

# Promotion of circular economy in the textile and garment sector through the sustainable management of chemicals and waste in Lesotho, Madagascar and South Africa

Review PIF and Make a recommendation

## Basic project information

**GEF ID**

10543

**Countries**

Regional (Lesotho, Madagascar, South Africa)

**Project Name**

Promotion of circular economy in the textile and garment sector through the sustainable management of chemicals and waste in Lesotho, Madagascar and South Africa

**Agencies**

UNIDO

**Date received by PM**

3/23/2020

**Review completed by PM**

4/10/2020

**Program Manager**

Yuki Shiga

**Focal Area**

Chemicals and Waste

**Project Type**

FSP

## PIF

### Part I – Project Information

#### Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

### **Secretariat Comment at PIF/Work Program Inclusion**

03.27.2020: Yes. CW-1-1 in Table A is aligned with 2018-2022 GEFTF Programming Direction.

### **Agency Response**

#### **Indicative project/program description summary**

**2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?**

### **Secretariat Comment at PIF/Work Program Inclusion**

04.10.2020:

Cleared. Further explanation is provided. Lesotho's PPG and fees are less than those indicated in the LoE.

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04.08.2020:

Figures in Tables D and E and LoE do not seem to match for Lethoto.

Recommended action: Please address the above point(s).

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03.27.2020:

Please provide further information on the followings:

- Ethiopia: While there were Ethiopia in the previous draft, this seems to be deleted from the current version. Please provide background to this change.
- Component 3: Name of the Component 3 in the Table B is different from that indicated in Alternative Scenario in the PIF. Does Component 3 cover GHGs emission reduction? If so, this should be reflected and further elaborated in the relevant sections of the PIF.
- If the project is to target three countries in Africa (Lesotho, Madagascar and South Africa), name of these countries should be listed under feed 'countries'. Current PIF states only 'regional'. Further, Agency is requested to provide country break-up in Table D and Table E (PPG) to match figures indicated in LoE from each country.

Recommended action: Please address the above point(s).

## Agency Response

1. The LoE for Lesotho allocates USD 75,000 (and respective fee) to project preparation and USD 2,350,000 (and respective fee) to the project. Table D reflects the amount allocated to the project. In Table E, only USD 50,000 of the amount allocated for project preparation is being included as otherwise the overall PPG budget would exceed USD 200,000, which is the limit for the proposed project size. A PPG of USD 50,000 is considered sufficient for carrying out project preparation activities in Lesotho. Kindly note that originally the overall project size and hence also the overall PPG budget was to be larger as Ethiopia, whose LoE could not be secured in time, was to be also included.
2. The project concept was well received by the Ethiopian counterparts since UNIDO has already an ongoing Textile project in Ethiopia, which this project was planning to leverage on. However, due to the COVID 19 pandemic, the process of obtaining the endorsement letter was delayed and it wasn't received by the deadline. Also, as this project will be implemented alongside and in close linkage with the UNEP Textile Asia project, which has been submitted for the June 2020 work plan, the PIF has been submitted without Ethiopia. In view of the size and the potential of the TG sector in Ethiopia, UNIDO will further consult with the GEF and the national stakeholders to explore the possibility of having a country project for Ethiopia which can be submitted for the December 2020 work programme and be closely linked to this regional initiative.
3. The name of component 3 in table B is now consistent with the name of the component in the Alternative Scenario and does not cover GHG emission reductions.
4. In addition to "Regional", the three countries have been added in Part I. Furthermore, the country breakdown is provided in Table D and Table E, as requested.

## Co-financing

**3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?**

## Secretariat Comment at PIF/Work Program Inclusion

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

While information on how 'investment mobilized' was identified for those from private sector, those from the Governments seem to be lacking.

Recommended action: Please address the above point(s).

### **Agency Response**

The Governments of the participating countries will have to invest in capacity building and trainings; development/establishment of environmental management and modelling systems, structures and standards; new monitoring equipment/devices; and waste characterization, segregation, collection and treatment facilities.

A detailed explanation on the identification of the investments mobilized from the governments is added under table C; however, there is no editing feature to highlight this addition.

### **GEF Resource Availability**

**4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):**

**Secretariat Comment at PIF/Work Program Inclusion** Yes.

### **Agency Response**

**The STAR allocation?**

**Secretariat Comment at PIF/Work Program Inclusion**

**Agency Response**

The focal area allocation?

**Secretariat Comment at PIF/Work Program Inclusion** Yes.

**Agency Response**

The LDCF under the principle of equitable access

**Secretariat Comment at PIF/Work Program Inclusion**

**Agency Response**

The SCCF (Adaptation or Technology Transfer)?

**Secretariat Comment at PIF/Work Program Inclusion**

**Agency Response**

Focal area set-aside?

**Secretariat Comment at PIF/Work Program Inclusion**

**Agency Response**

Impact Program Incentive?

**Secretariat Comment at PIF/Work Program Inclusion**

**Agency Response**

## **Project Preparation Grant**

**5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)**

**Secretariat Comment at PIF/Work Program Inclusion** 03.27.2020: Yes. PPG has been requested and is within the allowable cap at \$200k.

## **Agency Response**

**Core indicators**

**6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)**

## **Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

Indicator 9.1: PIF seems to state that the project will be targeting POPs other than PFOS (e.g., PBDE) which is indicated in Indicator 9.1. If so, please provide an estimate for these chemicals.

Recommended action: Please address the above point(s).

## **Agency Response**

The presence of the PBDEs in the TG sector, particularly those involving the international brands cannot be established at this stage.

Whereas there is very little likelihood of PBDEs presence in the textile and garment fashion industry, this issue will be addressed accordingly during the PPG phase. If the presence of PBDEs is confirmed, it will be included in the core indicators table at CEO Endorsement stage. Thus, it has been removed from the PIF.

**Project/Program taxonomy**

**7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?**

**Secretariat Comment at PIF/Work Program Inclusion** Yes.

**Agency Response**

**Part II – Project Justification**

**1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?**

**Secretariat Comment at PIF/Work Program Inclusion**

Yes.

**Agency Response**

**2. Is the baseline scenario or any associated baseline projects appropriately described?**

**Secretariat Comment at PIF/Work Program Inclusion**

Yes.

**Agency Response**

**3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?**

**Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

The textile and garment (TG) industry is becoming increasingly relevant for the economies in the Lesotho, Madagascar and South Africa. Extrapolating the current trend leads to a growing environmental pollution but it can also bring new opportunities. Currently, a multitude of initiatives are arising at governmental, private, local and international levels in order to make a contribution towards a sustainable and competitive industry. This intervention aims at bringing about convergence, coordination and broader adoption of these initiatives in order to generate a durable change in the TG sector.

The project will aim to strengthen the sound management of industrial chemicals and their wastes through better control, and reduction and/or elimination in the abovementioned countries to promote circular economy in the textile garment sector. Furthermore, the use of POPs will be prevented by promoting the environmentally sound management (ESM) of POPs and waste through the introduction of BAT/BEP measures to protect human health and the environment.

The project will establish regional cooperation and network for information exchange and experience sharing as well as regional and inter-regional knowledge management. Specifically, the project will be implemented with close linkage with UNEP regional textile project in Asia.

Considering this purpose, the project will consist of five different components, which are described as follows:

Component 1: Strengthening of regulatory and institutional capacities for adoption and promotion of Circular Economy

Component 2: Recyclability of TG wastes is enhanced through POPs-free textile manufacturing process

Component 3: Introduction of Circular Economy concept for UPOPs emission reductions and contaminated land mitigation

Component 4: Knowledge management

Component 5: Monitoring and evaluation

However, Agency is requested to elaborate further on followings:

- Circularity: It is unclear from the PIF how circularity is incorporated and secured in the project design. cf. UNEP PIF will secure by engaging thousands of companies in the textile value chain. The PIF seems to be claiming that project will cover both manufacturing process (upstream) as well as waste recycling/reuse (downstream); therefore, addressing whole lifecycle of the product thus circularity. However, this is unclear from the PIF. Please elaborate on this. Further, it is particularly unclear how findings and lessons learned etc. from the invaluable on-the-ground demonstration projects are reflected and effectively leveraged in Component 1 (Strengthening of regulatory and institutional capacity) and Component 4 (knowledge management /scaling up). Please also elaborate on this.
- How BAT/BEP as well as demonstration sites for Components 2&3 are selected is unclear.
- Theory of Change (Annex D): Please plot barriers/challenges/outputs/outcomes etc. those mentioned in the PIF and delineate arrows amongst each item to clearly indicate how items are related each other.

Recommended action: Please address the above point(s).

## Agency Response

1. The project will promote circular economy in the TG sector through among others: product and process system design in the entire value chain; adoption of low carbon and cleaner technologies through the application of RECP tools and techniques; productivity improvement and waste minimization through process optimization; equipment modification and acquisition of cleaner technologies; non-hazardous manufacturing and production operations for POPs and other toxic chemicals pollution prevention and control through the implementation of BAT/BEP, etc. The TG sector will be strengthened and broadened through the development of waste recovery and recycling segment of the TG value chain that will create new green industries and related services. The project will undertake a technoeconomic assessment of the circularity of the TG sector and development of viable business models and financial mechanisms for the economic viability and financial profitability of the recycling chains as well as the required fiscal and policy incentives, and investment financing. The lessons learnt and experiences gained in the pilot demonstrations, will guide policy reforms, and regulatory framework that will be required to promote circular economy in the TG value chain and will have implications for the review of existing municipal solid waste management practices. The knowledge management component will establish a platform that will provide the opportunity for interactive information exchange and experience sharing and facilitate the dissemination of the lessons learnt and experiences gained from the pilot demonstration with the active involvement and participation of the international brands and other global players like the Ellen McArthur Foundation and the Zero Discharge of Hazardous Chemicals (ZDHC). The Circularity topic was addressed in details and highlighted in the alternative scenario section, paragraphs 41, 42 and 65.
2. The selection of sites for the pilot demonstration was based on the location of textile and garment industries - industrial locations which pose high environmental pollution challenges; national government priorities and preferences to jumpstart the implementation of the circular economy concept; and industrial parks where ancillary support facilities for waste collection, separation; and transfer and transportation can be easily provided and/or upgraded. In addition, through the adoption of the value chain approach, industrial locations and sites where textile manufacturing industries and garment production share contiguous boundaries was also given consideration for ease of logistics. In the textile manufacturing process, process improvement strategy will deploy RECP techniques to improve production efficiency, reduce resource intensity; minimize waste and

prevent pollution. BAT/BEP will be implemented to prevent the use and formation of POPs chemicals in the dyeing and finishing sections through the avoidance of chemicals containing elemental chlorine and other POPs precursors as articulated in the BAT/BEP Guidelines of the Stockholm Convention. In the garment making production process; BAT/BEP will be implemented to avoid the use of hazardous chemicals in garment making and finishing. This will entail the introduction of eco-design design techniques to minimize the generation of wastes; off-specs and offcuts in the production process. BAT/BEP and demonstration sites selection was addressed and highlighted in paragraphs 43, 44, 55, 56, 64 and 72.

3. The revised TOC is attached as Annex D.

4. Is the project/program aligned with focal area and/or Impact Program strategies?

#### **Secretariat Comment at PIF/Work Program Inclusion**

03.27.2020: Yes. The proposal is aligned with CW-1-1 (Industrial Chemicals Program).

#### **Agency Response**

5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

#### **Secretariat Comment at PIF/Work Program Inclusion**

Yes.

#### **Agency Response**

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

#### **Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

Please refer to earlier comments provided for Core Indicator section.

Also, further clarification is requested for GHGs emissions reduction co-benefit indicated in this section.

Recommended action: Please address the above point(s).

### **Agency Response**

GHG emission reductions are not a core target of this project. However, it is expected to be derived as co-benefit from the reduction of GHG emissions as a result of the BAT/BEP and RECP measures and the prevention of open burnings, as mentioned in paragraph 105.

**7. Is there potential for innovation, sustainability and scaling up in this project?**

### **Secretariat Comment at PIF/Work Program Inclusion**

Yes.

### **Agency Response**

**Project/Program Map and Coordinates**

**Is there a preliminary geo-reference to the project's/program's intended location?**

### **Secretariat Comment at PIF/Work Program Inclusion**

Yes.

### **Agency Response**

**Stakeholders**

**Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?**

### **Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

The PIF clearly indicates a range of stakeholders and their potential role during the project. However, Agency is requested provide further information on which Stakeholder(s) have participated in consultations during the project identification phase.

Recommended action: Please address the above point(s).

### **Agency Response**

During the consultation meetings held with Lesotho, Madagascar and South Africa to develop this proposal, the ministries of environment and/or industries were met and consulted.

The ministries were involved in identifying the private sector companies and the planning of the visits in each country. UNIDO held discussion meetings and got the buy-in of international brands like Levi (in South Africa and Lesotho); ASOS (Madagascar); Puma (Madagascar and South Africa) and Woolworths (South Africa) and is in talk with others. Future collaboration and cooperation was agreed and details of their CSR programmes and case studies were shared with UNIDO. Ellen MacArthur Foundation was consulted and agreement was reached on future partnership and collaboration. This project and UNEP Asia will be implemented in close linkages with joint activities in knowledge management. ZDHC will be cooperating with UNEP in the implementation of the Asia project and also with UNIDO under this project.

The stakeholders' consultations that were held during the preparation of this PIF are highlighted in paragraph 1 and 2 in the first box under this section.

### **Gender Equality and Women's Empowerment**

**Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?**

### **Secretariat Comment at PIF/Work Program Inclusion**

03.27.2020:

Yes.

### **Agency Response**

#### **Private Sector Engagement**

**Is the case made for private sector engagement consistent with the proposed approach?**

### **Secretariat Comment at PIF/Work Program Inclusion**

Yes.

### **Agency Response**

#### **Risks**

**Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?**

### **Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

Additional information requested.

- PIF lacks Environmental and Social Safeguards policy.
- The PIF states that private entities will be highly involved in the project. However, PIF does not clarify how the project will secure private entities' active and strong engagement nor recognize it as a risk.

Recommended action: Please address the above point(s).

### **Agency Response**

1. As per UNIDO Environmental and Social Safeguards Policies and Procedures (ESSPP), the project has been screened and categorized as “B”. As a result, an Environmental and Social Management Plan (ESMP) will be developed during the PPG phase. An explanation had been added under the risk table. Furthermore, the UNIDO Environmental and Social screening template has now also been added as an attachment.
2. The private sector engagement is particularly prominent in this project. During the development of this proposal, several textile and garment factories were visited and consulted in each country to seek project collaboration, partnership and sustainability through co-financing and in-kind commitments. All companies visited have been regularly investing and planned to continue investing in BAT/ BEP measures and they all agree to collaborate in the project. The TG private sector will be clearly attracted and incentivized by showing the potential increase of the TG plant efficiency and profitability through BAT/ BEP/ RECP actions. Also, this project will establish partnerships and cooperation with global fashion brands for the promotion of recycling and reuse of TG wastes. The access to these brands' network, sustainability and financing programs will facilitate knowledge and experience sharing and access to low cost investment sources. More details are provided under the private sector engagement section.
3. The risk of low private sector engagement is recognized, however, extensive consultation and engagement have already been done. Also, the TG industry participants were identified, engaged and selected based on business partnership and supply linkages with the international fashion brands and their commitments to the adoption of international best practices. This has been added in the risk table.

### **Coordination**

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

### **Secretariat Comment at PIF/Work Program Inclusion**

04.15.2020:

Cleared.

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04.14.2020:

Explanation for earlier comment(s) are appropriately provided.

Please update 'Executing Partner Type' to 'Government' (where currently indicated as 'Others') in the project information section.

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03.27.2020:

Please further provide clarification on the institutional structure. For example, who is 'regional Executing Agency' and who are the national Executing Agencies for each of the four countries? Currently, following institutions are listed as an executing partner: Ministry of Tourism, Environment and Culture of Lesotho; Ministry of Environment and Sustainable Development of Madagascar; and, Ministry of Trade and Industry of South Africa. However, an institutional structure for these entities are not clear.

Recommended action: Please address the above point(s).

## Agency Response

•04.15.2020

Kindly note that 'Executing Partner Type' has been changed to 'Government' in the project information section.

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- During the stakeholders consultation and engagement process which included governments, private sector industries, business associations; non-governmental organizations (NGOs); a number of potential regional institutions were identified for consideration as regional executing entity.
- The regional executing entity (REE) for this project will manage the day-to-day execution of the project including the coordination of the activities at national level, will provide execution, management and coordination services at the regional level in close consultation and cooperation with the national partners. The regional executing entities will work with the national coordinating agencies and coordinate the activities of the national executing entities, which will be identified and engaged in the three participating countries.
- The project execution at the national level will be will be managed and coordinated by three agencies of the Government of the participating countries; namely, the Ministry of Tourism, Environment and Culture of Lesotho, Ministry of Environment and Sustainable Development of Madagascar; and

Department of Trade and Industry of South Africa. The agencies will serve as the national executing entities and coordinate the preparation of country reports for consolidation by the regional executing entity. The coordinating agencies will provide representatives to the Regional Steering Committee and participate in the deliberations and meetings of the Committee.

- The Africa Institute for the Environmentally Sound Management of Hazardous and other Wastes; based in Pretoria, South Africa has been identified as a potential entity with the requisite technical competence and project management experience for consideration as the regional executing entity for the project. The Africa Institute (AI) has been an executing agency for projects being implemented by UNEP, UNIDO and Development Bank of Southern Africa. Currently the Institute is executing a UNIDO project on the Promotion of BAT and BEP to reduce uPOPs releases from waste open burning in the participating African countries of SADC sub-region. It is intended at this stage that the Africa Institute will be considered for the role of the regional executing entity however final decision will be taken after the outcomes of stakeholders' consultation and engagement, and institutional capacity assessment that will be undertaken during the PPG phase.

- At the national level it is intended that the national coordinating agencies will manage the execution of project activities. However as applied to the REE, the final decision will be taken after the institutional assessment that will be undertaken the PPG phase.

The review comment was addressed in details and added in paragraph 1-9 in the Coordination section.

#### **Consistency with National Priorities**

**Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020: Cleared. Earlier comment(s) are appropriately addressed for the PIF stage.

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03.27.2020:

Relevant national strategies and plans or report and assessments are listed. However, PIF lacks how the project is consistent with these.

Recommended action: Please address the above point(s).

### **Agency Response**

The TG sector has been identified as priority in all the selected countries for the reduction of uPOPs emissions from open burning operation in accordance with the National Implementation Plan.

The government of the three participating countries are receptive to new global initiatives and development trends and are ready to transition their economies from a linear one to a circular one. A number of recycling and reuse activities and businesses are currently ongoing in these countries but however there is a lack of a coherent policy and regulatory framework, business model and financial mechanism to unlock the CE potentials in the industrial sector. The project will complement and build on current national environmental policies/strategies to reduce emissions and protect the environment. Also, through engaging private sector and developing business models and financing mechanisms for sustainability of TG wastes recycling and reuse operations, the project will align with the countries' strategies and policies to promote green industry investments. This project will provide training, capacity building and dissemination of successes stories and lessons learnt to the wider textile and garment sector and society. This will be achieved through national capacity strengthening and awareness raising activities and materials, provision of access to information and public education that will be aligned with the communication and education policies of the participating countries.

More details of the Consistency with National Priorities are provided in paragraph 1-10 of this section in the PIF.

### **Knowledge Management**

**Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?**

### **Secretariat Comment at PIF/Work Program Inclusion**

03.27.2020:

Technically cleared for the PIF stage.

### **Agency Response**

### **Part III – Country Endorsements**

**Has the project/program been endorsed by the country’s GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

04.08.2020 /03.27.2020:

Please refer to earlier comment on section ‘Indicative project/program description summary’.

#### **Agency Response**

**Termsheet, reflow table and agency capacity in NGI Projects**

**Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.**

#### **Secretariat Comment at PIF/Work Program Inclusion**

#### **Agency Response**

**GEFSEC DECISION**

**RECOMMENDATION**

**Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?**

**Secretariat Comment at PIF/Work Program Inclusion**

04.15.2020:

Cleared. Sufficient for the PIF stage.

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04.14.2020:

Please refer to the review item Section II Coordination.

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04.08.2020 /03.27.2020:

Not yet. Please refer to the review items and resubmit for consideration (please highlight the update).

**ADDITIONAL COMMENTS**

**Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.**

**Secretariat Comment at PIF/Work Program Inclusion**

**Review Dates**

	<b>PIF Review</b>	<b>Agency Response</b>
<b>First Review</b>		
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		

	PIF Review	Agency Response
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		

**PIF Recommendation to CEO**

**Brief reasoning for recommendations to CEO for PIF Approval**

CONTEX:

This project is aligned with C&W strategic objectives CW-1-1 (Industrial Chemicals Program).

The garment production industry is a highly resource-intensive sector activity. Textile production (including cotton farming) uses around 93 billion (93 million in Europe) cubic meters of water annually, which is about 4% of global freshwater withdrawal. Garment manufacturing uses over 66% of this water. Each year, around 0.5 million tonnes of plastic microfibers, equivalent to more than 50,000 million plastic bottles, resulting from textiles washing are estimated to be released into the ocean. More than USD 100 billion worth of materials each year is lost due to the fact that less than 1% of the material used to produce clothing is recycled into new clothing and only 13% of the total material input is in some way recycled after clothing use.

The two major environmental impacts of textile production and processing are basically the discharge of chemical pollutants including POPs; and the consumption of water and energy. Moreover, many textile industries in many African countries are still using POPs chemicals in their industrial operations and due to lack of waste management policy framework and infrastructure; off cuts and textiles discards are either disposed in open burning operations and or in open landfills. The open burning operations results in the emission of dioxins and furans and greenhouse gases with serious harmful effects on humans and the environment.

COMPONENTS AND RESULTS:

This project will aim to strengthen the sound management of industrial chemicals and their wastes through better control, and reduction and/or elimination in the abovementioned countries to promote circular economy in the textile garment sector. Furthermore, the use of POPs will be prevented by promoting the environmentally sound management (ESM) of POPs and waste through the introduction of BAT/BEP measures to protect human health and the environment. The project will establish regional cooperation and network for information exchange and experience sharing as well as regional and inter-regional knowledge management.

The project is structured around four Components that will result in avoidance of 4,000 MT of POPS/Hg containing materials and approximately 5.5 MT of chemicals of global concern along with 8,000 direct beneficiaries as co-benefit of GEF investment:

Component 1:

Strengthening of regulatory and institutional capacities for adoption and promotion of Circular Economy in the textile and garment (TG) sector

Component 2:

Recyclability of textile and garment wastes is enhanced

Component 3:

Introduction of Circular Economy concept for UPOPs emission reductions and contaminated land

Component 4:

Knowledge management for scaling up

#### INNOVATION, SUSTAINABILITY, SCALE-UP & GENDER:

The innovative approach of this project proposal lies mainly in the promotion of circular economy in the TG sector through BAT/ BEP actions for the prevention and reduction of POPs/ hazardous chemicals use and waste and TG waste with the simultaneous implementation of RECP (resource efficient and cleaner production) measures on possible energy efficiency, materials efficiency and renewable energy measures. This will enhance circular economy of the TG sector by reducing the use of natural resources, preventing/ reducing the use of POPs and hazardous chemicals, reducing health and environmental impacts while improving the efficiency and augmenting the profitability of TG facilities.

The enhancement and improvement of national regulatory mechanisms to promote circular economy in the TG sector will provide the framework for ensuring the sustainability of the project in the future years after project completion.

The holistic approach to prevent/reduce POPs/ hazardous chemicals use and its substitution by non-chemical alternatives if possible, the application of the RECP methodology, coupled with an effective promotion and enforcement of BAT/ BEP, could be used as a reference for the TG sector of other countries, the African region and beyond.

A gender plan to address and mainstream gender issues in all project outcomes/outputs will be designed in the PPG phase and implemented in the project. In addition, mandatory UNIDO gender markers will be applied, and that the project shall be rated for gender relevance.

It is aligned with country priorities and will coordinate with relevant baseline initiatives on the ground.

The project will deliver additional global environmental benefits within \$45 million of co-financing.