As regulatory and consumer pressures drive up demand (and justify premium prices) for sustainable goods, so the commercial incentive to make fake sustainability claims will increase.

- **EC investigation**²: 59% of environmental claims had no evidence and 42% were deemed false or deceptive.
- **Fast Company**³: 68% of executives admit their company is guilty of greenwashing.
- **Survey**⁴: 78% of consumers believe that companies should be environmentally responsible and are willing to pay premiums for confidence in those claims.

At COP 27, Secretary General Guterres clearly stated that the UN has: “**Zero Tolerance for Greenwashing**”⁵. There is already a significant difference between consumer expectation and market behaviour. There are two plausible pathways out:

(Please list all relevant Sustainable Development Goals and targets that this project relates to)

1. **Project purpose**

   **Required**

   As regulatory and consumer pressures drive up demand (and justify premium prices) for sustainable goods, so the commercial incentive to make fake sustainability claims will increase.

   - **EC investigation**²: 59% of environmental claims had no evidence and 42% were deemed false or deceptive.
   - **Fast Company**³: 68% of executives admit their company is guilty of greenwashing.
   - **Survey**⁴: 78% of consumers believe that companies should be environmentally responsible and are willing to pay premiums for confidence in those claims.

   At COP 27, Secretary General Guterres clearly stated that the UN has: “**Zero Tolerance for Greenwashing**”⁵. There is already a significant difference between consumer expectation and market behaviour. There are two plausible pathways out:
The UN/CEFACT mission of “digital standards for sustainable supply chains” provides ideal positioning for this recommendation to nations that aims to make fake claims hard and therefore drive industry to compete in a “race to the top” where commercial motivations exist for stronger and strong evidence of sustainable products.

Building on UNECE Rec#46 which defined standard processes and data structures for textile & leather traceability & transparency and guided by principles in the VC white paper, this new recommendation will provide guidance for nations on scaling traceability, transparency and trust in supply chains so that unsustainable practices have nowhere to hide.


2. Project scope

This project will deliver a new UNECE recommendation document that will provide guidance to nations on the implementation of scalable supply chain traceability, transparency and trust frameworks that will enhance sustainability and resilience. The recommendation will be supported by detailed and specific implementation guidance for each stakeholder type that will of UN transparency protocol.

3. Project deliverables and 4. Exit Criteria

<table>
<thead>
<tr>
<th>Project deliverables</th>
<th>Exit Criteria</th>
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<tbody>
<tr>
<td>Policy Recommendation</td>
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</table>
5. Impact analysis

Please indicate how these project deliverables will affect trade facilitation policies and regulations. Please highlight any anticipated / tangible results achieved. Indicate how the results and impact can be evaluated after the project is completed.

Regulators: Combat greenwashing and uplift export market access.
Industry: Meet supply chain due diligence obligations for you and your customers.
Certifiers: Provide digitally verifiable trust of ESG compliance.
Software Providers: Empower your customers to participate in sustainable digitised supply chains.

Successful impact is measured by uptake metrics by each of the stakeholder categories above. The recommendation will seek commitment via a sustainability pledge and then will track successful implementations via a self-service implementation test & verification tool. Uptake targets are based on existing 100+ sustainability pledges received for the textile & leather traceability program.

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Implementations pledged / completed by years after publication</th>
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<tbody>
<tr>
<td>Year</td>
<td>2024</td>
</tr>
<tr>
<td>Regulators</td>
<td>10 / 0</td>
</tr>
<tr>
<td>Industry</td>
<td>50 / 5</td>
</tr>
<tr>
<td>Certifiers</td>
<td>20 / 1</td>
</tr>
<tr>
<td>Software</td>
<td>20 / 5</td>
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</tbody>
</table>

6. Project Team membership and required functional expertise

Membership is open to UN/CEFACT experts with broad knowledge in the area of:
- Supply chain sustainability & resilience.
- Verifiable Credentials & the web of trust.

In addition, Heads of Delegations may invite technical experts from their constituency to participate in the work.

Experts are expected to contribute to the work based solely on their expertise and to comply with the UN/CEFACT Code of Conduct and Ethics and the policy on Intellectual Property Rights.

7. HoD support
Required for Technical Standards, Business Standards and UNECE Recommendations. And at the request of the UN/CEFACT Bureau. A request for HoD support will be circulated to all HoDs in these cases. If you have verbal confirmation from specific delegations of their support, please list these here. 
Projects that require HoD support must obtain this within 6 months of Bureau provisional approval.

RU, IN, AU, CA

8. Geographical focus

The geographical focus of the project is global

9. Beneficiaries

Highlight relevance for sustainable and digital trade facilitation in developing and transition economies, and benefits to vulnerable groups (e.g. MSMEs and women-led businesses)


10. Initial contributions

The following contributions are submitted as part of this proposal. It is understood that these contributions are only for consideration by the Project Team and that other participants may submit additional contributions in order to ensure that as much information as possible is obtained from those with expertise and a material interest in the project. It is also understood that the Project Team may choose to adopt one or more of these contributions “as is”.

List any initial contributions:

This project builds upon work already completed by UNECE and partner organisations.

- BSP 22B based Supply chain JSON-LD vocabulary - [https://vocabulary.uncefact.org/](https://vocabulary.uncefact.org/)
- GS1 CBV & EPCIS 2.0 - [https://www.gs1.org/standards/epcis](https://www.gs1.org/standards/epcis)

11. Resource requirements

Participants in the project shall provide resources for their own participation. The existence and functioning of the project shall not require any additional resources from the UNECE secretariat.

Any additional request: Engagement of the Team of Specialists.

12. Proposed project leadership

(subject to Bureau approval)

<table>
<thead>
<tr>
<th>Proposed project lead:</th>
<th>Steve Capell</th>
<th>E-mail:</th>
<th><a href="mailto:Steve.capell@gmail.com">Steve.capell@gmail.com</a></th>
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<tbody>
<tr>
<td>Proposed Vice Chair:</td>
<td>Nurbek Maksutov</td>
<td>E-mail:</td>
<td><a href="mailto:maksutov81@list.ru">maksutov81@list.ru</a></td>
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<td>Proposed domain</td>
<td>Trade procedures</td>
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13. Milestones (repeat for each deliverable, if different)
The following are draft milestones of the project.

<table>
<thead>
<tr>
<th>ODP Stage</th>
<th>Expected Completion Date</th>
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<tbody>
<tr>
<td>Yes</td>
<td>Project Inception</td>
</tr>
<tr>
<td>Yes / No</td>
<td>Requirements gathering</td>
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<tr>
<td>Yes</td>
<td>Draft development</td>
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<td>Yes / No</td>
<td>Public Draft Review</td>
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<tr>
<td>Yes</td>
<td>Project Exit</td>
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