

# Labour and Environmental Standards in Pakistan's Textile Industry (TextILES)

## Context

The textile and fashion industry with its major clusters in the province of Punjab is Pakistan's most important branch of industry. It contributes approximately 8.5% to the country's gross domestic product and 54% of exports. Some 15 million people (around 25% of the workforce) are employed in this sector. The productivity in this industry is low compared to other countries in the region.

Until now, there has been little initiative for environmentally friendly growth. Large quantities of water, chemicals and energy are consumed in production. For the largely informal workforce, working conditions are characterised by poor occupational safety, low wages, lack of co-determination and lack of dialogue. The economic potential of women is hardly utilised. There is hardly any enforcement of the weak labour and environmental legislation. The private sector itself is virtually unaware of its responsibility for improving working conditions and the associated competitive potential. At the same time, demand from international buyers for sustainably produced textiles is increasing. Pakistan's textile and fashion industry faces a major modernisation process in which sustainable production is a success factor.

## Objective

The textile and fashion industry is oriented on sustainability; productivity, competitiveness and economic resilience are increasing. Public and private-sector actors increasingly pursue economic, environmental and social standards in the textile and fashion industry.

Project name	Improvement of Labour and Environmental Standards in Pakistan's Textile Industry (TextILES)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Country	Pakistan
Lead executing agency	Ministry of Commerce, Government of Pakistan
Duration	01.01.2021 - 31.12.2023



## Approach

The methodological approach is based on using synergies between social, economic and environmental sustainability. Each field of activity therefore comprises measures relating to these three sustainability dimensions.

In field of activity 1, the project improves cooperation between government and private actors to promote sustainability in production. The Textile Industry Sustainability Forum set up by the predecessor project is used for this purpose. Successful approaches to sustainable production are disseminated in sector networks.



*Pg. 1, Left: Unlike many other countries, there are only few women working in Pakistan's textile and garment industry, and mostly in the least skilled and paid steps of the production, e.g. in the clipping section.*

*Right up: With skill development initiatives, women are supported in becoming operators.*

*Right down: The majority of operators is male.*



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*Pg.2, Left: A considerable share of the global denim production is based in Pakistan. Alt: Pakistan is one of the biggest producers for denim bottoms.*

*Right: Cut, make, trim - The CMT business is a highly competitive subsector of the textile and garment industry. It is very labour intensive, but little value is added.*

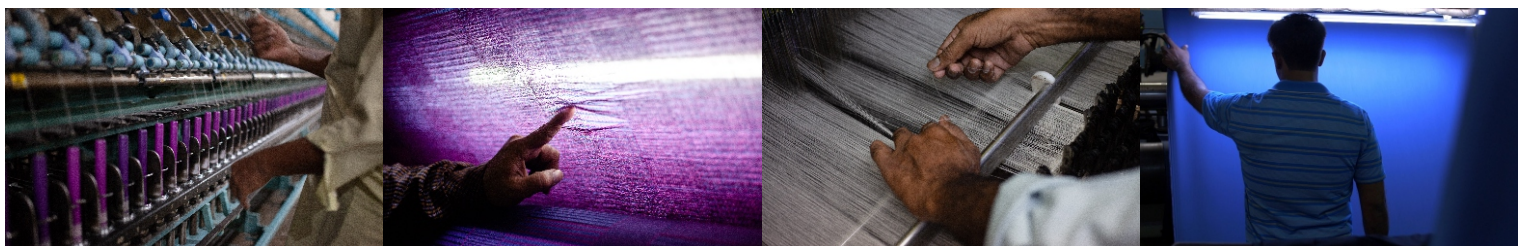
In field of activity 2, the project strengthens the capacities of the state actors of the province of Punjab responsible for monitoring compliance with labour and environmental legislation. With the Labour and Human Resource Department, change processes initiated in the previous project are being continued. Organisational development, enhanced digital information systems and a quality management system are helping to improve service delivery. The project is also advising the Environmental Protection Department on the analysis of environmental risks and the development of consulting services to mitigate these risks. In addition, the project is supporting the Environmental Protection Department in developing and piloting new instruments for monitoring resource efficiency. Field of activity 3 aims to expand the range of services for increasing sustainable production. Various service providers are empowered through technical and organisational consulting to develop and implement new services in the textile and fashion industry. This includes the development of tools for improved resource efficiency and chemical management training. In addition, the tried-and-tested change management method 'Dialogue for Sustainability' is being further developed and rolled out on a broad scale. Innovation competitions provide incentives for companies.

Field of activity 4 aims to promote employment and employability, especially of returning migrants, by the systematic use of sustainable production practices. This includes the integration of returning migrants, the further development and expansion of the DfS methodology, as well as the development and implementation of human resource strategies for cooperating companies.

## Gender and Diversity

For ensuring that the project effectively reflects diversity, gender perspectives and promotes women's empowerment, these considerations have been mainstreamed throughout the project. This started with the overall project design, covers the implementation as well as monitoring and evaluation, e.g. by including gender responsive data. The interventions are tailored to harness social and economic opportunities and inclusion for vulnerable groups, including e.g. single mothers, widows, transgenders, differently abled people, as well as returning work migrants.

The design of project activities is based on considerations regarding requirements for a conducive environment and the requirements to provide equal access to and utilization of support structures and services, in particular in the cooperation with the private sector. Textile partners have developed and started implementation of gender policies as an impact of gender based awareness initiatives.



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