



ITMA 2011

ITMA 2011 observations - Sustainability

The key-note address by Kofi Annan

Kofi Annan who served as the seventh Secretary-General of the United Nations (1997 – 2006) and who is also a recipient of the Nobel Peace Prize was the key note speaker of the World Textile Summit held the day prior to the exhibition. Amongst his many international positions, Annan currently serves on the board of directors of the United Nations Foundation, a public charity created in 1998 to address the world's most pressing problems, and that broadens support for the UN. His life's work is in relieving poverty and sickness. Human rights and labour standards, he believes are inherent to sustainability.



Opening the event, Annan spoke on the topic of Sustainability and the UN Global Compact for business ethics – a cause to which he has devoted himself to since he left his UN office in 2006. His keynote speech acknowledged that the fibre, textile, clothing and footwear industry is the most global industry in the world: “You remain at the forefront of globalisation, working as an industry to bring the world closer together. Your industry unites continents and people.” He also emphasised that shared knowledge and transparency would not only transform supply chains, they will lift people out of poverty – and that the fibre, textile and apparel industries could play a significant role in shared value creation across nations.

The one-day Summit set out to deliver an inspirational, forward-looking agenda, against the backdrop of “sustainability”. Indeed, “sustainability” (and all its complex facets) is sweeping through the global fibre, textile and apparel industries as a value system and a way by which companies and brands buy integrity and mitigate risk.

To emphasise the intensification of sustainability, Annan likened greening the economy and industries as large and transformative as the industrial revolution. Permanently linked to Corporate Social Responsibility reporting, sustainability is causing companies to reengineer their company profiles (and the way by which their customers view them) and supply chains. Sustainability is morphing away from a simple irritant and is now being driven by both opportunity as well as risk. Almost every machine supplier claimed of using either less power and/or less water, emitting fewer emissions, faster production and less waste. A sceptic would say that this is merely old fashioned continuous improvement, yet all is now legitimised under the theme of sustainability.

The investigative report from Greenpeace, 'Dirty Laundry', that was released in July and revealed the problem of toxic water pollution resulting from the release of hazardous chemicals by the textile industry in China is galvanising the industry into action. The investigation focused on two facilities that were found to be discharging a range of hazardous and persistent chemicals with hormone-disrupting properties. Following the report, the outed leading brands announced their intention to eliminate all hazardous chemicals from their products and supply chain by 2020, with more information pending as to how they intend to deliver on their commitment.

Two high profile examples of positive sustainable strategies from large companies are those of Invista and of Miroglio.



The 64 year old Miroglio Group is an Italian industrial icon specialising in the manufacture and distribution of fabrics and clothing in 36 countries across 58 business operations. It has more than 12,000 employees, nine production sites and over 2,000 single-branded stores. In a divergence from the pursuit of the luxury end of the market and marking the culmination of four years of R&D, Miroglio recently launched a new range of recycled polyester yarns – Newlife™ - which are suitable for a wide variety of applications and with levels of performance and quality at least equal to virgin polyester equivalents. The process is Oeko-tex certified and has also obtained the Plastica Seconda Vita trademark issued by the Istituto Italiano dei Plastici (I.I.P.). The product marketing campaign is complete with environmental minimisation statistics and claims that thirty, one-and-a-half litre bottles makes one kilo of Newlife™ yarn.



Launched with the appointment of a Sustainability Director, INVISTA Apparel Planet agenda is also a commitment to developing technologies and materials that will minimise the environmental footprint of fibres and enhance performance of fabrics while safeguarding the health and safety of employees and communities. All this will be done through INVISTA Market Based Management™. Indeed, INVISTA™ has trade marked the term INVISTA Market Based Management™.

Shared knowledge and transparency

A commitment to sustainability presents a major challenge for firms to incorporate new practices across their supply chains; from the sourcing of their raw materials, to processing and manufacturing, and then all the way to the industrial/consumer use and disposal of products. The task to 'green' the entire supply chain is daunting, and the process iterative – yet all companies in the fibre textile and apparel industry are faced with the challenge. In most presentations, "shared knowledge" and "supply chain transparency" were the keys to achieving sustainability.

Counterintuitive and a shift in core values for all companies that compete in competitive market places, making a supply chain transparent is easier said than done. However, the most profound yet simple statement came from Steve Richardson, Director of Material Development for the global icon brand, Patagonia who said: "It's simply not cool – not to know". It's simply not cool not to know where your

materials come from, how they are made, who they are made by, what they are made with, how they are transported and their environmental footprint. He stated that, shared knowledge and transparency is vital, to sustainability.

Legitimate fears of environmentally unsound products and processes, old fashioned moral indignation seeking a home, and spin from companies posturing for market share are all blurring the lines of the sustainable theme. Programs such as the "Better Cotton Initiative" that sit in the uncomfortable spaces of "aid for trade" and "social entrepreneurship" are making an indelible impression on world supply-chains.

The challenge is to untangle the transference from unsustainable practices as simply a license to operate, from legitimate sustainable practices in order to extract a premium according to its value to the supply chain. Indeed, we know from high profile cases that unfounded or inaccurate environmental claims can punish a brand, as was the case with H&M, the challenge for the market to reward green products still remains.



Sustainability as a non tariff barrier

In parallel with the theme of sustainability is the growth of eco-labelling and eco (third party) certifications. While, the "eco-label index" lists 103 eco-labels in textiles (the

collective term for which is a “sea of trustmarks”), three prominent labels that exhibited included the Oeko-Tex Standard, Made in Green and the Textile Exchange.

Despite the merits of eco-labelling as a consumer information and market-based environmental policy alternative, the promise that green consumerism holds in encouraging environmentally conscious production decisions also raises concerns over whether eco-labelling effectively serves the role of a non-tariff barrier to trade. While eco-labelling can guide green consumption and production decisions, disentangling the role of eco-labelling in world trade is more difficult.

Significant progress has been made over the past half century in lowering tariff barriers to international trade. The U.S., Europe and Australia have progressively knocked down tariff barriers in tandem with (attempting to) harmonize business rules between markets. However, as countries and regions have made efforts to reduce tariffs, the importance of non-tariff barriers in countries around the world has increased. In a paper presented by the United Nations Conference on Trade and Development (UNCTAD), eco-labels are behind some 37 % of Environmental Trade Barriers (ETBs). Indeed, the UNCTAD website states that: “there are serious concerns on sustainability claims that, if unchecked, act as effective non tariff barriers to trade.”

The theme of “sustainability” has also ushered in new terms and titles. Unheard of twenty years ago, was the position of “Environmental Manager”, but we now have “Green Textile Entrepreneurs,” and “Green Chemists” who no doubt practice the science of green chemistry while reading the new publication of “Sustainable Nonwovens.” These positions can further be described as “Eco Applicators”, or those who apply environmental principles to business.

Describing the art of following production as it moves through its supply chain (or transparent production) using IPHones is the new term of requiring “under-the-finger-data” or UFD to those in the know. All of which is answering to the “planet agenda.”

