

Leather Working Group (LWG)

The importance of traceability

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To know from where and under what conditions a material or product was produced we need to know where it has come from.

Deforestation Free Aim

History of Traceability within Leather Working Group

LWG Sustainability System

Challenges

Call to Action

Deforestation Free Aim

Recognising the importance of deforestation for LWG members, in November 2021, coinciding with COP26, LWG announced the aim of LWG leather to be deforestation free by 2030.

This remains a key priority for LWG and our members.

It is now also becoming a regulatory requirement.

To achieve this requires greater traceability and transparency throughout the leather value chain.

Traceability

The history of traceability within Leather Working Group

Traceability was first introduced into the LWG audit in 2008 following the Greenpeace report, Slaughtering the Amazon.

The assessment then, as now, looks at the ability to trace the material back to the slaughterhouse.

The initial requirements have been strengthened in subsequent versions to include incoming & outgoing traceability and additional requirements included for hides sourced from Brazil and Paraguay.

Traceability is reported as a separate score and is not included within the medal rating of a leather manufacturer.

LWG currently recognises and assesses against 4 levels of traceability:



To slaughterhouse through physical marking



To slaughterhouse through documentation



To a group of slaughterhouses



To region of collection (where there is no formal slaughter)

Traceability

Drivers for improving traceability

Certified Suppliers

1	Quality management	58%
2	Customer demand	57%
3	Company reputation	39%
4	Supply chain working conditions	29%
5	Impact measurement	29%
6	Product claims / marketing	27%
7	Animal welfare due diligence	26%
8	Risk management	24%
9	Deforestation due diligence	22%
10	Pressure from legislation / regulation	22%
11	CSR	11%
12	Pressure from NGOs / CSOs	4%

Brands

1	Deforestation due diligence	61%
2	Risk management	59%
3	Pressure from legislation / regulation	58%
4	Animal welfare due diligence	55%
5	Impact measurement	46%
6	Supply chain working conditions	45%
7	Product claims / marketing	43%
8	CSR	42%
9	Company reputation	38%
10	Quality management	28%
11	Customer demand	27%
12	Pressure from NGOs / CSOs	15%

LWG 2024 Survey – Importance of improving traceability:

- Certified Suppliers rated it 3rd, 267 out of 458 (58%) respondents included this as a target;
- Brands and Retailers rated it 1st, 133 out of 155 (86%) respondents included this as a target.

LWG Sustainability System

Where traceability is needed

Internal Traceability:

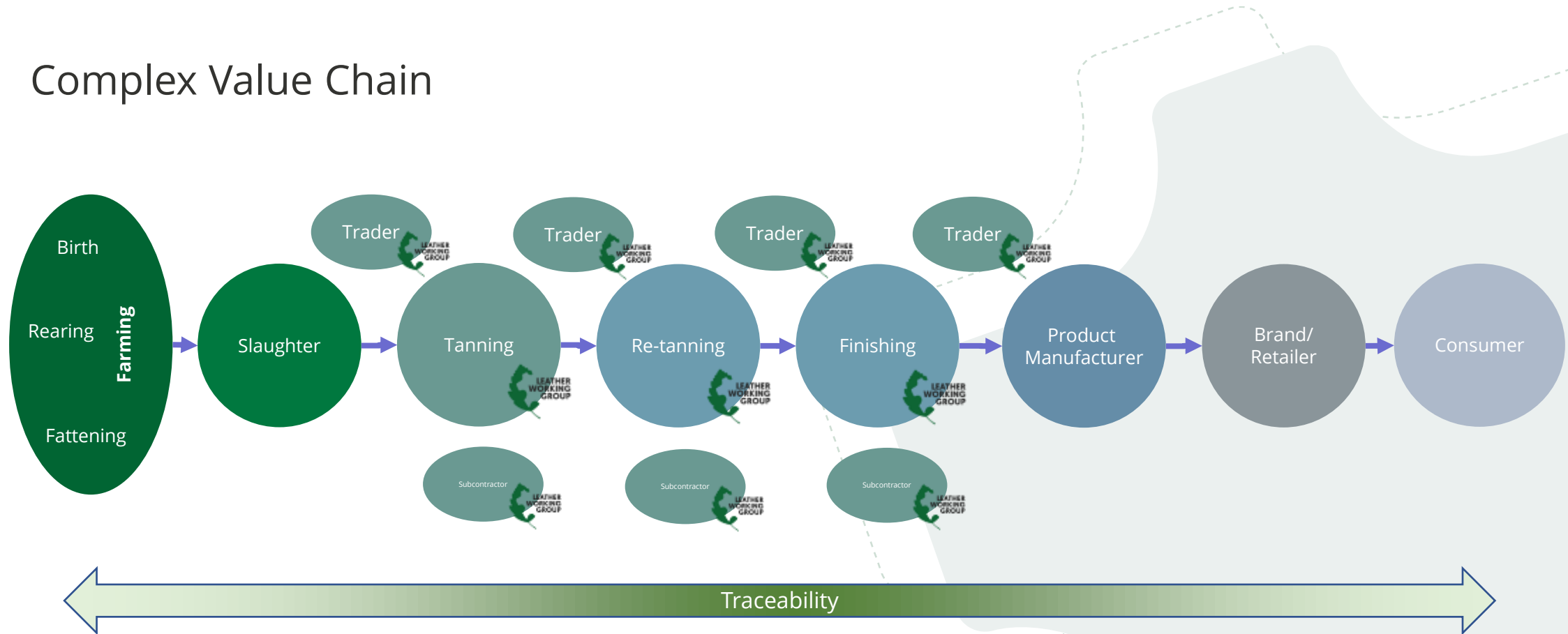
- management systems to control the flow of material through a facility; being able to trace what comes in, to what goes out – **who it came from** through to **who it goes to**.

Supply Chain Traceability:

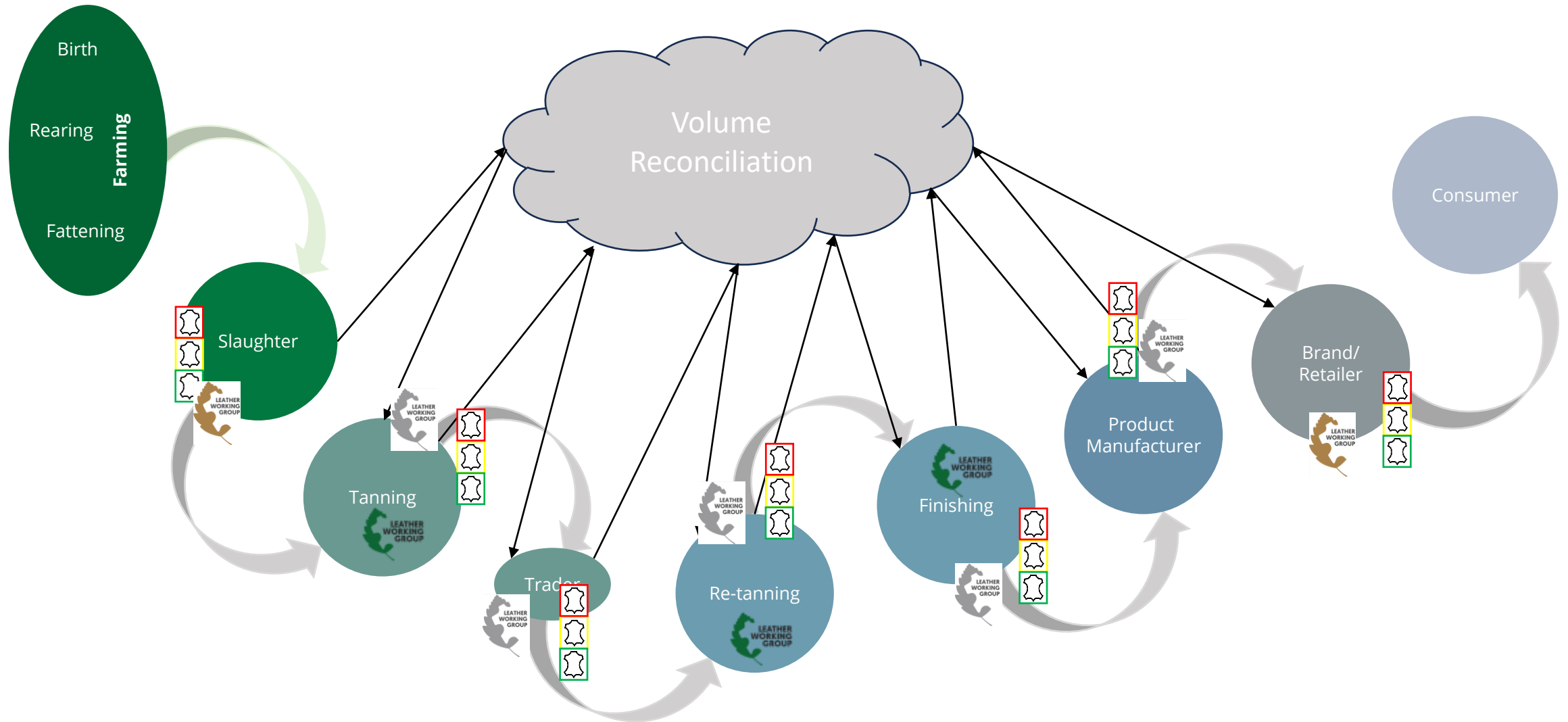
- being able to connect the flow of material from one site / facility / organisation to another. This must include **everyone** who takes ownership of or undertakes processing of the material.

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Complex Value Chain

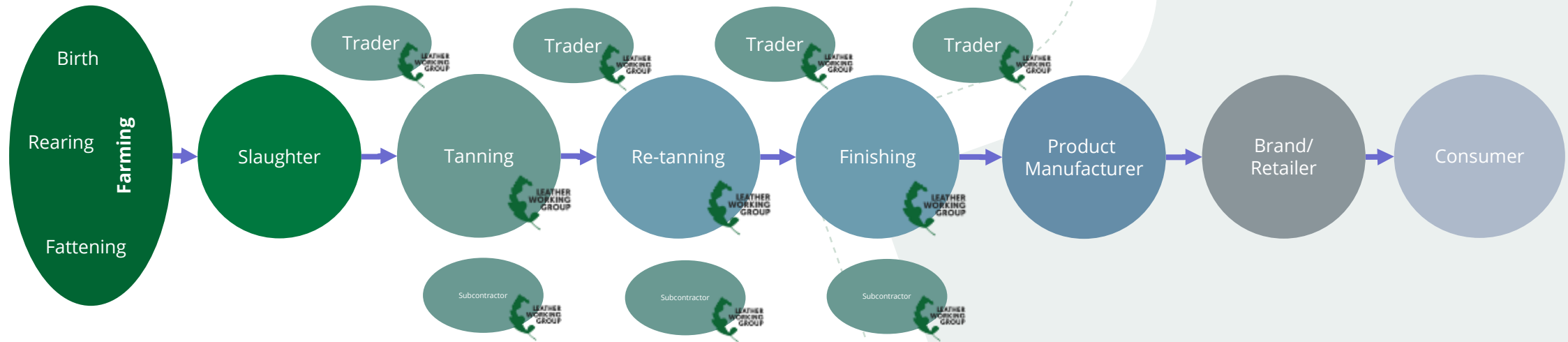


LWG Sustainability System



Traceability

What are the challenges



Farming:

Movement of animals through different farming systems

Slaughter:

Transfer of information about the animal to the hide / skin

Leather Production:

Traceability within and through all stages and actors involved

Other challenges:

Availability of data
 Cost of implementing systems
 Complexity of processes
 Commercial priorities and leverage
 Confidentiality of data

Time scale of EU DR

Call to Action



The Deforestation-Free Call to Action for Leather is a collaborative initiative that calls upon brands and retailers to commit to sourcing all their bovine leather from deforestation-free supply chains by 2030 or earlier.

The guidelines were developed in consultation with WWF, the National Wildlife Federation (NWF), and the Accountability Framework initiative (AFi). The initiative sets clear expectations for brands, providing them with tools and guidance to support them on the journey.

We have put out a Call to Action to brands and retailers to:

Commit to source all their bovine leather
from deforestation-free supply chains
by 2030 or earlier.

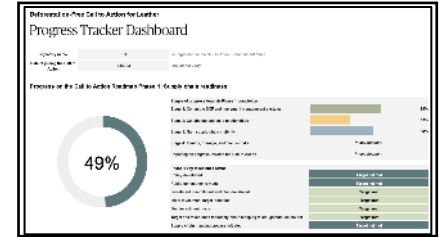
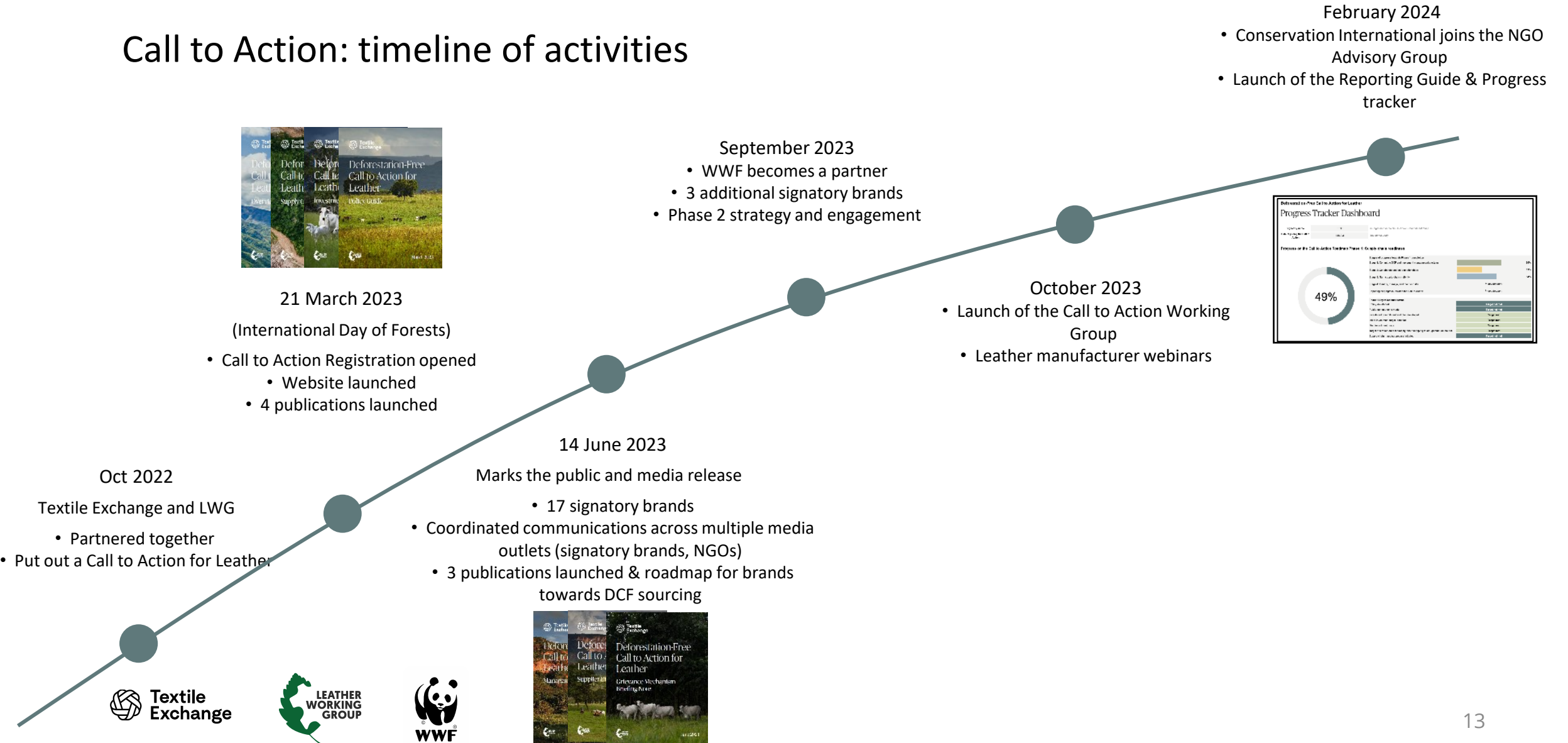
OBJECTIVES

Galvanize action toward ending deforestation and conversion as quickly as possible.

Protecting wildlife habitats and biodiversity, preserving carbon stocks to mitigate climate change.

Respecting human rights.

Call to Action: timeline of activities



Thank you