



INSTEP

IN Sustainable Textile and Apparel Parks

Stepping up the sustainable
production of industrial parks





Currently active in

Stepping up the sustainable production of textiles and apparel



Kenya



Vietnam



Ethiopia

INSTEP supports Industrial Parks to become a more attractive sourcing destination, by embedding sustainable business practices, increasing productivity and efficiency, and attracting investments.

The purpose of INSTEP

Corporate ESG accountability and data transparency is becoming increasingly important in the textiles and apparel industry due to increased consumer awareness and various upcoming legislations. Social and environmental performance are becoming a progressively important determinant of the competitiveness of textile and apparel manufacturers and industrial parks.

IDH's INSTEP (In Sustainable Textile and Apparel Parks) program is dedicated to embedding substantial and lasting systemic changes that make the textile and apparel industry more inclusive, resilient,

and responsible. INSTEP is a collaborative approach to step up the sustainable production of textiles and apparel via the scale of Industrial Parks, reaching multiple factories. With our Industrial Park Sustainability Assessment, we assess the social, environmental, and building safety performance of industrial parks and facilities. The assessment helps the parks and facilities in identifying opportunities for continuous improvement and allows them to highlight their best practices. Brands, investors, and other stakeholders can use the assessment to identify opportunities to provide support in remediation and interventions.

Why focus on industrial parks?

Industrial parks are a critical leverage point within the textile and apparel supply chain and enable access to shared facilities. Industrial parks have the unique opportunity to reach multiple units at once, enabling and accelerating lasting social and environmental impact at scale. Working together with partners, we have seen what impact can be achieved at factory level, reducing carbon emissions, electricity, and water use, and improving worker conditions and engagement. Now, we want to apply our approach on and collaborate with industrial parks to scale and accelerate impact.

Through our sector and industrial park platforms, we convene industrial park stakeholders like park managers, tenants, local authorities, buyers, and associations to collectively address shared challenges. Our approach reduces the need for individual factory level interventions, providing brands with transparency of what is happening at industrial parks. We drive systemic change within the textile industry and support brands' sustainable sourcing commitments, net zero goals, and the UN SDGs.

“In the context of growing corporate ESG accountability, the textiles and apparel industry faces increasing pressure to adopt sustainable business practices. With INSTEP, we recognize the pivotal role of Industrial Parks. By fostering collaboration between park owners, factories, buyers, local government and global stakeholders, we empower industrial parks, scale impact, and embed sustainable business practices in the sector.”

Pramit Chanda,
Global Director Textiles and Manufacturing, IDH

Our approach



Industrial Park Sustainability Assessment



Convening key stakeholders



Park level interventions



Data sharing and transparency



Better environment



Better jobs

Interventions of INSTEP

Our impact areas for better jobs and a better environment

Social



Occupational Health and Safety

Together with our partners, we assure a safe working environment for all workers in Industrial Parks.



Worker engagement

We promote worker engagement and dialogue through capacity building on financial literacy and skills development, and we improve the provision of worker services which makes the park an attractive place to work.



Women empowerment

In our work, we promote better jobs for women. We want to create a more equitable and safe space where women feel empowered to address gender-based issues, such as discrimination and gender-based violence.

Environmental



Energy

We focus on increasing energy efficiency and enabling the transition to renewable energy.



Water

We reduce water consumption, improve wastewater management and recharge water sources through groundwater restoration.



Chemical Management

We improve chemical guidance and chemical management systems (CMS). We do this through procuring green chemicals, safe handling, storage, and treatment. With that, we aim for zero discharge of hazardous chemicals and accelerate adoption of ZDHC standards and methodology.

Sustainable Chemical and Wastewater Management

Sustainable chemical and wastewater management is essential to addressing the global environmental challenges of the textile, leather and footwear industries. In industrial parks, individual facilities discharge their wastewater to a Central Effluent Treatment Plant (CETP), which re-mediates and treats the wastewater before it is discharged to the environment. "It can be challenging for the CETP operators to identify the pollutants in the wastewater of individual facilities. However, this is crucial to ensure an efficient and correct wastewater treatment in the CETP."

Together with the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation, INSTEP initiated a project in Ethiopia and Vietnam with a focus on improving sustainable chemical management in industrial parks following the ZDHC Roadmap to Zero Programme. There are currently 6 industrial parks in Ethiopia, and 7 in Vietnam that are participating in the project. With ZDHC approved training providers and industry experts, we engage with the industrial park staff and its facilities to build an improvement roadmap. "What we hope to establish is that the industrial parks build stronger relationships with its facilities, as information exchange and collaboration is needed to minimize environmental impacts." In this project, the combination of individual supplier capacity building, peer to peer learning and improving the collaboration on Industrial Park level will have greater positive impact at regional cluster scale.

Klaas Nuttbohm
ZDHC Implementation Director

Establishing worker co-operatives in industrial parks

In Ethiopia, industrial parks employ more than 60,000 workers, of which 90% are women. The average monthly income of these workers is less than \$35, including all incentives and bonuses. With this amount, workers struggle to provide basic goods and services, such as food, clothing or daycare. As the General Manager of the BLIP Cooperative, Yechalework Aynalem, elaborates: "This significantly influences their perspective for the future, since supporting their families is very difficult for these workers".

Through facilitating access to basic goods and services in workers' cooperatives in Ethiopia, Industrial Parks Development Center (IPDC), The Federal Cooperative Commission (FCC) and IDH started an INSTEP project to improve the workers' welfare, health, workplace relations and workers' retention. Currently, two cooperatives have been established at Bole Lemi Industry Park (BLIP) and Hawassa Industry Park (HIP), with a total of 13,000 members. Both these cooperatives combined supply discounted basic goods for 56,000 workers and provide saving services and additional income. Furthermore, the BLIP Cooperative offers daycare services to accommodate more than 150 children. With these workers' cooperatives, we help to improve the livelihood of industrial park workers in Ethiopia.

Wondwosen Zeleke
Program Manager INSTEP Ethiopia



Solar energy group procurement in Vietnam

In Vietnam, the textile and apparel manufacturing industry is responsible for up to 10% of the total energy consumed by all industries. Globally, the apparel and footwear industry has aligned around the main levers to decarbonize the supply chain which include efficiency, renewables and material substitution. The shift to renewable energy is recognized globally across industries as both necessary and impactful towards decarbonization. As Rob Hardison, Clean Energy Investment Accelerator (CEIA), affirms: “Within this industry, shifting to renewable energy through rooftop solar can supply a range from 5-50% of a manufacturing site’s electricity demand depending on the operating characteristics and location of the facility.” However, companies endeavouring to shift to renewable energy may be introduced to new financial and technical considerations that can appear daunting.

This is why IDH, Apparel Impact Institute (Aii) and CEIA collaborated in a project to develop and implement an aggregated rooftop solar procurement process together with 5 motivated, global brands, and 9 suppliers. In doing so we sought to bring down costs and instil confidence around renewable energy procurement. As a group, we developed a methodology, best practices and knowledge products (tools, templates, etc.) to guide apparel brands and suppliers through the renewable energy procurement process.

Rob Hardison
Clean Energy Investment Accelerator

Gender in Manufacturing Forum 2023

Textile and apparel is the third largest export sector and the most labour-intensive sector of the entire manufacturing industry in Kenya. The sector employs about 80,000 people directly and over 250,000 indirectly. It possesses the capability to swiftly generate substantial employment opportunities. While women are not explicitly excluded from the manufacturing industry, they remain both under-represented and under-valued. Over 70% percent of sector's workers in Kenya are women mostly engaged in lower -tier jobs.

As part of INSTEP's Sustainability for Competitiveness project in Kenya, the [Kenya Association of Manufacturers \(KAM\)](#) and IDH organized the Gender in Manufacturing Forum 2023. In this forum, a diverse group of stakeholders each shared their vision on how to accelerate women empowerment in the textile and apparel sector in Kenya. To highlight, KAM Women in Manufacturing (WIM) Program Chair – Mary Ngechu called on local manufacturers to adopt inclusivity and sustainability to give them a competitive edge in the global markets, saying, “Adopting globally acceptable standards, practices and policies is crucial in enhancing sustainability in the industry. Additionally, conducive legislative and institutional support by government in providing an enabling environment for unfettered growth in the adoption of sustainable practices is key. In doing so, we shall be able to access both local and international markets.”

In addition to our focus on gender-related initiatives, the INSTEP program works on several other environmental and social interventions to increase competitiveness, enhance sector governance, improve worker representation and advance environmental practices in textile and apparel manufacturing.

Caroline Ngumba
Program Manager INSTEP Kenya



Benefits for industrial parks

And why you should become a part of this



Address challenges with **local stakeholders** beyond the factory level.



Save costs by implementing more resource efficiency measures (energy, water, chemicals)



Become a **more attractive investment destination** by meeting ESG criteria



Increase competitiveness by meeting buyer ESG requirements, being a low-risk sourcing destination



Become a **favoured destination for factory tenants** within the industrial park.



Become a **preferred place for employment** due to increased employee satisfaction



Reduce the **carbon footprint**



Increase productivity through capacity building

Benefits for brands

- Deliver on commitment to responsible production practices and reduction of social and environmental impact on a larger scale
- Increase impact by addressing challenges that can only be solved on industrial park level (CETP, park level policies, energy solutions)
- INSTEP offers multi-stakeholder engagement and joint funding opportunities to accelerate impact
- The IPSA supports upcoming sustainability regulations including CSDDD and CSRD
- Measure baseline data and track progress on improvements made on industrial park level that apply to one or more supply chain partners

Contact us

We are looking forward to getting in touch with you if you want to collaborate with us as a representative of an industrial park or cluster, brand, supplier, government, or any other organization interested in INSTEP.



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