[3].

Demand is not shrinking evenly, it is concentrating at the top

Global personal luxury goods market by customer segment (% of value, €358 bln in 2025)[1]



Sources: (1) Bain & Company – Altagamma, 24th Luxury Goods Worldwide Market Study (2025). "Value" is the retail value of the global personal luxury goods market, not company revenues; "big spenders" is Bain's term and the source does not disclose the spending threshold; the chart uses 47% of Bain's 46-47% range for 2025; (2) McKinsey – The Business of Fashion, The State of Fashion 2026 (2025); (3) ISTAT, Le spese per consumi delle famiglie – Anno 2024 (2025).

ENVIRONMENTAL CONCERN IS RISING AGAIN, BUT CONSUMERS REMAIN RELUCTANT TO PAY SUBSTANTIALLY MORE FOR SUSTAINABLE FASHION

In 2026, 85% of Italian consumers expressed concern about sustainability, compared with 77% in the United States and 74% in the United Kingdom[1].

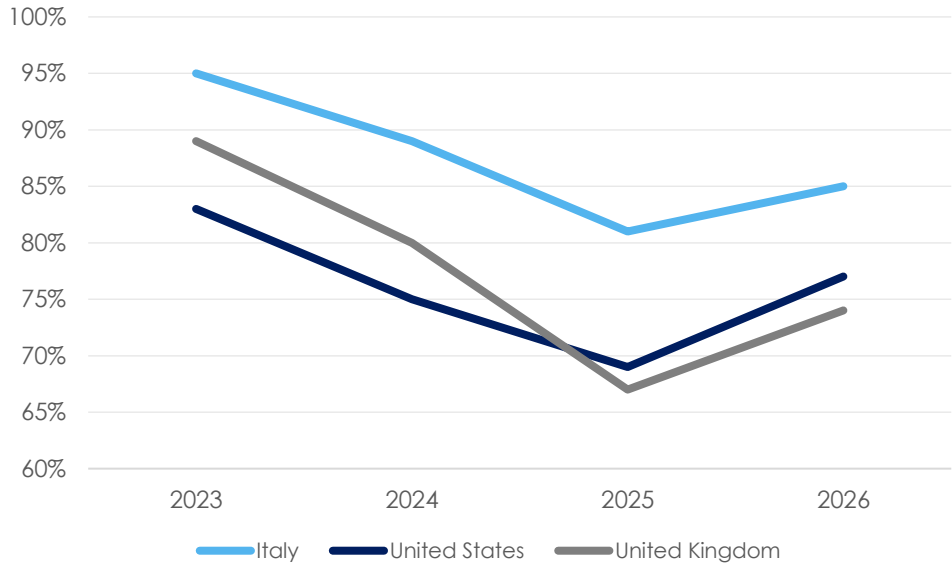
Extreme weather appears to be contributing to this renewed awareness, cited by 53% of consumers in developed markets and 61% in fast-growing economies. More people are also adopting sustainable habits, with 83% reporting at least 3 such behaviours, up from 73% in 2023, particularly when these involve little or no additional cost (limiting home energy use and buying second-hand clothing is among the ten most common, at 21%)[1].

Purchasing decisions reveal a more complex picture. European consumers declare lower premiums than those in fast-growing economies: 8-10% in the UK, Italy, Germany and France against 15-20% in fast-growing markets in 2023 [2]. In fashion, 53% say they would pay more for sustainable clothing, but only 13% would accept a 25% premium[3].

Price is not the only obstacle. With 68% of consumers unable to identify which of two products has a lower carbon footprint[1], greater environmental awareness does not necessarily translate into an ability to make more informed purchasing decisions.

Concern has turned back up in all 3 markets

Consumers concerned about environmental sustainability, 2023-2026 (% of respondents)[1]



53% say they would pay more for sustainable clothing, but say they would pay more for sustainable clothing, but half of them stop at +10[3]

Sources: (1) Bain & Company, The Visionary CEO's Guide to Sustainability 2026 (11/09/2026), Bain Consumer Lab ESG Survey, waves 2023-2026 (n=23,374 / 21,612 / 14,206 / 7,499, across 11, 13, 8 and 5 markets .(2) Bain & Company, press release of 13/11/2023 (23,000 consumers): average declared premium 12%, of which 8-10% in the United Kingdom, Italy, Germany and France, 11% in the United States and 15-20% in fast-growing markets. The 2023 and 2026 questions are worded slightly differently, so the comparison is indicative. (3) YouGov, 17 markets, fielded online in December 2023, 501-2,023 adults per market: willingness to pay more for sustainable clothing and accessories.

Section III
Solutions

Section's Key Messages Overview

3.1. Sustainable Innovation
Clean technologies already exist. What holds sustainable innovation back is the capacity to adopt them: clear strategies, structured scale-up, and metrics that turn projects into measurable results.

3.2. Circular Economy
European and national circularity ambitions are outpacing industrial capacity and economic viability. Second-hand is growing commercially and reshaping purchasing decisions.

Clean technologies already exist. What holds sustainable innovation back is the capacity to adopt them: clear strategies, structured scale-up, and metrics that turn projects into measurable results.

01 SOLUTIONS ARE READY

75% of the 234 clean technologies mapped are already on the market, with an average maturity of **8.2 out of 9**.

02 FEW REACH INDUSTRIAL SCALE

Of the sustainable innovations screened by industry accelerators, just **6%** attract investment and only **about 2 in 100** reach industrial integration.

03 PROCESSES LAG BEHIND

Only **4 in 10** companies have a formal innovation strategy, and just **8%** have consolidated metrics to measure its impact.

FROM SOURCING TO END OF LIFE, THE FASHION VALUE CHAIN ALREADY BENEFITS FROM A WIDE RANGE OF MATURE TECHNOLOGIES

The fashion industry can already draw on a broad range of technological solutions: innovation is no longer constrained by technology availability alone.

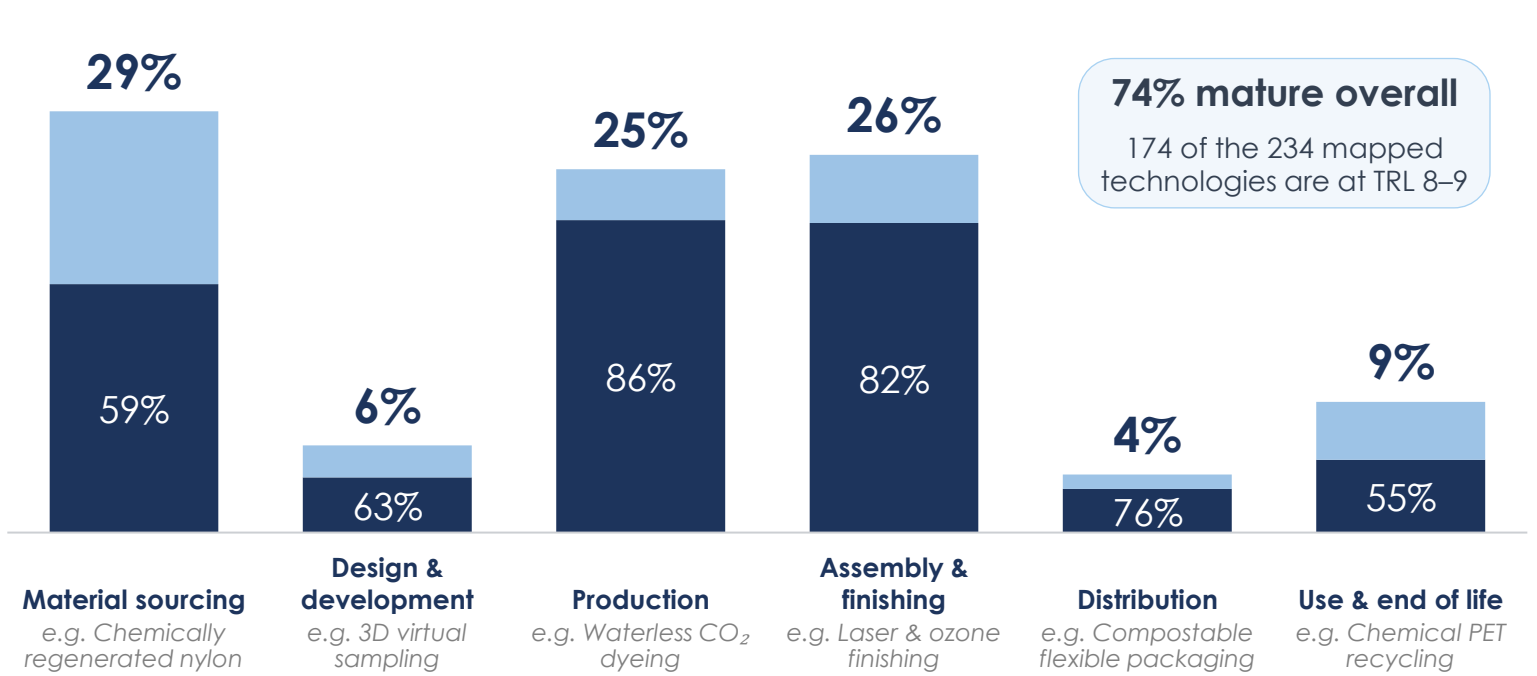
A mapping of **234 clean technologies** identifies solutions across the entire value chain, from material sourcing and product development to manufacturing, distribution and end-of-life management.

Maturity is highest in production and assembly, where **more than 80%** of mapped solutions are mature. Examples range from regenerated materials and digital prototyping to finishing processes that cut water use and environmental impacts.

Attention therefore shifts to companies' ability to select the most relevant solutions and integrate them into existing operations.

Clean technologies mapped along the fashion value chain

Share of the 234 technologies mapped, by value-chain phase and maturity



Note: mature = commercially available solutions, at Technology Readiness Level (TRL) 8–9; the remaining technologies are at pilot or start-up stage (TRL 6–7). Mature shares are calculated on the technologies mapped within each value-chain phase.
Source: TEHA market analysis of 234 available clean technologies for the fashion industry.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

RISING TEMPERATURES ARE RESHAPING CONSUMER DEMAND, OPENING NEW OPPORTUNITIES FOR CLIMATE-ADAPTIVE TEXTILES

Climate adaptation is becoming a competitive priority for fashion, affecting both consumer demand and product development.

Rising temperatures and longer summers are changing purchasing patterns, increasing demand for breathable garments, cooling solutions and UV protection, while weakening traditional winter collections[1,2].

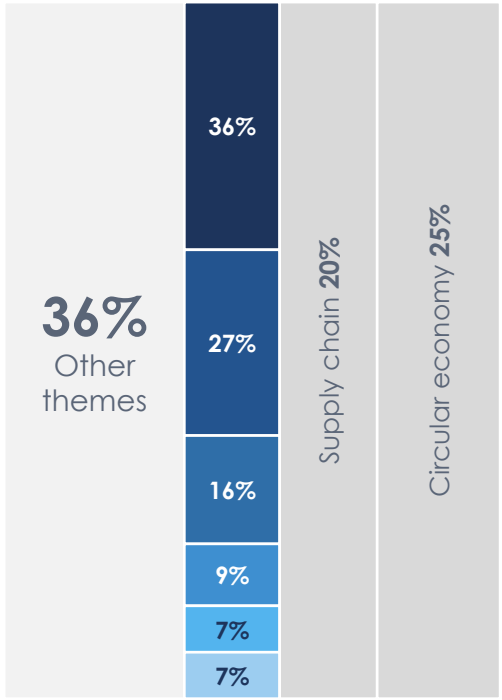
Technological responses are already available at advanced readiness levels, particularly for breathable materials, active cooling and sun protection, with average TRLs of 8/9[4].

The opportunity lies in integrating climate considerations into product development, collection planning and commercial strategies to respond to shifting consumer needs.

Climate-adaptive solutions among the clean technologies mapped[4]

*% of the 234 technologies mapped; use cases by share and average TRL**

19% climate-adaptive (45 of 234)



CLIMATE-ADAPTIVE USE CASE	AVERAGE TRL*	EXAMPLES
Breathable & cooling fabrics 36% of adaptive	8.4	Cooling T-shirts, running and sportswear tops
Active cooling wearables 27% of adaptive	8.0	Fan jackets, neck coolers, Peltier vests
UV, sun & heat shielding 16% of adaptive	8.3	UPF 50+ clothing, solar awnings, cooling coatings
Phase change materials 9% of adaptive	8.8	Cooling vests, thermo-regulating underwear
Anti-heat work protection 7% of adaptive	9.0	Evaporative vests, cooling bandanas, heat-stress monitors
Footwear & sleep comfort 7% of adaptive	8.7	Cooling insoles, mattress toppers

Sources: (1) TEHA Group elaboration on Copernicus ERA5 and CMIP6 HighResMIP data (via Open-Meteo) (2026); (2) Retail Gazette, Uniqlo profits dip amid global shift to summer clothes (2025); (4) TEHA market analysis of 234 available clean technologies for the fashion industry. (*) TRL = Technology Readiness Level, from 1 (basic research) to 9 (proven on the market); the pill fill is proportional to the average TRL on the 1–9 scale. Shares by use case are calculated on the 45 climate-adaptive technologies.

SUPPLY CHAIN TRANSPARENCY IS INCREASINGLY ESSENTIAL, BUT LIMITED DATA SHARING REMAINS A MAJOR BOTTLENECK

Supply chain transparency is increasingly a business requirement, but technology alone cannot overcome fragmented information and supplier relationships.

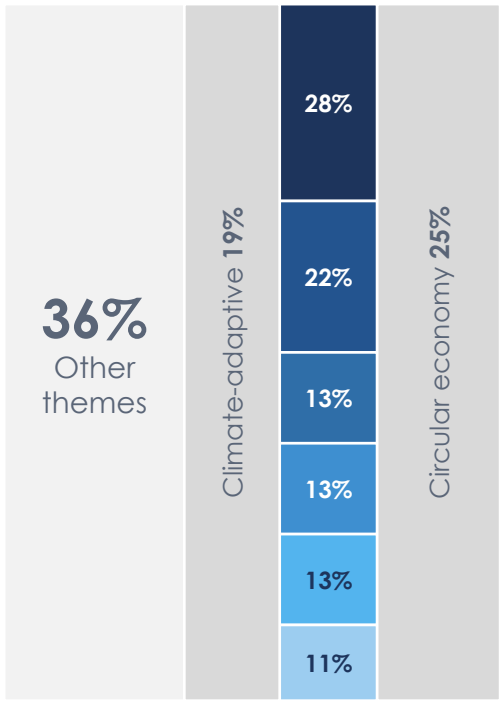
Regulatory requirements and growing scrutiny of environmental and social impacts are increasing the need for visibility beyond direct suppliers[1,2,3]. Technologies for multi-tier mapping, human rights due diligence and compliance monitoring are already available, with generally advanced readiness levels[4].

However, limited data availability and weak coordination across supply chain tiers remain critical barriers to effective traceability[4]. Stronger integration can also deliver economic benefits, with digital sourcing and supplier collaboration potentially generating double-digit product cost savings[5].

Effective traceability therefore requires not only digital solutions, but also stronger data governance, supplier engagement and coordination across the value chain.

Supply chain solutions among the clean technologies mapped[7]

*% of the 234 technologies mapped; use cases by share and average TRL**



SUPPLY CHAIN USE CASE	AVERAGE TRL*	EXAMPLES
Multi-tier supply chain mapping 28% of supply chain	8.2	N-tier mapping software, open supplier registries
Human rights due diligence 22% of supply chain	7.5	AI risk screening, recruitment-chain mapping
Factory audits & compliance 13% of supply chain	9.0	Digital audit platforms, ethical inspections
Forensic fibre traceability 13% of supply chain	8.2	Isotope analysis, DNA fibre markers
Worker voice & grievances 13% of supply chain	8.3	Anonymous worker apps, multilingual helplines
Wages & digital payments 11% of supply chain	7.6	Mobile wage payments, labour-cost calculators

Sources: (1) Directive (EU) 2026/470 amending Directive (EU) 2024/1760 (2026) (2) Regulation (EU) 2024/3015 (2024) (3) Regulation (EU) 2024/1781 (ESPR); indicative timing of the textile delegated act (4) Fashion Revolution, Fashion Transparency Index 2023 (2023); (5) McKinsey & Co, Rewiring retail in Europe: The AI imperative (2026); (6) Apparel Impact Institute, The Cost of Inaction (2026); (7) TEHA market analysis of 234 available clean technologies for the fashion industry. (*) TRL = Technology Readiness Level, from 1 (basic research) to 9 (proven on the market); the pill fill is proportional to the average TRL on the 1–9 scale. Shares by use case are calculated on the 46 supply chain technologies.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

CIRCULAR SOLUTIONS ARE WIDELY AVAILABLE, BUT TEXTILE-TO-TEXTILE RECYCLING IS STILL SCALING UP

Circular solutions are the largest group of clean technologies mapped, but the recycling routes that matter most are not yet industrial.

Regulation is raising the bar: since July 2026, large companies can no longer destroy unsold textiles, and the digital product passport registry is now law[1]. Yet textile-to-textile recycled fibre is still only 0.76% of global fibre production[2].

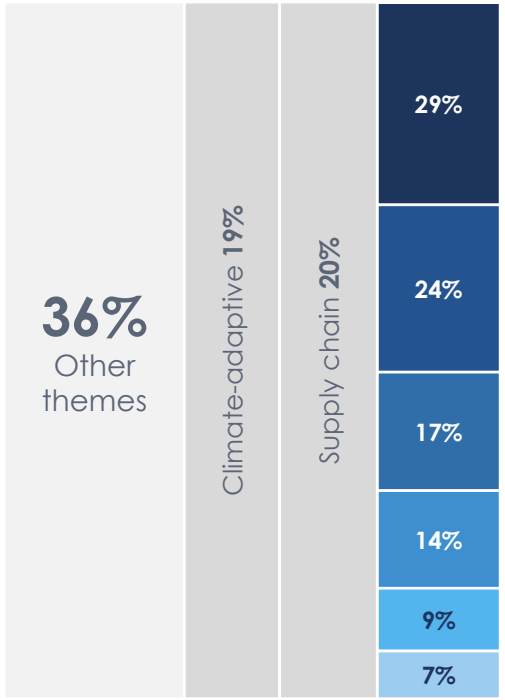
A quarter of the technologies mapped (58 of 234) close or extend material loops. Prevention and recovery solutions are the most mature (average TRL 8.3 and 8.8), while textile-to-textile recycling, the largest use case (29%), has the lowest (7.5), with half of its technologies still at pilot stage[3].

Scale is the bottleneck: Europe operates about 1,000 tonnes a year of fibre-to-fibre capacity, against 300,000 required by 2035[4].

Circular economy solutions among the clean technologies mapped[3]

*% of the 234 technologies mapped; use cases by share and average TRL**

25% circular economy (58 of 234)



CIRCULAR USE CASE	AVERAGE TRL*	EXAMPLES
Textile-to-textile recycling 29% of circular economy	7.5	Chemical PET and nylon recycling, cotton regeneration
Materials from waste & by-products 24% of circular economy	7.7	Fruit-waste leathers, mycelium, regenerated nylon
Waste & overproduction prevention 17% of circular economy	8.3	On-demand production, seamless knitting
Sorting, disassembly & resale 14% of circular economy	8.1	Automated sorting, resale platforms, dissolvable threads
Water & by-product recovery 9% of circular economy	8.8	Zero liquid discharge, indigo and salt recovery
Digital passports & reusable packaging 7% of circular economy	8.0	Digital product passports, reusable paper packaging

Sources: (1) Regulation (EU) 2024/1781 (ESPR) and Implementing Regulation (EU) 2026/1778 on the digital product passport registry (2026) (2) Textile Exchange, Materials Market Report 2026 (2026) (3) TEHA market analysis of 234 available clean technologies for the fashion industry (4) Systemiq, The Textile Recycling Breakthrough (2025); TEHA assessment on company disclosures (2026). (*) TRL = Technology Readiness Level, from 1 (basic research) to 9 (proven on the market); the pill fill is proportional to the average TRL on the 1–9 scale. Shares by use case are calculated on the 58 circular economy technologies; use cases are TEHA groupings of the technologies mapped.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

THE NEXT FRONTIER OF SUSTAINABLE INNOVATION LIES NOT ONLY IN TECHNOLOGY, BUT IN THE CAPACITY TO PUT IT TO WORK

The main barriers to innovation increasingly concern implementation, making organisational readiness as important as access to technology.

Costs, complexity, interoperability, cybersecurity, skills gaps and fragmented decision-making can prevent companies from translating promising solutions into industrial applications[1]. European competitiveness priorities increasingly recognise the importance of accelerating technology adoption and integration into business processes[2,3].

To address these challenges, 3 organisational pillars and 9 operational principles have been identified: Governance, Planning & Management, and Measurement & Integration. Together, they provide a framework to guide investments, coordinate implementation and measure the value generated[4].

3 clusters and 9 principles to turn innovation into results[4]

Governance, planning & management, measurement & integration: 3 principles each

Governance Bodies, roles and incentives that steer innovation	Planning & management How initiatives are selected, funded and scaled	Measurement & integration How value is assessed and built into processes
G1 Top-level mandate and sponsorship Innovation is a business-plan priority, with objectives, a dedicated budget and an accountable board or C-suite sponsor.	**P1 Balanced portfolio funded in stages** One portfolio ranked by impact and risk; funds are released in tranches as each stage is passed.	**M1 Outcome and impact indicators set upfront** Each initiative declares at launch its adoption, economic and ESG targets.
G2 Decision body with stop power A lean committee launches and closes initiatives, with clear accountability for each one.	**P2 Path to scale with the supply chain** Every pilot starts with an adoption plan and partners; risks and investments are shared with suppliers.	**M2 Verifiable evidence behind decisions** Baselines, recognised methods (LCA, GHG Protocol) and a shared register inform every stage-gate decision.
G3 Incentives tied to adoption Objectives and pay reward innovations that are adopted and deliver results, not the number of projects launched.	**P3 People and skills that fuel innovation** Cross-functional teams tackle real business problems, backed by training and a culture that learns from failure.	**M3 Results embedded in processes** What works becomes standard: design briefs, purchasing criteria, supplier specs, reporting and investor dialogue.

Sources: (1) Frontiers in Sustainability, The role of emerging technologies in advancing sustainability practices in the fashion and textile industry: a systematic review (2026); (2) Mario Draghi, The future of European competitiveness (2024); (3) European Commission, Competitiveness compass (2025); (4) TEHA Group, 3 clusters and 9 principles to turn innovation into results.

GOVERNANCE – COMPANIES HAVE BUILT THE FOUNDATIONS FOR INNOVATION, NOW CLEAR STRATEGIES CAN TURN THEM INTO RESULTS

Italian companies have established the foundations for innovation, with the next opportunity lying in translating structures into strategic direction.

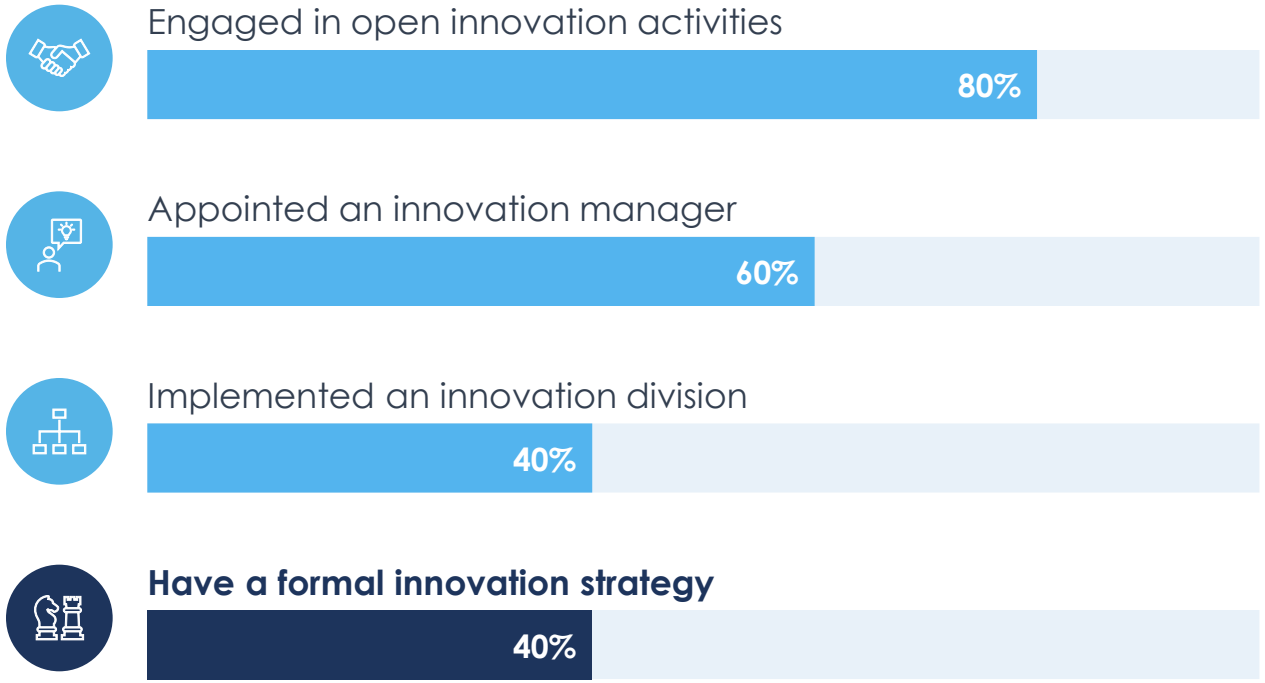
8 in 10 companies engage in open innovation and 6 in 10 have appointed an innovation manager, yet only 4 in 10 have a formal innovation strategy[3].

This means that at least **1 in 3 innovation managers operates without a formal strategy**, while many initiatives still lack clearly defined objectives.

The way forward is to connect innovation to business priorities through measurable targets, dedicated budgets and clear criteria to select, scale or discontinue initiatives[1,2].

Innovation governance measures adopted by companies[3]

% of companies, by type of innovation governance measure adopted



Sources: (1) Fashion for Good, Innovation Overview 2025 (2025) (2) World Economic Forum, Innovation Ecosystems: A Toolkit of Principles and Best Practice (2025) (3) Osservatori Startup Thinking e Digital Transformation Academy, Politecnico di Milano, (2025). The survey engaged 186 Chief Information Officers or (where present) Innovation Managers from large Italian and multinational enterprises, as well as more than 500 CEOs and C-levels from Italian SMEs.

PLANNING & MANAGEMENT – STRUCTURED INVESTMENT AND SCALE-UP PROCESSES CAN BRING MORE INNOVATIONS INTO INDUSTRIAL APPLICATION

The innovation pipeline offers significant untapped potential, with structured investment and scale-up processes key to bringing solutions into industrial application.

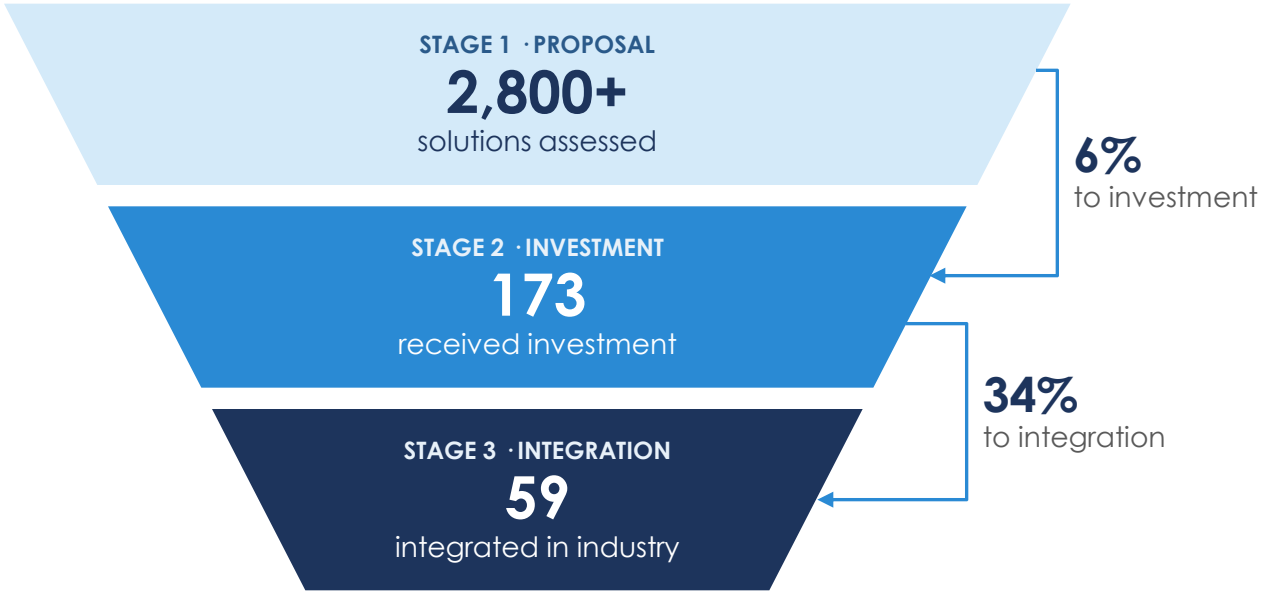
Of more than **2,800 solutions** assessed by Fashion for Good, only 173 (6%) received investment and 59 reached industrial integration[3].

The steepest drop occurs at the investment stage: 94% of assessed solutions never receive funding. Long trial and certification cycles add complexity, while 63% of technology budgets go to maintaining existing solutions, leaving 37% for new ones[1,2,3].

Companies can bridge this gap by managing innovation as a portfolio, setting dedicated budgets, stage-gate milestones and clear scale-up criteria to move promising solutions from pilot to industrial deployment[5].

Innovation solutions from assessment to industrial adoption[3]

Solutions mapped by Fashion for Good, by stage reached, last 3 years



≈2 in 100 solutions assessed reach industrial integration (59 of 2,800+)

Sources: (1) SI Labs, Innovation Metrics: How to Systematically Measure and Manage Innovation (2025) (2) Textile Exchange, Materials Market Report, 2022-2026 editions; The Fabric of Value, What the 2026 Materials Market Report by Textile Exchange Reveals About Recycling's Investment Case (2026); (3) Fashion for Good, 5-year strategy (2024-2026); (4) Comité Colbert, Bain & Company, Luxury and Technology: Tailoring Investment Strategies for Greater Business Impact (2025); (5) TEHA Group, InnoTech Report 2026: Harnessing Innovation in the Global Scenario (2026)

MEASUREMENT & INTEGRATION – CLEAR IMPACT METRICS CAN HELP COMPANIES TURN INNOVATION INTO MEASURABLE BUSINESS VALUE

Measuring innovation outcomes is essential to turn investments into tangible results and support informed business decisions.

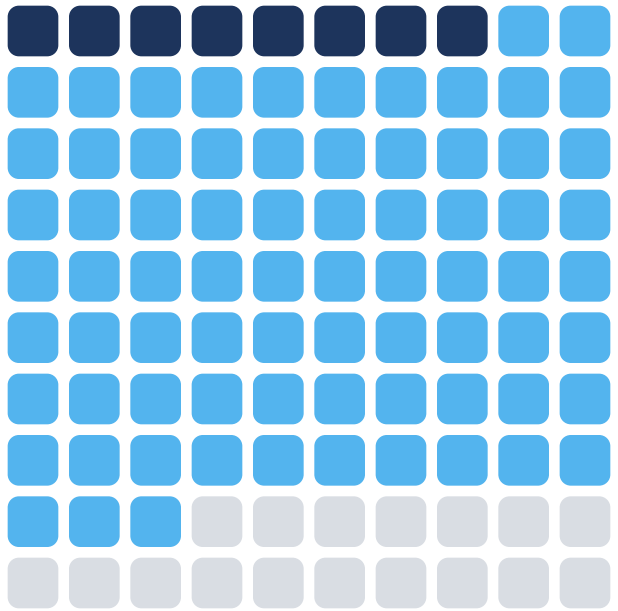
Only **8% of companies** have consolidated metrics to assess the impact of innovation projects, rising to 22% among those that identify innovation as a priority[2].

The need is widely recognised: 81% of companies without metrics believe they should introduce them, highlighting an opportunity to strengthen impact measurement[2].

Companies can close this gap by defining KPIs from the outset, tracking both business and sustainability outcomes, and using results to guide investment decisions, scale successful projects and integrate proven solutions into standard operations[1].

Use of metrics to measure innovation effectiveness[2]

% of companies, by use of innovation impact metrics (each square = 1%)



8%
have consolidated metrics to measure the impact of their projects

75%
do not have them yet but think they should integrate them (81% of companies without metrics)

17%
do not plan to introduce them

22% have metrics among companies that identify innovation as a priority

Sources: (1) SI Labs, Innovation Metrics: How to Systematically Measure and Manage Innovation (2025) (2) Osservatori Startup Thinking and Digital Transformation Academy, Politecnico di Milano, Digital & Open Innovation (2025. The survey engaged 186 Chief Information Officers or (where present) Innovation Managers from large Italian and multinational enterprises, as well as more than 500 CEOs and C-levels from Italian SMEs.

European and national circularity ambitions are outpacing industrial capacity and economic viability. Second-hand is growing commercially and reshaping purchasing decisions.

01 RECYCLING IS NOT YET INDUSTRIAL

In the EU, less than **1%** of textile waste becomes new fibre: we recycle about **1,000 tonnes** a year fibre-to-fibre, against **300,000** needed by 2035.

02 EPR ECONOMICS DEPEND ON ENFORCEMENT AND TECHNOLOGY

Italy collects just **13%** of textiles placed on the market. By 2035, operating costs alone could require **€263/t** with limited producer participation. Scaling recycling technology is equally critical to controlling costs.

03 SECOND-HAND SETS THE PRICE

Online second-hand will reach only **11.6%** of Europeans by 2030, a small revenue pool. Yet it already shapes new purchases: **88%** of Vinted buyers check it before buying new.

EUROPE'S CIRCULARITY AMBITION REQUIRES AN 18-FOLD ACCELERATION BY 2030

Europe's textile consumption continues to depend heavily on virgin materials, requiring approximately 234 million tonnes of raw materials annually, equivalent to 523 kg per person, with 2/3 extracted outside Europe[1].

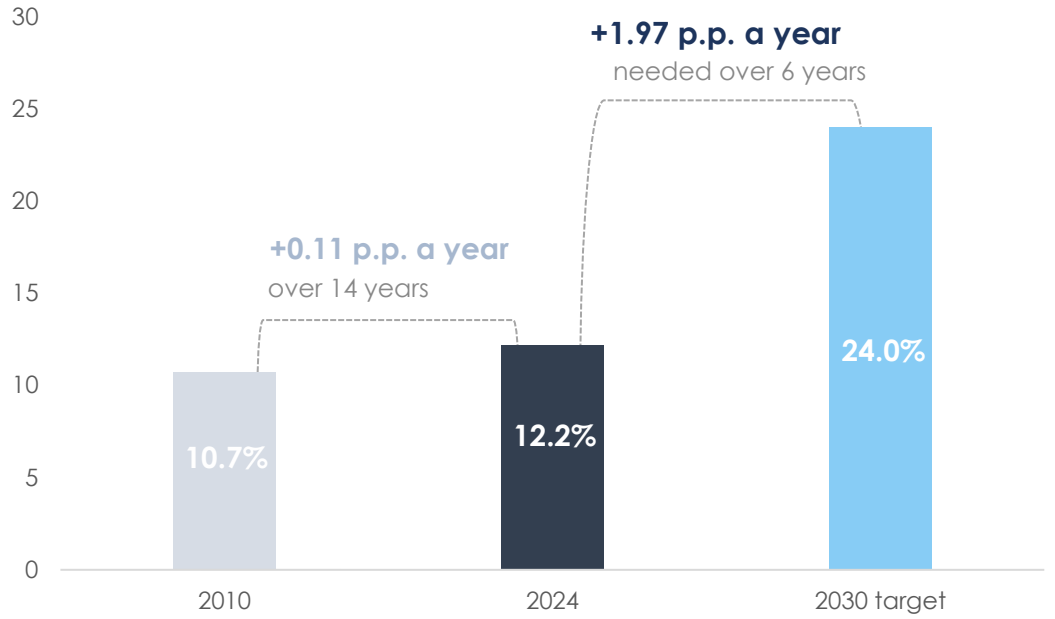
Reducing this dependence has become an increasingly important objective of European industrial policy, reflected in the Clean Industrial Deal's ambition to reach 24% circular material use by 2030[2] and the Critical Raw Materials Act's 25% recycling benchmark[3].

Progress, however, remains considerably slower than these ambitions require. Between 2010 and 2024, Europe's circular material use rate increased from 10.7% to 12.2%, an average improvement of just 0.11 percentage points annually[4]. Reaching 24% by 2030 would require an annual increase of approximately 1.97 percentage points, 18 times the historical pace.

For fashion, the distance between ambition and current performance is even greater: less than 1% of the global fibre market comes from textile-to-textile recycling, pre- and post-consumer combined[5].

The necessary acceleration

EU circular material use rate and 2030 target (% of material input)4



Sources: (1) EEA, Raw material use for the EU's textiles consumption (2025), 2022 data, modelled. (2) European Commission, Communication 85/2025, Clean Industrial Deal (February 2025). (3) Regulation (EU) 2024/1252, Art. 5. (4) Eurostat, cei_srm030, published 19/11/2025. (5) Textile Exchange, Materials Market Report 2026 (September 2026): share of global fibre production supplied by textile-to-textile recycling, pre- and post-consumer. The Circular Economy Act proposal is expected on 11 November 2026.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

EUROPE GENERATES 7 MILLION TONNES OF TEXTILE WASTE A YEAR, BUT TOO LITTLE REACHES RECYCLERS AND INDUSTRIAL CAPACITY REMAINS LIMITED

Europe generates approximately 6.94 million tonnes of textile waste every year, 16 kg per person[1], yet only a small proportion is collected and prepared for recycling.

Less than 15% is collected separately[1], and the gap widens further during sorting. Across 6 European countries, 74% of low-value post-consumer textiles were found to be technically suitable for recycling, but only 2% actually reached recycling facilities[3,4].

Recycling technologies are advancing, with European projects already demonstrating cotton-to-cotton recycling[5] and the separation of blended fabrics, recovering 75% of cotton and 78% of polyester at over 98% purity, on 11.6 kg in a pilot reactor[6].

Turning these results into industrial operations remains considerably more difficult. No fibre-to-fibre plant dedicated to apparel yet runs at commercial scale in Europe: the largest is a demonstration unit at about 1,000 tonnes a year against the 300,000 estimated for 2035[7,8], and several large-scale projects face delays[7,9].

The 4 steps between waste and new fibre

Where Europe stands today and what 2035 requires, by step

	TODAY	WHAT 2035 REQUIRES
Textile waste generated	**6.94 Mt a year[1]**	*No target applies*
Collected separately	**just under 15%[1]**	**about 50%[2]**
Sorted into usable feedstock	**2% of the material that is suitable[3]**	**63%[2]**
Fibre-to-fibre plant in operation	**1,000 t/yr[7]**	**300,000 t/yr[8]**

×300 what operates in Europe today against what 2035 requires

Sources: (1) EEA, Circularity of the EU textiles value chain in numbers (2025), 2022 data, EU-27. (2) BCG and ReHubs, post-consumer perimeter 13.3 Mt (2026). (3) Fashion for Good, Sorting for Circularity Europe (2022). (4) Fashion for Good, Solving the Feedstock Gap (2026). (5) New Cotton project, New Cotton Project explained (2020-2024). (6) Leenders N. et al., Polycotton waste textile recycling by sequential hydrolysis and glycolysis, Nature Communications 16:738 (2025). (7) Reju, Regeneration Hub Zero, Frankfurt (2024); Circ Saint-Avold. (8) Systemiq, The Textile Recycling Breakthrough (2025). (9) Sysav on Siptex (December 2025). Rows have

ITALY IS COLLECTING MORE USED TEXTILES, BUT THEIR DECLINING RESALE VALUE IS PUTTING COLLECTION ECONOMICS UNDER PRESSURE

Italy separately collects 180,300 tonnes of used textiles, equivalent to around 13% of what is placed on the market and 40% more than in 2015[1,2]. The resale value of used textiles is declining despite growing volumes. **In constant prices, the unit value of Italian exports fell from €0.82/kg in 2015 to €0.51/kg in 2025** (-37%), while exported volumes rose 18%. Across Europe, the decline in real terms reached 44%[3].

The outlets have narrowed while the volumes were growing. Trade with Russia and parts of Eastern Europe was disrupted after 2022, removing a traditional destination for European used clothing, and import restrictions in Asian and African countries have further limited what remains[4].

What collectors have to sell has also changed. The share unsuitable for reuse can now exceed half of collected volumes, and in Germany the reusable share fell from 54% to 44%[4,5]. Industry associations put the value of the reusable fraction itself down by up to 70% against pre-2020 levels[4].

More collected, each kilo worth less[2,3]

Separate collection, thousand tonnes (left); real export value of used textiles, € per kilo at 2015 prices (right). Collection data are published from 2020[2,3]



Sources: (1) MASE, Impact assessment of the draft textile EPR decree (July 2026). (2) ISPRA, Rapporto Rifiuti Urbani n. 419/2025, same methodology (DM 26/05/2016). (3) TEHA elaboration on Eurostat Comext, CN 63090000, exports, value divided by net weight, deflated with euro-area HICP (2015=100). (4) ANIIU, ARIU, Assorecuperi and Retessile, "Situazione emergenziale della filiera di gestione del rifiuto tessile", 11 July 2025; (5) bvse-Textilstudie 2026 and tex via Julia Schneider, MGB (May 2026), Germany.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

OPERATING MARGINS DETERIORATE ALONG THE VALUE CHAIN, WITH THE LARGEST LOSSES CONCENTRATED IN FIBRE RECYCLING

Even when textile waste can be collected, sorted and recycled, the economics of producing new fibres remain difficult. In the baseline modelled by BCG and ReHubs - at today's prices, with no textile-to-textile price premium - EBIT is negative on both fibres[1].

A major reason is the price difference between recycled and virgin materials. Polyester recycled from European post-consumer textiles costs approximately 2.6 times as much as virgin polyester sourced from Asia[2], while demand is not yet supported by mandatory recycled-content requirements for textiles, only expected to be addressed through the ESPR delegated act in 2027[2,3].

Despite recycled-content requirements applying since 2025, European plastics recycling capacity has declined by approximately 1 million tonnes since 2023, partly because the targets can also be met using imported recycled material[4,5]. For European textile recyclers, the effectiveness of future requirements will therefore depend on whether the resulting demand can support production within Europe.

Profitability of European textile recyclers[1]

Stage of the value chain	Current business EBIT margin	Estimated Textile-to-Textile recycling EBIT margin
Textile collection	0% to 5%	0% to 5%
Textile sorters	3 to 5%	−5 to 0%
Textile pre-processors	5 to 10%	4 to 8%
Textile recyclers – polyester	n.a.	−75 to −25%
Textile recyclers – cotton	n.a.	−100 to −50%

EBIT margins close to «as-is» scenario EBIT margin lower than «as-is» or negative

Sources: (1) BCG and ReHubs, Advancing Textile Circularity in Europe (2026). (2) Systemiq, The Textile Recycling Breakthrough (2025): recycled polyester from EU post-consumer textile waste costs about 2.6 times average virgin polyester from Asia. (3) ESPR Working Plan 2025–2030, adopted 16/04/2025: textiles are a 2nd-priority group, delegated act expected in 2027; recycled-fibre minimum under consideration, not yet law. (4) Directive (EU) 2019/904, Art. 6(5) (25% recycled content in PET beverage bottles from 2025) and Regulation (EU) 2025/40, Art. 7. (5) Plastics Recyclers Europe (11/09/2025): almost 1 Mt of European plastics recycling capacity lost since 2023, attributed to a surge in low-priced imports; all polymers, not PET alone. (6) Systemiq (2025): EPR fee of about €250/t by 2028 rising to €330/t by 2035, plus a €55/t green premium.

THE EFFECTIVENESS OF ITALY'S TEXTILE EPR DEPENDS ON A BROAD CONTRIBUTING BASE, BUILT THROUGH REGULATION AND TECHNOLOGY

Under EPR, producers pay a fee per tonne placed on the market, while costs depend on tonnes collected. Only the latter are driven up by legal targets[1]**.** Textiles waste management costs are estimated between € 0 and 150 €/t. It includes collection cost, sorting cost and sales of the output[3].

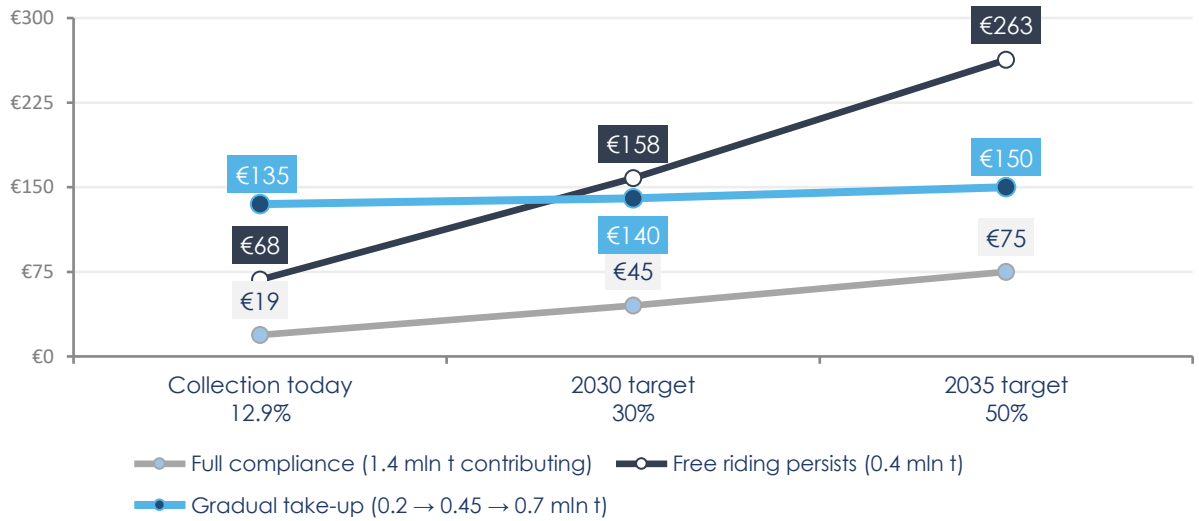
Additional scheme costs remain uncertain. Management, coordination, repair incentives and communication account for roughly half of eco-contributions in France[5].

Financial sustainability of the system will depend on effective enforcement. Free riding could limit Italy's contributing base to 200–400kt out of 1.4Mt placed on the market[4]. **By 2035, operating costs alone would require €263/t at 400kt, versus €75/t with full participation. Expanding the base to 700kt would keep fees near €150/t[3].**

As increasing collection effectively rely on having recycling plants in place, technology will be critical to controlling future costs. Better sorting and recycling can connect recovered materials to markets and reduce net costs[5].

How much waste management would cost*, depending on how many joiners

*Contribution needed to cover operating costs under Italian collection targets, € per tonne placed on the market(Simulation)[3]. ***General costs excluded.***



The cost of free riding: if the producers who join the system account for 0.4 rather than all 1.4 million tonnes placed on the market, each tonne inside it carries 3.5 times the contribution[3]

+€48	+€113	+€188
Today	2030	2035

Sources: (1) Draft textile EPR regulation, Conferenza Unificata (July 2026; not yet published). (2) Erion Textiles (Oct. 2026); Erion elaboration on BCG/ReHubs; ANIIU et al. (2025). (3) TEHA estimates based on interviews with Erion Textiles, Retex.Green – Confindustria Moda (Oct. 2026)and ISPRA (2025), assuming €150/t collected and constant unit costs; additional system costs excluded. Contribution figures are illustrative, not official fees. (4) Erion Textiles (Oct. 2026): contributing base of 200,000–400,000 t is an illustrative scenario. (5) TEHA review of company announcements and sector sources (Oct. 2026); Erion Textiles estimates on future recycling capacity.

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

BEYOND RECYCLING, REUSE IS RESHAPING FASHION CIRCULARITY, WITH EUROPEAN ONLINE SECOND-HAND PENETRATION DOUBLING SINCE 2019

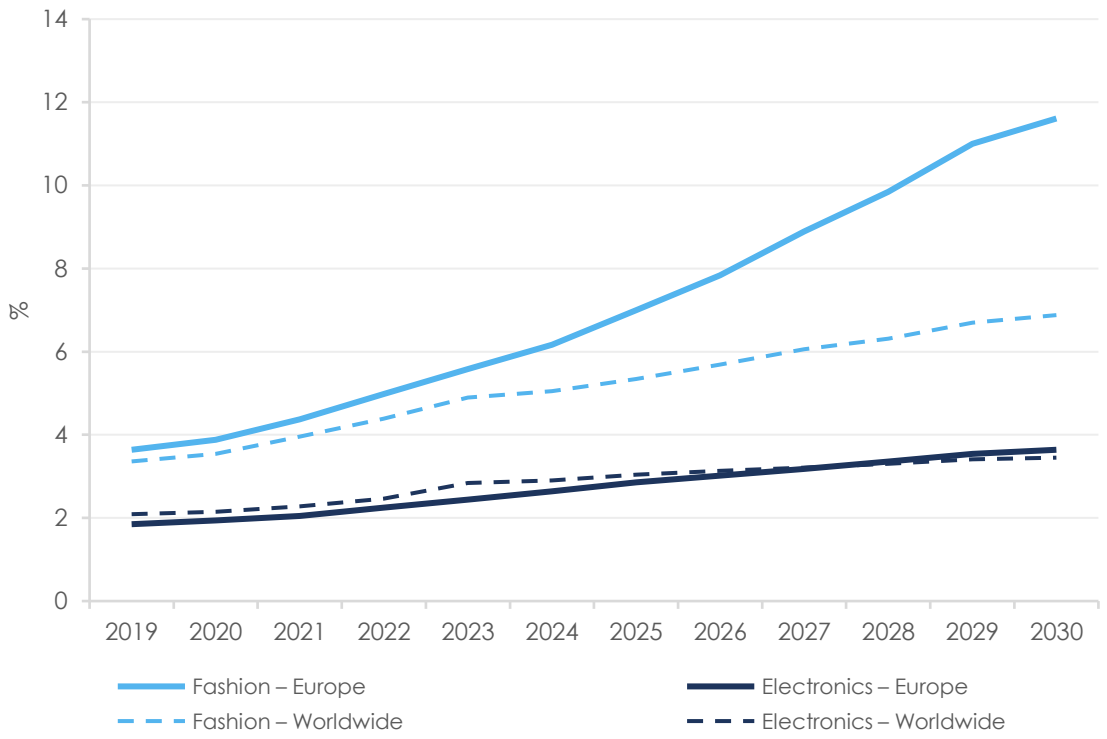
In Europe, the share of consumers buying second-hand fashion online rose from 3.6% in 2019 to an estimated 7.0% in 2025 and is projected to reach 11.6% by 2030, more than tripling over the period[1].

Fashion is expected to remain the leading second-hand category. By 2030, its penetration rate in Europe is projected to be more than 3 times that of electronics[1].

Europe is also expected to outperform the worldwide market: by 2030 its rate in fashion will be almost 1.7 times the global one (+4.7 percentage points), while in the other categories the gap stays much smaller[1]. This suggests that Europe is emerging as a particularly mature market for fashion recommerce, driven by large online resale platforms[2]. This figure, however, covers only consumers buying second-hand online. Most used clothing collected in Europe follows a different route: EU exports of used textiles tripled to almost 1.7 million tonnes between 2000 and 2019, 46% of them to Africa, where what cannot be reused largely ends up in open landfills[3].

Second-hand e-commerce user penetration[1]

By category, %, 2019–2030



Sources: (1) TEHA elaboration based on Statista Market Insights, Second-hand e-commerce user penetration rate in Europe and worldwide from 2019 to 2030, by category; (2) Bain & Company, Charting the Rise of Preowned Apparel in the US and Europe (2026); (3) European Environment Agency, EU exports of used textiles in Europe's circular economy (2023). Note: User penetration: share of active paying customers buying pre-owned fashion online at least once a year, through C2C platforms (e.g. Vinted, eBay) and brand-operated resale. It measures people, not items purchased, and excludes used clothing exported in bulk.

WHEN LUXURY PRICES BECOME A BARRIER, NEARLY 3 IN 10 CONSUMERS TURN TO SECOND-HAND

Rising prices are increasingly affecting how consumers approach luxury purchases. In a 2026 survey covering more than 10,000 consumers across 11 markets, 70% reported abandoning a luxury purchase because of its price[1].

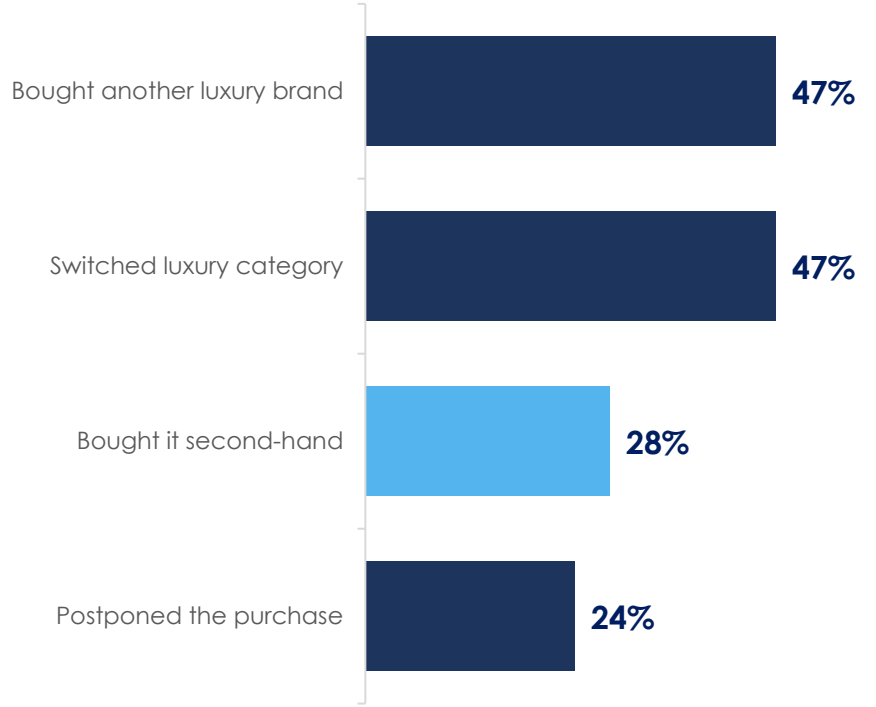
Rather than leaving the category altogether, many looked for alternatives, with 47% choosing another luxury brand, 47% switching product categories and 28% purchasing second-hand, while 24% postponed their purchase[1].

The pressure on discretionary spending is also visible in Italy, where 43.8% of the households that spend on clothing and footwear tried to reduce that spending in 2025, rising to 52.1% in the South, down from 47.5% and 57.6% in 2024[2].

Second-hand is therefore not simply a parallel market driven by environmental values. It offers consumers a way to access products at prices they are willing to accept, retaining demand that might otherwise shift towards another brand, another category or a postponed purchase.

What luxury consumers did after walking away on price[1]

% of luxury consumers, 2026



Sources: (1) BCG and Altagamma, True-Luxury Global Consumer Insights 2026, 12th edition (July 2026), over 10,000 respondents in 11 markets including Italy. (2) Istat, Spese per consumi delle famiglie – Anno 2025 (8 October 2026): share of households that tried to reduce spending on the item, excluding the 5.8% that spend nothing on it; 2024 figures from the previous edition.

SECOND-HAND IS SHAPING HOW CONSUMERS VALUE NEW FASHION, WITH 88% OF VINTED BUYERS CHECKING RESALE PRICES BEFORE PURCHASING

Vinted intermediated €10.8 billion of Gross Merchandise Value (GMV) in 2025, +47% year on year, with €1.1 billion of revenue and €62 million of net profit[1]: second-hand fashion is now profitable at European scale.

What matters for pricing is the sequence of the purchase. 88% of Vinted buyers check the platform before buying something new, at an average price 72% below original retail[2].

Resale value has now entered the decision on new products. 41% of younger US consumers say they are less likely to buy apparel that lacks good resale value[3]. The reference price is no longer only a comparison made before buying: it has become a product requirement.

In Italy clothing is the first category of the online second-hand market - 39% of purchases and 49% of sales, from 22% of purchases in 2019 - with an average declared saving of 44%[4].

Three numbers behind the reference price

€10.8 bln

Vinted GMV in 2025, +47% year on year, with €62 mln of net profit[1] – resale is profitable at European scale

88%

of Vinted buyers check the platform before buying new[2] – and about half of all luxury shoppers now do the same[3]

–72%

A new garment must justify a 3.6x premium over its own second-hand twin

Sources: (1) Vinted, Financial results 2025 (2026); (2) Vinted, The Vinted Equation (2026), ~50,000 members in 9 European markets – company-sponsored research; (3) ThredUp and GlobalData, 2025 Resale Report (US survey of 3,034 adults and 50 retailers), as reported in Kantar, The Changing Fashion Consumer (2026); (4) BVA Doxa for Subito, Osservatorio Second Hand Economy (2025-2026): purchases 2024, sales 2025;

SECOND-HAND DOES NOT NECESSARILY REPLACE NEW PURCHASES, AS FREQUENT RESALE BUYERS ALSO TEND TO CONSUME MORE FASHION

The expansion of second-hand fashion does not automatically translate into lower overall consumption. Research in the United States found that consumers purchasing pre-owned clothing also tend to buy new garments more frequently and in greater quantities than those who do not participate in resale markets[1].

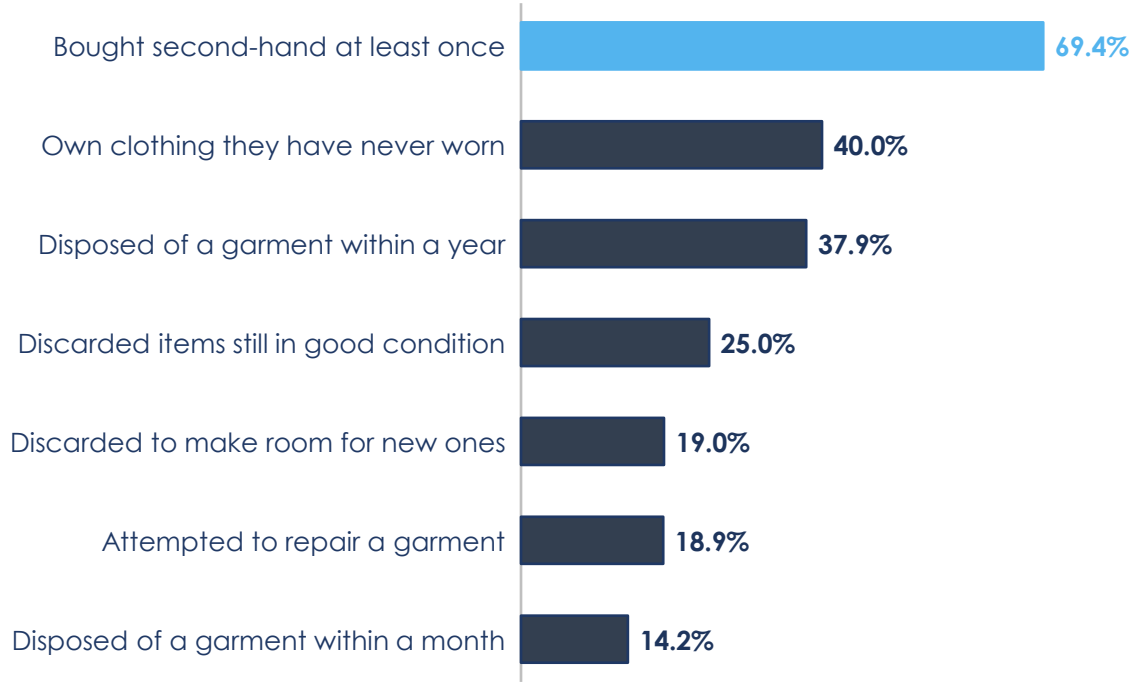
Among respondents, 69% had purchased second-hand clothing at least once, but 40% owned garments they had never worn, while 38% had disposed of clothing within a year and 19% had discarded items simply to make room for new purchases. Fewer than 1 in 5 had ever attempted to repair a garment[1].

The study identifies two distinct purchasing patterns. Approximately 6 in 10 consumers buy frequently across both new and second-hand markets, return products regularly and keep garments for relatively short periods. The remaining 4 in 10 purchase less frequently, spend more per item and retain clothing for longer[1].

Second-hand can therefore support very different consumption behaviours. Its contribution to circularity depends not only on how many garments are resold, but on whether resale actually reduces the purchase of new clothing and extends the useful life of existing products.

Fashion behaviours of second-hand buyers[1]

% of US respondents, in a population where 69% buys second-hand



Sources: (1) M. Peleg Mizrachi (Yale University) and O. Sharon (Bar-Ilan University), Secondhand fashion consumers exhibit fast fashion behaviours despite sustainability narratives, Scientific Reports 15:34968 (2025), DOI 10.1038/s41598-025-19089-1. Nationally representative US sample, n=1,009, fielded 15-22 July and 31 August-15 September 2024; 46% of respondents completed the full questionnaire. The study is cross-sectional and reports associations, not causal effects.

YOUNGER GENERATIONS ARE DRIVING SECOND-HAND FASHION ADOPTION, WITH AGE PROVING MORE INFLUENTIAL THAN INCOME

Second-hand fashion has become particularly popular among younger European consumers. Over the past year, 58% of Gen Z and 54% of Millennials purchased pre-owned clothing or accessories, compared with 39% of Gen X and 24% of Baby Boomers[1].

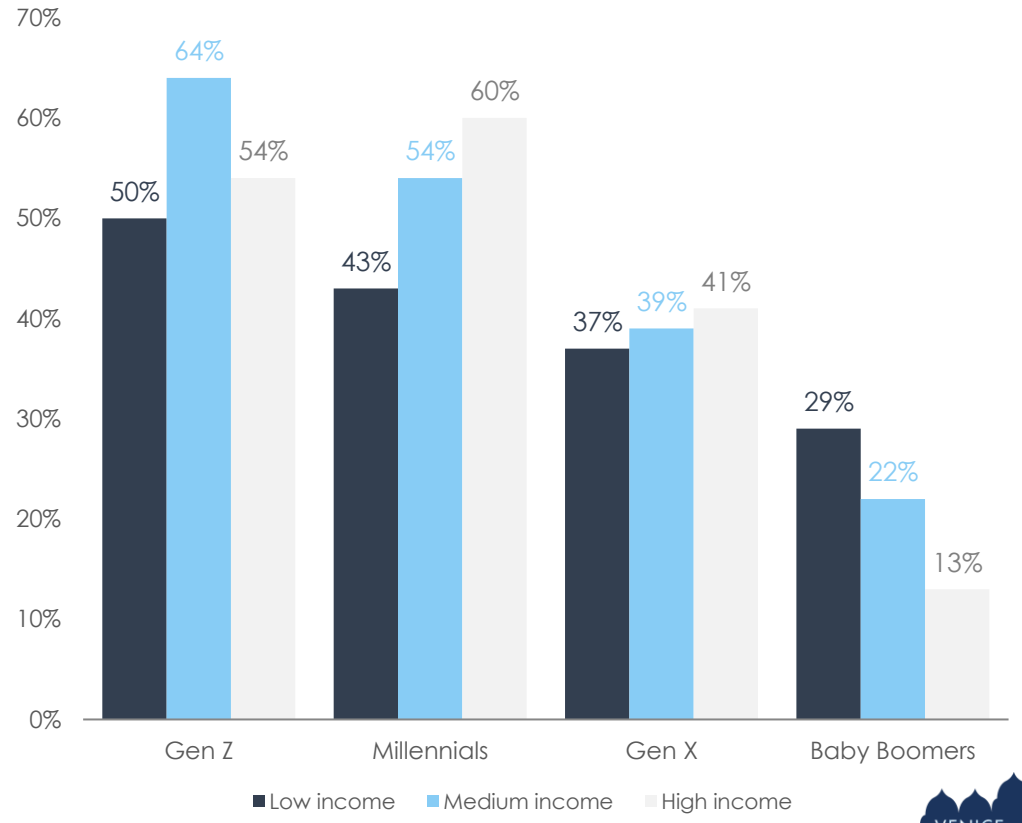
Gen Z consumers are therefore more than twice as likely as Baby Boomers to participate in the second-hand market. Income, however, does not explain purchasing behaviour as clearly as age. Across most generations, lower-income consumers are not the most likely to buy pre-owned fashion, with Baby Boomers representing the main exception[1].

Among Gen Z, for example, participation reaches 64% for middle-income consumers, compared with 50% for those on lower incomes.

These differences suggest that second-hand is increasingly becoming an established purchasing choice among younger generations, rather than a market serving primarily consumers with limited spending power.

Consumers who bought pre-owned fashion in the past year[1]

Apparel or accessories, % of consumers



Sources: (1) Bain & Company, Charting the Rise of Preowned Apparel in the US and Europe (2026)

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

SECOND-HAND IS ALREADY MAINSTREAM AMONG YOUNG EUROPEANS, WITH ONLINE PLATFORMS LEADING THE WAY

Among young European consumers, second-hand shopping is increasingly part of everyday purchasing behaviour. In 2024, 70% reported buying second-hand products and 67% selling them, compared with 51% and 49% respectively in the previous year[1].

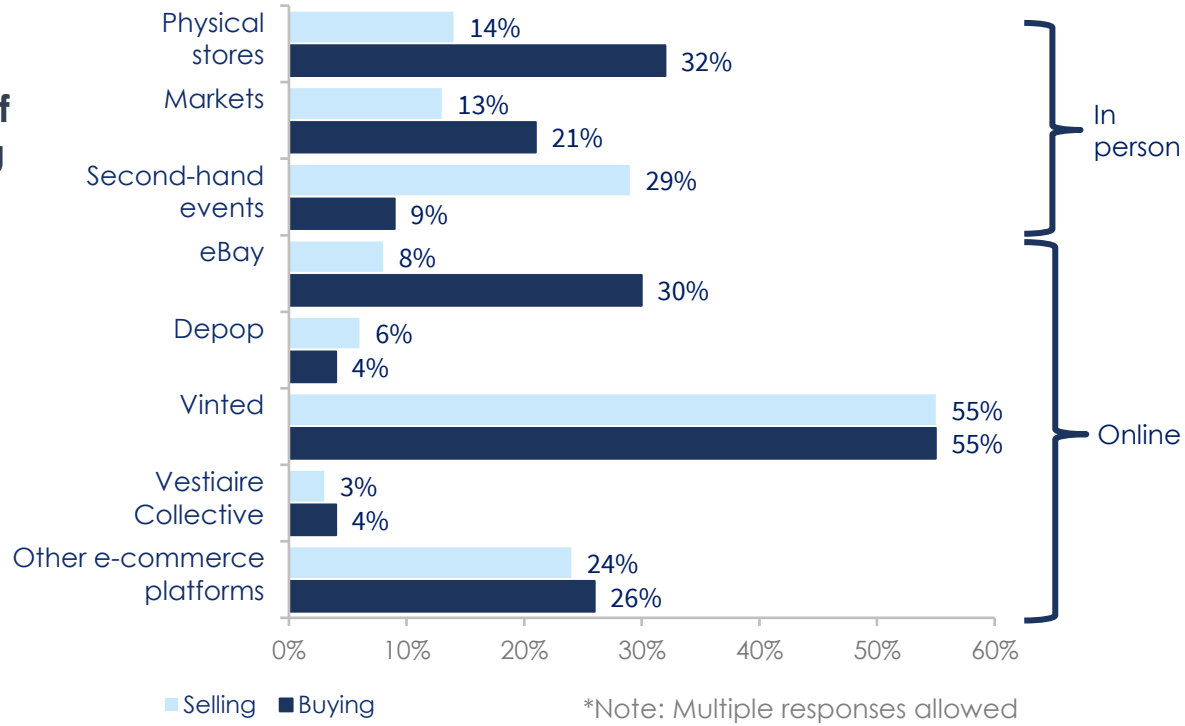
For many, these are no longer occasional transactions, with 29% of young second-hand buyers saying that at least half of the clothing they purchased during the year was pre-owned[1].

Price remains the main motivation. 72% identify saving money as their primary reason for buying second-hand, while only 14% cite circularity[1], reinforcing the importance of affordability in the market's expansion.

The channels used also differ considerably across markets. In Europe, online platforms account for 72% of pre-owned apparel purchases, while in the United States physical thrift stores represent 78%[2]. Among young Europeans, Vinted is the dominant platform, used by 55% of both buyers and sellers[1], illustrating how digital marketplaces are making second-hand increasingly accessible and convenient.

Second-hand channels used by Gen Z and Millennials[1]

% of buyers and sellers, 2024



Sources: (1) PwC, 9th New Generation Circular Fashion Survey (2024). Survey of 1,500 Gen Z and Millennial consumers in France, Germany, Italy, Spain and the UK; (2) Bain & Company, Charting the Rise of Preowned Apparel in the US and Europe (2026)

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

Section IV
Proposals
for a European Fashion Competitive Transition

A new perspective on action

In a multipolar world, system-wide answers will be ever harder to reach. Yet multiple key actors show no intention to stop looking for solutions.

Holding out for the perfect answer means missing the moment. Given the growing urgency to take action, the time to do so is now.

The proposals that follow start from places, the districts and supply chains where fashion is made, and choose what can work now over what would work everywhere.

The key is to overcome the inertia and paralysis that great challenges create.

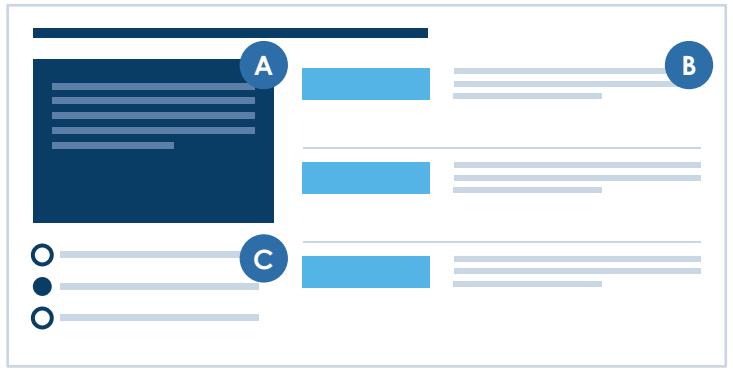
8 PROPOSALS TO DRIVE A COMPETITIVE TRANSITION, AT A GLANCE

		PROPOSAL AND PRAGMATIC AMBITION	THE ACTION PLAN			WHO LEADS
INNOVATION	1	**Co-invest with suppliers** Multi-year pacts with strategic suppliers co-fund transition investments; banks price supply-chain finance on the pact.	Write a model pact	› Pilot it in 2 or 3 districts	› Pool and scale	Companies
	2	**Scale innovation through processes** Light innovation processes with owner budget and stage gates; SME networks share innovation managers and a calls desk	Shared innovation managers	› Give every network a playbook	› Match demand and supply	Companies Enablers
	3	**Integrate climate in planning** Climate signals in planning and buying, investment in technical textiles, shared climate tools from enablers	Build a shared climate toolkit	› Plug it into planning	› Back technical textiles	Companies Enablers
	4	**Build the Extended Lifestyle Ecosystem** Fashion works with home, beauty, hospitality and culture: a cross-sector table, joint plans, joint promotion abroad	Open an ecosystem table	› Ecosystem into industrial plans	› Promote and work together	Institutions Enablers
CIRCULARITY	5	**Create demand for recycled fibre** EU recycled-content rules for traceable European fibre, no penalties on circular options, public and brand lead markets	Shape the ESPR textile act	› Stop penalising circular options	› Build lead markets	Institutions
	6	**Scale textile sorting capacity** District sorting hubs for EPR targets, a shared audited cost observatory, EPR fees that follow real costs	Open a shared cost observatory	› Plan sorting where the material is	› Let fees follow costs	Enablers
RESILIENCE	7	**Plan skills and hiring to 2033** Hiring forecasts by profile and district, training before and after arrival, planned entry through regular channels	Forecast the needs	› Train before and after arrival	› Retain and grow	Companies Enablers
	8	**Defend value through legality** One verified labour assessment shared with all clients, a yearly legality report, same EU rules on imports	One assessment, many clients	› Tell what has been done	› The same rules at the border	Institutions Companies

HOW TO READ THE PROPOSALS

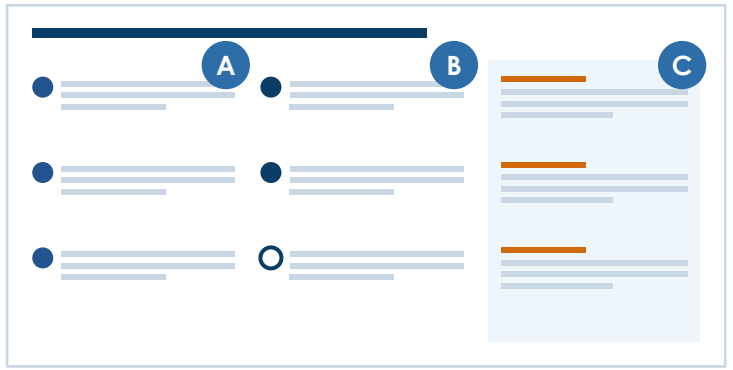
Each of the 8 proposals unfolds in 3 modules, always in the same order and with the same structure.

1 THE CHALLENGE
Why act, and with whom



- **A** **Pragmatic ambition**
  the proposal in one paragraph
- **B** **Evidence on the playing field**
  3 figures that size the problem
- **C** **Key stakeholders**
  who leads, who contributes

2 THE ACTION PLAN
How to make it happen



- **A** **To do**
  3 steps, each with its timing
- **B** **Who does what**
  the task of each actor
- **C** **To track the progress**
  indicators to measure results

3 INSPIRATIONS
Who has already done it



- **A** **2 cases**
  each with 2 headline figures
- **B** **What, difficulty, response**
  how the initiative works
- **C** **Take-aways**
  the lesson for the proposal

READING KEYS ● leads ○ contributes | Innovation | Circularity | Resilience left bar: pillar of the proposal

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

#1. CO-INVEST WITH SUPPLIERS: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Brands and lead firms sign multi-year pacts with strategic suppliers to share the cost and risk of transition investments: duration or volume commitments, co-funding or guarantees on agreed projects, premia tied to verified results. Banks price supply-chain finance on the pact; associations provide a model contract and pool funds from several brands.

KEY STAKEHOLDERS INVOLVED

- (I) **Institutions** contributes
  Public guarantee funds
- (C) **Companies** leads
  Brands, lead firms, strategic suppliers
- (E) **Enablers** contributes
  Banks, industry associations

EVIDENCE ON THE PLAYING FIELD

€213m

less supplier investment in 2 years

Supplier margins fell from 9.6-11% to 8.1-8.6% in 2023-2025 and investment from €1.35bn to €1.13bn. Suppliers do not borrow to invest: lower margins mean lower investment[1].

~3x

brand vs supplier EBITDA margin

Italian brands earn 20.4% against 8-9% for suppliers; 54 brands generate 63% of the chain's EBITDA with 38% of its turnover[2].

53%

suppliers innovate on explicit client request

Clients already drive innovation along the chain; what is missing is a rationale to share its cost, risk and return among those who decide and those who apply it[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slide 56. (2) Ibid., slide 50. (3) Ibid., slides 59 and 63, TEHA Just Fashion Transition Pulse 2026 (49 companies).

#1. CO-INVEST WITH SUPPLIERS: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Write a model pact By mid-2027

Association draft with brands and suppliers a template multi-year pact: duration and volume commitments, eligible projects (energy, water, chemicals, digital), co-funding rules, KPIs and data to share.

2 Pilot it in 2 or 3 districts 2027

A group of brands runs pilots with 20-30 strategic suppliers; partner banks price supply-chain finance on the pact; projects are ranked on cost per tonne of CO2 or per unit of impact.

3 Pool and scale 2028-2030

Pilots become a pooled facility open to several brands, so that suppliers working for many clients are funded once and benefits are shared pro rata.

WHO DOES WHAT

I Institutions contributes

The Fondo di Garanzia PMI covers 80% of SME investment loans, up to €5m per firm: banks can combine it with brand-backed pacts[1].

C Companies leads

Brands and lead firms sign multi-year pacts with strategic suppliers: commitments, co-funding or guarantees, premia on verified KPIs. Suppliers propose projects and share data.

E Enablers contributes

Banks price supply-chain finance on the pact. Industry Associations provide a model contract and pool funds from several brands.

TO TRACK THE PROGRESS

QUANTITATIVE

Suppliers under multi-year pacts

number and share of their turnover covered

QUANTITATIVE

Investment leveraged

€ invested by suppliers per € committed by brands

QUANTITATIVE

Supplier investment rate

capex as % of turnover (3.0% in 2025)

Sources: (1) Edotto, Fondo di Garanzia PMI 2026: confermate regole, coperture e accesso al credito (2026).

#1. CO-INVEST WITH SUPPLIERS: INSPIRATIONS TO DRAW FROM

INNOVATION
CIRCULARITY
RESILIENCE

H&M Group: Green Fashion Initiative, 2022

21
supplier projects financed since 2022

148,000
tCO_2e of potential reduction

What H&M gives suppliers free technical expertise and favourable finance through partner banks, cutting upfront costs and sharing risk. Projects are ranked on cost per tonne of CO2 reduced.

Difficulty Suppliers want payback within about 2 years, while decarbonisation projects pay back in 3 to 7. Savings reach all of a supplier's customers, so other brands free-ride.

Response Multi-year financial and impact agreements, offtake tied to supplier commitments, pooled funding with shared benefits, set out with EY, HSBC and Aii.

TAKE-AWAYS The brand's share of a supplier's output drives the economics: at 20% the cost per tonne is 5 times that at 100%. Pooling is essential.

Apparel Impact Institute: Gap Grant, 2025

USD 1m
initial pilot across 2 suppliers

~2 years
return suppliers typically require

What Brands pay into a pooled fund managed by the Apparel Impact Institute, which grants part of each project's cost so that payback falls within suppliers' thresholds.

Difficulty Projects stall because suppliers require a return within roughly 2 years, and no single brand can justify funding a shared supplier alone.

Response Gap funding sized project by project, not a rebate; common reporting; the ambition to grow into a pooled facility drawing on philanthropic capital and development banks.

TAKE-AWAYS A neutral convener lets competing brands co-fund shared suppliers and report in one way: a role for Italian industry associations.

Fashion Pact: European Accelerator, 2026

6
manufacturing clusters covered

<2–10
years payback, where quantified

What A CEO-led brand collective gives suppliers one voluntary, open-source self-assessment: each site scores its GHG governance and its actual decarbonisation progress. Italy comes first.

Difficulty Finance remains a major hurdle, yet brands cannot co-invest in what they cannot see: supplier reporting is fragmented and actions carry no price tag.

Response One harmonised questionnaire, results confidential and never used for sourcing; 21 actions with investment range and payback; built with Quantis, Confindustria Moda, UNIC and ICEC.

TAKE-AWAYS Capital follows comparable projects: a shared diagnostic built with trade bodies turns scattered initiatives into a fundable pipeline.

Sources: H&M Group, EY, HSBC and Apparel Impact Institute, Accelerating fashion decarbonisation: an efficient approach to unlocking corporate value and financing the supply chain transition (March 2026); The Fashion Pact, European Accelerator – Decarbonisation Accelerator Framework, Methodology and self-assessment questionnaire developed with Quantis (October 2026).

#2. SCALE INNOVATION THROUGH PROCESSES: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Suppliers adopt light, size-appropriate innovation processes: a mandate and budget from the owner, a stage-gated portfolio and outcome indicators set upfront. Associations and Competence Centres provide innovation managers shared by networks of SMEs, scouting on the mapped technologies and one desk for national and EU calls.

KEY STAKEHOLDERS INVOLVED

- I **Institutions** contributes
  MIMIT, Regions
- C **Companies** leads
  Supply-chain SMEs, brands as clients
- E **Enablers** leads
  Associations, Competence Centres, research

EVIDENCE ON THE PLAYING FIELD

75%

of 234 clean technologies already on the market

Average readiness of 8.2 out of 9: technology is no longer the constraint[1].

2%

of solutions assessed reach industrial use

Of more than 2,800 solutions assessed by Fashion for Good, 173 received investment and 59 were integrated[2].

1 in 4

suppliers plans and measures innovation

Under €10m, innovation rests on the owners alone in 71% of suppliers (17% above); EU programmes reach 8%[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slides 71-72, TEHA analysis of 234 clean technologies. (2) Ibid., slide 78, on Fashion for Good. (3) Ibid., slides 57 and 59-60, TEHA Just Fashion Transition Pulse 2026 (49 companies).

#2. SCALE INNOVATION THROUGH PROCESSES: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Set up shared innovation managers 2027

Associations and Competence Centres recruit and train managers shared by networks of 5-10 suppliers per district, funded by members and the innovation manager voucher.

2 Give every network a playbook 2027

A light version of the 9 principles: a one-page innovation plan, stage gates with stop rules, 3 outcome indicators per project, a link to client requests.

3 Connect demand and supply of solutions 2027-2029

District matchmaking on the 234 mapped technologies with brands, start-ups and research, plus support for joint bids to national and EU calls.

WHO DOES WHAT

I Institutions contributes

MIMIT re-opens the innovation manager voucher with a stable track for networks of firms; Regions reward measurable adoption, not only spending.

C Companies leads

Suppliers give innovation a mandate, a budget and stop rules; brands share adoption plans with their suppliers and act as first clients.

E Enablers leads

Associations and Competence Centres provide shared innovation managers, scouting on the mapped technologies and one desk for national and EU calls.

TO TRACK THE PROGRESS

QUANTITATIVE

Suppliers with a formal innovation plan

% of members, by size class

QUANTITATIVE

Projects with indicators set upfront

% of projects launched

QUANTITATIVE

Pilots reaching production

% of pilots, by district

#2. SCALE INNOVATION THROUGH PROCESSES: INSPIRATIONS TO DRAW FROM

Fashion for Good: innovation platform, Amsterdam

2,800+
innovations assessed

59
innovators with first implementations

What Fashion for Good brings innovators, brands, manufacturers and funders together: more than 2,800 innovations assessed, 173 innovators through its programmes and 59 of them with first implementations with industry partners.

Difficulty The funnel narrows sharply: about 6% of assessed innovations enter a programme, and about 1 programme innovator in 3 reaches a first implementation.

Response A 5-year strategy announced in January 2024 shifts the focus to scale: Foundational Projects bring innovators, brands, manufacturers and funders together, and a Strategic Supplier Programme engages brands' key suppliers.

TAKE-AWAYS The bottleneck is adoption in the supply chain rather than the supply of ideas: exactly what structured innovation processes address.

Italy: innovation manager voucher, 2019 and 2023

3,615
applications in the 2019 window

7,600+
SMEs in the 2023 preliminary phase

What The voucher funds a qualified, independent innovation manager for at least 9 months. In the 2023 call (€75m): 50% of costs up to €40,000 for micro and small firms, 30% up to €25,000 for medium firms, 50% up to €80,000 for networks of firms.

Difficulty Access comes through time-limited windows, with strong participation: 3,615 applications in 2019 and over 7,600 SMEs in the preliminary phase of the 2023 call.

Response The 2023 call kept a dedicated rate for networks of firms, so that several SMEs can share one manager.

TAKE-AWAYS The instrument exists and SMEs use it: continuity and a network track run through associations would make it the backbone of shared innovation management.

Sources: Fashion for Good, Fashion for Good unveils 5-year strategy shifting to scale innovation in fashion (11/01/2024); Fiscal Focus, Innovation manager: 3,615 questions (13/12/2019); PartitaIVA.it, Voucher consulenza innovazione (2023), on MIMIT data.

#3. INTEGRATE CLIMATE IN PLANNING: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Companies build climate signals into collection planning, delivery calendars and buying, and invest in technical and climate-adaptive textiles, including for construction. Enablers develop shared tools such as seasonal outlooks, temperature-sales curves and weather-risk cover; institutions back technical textiles as a European priority chain.

KEY STAKEHOLDERS INVOLVED

- **I** **Institutions** contributes
  EU and national R&D programmes
- **C** **Companies** leads
  Brands, retailers, textile districts
- **E** **Enablers** leads
  Associations, research, data providers, insurers

EVIDENCE ON THE PLAYING FIELD

–9%

outerwear sales for a +5°C deviation

In France temperature explains more than half of the seasonal swing in apparel sales[1].

46%

of extra-EU coats enter the EU in August-October

Yet the first 'coat day' is set to arrive 13-18 days later by 2036-2050; in 2023 a warm autumn hit a fast-fashion group's sales[2].

TRL 8-9

breathable, cooling and UV-protection solutions

Mature responses exist; in Italy a warm September 2023 cut clothing sales by 6%, about €320m[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slides 36-37, on Martínez-de-Albéniz and Belkaid (EJOR) and Bertrand, Brusset and Fortin (EJOR, 2015). (2) Ibid., slide 35. (3) Ibid., slides 37 and 73, on Confcommercio and Confindustria Moda (2023) and TEHA analysis of 234 technologies.

#3. INTEGRATE CLIMATE IN PLANNING: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Build a shared climate toolkit 2027

Associations with research partners publish seasonal outlooks for key markets and a sector curve linking temperature to sales by category, free for members.

2 Plug it into planning 2027-2028

Brands and retailers test it on 2 or 3 collections: delivery windows aligned to the 'coat day', weather-adjusted buys, weather-index cover on the residual risk.

3 Back technical textiles as a European niche 2027-2030

A programme on cooling, UV-protective and construction textiles linking districts with construction and engineering firms, to compete on performance and margin rather than price.

WHO DOES WHAT

I Institutions contributes

EU and national R&D programmes back technical textiles as a priority value chain and open climate services to SMEs.

C Companies leads

Brands and retailers use climate data in collection planning, delivery calendars and buying; districts invest in technical and climate-adaptive textiles, including for construction.

E Enablers leads

Associations, research centres and data providers build shared tools such as seasonal outlooks and temperature-sales curves; insurers offer weather-index cover.

TO TRACK THE PROGRESS

QUANTITATIVE

Collections planned with climate data

% of collections of member brands

QUANTITATIVE

End-of-season unsold stock

% of units, outerwear first

QUANTITATIVE

Technical textiles revenue

share of textile turnover

#3. INTEGRATE CLIMATE IN PLANNING: INSPIRATIONS TO DRAW FROM

INNOVATION
CIRCULARITY
RESILIENCE

Germany: C³ Carbon Concrete Composite, TU Dresden

2021-22
CUBE demonstrator built

0
steel reinforcement in the CUBE

What C³ brings industry and research together around textile carbon reinforcement as an alternative to steel in concrete, within the German BMBF Zwanzig20 programme. Its demonstrator, the CUBE at TU Dresden, is presented as the first building made entirely of non-metallic reinforced concrete.

Difficulty Carbon concrete is not yet standardised: the CUBE could be built only through case-by-case approvals by the building authorities.

Response An industry-research association (C³ e.V.) and a full-scale demonstrator, built with industrial partners, to prove compliance with all building-regulation requirements.

TAKE-AWAYS **Textile know-how can open high-value markets far from fashion, if districts, engineering firms, research and standard-setters work in one programme.**

Research: hedging unseasonal weather in apparel

2015
peer-reviewed method, EJOR

Daily
temperature deviations linked to sales

What Bertrand, Brusset and Fortin (European Journal of Operational Research, 2015) measure how temperature deviations from seasonal norms affect apparel sales and estimate the resulting sales-at-risk.

Difficulty Retailers lack a precise link between weather and sales that they can use in planning and financial decisions.

Response Seasonal-trend decomposition isolates sales anomalies, a regression links them to temperature, and tailor-made weather derivatives are designed to offset the potential loss.

TAKE-AWAYS **The method is published; what is missing is a sector-level tool, maintained by enablers, that SMEs and brands can plug into planning.**

Sources: TU Dresden, Institut für Massivbau, The CUBE; Bauprofessor, Carbonbetongebäude CUBE (13/05/2021); Bertrand J.-L., Brusset X., Fortin M., Assessing and hedging the cost of unseasonal weather: case of the apparel sector, EJOR 244(1), 2015.

#4. BUILD THE EXTENDED LIFESTYLE ECOSYSTEM: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Fashion plans and acts as part of an Extended Lifestyle Ecosystem with home, beauty, hospitality and culture, which share its value attributes. Associations open a permanent cross-sector table with a joint agenda; institutions treat the ecosystem as one in industrial plans; companies build cross-sector partnerships and promote together abroad.

KEY STAKEHOLDERS INVOLVED

- **I** **Institutions** leads
  MIMIT, Regions, Made in Italy promotion
- **C** **Companies** contributes
  Brands, suppliers, lifestyle partners
- **E** **Enablers** leads
  Fashion, furniture, cosmetics, tourism and luxury associations

EVIDENCE ON THE PLAYING FIELD

0.67

correlation of fashion's reputation with Home & Living

Country narratives in fashion track those of Home & Living (0.67), Luxury accessories (0.65) and Wellness (0.48): reputations travel across sectors[1].

1st-2nd

Italy's rank on Craftsmanship in all 5 lifestyle sectors

Craftsmanship is Italy's strongest common asset; Innovation and Sustainability are its weaker attributes across sectors[2].

25%

of global luxury spending goes to experiences, 12% to fashion

€365bn against €173bn in 2025; since 2023 experiences are the only segment adding to growth, and beauty has overtaken apparel[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slide 31, TEHA analysis of 2,136 press articles (2024-2026). (2) Ibid., slide 32. (3) Bain & Company and Altagamma (2025). The perimeter of the ecosystem follows slide 30.

#4. BUILD THE EXTENDED LIFESTYLE ECOSYSTEM: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Open an ecosystem table 2027

The fashion associations convene luxury, furniture, cosmetics, tourism and culture associations and around shared data (attributes of value, economic links) and 3 common priorities.

2 Bring the ecosystem into industrial plans 2027-2028

A joint request to MIMIT and the Regions to treat the lifestyle sectors as one ecosystem: skills and crafts, promotion abroad, IP protection, access to finance.

3 Promote and work together 2028-2030

Joint missions and events abroad under one Italian lifestyle narrative; partnerships between brands, hospitality and culture; shared craft academies.

WHO DOES WHAT

I Institutions leads

MIMIT and Regions plan fashion, home, beauty, hospitality and culture as one Extended Lifestyle Ecosystem in industrial plans, with shared tools for skills, promotion and IP.

C Companies contributes

Companies build partnerships with home, beauty, hospitality and culture, promote together abroad and share pools of craft skills.

E Enablers leads

Industry Associations open a permanent table with the luxury, furniture, cosmetics and tourism associations, with a shared agenda and data.

TO TRACK THE PROGRESS

QUANTITATIVE

Associations at the ecosystem table

number of sectors represented

QUALITATIVE

Industrial plans covering the ecosystem

national and regional plans that include it

QUANTITATIVE

Joint initiatives abroad

missions and events per year

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

#4. BUILD THE EXTENDED LIFESTYLE ECOSYSTEM: INSPIRATIONS TO DRAW FROM

INNOVATION
CIRCULARITY
RESILIENCE

France: Comité Colbert, since 1954

119
members in July 2026

14
trades represented

What Founded in 1954 at the initiative of Jean-Jacques Guerlain, the Comité Colbert brings together 98 French luxury houses, 6 European houses and 15 cultural institutions across 14 trades, from perfumery and jewellery to gastronomy, wines and spirits and design.

Difficulty Bringing together very different trades, and houses that compete in their own markets, around one voice and shared priorities.

Response Joint initiatives on shared heritage: from 26 to 31 May 2026, 65 houses and cultural institutions took part in 'Hidden Treasures, 250 Years of Franco-American Luxury Stories' at The Shed, New York.

TAKE-AWAYS **Shared attributes promoted together strengthen every member. In Italy the perimeter already exists in Altagamma and the sector associations: the step is a common agenda.**

UK: Creative Industries Sector Plan, 2025

£380m
of targeted funding

10 years
plan horizon, to 2035

What Published on 23 June 2025 as one of the eight sector plans of the UK Industrial Strategy, the plan covers the creative industries, from film and TV, music and video games to fashion, and aims to raise business investment from £17bn to £31bn by 2035.

Difficulty Fashion depends on complex global supply chains that are vulnerable to disruption.

Response £380m of targeted funding; support for the British Fashion Council's NEWGEN programme and London Fashion Week; trade missions, IP enforcement and more British Business Bank finance.

TAKE-AWAYS **A wider sector perimeter gives fashion a seat in industrial policy and access to tools it could not obtain as a single industry.**

Sources: (1) Comité Colbert, press releases of 09/02/2026 (Hidden Treasures) and 01/07/2026 (MoU with IFCCI Luxury Committee); (2) Creative Industries Council, £380m funding package announced in Creative Industries Sector Plan (23/06/2025); (3) FashionUnited, UK creative sector to get a 380-million-pound boost (24/06/2025); (4) GOV.UK, Industrial Strategy sector plans.

#5. CREATE DEMAND FOR RECYCLED FIBRE: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Regulate demand, not only supply: EU recycled-content rules for textiles that count traceable European material, removal of the measures that make circular options dearer than linear ones, and lead markets through public buying and pooled brand offtake. Fashion is treated as a strategic materials chain.

KEY STAKEHOLDERS INVOLVED

- **I** **Institutions** leads
  EU institutions, Italian Government, public buyers
- **C** **Companies** contributes
  Brands: design and offtake
- **E** **Enablers** contributes
  Associations, finance

EVIDENCE ON THE PLAYING FIELD

~2.6x

cost of EU recycled polyester vs virgin from Asia

No modelled configuration of European textile recycling breaks even, on any fibre: the constraint is demand, not technology[1].

~1 Mt

of EU plastics recycling capacity lost since 2023

PET bottles have had a recycled-content target since 2025, but it can be met with imported recyclate: design matters as much as the rule[2].

2027

expected ESPR delegated act on textiles

A minimum recycled-content requirement is under consideration but is not yet law[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slide 84, on BCG and ReHubs (2026) and Systemiq (2025). (2) Ibid., on Directive (EU) 2019/904 and Plastics Recyclers Europe (2025). (3) Ibid., on the ESPR Working Plan 2025-2030.

#5. CREATE DEMAND FOR RECYCLED FIBRE: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Shape the ESPR textile act 2026-2027

Associations and the Italian Government bring a joint position to the Commission: phased recycled-content targets, traceable origin through the Digital Product Passport, no loophole for imported recyclate.

2 Stop penalising circular options 2027

Review the measures that make circular options dearer than linear ones: VAT on repair and second-hand, flat fees without eco-modulation, low-value parcel thresholds. Remove penalties rather than add subsidies.

3 Build lead markets 2027-2030

Public buyers set a gradually increasing share of recycled or reused content – according to specific fibres used and product category – in tenders for uniforms, workwear and linen; groups of brands sign multi-year offtake for European recycled fibre.

WHO DOES WHAT

I Institutions leads

The EU sets recycled-content rules in the textile ESPR act with traceable European origin; Italy reviews penalties on circular options; public buyers act as a lead market.

C Companies contributes

Brands design for recycling (mono-materials, separable blends, no hardware) and sign pooled, multi-year offtake for European recycled fibre.

E Enablers contributes

Associations bring a joint position on rule design; finance offers offtake-backed project finance to recyclers and sorters.

TO TRACK THE PROGRESS

QUALITATIVE

Recycled-content

adopted with a European-origin criterion

QUALITATIVE

Penalties on circular options

VAT, flat fees, parcel thresholds reviewed

QUANTITATIVE

Offtake contracted

tonnes of European recycled fibre

#5. CREATE DEMAND FOR RECYCLED FIBRE: INSPIRATIONS TO DRAW FROM

France: public purchasing under the AGEC law

20%
of public textile spend

2021
obligation in force

What Under article 58 of the AGEC law and decree 2021-254, the State and local authorities must spend at least 20% of their annual purchases of clothing, footwear, workwear, linen and textile articles on goods from reuse or with recycled content.

Difficulty Contracting authorities facing an operational or significant technical constraint are exempt.

Response National guidance for public buyers on how to apply article 58 (CGDD guide, 2024 edition).

TAKE-AWAYS **A simple percentage on a defined spend category gives suppliers a visible and predictable demand signal.**

EU: recycled-content targets for PET bottles

25%
recycled content from 2025

~1 Mt
EU recycling capacity lost since 2023

What The Single-Use Plastics Directive requires 25% recycled content in PET beverage bottles from 2025; the Packaging Regulation (EU) 2025/40 extends recycled-content targets to more plastic packaging.

Difficulty Targets can be met with imported recyclate: almost 1 million tonnes of European plastics recycling capacity has been lost since 2023, attributed to low-priced imports.

Response Regulation (EU) 2025/40 sets further recycled-content targets for plastic packaging from 2030 and 2040.

TAKE-AWAYS **For textiles, link the requirement to traceable European material from the start to safeguard quality and durability.**

Sources: Landot & Associés, Taux minima de produits recyclés dans la commande publique (11/03/2021); CGDD, Guide article 58 loi AGEC (2024); Directive (EU) 2019/904; Regulation (EU) 2025/40; Plastics Recyclers Europe (2025), as quoted in TEHA Group, Just Fashion Transition 2026, slide 84.

#6. SCALE TEXTILE SORTING CAPACITY: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Build the infrastructure the EPR targets require, starting with sorting and pre-processing. EPR schemes and associations open a shared, audited observatory of collection and sorting costs and a joint plan for district sorting hubs with offtake; fees follow real costs over time and remain set by the schemes.

KEY STAKEHOLDERS INVOLVED

- I **Institutions** contributes
  MASE, Regions
- C **Companies** contributes
  Brands, spinners, textile districts
- E **Enablers** leads
  EPR schemes, associations, CORIT, banks and CDP

EVIDENCE ON THE PLAYING FIELD

€263

per tonne placed needed in 2035 if only 400kt join

Free riding could limit the contributing base to 200-400kt of the 1.4Mt placed on the market; with full participation €75 per tonne would suffice[1].

–70%

value of the reusable fraction vs pre-2020

Italy collects 13% of textiles placed on the market, and the real export value of used textiles fell 37% since 2015[2].

2%

of recyclable low-value textiles reach fibre-to-fibre

74% is technically suitable: what is missing is sorting and pre-processing capacity[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slide 85, TEHA estimates (illustrative, not official fees). (2) Ibid., slide 83. (3) Ibid., slide 82, on Fashion for Good (2022).

#6. SCALE TEXTILE SORTING CAPACITY: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Open a shared cost observatory By 2027
Schemes, collectors, municipalities and associations share an audited cost per tonne of collection and sorting. Today only operator estimates exist.

2 Plan sorting where the material is ongoing
A joint plan for 2 or 3 industrial sorting and pre-processing hubs in textile districts, co-funded by schemes, Regions and CDP or banks, with offtake from local spinners.

3 Let fees follow costs From 2028
A periodic review clause linking fees to the observatory's data and to the collection rate, with eco-modulation on durability and recyclability.

WHO DOES WHAT

I Institutions contributes
MASE adopts implementing rules that let fees follow real costs as collection rises; Regions grant permits and co-fund district hubs.

C Companies contributes
Brands design for sorting and share design data for eco-modulation; spinners and districts commit to buy sorted feedstock.

E Enablers leads
EPR schemes, with Associtation and Consortia, run an audited cost observatory and a joint plan for sorting hubs; banks and CDP finance plants.

TO TRACK THE PROGRESS

QUANTITATIVE
Cost coverage ratio
EPR revenue / net cost per tonne collected

QUANTITATIVE
Tonnes sorted in Italy
per year, by district hub

QUANTITATIVE
Fibre-to-fibre share
% of sorted output

#6. SCALE TEXTILE SORTING CAPACITY: INSPIRATIONS TO DRAW FROM

France: Refashion, textile EPR since 2007

29.7%
of textiles placed collected in 2025

€228/t
sorting support for 2026

What Refashion runs France's textile EPR, the first in Europe (2007): in 2025, 917,604 tonnes placed on the market, 272,479 collected and €162.7m of eco-contributions, about €174 per tonne placed.

Difficulty Falling export prices for used clothing and growing volumes pushed sorters into loss; Le Relais suspended collection on its network and asked for €304 per tonne.

Response €6m of extra support funded by brands in early 2025; in July 2025 the State raised sorting support to €223/t for 2025 and €228/t for 2026, funded from Refashion's resources without raising eco-contributions, and capped by tonnage.

TAKE-AWAYS **Fixed per-tonne support that lags market prices produces recurring emergencies: link support to observed costs from day one.**

Sweden: Siptex automated sorting plant, Malmö

24,000 t
annual sorting capacity

2025
divestment started

What Run by the municipal waste company Sysav, Siptex sorts used textiles by fibre and colour with near-infrared light, producing quality-assured feedstock such as cotton, wool, polyester, viscose, acrylic and polyamide, at 4.5 tonnes per hour.

Difficulty According to the trade press reporting the sale, markets and policy failed to keep pace with the technology.

Response In December 2025 Sysav's board gave a mandate to start divesting the plant.

TAKE-AWAYS **Sorting capacity without guaranteed demand for its output is fragile: build hubs together with offtake (see recommendation 5).**

Sources: Refashion, Rapport d'activité 2025, KPIs; Banque des Territoires (Localtis), REP textiles: l'État rehausse le soutien au tri pour répondre à la crise de la filière (21/07/2025); Smart City Sweden, Siptex – world unique textile sorting (2021); Ecotextile News, 'World-first' automated textile sorter faces sale (22/12/2025); EUWID (16/12/2025).

#7. PLAN SKILLS AND HIRING TO 2033: THE PATHWAY AHEAD

INNOVATION
CIRCULARITY
RESILIENCE

PRAGMATIC AMBITION

Associations and ITS Academies forecast hiring needs by profile and district to 2033; companies train before and after arrival through academies, apprenticeships and onboarding; institutions use multi-year planned-entry quotas and pre-departure training for fashion profiles. All hiring goes through regular, traceable channels.

KEY STAKEHOLDERS INVOLVED

- (I) **Institutions** contributes
  Ministries of Labour and Interior, Regions
- (C) **Companies** leads
  Brands, suppliers, company schools
- (E) **Enablers** leads
  Associations, ITS Academies

EVIDENCE ON THE PLAYING FIELD

2033

foreign workers become most fashion hires

Italian hires fall 4.7% a year, foreign hires 0.7%; foreign workers were 41.8% of planned hires in 2025[1].

55%

of hires already hard to fill

Italy's working-age population is set to shrink by over 7 million by 2050[1].

–7%

Italian fashion employment by 2030

From 457,000 workers in 2024 to 426,000; France is the only growing market, with 18,000 more jobs[2].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slide 14, on Unioncamere-ANPAL, Excelsior (2018-2025); 2025 data use a new method. (2) Ibid., slide 13.

#7. PLAN SKILLS AND HIRING TO 2033: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 Forecast the needs 2027

A yearly forecast of hires by profile, district and year to 2033, built on Excelsior data and member surveys, shared with Ministries and Regions.

2 Train before and after arrival 2027-2028

Pre-departure training with partner countries for core profiles, linked to planned-entry quotas; district academies with ITS for technical roles.

3 Retain and grow 2028-2030

Structured onboarding, language and career paths; recognition of skills through national qualifications.

WHO DOES WHAT

(I) Institutions contributes

Ministries of Labour and Interior use multi-year planned-entry quotas and pre-departure training for fashion profiles; Regions fund ITS courses on the forecast.

C Companies leads

Companies run schools and apprenticeships, onboard new and foreign workers on language, safety and craft, and hire only through regular, traceable channels.

E Enablers leads

Associations and ITS Academies publish a yearly hiring forecast by profile and district to 2033 and run shared district academies for critical crafts.

TO TRACK THE PROGRESS

QUANTITATIVE

Hires through planned channels

% of planned hires filled

QUANTITATIVE

Trainees placed

academy and pre-departure graduates hired

QUANTITATIVE

Retention

% still employed after 12 months

#7. PLAN SKILLS AND HIRING TO 2033: INSPIRATIONS TO DRAW FROM

France: École Hermès des savoir-faire, since 2021

450
apprentices enrolled (2022)

~200
new certificates a year from 2023

What Accredited by the French National Education system, the school trains leather artisans inside the group's workshops, from Fitilieu and Charleville-Mézières to Marthon, Montereau, Louviers and Riom.

Difficulty Strong demand for leather goods since 2011 has required more production capacity and more artisans.

Response Training inside each workshop, open to candidates from varied backgrounds, often in career change, leading to a national diploma; a new cutting and stitching certificate from 2023.

TAKE-AWAYS Tie training to each new site and to a recognised qualification, so that skills are portable, attractive and planned ahead of growth.

Germany: Western Balkans regulation, since 2016

50,000
approvals a year since June 2024

58%
work as skilled workers or experts

What Workers from Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia can access the German labour market with a binding job offer and approval of the Federal Employment Agency, without proof of qualification; about 205,000 were admitted from 2016 to mid-2019.

Difficulty The quota was exhausted by late November 2025, and the coalition agreement plans to halve it to 25,000 approvals a year.

Response A Labour Ministry evaluation found that 58% work as skilled workers or experts, and the IAB found high employment and stable jobs; employers and construction, which uses 44% of visas, defend the scheme.

TAKE-AWAYS Planned, demand-led entry tied to a real job offer works, but needs a stable quota that employers can plan on.

Sources: World Footwear, Hermès to open two new leather goods workshops by 2026 (22/03/2022); FashionNetwork, Hermès expands its leatherworking school (25/10/2022); Handwerksblatt, Westbalkanregelung (06/08/2025), on BMAS and IAB evaluations; BDA, Weiterentwicklung der Westbalkanregelung (08/2026).

#8. DEFEND VALUE THROUGH LEGALITY: THE PATHWAY AHEAD

PRAGMATIC AMBITION

Defend value, not volume: one verified social and labour assessment shared with all clients, a yearly sector legality report with verified indicators, and the same EU rules enforced on imports, including low-value parcels. Italy's lead in reported enforcement becomes reputational credibility.

KEY STAKEHOLDERS INVOLVED

- **I** **Institutions** leads
  EU, Customs, market surveillance, national authorities
- **C** **Companies** leads
  Brands and suppliers
- **E** **Enablers** contributes
  Associations, investors and lenders

EVIDENCE ON THE PLAYING FIELD

26%

Italy's share of the global Legality narrative, the highest

But 86% of Italy's production-related mentions are negative, and Italy is the place of 22% of breaches reported worldwide[1].

46%

of enforcement actions reported worldwide are Italian

Italy leads coverage of action taken, far ahead of the USA (13%): visibility of enforcement still has to become credibility[2].

5.9bn

parcels under €150 entering the EU in 2025

97% of import volumes, 2.1% of value; a temporary €3 duty per item applies since July 2026[3].

Sources: (1) TEHA Group, Just Fashion Transition 2026, slide 22, TEHA media analysis of 1,613 articles. (2) Ibid., slide 29. (3) Ibid., slides 46 and 67.

#8. DEFEND VALUE THROUGH LEGALITY: THE ACTION PLAN

INNOVATION
CIRCULARITY
RESILIENCE

TO DO

1 One assessment, many clients ongoing

Associations and brands agree on a shared social and labour assessment, building on existing frameworks such as SLCP, whose verified results suppliers share with all clients.

2 Tell what has been done 2027-2028

A yearly sector legality report with verified indicators by district, to turn Italy's lead in reported action into a credibility narrative.

3 The same rules at the border 2027-2028

Cooperation with Customs and market surveillance on low-value parcels and imports, using DPP and due-diligence data as they become applicable from December 2027.

WHO DOES WHAT

I Institutions leads

EU, Customs and market surveillance apply EU product and labour rules to imports, including low-value parcels; national authorities coordinate inspections with the sector.

C Companies leads

Brands and suppliers adopt one verified social and labour assessment shared with all clients and report what has been done along the chain, not only policies.

E Enablers contributes

Associations run a sector legality programme and a common reporting format; investors and lenders use verified data in their decisions.

TO TRACK THE PROGRESS

QUANTITATIVE

Suppliers with a shared assessment

number and % of members

QUANTITATIVE

Duplicate audits avoided

audits and cost saved per year

QUALITATIVE

Tone of coverage on Italy

media analysis on Legality, yearly

#8. DEFEND VALUE THROUGH LEGALITY: INSPIRATIONS TO DRAW FROM

INNOVATION
CIRCULARITY
RESILIENCE

Global: Social & Labor Convergence Program (SLCP)

9,230
facilities assessed in 2023

74
Brands and retailers using SLCP data

What SLCP replaces overlapping social audits with one converged assessment, verified once and shared with all clients; in 2023 it covered 52 countries and 6.6 million workers.

Difficulty Audit fatigue: suppliers audited repeatedly by each client, at high cost; legal non-compliances found still rose by 5% in 2023.

Response 74 brands, retailers and standard holders have publicly agreed to use SLCP data instead of other audit tools; over 80% of those committing replaced their proprietary tools.

TAKE-AWAYS Checks become cheaper and more credible when clients accept the same data: potential savings of up to $26m that could go to working conditions.

Italy: Milan Court and luxury supply chains, 2024-2025

3
luxury companies under judicial admin.

~8 months
to revocation for Dior

What In 2024 the Milan Court placed Alviero Martini, Armani Operations and Manufactures Dior under judicial administration for failing to prevent exploitation by subcontractors.

Difficulty Reputational damage and loss of control over parts of the chain, with the measure in place until controls were rebuilt.

Response Dior created 17 roles dedicated to supply-chain control and ended contracts with critical suppliers; in February 2025 the Court revoked the measure, noting a 'virtuous path' completed in a very short time.

TAKE-AWAYS Control of the chain can be organised quickly, and it costs far less to build it before an investigation than after.

Sources: Just Style, SLCP sees increased uptake as users target audit fatigue elimination (20/05/2024), on SLCP data for 2023; Il Fatto Quotidiano (28/02/2025).

Bibliography

BIBLIOGRAPHY (1/4)

- Abtew M.A. et al., Statistical Analysis of Standard Allowed Minute on Sewing Efficiency in Apparel Industry, Autex Research Journal (2019)
- Apparel Impact Institute, The Cost of Inaction (2026)
- Australian Wool Innovation, Beyond the Bale no. 106 (2026)
- Bain & Company and Altagamma, 24th Luxury Goods Worldwide Market Study (2025)
- Bain & Company, Charting the Rise of Preowned Apparel in the US and Europe (2026)
- Bain & Company, Consumers say their environmental concerns are increasing due to extreme weather; study shows they're willing to change behavior, pay 12% more for sustainable products, press release (2023)
- Bain & Company, Luxury Report 2023 – Long Live Luxury: Converge to Expand through Turbulence (2023)
- Bain & Company, The Visionary CEO's Guide to Sustainability 2026 (2026)
- Banque des Territoires (Localtis), REP textiles: l'État rehausse le soutien au tri pour répondre à la crise de la filière (2025)
- Bauprofessor, Carbonbetongebäude CUBE (2021)
- BCG and Altagamma, True-Luxury Global Consumer Insights 2026 (2026)
- BCG and ReHubs, Advancing Textile Circularity in Europe (2026)
- BDA, Weiterentwicklung der Westbalkanregelung (2026)
- Bertrand J.-L., Brusset X., Fortin M., Assessing and hedging the cost of unseasonal weather: case of the apparel sector, European Journal of Operational Research (2015)
- Bilkey W.J., Nes E., Country-of-Origin Effects on Product Evaluations, Journal of International Business Studies (1982)
- BoF Insights, The Lifestyle Era: Luxury's Opportunity in Home and Hospitality (2023)
- Boohoo Group, Annual Report and Accounts 2021 (2021)
- Bourdieu P., La Distinction: Critique sociale du jugement (1979)
- Bureau van Dijk, AIDA and Orbis databases (2026)
- Business & Human Rights Resource Centre, Aberdeen Standard Investments statement (2020)
- Business of Fashion, Fashion's Most (and Least) In-Demand Skills (2025)
- BVA Doxa for Subito, Osservatorio Second Hand Economy (2026)
- bvse, Textilstudie 2026 (2026)
- Capgemini and Sweep, Sustainability in action 2026: The new rules of business resilience (2026)
- CGDD, Guide article 58 loi AGEC (2024)
- Circ, Saint-Avold
- Comité Colbert and Bain & Company, Luxury and Technology: Tailoring Investment Strategies for Greater Business Impact (2025)
- Comité Colbert and IFCCI, IFCCI Luxury Committee and Comité Colbert sign landmark MoU in Paris, press release (2026)
- Comité Colbert, Comité Colbert to Present Cultural Exhibition Celebrating 250 Years of Franco-American Luxury Stories in New York, press release (2026)
- Copernicus C3S, European State of the Climate 2024 and 2025 (2025–2026)
- Copernicus, ERA5 and CMIP6 HighResMIP data via Open-Meteo (2026)
- Council of the EU, Temporary flat fee on low-value imports (2025)
- Creative Industries Council, £380m funding package announced in Creative Industries Sector Plan (2025)
- Deloitte, Fashion & Luxury Private View (2022)
- Directive (EU) 2019/904 on the reduction of the impact of certain plastic products on the environment (2019)
- Directive (EU) 2026/470 amending Directive (EU) 2024/1760 on corporate sustainability due diligence (2026)
- Draghi M., The future of European competitiveness (2024)
- ECB, Long-term inflation forecast (2026)
- Ecotextile News, 'World-first' automated textile sorter faces sale (2025)
- Edelman, Trust Barometer 2026, Special Report "Brand Growth in an Insular World" (2026)

BIBLIOGRAPHY (2/4)

- Edotto, Fondo di Garanzia PMI 2026: confermate regole, coperture e accesso al credito (2026)
- EEA, Circularity of the EU textiles value chain in numbers (2025)
- EEA, EU exports of used textiles in Europe's circular economy (2023)
- EEA, Greenhouse gases data viewer (2026)
- EEA, Raw material use for the EU's textiles consumption (2025)
- EEA, The destruction of returned and unsold textiles in Europe's circular economy (2024)
- EUIPO, Economic cost of IPR infringement in the clothing, cosmetics and toy sectors in the EU (2024)
- EURATEX, Facts & Key Figures (2026)
- European Commission, A Competitiveness Compass for the EU, COM(2025) 30 (2025)
- European Commission, A comprehensive EU toolbox for safe and sustainable e-commerce, COM(2025) 37 (2025)
- European Commission, Commission Staff Working Document accompanying the Omnibus I proposal, SWD(2025) 80 (2025)
- European Commission, Consumer Conditions Scoreboard 2025 (2025)
- European Commission, DG TAXUD, Goods bought online (2026)
- European Commission, Ecodesign for Sustainable Products and Energy Labelling Working Plan 2025–2030 (2025)
- European Commission, SWD(2012) 286 on high-end industries (2012)
- European Commission, The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation, COM(2025) 85 (2025)
- Eurostat, Annual detailed enterprise statistics for industry (2026)
- Eurostat, Circular economy indicators, cei_srm030 (2025)
- Eurostat, Comext database, DS-045409 (2026)
- Eurostat, Heating degree days, nrg_chdd_a (2026)
- Eurostat, HICP – annual data, prc_hicp_aind (2026)
- Eurostat, Household final consumption expenditure by purpose, nama_10_cp18 (2026)
- Eurostat, NACE Rev. 2 classification of economic activities (2008)
- EUWID (2025)
- Fashion for Good, Fashion for Good Unveils Five-year Strategy Shifting to Scale Innovation in Fashion (2024)
- Fashion for Good, Innovation Overview 2025 (2025)
- Fashion for Good, Solving the Feedstock Gap (2026)
- Fashion for Good, Sorting for Circularity Europe (2022)
- Fashion Revolution, Fashion Transparency Index 2023 (2023)
- FashionNetwork, Hermès expands its leatherworking school (2022)
- FashionUnited, UK creative sector to get a 380-million-pound boost (2025)
- Federazione Moda Italia–Confcommercio, Survey of member fashion retailers on September 2023 sales (Sondaggio sulle aziende associate, vendite di settembre 2023) (2023)
- Fiscal Focus, Innovation manager: 3,615 questions (2019)
- Fismo-Confesercenti, Autumn 2025 monitoring (2026)
- Fondazione Altagamma
- Frontiers in Sustainability, The role of emerging technologies in advancing sustainability practices in the fashion and textile industry: a systematic review (2026)
- Giddens A., Modernity and Self-Identity: Self and Society in the Late Modern Age (1991)
- Gilligan I., Palaeolithic eyed needles and the evolution of dress, Science Advances (2024)
- GlobalData via Just Style, Signal: Unseasonable weather impacts European apparel brand results (2023)
- GOV.UK, Industrial Strategy sector plans

BIBLIOGRAPHY (3/4)

- Handwerksblatt, Westbalkanregelung (2025)
- H&M Group, EY, HSBC and Apparel Impact Institute, Accelerating fashion decarbonisation: an efficient approach to unlocking corporate value and financing the supply chain transition (2026)
- H&M Group, Q2 2021 results (2021)
- Il Fatto Quotidiano (2025)
- ILO, Advancing decent work in supply chains: textiles and clothing sector (2025)
- IMF, Primary Commodity Prices via FRED (2026)
- Implementing Regulation (EU) 2026/1778 on the digital product passport registry (2026)
- Ipsos, Global Views on Fashion Sustainability (2021)
- ISPRA, Rapporto Rifiuti Urbani n. 419/2025 (2025)
- Istat, Il sistema di tavole input-output – Anni 2020-2022 (2025)
- Istat, Le spese per consumi delle famiglie – Anno 2024 (2025)
- Istat, Previsioni della popolazione residente, base 1/1/2025 (2026)
- Istat, Rapporto sulla competitività dei settori produttivi (2024)
- Italian Government, Decree-Law no. 19 of 2 March 2024 (Decreto-Legge 2 marzo 2024, n. 19 – Decreto PNRR) (2024)
- Italian Government, Law no. 199 of 30 December 2025, Budget Law 2026 (Legge 30 dicembre 2025, n. 199 – Legge di Bilancio 2026) (2025)
- Just Style, SLCP sees increased uptake as users target audit fatigue elimination (2024)
- Kantar, BrandZ Meaningful-Different-Salient framework, methodology
- Kantar, Sustainability Sector Index 2026 (2026)
- Kantar, Sustainable Fashion Forum 2026 (2026)
- Kantar, The Changing Fashion Consumer (2026)
- Landot & Associés, Taux minima de produits recyclés dans la commande publique (2021)
- Leenders N. et al., Polycotton waste textile recycling by sequential hydrolysis and glycolysis, Nature Communications 16:738 (2025)
- Martínez-de-Albéniz V., Belkaid A., Here comes the sun: Fashion goods retailing under weather fluctuations, European Journal of Operational Research (2021)
- MASE, Draft textile EPR regulation, Conferenza Unificata opinion no. 96/CU (Schema di regolamento EPR tessile) (2026)
- MASE, Impact assessment of the draft textile EPR decree (2026)
- McKinsey & Company and The Business of Fashion, The State of Fashion (2017–2026)
- McKinsey & Company, GenAI and automation to be central productivity levers (2025)
- McKinsey & Company, Rewiring retail in Europe: The AI imperative (2026)
- Ministry of Enterprises and Made in Italy, Decree of 8 August 2024 implementing Law no. 206 of 27 December 2023 (Decreto MIMIT 8 agosto 2024, attuativo della Legge 27 dicembre 2023, n. 206 – Legge sul Made in Italy) (2024)
- Modern Retail, Retailers are increasingly blaming bad weather for weak sales (2024)
- New Cotton project, New Cotton Project explained (2024)
- OECD, Industry concentration in Europe (2025)
- Osservatori Startup Thinking and Digital Transformation Academy, Politecnico di Milano, Digital & Open Innovation (2025)
- PartitaIVA.it, Voucher consulenza innovazione (2023)
- Peleg Mizrachi M., Sharon O., Secondhand fashion consumers exhibit fast fashion behaviours despite sustainability narratives, Scientific Reports (2025)
- Plastics Recyclers Europe (2025)
- Platform Living Wage Financials, Annual Report 2024–2025: Living wages gain momentum on the political stage (2026)
- PwC, 9th New Generation Circular Fashion Survey (2024)
- PwC, From insight to value: Global Sustainability Reporting Survey (2025)
- PwC, Voice of the Consumer 2024 (2024)

BIBLIOGRAPHY (4/4)

- Refashion, Rapport d'activité 2025 (2026)
- Regulation (EU) 2024/1252, Critical Raw Materials Act (2024)
- Regulation (EU) 2024/1781, Ecodesign for Sustainable Products Regulation (ESPR) (2024)
- Regulation (EU) 2024/3015 on prohibiting products made with forced labour on the Union market (2024)
- Regulation (EU) 2025/40 on packaging and packaging waste (PPWR) (2025)
- Reju, Regeneration Hub Zero, Frankfurt (2024)
- Retail Gazette, Uniqlo profits dip amid global shift to summer clothes (2025)
- Roth Tran B., Sellin' in the Rain: Weather, Climate, and Retail Sales, Management Science (2023)
- Samuel, Systematic Review of COO Influence in Fashion (2024)
- Scott, White & Donner, Summers over land and ocean are becoming longer, transitioning faster, and accumulating more heat, Environmental Research Letters (2026)
- Senato della Repubblica, Question no. 07880 (Interrogazione n. 07880) (2026)
- SI Labs, Innovation Metrics: How to Systematically Measure and Manage Innovation (2025)
- Smart City Sweden, Siptex – world unique textile sorting (2021)
- Statista, Consumer Preferences in Apparel (2023)
- Statista, Global fashion sector turnover FY2025 (2026)
- Statista Market Insights, Second-hand e-commerce user penetration rate in Europe and worldwide, 2019–2030 (2026)
- Sysav, Sysav inleder process för avyttring av textilsorteringsanläggningen Siptex (Sysav initiates process to divest the Siptex textile sorting plant), press release (2025)
- Systemiq, The Textile Recycling Breakthrough (2025)
- TEHA Group, InnoTech Report 2026: Harnessing Innovation in the Global Scenario (2026)
- Textile Exchange, Materials Market Report (2022–2026)
- The Fabric of Value, What the 2026 Materials Market Report by Textile Exchange Reveals About Recycling's Investment Case (2026)
- ThredUp and GlobalData, 2025 Resale Report (2025)
- TU Dresden, Institut für Massivbau, The CUBE
- UNIDO, Digital Product Passport Readiness Assessment Study for the Textile Industry in the Global South (2025)
- Unioncamere – Ministry of Labour, Sistema Informativo Excelsior (2018–2025)
- UNIRAU and ARIU with Retessile, Report on urban textile waste collection costs presented to ANCI and Utilitalia (2025)
- US Bureau of Economic Analysis, PCE by type of product (2026)
- Verlegh P.W.J., Steenkamp J.-B.E.M., A review and meta-analysis of country-of-origin research, Journal of Economic Psychology (1999)
- VeZ, Veneto cooperatives (2026)
- Vinted, Financial results 2025 (2026)
- Vinted, The Vinted Equation (2026)
- Vogue Business, The Business of Fashion, WWD (2020–2024)
- World Economic Forum, Innovation Ecosystems: A Toolkit of Principles and Best Practice (2025)
- World Footwear, Hermès to open two new leather goods workshops by 2026 (2022)
- WRAP, Durability is fashion's next competitive advantage (2026)
- YouGov, BrandIndex Fashion Perception (2022)
- YouGov, Ethical shopping: for how many consumers is it a top priority? (2025)
- YouGov, Willingness to pay more for sustainable clothing and accessories (2023)

VENICE SUSTAINABLE FASHION FORUM 2026
SHAPING TOMORROW

VENICE SUSTAINABLE FASHION FORUM

VENICE SUSTAINABLE FASHION FORUM 2026

SHAPING TOMORROW

Scientific partner

TEHA

CONFINDUSTRIA VENETO EST
Area Metropolitana
Venezia Padova Rovigo Treviso

VENICE SUSTAINABLE fashion

CONFINDUSTRIA MODA
FEDERAZIONE TESSILE E MODA