

Economic Cooperation and Trade Division Trade Facilitation Section



Enhancing traceability and transparency of sustainable value chains in the garment and footwear industry

The Sustainability Pledge 3-years monitoring report

ADVANCED COPY

June 2024, Geneva

thesustainabilitypledge.org



Acknowledgements

This report has been prepared by Francesca Romana Rinaldi, UNECE consultant with the support of Elena Scoccianti, Nicola Ruggiu and Francesca Boni, under the supervision and guidance of the UNECE Secretariat, represented by Maria Teresa Pisani, Chief ad interim of the Trade Facilitation Section in the Economic Cooperation and Trade Division, UNECE and Olivia Chassot, Associate Economic Affairs Officer in the Trade Facilitation of Section of UNECE. The authors are grateful to the Advisory Board members¹ (see Annex III) who provided a precious support and played a fundamental role by sharing invaluable inputs in the intermediate outcome document of the workshops, carried out in preparation to this report.

¹ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Euratex, the OECD Secretariat, the Social and Economic Council of the Netherlands (Sociaal-Economische Raad - SER), SÖKTAŞ and Textile Exchange have been particularly active in providing invaluable inputs.



Contents

Ack	Acknowledgements				
Intro	Introduction				
1.	The Sustainability Pledge: Facts & Figures 3 years after the launch	6			
1.1	Overview of the UNECE's Call to Action	9			
1.2	Descriptive analysis of the Pledges	10			
1.3	Advancement status of the Pledges	24			
1.4	KPIs exploration of the Pledges	25			
1.5	Incentives for the Pledges	26			
2.	The Sustainability Pledge Governance	28			
2.1	The Sustainability Pledge Community of Practice	28			
2.2	The Sustainability Pledge Advisory Board	29			
3.	Criteria to evaluate the Sustainability Pledges	29			
4.	KPIs to monitor corporate, products and materials traceability and transparency in value chains	32			
5.	Recommendations and next steps	37			
Mai	Main references				
ANI	ANNEX I: How to join the Call to Action 4				
ANI	NEX II: Template of the UNECE Call to Action	42			
ANNEX III: Advisory Board composition and activities 4					
ANNEX IV: Data collection and methodology 4					
ANNEX V: List of actors and actions					



Introduction

"The Sustainability Pledge 3-years monitoring report" presents the results of monitoring activities conducted in the context of the United Nations Economic Commission for Europe (UNECE)'s Call to Action, the Sustainability Pledge².

The Call to Action has been launched in 2021 under the initiative "Enhancing transparency and traceability for more sustainable value chains in the garment and footwear sector"³, jointly implemented with the International Trade Centre, with support of the European Union.

The Call to Action (see Annex I and II) invites all actors in the garment and footwear industry to take action for traceability and transparency (TT) to accelerate sustainability and circularity of value chain in this industry, in line with the United Nations 2030 Agenda for Sustainable Development. This involves gaining visibility into the entire value chain, including who made the clothing placed in the market, as well as how, where, and when it was produced (traceability). Additionally, it requires sharing this information both internally with value chain partners and externally with industry stakeholders, including consumers, investors, and regulators (transparency)⁴.

The Call to Action was adopted at the 27th Plenary⁵ of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and endorsed at the UNECE Commission Session in April 2021. The Call to Action has been disseminated through several outreach activities during 2021 and 2022.

The Call to Action aims to establish a mechanism for supporting the uptake of measures in the UNECE Recommendation No. 46⁶, its implementation guidelines, as well as related the UN/CEFACT information exchange standards for traceability and transparency for textile and leather value chains, and the monitoring of their implementation.

This report presents the Sustainability Pledge facts & figures, based on the analysis of key data about the Pledges submitted to the UNECE, 3 years after the launch of the Call to Action. The supporting data available in this report includes: i) the analysis of over 105 Pledges received from leading brands, manufacturers, non-governmental organisations (NGOs), industry associations and sustainability initiatives between 2021 and 2024 and, ii) the results of the monitoring progress survey completed by 62 Pledgers.

On one hand, the analysis of the 105 Pledges underlines a promising trend of growth throughout the years (from 2021 to 2024) considering the number of submissions, the countries involved, the actors and related partners cooperating to achieve the Pledges' objectives. On the other hand, the results of the monitoring survey conducted between February and May 2024 added some relevant insights about the objectives and advancement status of the Pledges, highlight-

- 2 United Nations Economic Commission for Europe (UNECE), "Call to Action for Traceability, Transparency, Sustainability and Circularity of Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://unece.org/sites/default/files/2021-03/ECE_TRADE_C_CEFACT_2020_06_Rev1E_1.pdf
- 3 The UNECE webpage of the project is accessible at: https://unece.org/trade/traceability-sustainable-garment-and-footwear
- 4 See Page 2 of Recommendation n°46: Enhancing traceability and transparency of sustainable value chains in the garment and footwear sector (ECE/TRADE/463). Accessible at: https://unece.org/sites/default/files/2022-01/ECE-TRADE-463E.pdf
- 5 27th Plenary of the UN/CEFACT: https://unece.org/trade/cefact/uncefact-27th-plenary
- 6 United Nations Economic Commission for Europe (UNECE), "Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://www.thesustainabilitypledge.org/toolbox/2200030 E ECE TRADE 466 WEB.pdf



ing the drivers, milestones and challenges faced by the actors. In addition, the survey provides an overview of the Key Performance Indicators (KPIs) and incentives that the actors adopted in developing their Pledges.

The report also presents the governance of the Sustainability Pledge initiative, related to the establishment of a Community of Practice (CoP) and Advisory Board (AB). The CoP includes all actors which submitted a Pledge to the UNECE. The AB was tasked with the definition of criteria to evaluate Pledges received under the Call to Action, and the identification of KPIs for corporate, products and materials traceability and transparency, which can be used as measuring indicators for the Pledges by the actors. In addition, the KPIs are also made available as a transparent, immediately available tool to all industry actors, who are willing to take the first steps in measuring commitments related to traceability and transparency.

The recommendations of the Advisory Board, emerging from workshops conducted between January and May 2024 and presented in this report, are mainly targeting suppliers/producers/ retailers and service & support actors, such as technology solution providers. Some of the recommendations may also be implemented by a wider variety of stakeholders including academia/ civil society organisations/networks & communities, intergovernmental organisations, international organisations and policymakers.

The key recommendations are summarised below.

Recommendation No. 1, targeting suppliers/producers/retailers, service & support players, academia/civil society organisations/networks & communities, intergovernmental organisations and international organisations

In order for a company or an organization to prepare and launch a commitment on traceability and transparency along value chains in the sector, some key criteria shall be considered. According to the Advisory Board, the most relevant criterion for a Pledge is the presence of KPIs to monitor progress. Such KPIs should relate to traceability and transparency for products and materials, as well as for environmental, social, policy and governance aspects. Other relevant criteria have been evidenced as well.

Recommendation No.2, targeting suppliers/producers/retailers, service and support players

When designing and implementing a traceability and transparency system, organisations should consider developing an action plan with a vision, specific objectives, corresponding activities, and KPIs.

The Advisory Board of the Sustainability Pledge identified 25 TT KPIs at corporate level and 10 TT KPIs at product and material level. The Advisory Board reaffirmed that the characteristics of valuable TT KPIs are as follows: *Specific*, but at the same time allowing comparison; *Measurable*, enabling the information and data to be measured and verified; *Attainable*; *Relevant*, reflecting overall organisational goals and strategies; *Time bound*; *Clear*, providing a clear definition, easy to understand and use; *Comparable*, both between organisations and over time; *Cost effective*, which means that, when possible, an indicator should be based on information already existing and available and/or linked to existing data collection tools.

Recommendation No.3, targeting suppliers/producers/retailers, service and support players and policymakers

As a final recommendation for the implementation and measurement of traceability and



transparency systems, the Advisory Board suggested that it is critical to consider the degree of interoperability of the systems throughout operations, due to the prevalent use of proprietary tools to trace value chains.

The next steps for the Sustainability Pledge initiative are presented in the last chapter of this report. The Sustainability Pledge report will be published every 2 years to monitor progress on the achievement of the commitments of the companies and organisations which constitute the Community of Practice.

This report intends to inform and inspire policymakers, garment and footwear companies and other stakeholders to achieve higher levels of traceability and transparency in value chains, and to share good practices and lessons learned towards more sustainable and circular consumption and production patterns for the industry. It contributes to the themes of the sixty-ninth and the seventieth Commission sessions of the UNECE, on promoting the circular economy and sustainable use of natural resources, and the digital and green transformations for sustainable development in the ECE region and beyond.

Mention of specific names of companies and references to pledges of submitting companies and organisations does not imply endorsement of the United Nations.

1. The Sustainability Pledge: Facts & Figures 3 years after the launch

The UNECE Recommendation No. 46⁷ Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector is a key output of an international framework initiative jointly implemented by UNECE-UN/CEFACT and the International Trade Centre (ITC) with support of the European Union.

The recommendation highlights the importance of traceability and transparency to sustainability and circularity: "Improving traceability and transparency has become a priority for the garment and footwear industry. Consumers, governments, and civil society are demanding responsible business conduct and are calling upon the industry to identify and address actual and potential negative impacts in the areas of human rights, the environment, and human health. By creating enhanced visibility in value chains, companies are better equipped to manage such impacts, and address financial, operational, and reputational risks. Also, traceability in value chains allows companies to respond more effectively to unforeseen disruptions, conform with applicable laws and regulations, ensure product quality and safety, combat counterfeits, and protect cultural and industrial heritage. On the other hand, greater transparency empowers consumers to make better-informed consumption choices, as they have more reliable information about the sustainability and circularity claims about products and processes. As a result, traceability and transparency have great potential to build trust among all industry actors [...] effectively addressing risks to responsible business conduct depends on all the links in the value chain and requires the active and effective engagement of both upstream and downstream actors".8

⁷ United Nations Economic Commission for Europe (UNECE), "Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://www.thesustainabilitypledge.org/toolbox/2200030 E ECE TRADE 466 WEB.pdf

⁸ United Nations Economic Commission for Europe (UNECE), "Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://www.thesustainabilitypledge.org/toolbox/2200030 E ECE TRADE 466 WEB.pdf



The recommendation includes a Call to Action⁹, which is open to all industry stakeholders and actors participating in global value chains and committed to embracing transformational change to create the responsible and sustainable garment and footwear industry of the future, while supporting the sharing of good practices and lessons learned.

As stated in the UNECE Call to Action, the commitment to action(s) should concern the implementation of one or more of the following measures:

- a) Development and application of policies, norms and standards that support traceability and transparency along the entire value chain;
- b) Implementation of business management systems or instruments for traceability and transparency;
- c) Establishment of supporting fiscal and economic incentives;
- d) Provision of support for research and development and the scaling-up of innovative solutions;
- e) Implementation of measures to increase awareness and education;
- f) Establishment of participation in multi-stakeholder collaborative initiatives;

In terms of outcomes and impacts, the commitment to action(s) should result in one or more of the following:

- a) Enhanced visibility of the sustainability and circularity performance of industry actors/partners along the entire value chain that goes beyond compliance with mandatory regulatory requirements and includes voluntary adherence to standards, codes of conduct and relevant frameworks and initiatives;
- Enhanced traceability of the human rights/social/environmental/ethical impacts of products and materials along the value chain, and enhanced traceability of origin, quality, sustainability and circularity performance, and compliance with health and safety requirements for consumers and workers;
- c) A measurable impact on sustainability in value chains over time, eventually verified through relevant methodologies, including life-cycle assessments and/or sustainability certifications:
- d) Enhanced environmental and socially responsible consumption and production that may be relevant to and inspire other countries and industry actors/partners;
- e) Special attention to small and medium-sized enterprises (SMEs), small producers, farmers, and other groups including women, young workers, home-based workers and migrant workers, who are often affected by unfair practices in this sector (companies should carry out due diligence on human and social rights to identify key target groups).

The proposed action(s) by industry stakeholders and actors can include both new and existing measures and initiatives. The stakeholders invited to participate belong to different stakeholder's categories such as academia/civil society organisations/networks & communities; service & support including service providers for garment and footwear companies; suppliers/producers/retailers (including business associations); intergovernmental organisations, international organisations; other interested stakeholders.

Since the launch of the Call to Action in 2021, the UNECE project team has been actively

⁹ United Nations Economic Commission for Europe (UNECE), "Call to Action for Traceability, Transparency, Sustainability and Circularity of Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://unece.org/sites/default/files/2021-03/ECE_TRADE_C_CEFACT_2020_06_Rev1E_1.pdf



engaging with industry stakeholders through an outreach strategy and activities consisting of multi-stakeholder policy dialogues, events and individual consultations, publications in scientific papers¹⁰, books¹¹, university business cases¹² and industry reports¹³. The purpose of this outreach was the dissemination and the promotion of the Call to Action, inviting stakeholders to commit to enhance traceability and transparency in value chains to improve the sustainable performance of products, processes and facilities in the garment and footwear industry, including through the voluntary implementation of the set of recommendations, standards and tools developed by the project.

The results of the monitoring progress survey conducted between February and May 2024 added some relevant insights about the goals and advancement status of the Pledges, highlighting the drivers, milestones, obstacles and challenges faced by the actors. In addition, it provides an overview of examples of KPIs and incentives implemented by the actors to develop their Pledges. The data collection methodology implemented for the Pledges and the monitoring progress survey is described below (see Table 1). Annex IV provides additional details about the data methodology.

Table 1

Data collection methodology for the Pledges and the monitoring progress survey

Database	Data collection timeframe & tool	Data collected
The UNECE Sustainability Pledge database	From April 2021 to February 2024 through Jotform	105 Pledges considered 97 Actors involved
The UNECE monitoring progress survey database	From February 2024 to May 2024 through MS Form	62 Pledges ¹⁴ considered 58 Actors involved

This chapter is structured in five sections and presents a detailed statistical analysis of the Pledges through figures and tables, illustrating the types of stakeholders, the size of pledging entities, focal points categorised by gender, geographical coverage, types of initiatives and actions, specific areas targeted by these actions, involved stakeholders, alignment with the Sustainable Development Goals (SDGs), the level of implementation advancement, KPIs, and the incentives driving these Pledges (see Table 2).

¹⁰ For instance Rinaldi F.R., Di Bernardino C., Cram-Martos V., Pisani M.T., "Traceability and transparency: enhancing sustainability and circularity in garment and footwear", Sustainability: Science, Practice and Policy, 2022, vol. 18, no. 1, pp. 132-141. Available at: https://www.tandfonline.com/doi/full/10.1080/15487733.2022.2028454

¹¹ For instance Rinaldi F.R., "Fashion Industry 2023", Egea, 2019

¹² For instance Rinaldi F.R., "The Sustainability Pledge & the Case of Vivienne Westwood", BUILT, 2022.

¹³ For instance Rinaldi F.R. et al., "Monitor for Circular Fashion Report 2023", SDA Bocconi 2023.

¹⁴ Of the total number of Pledges invited to complete the monitoring progress survey by UNECE Secretariat, 62 submitting organisations completed it. Organisations which submitted more than one pledge were invited to complete one survey for each Pledge.



Table 2
Summary of chapter1. The Sustainability Pledge: Facts & Figures 3 years after the launch

Chapter section	Description
1.1 Overview of the UNECE's Call to Action	Numbers of Pledges submitted, actors and countries involved
1.2 Descriptive analysis of the Pledges	Details about the actors, geographies, type of initiatives, benefits, and SDGs
1.3 Advancement status of the Pledges	Details about the Pledges alignment to its goals and the timing for the actors to achieve them
1.4 KPIs exploration for the Pledges	Details about the KPIs which the actors are exploring or willing to explore to measure their Pledges
1.5 Incentives for the Pledges	Details about financial and non-financial incentives to support the actors for their Pledges

1.1 Overview of the UNECE's Call to Action

Between April 2021 and February 2024, over 105 Pledges have been submitted to the UNECE Secretariat on specific actions to advance traceability and transparency in garment and footwear value chains, from 97 companies and organisations (i.e., actors), involving over 800 partners and 27 countries across 5 continents (see *Table 3 and Figure 1*). In a few cases, more than one Pledge was submitted by the same company, organisation or initiative. The detailed list of actors and actions is available in Annex V of this report.

Table 3

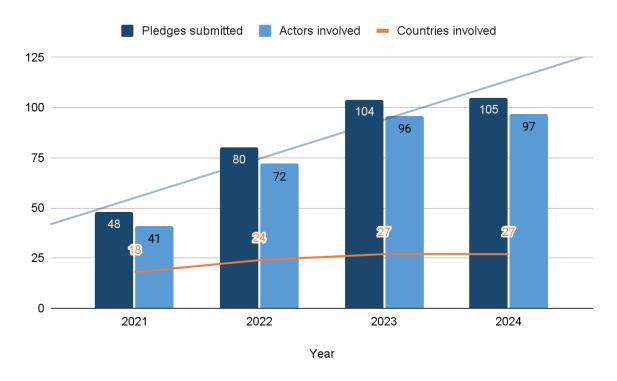
Number of Pledges received, actors and countries involved per year

Year	Pledges received	Actors involved	Countries involved
2021	48	41	18
2022	32	31	14
2023	24	24	13
1Q-2024	1	1	1

Number of respondents: 97 actors for 105 Pledges (reported on February 2024)



Figure 1 **Progress chart of pledges, actors and countries between 2021-2024**



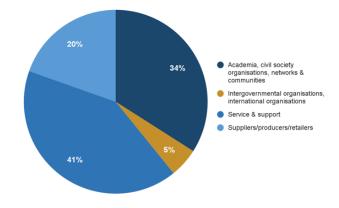
Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

1.2 Descriptive analysis of the Pledges

This section provides a descriptive analysis of the Pledges, using figures and graphs to illustrate key statistics concerning the types of stakeholders, size of pledging entities, gender distribution of focal points, geographical coverage, types of initiatives and actions, specific areas targeted by these actions, stakeholders involved, alignment with SDGs.

Among the organisations which submitted Pledges, 34% represents academia/civil society organisations/networks and communities; 41% represents service & support; 20% suppliers/producers/retailers; 5% intergovernmental organisations, international organisations (see Figure 2).

Figure 2
Repartition of pledging actors by stakeholder type

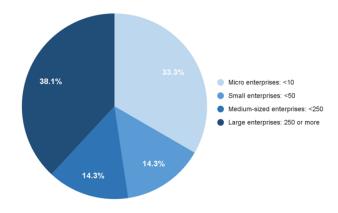


Number of respondents: 97 actors for 105 Pledges (reported on February 2024)



The 97 actors which submitted Pledges represent a total of 250,373 employees. Of the total number of Pledges submitted by companies, including suppliers/producers/retailers, about 62% were submitted by SMEs¹⁵. Figure 3 provides an overview of the Pledges submitted by micro enterprises, small enterprises, medium-sized enterprises and large enterprises.

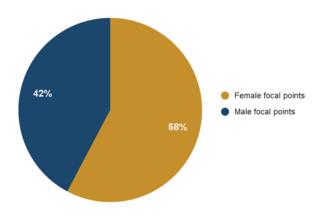
Figure 3
Pledging enterprise actors (among suppliers/producers/retailers) by size



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

Figure 4 shows that 58% of the Pledges were submitted by female actors (i.e. individual contact points for the Pledge) while 42% of the Pledges were submitted by male actors which demonstrates an overall balanced repartition in terms of gender.

Figure 4
Pledges' focal points split by gender



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

As mentioned, the Pledges received represent 27 countries¹⁶ across 5 continents. More in detail, 55.6% of the pledging companies and organisations are based in Europe, 14.8% are based in North-South

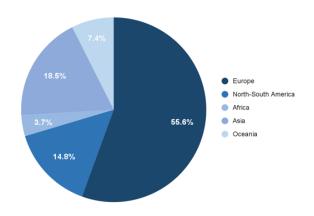
¹⁵ SMEs are defined according to the European Commission at this link: https://single-market-economy.ec.europa.eu/smes/sme-definition_en

^{16 27} countries consisting of Argentina, Australia, Australia, Belgium, Canada, Chile, Egypt, Estonia, France, Germany, Greece, India, Israel, Italy, Norway, Peru, Portugal, Singapore, Spain, Sweden, Switzerland, The Netherlands, Türkiye, United Kingdom, United States of America, Uzbekistan, and Vietnam.



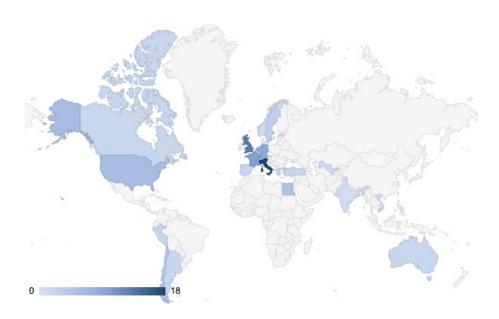
America, 18.5% are based in Asia, 7.4% are based in Oceania and 3.7% are based in Africa, as shown in Figure 5. These figures are consistent with the location of multi-stakeholder policy dialogues and subregional workshops organised by the UNECE between 2021 and 2022 in Milan (Italy), Tashkent (Uzbekistan), Santiago (Chile), Cairo (Egypt)¹⁷. Figure 6 below provides a detailed overview of the number of Pledges received for each continent and the country distribution. In Europe, the top countries in terms of number of Pledges are Italy (18), the United Kingdom (13) and Germany (9). As for North-South America, 6 Pledges were submitted by companies based in the United States of America and 4 by companies based in Chile. In Asia, 1 Pledge was submitted by a company based in India, 1 by a company based in Israel, 1 by a company based in Uzbekistan. In Africa, 5 Pledges were submitted by companies based in Egypt. Lastly, in Oceania, 2 Pledges were submitted by a company based in Australia (see Table 4).

Figure 5
Geographical coverage - Distribution of countries of origin of the pledging companies and organisations by continent



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

Figure 6
Geographical coverage - Map of countries with the number of Pledges detail



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

¹⁷ As of June 2024, no events nor workshops were organised in Oceania and North America.



Table 4: Pledges geographical coverage - Number of Pledges by country

Europe		North-South America
Austria	1	Argentina 2
Belgium	4	Canada 2
Estonia	1	Chile 4
France	10	Peru 2
Germany	9	United States of America 6
Greece	1	Asia
Italy	18	India 1
Norway	1	Israel 1
Portugal	1	Singapore 1
Spain	2	Uzbekistan 1
Sweden	3	Vietnam 1
Switzerland	4	Oceania
The Netherlands	7	Australia 2
Türkiye	2	Africa
United Kingdom	13	Egypt 5

Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

Figure 7 shows that 59% of the Pledges, hence the majority of them, stem from private initiatives, while 14% are from foundations and industry associations. The fact that most of the Pledges come from private initiatives could be explained by the need of private companies to be part of a community of practice whereby partners, suppliers, customers and peers share about challenges and solutions, best practices and lessons learned, in a neutral and pre-competitive space.

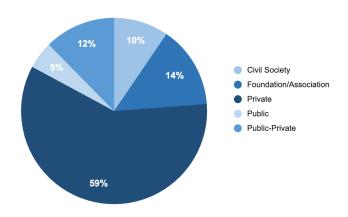
"Committing to UNECE's Call to Action and The Sustainability Pledge aligned with our existing sustainability efforts, amplifying our impact through collaboration and global initiatives. [...], it reinforced our strategic direction and provided additional support in advancing sustainability goals within our organisation" (By private initiative).

Additionally, 12% of the Pledges were initiated by public-private initiatives, 10% by civil society organisations, and lastly 5% of the Pledges stem from public initiatives (see Figure 7).



Figure 7

Pledges by type of initiative

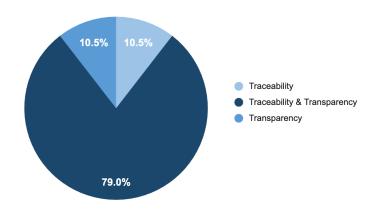


Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

Actions could be related to traceability, transparency or both; also, they could be already existing or new actions.

Figure 8 shows that 79% of the Pledges are related to both traceability & transparency, while 10.5% are equally related either to transparency or to traceability. This demonstrates that most of the pledging companies and organisations understand that traceability and transparency are intertwined and must be combined to reach sustainability goals.

Figure 8
Pledges by type of action



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)



Examples of actions focused on both traceability and transparency would be the Pledges from Amfori and Fashion Revolution, reported below:

Submitting Actor	Title of the action	Description of action
amfori	Increasing the visibility and transparency of social and environmental conditions in supply chains	Amforienhances social and environmental sustainability, with data from the supply chains of our member businesses consolidated on a single IT platform. The action is about implementing a solution to identify each (manufacturing) site with a unique and reliable identifier, also used by other initiatives (done using the OAR id); implementing data exchange between the platforms of various supply chain monitoring initiatives to allow a maximum of brands and retailers to see the outcomes of the different sustainability activities undertaken by a manufacturing site; aligning as much as possible the structure of the data with regulatory requirements currently being defined.
Fashion Revolution	Fashion Transparency Index Global	A review of 250 of the world's largest fashion brands and retailers ranked according to how much they disclose about their social and environmental policies, practices and impact, in their operations and supply chains. Brands are selected if they have an annual turnover of over USD \$400 million and represent a spread of market segments including high street, luxury, sportswear, accessories, footwear and denim from across Europe, North America, South America, Asia and Africa. As the biggest and most powerful consumer brands in the apparel industry, the brands reviewed in this lndex have the most significant negative human rights and environmental impacts and the greatest responsibility to mitigate these impacts. Where brands are privately held, we have made an educated guess regarding their size and turnover. Geographic spread is considered too. The Index benchmarks brands' public disclosure on human rights and environmental issues across 5 key areas including: Policies & Commitments, Governance, Supply Chain Traceability, Know, Show & Fix and Spotlight Issues.



Examples of actions focused on traceability would be the Pledges from EON and Inditex reported below:

Submitting Actor	Title of the action	Description of action									
EON	Optimising Circular Business Models	Resellers and recyclers can have information they need to optimise their businesses with a quick scan of a digitised product.									
		Two main focuses drive this action's efforts: - Facility management - Materials traceability									
		Action 2.1: Facility management - As part of our sustainability principles and compliance standards, suppliers are required to inform us, product by product, of all the different factories involved in production, including all processes and all tiers.									
	o Textil support that	 The information is being currently gathered and stored using an in-house developed Traceability Management System. 									
Industria		of a traceability digital ecosystem to	of a traceability digital ecosystem to	digital ecosystem to	 In line with our continuous improvement philosophy, we will update and enhance our digital traceability ecosystem with two main objectives: 						
S.A. (Inditex)		o to make it more user-friendly for third party users and increase its flexibility and adaptation to different supply chain configurations.									
	requirements	o to improve the access and analysis of data for decision making to all actors involved.									
		Action 2.2: Sustainable materials									
		 We have several in-house developed systems to trace the sustainable materials in our garments. We also support external standards (Textile Exchange, BCI, and others) with different certification systems and tools. 									
		 Our commitment is to contribute to the standardisation and homogenous data integration in the industry, by collaborating and supporting organisations, projects and committees working for improving the way sustainable fibres are traced and tracked. 									



Examples of actions focused on transparency would be the Pledges from Clean Clothes Campaign and former Open Apparel Registry (now Open Supply Hub), reported below:

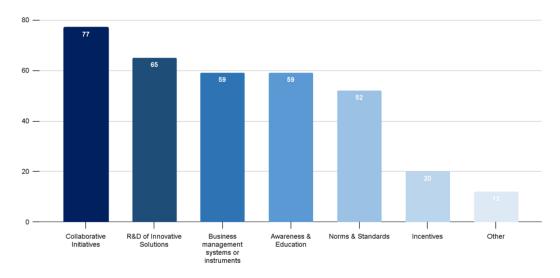
Submitting Actor	Title of the action	Description of action
Clean Clothes Campaign	Fashionchecker	The Fashionchecker project collects information about garment supply chains. It focuses on increasing wages for garment workers through increased transparency. Brands are assessed on how transparent they are about their supply chain, and on if they have concrete policies towards a living wage. This is contrasted with research into actual wages, received by garment workers, to see if the policies are effective in actually making sure that garment workers get wages they can live a decent, healthy life on. Consumers can look up their favourite brands, see how they are doing on transparency, if the brand has clear policies on living wages, and also if these policies are working. They can also take direct action to call upon brands to improve.
		The Open Apparel Registry (OAR) exists to:
		- Create one common registry of apparel facility names and addresses and an industry standard facility ID
		- Eliminate issues with matching across multiple, inconsistent databases
	Open Apparel	- Enable in-facility collaboration between organisations
Open Apparel Registry: Creating an open source map and database of global apparel facilities, their affiliations and unique OAR IDs assigned to each facility	Creating an open source	With over 57,000 facilities (as of May 2021) and growing, the OAR is the world's largest open database of apparel facilities, contributed to and used by stakeholders across the apparel industry.
	As brands and other organisations continue to publish their supplier data, the OAR team will work to increase adoption of the OAR as a publishing tool (either by the brand / organisation uploading themselves, the OAR team uploading public lists on behalf of organisations, or through direct API integrations with brands/organisations hosting supplier databases). By publishing directly to the OAR, apparel facility data will be accessible and usable, which is not always the case when individual organisations publish locked PDFs, images, or spreadsheets on their own websites. The unique OAR IDs allocated to each facility in the database not only eliminate confusion, but enable interoperability between siloed datasets, with further data exchange facilitated by the OAR's API.	

The UNECE Recommendation No. 46¹⁸ laid-out measures that policymakers can take to enhance traceability and transparency for more sustainable value chains in the garment and footwear sector, and identified a set of instruments in 5 areas to support the implementation of such a framework, including (i) norms and standards, (ii) incentives, (iii) awareness and education, support to (iv) Research & Development for innovative solutions and (v) multi-stakeholder collaborative initiatives. Figure 9 shows the number of Pledges by specific area/s of the action.

¹⁸ UNECE Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector (2021). Geneva: UNECE. Available at: https://www.thesustainabilitypledge.org/toolbox/2200030_E_ECE_TRADE_466_WEB.pdf



Figure 9
Number of Pledges by specific area/s of the action (one or more than one)



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

For instance, the action stated in from the Pledge from WRAD is related to "incentives" and "awareness and education":

Submitting Actor	Title of the action	Description of action
WRÅD	Challenge the Status Quo	WRÅD co-developed P.E.A.S., a smart game which brings together traceability, AI and gamification to make it fun for everyone to connect to their clothes and get rewarded every time for extending their life in a more responsible way.

The action stated in the one of the two Pledges from Textile Exchange is related to "norms and standards" and "R&D of innovative solutions":

Submitting Actor	Title of the action	Description of action
Textile Exchange	Textile Exchange's Digital Trackit "eTrackit": improved integrity, traceability, and efficiency to the textile value chain	eTrackit is intended as an alternative to our primary traceability mechanism (transaction certificates issued by a certification body) to track the physical movement of certified material and process transformation at article level from site-to-site across the textile value chain. eTrackit leverages innovative technologies to deliver improved integrity, traceability, and efficiency to the textile value chain. It differs from dTrackit in what it traces (article-level physical material flow), how it traces (digital tokens), and how that data is exchanged. It marks a fundamental shift in the way Textile Exchange manages the chain of custody in the Content Claim Standard.



The action stated in the Pledge from SDA Bocconi School of Management Monitor for Circular Fashion is related to all the areas except "incentives":

Submitting Actor	Title of the action	Description of action
SDA Bocconi School of Management	SDA Bocconi Sustainability Lab "Monitor for Circular Fashion"	The Monitor for Circular Fashion is a Scientific and Technological community of companies that aims at: • Mapping and analysing the industry dynamics and trends within the next 5/10 years • Examining how these trends and the 2030 Agenda will affect business models • Identifying circular fashion KPIs and suggesting a circular path for each business model • Defining the requirements to evaluate the scale-up of circularity projects • Creating the Italian Community for Circular Fashion enhancing traceability and transparency for circularity, also through the development of sustainability claims at B2B and B2C level • Encouraging Governments to adopt an harmonised policy framework to support circular fashion initiatives • Producing the "Circular Fashion Manifesto" and an annual Report to be presented to companies and industry associations, institutions and other key stakeholders • Inspiring the fashion industry through values which lead all stakeholders towards sustainability and circularity



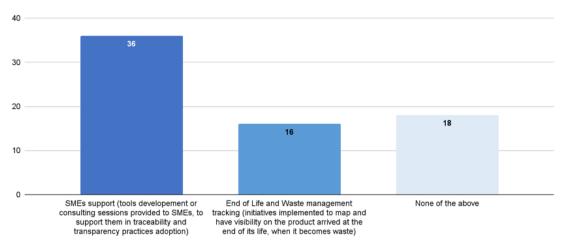
Lastly, the action stated in the Pledge from Vivienne Westwood is related to all the areas:

Submitting Actor	Title of the action	Description of action
Vivienne Westwood Srl	UNECE Blockchain Traceability and Transparency Vivienne Westwood Cotton Pilot Project	Since 2019, Vivienne Westwood Srl has taken part in the UNECE Traceability and Transparency project for the Cotton Value Chain, supporting in the validation and testing of the methodological standard for the supply chain data collection, which would allow tracing in a transparent manner all the value chain phases of the product from the distribution up until the upstream sourcing level of the cotton fibre. The pilot project will act as a "Proof of Concept" for the displaying on the Blockchain Platform of two sample supply chains: regenerated denim jeans and an organic cotton shirt. This will be possible thanks to an extensive data collection that actively involved the supply chain partners, fostering a multi-stakeholder approach. The outcome of the mapping resulted in the collection of documentary evidence of transactions and certifications, to be crystallised on the blockchain platform. The UNECE and SUP-SI team supported the capacity building through dedicated training sessions aimed at instructing partners on the functioning of the platform itself, in view of its future practical application. The Vivienne Westwood Pilot Project on the Blockchain Platform will allow to demonstrate its use and operational feasibility to the textile and fashion industry, allowing the spreading of the methodological standard also to the other brands.

Figure 10 presents the Pledges which provide additional specific area/s of the action under the following categories: (i) SMEs support and (ii) end of life and waste management tracking. These categories were added due to the important number of SMEs that submitted a Pledge (62% among suppliers/producers/retailers) to UNECE and for the increasing importance of circularity and waste management activities for companies in the garment and footwear sector. Each Pledge can be classified in more than one specific area.



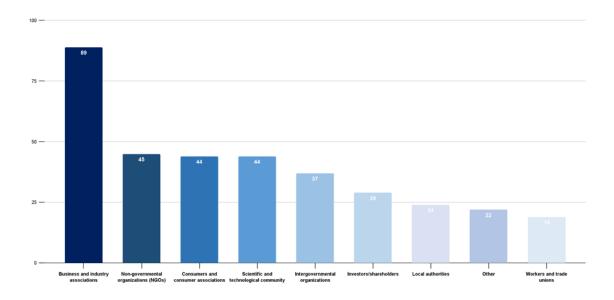
Figure 10 **Additional specific areas of the action**



Number of respondents: 58 actors for 62 Pledges (reported on May 2024)

In terms of stakeholders involved in each Pledge, the main category that stands out is business and industry associations (see Figure 11). This could be explained by the fact that the business and industry associations see the urgency of accelerating traceability and transparency, also in view of the recent acceleration in the policy and regulatory developments in several jurisdictions, demanding corporate sustainability reporting and due diligence in value chains. It also emphasizes the need for standardisation, alignment and harmonization at global level, in terms of methodology and tools to achieve sustainability, including through traceability and transparency. This is seen as an essential requirement to establish a level-playing field and facilitate compliance with sustainability requirements along value chains that are global, complex and fragmented.

Figure 11
Stakeholders involved (one or more than one)



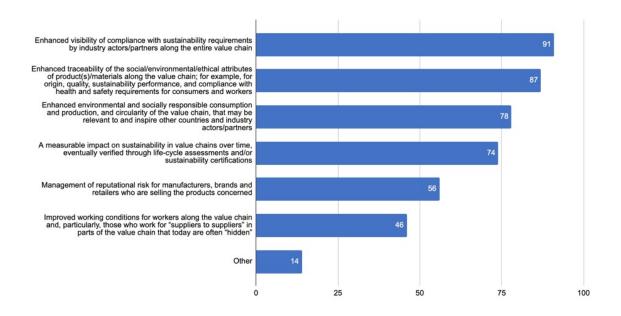
Number of respondents: 97 actors for 105 Pledges (reported on February 2024)



Such consideration is supported by the analysis of expected benefits and impact that stakeholders involved in each Pledge have indicated. Figure 12 below showcases the priority selection made by submitting companies and organisations, which refers to the enhanced visibility of compliance with sustainability requirements by industry actors/partners along the entire value chain.

Figure 12

Expected benefits and impact for the stakeholders involved (one or more than one)



Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

The monitoring progress survey collected relevant feedback from submitting actors regarding their commitment to UNECE's Call to Action the Sustainability Pledge, impact and changed instilled at organisational level as reported below in quotes.

For instance, a Service and Support organisation mentioned: "The validation and support provided by UNECE have significantly contributed to our sense of community and motivation to continue our endeavours, we're looking forward to exploring the tools and partner network further."

A Suppliers, producers, and retailers organisation declared: "We are making it our priority to high-light the importance of Traceability & Transparency in our work. Before the pledge we thought it was a given since we just work with waste, but now we realise the importance of making it more traceable. It gave us a real push and a framework to do better".

A representative from Intergovernmental Organisations & International Organisations stated: "The Call to action allows to deepen the public-private dialogue to more articulate value chains. It allows us to support awareness on sustainable and inclusive value chains involving family farmers in the food and textile cotton sectors' recognizing the importance of traceability and transparency from the seed to the final products."

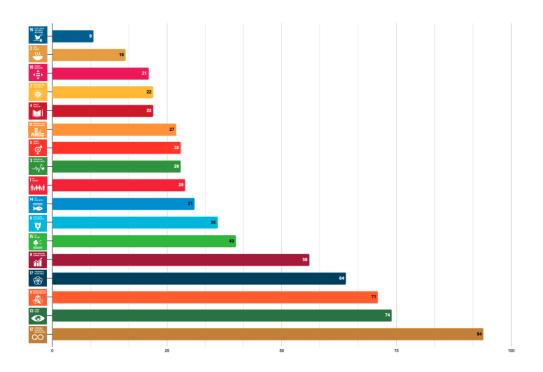
A representative from Civil Society Organisations, Academia and Networks & Communities wrote:



"Working with the UNECE team to implement a traceability pilot has been greatly beneficial and provided learnings that have informed our scaled traceability solution. Our commitment to the Sustainability Pledge has reinforced our commitment to scale the offering of traceability across the cotton supply chain and drive interest and appetite for traceability in the pursuit of delivering the UN SDGs."

Each submitting company and organisation was invited to select the most relevant Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development in connection with their commitment. Figure 13 below shows the ranking of SDGs, from the least to the most selected. From the bottom, the SDGs which rank first are as follows: SDG 12 – Responsible Consumption and Production, SDG 13 – Climate Action, SDG 9 – Industry Innovations and Infrastructure, SDG 17 – Partnerships for the Goals and SDG 8 – Decent Work and Economic Growth, in line with the SDGs under focus in this UNECE project (SDG 8, 12 and 17). For each Pledge, more than one SDG could be selected.

Figure 13: Link to relevant goal(s) and specific target(s) of the United Nations (one or more than one) in the Pledges

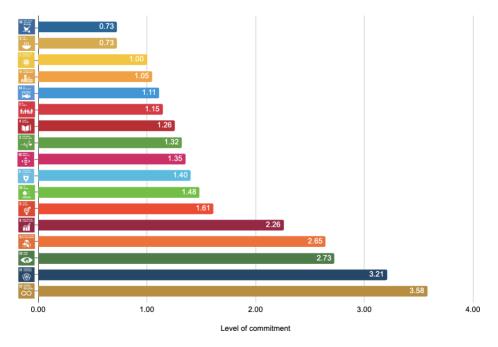


Number of respondents: 97 actors for 105 Pledges (reported on February 2024)

Figure 14 below deep dives into the level of involvement of each SDG in the Pledges as reported in the monitoring progress survey. The level of involvement refers to the alignment of an SDG to the Pledges' objectives. On average, SDG 12 - Responsible Consumption and Production is the one with the highest level of involvement in the Pledges, followed by SDG 17 - Partnerships for the Goals, SDG 13 - Climate Action, SDG 9 - Industry Innovations and Infrastructure, and SDG 8 - Decent Work and Economic Growth. These results confirm the ones showcased in Figure 13 in line with the SDGs under focus in this project (SDG 8, 12 and 17).



Figure 14 **Average level of involvement of each SDG in the Pledges (monitoring progress survey)**



Number of respondents: 58 actors for 62 Pledges (reported on May 2024)

1.3 Advancement status of the Pledges

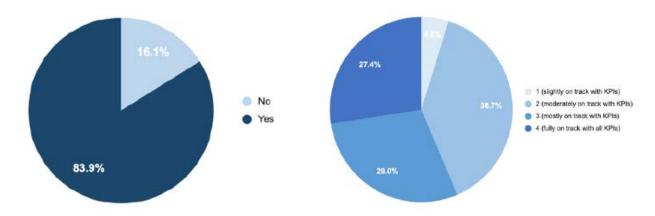
A large majority of the submitting companies and organisations answered favourably (84%) when asked about being on track with the planned objectives related to the scope of their action, as shown in Figure 15.

Figure 15

Are you on track with the planned objectives previously set, related to the scope of the action?"

Figure 16

Level of advancement of the implementation of the action



Number of respondents: 58 actors for 62 Pledges (reported on May 2024)



When asked about drivers, challenges and obstacles to achieve the goals related to the Pledges, submitting actors reported some representative quotes, as follows:

For instance, a representative from Civil society organisations, Academia and Networks & Communities stated: "More brands are disclosing their supply chains and wage policies. There has also been progress in standardising methodologies of recording facility-level wage data. Obstacles and challenges were the aftermath of the COVID crisis, which severely disrupted supply chains. Also the slow legal process in the EU has led to delays".

A representative from Intergovernmental Organisations & International Organisations declared: "Among the guidelines, support for four transversal "accelerators" stands out: (i) technology, (ii) innovation, (iii) data, and (iv) complements (governance, human capital and institutions); with a highlight of all forms of innovation, including digitization, while ensuring the protection of data privacy and intellectual property rights, as a driving force for innovation".

A Service & Support organisation mentioned:

"Market demand, challenges to implementing traceability solutions on the ground, lack of interest for supply chain stakeholders to enter data and adopt in the mainstream system are some of the main obstacles to overcome. Meanwhile, global legislation requirements and the geo-political factors are drivers".

A Suppliers, producers, and retailer organisation wrote: "Suppliers reluctance to provide information on sourcing, which is supported by the fact that the EU legislation is not advancing fast enough, and lack of technologically enabled solutions and digitally skilful professionals with the knowledge of AI and 3D tools are among the main challenges to overcome".

1.4 KPIs exploration of the Pledges

When asked about the indication or the absence of KPIs in their initial Pledge, the majority of actors (66%) confirmed the disclosure of KPIs during the Pledge submission as shown in Figure 17, while the remaining (34%) did not disclose any KPIs. To build upon the previous point, Figure 18 shows that only 16% of the Pledges added new KPIs compared to the initial submission of the Action.

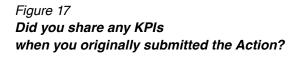
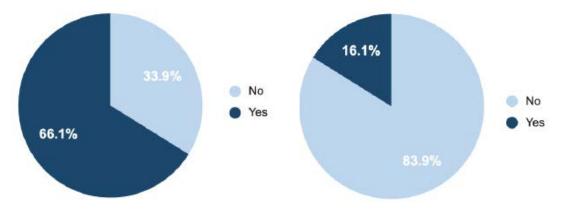


Figure 18

Have you added any new KPIs

since the submission of the Action?



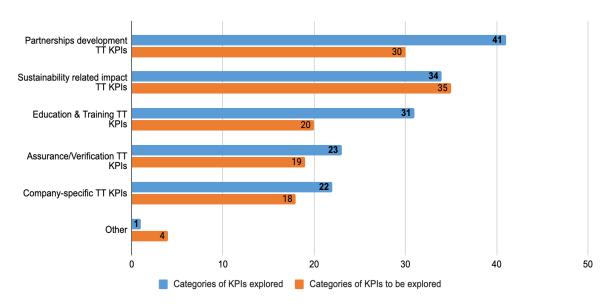
Number of respondents: 58 actors for 62 Pledges (reported on May 2024)



Figure 19 reports the main category of KPIs explored by the actors in their Pledges, which is partnerships development TT KPIs, followed by the sustainability-related impact TT KPIs and education & training TT KPIs. For each Pledge more than one category of KPIs could be selected by the company and/or organisation. These results highlight the need to monitor partnerships development to reach the goals of the action.

These KPIs have been suggested in the monitoring survey for alignment and comparison among organisations. UNECE focus activity with the AB was on corporate, product and materials TT KPIs. These measuring indicators identified by the AB are available in chapter IV of this report.

Figure 19
Main categories of KPIs explored by submitting companies and organisations



Number of respondents: 58 actors for 62 Pledges (reported on 27.05.2024)

1.5 Incentives for the Pledges

On the one hand, when asked about the implementation of financial incentives to progress on TT KPIs related to the Pledge's goals, the majority of Pledgers (72.6%) answered negatively (see Figure 20). On the other hand, when asked about the implementation of non-financial incentives to progress on TT KPIs related to goals, the majority (59.7%) answered positively (see Figure 21). These results underscore that the actors may consider non-financial incentives as easier to implement levers to progress with their Pledges.

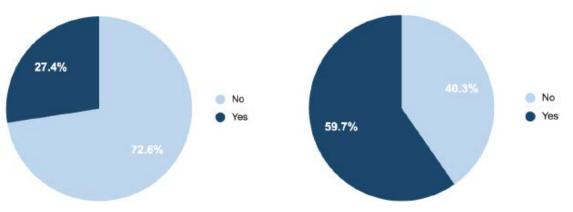


Figure 20

Did you implement any financial incentives to progress on TT KPIs related to your goals?

Figure 21

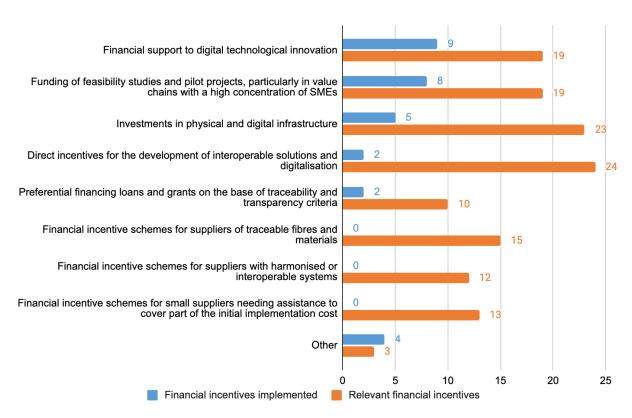
Did you set non-financial incentives to progress on TT KPIs related to your goals?



Number of respondents: 58 actors for 62 Pledges (reported on May 2024)

When comparing the implementation and relevance of financial incentives, the results show (Figure 22) that the relevance is much higher than the implementation. For instance, the most prominent financial incentives identified in the monitoring progress survey relate to interoperable solutions, digitalisation and investments in physical and digital infrastructure.

Figure 22
Financial incentives to progress on TT KPIs

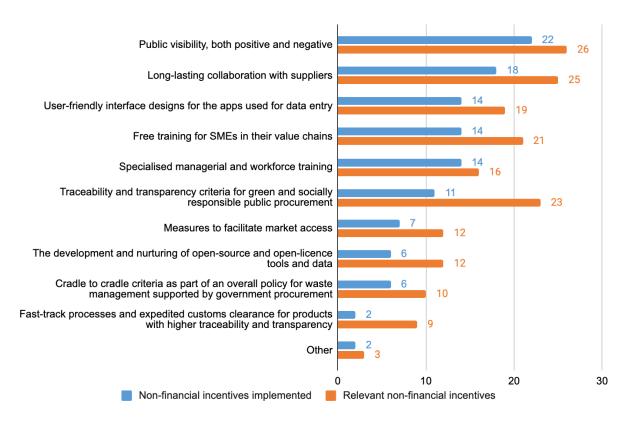


Number of respondents: 58 actors for 62 Pledges (reported on May 2024)



When comparing the implementation and relevance of non-financial incentives, the results show (Figure 23) that the relevance and the implementation are closer compared to the same analysis for financial incentives. For example, the most relevant non-financial incentives are public visibility and long-lasting collaboration with suppliers.

Figure 23
Non-financial incentives to progress on TT KPIs



Number of respondents: 58 actors for 62 Pledges (reported on May 2024)

Overall, according to the monitoring progress survey, non-financial incentives are much more implemented than financial ones. In this regard, legislation with specific requirements for traceability and transparency could act as an enabler for making available financial support. At the present time, industry stakeholders are likely to expect that brands are the main actors driving and supporting transparency and traceability initiatives, and are not expecting to be direct recipients of any financial incentives.

2. The Sustainability Pledge Governance

2.1 The Sustainability Pledge Community of Practice

The stakeholders joining the Sustainability Pledge form the Community of Practice (CoP), which is a growing community. The CoP participants share a common interest in TT as enablers for sustainability and circularity in the sector.



The main purpose of the Sustainability Pledge CoP is to facilitate the sharing of progress and achievements for the actions submitted to UNECE's Call to Action. The CoP:

- a) is involved in the testing of selected TT KPIs freely selected by the submitting organizations;
- a) is engaged in multistakeholder events, such as the UNECE-SDA Bocconi Regional workshop in 202119, which provide a pre-competitive environment and a platform to give visibility to best practices;
- a) will be invited to UNECE awareness-raising activities and will be asked to support in involving decision makers in the different countries and areas where they operate;
- a) will be kept highly involved through the sharing of progress and achievements of the Pledges and with the presentation of the Pledges monitoring report every two years, as stated in the UNECE Call to Action 20.

On 19 June 2024, the Sustainability Pledge's Community of Practice has been convened for the first time at the event "Vision & Visibility: Scaling Transparency. 3 Years after the Sustainability Pledge Launch" at Triennale Milano, Italy. This one-day event, also livestreamed, was an opportunity to discuss the key findings and lessons learned since 2021, including innovative solutions to foster impact, KPIs to measure traceability and transparency levels, best practices and common solutions for the industry of the future, traceability, transparency and circularity.

2.2 The Sustainability Pledge Advisory Board

The AB²² consists of 25 members located in 17 countries representing different public and private stakeholders' types (i.e. intergovernmental organisations, international organisations, civil society organisations, networks and communities, academia, suppliers/producers/retailers, governments and service and support players), geographies and value chain segments (i.e. raw materials extraction and processing of raw materials, to finished product branding and retailing).

The purpose of establishing the AB is threefold:

- a) Identifying the evaluation criteria for the best Sustainability Pledges submitted to the Call to Action;
- a) Developing recommendations for TT KPIs for products, materials and processes in the garment and footwear sector;
- a) Collecting experts' feedback and inputs on The Sustainability Pledge 3-years monitoring report.

3. Criteria to evaluate the Sustainability Pledges

The 10 evaluation criteria identified by the Advisory Board serve a dual purpose: first, they provide the Sustainability Pledge team a set of parameters to evaluate newly submitted Pledges, and second, they offer guidelines for the organisations and companies which are willing to submit

^{19 &}lt;a href="https://unece.org/trade/events/unece-sda-bocconi-regional-workshop">https://unece.org/trade/events/unece-sda-bocconi-regional-workshop

²⁰ United Nations Economic Commission for Europe (UNECE), "Call to Action for Traceability, Transparency, Sustainability and Circularity of Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://unece.org/sites/default/files/2021-03/ECE_TRADE_C_CEFACT_2020_06_RevIE_1.pdf

²¹ Further information about the event is available on the webpage at: https://unece.org/trade/events/vision-visibility-scaling-transparency

²² The lists of the Advisory Board members is in Annex VI.



a Pledge. Importantly, the evaluation criteria identified are adaptable according to the diverse range of actors submitting a Pledge.

For instance, they can be applied differently to suit the specific characteristics and capabilities of different entities, such as large companies and Small and Medium Enterprises (SMEs) e.g., the number and variety of KPIs measured in the Pledge (criterion n.1), as well as the number and variety of the partners involved (criterion n.3) can vary greatly depending on the size of the organisation. The Sustainability Pledge is an inclusive initiative open to receive Pledges from all organisations which are committed to advance traceability and transparency, according to their capacity.

Table 5 below provides an overview of the relevant evaluation criteria identified by the Advisory Board.

Table 5

Complete list of identified criteria to evaluate the Sustainability Pledges

Evaluation criteria	Definition
1. Presence of TT, material, environmental, social, policy and governance KPIs	The disclosure of KPIs used in measuring TT for higher-risk issues. The KPIs also include material, environmental, social, policy and governance aspects in each Pledge according to the higher risks identified. e.g., the organisation submitting the Pledge has already defined some KPIs to measure and monitor its objectives and their achievements such as the % of raw materials (measured in kg/metres/units) which are evidenced by verifiable traceability documents on total raw materials in a year.
2. Implementation of a TT scheme in the organisation's operations	The implementation of TT across the organisation's activities in the value chain, including operations. e.g., the organisation submitting the Pledge has started a pilot project to implement TT.
3. Adoption of a multistakeholder approach, including representatives among affected stakeholders	The number of partners actively contributing to the implementation of each Pledge; the number of organisations including suppliers, customers, trade unions, NGO's, government, etc. involved in each Pledge; and the impacted or potentially impacted stakeholders and rightsholders considered in the Pledge. e.g., the organisation has actively involved different partners to implement its TT plan, including representatives of impacted stakeholders, such as trade unions, universities, and NGOs.
Ability to implement the Pledge at scale and scope	The ability to implement the Pledge at scale and scope involving stakeholders in the garment and footwear value chain, considering the different organisations' size and position in the value chain. e.g., the organisation submitting the Pledge has involved the key suppliers, including their subcontractors in the implementation of their traceability project.



Evaluation criteria	Definition
5.Evidence-based monitoring and reporting of impact	The inclusion of evidence-based documentation and reporting, such as third-party verification that involves impacted or potentially impacted stakeholders and rightsholders. This third-party verification should be complemented by stakeholder engagement to verify and enhance the results of the assessment. This approach helps address any gaps in stakeholder engagement within the assessment methodology and avoids reliance on self-assessments only. Assessment of transparency in the reporting practices, including the disclosure of environmental impact assessments, labour practices and value chain risks: e.g. the organisation has put in place a monitoring process supported by an independent, third-party audit which engages impacted or potentially impacted stakeholders and rightsholders in the verification process.
6. Top management support and governance structure	The Pledge is established with the support of the CEO/top management and a commitment at the organisation level. This criterion can be applied in the evaluation of Pledges submitted by companies. e.g., the submission of the Pledge received support from by the organisation's CEO.
7. Impact on value chain partners, including SMEs	The Pledge creates shared value for value chain partners, including SMEs.: e.g., the Pledge discloses the expected benefits for the value chain suppliers, such as better reputation, more competitive due to the traceability and transparency commitment.
8. Traceability in response to an issue that has been prioritised through risk-based due diligence	Specification of how the company established traceability in response to an issue that has been identified and prioritised through risk-based due diligence (i.e. establishing traceability where it is most needed), tackling a significant (i.e., severe and likely) potential or actual harm that the company is causing, contributing to, or directly linked to. e.g., the organisation has identified through due diligence that the human rights, social and labour issues are critical in the upstream part of its value chain due to the lack of visibility and has established the traceability project presented in the Pledge in response to the identified issues.
Specification of traceability consequences	Specification of how the information obtained through traceability is, or will be, used (e.g., to cease, prevent and mitigate adverse impacts in the value chain). e.g., the Pledge includes a section explaining how the information obtained through traceability implementation will be used to cease, prevent and mitigate environmental risks such as pesticide overuse and lack of efficient water management.
10. Tracking of progress	The Pledge includes a description of how the organisation will track its progress, such as reporting updates to top management. e.g., the focal point for the Pledge establishes an updated reporting on the status of the project every six months which will be presented to top management and CEO.



4. KPIs to monitor corporate, products and materials traceability and transparency in value chains

The activity of the Advisory Board has led to the identification of two set of TT KPIs, i.e., corporate level TT KPIs and product & material level TT KPIs, that allow the measurement of TT of products and materials for public and private industry actors in priority countries for the sector.

Corporate level TT KPIs encompass the entire organisation, centred on the overall traceability and transparency processes and systems implemented across all levels of operations and supply chain, while the product & material level TT KPIs pertain to the traceability of specific products or materials within the supply chain.

Some of the KPIs identified allow companies and organisations to measure Traceability, other Transparency, and other both.²³

Traceability is understood as "the ability to trace the history, application or location of an object" in a value chain.²⁴ In this context, it is defined as the ability to "identify and trace the history, application, location and distribution of products, parts and materials to ensure the reliability of sustainability claims in the areas of human rights, labour (including health and safety), the environment and anti-corruption"²⁵; and "the process by which enterprises track materials and products and the conditions in which they were produced through the supply chain".²⁶

Transparency relates directly to relevant information being made available for all elements of the value chain in a harmonised way, which allows for common understanding, accessibility, clarity and comparison.²⁷

The details on the purpose of the KPI is available in the implementation guidelines column of Table 6 and Table 7 below.

The identified sets of TT KPIs can be used as measuring indicators for the Pledges by the pledging actors but are also made available as a transparent tool to all industry actors who are willing to take the first steps in measuring traceability and transparency

Table 6 below provides an overview of corporate level TT KPIs and their implementation guidelines.

²³ Further information on Traceability and Transparency available in the United Nations Economic Commission for Europe (UNECE), "Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector" (2021). Geneva: UNECE. Available at: https://www.thesustainabilitypledge.org/toolbox/2200030 https://www.thesustainabilitypledge.org/toolbo

²⁴ ISO 9001:2015

²⁵ United Nations Global Compact Office, A Guide to Traceability A Practical Approach to Advance Sustainability in Global Supply Chains (New York, 2014). Available at: https://d306pr3pise04h.cloudfront.net/docs/issues_doc%2Fsupply_chain%2FTraceability%2FGuide_to_Traceability.pdf.

²⁶ Organisation for Economic Co-operation and Development (OECD), Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector (Paris, 2018). Available at: http://dx.doi.org/10.1787/9789264290587-en

²⁷ European Commission, A Background Analysis on Transparency and Traceability in the Garment Value Chain (2017).



Table 6
Complete list of identified corporate level TT KPIs

TT KPIs list - Corporate level	Implementation guide
% of specific tier level suppliers (e.g., tier 1, 2, and 3) traced with declared data about basic information in a year	This is a TT KPI. The KPI can be adapted according to the organisation/company's value chain, size and capacity. The "Basic information" refers to for instance, name, address, factory capacity, number of employees.
% of suppliers disclosed by the organisation over the total number of suppliers of that organisation in a year	This is a Transparency KPI.
Number of business partners in different steps of the value chain involved and sharing TT information in a year	This is a Transparency KPI. The KPI indicates the number of the business partners in different steps of the value chain involved to disclose data related to traceability and transparency.
Disclosure of subcontractors list to value chain partners in a year	This is a Transparency KPI. Please answer Yes or No.
% of suppliers disclosing the subcontractors list on the total number of suppliers in a year	This is a Transparency KPI.
% of two-way code of conduct which include obligations on transparency of practices that are signed with suppliers per tier level	This is a Transparency KPI. Obligations over transparency of practices refer, for instance to, transparent, purchasing practices of a company.
Traceability targets are publicly available	This is a Transparency KPI. Please answer Yes or No.
Supply chain information is available to value chain partners	This is a Transparency KPI. Please answer Yes or No.
Supply chain information is available to the public and consumers	This is a Transparency KPI. Please answer Yes or No.
The companies'approach to apply supply chain due diligence is publicly available	This is a Transparency KPI. Please answer Yes or No. The KPI aims to investigate if the organisation and/or the company is transparent about its due diligence for instance, the procedure in place to manage identified issues in the value chain is publicly disclosed.



TT KPIs list - Corporate level	Implementation guide
Companies approach to improving the sustainability of their supply chains and products is publicly available	This is a Transparency KPI. Please answer Yes or No.
Number of hours dedicated to training suppliers on TT in a year	This is a TT KPI. The KPI includes the number of hours dedicated to training activities on TT in a year in the organisation and/or the company. The training should be free of charge for the suppliers.
Number of financial and non-financial incentives and support provided to value chain stakeholders involved in traceability initiatives for supplier engagement by the organisation/company	This is a Traceability KPI. Financial incentives refer, for instance, to investments in physical and digital infrastructure and financial support to digital technological innovation. Non-financial incentives refer for instance, to free training provided to SMEs in their value chains and user-friendly interface designs in the applications and systems used for data entry.
Quantity of CO2 emissions (in scope 1 and/or 2 and/or 3) in tons / number of units produced in a year	This is a Transparency KPI measuring efficiency in reducing CO2 emissions on a yearly basis. The KPI is obtained by dividing the tons of CO2 emissions by the number of products. The KPI can be calculated at Scope 1, 2 and 3 level. To allow comparison over the years, reference should be made to the same Scope (1, 2 or 3). Organisations can consider adding a more comprehensive disclosure on product environmental footprint (PEF).
The pledge addresses an issue or a set of issues through TT that has/have been prioritised through risk-based due diligence	This is a TT KPI. Please answer Yes or No.
% of economic, environmental, and social goals referring to TT KPIs on total number of economic, environmental, and social goals	This is a TT KPI.
% of data standards linked to (existing or developing) industry schemes on total number of TT data standards	This is a TT KPI. Industry schemes need to be indicated transparently with the KPI. This KPI aims to be an indicator of the level of interoperability of the organisation and/or the company. Data standards are rules for structuring information which facilitate semantic interoperability.
Presence of a governance system for accountability and due diligence	This is a Transparency KPI. Please answer Yes or No.



TT KPIs list - Corporate level	Implementation guide
Inclusion of the UNECE Pledge commitment in the corporate strategy and the training of the personnel	This is a TT KPI. Please answer Yes or No.
Adoption of a policy at the organisation and/or company level on responsible business conduct that articulates the enterprise's commitments to responsible business conduct in its own operations and in its value chain, as explained in the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector	This is a Transparency KPI. Please answer Yes or No.
Actions taken to cease, prevent and mitigate adverse impacts as a result of information obtained through Traceability, are consistent with the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector	This is a TT KPI. Please answer Yes or No. Please provide evidence of the actions taken.
Number of partnerships with international stakeholders, companies, universities, institutions and associations, focusing on TT in a year	This is a TT KPI. The KPI is an indication of the variety of stakeholders engaged through partnerships with a linkage to TT, on a yearly basis. The number of partnerships should be confirmed by formal agreements.
Involvement of impacted or potentially impacted stakeholders and rightsholders in the design of the pledge	This is a TT KPI. Please answer Yes or No.
Involvement of impacted or potentially impacted stakeholders and rightsholders in the monitoring of the pledge's impact	This is a TT KPI. Please answer Yes or No.
Number of complaints received through a complaint mechanism, with indicators on time to handle complaints, in a year	This is a Due Diligence KPI. Please answer Yes or No. This KPI could be added to TT KPIs to identify if there is a Due Diligence policy in place for the organisation. Please specify, together with the total number of complaints received, the average time invested to handle complaints.



Table 7 focuses on Product & Material level TT KPIs and their implementation guidelines.

Table 7

Complete list of identified product & material level TT KPIs

TT KPIs list - Product & material level	Implementation guidelines
% of raw materials (measured in kg/metres/units) which are evidenced by verifiable Traceability documents on total raw materials in a year	This is a Traceability KPI. Please indicate the unit of measurement used (i.e. kg/metres/units). Verifiable traceability documents include commercial invoices, shipping notes, delivery notes, packing lists, transportation documents, second party verifications, third party certifications, evidence (e.g. audit report, certificates, laboratory test).
% of raw materials (measured in kg/metres/units) including sustainable certification on total raw materials in a year	This is a Traceability KPI. Please indicate the unit of measurement used (i.e. kg/metres/units). Supporting documents include sustainability certificates, audit report, laboratory test, self-declarations with documentary evidence.
% raw materials (measured in kg/metres/units) with data disclosed about basic information in a year	This is a TT KPI. Please indicate the unit of measurement used (i.e. kg/metres/units). "Basic information" refers, for instance to, name, address, factory capacity, number of employees.
% of stock-keeping units (SKUs) traced with transparent information to final consumers in a year	This is a Transparency KPI. This KPI indicates the level of Transparency to final consumers, starting from traceability information collected along the value chain by the organisation and/or the company.
% of SKUs whose longevity and end-of-life destination are disclosed in a year	This is a Transparency KPI. The end-of-life destination includes for instance processes such as reuse, export, recycling, etc.
% of SKUs with data disclosed about basic information (e.g. country/region of origin, recycled or virgin, recyclable, etc.) in a year	This is a Transparency KPI. This KPI indicates the level of Transparency that an organisation and/or company has achieved along the value chain through Traceability on a yearly basis. This KPI does not measure the level of Transparency to the final consumer.
% of sustainable certifications that require Traceability over the total number of sustainable certifications obtained in a year	This is a Traceability KPI. Supporting documents include sustainability certificates;, audit report, laboratory test, self-declarations with documentary evidence.
Number of phases traced on the total production phases covered in the value chain in a year	This is a Traceability KPI. The standardised phases of textile and leather value chains are described in the UNECE's Business Process Analysis for Sustainability and Circularity in the Textile Value Chain1 and in the Leather Value Chain2.



TT KPIs list - Product & material level

Implementation guidelines

% of carry over material or products traced along the value chain phases in a year This is a Traceability KPI. "Carry over material" refers to material/item in a line or collection that is carried over from one season to the next. The standardised phases of textile and leather value chains are described in the UNECE's Business Process Analysis for Sustainability and Circularity in the Textile Value Chain3 and in the Leather Value Chain4.

Disclosing information about deadstock

This is a Transparency KPI. This KPI allows the organisation and/or the company to be transparent on the inventory that is no longer in use. Please answer Yes or No.

All the TT KPIs, identified with the support of the AB members, comply with the "SMART+CCC" criteria²⁸, to ensure that they are practical and yield meaningful insights. The "SMART+CCC" criteria outline the essential characteristics that an effective Key Performance Indicator (KPI) should possess. These criteria are crucial for developing new KPIs, specifying that KPIs should be²⁹:

- Specific, but at the same time allowing comparison;
- Measurable, enabling the information and data to be measured and verified;
- Attainable, and therefore realistically achievable;
- Relevant, reflecting overall organisational goals and strategies;
- Time bound, defined within a specific timeframe;
- Clear, providing a clear definition, easy to understand and use;
- Comparable, both between organisations and over time;
- Cost effective, which means that, when possible, an indicator should be based on information already existing and available and/or linked to existing data collection activity.

5. Recommendations and next steps

The key recommendations in this section stem from the activities of the Advisory Board of the Sustainability Pledge related to the definition of criteria to evaluate the UNECE Pledges and the identification of TT corporate, products and materials KPIs. The supporting data includes: i) the analysis of over 105 Pledges received from leading brands, manufacturers, non-governmental organisations (NGOs), industry associations and sustainability initiatives between 2021 and 2024 and ii) the results of the monitoring progress survey completed by 62 Pledgers.

As mentioned in the introduction of this report, the recommendations are mainly targeting sup-

²⁸ United Nations Economic Commission for Europe (UNECE), 2021, Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector - Annex I. Geneva: UNECE

²⁹ Adapted from United Nations Economic Commission for Europe (UNECE), 2021, Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector - Annex I. Geneva: UNECE



pliers/producers/retailers and service & support players which consist of 61% of the Actors who submitted Pledges to UNECE between 2021-2024. Some of the recommendations may also be implemented by a wider variety of stakeholders including academia/civil society organisations/ networks & communities, intergovernmental organisations and international organisations.

Recommendation n.1, targeting suppliers/producers/retailers, service & support players, academia/civil society organisations/networks & communities, intergovernmental organisations and international organisations

In order for a company and other organisations to prepare and launch a commitment on trace-ability and transparency along value chains in the garment and footwear sector, some key criteria shall be considered. Having in place a strategy for traceability and transparency, whether at public or corporate level, is the starting point to implement and measure the journey towards sustainable production. It is important to highlight that the evaluation criteria to make a Pledge and the related TT KPIs shall be adapted according to the company or other organisation's capacity, size and stakeholder's type. For instance, the evaluation criteria and the TT KPIs can be applied differently to suit the specific characteristics and differing capabilities of different organisations, such as large enterprises and SMEs.

In accordance with the Advisory Board of the Sustainability Pledge, the most relevant criteria to make a Pledge are the presence of concrete Traceability & Transparency material, environmental, social, policy and governance KPIs to monitor the project; the implementation of a Traceability & Transparency scheme in the operations of the company, for instance, with top management support; the presence of evidence-based monitoring and reporting of impact; the traceability commitment is shaped according to an issue that has been prioritised through risk-based due diligence; the inclusion of a description of how the organisation intends to track progress of its Pledge.

Recommendation No.2, targeting suppliers/producers/retailers, service & support players

When designing and implementing a traceability and transparency system, organisations should consider developing a specific action plan to define a vision with specific objectives, corresponding activities, and KPIs. Such an action plan should also define a governance structure for implementing the foreseen activities, a budget for the needed financial and human resources, and mechanisms for monitoring and communicating progress against the defined performance indicators and timeframes. The KPIs, in particular, allow organisations to monitor and assess the achievement of their objectives or their results³⁰.

In addition to the general principle of having a strategy for Traceability & Transparency, other principles to identify KPIs are also critical such as the alignment of KPIs with industry standards, legislation, and well-established impact measures, the integration of diverse stakeholder perspectives, including small-scale actors and vulnerable groups such as women, young workers, home-based workers and migrant workers³¹, for inclusive KPIs. The KPIs related to circular textiles and end-of-life business models such as for instance the percentage of repaired kg/meters/square meters/units of returns are also key to increase resources efficiency and circularity. The KPIs should provide evidence of the costs entailed by traceability and transparency systems, the presence of incentives and support to suppliers for the implementation and evaluation of results.

³⁰ UNECE, 2021, Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector - Annex I. Geneva: UNECE

³¹ UNECE Recommendation No. 46, page 7 https://unece.org/sites/default/files/2022-01/ECE-TRADE-463E.pdf



Furthermore, the monitoring and updating of the traceability & transparency KPIs on a regular basis is also critical, as suggested by the Advisory Board, together with the establishment of reward mechanisms by retailers, manufacturers and producers when KPIs are reached. Data verifiability is also key as it is crucial to collect verifiable data, for instance engaging impacted or potentially impacted stakeholders and rightsholders, independent and third-party entities in the verification process, and to engage meaningful stakeholders in the collection and verification process. Additionally, involving relevant parties in creating credentials, licenses, and certificates enhances trustworthiness. Avoiding the duplication and complexity of KPIs is essential to ensure a common understanding and result-oriented goals.

The Advisory Board of the Sustainability Pledge reaffirmed that the characteristics of valuable Traceability & Transparency KPIs are as follows: Specific, but at the same time allowing comparison; Measurable, enabling the information and data to be measured and verified; Attainable; Relevant, reflecting overall organisational goals and strategies; Time bound; Clear, providing a clear definition, easy to understand and use; Comparable, both between organisations and over time; Cost effective, which means that, when possible, an indicator should be based on information already existing and available and/or linked to existing data collection activity.

Recommendation No. 3, targeting suppliers/producers/retailers, service & support players and policymakers

As a final recommendation for the implementation and measurement of traceability and transparency, it is critical to consider the degree of interoperability of the traceability & transparency systems throughout the operations due to the prevalent use of proprietary tools to trace value chains, with little consideration for the traceability & transparency tools implemented by the suppliers, customers and competitors.

The best sustainability Pledges should specify the degree of interoperability of the traceability and transparency of operations, with a commitment to improve it. When evaluating how to make a commitment it is important also to evaluate how it can contribute to an entire industry traceability and digitalization process.

In the next steps of the project, the Sustainability Pledge report will be published every 2 years to monitor progress on the achievement of the commitments of the companies and organisations which constitute the Sustainability Pledge community.

The Sustainability Pledge monitoring report intends to inform and inspire policymakers, garment and footwear companies and other stakeholders to achieve higher levels of traceability and transparency, share good practices and lessons learned towards more sustainable and circular consumption and production patterns.



Main references

- United Nations Economic Commission for Europe (UNECE), 2021, Recommendation No. 46: Enhancing Traceability and Transparency of Sustainable Value Chains in the Garment and Footwear Sector. Geneva: UNECE
- United Nations Economic Commission for Europe (UNECE), 2021, Call to Action for Traceability, Transparency, Sustainability and Circularity of Value Chains in the Garment and Footwear Sector. Geneva: UNECE
- The Sustainability Pledge's website: https://thesustainabilitypledge.org/joinus.htm



ANNEX I: How to join the Call to Action

The Call to Action has been adopted and launched at the 27th UN/CEFACT Plenary³² and endorsed at the UNECE Commission Session in April 2021. An invitation letter signed by the UNECE Executive Secretary has been distributed to Member States, through the Geneva based representations in June 2021. The Call to Action has been disseminated through several outreach activities during 2021 and 2022.

In order to join, industry stakeholders have been invited to complete the template provided in the Call to Action, made available in an interactive format, on the Sustainability Pledge website³³.

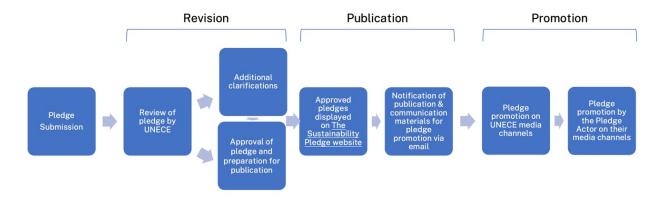
After receiving the draft Pledges, the UNECE project team shares feedback and suggestions on sections of the draft pledge which need improvement, in order to create consistency among the Pledges in line with the UNECE Recommendation No.46 measures and indications.

After one or more rounds of feedback the Pledges are finalized, approved and published on The Sustainability Pledge website for consultation by all industry players.

Figure 24 describes the process of collection, revision, publication and promotion/dissemination of the approved Pledges.

Figure 24

UNECE Outreach Activities – Pledges evaluation process



During the first year of implementation of the project Outreach Strategy, UNECE produced and launched a website, to give visibility to actors who are willing to commit to and invest in traceability and transparency (TT) actions to accelerate sustainability and circularity in the industry value chains.

The UNECE Secretariat has been collecting such concrete and measurable actions to implement TT in garment and footwear value chains, suggesting feedback to finetune the Pledges, when necessary and finally analysing all the Pledges. The key results are presented in chapter 5 of this report.

³² https://unece.org/trade/cefact/uncefact-27th-plenary

³³ https://www.thesustainabilitypledge.org/joinus.html



ANNEX II: Template of the UNECE Call to Action

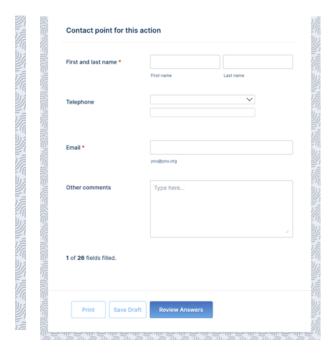
TDAOK IT	Make your Pledge	1/2
TRACK IT TRACE IT WEAR IT	Please fill in all the mandatory fields with relevant	1
WEARIT	information	
		V
		U
Country (Insert country of	Please Select v	=
origin of your company / organization or its		
headquarters' location) *		<u>y</u>
		Į,
Submitting Organization/Company *	Company 1, Company 2	
If Organization or Company,	< 10 < 10 < 10 < 10 < 10 < 10 < 10 < 10	1
please indicate the approximate number of	< 50	Ų
employees	< 250	
	250 or more	
		<u> </u>
Please indicate the number of employees	EG: 23	Į,
	Only numbers allowed	Į,
Title of the action *		
Title of the action	Insert a brief title	1
	and the distriction of the distr	Ų
Upload your logo or an		
image *	A	2
	Sfoglia File Drag and drop files here	<u> </u>
	Only JPG, JPEG & PNG in high quality format	Į,
	Only JPG, JPEG & PNG in high quality format	
Relevant Website *		
		1
Main Partners	Partner 1, Partner 2, Partner 3, Partner 4, Partner 5	را
Main Partners	If applicable, insert max 5 main partners (links or general text will not	
	be accepted)	
		2
Other Partners	Partner 1, Partner 2, Partner 3	V
	If applicable, insert all the partners' names (links or general text will not be accepted)	
T	0.51	
Type of initiative *	Private Public Public-private Civil Society	
	Foundation /	Ų
	Association	12
Description of action *	Type here	2
		1/2
	A	
	Max 500 words 0/500	1
Type of action *	○ Traceability	Ų
	Transparency	
	Traceability & Transparency	9/

Please select the specific area/s of the action *	Norms and standards Incentives
	Research and Development of Innovative Solutions Awareness and Education
	Collaborative Initiatives
	Business Management Systems or Instruments
	Other, please describe
Scope of the action, including a description of the value	Objective (max 200
chain processes that are covered *	words) Commitments
	(max 200 words)
	Value Chain
	Scope
Timeframe and/or milestones for the action *	Type here
	Include when it was or will be launched
Reference instruments and sources used *	Type here
	Including relevant standards and certification schemes
	Enhanced visibility of compliance with sustainability
for the stakeholders involved *	requirements by industry actors/partners along the entire value chain Enhanced traceability of the
	chartest dreading with a social/environmental/ethical attributes of product(s)/materials along the value chain; for example, for origin, quality, sustainability performance, and compliance with health and safety requirements for consumers and workers
	A measurable impact on sustainability in value chains over time, eventually verified through life- cycle assessments and/or sustainability certifications
	Enhanced environmental and socially responsible consumption and production, and circularity of the value chain, that may be relevant to and inspire other countries and industry actors/partners
	Management of reputational risk for manufacturers, brands and retailers who are selling the products concerned
	Improved working conditions for workers along the value chain and, particularly, those who work for "suppliers to suppliers" in parts of the value chain that today are often "hidden"
	Other, please describe
Stakeholders involved *	Business and industry associations
	Consumers and consumer associations
	Intergovernmental organizations Investors/shareholders
	Local authorities
	Non-governmental organizations (NGOs)
	Scientific and technological community
	Workers and trade unions Other, please describe
Key performance indicators for the action *	Type here
	If currently not available, please type it in the box
Good practices	Type here
	2
	If applicable, please indicate how the action has been implemented and provide a relevant website link(s) (only links will not be accepted)
How has this UNECE- UN/CEFACT Call to Action	
contributed to strategic engagement and/or public awareness in support of your commitment? *	Explain briefly



Link to relevant goal(s) and specific target(s) of the United Nations *

2 INST SHORE COLOR OF THE UNITED STATES O



ANNEX III: Advisory Board composition and activities

- 1. Elizaveta Sokolova, Deputy Head, Association Uztextileprom
- Mukhammadjon Makhmudov, Head of international standards implementation and marketing department, Association Uztextileprom
- 3. Tomás Saieg Páez, Chief, Circular Economy Office, Ministry of Environment, Chile
- 4. Paul Roeland, Transparency Lead, Clean Clothes Campaign
- 5. Gustavo Gonzalez-Quijano, Secretary General, COTANCE
- 6. Mauro Scalia, Director Sustainable Businesses, EURATEX
- 7. Franzisca Markschläger, Policy Advisor on Sustainability in Global Supply Chains, GIZ
- 8. Hudson Christian, Lead Global Textile Transparency Governance, GIZ
- 9. Maria Luisa Martinez, Public Affairs Director, Global Fashion Agenda
- 10. Ana Díaz Ibarra, Head of Traceability, INDITEX
- 11. Joseph Wozniak, Head of T4SD Programme, International Trade Centre
- 12. Laura D'Aprile, Ministry of Environment and Energy Security, Italy
- 13. Nicholas Robin, Policy Analyst, Data and Measurement Centre for Responsible Business Conduct, OECD
- 14. James Crowley, Manager, Transparency & Traceability (Supply Chain), Cascale
- 15. Fleur Meerman, Senior Policy Advisor Dutch Social Economic Council (SER), The Netherlands
- 16. Steve Harris, Interim Chief Technology & Chief Finance Officer, SLCP



- 17. Seyhan Aktemur, Chief Commercial Officer, SÖKTAS
- 18. Deborah Taylor, Managing Director, Sustainable Leather Foundation
- 19. Ashley Gill, Chief Strategy Officer, Textile Exchange
- 20. Virginia Cram Martos, CEO, Triangularity
- 21. Hrishikesh Rajan, Founder and CGO, TRUSTRACE
- 22. Rakesh Vazirani, Head of Sustainability Services, TÜV RHEINLAND
- 23. Johan Mulder, Chief, International Trade Unit, International Trade and Integration Division, UN-ECLAC
- 24. Claudia Giacovelli, Programme Management Officer, UNEP
- Giorgio Ravasio, Country Manager and Raffaele Russo, Supply Chain Sustainability Analyst, Vivienne Westwood
- 26. Lily Cole, Climate activist and Advisor to UNECE

Throughout March and May 2024, the AB actively supported the achievement of the specified goals. The activity of the AB started with a first inaugural workshop on 14 March 2024, where a first set of evaluation criteria and TT KPIs was collectively discussed and identified. These evaluation criteria and TT KPIs were refined during the subsequent consultation phase whereby AB members were invited to provide inputs, which eventually led to their validation at the second meeting of the AB held on 14 May 2024.

Following the preliminary consultations held in 2024, the Secretariat aims to convene the AB once a year to share recommendations on the development of the Community of Practice.

ANNEX IV: Data collection and methodology

UNECE's Sustainability Pledges database

Since the launch of the UNCECE Call to Action in 2021, the submitted Pledges have been processed and, if accepted, published in The Sustainability Pledge official website³⁴. Through the submission, the data of the published Pledges became part of a dedicated database. As of now 105 Pledges are part of the database submitted by 97 actors. These data were used to create the following Figures included in the report: Figure 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13.

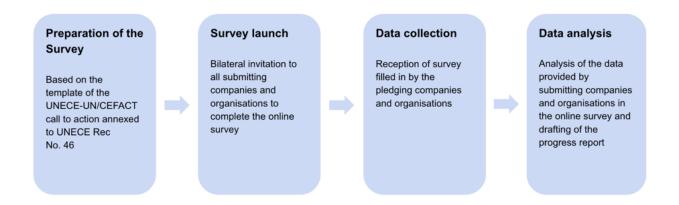
UNECE's Sustainability Pledge Monitoring Progress Survey database

In order to monitor the progress and impact of the submitted Pledges, to facilitate the sharing of experiences and lessons learned, and to provide recommendations to accelerate action towards sustainable and circular value chains in the garment and footwear sector, companies and organisations were requested to report on the implementation of their commitments to the UNECE Secretariat starting from 2024 and every two years. Figure 25 provides an overview of the different steps taken to monitor progress on the achievement of the Pledges between February and May 2024.

^{34 -}https://thesustainabilitypledge.org/joinus.html



Figure 25
Pledges' Monitoring Activity Processes



The first reporting was conducted by the UNECE Secretariat through an online survey inviting contact points indicated for each Pledge to complete a number of quantitative and qualitative questions based on a self-assessment on behalf of the company and/or organisation. The survey template is available here: https://forms.office.com/Pages/ResponsePage.aspx-?id=2zWeD09UYE-9zF6kFubccM9FgCRyrvxLn0WcR0jfbLtUNERVUFJWSkVUREgxUlpBSjk-wUzdCV0MzTC4u

The expected outcomes of the monitoring progress survey are to measure progress on achieving higher levels of traceability and transparency, to enhance the visibility of industry best practices and to share lessons learned with the Sustainability Pledge's Community of Practice.

In case of disclosed KPIs in the Pledge, the UNECE Secretariat asked the Pledgers to provide clear evidence of the results achieved. It is the responsibility of the stakeholder to provide truthful and complete information. At the same time, not all Pledges indicate traceability and transparency KPIs. This flexibility gives the opportunity to the newcomers to learn from other stakeholders and compare KPIs. The structure of the monitoring exercise will be similar to ensure results comparison over the long term.

The previously explained activity allowed UNECE to power a database of 62 Pledges submitted by 58 actors. These data were used to create the following Figures included in the report: Figure 10, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23.



ANNEX V: List of actors and actions

Stakeholders type: academia, civil society organisations, networks & communities	
Actors	Actions
Amfori	Increasing the visibility and transparency of social and environmental conditions in supply chains
AQC	Act for a responsible global supply chain
AQC	Ensure a leather bracelet with the highest level of safety
C.L.A.S.S.	The Smart Academy
Cittadellarte Fondazione Pistoletto	CirculART, second edition
Cittadellarte Fondazione Pistoletto	Circular Threads
Cittadellarte Fondazione Pistoletto	Fashion B.E.S.T.
Civil Association Hecho x Nosotros	HxN Toolkit: Igniting Circular and Sustainable Fashion Through Collaboration
Clean Clothes Campaign	Fashionchecker
COSTACH	Tracing of Inclusive Peruvian Pima Cotton value chain with Blockchain technology
Cotton Egypt Association	Global Authenticating the legacy of Egyptian Cotton
ENEA	eBIZ and blockchain based traceability framework for circular economy in fashion (TRICK)
ESMOD	co-responsible Clothing for a Sustainable Future
Fashion Revolution	Fashion Transparency Index Global
French Fashion and Luxury Strategic Committee	French fashion & luxury sector traceability project
Global Textile Scheme Initiative, Global Textile Scheme GmbH	Create a new global end to end textile value chain standard for product related attributes and master data
Health and Environment Justice Support	Sustainable Fashion
ICS	Transparency & Traceability Project
IFF	Furmark® Animal Welfare Certification
IFF	Furmark® SafeFur Standard



Stakeholders type: academia, civil society organisations, networks & communities	
Actors	Actions
IFF	Furmark - Traceability
Jadifex- Malhas e Confeções, Lda	Garment producer
Manchester Fashion Institute	Developing a Roadmap to Supply Chain Transparency for Micro, Small and Medium Fashion Enterprises in the UK Regional Northwest through Knowledge Exchange
Open Apparel Registry	Open Apparel Registry: Creating an open source map and database of global apparel facilities, their affiliations and unique OAR IDs assigned to each facility.
Re-Fresh Global	Circular Textiles
Research and HEI, Swedish School of Textiles/University of Borås	Research and Higher Education Institute for Textiles
Responsive Fashion Institute	Sustainable Product Developments
SDA Bocconi School Of Management	SDA Bocconi Sustainability Lab "Monitor for Circular Fashion"
SloWeAre	Tier of confidence for sustainable fashion
Sustainable Leather Foundation Cic	Supporting transparency for a more sustainable leather industry
Textile Exchange	Implementation of Textile Exchange Geospatial Information System (GIS)
Textile Exchange	Textile Exchange's Digital Trackit "eTrackit": improved integrity, traceability, and efficiency to the textile value chain
The Fair Trade Advocacy Office	Tackling Unfair Trading Practices in the textile sector
The Nest SOFFA Social Cooperative for Work Integration of Vulnerable Groups	Wear Your Origins and WYO Award
UZ Textile prom	Development of a strategy for ESG traceability and transparency in the textile industry in Uzbekistan
ZDHC	Supporting Shared Audits And Interoperability Among Platforms



Intergovernmental Organisations, International Organisations	
Actors	Actions
Fairtrade International	Switching to Green & Fair Fashion: Advancing sustainable production, consumption and traceability in cotton & textile value chains
FAO	To promote and accelerate Inclusive and Sustainable Industrial Development in Textile and Apparel sector
International Wool Textile Organisation	Supporting of Sustainable Production of Woollen Textiles
United Nations Industrial Development Organisation	To promote and accelerate Inclusive and Sustainable Industrial Development in Textile and Apparel sectors
WWF Türkiye	Collective Action for Scaling up Regenerative Agriculture in Cotton Production in Buyuk Menderes basin

Service & Support	
Actors	Actions
ACCREDIA, Italian accreditation body – ICMQ Certification India	"Prassi di Riferimento" UNI/PdR 102:2021 - Ethical claims of responsibility for sustainable development - Application guidelines to UNI ISO/TS 17033:2020 and related collective project of Ethical labelling of responsability for sustainable development
Aware™	Aware™: Daringly Simply Traceability
Better Cotton	Better Cotton's Traceability Solution
Cadenas de Valor Sustenables	Circular Strategy in Textile Sector for Chile
Circularise	Implementation of business management systems or instruments for traceability and transparency
Clear Fashion	Fashion Score
Cotton Connect	Textile Traceability and Transparency: Unveiling the Journey from Fiber to Fashion



Service & Support	
Actors	Actions
Crystalchain	Blockchain-enabled traceability platform for greater transparency in the fashion and luxury industry
DNV	What is in my clothes
Elision	Traceability and visibility for a more sustainable world
EON	Optimizing Circular Business Models
Everledger	Sustainable Apparel Supply Chain Tracking, Actioning, and Reporting
Fairly Made	Fairly Made
E'l T Old Did Did I	To give textile brands and suppliers 20/20 vision of their
FibreTrace Solutions Pty Ltd	supply chain at every step from raw fibre to store.
Flat6labs	Enhancing traceability and transparency of sustainable value chains in the garment and footwear industry
Footbridge, produced by Good Fabric x Tilkal	Footbridge
Global Traceability Solutions	RADIX Tree Traceability Platform
Globamind SA	Globatrace platform to measure traceability and transparency as basis for Due Diligence, ESG Reporting and Circularity.
Green Score Capital	Spatialized Biodiversity and carbon footprint
Hibiscus Technologies	Transparency through blockchain implementation within garment manufacturing.
ICMQ Certification India - Get It Fair - ICMQ spa	Get It Fair ethical label for responsible supply chains
itmatters-oneserve	Cradle to Grave traceability 4.0 Digital Product passport (DPP) solution
Kryha	Reinventing supply chain collaboration to enable traceability,
	sustainability and circularity with Web3 technologies
Mammoth Technologies	Sustainable Rewards
Material Exchange Ventures AB	T.I.D.E.



	Service & Support
Actors	Actions
MCG Canada Inc.	Reduce waste in critical vaccine and food
Must Had SRL Società Benefit	Everything Deserves a Second Chance
NeXTRADE World Pty. Ltd.	International Supply Chain standards development
NeXTRADE World Pty. Ltd.	International Standards supporting interoperable trade facilitation and traceability
Ngaire Takano	Sourcing of circular and traceable materials
Renoon	Renoon
retraced GmbH	Leading sustainable change in fashion
Reverse Resources OÜ	Digitise and connect waste supply chains for scaling the global textile-to-textile recycling industry
RoundRack	Streamlining the adoption and integration of sustainable materials.
Sourcery Group	Support the Sustainable Pledge with practical, equitable and scalable guidance
Sourcing Eaco	Transforming Textile Supply Chains for Sustainability:
Sourcing Ease	Sourcing Ease's Commitment to Responsible Practices
Sustainable Brand Platform, Idee Brand Platform Srl	Supporting fashion brand transparency
The ID Factory	Do Not Lose The Thread
TrusTrace	Accelerating sustainable transformation through traceability at scale
TUV Rheinland	Training and awareness about Sustainability aspects
Xworks Tech	Digital Product Passports for Waste and Recycling Commodities



Suppliers/Producers/Retailers		
Actors	Actions	
Animaná Trading S.A.	animaná Toolkit: Ancestral wisdom for a better world	
Anna Bekere brand	Womenswear design	
Appcycled	Upcycling waste into new products	
Creditex	Private Initiative	
Ecofiber	Ensure reuse, recycle and traceability of textile waste, to prevent them from reaching landfills	
Economia Circular Textil, Ecocitex SPA	Guarantee the reuse and recycling of textile waste, generating KPI that trace and measure the impact.	
Filmar Nile Textile	Cottonforlife	
Hung Yen Knitting and Dyeing Co Ltd	N850 FishTale - A Marine Story	
Industria Diseño Textil S.A.	Development of a traceability digital ecosystem to support that our products/operations fulfill our sustainable requirements	
Industria Diseño Textil S.A.	Development and implementation of a new traceability policy to be applied throughout our supply chain, reinforcing current sustainability compliance requirements	
Manteco S.p.A.	Manteco Academy	
Modafricacraft	Ethical fashion for a more sustainable world	
Mulberry	Made to Last	
Orange Fiber S.r.l.	Orange Fiber: Sustainable fabrics' production and life cycle management	
Richard Hoffmans GmbH & Co KG	Create Transparency through Traceability	
Salamtex Lace	Traceability of Carbon Emissions of each fabric product	
Scarabaeus Sacer	Transparency and Traceability	
Scottish Leather Group	Sustainable by Nature	
SÖKTAŞ TEKSTİL SANAYİ VE TİCARET AŞ.	Advancing Sustainability; SÖKTAŞ's Commitment to Regenerative Cotton Agriculture , Sustainable Textile Production and Transparent Value Chains	



Suppliers/Producers/Retailers	
Actors	Actions
Suedwolle Group GmbH	Transform our product program to offer best available worsted wool yarn solutions for our customer by offering innovative yarn based on all relevant standards and certificates and supply chain models
Vivienne Westwood Srl	UNECE Blockchain Traceability and Transparency Vivienne Westwood Cotton Pilot Project
Wrad	Challenge the Status Quo
Zerobarracento	Full supply chain mapping through blockchain