

TAKING
COOPERATION
FORWARD



International workshop about textile waste

Hungarian Site visit in the framework of the ENTeR project , 12-13. June 2018.



Textile sector of HUNGARY



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TCLF Sector

EU TC sector

1 600 thousand employees
180 000 companies
170 billion EUR turnover

EU LF sector

315 thousand employees
21 800 companies
35 billion EUR turnover

TCLF sector in HU

9-10% of the manufacturing industry

6-7% of employees (companies up to 4 employees)

1,5-2% of total export turnover

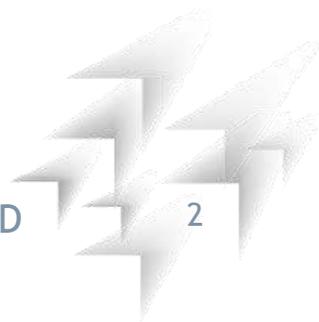
1,6% of foreign capital

HUNGARIAN TC sector

33 thousand employees
6 400 companies
220 billion HUF turnover

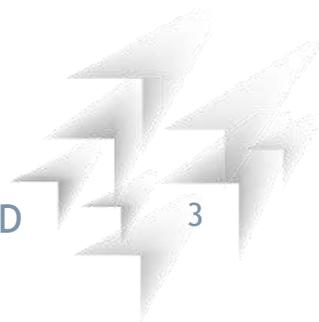
Hungarian LF sector

12 thousand employees
485 companies
194 billion HUF turnover



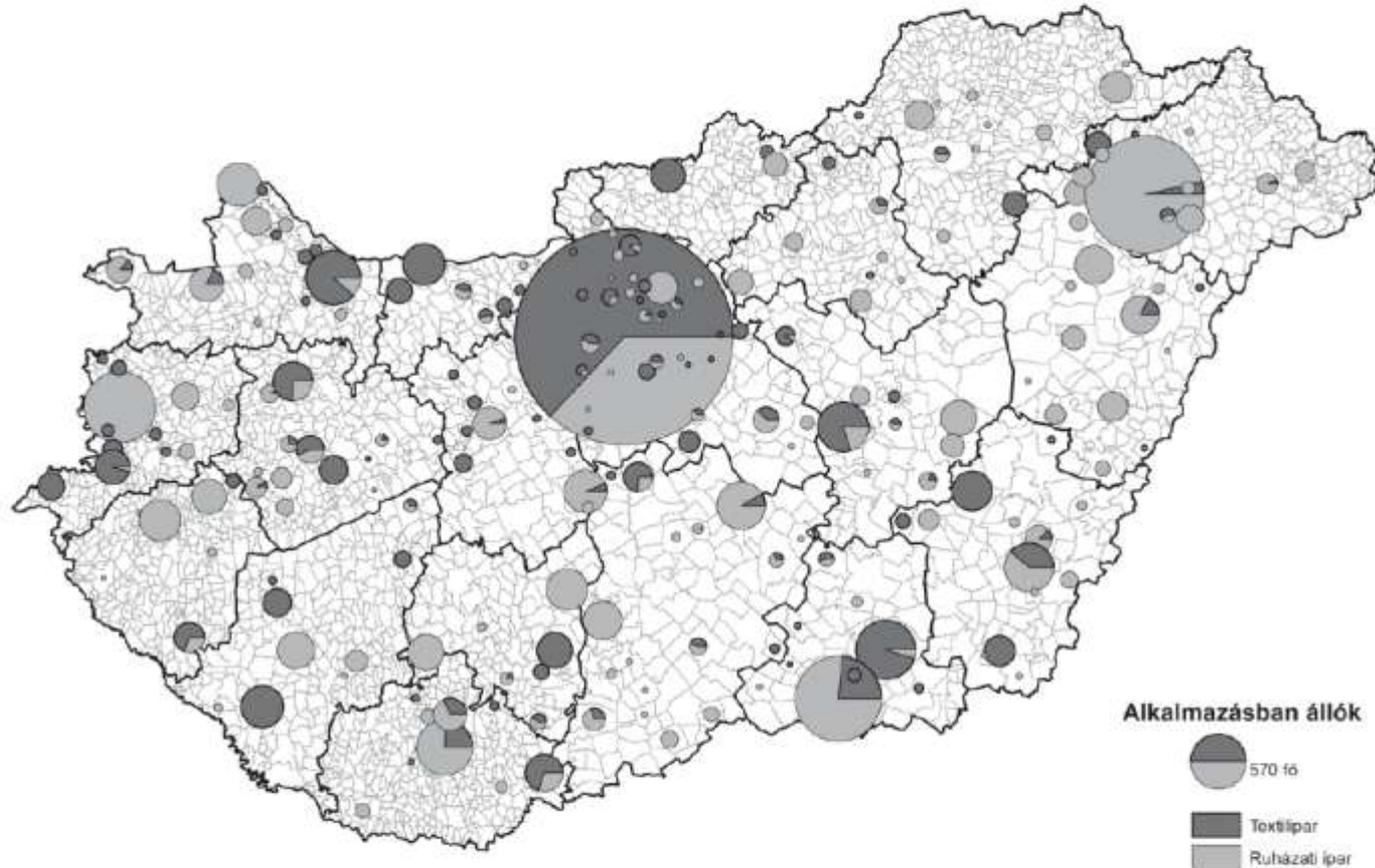
INTRODUCTION OF THE HUNGARIAN T&C SECTOR

- *Registered number of T&C companies*
 - in 2016 over **6400**
 - employing over **30.000** people with at least 5 employees
 - inclusive L&F sector: employs around 50.000 people → vast majority being female labour
- *Mix of traditional and HI-TECH producers*
 - Mostly made up of small- and medium size enterprises
 - 65% of the textile companies employing less than 10 workers
 - do not have long-lasting cooperation connections,
 - companies with 50 - 100 workers working with own designers, collections seasonally,
Medium and big companies
 - more than 100 workers, mostly sister companies of foreign based, multinational companies,
- *High number of companies are doing „contract work” (low profitabel processing)*
- *Export oriented sector (75-80%)* - main markets: DE, IT, UK, FR
- *Subsectors/technologies/products with potential from an export aspect:*
 - Work and protective clothing
 - Technical textiles
 - Healthcare textiles
 - Home and household textiles
 - Other fashion items
 - Car carpets
- *Import of raw materials* (shortage of domestic availability) **is significant!**



EMPLOYEES IN THE HUNGARIAN TEXTILE AND CLOTHING SECTOR (BY LOCATION)

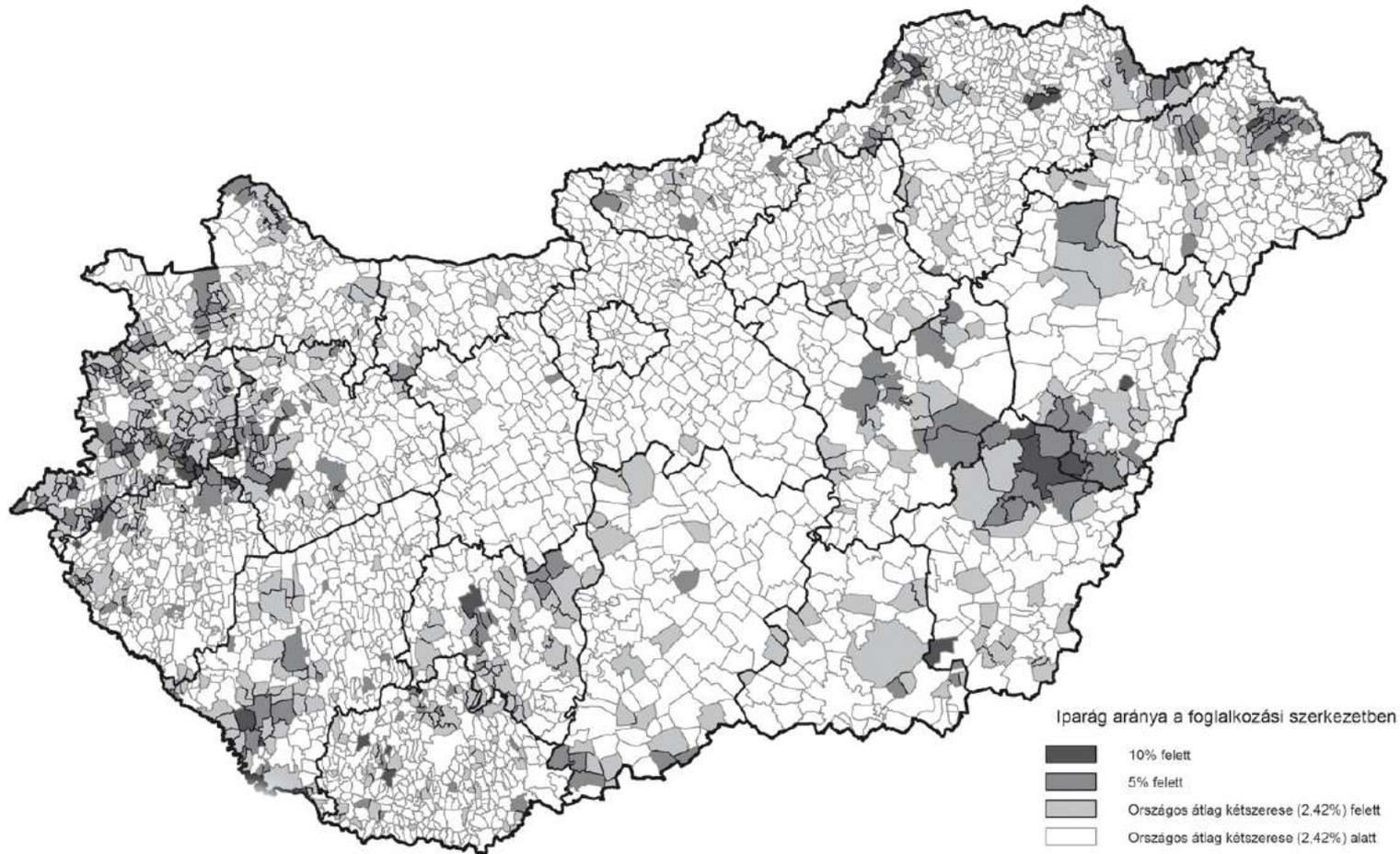
Number of employees in the textile and clothing industry based on the data of local enterprises with at least 5 employees (2017)



Forrás: A Creditreform adatai alapján szerkesztette Németh G.



SHARE OF HUNGARIAN T/C INDUSTRY IN THE LOCAL EMPLOYMENT STRUCTURE



Forrás: KSH, népszámlálás adatai alapján szerkesztette Németh G.



STRENGTHS

- traditional textile know-how
 - focus on quality
- openness to new technologies
- flexibility and creativity



WEAKNESSES

- Globalization
(free trade, cheap import - relocation of production to Asia and South A.)
 - relative high labour costs
 - lack of labourforce in general
 - lack of state support
- low capital for the development of own products with high-added value



OPPORTUNITIES

- renew & restructure the Hungarian textile and clothing industry
 - with enhanced innovation and product development
 - recover the prestige of the sector



THREATS

- cheap import with improving quality
 - shortage of capital
 - weak image of the sector
 - brain & skills drain
- lack of opportunity of education



Statistics of Hungarian textile waste from PRODUCTION*

- No textile company among the 100 largest waste producing companies in Hungary.
- Waste generated during the manufacture of textiles (NACE 13):
- Waste generated during the manufacture of wearing apparel (NACE 14):
- Volume of **hazardous waste is not significant** compared to the total amount of waste generated in the production of T&C:

2010	4.385 t
2013	5.542 t
2016	6.625 t 

2010	2.186 t
2013	1.521 t
2016	1.460 t 

	TEXTILE INDUSTRY	CLOTHING INDUSTRY
2010 - 2016	127 - 336 t	10 - 36 t

- **Primary textile waste** (EWC 04 02)

2010	5.119 t
2016	7.662 t 

- **Wastes from processed textile fibres** (EWC 04 02 22)

2010	3.625 t
2016	4.636 t 

- **Waste from impregnated textiles, elastomers and plastomers** doubled from 1 336 t (2013) to 2 185 t (2016).
- **Significant other wastes:**

Sludges from on-site effluent treatment contained and not hazardous substances (EWC 04 02 19 and 04 02 20), wastes from unprocessed textile fibres (EWC 04 02 21) and wastes not otherwise specified (EWC 04 02 99).

*data coming from the Hungarian Waste Information System - OKIR



Statistics of Hungarian textile waste from END-OF-LIFE CLOTHING

End-of-life clothing (municipal waste management)

	2016
From textiles	7.376 t
From clothing	17.435 t

Treatment of clothing waste: separation by hand (code E0206), recycling/reclamation of organic substances which are not used as solvents (including composting and other biological transformation processes) other (code R3) -

Treatment of textile waste : specially engineered landfill (e.g. placement into lined discrete cells which are capped and isolated from one another and the environment, etc.)(code D5), physical-chemical pre-treatment-separation (code P0208) and code R3.*

* Data coming from OKIR system

End-of-life clothing are mainly not sorted, are disposed with other municipal waste (energy cover, landfills). Small volume of ***household textile waste*** is collected in containers by private companies or charities.

High volume of ***used garment*** is imported and sold by HADA boutiques.

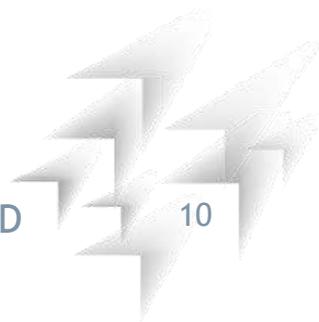


ENTeR survey in Hungary

- DECEMBER 2017 - APRIL 2018
- face-to-face interviews, questionnaire survey via email and telephone
- questionnaire sent to 70 companies in national level
- results - feedback from 26 companies (not representative results):
 - ✓ Textile/footwear/outerwear/workwear producers (14)
 - ✓ Home and house-hold textile producers (7)
 - ✓ Upholstered furniture manufacturer (2)
 - ✓ Clothing company (12)

Hungarian textile waste management is operated on the private commercial basis:

- where possible, companies sort & reuse their textile waste internally
- only few examples for selling textile waste



STRENGTHS

COUNTRY LEVEL:

- existing laws & National Waste Management Plans
- data available from the National Environmental Information System (OKIR)

COMPANY LEVEL:

- regular waste generation
- large quantities of waste
 - sorting
- in some cases valuable waste

WEAKNESSES

- lack of recycling knowledge
- lack of capital for investment
 - no interest for recycling
- long distances to the recycling company
- poor quality and low quantity of waste
 - lack of waste utilization possibilities

OPPORTUNITIES

- large amount of production & municipal waste
 - opportunity for sorting, reusing by new technology, innovative developments, reuse textiles, garments offers jobs for handicaps, market for new companies, introducing new business model, virtual prototyping

COMPANY LEVEL:

- offering waste via a recycling exchange platform

THREATS

- lack of investment/capital/knowledge about textile waste management
 - no regional waste management system
- ### COMPANY LEVEL:
- high processing costs
 - lack of market acceptance for recycled products

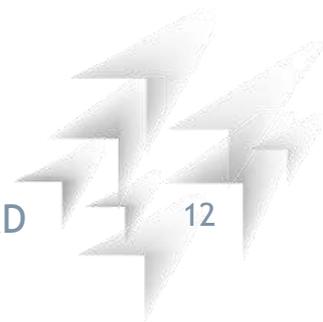


In general the Hungarian companies are looking for solutions to recycle their textile waste as much as possible!



MAIN FINDINGS

- Technological and technical solution for recovery is not available
 - Regular waste generation - large quantities of waste
- ***High urgency to find recycling possibilities - strong interest from company side***
 - Lack of recycling knowledge
 - Finding recycling possibilities very difficult
 - Required investments needed for problem solving
- Lack of market for recycled products and also the high processing costs



Thank you for your attention!

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