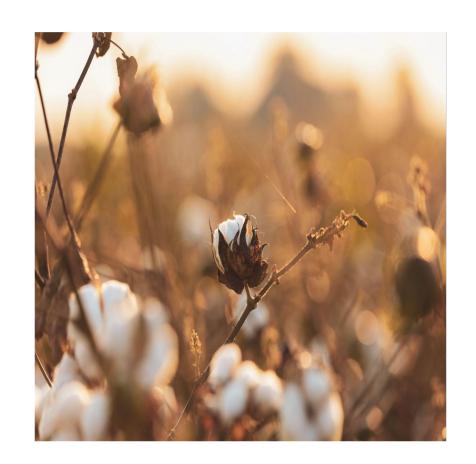


### **Challenges & Global Imperatives for Textile Industry**

- The global textile industry, a cornerstone of economies and cultures worldwide, faces a host of environmental and social challenges
- Its rapid growth, while beneficial in many ways, has contributed to climate change, biodiversity loss, and unsustainable supply chains.
- Textile is the second-largest industrial polluter, responsible for 10% of global carbon emissions (MacArthur Foundation, 2017)
- Annual water consumption is 79 billion cubic meters, generating 20% of global wastewater, mainly from dyeing and treatment processes (UNEP & MacArthur Fdn, 2019)
- Cotton farming occupies only 3% of arable land but accounts for 24% of insecticide and 11% of pesticide usage globally, impacting biodiversity significantly



# Factors driving Sustainable & Inclusive strategies in Global Textile Industry

### **International Conventions and Agreements**

- Paris Agreement: Demanding carbon neutrality and climate action (heating planet)
- Convention on Biological Diversity: Global biodiversity framework to protect ecosystems and conserve biological diversity *(species meltdown)*
- Sustainable Development Goals: Need for *accelerated action* on SDG2,5,8,12,13, etc.

### Governance of GVCs (International Legislations & National initiatives)

- European Union, US, etc. OECD members ('Home Country' of leading Brands) developing legislations/initiatives (e.g., EU's Circular Economy Action Plan), with **mandatory** requirements for supply chain social & environmental **due diligence**
- G20 Delhi Declaration emphasis on **sustainable and inclusive GVCs** and Sustainable **Lifestyle** (MISSION LiFE)
- India: BRSR requirement (SEBI) for 1,000 top Cos by market capitalization

## Factors driving Sustainable & Inclusive strategies in Global Textile Industry

#### **Consumer Preferences**

- 87% consumers keen for *companies to address environmental issues*; many willing to *switch to environmentally friendly brands* (Nielsen, 2019)
- A large segment (78%) of Indians *willing to change purchasing behaviour* to reduce negative impact on environment (IBM Institute for Business Value, 2021)
- Few other studies (Deloitte, 2020), (Mckinsey, 2022) corroborate *similar trends*

#### **Investor Interests**

- ESG: permanent investor narrative not just globally but gaining importance in India too
- ESG Investment preferences- Businesses diligent to Climate, Biodiversity, Natural Resources, Ethical business and governance systems

### Initiatives by Global Brands: implications for GVCs

- □ GANT has committed to *science-based climate targets*, which are currently under validation. They are actively working towards reducing their climate footprint and have increased their use of renewable energy to 52%
- □ VF Corporation (brands like North Face), has set ambitious goals to reduce greenhouse gas emissions. They achieved 66% of their 2030 target as of FY22 and are part of climate action initiatives like the *UN Fashion Industry Charter*
- □ VF Corporation has set long-term goals for reducing Scope 3 emissions and sourcing materials from *regenerative sources*
- □ Li & Fung has partnerships to promote sustainable raw materials; and expanding their *regenerative cotton program*
- □ Ralph Lauren is investing in technologies like chemical recycling and *promoting* responsible sourcing to protect biodiversity
- ......commitments/initiatives by several brands on material, water, energy and chemicals

# Introduction to Alliance of Cotton & Textile Stakeholders on Regenerative Agriculture (ACRE)

 CRB, Solidaridad & regenagri teamed up to develop a platform (ACRE) – that will act as a 'One Stop Shop' for promoting knowledge and practice on regenerative cotton in India

 Adoption of regenerative agriculture practices in the cotton sector in India, require collaboration between all stakeholders

# Introduction to Alliance of Cotton & Textile Stakeholders on Regenerative Agriculture (ACRE)

#### **Call to Action**

- Engage with ACRE India's first platform on regenerative agriculture in cotton for textile sector
- Support scaling up production of regenerative cotton in India
- Commit to sourcing regenagri-certified cotton in India and transform their supply chain to regenerative by 2030
- Increase awareness among consumers and financiers/investors
- Partner with all relevant stakeholders
- Support cotton farmers with tools and training on soil carbon and connect to carbon marketplaces/buyers

### **Need and Rationale of ACRE**

### Bridge Knowledge Gap

Facilitating knowledge dissemination among stakeholders

### Research & Policy Influencing

Conducting research to influence policies as well as to inform consumers on sustainable options

### Capacity Building

Empowering farmers with the skills and knowledge for sustainable practices

### Alliance Framing

Creating a collaborative platform for diverse stakeholders in the cotton sector

## **ACRE Alliance: Transforming Cotton & Textile Industry**

- Represents unity in action, reinforcing regenerative agriculture values.
- Demonstrates the power of collaboration among diverse stakeholders.
- Symbolizes a holistic approach to sustainable and regenerative farming in the cotton sector.
- Emphasizes hope, unity, and responsibility for a sustainable cotton industry.
  - Central image of cotton within a dotted circle symbolizes continuous improvements through regenerative farming.
  - Surrounding the cotton bud, four figures represent distinct stakeholder groups.s
  - Each figure's color corresponds to a Sustainable Development Goal (SDG) that ACRE covers:
    - ✓ SDG 12 (Responsible Production and Consumption): Emphasizing resource efficiency and waste reduction.
    - ✓ SDG 13 (Climate Action): Addressing climate change through carbon sequestration.
    - ✓ SDG 15 (Life on Land): Promoting biodiversity and land restoration.
    - ✓ SDG 17 (Partnerships for the Goals): Signifying alliances and collaborations





### **ACRE: Vision and Mission**



- Vision: Stakeholders along the cotton and textile value chain embrace nature-friendly regenerative farming
- **Mission:** To support scaling-up regenerative agriculture in cotton and make India the world's biggest producer of regenagri certified cotton

### **ACRE: Objectives**



- Enable collaboration among cotton and textile value chain actors on regenerative agriculture.
- Advance tools/mechanisms balancing smallholder benefits with nature conservation.
- Create awareness and demand for regenerative cotton.
- Build capacity among cotton and textile sector buyers and brands

## **ACRE: Structure & Governance**



#### **Steering Committee:**

- provide strategic direction
- act as ambassadors of the initiative
- identify strategic partners to consolidate and expand the initiative
- provide resources to scale-up and scale-out the initiative

#### **Working Groups:**

- Certification and Continuous improvement
- Technology & Innovations in Value Chain
- Carbon Finance & Carbon Credits
- Policy Engagement

### **ACRE: Structure & Governance**

#### **Members:**

- All Value Chain Actors
- Financial sector
- Technological & Scientific organisations

**Secretariat:** Anchoring and Coordination



# Value Proposition for Members

- **Knowledge:** Access to cutting-edge insights and market intelligence in regenerative agriculture.
- Capacity Building: Training and resources to enhance expertise in sustainable practices.
- **Networking:** Collaboration with a community of innovative pioneers across the agricultural value chain.
- **Policy Interface:** Engagement on policy issues related to regenerative agriculture at state and national levels.
- 'Go To' Place for Regenerative Cotton: Central hub for regenerative cotton information and resources.



# Offerings for Members

- □ Regenagri certification
- □ Traceability solutions
- ☐ Field implementation (involving farmers and farming communities)
- □ Supply chain assessments and other research for apparel and textiles companies
- Impact Stories (Case Study development and dissemination)
- □ Capacity Building and Events



# Call to Action Join the Regenerative Cotton Movement





- Collaborate with ACRE Alliance to drive market transformation-become a member of ACRE.
- Shape the sector's agenda and promote innovation.
- Support sustainable farming communities and make a lasting impact.

## Thank you!

For more information, please contact:

Devyani Hari Centre for Responsible Business (CRB) devyani@c4rb.in

Aditya Petwal Centre for Responsible Business (CRB) aditya@c4rb.in

#### Prashant Pastore Solidaridad

prashant.pastore@solidaridadnetwork.org

#### Anukool Nagi Solidaridad

anukool.nagi@solidaridadnetwork.org