### PARTNERSHIP FOR SUSTAINABLE TEXTILES

### **Speech by Helmut Fischer**

Head of Division "Sustainability Standards" German Ministry for Development Cooperation

## WHAT IS THE STARTING POINT AND THE BACKGROUND FOR THE TEXTILE PARTNERSHIP? WHAT IS THE RATIONALE BEHIND IT?

Globalisation is rapidly progressing. Global value chains are becoming more and more complex and fragmented. This is true for almost all commodities (in particular those, which are labour intensive, so that wages matter), also for the textile and garment sector.

Textile and garment is often the bridging sector for a country on its way from an agricultural to a more industrialised economy.

Around the globe some 60 to 75 million people are working in the textile supply chain. If we include also the cotton sector, the threshold of 100 million labour forces is surpassed easily. If we take into account also their dependants (their family members and children) we are talking about several hundred people.

However, in many production countries social and environmental sustainability aspects such as the ILO labour standards as well as the Copenhagen and the Stockholm protocols concerning hazardous chemicals are often neglected.

The consequences are known far too well: low wages, unpaid overtime work, insufficient labour safety, a lack of social protection, and environmental damages, to name but the most severe challenges.

What is even worse: Far too often producers are quite hesitant to improve the situation. From their point of view labour and environmental standards are seen as trade barriers. Improvements – so their perception / fear – would weaken their competitiveness and kick them out of the market.

This is a risk for a race to the bottom – we as German development cooperation feel committed to interrupt this vicious circle.

In the light of this we formed a Partnership for sustainable Textiles in order to rise along with economic aspects also social and ecological sustainability standards along the whole global supply chain – from the cotton field / the raw materials to the clothes hanger. So far we have some 180 members, mostly from the business sector, representing nearly 60 % of the German textile and garment market.

We strive for living wages, for safe labour environments, for an appropriate handling of chemical substances in the production process and for an adequate treatment of waste and waste water, just to mention a few aspects.

# WHAT IS THE ADDED VALUE OF MULTI-STAKEHOLDER INITIATIVES SUCH AS THE TEXTILE PARTNERSHIP? WHAT ROLE CAN IT PLAY IN FACILITATING A SUSTAIN-ABLE AND SUSTAINED DEVELOPMENT IN THE TEXTILE AND GARMENT INDUSTRY?

We know from our experience that one group of actors alone cannot adequately address the challenges we are facing along global supply chains. Neither has a single actor or a single stakeholder group all the required tools at hand (normally a SME cannot negotiate with a partner country's government for instance about the labour law, whilst we as governmental entities do simply not know how to run a business in a highly competitive environment).

Therefore, the Textile Partnership encompasses different stakeholder groups. It is a Multi-Stakeholder Approach with representatives from the business sector – including producers and retailers -, NGOs, trade unions, standard organisations, and the German Government.

Of course do the respective actors have their own agendas regarding social and environmental sustainability. For entrepreneurs this might be an opportunity to improve efficiency in the production process, to safeguard their reputation as responsibly acting company. It is quite clear that the sector's reputation suffered a lot in the aftermaths of disasters such as Ali Enterprises, Tazreen and Rana Plaza in 2012 and 2013 with thousands of victims who lost their lives or were severely injured. Thus, companies have to show convincing CSR commitment as a means to maintain their competitiveness in the long run.

For us, the government, the Textile Partnership is a tool helping us to pursue and hopefully achieve our developmental goals. Objectives are for instance supporting vulnerable groups in developing countries, lifting them out of poverty, contributing to a more sustainable use of natural resources and thus eventually contributing to the Sustainable Development Goals (SDGs), which were endorsed by the UN General Assembly in September 2015.

However, these respective objectives of the business sector and the government / the development actors are not excluding each other – in the contrary, there is - despite the different motivations - an intersection of joint interests. And thus we are all pulling – for individual reasons – at the same rope and – what is even more important – in the same direction.

Furthermore, it is noteworthy that the Textile Partnership – even though initiated by the German Minister for Development Cooperation – is by no means limited to Germany or to German companies and member organisations. There are some international brands – e.g. the Swedish H&M, the Bangladeshi based DBL Group – that joint the partnership. We are closely cooperating with international organisations and institutions, for instance the EU including several EU member states, the OECD (we have the chair of an advisory group elaborating a due diligence guide for the textile and footwear sector), the ILO and the G7 countries. Other business oriented partners are the Sustainable Apparel Coalition and the Consumer Goods Forum.

Such a comprehensive approach shall enable us to successfully address the challenges along the global value chain from the raw material to the clothes hanger. Why is this so important? Well, the success of the Textile Partnership will not be measured against the number of member organisations, whether we conducted ten, twenty or one-hundred steering committee and working group meetings or how many documents and strategies we will have elaborated. What counts at the end of the day is, whether we were able to

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improve the situation for the workforces in the production countries. In this regard we feel committed to pass from rhetoric to action, so that

- the mainly female sewers / operators in Bangladesh's ready-made garment sites have at least a chance to get living wages in the foreseeable future,
- cotton pickers in India, Pakistan, in Central Asia or in Sub-Sahara Africa can afford to send their children to school and not on the plantations,
- and to protect people from handling barefoot and without any protection gloves and masks with hazardous chemical substances ruining their health.

There are some countries, for instance Myanmar in South East Asia or Ethiopia in East Africa, to name but two, where the textile and garment sector is still at a comparatively early, nascent stage, but with huge potential for rapid progress. I do very much hope that we can cooperate with these countries in order to transfer the lessons learned in other parts of the world and thus to help them avoiding some of the severe mistakes made elsewhere.

My guess is the upcoming production countries will rather sooner than later approach a cross-way. Either they follow a path where social and ecological standards are in the first place seen as competitive disadvantage or trade barrier or these countries can turn it to the other direction and interrupt the vicious circle down to the bottom of standards.

## HOW DO THE MEMBERS OF THE TEXTILE PARTNERSHIP COLLECTIVELY PURSUE THE OBJECTIVES?

Objectives are pursued via four strategic lines of operation:

- 1. Firstly, creating a so called review process. Starting point is the question, what the respective members of the partnership are already doing today. What is achievable for each and every enterprise and organisation within a certain period of time? For instance, by when will hazardous chemicals be banned and substituted in the production process or how long will it last that tier one, tier two and tier three suppliers respect the ILO core labour standards? This will be monitored by an impartial third party.
- Secondly, establishing point of contacts and implementing concrete projects in the textile production countries, for instance conducting qualification measures for labour inspectors, promoting freedom of association and collective bargaining or providing resources for improved waste and waste-water treatment.
- 3. Thirdly, on-going internationalisation of the partnership. We can make best use of the partnership's approach by further spreading its ideas. Simultaneously, this contributes to shaping a level playing field, which is an important factor for our members from the business sector. Therefore, we are in close contacts with like-minded countries such as The Netherlands, Sweden, Denmark, France and Italy, with the EU, the OECD and ILO. And we successfully integrated the idea of forming multi-stakeholder initiatives in the G7 process under last year's German G7 presidency.
- 4. And finally, communication. We want to inform both the member organisations and the broad public about the goals we are striving for as individual institutions as well as partnership as a whole. We want to disclose what went well, but also the things where we are still facing hurdles and obstacles.