Proposed Changes to the Basel Convention on Trade in Used Clothes and Textile Waste

An African Perspective

A contribution to the Open-Ended Working Group (OEWG-15)

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List of Definitions

- **Used Clothing and Textiles:** Refers to trade between countries under global Harmonised System (HS) codes 63.
- **Second Hand Clothes:** Trade between countries under the global Harmonised System (HS) codes 6309 (worn textiles and clothing – used for textiles fit for reuse). It captures garments and accessories that have been previously owned, worn or used by individuals, professionally sorted and deemed fit for re-use.
- **Sustainability:** The practice of ensuring resource usage with consideration of the needs for future generations. In this report, it relates to reducing textile waste and its negative environmental impact.
- **Textile Downcycling:** The process of recycling textiles into products of lower value or utility.
- **Textile Reuse:** The act of using second-hand clothing for its original purpose, with or without some alterations.
- **Textile Waste:** Discarded textiles (originals) or textiles that cannot be reused. Currently shipped under code '6310' and B3030.
- **Wastes:** Substances or objects which are disposed of or are intended to be disposed of or are required to be disposed of by the provisions of national law.
- **Management:** Collection, transport and disposal of hazardous wastes or other wastes, including after-care of disposal sites.
- **Transboundary movement:** Means any movement of hazardous wastes or other wastes from an area under the national jurisdiction of one State to or through an area under the national jurisdiction of another State or to or through an area not under the national jurisdiction of any State, provided at least two States are involved in the movement.
- **Article 3 of Basel Convention Code on Prior Informed Consent:** Parties shall take the appropriate measures to ensure that the transboundary movement of hazardous wastes and other wastes only be allowed if: (a) The State of export does not have the technical capacity and the necessary facilities, capacity or suitable disposal sites in order to dispose of the wastes in question in an environmentally sound and efficient manner.

List of Abbreviations

- ACFTA: African Continental Free Trade Agreement
- CAGR: Compounded annualized growth rate
- EAC: East African Community
- EU: European Union
- ESAP: Economic Structural Adjustment Program
- ESPR: Eco-design for Sustainable Products Regulation
- IMF: International Monetary Fund
- ILO: international Labour Organisation
- PIC: Prior Informed Consent
- POPs: Persistent Organic Particles
- OEC: Organisation of Economic Complexity
- SHC: Second hand Clothes
- SSA: Sub-Saharan Africa
- UN HDI: United Nations Human Development Index
- US: United States of America
- USD: United States Dollar
- WFD: Waste Framework Directive

1. Executive Summary

The Basel Convention ('Convention') is an international agreement controlling transboundary movement of hazardous and other specified non-hazardous wastes. It was originally adopted in 1992 and is the *de facto* legal framework governing the global circular economy trade. It consists of 191 Parties. The US is not a member.

Following COP-17 (in May 2025), the Convention launched a consultation to address issues in global trade of used textiles and textile wastes. This will be discussed at the 15th meeting of the Open-Ended Working Group ('OEWG-15'). It follows growing concerns from some European countries that: (i) textile waste is being disguised as used clothes in exports, and (ii) large amounts of low quality used clothes are being exported to developing countries and ending up in landfills.

A clear understanding of related global classifications in used clothes and textiles is paramount. Under the global harmonised system for [trading] nomenclature ('HSN'), "Used Clothes and Textiles" are classified under code '63', which consists of 'Textiles, Made Up Articles, Sets, Worn clothing, Worn textiles, and rags'. Within that, 'Used Clothing' (or second hand clothes, 'SHC')) are captured code '6309' and "Textile Scraps", which includes "Used or new rags, scrap twine, cordage, rope and cables and worn out articles thereof, of textile materials", under code '6310'. The Convention, through the OEWG-15, is seeking opinions on the definition, challenges, experiences and costs in trading used clothes and textile waste.

Currently, used clothes are exempt from Basel Convention protocols. Textile waste (i.e., HSN 6310) is also exempt; deemed 'non-hazardous' unless it contains Annex I hazardous materials and exhibits Annex III hazardous characteristics[1]. Note that the Convention recently expanded its scope to include non-hazardous plastic wastes through a Y48 listing in Annex II[2]. Given these developments, stakeholders are quite concerned that the Convention: (i) is conflating SHC, which is a product, with textile waste; and (ii) could move to control SHC containing synthetic materials such as polyester. The imminent risk is a removal of SHC exemptions under Basel Convention control, which would subject related trade to onerous hazardous waste protocols. Such an outcome would be quite

[1] See Basel Convention's related protocols. Link here.
[2] Ref: Annex 1; a description of Y48 Listing

negative and extremely disruptive, especially for the millions of Africans relying on the sector for livelihoods.

This paper aims to contribute to OEWG-15 discussions and overall decision making by providing an African perspective to these recent developments. It provides background of the SHC sector on the continent, reasons for its existence, its key contributions to local communities and potential ramifications if the Basel Convention moved to restrict global trade in used clothes and textiles. It concludes with proposals on how current challenges in textile waste management can be addressed and resolved without disrupting the current global SHC structure and value chains, which are established, effective and providing numerous benefits to low income communities (LICs) across the continent. We therefore urge the Convention to be clear on its objectives and targeted outcomes in order to avoid unintended consequences.

The following considerations are key:

a. **Parties need a clear definition of "waste" as it applies to textiles.** Harmonisation is crucial to ensure consistent interpretation and global application of relevant rules and regulations. This apparent gap has been highlighted in numerous global discussions on textile waste. For example, the EU, which is the largest global exporter of SHC and probably most advanced in developing regulatory frameworks for the sector, has struggled to have a single binding operational classification of 'textile waste' to apply within the bloc. Member countries have own definitions. The lack of common understanding is apparent in statements from some Parties, and partly the reason why France, Sweden and Denmark advanced this motion through the European Commission (EC) and to the Convention. Overall, if an agreement on a clear definition of 'textile waste' cannot be reached, there would be no logical basis for reclassifying SHC under hazardous waste.

b. **Parties also need to understand, and agree, that "…sorted used clothes are not waste"**. They are sorted, and a commodity, with clear, defined demand. Hundreds of millions of Africans relying on the sector for basic clothing needs, and many textile manufacturers view used clothes as raw materials for their production processes.

c. **Global trade in SHC operates under standard market conditions**. Used clothes are being procured on functional open global markets, with sophisticated participants, exchanging good quality inventory, based on proper legal contracts, exchanging real cash, and all based on basic principles of enterprise. Buyers are equally discerning. With low disposable cash, they look for quality and affordable clothes. And in accordance with their financial circumstances, they would not accept exchanging hard earned money for textile waste!

d. **OEWG-15 discussions should be grounded in solid research, especially relating to the SHC sector in Africa.** Textile waste is indeed a global challenge. However, the EU and Basel Convention's perceptions of "…mismanagement of textile waste…in developing countries" have been driven by an exaggerated research report by OR Foundation, which claimed that '…40% of used clothing exports to Africa ends up in landfills'. Unfortunately, this view has percolated and persisted among policy circles (including at the EU), fomenting negative perceptions of the SHC sector. More importantly, the OR Foundation claims have since been debunked by several studies across Africa, including by major European development and environmental agencies. Evidence from Ghana, Kenya, Uganda and Mozambique shows the true level of textile waste in SHC imports at around 2-5%, the bulk of which is recycled. Still, there seems to be a general reluctance to accept and elevate these new findings into Western policymaking circles.

e. **The SHC sector has strong sustainability credentials and is absolutely critical to the global circular economy.** It reduces carbon emissions by extending garment use, enhancing recycling efforts through up- and downcycling, reducing waste and overall pollution. Therefore, reclassifying sorted used clothes and subjecting them to hazardous waste protocols will most likely disrupt global SHC trade flows and sustainability benefits. There will likely be a build-up and incineration of good quality used clothing in major exporting regions such as EU, with significant negative environmental consequences and costs to municipalities. This is avoidable.

f. **Second-hand clothes are supporting livelihoods of millions of Africans**. **First,** in almost all countries surveyed, at least 85% of the populations are reliant on SHC for basic clothing needs. This aggregates to hundreds of millions of people across the continent. Both low- and middle-income individuals buy from used clothes markets. The sector is providing affordable, accessible, and quality clothing, especially for low-income households (LIHs), millions of whom live below the poverty line (i.e., less than $2.15/day). Given high levels of financial poverty and low disposable incomes, affordability is key and helps create budget headroom for other essential household necessities such as shelter and food. **Second,** the SHC sector is a major employer, providing green jobs in both exporting and importing countries. A high proportion of employees in sorting, retailing and vending are women and youth (those aged 15-24 years old). For example, in Europe, there were an estimated 110,000 people employed in the sector in 2023, and at least 70% were women and young people. In Africa, the statistics are more profound. Given high unemployment rates (in excess of 30% across many countries) and dominance of the informal sector within most economies, SHC-related formal and informal employment accounts for 2-10% of overall service sector jobs. This aggregates to tens of millions of Africans being employed within the SHC value chain across importing, sorting, logistics, vending and other related administrative roles. In most functions, especially sorting and retail (such as vending), at least 55% of employees are women and youth. The average years of participation in the sector range from 2- to 40 years. The sector is also providing better-paying jobs. Surveys show that remuneration is generally above the global poverty line and average gross national per capita income levels. It is therefore no surprise that millions of families have been able to escape extreme poverty courtesy of income from the sector, either as entrepreneurs, sole operators or employees. They have managed to acquire shelter (either by renting or building homes) and pay for food, utilities, education, and healthcare.

g. **SHC employment has enhanced financial inclusion.** Surveys also show that many sector participants have opened bank accounts and secured credit facilities using income and/or assets acquired from SHC-related activities. Some have grown noteworthy businesses, including passing them down to their children. These stories and observations are consistent across many countries. Therefore, in line with the Basel Convention, the SHC sector is contributing towards Sustainable Development Goals (SDGs).

h. **Finally, the sector is a significant taxpayer.** Official data and estimates range from $35mn to $100mn annually in annual gross tax contributions, depending on country and sector size. For example, in Mozambique, the SHC sector was within the top five highest taxpaying categories in 2023. While the absolute tax amounts may not be significant from a Global North perspective, they can be equivalent to as much as 10% of the annual healthcare or education budget. That is quite significant.

Taken together, the above observations strongly indicate that labelling SHC as hazardous waste and disrupting trade flows will be highly damaging and result in extremely negative consequences for millions of African households that extract their livelihoods from the sector.

Some commentators argue that SHC imports destroyed Africa's textile manufacturing and continues to be a drag on plans to revive the industry. This is both an oversimplification and, arguably, incorrect. First, it is important to note that most African countries have had a persistent structural deficit in availability of basic clothing for more than five decades. Coming off wars of independence in the 1960s and 1970s, with strong population growth, rapid rural-urban migration and high unemployment rates, large swathes of the population have always struggled to access affordable clothing. In the case of Angola, Mozambique, DRC, Sierra Leone, Sudan and Liberia, amongst others, this was exacerbated by extended civil wars which left many communities with barely any clothes on their backs. In that backdrop, SHC was the only alternative; least to provide basic human dignity.

It is true that 30-40 years ago, several African countries had sizeable and thriving textile manufacturing industries. But it is a stretch to believe that they had the capacity to supply the majority of their domestic populations. More importantly, the industries were negatively impacted by IMF-led Economic Structural Adjustment Programs (ESAPs) of the 1980s and 1990s, which required countries to eliminate subsidies and open up domestic [textile] markets to international competition. Now without government support, facing stiff competition from low-cost global clothing manufacturers and amidst tough domestic operating conditions (especially weak ancillary industries, persistently high inflation, currency depreciation and high cost of energy), the industries experienced an inevitable precipitous decline. For most countries, the general macro-economic backdrop has broadly worsened since, and governments have struggled to reverse the sector's fortunes. In this backdrop, SHC has provided the only viable option for millions of low-income households. An appreciation of this long, deep and complex history is critical; at the least it helps counter some of the incorrect and negative perceptions of the SHC sector in Africa.

The discourse on used clothing trade is often framed on mutual exclusivity. That is, to revive domestic clothing industries, SHC trade has to be eliminated. This view is prevalent amongst African politicians and policymakers. Yet field studies suggest otherwise; new textile manufacturing and used clothing sectors can indeed coexist. They serve different customer segments. SHC supplies low and middle-income cohorts, while new clothing tends to be relatively more expensive and for higher-income groups. The structural deficit supply of affordable clothing and low per capita income levels points to persistent market bifurcation in the medium term. Hence, from a development economics perspective, the route to reducing Africa's reliance on SHC lies in raising real per capita household income levels. As people earn more, and disposable incomes rise, they purchase higher priced new clothing, among other things. Africa is not there yet.

Finally, the Convention's efforts on textile waste management are commendable. However, reclassifying used textiles as hazardous waste is not the solution. **First,** it will increase the bureaucratic burden through Prior Informed Consent ('PIC') protocols, which will reduce used clothes exports into Africa. **Second**, it disrupts a key sector already geared towards waste minimisation through sorting for reuse, recycling, up- and downcycling, and extending garment usage. **Third**, the issue of managing synthetic fibres such as plastics in textiles needs to be tackled at the production stage. Regulators should incentivise manufacturers to focus on using sustainable materials. Here, the OEWG can take a leaf out of the EU's Eco-design for Sustainable Products Regulation (ESPR), which corrals manufacturers to design products that are easy to reuse, repair, or recycle. As manufacturers shift into more sustainable and durable materials, the challenges of persistent textile waste get resolved in tandem. **Fourth**, it will not stop the practice of disguising textile waste exports as second-hand clothes. We strongly believe this should be resolved through detailed sorting, stronger compliance monitoring and tougher enforcement. **Fifth**, and specifically for Europe, the latest iteration of Waste Shipment Regulations ('WSR') already imposes very strict rules, such as the requirement for Commission approvals and audited facilities before shipment of unsorted used clothes to non-OECD countries. According to EuRIC, this is already quite effective. Therefore, there is an opportunity for Parties to discuss and potentially adopt some best practices from lessons being learnt elsewhere across the globe. **Sixth**, there is an opportunity to promote self-regulation in the SHC industry. This would specifically involve, and not exclusively, allowing stakeholders to participate in designing, implementing and policing the implementation of rules. This is already quite effective in the financial services industry, with established whistleblower channels.

Overall, we are strongly opposed to changes that would bring used clothes under Basel Convention control. That would be very disruptive to global SHC trade and the millions of Africans reliant on the sector. In our opinion, the solution lies in: (i) enhanced sorting; (ii) encouraging industry self-regulation; (iii) increased compliance monitoring; (iv) encouraging textile manufacturers to use sustainable materials; (v) tackling the use of plastics in clothing at the manufacturing stage; and (vi) updating relevant Annexes on definition of textile waste and grounding discussions in solid research, not exaggerated claims.

2. Introduction

The global used clothes and textile market (code '63' in UN Global Trade Data[3]) has grown steadily over the past four decades. It is an estimated $1.7trn in size, with $70bn in gross annual turnover (2024 figures), and growing at 2.5-3% per annum.

Within the broader category 'Used Clothing' (Code '6309', 'Worn Clothing and Other Worn Articles') and constitutes US$5.1bn (~7.5%) in traded value. That is only 12% of the global textile trade turnover and less than 0.02% of world trade. In this report, we refer to this category as 'second-hand clothing' (SHC). For clarity, these clothes have been sorted and deemed reusable.

The United States (US) and China are the top SHC exporter countries, accounting for 16.8% and 13.9% of global market share, respectively. On an aggregated basis, the European Union (EU) is the largest global exporter, controlling almost 43% of the global market. As of 2023, EU exported 2.2mn tonnes of SHC valued at $2.2bn[4], almost half (46%) of which went into Africa[5]. Overall, net trade flows are almost exclusively from the Global North to the Global South. The controversy surrounding SHC seems to partly arise from the conflating of HSN category 6309 (i.e., 'Used Clothing', as described above) and challenges in managing HSN category 6310, also known as "Textile Scraps".

In Africa, SHC gained popularity in the 1970s, partly due to a structural shortfall in the availability of affordable clothing for millions of low-income households. This deficit persisted since. Hence second-hand clothes have become a staple across the continent. Adjusted for re-exports, Africa is the largest SHC market, absorbing at least 35% of global SHC trade volumes. We believe this is a conservative estimate. According to UN Comtrade data, the East African Community ('EAC') accounts for almost a fifth of global SHC imports. The rest of the continent can comfortably exceed these import levels.

Debates are intensifying over the global utility of SHC. Those against, and mostly within Western environmental lobby groups, argue that SHC exports are 'waste colonialism', i.e., developed Western countries dumping their used clothes and textiles on low-income developing nations, mostly in Africa. Some exaggerated research claims suggest that '40%

[3] Observatory of Economic Complexity (OEC): Used Clothing and Textiles

[4] Socioeconomic Impact of Second-Hand Clothes

[5] EU exports of used textiles in Europe's circular

of SHC exports to African countries end up as waste in landfills'[6,7]. This fuelled concerns about continuing SHC exports into 'developing countries with limited capacity for waste management'. Responding to subsequent media pressure, France, Sweden and Denmark proposed export curbs and, through the EC, referred the matter to the Basel Convention, which controls the movement of hazardous waste across national borders. In turn, the Convention created the 15th Open-Ended Working Group (OEWG-15) to advise on:

> *". . . relevant options available under the Convention to address challenges linked to the transboundary movement of textile wastes (including the distinction between used textiles and textile wastes) . . . and develop a proposal for possible options, within the scope of the Convention…"*

The scope also includes:

> *"…experiences, challenges, and costs related to the trade of used textiles and textile wastes, as well as views on how transboundary movements of textile wastes and their management could be addressed under the Basel Convention"*.

It is clear that the Convention views and addresses SHC and textile waste in the same breath. The same is apparent in Statements from France, Denmark and Sweden; no distinction is made between used clothes and textile waste. We believe this is an incorrect vantage point as it nurtures a perception that sorted used clothes are waste. That is despite a clear distinction under the global trading nomenclature (i.e., HSN codes). Such an approach is inadvertently creating risks of reclassifying sorted used clothing under hazardous waste protocols. We also note that the Convention recently moved to control non-hazardous plastic wastes under a Y48 listing in Annex II (a list of "other wastes" that, while non-hazardous, are nevertheless subject to virtually complete Basel Convention control measures). This amplifies fears that used clothes containing synthetic fibres such as polyester will be reclassified as hazardous waste. Such an outcome, along with the resulting bureaucratic burden, would be an economic and social disaster for millions of Africans whose livelihoods are completely dependent on the sector.

As the OEWG-15 consultations get underway, Parties should keep the following anchors in frame: **First,** it is important to fully engage and consider perspectives of the Global South,

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[6] The OR Foundation (n.d., 2024), "#StopwasteC%nialism Frequently asked questions",

[7] The OR Foundation (n.d. 2024), Dead White Man's Clothes.

especially Africans. They are most reliant on the sector and will bear the brunt from any changes, if any. **Second,** the SHC sector has strong sustainability credentials and is integral to developing a global circular economy. Disruptions would be extremely counterproductive to global green economy initiatives. **Third,** any significant policy changes, especially those that impact the livelihoods of hundreds of millions, ought to be grounded in solid research. The concerns on waste management practices, which triggered some EU governments to engage the Convention, are based on flawed research and media exaggerations. Several follow-up studies, including those by European development and environmental agencies, have shown that the true level of waste in imported clothes is not 40%, but around 2% to 5%. **Fourth,** the benefits being derived from the SHC sector amongst low-income African communities are significantly under-appreciated. The sector is: (i) supplying affordable and quality clothing to at least 85% of the populations; (ii) a major employer especially youth and women amidst very high domestic unemployment rates; (iii) directly sustaining tens of millions of households, enabling families to pay for shelter, food and education; (iv) enhancing financial conclusion; (v) boosting government receipts through taxes; and (vi) helping alleviate poverty, in line with Sustainable Development Goals (SDGs). **Fifth,** there is no immediate substitute for the sector in the event of disruptions.

The Convention has several options available to bolster its current framework, instead of redesignating and subjecting used textiles to hazardous waste protocols. These include, but are not exclusively limited to: (i) adopting a unified definition of "waste", which would help with distinction from SHC; (ii) discussing and potentially adopting relevant parts of the EU's Waste Framework Directive, since they already incorporate strict frameworks for SHC exports; (ii) creating incentives, through regulations and directives, for clothing and textile manufacturers to use durable and recyclable materials; (iv) promoting self-regulation practices in the industry; and (v) updating relevant Convention Annexes, while still exempting SHC from hazardous waste protocols.

Unanimity, especially among major exporters – especially the EU and China – is key. Without it, the EU may end up implementing stricter export controls while others move in to take market shares, taking advantage of the regulatory arbitrage. For Africa, we note that fast fashion brands are well poised to take advantage of any market dislocations, with low-quality new clothing, exacerbating the challenge of textile waste management.

3. Brief Context of the Global Second-Hand Clothing Industry

a. **Second-hand clothing refers to previously worn apparel.** Global SHC trade data are reported under 'Used Clothes and Textile Articles' (code '63'), which includes 'Textiles, Made Up Articles, Sets, Worn clothing, Worn textiles, and rags'. 'Used Clothing' (or SHC) is a subset recorded under code '6309'. The related, but distinct segment is code 6310, also known as "Textile Scraps" and consisting of "Used or new rags, scrap twine, cordage, rope and cables and worn out articles thereof, of textile materials". This paper predominantly focuses on 'Used Clothing', code 6309.

b. **The aggregate global used clothing and textiles market is large; a key consideration within OEWG-15 deliberations.** It is currently estimated at $1.7trn[8] in size; equivalent to 60% of Africa's 2023 real Gross Domestic Product (GDP). The gross annual turnover was almost $70bn[9] (2023 data; down 14.1% y/y), ranking it 49th out of 96 major world trade categories. China is the largest exporter (40% of global market share), followed by the EU (23.5%), India, Pakistan and Turkey (around 7% each). Lately, intense global focus on environmental sustainability and promoting reuse has fuelled a surge in used apparel and textile sales, including in the developed world. Analysts forecast the global traded value in SHC to exceed $195bn by 2030.

c. **The global used clothing market (i.e., category 6309) is an estimated $200bn in size.** It is only 12% of the total used clothes and textile market. Turnover in 2023 was $5.1bn, around 0.02% of world trade and ranked 532nd out of 1,217 categories. This is noteworthy. The attention and scrutiny on the sector seem quite disproportionate relative to its placement in global trade.

d. **The EU, the US and China are the largest global exporters of SHC.** On an aggregated basis, the EU is dominant, with just over 43% of global market share. Exports are almost exclusively to low- and middle-income countries in the Global South. Nearly half of the used clothing from the EU (inc. the UK) is destined for Africa.

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[8] OEC data

[9] OEC data

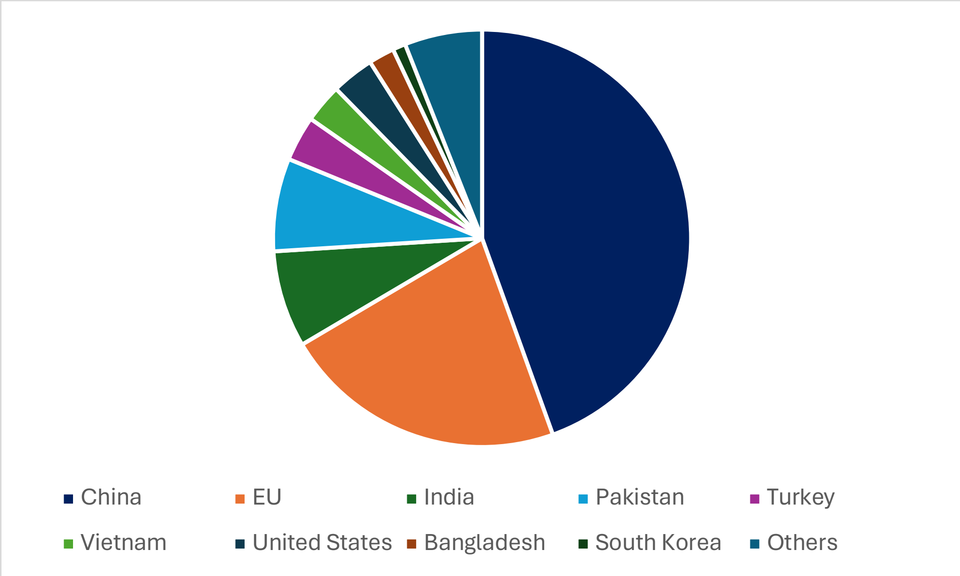

Figure 1: Major global exporters in second-hand clothes (Source: OEC, 2024)

e. **Africa is the largest global SHC importer.** Therefore, negative changes to the Basel Convention are likely to have a disproportionately large and negative impact on the continent. According to the Observatory of Economic Complexity ('OEC', citing Comtrade data), Africa imports at least 35% of global SHC trade volumes. On some estimates, the continent's used clothing imports have averaged $1.7bn (i.e., 34-37%) of the global turnover over the last 3 years[10]. Hence, four African countries (Ghana: 3.9%, Kenya: 3.8%, Tanzania: 3.3% and Nigeria: 2.8%) feature among the world's top ten SHC importers, accounting for almost 13% of the global aggregate traded values.

[10] The Second-Hand Clothing Industry in the East Africa Community

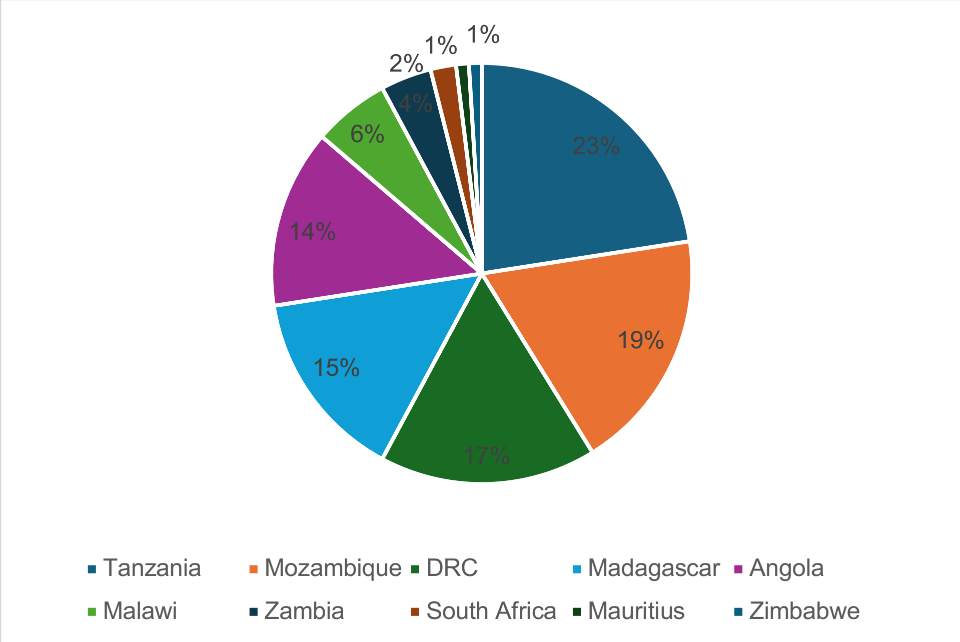

Figure 2: Distribution of SHC imports into SADC as a percentage of the total (OEC, 2024)

Research suggests that these data may be conservative and that Africa likely absorbs close to half of the global SHC exports. Various anecdotes support this view, including that:

i. UN Comtrade data (which is quoted by OEC) is on a self-reporting basis. Historically, African countries have not been efficient in the collection and reporting of economic data. Hence historically, variations in trade data between exporting countries and national SHC import records have ranged from -85% to +220%. Where data are available, annual variations are also quite high, pointing to significant data quality issues.

ii. The East African Community (EAC) account for nearly a fifth of global SHC volumes[11]. It is most likely that the imports for the rest of the continent comfortably exceed those of EAC.

iii. Independent studies estimate that Africa has consistently imported around $1bn[12] of SHC per annum over the last decade. Given that demand has only continued to grow, and at an estimated of 3-5% CAGR, we estimate that the continent now consumes around half of global used clothing exports.

[11] Own calculations from OEC data.

[12] The phase-out of second-hand clothing imports: what impact for Tanzania?

iv. As of 2017, China alone was reporting clothing trade values of almost $1.3bn with the East African Community ('EAC'), having quadrupled over a space of two years. Yet the EAC's reported SHC import figures from China were twelve times lower over the same period; a huge discrepancy. The split between SHC and new clothes is undisclosed, but triangulating OEC data suggests that at least 55% of the traded value consists of used clothes. It is therefore likely that China's clothing exports to the continent exceed $2bn, with at least half in the SHC segment.

Overall, Africa is the most reliant on SHC imports and therefore most vulnerable to any changes from the Basel Convention.

4. Structure of SHC Value Chains

A brief summary of SHC value chains is important. It highlights the sector's significance and contributions to a circular global textile industry, generating employment and supporting livelihoods.

a. **The importation and distribution of SHC is well-documented.** Exports are exclusively from the Global North and China, where charities and commercial companies collect used clothes from household waste sites, textile banks, supermarkets, schools, community organisations, and various other clothing donation and collection schemes. In Europe, separate collection of used clothes is now mandatory since January 2025. Unsorted clothes are called 'originals'. Following collection, the clothes are transported to designated sorting centres before packaging and exportation.

Figure 3: SHC wholesaler in Malawi. Merchandise is received in 45kg bales.

b. **Complex SHC sorting operations are found across both exporting and importing countries**. The sorting process separates good-quality clothes from textile waste. It is a manual and intensive process. The majority of employees are women and youth. For Europe, the main sorting centres are located in Bulgaria, Poland, Lithuania, Slovakia and Ireland. New centres are also being established in countries such as Algeria and Morocco, taking advantage of proximity to Europe and availability of relatively cheaper labour. Finally, some non-governmental organisations (NGOs) which participate in the importation of SHC also operate their own sorting centres. For example, members of Humana People to People, a federation of NGOs, own and operate SHC sorting centres in four African countries. For clarity, they import sorted mixed clothes, known as 'tropical mix', and their operations involve fine sorting for reuse.

c. **Sorting is a key part of the SHC value chain.** Key features include:

i. Separating clothes and other textiles that are fit for reuse.

ii. Screening out poor-quality, low-value and unwearable items (i.e., 'textile waste').

iii. Operations can be both extended and complex, separating products into as many as 300 categories, following which they are packaged into bales for local sale or export. Some importers buy used clothes after the first round of sorting; so-called tropical mix.

iv. It is geared towards specific markets, including seasonal fluctuations. For example, imports into tropical countries such as Ghana and DRC, where temperatures are generally high throughout the year, are generally of light materials. Exports into sub-tropical countries are tailored for summer and winter seasons. This ensures supply based on strong demand, minimising the likelihood of items going unsold.

Figure 4: Sorting centre operation in Blantyre Malawi

v. There is an integral feedback system between ultimate buyers (i.e., importers) and sorting centres (i.e., sellers). Importers are business operators targeting profitability and financial sustainability. They specify types and quality of clothing in demand and also notify sellers in the event of products falling below expected standards. This is particularly true amongst buyers of the 'tropical mix' who perform fine sorting and baling to market needs. Overall, demand is quite elastic; buyers can switch to other sellers quickly, especially in response to quality disappointments. This helps keep the upstream sorting operations and SHC suppliers honest, ultimately guarding against unnecessary waste. Overall, imports are geared towards demand. Contrary to belief, buyers are discerning and will not part with hard-earned money for waste!

vi. Some clothes are upcycled for personalisation by tailors who are often located inside used clothes markets. This further reduces textile waste.

vii. There are new AI-powered sorting technologies being developed, but largely still at an experimental stage[13]. More investment is needed to enable mass application, and this will only strengthen the utility of the global SHC industry.

d. **Distribution and sales**. In developed markets, SHC are sold via a combination of retail shops, vintage shops, market stalls and online platforms. The most popular platforms include ThredUP, Poshmark, The RealReal, Tradesy, Buffalo Exchange, eBay, Mercari and Alibaba, among others. In the Global South, particularly Africa, sales are predominantly via open markets, and to a lesser extent, retail shops. Clothing bales tend to remain unopened until the point of retail.

e. **The sector is also a significant employer**: Key players in the value chain include:

i. **Importers.** They generally operate at scale, procuring on average 100Mt of SHC per year. Most importers utilise casual labour for logistics roles such as loading/unloading, and permanent staff for sorting and repackaging into smaller bales for onward sale. Others have additional administrative roles within customs, data analysis, accounting, marketing and insurance services. On average, significant importers employ at least five people, rising to as many as 300 for sophisticated operators.

ii. **Wholesalers.** These tend to procure from importers, selling on to both retailers and individuals. Larger importers have integrated wholesale functions; it allows them greater access and control of the market. Wholesalers vary in size, and most operate through a network of shops in strategic areas, including those close to markets. They can also be sizeable

[13] AI-powered Smart Garment Sorting System automating textile recycling.

employers, often requiring at least five employees across security, sales, booking, and logistics.

iii. **Logistics.** Importers and wholesalers may possess own transportation and personnel to ferry bales from ports to warehouses, or warehouse to wholesale facilities. Most, however, procure services from specialised transport and logistics firms that have established operations to serve the SHC industry, among others. Roles can be either formal (such as clerks and drivers) or informal (such as loading and unloading).

iv. **Formal retailers.** A few large operators own retail shops selling SHC. The shops are strategically positioned in high-footfall areas, including close to shopping centres. Generally, SHC retailers are either operated by NGOs (e.g., ADPP) or privately owned by individuals. The latter are common inside neighbourhoods, often selling mixed and general merchandise alongside SHC.

v. **Informal retailers:** Most are individual resellers, operating in formal markets, on roadsides, street corners, neighbourhoods, small towns, and villages.

vi. **Ancillary services:** These are predominantly informal jobs across repairs and alterations and laundry services (i.e., washing and ironing garments). Tailors have stations within SHC markets offering garment upcycling services.

Figure 5: SHC retail operations operated by DAPP, Malawi. Shops are popular with both vendors and individual buyers.

f. **SHC imports are exclusively shipped in via ports.** Coastal countries are such as Mozambique, Kenya, Tanzania, Angola and Ghana are main import routes into landlocked Malawi, DRC and Zambia, and Zimbabwe, among others.

5. Second-Hand Clothes and the Basel Convention

a. **The Basel Convention governs classification and control of transboundary movement of hazardous and specified non-hazardous wastes**. It was originally adopted in 1992 and is the *de facto* global legal framework governing circular economy trade. Hazardous wastes controlled under the Convention are subject to country-to-country prior informed consent (PIC) procedures, requiring approval from importing countries prior to shipment. The US is not a Party. It signed, but has not ratified the Convention.

b. **The Convention actively champions SDGs, which include poverty reduction and ensuring environmental sustainability**. It therefore focuses on waste minimisation, promoting state-of-the-art recycling, and creating business opportunities for safer and greener jobs. The framework also considers wastes in a [product] life cycle context.

c. **Second-hand clothes are currently excluded from the Convention's control**. They are not included in Annex 1, which specifies controlled and hazardous substances. However, textile waste (HSN code 6310) is addressed under Section B3030 (which includes various types of natural and synthetic materials) and B3035 (which includes floor coverings and carpets). Most reusable textiles are covered under Annexes VIII and IX and regarded as non-hazardous wastes outside the Convention's controls and trade bans. However, this is provided the materials do not contain Annex I hazardous constituents which result in Annex III hazardous waste characteristics.

d. **At the 17th meeting of Conference of Parties (COP-17), members agreed to work on, and address the transboundary movements and management of used textiles (which includes SHC) and textile waste**. The motion was initiated and advanced by the European Commission (EC) following growing concerns about the mismanagement of waste textiles, especially on exports to developing countries lacking adequate facilities for ensuring environmentally sound disposal. Overall, the Convention is targeting a new stricter classification for textile waste. Given that it also addresses sorted used clothes and textile waste in the same breath, ongoing deliberations effectively bring the SHC sector into scope.

e. Note that the Convention is already broadening its scope within used textile waste, which risks encompassing used textiles (which includes SHC). **First,** its Statement is inviting comment on both used textiles and textile wastes alike, which suggests an intention to address both categories within the same Annexes and protocols. **Second,** the Convention is already controlling non-hazardous plastic waste under the Y48 listing, which is related to the Plastic Waste Initiative (PWI). **Third,** the Secretariat is seeking clarification on "…*the distinction* between used textiles and textile wastes", which, historically, has been tenuous. We note that there is already a distinction between used clothes ('6309') and textile scraps (code 6310) which the Parties could follow. It is therefore not clear to us why the Convention chose the Consultation route instead of enforcing what is already in place, and is clearly stated and understood. Overall, a stricter definition will likely result in good quality used clothes being deemed waste and brought under the Convention's control. Most stakeholders and beneficiaries hope SHC will remain exempt from the Convention's control.

6. Understanding The Role of Second-Hand Clothes in Africa

Expansion of Convention protocols to include SHC will cause significant disruptions to this global industry. Given that Africa is the largest SHC-importing region, the paper provides a local perspective on potential consequences on local communities. This should hopefully guide OEWG-15 and the Convention's target outcomes. As researchers and development experts, we are deeply concerned that the current direction of policy travel will inadvertently result in non-hazardous used textiles, which include second-hand clothes, becoming subject to the Convention's control. The consequential bureaucratic burden will likely cause a severe restriction of exports. The following considerations are key:

a. **Sorted used garments are not "waste"**. **Neither are they hazardous**. This is a view shared within the European Commission (see below). Therefore, bringing them into the Convention's scope would be very odd. To our knowledge, the EC and EU member states who championed the Basel initiative (i.e., France, Sweden and Denmark) are advocating for:

    i. **Enhanced sorting and stronger inspection regimes.** This **will** help police products from category '6310' ("Sorted and Unsorted Used Rags and Textile Scraps") from being exported as Used Clothing ('code 6309'). Note that some EU member states are advocating for a complete ban of exports under category '6310'. Again, we believe this should not have an impact on used clothing exports.

    Key relevant quotes include:

    - EU Commissioner for Environment, Oceans and Fisheries (June 2023)[14]: "*...items that are not considered waste would not fall under the scope of the revised regulation. The export of good quality second-hand clothes for re-use from the EU to third countries would therefore not be subject to these rules.*"
    - Sweden's Environment Ministry (May 2024)[15]: "*What is exported as being second-hand textiles must be just that, and not sheer*

[14] Quoted from European Commissioner for Environment Oceans and Fisheries Virginijus Sinkevicius' response to Humana, dated 2 June 2023, Ref.env.b.3(2023)4394114

[15] One man's trash: EU pitch to tackle textile pollution riles second-hand sellers (Politico)

worthless, unusable, textile waste. [We must] stop the abuse of the second-hand textile market by those who are trying to avoid paying the full price of fast fashion."

- France's Environment Ministry (May 2024)[16]: *"The aim is not to put an end to the second-hand clothing trade, but to create a truly circular economy and help developing countries."*

Given that EU states are leading the Basel Convention discussions, stakeholders hope that the current understanding, which is also quoted in the above Statements, will prevail and that SHC will remain exempt from Convention protocols.

ii. **A complete ban of textiles contaminated with hazardous chemicals.** We note that this is already provided for within the Basel Convention, and enhancements should not require reclassification of textile waste. Simply stated, the Convention seems to be seeking clarity that is already enshrined in its current protocols.

iii. **Clearly defining "textile waste" insofar as SHC trade is concerned**. On current discourse and policy rhetoric, the EU has clearly moved to exclude SHC from "textile waste", recognising the sector's positive environmental impact and importance to low-income communities. Again, we hope the same approach will be taken in the Basel discussions.

iv. **Importing countries would have to approve of the imports, and more importantly, demonstrate that waste is being disposed of correctly.** We interpret this to relate to textile waste only, as under the current (and proposed) EU waste shipment regulations and Waste Framework Directive, second-hand clothes are not considered waste and therefore exempt.

b. **Second-hand clothes are the only source of accessible, affordable and quality clothing for millions of Africans living on extremely low disposable incomes.** They are providing dignity and fulfilling a fundamental and basic human right to clothing[17], without which most individuals would *not* be able to live a healthy life and function in society. Several studies have shown that in most cases, SHC are not only

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[16] Reuters reported that '...France proposes EU ban on exports of used clothes'

[17] Reasserting the Right to Adequate Clothing in International Human Rights Law

more affordable, often at less than a tenth of the cost of new fast fashion clothes, but also much more durable and of relatively higher quality[18].

Accessibility and affordability are of paramount importance. Key to note is that *all* African countries are emerging economies. The continent makes up nearly a fifth of the world's population, and yet only accounts for 2.5% of global real GDP. Hence, its average real GDP per capita of $1,917[19] is the lowest globally, resulting in millions of families living on less than $2.15/day[20]. Poverty is generally entrenched and can be quite extreme, especially amongst rural agrarian communities. Therefore, not only are SHC helping low-income communities achieve basic dignity, but the availability of affordable clothing creates budget headroom for other household financial demands, such as food, education and healthcare. For example, in Mozambique, one can buy a T-shirt, shorts, or trousers for under fifteen meticais (MZN 15.00 or EUR 0.30), which can last for more than a year, depending on the level of care. Female undergarments, which include essential items such as panties and bras, cost between MZN 10 and MZN 50 (EUR 0.25 – 0.40).

c. **Studies on SHC utilisation in sub-Saharan Africa (SSA) estimate that, on average, 85% of populations are reliant on SHC for basic clothing**[21,22]. The range is wide, from 60-95% depending on country size and level of development. The findings in Malawi and Mozambique point to at least 90% of the population relying almost exclusively on SHC for clothing needs. Both middle- and low-incomes frequent used clothing markets, in part a testament to merchandise quality. Overall, demand is need- and affordability-driven. In rural agrarian communities, demand is also cyclical and seasonal; generally higher during summer when availability of agricultural work provides income support and also following good harvests.

d. **Africa's per capita clothing consumption remains very low; less than 10% of average European levels.** Despite the volume of SHC shipments to the continent, there is still a dearth of affordable clothing amidst a consistently strong underlying demand backdrop. Field studies across several sub-Saharan African (SSA) countries showed that, on average, individuals buy 8-10 used clothing items per year,

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[18] The Quality of Second-Hand Clothes Imported to Kenya and the Associated Environmental Impacts.

[19] GDP per capita, PPP (current international $) - Africa

[20] Fact Sheet: An Adjustment to Global Poverty Lines

[21] Distribution of Second Hand Clothes in Angola Implemented by Practical Solidarity

[22] 'The Second-hand Clothing Market in Africa and its Influence on Local Fashions'.

amounting to a per capita consumption of $1.50-1.75 per year. In weight terms, this equates to around 1.3-1.5kg compared to an average of 15kg for a European[23]. Stated differently, Europeans consume at least fifteen times more clothing than the average sub-Saharan African. This is significant. It highlights that, despite the intense debates in the media, SHC exports are destined to regions of the world where there is actual and genuine need. As such risks of clothes dumping, in our view, extremely low. This is an observation shared by many development experts.

e. **The second-hand clothing industry is a large employer, supporting hundreds of millions of livelihoods across SSA.** According to the International Labour Organisation (ILO), at least 85% of the working-age population in SSA sustains on informal employment[24]. In most countries, formal jobs are less than 5% of total economy-wide payrolls. Even relatively large and wealthy countries such as South Africa struggle with very high (>30%) unemployment rates.

Studies across several SSA countries estimate that the SHC sector accounts for 5 to 30% of overall service sector jobs. A metric tonne of SHC imports sustains around 6-11 jobs. This ranges from 6.5 in Zambia and Guinea-Bissau[25], 7.8 for Mozambique[26], to 10.9 in Kenya; and directly correlated to the size of the sector and level of imports. Aggregating surveys and studies covering Kenya, Angola, Democratic Republic of Congo ('DRC'), Tanzania, Mozambique, Uganda, Burundi, Zambia and Guinea-Bissau points to at least 7 million persons are directly employed in the used clothing sector. This includes an estimated 2.4 million in Kenya, 1.2 million in Angola and 1.2 million in the DRC alone. Given the prevalence of used clothing across the continent, it is more likely that in excess of 20 million people are employed in the sector, both directly and indirectly. Even then, due to the highly informal nature of African economies, these estimates are likely conservative. This is evident from the used clothes street vendors who can be found in high footfall centres across many African cities.

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[23] European Environment Agency, 2022. Textiles and the environment: the role of design in Europe's circular economy, s.l.: s.n.

[24] International Labor Organization (ILO) (2018) 'Indicator 8.3.1'. Geneva: ILO.

[25] Job Creation in Africa's Second-hand Clothing Sector: Evidence from Angola, Guinea-Bissau, Malawi, Mozambique and Zambia.

[26] Our own study on Mozambique.

Figure 6: Second-hand clothing open market in Maputo, Mozambique

f. **At least 80% of SHC vendors surveyed across various studies are primary household earners.** Assuming an average household size of five people (which is also conservative), direct sector beneficiaries can exceed one hundred million persons. The average tenure of surveyed SHC vendors ranged from 3 to 35 years. In the case of longer-serving vendors, the trade in SHC is now multi-generational, with parents training and passing down businesses to their children. Some of the more established vendors had employees of their own, operating a network of resellers across urban and rural markets. Overall, this shows a much more sophisticated operational structure providing gainful employment and significant support for livelihoods.

g. **SHC sector jobs generally provide better remuneration compared to national averages.** This boosts household incomes, alleviating poverty and transforming the future prospects of many African families. For example, in Mozambique, a recent study found that a vendor can potentially collect up to $USD650 per month (~MZN42,000) in profit, which is around 20% higher than the gross *annual* national income of $530[27]. Note here that the population majority is rural, employed in subsistence agriculture and therefore earn significantly less than the average national income. Other research studies have reported remuneration ranges of $110-600 per month, also well above the international poverty line of $2.15 per day

[27] Mozambique National Income Statistics

(around $65 per month)[28]. Clearly, SHC retailing is helping reduce poverty and sustaining millions of African families.

h. **The sector is also a significant employer of marginalised demographic groups**. All SHC employment studies highlight the high participation of women and youth from sorting operations right through to retail and open market sales. Within sub-Saharan Africa ('SSA'), at least 55% of vendors are women and youth. Therefore, the sector is playing a significant role in youth and female empowerment in a backdrop of already high unemployment. That is highly commendable. Given the high proportion of female-led households, SHC trade is providing a much-needed pathway for women to earn a livelihood, sustain their families, and transform their future prospects.

i. **There have been, and continue to be, huge societal gains from the sector within Africa.** Surveys show family prospects being transformed, and for the better. Thousands of vendors interviewed over the years highlight how: (i) from having zero prospects, they have managed to provide for their families' sustenance, (ii) acquire shelter, including renting and/or building homes, (iii) pay for children's education, including university, and (iv) manage basic living costs such as housing, food and healthcare. Given the high levels of unemployment and extremely limited prospects that most families face across the continent, these gains would have been extremely difficult to achieve without the opportunities afforded by selling used clothes. Beyond that, positive multipliers from education cannot be overstated. The ability to acquire meaningful secondary, and let alone university education is hugely transformative for a family's long-term fortunes. This is happening across Africa today.

j. **SHC jobs are also 'green and sustainable' jobs.** As highlighted earlier, the sector is clearly integral to global sustainability initiatives. It is reducing waste through reuse and recycling, and extending the lifespan of garments. Tailors are a common sight in used clothes markets; mending and transforming garments, ensuring little to no waste. Given that these used clothes would have been discarded and incinerated in countries of collection, it is clear that the SHC sector is improving sustainability of the clothing industry.

[28] The socioeconomic impact of second-hand clothes in Africa and the EU27+.

k. **Finally, SHC markets are helping increase financial inclusion.** The ability of vendors to generate revenues and profits has encouraged opening of bank accounts to improve cash handling and hold saving deposits. For example, in Mozambique, the majority of vendors surveyed held a local bank account and at least a quarter had been offered a bank loan facility in the last 2 years, for future business development. None of the respondents had defaulted on previous loans; a steady revenue flow is supporting debt servicing capacity. Other vendors had managed to collateralise assets acquired using SHC income (e.g., cars and houses) for additional bank borrowings to pay for education, acquire additional assets or expand their businesses. This demonstrates how what is perceived to be basic economic activity can be hugely transformative for families' long-term prospects.

7. Economic Value of the Second-Hand Clothing Sector

a. **The SHC sector is a direct contributor to real economic growth**. This seems under-appreciated. Such benefits can be both direct and induced, and include:

i. Direct benefits from employment as discussed above. Formal employees pay taxes, and in general, income from the sector is spent within the broader economy, with significant multipliers.

ii. Creating direct demand for ancillary services such as logistics (as above), warehouse and office spaces, equipment (leasing) and utilities.

iii. Firms paying taxes directly benefit government revenues.

These benefits accrue in both exporters and importers. For example, Oxford Economics estimated that in 2023, the SHC industry directly contributed $3.2 billion in Gross Value Add (GVA) to GDP within EU27+. Three-quarters were of the GVA was derived from employee compensation. Except for Italy, this was larger than the value-added contribution from the domestic clothing industry of any of the EU-27+ member states. The authors also estimated a $7.6 billion to aggregate EU27+ GDP over the same period. Germany ($725 million), the United Kingdom (UK, $454 million), France ($433 million) and Italy ($324 million) are amongst the largest beneficiaries.

Similar estimates are very difficult to make for Africa, given dominance of the informal sector in most economies. This is a key area for future investigations.

b. **Within Africa, the SHC sector is a major contributor towards the fiscus**. This is directly through import duties, payroll taxes (for the sector segments providing formal employment), and in some cases, Value Added Tax (VAT). Estimates of overall contribution to government revenues range from $29.5mn for Ghana, $35mn for Mozambique, to $100mn for Kenya. For Mozambique, the SHC sector is among the top ten tax contributors, according to EY estimates[29]. Overall, these are significant collections which cover, on average, 5-10% of the annual healthcare and education budget allocations. Disruptions will therefore have significant negative economic ramifications, including forcing governments to scale down on much needed social program expenditures.

[29] KPMG: 2022 Revista 100 Maiores Empresas de Moçambique

c. **Some Africa-focused NGOs are monetising used clothing, and using proceeds to fund critical development projects**. For example, agencies such as ADPP Mozambique and DAPP in Malawi have been importing, sorting and selling used clothes via wholesale and retail shops, and using the funds to build and operate schools, establish teachers training colleges, establish and coordinate agriculture (food production) and health development (including WASH) programs, provide match funding for international projects and implement emergency humanitarian disaster response/relief programs. In 2024 alone, these two organisations reached 9.4 million people, including via sexual education and well-being programs for more than 100,000 young girls, training 30,000 teachers, and working with 43,000 farmers across various food production programs[30,31]. In aggregate, the organisations employ close to 3,500 core staff, including in used clothes imports, sorting and retailing, and an average of 1,500 temporary project staff per year. This is highly commendable.

Figure 7: Youth vocational school in Miklolongwe, Malawi. The school was built and currently being operated by DAPP.

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[30] ADPP-Mozambique

[31] DAPP – Malawi

d. **Finally, there are also indirect economic benefits**. First, the personal income and profits from SHC are spent in the broader economy. Negative shocks to the SHC sector will certainly be felt in the wider economy, at the least through even higher unemployment. This is particularly important since the SHC sector is a large employer, albeit via informal jobs. There are also many other vending activities located close to, and potentially relying on, SHC-related footfall. These include vending stalls for food, electricals and other household consumables. From surveys, used clothing, and food are the main draws, and in that order. Some major formal retailers have also been positioning shops close to open markets to capture the consumer traffic. Therefore, disruptions in the used clothes sector are likely to have significant negative collateral damage on other economic activities.

8. Four Key Misunderstandings on SHC trade with Africa

Policymakers should be fully aware of why the SHC industry exists and has thrived over the last five decades. As practitioners and researchers in the sector, we have observed persistent misunderstandings on the sector, especially relating to operations and impact on the Global South.

From an African perspective, the key misunderstandings include that:

a. **Second-hand clothes are "waste"**. This is not true. As highlighted earlier, sorted used clothes are a product, with real demand and a thriving global market, both in developed and developing countries. This general under-appreciation of the value of used clothing often results in policymakers in the Global North flirting with categorising all used textiles as "waste". For example, as highlighted earlier, the Convention's Statement on upcoming consultations seeks comments on '...how to distinguish between used clothing and textile waste', which implicitly overlooks the huge and complex sorting operations across the world. Equally, press statements from France, Denmark and Sweden highlight that '...in 2019, 1.7mn tonnes of textile [waste] were exported outside of the EU...', but with neither clarification nor distinction between sorted used clothes and textile waste. Given these vantage points, the Convention is inevitably asking Parties to opine on whether good quality used clothes, a valuable product with a demonstrable and long-standing market, should be part of the discourse on hazardous waste protocols. This is why we believe the OEWG-15 should focus on a practical definition of "textile waste" without necessarily impacting SHC trade.

   In Africa, used clothes have been given unflattering terms such as "dead white man's clothes" in Ghana or "calamity clothes" in Mozambique. However, this need not suggest an overriding stigma. In reality, both low- and middle-income population segments procure most of their clothing needs from SHC markets as described above. The general public hold a favourable view of SHC.

b. **SHC trade in Africa is 'waste colonialism'; the West dumping its clothing waste in Africa.** As highlighted earlier, this is common rhetoric in journalist circles and, sometimes, among EU environmental ministries. But this is also not true. **First,** for the reasons outlined above. An exceedingly large majority of Africans do not see SHC as waste either. There is a genuine and persistent structural demand for affordable, quality, and durable used clothing among low-income communities.

Historically, the sector gained popularity in the 1970s in response to a genuine shortage of clothing for the masses following the African liberation wars of the 1960s and 1970s, as well as the extended civil wars in Mozambique, Angola, and the DRC, among others. As the former Prime Minister of Mozambique, Ms Luisa Diogo bluntly put it: "...people were covering themselves with leaves...there was a dire need to give people dignity following the ravages of war". Second-hand clothes were the immediate and most effective solution. The post-independence era also brought a surge in rural-urban migration, significant population growth[32] (the continent's population increased 60% between the 1960s and 1980s), and high demand for clothing in an already supply-constrained market. Domestic textile manufacturing, though more sizeable then compared to now, *never* matched demand. The subsequent clothing deficit has only grown over the decades, and used clothes have been the only alternative to plug the shortfall.

c. **The bulk of used clothing shipments to Africa is of low quality, waste, and ends up in landfills**. This is also very incorrect. Many EU policy documents cite research from the OR Foundation, which states that "...40% of clothing traded at Kantamanto market in Accra, Ghana became landfill waste upon arrival in bales."[5]. However, as highlighted, several research studies in Ghana, Uganda, Kenya, Malawi and Mozambique have shown that the true level of SHC waste is less than 10%. In most cases, it is between 2 and 5%. Given the structural shortage of affordable clothing in most African countries, there is simply no culture of throwing away wearable clothes. Rather, upcycling is more common. Tailors are commonplace in used clothes markets, mending, repairing and transforming garments. Clothes also tend to be passed down in families instead. This naturally limits waste.

More importantly, the OR Foundation study has been cited for weak methodology and remains an outlier versus other more recent studies. There is also potential conflict of interest; the Foundation publicly disclosed its funding from Shein, the Chinese global fast fashion manufacturing giant. It is feasible that Shein would desire restriction of used clothing sales to gain market share. Unfortunately, the large majority are unlikely to be able to afford their merchandise anyway. Overall, we strongly recommend the OEWG to shift away from the "...40% is waste" narrative and

[32] United Nations: World Population Prospects

elevate new research findings from reputable practitioners, including major European development and environmental agencies.

d. **Used clothing destroyed Africa's clothing manufacturing industries.** This is an oversimplification. Yet it remains a popular view in Africa's political and policymaking circles. Hence, among other examples, efforts to ban SHC imports into the EAC in 2016 which were rescinded after the US threatened retaliation via trade restrictions within the US-Africa Growth and Opportunities Act (AGOA)[33]. Currently, various other SHC trade restrictions exist in several African countries, mostly via high taxes[34, 35]. Equally of note is the recent removal of preferential trade status for SHC within the newly minted African Continental Free Trade Agreement (AfCFTA)[36]. The immediate impression would be 'Africa does not value and does not need the SHC sector...and concerns of waste colonialism are indeed valid'. This would be an incorrect conclusion, and for the following reasons:

   i. **The decline in Africa's textile manufacturing is complex.** Indeed, until the mid-1990s, countries such as Zimbabwe, Kenya, Zambia, Ethiopia and Ghana had noteworthy domestic clothing manufacturing industries, and in some cases, with significant international exports. The decline from 1980s through 1990s was due to removal of government subsidies as part of IMF-led reform packages – so called Economic Structural Adjustment Programs (ESAPs)[37]. The financial assistance packages also required countries to liberalise, i.e., open domestic markets to international players. Without subsidies, weakening ancillary industries, high cost of energy, and expensive financing, the industry went into an inevitable precipitous decline and eclipsed by low-cost Asian producers (China, Bangladesh, India, Pakistan, and lately, Thailand and Vietnam).

   ii. **SHC trade and new clothing manufacturing industry can co-exist**. They serve different economic strata and are therefore not mutually exclusive. To

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[33] US gripes over Uganda's ban on imports of Second Hand Clothes; United States International Trade Commission, AGOA: Trade and Investment Performance Overview.

[34] Rwanda Used Clothing Ban

SA Trade Regulations and Taxes

[35] 'NA MUMU DEY GO BOUTIQUE': The Essential Economics of Nigeria's Okrika Industry

Angola: Exchange rates, import duties complicate second-hand clothes market

[36] AfCFTA: African ministers adopt ban on trade of second-hand clothes

[37] Production trends and decline in Ghana's textile industry: historical analysis and causative factors

reiterate, the clothing retail markets are bifurcated: used clothes cater to low- and middle-income categories and new clothes, by virtue of pricing, are target upper-income groups. This is the current retail clothing market structure in most African countries. Evidence from Mozambique lends additional support to this view. In 2009, the Agha Khan Foundation invested $2.5mn to revive an old textile manufacturing firm, Moztex; then rebranded Texlom[38]. The company is now fully operational, employing around 1,300 employees[39] and is Mozambique's leading clothing manufacturer. In 2023, Texlom produced over five million garment units, most of which were exported to South Africa. At the least, it highlights that local enterprises will also be profit maximising and seek exports, especially if the domestic market cannot afford their merchandise.

iii. **Banning used clothing imports is unlikely to revive domestic clothing manufacturing industries**. Overall, aspirations to revive the textile industry are commendable. After all, development entails increasing value-adding activities within an economy. However, business conditions are generally challenging across many African countries, partly due to some of the reasons cited earlier. This makes it difficult to attract required capital investment, let alone unlock critical hurdles, including in energy supply, cost of financing, logistics and managing producer price inflation, among others. Until this is resolved, the need for SHC to supply low-income households is likely to persist.

Overall, it is important for the OEWG-15, and the Convention, to recognise these key misconceptions as they commonly feature in discussions on the used clothing sector.

[38] Mozambique textile giant resumes operations under new name

[39] Mozambique: Aga Khan network hopes to revitalise textile giant

9. Proposals to the Basel Convention

The Parties need to clearly define the target objectives of any proposed changes. They also need a deep appreciation of the marginal impact on the environment and communities directly dependent on the sector for livelihoods. Our recommendations to the Convention include the following:

a. **The Basel Convention needs to ground its discussions in solid research**. Exaggerated reports of '…40% of SHC waste into Africa ends up in landfill' need to be replaced with several high profile studies which show the true level of waste between 2% and 5%.

b. **The issue of synthetic fibres in SHC should be resolved at the manufacturing stage.** It is well known that the use of low-quality, non-durable, and disposable polyester, and other fossil-based textiles can produce microplastics, which end up as persistent organic pollutants (POPs) in the environment. However, this is best resolved through incentivising manufacturers to use durable and recyclable materials. Without that, there would be no pressure on producers to focus on sustainability. Overall, we object to the classification of textile waste which will make it subject to PIC. This will cause multi-month delays to ratification of shipments, with little to marginal gain vs the current status quo.

c. The Convention needs to prioritise the harmonisation of the global definition of "textile waste" and clearly distinguish it from SHC. Indeed, that is part of the agenda. However, we are perplexed as this distinction already exists with the HSN codes; 6309 for used clothes and 6310 is textile waste. Perhaps the solution is as simple as following and enforcing these existing distinctions.

d. **There is also need to improve current classification of other recyclable textiles.** For example, there is currently no distinct category for items such as handbags, belts and shoes. Unfortunately, some authorities interpret that to imply that these products should be automatically classified as 'textile waste'. This should be addressed as part of the OEWG-15 consultations. Perhaps the solution is to expand category 6309 or section B3030 to include all used textiles being collected and thus shipped as 'originals'.

e. **Parties proposing the changes wish to tighten items currently being exported under HS code 630900, which does not distinguish between clothes sorted for reuse and used clothes classified as waste**. Resolving this does not require reclassifying sorted used clothes as waste, and subjecting respective exports to protocols for transboundary shipment of hazardous wastes. That would be regressive. Rather it needs coordination between sorting companies, regulators and enforcement agents to weed out illicit practices.

f. **The Basel Convention should enhance the use of recycling technology, including product traceability:** There have been significant and promising advancements in textile recycling, include AI and nuclear magnetic resonance (NMR) sorting techniques. However, most of these new technologies are still in their infancy and require significant investment for mass application.

g. **Strong multilateral engagement, with consensus, is critical.** The global nature of the second-hand clothing market is essential for maintaining a viable and competitive circular textile economy. The following considerations are important:

   i. **Parties need to fully engage all stakeholders impacted by proposed changes along the value chain.** There should be no assumptions that 'others can speak for Africans', let alone those in the Global South. Despite some anti-SHC views among political circles, the general public in the Global South are in favour of the sector, least for its benefits as outlined. Some governments are also in favour of enhanced sorting at the points of origin. They also broadly support improving product traceability to bring more accountability in textile management.

   ii. **Consensus is imperative.** The rules should apply uniformly; dispersion will create opportunities for regulatory arbitrage. Countries and/or regions applying stricter standards, and reducing SHC exports as a result, will simply cede market share, including to cheap, low-quality fast fashion. It is worth noting that China's market share in Africa's new and used apparel has surged over recent years, and it is well-positioned to take advantage of any arising market dislocations.

   iii. **There is also debate whether rules of free trade should apply to sorted used clothing.** We believe they should. Similar to the EU, we would argue that sorted used clothing is a product, and not waste. For broader market knowledge, the US is not a Party to the Convention and American SHC suppliers stand to take advantage of any EU or Convention-led restrictions in SHC exports. Historically, the US has argued that normal global rules of trade should apply to SHC. It’s unlikely to change stance, especially is adopted through the Convention.

h. **Finally, the Convention should appreciate that the current global SHC trade ecosystem works and is very efficient.** It operates based on market principles, with sophisticated parties focused on merchandise quality and overall operational profitability. This was acknowledged by the EU in its Waste Framework Directive (WFD). Overall, there is need for continuing global dialogue between sector participants and regulators to coordinate solutions to arising challenges within the sector.

10. Conclusions

The Basel Convention recently launched a consultation to discuss the management and trade of used textiles and textile waste. This follows some EU member states' concerns that textile waste is being disguised as used clothes and exported to non-OECD countries lacking adequate waste management practices. It also came on the heels of research and media claims that the bulk of used clothes exports to Africa were ending up in landfills. Target outcomes have not been specified. However, the current direction of policy travel seeks stricter controls on used textile exports. It also points to risks of the Convention further expanding its scope to include trade in sorted used clothes.

Currently, used clothes and textiles are exempt from the Convention's control, unless they possess hazardous waste and/or exhibit hazardous waste characteristics as specified in relevant Annexes. The Convention is inviting comments, not only on the 'distinction between used textiles and textile waste', but also on 'experiences, challenges and costs in trading these materials' with a view to addressing arising issues under its protocols. This will inadvertently include second-hand clothes. Stakeholders and beneficiaries in the value chain are very worried that this will result in SHC being reclassified and placed under the Convention's control. The consequence would be stricter export controls, including the need for prior informed consent from importing countries before shipment. Such changes will be highly disruptive and likely to result in reduction of SHC flows into the Global South.

This paper provided an African perspective on the discussions. It argues that existing frameworks should remain, and SHC should still be exempted from Convention controls. Sorted used clothes in Africa are not waste and are not treated as waste by the general public within Africa. Globally, used clothes are bought and sold in well-structured and functioning markets. Buyers are discerning: they look for quality, and in case of disappointments, they switch suppliers. This keeps pressure on sorting houses to maintain quality standards. The OR Foundation oft cited in policy papers, which claims that 40% of SHC exports to Africa end up in landfills, is incorrect. Several follow-up cross-country studies have shown the true level of waste to be well below 10%. The industry has rigorous and complex sorting operations which comprehensively capture textile waste and reduce pollution.

Subjecting SHC to hazardous waste controls, which includes PIC, is likely to disrupt the industry and constrict exports. At the least, it will result in multi-month delays in shipments. In exporting countries, this will cause: (i) a build-up and incineration of good quality used clothes; (ii) a decline in sector throughput and significant job losses. For example, more than 100,000 people are employed in the sector within the EU-27, with at least 75% of those in sorting and retail operations being women and youth; and (iii) a marginal detraction on GDP, but more likely to be felt within households that dependent on the sector for their livelihood.

African countries are likely to bear the biggest brunt of restrictive changes, given their heavy reliance on the sector. Global trade data suggests that the continent absorbs around 35% of global SHC trade volumes. Imports are demand-driven, and predominantly due to a persistent structural deficit in availability of affordable clothes for low income populations across the continent. Over time, the shortfall has only worsened, with demand continuing to rise due to strong population growth, high rural-urban migration, high unemployment, and high poverty levels. Hence, SHC has been, and continues to be, the only plausible alternative source of affordable and quality clothing for millions of low-income households. In many countries, such as Mozambique, Malawi, Angola, Zambia and the DRC, at least 85% of the population relies on used clothing markets. The proportion is even higher in poorer countries and rural communities. Therefore, SHC is providing accessible, affordable and quality clothing for millions of low-income persons.

The SHC sector is a significant employer; accounting for 2-10% of total service sector jobs. Note that most African economies have disproportionately large informal sectors due to high unemployment rates. In this backdrop, the SHC sector has been providing jobs and supporting livelihoods for tens of millions of people across the continent. Participation in the SHC is one of the very few ways to earn a living.

Surveys also show that a large majority of SHC vendors are primary household earners. Assuming a conservative average of five persons per household, it implies the number of people directly dependent on SHC income for basic livelihoods could exceed 100 million (around 6% of the continent's population). This may seem high, but it is likely conservative. In addition, SHC jobs tend to be better-paying, with incomes exceeding the average national per capita levels and the UN poverty line. This has enabled most participants to transform their lives; from extreme poverty to acquiring shelter (including building own homes), and paying for food, education and healthcare. Some families have been able to send children to college and university using SHC proceeds. This is hugely transformative for long-term prospects. The sector is also increasing financial inclusion.

With a regular flow of income, most participants have opened bank accounts, are saving, and have secured credit facilities to expand their operations.

NGOs operating in the sector, such as ADPP (Mozambique) and DAPP (Malawi), are also monetising SHC and using revenues to fund development programmes. This is creating economic opportunities and employment. Current activities (by ADPP and sister organisations) include building schools and teachers' colleges, training teachers, implementing food and health programmes (including those targeting young girls and women), and responding to humanitarian crises. These programmes have benefited tens of millions of recipients.

Some argue that SHC destroyed Africa's textile manufacturing sector. We have highlighted how this is both incorrect and an oversimplification. Domestic clothing manufacturing industries declined sharply following IMF-led economic liberalisation programs, which were implemented across many African countries from the late 1980s. These not only required governments to remove industry subsidies but also open up domestic product markets to international players. A subsequent tough financing environment and international competition caused many companies to collapse, worsening the clothing supply shortfall even further.

It is indeed possible to revive the industry in line with current policy aspirations. The high SHC imports are testament to a very strong demand backdrop for clothing on the continent. In theory, that should make new factories viable and profitable. However, this requires significant capital investment. Yet, for various reasons, Africa has struggled to attract patient capital, let alone at competitive rates. Equally important is the challenging business operating environments, which include high inflation, high cost of energy and a lack of critical ancillary industries. Until these are resolved, SHC will be likely remain an indispensable source of clothing for the majority of low income households. Beyond that, the broader shift from reliance on SHC to consuming new clothes requires a meaningful increase in real per capita incomes and a general decline in poverty. Africa is on the path, but not yet there.

The Convention should guard against implementing the wrong solution to a clearly stated problem. The primary concern seems to be around the illicit disguising of textile waste as SHC. This can be resolved via enhanced sorting and stronger compliance inspections. The EU already has tight used textile export protocols under its Waste Framework Directive, which can be easily extended into the Convention's Annexes as the

Parties deem appropriate. That would be a pragmatic and least disruptive solution to current challenges. Above all, we are perplexed that the Convention has chosen the consultation versus following and enforcing the clear, distinct and unambiguous HSN codes 6309 and 6310, which separate sorted used clothes and textile waste, respectively.

The Convention has also expanded its scope to include non-hazardous plastic waste. This has amplified fears of that SHC containing polyester will be brought under the Convention’s control. Microplastics are indeed an environmental challenge. But this is not an exclusive problem arising from the textile industry. For the textile industry, it is apt to deal with the challenge at the manufacturing stage through incentivising the use of durable and recyclable materials.

Finally, the Parties need to appreciate that the SHC sector is integral to a global circular textile economy. It extends lifespan of garments, reducing waste and pollution. Despite some negative press coverage, the sector is not creating waste challenges in importing African countries. There is already a strong culture of upcycling garments, passing down and not throwing away clothes, and recycling textile waste. We urge the OEWG-15 to take a holistic perspective of the industry and avoid reactive and poorly informed decisions, which would decimate the livelihoods of hundreds of millions of beneficiaries across Africa and the rest of the Global South. Current challenges with textile waste can be sustainably managed through enhanced sorting, implementing product traceability, stronger compliance monitoring and stricter enforcement, promoting self-regulation, incentivising manufacturers to use durable and recyclable materials and updating relevant technical guidelines within the Annexes relating to textile waste. Second hand clothes should remain exempt from the Convention’s control.

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