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DEVELOPING GLOBAL SYSTEMS FOR TRACKING, TRACEABILITY & PRODUCT DATA IN TEXTILE VALUE CHAINS

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Context: New regulation drives need for traceability & transparency

European Commission Strategy

Sustainable and Circular Textiles by 2030 (EU Green Deal, Circular Economy Action Plan)

eco-design requirements, Digital Product Passport, tackle greenwashing, microplastics release, Extended Producer Responsibility, Incentivisation of circular business models

EU regulatory solutions and initiatives

1) regulatory approaches to **demand information**

CSRD, CSDD, Sustainable Products Initiative, EU Waste Framework directive, substantiating green claims, PEF, Empowering consumers for the green transition directive, Textiles Ecosystem Transition Pathway,...

2) initiatives to support the **development of solutions for access to information**

EU Digital Product Passport; UNECE Sustainability Pledge project, UNEP InTex project

Increasing due diligence/ reporting/ etc. **requirements** along the whole business value chain & **increasing demand** to **gain access** to and **provide** this information

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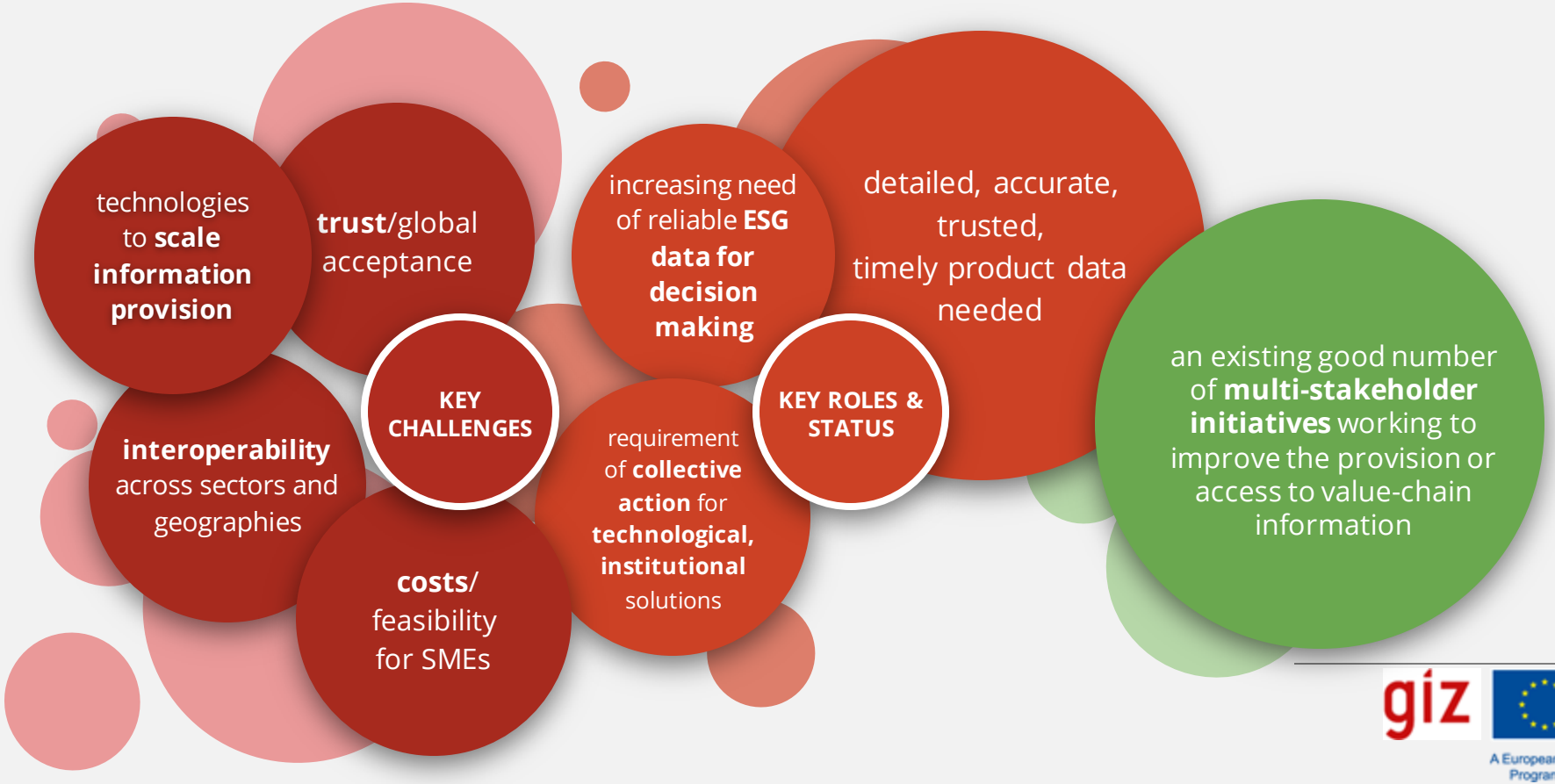
Context: Understanding stakeholder needs



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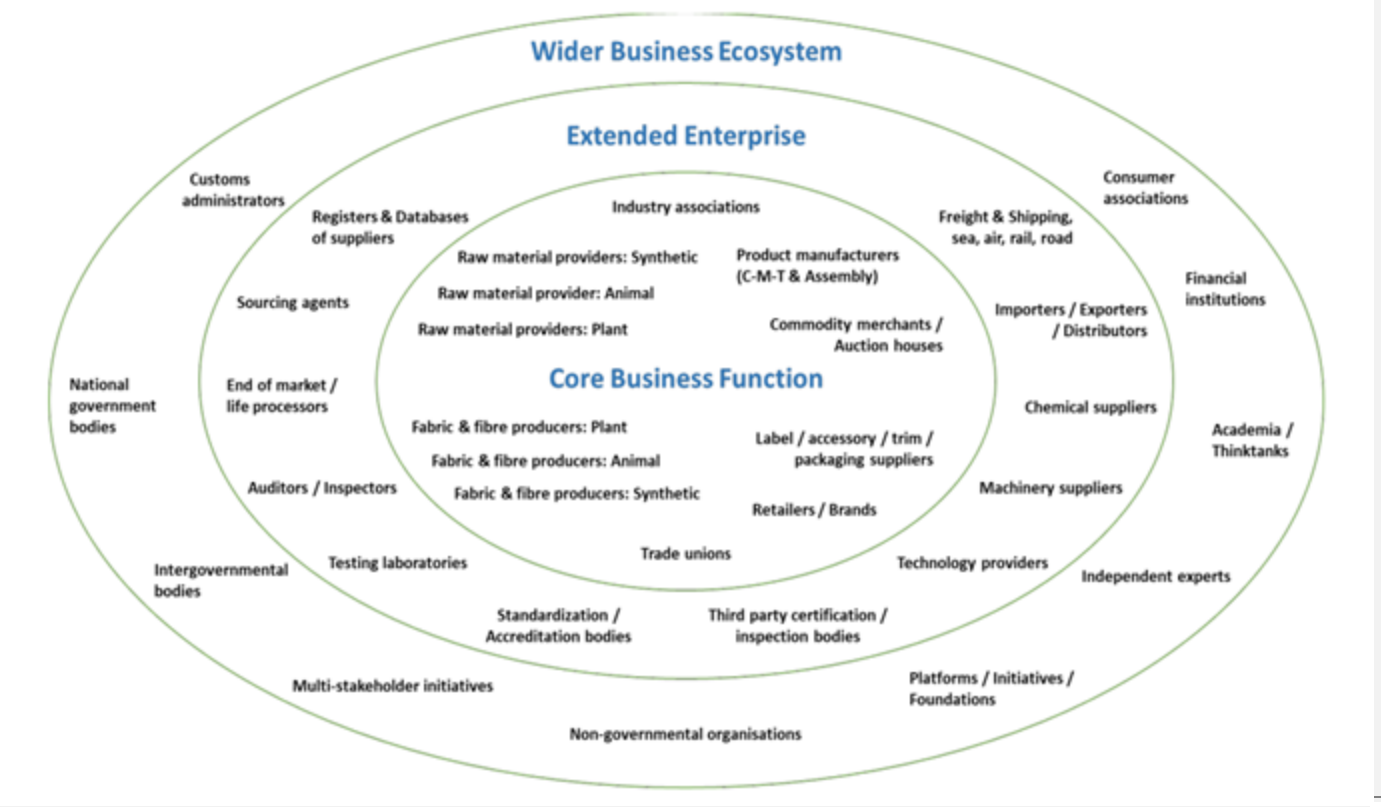
Wide range of stakeholders



Reference: UNECE, 2021: Enhancing the Transparency and Traceability of Sustainable Value Chains in the Garment and Footwear Sector, p.3

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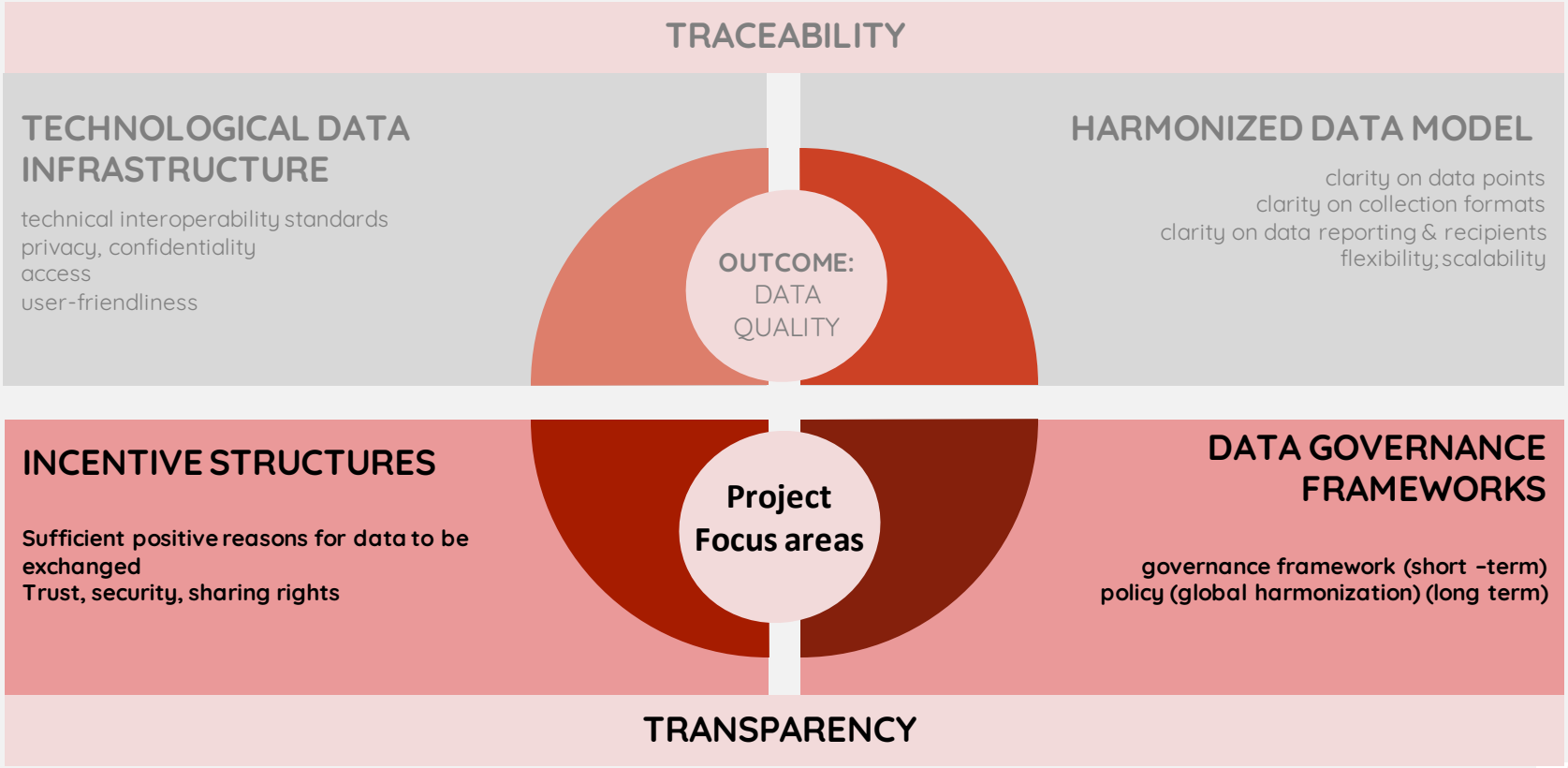
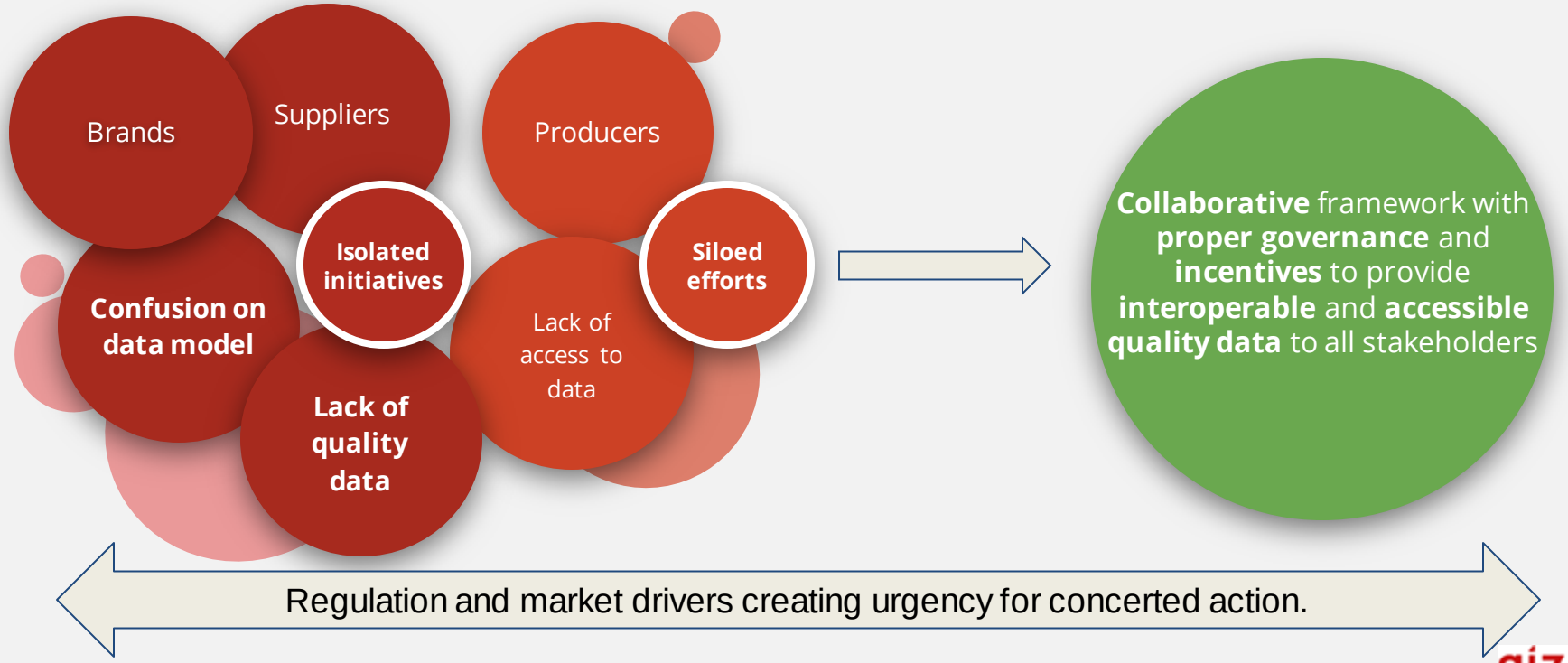
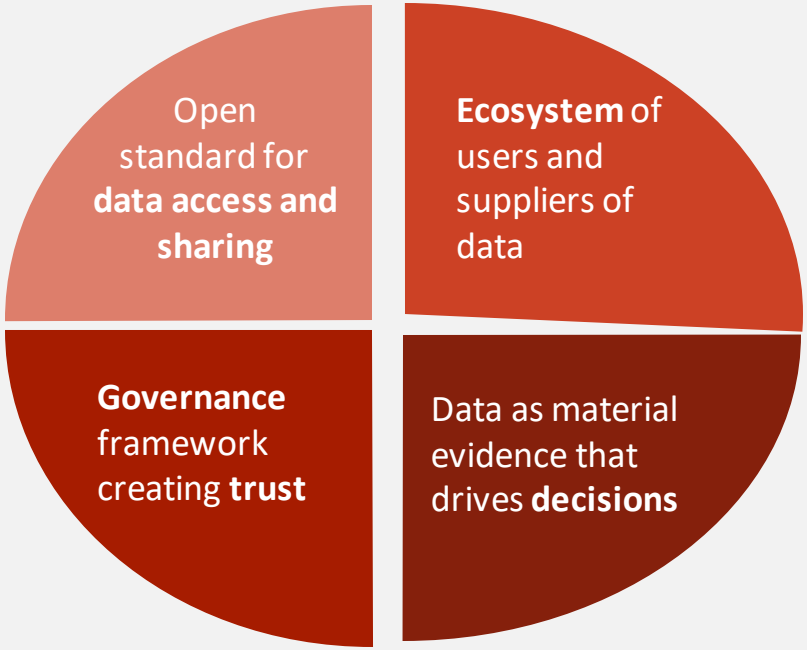
Five Areas of Action needed
Largest gaps in governance and incentives.



Institutions for governance and incentive structures require collaboration.



Example ‘institution’: Open Banking



IN FIGURES:

Mandated by UK regulator, Competition Markets authority (**CMA**)

Designed launched in UK in **2016**

Regulated and **implemented** across the whole of the UK market by 2019 (in under 5 years)

2M consumers in UK

Open Banking practices are now in development across over **+20 countries**

Open Banking market is projected to grow to over **$40B** by **2026**.

Other sector: **Open Energy** (under dev.)

Open Banking UK: https://dgen.net/0/

PoC reported by IceBreaker One: https://icebreakerone.org/report-nfdf/