



## ANNEX A

### Project Document [distilled]

### InTex PROJECT

## Innovative Business Practices and Economic Models in the Textile Value Chain

### Project Description

This project aims to work at the science-business-policy interface to increase the understanding and the uptake of resource efficiency, circular approaches, life cycle thinking and eco-innovation by textile businesses (especially SMEs) and governments. The project will generate and enhance access to science-based data on life-cycle environmental footprints of different business models including value retention processes, for evidence-based decision making. Building upon global knowledge and through practical implementation, the project will drive the **uptake of eco-innovation and Product Environmental Footprint (PEF) in SMEs in the textile sector in three countries in Africa** and ensure sustainability of the approach, by strengthening the capacity of local partners who can continue to deliver knowledge and capacity beyond the project life-span. National partners would include technical intermediaries, possibly from the Resource Efficient and Cleaner Production network (RECPnet), and Life Cycle Networks.

The project follows an approach whereby circular and eco-innovation practices should follow life cycle thinking, thus taking a holistic view to avoid burden shifting and be aware of trade-offs, for instance ensuring that changes in practices also result in climate gains through GHG emission reductions, as well as implementing sound management of chemicals, and pay particular attention to chemicals of concerns, with the objective to reach a non-toxic, circular model. The successful uptake of life cycle approaches at business level, especially SMEs, and innovation at a system's level are inherently linked to policy makers setting up an integrated and coherent policy package for impactful results. The project approach is therefore to **support both policy makers and businesses**. Science-based knowledge and evidence of the impact in adopting best practices are required to support policy decision making and the shift to new business models as well as obtaining buy-in from stakeholders, including private sector and civil society. In addition, SMEs require capacity building and technical support to effectively identify feasible solutions and implement circularity and eco-innovation strategies based on life cycle approaches, including environmental footprint, as well as access to partnerships and networks.

The project considers that the COVID-19 crisis might have shifted countries' and companies' priorities, putting the rebuilding on economies and industries, as well as future resilience on the top of the agenda. The textile<sup>1</sup> sector is amongst those heavily affected. A key message to project beneficiaries will therefore be how circularity, eco-innovation and other life cycle-based approaches can increase resilience of the company and across the value chain and generate 'green jobs', while helping to 'build back better'. This will, among others, build on past experiences on eco-innovation, which showed that:

- By working on joint sustainable solutions to common problems, significant shared gains can be achieved with better commercial, environmental and social value;
- With lower production costs through greater material or production efficiency, minimized waste, optimization of distribution channels and reduced lead-time;

<sup>1</sup> Textile sector and its products are classified into apparel, industrial textiles and household textiles

- Good relationships through value chain approach help develop proactive communication on emerging challenges and risks to adapt; and
- Producers that rely less or not exclusively on import supplies (e.g. by sourcing certain materials locally or through on-site recycling) are less prone to the crisis.

Key concepts technical intermediaries will apply with SMEs through the project:

The **UNEP Eco-innovation approach** aims at the development and application of a business model, shaped by a new business strategy, which incorporates sustainability throughout all business operations based on life cycle thinking and in cooperation with partners across the value chain. It entails a coordinated set of modifications or novel solutions to products (goods/services), processes, market approach and organizational structure which leads to a company's enhanced performance and competitiveness.

The European Commission's **Product Environmental Footprint (PEF)** is an assessment method used to measure the environmental performance of a good or service throughout its life cycle (from extraction of raw materials, through production and use, to final waste management). Being a standardized methodology, PEF allows for robust product comparisons. SMEs can use PEF to compare their product's environmental footprint to similar products or to the European benchmark and gain competitive advantage and credibility. SMEs can use PEF also to inform consumers and customers about the environmental performance of their products.

The InTex project intervenes through delivering five outputs as detailed below. Outputs 1, 2, 3<sup>2</sup> focus on national delivery while Outputs 4 and 5 are global.

### Project Outputs, activities and timelines

#### **Output 1: National governments are supported to identify and strengthen eco-innovation and circularity policies and instruments that take into consideration SMEs' needs**

This output will focus on ensuring that review of existing, design of new and implementation of government policies enable circular and eco-innovation approaches in the textile sector, contribute to innovative solutions, and enhance the competitiveness of SMEs.

This output will further strengthen the knowledge of RECPnet members, policy makers and organizations in the target countries on eco-innovation and circularity, and how to incentivize and mainstream these in existing policy instruments. Building on this knowledge, selected technical intermediaries<sup>3</sup> will undertake a quick scan of the policy status in target countries, to identify where advice for future intervention can be provided, and connect to existing policy processes (including on the regional level, such as the newly founded Africa Circular Economy Alliance). This will contribute to an analysis and recommendations on how to mainstream eco-innovation and circularity in policy areas and through instruments that are of specific interest to the government, such as Sustainable Public Procurement, eco-labelling and performance standards, extended producer responsibility policies, trade policies, Product Environmental Footprint/Organisation Environmental Footprint, or an SCP policy under review.<sup>4</sup> This will ensure the intervention is targeted and supports the needs and interest of the country. The diagnostic will focus on policies that affect the textile value chain

<sup>2</sup> Outputs 1, 2 and 3 will be implemented through local partners to be selected through a call for proposal and will be supported by a Steering Committee established in each country.

<sup>3</sup> Technical intermediaries are the national partners that UNEP is selecting through the call for proposals.

<sup>4</sup> This activity will build on lessons learned from a previous UNEP project, as summarized in the publication: UNEP, Mainstreaming eco-innovation in SCP policies, 2017, available at [http://unep.ecoinnovation.org/wp-content/uploads/2018/03/UNEP\\_157-Mainstreaming-ecoInnovation\\_web.pdf](http://unep.ecoinnovation.org/wp-content/uploads/2018/03/UNEP_157-Mainstreaming-ecoInnovation_web.pdf)

Activities foreseen to be led by technical intermediaries under Output 1:

ID	Project Outputs & Activities	Year 2 (2021)				Year 3 (2022)				Year 4 (2023)			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<b>Output 1:</b> National governments are supported to identify and strengthen eco-innovation and circularity policies and instruments that take into consideration SMEs' needs												
1.1	Logistically support and participate in training of RECPnet members, policy makers and organizations on policy instruments for SMEs and on mainstreaming circularity and eco-innovation in SCP policy instruments such as sustainable public procurement, eco-labelling and performance standards, extended producer responsibility policies, trade policies and Product/ Organisation Environmental Footprint	x	x										
1.2	Establish and organize regular meetings of national steering committees (SC) with actors from government, private sector and civil society to provide advice and guidance to progress on project outputs 1, 2 and 3			x		x		x		x			
1.3	Undertake policy quick scan and analysis to screen which policy instruments and methods are already available in the country, with a focus on instruments in the textile sector/ that can easily link to the sector, and identification of gaps. Present and discuss those with SC for prioritization		x	x	x								
1.4	Develop recommendations to address specific policy gaps in the context of the textile value chain, in particular through updating and/or streamlining existing policy instruments. Present recommendations to SC and gain their acknowledgment of recommendations					x	x	x	x				
1.5	Organize national validation meeting with relevant stakeholders from the governmental and private sector in order to acknowledge the recommendations and propose actionable steps to implement those									x	x		
1.6	Participate in and help identify national participants for a sharing of experience and peer-to-peer learning event						x						

Milestones foreseen to be led by technical intermediaries under Output 1:

Project output 1 Milestones:	Milestone attainment date
M1.2 3 trainings of RECPnet members, policy makers and organizations on policy instruments for SMEs on circularity and eco-innovation held <sup>5</sup>	June/2021
M1.3 National steering committees providing advice on policy analysis in target countries in place	December/ 2021
M1.4 Policy quick scans on the textile sector in target countries available <sup>6</sup>	June /2022
M1.5 Draft recommendations targeting specific areas available for discussion with national steering committees	December /2022
M1.6 Recommendations provided to three African governments to address specific policy gaps <sup>7</sup>	June /2023

**Output 2: SMEs are assisted in the implementation of circularity and eco-innovative solutions and in strengthening their collaboration with large companies and finance institutions**

Eco-innovation integrates sustainability thinking into a company's business strategy and model, by bringing together resource efficient and cleaner production practices, circularity, life cycle and systems thinking, and a value chain perspective. Building on UNEP's eco-innovation manual and related tools,<sup>8</sup> selected technical intermediaries will support the implementation of circularity and eco-innovation solutions in SMEs of the textile

<sup>5</sup> To be delivered by UNEP, with participation of the technical intermediaries

<sup>6</sup> The policy quick scan will include a review of women's and men's access to finance, business and land ownership rights, or any other relevant local context that might affect men and women differently

<sup>7</sup> Building on the analysis from the policy quick scans, this will include recommendations related to gender gaps in the textile sector, as relevant

<sup>8</sup> Tools that will be used include the eco-innovation manual, templates, case studies, and publications on the business case for eco-innovation, moving ahead with technologies for eco-innovation, and financing eco-innovation, all available at <http://unep.ecoinnovation.org/>. The website provides users with a learning journey for the implementation of the eco-innovation and circular economy approach among SMEs and will be further employed.

value chain. This will include supporting selected SMEs to formulate a retrofitted business strategy, supported by top management, as a foundation for cascading into a new business model and roadmap for implementation. This support also aims at a mindset change in the SMEs, starting to put sustainability at the heart of the business and regarding the company not in isolation but in its position and interaction with the entire value chain. The support will link to output 3, especially for selected SMEs exporting to Europe for PEF compliancy. Technical intermediaries will provide eco-innovation support to ten SMEs in the country (up to the point of ‘roadmap for implementation’), and accompany four out of the ten in implementing the new business strategy and model, while tracking impact (environmental savings and impact on profitability of the company). At the same time, selected technical intermediaries will be trained and accompanied in those tasks by an international expert, to expand their skills and service offering on the circular economy, eco-innovation methodology and life cycle thinking in the textile sector.

Selected technical intermediaries will support UNEP in reaching a much larger group of enterprises through awareness raising activities to inform them on the business case for eco-innovation and circularity (including profitability of circular models that rely for instance on renting and longer use rather than the form of consumption currently encouraged by fast fashion, as well as how such models can strengthen the company’s resilience). The project will also enable peer-to-peer exchange, between the three pilot countries and beyond (e.g. exchange with relevant European SME associations, South-South exchange leveraging other UNEP and partner projects such as Go4SDG or the Switch projects), which selected technical intermediaries will participate in and provide logistics support to.

Selected technical intermediaries will develop case studies documenting the SMEs’ experiences and results. This will further strengthen the ‘business case for eco-innovation’, with a view to catalyzing meaningful replication and upscaling, and enrich the UNEP eco-innovation website. Further, selected technical intermediaries will support UNEP in the identification of organizations in the countries that can act as multipliers (e.g. industry/ sector associations, NGOs, consumer associations, universities, etc.) and promote the project approach, findings and tools more widely.

Activities foreseen by technical intermediaries under Output 2:

ID	Project Outputs & Activities	Year 2 (2021)				Year 3 (2022)				Year 4 (2023)			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<b>Output 2:</b> SMEs are assisted in the implementation of circularity and eco-innovative solutions and in strengthening their collaboration with large companies and finance institutions												
2.1	Participate in experience sharing and training to strengthen capacity to apply circularity and eco-innovation approaches in SMEs in close coordination with activity 3.1)	x	x										
2.2	Select 10 SMEs and provide technical assistance on circularity and eco-innovation to them (in close coordination with activity 3.5), following the UNEP eco-innovation manual’s steps: market assessment, preliminary assessment studies (also employing and testing the draft tool under development in activity 3.3), revision of business strategy and model, roadmaps for implementation. Provide advice to four of the ten SMEs and accompany them in implementing changes in practices as per the roadmaps and track impacts		x	x	x	x	x	x	x	x	x		
2.3	Develop five case studies featuring the SMEs engaged in the project to enhance the business case for eco-innovation, and support dissemination at national level									x	x		
2.4	Provide substantive inputs and logistical support to awareness raising and training sessions on circularity and eco-innovation in the textile value chain for individuals in business, technical intermediaries, SME and sector associations, and civil society; with the objective that by the end of the project 200 businesses have taken initial steps to implement innovative sustainable business models	x	x	x	x	x	x	x	x	x	x		
2.5	Participate in peer-to-peer exchange events and identify SMEs and other relevant stakeholders from the country to participate		x	x	x	x	x	x	x	x	x		

Milestones foreseen to be led by technical intermediaries under Output 2:

<b>Project output 2 Milestones:</b>	<b>Milestone attainment date</b>
M2.2 Individuals in three technical intermediaries in Africa trained on eco-innovation and circularity in the textile sector <sup>9</sup>	<b>June/2021</b>
M2.3 30 SMEs in Africa commit to implementing eco-innovation <sup>10</sup>	<b>December/2021</b>
M2.4 30 SMEs in Africa are applying the eco-innovation methodology through UNEP support	<b>June/2022</b>
M2.5 10 case studies illustrating the benefits of eco-innovation disseminated via website	<b>December/2022</b>
M2.6 12 SMEs in Africa have applied the eco-innovation methodology and developed roadmaps for implementation through UNEP support	<b>June/2023</b>

### **Output 3: SMEs’ capacity to integrate life cycle approaches into business practices, in particular the Product Environmental Footprint/Organisation Environmental Footprint, is enhanced**

This component will focus on providing capacity development to private and public stakeholders with a view to integrate life cycle approaches into concrete actions in policy development and business practices. This will include practical examples on the footprints of different approaches / business models, such as impacts of recycling vs. landfilling clothes, or the effects of imported second-hand clothes in local markets. Special focus will be placed on PEF/OEF methodologies in the textile sector building on the on-going Apparel PEFCR development in Europe, which will help inform also the activities in Output 2 with quantitative life-cycle based evidence where necessary. Activities will be complementary to those in outputs 1 and 2 and focus on capacity development products for policy makers, business decision-makers and LCA practitioners. A focus will be placed on training women in LCA data generation, to overcome the traditional imbalance in the sector of LCA data.

Under this output the project will develop two guidance documents on PEF/OEF, in consultation with the European Commission (ENV/JRC), for stakeholders in target countries, including specific elements for the textile sector once the relevant PEFCR is complete. One document (“PEF/OEF 101”) will be more high-level to be used by technical managers to justify to their top management why would be important for them to invest in PEF/OEF studies/results. Such PEF 101 will be based on available documents such as the EC [PEF Guide](#), and will consist of a short factsheet explaining what is PEF/OEF and why it is important for SMEs to understand and act upon it. A second document would be a simplified/summarized version of more technical documents on developing PEF/OEF compliant datasets, how to create a node, ways to link with local experts that can help the SMEs in achieving the above, etc. The project will capitalize on available resources<sup>11</sup>, to avoid duplication of efforts and maximum alignment.

Furthermore, to allow SMEs to swiftly estimate the environmental footprint of their products and processes, the project will develop a simplified calculator based on PEF-compliant data, building on on-going efforts in the PEF Category Rule on Apparel led by the Sustainable Apparel Coalition, and in consultation with the European Commission. The development and implementation of such knowledge products (guidelines and tools) are essential to ensure that science-based evidence on environmental footprint can be used to drive the uptake of resource efficiency by governments and SMEs. National local partners such as technical intermediaries, the RECPnet members and members of local LCA networks where relevant, will thus be the target of capacity development efforts.

<sup>9</sup> To be delivered by UNEP, with participation of the technical intermediaries

<sup>10</sup> The numbers are for three countries, each technical intermediary will be in charge of a third, i.e. 10 SMEs

<sup>11</sup> Example of relevant resource from the EC that the project can benefit from: [https://ec.europa.eu/environment/sme/circular\\_economy\\_boost\\_en.htm](https://ec.europa.eu/environment/sme/circular_economy_boost_en.htm)

The project will further work with SMEs, including some of the companies receiving technical assistance under Activity 2.2, to pilot demonstrate the SME Environmental Footprint Calculator, to generate PEF studies. One important criterion for SMEs selection will be their position in the supply chains of bigger companies participating directly in the Apparel PEF Technical Secretariat, in collaboration with the Sustainable Apparel Coalition. Technical teams in the targeted SMEs will be able to present the LCA results from the PEF studies, to their top management to guide decision making on improved product design and communication. Lessons learned and key findings will be incorporated in the case studies that will be developed and disseminated through activity 2.3.

Activities foreseen by technical intermediaries under Output 3:

ID	Project Outputs & Activities	Year 2 (2021)				Year 3 (2022)				Year 4 (2023)			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<b>Output 3:</b> SMEs' capacity to integrate life cycle approaches into business practices, in particular the Product Environmental Footprint, is enhanced												
3.1	Strengthening the capacity of technical intermediaries, RECPnet members and national LCA networks on the implementation and application of PEF in relation to eco-innovation and communication of product sustainability information, to achieve change of practices, jointly delivered with Activity 2.1.	x	x	x	x								
3.2	Development of guidance documents on PEF ("PEF 101" and "PEF technical summary") for stakeholders in target countries. These will include specific documents for the textile sector once the relevant PEFCR is complete.	x	x										
3.3	Development of a simplified tool to calculate Environmental Footprints by SMEs based on PEF-compliant data, building on ongoing efforts in the PEFCR on Apparel led by the Sustainable Apparel Coalition.	x	x	x	x	x							
3.4	Strengthening the capacity of technical intermediaries, RECPnet members and national LCA networks on the generation and documentation of PEF-compliant LCA datasets. At least two training events per country to cover the various topics on data generation, compilation in nodes, and connection to GLAD.	x	x	x	x	x	x	x	x	x	x		
3.5	Generation of PEF studies in SMEs (including in some of the companies engaged and receiving technical assistance under Activity 2.2), making use of the SME Environmental Footprint Calculator Tool. Technical teams in SMEs will be able to present the results to their top-management to guide decision making on improved product design and communication. Key findings will be incorporated in the case studies developed in activity 2.3. Objective: by the end of the project at least 3 businesses per countries, including SMEs, have adopted sustainable and circular practices through application of life cycle thinking (at least 1 per country women-owned)			x	x	x	x	x	x	x	x		

Milestones foreseen to be led by technical intermediaries under Output 3:

Project output 3 Milestones:	Milestone attainment date
M3.2 Guidance documents on PEF developed, based on PEF Guide and other relevant materials	June/2021
M3.3 Development of a simplified SME Environmental Footprint Calculator initiated, and draft structure designed	December/2021
M3.4 Sixty individuals trained on product environmental footprint, datasets compilation and nodes creation in the target countries	June/2022
M3.5 SME Environmental Footprint compliant Calculator for textile products finalized	December/2022
M3.6 Nine SMEs in the textile sector in Africa use the SME Environmental Footprint Calculator and are developing PEF studies	June/2023

**NOTE:** The following two Outputs, Output 4 and Output 5, have a global reach and will be implemented by UNEP directly. They do not form part of the outputs for which UNEP is selecting technical intermediaries through the call for proposal. They are included in the distilled project document for completeness to provide partners with the complete overview of the activities that will be implemented under the InTex project. Additionally, during the project implementation there might be opportunities to build upon synergies between outputs, bridging national and global activities.

**Output 4: Businesses and member states benefit from enhanced availability, accessibility and interoperability of LCA data for the textile sector through the Global LCA Data Access network (GLAD)**

This output will focus on securing and evolving the long-term access and interoperability of LCA databases globally through the GLAD online platform, as well as developing new datasets for the textile sector where such data are currently under-developed and in particular for Value Retention Processes (VRPs). The development of new datasets will build on global nomenclature system and metadata descriptors, compliant with the Guide for EF compliant datasets, and specific EF Nomenclature for one or more EF reference package released<sup>12</sup>. This will include specific data on organic and non-organic farming of cotton, to inform practices and tools under outputs 1-2-3 and the modelling in Output 5. Such new datasets are a clear requirement to support science-based environmental footprint evidence that drives resource efficiency and sustainable consumption and production avoiding unexpected trade-offs.

The Global LCA Data Access Network (<https://www.globalcadataaccess.org/>) is an open source web application, which allows users to find and access data sets for use in LCA, ensuring dataset interoperability by making datasets available in multiple formats, with compatible nomenclature and complete metadata. The GLAD development process has managed to leverage resources, expertise, and gathered requirements from a diversity of groups from around the world, including the EC. Activities in this project will also support the maintenance and, where necessary, continued development of GLAD.

For the specific activities under Output 4, please refer to the Project Workplan table below.

**Output 5: Countries' awareness is raised on the potential impacts of adopting and fostering innovative sustainable and circular policies and practices through the dissemination of assessments of sustainable economic models' potentials to support the transition to sustainable consumption and production in the textiles value chain, including through the adoption of value retention processes**

UNEP is advancing in applying the value chain approach in textiles and results to date are fully captured by the recent publication "*Sustainability and Circularity in the Textile Value Chain - Global Stocktaking*"<sup>13</sup>. The report explores key hotspots within the textile value chains, provides examples of existing initiatives and identifies priority actions needed to move towards a more sustainable and circular textile value chain. Building on results to date, UNEP will conduct an analytical study to discuss barriers and opportunities for action to respond to hotspots identified during multi-stakeholder consultations already run by UNEP<sup>14</sup> and will organize additional multi-stakeholder consultative workshops to identify and recommend policy actions and practices to be taken by different stakeholders' groups to respond to the identified hotspots. The International Resource Panel will develop a scenario modelling, based on existing knowledge and new data generated under Output 4, including quantitative evidence of the trade-offs between intervention strategies. This modelling aims at providing

<sup>12</sup> See <https://eplca.jrc.ec.europa.eu/LCDN/developerEF.xhtml> and <https://eplca.jrc.ec.europa.eu/EnvironmentalFootprint.html> for details

<sup>13</sup> See <https://www.oneplanetnetwork.org/resource/sustainability-and-circularity-textile-value-chain-global-stocktaking>

<sup>14</sup> In January 2019, UNEP convened an expert consultation workshop with representatives from the fashion and textile industry, governments, international organizations, advocacy groups and fashion institutes, to discuss and reach a common understanding on the textile value chain, its key impact drivers, as well as intervention strategies for a more sustainable and circular textile value chain. In March 2019, a [panel session on 'Accelerating Circularity Actions for a Sustainable Textile Value Chain'](#) was held at the 2019 Sustainable Innovation Expo at UNEA-4. In June 2019, UNEP and the Ministry of Environment of Finland, with the participation of the Ellen MacArthur Foundation and the European Environmental Bureau, organized a side session at the World Circular Economy Forum 2019: "[Closing the Loop in Textiles - How to boost more sustainable and circular textiles value chain](#)".

evidence of the environmental and socio-economic impacts of the different innovative sustainable economic models in the textiles value chain – including gender-based analyses.

The project will develop and disseminate communication materials to support the transition to sustainable consumption and production, as well as organize national validation meetings (Output 1.5) to raise awareness of relevant stakeholders from the government and private sector. For the specific activities under Output 5, please refer to the Project Workplan table below.

ID	Project Outputs & Activities	Year 2 (2021)				Year 3 (2022)				Year 4 (2023)			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<b>Output 4:</b> Businesses and member states benefit from enhanced availability, accessibility and interoperability of LCA data for the textile sector through the Global LCA Data Access network (GLAD)												
4.1	Contribution to the operation, maintenance and administration of the GLAD online platform (including the web-based search application, the Application Programming Interface (API) and the format conversion tool), including the addition of the functionality in GLAD to screen for PEF compliant data.	x	x	x	x	x	x	x	x	x	x		
4.2	Contribution to the development of LCA data quality assurance procedures and guidelines for GLAD	x	x	x	x	x	x	x	x	x	x		
4.3	Contribution to the development and stewardship of a globally harmonized nomenclature system and metadata descriptors through a global consensus building process, including PEF requirements	x	x	x	x	x	x	x	x	x	x		
4.4	Connection of LCA datasets existing in global initiatives such as ADEME’s Base Impacts, Quantis’ World Apparel & Footwear LCA Database, and the work of the Sustainable Apparel Coalition; to ensure global accessibility through GLAD and to support scenario modelling of activity 5.5 (UNEA4/Res.1, OP16)	x	x	x	x	x	x	x	x	x	x		
4.5	Development and connection to GLAD of national interoperable, PEF-compliant, LCA datasets for the textile sector, including datasets on Value Retention Processes in the textile sector, which will feed in the scenario modelling of activity 5.5 (UNEA4/Res.1, OP16)			x	x	x	x	x	x	x	x		
	<b>Output 5:</b> Countries’ awareness is raised on the potential impacts of adopting and fostering innovative sustainable and circular policies and practices through the dissemination of assessments of sustainable economic models’ potentials to support the transition to sustainable consumption and production in the textiles value chain, including through the adoption of value retention processes												
5.1	Multi-stakeholder consultative workshops to identify policy actions and practices to respond to the identified hotspots												
5.2	a report identifying policy actions and practices to respond to the identified hotspots in the textile value chain												
5.3	Characterization of economic sustainable models to support the transition to sustainable consumption and production in the textiles value chain	x	x	x	x								
5.4	Modelling of scenarios for the textile value chain by the International Resource Panel, based on existing knowledge and new data generated in Activity 4.1, and including quantitative evidence of the trade-offs between intervention strategies					x	x	x	x				
5.5	Development of communication materials to present and visualise the main findings of trend analyses associated with different economic models									x			
5.6	Dissemination of the conclusions on the potentials of sustainable economic models to support the transition to sustainable consumption and production – in collaboration with the One Planet Network and the International Resource Panel.										x		

## National Project Governance

In line with UNEP experience, through the call for proposals for the selection of the countries and technical intermediaries, proponents will be asked to identify institutions with relevant mandates and skills, that can jointly work in each country towards the achievement of the project objectives. These groups will be formalized in each country in the form of a National Steering Committee (SC) which might be supported as required by Ad Hoc Working groups that could be of technical nature. Each technical intermediaries (proponent) will propose who will form part of the SC, and UNEP – as the international project implementer – will validate the composition of the SC and advise if other members should be added to ensure broad stakeholder’s representation. The EC will also be consulted in order to ensure synergies with other relevant projects in the country are built upon.

The main objective of the National Steering Committees is to provide leadership and strategic guidance to the Project through high level support for project planning, implementation, identification of potential linkages and synergies with government priorities and other programs to increase the national ownership, project impact, and to ensure project sustainability. The committee will review and comment on the project work plan, provide feedback on the annual progress made toward project results, and provide directional guidance as necessary. The committee may also be called upon, jointly or individually, to provide support when activity results are being shared with the public, government officials, or the private sector to demonstrate their commitment to initiatives carried out under the project. The committee shall be convened on a semimanual basis, or, if required, more frequently.

The selected technical intermediaries in each country will serve as the secretariat to the SC, and the agenda for SC meetings will be developed by the secretariat, in consultation with UNEP and the SC chairperson. The minutes of each meeting will be recorded and distributed by the secretariat. SC members will be given an opportunity to review and comment on minutes and key project related documents within a specified timeframe. Documents are considered approved by the Steering Committee on a ‘non-objection basis’ if written comments are not received by the specified deadline.

## Selection of SMEs that will receive technical assistance through the project

The SMEs that the project can provide technical assistance to (under outputs 2 and 3) should be selected by the technical intermediary in each country, in close consultation with UNEP, according to the following criteria:

- *Commitment*, which is important in order to ensure recommendations are implemented by the company, and willingness to invest time and lay open the required information about operations and processes. This will be evidenced by a formal letter from the management of the company.
- *Economic importance*: The type of textile product the company works with shall be amongst the three most economically important types of textiles in the country and/or be prioritized by the country’s government through local support policies.
- *Markets*: the EU shall be one important market of destination for the selected type of textiles, with selected SMEs producing the selected type of textiles (and being part of multinational or European value chains).
- *Position in the value chain*: due to the nature of the eco-innovation approach, which requires a change in business strategy and model, companies will typically be brand owners (with decision making power over product design and business model) and product/ material parts manufacturers.
- *Gender considerations* (with an aim of at least 3 women owned businesses participating).

### **Synergies with other initiatives**

The project shall capitalize and exchange information with other existing projects to avoid duplication of efforts and maximize cross-fertilization. Among these initiatives is the African Roundtable for SCP. Switch Africa Green mapped 3000 MSMEs in the region, as well as their green business development requirements, which the project can build upon. Switch Africa Green also provides events at which SMEs gather, such as regional and national networking forums, and regional sector meetings. Further inputs for linkages will be sought through communication with DG DEVCO. The project will ensure both accountability of, and coordination between different relevant national authorities and partners in line with UNEP standard operating procedures.