

In March 2007, 21 environmental organizations joined together to launch the **Green Choice initiative**, calling on consumers to use their purchasing power to influence corporations and for brands to employ green procurement to improve their suppliers' environmental performance. Nearly ten years later, collaborative efforts have **pushed over 2300 suppliers in China to publicly respond to their violation records**. We're gratified to see these results -- but we know that there is still so much work to be done. Stay tuned in coming months as we collect public feedback to improve the [CITI index](#) and continue to seek deeper engagement from both leaders and laggards: because solving these problems will require all-around cooperation.

On behalf of IPE, we'd like to take this opportunity to extend our **best wishes to you and your family in the new Year of the Rooster**. We look forward to furthering our cooperative efforts this year to bring back blue skies and clear waters!

In this month's newsletter:

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More textile brands join collaborative efforts for supply chain environmental compliance: Primark, Esprit begin pushing polluting suppliers for corrective actions

Even with a number of persistent challenges yet to be fully resolved (see [this interview](#)), the textile industry continues to solidify its position as the leading industry for environmental management of its suppliers in China, with more brands joining in collaborative efforts. Most recently, two major brands -- Esprit and Primark -- began [actively pushing problems suppliers to openly address their environmental violation records](#) and to pursue record removal via verification of corrective actions. Both brands also supplied detailed screenings results to IPE to maintain an open channel of communication concerning their suppliers' progress.

And it's never too late to start, either. In early January, Sears Holdings Global Sourcing -- the company that handles sourcing for big American retailers Sears and KMart -- actively reached out to IPE to explore a cooperative relationship. Since then, IPE has had two calls with Sears to introduce how IPE's Blue Map Database can serve as a resource to manage supplier environmental compliance and discuss the role of the [Corporate Information Transparency Index \(CITI\)](#) as a green supply chain road map for brands. Sears Holdings has expressed its intention to consider regularly screening its suppliers against the 300,000+ records in the Blue Map Database. We look forward to seeing continued progress from Primark, Esprit, Sears and other brands. One thing is for certain: competition for the CITI Top 30 promises to be especially fierce this year.

Industry: **All Industries** | IT: Paper, Leather, Brewing | Textile: Diversified | Food and Beverage: Real Estate | Household and Personal Care: Automobile

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Seeking feedback toward the CITI 3.0 criteria and evaluation

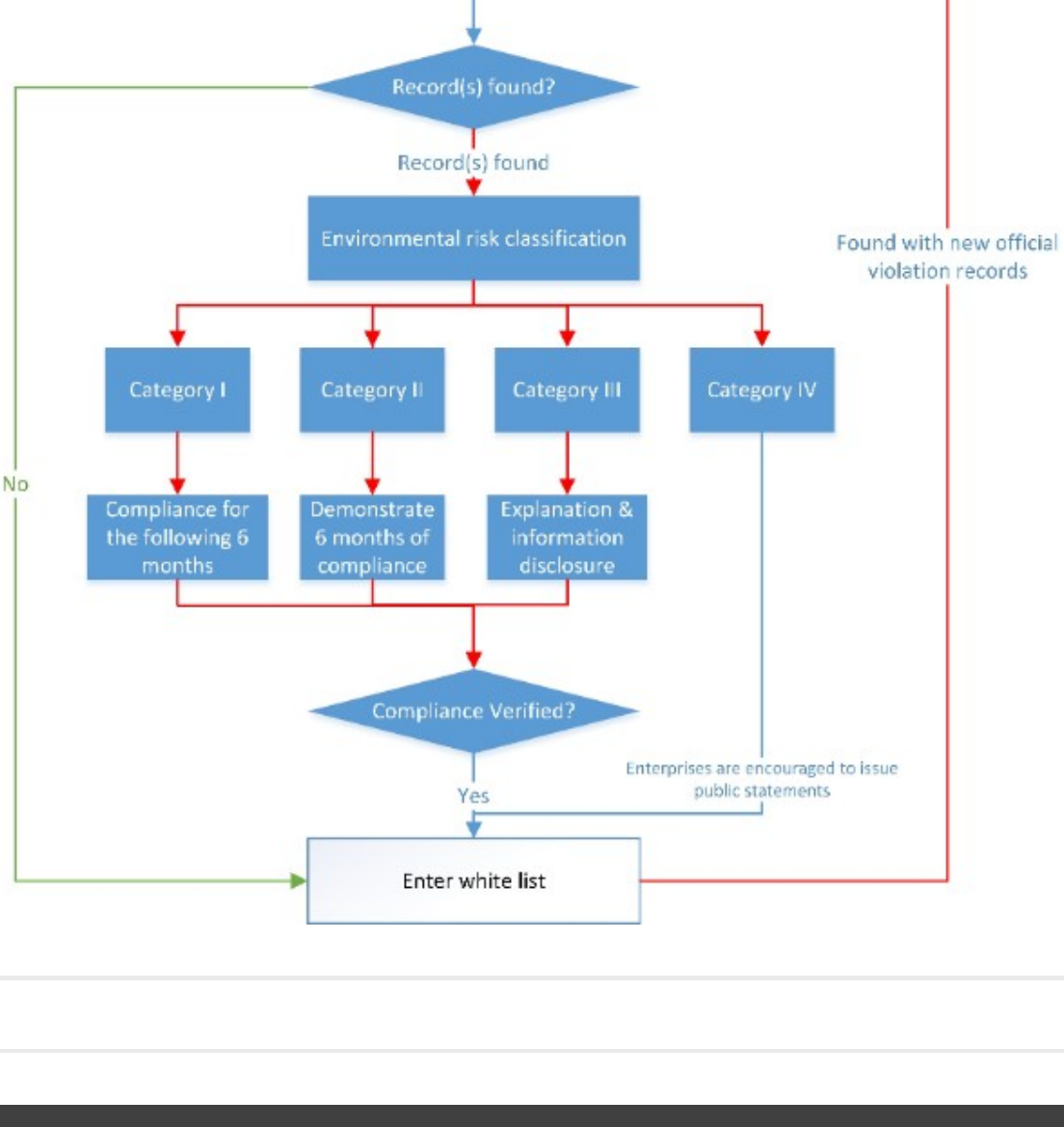
Since being launched by NRDC and IPE in 2014, the [Corporate Information Transparency Index \(CITI\)](#) has now moved to its fourth year of implementation. As such, we are looking to seek feedback on the CITI 3.0 beginning this month. So please prepare any comments, thoughts and other relevant feedback toward the CITI, as we will distribute feedback surveys to brands and experts soon! Please also feel free to send your ideas to us at ipe@ipe.org.cn -- we are happy to send additional survey questionnaires upon request. We look forward to receiving your feedback and to refining the effectiveness and applicability of the CITI as a tool for supply chain environmental management!

Real estate supplier "white list" seeking public feedback through March 7, 2017

Following the official release of the first [China Real Estate Green Supply Chain Initiative White List \(Draft for Comment\)](#) on January 7, 2017 in Beijing, public feedback is being sought toward three of the project's key procedural documents. Along with the White List, the Real Estate Green Supply Chain White List Standards (Draft for Comment) and the Appendix I: Heavy Emissions Control (Steel, Cement) Plan White List Evaluation Regulations (Draft for Comment) are all **seeking public comment for a period of two months lasting through March 7, 2017**. The documents can all be accessed for download on the project's website [here](#).

Key project data for steel and cement enterprises comes from [IPE's Blue Map Database](#). Different types of environmental records played an important filtering role during the evaluation process of determining which enterprises would make it onto the initial white list. The published documents clarify the identification criteria for determining whether an enterprise has no environmental violation records, the process for enterprises to issue explanations toward their environmental records and conduct follow-up verification, the mechanism for suppliers that do not partner with GSC enterprises to apply to be added to the list, the mechanism for removing enterprises from the white list, dispute resolution mechanisms and other important implementation processes.

Taking a heavy emissions enterprise (steel, cement) as an example, the process for screening an enterprise for admission to the white list is illustrated below.



Ma Jun in Ecotextile News: Focus on "zero" misses bigger picture in China

Featured below are excerpts from [an interview with Ma Jun](#), Director of the Institute of Public & Environmental Affairs, for the tenth anniversary issue of Ecotextile News, "the environmental magazine for the global textile supply chain."

Q: Has the Chinese textile industry made any significant environmental progress over the past decade?

MJ: As a major global textile supplier base, China has made significant progress. This is reflected in everything from disclosure of day-to-day records to online publication of real-time data -- China is the first country to achieve this. Transparency has shed light on what used to be quite invisible parts of textile manufacturing. Globally, it used to be very difficult for companies to work much on environmental supply chain management. It was a cat and mouse game that was hard to win. With data, China has taken the lead in helping companies identify problems and address them. This experience could be a helpful model for other supplier bases.

Q: Has the industry gone far enough? If not, why?

MJ: It's still not far enough. More needs to be done. The biggest problem is not about money or technology; it's about a lack of motivation. The cost of violations remains lower than the cost of compliance. And beyond that, enforcement is still weak -- due to the interference of local officials, enforcement issues have not been fully resolved. Despite all of the progress, there are still many brands who refuse to actually adopt green supply chains in their work. They continue to buy from the cheapest suppliers, which actually attracts suppliers to further lower environmental standards and cut corners to win their contracts. To solve the problem, the government, NGOs and the public need to continue doing their work. But local and global brands should not wait for others to fully solve the problem. They need to be part of the solution.

Q: What have been the most rewarding aspects of textile industry progress since setting up the IPE?

MJ: It comes down to raising awareness, engagement, and a sense of accountability. We've been able to raise awareness that this whole compliance issue has not been resolved. Then, we've not only helped to expose the problem but also to get a whole group of major global textile brands to commit to real, substantive environmental management of their suppliers in China. We've created solutions that take advantage of expansion of environmental transparency in China to help make this management more efficient and effective -- actually lowering the costs on a very large scale. It is rewarding to see that so many brands in the textile industry have decided to adopt our solutions, with some suppliers taking major corrective actions. In some cases, we have already seen these efforts significantly lower the pollution load on local water resources.

Q: And what have been the biggest disappointments and sources of frustration for IPE?

MJ: One of the biggest disappointments is that when we have so much data available that can help to easily identify the gaps, there are still brands who talk so highly about their environmental commitments but in the meantime refuse to face up to the problem. They brag about their standards, but when all of these "easy" problems are already identified, they refuse to face up to them. They remain part of the problem, rather than the solution.

[Check out the rest of the interview here >](#)

POLICY UPDATES & RESOURCES

Policy Updates

- [Environmental Protection Tax Law of the P.R.C.](#) (English) Passed on December 25, 2017; goes into effect January 1, 2018. A system of pollution taxes will replace the pollution fee system instituted in 1982.
- [Water Pollution Prevention and Control Law \(Draft\)](#) (Chinese) Approved by State Council for submission to NPC for first review, read English analysis [here](#). June draft for feedback can be viewed [here](#) (Chinese).

Policy Resources

- [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](#) (crow-sourced English translations of Chinese laws)

RELATED NEWS AND REPORTS

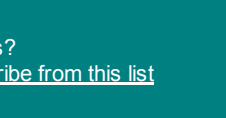
[More businesses must work with suppliers to curb climate change: study](#) -- Reuters, January 24, 2017

[Missing link: Harnessing the power of purchasing for a sustainable future -- Carbon Disclosure Project \(CDP\)](#)

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