Welcome to the Chemicals in Products CoP 
Discussion 4
“Traceability in the textiles value chain”

PLEASE NOTE:
This discussion will begin at **15h00 (GMT+2)** and will run until **16h30 (GMT+2)**
Please share any topic suggestions you may have for the SAICM UCT CiP CoP 2022 discussions

- How to improve identification of chemicals in products for countries with no chemicals legislation.
- Toxic nono materials in textile especially in the FACE MASK in this ongoing COVID19 Pandemic
- Chemicals risk assessments and monitoring practices

Identifying circular economy opportunities in chemical intensive supply chains (specific product sectors such as electronics, textiles, toys).
Introduce yourself (name, job title, organization and country) in the chat section.

Only the presenter and facilitator will speak. Any comments or questions from attendees should be typed in the chat section.

Please kindly keep you microphone muted and cameras off during the discussion.

NOTE:
If you are having technical issues, please join the Chemicals in Products WhatsApp group, using this link, and we will assistance you:
https://chat.whatsapp.com/DVwGix7x04d1Q9b5usaJcr

Discussion 4:

Topic: Traceability in the textiles value chain

Date: 11th November 2021
- Time: 15h00 – 16h30 (GMT+2)
- Presenter: Ahmad Ansari, ZDHC
- Facilitator: Andrea Rother, University of Cape Town
Chemicals in Products
Community of Practice

Discussion 4: Traceability in the textile value chain

PRESENTER

Dr Ahmad Ansari
ZDHC Partnership’s Director portfolio
Introduction and Background to Q1:
Presented by: Ahmad Ansari, ZDHC
Traceability in Textiles Value Chain

Dr Ahmad Ansari

11 NOV 2021
1. ZDHC – MINDSET & THEORY OF CHANGE
OUR VISION is widespread implementation of sustainable chemistry, driving innovations and best practices in the textile, apparel, leather and footwear industries to protect consumers, workers and the environment.
From product compliance to proactive supply chain management & innovation leadership.
Some Challenges Are too Big to Be Faced Alone

Transforming an industry requires

- Collaboration
- Transparency
- Commitment
From Competitive Advantage to Collaborative Impact
From Multiple Requirements to One Aligned Global Framework

- Environmental protection focus
- Setting the standard for the industry
- Adoption and industry convergence
- Accelerated implementation and positive impact
Question 1:

What experience do you have with traceability in the textiles industry in your country, if any?

If there is currently no traceability in the textile industry, what do you think your country needs to implement this?

This question will be discussed for 20 minutes. Please use chat only, mute your microphone, and turn your video off.

Thank you!

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<table>
<thead>
<tr>
<th>Country</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran</td>
<td>Means a lot. Pesticide chemicals residues in food, environment, etc. As a toxicologist, I have always been following the pesticides and chemicals &quot;metabolites&quot; usually millions and that is very difficult to follow all of them in fact impossible!</td>
</tr>
<tr>
<td>South Africa</td>
<td>Being able to identify the hazardous (and other chemicals) in products; that is, having access to this information; particularly for consumers.</td>
</tr>
<tr>
<td>Germany, ISC3</td>
<td>It is the most important factor in the whole value chain.</td>
</tr>
<tr>
<td>South Africa</td>
<td>What is the nexus between standards and traceability of the chemicals?</td>
</tr>
<tr>
<td>Armenia</td>
<td>Chemical traceability means better protection of consumers, informed choices, healthier industry practices.</td>
</tr>
<tr>
<td></td>
<td>That product information (chemical information) is accessible to consumers.</td>
</tr>
<tr>
<td></td>
<td>Information about chemical composition, geographical origin, and how processed during production; TUV Rheinland.</td>
</tr>
<tr>
<td></td>
<td>Iran, fate of chemicals/pesticides in the environment, etc.</td>
</tr>
</tbody>
</table>
What does chemical traceability mean to you? Please state your country/organisation in your response?

- To know the supply chain from raws to finished products
- Chemical traceability in a simple term means the ability to monitor the chemicals in product by following a cradle to grave principle of product regulation/management - Nigeria.
- Each textile needs a document giving its fingerprint (Chemical content). Otherwise recycling of fibres and textiles is not possible (Germany, BUND)

Chemical traceability means to identify the materials used for the textiles, at least hazardous compounds (by RFID tags, washing-resistant QR codes. The EU introduces compulsory collection of used textiles, this means pressure on the identification.
Would a global framework for traceability in the textile industry be useful for your country?

- Yes: 75%
- No: 8%
- I don't know: 17%
- Other: 0%
Background to Question 2
2. SUPPLY CHAIN MAPPING & TRACEABILITY
Supply Chain implementation
Cascading requirements and achieving supply chain transparency

Brand/Retailer: Access to the ZDHC Gateway as Contributor or Friend
- Can invite Suppliers
- Can see data of connected Suppliers

Intermediates: Sourcing agents, importers, exporters
- Access to ZDHC Gateway only as Friend of ZDHC
- Cascades requirements to Tier 1 (and Tier 2)

Tier 1: CMT, footwear factories, vertical setups
- Access to the ZDHC Gateway as Supplier (user)
- Data available for Brand if connected
- Can invite sub-suppliers and contractors
- Cascades requirements to Tier 2

Tier 2: Wet-processing supplier facilities
- Access to the ZDHC Gateway as Supplier (user)
- Data available for Brand if connected
- Can invite sub-suppliers and contractors

How can this relationship be established?
Supply Chain implementation

Gateway invitation and Brand-Supplier-connection

Access to the ZDHC Gateway as Contributor or Friend

- Knows Tier 2 and invites directly
- Invites Tier 1, known e.g. from Social Compliance, who are obliged to invite Tier 2

- Can see data of connected Suppliers

Intermediate (sourcing agents, importers, exporters)

Brand holds them accountable via KPIs for
- Providing supply chain transparency (min. Tier 2 relevant for Brand)
- Upstream registration progress (Tier 1 & Tier 2)
- Upstream connection progress (Tier 1 & Tier 2)

Tier 1 (OEMs, brands, factories, vertical talents)

- Brand/Intermediate holds them accountable via KPIs for
  - Providing supply chain transparency (min. Tier 2 relevant for Brand)
  - Own registration and upstream registration progress (Tier 2)
  - Own connection and upstream connection progress (Tier 2)

Tier 2

- Brand/Intermediate holds them accountable via KPIs for
  - Own registration
  - Own connection

Capacity Building recommended!
- ZDHC Events help Intermediates and Suppliers to better understand the ZDHC system
- Ask Implementation HUB / ZDHC Academy to support Brand-led trainings for Intermediates

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Supply Chain implementation

Communicating requirements related to ZDHC - R&R suggestions

**Commitment, Strategy, Roll-out**
- Clear communication of expectations & requirements!
- Setting KPIs
- Defining R&R for supply chain partners

**Intermediate (sourcing agents, importers, exporters)**
- No role in communication
- Held accountable for supply chain implementation (Tier 1)
- Active role in communication
- Held accountable for supply chain implementation (Tier 2)

**Connection can be made both ways**
- Held accountable for supply chain implementation by Brand

**Capacity Building recommended!**
- ZDHC Events help Intermediates and Suppliers to better understand the ZDHC system
- Ask Implementation HUB / ZDHC Academy to support Brand-led trainings for Intermediates

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Question 2:

What kind of supply chain mapping and traceability system do you have in your country?

If your country does not have any supply chain management, what kind of system do you think would work?

This question will be discussed for 20 minutes.
Please use chat only, mute your microphone, and turn your video off.
Thank you!

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Are you familiar with the ZDHC supply chain management and traceability system?

- Yes: 25%
- No: 58%
- I don't know: 17%
Are you aware of any other supply chain management initiatives and traceability systems in textiles, or any other sector? Please state your country

No

No, South Africa

No, Nepal

South Africa - no really. There is an effort to identify chemicals listed on conventions, but not through a management and traceability system. The government relies on research to identify where chemicals are (e.g., lead in products).

No, Colombia

there seems to be better civil society awareness about the green initiatives in supply chain - Armenia

Öko-Tex, Gots, EU-eco-label, Blue Engel. Germany.

individual brands use some “green” labels, but there is no global / common approach applicable to all brands (Germany, BUND)

No, Myanmar
Are you aware of any other supply chain management initiatives and traceability systems in textiles, or any other sector? Please state your country.

- Iran
- No.
- Better chemical registration and monitoring systems. South Africa
Background to Question 3:
3. INDIVIDUAL FACILITY – SOURCE OF DATA & TRACEABILITY
A HOLISTIC APPROACH TO SUSTAINABLE CHEMICAL MANAGEMENT

**INPUT**
- ZDHC MRSL (Manufacturing Restricted Substances List)
- ZDHC MRSL Conformance Guidance
- ZDHC Gateway – Chemical Module

**PROCESS**
- ZDHC Chemical Management System (CMS) –
  1. Framework
  2. Technical Industry Guide (TIG)

**OUTPUT**
- ZDHC Wastewater Guidelines
- ZDHC Gateway – Wastewater Module
A HOLISTIC APPROACH TO SUSTAINABLE CHEMICAL MANAGEMENT (ZDHC MRSL)
3 Levels to Leadership

**FOUNDATIONAL**

- **HOW TO ZDHC**
  - Self-evaluation
  - Guidance and Learning
  - Self Declaration

**PROGRESSIVE**

- Implementation Performance
  - InCheck
  - ClearStream

**ASPIRATIONAL**

- Leaders

June 2020

Q3/Q4 2020

Q1 2021

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THE IMPROVEMENT CYCLE

On-boarding

Supplier Platform

Training

Reporting

Improvement Phase
Supplier implements improvement measures

[Find Your Expert]

[Find Your Expert] - optional - Supplier realises need for implementation support and hires expert consultant

Supplier Platform
Self-evaluation, access to guidance material, progress benchmarking, preparation for reporting

Training
Supplier realised training need, is provided general or specific training

Expert Platform
- Coming soon

Depending on the brands’ demands, suppliers might report directly to them, to the SAC HIGG or other systems

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Where we are standing now* ...

1.767 FORMULATOR ACCOUNTS

5.97 SUPPLIER ACCOUNTS

10 ZDHC Accepted Laboratory Accounts for WW testing

56.27 CHEMICAL PRODUCTS

9.93 Published WW Test reports

3 ZDHC SIGNATORY BRAND ACCOUNTS

2 ZDHC BRAND FRIEND ACCOUNTS

4 ZDHC BRAND FRIEND ACCOUNTS

Update: 14 September 2021
THANK YOU!

More information at roadmaptozero.com
or contact contribute@zdhc.org
Question 3:

How do you think traceability will help to achieve holistic sustainable chemicals management could be achieved in your country?

This question will be discussed for 20 minutes. Please use chat only, mute your microphone, and turn your video off.

Thank you!

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What kind of tools do you think are needed to implement and improve traceability in your country?

South Africa - more information from importers; data bases that are accessible to the public; training customs officials on aspects of traceability

Better registration and monitoring systems. South Africa

Traceability is a challenging topic in Colombia. Because of the market being very atomized and the end of the chain are looking mainly for prices and in this approach no environmental issues drives the market

Armenia: good approach would be try adapt the existing global tools including online tools, software for tracking, mapping; would be also good to have a kind of platform where stakeholders across supply chain could interact

Suggestion an international, official app, made by UNEP for example that shows the ingredients of the product and the substances used in the process, companies get a label for cooperating with the app
What is your opinion on sustainable chemicals management leading to overall environmental sustainability performance in the supply chain?

A difficult question given that no country has yet achieved true sustainable chemicals management and so we are unable to assess the wider impact.

it works only in the sense of "system thinking" (only in that case the whole value chain can be called really sustainable). so, definitely, sustainable chemicals management is necessary. Sustainability should be understood in a broad way (incl labour)
Did you read the discussion guide sent out before the discussion as a preparation tool for the discussion?

- Yes: 3
- No: 3
How will you use the information shared in today's discussion?

- As reference
- I'll share it in the internal round with the team
- I will use it to support my research - Nigeria
THANK YOU for attending the Chemicals in Products CoP Discussion

IMPORTANT:
This is our final discussion for 2021!

Thank you for your participation throughout this year.

Please keep an eye out for the start of our discussion in 2022

All resources and summaries of previous CiP CoP discussions are available at the following link:
https://saicmknowledge.org/topic/community-practice

More information at roadmaptozero.com or contact contribute@zdhc.org

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