

Our request to governments

The global apparel and textile industry, which generates over \$1.5 trillion in annual revenue and used 109 million tons of fibers in 2020, is actively working to be part of the solution to the climate crisis. With the support of over 50 companies and organizations, it is pleased to present the governments at COP26 with a practical solution to achieve its industry's climate goals: trade policy.

By mitigating or narrowing price premiums, trade mechanisms can be leveraged to incentivize the increased production and adoption of environmentally preferred materials. This important but often overlooked policy lever can make these fibers more favorable than, or at least equal to, their conventional counterparts.

Using trade policy to incentivize better practice in materials sourcing can work alongside regulations and penalties to promote positive action instead. It has the potential to level the playing field financially for companies committed to sourcing environmentally preferred materials, without negatively impacting their supply chain or the farmers who grow the fibers.

This request builds on the Preferential Tariff Project initiated by Textile Exchange in 2018, which explored incentives such as tax credits and/or suspension or duty reductions of an imported component or finished, certified product.

Environmentally preferred materials should be defined as those from certified, verified sources that can be traced from raw material to finished product, and that are connected to data-driven environmental impact reduction. Organic cotton typically has a lower carbon footprint than conventional cotton, for example, as is the case with recycled polyester when compared to virgin polyester.

Global fiber production has almost doubled in the last 20 years from 58 million tons in 2000 to 109 million tons in 2020. While it is not yet clear how the pandemic and other factors will impact future development, production is expected to increase by another 34 percent to 146 million tons in 2030 if the sector builds back to business as usual. With this continued growth, it will be increasingly difficult for the industry to meet science-based targets for climate and nature.

This request provides governments with a tangible action to remove a key barrier to scaling environmentally preferred materials: increased cost. Since nearly all major fashion producing and consuming countries have signed the Paris Agreement, it is addressed to every government present at COP26.

With the recognition that appropriate policy initiatives may differ by jurisdiction, in this critical moment at COP26, the apparel and textile industry urges policymakers to consider working together to develop thoughtful trade policy mechanisms to incentivize the use of environmentally preferred materials.

In turn, this would enable achievement of Textile Exchange's industry goal of a 45% reduction in greenhouse gas (GHG) emissions in the pre-spinning phase of textile fiber and material production by 2030, in line with the Paris Agreement.

Supporting Companies:

AEO, Inc.
Arvind Limited
Bolt Threads
Capri Holdings Limited
Chloé
Columbia Sportswear
dhb
Ecofashion Corp
Eileen Fisher
Everybody & Everyone
Föhn
Gap Inc.
G-Star RAW
Guess?, Inc.
H&M Group
House of Baukjen
Hunter Boot Limited
Kering
Lenzing
Mantis World
Mara Hoffman
Nanushka
Neiman Marcus Group

Patagonia
Piping Hot Australia
Primark
Princess Polly
Ralph Lauren Corporation
Rapha Racing Ltd
Renewcell
Reformation
Salomon S.A.S
Stella McCartney
Superdry
Sympatex
Tapestry
Tchibo GmbH
tentree
Textil Santanderina S.A
The Renewal Workshop
The Schneider Group
VF Corporation
WiggleCRC

Supporting Organizations:

Accelerating Circularity
Apparel Impact Institute
British Fashion Council
Centre for Sustainable Fashion
Fashion for Good
Fashion Revolution
Global Fashion Agenda
rén collective
Positive Luxury
Responsible Business Coalition
SustainChain
Sustainable Apparel Coalition
Sustainable Furnishings Council
The Sustainable Angle
United States Fashion Industry Association (USFIA)

For any questions or to register your interest in continuing this conversation please email: kostas@textileexchange.org.