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Centre for Trade Facilitation and Electronic Business**Thirtieth session**

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Item 5 of the provisional agenda

Technical dialogue on global solutions for digital, sustainable and resilient value chains in support of the green and digital transformations**Briefing Note on Draft Recommendation No. 49,
the United Nations Transparency Protocol and
Digital Product Passport****Submitted by the secretariat***Summary*

In May 2023, the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) launched the project titled “Transparency at scale – digital solutions for trust, resilience and sustainability: verifiable credentials in supply chains”. Among the deliverables of this project is Recommendation No. 49, which will offer policy guidance on the implementation of traceability and transparency at scale through digital instruments, namely the United Nations Transparency Protocol (UNTP) for Digital Product Passports (DPPs). These instruments aim to ensure interoperability, to meet disclosure requirements and to carry conformity credentials, sustainability information and other data about goods exchanged in value chain transactions.

Draft Recommendation No. 49: Transparency at Scale (ECE/TRADE/C/CEFACT/2024/6), which completed a 60-day public review period on 19 June 2024, is tabled to the thirtieth Plenary of UN/CEFACT for information and discussion under Item 5: “Technical dialogue on global solutions for digital, sustainable and resilient value chains in support of the green and digital transformations” of the Plenary Agenda (ECE/TRADE/C/CEFACT/2024/1).

This briefing note outlines the steps for the drafting, consultation, finalization and adoption of Recommendation No. 49 and its accompanying instruments, namely the UNTP for DPPs, in line with the open development process for UN/CEFACT deliverables (ECE/TRADE/C/CEFACT/2016/17).

Document ECE/TRADE/C/CEFACT/2024/INF.4 is submitted to the thirtieth session of the UN/CEFACT Plenary for information.

1. In the past two decades, there has been a rising demand from consumers, capital markets and regulators for enhanced sustainability in products and processes, coupled with transparent corporate reporting on sustainability. This shift impacts consumer preferences, business practices, capital access and regulatory measures like, for example, the due diligence, green claims and deforestation legislations of the European Union (EU), which now carry significant consequences.
2. With increased scrutiny on verifiable sustainability claims and the risk of greenwashing, credible evidence and disclosures are essential. Value chain transparency, supported by high-integrity data, incentivizes companies to meet higher sustainability standards.
3. In May 2023, the United Nations Centre for Trade Facilitation and Electronic Business launched the project titled “Transparency at scale – digital solutions for trust, resilience and sustainability: verifiable credentials in supply chains”. Among the deliverables of this project is Recommendation No. 49, which will offer policy guidance on the implementation of traceability and transparency at scale through digital instruments, namely UNTP for DPPs. These tools aim to ensure interoperability, to meet disclosure requirements and to carry conformity credentials, sustainability information and other data about goods exchanged in value chain transactions.
4. This briefing note outlines the steps for the drafting, consultation, finalization and adoption of the recommendation and its accompanying instruments, in line with the ODP for UN/CEFACT deliverables (ECE/TRADE/C/CEFACT/2016/17).
5. Draft Recommendation No. 49: Transparency at Scale (ECE/TRADE/C/CEFACT/2024/6) is tabled to the thirtieth UN/CEFACT Plenary for information and discussion under Item 5: “Technical dialogue on global solutions for digital, sustainable and resilient value chains in support of the green and digital transformations” of the Plenary Agenda (ECE/TRADE/C/CEFACT/2024/1).
6. The purpose of Recommendation No. 49 is to provide guidance to United Nations Member States on the implementation of scalable supply chain transparency and trust frameworks that will enhance sustainability and resilience.
7. This will help the following groups:
 - Regulators, to ensure the credibility of sustainability credentials of products and materials placed on markets and to increase market access for exports;
 - Industry players, to meet supply chain due diligence obligations for businesses and their suppliers;
 - Certifiers, to provide digitally verifiable trust in environmental, social and governance (ESG) compliance; and
 - Digital solution providers, to empower their customers to participate in sustainable digital supply chains.
8. This can also help to significantly reduce greenwashing and thereby protect the value of genuinely sustainable products and improve global environmental outcomes. It will help achieve these outcomes at minimal cost by removing all barriers to scalable adoption of automated solutions.
9. Draft Recommendation No. 49 recommends the adoption and implementation solutions that conform to the UNTP for DPPs. It defines the principles and data architecture of the transparency protocol and its governance.
10. Concerning the production process for the Draft Recommendation No. 49:
 - Draft Recommendation No. 49 has been developed in the context of the UN/CEFACT project “Transparency at scale – digital solutions for trust, resilience and sustainability: verifiable credentials in supply chains”, launched in May 2023.
 - Links to project information, including relevant project documents and minutes of meetings of the project team, are available on the UN/CEFACT project confluence

page¹. The detailed documents, issue logs and meeting minutes are all accessible from the UN/CEFACT project website [Transparency at scale digital solutions for trust - resilience and sustainability](https://uncefact.unece.org/display/uncefactpublic/Transparency+at+scale%3A+digital+solutions+for+trust+-+resilience+and+sustainability)², accessible by registered UN/CEFACT experts and UN/CEFACT heads of delegations.

- The first version of Draft Recommendation No. 49 has been completed. The first round of public review was conducted during a 60-day review period between 19 April and 19 June 2024, following approval by the UN/CEFACT Bureau. Comments were recorded in a public draft comment log³.
- Document ECE/TRADE/C/CEFACT/2024/6, provided for information under the thirtieth Plenary session Agenda Item 5, includes this first version of Draft Recommendation No. 49, which incorporates the comments received during the first round of public review.
- Comments received by the expert community during the thirtieth Plenary session will be integrated in a second version of Draft Recommendation No. 49. This updated version will be submitted to the UN/CEFACT Bureau for approval and will subsequently undergo a second 60-day public review, to be launched by the end of 2024.
- Following the successful completion of the second round of public review, the proposed final draft will go through exit criteria initially specified in the project proposal for this deliverable. It is expected to be tabled for adoption at the thirty-first UN/CEFACT Plenary in July 2025.

11. The following points concern the accompanying instrument, of Draft Recommendation No. 49:

- The UNTP for DPPs will be a business standard consisting of specifications, schema, implementation guidelines and conformity tests for a digital product passport, digital conformity credentials, a digital traceability event and a digital sustainability vocabulary.
- The UNTP for DPPs is currently under development and will be tested through pilot projects throughout 2024 to ensure its readiness for wide-scale adoption from 2025 onwards.
- The business standard for the protocol will be updated with lessons learned from pilot projects conducted globally in three sectors: agrifood supply chains, critical raw materials, and textiles and clothing.
- The draft business standard for the UNTP for DPPs is scheduled to be submitted for approval by the UN/CEFACT Bureau early in 2025 and will subsequently undergo a 60-day public review period.
- Following the successful completion of the public review, the proposed final draft business standard for the UNTP will go through exit criteria initially specified in the project proposal for this deliverable, and it is expected to be tabled for adoption of the UN/CEFACT Bureau, and subsequently for information at the thirty-first UN/CEFACT Plenary in July 2025.

12. Based on the above, the following decision is proposed for adoption at the thirtieth UN/CEFACT Plenary:

The Plenary acknowledged progress on ECE Recommendation No.49: Transparency at Scale (ECE/TRADE/C/CEFACT/2024/6), and on its

¹ Project confluence site:

<https://uncefact.unece.org/display/uncefactpublic/Transparency+at+scale%3A+digital+solutions+for+trust+-+resilience+and+sustainability>.

² Project website:

<https://uncefact.unece.org/display/themepressdemo/Transparency+at+scale+digital+solutions+for+trust+-+resilience+and+sustainability>.

³ Public review website:

<https://uncefact.unece.org/display/uncefactpublicreview/Public+Review%3A+Recommendation+No.+49%3A+Transparency+at+Scale>.

accompanying global solutions including the United Nations Transparency Protocol for Digital Product Passports. It also took note of the next steps towards the finalization of such deliverables in view of its next session of 2025.

Furthermore, the Plenary recognized the importance of effective coordination among international initiatives in this sphere, that is of direct relevance to the ECE strategic priorities for the digital and green transformations to advance the circular economy in the ECE region and beyond (Plenary decision 24-06).
