

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

Minutes

Virtual conference meeting #2 – Capacity-Building & Pilots

29/01/2019, WebEx, 15:30 CET

Participants (34)

Martina Abalo, Stefano Albini (Albini), Hannah Bobker, Cedric Brunner (OEKO-TEX), Gessica Ciaccio (ENEA), Virginia Cram-Martos (Triangularity), Ella Cullen (Minespider), Piero de Sabbata (ENEA/Euratex), Neliana Fuenmayor (A Transparent Company), Emily Franklin (Fashion for Good), Valerie Geluykens (JBC nv), George, Adam Herbenson (Stardustus), Claudia Kersten (GOTS), Tesja Kersten, Zine Jemmali (YNAP), Virgilio Maretto (pOsti), Adriana Marina (Hecho for Nosotros and animaná), Jan Merckx (GSI Begium & Luxembourg), Gediminas Mikutis (Haelixa), Greta Moser (Avery Dennison), Belen Pappolla (Hecho por Nostros), Andrea Redaelli (Hugo Boss), Andreas Schneider (GCS Consulting GmbH), Stefano Silvi (pOsti), Evonne Tan (Textile Exchange), Marek Termanowski (Educhain) Eleonora Tieri (YNAP), Fabian Vogelsteller (Lukso), Jim Whitestone (Convergence Tech), Nathan Williams (Minespider), Erik Zvaigzne (Convergence Tech).

UNECE Secretariat: Maria Teresa Pisani, Olivia Chassot **Co-leading Expert/s:** Andrea Redaelli, Virginia Cram-Martos

Agenda item	Discussion	Comments / Status	Action/Decision
1. Scoping questionnaire: framework overview and content <i>Andrea Redaelli</i>	<p>Presentation of the questionnaire which aim at collecting the experts' views on the scope of the cotton blockchain pilot (section 1) and on the lessons learnt and takeaways from previous blockchain projects already implemented (section 2). The findings of this questionnaire will help developing the business and technical requirements, ToRs for procurement, development and implementation of the blockchain solution for the pilot.</p> <p><i>Reference documents: Scoping Questionnaire Framework and content ; POC Scope Questionnaire</i></p>	<ul style="list-style-type: none"> Questionnaire, Section 1, Q3: knitting and finishing will be added to the list of processing steps. Questionnaire, Section 1, Q5: the B2B transactions listed out will be fine-tuned and differentiated from business functions and activities as the pilot will move forward. Questionnaire, Section 2, Q4: an additional question will differentiate legislation/regulation from governance as potential drivers for blockchain projects. The questionnaire aims at assessing with experts the feasibility of this pilot by defining the right scope for a cost-effective solution and a limited complexity, although it takes a broad perspective from the outset. Additional question to consider (section 2): How important standardized master data, attributes and transaction data are considered? Additional question to consider (section 2): List two or three hypotheses you would like to have tested during the pilot 	<p>The Secretariat will update and circulate the questionnaire by email and facilitate the collection of experts' inputs by <u>Friday 21 February</u>, ahead of the next monthly call scheduled on the 26/02. The data can be collected by emails, bilateral interviews, Skype.</p>

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<p>2. The DNA marking technology for cotton value chains <i>Gediminas Mikutis</i></p>	<p>Quick presentation of the pilot conducted by Haelixa in India in partnership with Fashion for Good, Organic Cotton Accelerator, C&A Foundation and Bext360 for one year. The full report of this pilot "<i>Tracing Organic Cotton from Farm to Consumer</i>" is available here.</p> <p>The key challenge of digital traceability is the lack of connection with the physical item in the value chain. To bridge that gap Haelixa used a physical tracer, specifically the DNA which services a barcode, assigns a meaning to that barcode which marks the item from farm to retail. The DNA can be detected at any point of the supply chain and the information conveyed can be uploaded onto the blockchain at different stages of the chain. The physical tracer DNA also ensures the identification of the farm where the cotton was sourced and whether it was mixed with non-organic cotton. The DNA tracer covers all the supply chain phases. The pilot report (November 2019). <i>Reference documents: Haelixa deck presentation.</i></p>	<ul style="list-style-type: none"> • The data model enhanced traceability by using entities such as the farmers' identity, location, quality control and volumes information. • The DNA can either be tested onsite with a portable device (i.e. smartphone will upload data afterwards on the blockchain), or on field. • The DNA code indicates at the collection centre of finished garments which cotton centre it is from (not which farm). • Cost: the physical tracer is not significant in terms of cost but is additional to the cost of the digital solution. • The key point to use DNA technology for traceability is to ensure that the tracer is applied at the right point and time to the right material to analyse the provenance afterwards, then it cannot be tampered with. • The DNA analysis can be conducted from a mere device and indicates quantitatively the location marked from the physical tracers. The physical tracer indicates where the DNA code was entered, thereby indicating in the blockchain the provenance. • In terms of IP, DNA tracers have to be purchased. • Greta Moser from Avery Dennison, provided an overview of the pilot AD Trace Blockchain for Apparel & Footwear Transparency & Traceability using a unique identity QR code to trace the garment' journey from fabric to retail, the use cases, product and process information, conducted in partnership with Evrythng, 1017 ALYX 9SM and presented during 2019 Copenhagen Fashion Summit. 	<ul style="list-style-type: none"> • The Secretariat will share the presentations from Haelixa and Avery Dennison.
<p>Next conference call (capacity-building and pilots' subgroup)</p>	<p>Wednesday 26th February 2020 at 15:30 CET (Geneva)</p>	<p>Project events during the 2020 OECD Due Diligence Forum on the Garment and Footwear sector (11-13 February 2020, Paris).</p> <ul style="list-style-type: none"> ○ 11/02 Project meeting from 10:30-12:30, followed by light lunch (Room CC16, OECD) • 13/02 Garment Tech Talk from 14:00-14:30. ○ Save the date: Project meeting during the 35th UN/CEFACT Forum (27-28 April, Geneva) 	

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