Joint achievements in the textile sector

Partnership for Sustainable Textiles
‘TO ALL THOSE WHO STILL SAY, “THAT IS NOT MY BUSINESS, WHAT DOES IT MATTER TO US?”, I SAY: YOU, ME, ALL OF US HAVE A RESPONSIBILITY FOR THE PEOPLE WHO MAKE OUR CLOTHES AND FOR THE DEVELOPMENT OF THE COUNTRIES IN WHICH THEY ARE PRODUCED. WE CANNOT CONTINUE TO CONSUME CHEAP PRODUCTS AT THE EXPENSE OF OTHERS.’

DR GERD MÜLLER, FEDERAL MINISTER FOR ECONOMIC COOPERATION AND DEVELOPMENT (BMZ)
DEAR READERS,

In April 2013, the Rana Plaza factory building in Bangladesh collapsed, killing more than 1,100 people, including many who had been producing garments for us here in Germany.

This tragic accident clearly revealed to us that we live in a globalised world where we cannot ignore the situation in the countries that produce our clothing. Therefore, I am convinced we can all agree that we need decent work around the world. We need binding minimum standards for global trade. And we need to make global trade fairer.

I am aware that the textile industry’s supply chains, from raw materials to disposal, are complex. For that reason, we cannot make all stages in the production process environmentally, socially and economically more sustainable as well as respecting human rights at once. But we must set of the journey. That’s why we launched the Partnership for Sustainable Textiles in October 2014.

Almost 150 members of the textile and garment industry, retailers, non-governmental organisations, standards organisations, trade unions, business associations and the German government have now joined forces to bring about sustainable improvements along the entire textile supply chain.

This brochure highlights the progress we have already made on our way. I am happy to invite you: Please join us!

Dr Gerd Müller, Member of the German Bundestag

Federal Minister for Economic Cooperation and Development
Further information in our web app
www.bmz.de/textil
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Challenges of the globalised textile industry

OPPORTUNITIES AND CHALLENGES IN THE GLOBAL TEXTILE AND GARMENT SECTOR

Germany is a key international market for fashion and textiles. The bulk of clothes sold in Germany is produced abroad. China, Bangladesh, India, Viet Nam, Cambodia and Pakistan are key producer countries.
Textile production has created millions of jobs around the world, especially in developing and emerging economies in Asia. The textile sector is extremely important for the economic growth and development of these countries. In particular for women, it provides access to an income of their own. However, it is also clear that significant improvements in working conditions and environmental protection are still required in many producer countries. Challenges include safeguarding human rights and improving environmental and social conditions while at the same time making production facilities safer.

Greater sustainability in textile production must not lead to the loss of jobs in developing and emerging economies. Instead, the aim must be to correct existing deficits and create better working conditions. As a major sales market for fashion and textiles, Germany must live up to its global responsibility and play its part to improving the social and environmental conditions in producer countries.

**WAGES AND WORKING HOURS**

The wages paid in the textile industry are often insufficient to meet the basic needs of workers. Often, they are too low to pay rent, food, children’s schooling, or for medical care. Even when countries have introduced a statutory minimum wage, this rate is often not sufficient for people to make a living.

In Bangladesh, for example, unskilled female garment workers are paid a minimum wage amounting to around 60 euros a month. According to the Confederation of the German Textile and Fashion Industry, in 2015 one hour of labour in the textile industry in Germany cost 30.80 euros. Wage levels...
are similar in other European countries. Therefore, companies are deliberately outsourcing many stages of the production processes to low-wage countries in order to survive an ever increasing competition.

‘Fast fashion’ is driven by time pressure. If textile producers fail to meet price levels and deadlines, they lose their business to competitors. This pressure is passed on to their employees. In such situations, many garment workers work not just 10 or 12 hours, but up to 16 hours a day. They often do not receive adequate remuneration for overtime. This has to change. Competitiveness can no longer be prioritised at the expense of social standards and environmental sustainability.

HEALTH

Many textile factories use chemicals that can cause severe illness – yet employees are often not provided with appropriate protective clothing. For example, the sandblasting of jeans is to give them a ‘distressed’ look is one of the processes that is hazardous to human health. Sandblasting exposes workers to a high risk of developing silicosis, a deadly lung disease.

Cotton fields are often sprayed with pesticides. The toxins are usually sprayed onto the crops by hand or from aircrafts while people are working in the fields. If employers fail to provide proper protective clothing, workers’ health may suffer. Respiratory and skin diseases and damage to the eyes and nervous system are particularly common.
SAFETY AND ENVIRONMENTAL STANDARDS

Serious accidents frequently occur because safety standards are ignored. In 2012, fires at the Ali Enterprises garment factory in Pakistan and at Tazreen Fashions in Bangladesh claimed a total of more than 360 lives. In 2013, the nine-storey Rana Plaza commercial and factory building near Dhaka in Bangladesh collapsed, killing more than 1,100 and injuring more than 2,500 people. Also here, clothes were produced for Western textile companies. An investigation revealed that several storeys of the building had been erected without permission using poor-quality construction materials. Where environmental standards are absent or ignored, this has serious consequences for the natural environment and health of the people in producer countries. Chemicals are often not properly disposed. In many places, fabric dyes and bleach from factories are discharged untreated with other wastewater. Cotton farming can also cause environmental problems. For example, when pesticides are not used properly, through the soil they can seep into ground and drinking water.
What we aim to achieve in the textile sector

FAIRNESS IN GLOBALISATION

German development cooperation is committed to alleviating poverty, promoting peace, freedom, democracy and human rights, supporting fairness in globalisation, and conserving the environment and natural resources.

← Training facility for survivors of the Rana Plaza disaster in Bangladesh. Here, garment workers are learning to sew a complete garment.
The textile sector shows the importance of a global approach. After all, our lives are now more tightly interwoven with the lives of people on other continents than ever before. That gives people in Germany many advantages.

But we also bear more responsibility than earlier generations. The global community is facing complex problems which require global solutions.

SUSTAINABLE DEVELOPMENT GOALS

The BMZ’s work is guided by the United Nations’ 2030 Agenda for Sustainable Development, which constitutes a pact on the world’s future. The German government’s commitment to the 2030 Agenda and the Sustainable Development Goals (SDGs) affirms its belief that global challenges can only be solved together. We all – developing, emerging and industrialised countries – have to contribute our part. In addition, the problems cannot be solved by governments alone: all forces of society – business, government and civil society – must take responsibility and work together in a constructive manner.

In the context of global supply chains, with a view to improving the lives of people around the world the BMZ specifically aims to promote decent work and economic growth (SDG 8) as well as responsible consumption and production (SDG 12). The promotion of partnerships (SDG 17) is another important contribution to the implementation of the internationally agreed goals of the 2030 Agenda.
UNITING THE FORCES OF BUSINESS, CIVIL SOCIETY AND POLITICS

The BMZ’s work in the textile sector can serve as a role model for other sectors. The BMZ is not only working closely with other countries and international organisations, it also actively involves influential stakeholders from the private sector and civil society within the context of a multi-stakeholder partnership in order to solve problems jointly.

The textile and garment industry, retailers, trade unions, civil society and the German government are pooling their expertise and joining forces in the Partnership for Sustainable Textiles. The Partnership views the supply chains for textiles as an integral whole – from raw materials production to disposal.

SUSTAINABLE TEXTILES

The aim of the Partnership for Sustainable Textiles is to demonstrably improve the social, environmental and economic conditions along the entire supply chain of the textile and garment sector by pooling the expertise and resources of its members and harnessing the resulting market power. The strategic elements laid out in the plan of action of the Textiles Partnership support these objectives:

1. Joint definition of Partnership Standards and implementation requirements with deadlines for continuous improvement.

2. Joint improvement of framework conditions in the producer countries and recommendations for action on policy and policy coherence in Germany and the EU.

3. Transparent communication that makes it easy for consumers to identify sustainable textiles. Communication about the progress made by the Partnership and its members must also be transparent.

4. A platform to review progress in implementation, share experience and learn from each other.
The Steering Committee was elected by the members and is the decision-making body of the Textiles Partnership.

Members and external experts discuss thematic and/or regional issues in the respective working groups.

The Steering Committee decides on the composition of the specialised working groups.

The specialised working groups prepare recommendations and submissions as a basis for the Steering Committee’s decisions.
The Textiles Partnership – what we have achieved so far

MARKET COVERAGE OF 50 PER CENT OF RETAIL TURNOVER

Joining forces with businesses, civil society, standards organisations and trade unions has provided a broad basis for the Partnership for Sustainable Textiles. Within two years, membership has grown from 30 to around 150 organisations (as at May 2017). The Partnership thus covers around 50 per cent of German textile and garment retail turnover.
INDIVIDUALLY VERIFIABLE ROADMAPS

The Partnership members have started the journey to gradually improve production conditions along the entire textile supply chain. To achieve this, they have developed requirements and specific measures in working groups. These include training for garment workers, supporting local trade unions in producer countries, increasing the use of sustainably produced cotton, and eliminating the use of toxic chemicals. This forms the framework for implementing the Partnership's goals in the areas of chemicals, natural fibres and social standards.

Each member of the Partnership must commit to preparing an individual roadmap each year on the basis of the Partnership’s requirements and must report on its implementation. The German government, for example, has committed to procuring at least 50 per cent of textiles from sustainable sources by 2020 as part of the Sustainability Programme. The progress made by the members of the Partnership will be verified by independent experts.

This enables the Textiles Partnership to keep track of the implementation of each member’s objectives as well as those of the Partnership as a whole. If a member’s measures fail to meet the required standard, this can lead to the imposition of sanctions or even expulsion from the Partnership.

‘In its roadmap, each member of the Partnership must set itself at least 14 specific targets for the areas of social standards, process chemicals and natural fibres. In other words, with our 150 members we take more than 2,000 steps in the right direction every year. That is more than 2,000 improvements that would not be made without the Partnership. What a difference!’

DR BERNHARD FELMBERG, BMZ
GREATER TRANSPARENCY FOR THE PUBLIC

The Partnership makes it easier for the public to identify concrete steps that individual members are taking to improve environmental and social standards in textile supply chains. Publication of all Partnership members’ annual roadmaps is recommended from 2017 and compulsory from 2018. These roadmaps inform the public about the specific progress made by members in implementing the planned measures. By promoting external transparency, the Partnership for Sustainable Textiles is creating incentives for its members to make genuine and continuous efforts to achieve the agreed goals.

PARTNERSHIP INITIATIVES

The Textiles Partnership has agreed to launch a series of partnership initiatives. These are broad-based projects aimed at improving conditions in producer countries. They are designed to involve suppliers and local stakeholders such as trade unions and non-governmental organisations. The planned Partnership initiatives cover thematic areas that can only be addressed jointly by pooling the experience, expertise and resources of several Partnership members. The aim is to initiate structural change. Four topics from the work of the Partnership have already been selected: substitution of toxic chemicals in textile production, sustainable water management in cotton cultivation, living wages, and social and labour standards at deeper levels of the supply chain (for instance, in spinning mills).

‘It is important to have a broad base in the Partnership. The more companies from buyer markets will demand textiles certified as sustainable, the more change will take place in producer countries.’

CLAUDIA KERSTEN, GOTS (GLOBAL ORGANIC TEXTILE STANDARD)
The Partnership views the supply chain for textiles and garments as an integral whole and aims to gradually incorporate sustainability into every stage of the production chain.

Natural fibres
- Cotton growing and harvesting

Hazardous working conditions from fertiliser and pesticide use.

Synthetic fibres

Health and environmental risks from the use of oil and chemicals.

Finishing

Health hazards and environmental damage from bleaching, dyeing and impregnating with, in some cases, toxic chemicals.

Garment assembly/sewing

Long working hours and very low wages adversely affect workers’ health and safety.
How the BMZ contributes to the success of the Textiles Partnership
How the BMZ contributes to the success of the Textiles Partnership

COOPERATION WITH INTERNATIONAL ORGANISATIONS

Germany is working to ensure that international organisations promote environmental and social standards in dialogue with developing countries. In particular, it supports the International Labour Organisation (ILO), as the lead institution in efforts to enforce core labour standards worldwide. It has entered into a cooperation agreement with the ILO on the promotion of ILO programmes in the Asian textile and garment industry.

The BMZ also supports the EU Garment Initiative, which was initiated in 2016.

Through this, it stands shoulder to shoulder with partners at EU level to improve the situation in the global textile industry. Moreover, for the first time the German government placed the issue of sustainability in global supply chains on the G7 agenda under Germany’s 2015 G7 presidency (see page 19). The BMZ also endorses high environmental and social standards and respect for human rights in other international processes such as the EU’s negotiations on free trade and investment agreements.

COOPERATION WITH PARTNER COUNTRIES

A key focus of the BMZ’s work is the introduction and recognition of environmental and social standards in the partner countries of German development cooperation. In the area of textile production, the BMZ provides over 70 million euros in funding for relevant programmes in Bangladesh, Pakistan, Cambodia and Ethiopia, for example. This includes advising the governments of these countries on drafting labour and environmental legislation. Germany promotes dialogue between employers and employees in a targeted manner to ensure that the textile industry complies with the ILO’s core labour standards more effectively.

Germany supports the establishment of trade unions and associations to ensure the effective representation of workers.

PRIORITIES OF THE BMZ

The BMZ pursues three different approaches to improving social and environmental standards in the textile supply chain. It actively contributes to policy processes relating to the textile supply chain, supports their implementation at the local level in producer countries, and promotes sustainable public procurement.
How the BMZ contributes to the success of the Textiles Partnership

As an initiator and founding member of the Partnership for Sustainable Textiles, the BMZ works to ensure its success in a number of ways. It funds the work of the Partnership Secretariat until 2018. In the Steering Committee, it is involved in developing the strategy for implementation of the Partnership’s ambitious goals and facilitates negotiations between the various stakeholders.

In conjunction with other ministries – namely the Federal Ministry of Labour and Social Affairs (BMAS) and the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) – the BMZ ensures that the substantive positions of the German government are represented in the Partnership’s working groups.

COOPERATION WITH THE PRIVATE SECTOR

When it comes to introducing and enforcing environmental and social standards, the private sector is an important partner for policymakers. The BMZ is therefore working with the business community in a variety of ways. Through the develoPPP.de programme, for example, the BMZ cofinances projects that ARE implemented jointly with local companies in producer countries. Project activities can include the establishment of production facility pools, the introduction of new process technology, and training and upskilling in textile and garment production.

The BMZ provides financial and professional support for these development partnerships, which can last up to three years. The company is responsible for covering at least half of the overall costs.
Fair working and environmental conditions in supply chains – including in textile production – were successfully placed on the G7 agenda for the first time at the 2015 G7 Summit in Elmau. The goal is to promote them ...

... through strong partnerships in the G7 countries, similar to the Partnership for Sustainable Textiles initiated by the BMZ.

... through greater transparency for consumers (for example, through www.siegelklarheit.de).

... by supporting producer countries (for instance, through training in local production facilities).

← Training session for garment workers in Bangladesh
‘UNIVERSAL AND LASTING PEACE CAN BE ESTABLISHED ONLY IF IT IS BASED UPON SOCIAL JUSTICE.’

Preamble of the constitution of the International Labour Organisation (ILO) of 1919

→ Women examine raw cotton for impurities in a factory that produces cloth and yarn in Pakistan

↓ Garment workers with their sewing machines in the border region of Congo, Cameroon and the Central African Republic
SUPPORTING COMPANIES IN THE IMPLEMENTATION OF NON-FINANCIAL REPORTING OBLIGATIONS

From 2017, capital-market oriented enterprises in Germany with more than 500 employees will be required by law to disclose in a ‘non-financial declaration’ information on environmental matters, social and employee-related aspects, respect for human rights, and anti-corruption issues. The review process and reporting within the Partnership can help textile companies meet these reporting obligations. The lessons learned from the Partnership can also facilitate reporting in the context of other international processes such as the UN Global Compact and the implementation of the UN Guiding Principles on Business and Human Rights.

COOPERATION WITH CIVIL SOCIETY

Non-governmental organisations (NGOs) play an important role in the preparation, introduction and monitoring of environmental and social standards in the textile industry. They usually have good relations with local communities and, due their independence from government authorities, enjoy a high level of trust. Civil society organisations and initiatives also perform crucial functions in the field of Fair Trade. For example, they work with all the various stakeholders on defining standards and thereby show that it is indeed possible to implement ambitious standards. NGOs also frequently monitor compliance with these standards.

SUSTAINABLE PUBLIC PROCUREMENT

The public sector in Germany alone purchases goods worth up to 300 billion euros each year. That is why the government must lead by example. The German government has set itself clear goals in the area of procurement. Among other things, it plans to procure 50 per cent of textiles on the basis of social and environmental criteria by 2020. The BMZ already takes environmental and social standards into account in its public procurement policy. Through the ‘Kompass Nachhaltigkeit’ portal (www.kompass-nachhaltigkeit.de) supports federal, state and municipal procurement officers in their efforts to make procurement more sustainable.
Consumer tips for buying clothes responsibly

CONSUMER BEHAVIOUR AFFECTS WORKING AND ENVIRONMENTAL CONDITIONS

Through their consumption behaviour, consumers also bear responsibility for working and environmental conditions in the textile industry.

← Some textile companies such as this one in Morocco offer dual training modelled on the German system
This means that by making informed purchasing decisions, they can ensure that more and more products which meet social and environmental standards come onto the market.

The BMZ is committed to enhancing transparency in the textile sector and thus enabling buyers to make more informed decisions.

**TIPS FOR BUYING CLOTHES RESPONSIBLY:**

- **Look out for labels certifying compliance with environmental and/or social standards; the consumer information website** www.siegelklarheit.de (in German only) **can provide guidance.**

- **Buy fewer but better quality clothes. Don’t buy cheap garments that only last one season.**

- **Ask for information and express your views. Ask your favourite shop or brand about working conditions in their garment factories. No company can afford to ignore their customers’ opinions for long.**

**NEW CONSUMER INFORMATION WEBSITE**

**SIEGELKLARHEIT**

In early 2015, the German government launched the www.siegelklarheit.de portal. A website and an app explain what the various environmental and social labels mean – both for the textile sector and for other product groups –, how credible they are and how they differ from each other.
LINKS

PARTNERSHIP FOR SUSTAINABLE TEXTILES
www.textilbuendnis.com/en/

BMZ WEB PAGES ON THE TEXTILE INDUSTRY
www.bmz.de/textileindustry

GIZ’S WEBPAGES ON ITS PROJECTS IN BANGLADESH
www.giz.de/en/workingwithgiz/11859.html

ILO CORE LABOUR STANDARDS

KOMPASS NACHHALTIGKEIT
www.kompass-nachhaltigkeit.de (in German only)

SIEGELKLARHEIT
www.siegelklarheit.de (in German only)

OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES
http://www.oecd.org/corporate/mne/

UNIVERSAL DECLARATION OF HUMAN RIGHTS

CLEAN CLOTHES CAMPAIGN
https://cleanclothes.org/

FAIR WEAR FOUNDATION
www.fairwear.org

CRS WELTWIT: GERMAN BUSINESS – GLOBAL CITIZEN INFORMATION PORTAL
www.csr-weltweit.de/en/index.nc.html

GERMAN CONSUMER INITIATIVE (VERBRAUCHER-INITIATIVE E.V.): SUSTAINABLE CONSUMPTION
www.oeko-fair.de (in German only)

NRW CONSUMER ADVICE CENTRE: TEXTILE QUALITY LABELS
www.verbraucherzentrale.nrw/fairer-handel (in German only)