

**Minutes**

**Virtual conference meeting #4 – Capacity-Building & Pilots sub-group 4**

**25/03/2020, WebEx, 15:30 CET**

**Participants (43)**

Tarun Kumar Agrawal (KTH Royal Institute of Technology), Stefano Albini (Albini), Emanuele Bertoli (Berbrand), Rahul Bhajekar (GOTS), Cedric Brunner (OEKO-TEX), Ermanno Camerinelli (Berbrand), Virginia Cram-Martos (Triangularity), Ella Cullen (Minespider) Piero de Sabbata (ENEA/Euratex), Simonetta di Tommaso (Italian Ministry of Economic Development), Neliana Fuenmayor (A Transparent Company), Emily Franklin (Fashion for Good), Amit Gautam (Textile Genesis), Tesja Kersten (Hecho por Nosotros), Pranav Khanna (Hecho por Nosotros), Tricia Langman (Hecho for Nosotros and animaná), Jaki Love (Textiles Scotland), Virgilio Maretto (pOsti), Adriana Marina (Hecho for Nosotros and animaná), Jan Mercckx (GS1), Anja Merker (Texil+mode), Gediminas Mikutis (Haelixa), Liz Muller (liz muller & partners), Belen Pappolla (Hecho por Nostros), Iliaria Pierozzi (ICMQ India), Olga Pirazzi (Cittadellarte), Andrea Redaelli (Hugo Boss), Jerome Rousselot (Jita Digital), Melissa Rusinek (Diverse Recycling Solutions), Cesare Saccani (ICMQ India), Antonio Samele, Stefano Silvi (pOsti), Isabella Tonelli (Vivienne Westwood), Frans van Diepen (RVO, The Netherlands), Nathan Williams (Minespider), Heinz Zeller (Hugo Boss), Erik Zvaigzne (Convergence Tech), George, Nicolas

**UNECE Secretariat:** Maria Teresa Pisani, Olivia Chassot, Olga Kharitonova **Co-leading Expert/s:** Andrea Redaelli, Heinz Zeller

Agenda item	Discussion	Comments / Status	Action/Decision
<p><b>1. Presentation of the detailed pilot project plan</b>  <i>Andrea Redaelli/Olivia Chassot</i></p>	<p>Presentation of the Detailed Pilot Project Plan for the cotton blockchain pilot:</p> <ul style="list-style-type: none"> <li>- <b>User stories:</b> the sub-group will define in a transparent way the needs and expectations from the blockchain solution and how it can fulfil them (i.e. user stories, “as a”). The hypotheses drawn by the experts in the questionnaire will be the starting point of the user stories.</li> <li>- <b>Scope:</b> It has been agreed by the experts that the supply chain phases covered for the pilot are cotton field to brand/retailer and their key partners (farmers/cooperatives, suppliers, producers, brands/retailers, auditing and certification bodies). The consumer phase is likely to be simulated to keep the pilot’s complexity low. The key B2B transactions to be covered are auditing and sustainability/certification. As discussed with the experts, it is requested that the blockchain solution characteristics features a hybrid solution open-source technology that allows permissioned but does not exclude</li> </ul>	<ul style="list-style-type: none"> <li>▪ The cotton blockchain pilot will test the value chain and data model developed by the sub-group 2 (Technical Standard for Traceability). Lately, the project team has discussed the principles processes for traceability which include the business process analysis activity and the generic traceability use diagram. The project team is currently working on the common value chain and data models for traceability and transparency throughout the supply chain, and on the detailed supply chain for individual fiber types (starting with cotton). The explanatory note on this approach will be made available on the <i>(CUE Space)</i>.</li> <li>▪ Consider that the demanding timeline for this pilot is due to the other pilots (i.e. linen, wool, synthetic and leather) which will be implemented once the cotton pilot is completed (March 2021) as part of the</li> </ul>	<ul style="list-style-type: none"> <li>▪ The project team will identify and add a measurable / quantitative identification of the KPIs.</li> <li>▪ The operational level will define a couple of user stories based on the hypotheses drawn by the experts (see hypotheses reflected in the draft TORs).</li> </ul>

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

	<p>permissioned-less, which will enable to define clearly who can see what and that could be open-source eventually.</p> <p><b>Highlights from experts:</b></p> <ul style="list-style-type: none"> <li>- Focus on traceability and the granularity of traceability</li> <li>- Flexible certification uploading e.g. audit, certificate, questionnaire</li> <li>- Sustainable production versus sustainable processing</li> <li>- Traceability layer versus certification layer</li> <li>- Products' characteristics definition for fiber integrity and traceability e.g. a yarn / finished fabric / garment item</li> <li>- Solution access designed by the technology solution provider based on performance parameters defined by the pilot's team.</li> <li>- Scalable and flexible solution (i.e. mass markets)</li> </ul> <p><b>KPIs / Targets:</b> Kindly refer to the minutes of the Presentation and Minutes of the call 26-02-2020 on the <i>(CUE Space)</i>.</p> <p><b>Organization</b> under this pilot is defined at three layers: kindly refer to the presentation of this meeting for the detailed governance and organization for the pilot under three layers 1/ Strategical, 2/ Services, 3/ Operational. The pilot could also build on the work and findings from other ongoing projects (f.i. Egyptian Cotton Project).</p> <p><i>Reference documents (CUE Space)</i></p> <ul style="list-style-type: none"> <li>- <i>Minutes Virtual meeting #3;</i></li> <li>- <i>2020.02.26_UNECE_BCPilot;</i></li> <li>- <i>25.03#4Presentation_UNECE_BCPilot_ARfinal.</i></li> </ul>	<p>whole UNECE project (Pilots &amp; Capacity-building activities).</p> <ul style="list-style-type: none"> <li>▪ Consider that the production from farm to retail take at least 6 months which makes the real end-to-end supply chain very challenging. The full lead time from fiber -&gt; yarn -&gt; fabric -&gt; garment can easily be up to 9-12 months.</li> <li>▪ To address that, the operational level will have to consider the current UNECE project timeline and the real timeline of production to meet the expectations under this pilot.</li> <li>▪ The pilot on linen is not likely to be run in parallel to cotton to keep the level of complexity low, and will build upon the robust results of the completed and replicable cotton pilot.</li> <li>▪ Consider that having a simulation for the implementation phase is workable, but data entry quality must be ensured in the real supply chains to learn from the challenges of every node.</li> <li>▪ As per the experts' comments, the project team well intends to run a "real" world solution encompassing the fragmented nature of the supply chain while keeping the level of complexity low.</li> <li>▪ If timewise, the real value chain cannot be operated in the blockchain, a time accelerator concept will be used upon the guarantee to continue to use real data.</li> </ul>	
<p><b>2. Presentation of the draft TORs for the solution procurement</b> <i>Andrea Redaelli</i></p>	<p>The launching of the procurement phase request for proposal (RfP) for procuring the blockchain technology solution which will support the pilot should be released in May. The TORs describe the assignment description, the timeline, the business and technical requirements for this pilot and list of deliverables. The solution is requested to be open-source (although in the initial phase it will be a permissioned blockchain) for use after the Proof-of-Concept, hence it should also be scalable and extendable right after to support business purposes.</p>	<ul style="list-style-type: none"> <li>▪ Consider adding reporting to the list of deliverables.</li> <li>▪ Consider that the quality testing will be part of the technical provider's duties prior to go into implementation and some fine-tuning will also be done with the users in October and November 2020.</li> <li>▪ Consider that the work conducted in sub-group 2 (Technical Standard for Traceability) on the value chain and data models will be coordinated and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Once the draft TORs have been reviewed and validated by UNECE procurement department, it will be shared with the experts. The secretariat together with the procurement department will define the evaluation criteria for the proposals.</li> </ul>

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	<i>Reference documents: Draft ToRs for solution procurement document;</i>	aligned to support the work of sub-group 4 for the cotton blockchain pilot.	<ul style="list-style-type: none"> <li>▪ The draft TORs will undergo a round of consultation with the group of experts for inputs and comments.</li> <li>▪ The request for proposal is expected to be launched online by the end of April / early May. The secretariat will inform the experts on the RfP issuance and the timeline of the submission of proposals.</li> </ul>				
<b>3. Next steps for pilot implementation</b> <i>Maria Teresa Pisani,          Andrea Redaelli</i>		<table border="1" style="width: 100%;"> <tr> <td data-bbox="1144 660 2139 762"> <b>6 April 2020</b>            Consultation with operational partners: TORs feasibility along the value chain (teleconference)         </td> </tr> <tr> <td data-bbox="1144 762 2139 855"> <b>15 April 2020</b>            Deadline for inputs Sub-Group 2: TORs feasibility (based on elements included in the ppt) along the value chain ( by e-mail)         </td> </tr> <tr> <td data-bbox="1144 855 2139 919"> <b>22 April 2020</b>            Final validation of the TORs with operational partners (teleconference)         </td> </tr> <tr> <td data-bbox="1144 919 2139 983"> <b>Late April</b>            Launch of the RfP (UNECE website)         </td> </tr> </table>		<b>6 April 2020</b> Consultation with operational partners: TORs feasibility along the value chain (teleconference)	<b>15 April 2020</b> Deadline for inputs Sub-Group 2: TORs feasibility (based on elements included in the ppt) along the value chain ( by e-mail)	<b>22 April 2020</b> Final validation of the TORs with operational partners (teleconference)	<b>Late April</b> Launch of the RfP (UNECE website)
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Next conference call (capacity-building and pilots' subgroup 4)	<b>Virtual workshop</b> (in replacement of the 35th UN/CEFACT Forum) <b>on the 27 April 2020 &amp; 28 April 2020</b> (time TBC)	Intermediate call with the subgroups of experts in April TBC.					