



www.textilepact.net

Volume 02 | Issue 01 |

May 2017



Dear Reader,

Welcome to the May Issue of the PaCT Newsletter!



PaCT aims to expedite investment and adoption of more resource efficient and cleaner production practices along Bangladesh's entire textile production chain.

It gives me great pleasure to welcome you at this momentous time - both for the PaCT program, and for a number of our program partners. Together we are making great strides towards increasing sustainability and becoming carbon positive, and I am deeply gratified to illustrate, over the course of this Newsletter, the recent developments in PaCT and in our partner's strategies and the indications they give of accelerated good for our industry and for Bangladesh.

This Newsletter comes to you while we at PaCT are busy transitioning the program into its second phase, PaCT II. PaCT II will target the entire value chain rather than only the wet dyeing and finishing sector, which was the focus of PaCT I. Wet dyeing and finishing will remain a program priority, as it is still the most resource intensive subsector of all. But, at the same time, we are excited to expand PaCT strategy to encompass other key facets of the production process textile weaving and spinning in particular, and the energy inefficiency in the garment sector.

As the PaCT Program Manager, it was my privilege to be invited to participate in the second Dhaka Apparel Summit in February. What struck me most was that aside from the leading brands, even though there are close to 100 brands and buying houses presently in Bangladesh, many are not participating in ensuring the environmental sustainability of the sector. Leaving it to the key brands is not sufficient. Only collective action and collaboration will help the sector to become a US\$ 50 billion industry. Therefore, I am requesting those brands that have not had an opportunity, to step up and join us. It is the best time since we are now inviting partners.

May

That being said, I would like to draw attention to great progresses made by leading brands here in Bangladesh. I had the pleasure of attending the launch of H&M Sustainability strategy in April. H&M also announced the partnership with IFC, which would help them become carbon positive by 2030. PaCT has a role to play in the promotion of renewable energy to offset fossil fuel demand in Bangladesh. The strategy aligns well with the PaCT II program objectives. Similarly, in this Newsletter you will find more details on the remote access monitoring pilot we have undertaken for Levi Strauss and Co. The major benefit is that it allows Levi's to monitor supplier performance remotely. For this we have developed a dedicated web portal that you can view. This would be further developed under PaCT II and other brands are welcome to participate in this project.

We also showcase the uptake of innovative technologies that have been championed by the Decision Support Guidance Manual through a series of case studies, where we partnered with technology vendors, factories, and brands.

Lastly, communicating the work of PaCT to our stakeholders within and beyond Bangladesh has been the most difficult task. To this end, we are pleased that Brands like VF Corp are helping us to spread the word. Similarly Fashion for Good, an undertaking of C&A Foundation has done an interview with an employee of a PaCT partner factory on how he has been able to benefit from the work that is done by PaCT. We publish excerpts from this interview.

Respectfully,

Mohan SeneviratneProgram Manager, PaCT

Program ImPaCT

Kumar's inspiring water savings story told in Amsterdam



In March, the C&A Foundation with other core founding partners officially launched Fashion for Good. The initiative is established to support innovative circular business models while bringing brands, retailers, manufacturers, multistakeholder initiatives, and investors together to work

towards a shared vision for the future of a good apparel industry.

At the inaugural ceremony in Amsterdam, Fashion for Good introduced the five elements of a transformed fashion industry: good materials, good economy, good energy, good water, and good lives. Several of the ceremony's features focused on people working on and developing that innovative processes promote sustainable fashion. As a lead sponsor of the PaCT program, C&A Foundation was proud to showcase PaCT's contribution in the Bangladesh textile sector to the global audience, featuring the inspiring story of Krishno Kumar Das, a dyeing machine operator at PaCT partner factory Textown Ltd.

In his story, Kumar speaks from knowledge gained through experience:

When we spend less time rinsing during the dyeing process, we not only use less water and energy, but can also do more production work over the same amount of time. When we increase overall efficiency, this helps the factory become more profitable. If the company makes more money, then I can look forward to getting a bonus and other financial benefits at the end of the year. Using less water and energy also helps the next generation become more sustainable. If we use a lot more resources now, there will be little left for the next generation.

PaCT Portal replaces spreadsheets in six Levi Strauss & Co. supplier factories



Improvements in process efficiency and implementation of high-tech solutions available on the market are now a commonplace in textile factories. But, is that enough? Technology and process changes are constantly generating valuable data, much of which often ends up as mere numbers in large spreadsheets. Capturing and analyzing such data is key to both ensuring supply chain transparency, and helping supplier factories and brands gain a better understanding of performance and productivity.

For PaCT, the opportunity of digitizing factory-level data evolved from a ground-breaking partnership with Levi Strauss & Co., one of the world's leading jeans-wear manufacturers, to develop a global program aimed at ensuring environmental sustainability of the textile sector. Under this partnership, a Cleaner Production pilot project is established in six facilities located in four major Levi Strauss &

Co. supplier countries including Bangladesh, India, Sri Lanka, and Vietnam.

To facilitate monitoring of the progress and performance of the six supplier factories, PaCT has developed a state-of-the-art PaCT Portal: a cloud-based resource management and analytics tool designed for remote monitoring. The portal enables the six supplier factories and Levi Strauss & Co. to gain detailed insights on water and energy performance indicators, and then, if necessary, take corrective measures through access to information and analysis of trends in resource and cost savings. For factories, this helps to set them on a path to continuous improvement in productivity, and long-term business sustainability. And for Levi's, the greatest value lies in focusing on the most resource intensive supplier in its value chain.

For more details on the portal, please visit http://portal.textilepact.net/landing.php

PaCT II is introducing a diverse range of newly developed, non-conventional, customized initiatives to break new grounds and spark improvements in productivity throughout the value chain- from resource use reduction and waste minimization, to worker empowerment and worker wellbeing.

We use this newsletter as an opportunity to invite Brands and other valued Stakeholders to join us in making PaCT II a success in achieving these endeavors.

To join PaCT II or learn more about the program, please contact

Mohan Seneviratne, Program Manager (mseneviratne@ifc.org)
Nishat Shahid Chowdhury, Deputy Program Manager (NChowdhury2@ifc.org)

PaCTIVITIES

PaCT sponsors Dhaka Apparel Summit 2017



In February, Bangladesh PaCT sponsored the prestigious second Dhaka Apparel Summit 2017, organized by Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The biennial event brought together key players of Bangladesh's RMG sector to discuss strategies pivotal for the sustainable growth

of the lifeblood of the economy- the textile sector.

PaCT Program Manager, Mr. Seneviratne was one of the key speakers of the 'Collaborative and Responsible Sourcing for Sustainable Growth' session. Mr. Seneviratne showcased PaCT's success in promoting the adoption of Cleaner Production practices in the Bangladesh textile sector and emphasized PaCT's role in creating a shared vision for prosperity for all and environmental sustainability within the entire value chain. H.E. Leoni Margaretha Cuelenaere, Ambassador of the Netherlands to Bangladesh, and Mr. Faruque Hassan, Senior Vice President, BGMEA also spoke at the event.

PaCT participates in the Bangladesh Textile Sustainability Seminar 2017

Ms. Nishat Shahid Chowdhury, Deputy Program Manager for PaCT program was invited at the Bangladesh Textile Sustainability Seminar 2017 held in February, in Dhaka as one of the keynote speakers of the 'Deep Analysis on the Social and Environmental Challenges and Coping Strategy in Bangladesh Textile Industry' session.

Organized by ECV International, the two-day long conference largely focused on analysing the country's textile industry to draw a better understanding of the market and to avoid risks while exploring new

opportunities. More than 150 experts and stakeholders from apex organizations including Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Institute of Development Studies, and Centre for Policy Dialogue attended the program.

At the session, Ms. Chowdhury highlighted PaCT's significant contributions in establishing the long-term competitiveness and environmental sustainability of the Bangladesh textile sector by promoting the adoption of best practices throughout the value chain.

A reconstituted Textile Sustainability Platform aligns strategies for a greener textile sector

In February, the Business Initiative Leading Development (BUILD), in association with the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Country Manager, H&M; Mr. Miran Ali, Director, BGMEA and Managing Director, Bitopi Group; and Mr. Syed Mohammed Tanvir, Director, BGMEA and Managing

organized the first orientation meeting of the newly reconstituted Textile Sustainability Platform (TSP). Launched in 2014, the TSP is a national-level dialogue forum that convenes stakeholders related to the textile sector to work collectively towards lowering sectoral barriers, and improving the policy and regulatory framework. The newly reconstituted TSP welcomed new members and co-chairs, including Mr. Gustaf Asp,

Director, Pacific Jeans. The meeting's discussion largely focused on identification of potential research topics investigating the best ways for Green Financing to achieve the stated goals of Bangladesh's textile industry. The event was co-chaired by Mr. Faruque Hassan, Senior Vice President, BGMEA, and Mr. Asif Ibrahim, Founder Chairman, BUILD.



Members of the TSP belonging to sector relevant institutions including H&M, GIZ, Bangladesh Bank, BRAC Bank, BUFT, BKMEA, DBL, Tarasima Apparels Ltd., and others discuss the next steps at the first orientation meeting of the TSP.

PaCT & Partners

IFC and H&M partner on renewable energy ventures

Climate change poses a fundamental threat to economic development. According to World Bank estimates, these changes could push an additional 100 million people into poverty by 2030. Addressing these threats requires collective action from all players of the global economy, including the global apparel industry.

Fashion giant H&M Hennes & Mauritz (H&M), one of the first companies in the world to start setting climate change and renewable energy goals along its value chain, launched a joint partnership with International Finance Corporation (IFC) on April 4, 2017 in Stockholm, with the aim to boost the use of clean, renewable energy in the garment sector, whilst reducing greenhouse gas (GHG) emissions. During the next two years, H&M and IFC together will develop a low carbon roadmap for

implementation of practical renewable energy solutions for H&M tier one and two suppliers in Bangladesh, India, and China to achieve meaningful reductions in GHG. PaCT is already helping the Bangladesh team to achieve these goals.

Cutting greenhouse gas emissions is crucial for the environment, but importantly, this project will create a low-carbon roadmap that shows how it makes good financial sense for firms too.

Milagros Rivas Saiz Manager Cross Industry Solutions, IFC

Case Study

Textown embraces ecoscouring & biofinishing with DuPont products

As the global garment industry steps into an era of circular fashion, brands and suppliers are pushed to rethink the entire supply chain of garment manufacturing – from designing and sourcing, to production and end use – in order to determine how best to reduce resource consumption and mitigate negative environmental impacts.

As a frontrunner in revolutionizing the Bangladesh textile sector, PaCT is driving the adoption of circular fashion in the sector by supporting global partner brands in implementing sustainable and safer options in their product design and sourcing decisions. The program is doing so through the Decision Support Guidance (DSG), a guidance manual specially designed to promote innovative solutions for knit and denim manufacturing processes. A number of brands and PaCT partner factories have already begun reshaping their production methods on account of the technologies

and processes recommended in the DSG. In conjunction with the introduction of the DSG, PaCT is publishing the first of a series of case studies showcasing the successes of PaCT factories in the adoption of DSG recommended processes. One such factory is Textown Ltd.

Textown Ltd., a PaCT partner factory located near Dhaka, had been following conventional scouring processes for fabric preparation. These processes were costing the company both energy and time, as they required maintaining high temperatures and following a long chain of intermediate procedures. After an evaluation of options, Textown opted for replacing chemical processes with resource efficient enzymatic processes as recommended in the DSG, applied DuPont's PrimaGreen® ecoscouring and Primafast® biofinishing products. Results from the process changes are shown below.

Textown currently processes around 1,400,000 kg of fabric per annum, by applying a combined ecoscouring and biofinishing process with DuPont PrimaGreen® and Primafast® products. At Textown, we strongly believe that the switch to sustainable processing solutions has earned us greater acceptance as a supplier to brands and retailers who are conscious of the environmental impacts of products.

Mr. Ashok PonrajSenior General Manager
Textown Ltd.

Reduced:

- Water use by 11 million liters/year by eliminating additional caustic stages
- Steam use by 140 tonnes/year due to lower heating requirements
- Batch time by 60 minutes for pretreatment and dyeing of darker shades
- Process temperature by 50°C
- · Caustic soda use in pretreatment
- Acid use as a result of the effectiveness of the products at neutral pH
- BOD level of wastewater by approximately 30%
- Wastewater treatment requirements
- Fabric weight loss from around 8-10% to less than 5%
- Dyestuff consumption due to improved efficiency in removal of pectins from fabrics

Improved:

- Fabric strength, by eliminating caustic use
- Effluent quality

Interesting reads on the PaCT website

- Holding Supply Chains Accountable for Carbon Emissions Saves Money, CDP Reports, **Environmental Leader**
- For steady economic growth of Bangladesh, textile education and training is inevitable, TextileToday
- Bangladesh's Apparel Sector's Trajectory to Green Growth, Dhaka Apparel Summit 2017, **BGMEA**

The Bangladesh Partnership for Cleaner Textile (PaCT) is a holistic program that supports textile wet processing factories in adopting Cleaner Production practices, and engages with brands, government, communities, financial institutions, and other stakeholders to bring about systemic, positive environmental change for the Bangladesh textile wet processing sector, its workers, and surrounding communities, and to contribute to the sector's long-term competitiveness and environmental sustainability.













ASSOCIATE SPONSORS





G-STAR RAW

PRIMARK*

















IMPLEMENTERS

IMPLEMENTING PARTNER







Our mailing address:

International Finance Corporation United House

10 Gulshan Avenue, Gulshan 1 Dhaka 1212

Bangladesh

Add us to your address book

Want to change how you receive these emails? You can update your preferences or unsubscribe from this list

Copyright © 2017 PaCT, All rights reserved. Thank you for your interest in the Bangladesh PaCT Program