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Now

The Responsible Leather Round Table (RLRT) by Textile Exchange is a neutral space for anyone with interest in the leather industry to learn, share information, and look for opportunities to drive positive action.

Next

Join us on December 15th at 10 am EST/4 pm CET, for the RLRT Summit.

https://textileexchange.org/event/round-table-summit-responsible-leather-round-table/
Textile Exchange’s strategic intent over the next 10 years is to be a driving force for urgent climate action in textile fiber and materials production, specifically:

Enabling and guiding the textile industry to reduce GHG emissions (CO2 equivalents) **35% to 45% by 2030** in the pre-spinning phase of textile fiber and materials production.

*Amplifying positive impacts in soil health, water, and biodiversity.*
MICHAEL COSTELLO
Director of ESG (Environment, Social & Governance)
SOCIAL AND ENVIRONMENTAL ASPECTS IN THE LEATHER INDUSTRY

CHALLENGES AND OPPORTUNITIES

Fernando Bellese 10/13/2020
It has evolved considerably with time;

But there are still challenges…

…and good opportunities for further improvement.

LEATHER IS ONE OF THE OLDEST INDUSTRIES IN THE WORLD...
Poor labor conditions are still found in some tanneries; exposure to chemicals, unsecure machinery and poor ergonomics are some of the major challenges; but there are different ways of preventing that...
Modern management systems;
Advanced machinery and IPEs;
Safer chemicals;
It can be resource intensive; if not managed responsibly, it can be a relevant source of pollution. But there are different ways of preventing that...

**POLLUTION**

Resource intensive industry;
Requires high investments to operate efficiently;
If not managed correctly, can be a major source of pollution.

Picture: https://www.wired.com
More efficient processes and higher chemical uptake;

State-of-art wastewater treatment plants;

Joint approaches for more efficient use of resources;

Well regulated and strong multi-stakeholder initiatives;
Energy: From 10 MJ to under 3 MJ/SQFT of finished leather;

Water: From 45 L to around 10 L/SQFT of finished leather

PrimeAsia achieved 80% of recycled water in China;
CHALLENGES IN THE SUPPLY CHAIN

- Deforestation;
- Animal Welfare;
- Cattle Emissions;
- Labor Conditions;
- Lack of transparency;
Tanneries are an important link between the two ends of the value chain;

Clear communication with suppliers may result in positive changes;

THE LEATHER INDUSTRY CAN BE PART OF THE SOLUTION
Promoting best practices at farm level by:

- Ensuring better use of natural resources;
- Holding strict animal welfare standards;
- Contributing to lower emissions;
- Providing Traceability to the farm of birth;
- Increasing transparency through third-part verification;
WE DIDN'T GET HERE ALONE

BUT WE NEED TO CONTINUE TO WORK TOGETHER AND IN A TRANSPARENT WAY.
The first step to improve things is to understand the challenges...

...the second is to act responsibly.
Multi-stakeholder approach to more sustainable leather chemistry
More sustainable chemistry

Conceptual understanding:

„more sustainable chemistry“

- No harm to people and the environment due to toxicity
- Reduced use of natural resources
More sustainable leather chemistry - challenges

Leather production entails many classified **substances** considered **hazardous** that may pose risks to workers and the environment:

- Transportation and storage: biocides, pesticides and salts in effluents
- Beamhouse (*soaking*): effluents with high chemical oxygen demand/COD
- Tanning: high salt concentrations in effluents (*pickling*), salts, biological oxygen demand/BOD, COD, chrome VI (*tanning*)
- Re-tanning: dyes and additives (*dying*), COD + BOD, chlorinated fatliquors (*fatliquoring*)
- Finishing: volatile organic solvents/VOC released from solvent based agents, per- and polyfluorinated compounds/PFCs (*coating*)

Consumer protection: Chrome VI, dyes, PFCs …

End of Life: Today generally not biodegradable without treatment (e.g. synthetic coatings)
Achieving more sustainable chemistry is a multi-stakeholder task

From individual perspectives...

...to a system view
What are driving and driven factors of influence?

Driven
- Process innovation, Product innovation, Production costs, Organizational innovation

Driving
- (Lack of) regulatory framework, Availability and protection of natural resources, CO₂ across life cycle, Requirements concerning functionality of leather, Traceability

Depends…
- Consumer behaviour, Critical public opinion, Location factors (political, social), Quality of raw hides used, Transparency and knowledge, Working conditions, Means of production
A common vision…
„How much would you be willing to pay for leather shoes similar to those pictured here? “

Full results soon at sne.h-da.de/leather-chemistry/
Thank you for your attention

- Transformation requires sector wide cooperation, horizontally and vertically
- Gain systemic view and common problem understanding
- Engage

sne.h-da.de/leather-chemistry/
julian.schenten@h-da.de
Solutions
Environmental & Social Concerns within the Leather Value Chain

Deborah Taylor
Managing Director, Sustainable Leather Foundation CIC
Consultant, United Nations Economic Commission for Europe
Consultant, Leather Impact Accelerator, Textile Exchange
Working together is key to ensure that we can accelerate the action required for our society’s future needs: Reduce... Increase... GoodAnimalHusbandry&Welfare... Health&Welfareofworkers... BestPracticeforMachinery... BestPracticeforProcessing... Collaborativecross-sectorinnovationandcooperation... Consumers are better informed and more conscious of the effects that production & consumption have on the earth’s natural resources.
Landscape of auditing and certification bodies

- Type of Certification / Verification
- Scope of Work
- Geographic Coverage
- Specific Specialties
<table>
<thead>
<tr>
<th>Geographic Coverage</th>
<th>EMS</th>
<th>Chemicals</th>
<th>Traceability</th>
<th>Carbon Footprint</th>
<th>Social</th>
<th>Governance</th>
<th>Specialty</th>
<th>Org Type</th>
<th>Restrictions</th>
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<td>✓</td>
<td>✓</td>
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<td>Member-ship subs Audits</td>
<td>Small market</td>
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<td>✓</td>
<td>✗</td>
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<td>De-forestation</td>
<td>Country Association subsidised Audits</td>
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<td>✓</td>
<td>✗</td>
<td>✗</td>
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<td>Industry standard for environmental</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Consumer focus Whole Value Chain</td>
<td>Member-ship subs Audits</td>
<td>New org Still in piloting stage</td>
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<tr>
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<td>✓</td>
<td>✗</td>
<td>✓</td>
<td>✓</td>
<td>New laser marking technology</td>
<td>Full service testing, audits, training</td>
<td>Commercial for profit</td>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
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<td>Various systems for leather &amp; textile</td>
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<td>Commercial for profit</td>
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<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
<td>Aggregated impact score for materials</td>
<td>Member-ship subs Donors</td>
<td>Not accurate metrics or representative of all aspects</td>
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<td>✗</td>
<td>MRSL Wastewater</td>
<td>Member-ship subs Donors</td>
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Points to Consider

• Not easy to do direct comparisons as all programmes use different types of audit system / structure
• Many brands still need to do additional auditing to satisfy their needs / obligations
• Lack of standard regulation around many aspects of concern globally
• Challenging to harmonise without either huge investment or damaging less advanced economies and livelihoods

Solutions for the Leather Value Chain

Need for harmonisation and standardisation

Need to protect social economic sustainability for many leather producing countries
Other Solutions

Solutions for the Leather Value Chain

• Some great NGOs working in partnership with organisations to develop training, education and improvement for less advanced economies.

• Public / private partnerships to develop standards and systems that can be adopted globally

• Country and Regional Associations could better collaborate, pool wisdom, innovation and resources for the good of the industry.
The Leather Impact Accelerator (LIA) uses benchmarks to address animal welfare and deforestation/conversion-free at the farm level, the social and environmental impacts of leather processing, and to set expectations for traceability. Brands can use LIA to support best practices in the leather value chain and make credible claims about their actions.

LIA is not a standard – it is a benchmarking program that recognizes and rewards best practices in the leather value chain. To this end, LIA uses benchmarks to set a minimum threshold for practices and give recognition to those who meet or exceed them.

Brands can use Impact Incentives to provide direct financial support to farmers that meet LIA benchmarks, and the Claims Framework provides guidance for all LIA participants to make credible claims.
There are 6 components of Leather Impact Accelerator:

- Animal Welfare benchmark
- DCF protocol
- Leather Production benchmark
- Impact Incentives
- Claims framework
- Traceability guidelines
Thank You

Questions?

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Thank you!

TextileExchange.org

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