SUSTAINABLE TRADE AND GLOBAL VALUE CHAINS FOR TEXTILE PRODUCTS

Capacity Building Training in Jiangsu Province, China

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Background
Baseline Assessment
Training Design
Action Plan
China’s export structure in 2016

China’s textile export structure

Data Resource: China Customs

China’s textile trade partner structure in 2016
Chemicals Consumption  UNEP, 《Global Chemicals Outlook》 2012

- Textile: 25%
- Others: 75%

- China: 45%
- Others: 55%

Potential SVHCs in each product category:

- Household Chemicals
- Sides & rubber (incl. toys)
- Textile and clothing
- Home/office articles
- Paints & pigments
- Transportation
- Toys, gear, accessories
- Personal Care
- Electronics
- Metals
- Wood
- Watches, Clocks
- Batteries
- Furniture

Source: MSCI ESG Research, ChemSec's SinV List 2.0 (May 2011)
BACKGROUND

Value Chain of Textile & Apparel Industry (Smile Curve)

Textile & Apparel Value Chain Upgrading Process

Center on Globalization, Governance & Competitiveness (CGGC)
BACKGROUND

EKC Curve of Textile & Apparel Industry Production

Textile & Apparel Production Process and Pollution Decomposition
BASELINE ASSESSMENT

Textile exports of main provinces in 2016 ($100 million)

Data Resource: Jiangsu provincial bureau of statistics
### BASELINE ASSESSMENT

- **29%** of the waste water
- **26%** of the COD
- **24%** of the NOx

#### (a) Domestic target customers

<table>
<thead>
<tr>
<th></th>
<th>Low-end consumer market</th>
<th>Middle-level consumer market</th>
<th>High-end consumer market</th>
<th>No domestic, only export</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10%</strong></td>
<td>63.33%</td>
<td>13.33%</td>
<td></td>
<td>13.33%</td>
</tr>
</tbody>
</table>

#### (b) The greatest advantage in comparison with similar domestic enterprises

<table>
<thead>
<tr>
<th>Advantage</th>
<th>Low-end consumer market</th>
<th>Middle-level consumer market</th>
<th>High-end consumer market</th>
<th>No domestic, only export</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lower Price</strong></td>
<td>13.33%</td>
<td>50%</td>
<td>30%</td>
<td>6.67%</td>
</tr>
<tr>
<td><strong>Better Quality</strong></td>
<td></td>
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<td></td>
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<td><strong>Product Diversity</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td></td>
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</tbody>
</table>

#### (c) Overseas target customers

<table>
<thead>
<tr>
<th></th>
<th>Low-end consumer market</th>
<th>Middle-level consumer market</th>
<th>High-end consumer market</th>
<th>No export, only domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>16.67%</strong></td>
<td>70%</td>
<td>10%</td>
<td></td>
<td>3.33%</td>
</tr>
</tbody>
</table>

*Data Resource: Jiangsu provincial bureau of statistics*
BASELINE ASSESSMENT

Survey

Knowledge Gaps

Survey

Capacity Gaps
Session 1  Overview of current textile trade and value chains
Session 2  Standards and Tools for Sustainable Textile Value Chains
Session 3  Chemicals in textile value chains
Session 4  Social aspects of textile trade
Session 5  Water and energy use in textile value chains
Session 6  Sharing of good practice
"Internet+ manufacturing model" and sustainable development.

Uses eco-environmental raw materials in production and increases its investment in technical reform and equipment renewal, in an attempt to recycle industrial waste gas and to save energy and resources.

Holds the business philosophy of "green, ecological and harmonious", committed to improving resource utilization, exploring sustainable development model, building a resource-conserving and environment-friendly enterprises.

Makes significant achievements in energy conservation and emissions reduction by passing the ISO environmental management system certification and the European certification of green environmental protection.
ACTION PLANS

Government

Enterprise

Industry Association
Thanks!

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