Social Compliance Management and Twin Transition in Turkish Apparel Industry

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FLA / Webinar on Social Compliance Management

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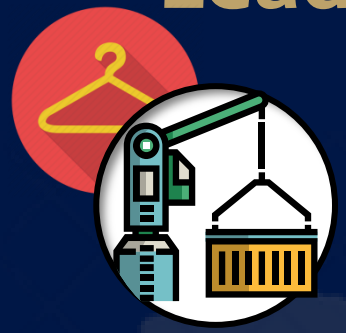
Presentation Outline

1. *Power of Turkish Apparel & Textile*
2. *Representative of Turkish Apparel: IHKIB*
3. *Transformation Agenda of Turkish Apparel*

Turkish Textile and Apparel Industry: Leading Sector in National Development



31,2 Billion USD Export

%6,7 of GDP (Total Production: 79 Billion USD)

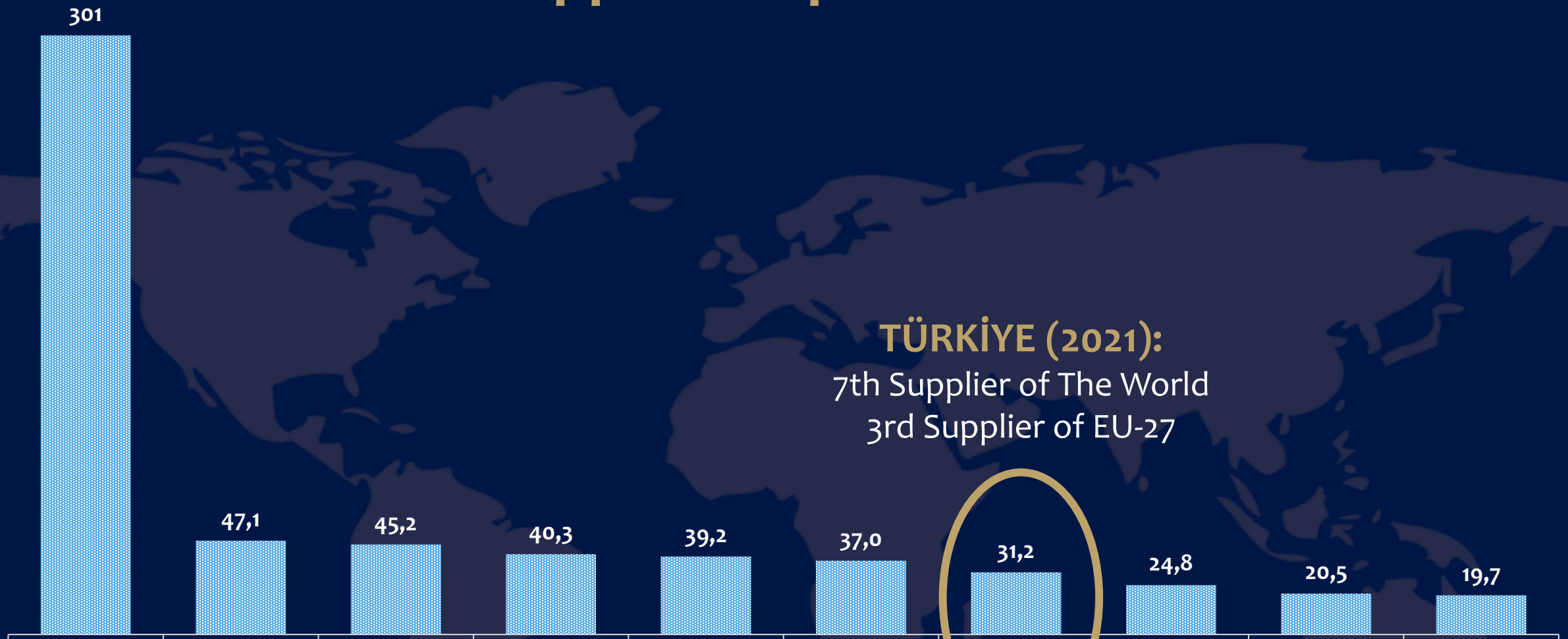
%14 of Total Exports

%14 of Total Industrial Production

1,2 millions of industrial employment *(more than around %50 share of women)*

Source: Various National Statistical Databases , 2021 figures

Textile and Apparel Export on a Global Scale



TÜRKİYE (2021):
7th Supplier of The World
3rd Supplier of EU-27

***Trade Map 2021 Data (Billion $)

Advantages of Turkish Textile & Apparel in a Changing World

R&D, Innovation and Design Ability

Flexible & Fast Production

Compatibility with EU Standards

Proximity to Europe & global tradehub

Full Package Production from fiber to final product

Advanced textile infrastructure & sub-industry

High Organic & Recycled Content

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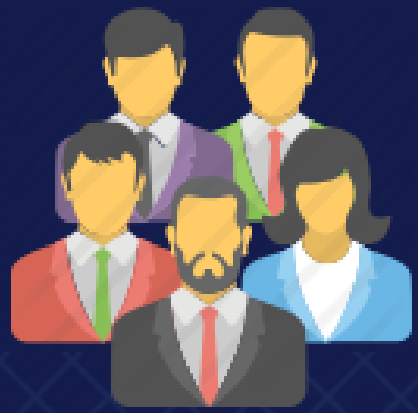
ESTABLISHMENT OF IHKIB

1978 – Turkey Apparel Exporters' Association

1986 – Istanbul Apparel Exporters' Association

+ 16.000 members



Share in Turkey's Apparel Export: +68%

Share in Apparel Exporters' Association's Export: +80%

Services of IHKIB

Enhancing the value-added apparel export capability of Turkish apparel:

components of mission

- *Representative of Sector (on National Committies, and in EURATEX, IAF, USFIA, AAFA, etc)*
- *Supporting exporters with projects funded by EU, Ministry of Trade, UN etc.*
- *Services for Members on Export/Import Operations*
- *Intermediary Body on Exporter Supports & Incentives*

Stronger with its affiliates;

Ekoteks Laboratory (1988)

İstanbul Fashion Academy (2007)

İHKİB Training Foundation (1998)

Fair Organization Inc. (2021)

Digital Transformation Center (2021)

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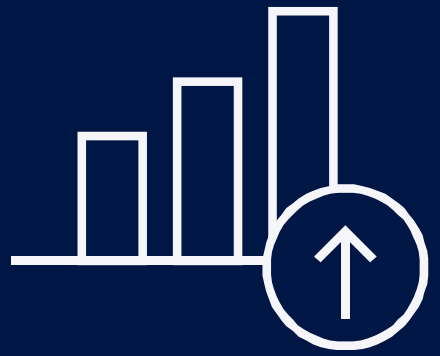
Sustainability Strategy of Turkish Apparel

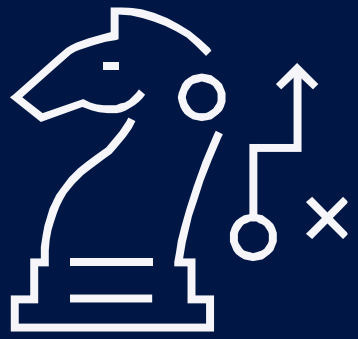
1. The transformation pressure brought by the Current Sustainability Framework

Analysing Strategies and Regulations



2. Turkish Textile and Apparel Sectors' Maturity Level

Maturity testing conducted to 251 exporter companies



3. Strategies, Actions and Policy Recommendations for the Sector's European Green Deal-Compliant Sustainability Transformation

transition agenda: 3 components
60 adaptation actions

Turkish Apparel

Sectoral Strategies and Action Plans

Within the framework of the UN / Sustainable Development Goals and the EU / Green Deal:

Sustainable Economy Action Plan (2020)	The goal of disseminating circular norms to all layers of the indsutry and supply chains has been set.
Fit for 55 Package(2021)	Collective arrangements in EU documents affectign sustainability in different sectors to reduce emissions by 55% by 2030.
The New European Industrial Strategy (2021)	EU envisages reaching the EU Green Deal goals by green transformation and digitalisation.
EU Textile Ecosystem	European Textile and apparel industry, while operating as the center of design and R&D, it outsources its Production in third Countries.

«The EU Strategy for Sustainable and Circular Textiles» was announced on 30 March 2022.

Some Results from Tier-1 Maturity Assesment

Having at least one up to valid compliance certificate

Regarding UN Sustainable Development Golas: highest contribution is on «Responsible Production and Consumption» and «Decent Work and Economic Growth»

Leading problem on traceability: collecting data through the chain

Duality between newly increasing sustainability demands of international brands and no reflextion of these demands on purchasing practices

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Transformation Pillars of Sustainability Strategy

1 Digital Transformation	2 Green Transformation		3 Social Compliance
Digitalization	Productivity and Emission Management	Circularity and Waste Management	Skills (Human Resource)
	Water Management	Chemical Impact	Due Diligence
Financing the Transformation	Financing the Transformation		
Supply Chain Management	Supply Chain Management		
Governance & Partnership	Governance & Partnership		

1 Digital Transformation

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Developing Digital Single Market Strategy

Digital Transformation Strategy and Roadmap

Ekoteks

Contributing Organic Turkish Cotton works with R&D oriented tests and analyses

İstanbul Fashion Academy – İMA

Developing new academic programmes for the digital transformation in design

Providing a strong & rich library for the academy

IHKIB Digital Transformation Center (DDM)

Providing consultancy and trainings by defining digital maturity levels

Developing prototype applications in design & Production with its high level technology infrastructure

Improving capacities at the sector regarding Social Compliance

EU/IPA II Project - Digital Transformation in Apparel Industry

Cluster Projects: Improving & Promoting Best Practices

CSR Component of Digital Transformation Project

Defining Service Packages regarding Different Compliance Levels:

BASIC

- Increasing CSR awareness
- Target Group; **Secondary Suppliers**

INTERMEDIARY

- Increasing CSR Implementation and Auditing Capacity
- Target Group; **Tier-1**

ADVANCED

- Improving CSR Management in Supply Chain
- Target Group; **Tier-1 and sub-suppliers**

Outcomes of the Project

SMEs received Social Compliance trainings: 100

Social compliance auditors are trained: 10

2 Green Transformation

Strategy Development & Lobbying	Awareness & Dissemination	Implementation & R&D
Lobbying globally (EURATEX, IAF, USFIA, AAFA, etc.)	*Improving best practices (pilot projects) on LCA and Carbon Footprint*	*Capacity Building Projects*
National Lobbying on Regulations & Incentives (esp. Renewable energy regulations)	*Guidelines & webinars / conferences*	*Factory based ISO 14064 - 14040 and 14044 implementations*
	Short-term trainings for professionals	*Networking Platforms & Events*
		Digital product passport system preparations

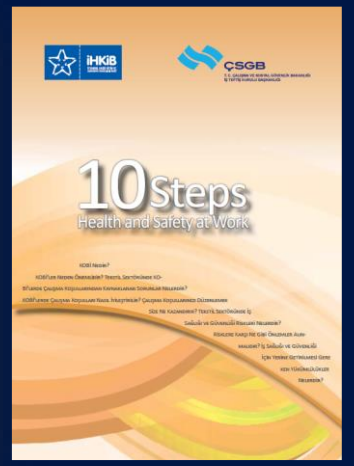
EU/IPA III Projects:
Circular Design Factory Project (planning phase)
Carbon Footprint Tracking and Reduction in the Industry (shortlisted)

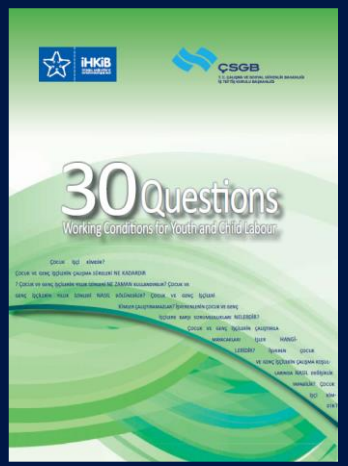
ISTKA (Istanbul Development Agency) / Carbon Management in Supply Chain

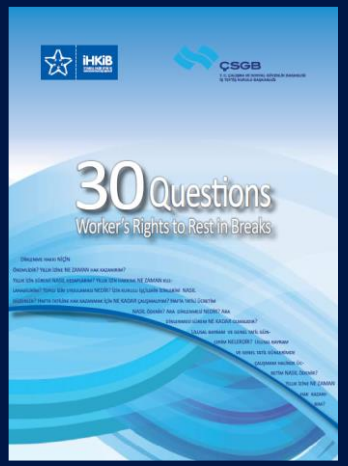
Cluster Projects: Improving & Promoting Best Practices

3 Social Compliance

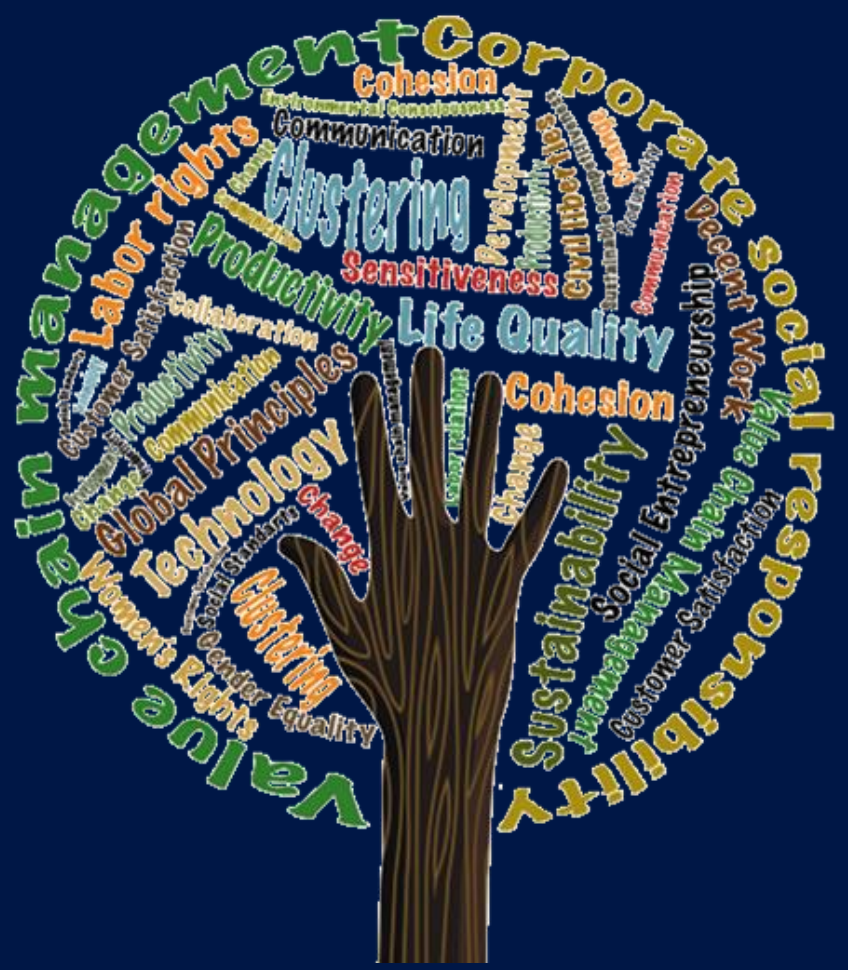
Governance & Lobbying	Awareness & Dissemination	Implementations
Positioning Turkish Export	*Improving best practices*	*Job Opportunities for Refugees*
National Lobbying on Regulations & Incentives (Short Term Salary Support etc)	*Guidelines & Booklets*	*Capacity Building Projects in Tier-1 and Supply Chain*
Membership & Collaboration with ILO, UNHCR, OECD, UNDP, FLA, Global Brands, etc	*Short-term trainings for professionals (certfication and on-site / applied content)*	*Ekoteks: EKS 308 and EKS 315*







Social Compliance Mentoring Programmes



EKS308: Corporate Sustainability Assessment & Improvement Programme by Ekoteks

Assessesment of social compliance, occupational health and safety, environment, and chemical management

Preparing reports for corrective actions, and certifying them according to their compliance with EKS 308 criteria

EKS315: Fight Against Pandemic Disease Programme by Ekoteks

Assessment of health conditions at production sites under extraordinary circumstances such as pandemics

Provision of anagement systems of the businesses by considering occupational health and safety, physical isolation, and waste management

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