UNECE

Enhancing Transparency and Traceability of Sustainable Value Chains in the Garment and Footwear Sector

<u>Minutes</u>
Virtual conference meeting #3 – Policy recommendation
13/03/2020, WebEx, 15:30 CET

Participants (35): Tarun Kumar Agrawal (KTH Royal Institute of Technology), Libby Annat (Elisabeth Annat Consultancy Services), Rahul Bhajekar (Global Organic Textile Standard (GOTS)), Luca Boniolo (FESI), Lena Coulibaly (GS1 Global Office), Virginia Cram-Martos (Triangularity), Ella Cullen (Minespider), Claudia Di Bernardino (Legal Projects), Simonetta Di Tommaso (Italian Ministry of Economic Development), Frans van Diepen (Government, the Netherlands (RVO)), Antoinette Fionda (Heriot Watt University / Beira Moda Ltd), Emily Franklin (FashionForGood), Miriam Geelhoed (Modint), Gustavo Gonzalez-Quijano (COTANCE), Enrico Iacovizzi (FurEurope), Viktoria Kanar (Geek Chic TLV), Tal Madhala (ChainOps), Franzisca Markschlaeger (Deutsche Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH), Donna Marshall (University College Dublin), Colm McLaughlin (University College Dublin), Jan Merckx (GS1), Rudrajeet Pal (University of Borås), Francesca Romana Rinaldi (Bocconi University), Paul Roeland (Clean Clothes Campaign), Melissa Rusinek (Diverse Recycling Solutions), Mauro Scalia (Euratex), Nina Shariati (Individual expert), Evonne Tan (Textile Exchange), Ben Vanpeperstraete (Freedom Fund), Nathan Williams (Minespider), Nadia Youds (John Lewis Partnership), George
UNECE Secretariat: Maria Teresa Pisani, Olivia Chassot, Olga Kharitonova   **Co-leading Expert/s**: Francesca Romana Rinaldi, Virginia Cram-Martos

Agenda item	Discussion	Comments / Status	Action/Decision
1. Ongoing field research: Highlights from the interviews *Francesca Romana Rinaldi*	The presentation focused on the outcomes of 1) desk research and 2) field research. 1) the **desk research** involved mapping of policies, regulations and global guidelines for transparency and traceability. The 31 regulations were included so far and grouped by the 6 key industries, where regulations on traceability exist, and 5 regions plus global level. 2) the **field research** involved in-depth interviews with 23 experts. The so-far interviewed experts can be divided into four groups: Service and support (accounting for 48 per cent of respondents), Academia / organisations / Civil	• Request to clarify under which category associations representing the industry are listed • Requests to clarify "Service and support" category • Consider including definitions of traceability and transparency • Re Q 14: Advised to highlight schemes set up by the social partners, e.g. in leather sector – framework agreements, social conduct agreement, tool for risk assessment in tanneries, etc. – tools issued from social dialogue.	• Project team to cross-check the mapping against the analysis of regulations carried out by UNIC-ICEC and Politecnico di Milano • Experts to check the mapping, suggest additional policies, regulations and global guidelines, and provide their feedback on the relevance of the categories by **20 March 2020** • Project team to develop a glossary to be added to the report

	society / platforms (30 per cent), Suppliers / Producers / Retailers (13 per cent), and International governmental / Governmental organisations (9 per cent).
	
	Replies to 10 questions were presented in more detail (questions 5, 6, 8–10, 14, 16, 17, 20, 27).
	
	Seven takeaway messages for the policy recommendation were highlighted: 1) pointing out the mandatory minimum set of information for traceability; 2) supporting full supply chain traceability (listing global sustainable suppliers for each industry); 3) need for documents specifying characteristics or performance parameters accompanying goods; 4) making sure information related to circularity is included in controlled and auditable statements; 5) focusing on pilot projects; 6) identifying competent authority; 7) asking for specific consumer information.
	
	Reference document: *Presentation "Takeaways from relevant policies, legislation, regulations and experts' interviews"*; Mapping of supporting policies, regulations and legislation for the policy recommendation *(CUE space)*
		• Re Q14: Consider ranking the initiatives to make it clear what the uptake is for each of them
		
		• Advised to have a detailed break-down of answers by type of stakeholders (respondents) in the final report
		
		• Consider increasing the percentage of respondents representing "Suppliers, producers, retailers" and "Government" as they are the ones who will be implementing the recommendation
		
		• Advised to increase share of respondents that belong to worker groups/representatives/unions
		
		• Discussion on the level of coverage of the suppliers:
		  o now the coverage is up to tier 3 (entire manufacturing in terms of suppliers represented), but it is the project's ambition to try to cover tier 4 (raw material providers)
		  o advised to explore how organic cotton certification functions and how it can inform other questions on mapping and traceability
		  o under the project, the first pilot (next discussion on 25 March 2020) is exploring solutions such as digital / DNA markers for traceability
			• Q14: Project team to add information on when each initiative was launched and adopted
			
			• Secretariat to develop an annex to the final report containing a detailed methodology, including the stakeholder clustering, and a break-down of answers by the stakeholder (respondent) type

2. Draft Policy Recommendation: Update *Virginia Cram-Martos*	Two sections were added to the document: D. Purpose and benefits and E. Recommendation. The latter contains some of the major takeaway messages received under the filed research (see item 1). The document is divided into two major parts: Recommendation and Guidelines. The first part is going to be the UN/CEFACT Recommendation and thus will be addressed to governments. As such it will need to contain actions that are possible for governments to implement and are within their realm of responsibility. The formulation of the recommendation will rather be "in support of" as opposed to enforcing. The section E. Recommendation needs further work, but it offers the first summary of actions that need to be taken by governments. For the implementation, in addition to the Guidelines, the second part of the document, the Annex can offer different available options or incentives on how to approach these recommended actions. *Reference document: "Draft Policy Recommendation Annotated outline" (CUE space)*	• Consider adding in section E information on more efficient ways for workers to have access to remedies mechanisms as well as for consumers • Consider revising section A putting more focus on sustainability and good governance rather than management of the value chain only	• The project team to continue working on the Part II. Guidelines • Experts to send their suggestions for revision and comments in track changes and comments **by 20 March 2020**
3. Multi-stakeholder ecosystem mapping: Highlights from the report *Maria Teresa Pisani on behalf of Libby Annat*	The mapping serves to capture all actors involved in the industry – within the value chain and wider ecosystem and to provide recommendations to different groups at different levels. Key stakeholders were grouped into three clusters according to their business function: Cores business, Extended enterprise and Wider business	• Request to clarify in the methodology part of the report whether the small and medium enterprises are part of the mapping	• Experts to verify if their organization is accurately grouped in the wider category and sub-category **by 20 March 2020** • Experts to suggest more stakeholders / actors for the Extended enterprise circle as they are currently underrepresented by **20 March 2020**

	ecosystem. Under each cluster, and each stakeholder group within, for the European Union and the United States of America, and separately for the priority countries were identified representative organisations. As of now, 400 representative organisations are listed. The mapping is not intended to be exhaustive, but some categories can benefit from further extension. Further work on the ecosystem mapping will include finetuning priority countries; elaborating interdependencies among stakeholders; clustering main stakeholder groups according to influence factors; developing a matrix that would recommend action to each stakeholder group based on strategic importance and influence under the project. *Reference document: Presentation "Mapping the ecosystem: Recommendations" (CUE space)*		• Experts to suggest representatives for priority countries and relevant organisations identified **by 20 March 2020** • The secretariat will work on fine-tuning priority countries to have a better balance at global level
4. Next conference call	The virtual meeting for all the expert groups will be held on 27 and 28 April 2020 (14:00 – 17:00 CET) replacing the originally planned face-to-face meeting in Geneva during the 35th UN/CEFACT Forum (which is postponed)		• An interim call with the Policy Recommendation group can be organised in April, if needed