UNECE

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

Draft Ecosystem Report

■ Summary

The garment and footwear sector supply chain is global and complex, relies heavily on outsourcing and is typified by a lack of transparency – although this is improving slowly with the emergence of technology solutions and pressure from consumer groups, regulators and other stakeholders.

Understanding the supply chain and successfully identifying and mapping the requirements of the United Nations Economic Commission for Europe (UNECE) Policy Recommendation and Traceability Standard developed as part of the project for "Enhancing transparency and traceability of sustainable value chains in garment and footwear sector" require engagement, buy-in, and cooperation from many relevant actors and stakeholders within the system, both at global and national level.

There are inherent interdependencies within the system, which is why UNECE conducted this activity, to understand how all the different stakeholders engage and interact. For example, businesses gain insights on the risks in their supply chain from civil societies and trade unions which help them identify risks within their supply chain; commodity traders interact with governments on commodity prices and access to the export market; brands rely on suppliers and agents to source, provide and produce their goods; governments set policy which regulate markets, imports and exports and increasingly how companies assess and report on their impacts.

To enable this, a stakeholder mapping exercise was undertaken to identify the many different types of stakeholders and actors that play a role within the value chain and the wider ecosystem across focus producer countries; and provided recommendations on which individual stakeholders are critical to engage with and should be prioritized at national, regional and international levels. It started with looking at the widest range of stakeholder categories that participate within the sector, from producing goods through to regulating the market. These stakeholder categories and sub-categories were grouped within a macro-ecosystem based upon the role that each category plays within the sector. The next step was to identify the countries and regions that play important role in this value chain based upon global trade figures and the expert advice. Finally, entities and organizations for each of the stakeholder sub-categories for those countries and regions were identified.

The results of this exercise identified around 400 individual representative organizations, across 23 focus countries/regions representing over 90% of clothing exports, clustered within 27 different stakeholder sub-categories. The mapping is not intended to be exhausted or exclusive – it would be beyond the scope of the project to identify every single individual organization, business, non-governmental organization (NGO), association, or entity, given the size and scale of the sector.

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The mapping activity focused on identifying stakeholders where there were significant gaps, for example, lack of representation from global garment and footwear manufacturers, and identified which entities would be the appropriate to engage with – for example, national manufacturing associations and international manufacturing associations.

The full range of mapped stakeholders is detailed in the Annex to this report (Annex 1. **Stakeholders in the Garment and Footwear Sector**). It is worth remembering there is a certain amount of fluidity in the sector, some stakeholders overlap multiple categories such as platforms and MSIs, some manufacturers are becoming brands, some brands own their own manufacturing operations.

Finally, this activity led to recommendations for the project going forward. These are in two parts: (i) recommendations relating to specific stakeholders to engage with for the project; and (ii) broader recommendations relating to engagement, structure, governance and alignment with the sector.

Such recommendations include:

1. Consider **alignment with other sectoral initiatives**: UNECE should seek to engage with those organizations working to align and harmonize the sector. For example: Sustainable Apparel Coalition (SAC), the Dutch Covenant, the German Partnership for Sustainable Textiles, Textile Exchange.

2. Consider **opportunities presented through the policy landscape**: UNECE should consider the opportunities presented by the various different policies and regulatory instruments that the industry is responding to at international, regional and national levels, such as: the European Union (EU) Green Deal, the French Due Vigilance Act and recent rulings of the Government of the United States of America on withhold release orders, as the industry considers its aligned position on these issues.

3. Set a **structured engagement strategy**: The number of individual stakeholders is very high and to ensure engagement is effective and of high quality, UNECE should consider now setting a more structured model for engagement. Such an engagement strategy should look at:
   a. why to engage and what it is the aim;
   b. whom to engage with (the stakeholders groups /focus country);
   c. how to engage according to level of influence, which involves identifying partnerships/participation/consultation/communication;
   d. which concrete activities to put in place (e.g. a steering committee for the partnership level; the call for action for the participation level; the multi-stakeholders policy dialogue platform and project experts' groups for the consultation level; and communication/awareness raising activities for communication around project progress and outcomes.

4. Consider **mapping stakeholders within each value chain model**: It may be beneficial to conduct a further layer of stakeholder mapping during the value chain mapping. This will identify stakeholders and focus countries that have a significant footprint for each of the main fabric and fibre types and align with the sustainability risks mapping.

■ Objectives and Activities

The first research question was how to identify the most critical stakeholders to engage with across the sector. To do this, the research was structured into the following steps:

1: identify the many different categories and sub-categories of stakeholders and actors that play a role within the value chain and the wider ecosystem.

2: identify the priority national actors / individual stakeholders to engage with for each of the stakeholder sub-categories within the macro-ecosystem.

1. Identifying and mapping the types of stakeholders across the sector as a whole

Mapping the wide range of stakeholders that participate in the sector required looking at how products are made from raw materials through to finished goods; how goods are distributed, monitored, and administered; how the sector is regulated and monitored and held to account for its impacts (in this case sustainability and due diligence impacts) and the relevant organizations involved in these activities.

The description of enterprises used is as outlined in the Organisation for Economic Co-operation and Development (OECD) guidance for the sector including: raw material and fibre producers, material manufacturers and processors, components manufacturers, footwear and garment manufacturers, brands, retailers and their intermediaries, global commodities merchandisers, buying agents, distributors; small, medium and large enterprises, enterprises that are privately owned, State-owned or mixed, sector-wide and multi-stakeholder initiatives.[1]

The UNECE project expert working groups played a key role in supporting and shaping this activity, providing input and feedback on the mapping activity as it evolved. Consultations were conducted through a series of conference calls with the UNECE Secretariat and the expert working groups through December 2019 to February 2020 to validate whether all stakeholders had been identified, whether each stakeholder's position was appropriate and agreement on their nomenclature. Additional stakeholder groups were identified and added through this process, for example, auction houses function as intermediaries at the raw material stage of the leather value chain.

Initially, stakeholders were clustered into quadrants based on:
— Those producing garments and footwear across all tiers.
— Those providing services for the administration of goods within the value chain, such as freight forwarders.
— Societal organizations including campaign groups, civil society, academia, foundations.
— Governments, regulators and intergovernmental bodies.

This model was dropped in favour of using a model based on Harvard strategist James F. Moore's work in describing business ecosystems. The benefit of the Moore's model over the quadrant model is that it permits a clearer illustration of different stakeholder groups based on their roles (direct to indirect) within the sector and inherently acknowledges the dependencies within the ecosystem.

Moore defined a business ecosystem as: "*An economic community supported by a foundation of interacting organizations and individuals – the organisms of the business world. The economic community produces goods and services of value to customers, who are themselves members of the ecosystem. The member organisms also include suppliers, lead producers,*
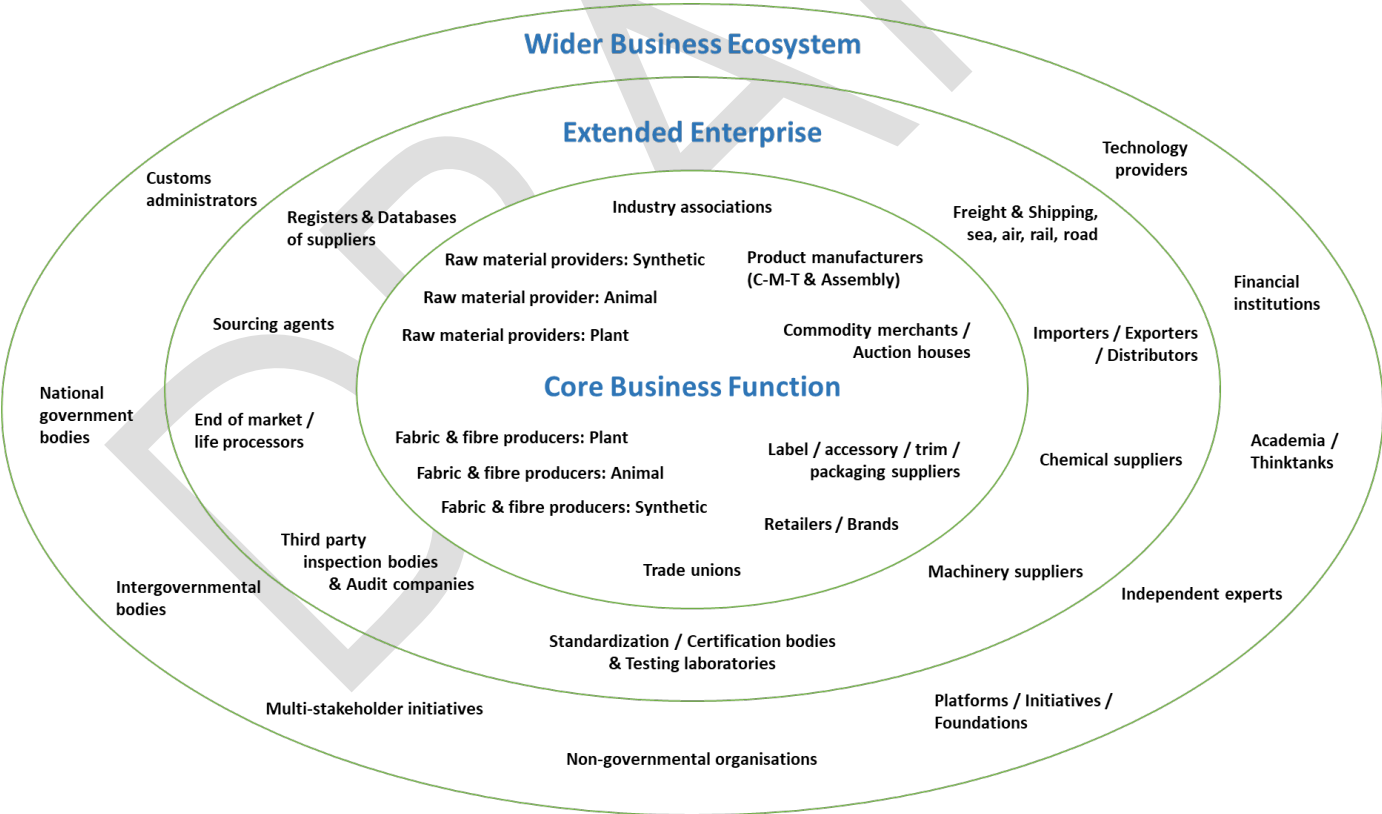
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[1] OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector (2017).

competitors, and other stakeholders. Over time, they coevolve their capabilities and roles, and tend to align themselves with the directions set by one or more central companies. Those companies holding leadership roles may change over time, but the function of ecosystem leader is valued by the community because it enables members to move toward shared visions to align their investments, and to find mutually supportive roles."[2]

Using Moore's model, stakeholders were clustered into three main categories: the Core Business Function, the Extended Enterprise and the Wider Business Ecosystem. See Figure 1. The Ecosystem Model. For the purposes of the sector under consideration and the objectives of the project, we defined these categories as:

— *The Core Business Function*: The organizations and entities that are directly involved in the production and processing of fibres and fabrics and components used within the garment and footwear value chain, as well as in design and retail.
— *The Extended Enterprise*: The organizations that support, administer and enable the value chain to operate and function.
— *The Wider Business Ecosystem*: Organizations that provide policies and frameworks, and advocate for enhanced due diligence and responsibility of the value chain and ecosystem.

Figure 1. **The Ecosystem Model**

A summary of the categories and sub-categories and a description of their role can be found in Table 1. Ecosystem category definitions.

[2] Moore, James F. (1996). The Death of Competition: Leadership & Strategy in the Age of Business Ecosystems. New York: HarperBusiness. ISBN 0-88730-850-3.

It is to be noted that within each of the three main categories, there is a certain degree of fluidity and a spectrum of types of organizations and roles. Manufacturers are moving out of the traditional business to business (B2B) role and selling directly to the consumer through their own branded e-commerce channels (as noted by McKinsey [3]). Non-governmental organizations span a spectrum from campaign groups advocating for worker rights to think tanks and platforms. Multi-stakeholder initiatives may be mandated by government bodies or may be self-regulating and member-driven.

Table 1. **Ecosystem category definitions**

Main category of stakeholders	Sub-category of stakeholders
The Core Business Function: **The organizations and entities that are directly involved in the production and process of fibres and fabrics and components used within the garment and footwear value chain, as well as in design and retail.** These companies are engaged in activities from the provision of raw material including extraction and cultivation; processing and producing fibres and fabrics, manufacturing garments, design and retail.	— Industry associations — Commodity merchants & Auction houses — Raw material providers (animal, plant, synthetic) — Fabric & fibre producers (animal, plant, synthetic) — Product manufacturers (C-M-T & Assembly) — Label, accessory, trim, packaging suppliers — Retailers / Brands — Trade unions
The Extended Enterprise: **The organizations that support, administer and enable the value chain to operate and function.** The Core Business Function of the garment and footwear supply chain is in turn served by organizations that support and facilitate the value chain to operate. These stakeholders provide services such as sourcing, logistics, fulfilment, transport and shipping and distribution; assurance and monitoring systems ranging from quality assurance through to sustainability certification.	— Sourcing agents — Importers, Exporters, Distributors — Freight & Shipping (sea, air, rail, road) — Registers & Databases of suppliers — Third party inspection bodies & Audit companies — Standardization bodies, Certification bodies & Testing laboratories — End of market / life processors — Chemical suppliers — Machinery suppliers
The Wider Business Ecosystem: **Organizations that provide frameworks and policies and advocate for enhanced due diligence and responsibility of the value chain and ecosystem.** Due diligence regulation is evolving at speed, both at national and regional level, and multiple entities are involved from national governments through to intergovernmental organizations. Organizations involved in shaping the agenda at policy level and advocating and influencing for implementation of responsible business conduct are wide-ranging and include multi-stakeholder initiatives, civil society groups, financial institutions, business platforms, and research bodies.	— Intergovernmental bodies — National government bodies — Customs administrations — Multi-stakeholder initiatives — Platforms, initiatives, foundations — Non-governmental organizations — Academia & Thinktanks — Financial institutions — Technology providers — Independent experts

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[3] The State of Fashion 2020 McKinsey & Company, Accessed at https://www.mckinsey.com/~/media/McKinsey/Industries/Retail/Our%20Insights/The%20state%20of%20fashion%202020%20Navigating%20uncertainty/The-State-of-Fashion-2020-vF.ashx p.73.

2. Mapping the main countries and regions that are involved in the value chain

The research objective was to identify countries that play a key role in the garment and footwear sector. Calculations were made for countries' exports and imports of textile, clothing, raw hides and skins, footwear, articles of leather, and fur skins as share of the world's respective exports and imports in 2018.[4] For the European Union (EU) data were considered aggregated and by country within EU.[5] Given the diversity of fibres covered by the textile category, further analysis was implemented for the following groups of products (HS classification): cotton (52), wool, fine or coarse animal hair; horsehair yarn and woven fabric (51), other vegetable textile fibres; paper yarn and woven fabrics of paper yarn (53), man-made filaments; strip and the like of man-made textile materials (54), and man-made staple fibres (55).

The countries / regions most frequently present among exporters / importers with the share of 1 per cent and above of the world exports / imports across sectors / products were identified and cross-checked with the top exporters / importers for each sector/product. This allowed to identify countries / regions that are active in several sectors (e.g. Cambodia) and at the same time to include those that have high shares of exports/imports but in a limited number of sectors (e.g. Bangladesh, Brazil). In addition, taking into account share of exports/imports of particularly textile and clothing, footwear, cotton and wool in the total national exports / imports helped to identify countries for which the specific sector / product was of high importance (e.g. Pakistan).

The UNECE expert working groups provided feedback on the proposed focus countries during a series of conference calls with the UNECE Secretariat and the expert working groups through December 2019 to February 2020 including a presentation at the OECD Due Diligence Forum for Responsible Supply Chains in the Garment & Footwear Sector in February 2020. During these consultations it was proposed to expand the scope of focus countries to include other producer countries where these stood out as providing distinct value for the project. Ethiopia for example, has an emerging garment and footwear industry and is of growing importance for many international suppliers and international brands. Based on this, the expert working group recommended additional focus countries, including Cambodia (a significant sourcing location for international brands), Ethiopia (as detailed above), Mongolia (an emerging economy and of importance for traceable cashmere) and Brazil (a significant producer country in the Americas). These were incorporated into the final list of focus countries. The list of the focus countries / regions with the data for selected sectors are presented in Table 2.

The following countries could be considered as well: high share of cotton exports in total national exports – **Tajikistan** (19.1 per cent) and **Benin** (48.3 per cent); cotton exports of **Uzbekistan** amount to 1.7 per cent of world's cotton exports (and 9.4 per cent of national exports), that of **Egypt** – to 0.8 per cent of world's exports.

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[4] Data used for calculations were extracted from the World Trade Organization (WTO) Data portal (https://timeseries.wto.org/) and International Trade Centre (ITC) Trade Map (https://www.trademap.org/Index.aspx) for the year 2018. Different classifications were used: for textile and clothing (extracted from WTO Data portal) Standard International Trade Classification (SITC 3), Rev.3 was used, while for the other categories (extracted from ITC Trade Map) — Harmonized Commodity Description and Coding Systems (HS).

[5] For this exercise, data for the European Union refer to 28 countries — including the United Kingdom.

Table 2. **Focus countries/regions' shares in world exports/imports for selected sectors/products, 2018, per cent**

Country / region	Textile		Clothing		Footwear		Cotton*		Man-made filament*	
	E	I	E	I	E	I	E	I	E	I
Australia	0.1	0.9	0.1	1.4	0.1	1.2	3.0	0.1	-	0.5
Bangladesh	0.5	3.1	6.7	0.1	0.7	0.2	0.1	13.0	-	3.1
Brazil	0.2	1.0	-	0.4	0.8	0.3	2.9	0.4	0.2	3.0
Cambodia	0.1	1.6	1.6	-	1.5	0.1	-	1.1	-	0.3
Canada	0.6	1.4	0.3	2.0	0.2	1.7	-	0.2	0.6	1.1
China	37.9	5.3	31.9	1.6	32.3	3.2	25.7	18.6	39.9	7.0
Ethiopia	-	0.1	-	0.1	-	-	-	0.1	-	0.2
EU28	23.7	22.8	29.1	38.6	37.1	44.9	9.8	12.6	19.5	27.0
Hong Kong, China	2.4	2.0	2.8	2.4	1.9	2.4	2.4	2.5	1.3	1.5
India	5.8	1.3	3.4	0.2	1.9	0.5	13.5	1.6	4.4	2.1
Indonesia	1.3	2.0	1.8	0.2	3.5	0.5	1.4	4.5	1.7	3.9
Japan	2.1	2.6	0.1	5.7	-	3.8	0.7	1.1	4.2	2.0
Mexico	0.9	1.9	0.9	0.8	0.4	0.8	0.6	2.0	0.4	2.5
Mongolia	-	-	-	-	-	-	-	-	-	-
Morocco	0.1	0.9	0.7	0.1	0.2	0.2	0.1	1.0	-	0.9
Pakistan	2.6	0.5	1.2	-	0.1	0.1	5.9	2.3	0.1	1.6
Republic of Korea	3.1	1.6	0.4	2.0	0.3	2.2	0.8	2.4	5.7	2.4
Russian Federation	0.2	1.1	0.1	1.5	0.2	2.4	0.1	1.1	0.1	1.1
Thailand	1.2	1.0	0.8	0.3	0.4	0.4	0.8	1.6	1.6	1.9
Tunisia	0.1	0.6	0.6	0.1	0.5	0.1	-	0.9	-	0.5
Turkey	3.8	1.8	3.2	0.4	0.6	0.4	3.0	4.7	3.1	4.8
United States of America	4.4	9.4	1.2	18.0	1.1	19.1	14.0	1.8	3.4	5.2
Viet Nam	2.6	4.7	5.7	0.2	11.5	0.7	4.7	9.0	2.2	6.6
Total	93.7	67.6	92.6	76.1	95.3	85.2	89.5	82.6	88.4	79.2

Included in the textile.

Source: calculated using data from: for textile and clothing – WTO Data portal (https://timeseries.wto.org/), for the other products – ICT Trade Map (https://www.trademap.org/Index.aspx).

Within the European Union, the top countries identified by the same method as above are Belgium, France, Germany, Italy, the Netherlands, Poland, Spain and the United Kingdom (Table 3).

Table 3. **Share of selected EU countries' exports (E) / imports (I) in the world's exports/imports for selected products, 2018, per cent**

Country	Textile		Clothing		Footwear		Articles of leather*		Man-made filament**	
	E	I	E	I	E	I	E	I	E	I
Belgium	1.9	1.2	2.0	1.9	4.9	3.4	2.0	1.7	1.6	1.9
France	1.6	2.2	2.7	5.0	2.9	5.9	11.0	6.3	1.1	2.0
Germany	4.7	4.0	4.9	7.6	5.9	9.2	2.8	5.4	3.3	4.0
Italy	4.1	2.5	5.1	3.4	8.4	5.0	12.3	5.0	4.1	3.6
Netherlands	2.0	1.6	2.6	3.5	2.7	3.3	2.8	2.6	2.5	2.3
Poland	1.0	1.4	1.4	1.6	1.4	1.9	0.6	1.1	0.6	1.9
Spain	1.5	1.4	3.1	3.8	2.3	2.6	1.6	2.5	1.7	2.1
United Kingdom	1.2	2.0	1.8	4.5	1.6	4.8	1.4	4.7	0.9	1.9
Total	18.1	16.3	23.6	31.1	30.0	36.0	34.6	29.2	15.8	19.7

* HS 4202: Articles of leather (trunks, suitcases, ..., wallets, purses...).
** Included in the textile.

Source: calculated using data from: for textile and clothing – WTO Data portal (https://timeseries.wto.org/), for the other products – ICT Trade Map (https://www.trademap.org/Index.aspx).

3. Mapping individual stakeholders within the focus countries based on the stakeholder categorization

Using the results of the two previous activities, the entities and organizations for each of the stakeholder sub-categories in the focus countries were identified. This was not intended to be exhaustive or exclusive – it would be beyond the scope of the project to identify every single individual organization, business, NGO, association, or entity given the size and scale of the sector across 23 countries/regions. The garment and footwear supply chain is extremely fragmented in nature and is typified by large numbers of small to medium enterprises within all levels of the value chain. Small and medium enterprises (SMEs) represent 99.8 per cent of all enterprises in the EU28 non-financial business sector, and 99 per cent of all enterprises in the garment and footwear sector are SMEs, employing 99% of the workforce.[6]

Given the above, the mapping focused on where there were gaps that stood out, for example a lack of representation from garment and footwear manufacturers and identified which entity was most influential and appropriate to engage with. In the case of the manufacturers, it stands to reason that the most effective form of engagement is through the national manufacturing associations. The Bangladesh Garment Manufacturers and Exporter Association (BGMEA) has over 4,000 members and leads on sectoral efforts including worker rights and policy development. It, and another sixteen national organizations including those in the project focus countries, are members in turn of the International Textile Manufacturing federation (ITMF). Individual manufacturers complemented the mapping in cases where they were considered as potentially adding specific value to the project. Asia Pacific Rayon, for example, is an Indonesian manufacturer participating in the World Economic Forum public-private blockchain project.[7]

The results of this exercise identified around 400 individual entities across the focus countries and regions which were clustered within 27 different stakeholder sub-categories. (Annex 1. Stakeholders in the Garment and Footwear Sector).

Consultation has been a key part of this process. Opinion from individual organizations and experts between January and March 2020 including OECD, Sustainable Apparel Coalition, ZDHC Foundation, International Apparel Federation, International Textile Manufacturers Association, Plexus Cotton, A Transparent Company and Textile Exchange, was sought. These consultations covered areas including nominations and recommendation for specific stakeholder categories, how stakeholders were categorized, how expert working groups were structured, alignment with other industry-wide initiatives on responsible business conduct and traceability.

The results pin-pointed important entities to engage in the project and also provided broader recommendations for UNECE. The UNECE expert working groups were then asked to review the final full list of all stakeholders as outlined in Annex 1, which resulted in additional entities suggested and included.

■ Recommendations

Final recommendations resulting from this research work are in two parts:

(i)   recommendations relating to stakeholder sub-categories (see Table 4. Stakeholder Mapping Sub-Category Recommendations); and

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[6] EU Annual Report on SMEs, Accessed at https://ec.europa.eu/growth/smes/business-friendly-environment/performance-review_en; and Euratex.

[7] World Economic Forum press release: Self-service blockchain track and trace platform for businesses launched (23 January 2020). Accessed here: https://www.weforum.org/press/2020/01/self-service-blockchain-track-and-trace-platform-for-businesses-launched-2fa007711c.

(ii)   broader recommendations relating to engagement, structure, governance and alignment with the sector.

Table 4. **Stakeholder Mapping Sub-Category Recommendations**

Core Business Function	
Industry associations	**40+ organizations**
The garment and footwear supply chain is extremely fragmented in nature and is typified by large numbers of small to medium enterprises within all levels of the value chain. SMEs represent 99.8% of all enterprises in the EU-28, and 99% of all enterprises in the garment and footwear sector are SMEs, employing 99% of the workforce.[8] Beyond providing significant employment, SMEs also provide value-add. SMEs account for the majority of the increase in value-add in the EU (60%) in 2018/2019. **Manufacturing associations** in particular in the **focus countries** are therefore critical stakeholders for engagement and consultation. These organizations typically represent their members across multiple tiers of the sector. For example, in Turkey, ITKIB contains sub-groups from the apparel readymade garments (RMG) sector, textile and raw materials and leather and leather products. Manufacturing associations in one country can be influential at a policy level in another country (Republic of Korea in Indonesia for example, China in Cambodia & Ethiopia). To ensure effective representation of these organizations, the recommendation would be to engage primarily through International Textile Manufacturers Association (ITMF) and International Apparel Federation (IAF) which represent multiple national manufacturing associations and can provide high-level strategic support and engagement. ITMF and IAF are engaged in Responsible Business Conduct (RBC) initiatives at EU level on the EU Green Deal and Circular Economy which presents good opportunities for alignment across the sector.	
Commodity merchants & Auction houses	**15+ organizations**
Commodity merchants and those that provide additional value-add services such as Plexus are recommended for engagement particularly during the value chain mapping stage. For the cotton value chain, high-level strategic support and engagement could be provided for instance through the International Cotton Advisory Committee (ICAC) and the International Cotton Association (ICA).	
Raw material providers <u>AND</u> Fabric & fibre producers and processors – *Animal based*	**35+ organizations**
Fur (production of all the main wild and farmed species) is well represented through the two European and international bodies Fur Europe and the International Fur Federation. The two organizations represent both raw material suppliers (fur farmers, hunters, trappers) and processors (brokers, manufacturers, dressers and dyers) and retailers.	
Raw material providers – *Plant based*	**7+ organizations**
Cotton, as the main plant-based crop, is well represented through bodies at a high level such as the ICAC and ICA, through commodity traders (Commodity Merchants sub-category) and through certification bodies for cotton such as Better Cotton Initiative (BCI) and Cotton Connect (Standards sub-category).	
Fabric & fibre producers and processors – *Plant based*	**35+ organizations**
Fabric and fibre producers and processors can be engaged through the Industry Associations. Some individual processors have been recommended for engagement that are recognized	

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[8] EU Annual Report on SMEs, Accessed at https://ec.europa.eu/growth/smes/business-friendly-environment/performance-review_en; and Euratex.

leaders on sustainability such as Lenzing and engaging in traceability projects such as Asia Pacific Rayon which is part of the World Economic Forum (WEF) public-private blockchain project.

Raw material providers AND Fabric & Fibre producers and processors – *Synthetic based*	**7+ organizations**
Priority recommendation to engage with the European Man-Made Fibres Association (CIRFS) which represents the European industry and engages with the major national bodies representing synthetic fibres in producer countries. Some individual providers have been recommended for engagement that are globally significant such as Indorama and Reliance.	
Product manufacturers (C-M-T & Assembly)	**10+ organizations**
The majority of stakeholders are existing stakeholders within the project and are based in Italy. The recommendation is to prioritize engagement with manufacturers through the Industry Associations.	
Label, accessory, trim, packaging suppliers	**3+ organizations**
Further mapping of associations that represent this sub-category is needed for the value chain mapping stage and this can be provided through consultation with the expert working groups and the national industry associations.	
Retailers / Brands	**65+ organizations**
This sub-category is well represented, and recommendations include those classed as keystone companies with significant influence by the World Benchmarking Alliance. The recommendation would be to engage through associations such as the Sustainable Apparel Coalition (SAC) that represent multiple brands to ensure effective engagement and alignment at sector level.	
Trade unions	**2+ organizations**
IndustriALL and its global affiliates in national producer countries are required stakeholders to ensure traceability standards and sustainability indicators incorporate trade union and worker representation input and feedback.	
Extended Enterprise	
Sourcing agents	**2+ organizations**
Priority recommendation to engage with Li & Fung and WE Connor which both operate globally and provide services to multiple global brands.	
Importers, Exporters, Distributors	**1+ organizations**
Further mapping of associations that represent this sub-category is needed for the value chain mapping stage, particularly within the producer countries. This can be provided through consultation with the expert working groups, in particular through the industry associations and the brands and retailers.	
Freight & Shipping (sea, air, road, rail)	**10+ organizations**
Recommendation to engage primarily through International Air Transport Association (IATA) and International Federation of Freight Forwarders Associations (IFFFA) which represent multiple national manufacturing associations and can provide high-level strategic support and engagement.	
Other recommended companies are those working on sustainability with the sector for example through the Arctic Shipping Corporate Pledge.	

Registers & Databases of suppliers	5+ organizations
No further recommendations.	

Third party inspection bodies & Audit companies	5+ organizations
The priority recommendation is to engage through Association of Professional Social Compliance Auditors (APSCA) as the key body representing auditors and which is engaged at a sectoral level on industry initiatives.	

Standardization bodies, Certification bodies & Testing laboratories	35+ organizations
A sub-category with many individual organizations and competing standards. The recommendation is to focus on sustainability certificate systems on products most commonly used within the industry (such as Global Organic Textile Standard (GOTS), European Product Declaration (EPD), OEKO-TEX, BCI), Due Diligence on social responsibility and Ethical Labelling programmes focused on manufacturing units (such as FairTrade, HIGG, Get It Fair) and those that have been assessed by Textile Exchange, and then supplement with those used at a cross-sector level such as Global Reporting Initiative (GRI) and World Benchmarking Alliance (WBA). Additionally, Centre European de Normalisation (CEN) and the ISO, which sets international standards should be engaged with.	

End of market / life processors	6+ organizations
Further mapping of associations that represent this sub-category is needed for the value chain mapping stage and this can be provided through consultation with the expert working groups and organizations specifically engaged on circular economy. It is also recommended that UNECE considers how to engage with end of life providers and whether these are incorporated in the standard.	

Chemical suppliers	3+ organizations
Priority recommendation to engage with ChemSec and ZDHC Foundation (categorized under Platforms, initiatives, foundations) and Association of Manufacturers of Process & Performance Chemicals (TEGEWA). CleanChain (ADEC) is recommended as a technology provider for chemical management working with the industry.	

Machinery suppliers	+ organizations
Priority recommendation to engage through National Association of Manufacturers of Footwear, Leather goods & Tanning Technologies (ASSOMAC).	

Wider Business Ecosystem	

Intergovernmental bodies	22+ organizations
This sub-category is well represented and there are no further recommendations of additional entities.	

National government bodies	30+ organizations
Bodies within EU are well represented. Engagement with national government departments within producer countries needs to be increased. The recommendation is that this is funnelled through the Industry Associations or via the UNECE Secretariat to ensure the appropriate bodies are identified, at both sector and trade & development level, e.g. ministries of economic development, environment and social affairs. In addition, engagement with entities in charge of government procurement is recommended.	

Customs administrations	4+ organizations
Priority recommendation to engage through the World Customs Organization.	

Multi-stakeholder initiatives	6+ organizations
Strong recommendation to engage with the multi-stakeholder initiatives (MSIs) (SAC, Dutch Agreement, German Partnership, Get It Fair, CleanClothes, WelFur) leading alignment towards a common industry approach on due diligence. Consideration could also be given to MSIs operating in focus countries and these can be determined through consultation with national bodies at government and industry associations.	
Platforms, initiatives, foundations	**25+ organizations**
This sub-category is well represented. In addition to the existing stakeholders within the expert working groups, a strong recommendation to engage with the Fashion Pact which represents brands including those from the luxury sector. The Fashion Pact has been signed by CEOs of major brands and industry actors, and one of its core commitments is around traceability and transparency. Ellen MacArthur Foundation is a key organization steering the fashion industry towards circular economy and can provide guidance on how to incorporate this aspect of the value chain into the project.	
Non-governmental organizations	**18+ organizations**
This sub-category is well represented by NGOs that are working to advocate for more transparent and traceable supply chains.	
Academia & Thinktanks	**19+ organizations**
Recommendation to engage with the London College of Fashion Innovation to understand their work in traceability and technology for the sector and BRAC in Bangladesh.	
Financial institutions	**5+ organizations**
Priority recommendation to engage with specific investors, for example, Robeco to assess interest in the project by the investor community. Mainstream investors are now covered by EU regulations and have to assess the sustainability risks of their portfolios. Addressing traceability will be one of their key focus areas.	
Technology providers	**38+ organizations**
Oritain and CleanChain are highly recommended to engage with in this sub-category. Engagement with associations where possible on the standard is likewise recommended.	
Independent experts	**9+ organizations**
No further recommendations.	

■ Broader recommendations relating to engagement, structure, governance and alignment with the sector

1. Consider alignment with other sectoral initiatives: UNECE should seek to engage with those organizations working to align and harmonize the sector and with those self-regulatory initiatives which were acknowledged by public institutions. For example, SAC, the Dutch Covenant, the German Partnership for Sustainable Textiles, Textile Exchange.

2. Consider opportunities presented through the policy landscape: UNECE should consider the opportunities presented by the various different policies and regulatory instruments at international, regional and national levels that the industry is responding to, such as the EU Green Deal, the French Due Vigilance Act and recent rulings of the Government of the United States of America on withhold release orders, as the industry considers its aligned position on these issues.

3. Set a structured engagement strategy: The number of individual stakeholders is very high and to ensure engagement is effective and of high quality, UNECE should consider now setting a more structured model for engagement according to level of influence, which involves identifying partnerships/participation/consultation/communication.

4. Consider mapping stakeholders within each value chain model: It may be beneficial to conduct a further layer of stakeholder mapping during the value chain mapping. This will identify stakeholders and focus countries that have a significant footprint for each of the main fabric and fibre types and align with the sustainability risks mapping.

Finally, the macro-ecosystem map is a useful tool and should be updated as the project evolves to make sure it is relevant and fit for purpose. It can be used to guide engagement towards priority stakeholders with the most reach (i.e. member associations, individual progressive stakeholders) and will help inform the further recommended activities including an engagement strategy.