

# Transparency and Traceability for Sustainable Value Chains

Accelerating action for Sustainability in the Garment  
and Footwear Industry

**Maria Teresa Pisani**

09I 04 | 2019, Geneva, UN/CEFACT Plenary





Gianni Cipriano per The New York Times

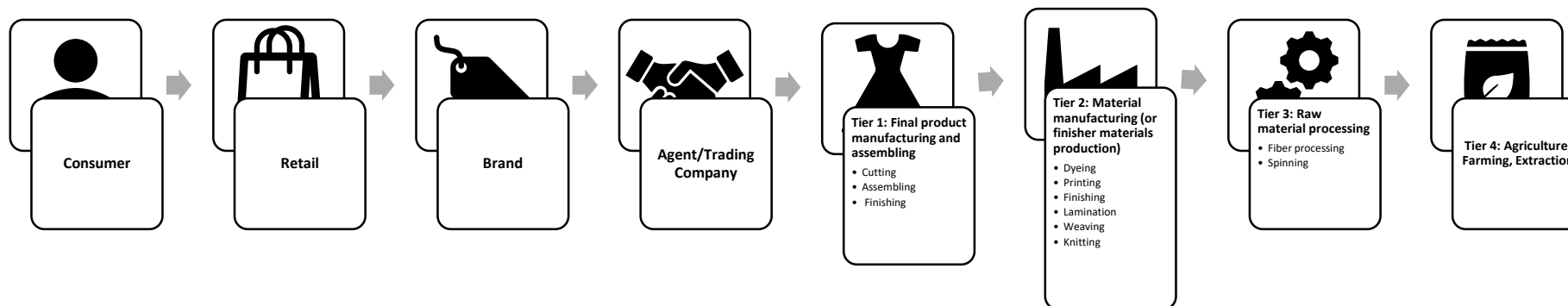
# Garment and Footwear Value Chains

## ■ GLOBAL

- Global Value Chains: Main feature in international trade
- Lengthy lead-times
- Driven by big retailers and traders

## ■ COMPLEX

- Multi-stakeholder
- Small and scattered production facilities
- Short product lifecycles



Traceability and transparency. A priority to advance sustainability

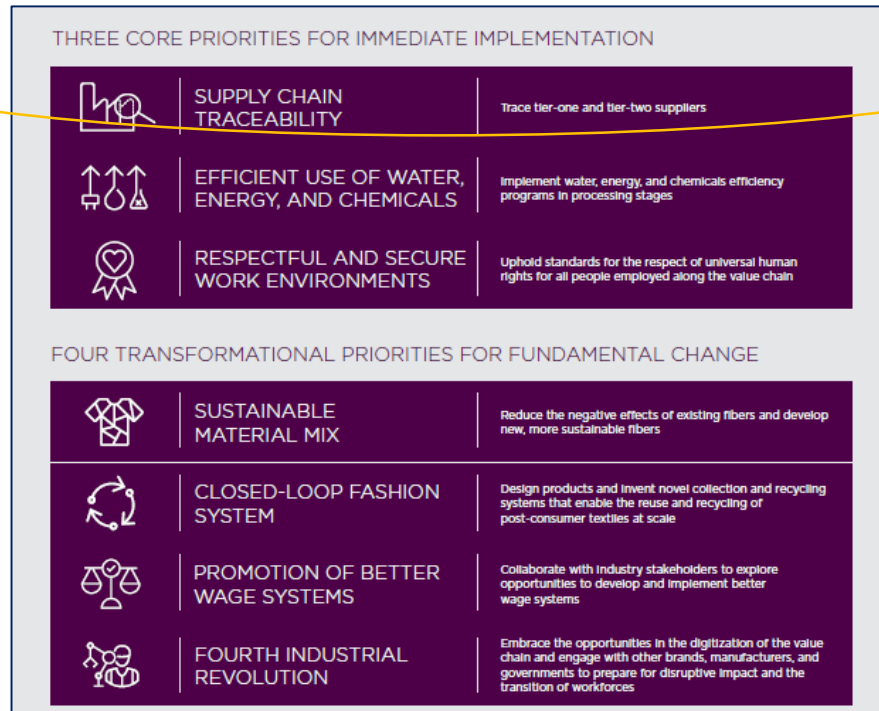
# Sustainable Value Chains

## ■ TRACEABILITY

“the process by which enterprises **track materials** and **products** and the **conditions** in which they were produced through the supply chain” (OECD, 2017)

## ■ TRANSPARENCY

“relates directly to relevant **information** been made **available** to all elements of the value chain in a **standardized** way, which allows common understanding, accessibility, clarity and comparison” (EC 2017)



Source: Boston Consulting Group & Danish Fashion Institute - Pulse of the Fashion Industry 2018

# Research Questions

**1. How** can **transparency** and **traceability** of the value chains help advance **sustainability** in the garment and footwear sector?

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**2. What** are the **key requirements** for the business sector to put in place a robust transparency and traceability scheme?

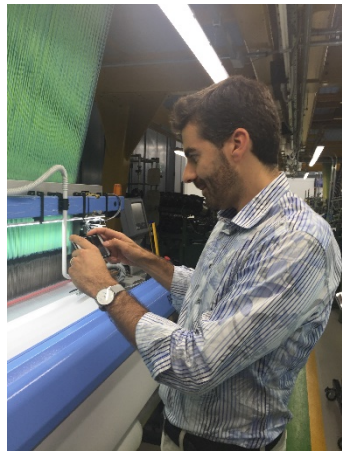
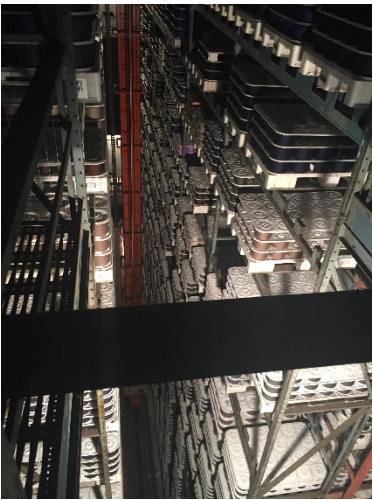
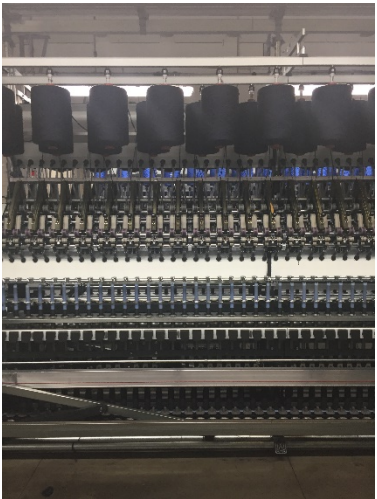
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**3. What** are **possible measures** that **policy makers** could devise to support traceability and transparency of sustainable garment and footwear value chains?

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# The UNECE explorative analysis

## Engaging with the business sector



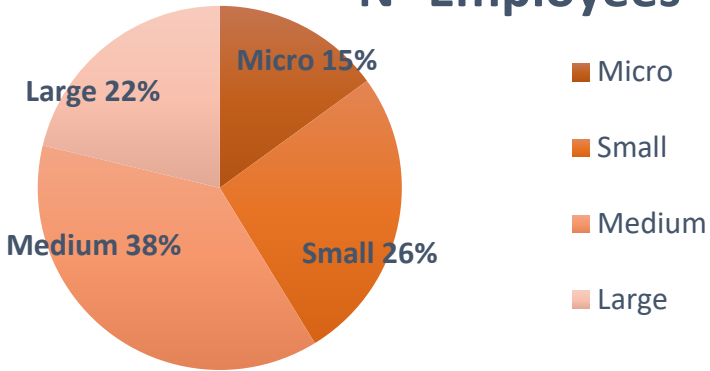
Source: UNECE Survey 2018

# The UNECE exploratory analysis

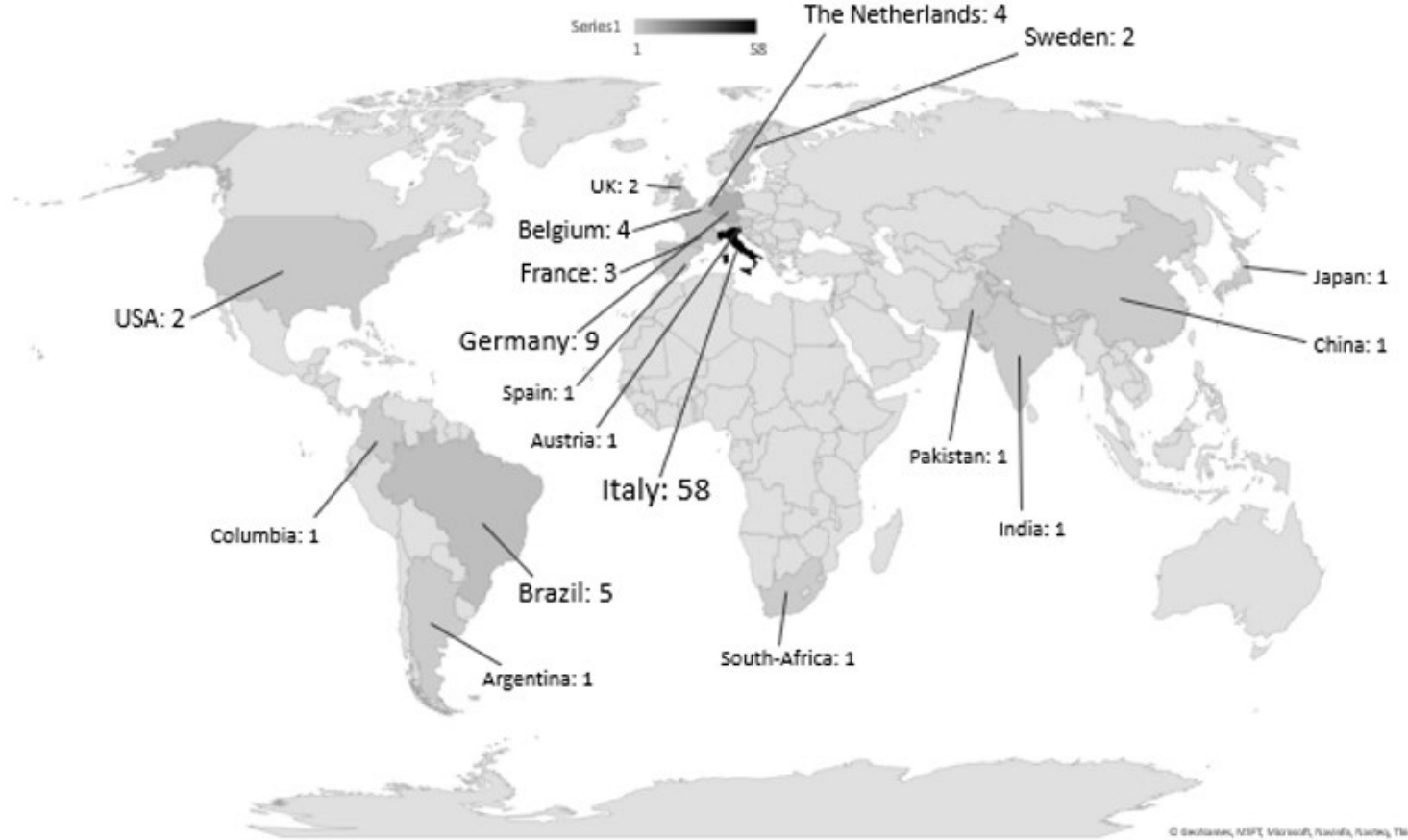
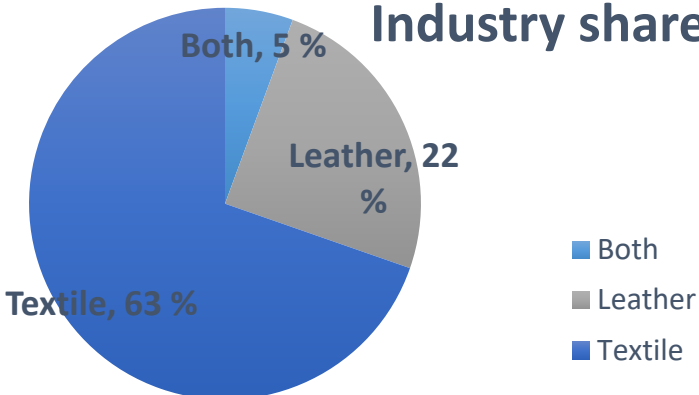
## + 100 respondents



### N° Employees



### Industry share



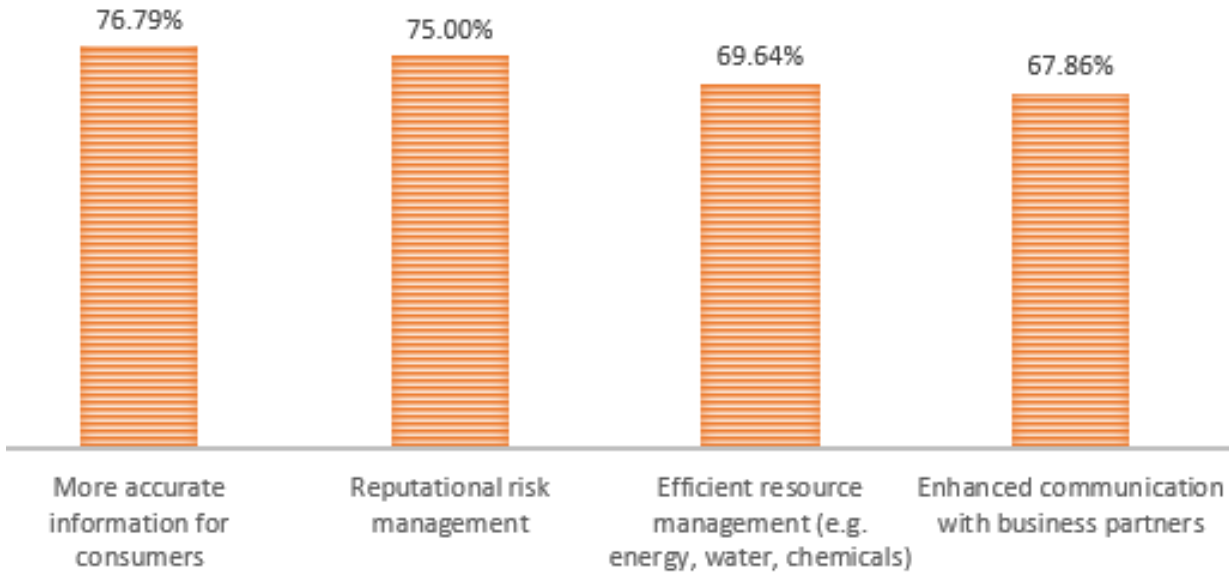
Source: UNECE 2018

# 1. Why Transparency and Traceability?

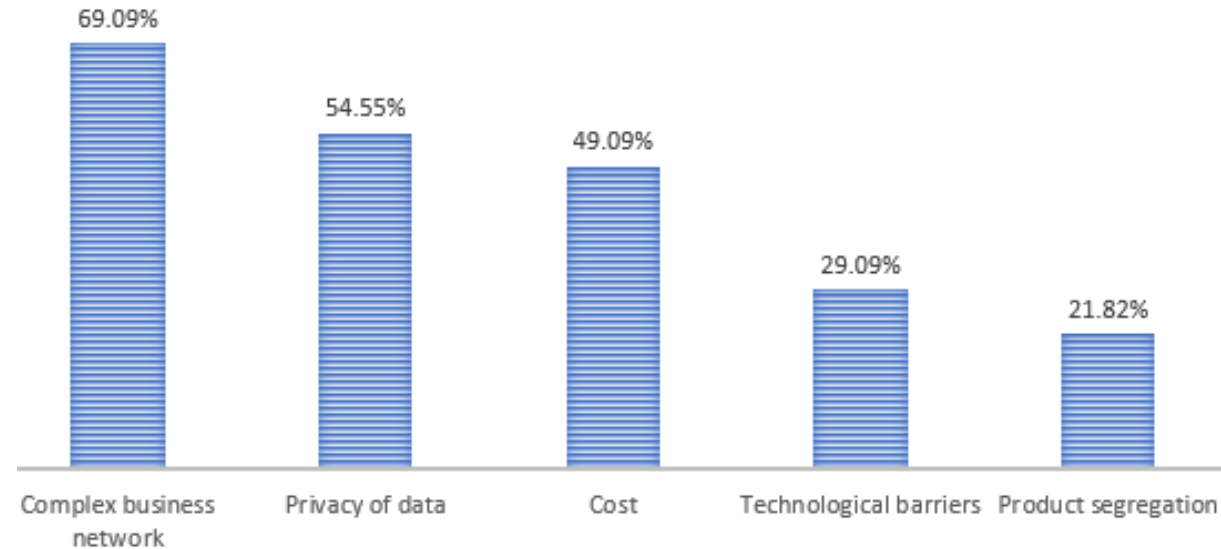
## The UNECE exploratory analysis



### A **priority** for the industry



### Possible **challenges**

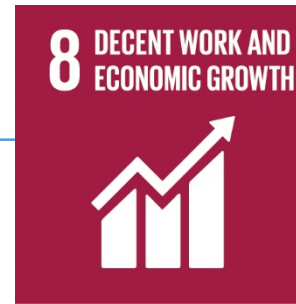


Source: UNECE Survey 2018

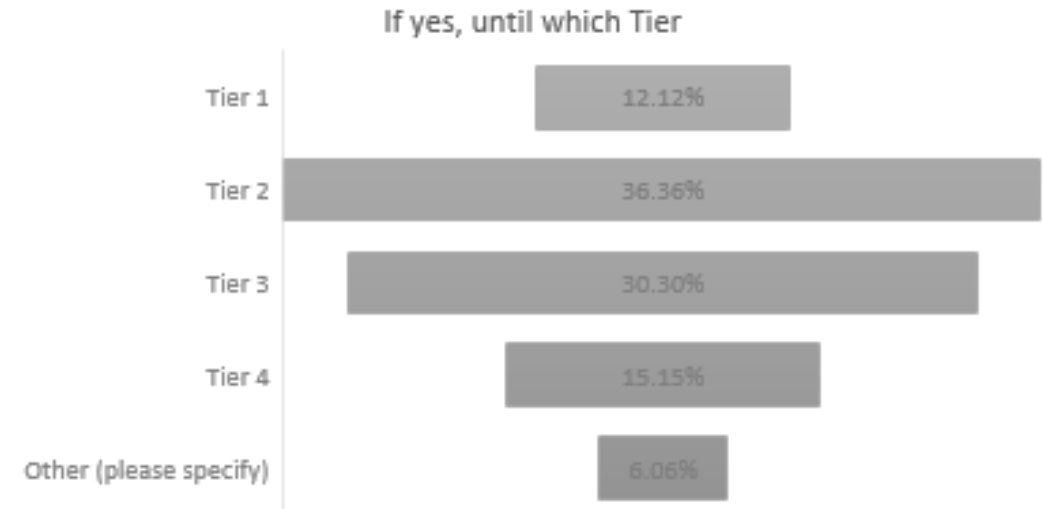
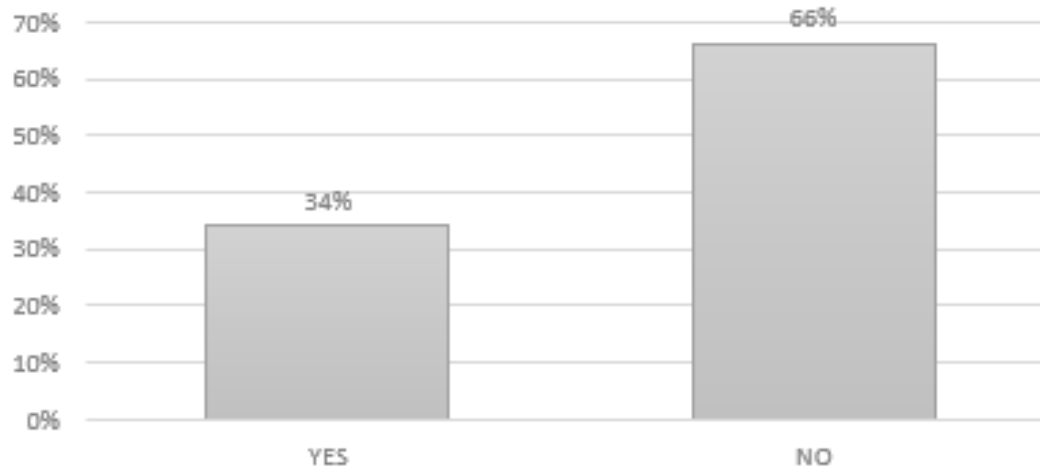


# 1. Why Transparency and Traceability?

## The UNECE exploratory analysis



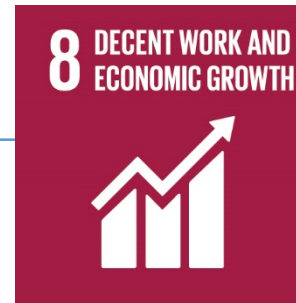
### Does the industry track and trace the value chain?



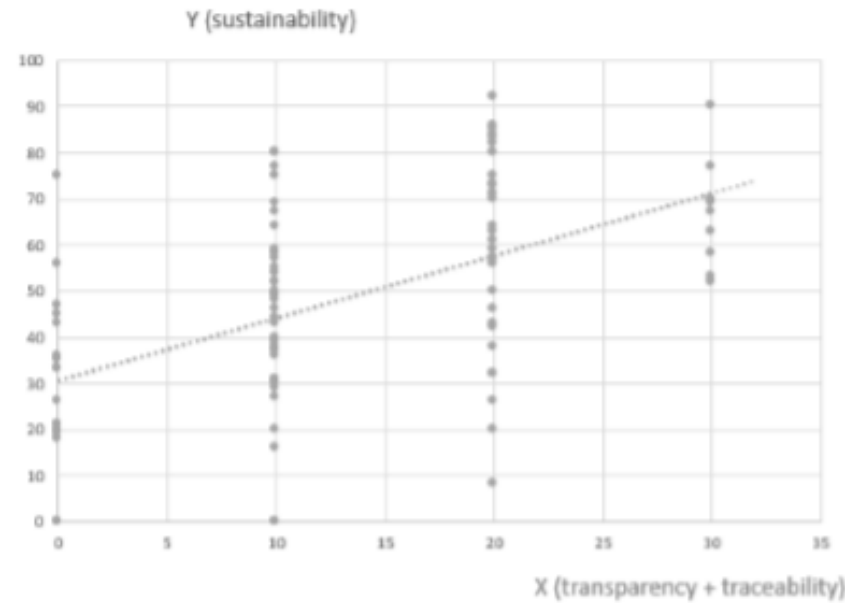
- Tier 1: Final product manufacturing and assembly
- Tier 2: Material manufacturing
- Tier 3: Raw material processing
- Tier 4: Agriculture, farming and extraction

# 1. Why Transparency and Traceability?

## The UNECE exploratory analysis



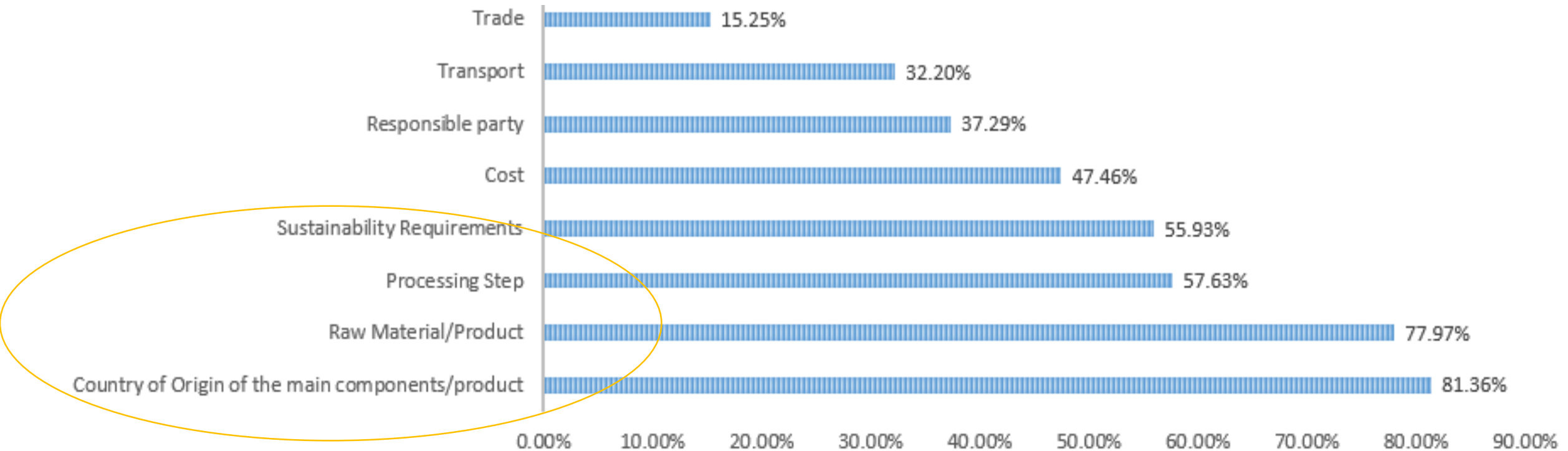
There is a positive correlation between transparency and traceability and sustainability



Source: UNECE 2018

## 2. What are the key ingredients?

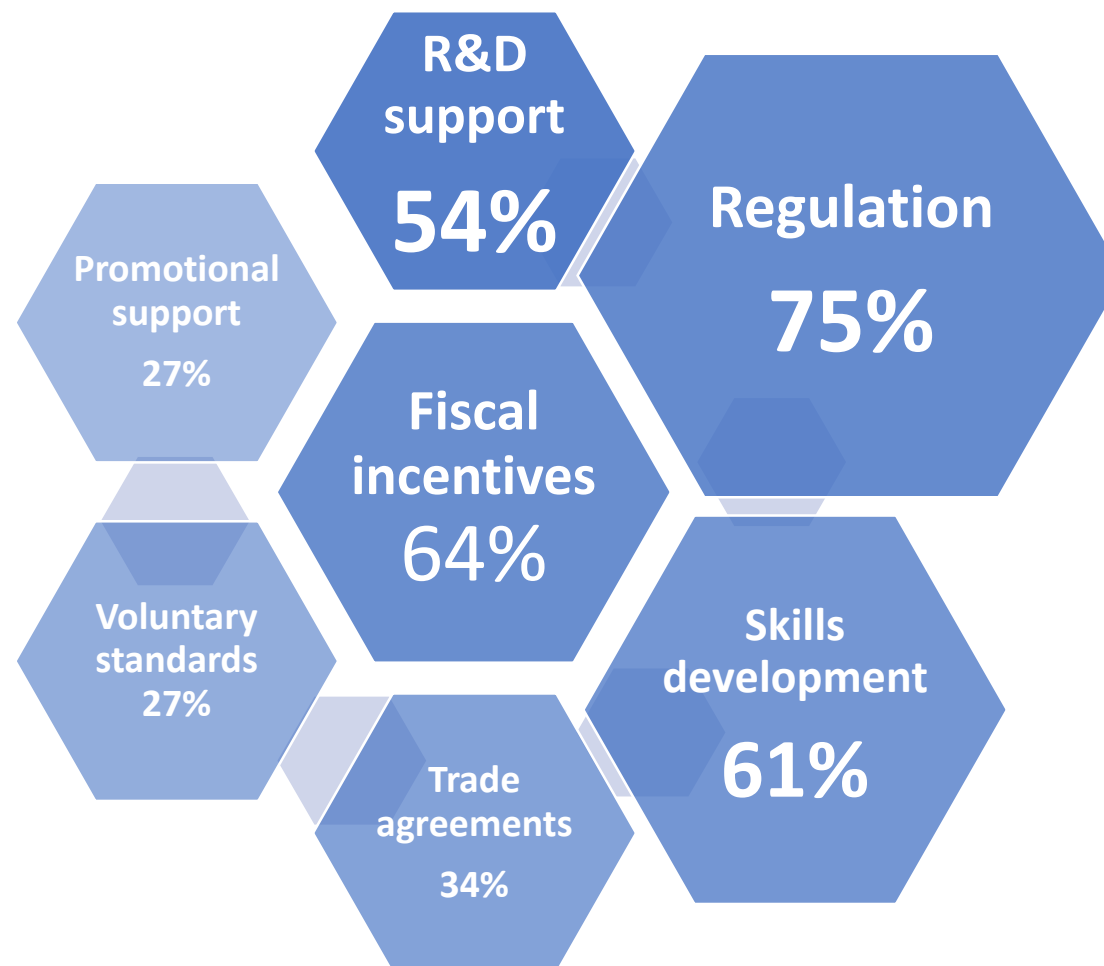
# The UNECE exploratory analysis



*Quote: "In order to have a robust system, the necessary information should be complete and must be 1. obligatory by law, 2. certified by an internationally recognized certification system and supported by strict testing systems, 3. ensure product sustainability, and 4. should be easy to implement across a large supply base."*

### 3. What are possible policy approaches?

## The UN/CEFACT Project



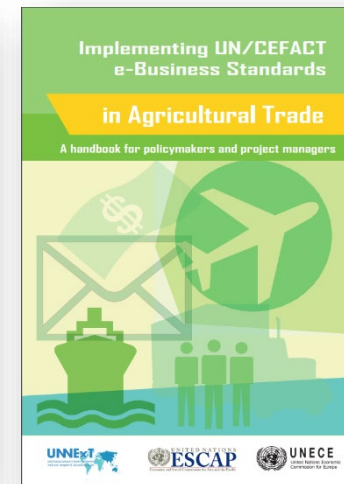
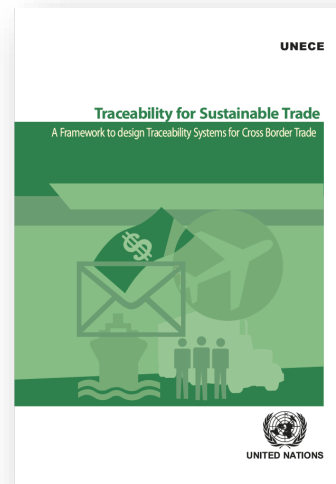
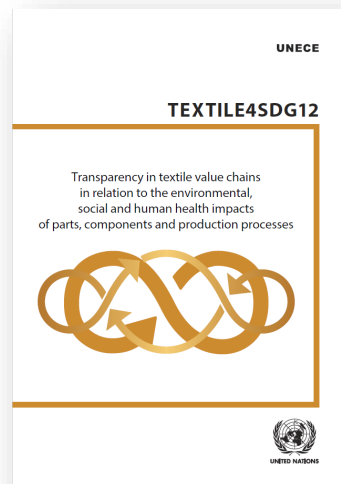
How to enhance transparency and traceability?

POLICY RECOMMENDATION & DIALOGUE PLATFORM

TRACEABILITY STANDARD AND IMPLEMENTATION GUIDELINES

PILOTING AND CAPACITY BUILDING

Previous experiences and publications



# A multi-stakeholder initiative



<https://www.unece.org/tradewelcome/outreach-and-support-for-trade-facilitation/traceability-for-sustainable-value-chains-textile-and-leather-sector.html>



**UN / CEFAC**



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Thank you!