The Municipality of Prato is one of the largest Italian industrial districts and one of the most important Textile and Clothing (T&C) production areas in the world. According to the Prato Chamber of Commerce, the district counts 35,000 direct employees and 7,200 companies, producing 17% of Italian textile exports.

T&C has been the pivot for the city's growth, particularly after the 2nd World War. With the third wave of industrialisation starting in the 1970s, Prato became Europe's most important T&C productive center, and the entire area came to be known as Prato's "industrial district". Prato's activities in T&C go back to the 12th century, when the manufacturing of clothes was regulated by the Wool Merchants' Guild, but it was just with the introduction of machinery in the 19th century (and the accompanying boost of capitalist production) that a very strong geographic concentration of producers in the city occurred. Next to that, the industrial district got increasingly stronger as, between the 1950s and the 1970s, fashion and design turned into a mass phenomenon. These were the years of "economic boom", when the city saw the simultaneous— spatially very concentrated — growth of residential and industrial buildings, next to each other. As an example of that, areas like the "Macrolotto Zero" (Macrolotto - Industrial Area) developed within the city. At that time, the Macrolotto area, lying next to the city center, had textile mills frantically working and producing new items (mostly fabrics), and therefore wealth for the people, whose daily life was geared to the pace and modes of industrial production, and that alone.

In the period 2018-2021, the Municipality of Prato represented Italy in the European Partnership for the circular economy, coordinating the debate on the re-use of wastewater, the economic incentives for the circular economy, and the sustainable re-use of buildings and urban spaces. From 2022 Prato has been selected by the European Commission as one of the 100 European cities participating in the "Climate-neutral and smart cities by 2050" programme.

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**LOCAL STRATEGY DESIGN**

Prato's objective to become a sustainable and thriving city is pursued through its local development strategy whose motto is "Prato, a sustainable, innovative and circular city". The strategy envisions the creation of a city where residents enjoy a high quality of life, the economy is strong and diversified, the environment is healthy and culture and creativity are thriving. The goals of the local strategy include:

1. A sustainable urban development: the city of Prato aims to reduce its carbon footprint by promoting a sustainable urban development and green infrastructures.
2. Economic diversification: Prato seeks to diversify its economy by promoting innovation and entrepreneurship; this includes supporting startups and small businesses, fostering innovation and collaborations within the textile district.
3. Urban regeneration: Prato seeks to revitalize its urban areas through regeneration projects that improve the quality of life by improving public spaces, improving the quality of houses, and promoting the reuse of abandoned or under-used buildings.
4. Circular city planning: the city aims to incorporate circular principles into urban planning, which includes designing buildings and public spaces that are energy-efficient and accommodate green spaces.
5. Zero waste: the city aims to minimize waste and promote recycling and upcycling. The city upholds local businesses that use circular business models.

To achieve its goals and targets, Prato's local strategy uses a collaborative approach that involves stakeholders from various sectors, including the local government, businesses, community organizations, and citizens. Overall, the local strategy aims to create a sustainable, innovative and inclusive city that ensures a high quality of life for residents. Through its collaborative approach and evidence-based decision-making, the city is positive about achieving its vision and goals for the future.

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The stakeholders involved in the pilot cluster include textile manufacturers, the local government, the chamber of commerce, trade unions, consumer associations, and academic institutions. Textile manufacturers play a crucial role in the cluster as they drive the industry's growth and represent the main source of employment in the area. The local government and the chamber of commerce provide support to the textile industry through infrastructure development, financial aid, and marketing strategies. Trade unions and consumer associations represent workers and customers, respectively, and advocate their rights and interests. Academic institutions provide research, education, and training in the circular economy and sustainability-related disciplines. A vibrant community of CCI, NGOs, and startups contribute to the diversification of the socio-economic activities, and inject innovation and creativity into the cluster.

The cluster was designed to act as a meeting point for these diverse groups, allowing them to connect, share knowledge, and collaborate on the pilots. Through this approach, the project aims to create a sustainable CCI ecosystem that could support the growth and development of the T&C sector in the long term, through an open and collaborative approach.

In practical terms, the community of stakeholders was involved through the organization of two workshops and the set-up of the reuse market, open to the participation of both stakeholders and community members. The in-depth knowledge of the textile district, paired with good technical and design competences, provided by the participants, guaranteed high quality contents for both workshops, where the community of stakeholders was guided by experts through specific topics, thereby improving their understanding and sensitivity about sustainability issues.