

Seamless

Scheme Design Summary Report

Transforming how clothing
is made, used, reused, and
recycled in Australia to create
circularity by 2030




Led by:



In consortium with:





In the spirit of reconciliation, we acknowledge the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

In Australia, we have the privilege of learning from incredible First Nations design traditions. First Nations people have been creating clothing for millennia with a focus on circular principles. As we move forward on this journey towards circularity in our industry, we are committed to learning from the way things have always been done by First Nations creators in this Country.

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Led by the Australian Fashion Council

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This report has been written by the National Clothing Product Stewardship Scheme Consortium (the Consortium), led by the Australian Fashion Council (AFC), with Charitable Recycling Australia, Queensland University of Technology (QUT), Sustainable Resource Use (SRU), and WRAP Asia Pacific.

This report forms one of a number of key consortium outputs, alongside the [Global Scan Report](#), the [Clothing Data Report](#), the [Roadmap to Clothing Circularity in Australia](#) and the [Seamless Scheme Design full report](#), which will inform the work of the Product Stewardship Organisation (PSO) as well as the Product Stewardship Scheme (Seamless) members who will take forward this work from 2024.

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Key terms and abbreviations

DEFINITION OF KEY TERMS

Steward

The business ('steward') who imports the clothing or commissions local manufacture. A steward is the business who either owns a brand or has an exclusive relationship with a brand for sale in Australia. Stewards are responsible for paying the contribution for the garments contained within that brand. The contribution applies to the garments that the brand owner/licensee procures for sale in Australia, regardless of whether they are actually sold.

'Procures' includes:

- Manufactures in their own facilities, in Australia or elsewhere.
- Commissions to be manufactured, in Australia or elsewhere.
- Orders from overseas manufacturers or distributors/brand owners (products bought and imported directly from distributors or brands outside Australia).

For ease of reference, this report uses the phrase 'placed on the market' as shorthand for the full definition.

Unit definition

A unit is a single garment, or a garment set (for example, a pair of socks, multi-pack of underwear) that cannot be sold individually.

Eco-modulation

Eco-modulation is a way to lower the cost of participation for stewards as well as drive change. Stewards putting more sustainable clothing on the market will be eligible for a reduced contribution. The recommendation is to lower ("eco modulate") the contribution by 25%, to 3 cents, if the new clothing has attributes that meet the specified criteria (see the full Scheme Design report for more details).

ABBREVIATIONS

EPR	Extended Producer Responsibility
ISO	International Organisation for Standardisation
LGAs	Local Government Areas
MRFs	Material Recovery Facilities
NCPSS	National Clothing Product Stewardship Scheme
NGO	Non-Government Organisation
PSO	Product Stewardship Organisation
PSCoE	Product Stewardship Centre of Excellence
R&D	Research and Development
RPS	RPS AAP Consulting
SME	Small and Medium Sized Enterprises
ToR	Terms of Reference

See the full Scheme Design report for a complete glossary of terms and definitions.



Why we need a response

The Australian fashion industry manufactures and imports over 1.4 billion units of new clothing into Australia every year, more than half of which will end up in landfill.

Early estimates indicate the carbon footprint of clothing in Australia could be as much as 13 million tonnes per year. There is an urgent need for industry to work cooperatively to better manage the environmental and human impacts of their product and material streams, and move to circular models throughout the value chain.

On average, every Australian buys 56 items of clothing each year (second only to the United States in the amount of clothing purchased), most of which are made from non-renewable and environmentally problematic materials, sometimes containing unsafe chemicals.

Australia has a thriving reuse sector, predominantly through charitable donations, however much of what is donated either cannot be sold in Australia or is unwearable. This costs the charities millions of dollars in sorting and landfill fees. Due to the lack of systematic collection of unwearable clothing and limited reprocessing infrastructure, over 200,000 tonnes of clothing is sent to landfill in Australia each year.¹

Despite the significant harmful environmental and social impacts of the clothing industry, there is little financial incentive or regulatory requirement for clothing businesses to change their practices.

Regardless, due to consumers' growing demand for ethically manufactured products as well as global trends and regulations requiring the same, many businesses are in the process of actively shifting to more sustainable operations.

Transitioning from a linear model to a circular one necessitates systematic and seismic change across the value chain and can only be tackled with industry-wide collaboration, as well as consumer behaviour change.

The National Clothing Product Stewardship Scheme called Seamless, will enable the Australian clothing industry to do what no single organisation can do alone.

Seamless will empower the industry to collaboratively transform to a sustainable circular clothing model that designs out waste and pollution and keeps clothes and materials recirculating in the economy, while also building economic, environmental, and social capital.

¹ [National Clothing Product Stewardship Scheme Clothing Data Report](#) ("Clothing Data Report")



Report overview

The National Clothing Product Stewardship Scheme is a plan to transform how clothing is made, used, reused, and recycled in Australia to create clothing circularity by 2030.

The name of the National Clothing Product Stewardship Scheme is “Seamless”. This name is used throughout the report to refer to the scheme.

A circular economy is underpinned by a transition to renewable energy and materials. It decouples economic activity from the consumption of finite resources. It is a resilient system that is good for business, people, and the environment.²

The purpose of this report is to set out the recommendations of the scheme Consortium (the Consortium) along with the detailed design of Seamless: its scope, objectives, benefits, revenue and expenditure, as well as stakeholders’ roles and responsibilities.

The Consortium includes representation from across the clothing value chain. It’s led by the Australian Fashion Council (AFC), with Charitable Recycling Australia, Queensland University of Technology (QUT), Sustainable Resource Use (SRU), and WRAP Asia Pacific. Collaborating organisations are the Australian Council of Recycling (ACOR), Australian Retailers Association (ARA), National Retail Association (NRA) and Waste Management and Resource Recovery Association Australia (WMRR). The Consortium is guided by a reference group of industry and experts.

² [‘What is a Circular Economy’](#) by the Ellen Macarthur Foundation



Clothing circularity by 2030

Seamless vision

A circular clothing industry in Australia by 2030, is one where responsible stewardship and citizenship are embedded across the lifecycle from clothing design and production, through to consumption and recirculation.

Seamless will guide a just transformation towards a resilient circular economy that prioritises social and environmental wellbeing together with economic prosperity.

Stewards

Clothing importers & brand owners

Clothing design

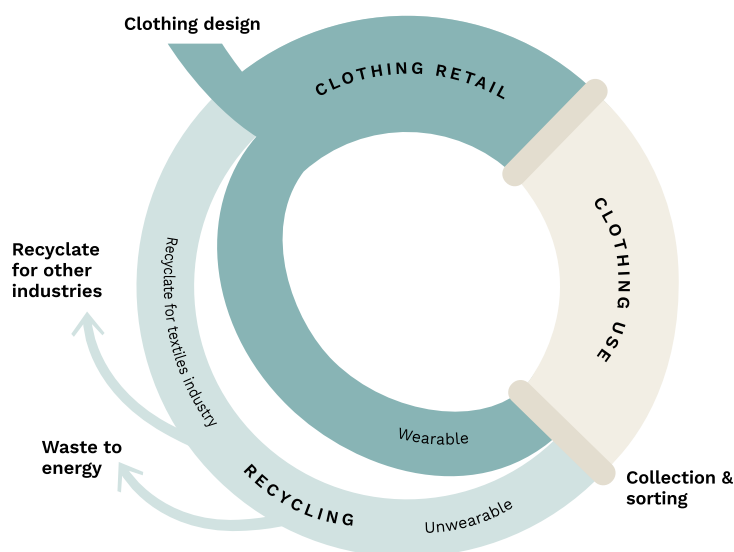


Figure 1: Circular clothing lifecycle

Funds raised by Seamless will be put towards four priority areas:



Circular design: Incentivising clothing design that is more durable, repairable, sustainable, and recyclable.



Circular business models: Scaling new revenue models for reuse, repair, remanufacturing, rental, and other services that prolong the life of clothing and create new value while lowering resource use.



Closing the loop: Significantly expanding existing clothing collection and sorting practices for effective reuse, and enabling clothing to be recycled into new high-value products and materials.



Citizen behaviour change: Encouraging changed practices in the community around clothing acquisition, use, care, and disposal.

Seamless objectives

1 **ACHIEVE CLOTHING CIRCULARITY BY 2030**

Provide industry with a pathway towards clothing circularity in line with the Federal Government's commitment to transition Australia to a circular economy by 2030.

2 **ADDRESS CHALLENGES THAT NO BUSINESS CAN TACKLE ON ITS OWN**

Enable industry collaboration to achieve environmental and social improvements in line with consumer demand, as well as government policy and regulatory requirements.

3 **DECOUPLE ECONOMIC GROWTH FROM RESOURCE USE**

Decouple economic performance from virgin resource use, transition to renewable energy and materials, and create resilient circular value chains that operate within planetary boundaries.

4 **SUPPORT A JUST TRANSFORMATION**

Ensure economic and social well-being are preserved during the transition towards circularity.

5 **IMPROVE RESPONSIBLE STEWARDSHIP AND CITIZENSHIP**

Empower industry and consumers to take greater responsibility for the actions they take as they produce and consume clothing.





Seamless recommendations

1 INCLUDE ALL NEW CLOTHING IMPORTED INTO OR MANUFACTURED IN AUSTRALIA

Seamless is designed to cover all new clothing imported into or manufactured in Australia including outer and underwear. It excludes single use protective wear, footwear, and accessories.

2 FOLLOW CIRCULAR ECONOMY PRINCIPLES

With the aim of keeping clothing at its highest and best use, Seamless recommends the implementation of the following ten circular economy principles, known as the R-strategies, in the following order: refuse, rethink, reduce, reuse, repair, refurbish, remanufacture, repurpose, recycle and recover.

These principles rank actions such as ‘reducing’ and ‘reusing’ above ‘recycling’ because they utilise less resources and keep materials in circulation at their highest use for longer.

3 UNDERSTAND AND ADDRESS BARRIERS

Seamless is designed to provide market interventions aimed at hastening the shift to a circular economy by addressing informational, technological, financial, and regulatory barriers including:

- The lack of circular design, material selection standards and quality of make.
- The high cost of collecting and sorting unwearable clothing.
- The lack of product traceability throughout the value chain which reduces the ability of businesses to maintain product stewardship.
- The lack of local skills and infrastructure which makes the delivery of the R-principles challenging.

4 CREATE AN INDEPENDENT PRODUCT STEWARDSHIP ORGANISATION

An independent Product Stewardship Organisation (PSO) will be created to implement the scheme and support the industry as it makes the transition from a linear to a circular economy. The PSO will be governed by an independent industry board with input from an Advisory Group.

5 IMPLEMENT A GOVERNMENT ACCREDITED SCHEME

While industry feedback indicated an appetite for a co-regulatory approach, the Consortium recommends implementing a government accredited scheme in the immediate term with a commitment to advocate for co-regulation if necessary. See the full Scheme Design report for further details.

6 FUND FOUR PRIORITY AREAS

Seamless is to be funded by a financial contribution paid by stewards on each new item of clothing they place on the market. The recommended contribution is 4c per unit of clothing.

The contribution is to be lowered to 3c per unit for clothing with circular design attributes (see the ‘eco-modulation’ section in the full Scheme Design report for more details).

Seamless future outcome

Seamless will underpin the roadmap to circular clothing, creating the wardrobe of the future. While it may look the same on the surface, the wardrobe of the future will represent responsible stewardship and citizenship from clothing design and production, through to consumption and recirculation.

The wardrobe of the future

ACQUIRED DIFFERENTLY

LOVE FOR LONGER

RECIRCULATE WITH CARE



Rented garments for short-term needs

More durable, and from
renewable resources

Made with recycled content

More items purchased second-hand

Made to order

Garments repaired to keep in
use for as long as possible

Clothes in active use for decades

Garments cared for

Items passed down through
families or within communities

Donate or resell

Items shared amongst friends

Unwearable clothing recycled

Figure 2: The wardrobe of the future



An Australian Government priority

In 2021, clothing textiles were placed on the Federal Minister's Priority List for Product Stewardship, with industry required to take action to reduce the volume of clothing sent to landfill.

The Australian Government funded the Consortium, led by the Australian Fashion Council, to develop a product stewardship scheme that considers action across the entire value chain, from clothing design to use, reuse, collection, and recycling.

The scheme was to be designed by 2023 with the view that “Manufacturers, importers, distributors and retailers should reduce the environmental impacts of clothing across the lifecycle including through product design improvements related to durability, repairability, re-usability and/or recyclability of clothing” by 2025.³

³ Minister's Priority List 2021-2022, Department of Climate Change, Energy, the Environment and Water

Approach to scheme design

The following design principles guided the scheme's development.



KEEP IT REAL

Focus on bold but pragmatic approaches that will create the necessary systemic shift.



BE POSITIVE

Take the approach of doing 'more good' not 'less bad'.



RESPECT THE WASTE HIERARCHY

Aim for the highest and best use for clothing, with waste prevention as the ultimate goal.



RECOGNISE EACH PART OF THE VALUE CHAIN

Recognise that change is needed across the entire value chain, from design to end of life.

Based on these design principles, the Consortium collaborated extensively with key stakeholders to iteratively co-design Seamless over three phases:

PHASE 1

Examining material flows, policies, and practices nationally and internationally to inform an initial scheme design.

PHASE 2

Developing the scheme design via stakeholder co-design workshops.⁴

PHASE 3

Providing recommendations for the scheme design, a transition plan for its enactment, and a roadmap to clothing circularity by 2030.

These phases formed an evidence base, which is outlined in more detail in the full Scheme Design report.

⁴ Full details of the co-design workshops can be found in the [Seamless Scheme Design full report](#)





Seamless operations

Seamless priorities

Seamless will support four priority areas that aim to keep clothing at its highest and best use and create a circular economy. They address upstream interventions by encouraging circular design and business models, as well as downstream

interventions to improve the collection, sorting and recycling of unwearable clothing. A breakdown of the proposed interventions within each of the four areas can be found in the full Scheme Design report.

PRODUCT STEWARDSHIP ORGANISATION



CIRCULAR DESIGN

Brands to design garments that are more durable, have recycled content and are recyclable.

- Design
- Materials
- Manufacturing



CIRCULAR BUSINESS MODELS

Pilots and support to de-risk new business models to extend the life of clothing.

- Rental
- Reuse and resale
- Subscriptions
- Made to order



CLOSING THE LOOP

Support payments for effective collection and sorting. Establishing trusted end markets for recycled materials.

- Recycling
- Collection and sorting



CITIZEN BEHAVIOUR CHANGE

Nationwide education campaigns for reuse, donation, buying better, caring for clothes.

Figure 3: Seamless priority areas

Seamless funding

Seamless is funded by a financial contribution (levy) paid by stewards to the PSO, on each new item of clothing they place on the market. The PSO will be governed by an independent industry board with input from an Advisory Group.

The contribution is 4c per unit and it's recommended that payments are based on clothing placed on the market in the previous period (quarter, half year or year).

A steward is the business who either owns a brand or has an exclusive relationship with a brand for sale in Australia. Stewards are responsible for paying the contribution for the garments within that brand. The contribution applies to the garments that the brand owner or licensee procures for sale in Australia, regardless of whether they are actually sold. 'Procures' includes:

- Manufactures in their own facilities, in Australia or elsewhere
- Commissions clothing to be manufactured, in Australia or elsewhere
- Orders from overseas manufacturers or distributors or brand owners, that is, products are bought and imported directly from distributors or brands outside of Australia.

The contribution has been calculated based on the funds required to deliver the scheme's objectives (see the full Scheme Design report for more details). Individual stewards can decide whether this cost is passed on to consumers and how they communicate this. If the cost is passed on, it will have little impact on the overall cost of clothing for consumers.

Figure 4 demonstrates how the funds generated by Seamless are applied across the whole product lifecycle to address industry barriers. More detail on the specific elements can be found in the full Scheme Design report.

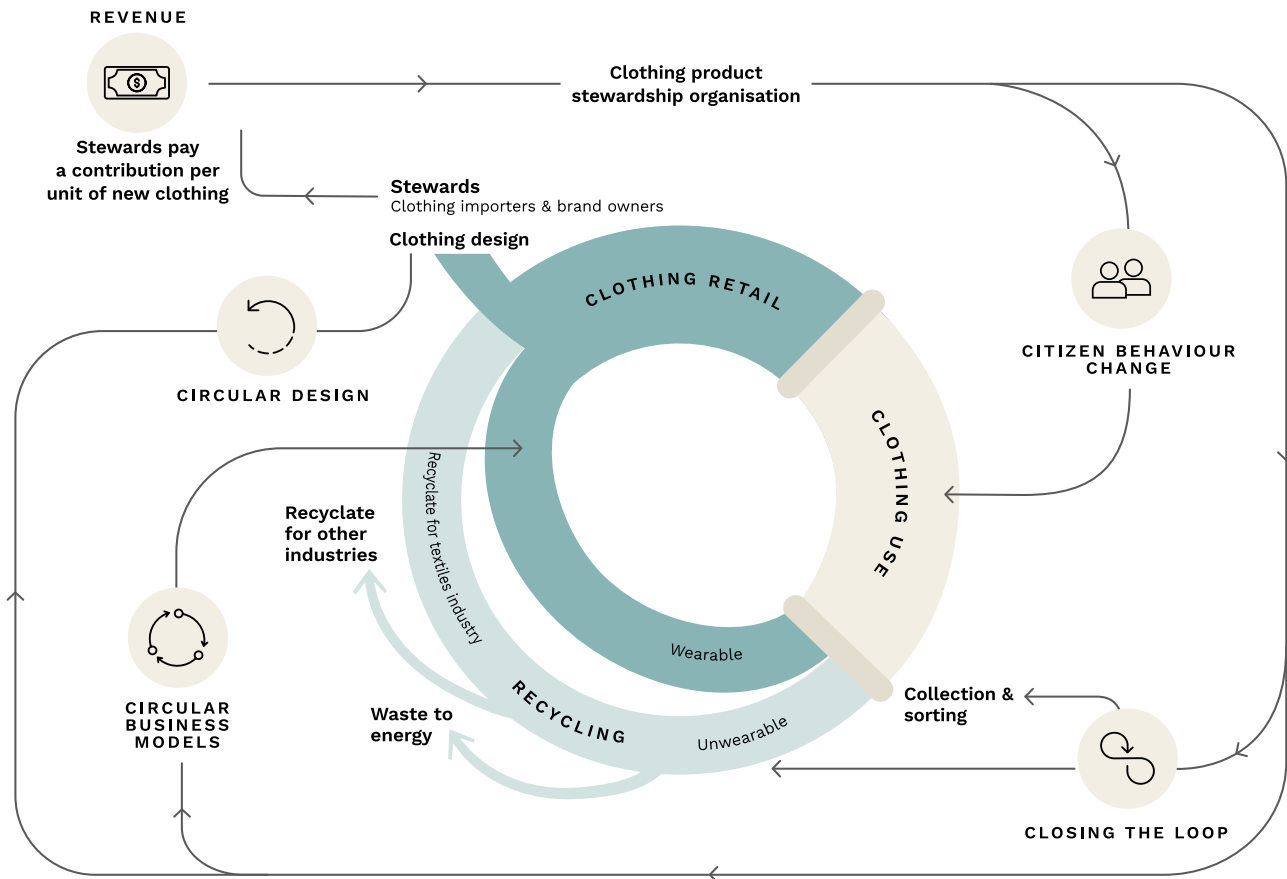


Figure 4: How funds are applied across the circular clothing lifecycle



Projected revenue and expenditure

The projected scheme revenue and expenditure is based on the RPS⁵ economic modelling commissioned by the Consortium, which was developed using available Australian data.

The analysis is based on comparative schemes in Australia and overseas, tailored to the clothing industry in Australia. The modelling helped the Consortium determine how the funds raised by the contributions should be spent to deliver the objectives and the per unit contribution required.

The economic modelling used available data on clothing sales, collection and sorting costs, recycling infrastructure availability and costs, and markets for recycled materials, to establish a complex model. This model is designed to be updated and refined as the scheme is established and phased operationalisation takes place.

A range of scenarios were assessed for projected revenue based on steward sign up rates by volume. A moderate rate has been assumed in expenditure projections.

The table below shows projected revenue based on different steward sign up rates by volume.

	STEWARD SIGN UP RATE BY VOLUME (as a % of total)	PROJECTED INCOME PER YEAR	PROJECTED INCOME PER YEAR WITH 20% ECO-MODULATION
Conservative	40%	\$24m	\$22m
Moderate	60%	\$36m	\$33m
Optimistic	80%	\$48m	\$44m
Mandatory full sector	100%	\$60m	\$54m

Figure 5: Projected Seamless revenue

⁵ RPS provides specialist advice to the Centre of Excellence and are experts in economic modelling.

The graphic shows Seamless's functional areas, aligned with the new and improved activities each function is expected to generate.

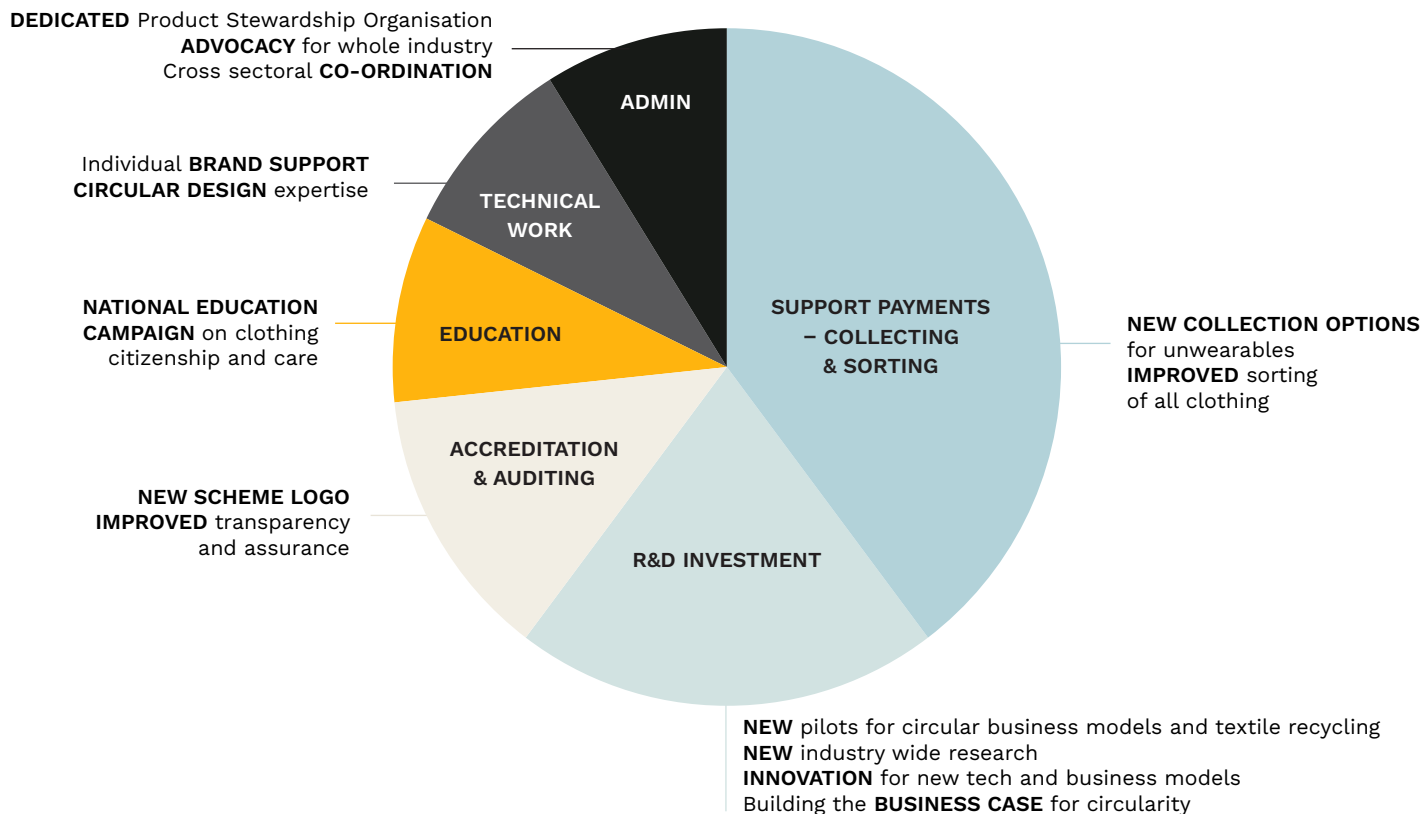


Figure 6: Seamless functional areas and activities

This graphic shows the proportion of expenditure across the functional areas of Seamless, when 60% of the market by volume is participating. Under this scenario, the total income is \$33m per year.

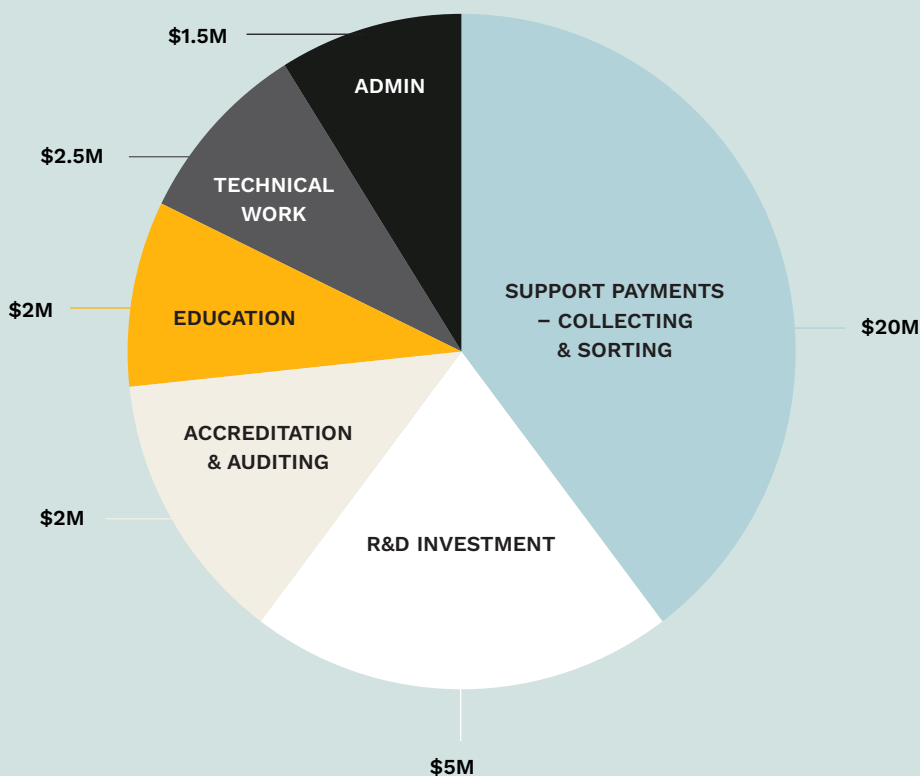


Figure 7: Seamless projected expenditure

Projected outcomes

Although this report does not define specific targets, the impact of Seamless on clothing circularity has been modelled based on the scheme's projected income and expenditure.

The PSO will define targets once it is established. See the full Scheme Design report for more details on the approach to target setting.

The modelling indicates that a single rate product contribution that provides support across the collection and recycling value chain is expected to divert 60% of end-of-life clothing from landfill by 2027.

Projected outcomes include:

- Increase in clothing reuse.
- Increase in the volume of unwearable clothing which is recycled.
- A shift from lower value recycling (for example, rags and stuffing) to higher value recycling (for example, new garment production).
- Less clothing disposed of in landfill.
- Greater citizen participation in circular business models, reuse and recycling.
- New commercial opportunities for stewards resulting from circular design and business model innovations.

As Figure 8 shows, a continuing increase in clothing reuse and a significant increase in unwearable clothing recycling is projected as a result of the implementation of the R-principles across the value chain. Initially, some of the recycling will be to lower value outcomes such as rags and stuffing. Over time, higher value recycling, such as new garment production, is expected to increase as this becomes the main market for recycled materials.

The modelling shows that this could result in a five-fold reduction in clothing to landfill.

CHANGING FATE OF END OF LIFE CLOTHING 2023 TO 2030

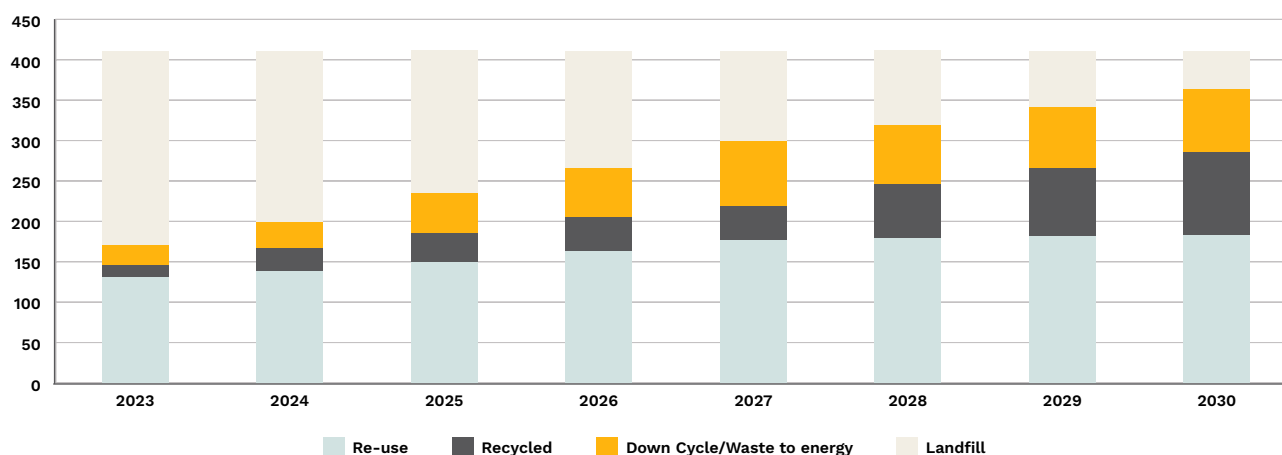


Figure 8: The changing fate of end of life clothing 2023 to 2030



Governance

The recommended governance model is based on international best practice adapted to the Australian context.

Seamless Product Stewardship Organisation (PSO)

An independent PSO, governed by an independent industry board with input from an Advisory Group, will be created to administer the scheme (see the full Scheme Design report for further details of the PSO). This recommendation is based on international best practice adapted to the Australian context.

The PSO will be responsible for the operation of Seamless, including administering membership, determining eligibility and responsibilities, reporting and financial management.

Co-regulation considerations

Although the scope of the project was to develop a voluntary scheme, during the industry co-design process, the feedback from stakeholder consultations indicated an appetite to implement a co-regulatory scheme.

This aligns with the global trend to co-regulatory rather than voluntary approaches. There are also several existing Australian schemes already operating on a voluntary basis that are now seeking regulation.

Key comments from industry on the benefits of co-regulation are summarised below:

- It would make it easier for internal stakeholders within individual organisations to progress change, as investing in scheme participation would be mandatory rather than voluntary.
- It would help alleviate participants concerns that their contributions are supporting ‘free-riders’.⁶
- It would accelerate progress towards scheme objectives.
- It would make it easier for the PSO to forecast income and expenditure and consequently provide better visibility to the market on activities and the level of contribution required.

Implementation of any government regulation needs to follow the Australian Government’s Impact Analysis process.⁷ Government authority is also required and new legislation needs to be developed and approved.

This is a government led process that requires a strong evidence-base, including a full cost benefit analysis to determine how any new regulation will affect Australian businesses, individuals, and community organisations, as well as broader economic impacts.

The industry accepts that it should not wait for a co-regulatory scheme to be put in place before acting because:

- Regulation is not guaranteed. If the Minister considers sufficient action is being taken on a voluntary basis, the product could be removed from the priority list.
- The development and implementation of the legislation could take up to five years, and the industry cannot wait this long to take action.
- The development of a co-regulatory scheme is uncertain and could be influenced by changes in government and political priorities.
- There are still options available to the PSO and government to encourage participation by industry, even before the legislation is enacted.
- Commencing now enables stewards to potentially influence the architecture of any regulation (within the bounds of the government process).

RECOMMENDATIONS

Getting started promptly is imperative for Australia’s clothing industry to achieve local and global circular economy and carbon emissions reduction targets. Therefore, in terms of co-regulation, the Consortium’s recommendations are:

- To commence the scheme immediately on a voluntary basis.
- To pursue government accreditation for the voluntary scheme to enable government to provide as much support as possible to the recruitment of stewards.
- To establish a PSO with the flexibility for future alternative stewardship pathways.
- To review the performance of the voluntary scheme and the evidence for regulation on an ongoing basis.
- To engage closely with government during the implementation of the voluntary scheme to share outcomes and challenges and discuss future regulatory options.

⁶ The term ‘free-riders’ refers to businesses or organisations that may benefit from the implementation of a product stewardship scheme but are not contributing members of it. Free-riders are a critical issue for product stewardship schemes, as they pose a threat to participation and the overall effectiveness of product stewardship (PSCoE, 2021). The PSO will need to monitor the risks of free-riders and continue to follow global best practice for addressing the issue. Source: PSCoE, 2021, ‘[Overcoming Freeriders](#)’

⁷ [2023 Australian Government Guide to Policy Impact Analysis](#)

Seamless stakeholders

The transition to a circular economy requires whole industry collaboration from stakeholders across the value chain.

The table below lists the stakeholder groups and how they will participate in Seamless.

STAKEHOLDER	DEFINITION	MEMBER TYPE	RESPONSIBILITIES
STEWARDS			
Large stewards (turnover greater than \$250m pa)	Clothing importers and brand owners.	Steward member	<ul style="list-style-type: none"> Pay a contribution per unit of clothing placed on the market. Participate in scheme priority activities. Engage customers. Gather data and report.
Small to medium sized enterprise (SME) stewards, including micro businesses (turnover less than \$250m pa)	<p>Small and medium sized importers and brand owners of clothing.</p> <p>They have the option to waive their contribution if annual imports are under 1,000 units.</p>	Steward SME member	<ul style="list-style-type: none"> Pay a contribution per unit for clothing they place on the market. Participate in scheme priority activities. Gather data and report. <p>This is a simplified access model. See the full Scheme Design report for details.</p>
SUPPORTERS			
Clothing stockists	Retailers who sell clothing owned by third party brands that have headquarters in Australia.	Supporter member	<ul style="list-style-type: none"> Ask brands they stock to participate in the scheme. Promote the scheme to their customers.
Charitable and commercial reuse	Businesses that collect and/or sell second hand clothing.	Supporter member	<ul style="list-style-type: none"> Collect and sort wearable and unwearable clothing. Gather data and report on volumes collected and sorted. Be accredited.
Recyclers and reprocessors	Businesses who recycle textiles mechanically, chemically or biologically.	Supporter member	<ul style="list-style-type: none"> Recycle or reprocess unwearable clothing material into feedstock for new products or materials. Gather data and report on volumes recycled. Be accredited.
Circular service providers	Businesses operating in rental, repair, repurposing, and remanufacturing.	Supporter member	<ul style="list-style-type: none"> Follow R-principles supporting highest and best use. Gather data and report on activities.
Industry experts	Educators, consultants and researchers.	Supporter member	<ul style="list-style-type: none"> Provide expert input into technical areas. Participate in working groups.

STAKEHOLDER	DEFINITION	MEMBER TYPE	RESPONSIBILITIES
GOVERNMENT/REGULATORS			
Local Governments		Supporter member	<ul style="list-style-type: none"> Partner in the collection and sorting of wearable and unwearable clothing. Partner in communication activities with citizens. Be accredited where relevant.
State and Territory Governments		Supporter member	<ul style="list-style-type: none"> Support the goal and ambitions of the scheme by providing financial and regulatory support and infrastructure planning.
Federal Government		Policy maker and regulator	<ul style="list-style-type: none"> Lead co-regulatory process. Set out policy. Provide financial and regulatory support. Plan infrastructure.
BENEFICIARIES			
Citizens ⁸	All wearers of clothing in Australia	Beneficiaries	<ul style="list-style-type: none"> Engage in responsible clothing acquisition, use and disposal

Figure 9: Seamless stakeholders

Membership in Seamless is available for stewards and supporters. Detailed definitions of each group are provided in the full Scheme Design report.

⁸ The Consortium specifically uses the word ‘citizens’ rather than ‘consumers’ to illustrate the change that is required from merely consuming clothing to developing better citizenship of it as a precious resource.



Seamless stewards

As the key stakeholders and funders of the scheme's activities, stewards enjoy exclusive and extensive benefits.



STRATEGIC

- Shift to a circular economy business model to future proof their business.
- Be seen to respond authentically to global challenges.
- Address a global issue at a national level.
- Work collaboratively to manage risk from value chain transformation.



OPERATIONAL

- Belong to a network that brings the whole supply chain together, discussing and addressing common problems.
- Upskill in-house teams with circular design principles which will be informed and shaped by Seamless.
- Maintain momentum with the PSO providing evidence-based technical support and a network of like-minded partners.



BRAND

- Brand positioning as a global leader in sustainability and circularity.
- Ability to promote proactive leadership via new marketing channels.
- Build social licence to trade by demonstrating legitimacy, credibility and trust.
- Enhanced engagement with existing and future customers.



FINANCIAL

- Economies of scale through collaboration with peers facing the same challenges.
- Reduce risk of pilots and new ventures through access to funding and co-ordinated efforts.
- Measure and report on environmental impacts cost effectively.
- Access new resources through the PSO, to help drive progress in key impact areas.
- Get ahead on eco-modulation and make savings on product design.
- Leverage new opportunities and revenue streams from circular design and business model innovations.
- Potential for access to new investment opportunities.

Seamless supporters

Organisations that form part of the circular clothing value chain are critical to the overall success of the scheme. There is no direct charge to these organisations to be part of the scheme, but they are expected to contribute to the delivery of outcomes.

Supporter benefits are outlined in the full Scheme Design report and they include access to funding, resources and support from the PSO to improve business models and capabilities.



Phases of implementation

In order to effectively establish a PSO and commence activities with active steward participation and input, the Consortium recommends a phased approach to the implementation of Seamless.



Figure 10: Seamless implementation timeline

The first phase from June 2023 to June 2024 will be a transition phase that focuses on onboarding Seamless foundation members and recruiting future stewards and supporters.

The transition phase will be facilitated by the Product Stewardship Centre of Excellence (PSCoE) under the direction of a Transition Advisory Group (TAG) which will be formed for the sole purpose to establish the PSO and its Board. Foundation members of the TAG can then become Board members or members of the Advisory Group to the PSO. The current AFC Project Director will provide project management support to the PSCoE to ensure continuity and a smooth passage to creating the PSO.

The transition phase will focus on establishing the PSO, including the necessary governance, structure and workplan.

Once the PSO is formed as a legal entity, it will build-up resources and capacity. A three year business plan, communications plan and stakeholder advisory plan will be developed to achieve agreed objectives and execute priority activities.

Allowing one year for the transition phase also allows stewards to account for the contribution per item financial model in their budgets by July 2024.

See the full Scheme Design report for further detail on the transition plan and foundation members.

The future of clothing

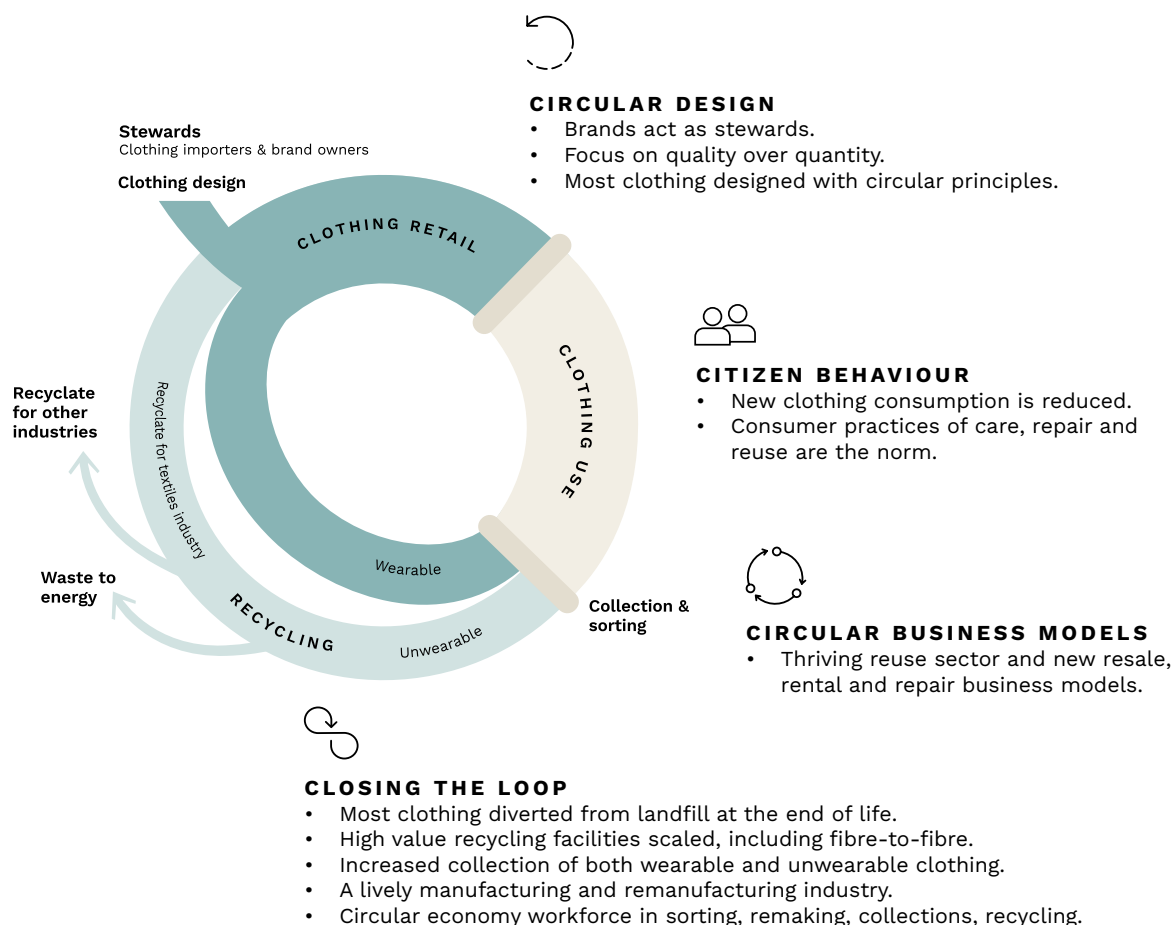
A circular clothing industry in Australia by 2030 is one where responsible stewardship and citizenship are embedded across the lifecycle from clothing design and production, through to consumption and recirculation.

Seamless will guide a just transformation towards a resilient circular economy that prioritises social and environmental wellbeing together with economic prosperity.

Clothing waste has become one of the largest contributors to Australia's waste problem. It is time for industry to take the lead and transform the way clothing is designed, made, accessed, recirculated, and repurposed at the end of its useful life.

In consultation and collaboration with stewards, supporters, government and consumers, Seamless will address challenges that no single organisation can address on its own.

By tackling and implementing the four priority areas identified by Seamless - circular design, circular business models, closing the loop and citizen behaviour change - the clothing industry can collaboratively reimagine its future and achieve clothing circularity by 2030.





Seamless to Net Zero

As growing climate change impacts are experienced across the globe, the message that greenhouse gas emissions must fall is unambiguous.

The United Nations recommends overall emissions reductions of 45%⁹ by 2030 to reach Net Zero and to limit global warming to no more than 1.5°C by 2050.

In September 2022, the Australian Federal Government passed the Climate Change Act which set national targets for cutting emissions by at least 43% by 2030 and reaching Net Zero by 2050.

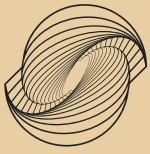
In October of the same year, the Minister for Environment and Water, Tanya Plibersek, led the Environment Ministers Meeting's commitment to "work with the private sector to design out waste and pollution, keep materials in use and foster markets to achieve a circular economy by 2030."

Getting started promptly is imperative for Australia's clothing industry to align with the government's circular economy and carbon emissions reduction targets.

Transforming the industry value chain to a circular model of production and consumption is critical for the clothing industry to remain competitive, relevant and viable.

If we start now, Seamless can guide the just transformation of the Australian clothing industry to a socially, environmentally, and economically prosperous circular economy by 2030 and Net Zero by 2050.

⁹ United Nations Environment Programme (2022). [Emissions Gap Report 2022: The Closing Window - Climate crisis calls for rapid transformation of societies](#)



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