Fast fashion brands funding war in Ukraine

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RUSSIAN oil is being used to make clothing sold by some of the biggest global fashion brands, environmental campaign organisation Changing Markets Foundation has found.

Inflation is soaring globally in part due to Western sanctions on Russian oil.

But an investigation by the Changing Markets Foundation has found attempts by countries to impose financially damaging sanctions on Russian President Putin are being undermined by the fashion industry.

The report ‘Dressed to Kill - Fashion brands’ hidden links to Russian oil in a time of war’ lists 39 global brands that are buying polyester from two of the world’s largest polyester manufacturers, India’s Reliance Industries and China’s Hengli Group.

Direct links to these two manufacturers were found from Benetton Group, Esprit, G-Star RAW, New Look and Next.

The investigation found several other brands linked to Reliance and Hengli through their supply chains, including H&M, Boohoo, C&A and Nike, despite the brands’ significant lack of transparency and disclosure.

During Russia’s full-scale invasion of Ukraine, Reliance has increased the amount of oil it buys from Russia 12-fold; from €67.4m per month before the invasion of Ukraine to €829.4m per month by July this year, making Russia its biggest oil supplier.

Reliance is one of the world’s largest integrated producers of polyester fibre and yarn and owned by the second richest man in India. It has the world’s largest oil refining hub in Gujarat, northern India, where many workers are paid just a few dollars a day. The company has faced numerous allegations of corruption, environmental and human rights abuses.

The investigation shows the company is taking advantage of discounted prices of Russian oil, undermining efforts by the West to cut funding to Putin’s illegal war.

There is evidence that another key polyester supplier, the Chinese Hengli Group, is also purchasing Russian oil to make its polyester-based products. By May 2022 China’s imports of Russian oil had soared by 55 percent compared with a year earlier, and Hengli is known to have been purchasing discounted crude oil from Russia in recent months.

Still, dozens of fashion brands continue sourcing polyester from the two producers, which stands in contrast to their high-profile sustainability claims.

Cheap synthetic fibres, made from fossil fuels such as oil and gas, now make up 69 percent of all textiles and are to blame for the rapid rise in fast fashion which is ramping up the global waste crisis.
and microplastic pollution, according to the organisation. This figure is expected to skyrocket to nearly three quarters by 2030, of which 85% percent will be polyester.

Brands directly and indirectly buying synthetic fabric made by Reliance Industries and Hengli Group include a combination of luxury, high-street, fast fashion, sports, and low-cost brands and retailers, including: Boohoo, C&A, Hugo Boss, Benetton, Mango, Esprit, Primark, Target, North Face, Wrangler and Zalando.

Even though over 25 of the 39 (64 percent) of these brands have suspended or withdrawn their Russian operations after the invasion of Ukraine, through their reliance on synthetics they continue to contribute to the Russian economy, therefore indirectly funding the war.

Hengli Group was also found using oil from Saudi Aramco, and investing 20 billion USD to turn coal into polyester yarn. That means that major fashion brands are not only at risk of selling polyester made from oil from the world’s biggest emitter, but also from coal in the near future.

The findings illustrate how widely synthetic-based clothing is made from controversial fossil fuels, and why, as a pillar behind the destructive fast fashion model, it has to go.

It means consumers buying a new fleece or jumper this winter to save energy and avoid turning on the radiator might inadvertently be doing so with clothing made from Russian oil.

George Harding-Rolls, Campaign Manager at Changing Markets Foundations, said: “Just when you thought the fashion industry couldn’t be any more hypocritical with its greenwashing, our latest investigation has uncovered that some of the biggest high-street retailers are funding Putin’s heinous war on Ukraine through their growing reliance on the climate-wrecking fossil fuels.

“Fast fashion is founded on cheap fossil-fuel derived materials fueling plastic pollution and the climate crisis. Now for the first time we see another human cost of this dependence – buying synthetic clothing made from Russian oil is bolstering their economy during the heinous invasion of Ukraine. At a time where the fate of Ukraine hangs in the balance, I would urge these brands: stop using tainted polyester to help cut Putin’s purse strings.”

Anastasiia Martynenko, Head of NGO Zero Waste Society (Ukraine) shared, "The full-scale invasion of Ukraine by Russia made clear a cynical and naive dependency on fossil fuels. Using Russian oil and gas for the production of clothing is effectively supporting Putin’s bloody war. Brands must reveal their supply chains and immediately end the use of Russian or anybody else's fossil fuels and switch to safe, natural, sustainable materials and business models."

Vladyslav Vlasiuk, a sanctions expert working in the Ukrainian Presidential office said, “Sales of this plastic clothing are indirectly funding Russia’s illegal war. Any fashion company using these firms who buy discounted Russian oil need to change suppliers immediately.”

Livia Firth, Founder and Creative Director of Eco Age, said, “Fast fashion is fossil fashion, and this report now proves it beyond any reasonable doubt. In a moment in history when we are discussing net zero and divestment from fossil fuels, the fact that the fashion industry is addicted to synthetic fibres which are oil-based fibres, is a total paradox. These findings from Changing Markets should be a stark warning to both brands and consumers that fashion and climate change are inextricably linked.”

Maria Westerbos, Founder, Plastic Soup Foundation said, “We already knew plastic fashion was dirty. It contributes to climate change and is a risk to our health. Now we find out that it is funding
Putin’s illegal invasion of Ukraine. There is no such thing as clean plastic. Fashion brands need to get back to make quality fashion instead of throwaway fashion.”

Changing Markets Foundation calls for complete transparency from fashion brands with regard to the use of synthetic fibres, and commitment to phase them out with a 20% reduction set to a 2021 baseline in the use of fossil fuel-based materials by 2025 and a 50% reduction by 2030.

www.changingmarkets.org

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Notes to editors

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The Changing Markets Foundation partnered with Stand.earth and Zero Waste Alliance Ukraine on this report.

About Aramco:

Aramco is the state-owned Saudi Arabian oil and gas company. Aramco is the world’s largest corporate greenhouse gas emitter. It is estimated to be responsible for over 4% of the entire world’s GHG emissions since 1965. Aramco’s 98.5% owner, the Saudi Arabian government, has a long history of fighting efforts to tackle climate change.

The company is led by CEO Amin bin Hasan Al-Nasser and in 2020 Forbes reported its sales at $329.8 billion. In 2019, 1.5% of Aramco was listed on the Saudi Arabian stock exchange, raising $25.6 billion, and valuing the company as worth about $1.7 trillion - the largest company in the world.

It was estimated in 2019 that Saudi Aramco plans to produce and sell the equivalent of 27 billion tonnes of carbon dioxide between 2018 and 2030. This is an enormous amount, equivalent to 4.7% of the total “carbon budget” that the IPCC estimated the entire world had left in 2018 for a 50% chance of meeting the Paris Agreement’s 1.5°C goal. According to the IPCC, a 66% chance requires shrinking the global carbon budget by almost 30%.

Source: https://www.clientearth.org/projects/the-greenwashing-files/aramco/

Changing Markets Foundation:

The Changing Markets Foundation was formed to accelerate and scale up solutions to sustainability challenges by leveraging the power of markets.

Working in partnership with NGOs, other foundations and research organisations, we create and support campaigns that shift market share away from unsustainable products and companies and towards environmentally and socially beneficial solutions.

For more information visit https://changingmarkets.org/
About Stand.earth

Stand is an advocacy organization that brings people together to demand that corporations and governments put people and the environment first.

About Zero Waste Alliance Ukraine