

Call for Proposals

Project: Innovative Business Practices and Economic Models in the Textile Value Chain ([InTex](#))

‘Evaluation of sustainable economic pathways for a sustainable and circular textiles value chain’



Funded by
the European Union

UNEP is seeking an Implementing Partner to support its impact assessment work on sustainable economic pathways for sustainable and circular textiles, which is implemented in the context of the EU-funded [InTex project](#). UNEP 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, governments, and other textile value chain actors. The European Commission engages with partners at global, regional and bilateral levels to promote cooperation and initiatives in support of sustainable textile value chains such as the InTex project, as further described in the recently launched European Commission Strategy for Sustainable and Circular Textiles¹.

Background

This impact assessment work is to be carried out in support of the [United Nations Environment Assembly \(UNEA\)-4 Resolution 1](#) on “*Innovative pathways to achieve sustainable consumption and production*” which was adopted in March 2019. More specifically its operative paragraph 16 requests UNEP ‘to undertake, subject to the availability of resources, a study based on a life-cycle approach and profiting from the work of the International Resource Panel and the One Planet Network, **on the potential of current sustainable economic models for achieving sustainable consumption and production in certain sectors, such as (...) textiles, and including through value retention processes, such as direct reuse, repair, refurbishment and remanufacturing. Further requests the Executive Director to evaluate, in co-operation with relevant stakeholders, how to promote the availability of appropriate information in the value chain to favour sound and safe recycling of waste.**”

In response to this mandate, UNEP is implementing a three-year project funded by the European Union to promote innovative business practices and economic models in the textile value chain. The [InTex project](#) aims to provide evidence of environmental and socio-economic impacts of different sustainable economic models in the textiles value chain.

It builds upon a series of [UNEP activities on the textile value chain](#), including a first analytical report ‘[Sustainability and Circularity in the Textile Value – Global Stocktaking](#)’. This report provides an analysis of the environmental and socio-economic hotspots along the entire textile value chain and looks at a range of associated impacts, as well as at the degree of risk at different stages in the value

¹ More information is available at: https://ec.europa.eu/environment/publications/textiles-strategy_en

chain. The intention of the report is to take an evidence-based, value chain approach to identifying the priority actions needed to advance sustainability and circularity in the textile value chain. As such, it is informed by environmental and social life cycle assessment studies, and especially research undertaken for the United Nations Environment Programme (UNEP) by the Federation of Indian Chambers of Commerce and Industry (FICCI), “Mapping the Textile Value Chain, Identifying Key Hotspots at the Global Level and Assessing Trade Barriers and Opportunities” (FICCI, 2018). It also incorporates the outcomes of an expert multistakeholder consultation workshop “Accelerating Actions for a Sustainable Textile Value Chain within a Circular Economy”, convened by UNEP in January 2019, as well as sessions held at the Fourth United Nations Environment Assembly (UN Environment Assembly 2019) and the World Circular Economy Forum (SITRA 2019). The report provides a basis for developing a roadmap delving deeper into those actions, particularly with regard to how and by whom actions should be taken.

A new report – ‘Sustainability and circularity in the textile value chain – recommendations for action and a global roadmap’, is also underway and will be published early 2022. The findings of the roadmap report are based on desktop research, industry knowledge and consultations with over 100 value chain stakeholders, both in specific stakeholder groups and also in cross-stakeholder sessions looking at dependencies. **The roadmap identifies activities that each stakeholder group can take in order to shift towards a more sustainable and circular approach**, as well as identifying multi-stakeholder activities that are likely to unlock significant change in the value chain. This roadmap report is used as a basis for the pathways and actions to be analysed in this project - ‘Evaluation of sustainable economic pathways for a sustainable and circular textiles value chain’ (see description of pathways on page 4-7), and the relevant elements of that report have been used to scope this project.

UNEP work on textiles takes a [value chain approach](#) to advancing sustainability and circularity in the textile sector. The value chain approach is a [methodology for catalysing science-based policy action on sustainable consumption and production](#)². It offers a methodology to identify key points of intervention within economic systems to reduce natural resource use, environmental and socio-economic impacts caused by production and consumption, and to engage the relevant value chain stakeholders to map existing initiatives and identify the right opportunities for action – and then define a common agenda for action. Analysing the value chain rather than just the supply chain increases the breadth of stakeholders considered to include all those with influence or engagement in the textiles sector, such as policymakers, financial institutions, or NGOs.

Taking a value chain approach also implies looking not only at the physical processes (such as farms or factories) but also the way products are designed, promoted, and offered to consumers. The textile value chain is considered as a whole system, allowing for examination of potential impact trade-offs and the potential benefits or challenges of a particular intervention for different actors globally. Typical barriers to action - such as lack of policy support, investment flows or value chain coordination - are addressed through an effective value chain approach.

Building circularity includes a strong emphasis on value retention loops, as outlined on the [UNEP Circularity Platform](#) such as:

- User-to-user processes: where a product or component remains close to its user and function: refuse, reduce, re-use
- User-to-business processes: where a product or component is upgraded, and producers involved again: repair, refurbish, remanufacture

² More information on the value chain approach and its application to textiles is available at: <https://www.unep.org/resources/publication/catalysing-science-based-policy-action-sustainable-consumption-and-production>

- Business-to-business processes: where a product or component loses its original function: repurpose, recycle

Project scope and deliverables

Desired final outcome:	<p>The desired final outcomes of this project will be:</p> <ol style="list-style-type: none"> 1. A report of up to 40 pages, with conclusions on the environmental, social, and economic outcomes of different pathways towards a sustainable and circular textiles value chain. Data analysis will be provided in Annexes. 2. A list of data sources showing licensing and citation requirements, and if data licenses allow for download of data – for the future reference of UNEP or research teams. 3. A summary document with a clear articulation of how Pathway 1, 2 and 3 have been further defined, and what is in or out of scope. 4. A detailed methodological report on the economic pathways, showing data sources used, assumptions, methodological layers, and mechanisms for calculation. 5. Analytical content itself e.g., the excel spreadsheet with results, showing data, calculation and key findings illustrated through tables and diagrams – usable for UNEP reports and further analysis on sustainable economic pathways. 6. Communication materials (i.e., visuals, infographics) on key findings to support UNEP in sharing project findings.
Project proposals sought:	Applicants should submit project proposals, in line with the UNEP guidance provided in this Call for Proposal.
Who can apply?	Public Institutions, Academia (Research Institutes and Universities), Non-Government Organisations (NGOs), other Not-for-Profit Organisations (NPOs)
Project budget:	The maximum budget for this project is US\$320,000 ³ . Budget will be disbursed in two tranches.
Project duration:	The project implementation period is from May 2022 to June 2023
How to apply:	Please send your project proposal using the template available on page 10, addressed to claire.thiebault@un.org
Submission deadline	16 May 2022, COB
Next steps	Shortlisted organizations will be invited for a Q&A session with the UNEP team.

³ The administrative costs (e.g., managing, monitoring, preparing substantive and financial reports etc.) associated with partnerships agreements should normally be borne by the Partner. However, in instances where the Partner's capacity is limited, such costs may be included in the budget. When administrative costs are included in the budget, every effort should be made to keep them to a minimum and they should never exceed 5% of the overall budget. The procurement threshold is 15% of the budget (i.e., activities which are outsourced to another organization).

Scope of the project 'Evaluation of sustainable economic pathways for a sustainable and circular textiles value chain'

UNEP aims to carry out an **evaluation of different potential pathways of the textile value chain towards sustainability and circularity, exploring the likely environmental, social, and economic outcomes, at global level, from these different approaches.**

There are **three pathways of sustainable and circular textiles that will be analysed.** These pathways are primarily based on the findings of the upcoming UNEP report (to be published in the first half of 2022) – '*Sustainability and circularity in the textile value chain – recommendations for action and a global roadmap*'. See sections below for some details on each of them.

1. The first pathway establishes a business-as-usual state, that can be used to compare outcomes to the other two pathways and understand potential future impacts.
2. The second pathway is based on evaluating commonly assumed solutions to delivering circular and sustainable textiles, including specific, stand-alone actions that many stakeholders assume will be the key to addressing impacts. The aim of the second pathway is to examine these actions and understand whether these actions are effective in driving progress.
3. The third pathway lays out an integrated value chain approach, building on the findings of the upcoming report '*Sustainability and circularity in the textile value chain – recommendations for action and a global roadmap*'. It concentrates on the most important intervention areas identified by research and stakeholder consultations and builds up a holistic evaluation of these interventions as a combined approach.

Pathway 1: Business as usual

In this pathway, current trends of production and consumption continue without major pivot towards sustainable and circular approaches. Linear increases in consumption, social issues such as child labour in the value chain, and environmental impacts such as carbon emissions continue. Existing trends of fibre use, sourcing locations and consumption locations remain similar. Some existing market trends should also be included in the pathway e.g., consumption patterns shifting towards online resale, but any extrapolation should be exclusively based to trends which are already underway.

The first step in delivering Pathway 1 is to further define the scope and boundaries of analysis through a methodology summary, depending in particular on available data.

The BAU pathway should be structured in such a way as to identify global outcomes for:

- **Environmental outcomes:** projected estimates of environmental impacts from BAU production and consumption in 2050, including climate, water, chemical and biodiversity, if feasible. Analysis should cover all life cycle phases including raw material, production/manufacturing, use phase and end of life.
- **Social outcomes:** analysis of social outcomes (such as wider societal health outcomes) and value chain labour outcomes (for example value chain working conditions, wages, protections etc)
- **Economic outcomes:** analysis around the costs and benefits of the BAU scenario, in terms of revenue, job creation or losses and public and private investment requirements globally and for different regions.

This analysis should make outcomes from pathway 1 comparable to pathway 2 and 3.

Pathway 2: Specific stand-alone actions – evaluating assumed solutions for circular and sustainable textiles

Under this pathway, different stakeholder groups take actions to move towards more sustainability and circularity in textiles, without coordinating them with the rest of the value chain, or globally beyond regional boundaries. These stand-alone actions are based on the most “popular” interventions taken so far across the value chain, or those common conceptions of what needs to be done in order to address the most prominent environmental, economic and social impacts of the textile value chain.

Each stand-alone action should be assessed individually, and the Implementing Partner can use the first BAU pathway as a base for building up Pathway 2, by keeping other elements in the BAU pathway unchanged, and adjusting the data only for the specific action being assessed. The stand-alone actions are assessed individually to reflect that they do not take a holistic value chain approach.

Stand-alone actions to be explored include:

- a. **Extended Producer Responsibility (EPR) is rolled out in consumption markets – making the ‘producer pay’ for their waste:** Exploring how far EPR systems in consumption countries can help the textiles reduce their negative environmental, and/or socio-economic impacts.
- b. **Fibre-to-fibre recycling infrastructure and processes are implemented in key consumer and production regions globally – closing the loop on production:** understanding how far fibre to fibre recycling can be rolled out and evaluate to what degree fibre to fibre recycling alone can reduce environmental and social impacts.
- c. **Brand activity on sustainable and circular textiles is scaled up – the private sector takes responsibility:** Exploring how far the private sector (brand actors plus those in their supply chains such as tier 1 and 2 suppliers) can progress on sustainability (i.e. fulfilling their current commitments on GHG emissions reductions, phase out of chemicals of concern, etc.) in current conditions and at the current scale ambition, without support from other stakeholders within the value chain.
- d. **Consumer preference changes – if consumers are informed, does their behaviour change enough to shift markets:** Creating a realistic analysis of the outcomes from existing actions on consumer behaviour change (such as extensive on-product information), and how much these are likely to drive environmental and social benefits.
- e. **Policies for local circular solutions lead to ‘onshoring’ of production or recycling processes to consumption markets – does local production fix sustainability issues?** Exploring the environmental and social outcomes of onshoring strategies at a global level, to understand potential benefits and trade-offs.
- f. **Sustainable production practices and regulations are implemented in producer countries – policymakers in production regions regulate out impacts:** Assuming realistic resource and policy constraints, analysing the potential scale of impact reduction and improved practices feasible in producer countries (both driven by policymakers and taken up by producers), and how much this would contribute to overall reduction of environmental and social harms globally.

The first step in delivering Pathway 2 is to further define the scope and boundaries of analysis through a methodology summary, depending in particular on available data.

Findings for each stand-alone action should include the likely environmental, social, or economic benefits or trade-offs for each. Analysis should consider the potential impacts of each action on a whole lifecycle basis, including raw material, production, use phase and end of life.

- **Environmental outcomes:** projected estimates of environmental costs or benefits from each action in Pathway 2, including climate, water, chemicals and biodiversity, if feasible.
- **Social outcomes:** projected estimates of positive or negative outcomes for social factors (such as wider societal health outcomes) and value chain labour factors (for example value chain worker conditions, wages, protections etc)
- **Economic outcomes:** analysis around the costs and benefits of the Pathway 2 stand-alone actions, in terms of revenue, job creation or losses and public and private investment requirements globally and for different regions
- identify any specific trade-offs between outcomes for each stand-alone action – e.g., if an action would potentially reduce GHG emissions but increase social issues elsewhere in the value chain.

EXAMPLE: for action d., the Implementing Partner could take the BAU pathway data as a basis, and analyse the probable changes triggered by the consumer behaviour and the knock-on implications for economic, environmental, and social outcomes. Other elements of the BAU data would not be adjusted beyond the influence of action d. Repeating this process for all the stand-alone actions should allow for a comparable set of outcomes within pathway 2 and across the pathways.

This analysis should make outcomes from pathway 2 comparable to pathway 1 and 3.

Pathway 3: Adopting a value chain approach to build circularity

In this pathway, actions are identified and coordinated across the value chain, using a value chain approach as presented in the Background section above. Pathway 3 should assess the potential impacts of the coordinated implementation of priority actions by value chain stakeholders (i.e., brands, producers, policymakers, financial institutions, NGOs/technical organisations, consumers, and innovators), as further defined below. This pathway therefore *assumes* a coordinated implementation approach, in which all textile value chain stakeholders play a role. Against this assumed background, the Implementing Partner should assess the potential impacts of the specific value chain interventions defined below.

The interventions to be evaluated include two overarching actions, as well as seven specific interventions across the five core impact areas identified through stakeholder consultations and documented in the upcoming UNEP report ‘*Sustainability and circularity in the textile value chain – an industry roadmap*’. The five core impact areas are: circular and sustainable design choices; circular business models and consumption; raw materials, recycling, and end of life; production and processing; use phase care and longevity.

The examples shown below for each action are illustrative, to provide a tangible example of what the action might mean for one stakeholder. **The Implementing Partner should work with the UNEP team to refine the interpretation of pathways 1, 2 and 3 based on factors such as data availability, relevant regions or countries that can be included etc.** – and this refined scope should be captured as an intermediate project deliverable (*Project Outcome 3 as defined in page 3*). Depending on the data availability, outcomes for a region can be analysed based on a range of different countries within that region, or on some specific indicative countries when data is more difficult to find.

A. Overarching actions:

1. ***Significant infrastructure improvements are made globally for a sustainable and circular textile value chain, including renewable energy, waste management and water treatment capacity in consumption and production regions.*** For example, a national government invests heavily in wind power plants to reduce the grid energy dependence on fossil fuels or invests in textile waste collection and sorting capacity in a key city.

2. ***A just transition takes place and social issues across the textile value chain are addressed.*** For example, existing social issues in a fibre's value chain are addressed (e.g., forced labour, child labour, living wages, workplace safety); marginalised communities are included in environmental decision-making by a national government so that progress is equitable and inclusive; and compensation mechanisms are created for communities that may face negative outcomes from value chain shifts.

B. Circular and sustainable design choices:

3. ***Textile products are designed to minimise value chain impacts and to support circular models.*** For example, a designer designs products for reduced material inputs, and to avoid specific finishes and colours that use a lot of water, energy, or chemicals, designs for longer product life, designs to facilitate fibre to fibre recycling and reduce microplastics releases.

C. Circular business models and consumption:

4. ***Circular textile business models are scaled globally.*** For example, textile retailers switch from selling new goods to a more sustainable rental or resale model, ensuring that products have a longer life span and that new purchases are replaced with alternative models, hence addressing also the issue of unsold or returned textiles.

5. ***Textile utility is doubled, and unnecessary consumption is halved.*** For example, consumers shift behaviour to use a recently purchased product for much longer, and therefore do not buy additional products until that product has reached the end of its useful life.

D. Raw materials, recycling and end of life:

6. ***Textile raw materials are shifted to sustainable or recycled sources.*** For example, a company sources only organic or verified recycled cotton for its t-shirts and bases this decision on clear evidence that these options have lower impact.

7. ***All textile waste is diverted from avoidable landfill and incineration.*** For example, a national government implements a curb side collection scheme for textile waste, and the textiles are sorted and processed for recycling rather than sent to landfill.

E. Production and processing:

8. ***The textiles production value chain eliminates on-site pollution, waste, fossil fuels, hazardous chemical use and avoids microplastics releases.*** For example, a factory implements closed loop production systems that reuse all water and chemicals involved in

wet processing and (a factory) powers its operations through renewable energy and sustainable second-generation biofuels.

F. Use phase care and longevity:

9. ***Textile garment care impacts are reduced through innovation and behaviour change, and better production and care leads to more longevity.*** For example, a company produces a new product that requires less washing and engages its customers to ensure that they respond by washing the product less frequently – ultimately reducing use phase impacts.

In order to evaluate the potential impacts of Pathway 3, the Implementing Partner should take a value chain and holistic approach. This means that when creating the analysis for pathway 3, the Implementing Partner should assume that all stakeholders in the value chain will coordinate to ensure optimum outcomes.

It also means that when evaluating Pathway 3, the Implementing Partner should first create a method that can analyse the outcomes for the textile value chain *if all the key actions listed above were implemented*. This analysis can be called ‘Whole pathway 3 implementation’. The analysis of the ‘whole pathway 3 implementation’ will give a vision of how the textiles value chain could be if all actions were applied. It will also allow the Implementing Partner to estimate how much total benefit would result in implementing all these actions together, and to identify any major trade-offs.

Once this is evaluated, the next phase of analysis would be to ‘remove’ each of the listed actions above, one at a time. This can be known as the ‘action-specific pathway 3 analyses’. Each time an action is removed from the analysis, the Implementing Partner would re-evaluate the outcome. Only one action would be removed at a time. This should result in 9 ‘action-specific pathway 3 analyses’.

The Implementing Partner should then compare the analysis of the ‘whole pathway 3 implementation’ with each of the 9 ‘action-specific pathway 3 analyses’. This should make it possible to compare the benefit of each action – since the *actions with the most benefit should result in the biggest difference in outcomes compared to the ‘whole pathway 3 implementation’*.

The first step in delivering Pathway 3 is to further define the scope and boundaries of analysis through a methodology summary, depending in particular on available data.

The results from this analysis should be:

1. Results from the ‘Whole pathway 3 implementation’ – estimated environmental and social outcomes from the ‘whole pathway 3 implementation’ analysis. This analysis should cover all life cycle phases including raw material, production, use phase and end of life, and include:

- **Environmental outcomes:** projected estimates of environmental costs or benefits including climate, water, chemicals and biodiversity, if feasible.
- **Social outcomes:** projected estimates of social positive or negative outcomes for social factors (such as wider societal health outcomes) and value chain labour factors (for example value chain worker conditions, wages, protections etc).

- **Economic outcomes:** analysis around the costs and benefits in terms of revenue, job creation or losses and public and private investment requirements globally and for different regions.
- identify any specific trade-offs between outcomes for the ‘whole pathway 3 implementation’ analysis – for example if it would potentially reduce GHG emissions against Pathway 1 but increase social issues elsewhere in the value chain.

2. Results from the 9 different ‘action-specific pathway 3 analyses’ -outcomes from each of the ‘action-specific pathway 3 analyses’. This should cover all the same impacts and value chain areas as the ‘whole pathway 3 implementation’, and should examine the potential additional costs or benefits from the specific action being evaluated, including:

- **Environmental outcomes:** projected estimates of environmental costs or benefits including climate, water, chemicals and biodiversity if feasible.
- **Social outcomes:** projected estimates of social positive or negative outcomes for social factors (such as wider societal health outcomes) and value chain labour factors (for example value chain worker conditions, wages, protections etc).
- **Economic outcomes:** analysis around the costs and benefits in terms of revenue, job creation or losses and public and private investment requirements globally and for different regions
- Prioritisation recommendations of the most impactful actions, based on the outcomes from the ‘action-specific pathway 3 analysis’ with a focus on both global and regional outcomes.

This analysis should make outcomes from pathway 3 comparable to pathway 1 and 2.

Geographical scope

The priority for the research work is to obtain a **global picture of the outcomes of different interventions**, as described above in the three pathways. Therefore, data that provides a global picture of impacts, costs and benefits of each pathway should be identified. This will include the ability to dis-aggregate results to at least a regional level (at least for key regions for textiles e.g., regions of Asia, Africa), supporting analysis of regional policy implications, potential gains and losses for specific geographies, and the dynamics at play in the textiles value chain. Depending on the data available, outcomes for a region will be analysed based on a range of different prominent countries in the textile value chain within that region, or on some specific indicative countries where data is harder to find.

For each pathway, it should also ideally be feasible to identify whether there is a specific region or country with a useful deep dive case study that enables the Implementing Partner to illustrate macro trends (e.g., a country where specific job losses are taking place due to an environmental intervention).

Evaluation criteria

Project proposals are sought which meet the following criteria:

- Proposals with clear objectives, scope, and a feasible implementation plan.
- Proposals with relevant data sources identified and a high-level proposal of how they will be used – including which assumptions and calculations will be used to deliver conclusions.
- Proposals with a science-based methodology for the pathway analysis, reflecting a clear understanding of textile value chain dynamics and available data.
- Proposals with a clear sense of geographical coverage and approach to global data analysis vs. national and/or regional case studies.
- Track record of the applying organisation in textile value chain sustainability.
- Description of roles and responsibilities for project delivery, staff capacity and experience (relevant projects and publications etc), and an organization chart for the team involved.

Who can apply?

Applications are sought from Public Institutions, Academia (Research Institutes, Universities), Non-Government Organisations (NGOs), other Not-for-Profit Organisations. Proposals from individuals will not be accepted. The applying institution shall have a good track record on:

- Deep knowledge of the textiles value chain, awareness of existing available impact and financial data, understanding of the dynamics between value chain actors and regions, and an understanding of contexts in developing countries and production regions
- Deep knowledge and experience in environmental science and economic analysis
- Expertise on social impacts preferred but not required
- Complex numerical analysis, evaluation of data sources, management of data licensing and citations
- Independent and self-directed research and analysis
- Published high quality reports, or peer-reviewed journal papers related to textiles or other value chain sustainability topics
- Fluency in both written and spoken English

How to apply?

Applicants should submit an application in the attached template to the project coordinator: Claire Thiebault, at claire.thiebault@un.org. Please also email us for any inquiries.

Call for proposal ‘Evaluation of sustainable economic pathways for a sustainable and circular textiles value chain’

Please email completed application to claire.thiebault@un.org. Total length of the application shall not exceed 20 pages.

1. Applicant organization contact details:

Contact name:

Email address:

Phone Number:

Address/country:

Not For Profit status	Registered Not For Profit: <input type="checkbox"/> Yes <input type="checkbox"/> No
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2. Description of the Organisation prior engagement with the UN Environment Programme if any (maximum 2 pages):

3. List of project team member names:

4. Description of the team organization including team roles and responsibilities, profiles of project management and research roles, and prior team experience in the relevant fields: (please provide a list of team capacity allocation for the project, and their experience, relevant projects, and publications) (maximum 4 pages)

5. Methodology: Please provide further details on the intended methodology or approach to be used in this project, (maximum 8 pages) including:

- *Methods for collecting and evaluating data sources, and*
- *Overall approach to analysis for each pathway (with some details of relevant data sources to be used, geographical scope, and the methodology or approach and assumptions that will be used in the project. Possible approach outlined above is a guidance only and alternative recommendations are welcome).*
- *Describe in particular the proposed data sources to make global recommendations as well as potential regional or national case studies.*

6. Description of the planned project deliverables and milestones with detailed timeline (maximum 6 pages): *The project deliverables are the activities that align with the project plan and that can be used to monitor successful project implementation. Refer to the list of expected outcomes provided on page 3. Please also provide a schedule to achieve the project objectives (including gathering of data sources, building of pathways, delivering findings and capturing methodologies). You may also attach a separate excel file to your email if you prefer to share in excel format.*

7. Project total budget and allocation against activities: *Project budget should include table with costs allocated against deliverables. You may also attach a separate excel file to your email if you prefer to share in excel format.*

8. Specify any additional research partners involved in the project (maximum 2 pages): *Please describe the extent and nature of any additional capacity or support from other organisations.*