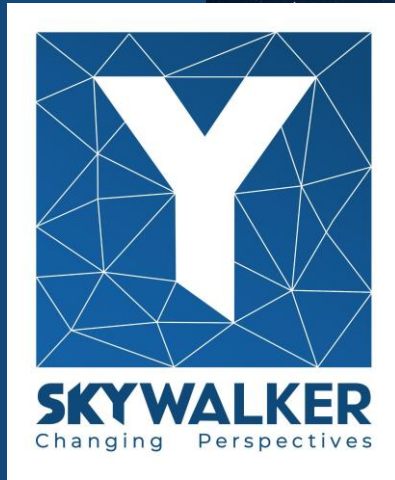


SUSTAINTEX, IL PROGETTO PER LA SOSTENIBILITÀ
NEL SETTORE TESSILE



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The Textile System between ESG and Circular Transition: Indicators, Governance, and Transformation



Introduction & Current Global Context

A Sector Under Converging Pressures

The global textile industry reached **\$1.84 trillion** in 2023 but remains one of the largest producers of waste.

Over **73%** of textile waste is landfilled or incinerated, while only **1%** is recycled into new garments.

EU regulations (Green Deal, ESPR) are driving structural shifts in governance and sustainability practices.

ESG: Measuring or Transforming?

ESG indicators can either describe reality or help change it.

When co-designed and internalized, they **shift** from being compliance tools to drivers of transformation, enabling foresight, stakeholder dialogue, and meaningful sustainability.

Environmental Priority

Extending Product Life

Each additional year of garment use reduces its carbon footprint by up to **24%** (WRAP, 2022).

Recycling, though necessary, is **energy-intensive** and less effective than prolonging use.

Eco-design and durability are **key** to minimizing environmental impact.

Economic Impact

Regeneration vs. Longevity

While recycling supports industrial scalability, long-term economic value **lies** in service-based models: repair, leasing, second-hand.

These yield higher margins per item and foster customer loyalty, requiring digital platforms and **new business logic**.

Social Value

Beyond Consumption

Garment longevity supports **individual** economic resilience and promotes inclusion.

Recycling generates value **only** when it creates local jobs and transparent supply chains.

Without **systemic change**, it risks becoming “delayed consumerism.”

False Dichotomy

Not Either-Or, But Sequential

Extending use and recycling are not opposites but stages in a **circular hierarchy**: first use and repair, then remanufacturing, and only lastly recycling.

True circularity demands value redistribution across these phases, with **supportive** fiscal, infrastructural, and cultural policies.

Comparative Models: H&M, Mercatopoli, MUD Jeans

H&M - “Close the Loop” Model

- Voucher: 15% discount for each bag of used clothing (since 2013)
- Collection: over 22,000 tons (target was 25,000 by 2020, not reached)
- Destination: 50–60% rewear, 35–45% open-loop recycling, <1% actual regeneration, 3–7% incineration
- Issues: encourages consumption, greenwashing, exports to the Global South

Comparative Models: H&M, Mercatopoli, MUD Jeans

Mercatopoli – Consignment System

- Seller receives 50% of the sale price
- Transparent tracking via My Mercatopoli platform
- No direct incentives to consume
- Encourages product life extension and multi-cycle reuse

Comparative Models: H&M, Mercatopoli, MUD Jeans

MUD Jeans – Product as a Service

- Leasing: €9.95/month + €29 initial fee
- Options: keep, return, or swap the jeans after 12 months
- Impact reduction: -41% CO₂, -72% water use, use of recycled cotton (up to 40%)
- In the Netherlands: supported by regulation, B-Corp status
- In Italy: obstacles regarding VAT, leasing classification, EPR, and consumer awareness

Comparative Models: H&M, Mercatopoli, MUD Jeans

Not only MUD Jeans

On the same business model *URBAN OUTFITTERS RENT* is implementing its clothing lines with the opportunity to rent cloths and accessories

Comparative Models: H&M, Mercatopoli, MUD Jeans

Analyzing H&M, Mercatopoli, and MUD Jeans is not only a matter of comparing practices, but of observing three radically different ways of interpreting circularity, responsibility, and value.

Manteco

A Replicable Traceable Regeneration Model

- M Wool® system: short supply chain in Tuscany, 50 coordinated companies, LCA traceability
- Verified EPD: -99.2% emissions, -99.9% water, -93.3% energy compared to virgin wool
- Certifications: GRS, RWS
- No blockchain currently, but compatible with DLT systems
- High export potential to non-EU markets (USA, Japan, Canada), provided that:
 - o digital infrastructure is strengthened
 - o logistics is integrated
 - o adaptation to local regulations occurs

Toward Mature Circularity

True sustainability lies in managing a **cycle**: **prolong** use, then **reuse**, then **recycle**.

Each stage adds distinct **value**.

Policies should **prioritize** prevention, equity, and traceability over volume and narrative.

The Linx case: a transversal solution

LINX is not just a payment system—it's a trust infrastructure that regenerates local economies through visibility, reciprocity, and shared value creation.

As a circular enabler, LINX aligns economic transactions with ESG logic by transforming currency into a participatory tool for sustainability, rather than a speculative instrument.

Operational Proposals

To make ESG transformative

Introduce tax incentives for **durability**

Fund **traceable** recycling infrastructure,

Educate consumers as **active** citizens, and implement digital systems (e.g., leasing contracts, tokens, Digital Product Passports).

ESG: Beyond Metrics

Capturing one's current state becomes essential to define concrete steps for improvement—otherwise, the risk is shifting from circularity to a vertical logic that serves itself rather than the system.

When we fail to map where we truly stand, we risk replacing circular thinking with vertical silos—structures that move but go nowhere, disconnected from systemic value

ESG as System Architecture

The future of textiles will depend not on who pollutes less, but on who redesigns the flow of value.

ESG, if embraced as an infrastructure—not just a reporting tool—can guide this shift through fiscal policy, digital traceability, and civic education.

The Big Question

HOW?

Practical section with Jack S. Capetta

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*The best way to make your dreams come true is to wake up
(Paul Valéry)*

Thanks



About us



Silvia Bernardini, Founder and Ceo of Sky Walker srl, certified Innovation Manager with a strong focus on sustainable transformation for SMEs. She designs and facilitates strategic innovation processes that integrate ESG principles, circular economy practices, and organizational resilience. Her work bridges business development, governance, and impact measurement, helping companies align with European sustainability regulations while fostering collaborative ecosystems. She believes that innovation is not only a tool for growth, but a language to redesign value in a changing world.

TheSkyWalker.eu is a sustainable umbrella company that fosters networks of competencies to support inclusive growth, responsible innovation, and systemic transformation. Acting as an ecosystem enabler, it connects professionals, enterprises, and territories through shared values and forward-looking practices, promoting collaboration over competition.

