

Transparency and Traceability for Sustainable Value Chains

Accelerating action for Decent Work and Sustainability
in the Garment and Footwear Industry

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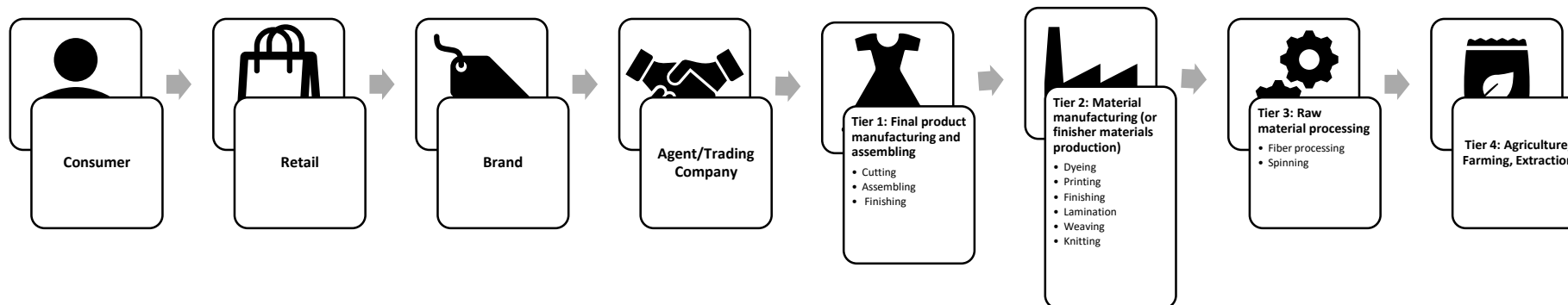
Garment and Footwear Value Chains

■ GLOBAL

- Global Value Chains: Main feature in international trade
- Lengthy lead-times
- Driven by big retailers and traders

■ COMPLEX

- Multi-stakeholder
- Small and scattered production facilities
- Short product lifecycles



Traceability and transparency. A priority to advance sustainability

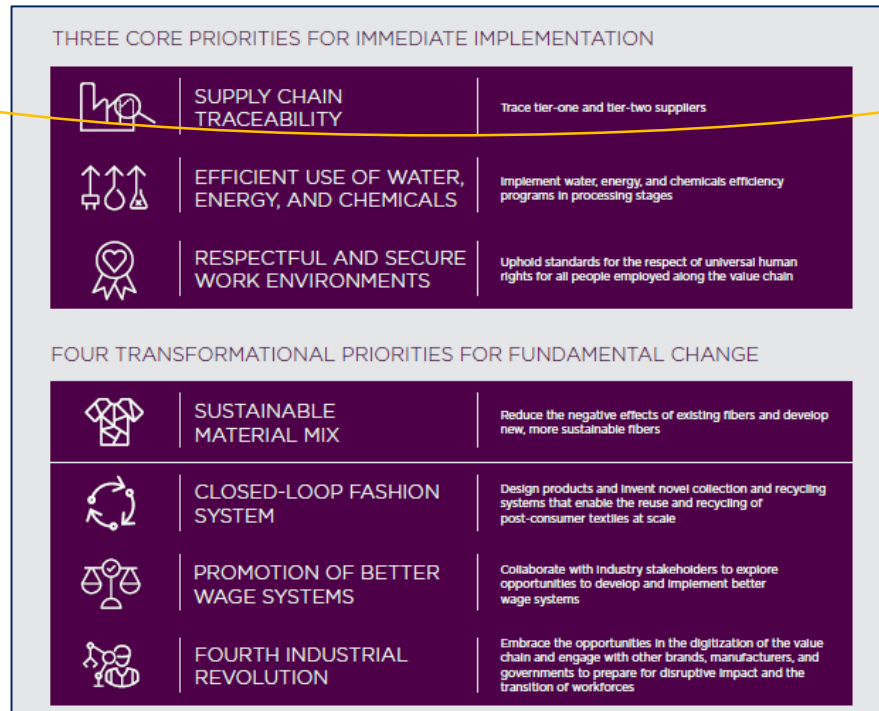
Sustainable Value Chains

■ TRACEABILITY

“the process by which enterprises **track materials** and **products** and the **conditions** in which they were produced through the supply chain” (OECD, 2017)

■ TRANSPARENCY

“relates directly to relevant **information** been made **available** to all elements of the value chain in a **standardized** way, which allows common understanding, accessibility, clarity and comparison” (EC 2017)



Source: Boston Consulting Group & Danish Fashion Institute - Pulse of the Fashion Industry 2018

Research Questions

1. How can **transparency** and **traceability** of the value chains help advance **sustainability** in the garment and footwear sector?

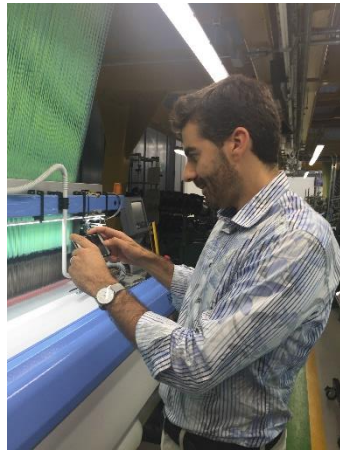


2. What are the **key requirements** for the business sector to put in place a robust transparency and traceability scheme?

3. What are **possible measures** that **policy makers** could devise to support traceability and transparency of sustainable garment and footwear value chains?

The UNECE explorative analysis

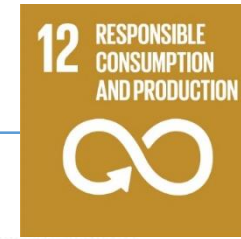
Engaging with the business sector



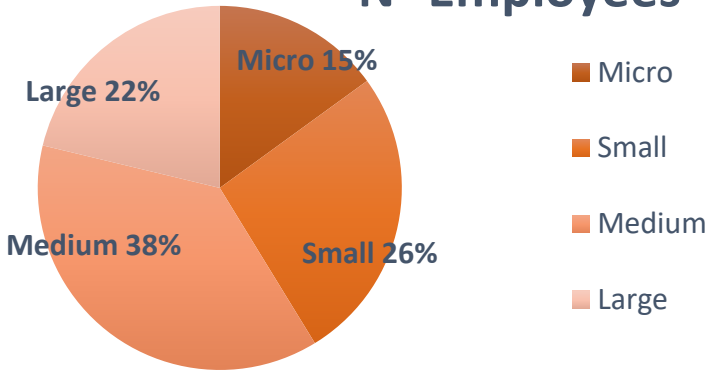
Source: UNECE Survey 2018

The UNECE exploratory analysis

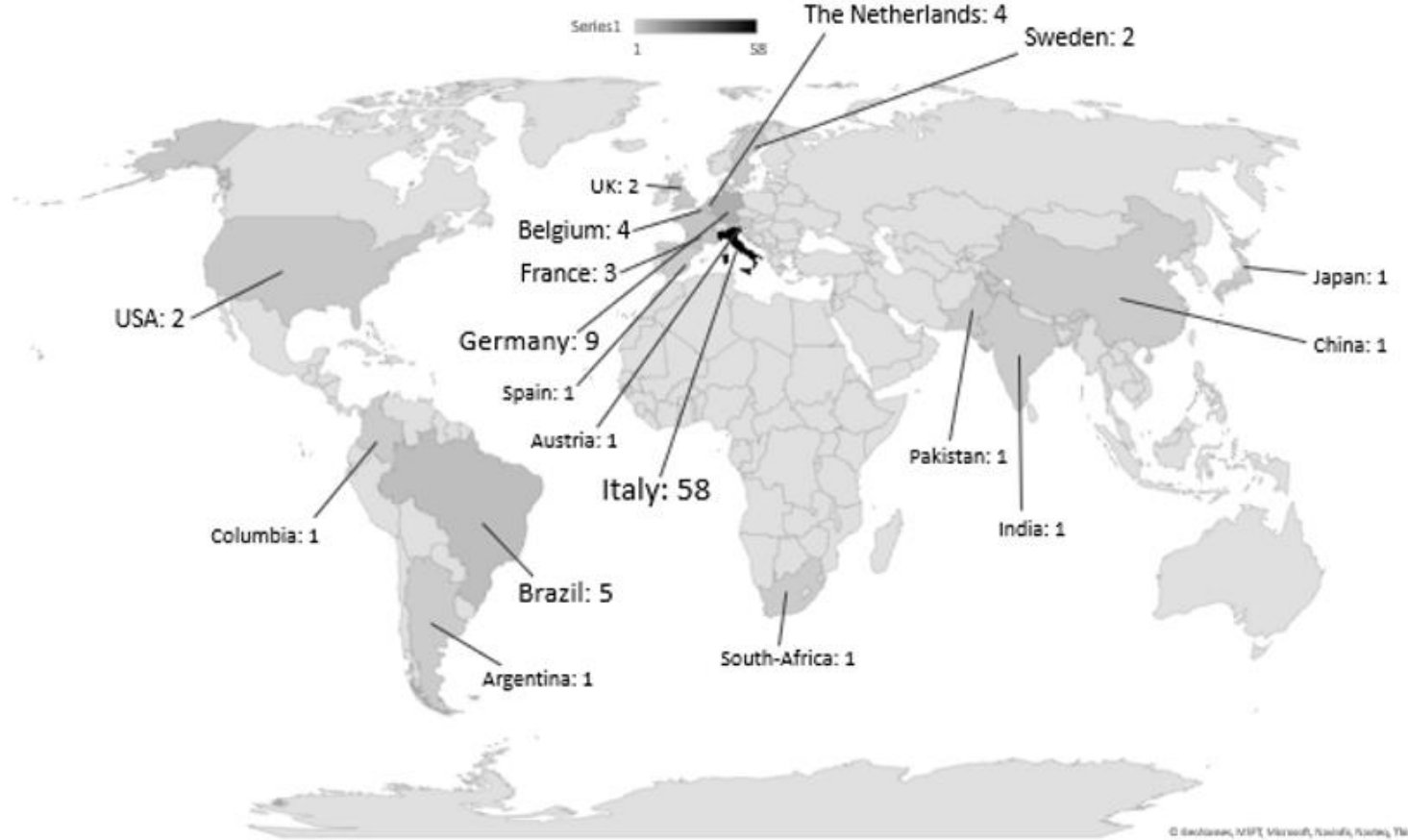
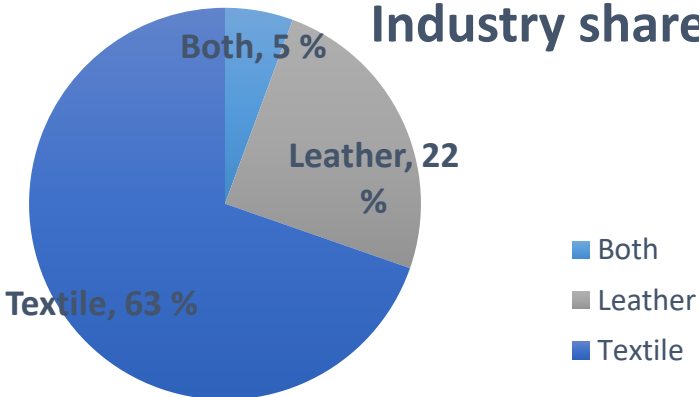
+ 100 respondents



N° Employees



Industry share



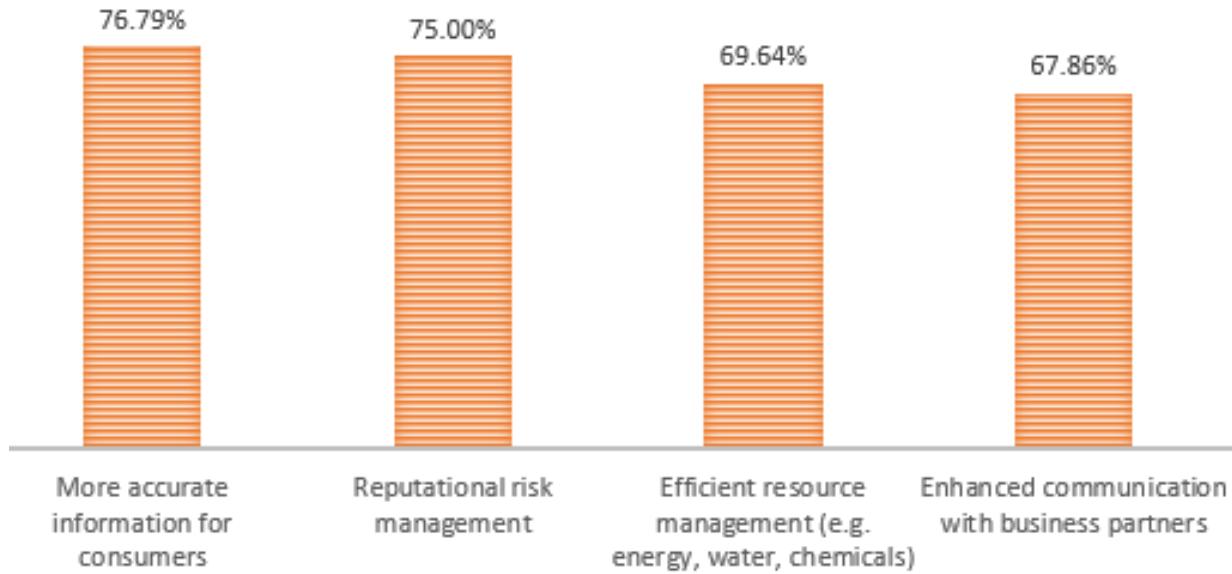
Source: UNECE 2018

1. Why Transparency and Traceability?

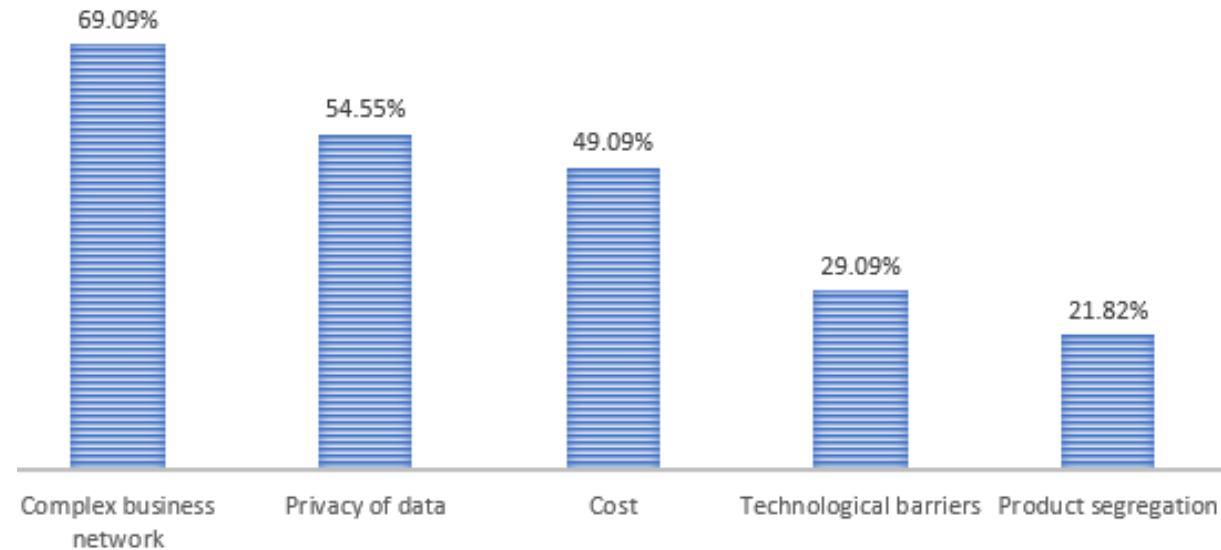
The UNECE exploratory analysis



A **priority** for the industry



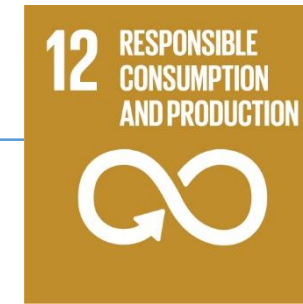
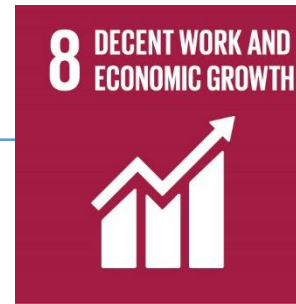
Possible **challenges**



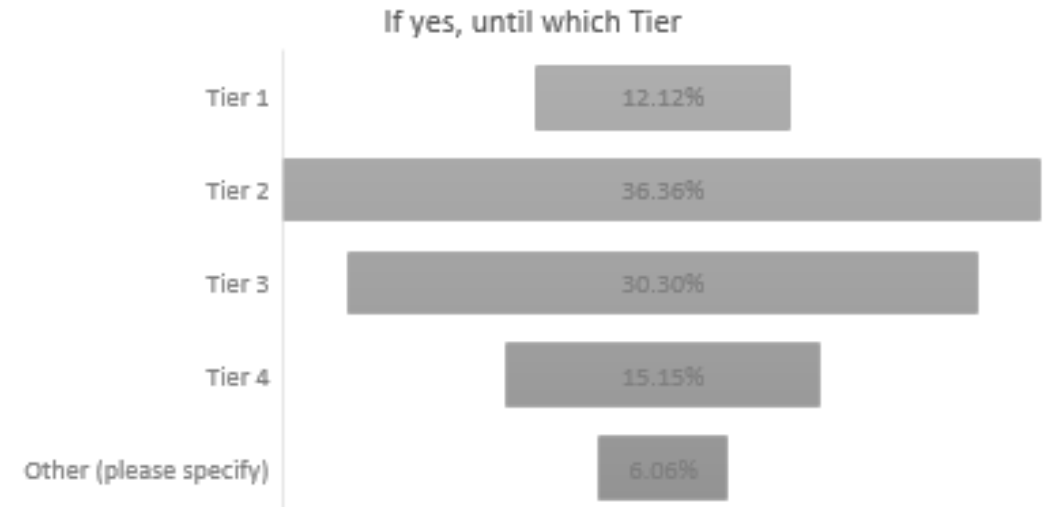
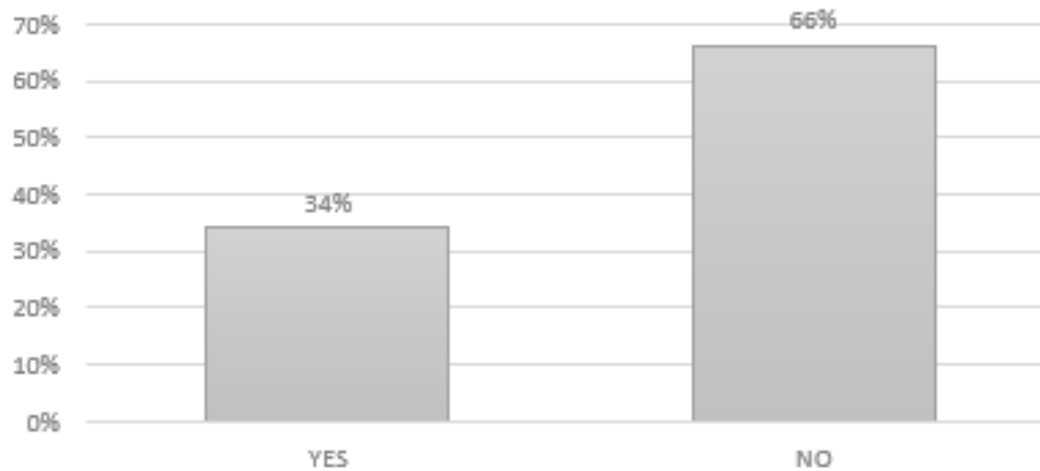
Source: UNECE Survey 2018

1. Why Transparency and Traceability?

The UNECE exploratory analysis



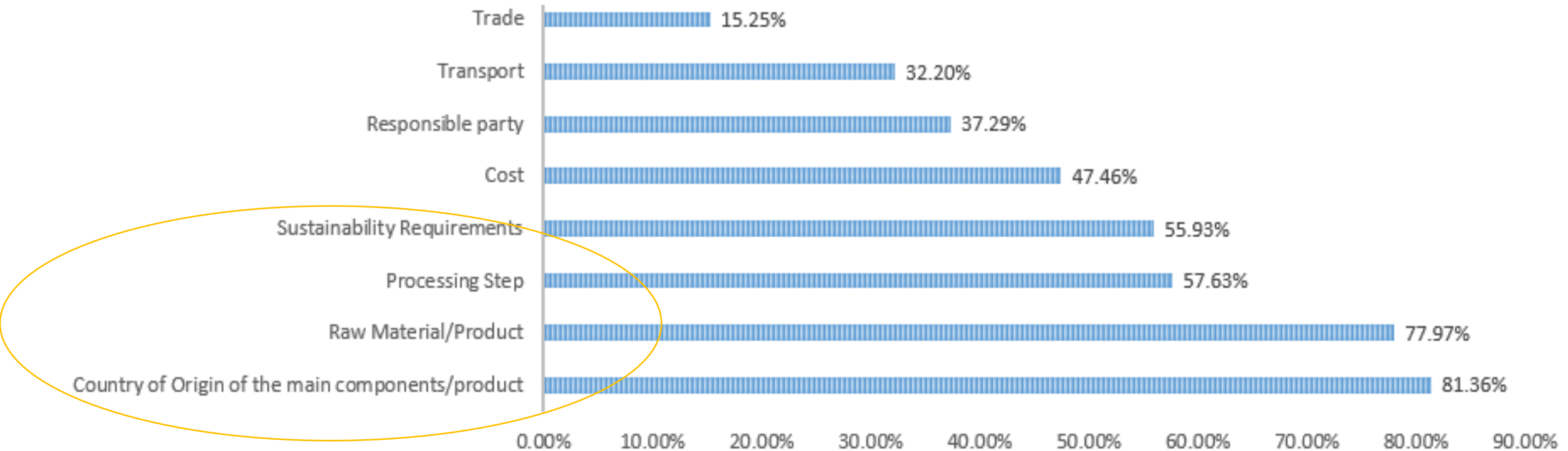
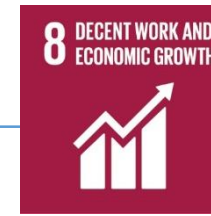
Does the industry track and trace the value chain?



- Tier 1: Final product manufacturing and assembly
- Tier 2: Material manufacturing
- Tier 3: Raw material processing
- Tier 4: Agriculture, farming and extraction

2. What are the key ingredients?

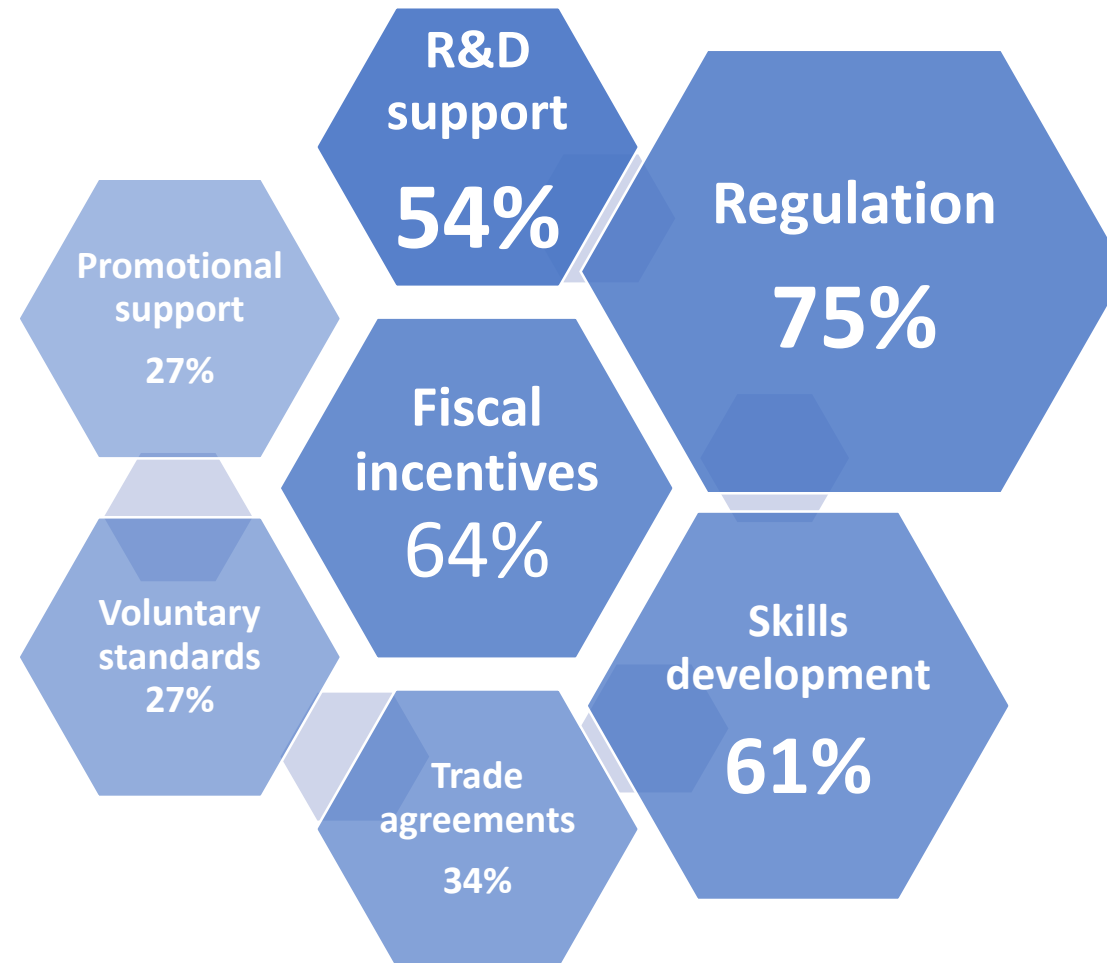
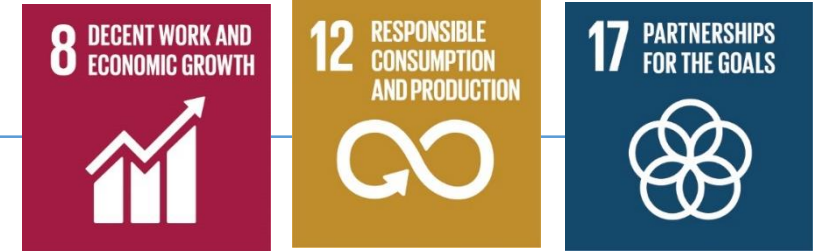
The UNECE exploratory analysis



Quote: "In order to have a robust system, the necessary information should be complete and must be 1. obligatory by law, 2. certified by an internationally recognized certification system and supported by strict testing systems, 3. ensure product sustainability, and 4. should be easy to implement across a large supply base."

3. What are possible policy approaches?

The UN/CEFACT Project



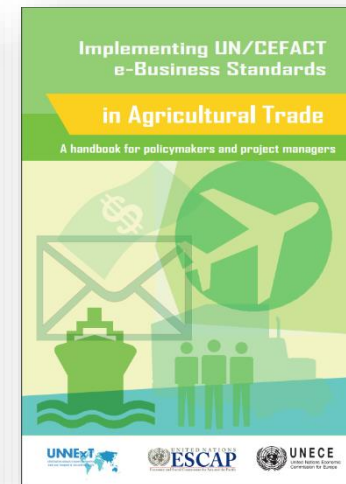
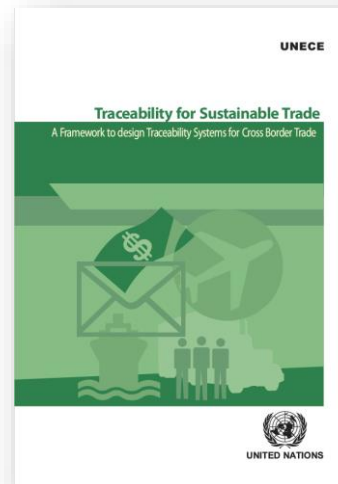
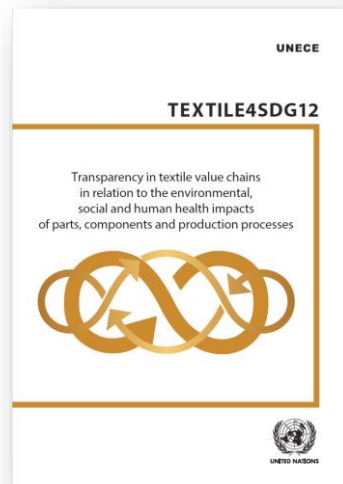
How to enhance transparency and traceability?

POLICY RECOMMENDATION & DIALOGUE PLATFORM

TRACEABILITY STANDARD AND IMPLEMENTATION GUIDELINES

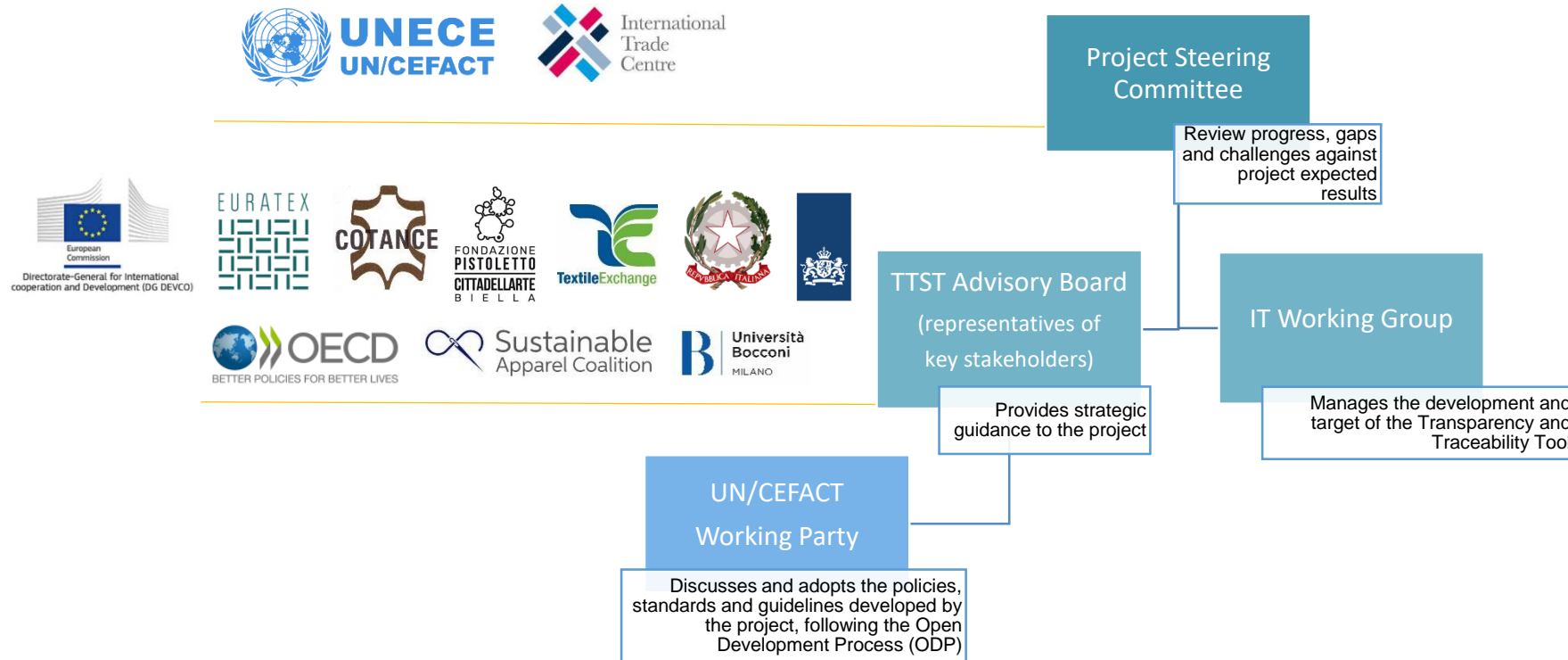
PILOTING AND CAPACITY BUILDING

Previous experiences and publications



Project Governance

Partnerships for the project



Next Steps



- Call for Interest and establishment of Groups of Experts by Project Component
- Experts Groups meetings (e.g. at UN/CEFACT Forum on 4 April Geneva)

A multi-stakeholder initiative



<https://www.unece.org/tradewelcome/outreach-and-support-for-trade-facilitation/traceability-for-sustainable-value-chains-textile-and-leather-sector.html>



UN / CEFAC



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Thank you!