Overview
Policy Recommendation

Virtual Multi-Stakeholder Policy Dialogue 27-28 April 2020
Accelerating action for Sustainable and Circular Value Chains in Garment & Footwear
To support implementation of policy claims and regulatory compliance for Sustainable and Circular Garment and Footwear Value Chains that make a positive contribution to the UN SDGs, their owners and stakeholders
Purpose: To Help Policy Makers

Support brands, manufacturers and/or factories in their efforts to implement improvement plans and to self-assess themselves against recognized international initiatives, standards, codes of conduct and audit protocols.

Support developing countries, and groups at risk, including women and other local-level stakeholders, who are often affected by unfair practices in this sector.
Policy recommendation on Transparency and Traceability in the Garment and Footwear Sector

Structure – In 2 Parts

1) Recommendation
Primarily for Governments

2) Guidelines
Primarily for Implementing Organizations
Policy recommendation on Transparency and Traceability in the Garment and Footwear Sector

With -
At the end

Annexes
With additional information
Part 1 – The Recommendation – page 1

Introduction
1. Why a Recommendation?

Scope
2. What is covered?

Target Audience
3. Who is the Recommendation for?

Recommendation
4. The Recommendation Content
Draft Recommendation Content

Recommendation 4

To require due diligence, i.e. that policy claims made to customers are verifiable/verified

Establish harmonized regulations to achieve higher sustainability and circularity and create a more level playing field

Define minimum levels of traceability data for supporting due diligence in line with relevant UN/CEFACT standards or the equivalent
Draft Recommendations

- Provide economic and fiscal incentives (positive and negative)
- Provide non-financial incentives
- Stimulate collaborative initiatives to mitigate adverse impacts and create shared value
- Support research and development
Part 1 – The Recommendation – page 4

Recommendation 4

Draft Recommendations

Promote pilot projects to experiment with new approaches; Create and share know how

Develop two-track approaches, one for large companies and another designed for SMEs

Suggestions can still be made – do you have any?
Policy recommendation on Transparency and Traceability in the Garment and Footwear Sector

Part 2 – The Guidelines – Initial Outline

- Introduction
- Organization of a Traceability Framework
- Architecture of a Traceability Framework
- Data Analysis
- Indicators and Data Collection Methologies
- The Role of Technology
- Policy Formulation and Action Plans
- Considerations When Implementing a Traceability Framework
Policy recommendation on Transparency and Traceability in the Garment and Footwear Sector

Part 2, one chapter in more detail

THE ARCHITECTURE OF A TRACEABILITY FRAMEWORK

- Policy Claim(s)
- Traceable Assets
- Entry and Exit Points
- Traceability Conditions and Rules
- Incentive Systems and Cost Allocation
- Certification and Audit: Governance
The Annexes

- Call for Action
- Existing policies, regulations and tools
- Model legislation or Regulation
- Supporting Tools
- Role of Technology
The Call for Action is a Call for Voluntary Commitments for increasing traceability and transparency in value chains

Commitments can include mixtures of new and ongoing measures and should result in:

a. Enhanced visibility of compliance

b. Enhanced traceability of product/materials attributes (social/environmental/ethical) along the value chain

c. A measurable impact on sustainability in value chains over time

d. Increased environmental and socially responsible consumption and production patterns
## Call for Action

### ACTION 1

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<tr>
<th>Description of Action</th>
<th>Type of Action (check all applicable)</th>
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<td>□ Traceability</td>
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<td>□ Transparency</td>
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<td>□ Legal, regulatory and policy instruments</td>
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<td>□ Collaborative initiatives</td>
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<td>□ Other, describe________</td>
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**Scope of the action including a description of the value chain processes that are covered**

**Timeframe and/or milestones for the action, as appropriate**

**Reference instruments and sources (including relevant standards and certification schemes), as appropriate**

**Expected benefits and impact**

**Key performance indicator(s)**

**Partners**
### Policy Recommendation, Implementation Guidelines, Call 4 Action

#### NEXT STEPS

**HOW TO CONTRIBUTE?**

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<thead>
<tr>
<th>Section 1</th>
<th>Policy Recommendation (Part I) <em>(draft April 2020)</em></th>
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<tbody>
<tr>
<td>Section 2</td>
<td>Guidelines (Part II) <em>(will be uploaded shortly on the meeting page &amp; CUE Space)</em></td>
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<tr>
<td>Call for Action</td>
<td>Annex 4. Call for Action Template <em>(draft April 2020)</em></td>
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**EXPERTS CONSULTATION**

Review and share your inputs with the secretariat by **15/05**
Thank you!

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