Conference Report

Traceability for Sustainable Value Chains

Enhancing transparency in the textile and leather sector for informed and responsible choices

31st UN/CEFACT Forum - 24 April 2018 - Geneva, Switzerland
The textile and leather sector is characterized by global and complex value chains, with production facilities scattered all over the world, making it very hard to gain accurate information on social, health and environmental risks throughout the value chain. Improving transparency and traceability has therefore become a priority. The conference discussed possible approaches on supporting policies, regulations and standards, along with innovative solutions to guide the sector towards more transparent and sustainable production and consumption patterns, in line with SDG 12 of the UN Agenda 2030.

Agenda Overview

The conference was opened by welcoming remarks of the UNECE Executive Secretary, Ms. Algayerova, together with the Ambassador of Bangladesh to the United Nations Offices in Geneva, HE M. Shameem Ahsan and the Executive Director of the International Trade Centre (ITC), Ms. Gonzalez. The moderators presented the components for the UNECE framework initiative, and followed by two roundtable discussions. The morning roundtable focused on the development of relevant industry-wide policies, guidelines and innovative approaches and solutions, while the afternoon discussion addressed the role of international standards for traceability in sustainable value chains, including good practices from the sector.

Roundtable Moderators

Maria Teresa Pisani, Economic Cooperation and Trade Division, UNECE
Frans Van Diepen, Netherlands Enterprise Agency, The Netherlands

Roundtable Speakers

Each speaker addressed questions posed by the moderators in a brief presentation, followed by an open question and answer session. Speaker presentations are available at the conference webpage: http://www.unece.org/31stuncefactforum_tfsustextile.html

Dorothy Lovell - OECD
How can transparency and traceability of textile and leather value chains contribute to sustainable production and consumption patterns? How do the OECD Due Diligence Guidelines for the clothing and footwear sector support that? And what are the lessons learned from their implementation?

Joseph Wozniak - ITC
How important it is to establish a common understanding about sustainability and transparency requirements in the textile and leather sector?

Conor Boyle, Better Work - ILO
Which tools can facilitate the assurance of compliance with labour standards? How can traceability schemes contribute to reducing social risks in value chains? What are the lessons learned for the implementation of your Better Work initiative?

Anita Househam - UN Global Compact
What are the lessons learned from the UN Global Compact work for the clothing sector on traceability for sustainable value chains, and what are the recommendations, including on the role that policy makers and regulators can play?

Andrea Redaelli, Hugo Boss
How can emerging technologies help pass down information on labour and human rights, and environmental performance in a way that is complete, credible and not duplicative, including for example through blockchain technology application?

Mauro Scalia, EURATEX
How can companies contribute to identify, prevent and account for adverse impacts and risks in their value chains? To what extent is visibility necessary to enable risk based due diligence and responsible sourcing of textile? What are the challenges and opportunities from your perspective?

Teresa Moreira, UNCTAD
How can transparency and traceability schemes ensure that consumers have access to adequate information to make informed choices regarding their purchases?

Judith Fessehaie, ICTSD
After conducting substantial research of the apparel production in Least Developed Countries (LDCs), in your view, what is the role of traceability and sustainability standards in helping them achieve economic development and structural change?

Lee Tyler, Textile Exchange
How can industry transformation be driven and achieved through standard setting? In your view, what is the role of international standards for sustainable production and consumption in the sector?

Sabrina Frontini, ICEC
How do standards contribute to traceability schemes for sustainable value chains in the leather sector, and can therefore help optimize and improve risk management and efficiency?

Markus Pikart, CITES
How is CITES cooperating with the industry to maintain and to certify the processing, production and trade of products which contains CITES regulated products? How can the consumer verify that what they buy is legally produced?

Paolo Naldini, Cittadellarte Fashion B.E.S.T
How important is to engage with designers, brands, manufacturers, consumers to foster the change towards sustainability and transparency? How can education, information, and awareness help? How to reach out widely and communicate effectively on the importance of these aspects?

Vittoria Marchi, Marchi & Fildi
What are the challenges and opportunities towards enhancing transparency and traceability from your role in textile value chains? How can innovation help?

Andrea Djurle, STWI
How can practices related to water efficiency and pollution prevention be implemented along the textile and leather value chains, and be possibly reflected in a transparency and traceability framework?

Matteo Ward, WRAD
From the perspective of an innovative start-up, which are some of the more relevant solutions and good practices available for addressing sustainability risks in the sector?
Key Issues Raised

• Align traceability scheme to global recognized standards and guidelines.
• Consider specificities of value chains, as they may differ by commodity.
• Wide array of industry initiatives, including mass balance and segregation traceability systems.
• Need to reduce audit fatigue, which reduce market access especially for SMEs in developing countries, and move towards harmonization of codes and private standards.
• Promote pre-competitive, neutral solutions.
  • Attain consensus and critical mass reach.
  • Increase involvement and exchange between all relevant stakeholders in the industry, recognizing the importance of bringing manufacturers, suppliers and workers in the discussion.
• Do not consider standards as a singular solution, they are a tool to be used as part of a more robust risk management program.
  • Identify control points for assessment in the supply chain, pertaining to identified risks. Decisions must be taken upon which information needs to be exchange and in which way.
  • Include a focus on purchasing practices and support reporting on due diligence, especially in the downstream part of the chain.
• Foster the inclusion of practices, such as wastewater treatment, as a monitoring step in the value chain.

TRANSPARENCY
HARMONIZATION
INTEROPERABILITY

Need to define:
• Entry and exit points
• Data Rights, Access and Ownership
• Certification
• Meaning of the data of certificates for the consumer, trade partner, and policy maker