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INITIATIVE SECTORIELLE EN FAVEUR DU COTON

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INNOVATION IN RECYCLING HUBS FOR COTTON, PLASTICS AND TEXTILES IN THE C4+ CÔTE D'IVOIRE

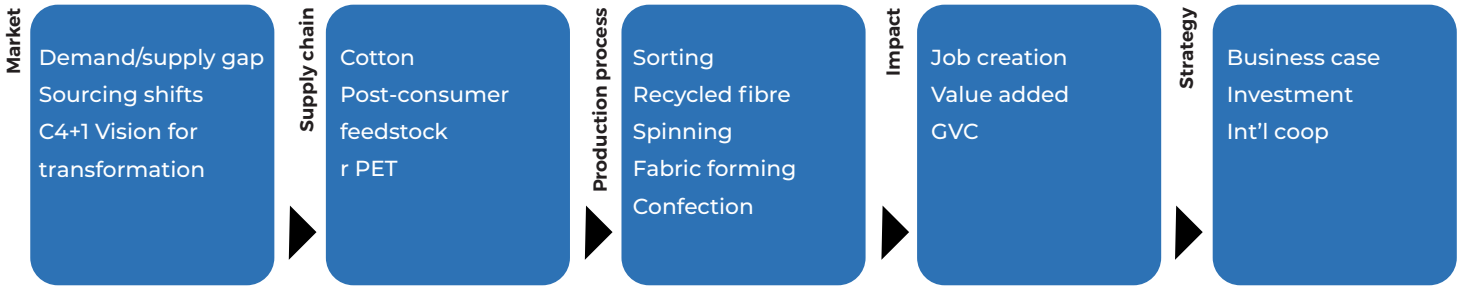
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Waste to Wealth *Opportunity for developing circular textile value chain in C4+ countries*

Sustainability and circularity are now an integral part of the business models adopted by the actors along the textile value chain. Fashion brands and retail and their supply chain partners alike have incorporated targets relating to recycled fibres into their ESG commitments. The recent 'Baseline Study on the cotton, textiles and garments sector' carried out by Gherzi Textil Organisation under the aegis of the 'Partenariat pour le Coton' initiative has recognized circularity as a key element of developing the value chain in the C4+ countries.

There is a clear opportunity for making a business case for circular fashion with a significant impact on realization of SDGs in C4+ countries as elucidated below in five steps:



Market Attractiveness

There is a huge potential to scale up the present rate of textile-to-textile recycling from a meagre 1 percent to more than 10 percent globally. Consumer behaviour,ESG commitments made by brands and retail and emerging regulations point to a demand/supply gap for clothing made from regenerated fibres.

The EU Eco-design for Sustainable Products Regulation (ESPR) aims to create a framework of eco-design requirements for specific product categories. The ESPR which entered into force in 2024 also aims to boost the supply of, and demand for, sustainable goods.



International brands are keen to diversify their sourcing of textiles and apparel to derisk the supply chains. West and Central African region is emerging as the new hub for sourcing of textiles and apparel. State of the art fabric mills and apparel factories are coming up in integrated industrial zones in Benin, Togo and neighbouring Ghana. Apparel exports from Sub-Saharan Africa enjoy preferential duty. The AGOA preferences are due to expire in September 2025, however it is expected that the region will still attract relatively low tariffs vis-à-vis Asia.

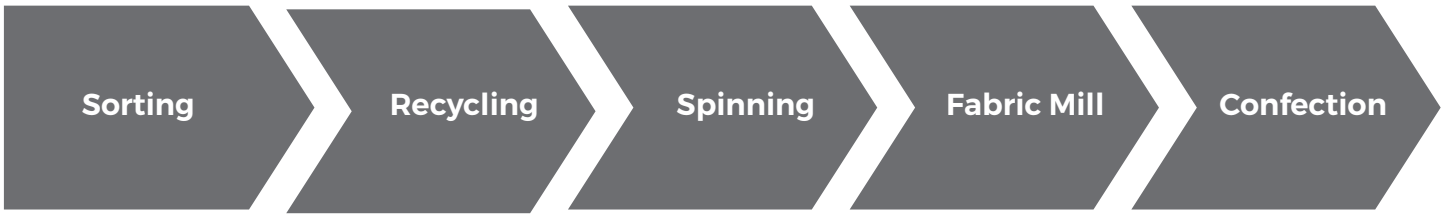
The C4+ Cotton,Textiles and Garment sector Vision 2025 development vision envisages boosting of international and regional trade in value-added products worth USD 7 billion.

Supply Chain

Regarded as the cotton bowl of Africa, West and Central Africa accounts for nearly two-thirds of Africa's cotton output. According to the International Cotton Advisory Committee (ICAC) cotton produced in the region is considered the most sustainable as it is rainfed and hand-picked. Imports of bottle grade PET fibre chips in the region have been growing because of urbanization and changing lifestyles. Local production of bottle grade chips is also expected to expand, especially in Nigeria boasting of large PET recycling industry. Furthermore, imports of second-hand clothes in the ECOWAS and CEMAC blocs – estimated at more than 300'000 tons p.a., (UNCOMTRADE 2023)- have been increasing. In a nutshell, all three ingredients for regenerated fibres i.e., virgin cotton, post-consumer feedstock and r PET are sufficiently available in the West and Central African region (approximately 2M tons).

Manufacturing Process and Technology

Production of regenerated fibres requires two precursor steps prior to the conventional manufacturing process to convert cotton to clothing. The 5-step process is illustrated below.



After the textile waste (pre/post-consumer) is collected from households, factories and intermediaries, it needs to be sorted according to the structure of the fabric, composition and colour. The sorted feedstock is then processed into regenerated fibres by mechanical recycling technology. Given that vertically integrated textile mills have been set up in some C4+ countries such as Benin, Yarn and Fabric made from recycled fibres could be supplied to apparel manufacturing factories in Benin and the region to make C4+ a hub for circular fashion. There is also an opportunity to export intermediate products such as regenerated fibres and Yarn for which there is a demand in the world market.

Impact

Creation of a circular value chain in C4+ countries will have a significant socioeconomic impact in terms of employment generation for youth and women,value addition and integration of the region into global value chains. The textile recycling industry has the potential to create hundreds of thousands of formal jobs in the supply chain. SHEIN, the purveyor of ultra-fast fashion has also recognized the importance of circularity. Notably, SHEIN supports the Or Foundation's work in Ghana and the Africa Collect Textiles (ACT) Foundation in Kenya to promote reuse.

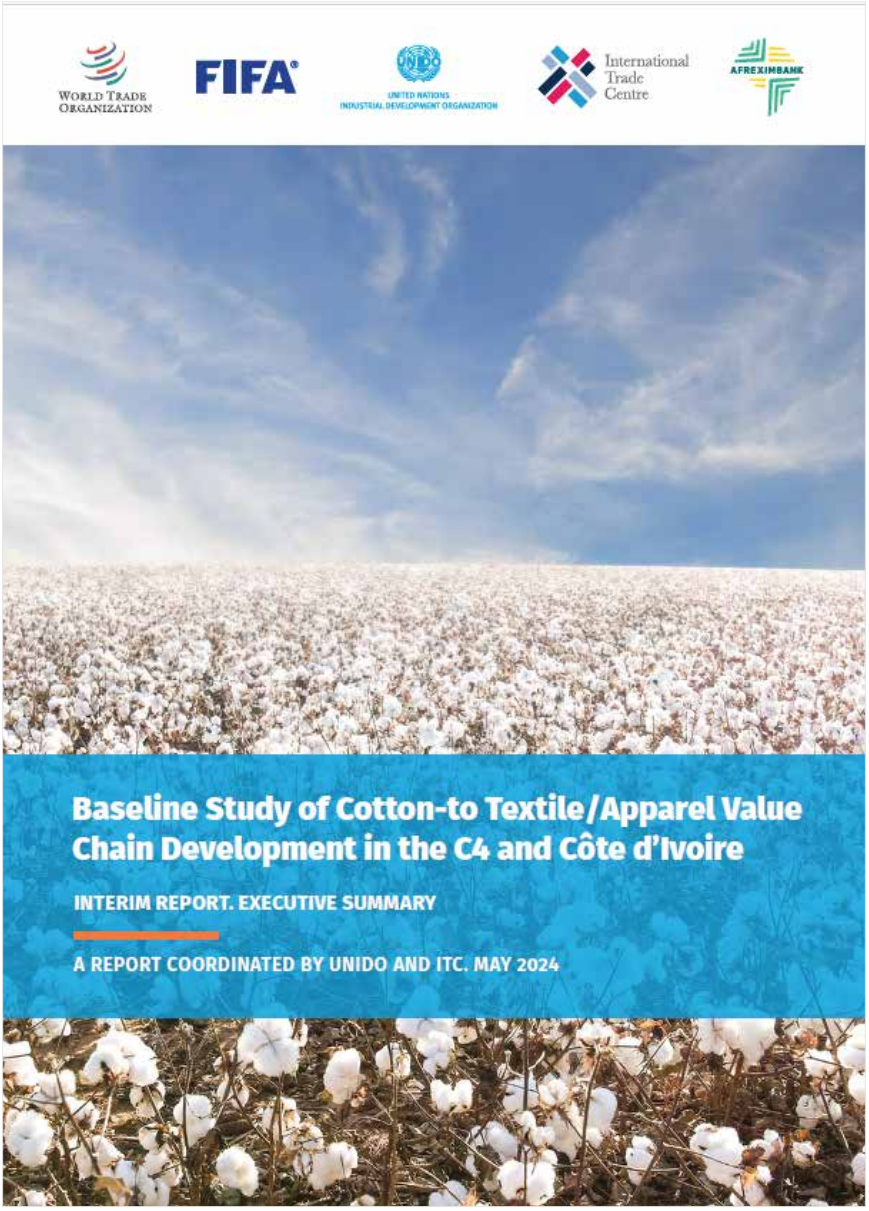
Strategy

A multipronged strategy is required to translate the vision into feasible business models.



First, there is a need to undertake a technoeconomic feasibility study to come up with a bankable business plan. This should define the addressable market, envisaged capacity of the project, its scalability and project outlay. Prospective sponsors -both local and foreign-should be approached. Cooperation with international development partners, especially the EU, should be explored, to establish sustainable and compliant supply chain in C4+ countries.

Finally, the 'Partenariat pour le Coton' initiative provides an excellent platform to foster regional cooperation among C4+ countries to promote circular fashion.



Gherzi' sustainability practice team is helping the industrial and institutional not-for-profit clients to assess multiple facets of ESG issues influencing their businesses, identifying associated risks, and developing comprehensive plans. We have mapped the textile waste value streams in emerging countries for identifying policy pathways and valorization. As a founding member of the Euratex 'ReHubs' initiative, Gherzi has developed a deep expertise of mechanical and chemical textile-to-textile recycling technologies and supply chains.

Gherzi Textil Org



Navdeep Singh Sodhi

[**Navdeep Sodhi** *has a deep understanding of the global textile value chain with a focus on sustainable and circular business models. Recently, he led the "Baseline Study on Cotton-to -Textile /Apparel value chain development in the C4 and Côte d'Ivoire" for UNIDO under the WTO initiative 'Partenariat pour le Coton'. Mr. Sodhi is a Partner at Gherzi Textil Organisation, Switzerland and leads the management consulting practice in Asia and Sub-Saharan Africa. He is a Chartered Fellow of the Textile Institute, Manchester]*

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