

**Written evidence from Dr Mark Sumner, Lecturer in Sustainability; Retail & Fashion at  
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Mark Sumner is a lecturer in Sustainability and Fashion, who spent over 15 years working for one of the UK' largest fashion retailers. He has contributed to a number sustainability initiatives, provides independent advice and training for brands and retailers, as well as engaging in research into modern slavery, microfibres, consumer behaviour and innovation. He also contributed to the EAC Fixing Fashion Report 2019.

The Fixing Fashion report was published on Feb 19<sup>th</sup>, 2019. Since the publication of the report, and subsequent rejection of most of committee's recommendations, the world has changed significantly. And like many other industries, the global fashion industry has been dramatically impacted by the corona 19 pandemic.

In spite of the changes we have witnessed since Feb 19<sup>th</sup>, 2019, the fundamentals of the fashion industry have not changed. The industry is still reliant on complex, global supply chains where worker rights and labour laws are poor and inconsistently applied, and where the protection of the environment is second to profit.

There are, however, some successes within the industry, demonstrating sustainability can be delivered hand in hand with business success. A small, but significant number of fashion brands are taking collaborative action to reduce the impact of their buying decisions on the environment and on the local communities in the supply chain. These businesses are sourcing more sustainable cotton (e.g. BCI, Organic and CimA cotton) than every before and are reducing their reliance on virgin polyester and to expand the use of recycled PET bottle. They are using new technologies to reduce their reliance on harmful chemicals, and many are funding research to improve the understanding of microfibre release from domestic laundry and to develop solutions to this problem. And these businesses are working with UK clothing charities and textile waste merchants to minimise the volume of garments that end up in landfill. This small group of brands are also working hard to implement the 2015 Modern Slavery Act across the supply chains they use for their products.

Much of the success achieved by these brands has been made possible through pre-competitive alliances across the industry, where sectors boundaries between fast fashion, high street retailers and the luxury sector have been dismantled for the greater good of the industry. Important progress in sourcing sustainable raw materials, greening supply chain production processes and improving worker rights have been achieved through voluntary agreements and public commitments.

But is this enough?

These responsible brands number too few. The Sustainable Action Plan, SCAP, the only voluntary agreement supported by the UK government for a sustainable fashion industry, has just 13 fashion business signatories. So, in spite of the successes of SCAP to reduce the carbon, water and waste footprint of fashion, these successes have been achieved by only 13 businesses.

There are too many UK fashion businesses who acknowledge the negative impacts of their operations on workers and the environment but do little or nothing to mitigate for the harm they are causing. Many commit to the minimum in terms of action, and in some cases, they don't comply with even the minimum legal requirements of legislations such as REACH or the Modern Slavery Act. Furthermore, engagement of these organisations in collaborative action and voluntary agreements is

often limited to paying lip service to the objectives of the initiatives, while wearing the badge of such initiatives purely as a defence against media, NGO and policy maker challenges.

However, the issues the UK fashion industry faces can be reduced to two fundamental problems. The issue is not a lack of knowledge about the environmental impacts and social issues associated with the industry. And the issues are not that we don't know what the solutions are for these issues. Technology, best practice and policy solutions exist that address many of the problems the fashion industry faces.

The two fundamental problems for the industry are lack of regulatory structure and the lack of transparency.

### 1. Regulatory Structure: The Unlevel Playing Field

Within the context of sustainability, the role of any government is to ensure, through the application of regulations and the use of legislation, the market infrastructure requires all businesses to achieve minimum standards for environmental protection and worker rights. Without this the application of such sustainability principles relies on voluntary action where a business chooses to incorporate improvements in their strategy or they choose to ignore their responsibilities.

The current market for fashion lacks specific and targeted legislation for sustainability, which as a result, means there are no rewards best practice nor are there any consequences for poor business behaviour. Thus, there is an uneven playing field for those businesses who have invested in sustainability when they attempt to compete with those businesses who have ignored their responsibilities. Furthermore, those businesses that have not invested in sustainability are hiding behind those that have, committing the worst examples of ethical freeloading. Even when legislation has been created to force businesses to commit to best practice, the governance lacks teeth; the Modern Slavery Act is recognised as a landmark step towards the eradication of slavery, but it lacks suitable enforcement to ensure the Act is applied equally.

Voluntary agreements such as SCAP are useful tools to explore sustainability issues and develop solutions. And the SCAP initiative, in spite of limited funding, has been a successful movement in this regard. Similarly, the Ethical Trade Initiative (ETI) has generated a thorough understanding of the impacts of poor buying practices on workers in the supply chain and has developed policies and strategies to protect workers rights.

However, voluntary agreements, by their very nature, do not force business engagement. Engagement is primarily driven by a business' attitudes to ethics and their willingness to invest time, resources and finance into activities such as SCAP and ETI, activities that do not deliver profit. It is important to note at this point, despite the myths about green consumers, there is no short-term economic benefit or competitive advantage to being a green fashion brand; note the current successful of fast fashion brands!

Thus we have a market situation, where the 'playing field' is biased towards the majority of brands that don't support sustainable action, who rely on the minority of responsible brands to carry the costs of repairing the industry. Reliance on voluntary agreements will not deliver the changes needed to improve the industry. Further reliance on a voluntary approach to sustainability will amplify the current inequalities in the market, to the point where even those businesses committed to sustainability will see their resolve to continue weakened.

Therefore, legislation is needed to clarify the role and responsibilities of all fashion brands to develop a more sustainable approach to fashion. Legislation must be progressive; in that incentives

support those businesses that engage, while poor practice and noncompliance to minimum standards is punished. Enforcement must be fair, but at a scale that incentivises changes in business behaviour.

A progressive EPR system is an example of how intelligent legislation could drive improvements across the sector. A progressive system would be based on a fixed EPR levy applied to a retailer for every garment they sell. However, businesses would apply for a discounted levy if they can demonstrate products are made from sustainable raw materials or are recyclable or are highly durable. The levy could also be reduced for retailers who 'take back' old clothes from their consumers to reduce landfill. Such an EPR would be self-funding, with the levy income ensuring the system was sustained by the industry and not by the public purse.

Responsible brands and retail associations are lobbying for more government action. They want government to re-align the market, address the unlevel playing field and apply pressure on those freeloading businesses.

## 2. Transparency: Opening up the Supply Chain

Transparency is seen by many as the foundation for a sustainable future. Knowing where raw materials come from, understanding production processes, and which workers and what working conditions were used in the manufacture of the finished product is the only way to determine if a product and a brand is sustainable.

Transparency ensures we know if a brand is sourcing cotton from Uzbekistan, where government-led forced child labour is used to pick cotton for our t-shirts, or if harmful chemicals are being used to waterproof your outdoor jacket or if denim jeans are being made by Chinese Muslims in Xinjiang 're-education' camps. Without transparency, claims by brands they are doing good cannot be supported, and equally, claims by NGOs that brands are doing harm are open to challenge.

But full supply chain transparency is very difficult for an industry that is dependent on global supply chains that are often 5-10 tiers deep. However, transparency can be hugely beneficial to a business in reducing its costs as well as helping it manage its environmental and social impacts.

And policy makers are starting to see the value of transparency for sustainability, with the UN Sustainable Development Goals underpinned by the concept of transparency. The European Timber Regulations, the Modern Slavery Act and the recent changes to the UK Environment Bill for illegal logging, all rely on the need for transparency across supply chain. The amendment to the Environment Act indicates that the UK government has agreed that the UK must stop metaphorically "importing" the problem of deforestation through the purchases of UK consumers; although the level of fines and how the law will be enforced still have to be confirmed.

The complex, global nature of fashion supply chains requires a similar approach to that applied to timber. We must stop 'importing' acts of environmental harm, such as GHG emissions, poisoning of fresh water supplies, the use of persistent, bio-accumulative and carcinogenic chemicals and destruction of soil health through our fashion purchases. And we must stop the trade in all aspects of modern slavery driven by our desire to be fashionable, whether this is fast fashion or luxury.

Therefore, demanding fashion brands to be transparent is key to a systemic change that is needed in the industry. Again, simple, progressive legislation can be used to achieve this goal. For example, requiring brands to declare the Country of Origin (COO) of the main raw materials in their products as part of the customs declaration would instantly force greater transparency. This one simple requirement brands to explore their supply chains to a depth and to a level of detail never been

required before. And as a result of this one requirement, brands would be linked to their supply chain and all its bad practice. They will then either have to improve their supply chain or hope that NGOs, media and consumers don't find out about the issues in their supply chains.

In summary, the actions of a small group of responsible fashion brands has demonstrated, as the UK industry has done in many other aspects of fashion, the ability of UK businesses to innovated and provide thought leadership for sustainability. It can be argued that no other country has done more for promoting and driving the sustainability agenda.

However, this group doesn't represent the industry at large. The scale of freeloading and lack of engagement by other brands and retailers ensures the fashion footprint of the UK industry has a negative impact on local and global environments and does little to eradicate poor working conditions and many aspects of modern slavery.

The lack of industry wide engagement in sustainable practices can be driven by progressive targeted legislation by the UK government, that 'levels' the playing field both in terms of economic and ethical measures. And this legislation must be underpinned by a minimum requirement for improved transparency. It is only with legislation and transparency that will we be able to tackle the scale of the sustainability emergency we face within the time that we have left.

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