

Transparency, traceability and sustainability in the garment and footwear industry and beyond:

# Takeaways from relevant policies, legislation and regulations

The logo for UN / CEFAC features a vertical stack of thin, multi-colored lines (pink, green, blue, orange, grey) that transition into a network of thicker, colored lines (purple, blue, green, orange) with circular nodes at their intersections, resembling a circuit board or data network.

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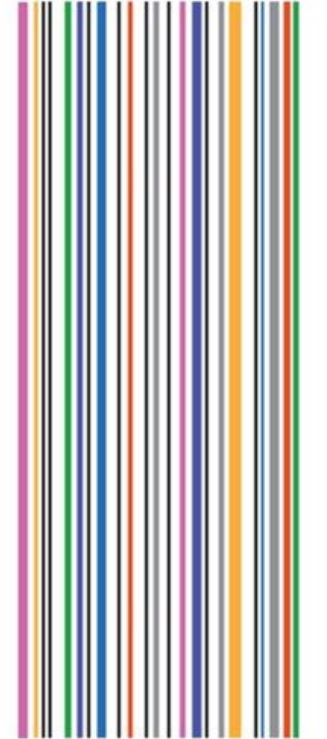
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# 1. Methodology for the mapping

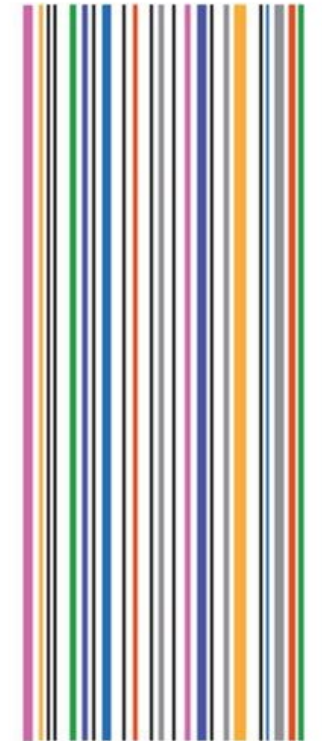
- **Desk research**

Activity	Status
Mapping <i>traceability</i> policies and regulations	Completing the integration of <i>transparency</i> and <i>newly suggested*</i> policies and regulations
Mapping <i>transparency</i> policies and regulations	

- \* EU regulation on labeling: 1169/2011 <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32011R1169> (thanks to Frans Van Diepen, RVO The Netherlands)
- \* Guiding principles on Business and Human Rights [https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf) (thanks to Frans Van Diepen, RVO The Netherlands)
- \* European Green Deal 2019 [https://ec.europa.eu/info/sites/info/files/european-green-deal-communication\\_en.pdf](https://ec.europa.eu/info/sites/info/files/european-green-deal-communication_en.pdf)
- \* Russian new regulations for footwear (already active) and apparel: serialisation of products, 2D coding (incl. encryption codes) and providing all logistic events to a centralised database <https://chestnyznak.ru/en/business/projects/footwear/> (thanks to Jan Merckx, GS1 Luxembourg & Belgium )
- \* Circularity Dataset Initiative launched in 2018 by the Ministry of the Economy of Luxembourg [https://gouvernement.lu/en/actualites/toutes\\_actualites/communiqués/2019/12-decembre/04-schneider-ue.html](https://gouvernement.lu/en/actualites/toutes_actualites/communiqués/2019/12-decembre/04-schneider-ue.html) (thanks to Jan Merckx, GS1 Luxembourg & Belgium )
- \* “Sewing the pieces together: towards an EU strategy for fair and sustainable textiles” <https://ecdpm.org/publications/sewing-pieces-together-towards-eu-strategy-fair-sustainable-textiles/> (thanks to Giorgio Dal Fiume, WFTO)

- **Field research** (in-depth interviews with transparency and traceability experts for the selected industries, e.g. garment, agri-food, fishery, mining, timber etc...)

Activity	Status
Defining key questions for the interviews with experts	Completed, to be confirmed
Carrying out interviews with experts	To be carried out in January and February



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# 1. Methodology for the mapping

- **The database has been built as shown in the table below:**

EUROPE						
	Cross-industry	Garment and Footwear	Agri-food	Fishery products	Timber	Minerals
Name	UK Modern Slavery Act (2015)	Regulation (EU) 907/2006 REACH	Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety	Commission Regulation (EC) No 2065/2001 of 22 October 2001 laying down detailed rules for the application of Council Regulation (EC) No 104/2000 as regards informing consumers about fishery and aquaculture products	Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market	REGULATION (EU) 2017/821 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas
Sections related to traceability/transparency	...	...	...	...	...	...
Source	...	...	...	...	...	...
Notes	...	...	...	...	...	...



- **Geographical areas considered:**

- ✓ Policies and Regulations mapping: EUROPE, USA, CHINA, TAIWAN, JAPAN
- ✓ Guidelines: GLOBAL

- **Industries considered:**

- ✓ Cross-industry; Garment and Footwear; Agri-food; Fishery products; Timber; Minerals



## 2. Policies, regulations and guidelines for transparency and traceability:

### a) Highlights

- **Obligatoriness:**

- Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of **food law**, establishing the European Food Safety Authority and laying down procedures in matters of food safety: “necessary to establish a **comprehensive system of traceability** within food and feed businesses”... **"traceability** means the ability to trace and follow a food, feed, food-producing animal or substance intended to be, or expected to be incorporated into a food or feed, through all stages of production, processing and distribution”...**"The traceability of food, feed, food-producing animals, and any other substance intended to be, or expected to be, incorporated into a food or feed shall be established at all stages of production, processing and distribution"**

- **Full supply chain traceability:**

- Regulation (EU) No 995/2010 EU Parliament and Council 20/10/2010 laying down the obligations of operators who place **timber** and **timber products** on the market “Traders shall, throughout the supply chain, be able to identify: (a) the **operators** or the **traders who** have supplied the timber and timber products; and (b) where applicable, the traders **to whom** they have supplied timber and timber products.Traders shall **keep the information referred to in the first paragraph for at least five years and shall provide that information to competent authorities if they so request.**”
- Regulation (EU) 2017/821 of the EU Parliament and Council of 17/05/2017 laying down supply chain due diligence obligations for Union importers of **tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas** “In accordance with the OECD Due Diligence Guidance, upstream economic operators such as smelters and refiners should **undergo an independent third-party audit of their supply chain due diligence practices, with a view to also being included in the list of global responsible smelters and refiners**”

- **Labelling, Digital ID and Blockchain:**

- Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common **fisheries policy** “Fisheries and aquaculture products placed on the market or likely to be placed on the market in the Community shall be **adequately labelled to ensure the traceability of each lot**”
- New **cross-industry** Russian “Crypto-code” Requirements for Retailers and Consumer Product→ **“serialisation of products, 2D coding (incl. encryption codes) and providing all logistic events to a centralised database”**

## 2. Policies, regulations and guidelines for transparency and traceability:

### a) Highlights

- **Enhancing circularity:**

- The new **cross-industry** Circularity Dataset Initiative launched in 2018 by the Ministry of the Economy of Luxembourg aims to “The Product Circularity Data Sheet (PCDS) regroups all **relevant circular information in controlled and auditable statements** helping the consumer and manufacturer to make educated choices, increase the value of the product and enabling future uses in a circular economy.

- **Pilot projects:**

- Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a **Community control system** for ensuring compliance with the rules of the common **fisheries policy** “In order to assess the technology to be used, Member States, on their own initiative or in cooperation with the Commission or the body designated by it, shall **carry out pilot projects on traceability tools** such as genetic analysis before 1 June 2013.”

- **Transparency:**

- **Dutch Child Labour Due Diligence Law** (14 May 2019) “All statements will be **published on the website of the competent authority**. The Act will require companies to put in place substantive **compliance measures** to address child labor.”

- **Consumer information:**

- Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of **food information to consumers**: “An open and transparent public consultation shall be conducted, including with stakeholders, directly or through representative bodies, during the preparation, evaluation and revision of food information law, except where the urgency of the matter does not allow, easy accessibility and legibility”... “**consumer protection, health & safety, informed choices, education and information campaigns, improving consumer understanding, labels clear and understandable, easy accessibility and legibility**”

### 3. Policies, regulations and global guidelines for transparency and traceability:

#### b) Takeways for Policy Rec document

- **Obligatoriness**-->
  - we could suggest a **comprehensive and mandatory system** of traceability  
(reinforced by new recent Acts for traceability→ see 'Blockchain Technology Act' in Illinois that legalizes Blockchain contracts, Jan 2020)
- **Full supply chain traceability**→
  - we could **specify what kind of traceability information shall be kept, for how long, to which authorities the firms shall refer to**; suggest to **undergo independent third-party audit**; **create a list of global traceable upstream players** for full supply chain traceability, specific for each industry
- **Labelling, Digital ID and Blockchain**→
  - we could specify what kind of **labelling/packaging of the product/commercial document accompanying the goods is needed including Digital ID, serialisation of products, 2D coding, and providing all logistic events to a centralised database** or specific traceability technology such as Blockchain
- **Enhancing circularity**→
  - we could support circularity mentioning which **relevant circular information shall be included in controlled and auditable statements**
- **Pilot projects**→
  - we could include **"Community control system"** and carrying out pilot projects on traceability tools (more than one)
- **Transparency**→
  - we could **identify the competent Authority to publish all the information on its website in name of the transparency principle**
- **Consumer information**→
  - we could suggest to conduct an **open and transparent public consultation, including with stakeholders, directly or through representative bodies, during the preparation, evaluation and revision of garment and footwear traceability information law**
  - we could mention the following priorities: **consumer protection, health & safety, informed choices, education and information campaigns, improving consumer understanding, labels clear and understandable, easy accessibility and legibility**

## 4. Next steps for the mapping

- **Desk Research**

Activity	Status	How to contribute?
Completing the mapping of policies, regulations and global guidelines for transparency and traceability	Almost completed	<b><u>Suggest additional policies, regulations and global guidelines</u></b>
Focus on the role of consumers in transparency and traceability	Starting	<b><u>Suggest Consumer Acts</u></b>
Focus on incentives	Starting	<b><u>Suggest Policy documents</u></b>

- **Field research** (in-depth interviews with transparency and traceability experts for the selected industries, e.g. garment, agri-food, fishery, mining, timber etc...)

Activity	Status	How to contribute?
Defining key questions for the interviews with experts	Completed, to be confirmed	<b><u>Share feedback and suggestions on the questionnaire</u></b>
Carrying out interviews with experts	To be carried out in January and February	<b><u>Give availability to be interviewed</u></b>

By 24  
January

