



## Addressing Climate Change in the Fashion Sector: A collaborative approach

14 February 2019, 11.30-12.30

### Partner

UN Climate Change

### Objective of the session

This session will examine the role of the fashion sector in responding to the urgent need for scaled climate action in order to realise the goals of the Paris Agreement. It will address opportunities for the fashion industry to respond to sector-wide climate impacts, and innovative climate solutions to be implemented across the full supply chain. In particular, the session will discuss the recently launched Fashion Industry Charter for Climate Action (Charter) as an example of sector-led collaborative measures on climate change, and highlight concrete actions signatories to the Charter are taking in quantifying, tracking and reporting on greenhouse gas (GHG) emissions and emission reductions.

### Background

The apparel and footwear industry accounts for an estimated 8% of the world's GHG emissions<sup>1</sup>. Based on largely linear supply chains, the sector is relatively resource intensive. Within the apparel sector in particular, the dyeing and finishing stages are the biggest contributors to climate impacts; housing energy intensive processes in countries that largely rely on hard coal and natural gas for electricity and heat production.<sup>2</sup> In addition, the conversion of natural grasslands and rainforest for rubber and bamboo plantations, and cattle farms (from which leather is derived), are just some examples of how the fashion sector also contributes to increased emissions through land use, land-use change, deforestation, and livestock supply chain emissions. The considerable waste generated in the disposal of used garments, or surplus of garments never used, is also contributing to the climate footprint of the sector.

The growing demand for cheaper and lower quality goods, together with an increasing trend in the use of more synthetic materials and less natural fibres has meant that the fashion sector's impacts on climate change are on the rise. Over the period of 2005 to 2016, the climate impact of the production stages of the apparel sector were found to have increased by 35% and are projected to continue to increase under a business-as-usual scenario.<sup>3</sup>

In December 2015 representatives from the 197 parties to the United Nations Framework Convention on Climate Change (UNFCCC) negotiated and signed the Paris Agreement; committing to limit the global average temperature increase to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels. At the heart of the Paris Agreement are the Nationally Determined Contributions (NDCs) or commitments from national governments on emission reductions and climate adaptation efforts. NDCs capture each

<sup>1</sup> Quantis, Measuring Fashion: Insights from the Environmental Impact of the Global Apparel and Footwear Industries study, 2018.

<sup>2</sup> Specifically, China, India and Bangladesh comprise the sector's largest manufacturers but also rely heavily on fossil fuels, Quantis 2018,

<sup>3</sup> Quantis 2018

country's planned efforts on climate change, and will collectively determine whether the long-term goals of the Paris Agreement will be realised. The Paris Agreement also calls for the mobilisation of finance flows towards low GHG and climate resilient development and importantly recognises the integral role played by non-state actors, including the private sector, in responding to climate change.

However, recent reports indicate that even if Parties to the Paris Agreement maintain their NDC commitments, the global average temperature rise is already projected to reach or exceed 1.5°C by 2030 - prompting requests for urgent and more ambitious action. The latest report of the Intergovernmental Panel on Climate Change (IPCC)<sup>4</sup> found that limiting temperature rises to 1.5°C with no or minimal overshoot will require extensive transitions across energy, land, urban, infrastructure, and industrial systems. These transitions need to be unprecedented, not only in terms of the speed of implementation, but also in terms of scale and the level of emissions reductions required across all sectors. This necessitates the adoption of a varied portfolio of mitigation options and the significant upscaling of investment.

**In this context, there is a growing expectation on the critical role to be played by non-state actors, including business and industry, in raising ambition, filling the emissions reductions gap and meeting the goals of the Paris Agreement. Civil society, consumers and investor stakeholders are increasingly looking to companies in demanding more on climate action and in particular, the tracking, reporting and disclosure of GHG emission reductions.**

In 2018, world leaders met in Katowice, Poland for the 24<sup>th</sup> session of the Conference of the Parties to the UNFCCC (COP24). The focus of COP24 was the finalisation of the Paris Agreement Rulebook (aka the “Paris Agreement Work programme”), a detailed operating manual for the implementation of key commitments and mechanisms under the Agreement. The Rulebook covers a range of technical topics including reporting on GHG emissions by countries, climate finance for developing countries, and the operation of the cooperative market and non-market mechanisms.

With the finalisation of the Rulebook underway, and governments preparing for the implementation of their NDCs, business and industry have a clear global framework from which to spur sector-wide approaches in responding to the need for more ambitious action on climate. It is widely recognised that implementation of the Paris Agreement will not only require ambitious actions by governments, but also extensive cooperation across all sectors of society, involving business and civil society alike.

## **Fashion Industry Charter for Climate Action**

Following some initial discussions with a group of fashion sector experts at COP22 in Marrakech in 2016, the Climate Change Secretariat decided to explore with a wider group of stakeholders if UN Climate Change could catalyse and facilitate a more focussed approach to climate action in the fashion sector. Over the course of 2018, under the auspices of UN Climate Change, stakeholders in the fashion sector have worked to identify ways in which the broader textile, apparel and fashion industry can work collaboratively to address its contribution to global GHG emissions and climate impacts.

These efforts culminated in the creation of the Fashion Industry Charter for Climate Action; recognising that the fashion industry needs to “embrace deeper and systemic change” in order to deliver on the current climate agenda, and committing signatories to sector specific action aligned with meeting the goals of the Paris Agreement.

The Fashion Industry Charter for Climate Action lays out a pathway for all companies within the fashion and apparel value chain, from raw material production through to retail and distribution, goes beyond previous industry-wide commitments, and is aligned with the goals of the Paris Agreement. It sets the vision to achieve net-zero emissions by 2050, including a midway target of 30 per cent GHG emission reductions by 2030 and a commitment to set a decarbonisation pathway for the fashion industry drawing on methodologies from the Science-Based Targets Initiative<sup>5</sup>. The Charter was launched by 43 companies and supporting organisations at COP24, with these signatories representing key players along the full supply chain. Since COP24 an additional 11 companies and organizations have joined the Charter, with several more having signalled intent to join.

## **A due diligence approach to addressing climate change impacts**

Adopted in 2017, the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector (Guidance) provides recommendations for companies on how to implement due diligence according to the

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<sup>4</sup> IPCC (2018), Special Report: Global Warming of 1.5°C: <https://www.ipcc.ch/sr15/chapter/summary-for-policy-makers/#article-citation>

<sup>5</sup> <https://sciencebasedtargets.org>

OECD Guidelines in their own operations and in their supply chains. The recommendations in the Guidance are relevant for any third party, such as sector-wide and multi-stakeholder initiatives, that facilitates collaboration on some or all steps of the due diligence process. Under the Guidance companies are encouraged to adopt a risk-based approach to due diligence, based on the likelihood and severity of its adverse impacts. Climate change is recognised in the Guidance as both an over-arching challenge concerning society as a whole, and as a particular and prevalent due diligence challenge of the industry itself, associated with severe adverse impacts from the production and supply chain of the company, as well as the impacts from the use phase and end of life of the product. All companies, no matter their size and position in the supply chain, have a responsibility to conduct due diligence on these impacts and collaboration is encouraged to enable all companies to measure, reduce, monitor and report their GHG emissions.



*Representatives from business, civil society and the United Nations at the launch of the Fashion Industry Charter for Climate Action at COP24 in Katowice, December 2018.*

## Discussion questions

Key questions that will be addressed by the speakers during the session:

- What were the driving factors that enabled the Fashion Industry Charter for Climate Action to come into being in 2018 and how was a consensus reached?
- Why is decisive and collaborative climate action essential to the fashion sector staying in business?
- This forum is about measuring impact – what are some of the initiatives businesses in the fashion sector have taken to track and mitigate GHG emissions along supply chains and how can governments support these efforts? Are these efforts ambitious enough, what more is needed?
- What role was transparency given by the Charter, and why is this essential to ensure the commitments are upheld?

## For more information

- UN Climate Press Release, *Milestone Industry Charter for Climate Action Launched*, 10 December 2018, <https://unfccc.int/news/milestone-fashion-industry-charter-for-climate-action-launched>
- UN Climate, Fashion Industry Charter for Climate Action, <https://unfccc.int/sites/default/files/resource/Industry%20Charter%20%20Fashion%20and%20Climate%20Action%20-%202022102018.pdf>
- Quantis, *Measuring Fashion: Insights from the Environmental Impact of the Global Apparel and Footwear Industries study*, 2018, [https://quantis-intl.com/wp-content/uploads/2018/03/measuringfashion\\_globalimpactstudy\\_full-report\\_quantis\\_cwf\\_2018a.pdf](https://quantis-intl.com/wp-content/uploads/2018/03/measuringfashion_globalimpactstudy_full-report_quantis_cwf_2018a.pdf)