

Purchasing Practices is on the rise and with it Sustainable Terms of Trade Initiative (STTI)'s reach in the industry

STTI welcomes two new members and now covers 11 manufacturing countries. Furthermore, the Initiative kicks-off their negotiations with talks with organisations representing brands and retailers.

The governing body of the STTI held its fifth global working group meeting held on Thursday January 27th, welcoming two new participants. From India, the Apparel Export Promotion Council (AEPC) joined and was represented by its chairman, Mr. Naren Goenka. From Egypt, new participant ECAHT was represented by its executive director Mr. Hany Kadah. As a result, now STTI brings together apparel industry associations from 11 countries which now include Indonesia, China, Vietnam, Cambodia, Myanmar, Bangladesh, India, Pakistan, Turkey, Egypt and Morocco.

Uniting behind the common goal of improving commercial compliance the initiative has published their white paper in September 2021. Now, driven by the push for application in the industry the global working group formally started talks with three major, globally operating organisations representing brands and retailers and that have the improvement of purchasing practices high on their agendas. These are the SAC, ACT and the Common Framework for Responsible Purchasing Practices (CFfRPP). It is STTI's goal to make plans of action with these organizations on commercial compliance, or in other words, agree on practical steps to improve purchasing practices between the members of the organization and the members of STTI. The necessity for this remains without question. Participants questioned "how we would contribute to the fairness of the industry if we don't have fair purchasing practices to begin with."

Out of this need it became clear that these groups aim at tangible improvements and prioritise the topic already. The STTI is ensuring that manufacturers globally are participating on an equal level and that their voice is an integral part of this work. Additionally, this reduces the ever-present danger of a fragmented and uncoordinated approach in the apparel and textile industry.

The coming year will see intensive work on impactful actions to improve purchasing practices. STTI's growth, its work with brands and retailers and the organisations that represent them and its prominent role in the OECD's Annual Forum (on due diligence in the garment and footwear sector) reflects the initiative's optimism that we are on the right track.

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The Sustainable Terms of Trade initiative, led by the STAR Network, the International Apparel Federation (IAF) and the Better Buying Institute and supported by GIZ FABRIC consists of 15 industry associations from 11 countries facing similar challenges regarding purchasing practices in the textile and garment industry. These are: API, Indonesia; VITAS, Vietnam; CNTAC, China; GMAC, Cambodia; MGMA, Myanmar; BGMEA and BKMEA, Bangladesh; AEPC, India; PHMA, PTEA, TMA, Pakistan; IHKIB and TCMA, Turkey; ECAHT, Egypt and AMITH, Morocco