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Pollution and disease: report reveals disastrous impact of the viscose giant behind high street brands

Retailers including Asda, Next and Burton (part of Arcadia Group) are continuing to source viscose from factories releasing toxic pollution into the environment, according to a new investigation into two factories in India and Indonesia. Air and water pollution from the viscose factories is likely leading to illness, environmental devastation and premature deaths according to first-hand accounts published today in the report, *Dirty Fashion revisited: spotlight on a polluting viscose giant* from Changing Markets Foundation.

Both factories are owned by Aditya Birla Group, a US\$50 billion global conglomerate headquartered in Mumbai. Aditya Birla Group is the world's biggest producer of viscose, with 20% market share and a supplier to major fashion brands. The company claims to be a leader in sustainability and has been [commended](#) for its environmental record on reducing deforestation in its supply chains. Viscose is the third-most-used fibre in the textile industry after polyester and cotton, and its use in clothing is increasing worldwide.

Aditya Birla Group's harmful practices were first highlighted in a report (*Dirty Fashion*) published in June 2017, which looked at the environmental impacts of a number of viscose producers. While some producers have recently taken action to address these problems, Aditya Birla has repeatedly refuted the report findings. In response, investigators commissioned by the Changing Markets revisited two of Birla's factories, one in Madhya Pradesh, India and one in West Java, Indonesia, to see whether the situation on the ground had changed.

The investigation found that conditions at the **Grasim Industries viscose plant in Nagda (Madhya Pradesh), India**, were "markedly worse" than a few months before. Findings include:

- More sites were characterised by visible and strong-smelling pollution, which had turned the water dark red.
- In October 2017, a major health incident resulted in the death of two villagers and left 60 others seriously ill. Locals linked the incident to pollution from the Birla site, although the company has denied the claims.

- An independent laboratory tested an air sample taken outside the Grasim plant and found that the level of carbon disulphide - a toxic chemical used in viscose production - was 125 times the World Health Organization (WHO) guideline value.
- People in communities surrounding the factory are suffering from serious health conditions, including cancer, tuberculosis, reproductive problems, birth defects and stomach disorders.

At the group's **Indo-Bharat Rayon (IBR) plant in Indonesia**, the investigation found:

- Locals report regularly witnessing evidence of illegal discharges into the river by IBR, usually at night-time or after rainfall.
- Independent laboratory tests of water samples showed that the river water around IBR's discharge pipe is extremely polluted and does not even comply with 'worst-in-class' Indonesian water quality standards, meaning it should not even be used for irrigation, let alone drinking or bathing.
- However, children were seen bathing in the contaminated water close to the discharge pipe, and farmers were found to be using the river water for irrigation and fish farming.

Natasha Hurley, Campaign Manager at Changing Markets, commented on the investigation: "Our investigation suggests that Aditya Birla Group is failing to live up to its sustainability claims. Brands buying from the company should look beyond the green spin to understand what is really happening on the ground, where local residents' and workers' lives are blighted by pollution on a daily basis."

Viscose has the potential to be a largely sustainable fibre, as it is made from plant matter and is biodegradable. However, manufacturing viscose requires hazardous chemicals, which can be deadly for people and ecosystems if managed badly.

Since the release of the *Dirty Fashion* report in 2017, Changing Markets has engaged with several brands and retailers and is today publishing a *Roadmap towards responsible viscose and modal fibre manufacturing*, showing how the industry can move in a more sustainable direction.

Inditex, H&M, ASOS, Tesco and M&S are today committing to incorporate the *Roadmap* into their sourcing policy. Changing Markets, along with a group of other NGOs, is calling on other brands and retailers to adopt the *Roadmap*.

Rob Harrison, Director, Ethical Consumer said: "It's disappointing to see that the world's biggest viscose producer is continuing to deny there is a problem when there is clear evidence of damage occurring in local communities. We call on downstream purchasers from Aditya Birla, from retailers to consumers, to put pressure on the company to commit to the new roadmap for responsible viscose production."

Paul Roeland from the Clean Clothes Campaign said: “This report again shows that the garment industry needs to take big steps towards a sustainable future. Only with full transparency along the supply chain, coupled with proper inspections, can this be moved forward. Due diligence on environmental and social protection is not an optional luxury but a fundamental duty of brands, suppliers, and investors, wherever production takes place.”

Call to action:

- **Aditya Birla Group** should:
 - Transparently report on its emissions levels to air and water, supported by third-party verification, which should include industry-specific parameters such as carbon disulphide and hydrogen sulphide – even if these are not required by national authorities. This transparency is needed for brands and communities to be able to evaluate the progress Birla is making towards achieving its commitment.
 - Hire an external auditor to investigate workers’ health and safety at its sites and provide recommendations. This auditor should also investigate any potential impacts on local communities and recommend steps to remediate these.
 - Establish an independent and transparent grievance mechanism for workers and local communities.
- **Brands and retailers** can play a very important role in the transformation process by clearly stating their expectations of clean viscose to manufacturers. For more information on this, see our *Roadmap towards responsible viscose and modal fibre manufacturing*.
- **The Indian and Indonesian governments** should set limits on industry-specific parameters in viscose fibre production and regularly inspect and monitor companies’ compliance with national emissions limits for air and water, and also waste-management regulations. They should also strengthen worker safety rules and their enforcement.

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About Changing Markets:

The Changing Markets Foundation partners with NGOs on market-focused campaigns. Our mission is to expose irresponsible corporate practices and drive change towards a more sustainable economy.

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