

# GREEN FASHION: WEAVING SUSTAINABILITY INTO TEXTILE AND APPAREL

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November 2023



# THE SIGNIFICANCE OF TEXTILES & APPAREL VALUE CHAIN

The textiles, apparel and footwear industry is an important contributor to economic growth and sustainability.

## Economic Growth

70%

### Global Exports and Trade

Textiles and apparel manufacturing is a key source of exports and GDP for most developing countries. The share of textiles and apparel exports in countries such as Bangladesh and Cambodia is as high as 70%<sup>1</sup>

\$2.2tn\*

### Demand and Market Size (1)

Global consumer expenditure on clothing and footwear products in 2021 was US\$2 trillion<sup>4</sup> and is expected to grow to US\$4.4 trillion by 2030, with most growth coming from emerging and developing economies.

80%

### Employment and Gender

Apparel manufacturing provides direct formal employment to over **60 million**<sup>2</sup> workers along its value chain. Over 80% of apparel workers in key Asian markets such as Cambodia, Indonesia and Vietnam are female<sup>3</sup>



### Skills Development (2)

Textiles and apparel manufacturing provides entry into formal employment in developing countries, allowing workers to develop and upgrade skills, increasing workers' social mobility and advancing the sector in general.

## Sustainability



### Adoption of Standards

Textiles, apparel & footwear manufacturing leads to adoption of best practices and global standards as international apparel brands increasingly require that factories meet these standards along their supply chains – improving job quality by enforcing environmental, labor, health and safety standards

8%

### Opportunities for Sustainable Production

Global apparel and footwear industry accounts for c. 8%<sup>5</sup> of the world's greenhouse gas emissions and consumes 79 trillion L of water per year<sup>1</sup>. This provides an opportunity for rethinking energy and water, digital-based process improvements and material innovations that are less energy intensive.

\*Includes footwear

1. Pulse of the fashion Industry, 2017  
2. Better Work 2018-22 Strategy

3. Better Work Program estimates  
4. Statista, 2021

5. Qantis, "Measuring Fashion – Environmental Impact of the Global Apparel and Footwear Industries Study", 2018

# CURRENT TRENDS IN THE TEXTILES & APPAREL SECTOR

*Consumer habits are changing; global shocks are reshaping value chains; brands are seeking resilient and sustainable suppliers*

## 1. Sustainability

A growing emphasis on **sustainable and eco-friendly practices** in the apparel industry. Consumers are increasingly concerned about the environmental and social impact of clothing production. Brands are adopting sustainable materials, reducing waste, and strengthening ethical supply chain practices

## 2. Digital Transformation

The apparel industry is undergoing a digital transformation. E-commerce boomed, and brands have invested in **online platforms, digital marketing, and e-commerce technologies** to enhance the customer experience and reach a global audience.

## 3. Fast Fashion vs. Slow Fashion

The debate between fast fashion and slow fashion continues. While fast fashion brands focus on quick, inexpensive, and trend-driven production, a counter-trend is emphasizing **quality, durability, and ethical production** practices.

## 4. Customization and Personalization

Brands are increasingly offering **personalized and customizable options** for consumers. This includes personalized designs, sizes, and even tailor-made clothing to meet individual preferences.

## 5. Innovation in Materials

Advancements in textile technology have led to the development of innovative materials, **such as smart fabrics, sustainable textiles, and performance-enhancing materials**. This plays a role in both fashion and functionality within the apparel sector.

## 6. Inclusivity and Diversity

A growing recognition of the importance of inclusivity and diversity in the fashion industry. Brands are making efforts to represent a wider range of **body types, ethnicities, and genders** in their marketing and product offerings.

## 7. Rise of Resale and Secondhand Market

The resale and secondhand market for apparel is expanding, driven by consumers' interest in **sustainable shopping practices** and the desire for unique and vintage items.

## 8. Technology Integration

The integration of technology in clothing, such as smart textiles and wearable tech, is gaining momentum. This includes clothing with **embedded sensors, fitness trackers**, and other tech features.

# HOW THE E.U. GREEN DEAL WILL DRIVE SUSTAINABILITY IN APPAREL

*European legislation is set to change production models for exporting countries.*

## *2020 Circular Economy Action Plan*

Goal: ensure the EU will become “a modern, resource-efficient and competitive economy” that will, among other things, generate **no net GHG emissions by 2050** and will decouple economic growth from the use of resources

### **Strategy for Sustainable and Circular Textiles**

March 2022







**2030**

1. All textile products placed on the EU market are **durable, repairable and recyclable, to a great extent made of recycled fibers**, free of hazardous substances, produced in respect of social rights and the environment
2. “fast fashion is out of fashion” and consumers benefit longer from high quality affordable textiles
3. Profitable re-use and repair services are widely available
4. The textiles sector is competitive, resilient and innovative with producers taking responsibility for their products along the value chain with sufficient capacities for recycling and minimal incineration and landfilling

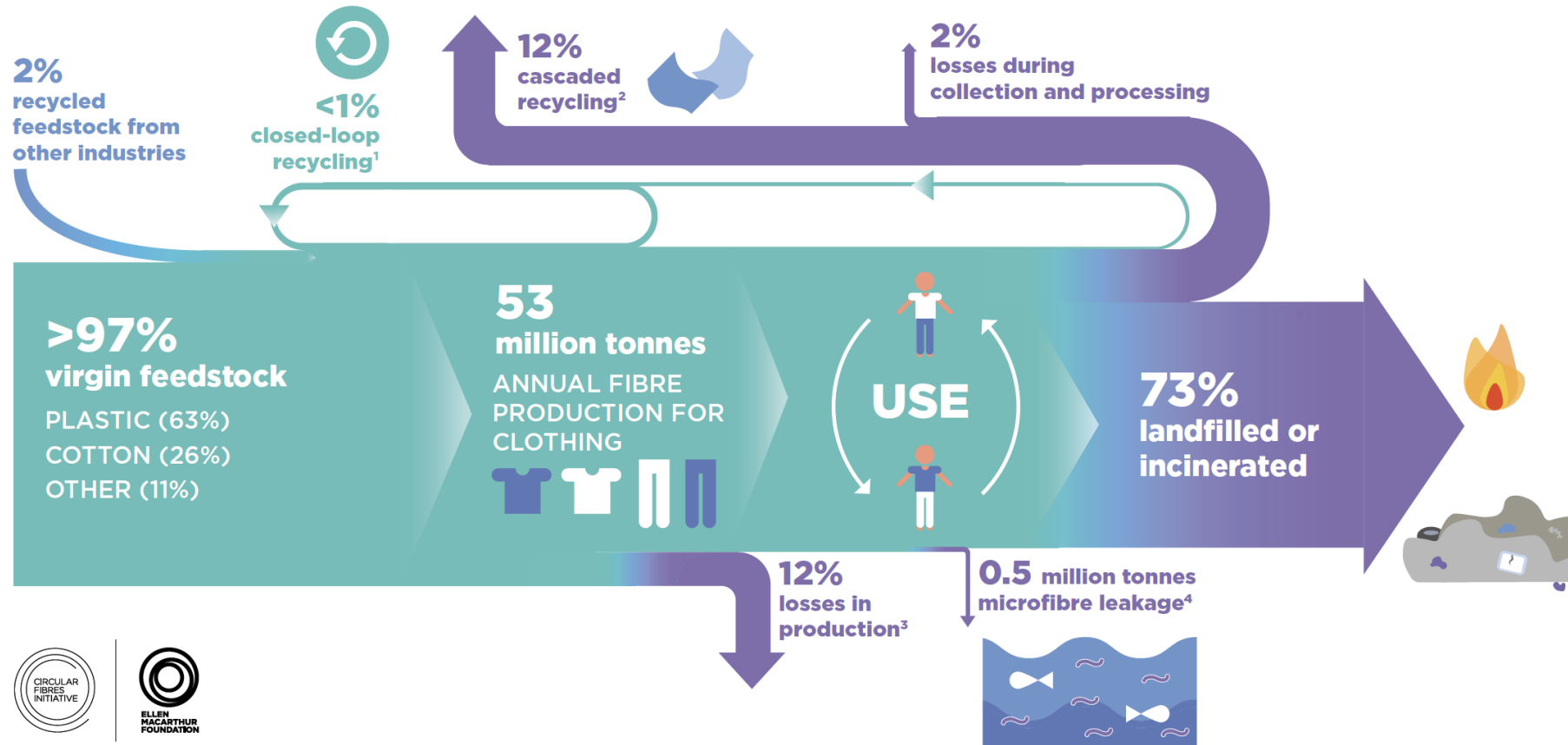
# SAMPLES OF ATTRIBUTES OF TEXTILE AND APPAREL DECARBONIZATION AND CIRCULARITY PROJECTS

Climate angles can be explored if textiles and apparel projects have any of the below features

Energy Efficiency / Resource Efficiency 	Renewable Energy 	Circularity 	Other Technologies / Approaches 
<ul style="list-style-type: none"> <li>i. Support Brand <b>decarbonization of supply chain programs</b> <b>Levi's (Global)</b></li> <li>ii. <b>Waste heat recovery / co-generation</b></li> <li>iii. Adopting state-of-the-art efficiency practices to reduce energy use in the textile industry <b>PACT I and PACT II, VIP advisory program Vietnam</b></li> <li>iv. <b>Reduce freshwater consumption (PACT)</b></li> <li>v. <b>Cut wastewater discharge</b></li> </ul>	<ul style="list-style-type: none"> <li>i. Work with players along the value chain to implement programs that reduce GHG emissions (e.g., by <b>switching to renewable energy resources</b>)</li> <li>ii. <b>On-site distributed renewables</b></li> <li>iii. <b>Off site renewables</b></li> <li>iv. <b>Energy storage</b></li> </ul>	<ul style="list-style-type: none"> <li>i. <b>Reduce the use of virgin fibers</b> <b>Ananta (Bangladesh, FY22)</b></li> <li>ii. Creating products made for <b>durability, disassembly and recycling</b></li> <li>iii. Increasing the share of <b>recycled polyester fibers</b> in products</li> <li>iv. Increasing use of <b>recycled / recovered materials in production</b> <b>Textile Circularity Exchange (Morocco, FY24)</b></li> <li>v. <b>Improved worker conditions</b> <b>Better Work (Bangladesh, Cambodia, Vietnam and Ethiopia)</b></li> <li>viii. Providing <b>short-term, post-shipment capital to suppliers</b> in Emerging Markets, immediately after the buyer agrees to pay. Global Trade Supplier Financing (GTSF) determines supplier's interest rates based on a combination of the buyer's cost of credit and supplier performance against the buyer's Environmental and Social (E&amp;S) standards. <b>GTSF</b></li> </ul>	<ul style="list-style-type: none"> <li>i. Shift product mix towards <b>low-impact materials</b> (e.g., by using organically certified cotton instead of conventional cotton, using lyocell instead of polyester)</li> <li>ii. <b>Green buildings</b> - buildings that are LEED, EDGE or equivalent Green Building certification;</li> <li>iii. <b>Hydrogen reactors; coal substitution</b> for thermal uses</li> </ul>

# GLOBAL MATERIAL FLOWS IN THE TEXTILES & APPAREL SECTOR

*A New Textiles Economy: Redesigning Fashion's Future, Ellen MacArthur Foundation, 2017*



- 1 Recycling of clothing into the same or similar quality applications
- 2 Recycling of clothing into other, lower-value applications such as insulation material, wiping cloths, or mattress stuffing
- 3 Includes factory offcuts and overstock liquidation
- 4 Plastic microfibres shed through the washing of all textiles released into the ocean

# CIRCULAR TRANSITION: THE CASE OF MOROCCO

*Supporting the industry's transition to circular models of production*



## **Mission**

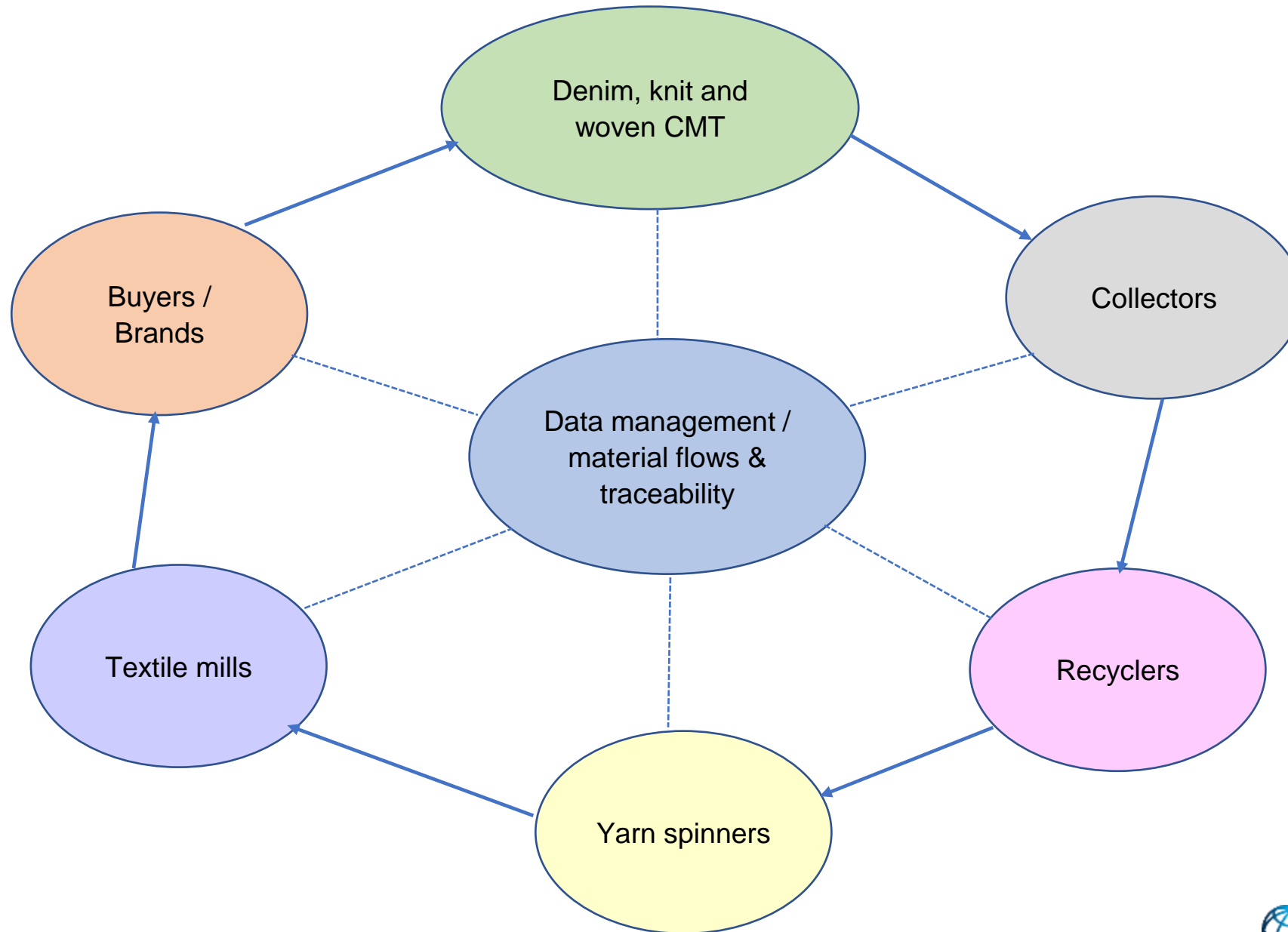
Engage the textile value chain along with brands and retailers to collaborate in the development of circular systems using post-industrial material for mechanically and chemically recycling methods from collection through finished product.

## **Vision**

End of Life disposition established for all Post-Industrial Waste and 100% of Post-industrial cotton recycled in Morocco by 2027.

IN PARTNERSHIP WITH





PUBLIC



# MOROCCO TEXTILE CIRCULARITY EXCHANGE

## Goals

- **Collaborate** with the local industry on the development and implementation of systems to create textile-to-textile circularity within Morocco.
- **Define** the recycling flows for cotton, polyester and blended feedstocks from waste through finished products.
- **Transform** textile waste into raw materials within Morocco so that it is no longer incinerated or sent to landfill.
- **Deliver** commercial products based on a cost-effective circular textile supply chain.