

Greening the Global Supply Chain: The Role of Information Transparency and Public Participation

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INSTITUTE OF PUBLIC & ENVIRONMENTAL AFFAIRS

OCTOBER 2015



IPE Established in 2006

IPE 公众环境研究中心
Institute of Public & Environmental Affairs

Home Pollution Map Green Choice Alliance IPE Notices Environment & Health IPE Reports

GREEN CHOICE:
GREENING GLOBAL MANUFACTURING AND SOURCING
绿色选择——推动全球生产和采购实现绿色转变

1 2 3 4 5

Pollution Map 污害地图
Click here to view environmental data from various regions in China. Our aim is to expand information disclosure to allow communities to fully understand the hazards and risks in their environment, thus promoting widespread participation in environmental governance.
more

Green Choice 绿色选择倡议
A coalition of NGOs promoting a global green supply chain by urging corporations to concentrate on sustainable procurement and the environmental performance of their suppliers. The GCA encourages consumers to exercise their purchasing power by making green choices.
more

IPE Notices IPE公告
2015.09.30
Enterprise Feedback - Panther Textiles Co., Ltd.
2015.09.25
Enterprise Feedback- Guangzhou Panyu Chuangxin Shoes Industry Co., Ltd.
2015.09.24
Ningbo Yunsheng Special Metals Material Co., Ltd--On-site Audit Conclusions
more

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Total Visits: 1 6 2 2 6 7 1 4

- Database now contains official environmental violation records for **210, 000+** enterprises
- Green Supply Chain project has pushed nearly **2000** factories to implement corrective actions

关于绿色选择

绿色供应链

绿色证券

绿色信贷

NGO伙伴

IPE Green Choice Alliance

If we do not pay particular attention to damage to the environment will not be able to face such a mutation in nature, more and greater disaster will come again.

关于绿色选择倡议

绿色供应链

绿色证券

绿色信贷

NGO伙伴

蔚蓝贷

当前位置: [绿色选择倡议](#) | [绿色供应链](#) | [供应商环境表现](#) | [供应商环境表现](#) | [问题解答](#)
查询

数据检索

下载Ferret软件, 提高检索效率

企业名称: 年份:

地区: 每页显示: 条记录

查询

[高级查询>>](#)

序号	企业名称	地区	年份	环境监管记录
1.	海口绿地鸿翔置业有限公司	海口	2015	查看
2.	海南南国食品实业有限公司	海口	2015	查看
3.	海南正强超越生化技术开发有限公司	海口	2015	查看

Typical Problems

Wastewater

- Discharge does not meet discharge standards
- Discharge through hidden discharge pipes
- Incorrect or incomplete permits

Air Emissions

- Emissions do not meet discharge standards
- Emissions control systems not run correctly
- Permitting problems

Solid Waste

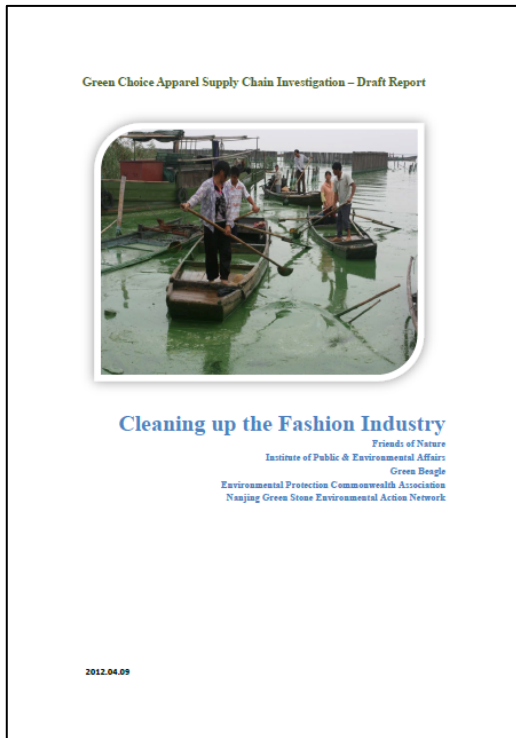
- Improper storage, treatment and transfer of solid waste

Typical Punishments:

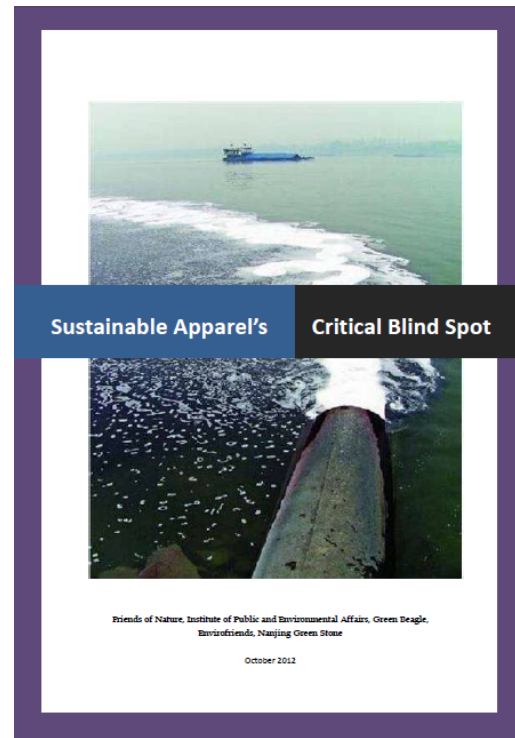
- Temporary closure of facilities or production lines
- Orders to complete corrective actions
- Fines

Textile Industry Investigations

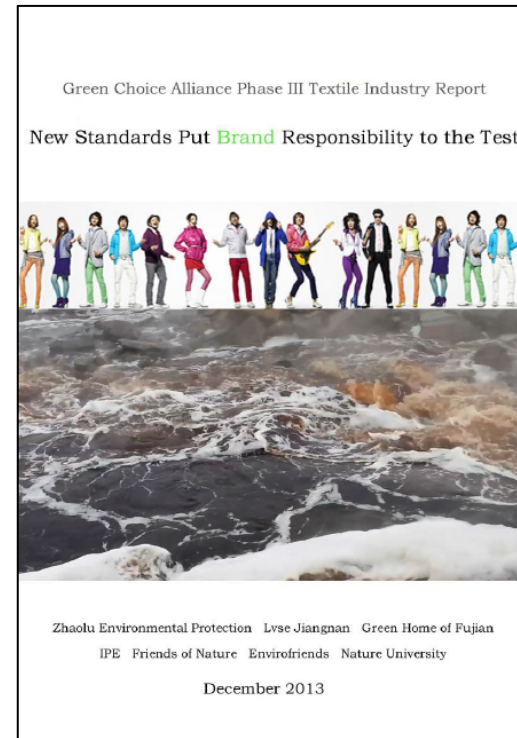
→ Series of reports focusing on such issues as the water intensiveness, management of main materials suppliers, implementation of discharge standards, and centralized wastewater treatment



April 2012



October 2012

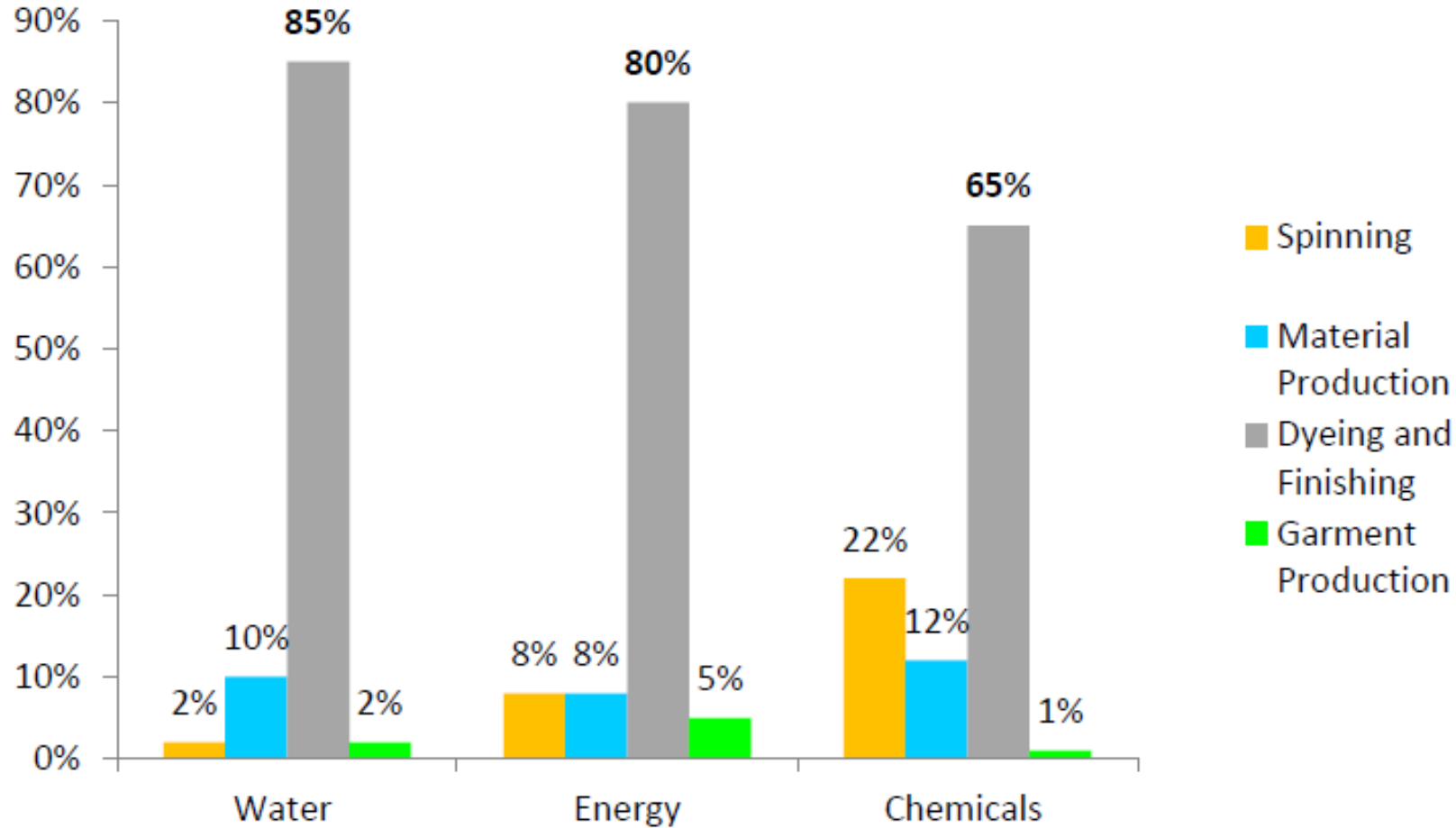


December 2013



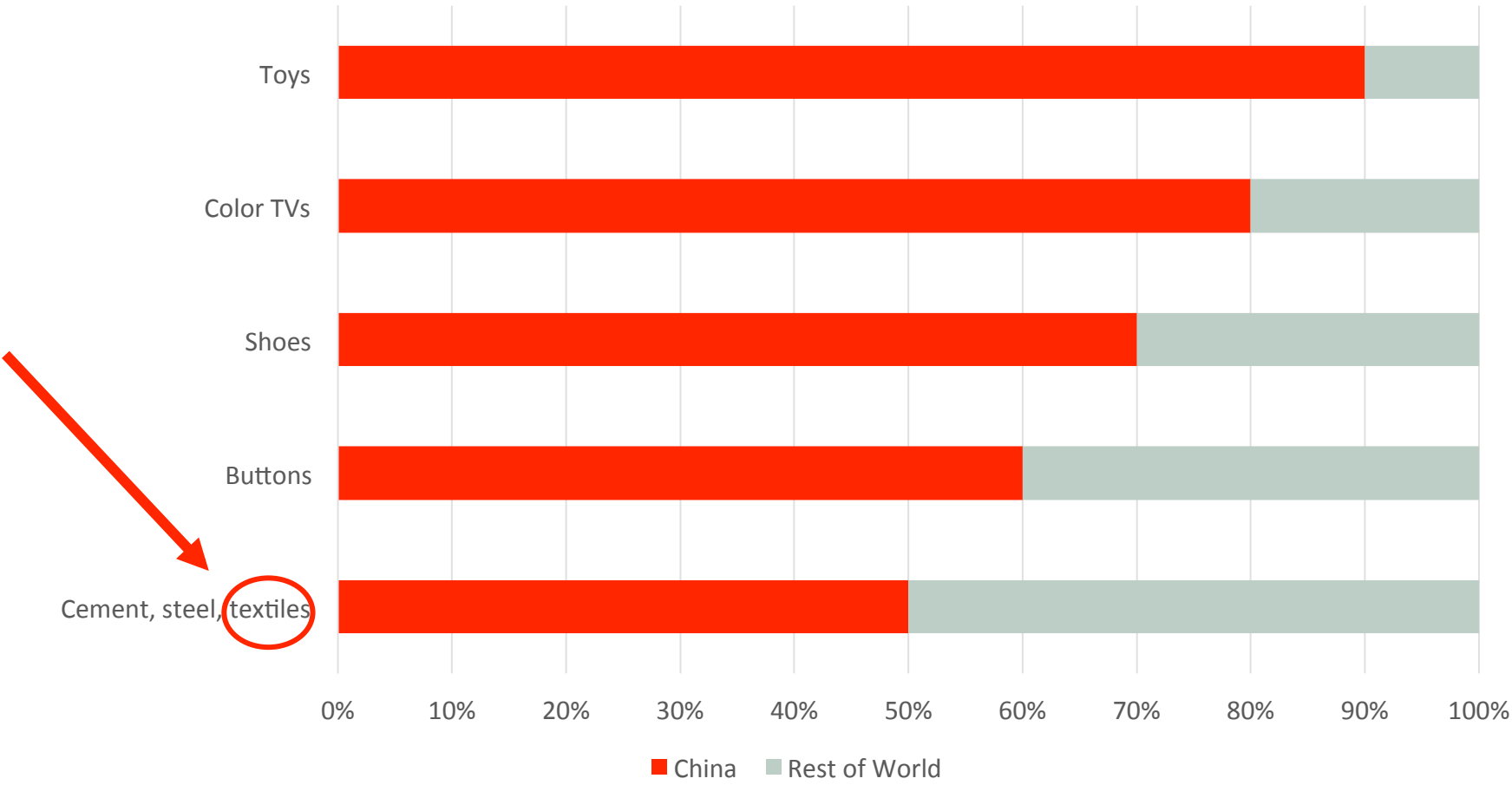
December 2014

Dyeing and Finishing Sector is Extremely Water-, Energy-, and Chemical-Intensive



China manufactures about half of the world's textiles

China's Contribution to Global Manufacturing of Select Goods



Source: International Trade Statistics 2013. WTO.

Manufacturing is contributing to pollution, but manufacturers are insufficiently engaged. Corporations need to be involved and more transparent.

Green Choice Alliance Founded in March 2007 by 21 eNGOs

Green consumption leads to green production and procurement

Number of participating eNGOs has grown to 50

- Proposes that consumers use their purchasing power to influence corporations
- Calls on brands to green their supply chains



2014: Release of the first **Corporate Information Transparency Index (CITI)** rankings of brands' supply chain performance

CITI : Scope of evaluation

Assess 160+ brands across nine industry categories



IT行业



纺织行业



食品饮料行业



日化行业



汽车行业



啤酒行业



纸制品行业



皮革行业



综合类

CITI: Areas of evaluation



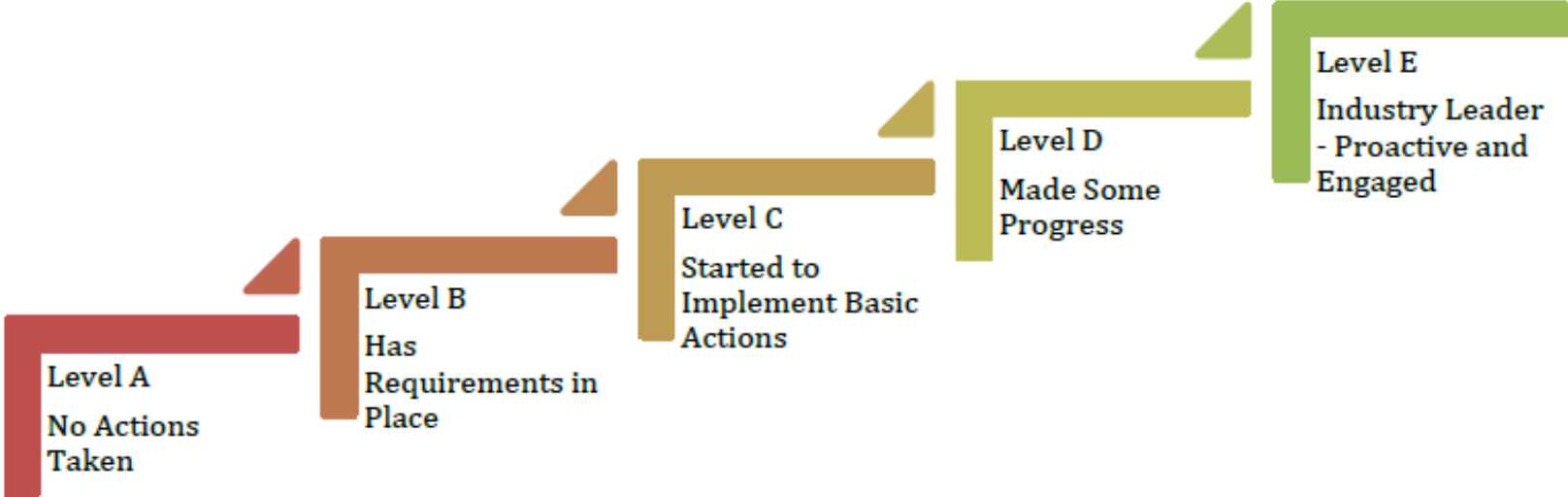
- 1) Engagement and responsiveness
- 2) Compliance and corrective actions
- 3) Extend green supply chain practices
- 4) Data disclosure and transparency
- 5) Responsible recycling

CITI: Areas of evaluation

指标	沟通与回应	合规性与整改行动			延伸绿色供应链		数据披露		责任回收	总分
	公共问责与沟通	建立供应商检索机制	推动供应商整改并公开说明	推动供应商管理排入集中处理设施的废水	识别并管理供应链中环境影响较高的供应商	推动供应商检索其上游供应商	推动供应商披露能源和气候变化数据	推动供应商披露污染物排放转移数据	建立废弃产品回收渠道并跟踪回收去向	
权重	12	12	14	10	14	8	10	12	8	100

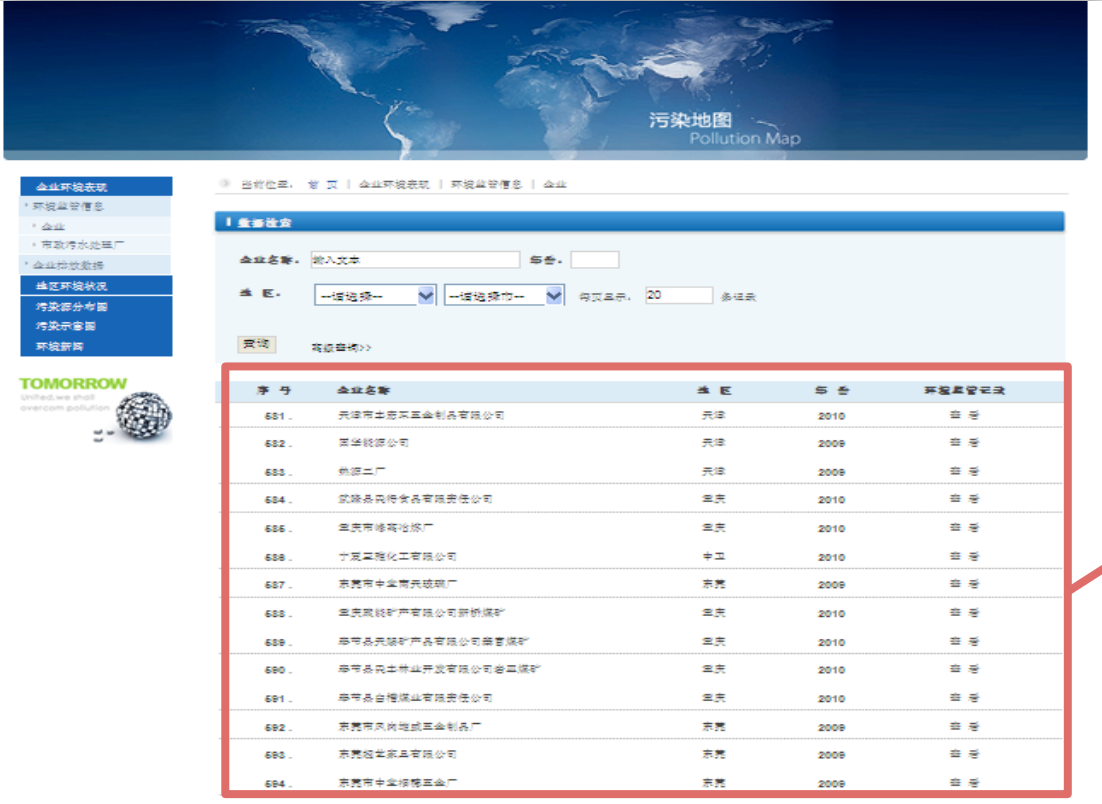
Criteria	Engagement and Responsiveness	Compliance and Corrective Actions			Extend Green Supply Chain Practices		Data Disclosure and Transparency		Responsible Recycling	Total Score
	Respond to enquiries and engage with the public	Establish a mechanism to screen suppliers for violations	Push suppliers to take corrective actions	Push suppliers to manage wastewater discharged to centralized treatment facilities	Identify, screen, and manage high environmental impact suppliers	Push suppliers to screen their own upstream suppliers	Push suppliers to disclose energy and climate data	Push suppliers to disclose PRTR Data	Establish recycling program and track used products	
Weight	12	12	14	10	14	8	10	12	8	100

CITI: Roadmap for Greening Supply Chains



Getting started: What companies can use

IPE violation database to screen suppliers



The screenshot shows the 'Pollution Map' (污染地图) website interface. It features a search bar for company names and a table of results. The table lists various companies, their locations, violation years, and environmental management status.

序号	企业名称	地区	年份	环境管理情况
631.	天津南志五金制品有限公司	天津	2010	正常
632.	天津德源公司	天津	2009	正常
633.	热河二厂	天津	2009	正常
634.	天津高特五金制品有限公司	天津	2010	正常
635.	天津市博瑞达厂	天津	2010	正常
636.	宁夏福隆化工有限公司	宁夏	2010	正常
637.	天津市中业南兴玻璃厂	天津	2009	正常
638.	天津市铁研产有限公司新桥厂	天津	2010	正常
639.	天津市铁研产有限公司曹庄子	天津	2010	正常
640.	天津市北林业开发有限公司曹庄子	天津	2010	正常
641.	天津市台博五金制品有限公司	天津	2010	正常
642.	天津市凤岗五金制品厂	天津	2009	正常
643.	天津德源五金有限公司	天津	2009	正常
644.	天津市中业博五金厂	天津	2009	正常

Over 210,000 environmental violations recorded

Getting started: What companies can use

Self-monitoring data from companies under special supervision

E.g. Zhejiang province's real-time information platforms shows self-monitoring data from state-monitored enterprises

浙江省企业自行监测信息平台

数据公开 单点查询 信息录入 统计报表

当前: [当前自动数据](#) | [当前手工数据](#)

污染类型: 行政区域: 查询:

数据类型: 查询时间:

序号	站点名称	二氧化硫 (mg/M3)	氮氧化物 (mg/M3)	烟尘 (mg/M3)	监测时间
1	苍南县宜嘉垃圾发电有限公司(苍南县伟明垃圾发电有限公司) 烟气排放口	10.500	224.880	36.520	2014-08-14
2	常山县南方水泥有限公司(原名浙江常山水泥有限公司) 老线排放口	-	678.217	30.780	2014-08-14
3	常山县南方水泥有限公司(原名浙江常山水泥有限公司) 新线排放口	0.517	386.383	15.270	2014-08-14
4	长兴新城环保有限公司 排放口	119.817	167.367	19.050	2014-08-14
5	慈溪金轮能源发展有限公司 烟囱	-			
6	慈溪中科众茂环保热电有限公司 烟囱	80.450	70.817	45.730	2014-08-14
7	德清绿能热电有限公司 总排口	98.818	323.172	18.910	2014-08-14
8	德清旺能环保能源有限公司 1号排放口	103.200	237.200	47.760	2014-08-14
9	德清县中能热电有限公司 总排口	149.520	361.560	39.140	2014-08-14
10	奉化热电有限公司 烟囱	-			

Compliance and Corrective Actions

Using third-party auditors to audit corrective actions



About GCA

▸ About Green Choice Alliance

▸ **Third Party Audit Organizations**

Green Supply Chain

Green Stocks

Green Credit

NGO Partners

TOMORROW

United, we shall overcome pollution



▸ Location: Green Choice Alliance | About Green Choice Alliance |

- British Standards Institution([off-site document review](#))
- ERM([on-site audit](#))
- Evergreen Bridge Environmental Consultants
- GOLDER([on-site audit/off-site document review](#))
- Greenment
- Guangzhou TUV Industrial Technical Services Company Ltd.
- Intertek China([on-site audit/off-site document review](#))
- SGS-CSTC([on-site audit](#))
- TUV-Rheinland ([on-site audit/off-site document review](#))
- URS([on-site audit](#))

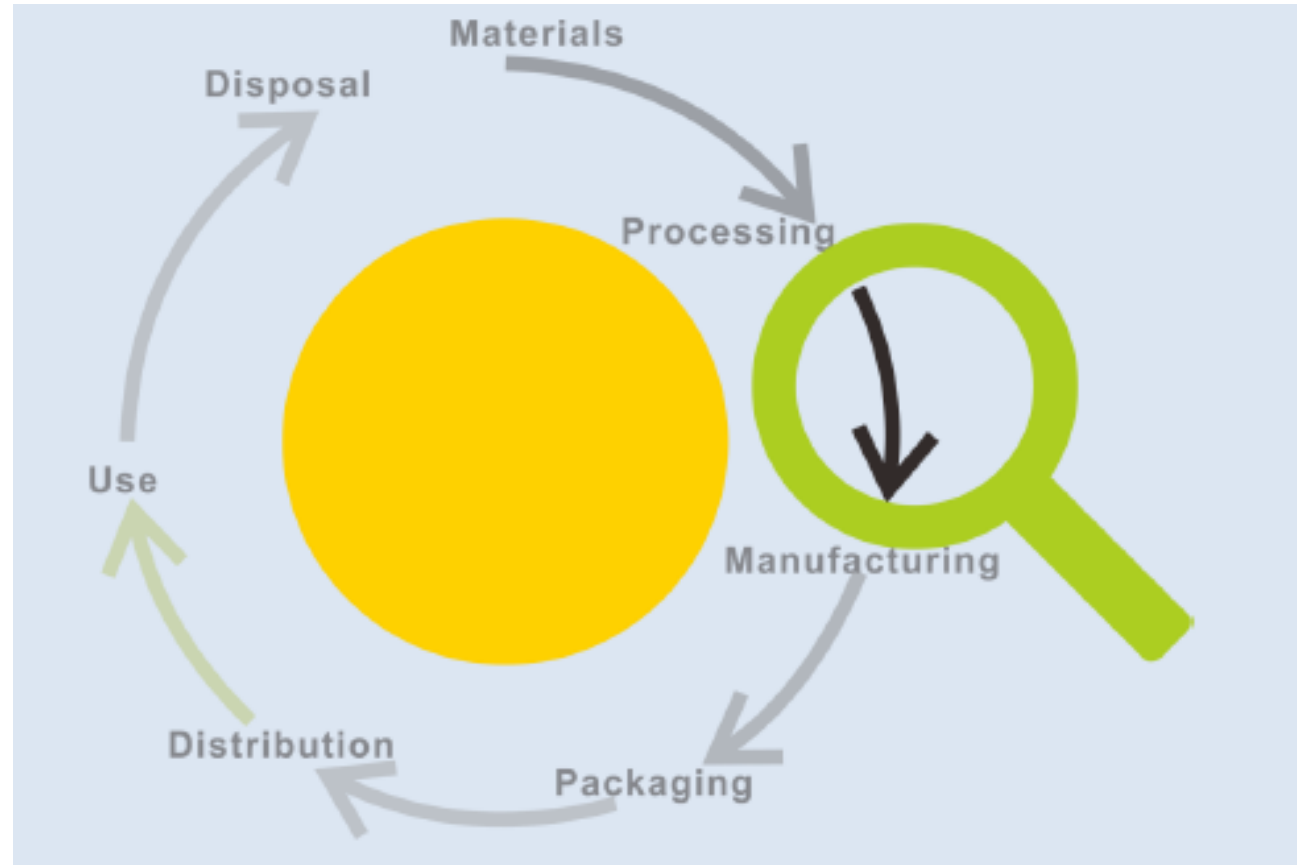
Compliance and Corrective Actions

Key features of the GCA audit process:

- 1) Creates a level playing field to stop global procurement's race to the bottom
- 2) Transparency based on publicly-available government-source data on polluters
- 3) Use of market-based independent auditors with NGO participation
- 4) Reduce multiple/repetitious audits and associated cost & fatigue
- 5) The power to work with the public

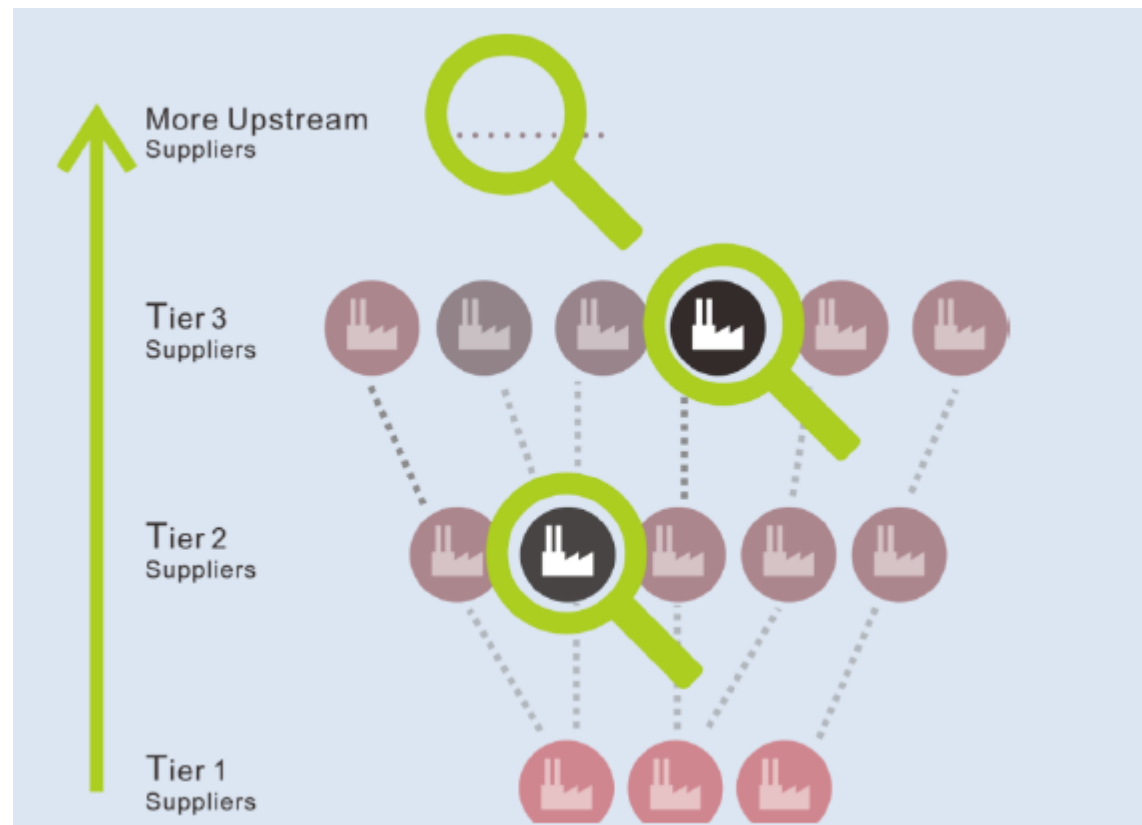
Extend Green Supply Chain Practices

Identify and focus on the heaviest-polluting sectors



Extend Green Supply Chain Practices

Brands push their suppliers to screen their suppliers, so tier one suppliers screen tier 2, and tier 2 screen tier 3 etc.



Data Disclosure & Transparency

Push suppliers to use pollution release and transfer register (PRTR) system to self-report environmental data, GHG emissions and energy consumption

<http://www.ipe.org.cn/en/pollution/dischangeprtr.aspx>



百硕电脑 (苏州) 有限公司

行业: 计算机、通信和其他电子设备制造业

地址: 中国 江苏 苏州 高新区 大阳路 20号-30号

所属上市公司: 上市地点: 台湾证券交易所 交易代码: 3189

数据年度: 2013

第一步: 请填写企业基本信息

第二步: 请填写基本指标的释放情况

第三步: 请参考环评报告和排污许可证, 在+号标记处填写基本指标外的污染物之释放情况

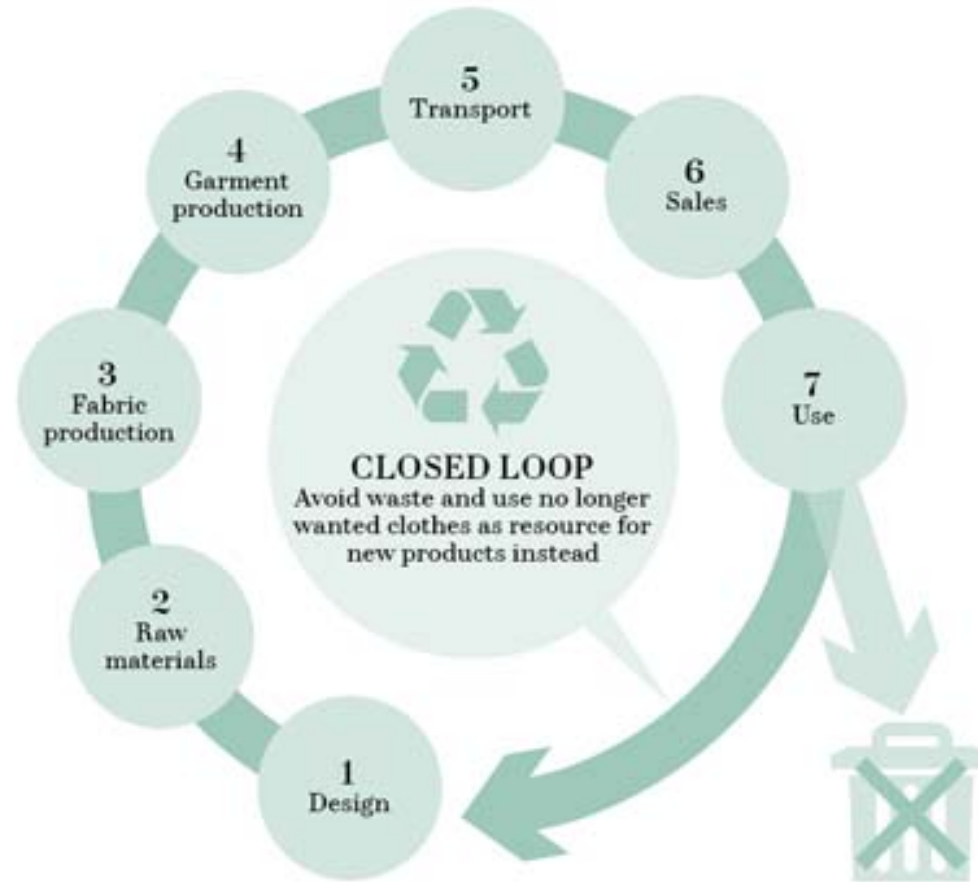
第四步: 若释放优先污染物, 请在弹出页面中勾选释放去向, 并在主数据表中填写其数值

废水中污染物											
是否有废水处理设施*											
是											
工业废水排放去向*											
苏州伟三污水处理厂											
生活污水排放去向*											
苏州伟三污水处理厂											
基本指标	CAS编号	当年排放和转移总量	数据来源	计算方法	提供方式	基本指标	CAS编号	当年排放和转移总量	数据来源	计算方法	提供方式
化学需氧量	N/A	213.16 吨	F	IV	企业填报	五日生化需氧量	N/A	0 吨	H	VII	企业填报
氨氮	N/A	15.04 吨	E	III	企业填报	总磷	N/A	110 千克	E	III	企业填报
石油类	N/A	156 千克	E	III	企业填报	酚类 (挥发酚)	N/A	0 千克	H	X	企业填报
悬浮物	N/A	54.02 吨	E	III	企业填报	阴离子表面活性剂	-	-	-	-	-
六价铬	-	-	-	-	-	硫化物	-	-	-	-	-
汞及其化合物	-	-	-	-	-	氟化物	-	-	-	-	-

Responsible Recycling

Encourage brands to establish a recycling program and track used products

For example, H&M is working to “close the loop on textile fibers”



CITI 2.0: Key Updates

- Greater focus on compliance and implementation of corrective actions
- Addition of indicator focusing on centralized wastewater treatment
- Data disclosure & transparency → remove focus on companies setting their own targets; replace with focus on data transparency and PRTR

Engagement & Responsiveness

(Formerly Communication & Follow-Up)

Respond to questions about environmental violation records	Communication on supply chain pollution problems	20
Respond to enquiries and engage with the public		

Compliance & Corrective Actions

Establish a screening mechanism to screen suppliers	Push suppliers to take corrective actions and disclose actions taken	Push suppliers to disclose self-monitoring data	32
Establish a mechanism to screen suppliers for violations	Push suppliers to take corrective actions	Push suppliers to manage wastewater discharged to centralized treatment facilities	

Extend Green Supply Chain Practices

Prioritize suppliers with significant environmental impacts	Push suppliers to screen their own upstream suppliers	20
Identify, screen and manage high environmental impact suppliers	Push suppliers to screen their own upstream suppliers	

Data Disclosure & Transparency

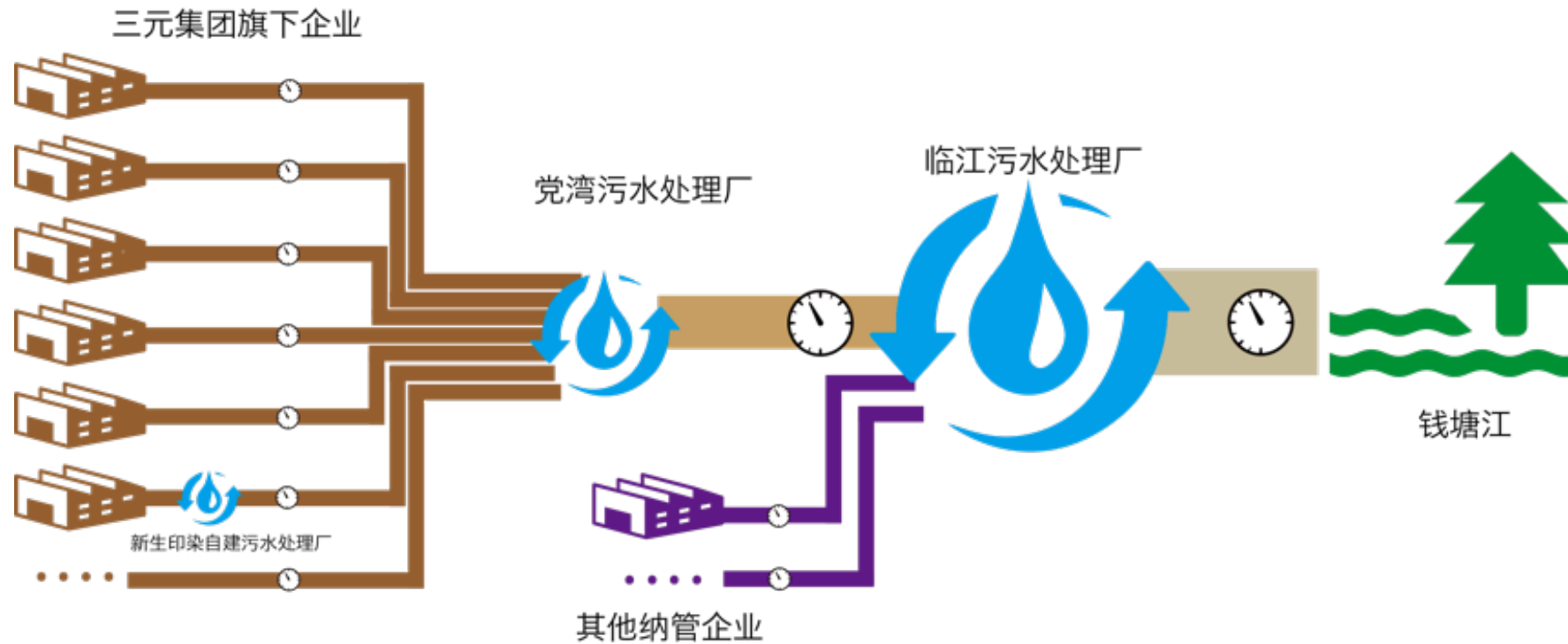
Push suppliers to disclose emissions reduction targets and accomplishments	Push suppliers to disclose PRTR data	22
Push suppliers to disclose energy and climate data	Push suppliers to disclose PRTR data	

Responsible Recycling (Formerly Recycling & Reuse)

Establish global recycling program and track the waste	6
Establish recycling program and track used products	

CITI 2.0: Centralized Wastewater Treatment

Push brands to take responsibility for wastewater discharged to centralized treatment plants



Example: Saintyear's Wastewater Discharge Flowchart

CITI Evaluation Criteria		Respon- siveness	Compliance & Corrections			Extend Green Supply Chain		Data Disclosure & Transparency		Recycling	Total Score	Ranking +/-
		Respond to Enquiries	Establish Screening Mechanism	Push for Corrections	Centralized Wastewater Treatment	High- Impact Suppliers	Push for Upstream Manage- ment	Energy and Climate Data	PRTR	Recycling Used Products		
No.	Brand	12	12	14	10	14	8	10	12	8	100	+/-
1	Adidas	12	12	14	2.5	7	2	7.5	9	0	66	+6
2	H&M	12	12	7	2.5	7	4	5	6	4	59.5	-1
3	Levi's	12	12	10.5	2.5	7	2	5	6	2	59	+12
4	M&S	9	9	7	2.5	7	2	5	9	2	52.5	+2
5	Wal-Mart	9	12	14	0	7	4	2.5	3	0	51.5	+4
6	Esquel	9	12	14	0	7	2	2.5	3	0	49.5	-4
6	Nike	12	9	10.5	0	7	4	5	0	2	49.5	+3
8	Uniqlo	9	12	14	0	7	0	0	0	2	44	+4
9	Puma	12	9	7	0	7	0	2.5	6	0	43.5	-4
10	Target	9	12	7	0	7	2	2.5	3	0	42.5	+1
11	ZARA	9	12	7	0	7	2	0	3	0	40	+3
12	Burberry	9	9	7	0	3.5	2	2.5	6	0	39	New
13	Gap	9	9	7	0	7	4	0	0	0	36	-10
13	C&A	9	9	7	0	7	4	0	0	0	36	-10
13	IKEA	9	12	7	0	3.5	0	2.5	0	2	36	+4
16	Esprit	9	6	7	0	7	0	0	0	0	29	-4
16	Li-Ning	9	6	7	0	7	0	0	0	0	29	-1
18	Mizuno	9	6	7	0	3.5	0	2.5	0	0	28	+5

19	Primark	9	6	7	0	3.5	0	0	0	0	25.5
20	Ann Taylor	6	6	7	0	3.5	0	0	0	0	22.5
21	JACK & JONES	9	6	7	0	0	0	0	0	0	22
22	Timberland	12	3	0	0	3.5	0	2.5	0	0	21
23	Toread	6	3	7	0	0	0	0	0	0	16
23	Tommy Hilfiger	6	3	7	0	0	0	0	0	0	16
25	Youngor	9	3	3.5	0	0	0	0	0	0	15.5
25	G-Star	9	3	3.5	0	0	0	0	0	0	15.5
27	The North Face	9	3	0	0	0	0	0	0	0	12
27	Lee Jeans	9	3	0	0	0	0	0	0	0	12
27	Carrefour	9	3	0	0	0	0	0	0	0	12
30	Disney	6	3	0	0	0	0	0	0	0	9
30	Calvin Klein	6	3	0	0	0	0	0	0	0	9
30	Benetton	6	3	0	0	0	0	0	0	0	9
33	Tesco	6	0	0	0	0	0	0	0	0	6
34	Lafuma	3	0	0	0	0	0	0	0	0	3
34	Sears	3	0	0	0	0	0	0	0	0	3
34	Kmart	3	0	0	0	0	0	0	0	0	3
34	Armani	3	0	0	0	0	0	0	0	0	3

34	Kate Spade	3	0	0	0	0	0	0	0	0	3
34	Next	3	0	0	0	0	0	0	0	0	3
34	Abercrombie & Fitch	3	0	0	0	0	0	0	0	0	3
34	Lafuma	3	0	0	0	0	0	0	0	0	3
42	HUGO BOSS	0	0	0	0	0	0	0	0	0	0
42	361°	0	0	0	0	0	0	0	0	0	0
42	Kappa	0	0	0	0	0	0	0	0	0	0
42	Guess	0	0	0	0	0	0	0	0	0	0
42	ANTA	0	0	0	0	0	0	0	0	0	0
42	Cortefiel	0	0	0	0	0	0	0	0	0	0
42	DKNY	0	0	0	0	0	0	0	0	0	0
42	Victoria's Secret	0	0	0	0	0	0	0	0	0	0
42	Macy's	0	0	0	0	0	0	0	0	0	0
42	J.C. Penney	0	0	0	0	0	0	0	0	0	0
42	Polo Ralph Lauren	0	0	0	0	0	0	0	0	0	0

CITI 2.0: Achievements & Gaps

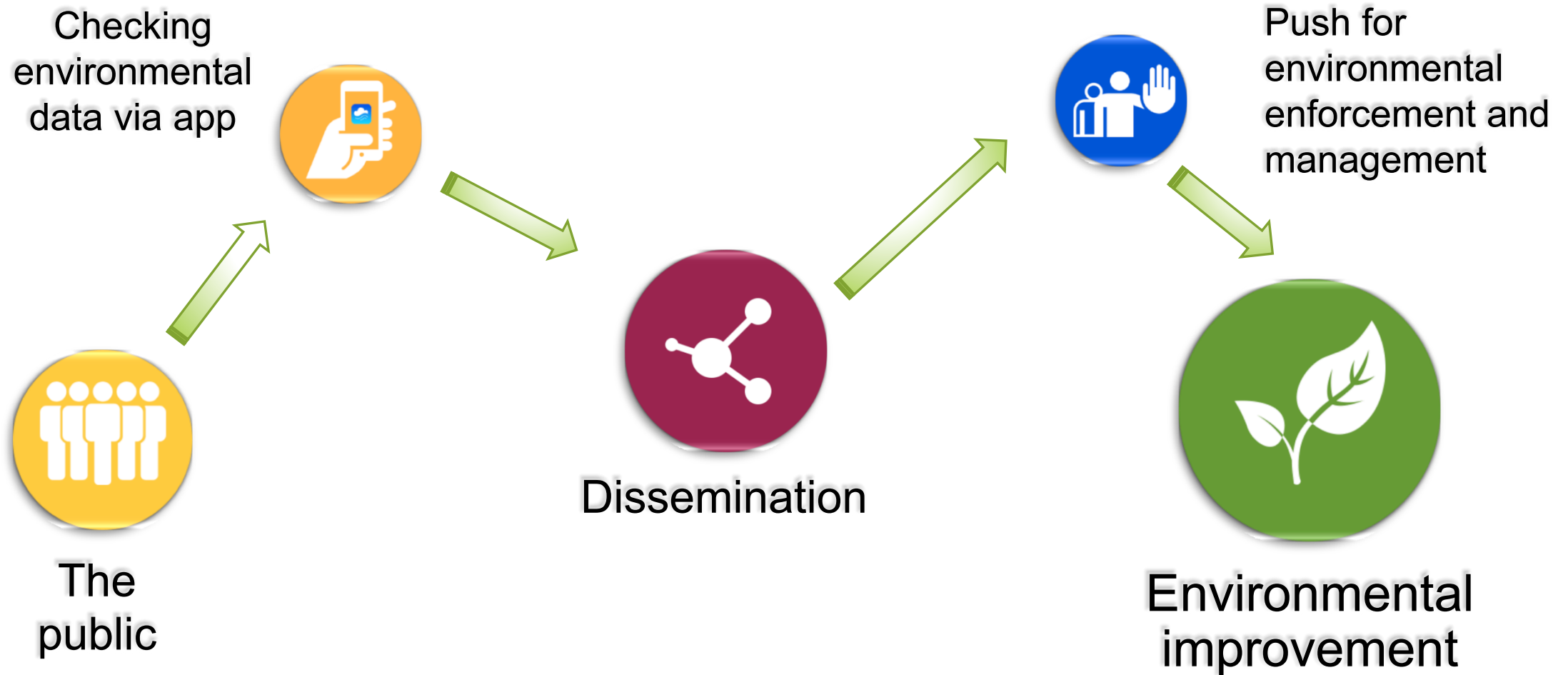
Positive Takeaways

- Green procurement greatly promotes pollution reduction
- Leading brands are cooperating to develop green supply chains
- Multi-stakeholder cooperation promotes social stability

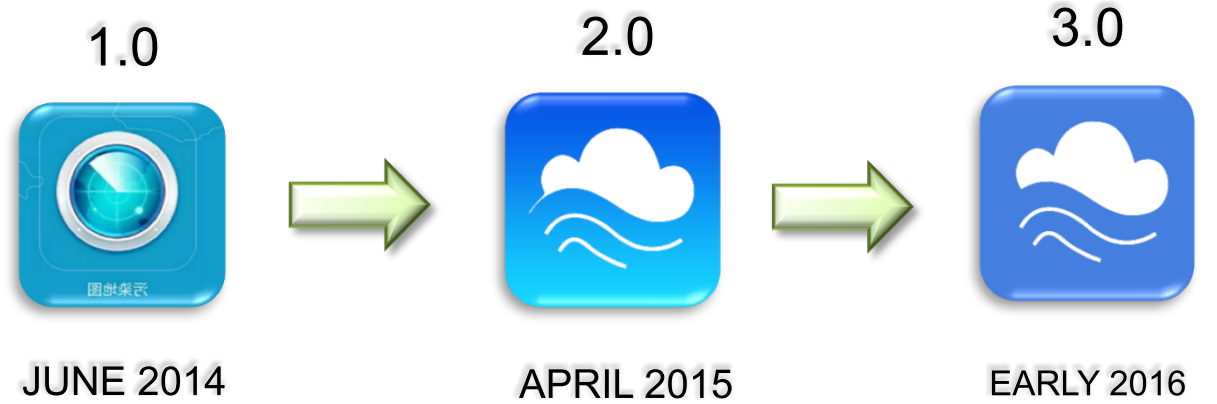
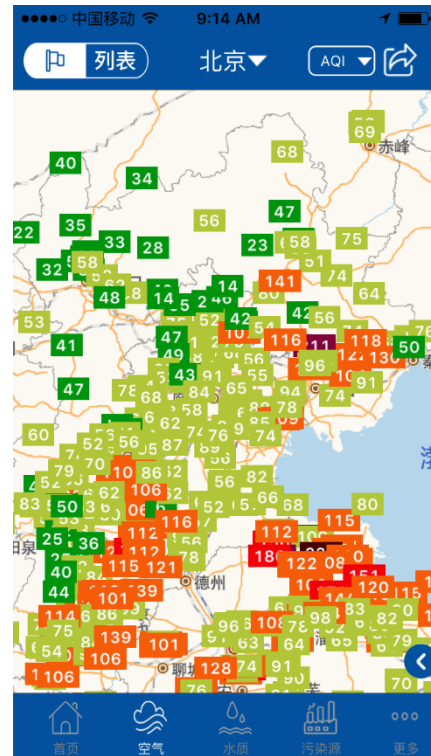
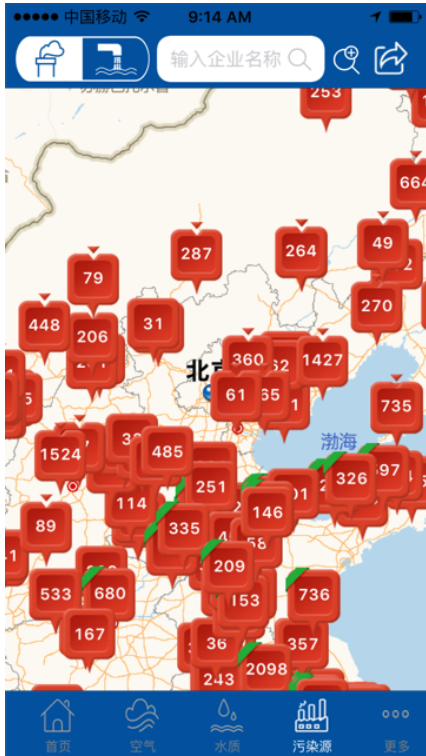
Key Gaps

- There still exist significant discrepancies in brands' implementation of green procurement
- Centralized wastewater treatment is a responsibility loophole in need of urgent attention
- Consumers have not yet actively expressed their opinions and choices

Use **new media** and **internet thinking** to drive **public participation** and **green consumption**



Public Participation: Blue Map App launched in June 2014

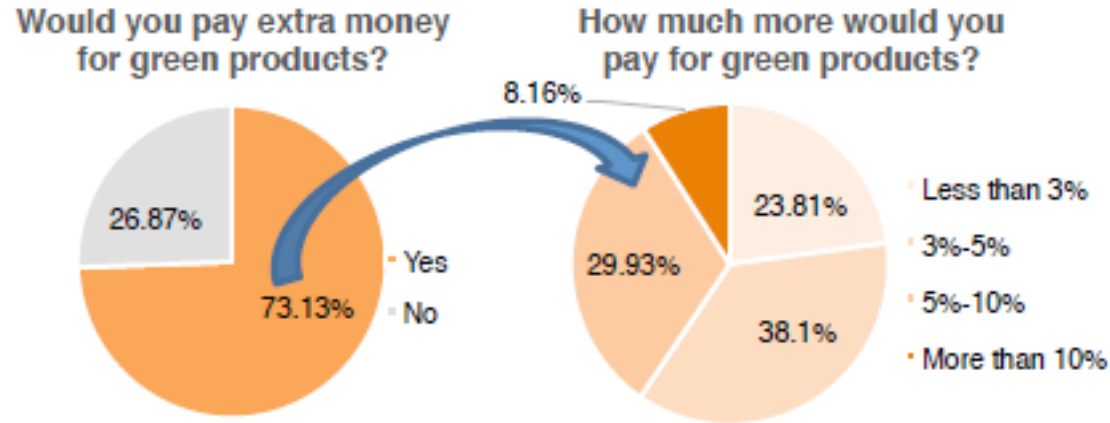


- Achievements:**
- 3 million+ downloads
 - Best App of iOS app store
 - 500+ factories have responded and taken corrective actions

→ Version 3.0 will integrate CITI information to promote green consumption

What is green consumption? Who are “green consumers”?

Respondents' Willingness to Pay



Source: China Carbon Forum survey, 2015

→ 73% of Chinese consumers are willing to pay a premium for “green” products



→ Media scare stories drive transparency among brands

Thanks for listening! Any questions?

