

Green Pakistan

Pakistan Readymade Garments
Manufacturers and Exporters Association
Workshop Day 1
February 19th & 22nd 2025



Supported by the



Karachi 2025

Herzlich Willkommen

Will start with a recap

Part 1 Introduction of Yourself

Part 2 Introduction to the project

Part 3 Introduction of the Asso. with Charts from Thursday

Part 4 Pakistan from a german´s perspective

Part 5 Roles in modern Sustainability Management

Part 6 Sustainability and History



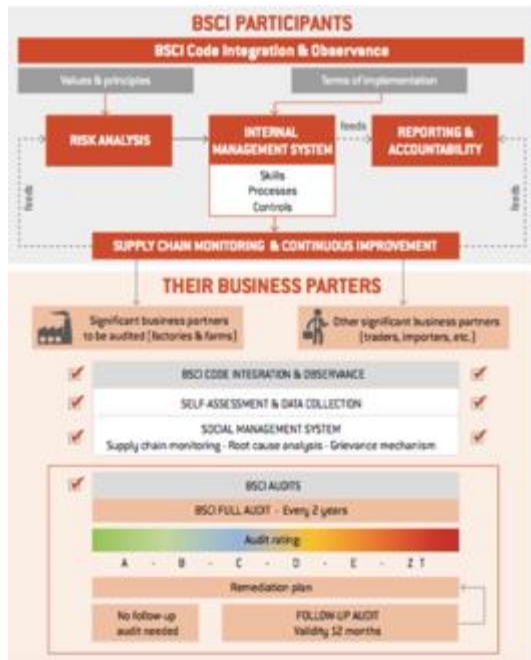
Currently Pakistan producers are facing a lot of different standards...



In addition there is the Pakistan ACCORD for more safety!

The German Due Diligence Act aims to establish supply chains in which good management practices exist and are continuously developed

Today



Supply Chain



German Importer



Requirement Profiles

Product and Production related

Risk Control

Self Assessment with „Inlight“

Improvement process

Training

Documentation and Report

General Aspects

Organisation

Balance sheets

Social+Environmtl. Parameter

Goals and more

Tomorrow- more than the amfori audit

German Importers Association

a 100 % Business orientated association

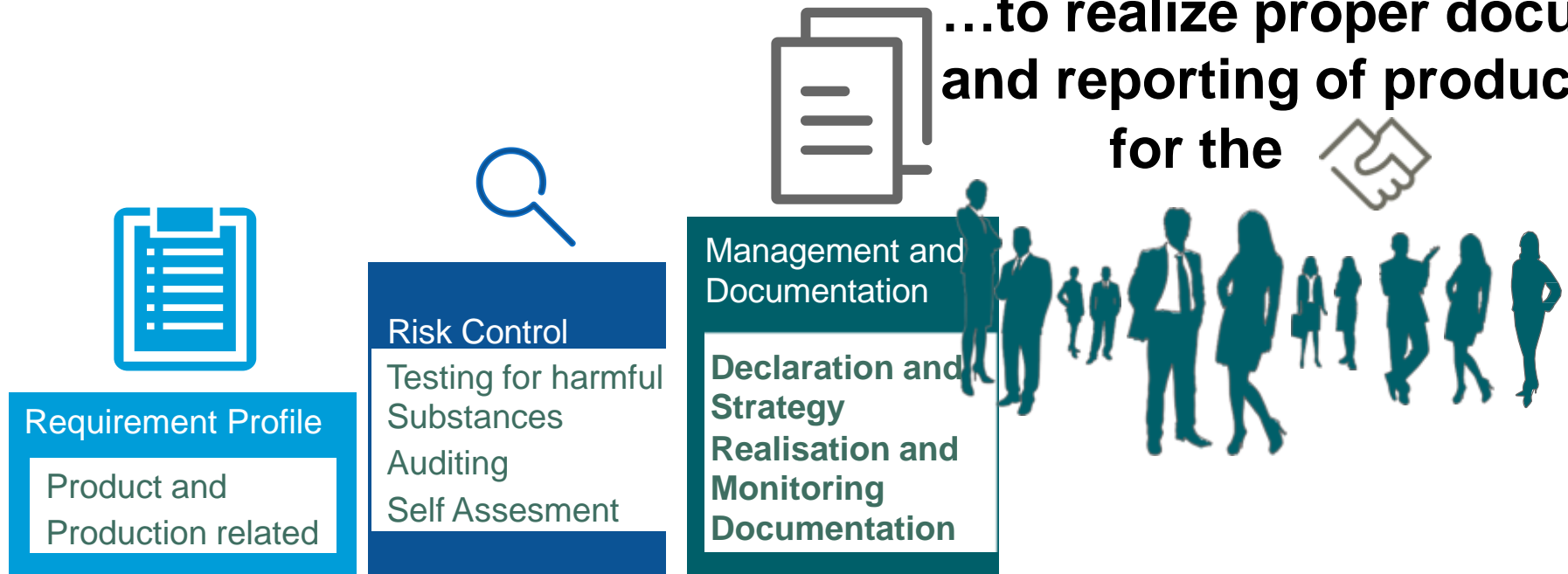
- **German Importer | Verband der Fertigwarenimporteure e.V.**
Founded: 1962
Headquarters: Hamburg, Germany
- **Overview:**
German Importer was established in 1962 in Hamburg, starting with just 18 companies. Over the years, it has grown into a prominent player in the non-food import industry, with more than 300 associated companies as of 2024.
- **Key Facts of Associated Companies :**
 - **Number :** 300+
 - **Total Employees:** 75,000
 - **Annual Purchase Volume:** €12 billion
 - **Industry:** Non-Food Import
 - **Global Reach:** Germany, European Union and worldwide
- **Product Range:**
German Importer deals with around 700 products or product groups in the non-food sector, with main focus on:
 - Textiles and clothing
 - Bedding and table linen
 - Shoes and Gloves
 - Towel and Bathroom items
 - Electronic items
- **Expert Guidance:**
German Importer provides hands-on information and guidance regarding the import of non-food products, law requirements, risk management and documentation and reporting.

Import volume from Pakistan currently roughly 400 Mio. USD

Greening Pakistan - in the next 2 years, we as German Importers intend.....

...to give support to our members and partners,
... to run through the parcour for more sustainability

...to realize proper documentation and reporting of producers for the



....sake of the business!

...and tomorrow more Laws will define Product Design and Production Performance

2024	EU Corporate Sustainability Due Diligence Directive (CSDDD)			
2023	German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)	EU Corporate Sustainability Reporting Directive (CSRD)	EU Sustainability Reporting Standards (ESRS)	
2022	EU Non-Financial Reporting (NFR) Directive	Norway The Transparency Law	USA Slave-free Business Certification Act	Japan Guidelines on Respecting Human Rights in Responsible Supply Chains
2021	Netherlands Bill for Responsible and Sustainable International Business Conduct		USA Uyghur Forced Labor Prevention Act	
2020	Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act			EU Taxonomie
2019	Dutch Child Labour Due Diligence Act	Australia Modern Slavery Act	EU European Green Deal	
2017	France The Duty of Vigilance Act	USA Executive Order on the Global Magnitsky Human Rights Accountability Act		
2016	UK Modern Slavery Act	German National Action Plan for Business and Human Rights	OECD Guidelines for Multinational Enterprises	
2012	USA The California Transparency in Supply Chains Act			
2011	UN Guiding Principles on Business & Human Rights			
	ILO Conventions and Guidelines			

Current EU regulatory projects-all are important, but on some focus is necessary

1. Ecodesign for Sustainable Products Regulation	2. Textil Strategy & Transition Pathway	3. Empowering Consumers in Green Transition	4. Substantiating Green Claims	5. Waste Framework Directive Revision
6. Product Environmental Footprint (PEF)	7. Deforestation and forest degradation	8. Waste shipment Regulation	9. Textile Labelling Regulation Revision	10. EU Ecolabel
11. Green Public Procurement (GPP)	12. CSDDD	13. Corporate Sustainability Reporting Directive (CSRD)	14. EU Taxonomy	15. Forced Labour

SDG`s with 169 Targets and 7.846 Actions



SUSTAINABLE DEVELOPMENT GOALS
17 GOALS TO TRANSFORM OUR WORLD



Talents wins games, but teamwork and intelligence wins the championship



T



E



A



M

STRONGER
TOGETHER

#StrongerTogether



Part 1

Introduction of each on of the TEAM



Supported by the



Federal Ministry
for Economic Cooperation
and Development

Part 2a

Menti Meter

Presented by

Sarim Mehmood



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and Development



GREEN PAKISTAN PROJECT



**Preparing Associations For EU Green Deal,
EUCSDDD & LKSG-German Due Diligence Act**

www.greenpakistan.de





Part 2b

Introduction to the Green Pakistan Project



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Joint project with Pakistan export associations



Greening Pakistan

Joint project of German Importers and sequa with export associations in Pakistan

Supported by the



German Importers, sequa and exporters associations in Pakistan initiate cooperation fore more sustainability in supply chains

1 Programm Association


- 1.) Organisational development, including member management;
- 2.) Development of service for members,
- 3.) Strengthening communication skills for stakeholder dialogues;
- 4.) Development of formats for customer dialogue at conferences and trade fairs.

2 Programm Sustainability

..enables producers to build up a management system with a clear policy and strategy as well as a structured implementation with comprehensive documentation. These should include selected KPIs for successful management of sustainability in the business processes.

Ambitious targets for a two years time frame

3 Programm Targets



...bring the performance of Pakistan producers up to the next sustainability level, to sharpen their profile and of the whole sector, especially for match making events during fairs in Germany and Europe and for European Buyers.

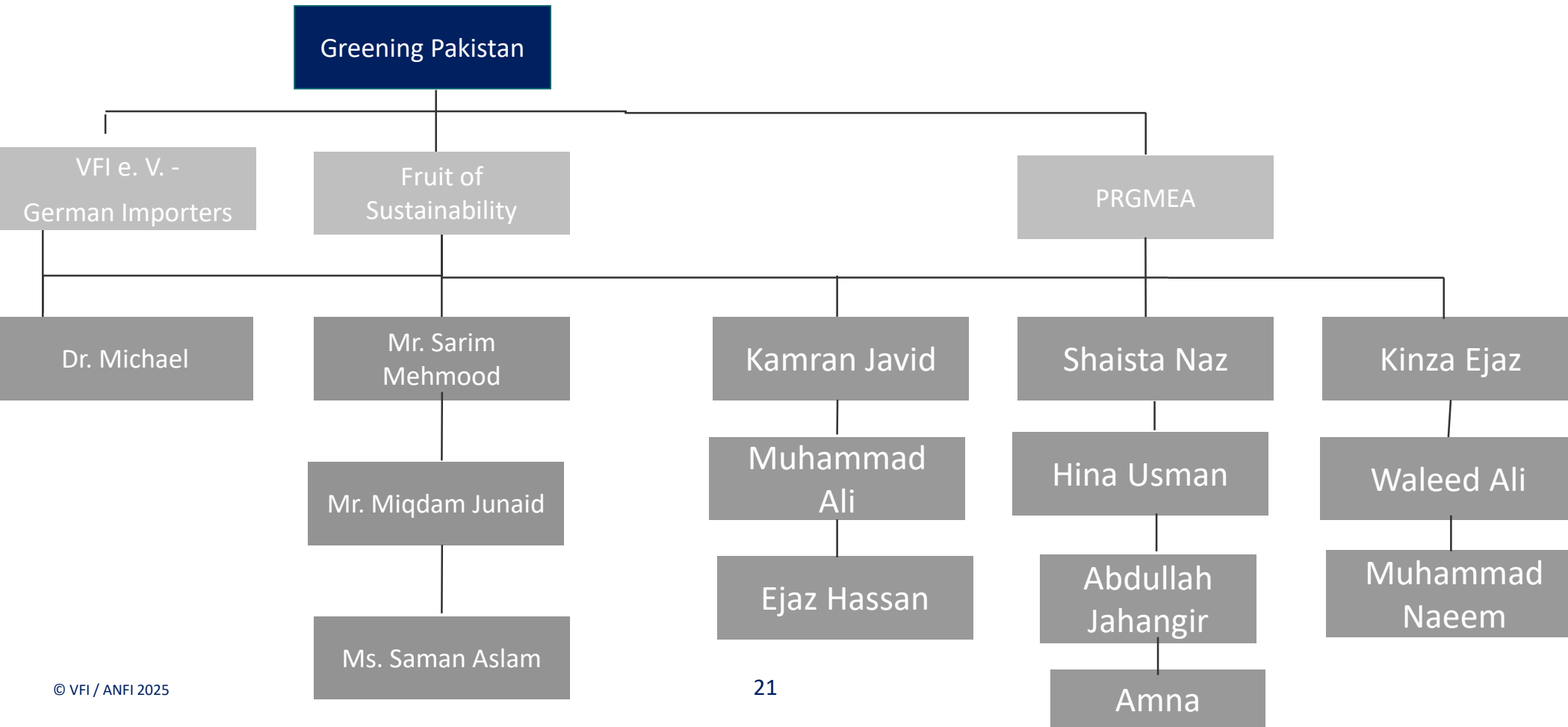
4 The project runs for 24 months



The project starts in January 2025 and ends in December 2026

Overview of direct partner for the “Greening Pakistan” project

Serving Partners from Germany and Pakistan



Important Stakeholder



- **Customer**

- EuroCentra, Jah, Koppermann, Tchibo, Takko; KiK

- **German Embassy and GIZ**

- Dr. Paust
- Yulia Bazhenova
-

- **EU Delegation and AHK Germany**

- Husnain A. Iftakhar
- Dr. Florian Walther

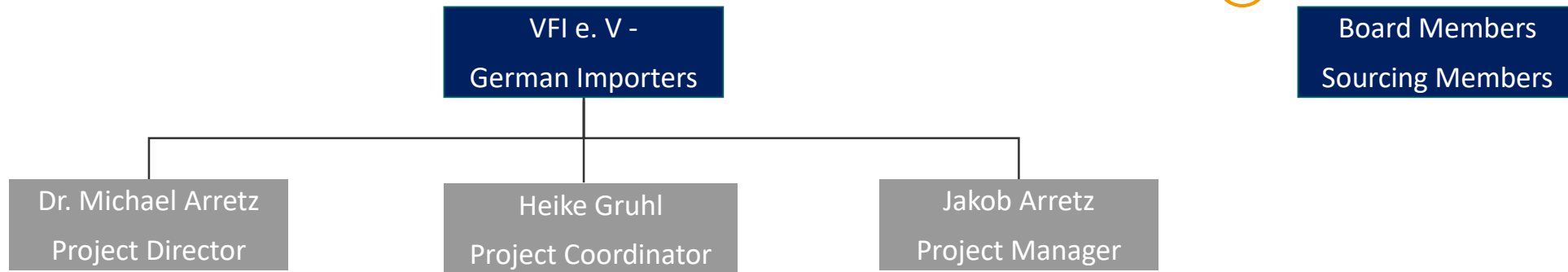
- **National Compliance Center**

- Dr. Nabeel Amin

Greening Pakistan – Team of German Importers

Team in Operation

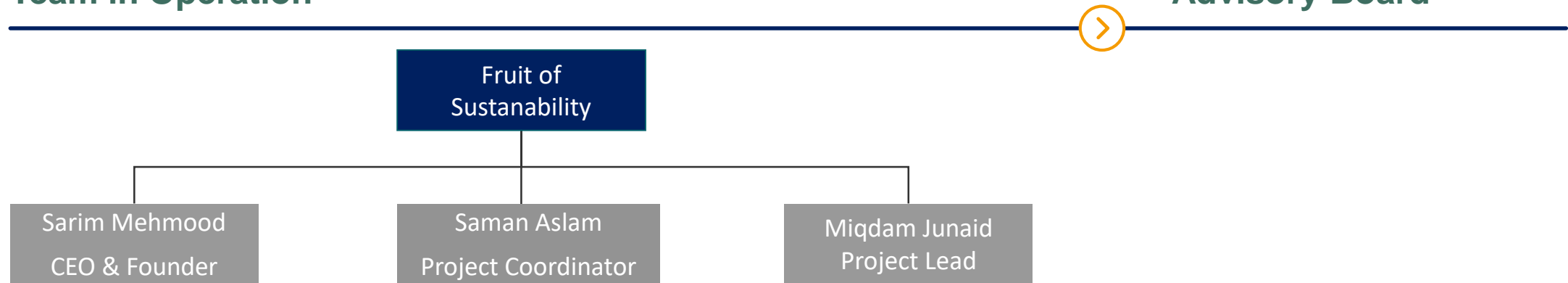
Advisory Board



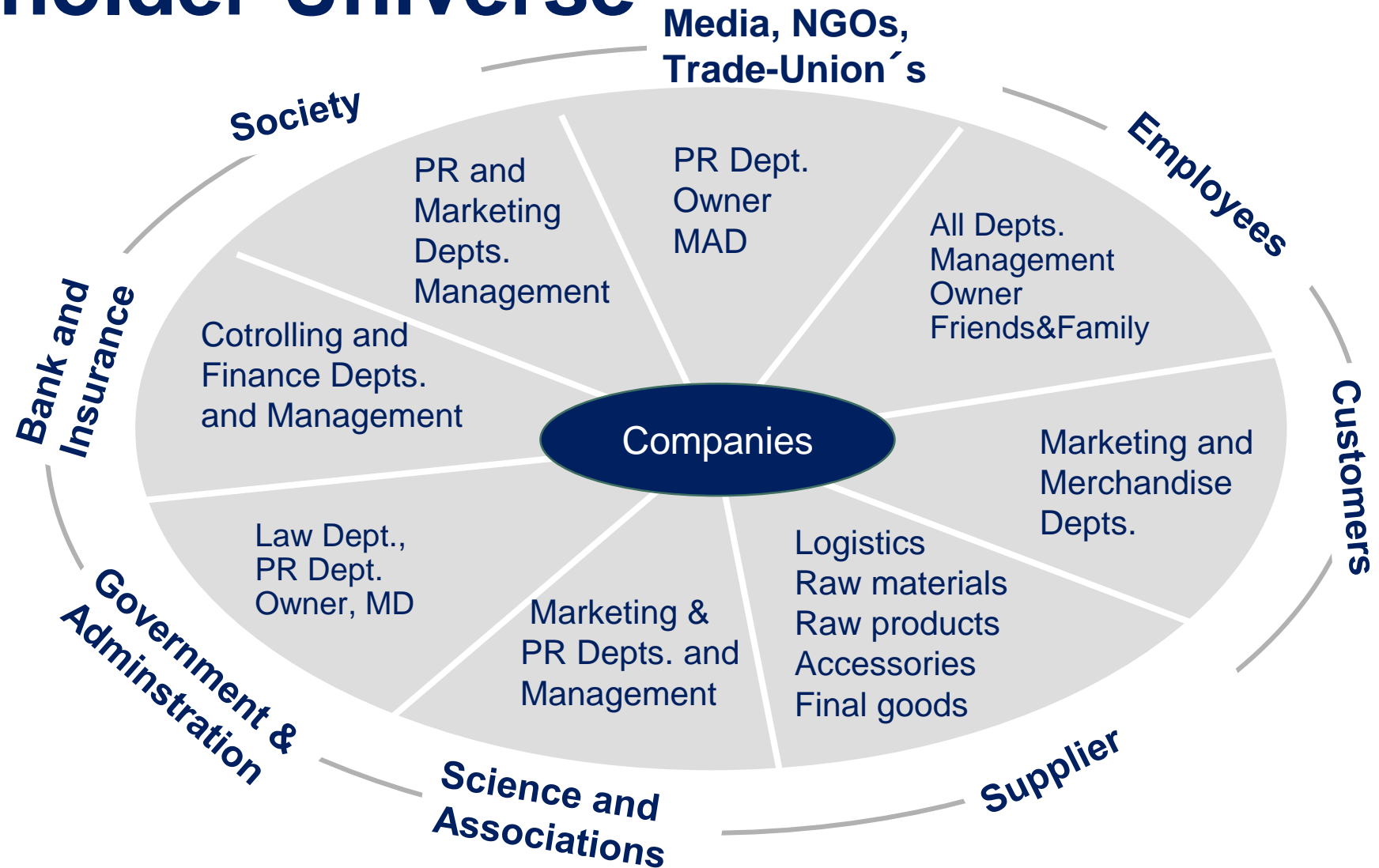
Greening Pakistan – Team of Fruit of Sustainability

Team in Operation

Advisory Board



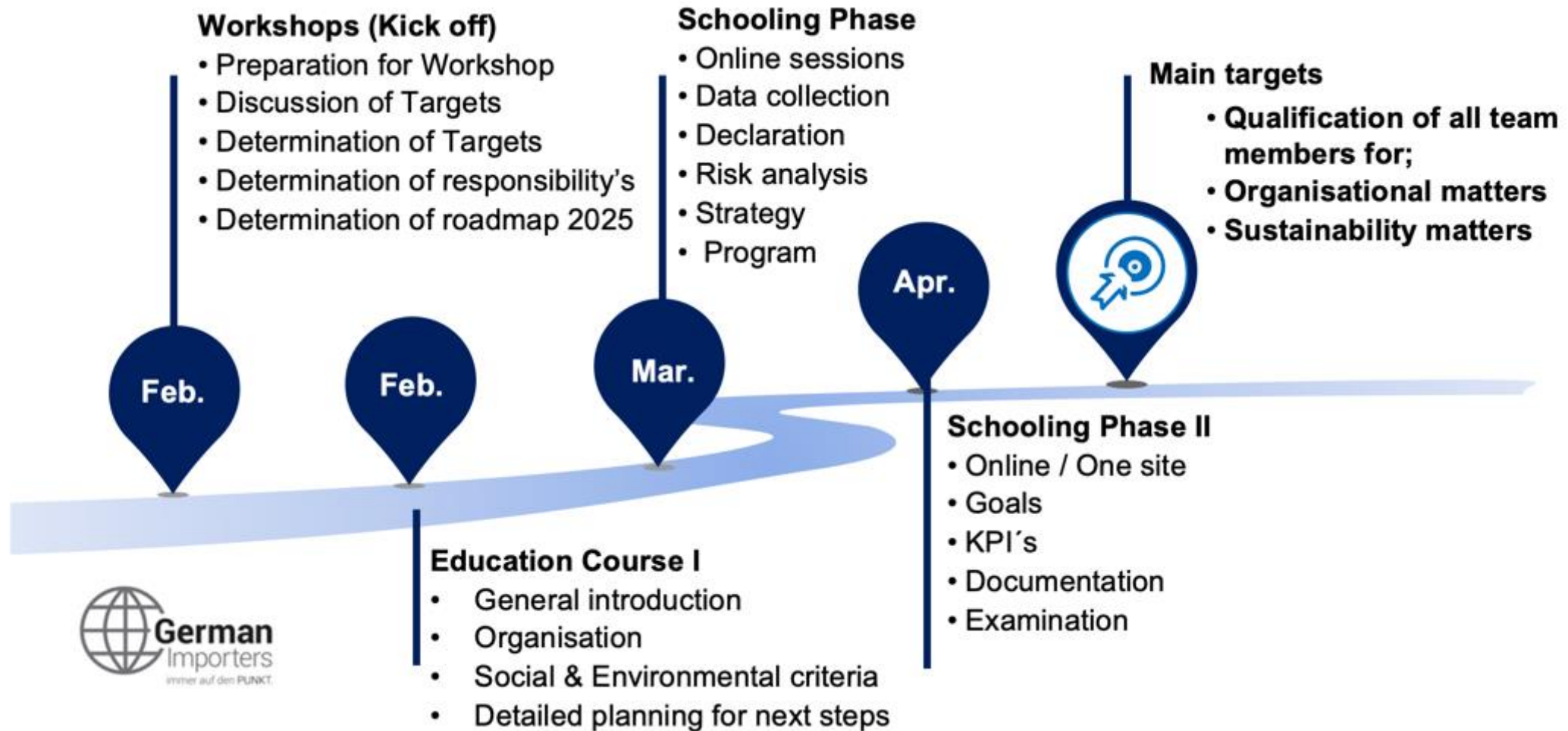
”Greening Pakistan” Stakeholder Universe



Overall Targets

- i. Export associations of Pakistan textile sector
- ii. convey the requirements of**
- iii. responsible corporate governance
- iv. in accordance with the
- v. German LkSG and EU Green Deal regulations and
- vi. communicate it** with buyers (e.g. VFI members).

Greening Pakistan - Roadmap for 2025





Part 3

Pakistan Sports Good Manufacturers & Exporters Association



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Part 4

Pakistan on a glance from a German's Perspective

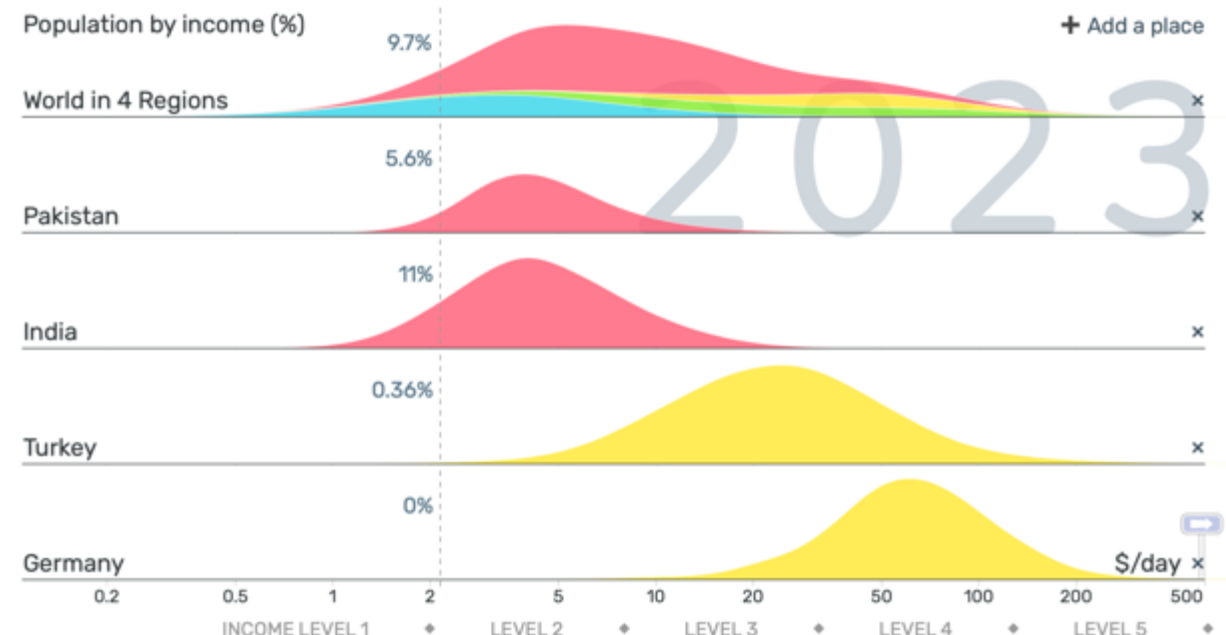
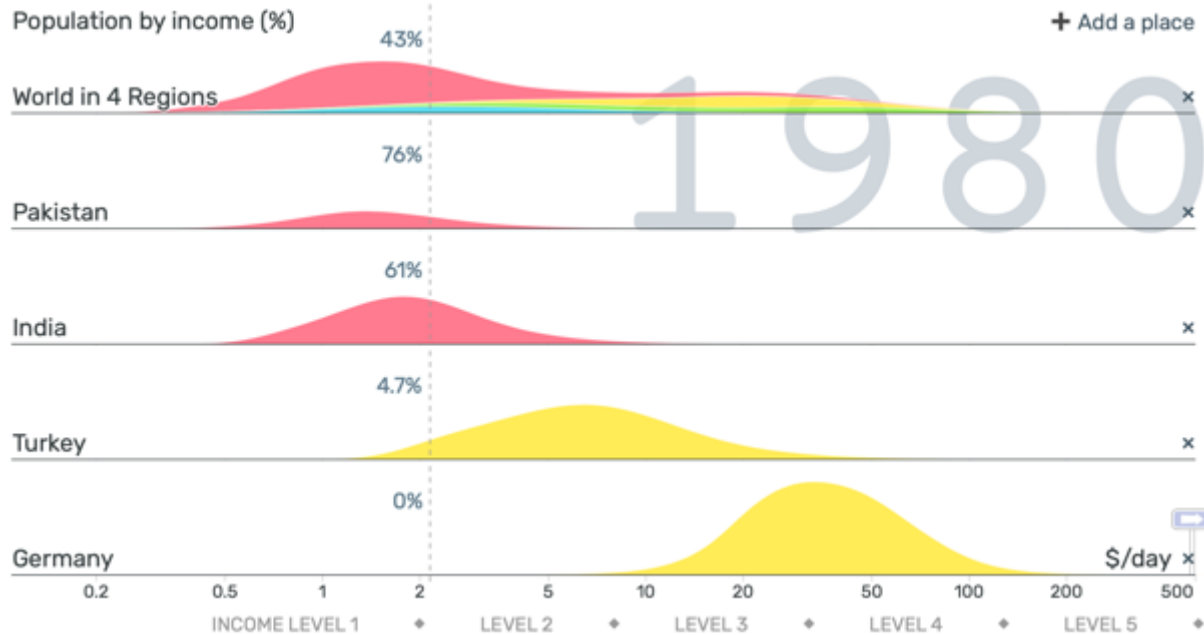


Supported by the

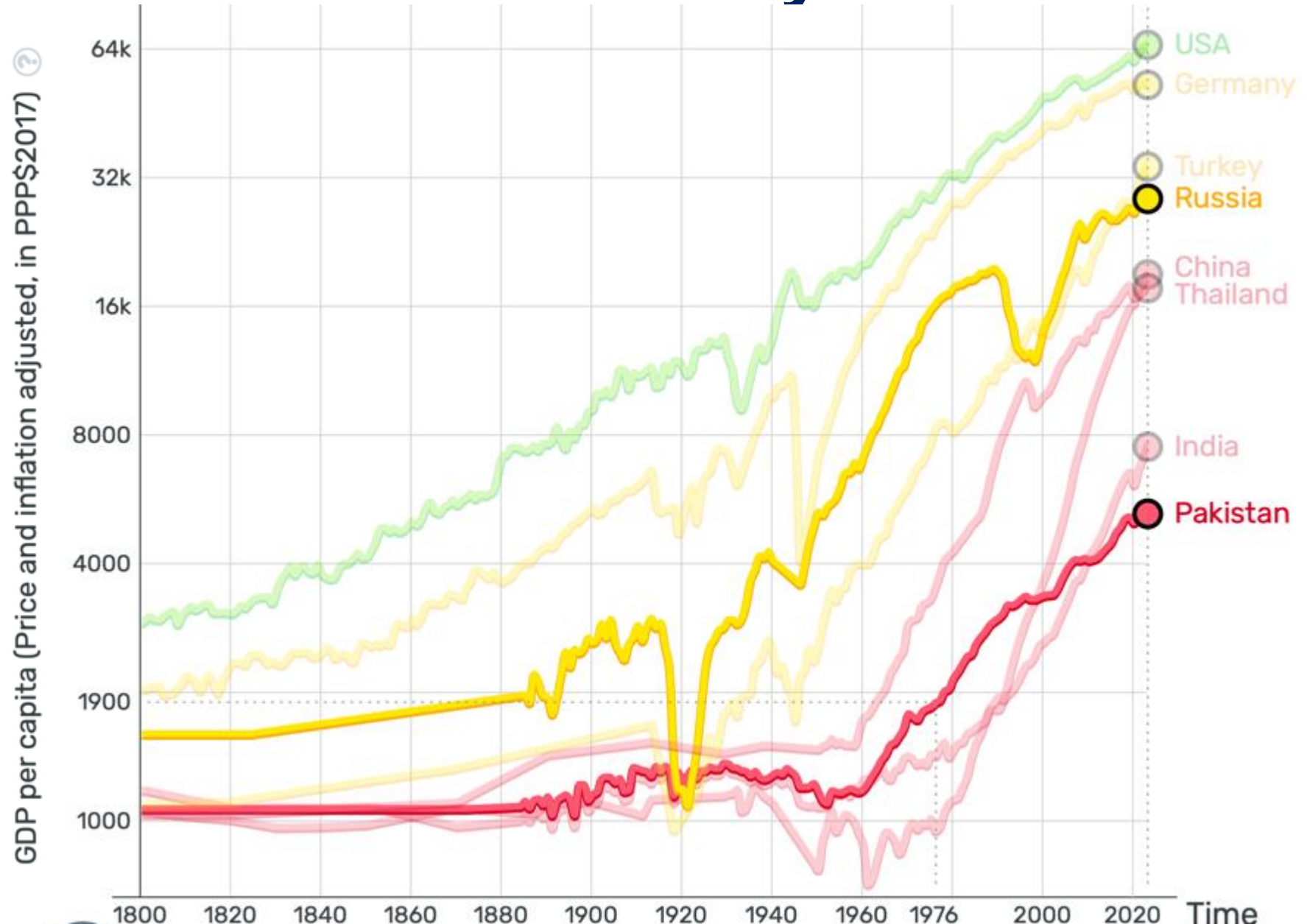


Federal Ministry
for Economic Cooperation
and Development

Pakistan reduce population with tiny income drastically

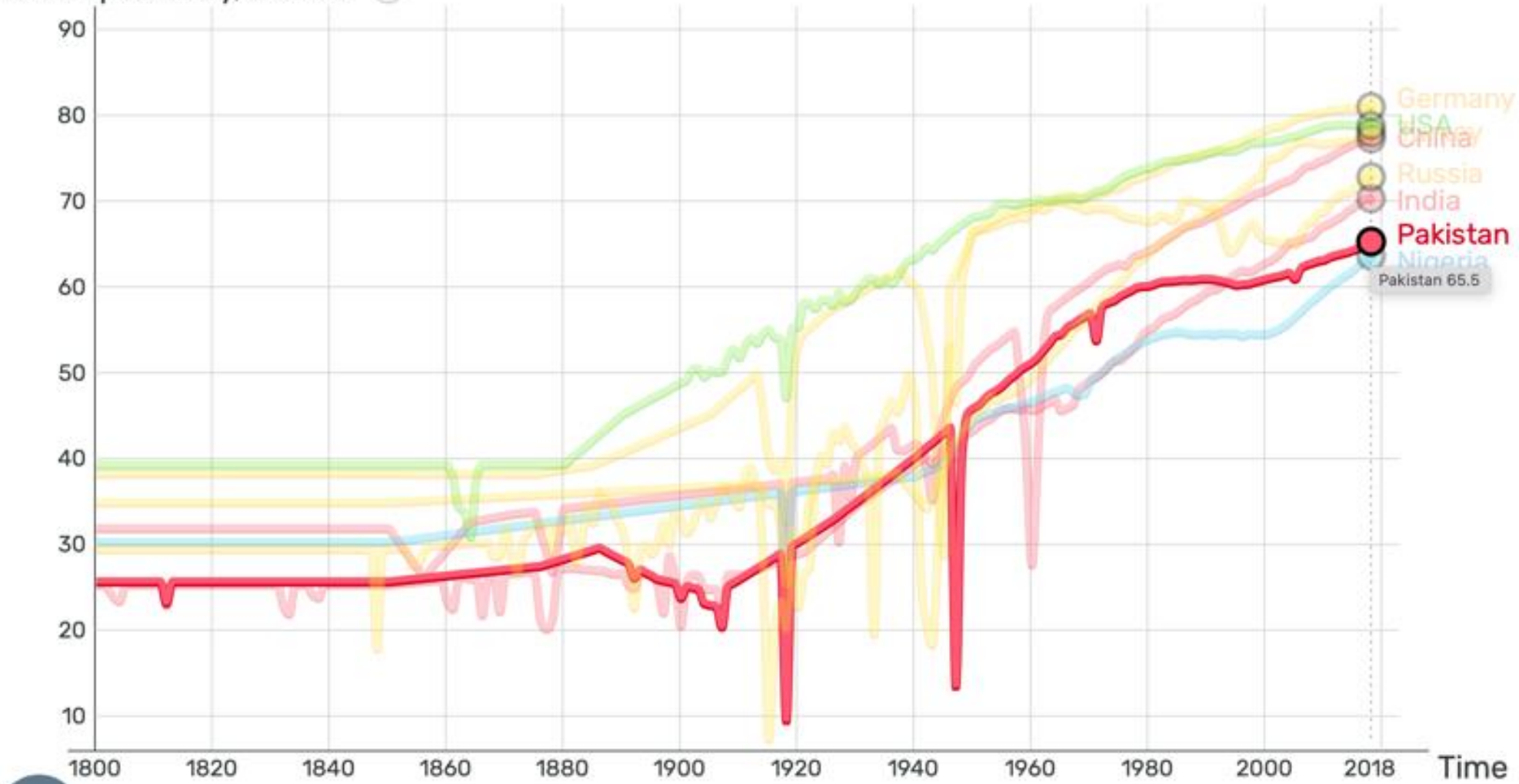


GDP rise – but look on the year 2000



Life Expectancy rise in Pakistan

Life expectancy, at birth ?



Dramatic Air Pollution in Lahore



...and then after the rain last week it drops to less than 80

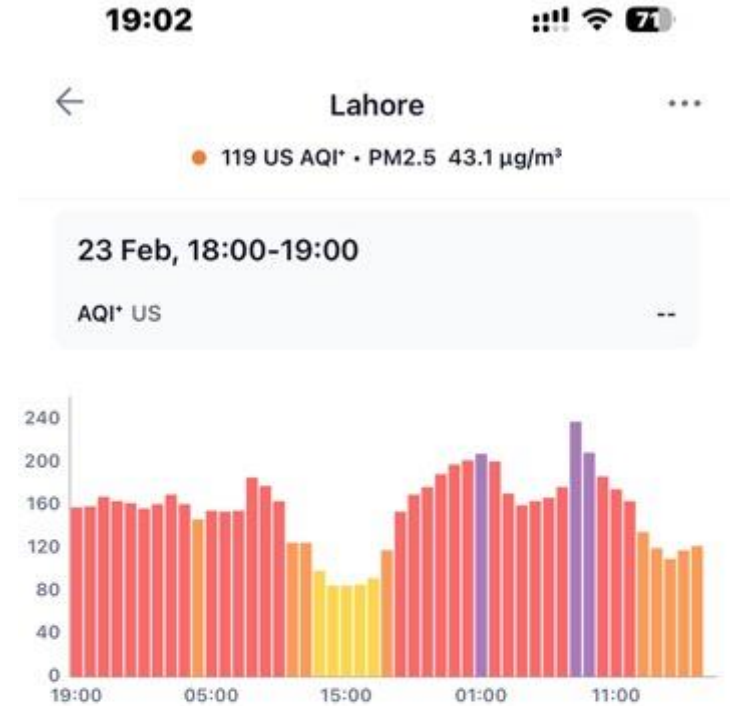
LIVE 21 Feb 2025 07:02

43		Riyadh, Saudi Arabia	85
44		Bishkek, Kyrgyzstan	85
45		Phnom Penh, Cambodia	84
46		Kaohsiung, Taiwan	83
47		Dakar, Senegal	82
48		Krasnoyarsk, Russia	82
49		Ho Chi Minh City, Vietnam	82
50		Tashkent, Uzbekistan	82
51		Lahore, Pakistan	79
52		Cairo, Egypt	77
53		Vienna, Austria	75
54		Sofia, Bulgaria	75
55		Guangzhou, China	75
56		Bogota, Colombia	73
57		Tel Aviv-Yafo, Israel	73

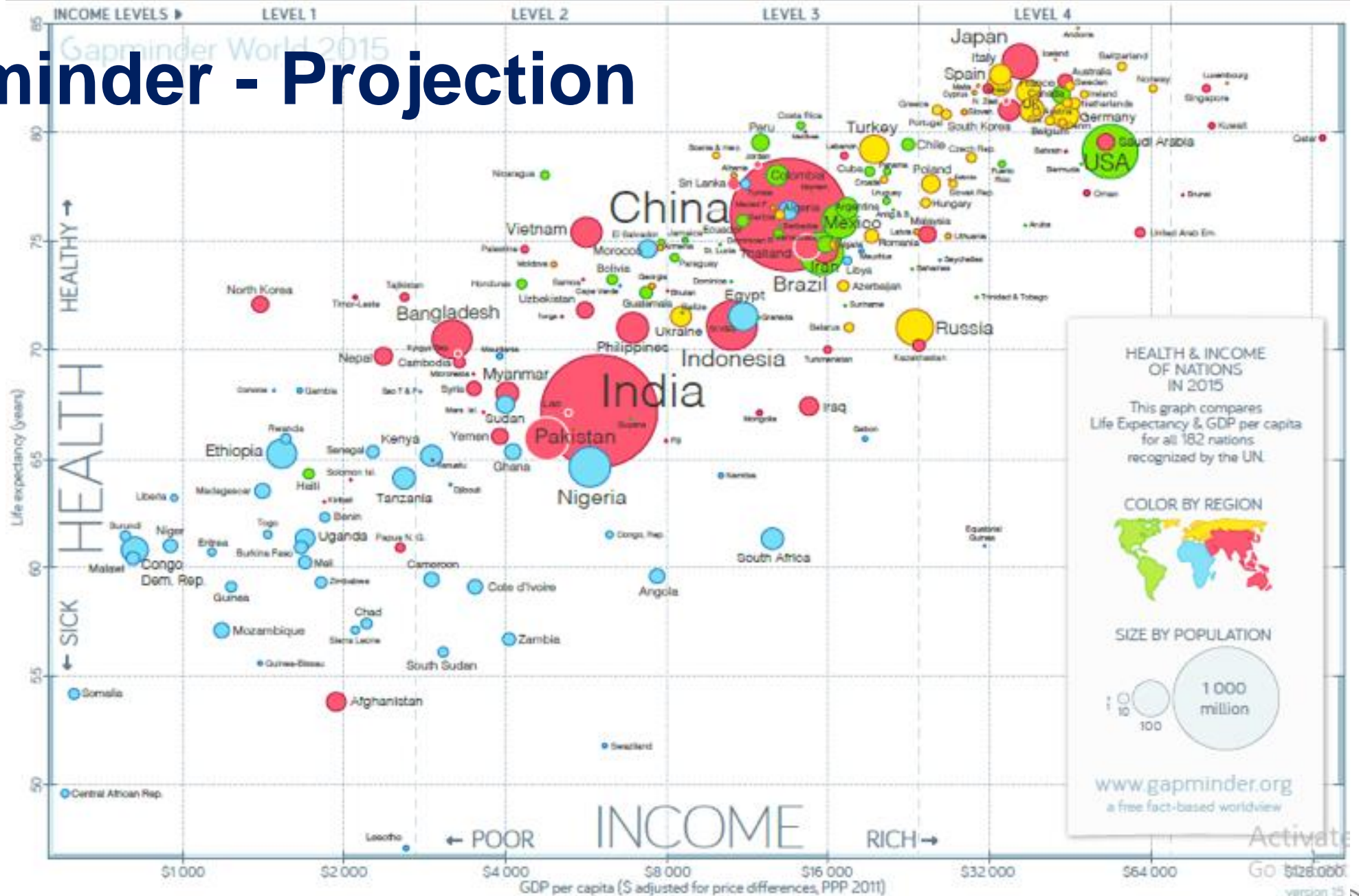
My Air | Map | Exposure | News & Ranking | Shop

AQI Guide

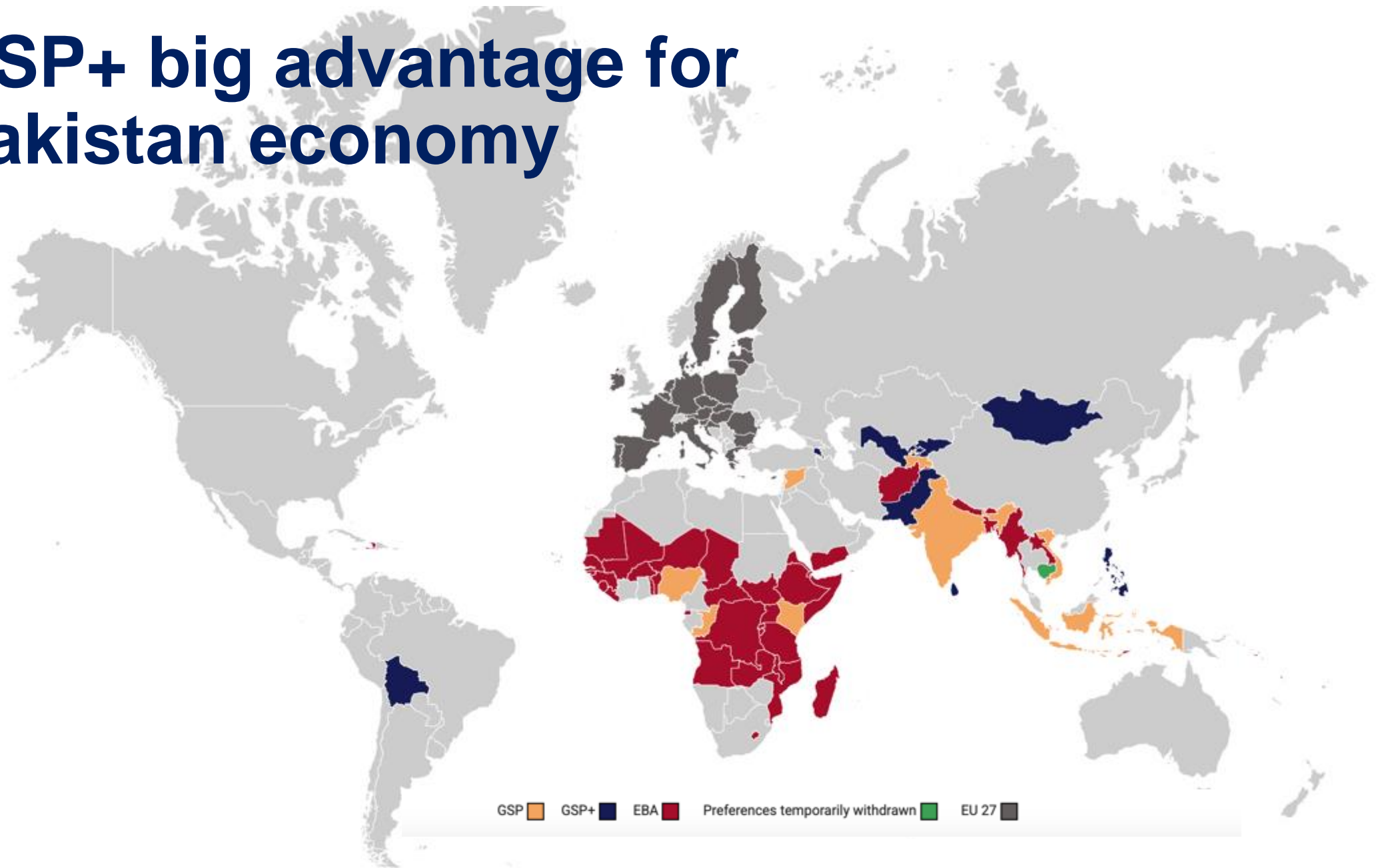
- 0 - 50 Good**
Air quality is satisfactory and poses little or no risk. Ventilating your home is recommended.
- 51 - 100 Moderate**
Sensitive individuals should limit outdoor activity and go inside if experiencing respiratory symptoms such as coughing or shortness of breath.
- 101 - 150 Unhealthy for Sensitive Groups**
Some members of the general public and all sensitive groups are at risk of health effects and should avoid outdoor activity if experiencing irritation or respiratory symptoms.
- 151 - 200 Unhealthy**
Increased likelihood of adverse effects and aggravation to the heart and lungs among general public - particularly for sensitive groups. Consider moving all activities inside.
- 201 - 300 Very Unhealthy**
General public will be noticeably affected. Sensitive groups will



Gapminder - Projection



GSP+ big advantage for Pakistan economy





[Home](#)

Conventions

All GSP beneficiary countries must be deemed to respect the basic human and labour rights principles outlined in the 15 core conventions.

GSP beneficiaries are able to apply for duty elimination on 66% of tariff lines under the GSP+ arrangement, provided that they demonstrate the effective implementation of 27 core international conventions. Core conventions under the GSP+ arrangement address human and labour rights, environmental regulations, and governance principles.

Labour Rights

- Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
- Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
- Forced Labour Convention, 1930 (No. 29)
- Abolition of Forced Labour Convention, 1957 (No. 105)
- Minimum Age Convention, 1973 (No. 138)
- Worst Forms of Child Labour Convention, 1999 (No. 182)
- Equal Remuneration Convention, 1951 (No. 100)
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

Environmental Protection

- Convention on International Trade in Endangered Species of Wild Fauna and Flora (1973)
- Montreal Protocol on Substances that Deplete the Ozone Layer (1987)
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (1989)
- Convention on Biological Diversity (1992)
- United Nations Framework Convention on Climate Change (1992)
- Cartagena Protocol on Biosafety (2000)
- Stockholm Convention on persistent Organic Pollutants (2001)
- Kyoto Protocol to the United Nations Framework Convention on Climate Change (1998)

Good Governance

- United Nations Single Convention on Narcotic Drugs (1961)
- United Nations Convention on Psychotropic Substances (1971)
- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988)
- United Nations Convention against Corruption

The Universal Declaration of Human Rights was agreed in December 1948.



Als Vorsitzende der UN-Menschenrechtskommission war Eleanor Roosevelt maßgeblich an der Ausarbeitung der Allgemeinen Erklärung der Menschenrechte beteiligt. Man ist sie mit einem Poster der Deklaration in englischer Sprache zu sehen. (© picture-alliance, Everett Collection)

Human Rights

- Convention on the Prevention and Punishment of the Crime of Genocide (1951)
- International Convention on the Elimination of All Forms of Racial Discrimination (1969)
- International Covenant on Civil and Political Rights (1976)
- International Covenant on Economic, Social and Cultural Rights (1976)
- Convention on the Elimination of All Forms of Discrimination against Women (1981)
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1987)
- Convention on the Rights of the Child (1990)

Pakistan: World Bank announces \$20 billion funding plan

01/15/2025

The World Bank will supply Pakistan with \$20 billion of loans over the next decade which are expected to be invested in nutrition, education and renewable energies in the hope of stimulating private-sector growth.

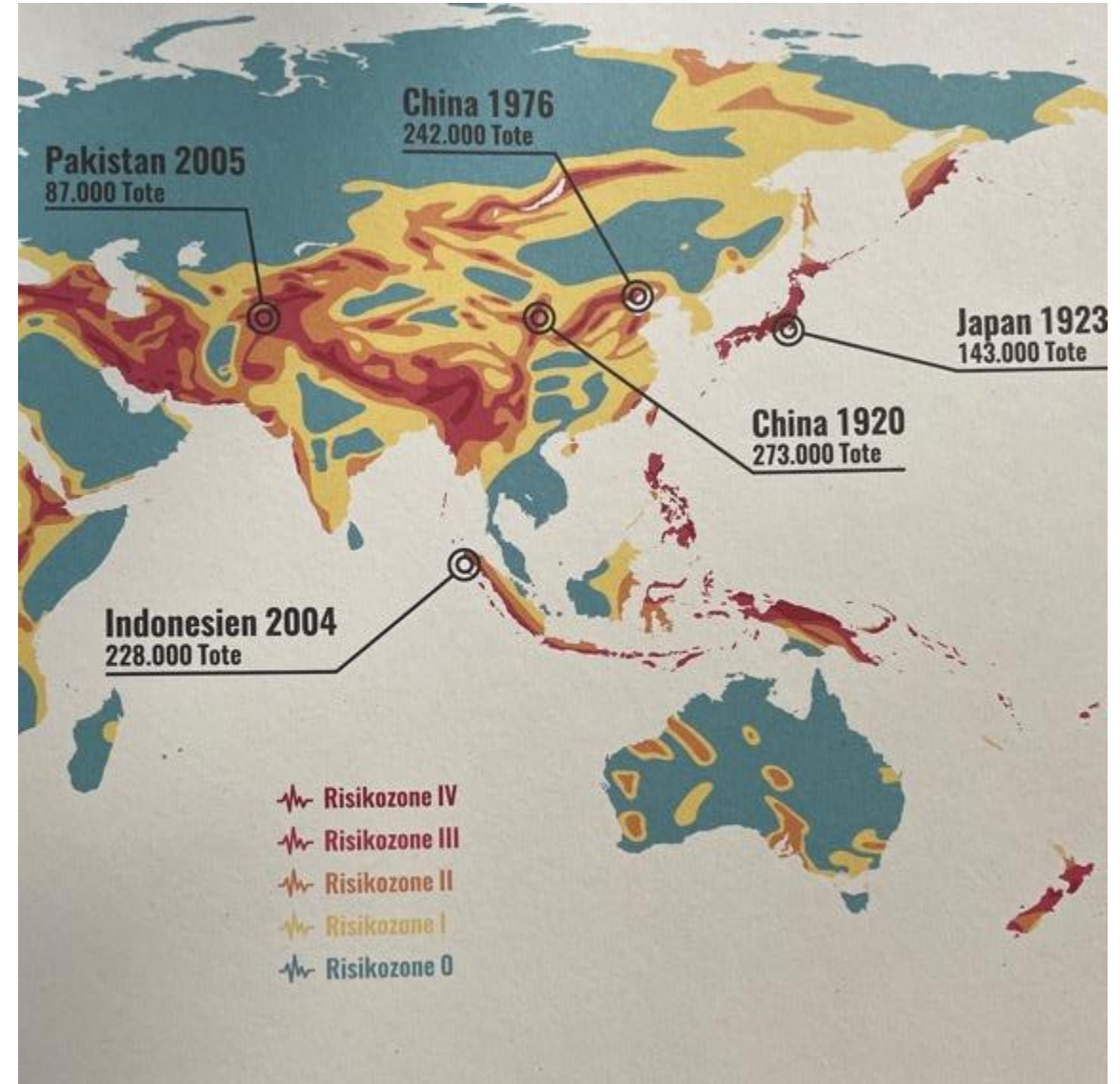


What could be meant by this?

How many earths are needed in different countries



Earthquake risk zones and selected quakes with high casualty figures since 1900



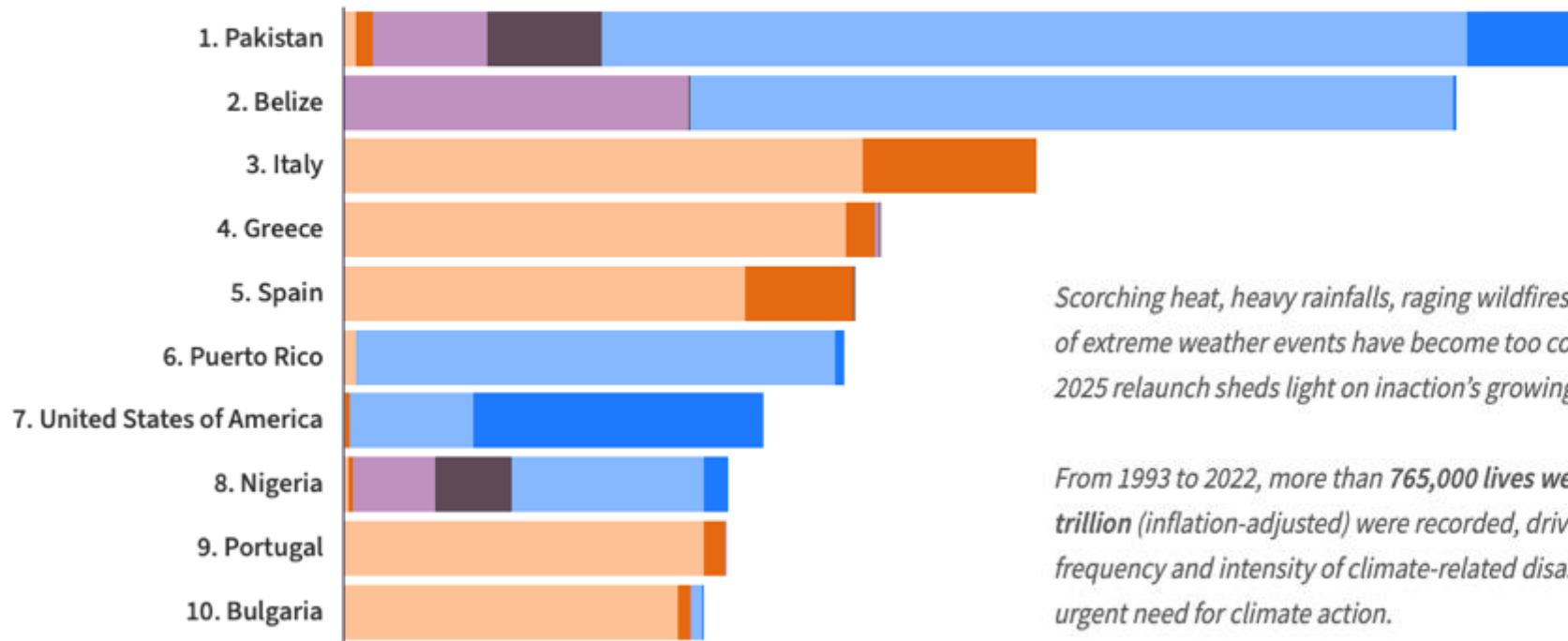
German Watch Climate Risk Indicator ranks Pakistan at Position 1

Climate Risk Index: Top 10 Most Affected Countries

2022 ▾

■ Fatalities per 100,000
 ■ Fatalities
 ■ Affected per 100,000
 ■ Affected
 ■ Losses % of GDP
 ■ Losses

*1993-2022: Indicators describe annual average



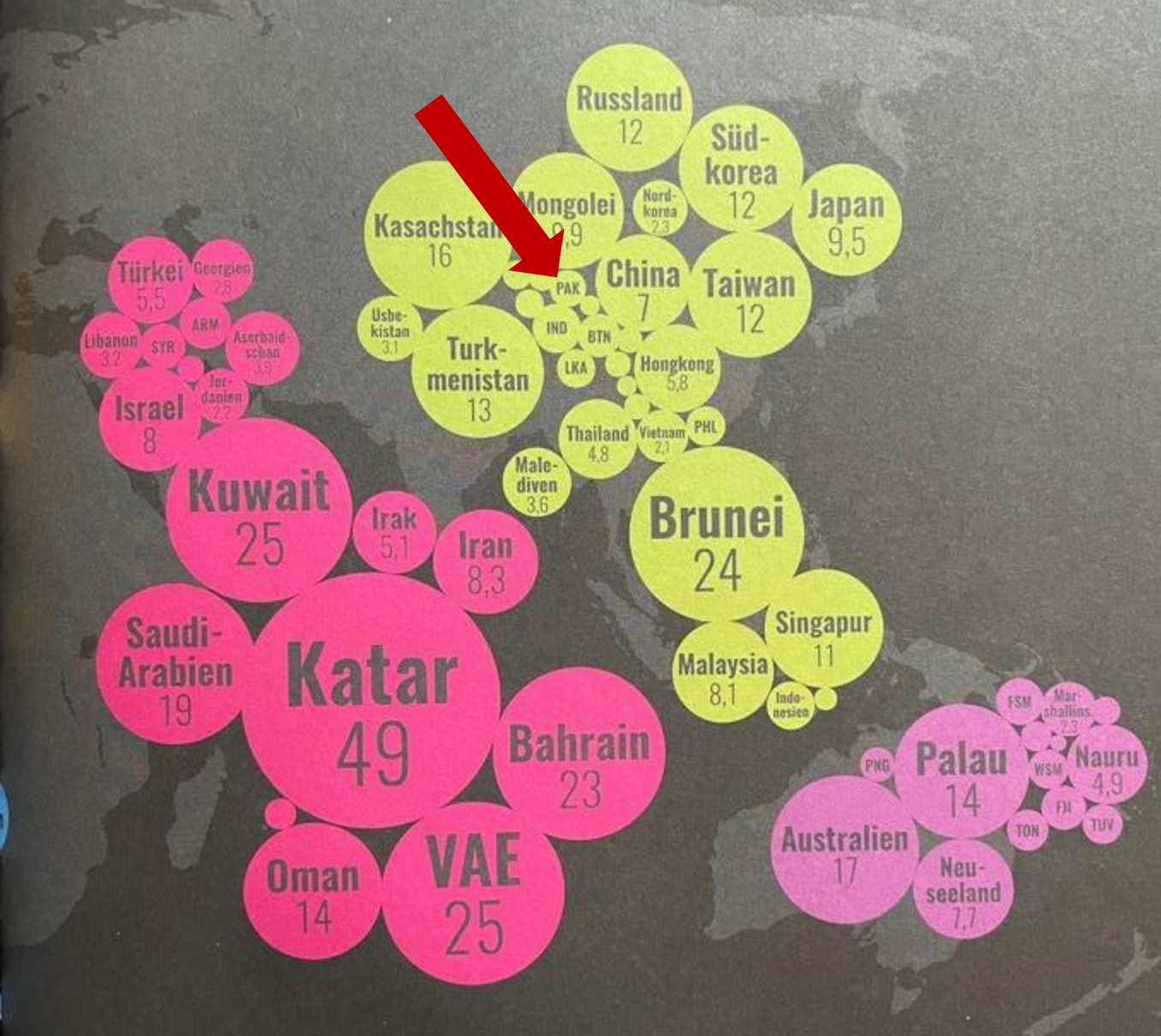
Scorching heat, heavy rainfalls, raging wildfires, deadly floods, and devastating storms: The manifestations of extreme weather events have become too common in a new reality worldwide. The Climate Risk Index 2025 relaunch sheds light on inaction's growing cost. It reveals the mounting human and economic toll.

From 1993 to 2022, more than 765,000 lives were lost and direct economic losses of nearly USD 4.2 trillion (inflation-adjusted) were recorded, driven by more than 9,400 extreme weather events. The frequency and intensity of climate-related disasters continue to rise, and these figures underscore the urgent need for climate action.

made with 23° | reuse

Source: Germanwatch 2025

Annual CO₂ emissions by country in tonnes per head



Part 5

Stakeholder & Dialogue

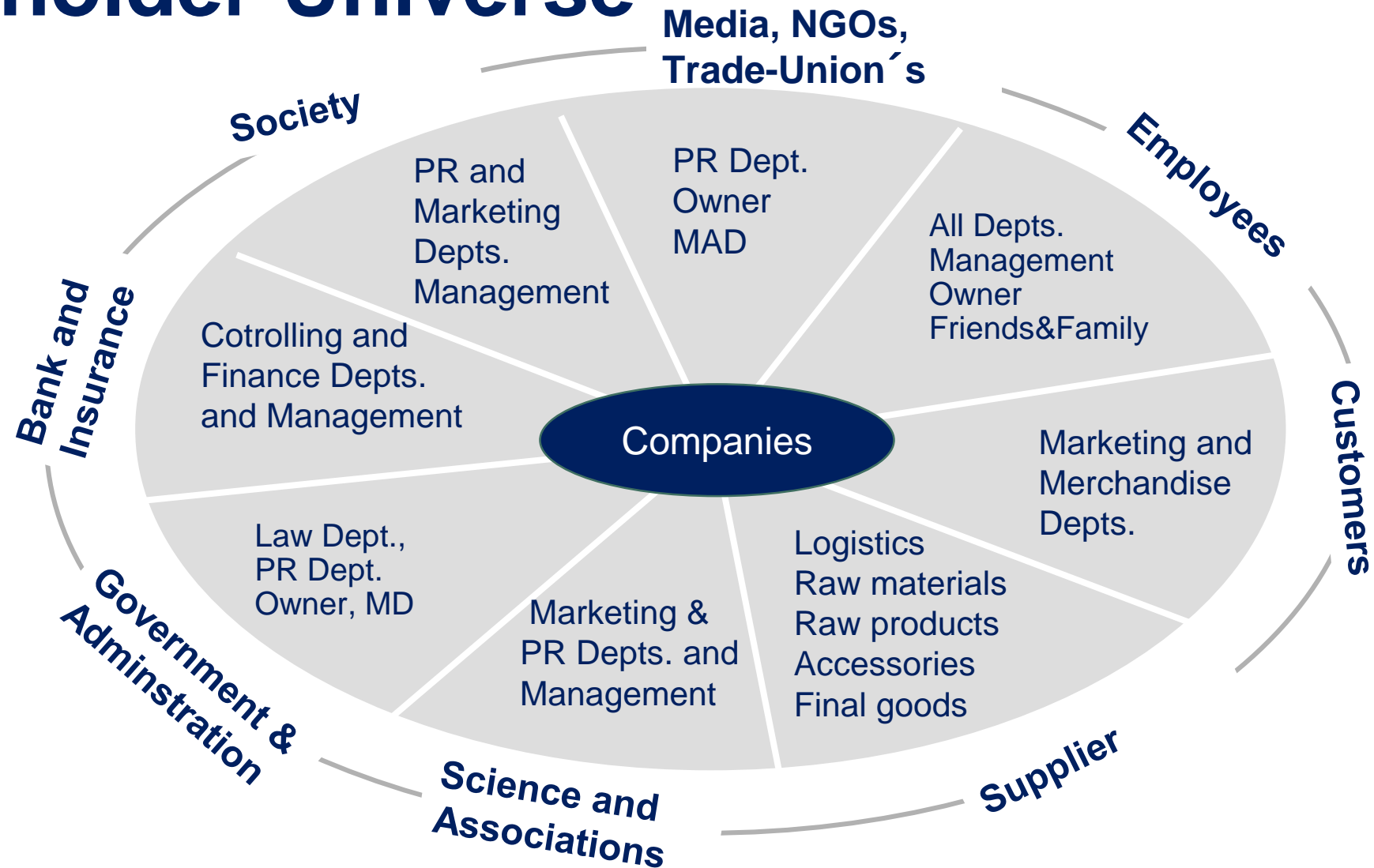


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”Greening Pakistan” Stakeholder Universe



Identify Stakeholders



Chairman/ Vice Chairmen/ Board Members
Colleagus
Members
Customers/ Clients/ Buyers
Service providers
Suppliers
Neighbours
NGO`s national and international
Media
Legislators
Banks and Insurances
Other Associations
Local Government
Unions/ Clubs/ Associations



Part 6

Sustainability & History



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Our understanding of sustainability

Economy

- Turnover & profit
- Efficiency & Quality
- Financial resources
- Consumers
- Longevity
- Circularity

Ecology

- Materials
- Resources, like wood, energy, water
- Harmful substances
- Environmental pollution, like emissions, waste heat and noises
- Biodiversity

Social

- Health and safety
- Fair payment
- Working hours
- No child
- No forced labour,
- No discrimination
- Complaints procedure

Hans Carl von Carlowitz – „Von denen Wäldern“ socially and ecologically

„ Where harm comes from a lack of labour,
people's poverty and aridity grow

Nor can the cultivation of wood be carried out as quickly as the cultivation of fields; ... the greatest art, science, diligence and organisation of these lands will therefore lie in how to establish such a conservation and cultivation of wood that there is a continuous, stable and sustainable use, because it is an indispensable thing, without which the land may not remain in its own use.“

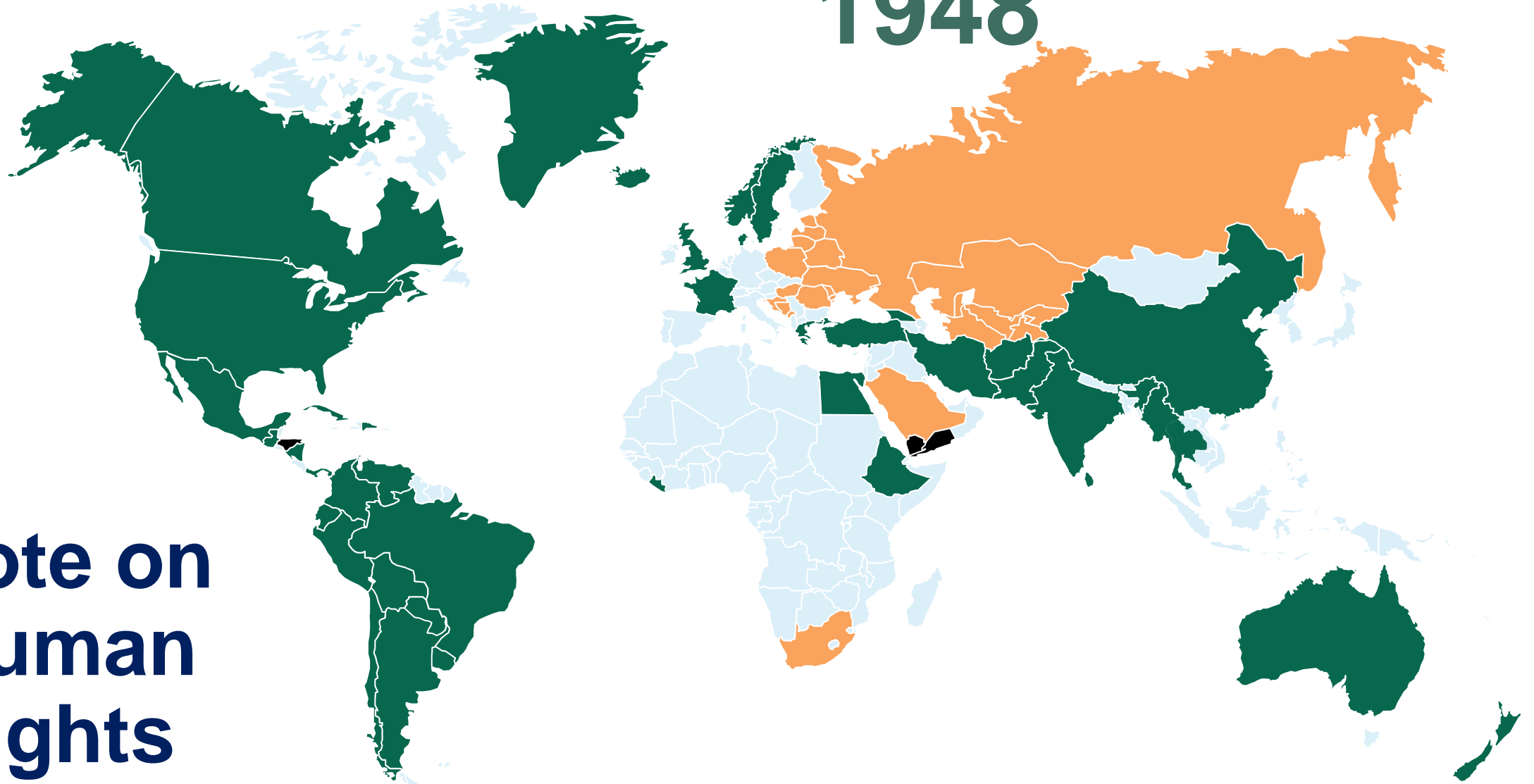
Leipziger Easter fair 1713

➔ The birth of sustainable forestry



1948

Vote on Human Rights



● Approval


● Abstention

● Not specified

...48 countries voted in favour,

-  Afghanistan
-  Argentina
-  Australia
-  Belgium
-  Bolivia
-  Brazil
-  Burma
-  Canada^[a]
-  Chile
-  China
-  Colombia
-  Costa Rica
-  Cuba
-  Denmark
-  Dominican Republic
-  Ecuador
-  Egypt
-  El Salvador
-  Ethiopia
-  France
-  Greece
-  Guatemala
-  Haiti
-  Iceland
-  India
-  Iran
-  Iraq
-  Lebanon
-  Liberia
-  Luxembourg
-  Mexico
-  Netherlands
-  New Zealand
-  Nicaragua
-  Norway
-  Pakistan
-  Panama
-  Paraguay
-  Peru
-  Philippines
-  Siam
-  Sweden
-  Syria
-  Turkey
-  United Kingdom
-  United States
-  Uruguay
-  Venezuela

8 countries abstained,

-  Czechoslovakia
-  Poland
-  Saudi Arabia
-  Soviet Union
-  Byelorussian SSR
-  Ukrainian SSR
-  South Africa
-  Yugoslavia

2 countries did not vote.

-  Honduras
-  Yemen

The Universal Declaration of Human Rights was agreed in December 1948...



Als Vorsitzende der UN-Menschenrechtskommission war Eleanor Roosevelt maßgeblich an der Ausarbeitung der Allgemeinen Erklärung der Menschenrechte beteiligt. Hier ist sie mit einem Poster der Deklaration in englischer Sprache zu sehen. (© picture-alliance, Everett Collection)

Eleanor Roosevelt: Where do universal human rights begin?

In the small places, close to home. So close and so small that these places cannot be found on any map of the world. (...)



'If these rights don't apply here, they don't apply anywhere'

The neighbourhood we live in, the school or university we attend, the factory, office or farm where we work.

These are the places where every woman, man and child seeks equal rights, equal opportunities and equal dignity without discrimination.

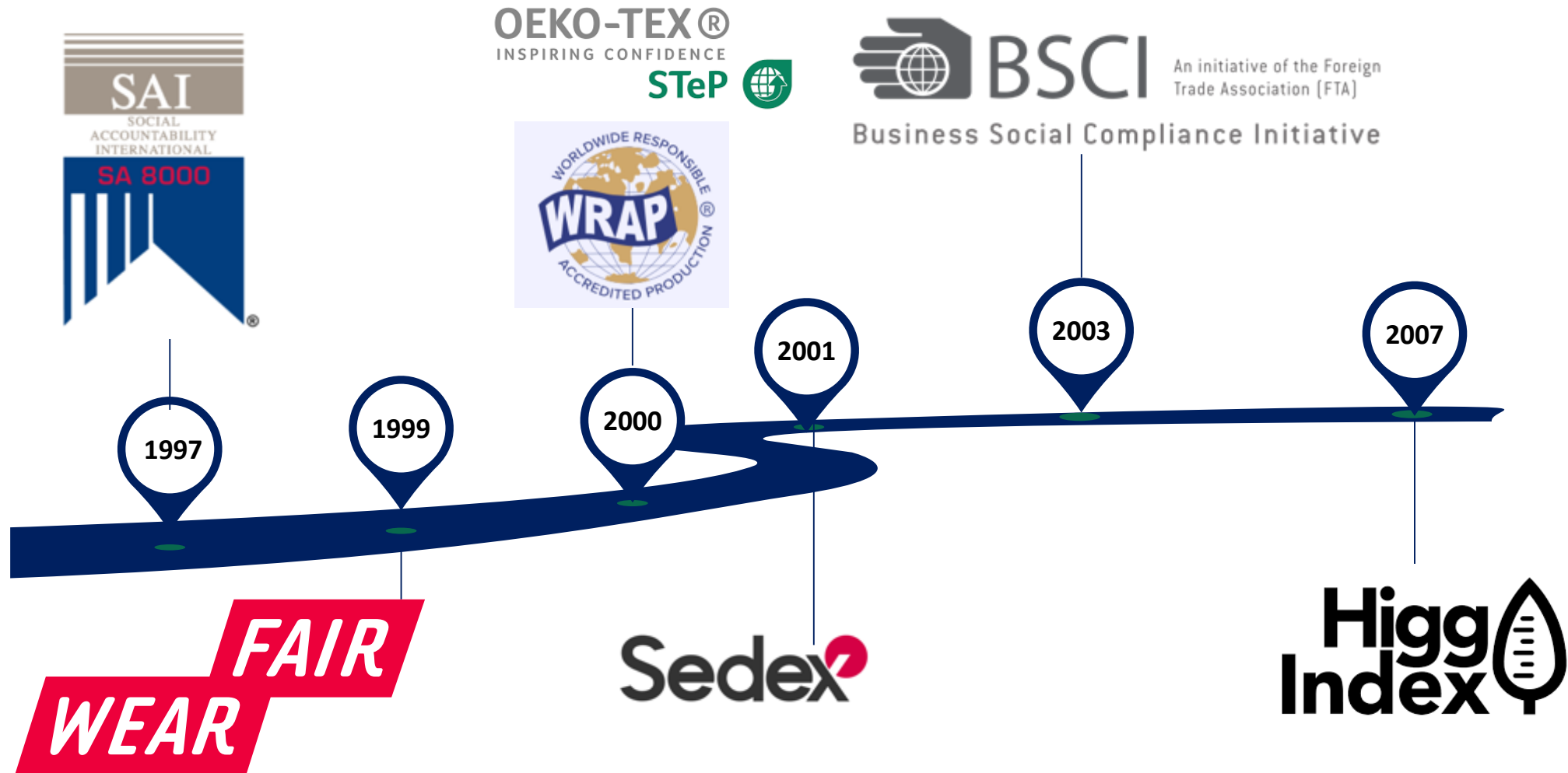
A lot of initiatives and conferences took place to make the world more sustainable



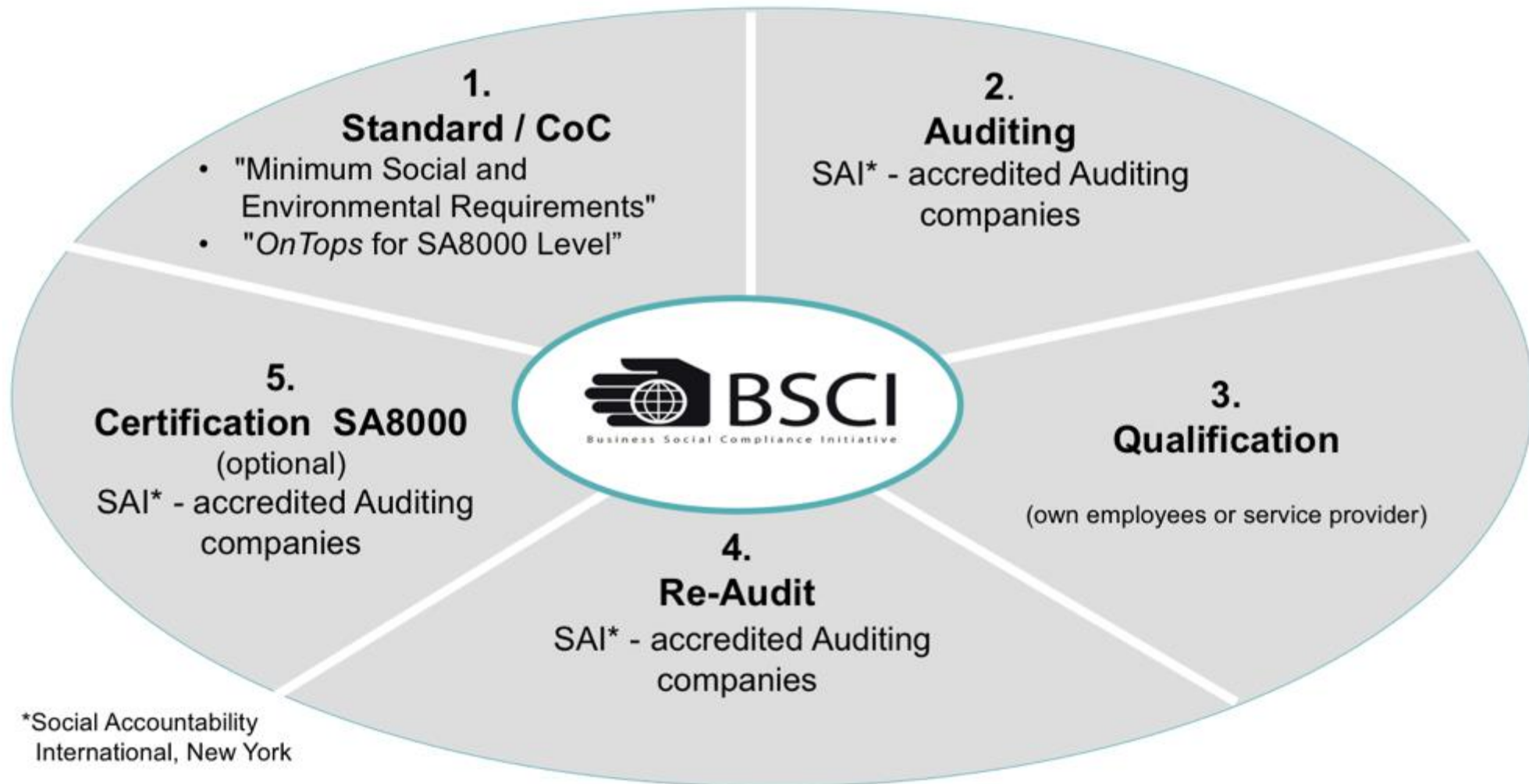
A lot of initiatives and conferences took place to make the world more sustainable



The most important social standards were formulated between 1997 and 2007



„The use of core aspect of intensive qualification should be addressed“ 2006

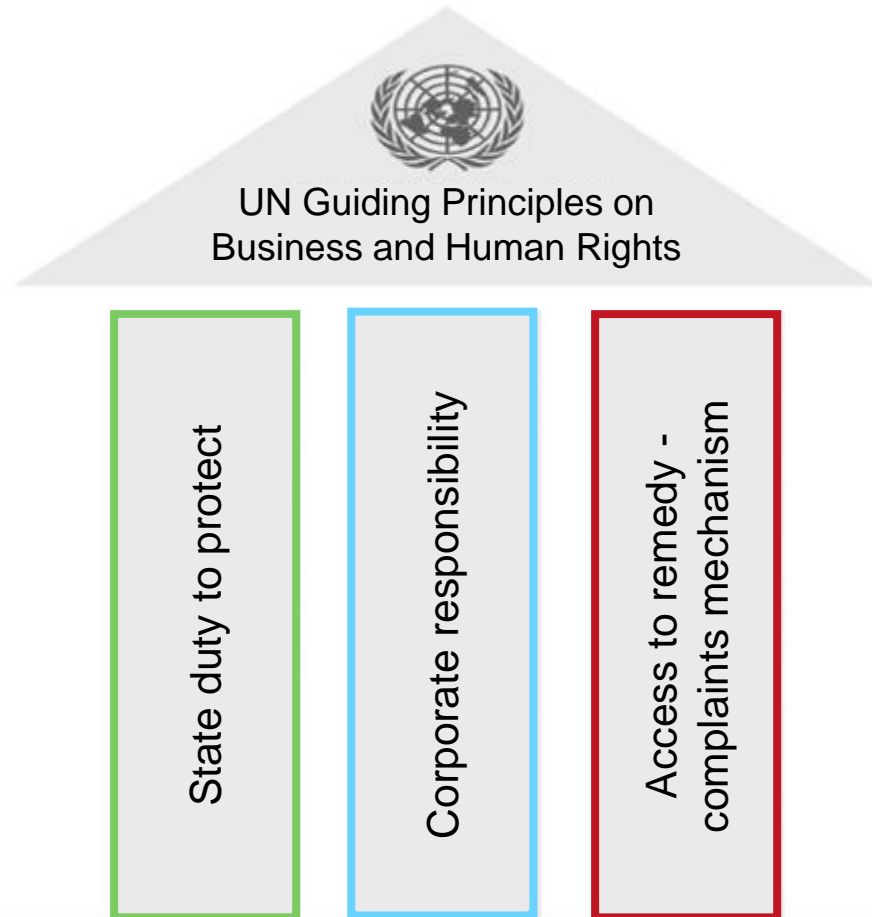


Prof. Ruggie was commissioned to develop a concept for sustainable business practices with regard to respect for human rights



**UN Guiding Principles on
Business and Human Rights**

2011: Three-Dimensional Concept of **Protection**, **Respect** and **Remedy** (based on Ruggie Principles)

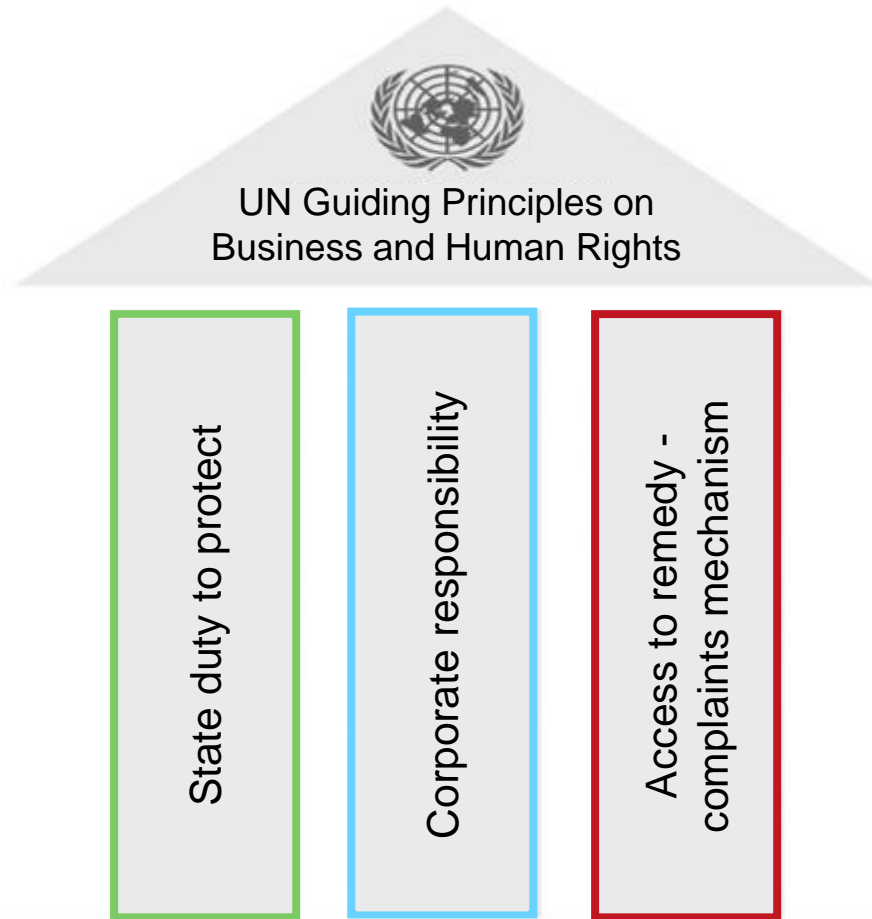


Protect: the state protects people within its borders from human rights violations with appropriate structures

Respect: Companies respect human rights and establish the necessary management structures to ensure

Remedy: Establishment of complaints mechanisms to avert human rights violations

31 UN Guiding Principles on Business and Human Rights

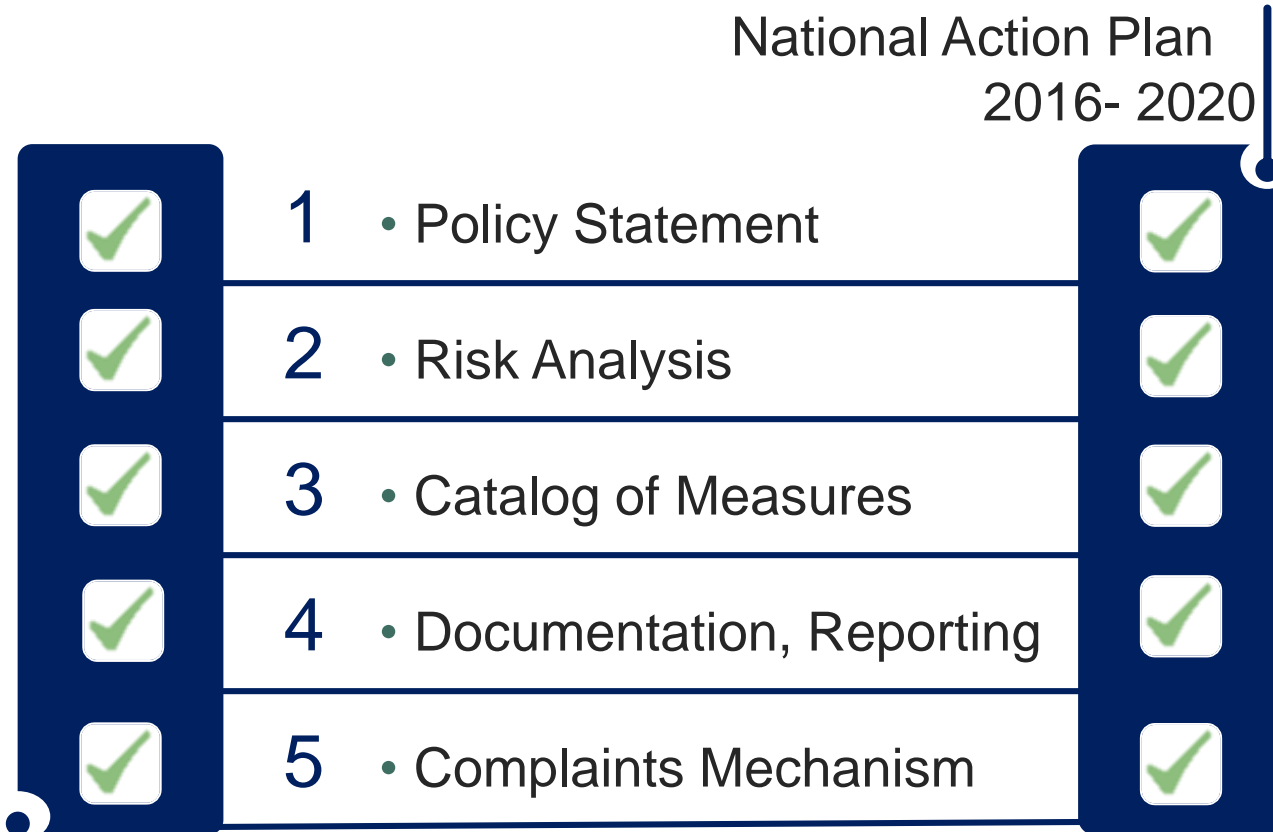


**State:
Guiding Principles 1 - 10**

**Company:
Guiding Principles 11- 24**

**State, Company, Employee's:
Guiding Principles 25 - 31**

From the UN Guiding Principles on Business and Human Rights to the NAP



UN-Guiding Principles
2011



Selection of relevant ILO criteria as applicable recommendations for CoC



Art. 1	Limiting working hours in commercial operations to eight hours a day and forty-eight hours a week (1919)
Art. 3	Maternity protection
Art. 5	Minimum age for admission of children to commercial work (1919)
Art. 14	Weekly rest day in commercial operations (1921)
Art. 17	Compensation for industrial accidents (1925)
Art. 18	Compensation for occupational diseases (1925)
Art. 64	Regulation of written employment contracts of indigenous workers (1939)
Art. 102	Minimum standards of social security (1952)
Art. 135	Protection and facilities for employee representatives in the workplace (1971)
Art. 155	Occupational safety and work environment (1981)
Art. 170	Safety in the use of chemicals at work (1990)

All core labour standards are based on the 4 basic principles



Those affected are given the opportunity to "demand a fair share of the wealth they have helped to create and to fully realize their human potential".

Elimination of
child labour

Prohibition of
discrimination

Freedom of
association

abolition of
forced labour

Core labour standards



<i>Freedom of association</i>	
Art. 087	Freedom of association and protection of the right to organise (1948)
Art. 098	Right to organise and rights to collective bargaining (1949)
<i>Forced labour</i>	
Art. 029	Forced labour (1930) Convention on forced labour (2014)
Art. 105	Abolition of forced labor (1957)
<i>Discrimination</i>	
Art. 100	Equal pay (1951)
Art. 111	Discrimination in employment and occupation (1958)
<i>Child labour</i>	
Art. 138	Minimum age (1973)
Art. 182	Prohibition and immediate action to eliminate the worst forms of child labour (1999)

Part 7

German Due Diligence Act CSDDD CSRD



Supported by the

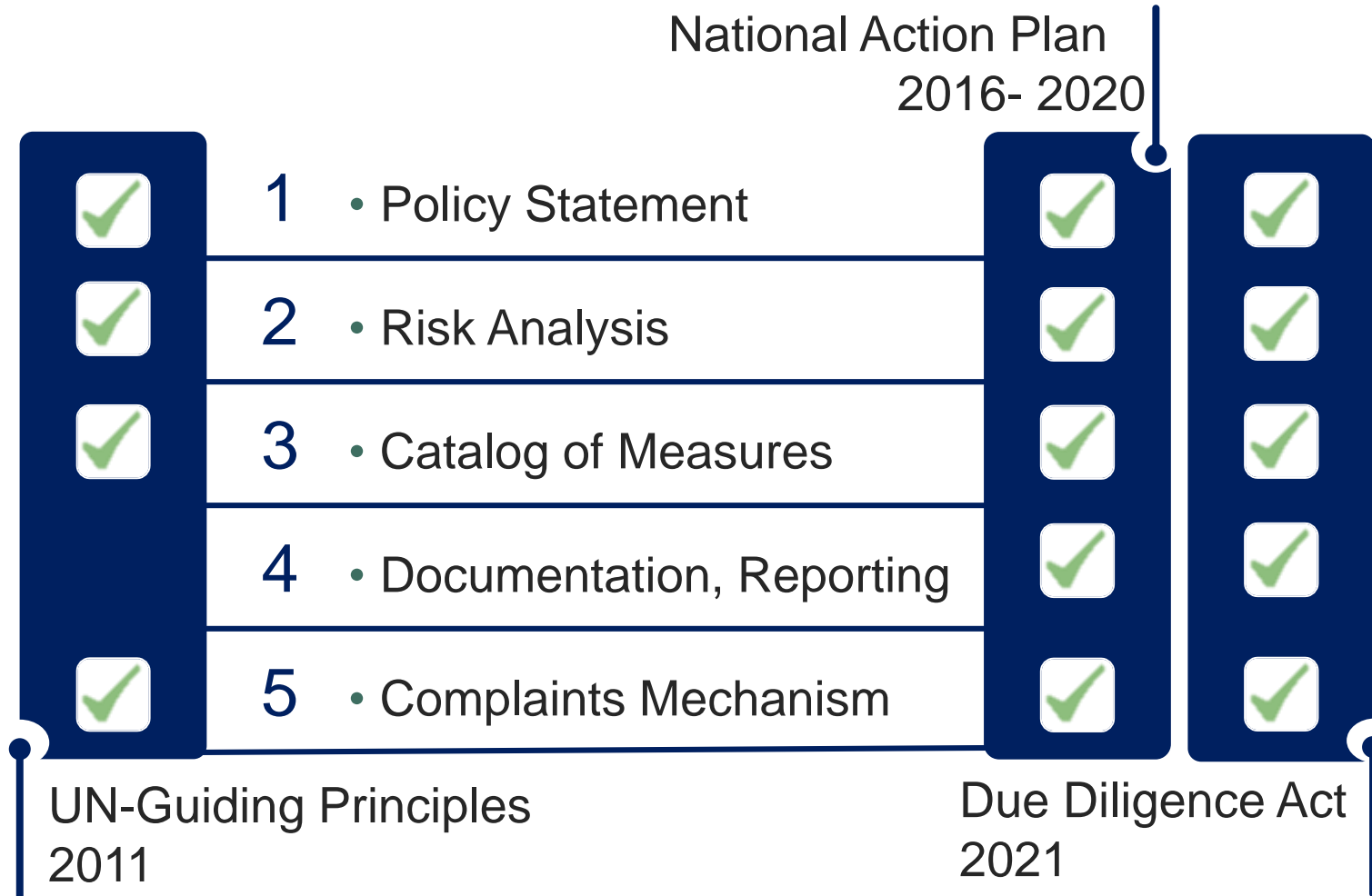


Federal Ministry
for Economic Cooperation
and Development



A. Sorgfaltspflichten-Gesetz german due diligence act

From the UN Guiding Principles on Business and Human Rights to the LkSG



Article 1 has 6 sections with a total of 24 paragraphs



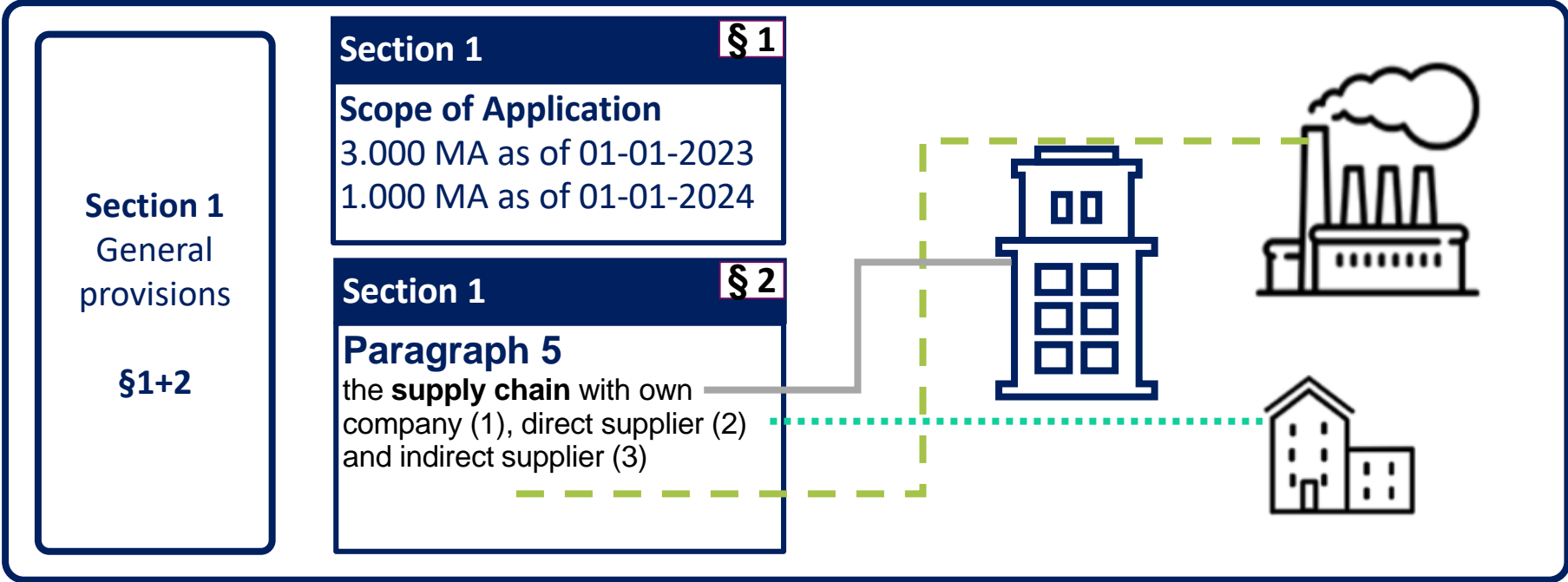
Art. 1 on corporate due diligence to prevent human rights violations in supply chain



In Section 1 with §1 and §2 the “Who”, “When” and “What” are defined



Article 1 on corporate due diligence to prevent human rights violations in the supply chain



§2 Paragraph 2

Nr. 1-8

Conventions of the International Labor Organization - ILO- for the protection of human rights. Basis for all Code of Conducts and standards, such as amfori, SA8000, FWF, FLA, ETI, WRAP and others.

§2 Paragraph 2

Nr. 9

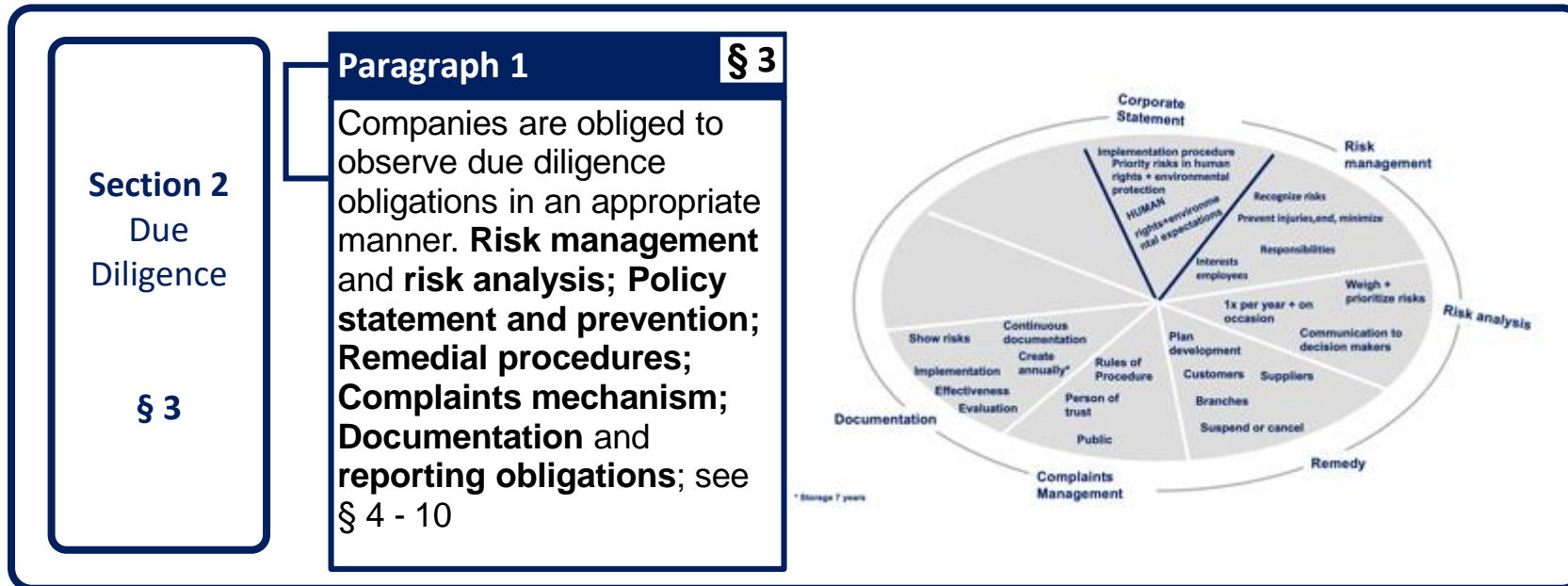
Climate Protection Program

1. Übereinkommen 87: Vereinigungsfreiheit und Schutz des Vereinigungsrechtes (1948)
2. Übereinkommen 98: Vereinigungsrecht und Recht zu Kollektivverhandlungen (1949)
3. Übereinkommen 29: Zwangsarbeit (1930) und Protokoll von 2014 zum Übereinkommen zur Zwangsarbeit
4. Übereinkommen 105: Abschaffung der Zwangsarbeit (1957)
5. Übereinkommen 100: Gleichheit des Entgelts (1951)
6. Übereinkommen 111: Diskriminierung in Beschäftigung und Beruf (1958)
7. Übereinkommen 138: Mindestalter (1973)
8. Übereinkommen 182: Verbot und unverzügliche Maßnahmen zur Beseitigung der schlimmsten Formen der Kinderarbeit (1999)

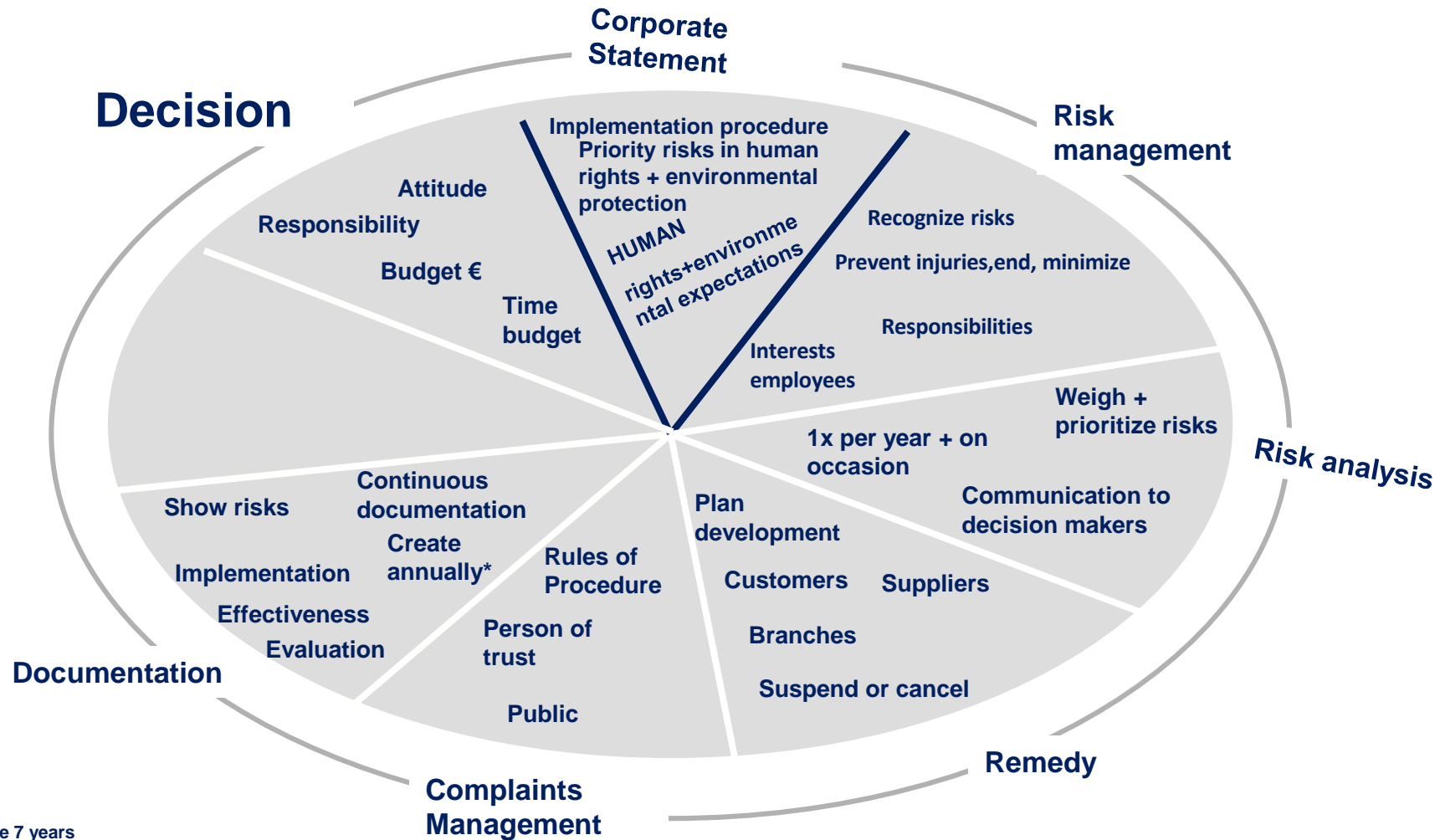
Article 1, Section 2, § 3 describes the “How” to comply with Due Diligence and describes the Risk-Based Approach



Art. 1 on corporate due diligence to prevent human rights violations in the supply chain

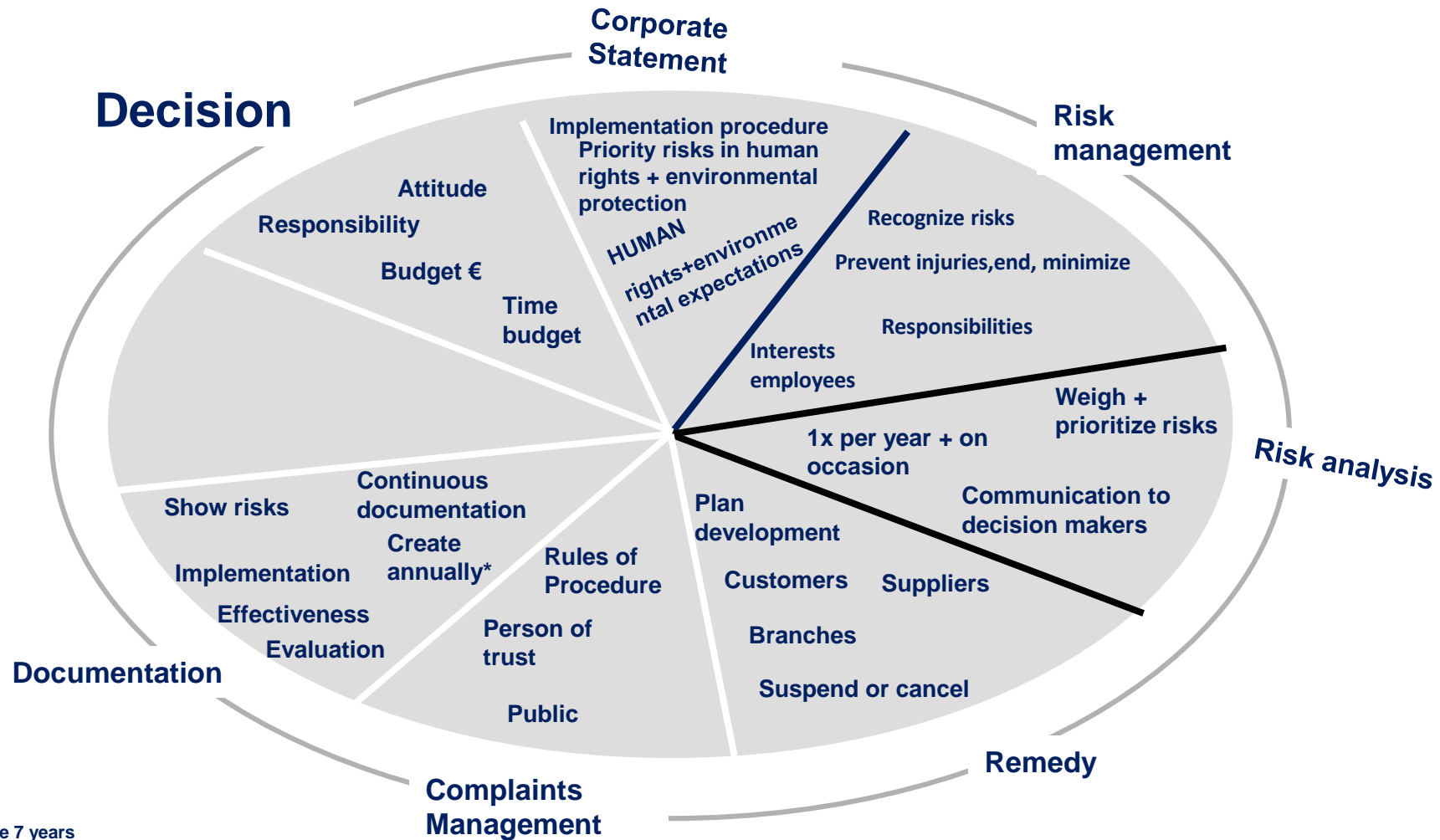


Before entering into risk management, a corporate statement must be made



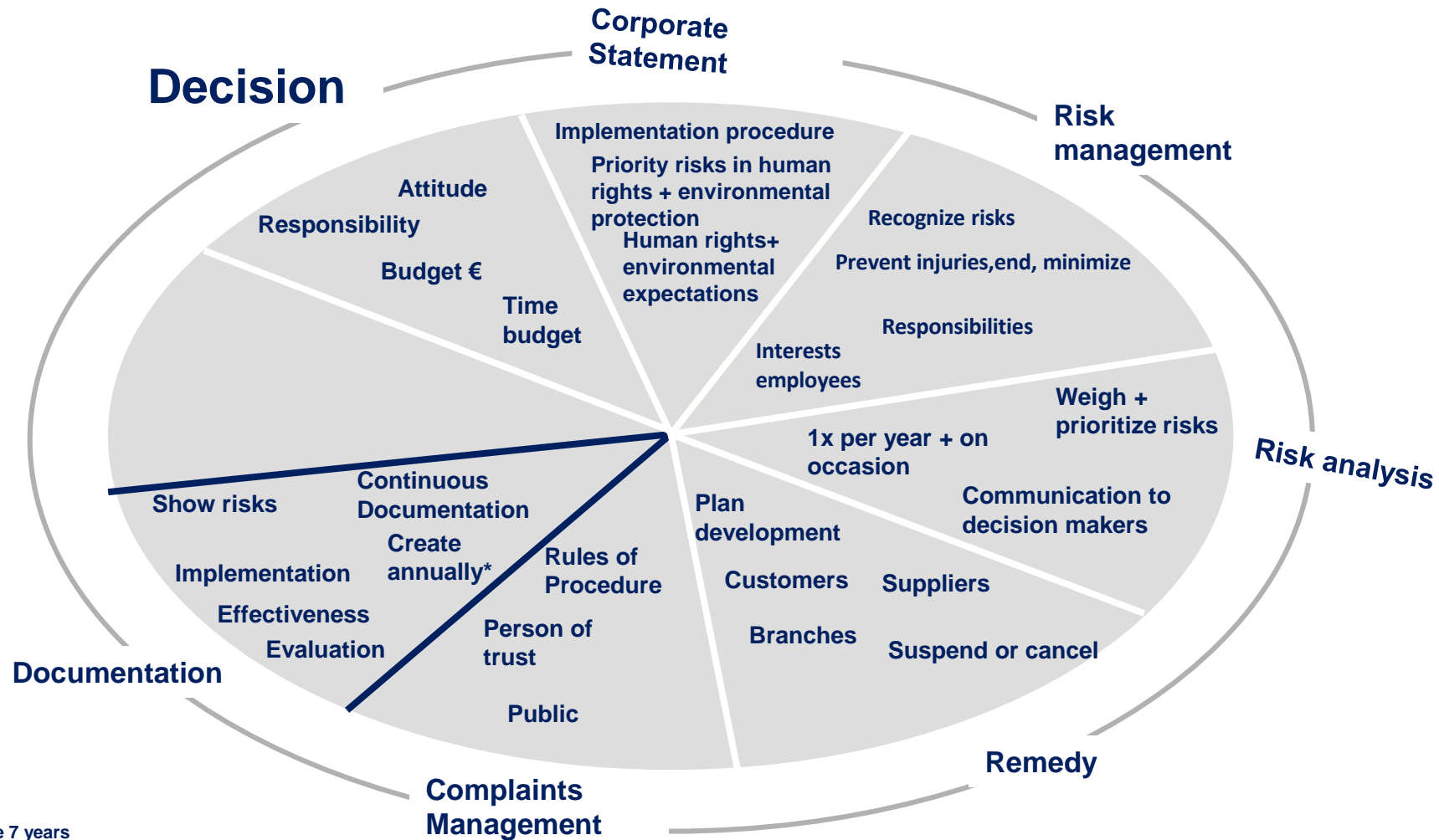
* Storage 7 years

Before entering into risk management, a corporate statement must be made



* Storage 7 years

The Obligation to document paves the Way for more Sustainability in Business Processes



*Storage 7 years

Herzlich Willkommen Day 2

Will start with a recap

**Part 7 German due diligence act, CSDDD
and CSRD with ESG**

Part 8 Eco Design Regulation

Part 9 Energy Consumption and Carbon Footprinting

Part 10 Water Footprinting

Part 11 Summary and Outview





B. CSDDD

Vision of EU-Commission for Transformation of Textile Branche

- By 2030 textile products placed on the EU market are long-lived and recyclable, to a great extent made of recycled fibres, free of hazardous substances and produced in respect of social rights and the environment.
- Consumers benefit longer from high quality affordable textiles, fast fashion is out of fashion, and economically profitable re-use and repair services are widely available.
- In a competitive, resilient and innovative textiles sector, producers take responsibility for their products along the value chain, including when they become waste.
- The circular textiles ecosystem is thriving, driven by sufficient capacities for innovative fibre-to-fibre recycling, while the incineration and landfilling of textiles is reduced to the minimum.

CSDDD obliges affected companies to take measures to...

- To respect the rights of workers contained in international human rights conventions with regard to access to adequate food, clothing, water and sanitation.
- Prevent, remedy or mitigate the consequences of any violations.
- Prevent, remedy or mitigate the consequences of negative environmental impacts that would contravene a number of multilateral environmental agreements.
- **Analogue to LkSG § 2 para. 2 no. 1 - 12**

§2 Paragraph 2 Nr. 1-8

Conventions of the International Labor Organization - ILO- for the protection of human rights. Basis for all Code of Conducts and standards, such as amfori, SA8000, FWF, FLA, ETI, WRAP and others.

Climate Protection Program

1. Übereinkommen 87 Vereinigungsfreiheit und Schutz des Vereinigungsrechtes (1948)
2. Übereinkommen 98 Vereinigungsrechte und Recht zu Kollektivverhandlungen (1949)
3. Übereinkommen 29 Zwangsarbeit (1930) und Protokoll von 2014 zum Übereinkommen zur Zwangsarbeit
4. Übereinkommen 105 Abschaffung der Zwangsarbeit (1957)
5. Übereinkommen 100 Gleichheit des Entgelts (1951)
6. Übereinkommen 111 Diskriminierung in Beschäftigung und Beruf (1958)
7. Übereinkommen 138 Mindestalter (1973)
8. Übereinkommen 182 Verbot und unverzügliche Maßnahmen zur Beseitigung der schlimmsten Formen der Kinderarbeit (1999)

Environmental concerns in the CSDDD

Environmental standards

- Prohibition of causing measurable soil, water and air pollution that harms a person's health.
- Prohibition of the unlawful clearance/utilisation of land, forests and waters.
- **The right of indigenous peoples to land, territories and resources that they traditionally own.**

Grey: Legal interests that are also mentioned in the D-LkSG.

Blue: Legal interests that only apply in the EU-CSDDD

Environmental protection

- Minamata Convention Ban on the manufacture of products containing mercury
- Stockholm Convention Ban on the production and use of long-lasting organic pollutants
- Basel Convention Export and import of hazardous substances, waste export and import
- **UN Convention on Biological Diversity Conservation of biological diversity (ecosystems, species, genetic diversity)**
- **CITES Convention on Intern. Trade in Endangered Species of Wild Fauna and Flora**
- **Rotterdam Convention Controlled import of hazardous chemicals and pesticides**
- **Vienna Convention Ban on the production/consumption of certain substances that contribute to the depletion of the ozone layer (CFCs, halons, etc.)**



C. Corporate Sustainability Reporting Directive

CSRD a brief overview

- **Purpose:** The CSRD strengthens and expands sustainability reporting requirements for companies in the EU.
- **Reporting Standards:** Requires companies to report on environmental, social, and governance (ESG) factors using standardized frameworks.
- **Transparency:** Aims to improve corporate accountability and provide investors and stakeholders with reliable sustainability data.
- **Implementation:** Gradually takes effect from 2024, replacing the Non-Financial Reporting Directive (NFRD).

The European Sustainability Reporting Standard (ESRS) contains 12 criteria

These 12 criteria for the ESRS were adopted in November 2022 and form the basis for future sustainability reporting.

Five criteria for the environmental area, four criteria for the social area and three criteria for the governance area.



ESG criteria are decisive for the CSRD

- GE1 General Rquirements
- GE2 General Disclosure

- E1 Climate change
- E2 Environmental pollution
- E3 Water and marine resources
- E4 Biodiversity and ecosystems
- E5 Resource use and circular economy

- S1 Own employees
- S2 Employees in the value chain
- S3 Affected communities
- S4 Consumers and end users

- G1 Business conduct

E
S
G



Part 8

EU – Design – Regulation



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The textile industry is highly effective in terms of its environmental impact

- **Greenhouse gas emissions:**

- According to estimates, the fashion industry is responsible for **10 per cent of global CO₂ emissions** - more than international aviation and shipping combined.

- **Water pollution:**

- It is estimated that around **20 per cent of global water pollution** is caused by the dyeing and finishing of textiles during their production..
- The washing of synthetic products has led to more than **14 million tonnes of microplastics** accumulating at the bottom of the oceans. In addition to this global problem, the pollution caused by garment production has a devastating impact on the health of people, animals and ecosystems where the factories are located.

- **Textile waste:**

- Europeans buy almost 26 kilograms of textiles every year and throw away around 11 kilograms of them. Used clothing can be exported to countries outside the EU, but most of it (87 per cent) is incinerated or ends up in landfill sites.

The Ecodesign Regulation contains a wide range of requirements

- The new ecodesign requirements will go beyond energy efficiency to promote the circular economy and cover the following:
 - Durability, reusability, upgradability and reparability of products
 - Presence of chemical substances that prevent the reuse and recycling of materials
 - **Energy and resource efficiency**
 - Recyclate content
 - **CO2 and environmental footprint**
 - Putting an end to the destruction of unsold consumer products
 - Available product information, in particular a digital product passport

The Ecodesign Regulation contains a wide range of requirements including the DPP

- The new ecodesign requirements will go beyond energy efficiency to promote the circular economy and cover the following:
 - Durability, reusability, upgradability and reparability of products
 - Presence of chemical substances that prevent the reuse and recycling of materials
 - **Energy and resource efficiency**
 - Recyclate content
 - **CO2 and environmental footprint**
 - Putting an end to the destruction of unsold consumer products
 - Available product information, in particular a digital product passport
- The digital product passport (DPP) is designed to enable electronic retrieval of product-specific data and information, including information on origin, composition, repair and dismantling options, including options for recycling or end-of-life disposal.



Part 9

Energy Consumption and Carbon Footprinting

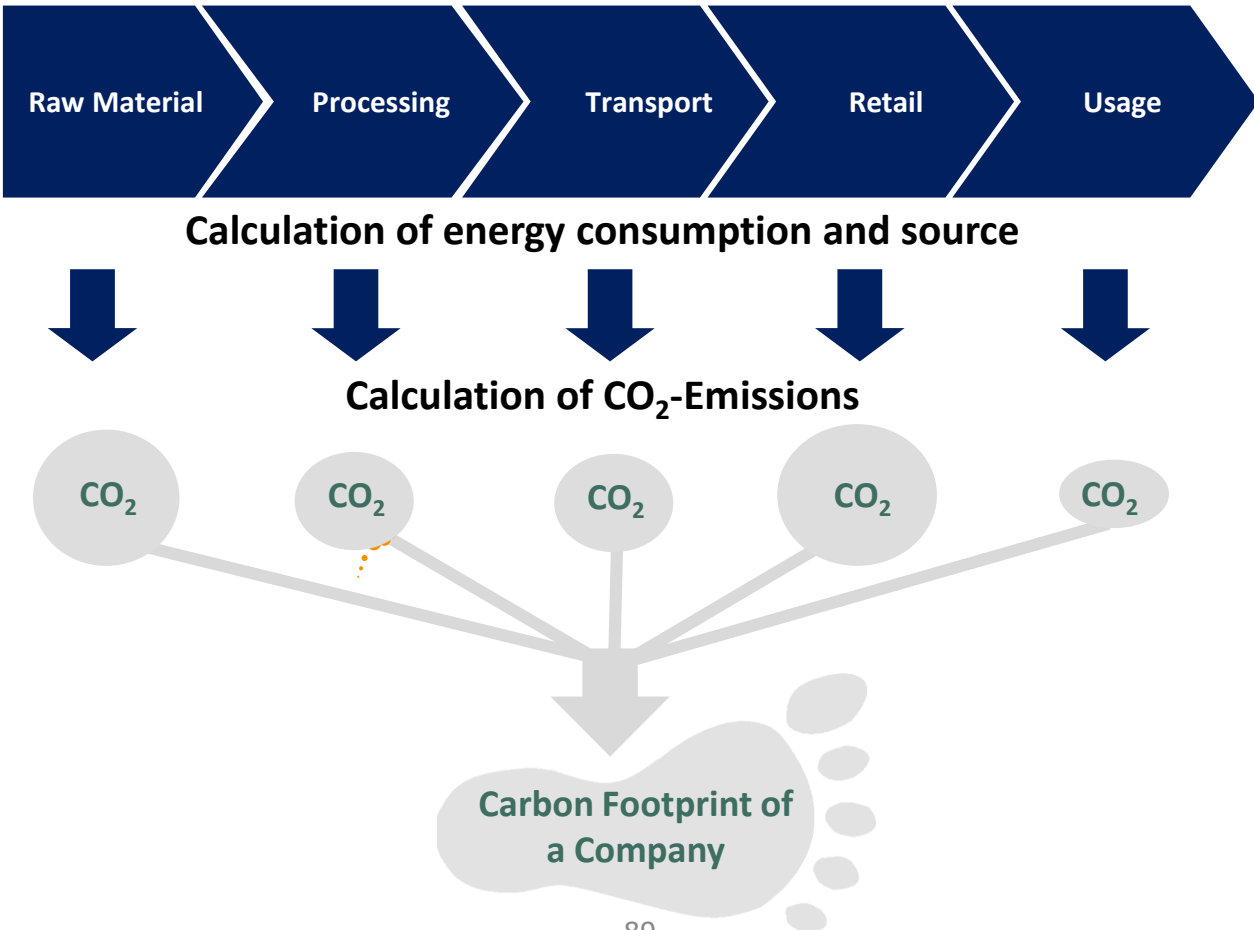


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The “Carbon Footprint” concept is to be applied to all corporate processes and products



Carbon Dioxide Equivalent is more than CO₂ only

Greenhouse Gas	
1. Carbon dioxide	CO ₂
2. Methane	CH ₄
3. Nitrous oxide	N ₂ O
4. Hydrofluorocarbons	HFC _s
5. Perfluorocarbons	PFC _s
6. Sulfur hexafluoride	SF ₆
7. Nitrogen trifluoride	(NF ₃) ₃

- Not only CO₂ has an impact on the atmosphere.
- Gases shown in the table even have a bigger warming potential than CO₂.
- These gases are called Greenhouse Gases and are included in Equivalents.

The Greenhouse Gas Protocol distinguishes between three areas of application

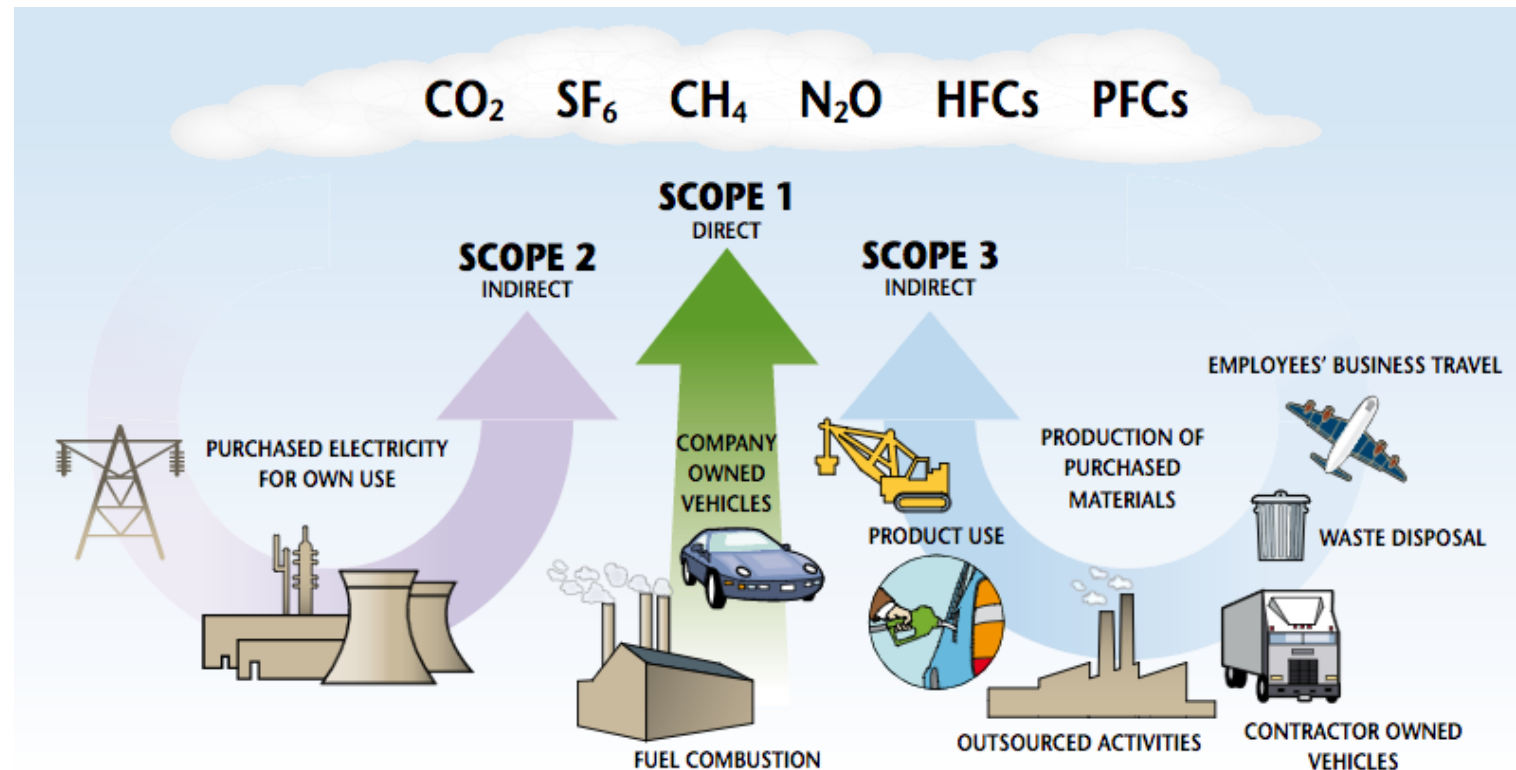
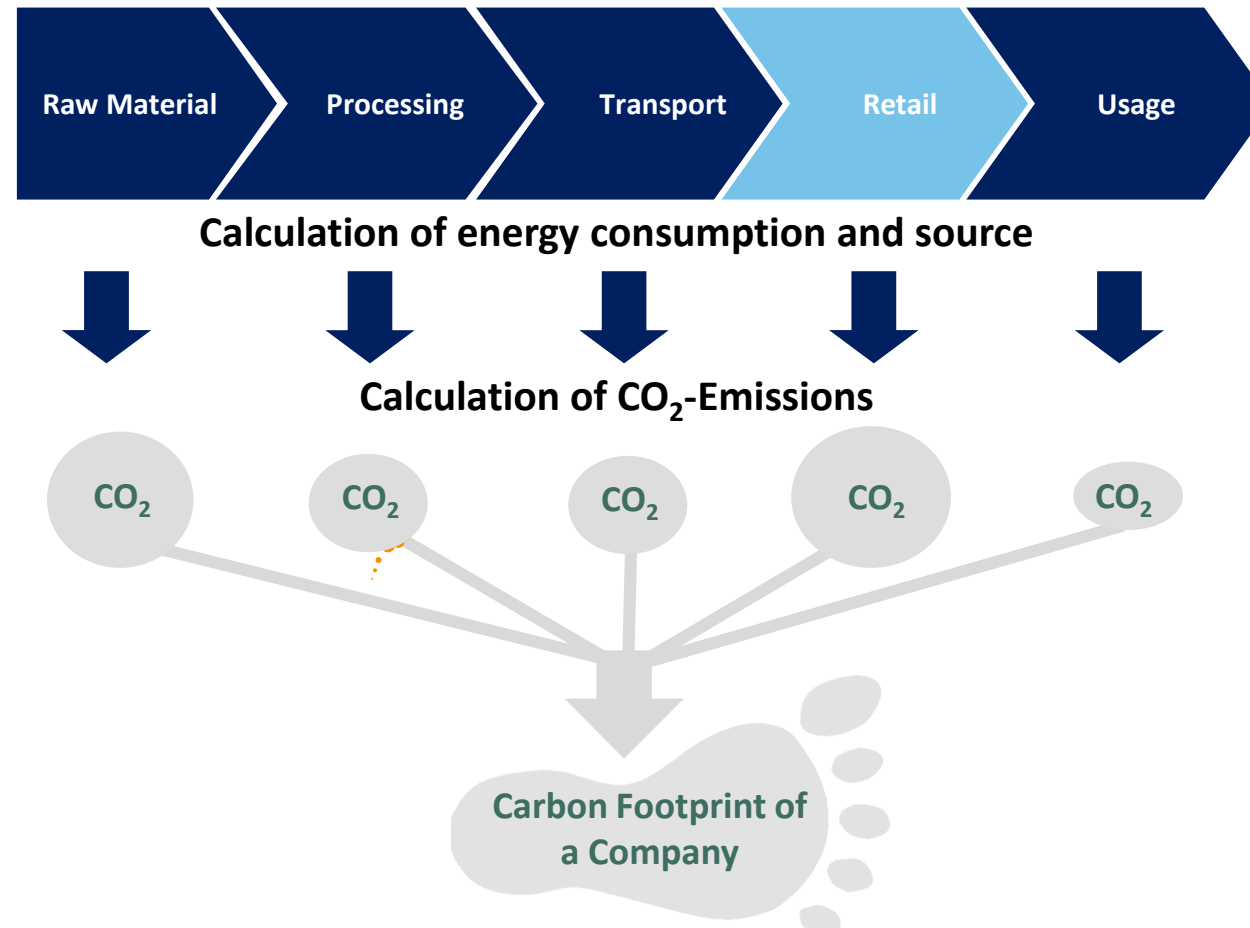


Figure 3: Carbon footprint

Source: Bhatia and Ranganathan, 2004.

Source :
<http://www.unep.fr/shared/publications/pdf/DTIx1208xPA-LifeCycleApproach-Howbusinessusesit.pdf>

Scope 1 and 2: Energy and Heat Generation at the site



For the Greenhouse Gas Protocol, we focus on Scope 2 and 1 in the first step and the determination can be done through SF2022 “home”

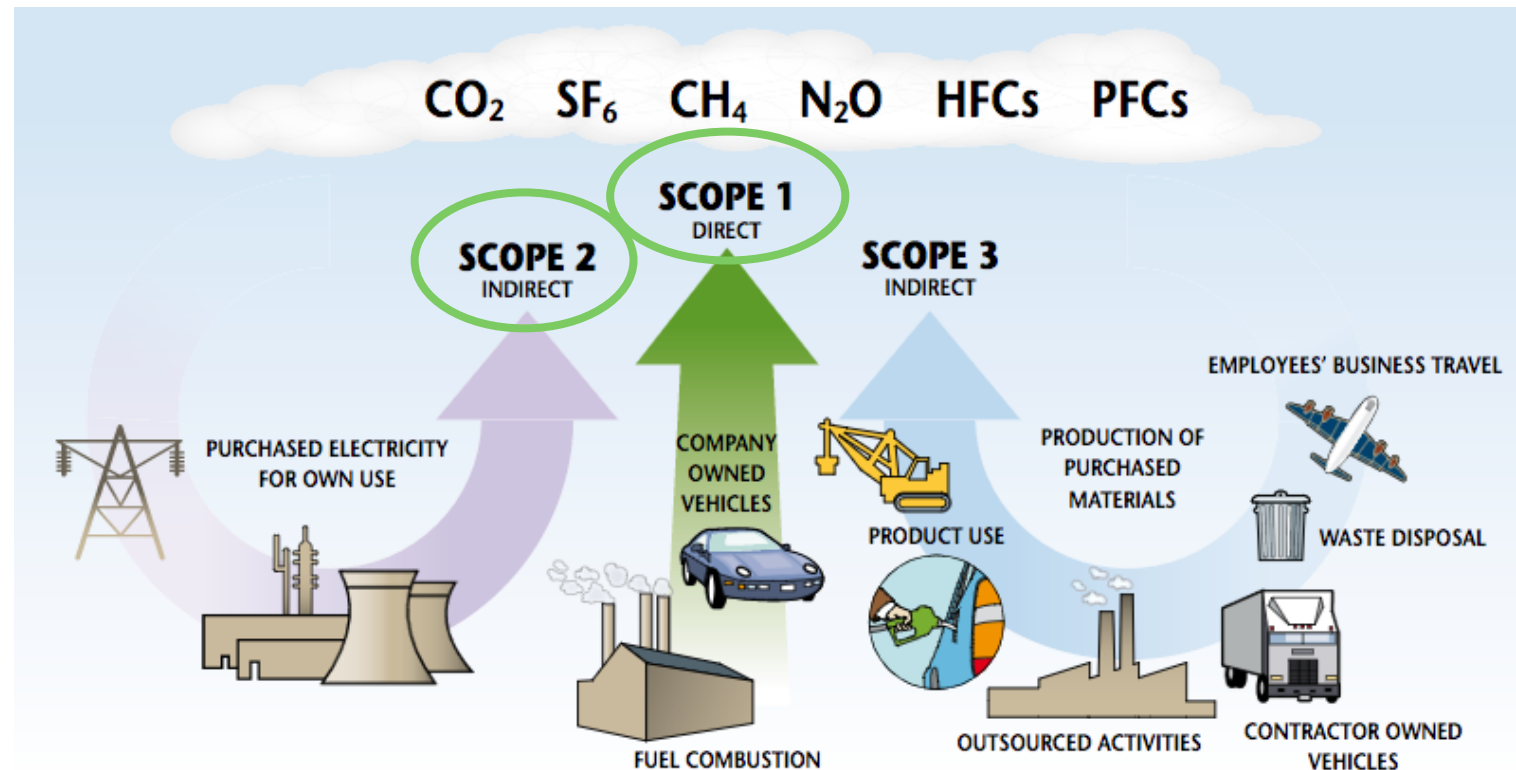


Figure 3: Carbon footprint

Source: Bhatia and Ranganathan, 2004.

Source :
<http://www.unep.fr/shared/publications/pdf/DTIx1208xPA-LifeCycleApproach-Howbusinessusesit.pdf>

For the Greenhouse Gas Protocol, our next step is to focus on Scope 3 - Transport

- GHG - Emissions Protocol/Scopes

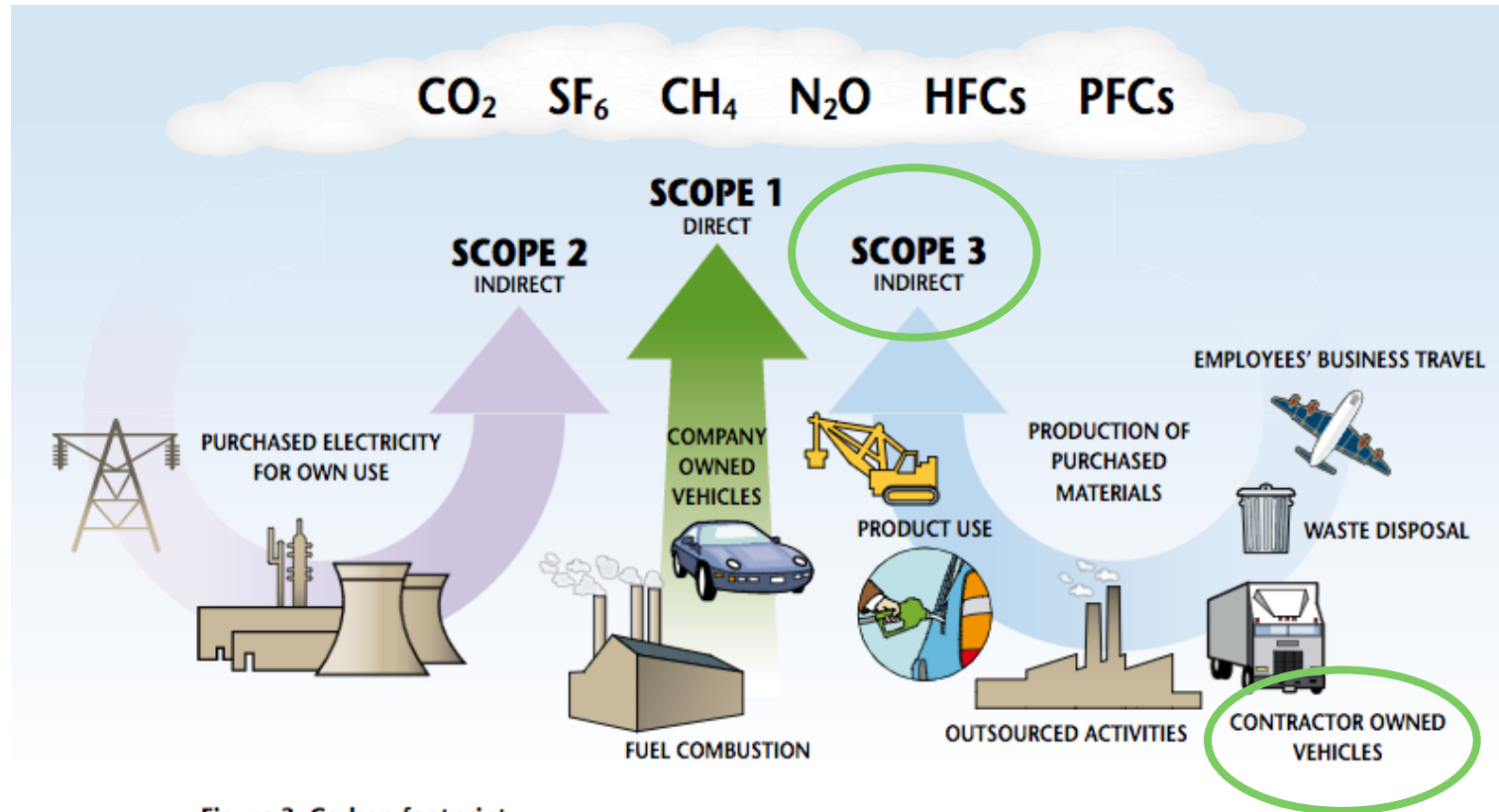
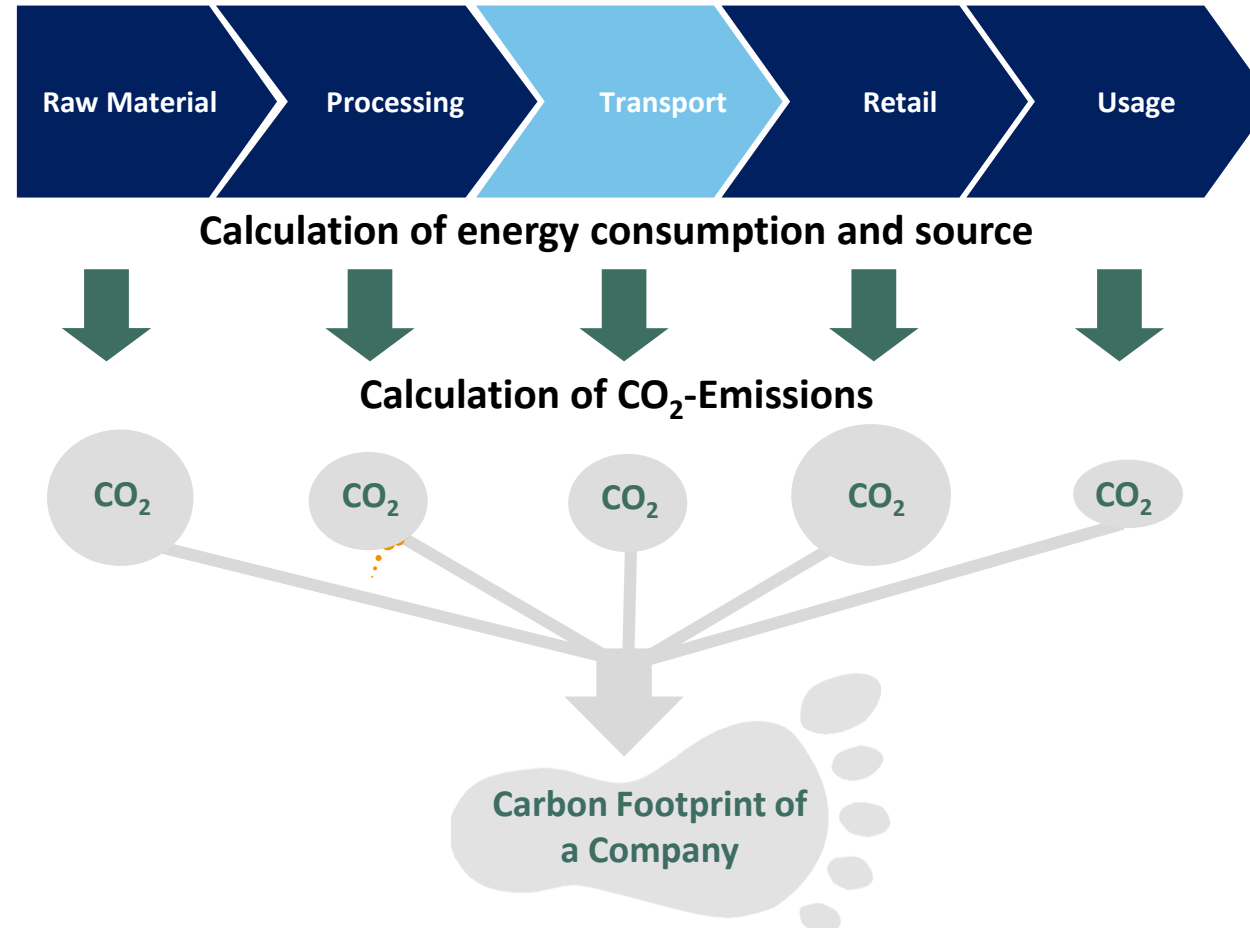


Figure 3: Carbon footprint

Source: Bhatia and Ranganathan, 2004.

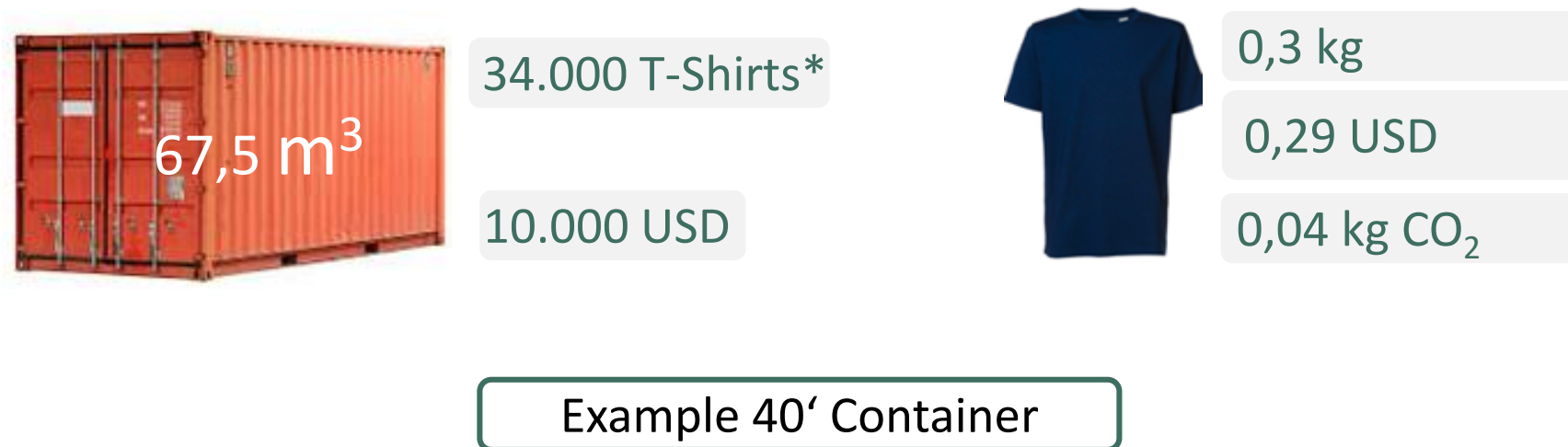
Source:
<http://www.unep.fr/shared/publications/pdf/DTIx1208xPA-LifeCycleApproach-Howbusinessusesit.pdf>

Scope 3: Transport of Goods from Procurement Markets to Germany



Sea transport from HKG to HH emits 40g CO2 per T-shirt

- Scope 3: Transports - Example calculation for CO2 emissions caused by transport per T-shirt



[*http://www.handelsblatt.com/unternehmen/handel-konsumgueter/spurensuche-der-herstellung-warum-man-t-shirts-fuer-fuenf-euro-kaufen-kann-seite-7/3746394-7.html](http://www.handelsblatt.com/unternehmen/handel-konsumgueter/spurensuche-der-herstellung-warum-man-t-shirts-fuer-fuenf-euro-kaufen-kann-seite-7/3746394-7.html)

Source: own calculation

The air transportation causes...times more CO₂ emissions than the vessel transportation



1,90 kg CO₂ e



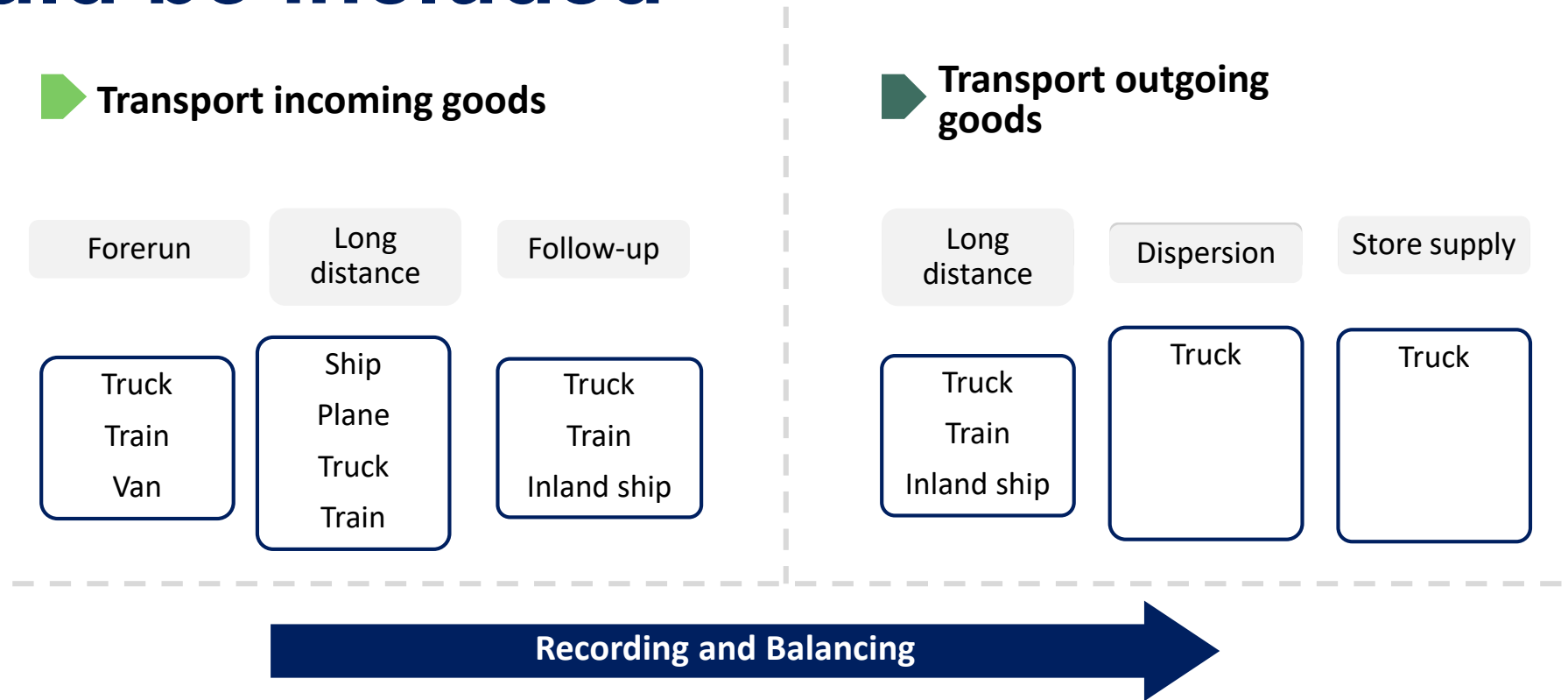
0,04 kg CO₂ e

x47

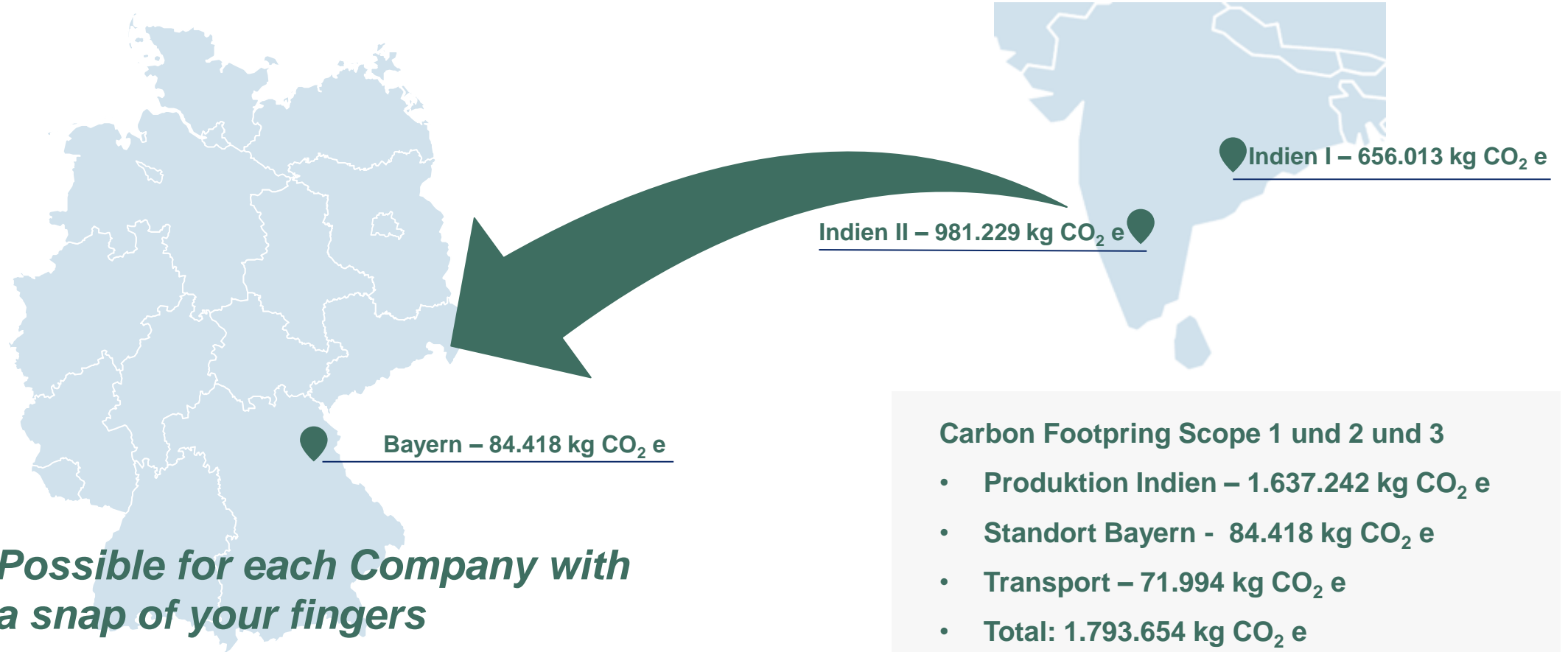
* Weight T-Shirts 300g; 100 pieces = 30 kg = 0,030 Tonnen; 0,002 cbm per T-Shirt

** Relation: **HKG** – **HH** Air Transport, Sea Transport

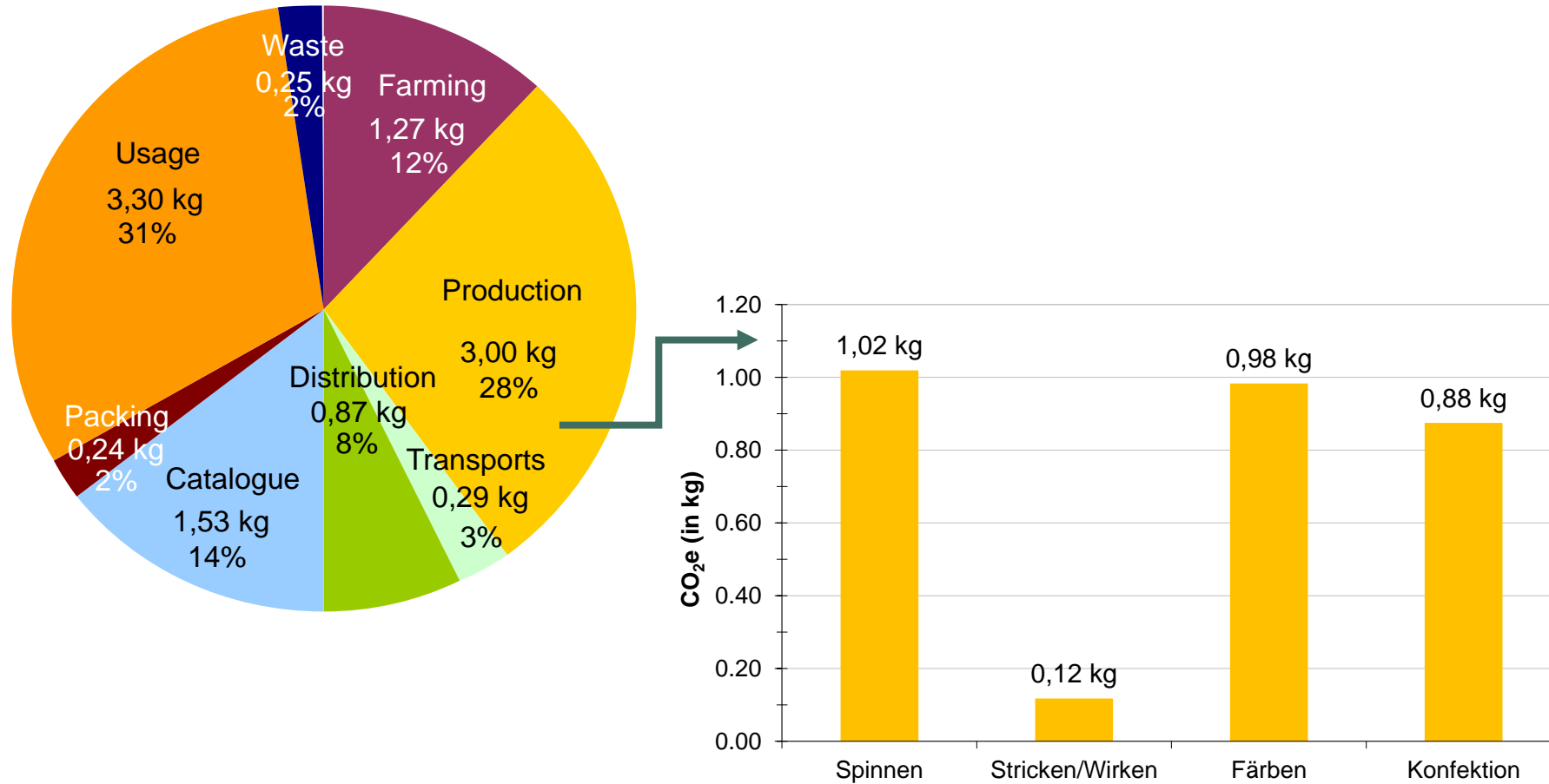
Scope 3 - Transports - for the further calculation the outgoing transports should be included



Example for a Quick Win: „Company Carbon Footprint“

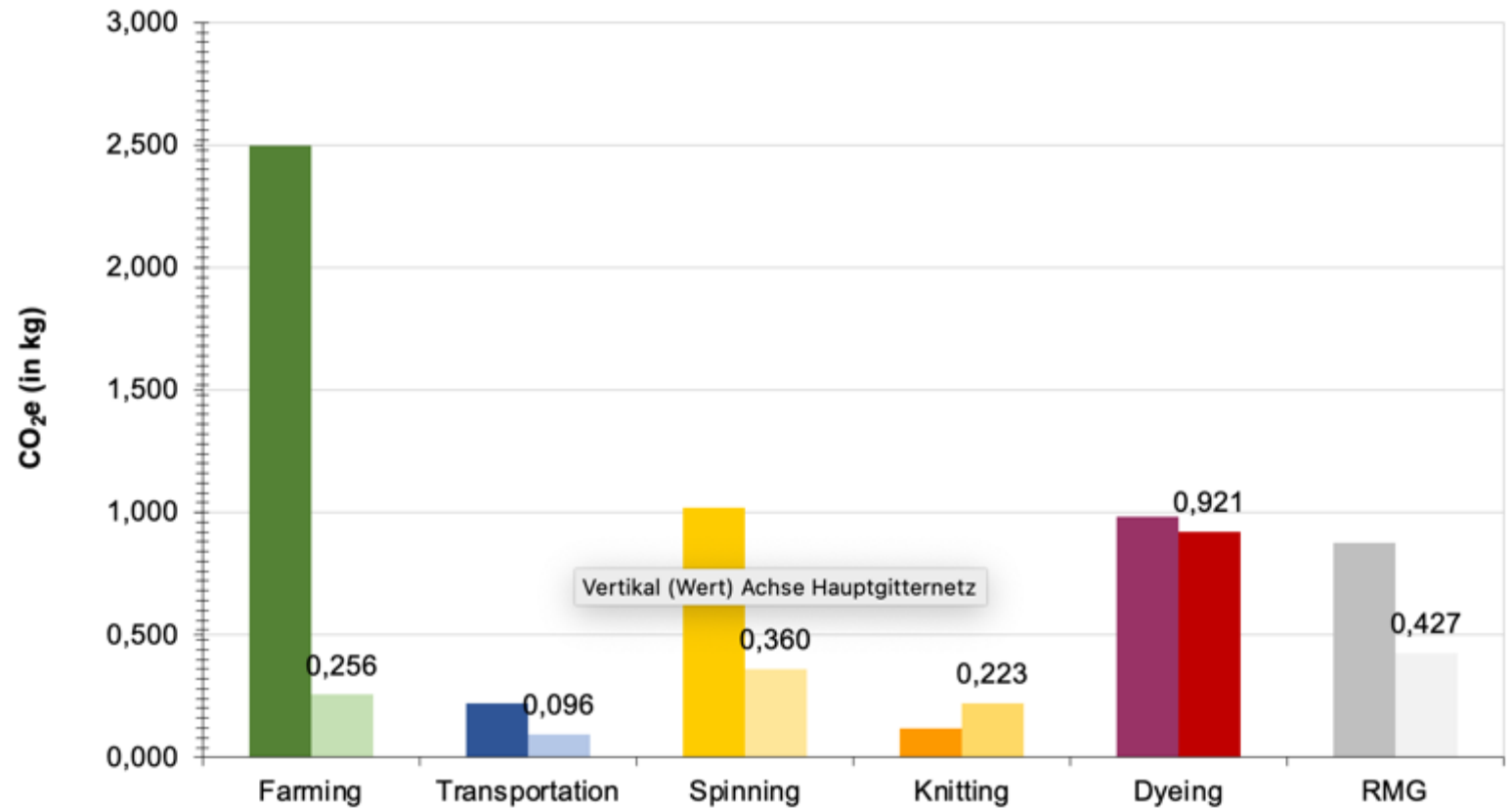
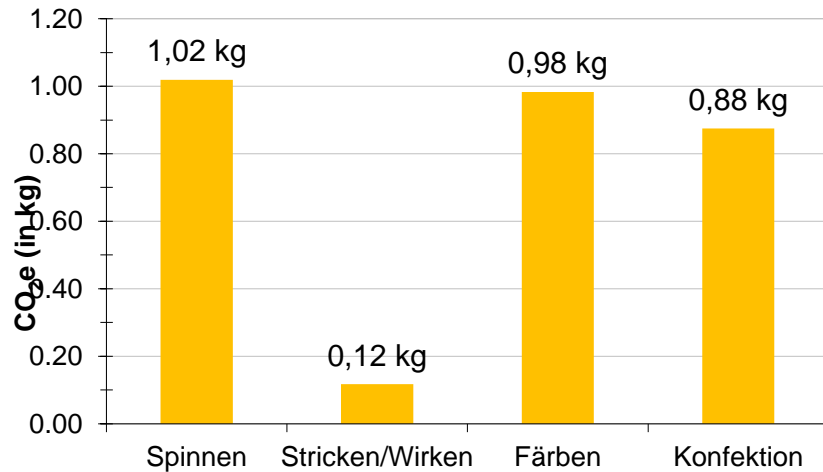


Product Carbon Footprint* for a Long Shirt



*Calculated by Systain Consulting 2007

The Carbon Footprint of the „Pineapple Shirt“ in total 2,34 kg CO₂ e per piece



Part 10

Water Consumption and Water Footprinting



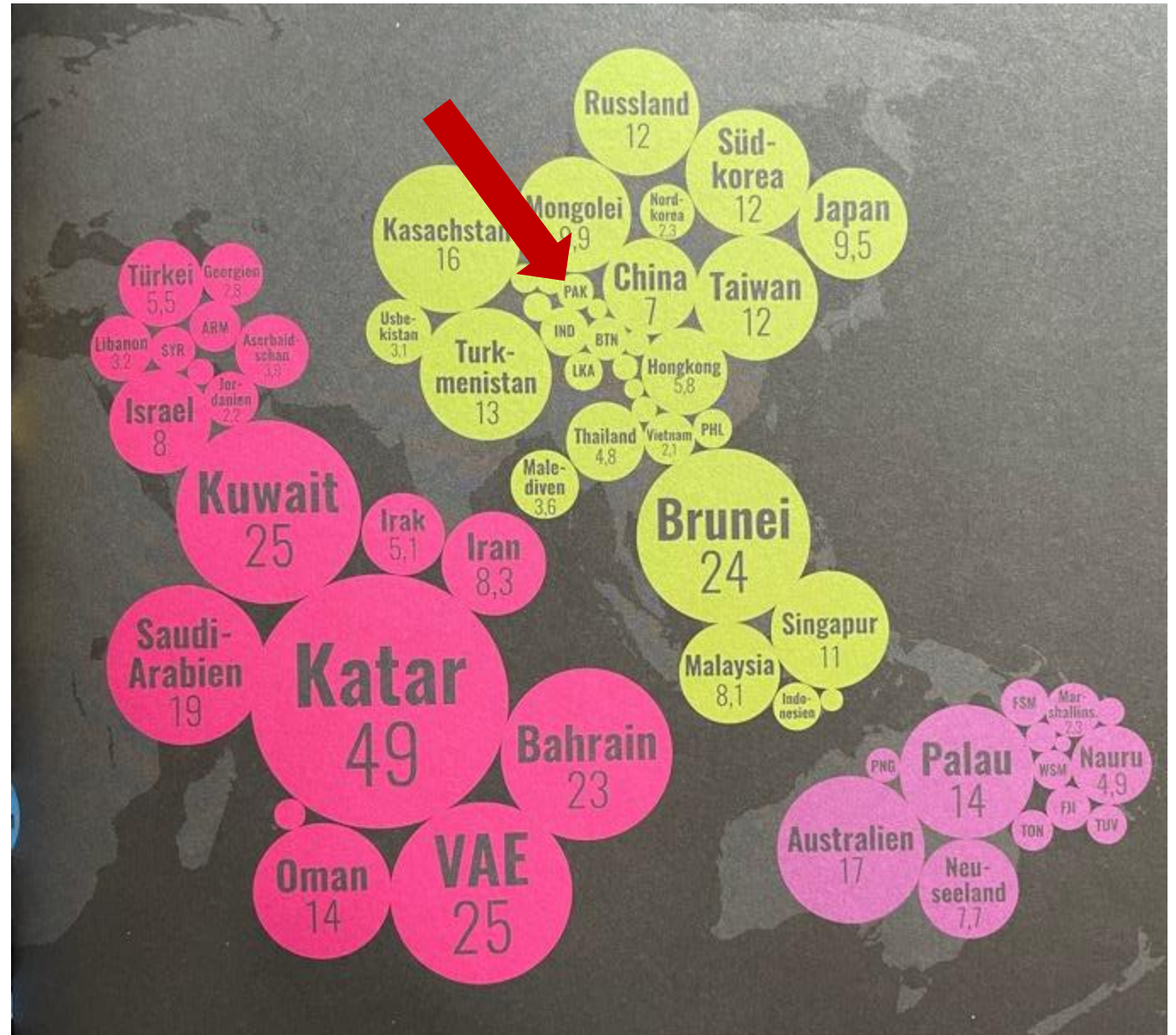
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Annual CO₂ emissions by country in tonnes per head

in Germany eleven tons



The Federal Environment Agency has published a study - water consumption 1,499 cbm per capita*



3.3. Wasserverbrauch: 27 Badewannen täglich

27 Bathtubs daily

Tab. 4

Wasserverbrauch unseres Konsums pro Kopf (2014)

Was?	Der durchschnittliche Wasserverbrauch unseres Konsums (blaues und grünes Wasser) pro Kopf. Besonders die Wasserentnahme aus dem Grundwasser oder aus Seen und Flüssen (blaues Wasser) wirkt sich auf den lokalen Wasserhaushalt aus, zum Beispiel auf die Wasserversorgung der lokalen Bevölkerung oder von Ökosystemen. Besonders kritisch ist dies in trockenen Regionen.
Wie viel?	1.499 Kubikmeter pro Kopf. Das entspricht 9.993 Badewannen (zu 150 Liter). Täglich sind das 27 volle Badewannen.
Wodurch?	Wichtigster Posten ist mit über einem Drittel Anteil die Energie für Wohnen, d.h. Heizung, Strom und Warmwasser.
Wo?	31 % des benötigten Wassers werden im Inland verbraucht, 69 % des Verbrauchs weltweit.
Welche Tendenz?	Rückgang des Wasserverbrauchs gegenüber 2008 um 12 %, vor allem im Ernährungsbereich. Als einer der Faktoren für den Rückgang kann die gesteigerte Effizienz in der Landwirtschaft beim Wasserverbrauch angesehen werden. Im Konsumfeld 'Produkte' wird gleichbleibend zu den Vorjahren beinahe die gesamte Menge des Wassers (97 %) außerhalb Deutschlands verbraucht.

Die Höhe des Wasserfußabdrucks unterscheidet sich zu den Angaben im Rohstoffbericht 2018 des Umweltbundesamtes (UBA 2018a, S. 53). Die Daten im Rohstoffbericht wurden mit dem multiregionalen Input-Output-Modell EXIOBASE 3.3 ermittelt, im Vorhaben wurde die aktualisierte Version EXIOBASE 3.4 verwendet. Bei Version 3.4 wurde u.a. die Datenbasis für Wasser deutlich verbessert, ebenso bestehen gegenüber der Version 3.3 einige methodische Unterschiede.

Quelle: Umweltbundesamt, Projektdaten 'Globale Umweltinanspruchnahme' (2019), Modellierung mit EXIOBASE 3.4)

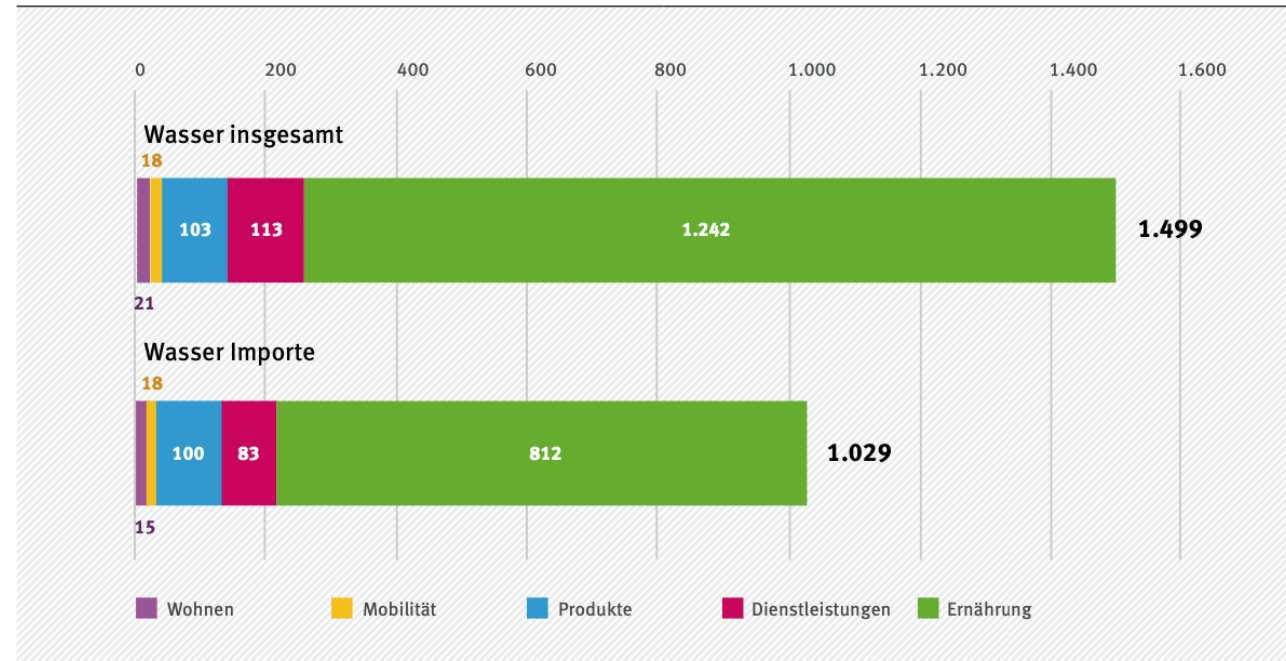
*on the environmental impact caused by consumption

Water Usage of our Consumption Share of Imports at 69%

Abbildung 4

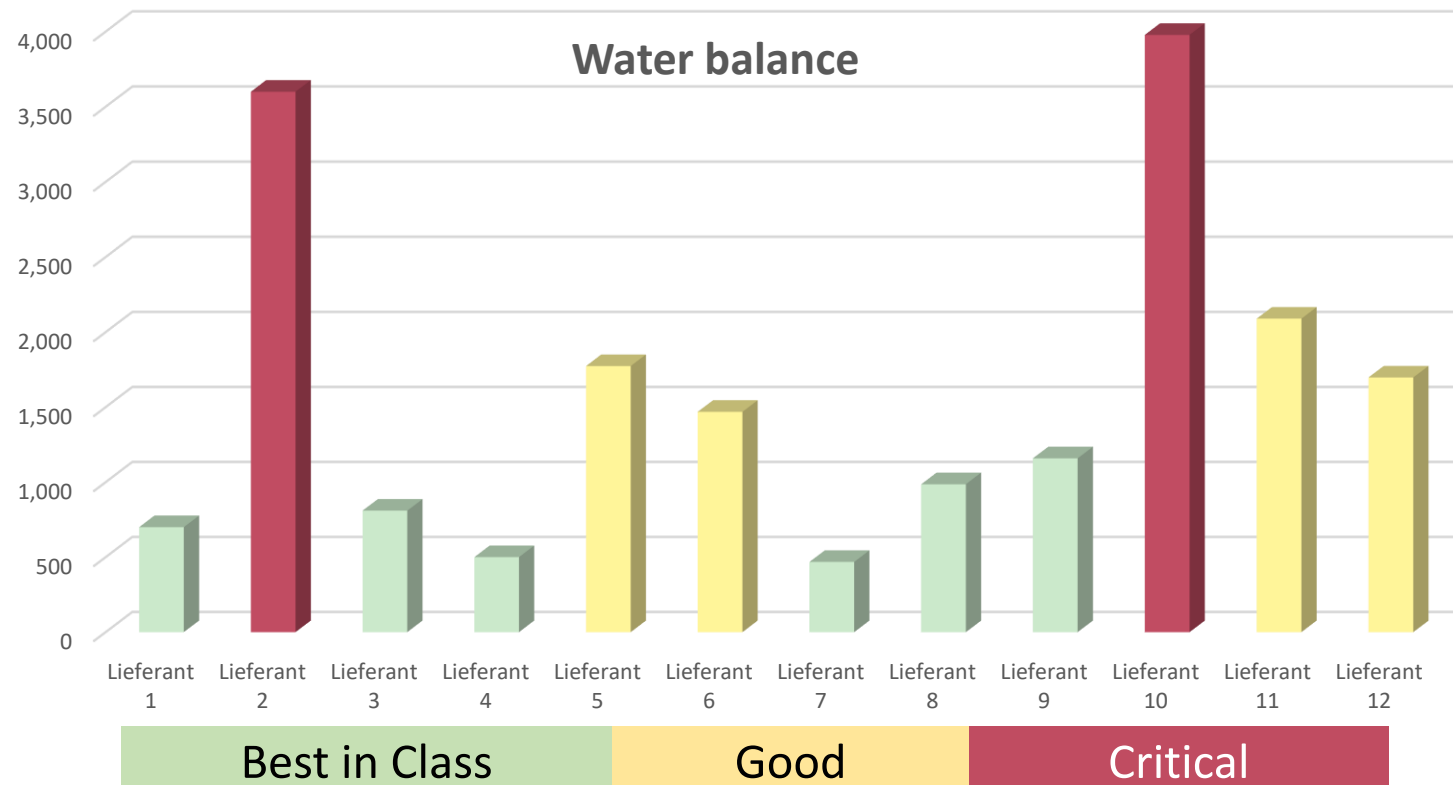
Pro-Kopf-Wasserverbrauch unseres Konsums, gesamt und Anteil durch Importe (2014)

Fast zwei Drittel unseres Wasserfußabdrucks entstehen außerhalb Deutschlands, größtenteils durch die Produktion von Lebensmitteln



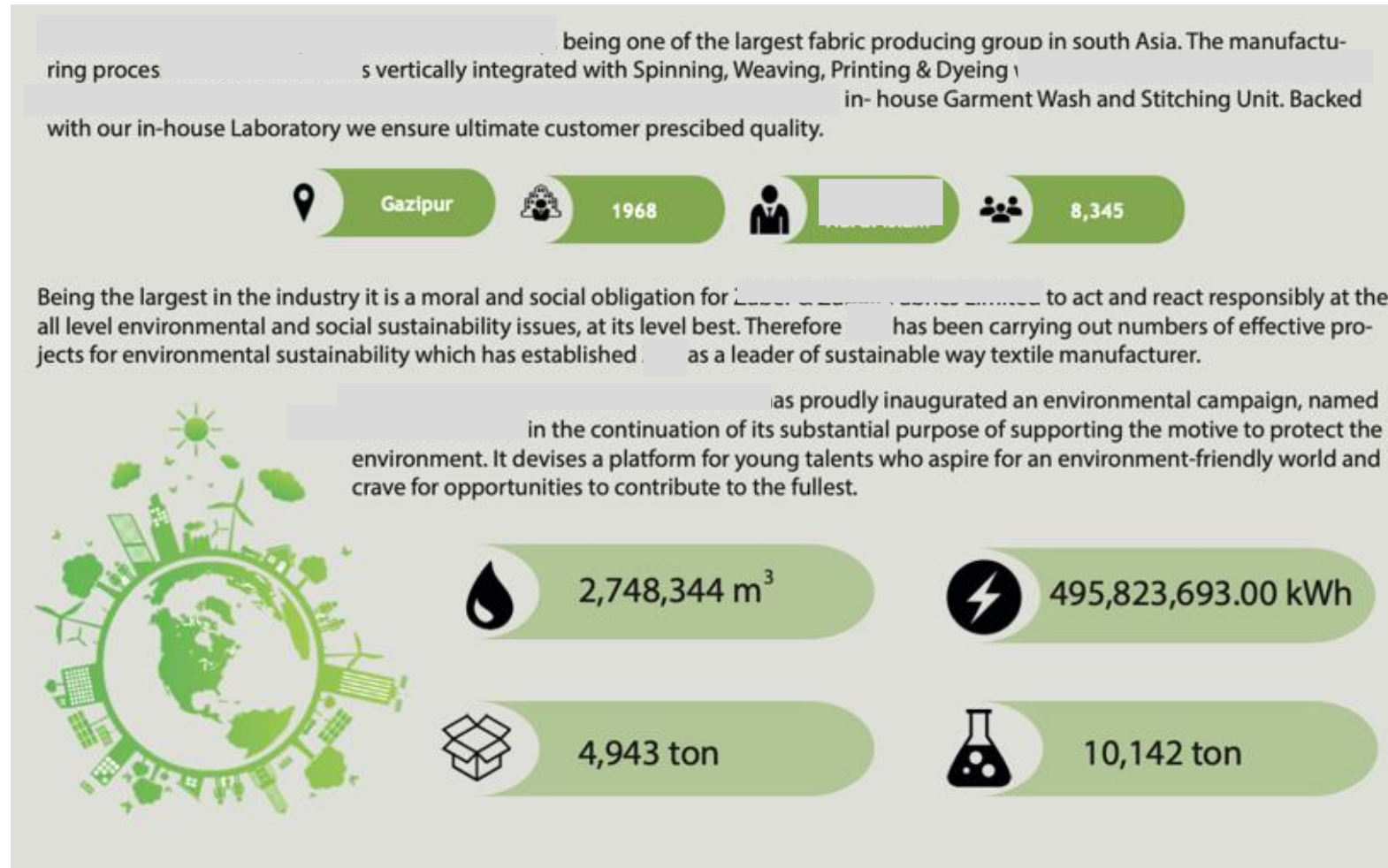
Kubikmeter verbrauchtes Wasser (m³)

Evaluation and presentation of risks at supplier level - here liters of water per piece



Analysis of risks results:
Suppliers 2+10 should take immediate action to improve

A factory at a glance with the total consumption of resources



All certificates, all standards with consumption balancing



Part 11

Summary and Outlook

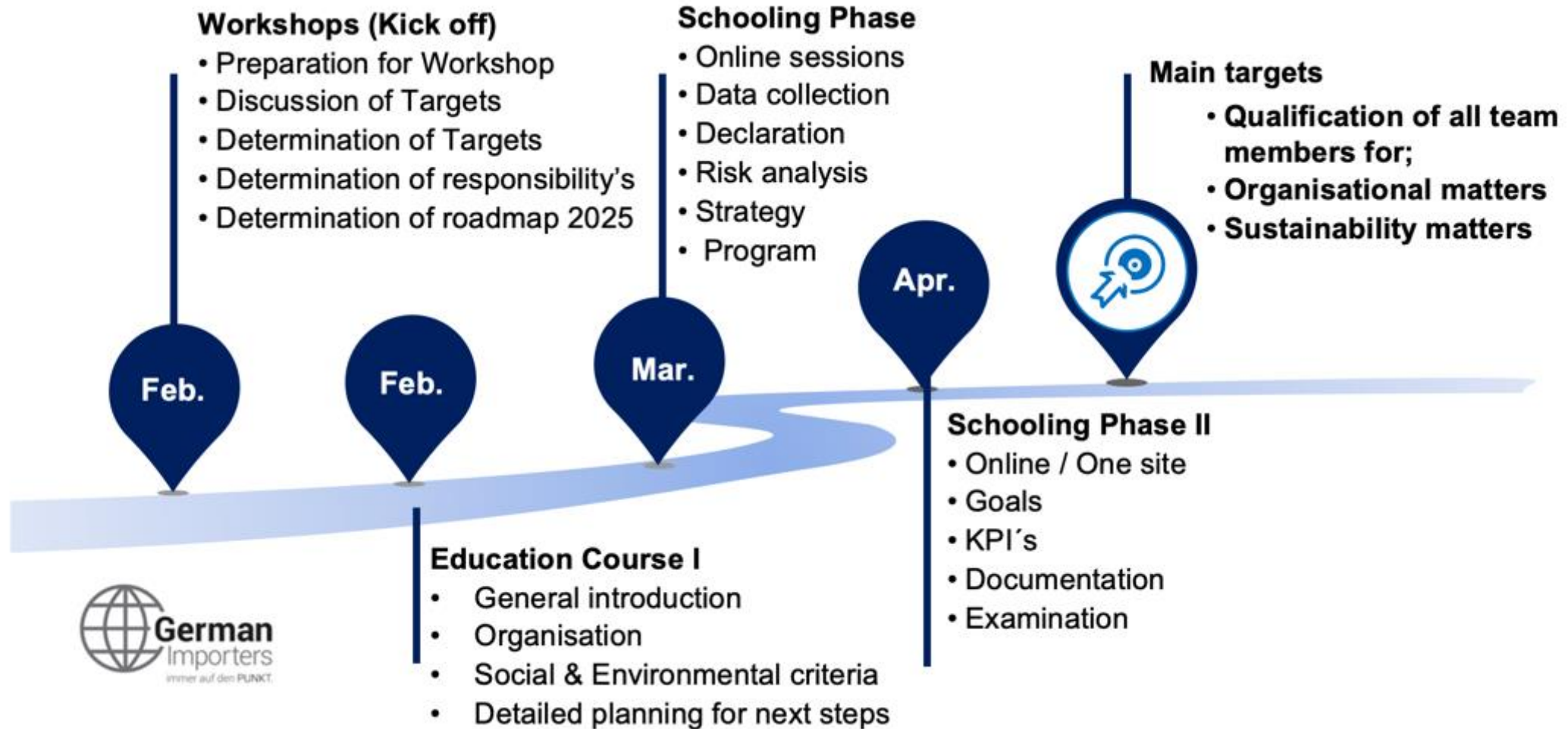


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Greening Pakistan - Roadmap for 2025



sequa – German Importers Project Roadmap for 2025

