

Dear readers,

here are some highlights of our latest newsletter:

- The New York Times published an interesting and long report on the situation of the garment industry in Bangladesh: „Export Powerhouse Feels Pangs of Labor Strife“ – and BBC reports that Bangladesh hopes to attract investors via low labour costs
- Many articles again claim that due to rising labour costs Chinese investors are increasingly looking into Bangladesh for outsourcing.
- The German Government answered a parliamentary question on the CSR Action Programme by the Green Party
- Have you ever worn clothes made of tobacco?
- The CCC criticizes the ILO Better Work Programme in Cambodia
- Messe Frankfurt published its third issue of the Textpertise newsletter „Sustainability & Textiles“ 2012

NETZWERK FAIRE MODE &  
**KERN KOMMUNIKATION**

## 1. CSR

### Sustainability & Textiles Textpertise network newsletter 3/2012

What's new in the field of sustainable textiles? In today's 'sustainability & textiles' newsletter, Textpertise Network reports on a variety of topics including innovative textiles, resource-friendly technologies and interesting campaigns and initiatives. Recycling – especially up-cycling – is the main theme and runs through the entire newsletter.

### Will rising costs spark a new social trend in the fashion industry? Guardian Professional, 17.8.2012

A more costly manufacturing process could affect textile production and the social issues surrounding it in many ways

## 2. CSR & LAW

### Online Consultation on Draft Guide on Human Rights for SMEs is OPEN Global CSR 23 Aug 2012

The online consultation on the draft guide for small and medium-sized enterprises (SMEs) on human rights (PDF) is now open until 26 September 2012.

This draft guide has been produced in the course of a European project "Capacity building for SMEs in the field of human rights", financed by the European Commission.

The aim of this guide is to provide practical advice to SMEs on how to meet the expectations of the UN Guiding Principles on Business and Human Rights ...

### Bundesregierung: CSR ist „operatives Geschäft“. Kein Druck auf Bundesunternehmen CSR News, 31.8.2012

Ob und wie Kodizes zur nachhaltigen Unternehmensführung in einem Unternehmen verankert werden, ist allein eine Entscheidung der Geschäftsführung und keine Entscheidung der Eigentümer. Das geht aus einer Antwort der Bundesregierung auf eine Kleine Anfrage der Fraktion Bündnis 90/Die Grünen (>> DS 17/10506) unter dem Titel „Corporate Social Responsibility in Deutschland“ hervor. Der Hintergrund: Bisher hat kein Unternehmen mit Bundesbeteiligung den Deutschen Nachhaltigkeitskodex unterzeichnet, den die Bundesregierung selbst unterstützt. ...

## 3. WORKING CONDITIONS

### Report urges Better Factories to do more Phnom Phen Post, 3.9.2012

Better Factories Cambodia must name and shame garment factories that abuse the labour law if it is to transform Cambodia into an ethical sourcing option, a report on the International Labor Organization initiative says.

## 4. WAGES

### Wages in Bangladesh Far Below India New York Times, 25.8.2012

India's neighbor Bangladesh has become the second-largest apparel exporter in the world, after China, Jim Yardley reports, but labor unrest is growing as workers demand higher wages.

... Seamstresses in Bangladesh make garments for international brands, including Tommy Hilfiger, Calvin Klein and Gap, for wages that can be as low as roughly \$37 a month, the national minimum wage.

In India, minimum wage varies from state to state but is substantially higher. The minimum wage for unskilled labor (skilled labor, which includes making garments, would command a higher wage)

was recently raised to nearly 5,000 Indian rupees (\$90) a month in Haryana and is nearly 6,500 Indian rupees (\$117) in New Delhi. ...

### Chinese factories turn to Bangladesh as labour costs rise

UNBConnect, 30.8.2012

... It may sound strange that Chinese firms are turning to Bangladesh to make clothes, not least because China is the global leader in clothing manufacturing and exports.

In Bangladesh the average monthly salary for garments workers is only around \$70 to \$100. If I produce here, price is much more competitive". But the shift is happening for very obvious reasons.

Rosa Dada of Four Seasons Fashion Limited, a Chinese garments manufacturer, says factories in China are not competitive anymore because of increasing wages of labourers and a sharp hike in overall production costs. ... "In my factory in China, the salary of workers has been increasing steadily over the last few years," she told me during her recent visit to Bangladesh to look for opportunities here.

"It has reached around \$400 to \$500 (£250 - £315) a month per worker. If I continue to produce there, our business will disappear. In Bangladesh the average monthly salary for garments workers is only around \$70 to \$100. If I produce here, price is much more competitive." ...

### Minimum wage policy 'successful'

Bankok Post, 28.8.2012

Labour Minister Padermchai Sasomsap praised the 300-baht daily minimum wage policy yesterday, saying it had not resulted in job losses.

In the ministry's announcement of its achievements over the past year, he said it had been successful in keeping the unemployment rate low at about 0.4% of the workforce despite the massive flooding that hit the country last year. ...

## 5. ENVIRONMENT

### Ist Recycling das neue Organic?

Texpertise Newsletter, Jana Kern, 29.8.2012

Der Recycling-Markt hat enorme Fortschritte gemacht. Einzelhandel und Industrie verbünden sich. Aus Initiativen und Pilotprojekten werden funktionierende Business-Modelle. Neue Techniken wie RFID-Chips kommen zum Einsatz und werden serienreif. Jana Kern gibt einen Überblick. ...

### Take note and remember: Puma's E P&L, Higgs Index, EcoIndex

### Shirahime Blog, 30.8.2012

True Cost Accounting is – while far from sufficient – a step forward in the sustainability discussion, beyond the fashion industry. Let's look hence a bit close into what the three large apparel industry initiatives in this area are really about.

## 6. COTTON and other fibres

### TE has new board members

### PRE ORGANIC COTTON PROGRAM

Shift JP, no date

T-shirts made under PRE ORGANIC COTTON PROGRAM produced by Kurkku was introduced for the first time in last February 2009.

...

The PRE ORGANIC COTTON PROGRAM is an assistant program for cotton farmers in India to move on to the production of organic cotton.

Organic cotton is raw cotton produced without any use of pesticides and fertilizers; it also must be certified by globally recognized institutions like CONTROL UNION or ECOCERT. We then ask why we are establishing the PRE ORGANIC COTTON PROGRAM in Japan and not in India. This question eventually leads us to realize the purpose of the program.

PRE ORGANIC COTTON PROGRAM in three minutes. ...

### Declining cotton demand leaves rising inventories

China Daily, 30.8.2012

China, the world's largest cotton consumer, is expected to see drops in cotton consumption this year as a result of its economic slowdown and grim export business from many key Western markets.

The country currently accounts for 40 percent of global cotton consumption, and any dent in its demand is likely to put considerable downward pressure on the global cotton price, analysts said.

The latest data show that the export value of China's textile industry was \$137.4 billion from January to July this year, a decline of 0.2 percent on the same period last year - the first decline in a decade. ...

### Innovative textiles: tobacco to wear

Texpertise News 3/2012

A T-shirt made of tobacco waste? Why not? Ploughboy launches a new bio-tobacco dye and tobacco fibre.

## 7. TEXTILES

**“Price and style are no longer a good excuse”**

**Texpertise News 3/2012**

Texpertise Network asked Eco Fashion Insider about the latest developments in the market. And spoke with Christina Dean of Redress in Hong Kong – a NGO focusing on innovative up-cycling concepts.

## 8. STANDARDS & POVERTY

**Agenda to drive increased knowledge about standards and poverty reduction**  
**ISEAL Blog, Marta Maireles González, 21.8.2012**

A group of ISEAL agriculture and forestry members have agreed on a common agenda for the pivotal research questions that must be answered to better understand the contribution of sustainability standards to poverty reduction.

To download a summary of the Research Agenda click [here](#)

## 9. PUBLIC PROCUREMENT

**London 2012 - helping set sustainability standards**

**Guardian Professional Blog, 10.8.2012**

Two new sustainability standards for events have emerged from the planning of London 2012, helping make a difference to the way all future events are planned. ...

## 10. RECYCLING

**Cycle me up, Scotty!**

**Texpertise News 3/2012**

Up-cycling is the latest trend in the field of interior design. More and more designers are using recycled materials to create new furnishings.

... Ida Corell is making a name for herself in Switzerland. At the ‘Oh, Plastic Sack’ exhibition in Winterthur, she is showing her „ID(E)A Dress“, a dress made of 555 IKEA carrier bags that takes up an entire room (until 7 October). ...

## 11. DESIGN

**State of the art: sustainability from cutting out to finishing**

**Texpertise News 3/2012**

Virtual collection development, 3D prototyping, product lifecycle management systems and cold-ironing machines – three experts report on new technologies for greater energy efficiency.

## 12. REGIONS

**BANGLADESH**

**China to become major RMG export market for Bangladesh**  
**Daily Star, 3.9.2012**

Commerce Minister GM Quader speaks at a press conference with a visiting Chinese business delegation at BGMEA office in Dhaka yesterday. BGMEA President Shafiul Islam Mohiuddin and leaders of China National Garment Association were also present. Photo: BGMEA Star Business Report

**Chinese cos evince interest to source local apparels**

**Financial Express, 3.9.2012**

Chinese apparel exporters have expressed their interests to source Bangladeshi products as production costs have gone up in the world’s second largest economy. ...

... A high-powered Chinese business delegation, led by vice-president of Feng Dehu of China National Garment Association (CNGA), arrived in the city Friday and visited a number of RMG factories as part of the market exploration study. “With the increase in per capita income and standard of living in China, the need for clothing is also growing. So, meeting their domestic clothing needs is an untapped opportunity for us” president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) M Shafiul Islam Mohiuddin told reporters at a press conference. ...

**Chinese textile mill owners invited to invest in Bangladesh**

**The Independent BD, 3.9.2012**

President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) M Shafiul Islam on Sunday invited Chinese textile mill owners to set up industries in Bangladesh to tap the potential of the local market.

“Presently, we’re dealing mostly with cotton...there’s a similar big market of non-cotton garment. We’re inviting Chinese textile mill owners

to set up their industries here for woven textiles. It's a big ready market," he said. ...

**Bangladesh's apparel exports to China rising: report**

**New Age BD, 2.9.2012**

Low manufacturing cost driven by low wages make country's products competitive

... Rosa Dada of Four Seasons Fashion Limited, a Chinese garments manufacturer, said factories in China are not competitive anymore because of increasing wages of labourers and a sharp hike in overall production costs.

'In my factory in China, the salary of workers has been increasing steadily over the last few years,' she told BBC during her recent visit to Bangladesh to look for opportunities here.

'It has reached around \$400 to \$500 a month per worker. If I continue to produce there, our business will disappear.'

'In Bangladesh the average monthly salary for garments workers is only around \$70 to \$100. If I produce here, price is much more competitive.'

**UNDP, BGMEA sign MoU on UPPR**

**FE Report 31.8.2012**

A memorandum of understanding (MoU) was signed on 'Urban Partnership for Poverty Reduction (UPPR)' between UNDP and BGMEA on Thursday. Under the agreement both the parties would work together on poverty alleviation of urban poor and the ultra poor. Those people will be imparted training first and then will be appointed in the garment factories. ...

**Chinese factories turn to Bangladesh as labour costs rise**

**BBC News, 29.8.2012**

Bangladesh hopes lower labour costs will attract more orders from China

There is a spring in the step of Syed Faizul Ahsan as he walks through the floor of his garments factory outside the Bangladeshi capital, Dhaka. ...

**Bangladeshs Bekleidungsindustrie weiterhin im Brennpunkt**

**Fashion United, 29.8.2012**

In erneuten Kollisionen zwischen Polizei und Arbeitern wurde die Industriezone in Schwardi, im Westen Bangladeshs, erneut zum Schauplatz der Gewalt, als Proteste in zwei Bekleidungsfabriken mit Tränengas und Gummigeschossen unterdrückt wurden.

**Export Powerhouse Feels Pangs of Labor Strife**

**New York Times, 23.8.2012**

... But with "Made in Bangladesh" labels now commonplace in American stores, Bangladesh's manufacturing formula depends on its having the lowest labor costs in the world, with the minimum wage for garment workers set at roughly \$37 a month. During the past two years, as workers have seen their meager earnings eroded by double-digit inflation, protests and violent clashes with the police have become increasingly common.

In response, Bangladeshi leaders have deployed the security tools of the state to keep factories humming. A high-level government committee monitors the garment sector and includes ranking officers from the military, the police and intelligence agencies. A new special police force patrols many industrial areas. Domestic intelligence agencies keep an eye on some labor organizers. One organizer who had been closely watched, Aminul Islam, was found tortured and killed in April in a case that is unsolved. ...

**CAMBODIA**

**Fainting workers blame fumes**

**Phnom Phen Post, 3.9.2012**

Almost 150 garment factory workers from two Phnom Penh factories fainted late last week after inhaling toxic fumes used to treat clothes, workers and union leaders said yesterday.

The mass faintings came as the Clean Clothes Campaign and Community Legal Education Center released an evaluation report on garment factory watchdog Better Factories Cambodia, highlighting the poor occupational health and safety standards that plague the industry.

**'Sexually harassed' workers stick to their guns**

**Phnom Phen Post, 22.8.2012**

Ocean Garment yesterday refused to meet the sole demand of thousands of striking workers to have their manager, accused of sexual harassment, sacked. ...

**CHINA**

**Unions push for collective wage bargaining**

**China Daily, 29.8.2012**

Chinese trade unions are urging enterprises nationwide to introduce collective wage bargaining to help raise workers' wages and protect their rights, said the country's top trade union official.

"We pay great attention to ensure the interests and rights of workers and we work hard to bring the benefits of economic development to all workers to

promote social justice," said Wang Zhaoguo, chairman of the All-China Federation of Trade Unions, when addressing an international forum on economic globalization and the role of trade unions in Beijing on Tuesday. ...

**Companies asked to report on social responsibility**

**Chinadaily.com.cn, 21.8.2012**

The China Association of Public Companies urged listed companies to publish corporate social responsibility reports. The move would allow companies to timely release operational information, focus on investors' returns and boost market confidence, the association said.

By the end of April, 586 companies listed on the A-share market had released 592 corporate social responsibility reports.

**GHANA**

**GFDW keen interest in Ethical Fashion development**

**Fibre2fashion, 28.8.2012**

Ghana Fashion & Design Week announces schedule for educative seminars, to be hosted by industry experts. Designed as a platform for Knowledge Transfer, and a medium to Inspire and Empower both existing and future creative practitioners.

The Ghana Fashion & Design Week's 2012 free Inspirational Seminars will host key international industry experts, and key experts from Ghana, with a wealth of knowledge, experience and skills, bringing with them exceptional value and priceless knowledge in support of the successful development of the industry's creative business practitioners.

**NEPAL**

**Apparel prices likely to go up by 30-40pc, say major traders**

**Kantipur, 30.8.2012**

Buying new clothes for this Dashain, the biggest hindu festival, will be much expensive than previous years with major apparel traders saying that prices could shoot up by around 30-40 percent on imported products due to strong US dollar and Chinese Yuan.

**MYANMAR**

**Western Markets 'Will Promote Worker Rights'**

**The Irrawady, 31.8.2012**

The return of Western markets for Burma's once-booming garment industry can help safeguard worker rights, claims an industry expert.

While the United States and Europe were always vigilant in ensuring workplace practices were up to scratch, Burma's post-sanctions biggest export market of Japan only cared about the quality of items being delivered, said Myanmar Garment Association (MGA) Chairman Myint Soe. ...

**13. BRANDS**

**From garbage to garments**

**China Daily, 2.9.2012**

Clothes you no longer want, you might give to charity. But what happens to those that even charity groups can't use? Some end up with designers like Zhang Na.

Zhang, 32, uses discarded clothing to make a third of the garments for her label, Fake Natoo. More secondhand materials come from friends, even strangers, who've heard of her work upcycling - that is, creating greater value from objects destined for the dump.

**TE's Future Shapers 6: GOSSYPUM**

**TE's Future Shapers 5: hessnatur**

**UPDATE: CAMBODIA: Gap calls for probe into supplier strike**

**Just-Style, 29.8.2012**

US retailer Gap Inc says it has "demanded an immediate investigation" in response to allegations of harassment at one of its suppliers in Cambodia.

A strike at the Ocean Garment Factory in Phnom Penh has now entered its third week, despite a court ordering the 2,500 protestors to return to work.

The unrest began on 11 August after six female employees accused their Bangladeshi manager of sexual harassment. ...

**Textilunternehmerin - Hoffungslose Fälle, dringend gesucht Spiegel Online, 21.08.2012**

Die junge Unternehmerin Sina Trinkwalder beschäftigt in ihrer Manufaktur Menschen, die am Arbeitsmarkt keine Chance haben. Hartzler, Ex-Leiharbeiter, eine Rheumakranke, einen Burnout-Fall. Ist das pure Sozialromantik - oder tatsächlich ein funktionierendes Geschäftsmodell?

## 14. NGO CAMPAIGNS & PROJECTS

### **Sportswear brands commit to decent work in the Philippines** Playfair 22.8.2012

A ground-breaking cooperation agreement on respecting national labour laws and freedom of association has been signed by major brands, the government, unions, NGOs and suppliers in the Philippines. ...

The agreement, signed on 17 August, resulted from a multi-stakeholder meeting organised by global union IndustriALL and the ITUC, and followed publication of Play Fair research Fair Games? which documented extensive labour rights violations in the Mactan Processing Zone. In the agreement, parties commit to working together on a number of issues including low awareness of workers' rights, wages, lack of authentic worker representation and precarious working arrangements. Sportswear brands that have signed up include Adidas, Brooks Running and New Balance.

Read more <http://www.ituc-csi.org/improving-working-conditions-in.html>

### **Light the flame for workers' human rights** TUC / goingtowork

Unfair play, disrespect and inequality aren't values we usually associate with the Olympic and Paralympic Games. But for some workers making goods and sportswear for the Games, this is what the Olympic ideal really means.

Please help call on the International Olympic Committee to light the flame for workers' human rights by signing the Playfair petition to Jacques Rogge, President of the IOC.

### **Millions for sponsorships and nothing for workers? Tell Adidas to pay up!** Some Of US

Adidas is having a banner year. The world's second largest sporting goods manufacturer is expecting its highest sales figures ever, buoyed by multimillion dollar sponsorship deals with the London Olympics and the Euro 2012 tournament. Adidas is willing to pay a big premium to convince you that it values the Olympic ideals of international friendship and cooperation.

But Adidas is refusing to actually stand for those values. For less than the 2% of the cost of its Olympic sponsorship, Adidas could do right by thousands of workers who were illegally denied severance pay

when their factory was unexpectedly shut down. Now we're partnering with the Clean Clothes Campaign to hold Adidas accountable.

Tell Adidas: If you believe in global cooperation, act like it. Pay the severance you owe your workers.

### **ILO – Better Factories Cambodia to keep brands accountable for poverty wages** CCC, 30.8.2012

A new report - 10 Years of the Better Factories Cambodia Project: A critical evaluation – has been released today by Clean Clothes Campaign and Community Legal Education Center. Started in 2001, the goal of the Better Factories program is to improve the working conditions in Cambodian factories and end sweat-shop production. The report discusses the BFC's achievements and limitations from a worker rights' perspective.

CCC and CLCE conclude that Cambodian labour rights organisations consider the BFC as a positive development, though working conditions in Cambodia's garment industry remain very poor generally. 'The real wages workers receive have actually declined 14 per cent since 2000 in relation to inflation rates. In other words, garment workers have become poorer since the Better Factories Cambodia program was launched. The ILO should do more to keep global buyers like H&M or GAP accountable for poverty wages,' says Dr. Jeroen Merk, Research Coordinator at Clean Clothes Campaign. ...

The report is available in [English](#), [Spanish](#) and [Khmer](#)

## 15. WORKSHOPS ETC.

### SEPTEMBER 2012

MUNICH FABRIC START MIT „ECO VILLAGE“ UND „ORGANIC SELECTION“

München, 04. – 06.09. 2012

ETHICAL FASHION SHOW PARIS

Paris, 06. – 09.09.2012

OEKO-FOIRE (FAIR)

LUXEMBURG, 14.-16.09.2012

TEXWORLD SEPTEMBER 2012 / SUSTAINABILITY DAY

Paris, 18.09.2012

WEAR FAIR

Linz, 28. – 30.9.2012

### OKTOBER 2012

SUSTAINABLE TEXTILES CONFERENCE. MESSE FRANKFURT,  
TEXTILE EXCHANGE, ECOTEXTILE NEWS

HONG KONG, 04. – 05.10.2012

71ST ICAC MEETING

Interlaken, 7.-12.10.2012

ETHICAL FASHION NIGHT 2012

GENEVA, 28.10.2012

### NOVEMBER 2012

FUTURE FABRICS EXPO

London College of Fashion, 04.-07.11.2012

### DEZEMBER 2012

EXPOSURE AND DIALOGUE PROGRAMME IN ZAMBIA. SOCIAL  
IMPULSES THROUGH THE COTTON TRADE II (HERE: GERMAN  
VERSION)

ZAMBIA, 01. – 10.12.2012