

# TAG 2011 Conference

"Sustainability: an option or a necessity?"

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**SUSTAINABILITY  
MARKETS -  
HOME & AWAY**

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**MORALFIBRE**



- The sustainability movement and its ethos came in the public domain in some of the developed countries for more than a decade or so.
- It is only in the last couple of years that I am finding it being mentioned in Indian press, in board meetings and in some action plans for the Indian markets.

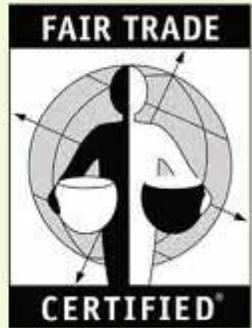
#### **SUSTAIBAILTY**

**It originated in the context of ecology - the ability to sustain something; a means of configuring civilization and human activity so that society, its members and its economies are able to meet their needs and express their greatest potential in the present, while preserving biodiversity and natural ecosystems, planning and acting for the generations to come.**



It is not surprising that the new sustainability awareness came from the consumer and consumption oriented west, on the back of new findings in the environmental sciences.

- All happened, not because the companies and the govt.s wanted it but some crusaders from inside and outside industries pointed it out, took up their cause to avert the destruction.
- They had a holistic vision and they valued the environment and the humanity. It started with the state of the factories, labor and condition of workers. Many people understood. But not all....
- At least some of them managed to put together a voluntary guidelines and then govt. and regulatory bodies followed.



In the textile industry, one can say that the forbearer of sustainability movement was Fairtrade movement.

- By requiring companies to pay sustainable prices; which must never fall lower than the market price, Fairtrade addresses the injustices of conventional trade, which traditionally discriminates against the poorest and the weakest producers.



# Being Sustainable is the only way

- Ongoing research keeps opening new boundaries and vistas.
- The need for protection of resources like earth, air, water, reducing pollution, use of alternative energy, reducing carbon footprint is driving all innovations and R & D today.
- The three Rs, Reduce, Reuse and Recycle have become a kind of Mantra.
- Then came the 'Cradle to Cradle' approach to development and production where self regenerating design and processes are promoted.
- **The understanding and interpretation has expanded and the champions of sustainability and sustainable development have played a pioneering role in changing the way we think, plan and act in the world markets for good.**

# Action for Sustainability should have gone much further!

- The CO2 emission should have been much better controlled and carbon tax should have gone beyond the discussion table.
- The calculation of carbon credits should have become a norm.
- The triple bottom line - People, Planet, and Profit while calculating costs of production should have become a desired practice .

## **Instead of that....**

- High level of fast fashion and consumerism still drives the textile and fashion industry.
- Pricing, economic countdown are the realities but more importantly the political will or courage has been missing. We have seen it year after year that the rich countries are back tracking on the climate Change issues.

# Sustainability context for India

- **India is at a very special place today.**
- **We are one of the few countries that are manufacturers, exporters and suppliers to our own ever growing consumer markets.**
- We seem to have a varying degree of preparedness and understanding for working in the sustainability markets.

## manufacturing

- Energy efficiency is a major consideration
- Pollution control is now inherent part of planning
- Regulatory framework is there

## exports

- Accreditations, certifications of products
- On par with international standards by large companies
- Need for vigilance to reduce lapses

## Local markets

- Very little people awareness
- Good level of big store awareness
- There is a big gap

# Unorganized textile and apparel sector

- I would like to present a sustainability scenario from a point of view of unorganized sector where I work, that is grass root level artisans, co-operatives and SMEs.
- Some of our most skilled as well as the poorest artisans belong to this category. They form almost 70% of our work force in the textile industry. They are small handloom, Khadi, wool, silk and producers of handcrafted fabrics.
- **Small is really big** – they are so many of them and that forms a critical mass.
- **Interestingly, most of indigenous small units are sustainable at some level or the other. Be it the proximity to raw material, traditional processes and materials they use, or maintenance of traditional skill and knowledge. This fact is not recognized and no sustainability value is given to it.**

# 'SUSTAINABILITY SCORE CARD'

- There is a need to develop tools that value and support small producers in becoming more sustainable, as well as help them to communicate their sustainability progress.
- Perhaps a '**SUSTAINABILITY SCORE CARD**' system which measures, benchmarks and tracks the progress year-on-year, in a way that is transparent. These Scorecards are shared, reviewed and published online. By collating and analyzing this data, we are able to work to develop business plans which improve their social and environmental footprint.
- The producers can show the buyers that they are working with this system and demonstrate that the production unit is committed to sustainability with respect to the environment and the people working in the supply chain.

# R & D, INNOVATIONS, OPPORTUNITIES

- The organized textile industry has taken big strides in innovative practices but the small producers are left behind. Based on this tracking system these gaps can be effectively and creatively bridged.
- The supporting R & D can be developed with them in creating environmentally friendly and pollution free production practices.
- Handloom boards, KVIC and other organizations can play a pivotal role
- Integration of organized and un organized sectors for mutually beneficial collaborations can also be worked out.

# ACCREDITATION, CERTIFICATION

- Along with 'SUSTAINABILITY SCORE CARD' there is a need to develop
- Either a strong Indian accreditation system
- or support based collaboration with international system.
  
- Offered to small producers at a reasonable rate.
- Need help from Govt. / authorities– funding, grants, loans for the process.
- And constant vigilance in operating the system
- Great need for transparency, reliability –(companies in the West are also victims of that)
  
- **WE HAVE TO BRING SMALL PRODUCERS IN THE PICTURE WITH RESPECT AND HELP WITH RESOURCES.**

# India has a significant role to play

- **NOW, More than 60% business leaders in India believe that India should lead the way in green initiatives but a lot more determination and action is needed.**
- We believe that new growth in the textile industry can be heavily focused on sustainability – of the environment and of millions of people involved in the textile trade. Textile industry is the second biggest employer in India after agriculture.

By promoting sustainable textile industry and Fairtrade in a transparent and committed way, we will be able to fulfill our promise to our people to bring them above the poverty line.

We can do this without costing our natural resources and harming the environment.

**This is unique time when 'Best Practices' is also  
the 'Best Business'.**

**If we mobilize ourselves in this direction,  
India can emerge as a world leader in  
Sustainable Textile Industry.**