



Abstract

This study explores the adoption of circular economy (CE) practices in small and medium-sized weaving enterprises (SMEs) in Myanmar, focusing on handloom and power loom firms. The purpose is to provide recommendations on how these firms can enhance their economic competitiveness and sustainability by adopting CE practices into their operation. The theoretical framework integrates CE principles within sustainable development, providing operational guidelines for SME weaving firms. There are three parts of principles: Two Target Principles, Three Core Principles, and 2 Transversal principles are adopted to investigate the current practices and barriers of the firms. Thematic Analysis is used to analyse the interview response and a case study of a weaving firm that aligns with operational principles of circular economy is discussed. Key findings reveal that handloom firms, which use biodegradable materials and efficient resource management, are better aligned with CE practices compared to power loom firms, which face significant challenges in raw materials sourcing and waste management. Lack of technology, financial constraints and market access are main barriers that SMEs are facing to improve the implementation of CE practices. To address these challenges, the collaboration, modern technology integration, financial support by government and policy recommendations are provided in this study.

Keywords: Circular Economy, SMEs, Weaving Sector, Myanmar, Sustainability, Waste Management, Renewable Energy.