Textile Exchange

Oceans Impact Module Companion Guide

Oceans Impact Module Companion Guide 2022

Version 1

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Purpose of this Guide

In 2020, The Fashion Pact (TFP) and Textile Exchange worked together to achieve reporting harmonization, efficiency, and data security for Biodiversity (one of TFP's three strategic pillars), through Textile Exchange's Corporate Fiber & Materials Benchmark (CFMB) program and reporting platform.

In 2022, TFP decided to integrate reporting for all three of its strategic pillars and now Textile Exchange's CFMB program provides modules for The Fashion Pact signatories to report on progress in Climate and Oceans, as well as Biodiversity.

The Oceans Impact Module is based on the development work undertaken by TFP and the Boston Consulting Group (BCG) in 2020, and with input from TFP's Project Coordinator for Oceans. The Oceans Impact Module is aligned with the approach of the Ellen MacArthur Foundation including the Global Commitment, a collaboration with the UN Environment Programme.

The Fashion Pact is dedicated to eliminating problematic or unnecessary plastic packaging, which is one of the ways through which the fashion industry has a negative impact on oceans. The Fashion Pact's targets aim for signatories to eliminate unnecessary or problematic plastic packaging by and ensure that half of all plastic packaging is 100% recycled for B2C and B2B by 2025 and 2030, respectively.

While the new Oceans Impact Module is developed primarily for TFP signatories, it is available for all companies in the textile and apparel industry to use.

This Companion Guide is intended as a resource to support companies in completing the Oceans Impact Module.

The Oceans Impact Module Companion Guide provides:

- A convenient consolidated view of the questions within the Oceans Impact Module.

- Insights into what the question is asking for and examples of how to answer.

- Definitions and terminology.

- Alignment with the Ellen MacArthur Foundation circularity framework.

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IA-O. Impact Area: Oceans

OI-1. Plastic Elimination

OI-1-1. Does your company work on eliminating unnecessary and problematic plastic packaging? (Select one)

☐ No
☐ Not yet, but looking into this topic
☐ Yes, our company is working on this topic

This question only appears if yes to OI-1-1 (Taking steps to eliminate problematic packaging):

OI-1-1a. What steps has your company taken towards eliminating unnecessary and problematic plastic packaging in B2C? (Select applicable)

☐ Planning to create transparency
☐ Analyzed portfolio & created transparency on volume
☐ Action plan to eliminate
☐ Planned pilots on reuse and innovation
☐ Pilots underway on reuse and innovation
☐ Switching to reusable solutions
☐ Substituted
☐ Already eliminated
    Please provide details.

    _____

☐ Other
    Please provide details.

    _____

OI-1-1b. What steps has your company taken towards eliminating unnecessary and problematic plastic packaging in B2B? (Select applicable)

☐ Planning to create transparency
☐ Analyzed portfolio & created transparency on volume
☐ Action plan to eliminate
☐ Planned pilots on reuse and innovation
☐ Pilots underway on reuse and innovation
☐ Switching to reusable solutions
☐ Substituted
☐ Already eliminated
    Please provide details.

    _____

☐ Other
    Please provide details.

    _____

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OI-1-1c. Which of the following plastic items identified as problematic or unnecessary has your company made progress to eliminate?

Please provide weight in metric tons (MT). If volume by weight is unknown, please provide product units (e.g., number of each item) or percentage share of total volume. Target year and Target volume are optional. Units are optional if volume in MT is provided.

If selecting "other", please provide details in the comments box.

	Used	Baseline year	Baseline units (Number of items)	Baseline volume (MT)	2021 (units)	2021 (MT)	Target year	Units eliminated	Volume eliminated (MT)	Share of volume eliminated (%)	Target year	Target volume
Polybags												
Retail store shopping bags												
E-Commerce bags												
B2B-transport bags												
Garment hangers												
Tags and labels												
Other												
TOTAL												

	Progress to eliminate	Method adopted	Please describe actions taken (or planned) and highlight achievements to reach the target
Polybags			
Retail store shopping bags			
E-Commerce bags			
B2B-transport bags			
Garment hangers			
Tags and labels			
Other			
TOTAL			

If "other" please provide details.

OI-1-1d. Has your company reduced its share of unnecessary and problematic plastic within its total plastic packaging volume? (Select one)

☐ No

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☐ Not sure
☐ Yes, in B2C
☐ Yes, in B2B
☐ Yes, in B2B and B2C
☐ Other

Please provide details.

Definitions
B2C packaging: All packaging the customer can take home or gets delivered to his/her home. It includes hangers, shopping bags, e commerce bags, tags and labels, suit covers, shoe boxes, luxury boxes.
B2B packaging: Transport/logistics packaging in the supply chain in owned/operated manufacturing/distribution network. It includes transport boxes, plastic films, polybags, hangers, other protective items.
Problematic/unnecessary plastic packaging: The following list of criteria from the Ellen MacArthur Foundation's Global Commitment and additional guidance from The Fashion Pact can help identify problematic or unnecessary plastic packaging. Fulfilling one criterion in this list is enough to consider an item problematic or unnecessary.   1. **It is not reusable, recyclable, or compostable.**   2. **It contains, or its manufacturing requires, hazardous chemicals that pose a significant risk to human 3 health or the environment (applying the precautionary principle).**   **Hazardous chemicals** are chemicals that show intrinsically hazardous properties: persistent, bio-accumulative and toxic (PBT); very persistent and very bio-accumulative (vPvB); carcinogenic, mutagenic, and toxic for reproduction (CMR); endocrine disruptors (ED); or equivalent concern, not just those that have been regulated or restricted in other regions. (Source: Roadmap to Zero, definition based on EU REACH regulation).   Although compliance with health & safety standards is to be ensured by plastic producers, brands and retailers can encourage their suppliers to align with these requirements when buying packaging from third parties. For further guidance on chemicals to substitute in the textile industry, please visit Chemsec's Substitute It Now (SIN) List, Marketplace or Zero Discharge of Hazardous Chemicals (ZDHC) to find safer alternatives to hazardous chemicals. Alternatives are to be considered in compliance with international and local regulations in place where your product is put on the market, such as REACH in the EU.   3. **It can be avoided (or replaced by a reuse model) while maintaining utility.**   Plastic packaging or a plastic item is considered avoidable (from being put on the market) if it does not have a clearly identified technical function, i.e., of: • Protection   • Hygiene and safety   • Ensuring product integrity   • Transportation   • Providing information required by regulation

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- Or if a viable alternative exists or can be developed for the necessity.

(Source: The French Plastics Pact for packaging)

Companies are encouraged to perform an analysis and diagnosis of avoidable packaging in their portfolio or options for substitute through more circular options. This list may vary from one company to another, based on the business model and viability of alternatives.

4. It hinders or disrupts the recyclability or compostability of other items.

Packaging which can potentially hinder or disrupt the recyclability of other plastic items include, for example, those inducing cross-contamination of compostable and recyclable material streams (e.g., plastic films such as single-use carrier bags), materials which are collected mixed with other materials (e.g., PP with PE), or made with inks that bleed, insoluble adhesives, etc. To avoid such disruptions, it is necessary to design packaging for recycling, considering the specificities of current recycling systems in place, and to strive towards standardization (e.g. as water bottles are all made out of PET) - see design for recycling guidelines such as from Recyclass for further guidance.

5. It has a high likelihood of being littered or ending up in the natural environment.

As there is currently no study identifying which packaging used in the fashion industry is most likely to be littered or end up in the environment, this needs to be considered as a case-by-case scenario when evaluating your portfolio. In general, items frequently found in the environment include single-use shopping bags, small plastic packaging which are likely to escape collection systems, packaging of products unpacked on the go or away from home.

Reusable packaging - "Packaging which has been designed to accomplish or proves its ability to accomplish a minimum number of trips or rotations (1,2) in a system for reuse (3,4)" according to ISO 18603:2013, modified by The Global Commitment.

Source: Ellen MacArthur Foundation (adapted to fashion), in line with ISO 18603:2013

Explanatory notes:
- A reusable packaging is to be designed for recycling so that, when reaching the end of its use-cycle after going through a number of reuse cycles, materials remain in use in the economy.
- Attention should be paid to the intended use and function of the packaging, in order to verify whether it is being reused for the same purpose or a secondary use. In the latter case the packaging is not considered as reusable packaging (ISO 18603, "Packaging used for the same purpose").
- A package is considered reusable if the design of the packaging enables it to accomplish a number of trips or rotations in normally predictable conditions of use (ISO 18603).
- The Global Commitment elaborates: "For a container to qualify as reusable, there needs to be a 'system for reuse' in place that enables the user of the packaging to ensure it is reused in practice where the item is placed on the market. Such a system for reuse should be able to prove a significant actual reuse rate, or average number of use-cycles of a package, in normal conditions of use."

For example, in the fashion industry:
☑ An e-commerce shipping bag that gets sent back by the user for several future use cycles for the same purpose is considered reusable.

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✗ A plastic hanger designed to be used only once for the display of a garment (e.g., garment-on-hanger) or hangers said to be 'designed durable' cannot be considered reusable if there is no system in place to ensure reuse. If the hanger is given away to the customer with every purchase, there is no incentive or system for customers to reuse these between garments, and no guarantee that these will be reused for the garments themselves, rather than being discarded. In addition, B2C recycling systems for hangers currently do not exist in practice and at scale.

Further explanatory notes:
- A trip is defined as transfer of packaging, from filling/loading to emptying/unloading. A rotation is defined as a cycle undergone by reusable packaging from filling/loading to filling/loading (ISO 18603).
- The minimum number of trips or rotations refers to the fact that the 'system for reuse' in place should be proven to work in practice, i.e., that a significant share of the package is actually reused (measured for example by an average reuse rate or an average number of use-cycles per package).
- A system for reuse is defined as established arrangements (organisational, technical, or financial) which ensure the possibility of reuse, in closed-loop, open-loop or in a hybrid system (ISO 18603)
- The definition for reuse (see New Plastics Global Commitment Guidance) stresses amongst other things the need for the packaging to be refilled or used again for the same purpose for which it was conceived

Source: New Plastics Economy Global Commitment, Ellen MacArthur Foundation (except examples)

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OI-2. Recycled Content

OI-2-1. Are there any specific topics/initiatives you would like to collaborate on to scale ideas/overcome roadblocks to use of recycled content in packaging? (Select applicable)

☐ No
☐ Framework to create a plastic packaging footprint baseline
☐ Sharing best practices on certifications
☐ Other
    Please provide details.

This question only appears if yes to OI-2-1 (Working on achieving 100% recycled content):

OI-2-2. Does your company work on achieving plastic packaging consisting of 100% recycled content? (Select one)

☐ No
☐ Not yet, but looking into this topic
☐ Yes, our company is working on this topic

OI-2-2a. What steps has your company been taking towards increasing the use of 100% recycled content in plastic packaging? (Select applicable)

☐ Planning to create transparency
☐ Analyzed portfolio & created transparency on volumes
☐ Designing guidelines / looking into certification
☐ Design guidelines shared with suppliers
☐ Demanding certifications on recycled content from key suppliers (e.g., GRS)
☐ Other
    Please provide details.

OI-2-2b. Which of the following plastic items has your company made progress to transition to recycled content?

Please provide weight in metric tons (MT). If volume by weight is unknown, please provide product units (e.g., number of each item) or percentage share of total volume. Target year and Target volume are optional. Units are optional if volume in MT is provided.

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	Used	Baseline year	Baseline units (number of recycled items)	Baseline recycled volume (MT)	2021 (Recycled units)	2021 (Recycled MT)	Units transitioned	Volume transitioned (MT)	Share of volume transitioned (%)	Target Year	Target volume
Polybags											
Retail store shopping bags											
E-Commerce bags											
B2B-transport bags											
Garment hangers											
Tags and labels											
Other											
TOTAL											

	Average share (%) of recycled content	Total volume put on the market (MT)	Progress to recycled	Please describe actions taken (or planned) and highlight achievements to reach the target
Polybags				
Retail store shopping bags				
E-Commerce bags				
B2B-transport bags				
Garment hangers				
Tags and labels				
Other				
TOTAL				

If selecting "other", please provide details in the comments box.

Examples: Please provide examples / an overview of your planned actions against your commitment to take transition to recycled content by 2025/2030, or where you have increased recycled content over the reporting period.

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OI-2-3. Has your company increased its share of plastic packaging incorporating recycled content? (Select one)

☐ No
☐ Not sure
☐ Yes, in B2C
☐ Yes, in B2B
☐ Yes, in B2B and B2C
☐ Other. Please provide details.

Definitions
Post-consumer Recycled Content: Material generated by households or by commercial, industrial, and institutional facilities in their role as end users of the product which can no longer be used for its intended purpose - this includes returns of material from the distribution chain (Source: New Plastics Economy Global Commitment). Additionally, it includes pre-consumer recycled content with materials diverted from the waste stream during a manufacturing process. The Fashion Pact's recycled content target aims to increase the use of post-consumer recycled content. Note: ISO14021's usage of term clarifies post-consumer material as material generated by households or by commercial, industrial, and institutional facilities in their role as end users of the product which can no longer be used for its intended purpose. This includes returns of material from the distribution chain. Source: ISO 14021:2016 modified, Environmental labels and declarations — Self-declared environmental claims (Type II environmental labeling), Usage of terms, modified (focus on post-consumer recycled material). Explanatory notes: • While in a circular economy it is encouraged that pre-consumer waste is kept in the system, the priority is to avoid such pre-consumer waste as part of an efficient production process. This definition therefore excludes pre-consumer recycled content (ISO 14021, Usage of terms, Recycled content: **Pre-consumer recycled content** includes materials diverted from the waste stream during a manufacturing process). • Transparency on the nature of the recycled content (i.e., post-consumer versus pre-consumer) is to be ensured whenever possible. • As referred to in ISO 14021, the percentage of recycled material (by weight) shall be mentioned when a claim of recycled content is made, separately stating the percentage of recycled content used in products and packaging, without aggregating it. • Amounts and quality of packaging made from recycled content should be in line with relevant food contact and health and safety regulations where a packaging is put on the market. • To verify or certify the use of recycled content, various verification systems from different assurance bodies exist.

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OI-3. Other Measures

OI-3-1. Does your company work on any other direct ocean protection measures not covered by the survey? (Select one) E.g., coral reef protection, shipping fuels, microplastics

☐ No
☐ Yes
    Please provide details

Appendix

Organizations and the Oceans Agenda

- **The Fashion Pact:** The Fashion Pact (TFP) is a global coalition of companies in the fashion and textile industry (ready-to-wear, sport, lifestyle and luxury) including their suppliers and distributors, all committed to a common core of key environmental goals in three areas: stopping global warming, restoring biodiversity and protecting the oceans. Launched as a mission given to Kering Chairman and CEO, François-Henri Pinault by French President, Emmanuel Macron, the Fashion Pact was presented to Heads of State at the G7 Summit in Biarritz.

  Within the pillar of climate, The Fashion Pact commits to the following three areas of action:

  Action 1: Implementing the principles of the U.N. Fashion Charter Established in 2018, the United Nations Fashion Industry Charter for Climate Action is the most detailed framework for the fashion industry's decarbonization and GHG emission reductions. Based on the Paris Agreement and furthering the broader Agenda 2030 for Sustainable Development, the 16 principles in the U.N. Fashion Industry Charter for Climate will help the TFP deliver on its overall pillar commitment to implement Science Based Targets (SBTs) on Climate and drive corporate actions that are consistent with a 1.5-degree pathway through a "just transition" to achieve net-zero by 2050.

  Action 2: Transition 25% of key materials to lower climate impact sources by 2025 In order to support climate adaptation and resilience through sustainable sourcing of raw materials, TFP commit that 25% of its key raw materials will have a lower impact on climate by 2025. Availability and adoption of lower impact alternatives range widely across materials – but by aggregating demand, TFP has the opportunity to influence global supply.

  Action 3: Implement 50% renewable energy by 2025 and 100% by 2030 across own operations. TFP pledge to implement 50% renewable energy across its own operations by 2025, and 100% across our own operations by 2030. Additionally, TFP will encourage implementation of renewables in all high impact manufacturing processes along the entire supply chain.

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Additional Reading

- Ellen MacArthur Foundation The Global Commitment 2021 Progress Report
- The Fashion Pact Five Steps Towards Transforming Our Industry
- Textile Exchange Impact Incentives
- Textile Exchange Biodiversity Benchmark Guide and Companion Guide
- UNFCCC Fashion Industry Charter Working Groups

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