

SQUARE YOUR CIRCLE

*How to Ensure a Just Transition to
Reuse Business Models in Apparel*

COMPANION WORKBOOK

Deborah Drew



WORLD
RESOURCES
INSTITUTE

WRAP

WRI.ORG





THREE STEP ASSESSMENT

This companion workbook is intended to walk users through the guidebook, “Square Your Circle: How to Ensure a Just Transition to Reuse Business Models in Apparel.” The intended user works on sustainability and social impact for a company, either as a part of an internal team or third party consultant.

Users should work through the following three-step guidance to ensure a just transition to their new or scaled up reuse business model.

STEP 1: Who is in Your Circle?	2
1.1 Map Your Direct Stakeholders.....	3
1.2 Map Your Indirect Stakeholders	4
STEP 2: What Do You Need to Know About People In Your Circle?	5
2.1 How Can Clothing Reuse Be a Net-Positive for Direct Stakeholders?	6
2.2 How Can Clothing Reuse Be a Net-Positive for Indirect Stakeholders?	7
STEP 3: Are All Stakeholders Benefiting Equitably?	8
3.1 Create Action Plans	9
3.2 Analyze Allies, Blockers, and Levers of Change.....	10
3.3 Set Goals: Understand Data and Impacts, Measure Impact, Relative Responsibility, Develop Target ...	13



STEP 1 : WHO IS IN YOUR CIRCLE?

Map Your Stakeholders and Prioritize Inclusivity

Mapping your direct and indirect stakeholders means identifying the people who are – or will be – affected directly or indirectly by a transition to a clothing reuse business model. These stakeholders might include buyers, suppliers, workers, communities, or other people across your supply chain. Consider who will feel positive or negative effects if clothes are increasingly reused rather than produced from virgin materials.

Prioritize Inclusivity by thoughtfully identifying stakeholders along your supply chain while considering other identifiers such as gender, part-time versus full-time status, informal versus formal status, migrant status, etc.

1.1 MAP YOUR DIRECT STAKEHOLDERS

Use these guiding questions with your assessment team to help you begin identifying your company's direct stakeholders.

- For each stage of the supply chain, who is directly involved in the garment reuse lifecycle?
- What is the breakdown of gender and age-range in your stakeholder groups?
- Which stakeholders are working part-time, full-time or on contract? What is the breakdown of gender and age-range within those working part-time, full-time or on contract? Are any other patterns visible?
- Are there potential vulnerable groups such as migrant workers, ethnic minorities or others working in your supply chain? Will they likely keep their jobs in a reuse supply chain? What are the chances of these vulnerable groups transferring to jobs in a reuse supply chain? How might they best be supported to do so?
- What are your company's critical geographies? Which stakeholders are based in which countries?
- Who are the skilled and unskilled labor forces you will rely upon to make and reuse clothes?
- Are any of these stakeholders unique to your reuse business model? What is their role?
- Are subcontractors involved in your business model?



1.2 MAP YOUR INDIRECT STAKEHOLDERS

Use these guiding questions with your assessment team to help you begin identifying your company's indirect stakeholders.

- For each stage of the supply chain, who are the stakeholders with whom the company has indirect influence with regards to its actions and unintended consequences i.e. ripple effect?
- Who in the community surrounding the relevant supply chain stage is impacted by the company's actions?
- Who are the dependents of the garment workers i.e. family back home receiving share of wages?
- Who is involved in the informal economy and what role do they play in your supply chain (by sex, age, minority status)?
- What workers are earning a living wage? Is there a gender pay gap?
- Is the community around production facilities reliant on the local operation of the facility? For instance, are local shops and service providers reliant on the spending of garment workers?





STEP 2: WHAT DO YOU NEED TO KNOW ABOUT PEOPLE IN YOUR CIRCLE?

Collect Missing Data and Prioritize Transparency

Step 1 helped your team to identify stakeholders in your supply chain. Step 2 aims to gather missing information on the potential effects that a transition to reuse can have on these stakeholders. Look for shifting relationships between buyers and suppliers, especially potential partnerships. Be aware of the impacts of the types of jobs available, gender equity, living wages, and local community health. Focus on the potential impact for direct stakeholders and the differences in impact within stakeholder groups such as female versus male garment workers.

Prioritize Transparency by striving to understand and make public your supply chain to identify and mitigate potential harm that a business model shift may have on stakeholders.

2.1 HOW CAN CLOTHING REUSE BE A NET-POSITIVE FOR DIRECT STAKEHOLDERS?

Use these guiding questions to see potential effects on direct stakeholders from the reuse transition. Companies can engage with third-party sustainable development experts or supply chain consultants to help with this step. Companies can also look for macro data, such as those provided by the World Development Indicators database from the World Bank. Where possible, directly engage with stakeholders in key countries across your supply chain.

- Is reuse encouraging partnership-building between buyers and suppliers?
- Are skilled workers able to progress in their reuse careers such as skilled labor for repair? Does this career path require retraining?
- What new roles emerge from this reuse business model? Which workers have access to these new roles?
- Do repair or other reuse services change location from the original manufacturing of the product? How are these stakeholders different?
- Is the impact on stakeholders equitable across gender; part-time vs full-time; workers with disabilities; at all levels: managers vs. workers?
- Are new stakeholders being paid a living wage?
- What kind of formal and informal rules are being established as reuse becomes mainstream? Is your company acting to ensure gender and social equity policies are applicable and transparent in their new reuse supply chains?
- What considerations is your company taking regarding a potential shift of jobs away from ready-made garment industries and is there a way to increase reuse in these markets?
- Are consumers faring better with reuse options? For example, are more clothing brands more accessible through reuse?
- Have reuse products and services been designed inclusively (e.g. with women's needs in mind)?

2.2 HOW CAN CLOTHING REUSE BE A NET-POSITIVE FOR INDIRECT STAKEHOLDERS

Use these guiding questions to understand the effect of transitioning to clothing reuse business models on broader indirect stakeholders and the differences among them. For example, communities surrounding a garment factory in a producing country vs. communities around a repair factory in a consuming country. When exploring the questions, remember to be inclusive and consider gender and social equity perspectives.

- How does subcontracting look in a reuse scenario? For example, is the allocation of work more or less transparent than previously?
- How does reuse impact the environment and health of the production community when compared to linear use of facilities?
- Does an increase in reuse reduce demand for new garments?
- What is the role of the informal economy – is there a new informal economy associated with the reuse supply chain? In what geographies are they working?
- How are dependents of garment workers faring with the reuse supply chain (e.g. workers' families, local businesses)?
- Does gender come into play when considering the type of effect these stakeholders experience?
- Where production in a local community is set to decrease, what other local economic opportunities are available?
- Is there an opportunity to engage with the community by upskilling workers or working with refugees or other vulnerable groups?



STEP 3: ARE ALL STAKEHOLDERS BENEFITING EQUITABLY?

Analyze, Set Goals, Engage, and Prioritize Equity

Review data and perform an analysis on allies and blockers of a reuse transition to determine where the company has responsibilities and abilities to influence change in the reuse supply chain. Ensure your reuse transition is just and equitable by developing metrics and targets for positive social impacts and engaging with stakeholders.

Prioritize Equity by using the information gathered in steps 1 and 2 to find hotspots that offer the most opportunities to have the greatest positive effect for stakeholders.

3.1 CREATE ACTION PLANS

Using the information gathered in steps 1 and 2, companies should create action plans to guide their priorities based on the following three criteria.

1. Severity of the impacts.
2. Your company's capacity to address the impact.
3. The influence your company has to address the issue.

These criteria are aligned with BSR's Making Women Workers Count guidance.



3.2A ANALYZE ALLIES, BLOCKERS, AND LEVERS OF CHANGE

After identifying the top issues your company wants to address, then identify and analyze those parties of interest that are either allies or blockers to your desired change, and methods to engage with these parties. Levers of change are the methods in which your company can engage the ally or blocker to aim for a just transition.

To help companies shape their reuse business modes in the most equitable way, companies should identify who is a potential ally or blocker in this transition. Use these guiding questions with your assessment team to help evaluate the allies and blockers in a transition to clothing reuse business models.

- Who are the interested parties in your value chain? Can your company see whether these parties have a clear incentive or disincentive in transitioning to reuse and/or circularity?
- What is your company's relationship with these parties?
- What sort of influence could your company have to ensure a transition to reuse is good for stakeholders?
- What co-operations or collaborations are possible with these parties?
- Where are these parties located? Does their location influence whether the party is an ally or a blocker?
- What positive expertise, connections, influence does this party have?
- If an interested party is considered a blocker, does your company understand the reasoning behind the party wanting to keep a linear business model? Is there a way to mitigate this challenge?



3.2B ANALYZE ALLIES, BLOCKERS, AND LEVERS OF CHANGE

Those interested parties identified as allies or blockers should be targets for negotiation, communication, and partnerships. Companies can influence these levers of change through lobbying efforts, cooperation, and coalition building. Below are guiding questions that companies can use to identify levers of change among stakeholders.

- If fewer garments are being ordered from a producing country, would the government officials want to understand why?
- Can your company scale up the consumption of reuse in the same country as production sites to keep clothes circulating domestically, rather than exporting the product?
- Are there policies involved in exporting and importing used goods that need government help?
- Are there organizations that focus on human rights for garment workers that would want to work with you to ensure a just transition from producing only new garments?
- What governments and government representatives does the company work with, which ones should the company work with? (Consider both production and consumption countries for various steps in the supply chain).
- What are the formal and informal rules that these stakeholders work within?
- What trade associations are involved with your supply chain stages?
- What other companies are working in the same reuse space?
- What NGOs or local organizations are working on issues pertinent to your company and its supply chain for example, development agencies working on workers' rights.
- What allies and blockers are unique to your reuse business model?
- How can your company engage with new companies operating in the reuse space?
- How are NGOs reacting to a change in business model, is there opportunity for more engagement with them to ensure gender and social equity are a priority in the reuse model or to track impact of the new reuse business model overtime?

3.2C ANALYZE BLOCKERS, ALLIES, AND LEVERS OF CHANGE

This table is illustrative and aims to help companies organize their analysis of allies and blockers and their potential motivations to support or hinder a transition to reuse. Levers of change are the methods in which your company can engage the ally or blocker to aim for a just transition.

INTERESTED PARTY	PRIMARY CONCERN OF STAKEHOLDER— APPAREL EXPORTER, IMPORTER, OR BOTH	OVERALL IS THIS PARTY CONSIDERED AN ALLY OR A BLOCKER	POSSIBLE BENEFITS OF REUSE FOR INTERESTED PARTY	POSSIBLE NEGATIVES OF REUSE FOR INTERESTED PARTY	OPPORTUNITIES TO ENGAGE ALLIES	POSSIBLE MITIGATING ACTIONS FOR A BLOCKER
SUSTAINABLE DEVELOPMENT ORGANIZATIONS						
ECONOMIC MINISTERS AND THEIR STAFF						
ENVIRONMENTAL MINISTERS AND THEIR STAFF						
LABOR MINISTERS AND THEIR STAFF						
UNIONS						
PEER COMPANIES						
NGOS						
TRADE ASSOCIATIONS						
COMMUNITIES AFFECTED BY LINEAR MODEL ENVIRONMENTAL IMPACTS						
MEDIA (FASHION MAGAZINES, BLOGGERS)						

3.3A GOAL SETTING: UNDERSTANDING DATA AND IMPACTS

Based on the information gathered in both steps 1 and 2 and after identifying allies, blockers, and levers of change, companies should set goals for a just transition to reuse. Goals and targets that are focused on social impact likely will involve a mix of qualitative and quantitative metrics. The following tables will help organize your company's goals and objectives.

Tables adapted from "[From Doing Better to Doing Enough: Anchoring Corporate Sustainability Targets in Science](#)" a WRI working paper.

PRIORITIZE STAKEHOLDER GROUPS

List priority stakeholder groups for your company
(always consider gendered impacts)

IDENTIFY MISSING INFORMATION

With regards to determining the ideal outcome for your stakeholders, list any information you are missing and brainstorm possible avenues to obtain it

DETERMINE BREADTH OF YOUR IMPACT

List the region or focus area of your impact – is it global or specific to a community?

IDENTIFY ALLIES TO HELP ENGAGE WITH STAKEHOLDERS

List networks or groups you can work with to best help your stakeholders

3.3B GOAL SETTING: IDENTIFY HOW YOUR COMPANY WILL MEASURE IMPACT

COMPARE TO A GLOBAL GOAL

What goals or targets does your company have related to the SDGs?

IDENTIFY BENEFITS OF GOALS TO STAKEHOLDERS

Are any of your company SDG targets relevant to your identified stakeholders?

TRACK PROGRESS

What social goals does your company have that are quantifiable? Which ones are qualitative?

DETERMINE IF GOALS WILL HELP MEASURE PROGRESS

Are the selected metrics actionable and meaningful for measuring progress to reuse and just transition and how frequently should they be measured?

3.3C GOAL SETTING: IDENTIFY YOUR COMPANY'S RELATIVE RESPONSIBILITY

FIND YOUR PEERS

What other companies do your suppliers work with?
What are they doing to address recognized issues?

CONFIRM BUSINESS MODELS OF PEERS

Are other companies also looking at reuse?

CONSIDER CONTEXT

What other political, economic, cultural, or rights-based issues should be considered?

COORDINATE ACTIONS

How will your company communicate a suggested plan of action to address issues in a cooperative way? Are the other stakeholders likely to consider this a reasonable approach? Consider key stakeholders such as other companies, workers, affected communities, NGOs, customers.

3.3D GOAL SETTING: DEVELOP TARGETS

VISUALIZE THE IDEAL OUTCOME

Are there commonly agreed priorities, supported by the international community or civil society with which companies can strive for? What is the ideal reuse scenario? How does the country you are working in effect the impacts you are likely to see? How can gender equity be prioritized?

EVALUATE YOUR ANALYSIS

Has a full assessment of the company's value chain been completed and all significant impacts on society included in the target?

DETERMINE TIME SCALE

What end year should be used for the targets? How will they be re-evaluated when there are structural changes to the company or updates to available information?



**WORLD
RESOURCES
INSTITUTE**

10 G STREET NE
SUITE 800
WASHINGTON, DC 20002, USA
+1 (202) 729-7600
WWW.WRI.ORG

PHOTO CREDITS: Cover, pg. 1, pg. 3 (left), pg. 4 (right), pg. 8, pg. 9 (left), ILO Asia-Pacific; pg. 2, NYU Stern BHR; pg. 3 (right) Calin Stan, Unsplash; pg. 4 (left) REACH: Improving water security for the poor; pg. 5, International Labour Organization ILO; pg. 9 (right), Katrine Bengtsson, Unsplash; pg. 10 (left), Trade for Development; pg. 10 (right), International Labour Organization ILO.