

# Solidaridad

## MANAGEMENT RESPONSE

### EXTERNAL EVALUATION BETTER MILL INITIATIVE CHINA

#### ABOUT THE PROGRAMME

The Better Mill Initiative (BMI), launched in 2013, was initially a collaboration between Solidaridad and H&M. Since then other brands have become associated with the scheme, including C&A, Primark, New Look, Bestseller and Tommy Hilfiger. The programme's main focus was to make improvements in the textile wet processing industry in China and enable mills to achieve measurable improvements from a sustainability perspective, while analysing their return on investment. Using the technical knowledge of experts such as Huntsman, Sustainable Textile Solutions (STS) and Zhejiang University, the programme spanned seven impact areas: water and waste water, energy, air emissions, solid waste, chemical management and working conditions. It also aimed to strengthen the enabling environment and share experiences and best practice in order to promote sustainable production methods throughout the Chinese textile industry.

Since 2013, 43 wet processing factories have been supported and 675 improvement measures have been implemented. This has resulted in a total saving of 6.6 million tonnes of water, 7,200 tonnes of chemicals and 15.2 million kWh of electricity.

#### SOLIDARIDAD'S VIEW ON THE EVALUATION FINDINGS

##### RELEVANCE

Solidaridad is pleased to note that participating wet processing mills and brands still consider the programme and its approach to be relevant and consistent with their needs and priorities. In our view this reflects current developments in the global garment and textile industry, where there is growing interest in successful models and approaches that can improve the performance of textile wet processing mills. We agree with the recommendations made in the evaluation and acknowledge that the programme needs to be aligned with other initiatives in order to ensure that it remains relevant to all target groups as we continue with the programming and scaling of the initiative.

##### EFFECTIVENESS

We are encouraged by the finding of the evaluation that we can effectively promote sustainable practices in textile wet processing mills. We accept the recommendations and intend to incorporate these into the design and development of a potential next phase of BMI. Solidaridad acknowledges and endorses the conclusion that more progress and impact could have been made in the areas of outreach and communication. We note the potential for collecting and sharing best practices and materials developed with the wider textile industry.

The evaluation also concludes that the programme was not effective in strengthening the enabling environment. While Solidaridad appreciates the analysis carried out by the evaluation team, we feel that more progress has been made in strengthening the enabling environment than the findings reflect. For example, Solidaridad is founding partner of the Multi-stakeholder Advisory Council (MAC) in which the Better Mill Initiative was discussed and learnings shared with key stakeholders in the industry. We realize though that it is difficult to measure the impact of efforts made to strengthen the enabling environment and acknowledge that there is room for improvement and greater effectiveness in the future.

## **EFFICIENCY**

Solidaridad appreciates the analysis carried out and the recommendations of the evaluation with regard to efficiency. We recognize that there is potential to improve the efficiency of the programme's implementation as well as a need to reduce programme cost in order to enable scaling of the initiative. However, we also feel that efficiency should not be assessed solely by comparing the programme cost, particularly the spend per wet processing mill in BMI, with the market cost for a standard gap assessment offered by other parties. In contrast to the gap assessment made by other service providers, the assistance offered through BMI extends far beyond cleaner production gap assessments. The essential support and capacity building it provides to mills are vital for realizing improvements in performance and impact in the industry. Solidaridad feels that programme activities need to be co-ordinated and facilitated in order to ensure impact at industry level and guarantee that the support and guidance offered in the programme is of sufficient quality. Our experience in the garment and textile industry has shown that not all service providers are capable of delivering high-quality assessments and support. Consequently we are aware that in order to promote continuous improvement and ensure lasting change, we need to move beyond identifying gaps towards assisting wet processing mills to achieve genuine improvements in performance.

## **IMPACT**

The evaluation has highlighted positive outcomes with regard to impact and opportunities for scaling the programme. It is encouraging that all brands and retailers that participated in the evaluation wish to remain involved in the future. Solidaridad recognizes the importance of adjusting the programme's structure and approach to enable scaling and broadening of the Better Mill Initiative to include more factories and countries involved in the garment and textile industry.

## **GOING FORWARD**

The evaluation makes a number of important and valuable recommendations. Solidaridad acknowledges the need to change the design and approach of the BMI programme in order to achieve upscaling. Initial steps have already been taken to draft a potential next phase of BMI. A modular approach has been outlined to take into account different performance levels, to ensure that the programme remains relevant for all brands and factories involved. In addition, we have also started developing a web-based tool that will make it easier for factories to gain insight into their current performance, reflecting key developments in the industry such as the Higg index developed by the Sustainable Apparel Coalition (SAC). The tool is ideally positioned to provide factories with tailored guidelines and give them access to the best practices available so they can improve their performance.

In the coming year we will test and finalize the development of the tool and aim to further build a modular and performance level-based approach to build the capacity of textile and garment factories. We intend to include sector associations and local authorities in developing the approach and initial phase of the programme so we can fully utilize their networks to engage textile wet processing mills.

As part of our global learning agenda we will map effective approaches with a proven track record in all programmes implemented in the garment and textile industry. These best practices will be incorporated into a single coherent approach that will characterise Solidaridad's contribution to effective and efficient improvements in performance in factories worldwide. Furthermore, we encourage all stakeholders, and in particular similar initiatives to the Better Mill Initiative, to think with us in establishing more efficient solutions to deliver support and assistance to garment and textile factories.