Producer Responsibility Organizations should aggregate environmental improvements

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With the growing prevalence of Extended Producer Responsibility models has come Producer Responsibility Organizations (PROs) to service the collective needs of industry. Most PROs, however, focus on end-of-life services such as recycling or refurbishment services, reflecting their waste management/product stewardship roots.

But where does this leave producers with broader ESG commitments relating to other environmental metrics such as carbon emissions, chemical substances, water, and energy?

Meaningful environmental improvements difficult to implement alone

The challenge for many international product brands with sustainability aspirations starts with a knowledge gap in understanding what environmental gains are clearly achievable within limited technical and production improvement budgets.

Any yet these hurdles are similarly faced across industries and sectors - one silo at a time - without the information sharing and collaboration needed to fully aggregate environmental improvements.

Collective environmental change from point of production

New industry providers are responding to this disconnect, seeking to jointly identify, fund and scale environmental improvements from the point of production.

These initiatives create new industry best practices which can be scaled and adapted to various production facilities for measurable water, chemical substance and materials usage improvements. Best of all – these improvements are developed in the geographical locations where industry production occurs (and where competitors may share third party factory space), allowing for economies of scale with these innovations.

Joint renewable energy purchasing to also grow

Similarly, and no doubt more challenging, brand owners are seeking to lower the carbon emissions associated with the energy used in the creation of their products.

As many production facilities are in locations without easy access to renewable energy, there is a clear need for collective action to participate in the development of new infrastructure to support this energy transition – and the commitments in time and resources will need to be significant if brands are to meet consumer demands for truly low-carbon products.

Apparel & footwear industry as a model?

The apparel and footwear industry has suffered from the same disconnect between environmental aspirations and individual brand limitations, with few of the brand-specific pilot projects operating at scale or with the necessary heft to transform the industry practice. Organizations such as the Apparel Impact Institute (Aii), a collaboration of brands, manufacturers and industry stakeholders, has stepped in to identify promising projects within the apparel and footwear industry that have the potential to scale.

Aii then brings together the industry parties to fund, scale and measure the environmental improvements – and to socialize these innovations across the sector. Doing so supports each brand's ESG reporting, as well their public commitments and progress on, as well as its progress on SDGs and Science Based Targets initiatives. In this way, the apparel and footwear industry arguably creates the conditions for more meaningful sector collaboration on environment across the supply and reverse supply chains.

"Cradle-to-Cradle " PROs will emerge

In determining whether to enter into joint initiatives around production improvements, international brands will recall that many of them already participate with their direct competitors in another collective environmental initiative – the diversion and resource recovery of their end-of-life products, usually through a form of industry-led PROs.

More importantly, the direct relationship between the product design and inputs and the effective management of those products at end-of-life is undeniable. As such, it's beyond time that PROs align themselves with these point-of-production collective initiatives to create truly circular economy solutions for industries in need of quantifiable ESG improvements.

By

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