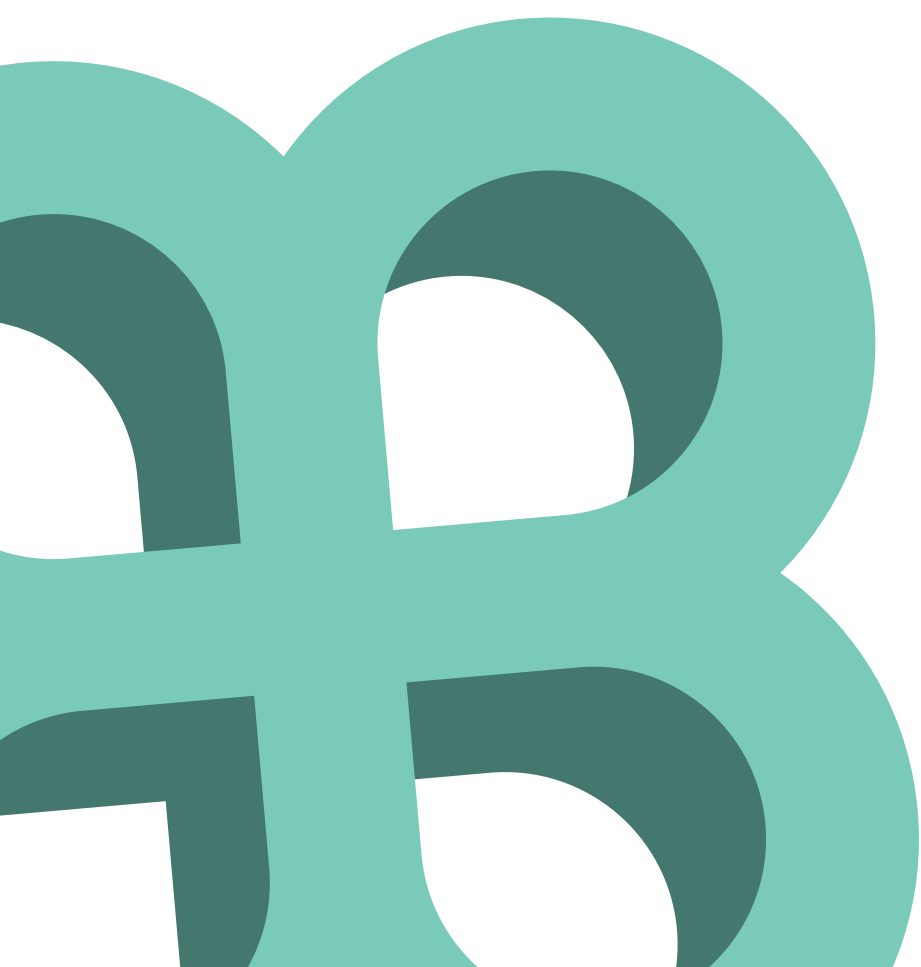


LOOPHOLES

A User Manual



NEXT
TECHNOLOGY
TECNOTESSILE
SOCIETÀ NAZIONALE DI RICERCA R.L.

U ELISAVA

Modacc
MODULO
ARCHITETTURA

Iaac Institute for
advanced
architecture
of Catalonia

BORÅS STAD

**Hogeschool
van Amsterdam**

k
Nordiska
Textilakademin

**Città Studi
BIELLA**

N&F

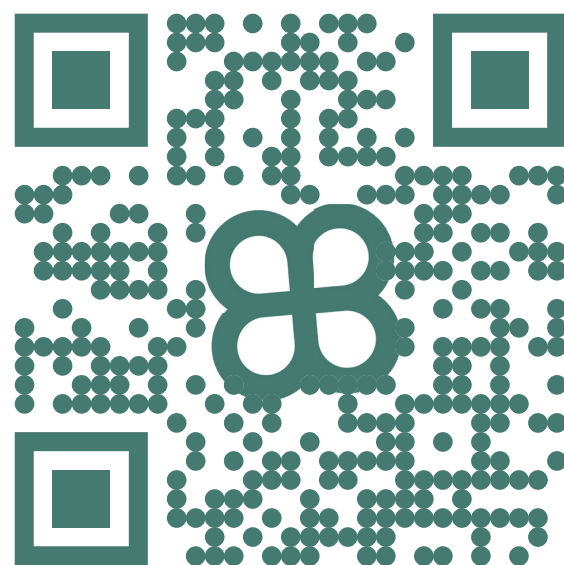


Co-funded by the
European Union

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INTRODUCTION



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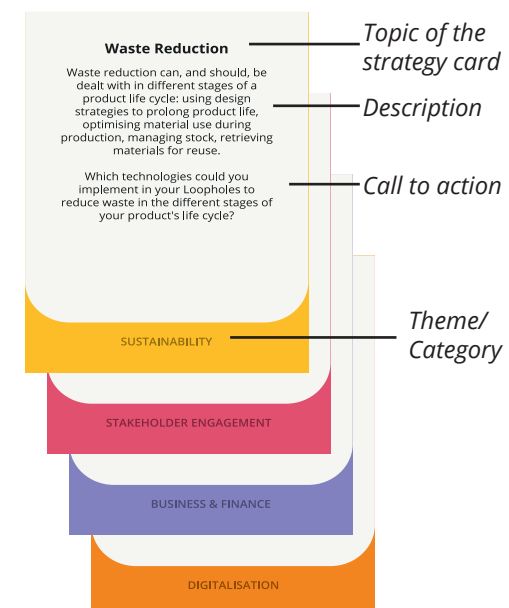
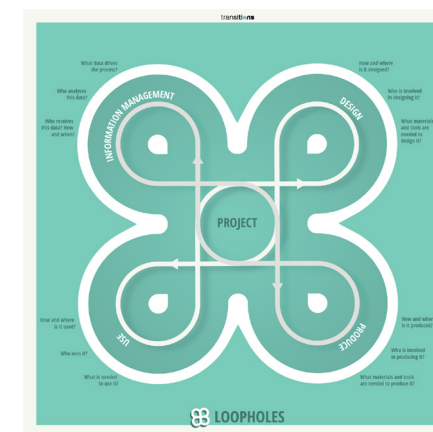
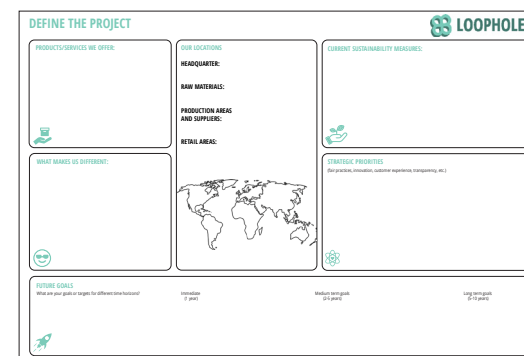
Loopholes toolkit is a dynamic resource designed to evaluate and brainstorm actionable strategies for fashion and textile companies striving towards sustainability, equity, and consciousness. This innovative toolkit serves as a catalyst for change, empowering stakeholders to navigate complex challenges and unearth creative solutions. With a focus on addressing systemic issues and fostering meaningful progress, the Loopholes Toolkit embodies a commitment to shaping a more responsible and inclusive future for the industry.

Firstly, it initiates with an assessment phase, enabling companies to introspect and evaluate their current standing in terms of sustainability initiatives. By examining existing measures and progress, this phase lays the groundwork for informed decision-making and strategic planning.

Subsequently, the toolkit transitions into a generative phase, stimulating creativity and innovation. Here, users are prompted to envision potential measures geared towards advancing their sustainability goals through innovation and technological advancements.

Furthermore, it fosters brainstorming on actionable strategies aligned with EU sustainability benchmarks, fostering alignment with global standards and aspirations. Through its dual-phase approach, the Loopholes Toolkit empowers companies to navigate their sustainability journey with clarity, purpose, and effectiveness. Ideally, the toolkit is used by at least 4 people, and a facilitator is appointed between them or in addition.

TOOLKIT SETUP AND ELEMENTS



1. PROJECT DESCRIPTION CANVAS

A template is provided to help you describe the project, asking to specify some of the following information:

- **Products/services offered**
- **Location of operations**
- **Current sustainability measures**
- **Strategic priorities**
- **Future goals**
- **What makes you different?**

2. THE GAME BOARD

The game board comprises four quadrants: Design, Produce, Use, and Information Management, each representing a distinct perspective within the product life cycle. Participants utilize these quadrants as a guide to position strategy cards, facilitating strategic alignment throughout the lifecycle.

3. STRATEGY CARDS

The strategy cards are a collection of practices selected by sector experts aiming to inspire players and generate ideas to foster sustainable development, strengthening stakeholder relationships, improving financial resilience, and digitalize information flows. The 4 themes (or categories) are:

- Sustainability
- Stakeholder Engagement and
- Business & Finance
- Digitalization

The cards will be used across two phases to 1) describe the present state and to 2) identify future steps. Position them on the board at the beginning of each phase while discussing ideas related to the strategy. Not all cards must be used, so they can be discarded when not relevant to the project or company's activity.

4. POST-ITS

It is recommended to use 3 different colors of post-its to write notes in these 3 cases:

- Specific ideas and ambiguity over the cards played on the board;
- To describe the present state of the company in the journey canvases;
- To describe ideas for future steps in the journey canvases.



Comments



Phase 1 mapping cards to canvases

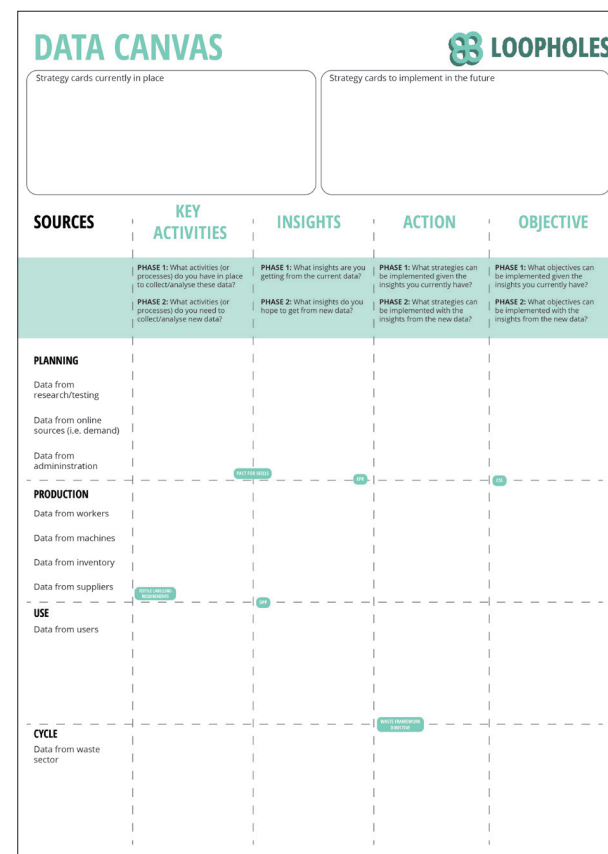


Phase 2 mapping cards to canvases

5. THE JOURNEY CANVASES

As the toolkit is part of the EU Transitions project, we also highlight different policy and legislation proposals pertaining to the Textile sector (see Appendix A).

Data canvas



Serves as a strategic framework for brainstorming potential ways in which information flow and knowledge can support the company in making effective and informed decisions. On the rows, a variety of data sources are listed across the Planning, Production, Use, and Takeback/cycling stages (as in the Stakeholder canvas). For each stage, the players can fill in with post its their ideas on how to collect and analyze the data from various sources (key activities), their expectations on insights they could get (Insights), actions or decisions that follow, and the quantitative or qualitative target (objective) they aim to reach.

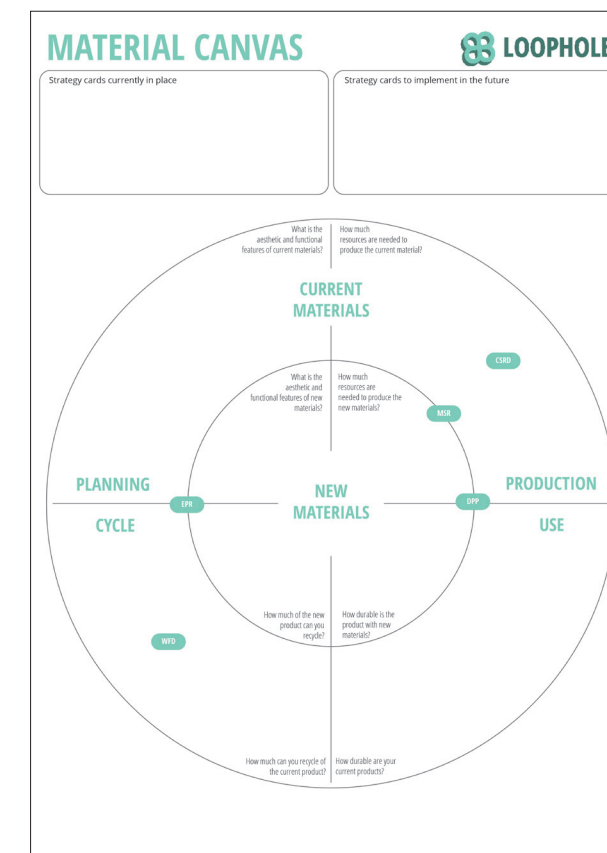
Stakeholder canvas



The stakeholder canvas can be used to map the involvement of diverse stakeholder classes for the achievement of different objectives. The classes are workers, suppliers, supply chain actors downstream such as recyclers, users, and government. On the columns we help identify different stages of stakeholder involvement that facilitate the company's progression towards innovative processes and new collaborations. Questions at the top hint the players to think of current and new partnerships, the agreements to formalize them (also dealing with Ethical, Legal and Social Aspects, or ELSA), and actions and processes that follow for the achievement of explicit objectives.

We recommend trying fill in the canvas from left to right in Phase 1 and right to left in Phase 2, as we usually need to elicit first an objective before we plan the steps that lead to those. Not all cells must necessarily be filled in.

Material canvas



Closely follows the considerations of the sustainability journey, offering a perspective into the 4 typical stages of a product life cycle.

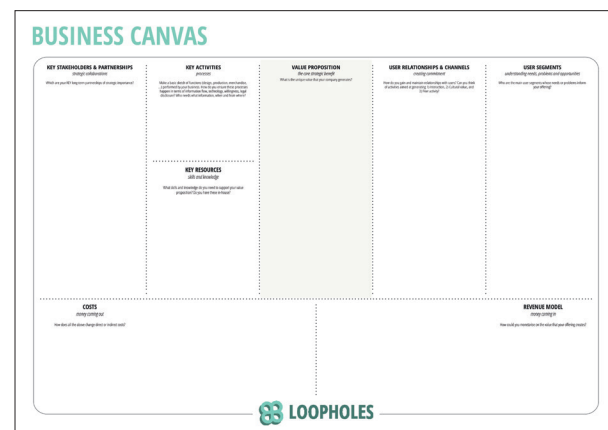
In the Planning stage (including Design and material procurement), the functional and aesthetical characteristics of materials, such as cotton fabrics, are evaluated to obtain the desired product's quality. In Production, the different environmental impacts of the manufacturing process, such as water and energy use, can be measured to better understand the amount of resources required to realize a product with the chosen material(s). The Use phase determines the durability or longevity of a product, depending on materials and their reaction to the washes, context of use, etc.

Takeback/cycle stage focuses on recyclability, that is, how much material

can be recycled or reused when the user decides to separate from the product.

Each stage poses questions about the trade-offs between functional characteristics and different aspects of sustainability (production impacts, durability, recyclability). Within two circles, you can add your considerations for materials currently used in production and for new or alternative materials that may be evaluated (i.e. biomaterials, recycled, blended).

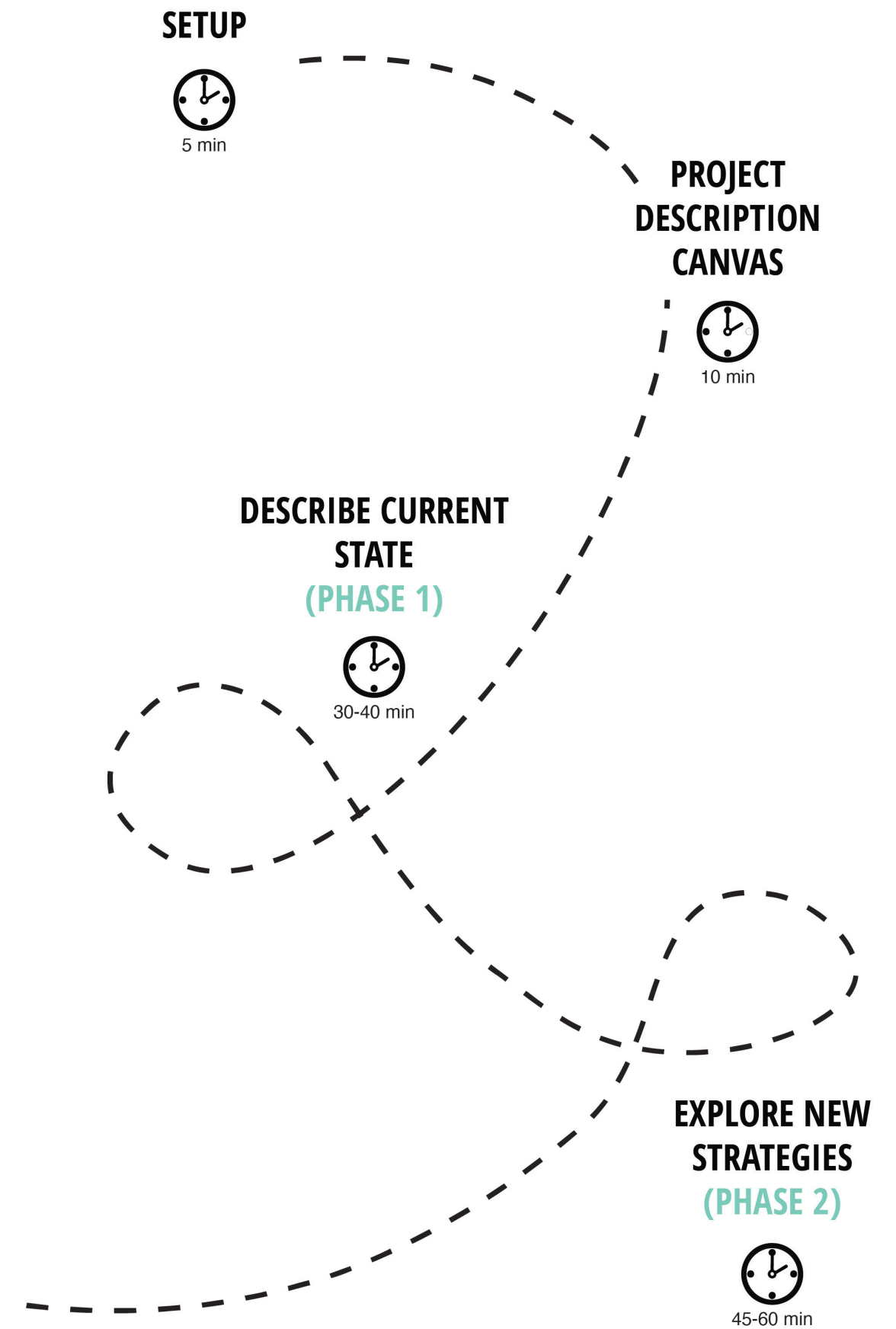
Business canvas



playing the game. It aims to not only identify and organize the building blocks of a business plan, but to also highlight the relationships between them. In turn, this facilitates nurturing ongoing processes of rethink-ing the business, which can lead towards a more resilient, human centered and environmentally sustainable economy.

HOW TO USE THE TOOLKIT

1. OVERVIEW



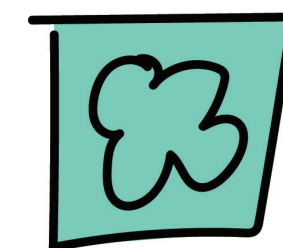
2. SET UP AND PROJECT DESCRIPTION (15 MINUTES)

- Place the board at the center of a wide table.
- Keep three colour post-its at hand (For comments, Phase 1 mapping of cards to canvases, and for phase 2 mapping of cards to canvases).
- Assign a facilitator among the players who is in-charge of time-keeping and summarizing comments on the post-its.
- If the players are specialized on one domain (i.e. digitalization or sustainability, etc), separate cards by theme among each other. Otherwise, if players hold general knowledge on all themes, distribute the cards randomly and equally among participants.
- Read through the cards and place them face-up in front of you.
- Participants take a few minutes to familiarize themselves with their strategy cards.
- Participants define the project using the project description canvas and post-its of any colour. It is advised to split and work simultaneously on different sections to make it on time.

SETUP AND PROJECT DESCRIPTION



15 min



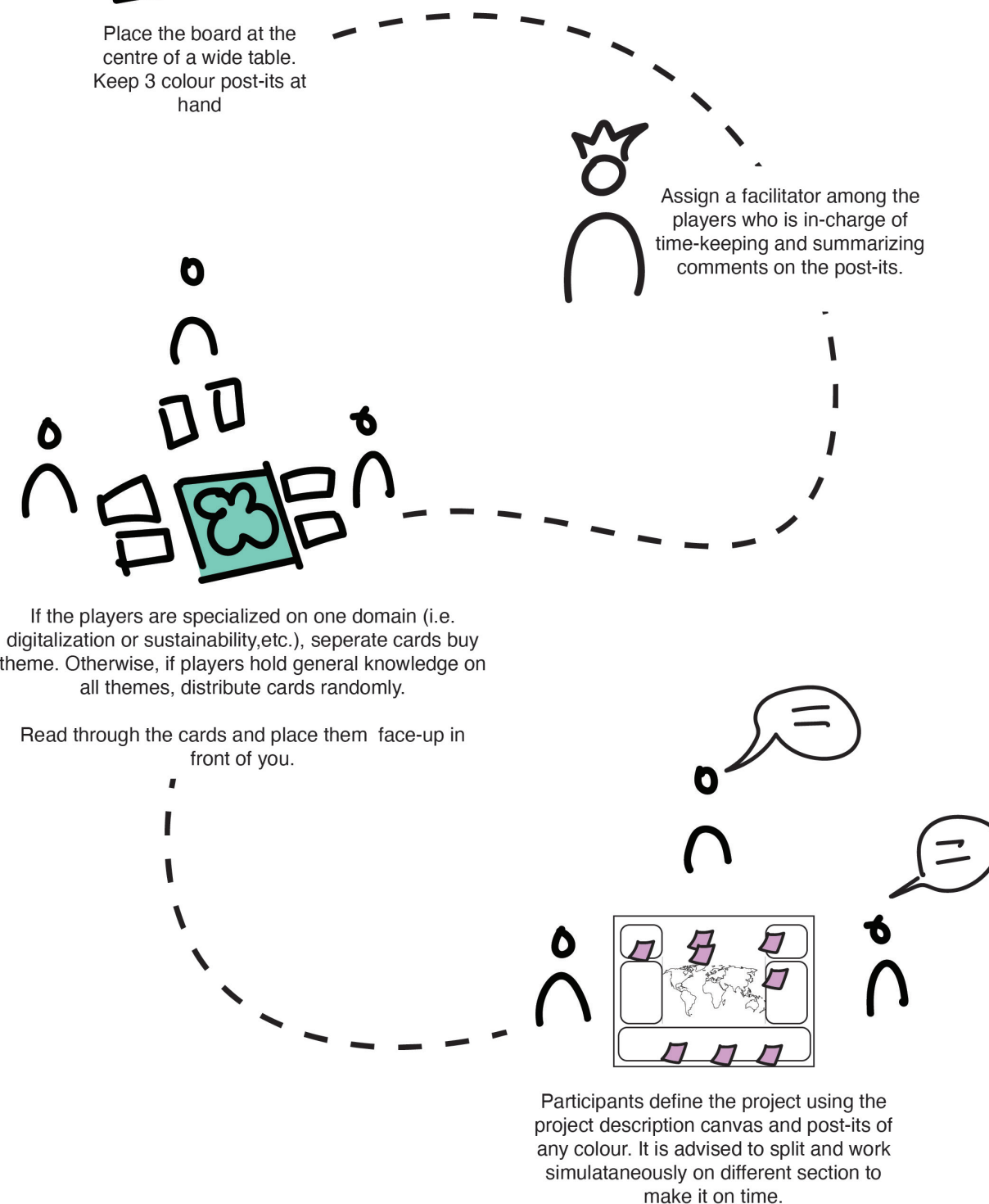
Place the board at the centre of a wide table.
Keep 3 colour post-its at hand



Comments

Phase 1 mapping cards to canvases

Phase 2 mapping cards to canvases



3. DESCRIBE CURRENT STATE (30-40 MINUTES)

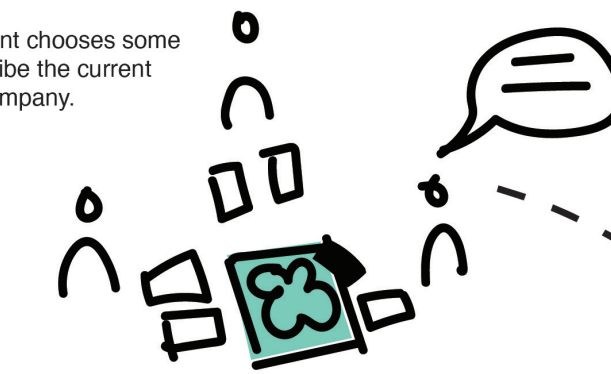
- Each participant chooses some cards to describe the current state of the company.
- It is advised to start from the design quadrant and move clockwise. Give a brief explanation for choose a card (*2 minutes per card*).
- The facilitator will note down any uncertainties and disagreements from the rest of the group on post-it and attach it to the card. At the end of the descriptive phase, move the cards away from the board one by one while mapping them on the canvases.
- Following the order suggested in the picture, use the post-its to answer the questions on the canvases and place them where they fit best.

DESCRIBE CURRENT STATE (PHASE 1)



30-40 min

Each participant chooses some cards to describe the current state of the company.



It is advised to start from the design quadrant and move clockwise. Give a brief explanation for choosing the card.

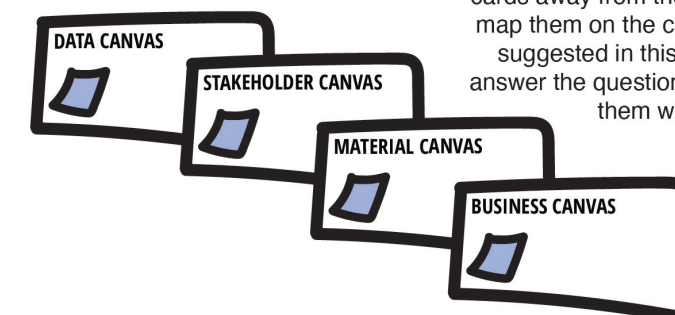


2 min max
per card



Facilitator will note down uncertainties and disagreements from the rest of the group on a post-it and attach it to the card.

At the end of the descriptive phase, move the cards away from the board one by one while you map them on the canvases. Following the order suggested in this picture, use the post-its to answer the questions on the canvases and place them where they fit best.



4. EXPLORING POSSIBILITIES FOR CHANGE (45-60 MINS)

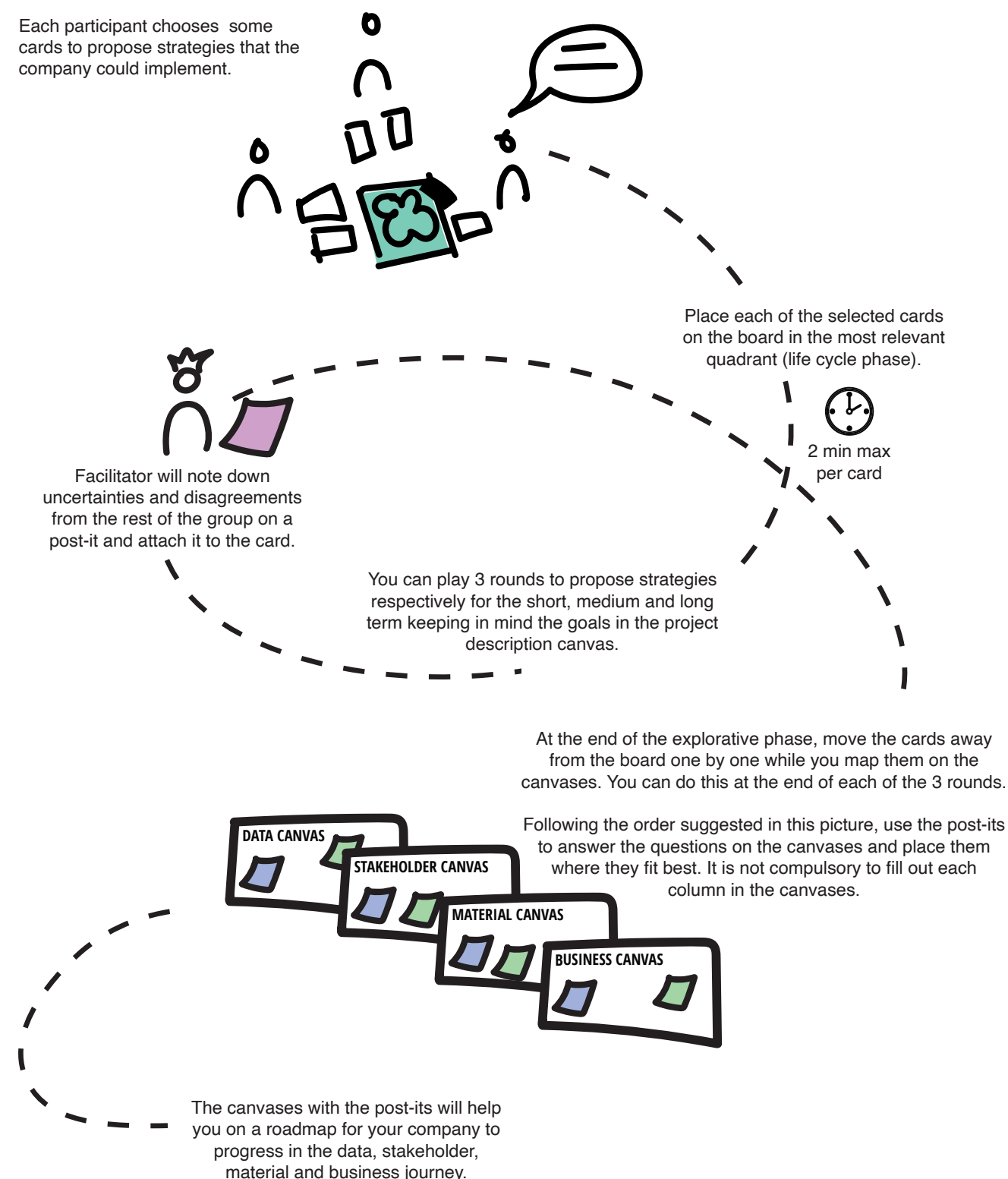
- Each participant chooses some cards to describe the potential measure the company could take.
- Place selected cards on the board in the most relevant quadrant (life cycle phase) and give a brief verbal explanation for choosing the card.
- Facilitator will ask for opinions from the rest of the group and will write down any controversial viewpoints on a post-it and attach to the card.
- At the end of this phase, place post-its (second colour) at the step of the canvas by playing a card, adding details on the post-it. Ideally each theme on cards will affect corresponding canvas.
NOTE: It is not compulsory to fill out each column in the canvases. It is rather necessary to break down the whole process as much as possible.
- The new post-its now helps you look at your progress in each of the canvases

EXPLORE NEW STRATEGIES (PHASE 2)



45-60 min

Each participant chooses some cards to propose strategies that the company could implement.



5. CONCLUSION, ROADMAP AND FACILITATION

After the canvases have been sufficiently filled, we suggest you to summarize tasks and come to a roadmap before concluding the session. We also recommend taking pictures or making a digital version of the filled canvases, which might clarify the intended sequence of actions and other dependencies affecting time.

Because the results are uncertain and progress is not linear, we recommend you to revisit the toolkit and use the canvases structure to make new iterations to the roadmap at later stages. You might want to fix the frequency of the iterations (i.e. every year or 6 months).

The facilitator needs to make sure that discussions are properly documented in canvases and the logical reasoning leading to these actions remains clear. Moreover, the facilitator can also be in charge of reminding and inviting participants to follow-up with a new iteration, as well as finding new participants who might have an important role in the implementation of different strategies.

Recommended template for a roadmap

STRATEGY	PLANNED ACTIONS	PROGRESS	
		Year 1	Year 2...

APPENDIX A: EU POLICY PROPOSALS

1. PACT FOR SKILLS (PFS)

2023

Addressing Skill Gaps in TCLF Sector:

Focuses on overcoming challenges such as skill gaps, aging workforce, and the mismatch between education and industry needs in the textiles, clothing, leather, and footwear sector.

Commitments for Skills

Development: Involves commitments from various stakeholders to invest in large-scale skills partnerships, enhancing the sector's attractiveness and supporting initiatives like apprenticeships, regional partnerships, and a TCLF Skills Observatory.

Specific Objectives and Actions:

Targets five objectives including lifelong learning promotion, strong skills partnerships, skills supply/demand monitoring, discrimination and gender equality work, and raising awareness and attractiveness of the TCLF industries.

2. CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

The Corporate Sustainability Reporting Directive (CSRD) requires companies to report on the impact of corporate activities on the environment and society and requires the audit (assurance) of reported information.

3. TEXTILE LABELING REQUIREMENTS (TLR)

2024

Incorporation of New Technologies:

The revision considers the integration of new digital labelling technologies, recycling technologies, and the classification of new fibre technologies.

Meeting Consumer Expectations:

TLR aims to meet varying consumer expectations by providing basic, easily understandable information, while also offering access to more detailed information.

Alignment of Labelling Requirements:

The European Commission is striving for EU-wide and global alignment of labelling requirements concerning indications of origin, care instructions, size, and fibre composition.

4. WASTE FRAMEWORK DIRECTIVE (WFD)

2025

EU Legal Framework for Waste

Management: Establishes basic concepts and definitions related to waste management, including waste, recycling, and recovery, and introduces the 'waste hierarchy'.

Binding Provisions and Targets:

Contains binding provisions on waste management hierarchy and sets targets for reuse and recycling rates for different waste streams, requiring separate waste collection to facilitate recycling and recovery operations.

Extended Producer Responsibility:

Introduces Extended Producer Responsibility as an essential economic tool for financing the collection of certain waste streams, and includes measures to incentivize the waste hierarchy application, such as 'pay-as-you-throw' schemes.

5. MARKET SURVEILLANCE REGULATION (MSR)

2026

Cooperation and Coordination:

Improves EU-wide market surveillance authority collaboration, focusing on information sharing and joint actions to address non-compliant products effectively, particularly those sold online or by non-EU-based operators.

Control of Products Entering the

EU Market: Tightens checks on products entering the EU, mandating an EU-based economic operator for compliance accountability, ensuring only compliant products are marketed.

Enhanced Enforcement and

Compliance Tools: Equips authorities

with better tools for enforcing compliance, including demanding corrective measures, imposing penalties, destroying dangerous products, and provisionally pulling non-compliant items from the market.

6. DIGITAL PRODUCT PASSPORTS (DPP)

2027

General Product and Material

Information: Includes product ID, manufacturing details, and information on the materials and components used, focusing on sustainability and ethical practices.

Environmental Footprint:

Details the product's carbon footprint, energy usage, and emissions during manufacturing and use, emphasizing resource consumption and environmental impact.

Product Traceability and Compliance:

Enhances product traceability, supply chain visibility, and legal compliance, while supporting circular economy models and eco-friendly consumer choices.

7. EXTENDED PRODUCER RESPONSIBILITY (EPR)

2028

Product Lifecycle Management:

Producers are responsible for their products from creation to disposal, encouraging the development of sustainable, recyclable, and less polluting products.

Shared Ownership: Producers bear the costs of collecting, recycling, and disposing of their products, which incentivizes the minimization of waste and the design of products that are easier and more economical to recycle.

Waste Reduction and Recycling

Enhancement: EPR aims to significantly reduce waste and enhance recycling rates by shifting responsibility to producers, thereby promoting a shift towards a circular economy where

resources are used more efficiently.

8. CHEMICAL STRATEGY FOR SUSTAINABILITY (CSS)

2029

Promoting Safer and More

Sustainable Chemicals: The strategy aims to encourage research and innovation for the development of safer and more sustainable chemicals and materials.

Enhancing Competitiveness of

the Textile Industry: This approach is considered critical for the competitiveness of the European textiles ecosystem.

Integrated in Transition Pathway for

the Chemical Industry: The framework is an integral part of the Transition Pathway for the Chemical industry, reflecting its broad impact on the sector.

9. ECODESIGN FOR SUSTAINABLE PRODUCTS REGULATION (ESPR)

2030

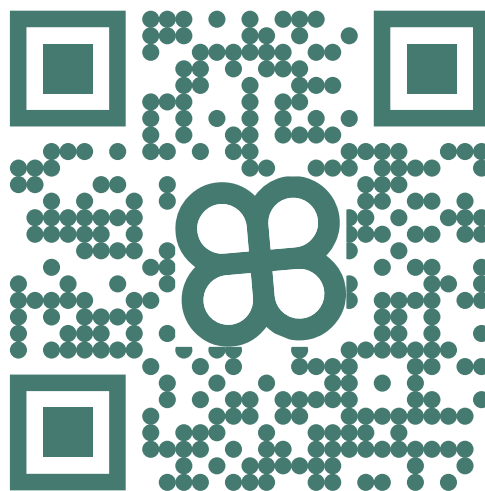
Ecodesign Requirements Framework:

Establishes requirements for product groups to improve circularity, energy performance, and environmental sustainability, covering aspects like durability, reusability, repairability, and recycled content.

Circular Economy: Provides detailed information on products' environmental sustainability, aiding in informed purchasing decisions, facilitating repairs, recycling, and enhancing transparency about products' life cycle impacts.

International Compliance and

Collaboration: Ensures that all products in the EU market, regardless of production location, comply with the regulation, fostering international collaboration to improve product sustainability and reduce trade barriers.



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