



**Embarking on the journey of circular textiles:  
Experiences from a reuse social enterprise**

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Non-profit organization founded in 2004

- 11 shops (each 500m<sup>2</sup>), 1 sorting center (1300m<sup>2</sup>), 3 vans, 7 donation places outside of our shops, 88 employees
- In 2017 we had 1 500 000 visitors, 150 000 donators
- We circulate more than 2 million pieces of garments per year
- One of the most successful social enterprises in Estonia with a turnover of 2 million EUR



Vastutustundliku  
Ettevõtluse Foorum



HEATEO SIHTASUTUS



Sotsiaalsete  
Ettevõtete Võrgustik



## OUR MISSION

Our mission is to facilitate circular economy by making reuse and second hand shopping convenient and accessible for all Estonians!

We believe that things that are still usable deserve a longer life instead of ending up in a landfill!



# OUR BUSINESS MODEL





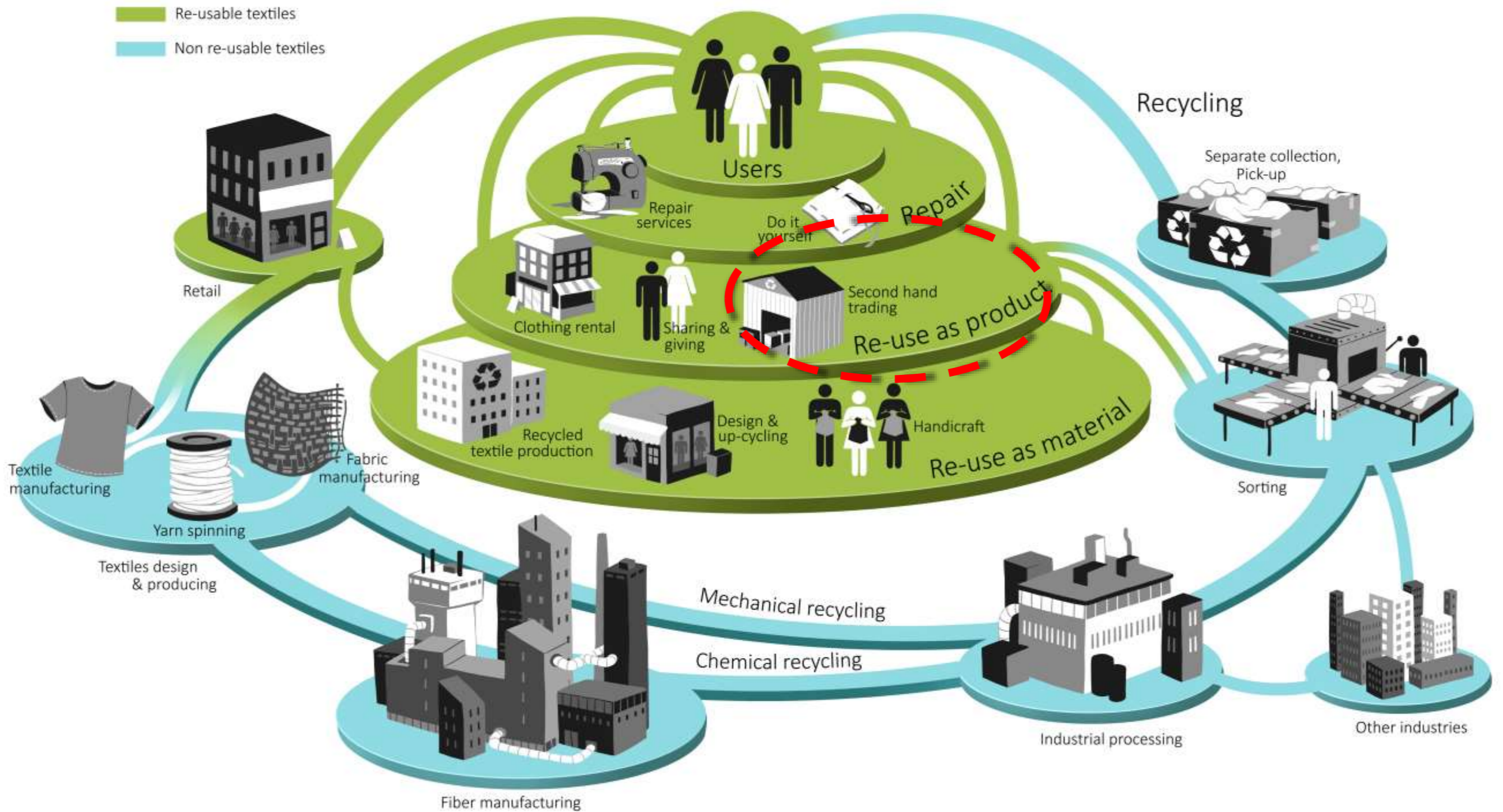
# PEOPLE IN NEED!



# RE-DESIGN!



# CIRCULAR BUSINESS ECOSYSTEM FOR TEXTILES







# CHALLENGE

## Fall 2017

- Local collaboration terminated due to lack of capacity and economic interest
- Increasing donations and decreasing quality
- Lack of textile waste management solutions in Estonia



**50-60 tons per month to landfill !**

# ACTIONS

- Research of local utilization opportunities (reuse, recycling, incineration)
- Dialogue with more than 10 collectors/sorters in the Baltics, Nordics and East and Central Europe
- Consultation with leading Nordic and EU experts
- 3 trucks for quality tests



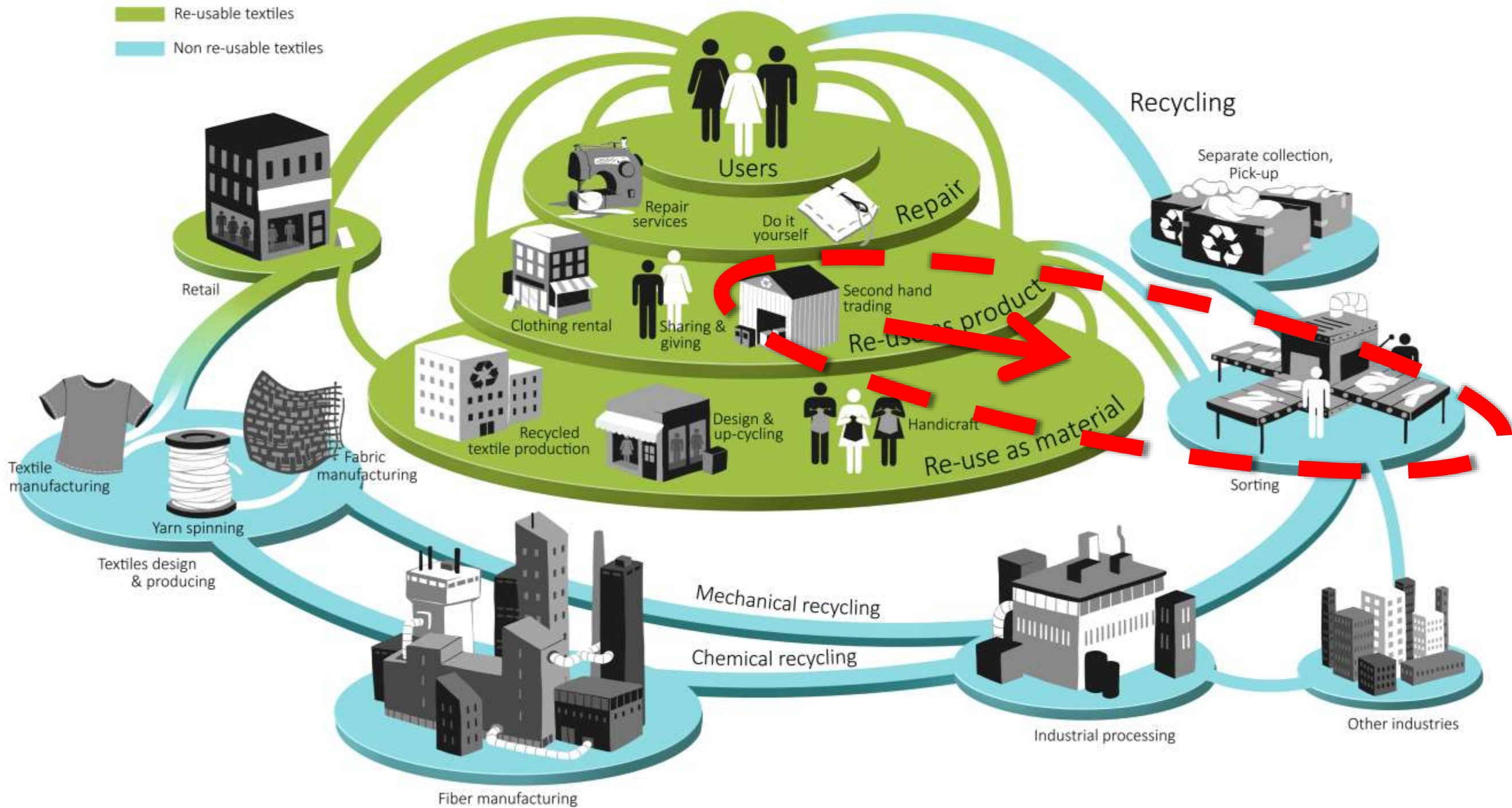
# OUTCOME

- Not possible to incinerate
- Lack of textile reuse and recycling solutions in the region
- Difficult to sell already sorted goods to other sorters
- Quality from Eastern Europe is not interesting for European sorters
- Potential markets in Russia, Ukraine, Belarussia  
Transparency!



*“European market is full of goods like yours. Many shops take out the best and struggle with leftovers. In the near future they all will have to pay to get away such quality goods.”*

# CIRCULAR BUSINESS ECOSYSTEM FOR TEXTILES





# Wolkat



Reduce



Re-use



Recycle



Recreate



# CIRCULAR STRATEGY

**Sorting and value adding facility**

**Maximize local reuse**

**Pilot projects to investigate new opportunities**

- To increase and optimize own sorting capacity
- To increase the sorting quality
- To better serve stores and collaboration partners
- To test material recycling

- Capacity building in stores
- Development of alternative 2<sup>nd</sup> hand retail and wholesale concepts
- Reuse of Estonian design

- \* Sorting pilot for value adding activities (wash, repair, mend)
- \* Collection with home delivery services
- \* Development of circular products



Maximising local  
reuse and  
cherishing Estonian  
design and  
production



Sorting pilot

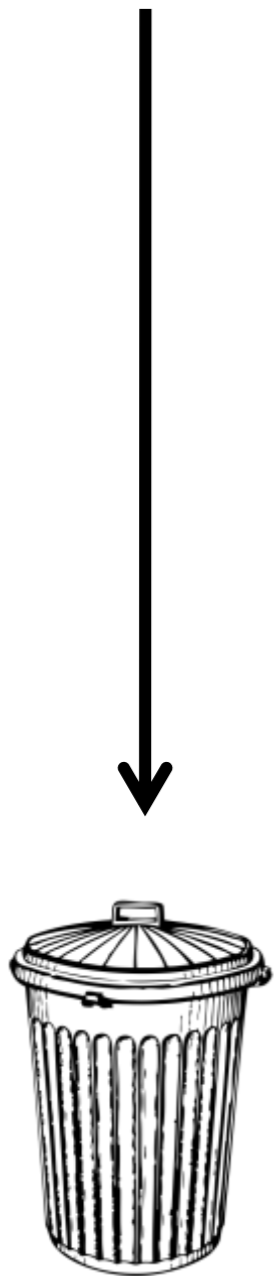
Duration: 6 weeks, 10 stores

Result: 2926 pieces, 70% Baltika brands

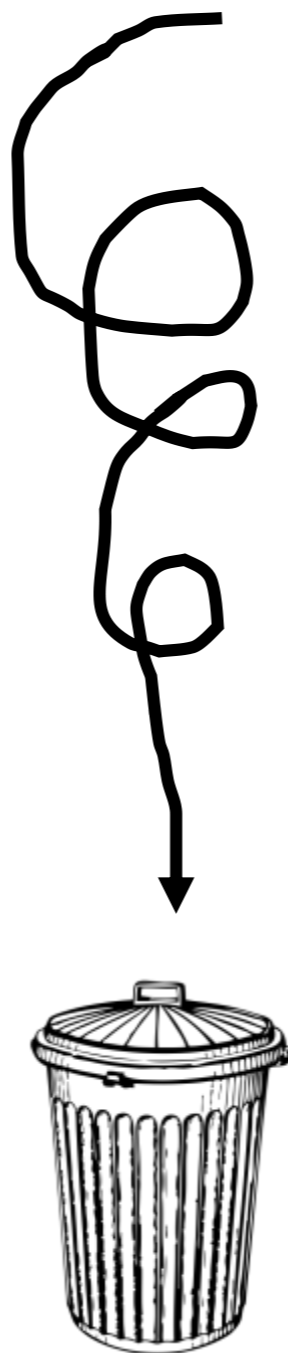
Quality: Resell 61%; needs value adding 19%, material  
recycling 20%



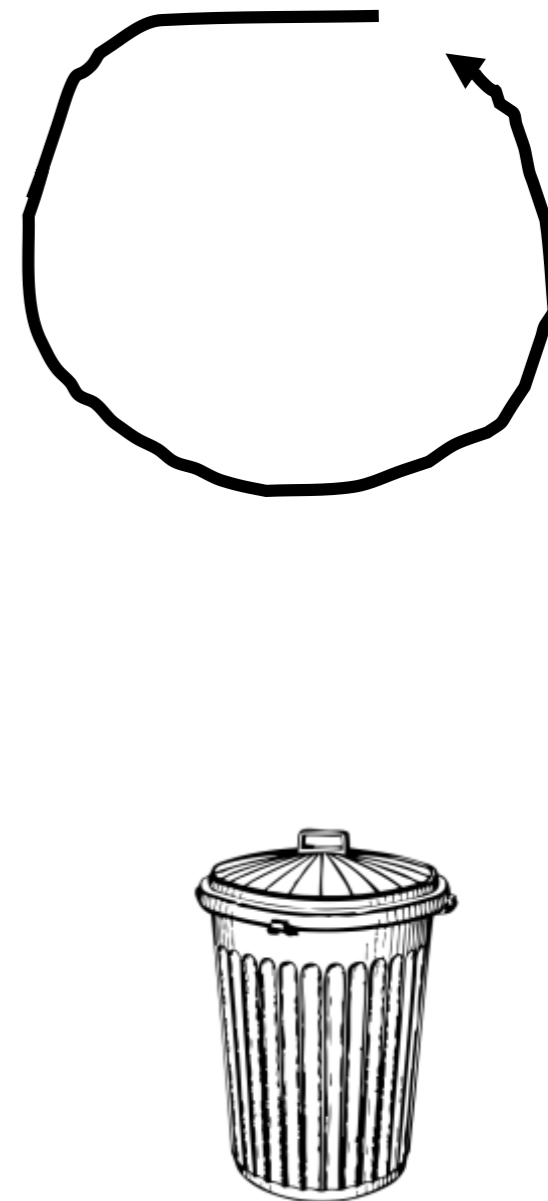
# LINEAR ECONOMY



# RECYCLING ECONOMY



# CIRCULAR ECONOMY



Thank You!

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