

Project Brief

Circular Business Models and Resource Efficiency in the Textile and Apparel Industry



About

The textile and apparel (T&A) industry is a significant employer and export sector across the Eastern Partnership (EaP) countries, with unique potential to drive inclusive, green economic development. However, entrenched systemic constraints — including outdated production practices, limited market linkages, weak regulatory frameworks, and lack of access to green practices and services — have hindered the sector's competitiveness and environmental performance.

RECONOMY supports the transformation of the T&A system by facilitating the adoption of circular business models (CBMs) and resource efficiency (RE), building green skills, improving access to tailored business consulting services, enhancing export linkages, and strengthening policy advocacy through industry associations. These interventions aim to unlock new income streams, green jobs, and sustainable growth in local and international markets.

Countries Covered



- ▶ Armenia
- ▶ Georgia
- ▶ Moldova
- ▶ Ukraine



Target Group

General:

- ▶ Women and youth

Specific:

- ▶ Entrepreneurs and small and medium enterprise (SME) representatives
- ▶ Young designers
- ▶ Career changers

- ▶ Internally Displaced Persons (IDPs)
- ▶ Workers in low-income or informal employment
- ▶ BA/MA students and recent graduates in fashion and design

Weak Market Linkages for Green T&A Products

Producers lack established trade relationships and visibility in sustainable markets, limiting export potential.

Intervention Area

- ▶ Facilitate business-to-business exchanges between EaP producers and EU buyers (e.g., through the partnership with Kommerskollegium – Open Trade Gate Sweden).
- ▶ Advance export-oriented sustainability certification schemes in Eastern Partnership (e.g. through partnership with the International Trade Center).
- ▶ Support participation in trade fairs and provide export readiness capacity-building.
- ▶ Create success stories and promote visibility to encourage further buyer interest.



Fragmented Regulatory Environment and Weak Industry Advocacy

Misalignment with EU standards and lack of enabling regulations (e.g., on waste management, Extended Producer Responsibility (EPR), green procurement) impede competitiveness.

Intervention Area

- ▶ Strengthen the advocacy role of industry associations (e.g., Fashion and Garment Chamber (FGC), SMEDA) to co-develop sustainable T&A strategies and influence policy.
- ▶ Support policy dialogue platforms that foster multi-stakeholder engagement on sustainability-focused reforms in T&A industry (e.g., E-Circular Center).
- ▶ Build capacity for evidence-based advocacy and oversight of public commitments to green policies.



Limited Access to Tailored Business Services for Sustainability



SMEs lack access to affordable, context-relevant consulting services to adopt circular business models and meet international sustainability standards.

Intervention Area

- ▶ Strengthen service providers (e.g., National Polytechnic University of Armenia (NPUA), ZipHouse, UKRLEGPROM, E-Circular Center) to offer tailored consulting on eco-certification, adaptive clothing design, resource efficiency, and compliance.
- ▶ Build service providers' capacities in resource efficiency and circular business model knowledge, market development, and client outreach.
- ▶ Showcase early adopters to build confidence among SMEs and increase uptake.

Shortage of Green Skilled Workforce

Education and training institutions lack sustainability-focused curricula, leaving the workforce ill-equipped to support circular and clean production practices.

Intervention Area

- ▶ Co-develop inclusive, demand-driven curricula on sustainability in partnership with formal and non-formal educational institutions (e.g., The National Polytechnic University of Armenia, Tbilisi State Academy of Arts, E-Circular Center).
- ▶ Support demand-driven short-term and formal courses and modules on green competencies like zero-waste design, textile recycling, and eco-friendly materials (e.g. Sustainability InnoCenter).
- ▶ Facilitate internship and employment linkages through sectoral associations (e.g., FGC, ZipHouse, SMEDA).

