

THE REMEI STORY:

NURTURING INDEPENDENCE

The ethical Swiss textile company Remei AG was first established in 1983. In 1991 Remei set up the bioRe project; an organic cotton development program starting with around 200 farmers in India. Three years later in 1994 the organic cotton program in Tanzania was launched when Remei started to work with 45 local farmers. The number of farmers now totals 8,438 (from which 6,455 are in Madhya Pradesh, India and 1,983 in the Shinyanga District Tanzania). Remei AG – acts as the trading arm for the organic cotton produced by bioRe and oversee the entire value chain. This model provides the stability and security to support - both financially and professionally - the growing self-sufficiency of bioRe®India Ltd and bioRe®Tanzania Ltd.



Remei set up bioRe to secure its supply of certified organic cotton fibre. Starting as a project in both India and Tanzania; bioRe is now a separate company and Remei buys fibre from bioRe India Ltd and bioRe Tanzania Ltd. Remei is the chain co-ordinator. Its garments are sold in supermarkets and fashion outlets in Switzerland, France, Germany and other western European countries.

Remei wanted to create a viable business model based on organic farming, fair treatment of farmers

and textile workers, and genuine partnering among all actors in the cotton chain.

Remei buys all bioRe output, provides financial services, and coordinates the value chain. Remei - and the bioRe Foundation - want to see bioRe independent; established as fully autonomous companies in both India and Africa - with local management and, ultimately, the farmers as shareholders.



Fact File:

- Remei AG was established in 1983.
- In 1991 the bioRe project in India was initiated and in 1994 established in Tanzania.
- Remei offer farmers beneficial contractual arrangements: including long term commitments, product purchase guarantees, and a price premium.
- Farmers get paid immediately on delivery, in cash and pre-payment of crop inputs is provided.
- Infrastructure development and community social projects are delivered through the bioRe Foundation.
- Remei work with each link in the value chain.
- The whole production of Remei AG (fibres, yarns, fabric and clothing) is exclusively made of organic cotton.
- Recognised standards for quality, social and environmental criteria are rigorously upheld.
- Products are sold to big retailers and outdoor brands in Switzerland, Germany, Italy, Finland and France.
- Traceability and transparency in the final product are top priorities.
- Remei are working alongside bioRe Foundation to support the independence of bioRe India Ltd and bioRe Tanzania Ltd. Currently Remei's 'helping hand' is needed but eventually the Companies will outgrow this need.

Success Factors:

- **Genuine investment in farmers** - leading to loyalty and better skilled producers.
- **Close relations with farmers** help secure production and enables capacity building.
- **Shortening the production chain** - rationalisation resulting from a sustainable approach.
- **Strengthening partnerships** is key to success.
- **Social and environmental criteria integrated with quality systems** - leads to innovation in sustainability.
- **A strong vision** - building a reputation as leaders in sustainable textile production.

Farmer benefits

The goal is for bioRe farmers to become completely independent of Remei. Along the way, Remei are building capacity by providing:

- *Education and training in organic cotton production* - field schools, capacity building, research, demofarms etc. bioRe training centres opened in 2005 and have developed into regional competency centres.
- *Good contractual arrangements* - such as purchase guarantee with premium price (15% per kilogram of cotton), 5 year contract guarantees, payment in cash immediately on delivery.
- *Organisational development and capital creation* - including knowledge transfer, profit re-investment locally, investment in innovative textile value adding and traditional craft.
- *Farmer representative in the bioRe organisations* - elected by farmers. Negotiations can be made between farmer organisations and bioRe and/or the bioRe companies and Remei.

● *Support to individual and community projects (through the bioRe Foundation)* including maintaining ginning mills and other buildings, providing mobile health units, building wells, smokeless stoves for family homes and accommodation for teachers.

Standard of Living for farming families is continuously increasing due to the guaranteed purchase and premium which provides bioRe farmers with a secure income even in insecure times. Community life is improved due to the development works delivered through the bioRe Foundation.

“Everyone has the right to work and live in dignity... for Remei ‘everyone’ is not only Remei employees and bioRe farmers - but all people involved in the bioRe textile chain.”

Patrick Hohmann, Managing Director, Remei and President of bioRe Foundation

Strong systems in place

Remei certify their production to organic guidelines: EU 834/2007 and NOP, with certification carried out by the Swiss company bio.inspecta. Social criteria for bioRe farmers are audited by FLO Cert Gmbh and social standards for industry are certificated to SA8000 and BSCI. The whole chain remains transparent.

Good communications

Remei is a 'business to business' company – not consumer-facing. Their 'customers' are the brands and retailers that sell products made from Remei-bioRe textiles.

Remei does not have to deal directly with the public and the media, but the retailers and brands selling Remei goods do. Therefore Remei acknowledge that their customers need a partner who is capable of answering critical questions. For this reason Remei still develop a 'public' communications strategy. The strategy is designed to be shared with their clients and communicate information about their products. Ultimately, allowing their clients to access trustworthy and consistent information. Remei work with their customers on this strategy; brands and retailers need to be able to talk about a range of topics; CO2, schools, water issues, input management, GMO, etc. Remei's deep connection to these issues place them in an ideal position to contribute to public communications.

"It is our pulse beating, it is our life and we are inviting you to share our life."

Patrick Hohmann

Transparency in business

Every year Remei invites customers to come and see what they are doing in India. It is a two days activity. Clients, interested parties and other stakeholders are invited. During this event Remei bring buyers and stakeholders together, so that they can talk together. Brands and retailers can meet the farmers and see what organic agriculture is all about – that way those not close to the farming and production can learn about the benefits of organic, challenges and production issues first hand. Invited guests also visit the farms, schools, the gin, etc and connect with the whole Remei-bioRe supply chain.

For more information on Remei please visit <http://www.remei.ch/>

For more information on bioRe India visit www.bioreassociation.org

For an excellent account of bioRe Tanzania read: Business Minds Africa, Professionals for Agricultural Entrepreneurship: Case series No 1, May 2010 - *Financing the bioRe® organic cotton chain in Tanzania*

<http://bma.kit-ipp.org/drupal-6.16/node/12>



bioRe Tanzania



bioRe India



Remei Products



A Unique Focus on the Entire Value Chain - Improving the Lives of Over One Million People

Through the work of Textile Exchange, and funding from our key partner ICCO, we now positively affect the lives of over 220,000 organic cotton farmers worldwide. Conservative estimates show that each farmer in the Global South has responsibility for a household of five people. This means that Textile Exchange programs have directly and positively impacted the lives of over 1,110,000 people in developing countries.

Textile Exchange's methodology is unique and innovative in many respects, including:

- Textile Exchange takes a global approach to developing markets. This is particularly effective given the global nature of cotton production and consumption.
- We build demand and supply simultaneously. Engaging with farmers through to brand and retailers to help increase fiber production and enables suppliers to create short- and long-term production schedules. Our efforts culminate in consumer education, highlighting farmers and farming innovations, beautiful yarns and fabrics, and highly desirable products.
- Textile Exchange is unique in that we focus on the entire value chain, from seed procurement through to retail. We provide models and tools for collaborative planning, problem solving, product development, and point of purchase materials.