

Minutes

Virtual conference meeting #7 – Policy Recommendation Subgroup

29/10/2020, WebEx, 15:30 CET

Participants (40): Valentin Barcia (Inditex), Rahul Bhajekar (Global Organic Textile Standard (GOTS)), Luca Boniolo (FESI), Yvonne Chileshe (ACP Secretariat), Virginia Cram-Martos (Triangularity, UN/CEFACT project expert), Claudia Di Bernardino (lawyer, UN/CEFACT project expert), Simonetta di Tommaso (Italian Ministry of Economic Development (MiSE)), Angelika Duckenfield (AQC), Christian Ecker (Minespider), Antoinette Fionda-Douglas (Heriot Watt University / Beira Moda Ltd), Emily Franklin (Fashion For Good), Maurizio Gazzola (United Nations Office of Information Technology), Gustavo Gonzalez-Quijano (COTANCE), Delphine Guyot (AQC), Gerhard Heemskerk (UN/CEFACT project expert), Enrico Iacovizzi (Fur Europe), Dorothy Lovell (OECD), Tal Madhala (Chain Ops), Franzisca Markschlaeger (Deutsche Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH), Francesco Mirizzi (EIHA), Chiara Morelli (Kering), Iria Mouzo (Inditex), Liz Muller (liz muller & partners), Prem Nair (United Nations Office of ICT), Hania Othman (SmartB), Rudrajeet Pal (University of Borås), Francesca Poggiali (GS1), Baptiste Carriere Pradal (Sustainable Apparel Coalition), Andrea Redaelli (UN/CEFACT project expert), Francesca Romana Rinaldi (Bocconi University, UN/CEFACT project expert), Paul Roeland (Clean Clothes Campaign), Melissa Rusinek (Independent expert), Jaikumar Sabanayagam (United Nations Office of ICT), Maylis Souque (French Treasury (Government)), Paul Stockall (IFTF), Evonne Tan (Textile Exchange), Deborah Taylor (UN/CEFACT project expert), Georgina Tayler (Hecho por Nosotros), Lenin Rajesh Thangamani (United Nations Office of ICT), Frans van Diepen (Government, the Netherlands (RVO))

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

Agenda item	Discussion	Comments / Status	Action / Decision
<p>1. Launch of the public review Policy Recommendation, Part I and Guidelines, Part II <i>Maria Teresa Pisani</i></p>	<p>An update on the ongoing work and a brief reminder on interlinkage among the work streams was given, stressing how the Policy Recommendation contributes to the other work streams.</p> <p>The launch of the Public Review on 20 October 2020 of the Policy Recommendation Part I and Part II (Guidelines) was announced. The public review period will continue for two months till 20 December 2020. The template for comment submission along with the explanation on how to fill it out was presented to the participants.</p> <p>The structure of the latest version of the Part I was demonstrated: the five cluster areas (Policy Actions, Norms and Standards, Incentives, Research &</p>	<ul style="list-style-type: none"> Clarification was requested as to the level of detail given in the Policy Recommendation Part I. 	<ul style="list-style-type: none"> The secretariat clarified that the Part II of the Policy Recommendation (Guidelines) provides more detail on the recommendations listed in the Section F of the Part I. The experts are invited to review the Policy Recommendation and submit their comments under the Public Review until 20 December 2020.

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	<p>Development, Awareness & education, Multi-stakeholder collaborative initiatives) contain altogether nine recommendations. In addition, the concluding paragraph of the Part I establishes a link with the Call to Action – the monitoring and experience sharing mechanism.</p> <p><i>Reference documents:</i> Presentation “Background presentation for the call 29-10-2020”; Policy Recommendation Part I and Part II – as submitted for Public Review on 20 October 2020 CUE Space</p>		
<p>2. Zoom on the Guidelines: traceability information collection for product, process, facility, transport and sustainability <i>Virginia Cram-Martos</i></p>	<p>The most recent version of the Guidelines was presented, with a focus on the section covering matters of traceability information collection, which was expanded since the call in September. A reminder on the target audience of the Guidelines, its purpose, structure and rationale for each section was given. The participants were informed that the secretariat will work on preparation of a high-level executive summary of the Guidelines.</p> <p>It was stressed that if one has a claim, then traceability has to be in place to demonstrate that due diligence was implemented to ensure the claim is true. The presentation stopped on identifiers (IDs) and entities for which IDs are frequently implemented (production facilities, materials, transport means, location). The data are recorded whenever there is an event. The data will describe the following 5Ws characterizing the event: who, why, what, where and when. IDs allow to identify the 5Ws related to an event. The claim</p>	<ul style="list-style-type: none"> • Consider that it is not realistic for all raw material producers to have an ID and that traceability should start at a gin level. • An example of criteria used for transportation-related traceability was given (“weights, dates and gates”). • A question was raised if the secretariat estimated the number of data points for a simple or a complex product. • A question was raised if traceability should be at an actor level or a product level. 	<ul style="list-style-type: none"> • It was clarified that having traceability from raw material producers is an ideal situation, but the entry (and exit) point of traceability needs to be decided depending on one’s value chain so that it is practical and affordable, i.e. there are necessary resources and infrastructure. At the same time there are possibilities to trace products from raw material producers (for example every cotton delivery from a farm or even from a field using DNA marking). • The Guidelines include a short subsection on verification criteria and processes, the points of the process at which one needs to implement “checks” and what kind of “checks”. “Weights, dates and gates” refer to the mass balance system which can be helpful but might be too complex to do for small-scale farmers. • No estimations of a number of data points were made, as it depends on many factors, such as entry/exit points, vertical integration of a value

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	<p>(sustainability) information can be found thanks to the IDs (e.g. a factory with a given ID was certified as using good labour practices, so one can obtain the information supporting the claim using the ID).</p> <p>The information that needs to be collected depends on the claim and other uses for traceability (e.g. to evaluate the functioning of the value chain). The Guidelines provide a high-level view of what kind of information one would need to collect on product, process, facility and transport. It is important to carry out analysis on who can collect this information, where it can be stored and what are the most economical ways to collect it. The Guidelines also include indications on sustainability-related information that needs to be collected. This depends on the regulatory environment, kind of claims made etc. The set of sustainability criteria is linked to the mapping by the International Trade Centre (ITC) that has a database of standards with indications which sustainability requirements they cover, but also OECD Due Diligence Guidelines, Sustainable Apparel Coalition sustainability criteria, UNEP sustainability risks and hotspots etc.</p> <p><i>Reference documents:</i> <i>Presentation “Background presentation for the call 29-10-2020”;</i> <i>Policy Recommendation Part I and Part II – as submitted for Public Review on 20 October 2020</i> CUE Space</p>		<p>chain etc. The business process analysis, carried out under the project, provides a generic description of data points for traceability, albeit not by type of product, but type of material; moreover it did not estimate the actual number of data points, but rather at which stages data need to be collected.</p> <ul style="list-style-type: none"> • It was clarified that traceability cannot be implemented at an actor level only – certain information is required also about the product, as not all the products by an actor making a claim are necessarily covered by this claim and therefore conform to it.
3. Update - Annex 4 Call to Action <i>Francesca Romana Rinaldi</i>	<p>A reminder of the structure of the Call to Action and an update on its development were given. New elements of the Call to Action are: a specific</p>		<ul style="list-style-type: none"> • Experts are invited to provide comments to the secretariat on the Call to Action till 20 December 2020.

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	<p>reference to SDG12; a reference scheme on the different methodologies for sustainable impact evaluation; suggestion to carry out a due diligence exercise on human rights to identify which specific vulnerable groups to prioritise.</p> <p>An actual example of a filled-out template for action description was demonstrated.</p> <p>The Call to Action will be presented for endorsement at the 26th UN/CEFACT Plenary on 26 November 2020. After that it will be possible for actors to make commitments (on existing or future actions). To monitor implementation, assess impacts, and facilitate experience sharing, actors will report on the implementation of their commitments to the UNECE-UN/CEFACT secretariat starting from 2022 and every two years after that.</p> <p><i>Reference documents:</i> Presentation “Background presentation for the call 29-10-2020”; Call to Action – as submitted for the 26th UN/CEFACT Plenary CUE Space</p>		
<p>4. Traceability for Circularity: exploring the regulatory framework Claudia Di Bernardino</p>	<p>An introduction to the work on traceability and transparency for circularity under the project was made. The analysis of the current EU framework on circular economy (as the most advanced right now) is being carried out. Key laws and documents that address specifically garment and footwear sector, can have an impact on or be used in this sector have been identified such as Resolution on the EU</p>	<ul style="list-style-type: none"> • Consider the EU regulation on animal by-products in parallel to waste regulation in the work on circularity. • Consider the high importance of making sure that traceability and transparency are also applied to the recycling and circularity 	<ul style="list-style-type: none"> • The EU regulation on animal by-products will be taken into account in the work on circularity. The Mapping of policies, regulations and guidelines for transparency and traceability of value chains developed under the project (currently under revision) includes the EU regulation on animal by-products and many others, related also to circularity.

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

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	<p>Flagship Initiative on the Garment Sector 2017, Circular Economy Action Plan 2020, Waste Framework 2018, Chemical Strategy for Sustainability 2020. The list is not exhaustive and there are many other initiatives by different governments. The Circular Economy Action Plan 2020 addresses textile as one of the key value chains and contains measures aimed at this sector specifically. There is going to be a special comprehensive strategy for textile.</p> <p>The Report by the European Parliamentary Research Service highlighted potential challenges (lack of economic enablers, costs...) and opportunities (reduced pressure on the environment, enhanced security of supply of raw materials...) of the transition to the circular economy.</p> <p><i>Reference documents:</i> Presentation “Background presentation for the call 29-10-2020”; CUE Space</p>	<p>process, including social criteria (for instance the way the electronic waste is handled already has shown major social (and environmental) consequences).</p>	<ul style="list-style-type: none"> • Circularity processes are being integrated as much as possible into the project outputs as there are synergies between the two, and traceability and transparency are enablers of circularity.
<p>5. Next steps and experts’ subgroup input <i>Maria Teresa Pisani</i></p>	<ul style="list-style-type: none"> • Meeting #8 Subgroup 1, January 2020, date TBC • Third Multi-stakeholder Policy Dialogue: 23-24 November 2020, WebEx teleconference 		