

Dear reader

Due to the Berlin Fashion Week and our holidays we skipped one week and today issue our newsletter *Fashion, Textile & Sustainability* No. 12:

- A must read is Jo Confino's report from Rio+20, particularly the report on Tim Jackson's talk. It nicely contrasts many of the other articles we refer to, which have a quite different understanding of economic growth. Reading his other articles might give you a good insight into the discussions in Rio around corporate responsibility.
- A study from researches at the University of Göttingen on Bt cotton concludes that ".... Bt cotton has created large and sustainable benefits, which contribute to positive economic and social development in India." – which is quite surprising regarding the many critical studies about Bt cotton so far. To get a more holistic picture of BT please also look at the **summary** of a discussion in the **Organic Cotton Community** regarding Bt in Burkina Faso, the Indian movement **Navdanya**, which regards the invasion of Bt cotton in India as highly problematic – and **GMWATCH**.
- If you have not read much about the Eco Textile Index, you might consult the Textile Exchange Blog, which started a series on this instrument.
- What a waste: WRAP, the British leading agency on resource efficiency revealed in a study that the UK uses £30 billion worth in unused wardrobe.
- We also collected some of the articles on the recent workers' unrest in Bangladesh at the factory Ashulia, which made some brands worry about their investments in the country – and which made H&M and other companies write a letter to the President to ask her to increase the wages. This **article** seemed to provide the most comprehensive overview. The CCC also commented on the situation from a different perspective.
- If you can read German, you should also read the interview with the founder of the Bread & Butter, Karl-Heinz Müller about his view regarding Berlin Fashion week and also regarding „dangers“ of eco fashion.

If you have any wishes, please do not hesitate to contact us [ms\[at\]netzwerkfairemode.com](mailto:ms[at]netzwerkfairemode.com)

Kind regards

NETZWERK FAIRE MODE & **KERN KOMMUNIKATION**

1. RIO+20

Rio+20: Tim Jackson on how fear led world leaders to betray green economy
Jo Confino in Rio de Janeiro, Guardian Professional, Monday 25 June 2012

The author of Prosperity Without Growth says that despite a staggering lack of responsibility from politicians, there is still a route to a better economic system

... "The 'G' word is a signifier for not changing the system. It is synonymous with western consumerism which we are locked into. Green growth is the emperor's new clothes, it is an empty concept. There is nothing there apart from aspiration and some of the modelling is vaguely supportive of getting a growth based economy more efficient in resource terms but there is no single piece of modelling anywhere really that shows you can have sustained growth, even in the richest economies, and get the poorest up to the level of the west and meet your CO2 targets."

... "We are told continually there is no alternative," says Jackson. "We are saying another world is possible. We have stood up and said continuing growth in the Western world is unjust, inappropriate and potentially destabilising. Having said that, we understand why governments do it, so there is an onus on us to show there are other stories and to identify the institutional innovations you might need in order to arrive at this other place."

➤ **ALSO SEE MORE INTERSTING REPORTS BY JO CONFINO'S FROM RIO.**

2. CSR & SUSTAINABILITY

Business responsibility for its social impacts: moving beyond CSR
John Morrison for the Guardian Professional Network, guardian.co.uk, 25.6.2012

Businesses have a responsibility for all their impacts and for preventing human rights harms, whilst ensuring that adequate remedies are available when abuses occur

Can happiness be a good business strategy?

Tim Smedley for the Guardian Professional Network guardian.co.uk, 20.6.2012

... "People who are happier at work are more productive – they are more engaged, more creative, have better concentration", says Marks. "The difference in productivity between happy and unhappy people at work can range between 10-50%. That's 10% for non-complex repetitive tasks, or up to 40-50% in service and creative industries." And that's an awful lot in terms of business revenue. ...

Understanding a company's social impact is crucial to sustainability

Adrian Henriques for the Guardian Professional Network, 18.6.2012

The social impact of a business is easy to identify but difficult to measure, however understanding the effects a company has on society and the environment is vital to achieving sustainability

Where are the limits to business responsibility?

Oliver Balch, Guardian Professional, Tuesday 3 July 2012 13.02 BST

Often the majority of a company's impacts on environment and society are indirect. Oliver Balch asks to what extent should they take responsibility for these?

... But what about companies' indirect impacts? Are supermarkets responsible for the carbon that their customers emit when driving to their out-of-town stores? Should food brands be held accountable for the pesticide waste caused by the farmers that supply them? ...

3. WORKING CONDITIONS

Chinese workers unhappy with jobs

China Daily, 10.7.2012

Only 49% surveyed say their employment is 'ideal' for them

Chinese workers are among the least likely in Asia to say their jobs are ideal, despite China having one of the region's lowest unemployment rates, a report by an international research company has found.

A survey conducted by management consultancy Gallup Inc in 2011, the results of which were released last week, has found only 49 percent of Chinese workers think their job is the "ideal" one for them.

Unions threaten more street actions on outsourcing

The Jakarta Post, 13.7.2012

More than 30,000 workers from the Confederation of Indonesian Workers Union (KSPI) marched on the Presidential Palace on Thursday, demanding that the government crack down on outsourcing. "We will give time to the government to prohibit low-wage policies and employee outsourcing until October, KSPI president Said Iqbal said on Thursday.

4. ENVIRONMENT

Making textiles sustainable isn't as easy as it seems

Pamela Ravasio, Guardian Professional, 3.7.2012

Collaboration and innovation are vital drivers for scaling sustainability in the fibre manufacturing process, says Pamela Ravasio

... In sustainability, things are not always as they appear. In particular, thinking on sustainability and textiles is ripe with misconceptions, let's start by busting a few of the most common myths:

- Across the full life cycle (growing, manufacturing and specifically usage) natural fibres are not necessarily more sustainable than synthetic fibres
- Natural dyes are not necessarily better than chemical ones

- Organic cotton currently only amounts to around 1% of the world harvest and production cannot be scaled sufficiently quickly to cater to the mainstream just yet ...

WRAP reveals the UK's £30 billion unused wardrobe

WRAP, 11th July 2012

UK consumers have around £30 billion worth of clothes which they haven't worn for a year hanging in their wardrobes, reveals a new report by WRAP, the UK's lead body on resource efficiency. The ground breaking report 'Valuing our clothes' provides the first big picture look at the impacts of clothing. It offers a fresh look at the financial and environmental aspects of the whole journey of all clothing; from raw material, to manufacture, purchase, use and disposal of our clothes.

... The report goes a step further than simply providing the economic and environmental facts, it also identifies potential new business models for industry that can add to the bottom line, increase the range of services or stimulate markets. ... One such new business opportunity WRAP's report identifies is retailers establishing 'buy-back' schemes. This would enable customers to sell retailer own-brand clothes they no longer want back to the retailer to prepare for re-sale. ...

Eco-Indexing Organic Cotton

Posted by Liesl Truscott, 2.7.2012

... For those that are not yet up on this, the Eco-Index is being developed by the Outdoor Industry Association and the European Outdoor Group. It is an environmental assessment tool designed to advance sustainability practices primarily within the outdoor industry. It aims to provide companies throughout the supply chain with a way to benchmark and measure their environmental footprint, identify areas for improvement, and make informed sourcing and product life cycle decisions (See <http://www.ecoindexbeta.org/content/about-project>).

The Eco-Index can be applied to other industries as well and is the basis of the Sustainable Apparel Index tool. The Sustainable Apparel Coalition (SAC) is developing this industry-wide tool for measuring the environmental and social performance of apparel products and the supply chains that produce them (Visit <http://www.apparelcoalition.org/1.html>).

Never has there been a better opportunity for us to position organic cotton within a sustainability framework that has captured the attention and commitment of the textile industry at large. ...

Might also be interesting:

- **THE ORGANIC ADVANTAGE THROUGH THE LENSES OF THE ECO-INDEX – WASTE, POSTED BY LIESL TRUSCOTT, 9.7.2012**
- **THE ORGANIC ADVANTAGE THROUGH THE LENSES OF THE ECO-INDEX, POSTED BY LIESL TRUSCOTT, 5.7.2012**

5. COTTON and other fibres

Trade policies behind farmer suicides: Survey

TNN, 13.7.2012

Irrational trade policies and shrinking farm holdings are among the reasons that lead farmers to commit suicide in Maharashtra.

Cotton producers face grim prospects

Global Times, 4.7.2012

The price gap between locally produced and imported cotton in China has been widening, weakening the international competitiveness of the country's textile and garment industry, industrial bodies and analysts said Tuesday.

"The price difference between domestic and imported cotton is normally 1,000 yuan (\$157) per ton but the gap has widened to an unprecedented level of more than 5,000 yuan now, putting pressure on local textile mills and garment industry," Wang Qianjin, a senior analyst from webtex.com, an information provider for the textile sector, told the Global Times Tuesday. ...

India's area under cotton may decline in 2012-13

Fibre2Fashion, 10.7.2012

Farmers in India, the second-biggest cotton producer in the world, are likely to switch to other crops like soybean that gave them better returns this year, and this might lead to a fall in area under cotton cultivation during the 2012-13 season, Textile Commissioner AB Joshi has said.

Forscher der Universität Göttingen belegen positive Auswirkungen des Anbaus von Genpflanzen

Universität Göttingen, 2.7.2012

In einer Langzeitstudie hat der Göttinger Agrarökonom Prof. Dr. Matin Qaim mit seinem Team die wirtschaftlichen und sozialen Aspekte von Gentechnik in Entwicklungsländern untersucht. Die Wissenschaftler der Universität Göttingen haben dabei unter anderem erforscht, welche Effekte der Anbau von gentechnisch veränderter Baumwolle (sogenannter Bt-Baumwolle) in Indien auf die lokale ländliche Bevölkerung hat. ... Die Göttinger Wissenschaftler fanden heraus, dass die Technologie den Kleinbauern erheblich nützt und sich positiv auf deren Erträge und Einkommen auswirkt. ... Trotz des teureren Saatguts erzielen die Baumwollbauern mit der Bt-Technologie um 50 Prozent höhere Gewinne. ... „Befürchtungen von Kritikern, die Gentechnik würde eine zunehmende Ausbeutung der Bauern durch Großkonzerne zur Folge haben, können wir mit unseren langjährigen und umfangreichen Daten widerlegen.“

Kathage, J., Qaim, M. (2012): Economic impacts and impact dynamics of Bt (*Bacillus thuringiensis*) cotton in India. Proceedings of the National Academy of Sciences (PNAS). Doi: 10.1073/pnas.1203647109 (published online)

GM in Burkina Faso – summary of a discussion

Organic Cotton Community by Ashley Gill, 7.6.2012

It was presented to the community that in Burkina Faso, after 4 years of the presence of GM (genetically modified) cotton, farmers were switching back to conventional, or non-GM seed. Many farmers in Burkina Faso experienced shorter fibre length which led to the cotton selling at lower prices than before. The GM cotton was introduced in the area with the promise of 30% higher yields, reduced pesticide use, and higher net income overall. After several years, none of these promises have been realized. Crop yields even dropped in some cases. All of this began with higher seed cost as well, and the result was debt and lower income for farmers. Other issues experienced with the GM cotton were waterlogging and smaller boll size. This was observed by the farmers themselves.

An experience was related of Burkinabe farmers visiting South Africa several years ago to view the positive and negative outcomes of GM cotton production there. These observations may be presented to the community at a later time. ...

6. STANDARDS & CERTIFICATES

Eco-labels 'overwhelm' consumers

EcoTextile, Wednesday, 11.7.2012

Prior to the launch of the latest 2012 version of the Eco-Textile Labelling Guide by MCL Global, a new study claims that the practice of eco-labelling may be on the brink of saturation with significant confusion among both consumers and industry due to the sheer number of standards available.

A new study by the Swiss-based IMD, the International Institute for Management Development, and EPFL, the Ecole Polytechnique de Lausanne, suggests the process of eco-labelling has become so fragmented that the current industry perception is dominated by wide-ranging reappraisal.

The IMD and EPFL researchers surveyed more than 1,000 executives around the globe about their attitudes towards eco-labels. Major international companies such as Hewlett-Packard, Nestlé, Canon, Sara Lee and E.ON took part in the study, which first sought to investigate why firms adopt eco-labels.

... But they also expressed what the study called "substantial scepticism" over eco-labels' enduring credibility and the rigour of some criteria and certification procedures.

In a market based largely on vanity and profit, can fashion really be fair?

Clare Lissaman, Guardian Professional, 5.7.2012

Clare Lissaman argues that fair trade fashion, when done with support and development input, can make a real difference

Open Letter to Fair Trade USA CEO Paul Rice
Fair World Project, 27.6.2012

We, committed fair trade stakeholders, have been disappointed by the historic actions of Fair Trade USA (FTUSA), especially in recent months, to the point that we can no longer consider FTUSA a valid fair trade certifier and partner without significant changes to its practices. The undersigned have outlined the most important actions that contradict fair trade principles and what FTUSA can do by specific times, to gain credibility and support again in the Fair Trade movement and marketplace.

7. CONSUMERS & MARKETING

SC Johnson Wants to Change Consumer Behavior
Sustainablebrands, 25.6.2012

SC Johnson announced two new efforts focused on encouraging consumers to engage in more sustainable lifestyles.

... In partnership with Recyclebank, the company is launching the Green Choices Recycling Challenge, which aims to increase curbside recycling in 50 communities across the United States. This initiative is one way SC Johnson is working towards its goal of becoming landfill neutral by eliminating or diverting 480 million pounds of waste from landfills, which is greater than its U.S. waste footprint. ...

Simultaneously, the company is beginning a research project studying how to inspire behavior change around sustainable choices. Over the next five years, the SC Johnson Sustainable Behavior Change Program will bring together academics, environmentalists and consumers to identify what drives behavior change around a number of sustainable actions. ...

8. REGIONS

BANGLADESH

US firms won't take risk to buy Bangladeshi garments: Mozena
Daily Star, 10.7.2012

US Ambassador in Bangladesh Dan Mozena on Tuesday said many American companies have raised their concern of buying ready-made-garment products from Bangladesh after the killing of a labour leader.

... "US companies want to buy products from Bangladesh because Bangladesh is a good country, good products, good people, but they are very concern about labour issues, safety at work place and freedom of association in Bangladesh," he said. ...

Labour leaders want revision of workers' minimum wage
New Age BG, 7.7.2012

Leaders of different labour organisations on Friday demanded to the government for revising the minimum wages of workers, including those of the RMG sector, considering the price hike of daily commodities. ...

Basic RMG exports to shape the future
Daily Star, 5.7.2012

World Bank suggests efforts to improve trade logistics, workers' skills and labour standards

... The exports of basic garments will continue to be important in future but Bangladesh's competitive advantage in the area could erode over time, the World Bank said in a study yesterday.

... To accelerate exports, the study suggested consolidating existing strengths in basic garments and at the same time, diversifying into other products such as higher-value garments and services sector. ...

Minimum wage in RMG sector cannot eradicate poverty : says Wahiduddin Mahmud
New Age BD, 5.7.2012

Economist Wahiduddin Mahmud on Wednesday said wages of the readymade garment workers should be increased to help them come out of the poverty. The RMG workers cannot get rid of the poverty trap with existing minimum wage, he said at a report launching ceremony by the World Bank in the capital. He pointed out that low wage was an advantage for the country's ever growing RMG sector which employs around 3.5 million workers. But the advantage was not enough to fight poverty, he added.

... The comments by the noted economist came weeks after thousands of workers went on rampage and clashed with the law enforcers in a series of protest in demand of pay hike. ...

Compliance failures can imperil RMG sector: WB
Financial Expresss, 5.7.2012

Bangladesh needs to improve its trade logistics and infrastructure, more skilled manpower, and ensure compliance with the government's labour standards to accelerate export growth, said a new World Bank report, reports UNB. Stressing the compliance, the report said compliance failures can jeopardise the entire garment sector. "Compliance important because of potential negative externality...it is increasingly important for Bangladesh," the report added. ...

... "Bangladesh's current cost advantage in the garment sector may not be adequate to compete globally as the country moves up the value chain. The country must improve logistics to ensure that exports as well as imported inputs are shipped on time, cost effectively and reliably, and this is important to even ensure sustained growth in the existing areas of strength," said Sanjay Kathuria. ...

Bangladesh - Garment Labour Panel Demands Higher Wages
Yarns and Fibres, 2.7.2012

Garment Sramik Songram Parishad, a platform of six associations of workers, demanded a minimum wage of Tk 7,000 against the backdrop of rising inflation and house rents.

... On a 12-month average basis, the inflation rate accelerated to 10.76 percent in May, up from 8.67 percent in the same month a year ago, according to the Bangladesh Bureau of Statistics. A five-member family needs Tk 12,950 monthly to maintain their daily life and education of children, they said. On November 1, 2010, the wage board for garment industries nearly doubled the minimum wages to about Tk 3,000 a month at the entry level. ...

Statement CCC on Bangladesh: CCC is gravely worried about the violent repression of garment workers and their labour leaders in Ashulia in Bangladesh
CCC, 21.6.2012

On June 11th, thousands of garment workers took to the streets demanding a pay hike. Instead of increasing the wages, the factory owners closed down over 300 units, leaving the workers with no prospect to an income. Since then, 25 people have been arrested and many have been wounded during severe clashes with the police and union leaders are fearing brutal treatment by the intelligence agencies in Bangladesh. Although the factories have reopened again, the demand for higher wages remains a pressing issue and the level of repression unacceptable.

...

Bangladeshi clothes factory shutdown ends after four days
Reuters, 21.6.2012

... "We decided to reopen the factories after the government assured us of adequate security while the workers agreed to ensure peaceful operation and the owners said they will consider the workers' demands," said Muhammad Iqbal, managing director of clothes maker the Skyline Group.

... Workers are demanding a 50 percent wage increase to meet rising food and rent prices, but factory owners say they are unable to afford pay rises as a consequence of the impact of global downturn on exports. They said they would consider the workers' demands when appropriate. "We welcome the move, but urge the government to mediate with the owners to review wages as the prices of almost all daily necessities, along with house rent, have gone up," said Nazma Akhter, president of the Garment Workers United Alliance.

Explain RMG factory closure, HC asks owners
The Independent, 20.6.2012

A High Court bench on Tuesday asked the two leading associations of apparel sector owners to explain why their decision to shut down more than 300 factories in Ashulia, on Dhaka's outskirts, should not be declared illegal. It

asked the authorities to explain why they should not be directed to cancel the impugned decision and keep open all factories in the Ashulia industrial zone.

... Dr Kamal Hossain, counsel for the petitioners, told the court that as per Section 13(1) of the Labour Act, the association could not impose shut-down orders on the factories. The association had done so violating relevant laws, he added. He also said that several lakhs of people depend on the sector for their livelihood. But the decision to shut down the factories hampered their fundamental rights, he added.

Massive protests planned if RMG units not reopened by June 20. Uneasy calm prevails in Ashulia after days of violence

Financial Express, 18.6.2012

... "Even if we consider the depreciation of Taka against US dollar since the time when the minimum wage was fixed at US\$ 43, the minimum wage stands at Tk. 3,650 that means the workers are now getting at least Tk 650 less than the minimum wage in real terms, he added. ...

MUST READ: Violence in RMG sector: An ominous sign

Financial Express, 17.6.2012

... The government has formed a three-member committee to look into the cause of frequent clashes in the garment sector. In fact, the workers wanted a raise between Tk 1,500 and 2,000 in their pay packages. Currently, a garment worker gets between Tk 3,000 and 5,500 a month. Workers claim that their salaries are too little at a time when house rents and prices of essentials are increasing sharply. As of now, owners of the houses in which the garment workers live are raising rents thrice in a year.

... Agitation for arrears and bonuses before Eid is not a new phenomenon in Bangladesh. Garment employees bring out such rallies before Eid every year. Successive governments have since the early 1990s doled out some Tk 74.24 billion as cash incentive to exporters to help them run their factories efficiently and earn more foreign exchange for the country. But allegations have it that unscrupulous business houses abused much of this hefty sum. Reports say the readymade garment sector, the top foreign exchange earner, was the prime beneficiary of such generous government largesse. About 70 per cent of the total amount disbursed since the scheme was introduced went to the RMG sector. Officials alleged that many business houses in the RMG sector, which did not qualify for getting such incentives, resorted to unscrupulous means to avail themselves of the easy cash. ...

PM orders 'fair price cards' for RMG workers

New Age BD, 19.6.2012

Prime Minister Sheikh Hasina on Monday ordered the authorities concerned to issue 'fair price cards' to the readymade garment factory workers in industrial belts near Dhaka city to provide rice at a subsidised rate in an effort to curb labour unrest. ... workers holding the 'fair price cards' to be issued soon as per the directive of the prime minister, would be able to buy 20 kilograms of rice at Tk 24 a kg every month.

Workers' woes

Daily Star Blog, 19.6.2012

Saidul Islam, a knitting worker, always wanted his wife to be a housewife. He wanted her to stay at home and raise their only child, which was of foremost importance to both of them. ... Last year he was earning between Tk 12,000 and Tk 14,000, but this year it fell down to Tk 8,000 to Tk 9,000. So, earlier this month, he had to resign to the circumstances and reluctantly send his wife Shahana Akhter to work, at a garment factory in their neighbourhood. She now chips in with Tk 3,000 a month. What is more unfortunate is that the couple had to send their son to Islam's parent's house in Pabna. They do not have anyone in the industrial belt to mind the three-year-old when they are away at work. ... "Because we purchase everything on credit we have to pay over and above everyone else. For instance, four pieces of eggs cost us Tk 45. But the garment owners and the government refuse to see it," she said yesterday.

RMG sector set to incur Tk 500cr loss. Workers' unrest derails export orders

The Independent, 18.6.2012

Workers' unrest in the Ashulia garments belt has cast a deep pall of gloom in the ready-made garments (RMG) sector. The conflict—between workers fighting for what they believe is their just cause and an industry that's trying to compete globally in an uncertain economic environment—has already claimed its first major victim—the ambitious USD 20-billion RMG export target for this fiscal year.

... BGMEA president Mohiuddin said that the loss of foreign buyers' confidence, can not be measured in terms of money. Many orders have already been cancelled and many RMG companies would have to ship their product by air, to meet deadline, which would cost them a huge amount of money, he added. Mohiuddin also explained that when factories of big entrepreneurs are attacked, they would, naturally, become demoralised and would become discouraged from investing further. "How can one expect foreign investment to come in, when our own entrepreneurs are getting demoralised?" he pondered. ...

... However, RMG factories inside the Dhaka Export Processing Zone remained open and production was normal in these units.

Azad: RMG workers deserve pay hike **Star Business Report, 15.6.2012**

The president of the Federation of Bangladesh Chambers and Commerce Industry (FBCCI) yesterday hinted that garment workers deserve a pay hike against the backdrop of rising inflation and house rents. "House rents increased three times in Ashulia; non-food inflation marked a rise. So I have decided to hike salary for my workers from June instead of November," said Azad, also the owner of Ha-Meem Group, a leading player in the sector. But Azad came under fire from other garment makers due to his decision of increasing salary of his workers. "It was my personal decision," he defended himself.

Azad also said, only the workers are not responsible for the unrest in the sector, some other groups are also playing behind the scene.

... Turning down the workers' demand for raising their salary, BGMEA President Shafiul Islam Mohiuddin said food inflation declined to 7.4 percent recently from 11.91 percent in December. "So there is no logical reason for a pay hike," he said.

More articles on Ashulia:

- **ASHRAF BLAMES 'FOREIGN STOOGES FOR RMG UNREST', THE INDEPENDENT, 21.6.2012**
- **BANGLADESH PAY ROW SHUTS ASHULIA GARMENT FACTORIES. POLICE AND GARMENT WORKERS HAVE CLASHED AS THE PAY DISPUTE BECOMES INCREASINGLY BITTER, BBC NEWS, 17.6.2012**
- **GARMENT WORKERS ASSURED OF WAGE HIKE FROM JULY, FINANCIAL EXPRESS, 17.6.2012**
- **RMG VIOLENCE: BOTH WORKERS, OWNERS PUSH THEIR CAUSES HARDER, UNB CONNECT, 18.6.2012**
- **RMG CRISIS DEEPENS. OWNERS, WORKERS AT LOGGERHEADS, THE INDEPENDENT, 19.6.2012**
- **RMG VIOLENCE: WHO ARE THE INVISIBLE PLAYERS? MOHD JAHANGIR ALAM, UNB STAFF WRITER, 15.6.2012**
- **PROTESTING DHAKA GARMENT WORKERS 'WIN PAY HIKE', THE INDEPENDENT, THURSDAY, 14 JUNE 2012**
- **ASHULIA TURNS INTO BATTLEFIELD AGAIN: 300 FACTORIES SHUT, THE INDEPENDENT, 14.6.2012**

BGMEA, BKMEA oppose hike in tax at source **FE Report, 9.6.2012**

Garment manufacturers are worried over the proposed hike in tax at source for export-oriented industries in the budget proposal for financial year (FY) 2012-2013, saying that it will have a negative impact on the sector.

... According to the budget proposal for the next fiscal (2012-2013), which was placed by Finance Minister AMA Muhith on Thursday last at the parliament, the government proposed 1.20 per cent tax at source on all types of export for the coming FY. Apparel makers are now paying 0.60 per cent tax at source in the current FY (2011-2012).

... "Cent per cent tax hike at source on export-oriented industries like us is completely detrimental to the industry. The normal progress of the textile industry will seriously be hampered if such increase is imposed," BGMEA president M Shafiul Islam Mohiuddin told reporters in a post-budget reaction at a press conference in city.

... US ambassador in Dhaka Dan Mozena in a meeting with the apparel producers last week expressed the same apprehension, saying that the present labour situation in the country's garment sector could undercut Bangladeshi RMG (readymade garment) export to the US.

... The BGMEA president said people think that the export-oriented industry earns 12 per cent profit. According to

the budget, the industry will have to pay 10 per cent tax and 1.20 per cent tax at source. But, garments industries and factories make 0.50 to 1.0 per cent profit on its export price.

CAMBODIA

Cambodia's garment manufacturers, union leaders reach agreement on wage hike **Xinhua, 11.7.2012**

Cambodia's garment and footwear manufacturers on Wednesday agreed to add 10 U.S. dollars to the monthly wage of the workers in the country's garment and footwear industries.

... According to the deal, the manufacturers agreed to provide 7 U. S. dollars a month for house rent or transport fee and another 3 U. S. dollars as attendance bonus for garment and footwear workers.

... With the increased amount, from Sept. 1 onwards, a worker will receive the monthly minimum salary of 73 U.S. dollars plus 10 U.S. dollar attendance bonus.

CHINA

Xinjiang raises minimum wages **China Economic Net, 29.6.2012**

Western China's Xinjiang Uygur autonomous region has raised its minimum monthly and hourly wages, local authorities announced on Friday.

After the wage hike, which took effect on June 1, minimum monthly salaries -- before deductions for pension, unemployment, medical insurance and housing payments -- were raised to 1,340 yuan (211 U.S. dollars), 1,140 yuan, 1,060 yuan and 980 yuan under four subdivisions. They have been increased by an average of 18.95 percent, according to a press release issued by the regional human resources department.

Minimum hourly wages, which have been upped by 1.8 yuan, now range from 9.8 yuan to 13.4 yuan across the region.

China adopted a minimum wage system in 1993, under which base rates in different provinces, municipalities or autonomous regions are decided by local governments.

Textile profits shrinking **Global Times, 8.7.2012**

China's textile industry, which contributes significantly to the country's exports, experienced a slowdown in the first five months of 2012, mainly due to weakening global demand and decreasing competitiveness compared to other Southeast Asian countries, industry experts said Sunday.

Domestic textile companies with annual revenue of at least 20 million yuan (\$3.14 million) saw total gross profit of 91.7 billion yuan from January to May, down 2.4 percent year-on-year, the Ministry of Industry and Information Technology (MIIT) said in a statement on its website Friday.

INDIA

ATMA, TLA likely to settle for Rs 2,000 hike in wages for textile workers **Business Standard,**

Even as the negotiations are still on between Ahmedabad Textile Mills Association (ATMA) and Textile Labour Association (TLA) for wage hike of textile workers, the same may be settled for a Rs 2,000 per month.

"We are yet to meet for a final negotiations. While we have been pushing for Rs 2,500 per month which amounts to 40 per cent hike, ATMA has been informally offering a final settlement around Rs 1,800-2,000 per month. ...

UZBEKISTAN

Corporate Responsibility and Forced Labor in Uzbekistan **Central Eurasia Project, 11.7.2012**

... The Centre for Governance and Geopolitical Studies recently released "Forced child labour in Uzbekistan: Some Changes – But Not For The Better" which documents alarming trends from Uzbekistan's most recent cotton harvests. The Centre's research, supported by the Open Society Foundations, reveals that civil servants are routinely forced to pick cotton and that children are made to work the most difficult part of the harvest in late autumn, when the weather conditions are the most severe. ...

9. BRANDS

'Plan A' Report Confirms M&S as First Carbon Neutral Major Retailer' TE, posted by Victoria Richards on Tue, Jul 10, 2012

TE Member, Marks & Spencer, has become the first major UK retailer to go fully 'carbon neutral' five years after launching its sustainability project, 'Plan A.' Since the launch of Plan A, M&S has reduced waste by 31 percent or 80,000 tons and 100 percent of waste is now recycled. Nothing ends up in the landfill.

Nachhaltigkeit Patagonia - Bio-Spinner gesucht Financial Times Deutschland, 26.6.2012

Patagonia verzichtet auf einen klassischen Nachhaltigkeitsbericht. Statt sich selbst zu feiern, macht die Outdoor-Marke die Lieferkette transparent. Solche Aktionen inspirieren auch H&M und Zara.

How Timberland is building a better life for factory workers' children Leon Kaye Guardian Professional, Thursday 5 July 2012

A decade ago, Timberland was among many apparel companies dogged by accusations that some of its products were manufactured by children. Since then, the company has emerged as a leader in social responsibility and transparency. Extensive quarterly sustainability reports and factory audits are among the steps Timberland has taken towards progress on responsible sourcing and factory conditions. ...

H&M urge Bangladesh government to raise wages H&M and other brands, 18.6.2012

.. As buyers, we do not support violent protests, nor do we believe that this is the correct way forward. But we recognize and understand that the unrest has become a way for workers to raise their problems and vent their frustration, and we are looking to the Bangladeshi government to solve the current worker unrest in a peaceful, swift and humanitarian manner.

With regard to the issue of workers' wages, the minimum wage in Bangladesh was last revised in November 2010. Since then, there has been an increase in the inflation rate that has been recorded by the World Bank data in 2011 and 2012. (As per World Bank data, the inflation rate in Bangladesh was recorded at 9.93 percent in April of 2012). We believe that, at a minimum, the Bangladeshi government should consider an annual review of the local minimum wage that takes into consideration to the national inflation and the Consumer price index. The mechanisms to adjust the minimum wage are varied, but what we believe is important is that some mechanism be considered. If a functional review system is created and enforced, these revisions will help address the basic needs of the workers. This in turn will also help the employers and buyers to work together and address the issues of productivity, and work towards a constructive framework to improve the resource efficiency in the textile and garment sector.

...

10. FAIR

Grün und edel. Mode im Adlon. Der Branchenriese Messe Frankfurt organisiert die beiden wichtigsten Berliner Messen für grüne Mode. Tagesspiegel, 7.7.2012

Wenn einer der größten Messeveranstalter der Welt einen vergleichsweise winzigen Showroom übernimmt, der noch dazu ein sehr spezielles Publikum bedient, muss ein besonderer Plan dahinterstecken. Und so war es auch, als die Messe Frankfurt im Frühling 2011 den Green Showroom übernahm, die auf grüne Luxuslabels

spezialisierte kleine Messe, die seit 2009 während der Fashion Week in einigen Suiten des Hotels Adlon am Potsdamer Platz stattfindet. ...

Dieser Umbruch in der Berliner Messelandschaft ist auch ein Symptom für den einen grundlegenden Wandel in der grünen Mode. Es geht nicht mehr um Konsumverzicht, sondern um verantwortlichen Konsum. Mittlerweile denken auch Weltmarken wie Puma ökologisch. Und die Kunden, die sich für die hochwertigen, individuellen Designermarken interessieren, die im Green Showroom zeigen, wollen erst einmal eines: gut aussehen. Das aber eben mit gutem Gewissen.

Mode „Es gibt ein Comeback der Blue Jeans.

Tagesspiegel, 5.07.2012

Bread & Butter-Chef Karl-Heinz Müller über die Nachwirkungen der Chino-Hose, die Gefahren der Öko-Mode und den neuen Wettbewerb auf dem Berliner Messemarkt.

11. NGO CAMPAIGNS & PROJECTS

Faire Uniformen für Schweizer Beamte. Ausbeutung darf nicht durch Steuergelder finanziert werden!

Clean Clothes Campaign Switzerland

Uniformen verschaffen Respekt. Aber was ist mit den Menschen, welche die Uniformen herstellen? Schweizer Berufsbekleidung wird hauptsächlich im Ausland, u.a. Mazedonien hergestellt. Dort verdienen NäherInnen 70 Rappen pro Stunde – was gerade mal 20% der Haushaltsausgaben deckt. Das ist Ausbeutung!

Berufsbekleidung wird auch mit Ihren Steuergeldern finanziert. Fordern Sie deshalb gerecht hergestellte Schweizer Berufsbekleidung!

➤ **DIE (FAST) NACKTE WAHRHEIT ÜBER UNIFORMEN, KAMPAGNE FÜR SAUBERE KLEIDUNG DEUTSCHLAND**

Light the flame for workers' human rights

Playfair 2012 Campaign

The Olympic torch relay and the symbolism of the Olympic torch, respect, excellence and friendship, provide a fantastic opportunity for us to demand a Games that truly respects the human rights of all the workers who make it possible.

12. BOOKS, REPORTS, REVIEWS, SCIENCE

Economic impacts and impact dynamics of Bt (*Bacillus thuringiensis*) cotton in India

Jonas Kathage, Matin Qaim: PNAS 2012 : 1203647109v1-201203647

Despite widespread adoption of genetically modified crops in many countries, heated controversies about their advantages and disadvantages continue. Especially for developing countries, there are concerns that genetically modified crops fail to benefit smallholder farmers and contribute to social and economic hardship. Many economic studies contradict this view, but most of them look at short-term impacts only, so that uncertainty about longer-term effects prevails. We address this shortcoming by analyzing economic impacts and impact dynamics of Bt cotton in India. Building on unique panel data collected between 2002 and 2008, and controlling for nonrandom selection bias in technology adoption, we show that Bt has caused a 24% increase in cotton yield per acre through reduced pest damage and a 50% gain in cotton profit among smallholders. These benefits are stable; there are even indications that they have increased over time. We further show that Bt cotton adoption has raised consumption expenditures, a common measure of household living standard, by 18% during the 2006–2008 period. We conclude that Bt cotton has created large and sustainable benefits, which contribute to positive economic and social development in India.

PLEASE ALSO ALSO READ THE INTRODUCTION TO THE NEWSLETTER.

13. WORKSHOPS ETC.

AUGUST 2012

INNATEX
HOFHEIM / FRANKFURT, 04-06.08.2012

SEPTEMBER 2012

MUNICH FABRIC START MIT „ECO VILLAGE“ UND „ORGANIC SELECTION“
München, 04. – 06.09. 2012

OEKO-FOIRE (FAIR)
LUXEMBURG, 14.-16.09.2012

WEAR FAIR
Linz, 28.-30.9.2012

OKTOBER 2012

SUSTAINABLE TEXTILES CONFERENCE. MESSE FRANKFURT, TEXTILE EXCHANGE, ECOTEXTILE NEWS
HONG KONG, 04.-05.10.2012

ETHICAL FASHION NIGHT 2012
GENEVA, 28.10.2012