

# Sustainable Consumption & the Textile Industry

Advanced Auditing and Certification Procedures

Environment & Energy BSc

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# Introduction

The textile and fashion industry is riddled with a multitude of ethical and environmental problems, stretching many levels of the value chain. On the social side, a situation has endured in which workers' rights are suppressed and working conditions are deprived enabling human-exploitation. An overall poor intra-company communication system, legal framework and legal enforcement structure further cripples the clothing industry from progressing. This increases the potential for catastrophes like Spectrum collapse and Rana Plaza Catastrophe to occur. On the environmental side, unsustainable production of cotton and dyes threaten water availability, soil and water quality among many other impact areas. Strides towards sustainability in the industry are necessitated, to bring the current standing and methodology to an enhanced state. In this stride, the Human Rights initiative and sustainability labels have made some progress (Morris et al, 2021). This report assesses both of them, in the development to ameliorate the current state of sustainability in the textile and fashion industry.

## Material and Methods

Sustainable consumption and the textile industry was discussed and the following questions were explored and recorded in this report.

The main environmental and social impacts of the clothing industry were described. The Oeko-Tex label was then compared to the Green Button label and the role of these labels in making the clothing industry more sustainable was evaluated.

In the following task, the chapter by Bergstein (2018) titled, "human rights in global supply chain" was used as primary literature to assess the initiative of human rights in making the clothing industry more sustainable.

## Results and Discussion

### Main Environmental and Social Impacts of the Clothing Industry

Environmental and social impacts are of great concern when it comes to sustainability in the clothing industry. Impacts from the clothing industry are poor working conditions, negligence toward and deterioration of human rights, unsustainably high production and consumption in the market, high water and fertilizer use in cotton production, biodiversity loss, emissions in transport and production of clothing among many others.

Core aspects of the environmental impact considers:

- Raw materials used and their respective agricultural demands (e.g. Cotton production requires more water and fertilizer input compared to Jute based production (La Rosa, 2019).
- Water and energy use.

- Biodiversity impacts.
- Emissions, effluents and waste.
- Transport and logistics impacts
- Products used (eg. dyes and fertilizers).
- Compliance to environmental management systems, guidelines and labels.

The social aspects concern mainly:

- Labour practices and decent work.
- Human rights.
- Societal consumption and the impact to society by the industry.
- Product responsibility.
- Health and safety of the product.

How well a product and/or process in the clothing industry takes into account these above listed parameters alludes to their degree of sustainability. Therefore, products and processes in the clothing industry with a lower environmental footprint, adhering to the label guidelines, management systems and social requirements, are more sustainable than those not conforming (Koep et al, 2021).

## Oeko-Tex and the Green Button

Oeko-Tex is a standard of label focusing primarily on health and safety for consumers. They work to verify products are safe for human health. Oeko-Tex's scope focuses on all areas of production relative to the textile industry, looking at raw materials, intermediates and end products. Oeko-Tex is one of the older, more established ecolabels in the industry, granting 20000 certificates to millions of textile products. The Oeko-Tex verifying system is independent and orchestrated through various partner institutes of the Oeko-Tex group. The label uses 3rd party auditing, in accordance with REACH and internationally standardized legislation and guidelines (Oeko-Tex, 2021).

The Green Button is a comparatively new sustainability label that covers multiple dimensions. Formed by the German government working with the Partnership for Sustainable Textiles, Green Button encompasses the social and environmental aspects of sustainability (Morris et al, 2021). Primary differences in the two sustainability labels are summed up in table 1:

Table 1 : Overview of Oeko-Tex and the Green Button labels in the textile industry (adapted from Morris et al. (2021)).

<b>Name of Standard</b>	<b>Topics Covered</b>	<b>Scope</b>	<b>Adoption rate</b>	<b>Verifying body</b>	<b>Issuing Body</b>
Oeko-Tex	Health and	Textile	~ 9500		Oeko-Tex

	safety	products at all Life cycle stages of production	companies	Independent Oeko-Tex® partner institutes.	with collaboration from partner institutes. .
Green Button	Environmental and social sustainability	Textile products	~ 80 companies	Independent testing bodies approved by the German government..	German government

Although both labels focus on the textile industry, they cover different topics. One credible common point of both labels is also that they used 3rd party verification, reducing the bias and improving the validity of their work.

## Role of Oeko-Tex and the Green Button on Sustainability in the Clothing Industry

When it comes to making the industry more sustainable, these two labels have differing levels of impacts. Green Button has a comparatively more holistic, “one-answer” approach to sustainability, focusing on both social and environmental parameters at the same time. They ensure the product is good for people and nature, testing compliance with 46 social and environmental criteria. Of these 46 parameters, 26 test environmental criteria of the product and the remaining 20 audits social criteria of the company. Therefore, both the company and the product are audited in the process. Their due diligence process requires companies to take responsibility for their supply chain, analyze risks and impacts of the supply chain, gear corporate policy to human rights and environmental protection and take complaints seriously from employees (BMZ, 2021). Another important point to note about Green Button is that their certification is not broken into tiers as with Oeko-Tex. When companies register for the label, they are rigorously evaluated for all 46 socio-environmental criteria. On the other hand, Oeko-Tex has stratified their standards such that consumers can pick and choose which criteria or aspect of sustainability they would like to be audited for.

**Table 2:** Various Standards of Oeko-Tex (data from Oeko-Tex (2021))

<b>Standard of Oeko-Tex</b>	<b>Topics Covered</b>	<b>Scope</b>	<b>Verifying Method</b>
Made In Green	Health and Safety, sustainable social conditions of production.	Textile and leather goods	certification in accordance with STeP by Oeko-Tex®

Standard 100	Health and Safety	Textiles at all processing stages	Independent Oeko-Tex® partner institutes.
Leather Standard	Health and Safety	Leather articles at all stages of production	Independent certification
Sustainable Leather & Textile Production (STeP)	Environmentally friendly	Textiles at leather; at individual production sites along the supply chain	Independent certification system
Detox to Zero	Environmental criteria, based on the goals of the Greenpeace Detox Campaign.	Textiles and leather industries	Independent verification
Eco Passport	Health and Safety	Colourants and auxiliaries used in textile and leather production.	Independent certification system

Although Oeko-Tex has compartmentalized various aspects of sustainability proofing in its business structure, it is difficult to fully assess the overall potency of the proofing in regards to sustainability steps in the industry. Whereas with Green Button, companies have proof of most of the sustainability parameters with one label, Oeko-tex certified companies only consider a fraction with each label. This “dissect-ability” of Oeko-Tex labels is perhaps responsible for the larger adoption rates across the industry compared to other sustainability labels. Companies can better pick which individual range of criteria they are willing to get audited for.

Important to consider, although Oeko-Tex standards together cover a large scope of sustainability, they do not always apply to the entire supply chain. Their steps towards sustainability are more incremental compared to Green Button, but perhaps their overall reach and business model is more malleable for companies to participate in taking responsibility. Nonetheless, the Oeko-tex label is a source of value addition, extensive safety ,transparency and reliability, as is Green Button. Both labels are regularly actualized, and can be trusted by the consumers (Radhakrishnan, 2015).

## Human Rights and Sustainability in Fashion and Textile Industry

At some point during globalization and scaling of production in the textile and fashion industry, the importance of human rights in the context of economic profit was nullified, and even disregarded. This was especially the case in developing countries such as Bangladesh, Vietnam and China. One of many circumstances leading to such a toxic work situation is the absence of respect and utter disregard to the

needs, voices and employees of textile production against the unilateral declarations of their management. Traditionally management outlook is tunnel-visioned toward increased production and economic profit. Bergstein (2018) raises the question; what if there is a “win-win” scenario, in which the workers and management both benefit, increasing production efficiency, and working conditions. In this way, the importance of human rights in increasing the sustainability of the textile and fashion industry raises interesting points, which will be discussed with the example of Tchibo GmbH, and their drive towards ensuring human rights of workers in their supply chains (Bergstein, 2018).

With this question, came the Worldwide Enhancement of Social Quality Programme (WE). WE introduced a dialogue between workers and managers, airing concerns about overtime, the dangers of travelling late as a woman in Bangladesh and family obligations, amongst other concerns of both employees and managers. Workers, being the ones who carry out the production day-in and day-out, know the production processes very well, even though they may be discriminated against by the manager for having lower literacy. In this way, the pre-WE programme era led to no worker voluntarily putting themselves in the situation to be criticized for this production process feedback. Even more alarming, some solutions were very simple, for example, improving the lighting in a sewing line led to an overall efficiency gain of 30% (Bergstein, 2018). As managers began to listen and make the changes they became increasingly aware of the benefit of integrating and respecting workers and in the role this played in optimizing and improving the business efficiency and work atmosphere for the workers simultaneously (Bergstein (2018).

The WE programme had a great impact on several core parameters of the supply chain of Tchibo:

- Increase in worker participation in formal dialogue structures, with worker representatives being elected.
- Average increase in wages by 30-50% (but have not yet reached living standards).
- Overtime hours reduced.
- Welfare programmes set up at factories.
- Health and Safety management systems have been introduced.
- Efficiency and quality has improved.

Bergstein (2018) lists imperative factors enhancing the success of the dialogue-oriented supplier training.

- Securing management commitment from owners and top management.
- Locally adapted and culturally sensitive training while maintaining international labour norms and human rights.
- Facilitating participation and legitimate worker representation, optimally involving unions when they exist.
- Ownership and therefore freedom of decision for the beneficiaries.
- Peer learning to share and exchange challenges and solutions development.
- Setting boundaries if there is no progress; if the sourcing department is reluctant to participate and make changes, business ties will be revised based on the principle of dissimilar shared values.

When looking at the social aspect of sustainability, it is clear that improvement of human rights and working conditions are quintessential in bringing about improved development in the textile and fashion

industry. This is reinforced by the development of the Bangladesh Accord on Fire and Building Safety. According to Bergstein (2018), the engagement of the workforce can play a pivotal role in preventing disasters. Work relations were so poor, that even when workers spoke up about building hazards and danger, they were sent back to their working places, with their claims ignored. This was the case even more so in the Spectrum collapse of 2005. In this way, the suppression of basic human rights led to a huge catastrophe. A few years later, over 1100 workers lost their lives in the Rana Plaza factory collapse, with over 2500 injured (Baumann-Pauly et al, 2018). This was the deadliest incident in the history of the garment industry (Baumann-Pauly et al, 2018).

The Human Rights initiative reinforces sustainable practices in the clothing industry and is aligned with the SDGs: no poverty, good health and well-being, gender equality, decent work and economic growth, reduced inequalities, peace, justice and strong institutions and partnerships for the goals. By protecting and advancing industry workers' rights and well-being, this initiative helps realize these SDGs, making the industry more sustainable.

In conclusion, although developments in human rights is a critical parameter to bring about improvement in sustainability in the textile and fashion industry, it is by itself inept. Various other complex social and traditional problems hinder the development still, in improving the conditions in Bangladesh (Bergstein 2018). Among these shortcomings are the limited scale business models of brands and retailers, which puts immense pressure on subcontracted textile producers to compete to sell their product cheapest. This not only adds to the complexity of the supply chain (also hinders reach and application of progressive initiatives) but adds immense pressure in the production of the apparel. In doing so, the labor cost factor is treated as flexible, and subcontracting exacerbates the “sweatshop-like” conditions in many garment producing districts in Bangladesh (Baumann-Pauly et al, 2018). Lastly, the limited scope of the existing Bangladesh Accord on Fire and Building Safety and the Alliance for Bangladesh Worker Safety initiatives also do not adequately address the systemic issues (for example laws around wages) and do not penetrate the larger Ready Made Garment Industry enough to have convincing, lasting, systematic sustainable change. More work needs to be done and it will not be accomplished overnight. Nonetheless, development of human rights is a strong step in the right direction for the industry sustainability, performance, and ofcourse; the industry workers.

## Conclusion

Advancements of Human Rights and the progression of adoption of sustainability labels have contributed to the amelioration of sustainability in the clothing industry. Each initiative and label have their own respective impacts to the development of sustainability in the industry, which may vary in efficacy and reach, but altogether help push the clothing industry towards a more sustainable state. Greater societal, supply-chain and industry cooperation is required however, to improve sustainability further.

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