Catalyzing Green Investments for Sustainability: Emerging Opportunities for Circular Economy' – Key Note Address by Syed Naved Husain

Sustainability which started as a movement focused on the product in 1990's, extended to human resources by integrating workers' rights into supply chain management systems. In the 21st century, the sustainability movement is compelling fashion brands into adopting green strategies and using them as a competitive tool. This is apparently in response to consumer concerns about environment and factory working conditions. Sustainability footprint overlaps the entire textile value chain starting with design and development till end of use.

Environmental sustainability across the textile value chain has become a policy imperative for the industry and government. The trend is being driven by three major forces viz consumer awareness about responsible consumption, commitments made by brand owners to their stakeholders and finally, legislation. The Key Note Speaker Syed Naved Husain, Group Director and CEO at BEXIMCO Group will elucidate these trends and assess their impact on the industry. He will highlight how the Bangladesh T&G industry is embracing cleantech to mitigate the impact of climate change and illustrate the green initiatives embarked upon by BEXIMCO Group.

The UN Alliance for Sustainable Fashion is an international initiative of the UN to coordinate the efforts of key actors across the value chain towards achieving UN Sustainable Development Goals. Leading brands and their supply chain partners have signed the UN Fashion Industry Charter for Climate Action as a mark of their commitment to the Paris Agreement. The Charter signatories have committed to a number of actions on climate change, including a 30% aggregate reduction in scope 1, 2, and 3 GHG emissions by 2030.

Exhibit 3: Sustainability goals

	Sustainability goals
Inditex	100% sustainable raw materials by 2025; Elimination of single use plastics; Zero discharge commitment for wet processing; 25% of garments under 'Join Life' standard
H&M	100% sustainable cotton; 30% recycled materials by 2025
Fast Retailing	Signed the Fashion Industry Charter for Climate Action; Recognized as a water security "A List" company by CDP; Uniqlo recycling programme launched
Gap	Be carbon neutral by 2050; Establish a water resilient supply chain through Water Stewardship; eliminate SUP; 100% sustainable cotton by 2025
M&S	Joined Circular Fashion Partnership in collaboration with Global Fashion Agenda - an initiative focused on Bangladesh to enhance recycling of waste cotton from the country's large garment-producing sector.

Textile waste and Water governance

It is clearly evident that environmental sustainability encompasses materials, energy and water – the key ingredients that make up textile manufacturing. There is a demand/supply gap in availability of sustainable raw materials. Therefore, there is an opportunity to direct investments towards recycling of pre- and post-consumer materials. While mechanical recycling technologies are already mainstream, breakthroughs in chemical recycling have further potential to be realized. Reduction of fresh water in textile processing is where there is need for collaboration between industry and government. Water issues will pose a major threat to the industry's ambitions unless timely actions are taken in mitigating the risks.

Regulatory frameworks will increasingly influence the shift towards circular business models. The new EU regulation will impose two key obligations: a) Collection of textiles separated by 2025 and b) waste collected separately is not incinerated or landfilled. Legislative measures being mooted by the EU would create non-tariff barriers for import of T&A not meeting the sustainability norms in terms of using regenerated fibers. The "EU Strategy for Sustainable and Circular Textiles" talks about introducing mandatory "eco design norms" to reduce dependence on virgin raw materials.

The Strategy for Sustainable and Circular Textiles aims to create a coherent framework and a vision for the transition of the textiles sector whereby:

With abundant availability of post-consumer textile waste, Bangladesh offers tremendous opportunities to international brands and retailers to source sustainable apparels. Bangladesh's manufacturing capability and initiatives of leading textile mills, the textile recycling industry is set for growth.

EU Strategy for Sustainable and Circular Textiles
"By 2030 textile products placed on the EU market are long-lived and recyclable, to a great extent made of recycled fibers, free of hazardous substances and produced in respect of social rights and the environment. Consumers benefit longer from high quality affordable textiles, fast fashion is out of fashion, and economically profitable re-use and repair services are widely available. In a competitive, resilient, and innovative textiles sector, producers take responsibility for their products along the value chain, including when they become waste. The circular textiles ecosystem is thriving, driven by sufficient capacities for innovative fiber-to-fiber recycling, while the incineration and landfilling of textiles is reduced to the minimum."

Recover Textile Fibers, the world leader in production of regenerated fibers, has partnered with BEXIMCO Group to make Bangladesh a sourcing hub for sustainable fashion. It offers a scaled solution to transform textile waste into low-impact, high-quality sustainable recycled fiber.

Interestingly, leading textile and garment companies in Bangladesh aspire for LEED (Leadership in Energy and Environmental Design) certification for their new projects as an extension of their ESG strategy.

Emerging business models

The foregoing commentary on emerging trends clearly indicates that the international textile and clothing industry is undergoing a paradigm shift. To take advantage of the opportunities, textile firms need to align their business models to the new dynamics. The future textile industry should be based on transparency and consider the interests of all stakeholders.