

Minutes
Virtual conference meeting #4 – Policy recommendation
29/05/2020, WebEx, 15:30 CET

Participants (40): Ebba Aurell (European Commission), Rahul Bhajekar (Global Organic Textile Standard (GOTS)), Luca Boniolo (FESI), Enrico Camerinelli (Aite Group), Sara Cavagnero (individual researcher), Lena Coulibaly (GS1 Global Office), Virginia Cram-Martos (Triangularity), Claudia Di Bernardino (Legal Projects), Angelika Duckenfield (AQC), Christian Ecker (Minespider), Antoinette Fionda-Douglas (Heriot Watt University / Beira Moda Ltd), Emily Franklin (FashionForGood), Miriam Geelhoed (Modint), Gustavo Gonzalez-Quijano (COTANCE), Marianne Gratia (Belgian NCP to the OECD - Belgium Federal Public Service Economy), Enrico Iacovizzi (Fur Europe), Cyril Liance (Belgian NCP to the OECD - Belgium Federal Public Service Economy), Tal Madhala (Chain Ops), Raffaella Mastrella (Italian Ministry of Economic Development (MiSE)), Jan Merckx (Individual expert), Roberto Mollica (Europroject), Lucía Patiño (Inditex), Francesca Romana Rinaldi (Bocconi University), Paul Roeland (Clean Clothes Campaign), Melissa Rusinek (Diverse Recycling Solutions), Cesare Sacconi (ICMQ), Cyril Sayag (European Commission), Mauro Scalia (Euratex), Julian Schenten (Darmstadt University of Applied Sciences), Debbie Shakespeare (Avery Dennison), Nina Shariati (Individual expert), Maylis Souque (French Ministry of Economics and Finance & National Contact Point to the OECD), Paul Stockall (IFTF), Evonne Tan (Textile Exchange), Deborah Taylor (Consultant), Georgina Tayler (Hecho por nosotros), Ben Vanpeperstraete (Freedom Fund)

UNECE Secretariat: Maria Teresa Pisani, Olivia Chassot, Olga Kharitonova **Co-leading Experts:** Virginia Cram-Martos, Francesca Romana Rinaldi, Claudia Di Bernardino

Agenda item	Discussion	Comments / Status	Action/Decision
<p>1. Overview of experts' feedback on Part I of the Policy Recommendation + Draft Call for Action + Policy/Regulatory Review report + Ecosystem Report <i>Maria Teresa Pisani, Francesca Romana Rinaldi, Claudia Di Bernardino, Olga Kharitonova</i></p>	<p>Summary of the feedback received from experts after the meeting of 27–28 April 2020 was presented for each document.</p> <p>Comments received for the Part I of the Policy Recommendation concerned:</p> <p>1) Need to further clarify the target audience of the Policy Recommendation (broader than governments and companies) and the role of each stakeholder; there is also a need to specify implementors of Part I and Part II (Implementation Guidelines).</p> <p>2) Suggestions to highlight that the goal of putting in place the Traceability and Transparency (TT) system is not limited to preventing environmental impact and that it involves supporting general risk management; to stress consequences of supply chain disruption (such as pandemic) and need for business continuity plans.</p> <p>3) Warning about “too much of TT” – risk of unintended (negative) consequences of putting in place TT system for certain actors (e.g. migrant workers) and a need for risk-analysis.</p>		<ul style="list-style-type: none"> • The secretariat and project team will: <ul style="list-style-type: none"> ○ further clarify the target audience and the role of each stakeholder; ○ further stress the risk-based approach; ○ continue working to address comments from experts; ○ suggest bilateral meetings to experts for collection of information for the Call for action template;

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	<p>4) Need for a risk map – risk-based approach will help to increase efficiency and reduce costs. In the Implementation Guidelines risk-based analysis is identified as one of the traceability principles; and there is a section on cost allocation.</p>		<ul style="list-style-type: none"> ○ identify best ways to reflect relevant points from the European Civil Society (Shadow) Strategy for Sustainable Textile, Garments, Leather and Footwear in the Mapping of supporting policies, regulations and guidelines for the Policy Recommendation. ● Experts are invited to: <ul style="list-style-type: none"> ○ suggest inputs for the Policy Recommendation, and in particular for the target audience section, risk-based approach, consequences of disruption of supply chain; ○ provide suggestions on the monitoring and reporting mechanisms for the Call for Action; ○ suggest how to incorporate minimum requirements for circular design of sustainable performance, and extended producer responsibility schemes into the Policy Recommendation and the Guidelines.
<p>Types of comments received for the Call for action (annex 4 to the Policy Recommendation) included:</p> <ol style="list-style-type: none"> 1) Need for making the role of circularity clearer. 2) Consider adjusting the project title to add the word “circular” before the value chains. 3) Add description of best practices. 	<ul style="list-style-type: none"> ● Consider including explicit information on how the Call for Action will serve as a tool for monitoring and reporting on the implementation of the Policy Recommendation and the Implementation Guidelines. 		
<p>The comments on the Mapping of supporting policies, regulations and guidelines for the Policy Recommendation were mainly around the need to take into consideration the European Civil Society (Shadow) Strategy for Sustainable Textile, Garments, Leather and Footwear, particularly its section on transparency and traceability. It has a lot of common points with the research conducted under the project. The regulatory instruments analysed in this document were already included in the Mapping.</p> <p>Certain measures are already included in the Implementation Guidelines (due diligence, public procurement). The discussion is about how to reflect the others in the Policy Recommendation / Guidelines. These are for example:</p> <ul style="list-style-type: none"> ● adding minimum requirements for circular design of sustainable performance, e.g. efficiency requirements in term of durability, reparability, recyclability, reusability of product as well as traceability and restriction of use of hazardous chemicals. The policy framework for textile could be based on lessons learnt and business practice from regulations, e.g. Ecodesign Directive (2009/125/EC). ● extended producer responsibility (EPR) – minimum requirement could also be suggested. <p>An important challenge is to consider these measures in an inclusive way – specifically regarding small actors.</p>			

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	<p>The impact of the current Covid-19 crisis on the textile supply chain showed the need for regulatory action for transparency and traceability of the supply chain.</p> <p>On the Ecosystem report and its Annex, the comments concerned:</p> <ol style="list-style-type: none"> 1) Placement of stakeholders into (sub)categories. 2) Separating several subcategories. 3) Need for increased representation in certain categories, e.g. Product Manufacturers (CMT & Assembly); Label, accessory, trim, packaging suppliers; road and airfreight transport. 4) Clarifying the role of transport companies. 5) Adding stakeholders. 6) Status update on the involvement of identified stakeholders. <p><i>Reference documents:</i> <i>Presentation “Background presentation for the call 29-05-2020”; Policy Recommendation (Part I) and its Annex 4. Call for Action template (drafts April 2020); Stakeholders Ecosystem Report and Annex 1. Stakeholders in the Garment and Footwear Sector (drafts April 2020); Mapping of supporting policies, regulations and legislation for the Policy Recommendation (draft April 2020) (CUE space)</i></p>		
<p>2. Part 2 of the Policy Recommendation. Guidelines: Overview <i>Virginia Cram-Martos,</i> <i>Francesca Romana Rinaldi</i></p>	<p>Purpose of the Guidelines is to support high-level governments and private sector managers that have implementation responsibilities and need to understand how the traceability systems work so that they can make sure they are designed properly and implemented in the best possible way.</p> <p>Guidelines are written in 3 layers: 1) Traceability framework (the largest layer); 2) Traceability system; 3) Traceability architecture; plus annexes.</p> <p>The presentation outlined the nine Traceability principles that need to be kept in mind at all the aspects of the system. It also explained how to form a Policy claim: it should include objective, traceable asset, claimed state, and verification criteria.</p>		<ul style="list-style-type: none"> • Experts are invited to provide inputs for: <ul style="list-style-type: none"> ○ Table on traceability information (table 2.2 in the current draft); ○ Table “list of advanced technologies supporting traceability systems” (table 2.3 in the current draft); ○ Table “matrix of criteria for selecting technology-based solutions tools” (table 2.4 in the current draft);

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

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	<p>Traceable assets, which have different levels of granularity and go through different transformation changes, need to be identified for each stage, and the relation between the traceable assets that are inputs of the transformation process and those that are its outputs need to be clearly defined. For this, unique identifiers should be assigned to the traceable assets and recorded after each transformation.</p> <p>The advanced technologies offer many benefits for managing risks, improving compliance, etc. At the same time, they are linked to a number of challenges, which are particularly pronounced for small partners. These matters are to be covered in the section on supporting role of advanced technologies.</p> <p>A resilient traceability system needs to be inclusive and thus has to be built on shared values of a large variety of stakeholders, take into account gender considerations and consider the existing traceability systems in other sectors.</p> <p>Action Plan is covered in the section H of the Guidelines “Formulation and implementation of a traceability and transparency action plan”. The Action Plan includes the following steps: defining a vision statement; setting the objectives and performance indicators; planning the activities and defining the timing; defining the governance structure; allocating financial and human resources; monitoring results based on the performance indicators. The presentation offered examples for the steps of the Action Plan.</p> <p><i>Reference documents:</i> <i>Presentations “Overview Guidelines - 29-05-2020” and “Action Plan - 29-05-2020”; Policy Recommendation Part II: Guidelines (CUE space)</i></p>		<ul style="list-style-type: none"> ○ finetuning of the Action Plan through bilateral meetings and comments via email.
<p>3. Next steps and experts’ subgroup input <i>Maria Teresa Pisani</i></p>	<p>The project team and the secretariat will be working on addressing and integrating the comments that has been received so far into the documents so that in the end of June it would be possible to present their updated versions.</p>		<p>Experts to provide comments on the documents, including on the above-listed items, by 19 June 2020</p>
<p>4. Next conference call</p>	<p>The next call for the subgroup 1 is scheduled on 26 June 2020 at 15:30–17:00 CEST Half-a-day Virtual policy dialogue could be held in July 2020 (TBC)</p>		