



**For immediate release 1pm, April 3rd, 2019**

## **Competitiveness through environmental sustainability**

### **Garment factory managers, solar companies & regional garment associations discuss potential for renewable energy in the textile and garment sector**

On April 3rd at Lotte Hotel in Yangon the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, the Myanmar Garment Manufacturers Association (MGMA), the EU funded SMART Myanmar project, and Swedish retailer H&M Group organized a conference and mini-exhibition on renewable energy solutions for the garment and textile industry.

The garment and textile sector is estimated to produce around 10 percent of global carbon emissions. The objective of the event was to explore the potential that energy savings and the usage of renewable energies in the supply chain have for both: competitiveness and market access as well as contributing to reduced Co2 emissions. Apart from sharing good practices throughout the region, 180 participants from factories, regional producer associations, solar companies and development partners discussed success factors and challenges on the way towards greater sustainability in the supply chain and learned about technological solutions and funding options.

Opening remarks were provided by Daw Khine Khine Nwe, Secretary General of the MGMA, as well as by Mr. Werner Lange, Cluster Coordinator GIZ Textile Cluster.

Representatives from H&M Group introduced H&M Group's global agenda to reduce the carbon footprint in its supply chain and encouraged participating suppliers to invest in energy efficiency, greenhouse gas reduction and renewables.

Solar companies Mandalay Yoma and Indigo Energy gave presentations and exhibited on their recent experiences installing rooftop solar on buildings in Myanmar. Among other projects, Mandalay Yoma recently completed solar photovoltaic installations on garment factories Golden Trogon and Diamond Class. These companies became the third and fourth factories in the Myanmar garment industry to install rooftop solar. Mandalay Yoma is currently working on further solar rooftop installations at two other garment factories in Yangon.

Boiler and steam systems experts also provided presentations and exhibited, with companies such as Forbes Marshall, Spirax Sarco and Myanmar Biomass Power represented. Forbes Marshall recently completed the installation of a one ton per hour capacity rice husk pellet biomass boiler at the Maple Trading Company garment factory in Yangon.

AYA Bank, who previously signed an MoU on promoting green finance with SMART Myanmar in January, presented on green finance and SME loan options for garment factories, especially to support more efficient boiler improvements and solar installations. The GIZ Project Development Programme, a project focused on solar energy, also presented their solutions for supporting factories in Southeast Asia in the installation of solar solutions.

SMART Myanmar, an EU funded project working on environmental and social improvements in Myanmar's garment industry, presented on the current energy mix used by garment factories in the industry. One of SMART Myanmar's senior technical advisors, Mr. Rajat Batra, from the environmental consultancy SUSTENT, gave an overview on important considerations factories

need to make when considering to install solar PV, solar thermal, rice husk pellet boilers and steam recycling systems.

In the afternoon, as part of their series “Asian Dialogues on Sustainable Production in the Textile and Garment Industry”, GIZ representatives facilitated and moderated discussions with visiting garment associations from Bangladesh, Cambodia, China, Pakistan and Vietnam. Discussions focused on sustainable production best practices that are already being achieved in the region and further needs in order to expand and accelerate energy saving and renewable technologies.

Quotes:

*"MGMA members are beginning to better appreciate the business value in saving energy. Yes, it's better for the planet to reduce energy consumption, but it is also necessary to stay competitive as a company. A factory with a steam recycling system, for instance, will reduce monthly operation cost and can invest that money for an even more sustainable future of the business."*

**- Daw Khine Khine Nwe, General Secretary, Myanmar Garment Manufacturers Association (MGMA)**

*"H&M Group is committed to have a climate neutral supply chain by 2030. To reach this goal we need to create collaborations to assist our business partners to improve energy efficiency and switch to renewable energy sources. Today's event is an important milestone to expand the dialogue on energy efficiency and renewable energy solutions for the garment sector in Myanmar in order to form the collaborations that enable actions."*

**- Felix Ockborn, Sustainability Manager, H&M Group**

*"The topic of today's event – renewable energy – is directly linked to the question if and to what extent smaller and medium sized companies can save costs, compete in international markets and fulfill brands requirements for sustainability. As GIZ, we are glad to drive the exchange of regional experiences on environmental sustainability and to contribute to improved knowledge on technological and finance solutions. The Asian Dialogues stand for joining forces for a strong and sustainable textile and garment production in Asia."*

**- Marc Beckmann, Project Director GIZ FABRIC**

*"Seven garment factories in Myanmar have installed, or will soon install, rooftop solar PV or solar thermal and several other factories have recently installed rice husk pellet boilers. This is good progress compared with a couple years ago. We organized this event because we are interested in seeing how we can learn from these experiences, accelerate, expand and normalize this switch to renewables."*

**- Jacob A. Clere, Team Leader of SMART Myanmar**

### About GIZ

The event was initiated under the GIZ4Business activities in Myanmar and presented the kick-off for GIZ's regional project 'Fostering and Advancing Sustainable Business and Responsible Industrial Practices in the Clothing Industry in Asia' (FABRIC Asia). It builds on the 'Social and Labour Standards in the Textile and Garment Sector in Asia' (SLSG) project, commissioned by the German Federal Ministry for Economic Cooperation and Development and implemented by GIZ. FABRIC Asia will build on the work of SLSG around upscaling successful sustainability practices in the textile and garment sector through regional dialogue, increasing its focus on all three dimensions of social, economic and environmental sustainability.

### About SMART Myanmar

SMART Myanmar is a project funded by the European Union and co-funded by the German Federal Ministry for Economic Cooperation and Development. With sequa gmbH as lead partner and the Myanmar Garment Manufacturers Association as the local implementing partner, SMART focuses on promoting the sustainable consumption and production of garments in Myanmar. SMART has consulted with, or trained, managers from approx. 250 garment and textile factories on various social and environmental improvements. The SMART project employs 12 local engineers who often work in cooperation with senior international experts to advise factories in Yangon, Bago, Mandalay, Patheingyi and elsewhere on boiler & steam systems efficiency, feasibility for solar energy, compressed air systems efficiency, occupational safety & health, and other topics.

### **For further quotes, photos or other information:**

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