

CITI leading brands take proactive actions to manage supply chain risks, insufficient capacity hinders brands and suppliers from going green, CDP China and IPE sign MoU for further collaboration, IPE Director Ma Jun to speak in Chicago as Scholl Visiting Fellow & more

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The fourth annual [Corporate Information Transparency Index \(CITI\) evaluation rankings](#) and [report](#) were released on October 13 at the 2017 Green Supply Chain Forum in Beijing. The evaluation results reflect that China's sharp strengthening of environmental supervision is prompting more brands to recognize supply chain environmental risks, but insufficient capacity remains a bottleneck impeding companies from going green.

This year's evaluation scope grows to **267 global and Chinese brands** from **14 industries**. Among these companies, **59 brands** have leveraged green procurement to motivate a total of **1,004 suppliers** to make improvements in the past year. This month's special edition newsletter outlines major areas of progress in brands' supply chain environmental management, as well as remaining gaps.

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**Congratulations to this year's CITI Top 30 brands!**

01 Apple 82.5 (+1)	02 Dell 81	03 Levi's 76.5	04 Esquel Group 69	05 adidas 68.5	06 M&S 64	07 Foxconn 63.5	08 GAP 61	09 Samsung 61	10 Puma 59.5
11 H&M 59	12 Panasonic 57	13 Walmart 57	14 Target 56.5	15 ZARA 54	16 New Balance 49	17 Huawei 47	18 HP 45.5	19 Kao 45.5	20 Philips 45
21 Oji 42.5	22 Landsea 41.5	23 Canon 41	24 Danone 41	25 Coca-Cola 40.5	26 Hitachi 40.5	27 Ericsson 40.5	28 Esprit 40	29 Primark 39.5	30 Asics 39.5

Apple, Dell and Levi's remain at the top in this year's evaluation. Rising stars including New Balance, Oji, Landsea, Danone, Ericsson, Esprit, Primark and Asics have also made great progress, each securing a new spot on the leaderboard.

"Proud to be the CITI No. 1 brand for 4 years in a row," said Apple CEO Tim Cook on his Weibo account.

**Leading brands take proactive actions to manage supply chain risks**

The above Top 30 brands exhibit outstanding performance in many ways – most notably by actively controlling supplier environmental risks and reducing supply chain environmental impacts.

For instance, **Apple, Dell, Esquel, M&S, Walmart, Ericsson and Levi's** have incorporated their suppliers' centralized wastewater treatment facilities into the scope of environmental compliance screenings. **IT industry brands** such as **Apple, Dell, Samsung, Panasonic, and Huawei** have extended supply chain environmental risk management to treatment of hazardous waste, with first-ranking **Apple** taking the lead by pushing an aluminum supplier issue a public explanation about its violations. **Esquel** and **Levi's** from the **textile industry** have begun to pay attention to the environmental burden posed by the production and processing of chemical dyestuffs and auxiliaries. **Landsea Group** from the **real estate industry** has also extended its supply chain environmental management to upstream steel, cement and glass suppliers.

**Lack of awareness and insufficient capacity hinder brands from going green**

In spite of this progress, this year's CITI results also show that a number of **industries, including food & beverage, dairy, paper, brewing, and household & personal care**, as well as the newly added industries of **shared bikes, pharmaceuticals** and **industrial chemicals**, remain unprepared in the face of strengthened environmental supervision. These industries lag behind in taking responsibility for their supply chains.

Apart from lack of awareness, capacity shortages also impede brands and suppliers from going green. Although some brands are taking steps toward managing supply chain environmental risks, many have yet to ramp up the scale of motivating suppliers with violations to improve. **Massive numbers of suppliers, high environmental impact segments located upstream in supply chains, complicated local and industrial standards, and large amounts of scattered supervision data all pose challenges for large multinational corporations.** For mainland Chinese brands and suppliers that lack experience, the capacity bottleneck may be even more pronounced.

In response, IPE believes that the expansion of China's environmental information disclosure provides a solid foundation for data-based solutions. IPE recommends for **multiple stakeholders to jointly construct an internet-based supply chain management system, raising the efficiency of management, significantly lowering management costs, and raising the level of corporate environmental information disclosure.**

**CDP China and IPE sign MoU for further collaboration**



IPE signed a Memorandum of Understanding (MoU) with CDP (Carbon Disclosure Project) at the 2017 CDP Chinese enterprises' action on climate change report launch event on October 31. This MoU expresses the intention between the two parties to jointly promote environmental information disclosure, corporate sustainability development and green supply chain development in China.

According to the MoU, a check for environmental compliance against [the IPE database](#) will be integrated into CDP's system, and Chinese companies rating as A-list companies within CDP shall not have severe records in the Blue Map Database in the past one year's time. The two parties will make joint efforts to develop methodologies and tools to help Chinese companies reduce the disclosure burden and to prevent reporting overlaps. In addition, IPE and CDP plan to jointly convene capacity building seminars and/or workshops to help Chinese companies overcome environmental management challenges.

**IPE director Ma Jun to speak in Chicago as Scholl Visiting Fellow**

Ma Jun, the founder and director of IPE, will visit Chicago this month as a [Dr. Scholl Visiting Fellow on U.S.-China Relations](#). He'll deliver the ninth annual [Dr. Scholl Foundation lecture](#) on Thursday, November 16 at the Chicago Council, and will also speak publicly at [Northwestern University](#), and the [University of Chicago](#). In addition, Ma Jun will meet with Chicago thought leaders at universities, nonprofit organizations, businesses, and civic institutions with interest and expertise on US-China relations over the course of his visit from November 8 through November 20.

From mitigation and clean energy innovation, to adaptation and building community resilience, what will solve the climate crisis? In a new web series "[Solutions for a Changing Climate](#)" from the Skoll Foundation, the [Blue Map Database](#) and [app](#) are featured as an innovative technology to mitigate pollution and facilitate supply chain transparency.

Click [here](#) to see how IPE and founding director Ma Jun use public data to fight climate change!

[Also, check out the Global Water Forum's newly released feature article [here](#) on China's environmental pollution and the role of civil society in improving environmental outcomes.]

**POLICY UPDATES & RESOURCES**

**Policy Updates**

- [Standard for groundwater quality \(GB/T 14848—2017\)](#) (Chinese). Passed on October 14, 2017; goes into effect on May 1, 2018.
- [Regulations on import waste paper environmental management](#) (Draft for Comment) (Chinese). See [here](#) for the announcement by the Ministry of Environmental Protection requesting public comments (Chinese).

**Policy Resources**

- [Environmental Protection Tax Law of the P.R.C.](#) (English)
- [Soil Pollution Action Plan \("Soil Ten"\)](#) (Unofficial English translation)
- [Amendments to China's Air Law \(passed in August 2015\)](#) (English translation)
- ["Water 10" Action Plan \(issued in April 2015\)](#) (English translation)
- [Made in China 2025](#) (policy summary)
- [EU-China Environmental Governance Project Policy Resource Center](#) (Bilingual)
- [China Hazardous Chemicals Management Resource Center](#) (Bilingual)
- [China Law Translate](#) (crowd-sourced English translations of Chinese laws)

**RELATED NEWS AND REPORTS**

[The Hot Button Issue: Detailed matrix of viscose producer performance](#)  
--CanopyStyle,  
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October 17, 2017

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