



PACE
PLATFORM FOR ACCELERATING
THE CIRCULAR ECONOMY



JAN 2020

TEXTILES & FASHION

Driven by a growing middle-class population and the “fast fashion” phenomenon, clothing production has doubled over the past 15 years. Textiles rely on virgin feedstocks, but over half of fast fashion produced is disposed of in under a year, with the material value largely lost to incineration or landfill. Transitioning to circular models and increased recycled inputs is a significant opportunity, but requires fundamental change across the value chain.

JOIN PACE IN LEADING THE TRANSITION TO THE CIRCULAR ECONOMY

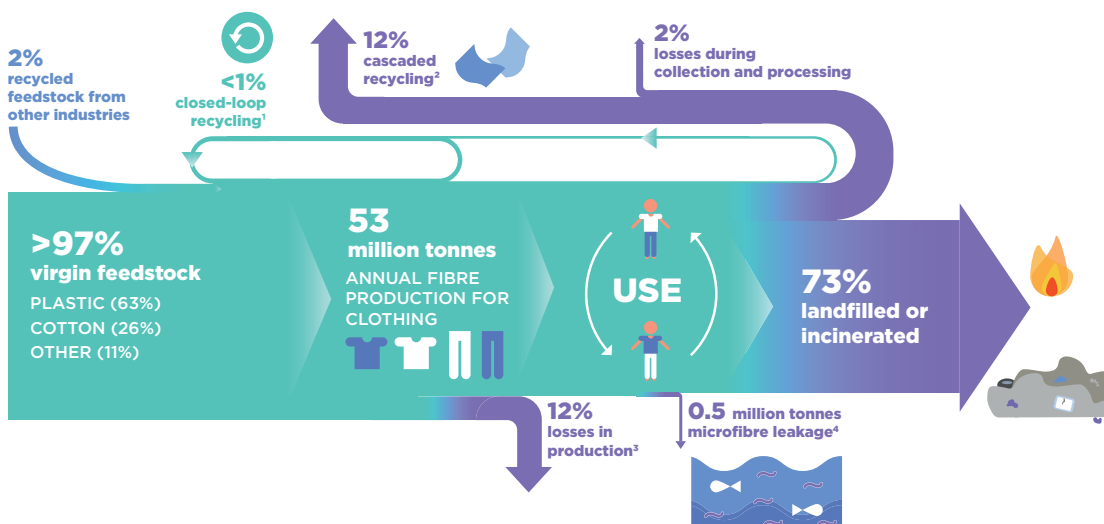
PACE introduced Fashion & Textiles as a new theme in 2019, striving to accelerate the sector’s transition by: driving transformative projects; mobilizing learning to inform action; and activating global leadership to drive action.

In 2020, there are two primary opportunities for engagement & leadership:

1. Shape PACE system mapping and analysis to guide strategic action.
2. Lead action on new projects to overcome collective barriers to circularity.

GLOBAL SITUATION

The industry operates in an almost completely linear way: large amounts of virgin resources are extracted to produce clothes that are often used for only a short time, after which the materials are mostly sent to landfill or incinerated. More than USD 500 billion of value is lost every year due to clothing underutilization and the lack of recycling.



CHALLENGES FOR CIRCULARITY

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Product design

- How can product design deliver on circularity as well as cost and performance?
- How can we share best practice and bring more transparency to chemical safety in clothing?

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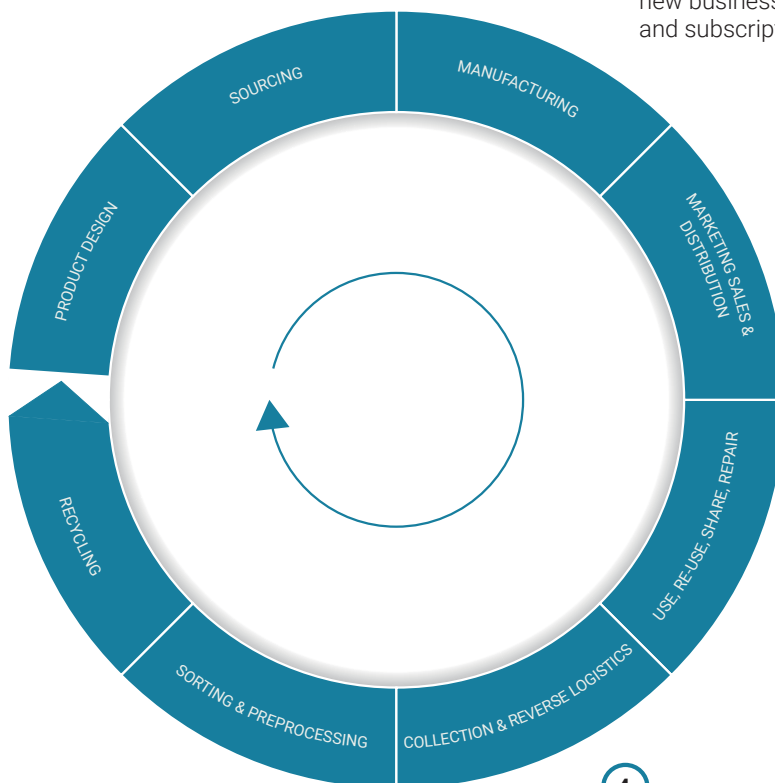
Business models

- How can we increase the financial attractiveness of product-life extension models?
- How can we build market share for new business models such as rental and subscription?

1

Transparency

- How can we collect and leverage material / product data along the value chain to reduce waste and retain value?



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Material Recovery

- How can we mobilise investment in advancing technologies which best retain material value?
- How can we achieve economies of scale and market competitiveness of secondary materials?

4

Collection and reverse logistics

- How can we increase consumer participation with collection programs?
- How could policy and legislation more effectively encourage greater responsibility downstream?

OPPORTUNITIES FOR LEADERSHIP

Design guidelines for clothing and textiles

Creation of design guidelines by convening textile recyclers and brands to discuss mutual requirements, with goal of brand commitment to the guidelines.

Challenges addressed:

1 5

Scalable circular business models

Encourage consumer engagement with new models through brand leadership focused on a strong value proposition and triple bottom line.

Challenges addressed:

2 3

Policy stimulation for collection & recycling

Policy framework to stimulate textile collection, sorting and recycling such as financial incentives and investment in recycling technology.

Challenges addressed:

4 5