

# Sustainability in the Textile Sector (STILE) II

## Background

Bangladesh is the world's second largest exporter of clothing and textiles after China. The textile and Ready-Made Garment (RMG) industry factories employ more than 4 million people - one of the country's most important sources of income.

Bangladesh has made considerable efforts to comply with safety standards.

International regulations regarding the transparency of supply chains and environmental standards have emerged and are being drafted, for example by the European Union (EU). The range of topics goes from a Digital Product Passport, enhanced durability, reusability and reparability of products, human rights and environmental due diligence in supply chains or waste management. The need for monitoring and transparency on water and energy consumption and efficiency efforts, chemicals management and reduction of Greenhouse Gas emissions grows.

## Objective

Public and private actors have implemented measures to modernize Bangladesh's textile and RMG industry in line with the sustainability requirements of the EU.

## Areas of intervention and envisaged activities

1. Policy level awareness and support of trade and environmental readiness
  - Supporting Ministry of Commerce (MoC) and its Export Promotion Bureau (EPB) in coordinating Stakeholder Dialogues and Inter-Ministerial technical discussion that lead to policy proposals
  - Drafting and validating policy recommendations that can be implemented through different stakeholders from public and private sector

Project name	Sustainability in the Textile Sector (STILE) II
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Commissioned value	7.3 million Euro
Project region	Bangladesh
Partner ministry	Ministry of Commerce (MoC)
SDG contribution	Gender equality (SDG 5), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9), responsible cities and communities (SDG 12)
Duration	July 2024 to June 2027





## 2. Export promotion and environmental protection

- Building capacities in the Export Promotion Bureau and the Department of Environment (DoE) in order to improve their regulatory and organisational performance.
- Providing new or improved digital tools for more effective monitoring and inspection to strengthen compliance with environmental standards and export processes
- Legal and policy instruments preparing the textile and RMG industry for EU sustainability requirements are drafted, discussed and introduced

## 3. Qualifying companies/producers for export and climate targets

- Identifying factories that want to produce for the European market (tier 1), or washing/dyeing units, mills from textile production or even yarn (tiers 2 and/or 3), and develop corrective actions to enhance their compliance with sustainability requirements
- Developing and implementing GHG emission reduction plans with selected exporting factories

## 4. Community based workers support with focus on gender equality

- Workers acting as voluntary community leaders reach out to their peers and address labor, human rights and gender equality issues through awareness raising events
- Counselling services and advisory is being developed and implemented on gender equality topics, including referral services for (sexual) harassment cases

## Approach

In order to achieve sustainable and structural results on a broad scale, the methodological approach focuses on interventions at policy, implementation and factory / community levels. These interventions are being implemented both with new and proven approaches from previous projects.

On the one hand, capacity development will enable state institutions to better fulfill their mandates, including digitally, and react to own and trade related requirements robustly.

On the other hand, private sector actors are supported through training and technical advisory services to gain more and better access to the EU market as well as implementing government requirements.

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