

79th Plenary Meeting – Virtual

MINUTES

Second Open Session Labelling – What is the real story about my T-shirt?

10:00 am to 12:00 pm (GMT-5), Tuesday, 7 December 2021
Chairman: Mr. Azeez Syed

The Second Open Session, ‘Labelling – What is the real story about my T-shirt?’, was chaired by Mr Azeez Syed, Past Immediate President of the International Cotton Association and Senior Vice President, Olam Americas Inc. The Chair explained that in 2019, the ICAC Standing Committee agreed that the ICAC’s Private Sector Advisory Panel (PSAP) would be able to present a session of its choice at each Plenary Meeting, covering issues that specifically affected the private sector. In 2020, the members of the PSAP selected the topic ‘Labelling’ as its choice of subject for discussion for the 2021 Plenary Meeting. He added that there are a number of unanswered questions that surround labelling — for example, what should a label cover to inform the public more about what they are buying, how can issues such as sustainability be addressed through labelling or How can a label be indicative of a better and more transparent supply chain; any innovative ways that could be employed into labelling so that some of the above-mentioned issues can be answered just by a quick glance at the label?

The first speaker, Mr. Jesse Daystar, chief Sustainability Officer, Cotton Incorporated, talked about ‘Data-Driven Labelling: Limitations and Opportunities’ in his presentation. He discussed Cotton Incorporated’s data describing consumer concerns around sustainability with the top environmental concerns being climate change; water scarcity; air pollution; ocean waste; land and waste management; and population growth. He emphasised how can labelling be done properly and what types of rules and science should be followed for it.

The second speaker, Prof. Ingun Grimstad Klepp, Consumption Research Norway, Oslo Metropolitan University, discussed whether we know enough about apparel and sustainability to develop a simple, trustworthy, equitable and science-based labelling system.

She indicated that we are in the middle of an explosion. Today, more items of clothing are produced than we need which means that each of them is used less. In this increase, the production using synthetic fibres has been increasing since the 1970s, whereas the production of natural fibres has remained stable over the decades.

She spoke about the EU’s new policy on Product Environmental Footprint (PEF). She indicated that this system has various short comings, for example:

- The PEF doesn't consider the problem of microplastics, making the PEF system biased towards synthetic fibres.
- The PEF system doesn't consider the usage base of clothing, meaning that it takes at par clothes that are used once and clothes that have been used multiple times.

The third speaker of the session was Ms. Dorothy Lovell, Policy Advisor, Organisation for Economic Cooperation and Development (OECD). She covered the topic of due diligence for responsible supply chains in the garment and footwear sector – the role of product labels. She talked about the due-diligence guidance for the sector, which was finalised in 2017 and has been adopted by 49 governments. The guidance targets all the companies in the garment and footwear sector, seeking to implement OECD guidelines from raw material producers to retailers. She further highlighted that the guidance outlines six steps of due diligence and that label can be helpful for the companies. She mentioned that OECD sees a gap where more can be done with respect to different initiatives based on their scope, expertise and the extent to which they are aligned with the OECD due-diligence guidance. To rectify this, OECD had also prepared an alignment assessment process.

The fourth speaker of the session was Ms Fabia Pryor, Brand Community and Impact Manager at Country Road who talked about 'Biodiverse, Local and Verified: Country Road's Approach to Cotton'. She pointed out that 76% of Country Road members want to know the origins of the materials they use which puts more pressure on brands to share the correct story of their raw materials with customers.

The fifth speaker of the session was Mr. Michael Wessely, Co-Founder and COO of Sheeplnc., who spoke on 'Future Positive knitwear, Reconnecting Consumers through Technology'. He discussed how can brands, suppliers and customers can come together to provide more insight into the global fashion industry and thereby decarbonise the supply chain. He added that his brand, Sheep Inc, has created an integrated digital supply chain solution that offers 100% visibility to customers and brands and has created fashion's first naturally 'carbon-negative' supply chain.

He said that the fashion industry currently accounts for 1.2 billion tonnes of CO₂, which will increase up to 60% by 2030. Further, while more than 100 billion items of clothing are produced every year, 25% of them remains unsold. The company succeeded in establishing a carbon-negative supply chain by employing carbon-negative methods for each sector. Starting from regenerative farms in New Zealand for raw materials, sourcing it through Italy's first B-Crop certified textile mill, spinning it by using no harmful chemicals — manufacturing it by using zero-waste, whole-garment technology running on solar power — and finally by giving customers full visibility of this process.

The last speaker of the session was Ms LaRhea Pepper, Co-Founder and CEO of Textile Exchange, who spoke on 'Consumer Engagement: Greenwashing or Education? The Truth in a Label'. She explained the goal of Textile Exchange: enabling the textile industry to reduce GHG emissions (CO₂ equivalents) by 45% by 2030 in the pre-spinning phase of textile fibre and materials production. She mentioned that currently more than 122 brands, retailers and seven suppliers have committed to sourcing 100% sustainable cotton by 2025. She raised the issue of traceability as one of the major concerns. She also discussed the increased regulations and scrutiny the brands will have to face to back up their claims. Finally, she said that a credible sustainability claim for a product should be clear, accurate, relevant, transparent and robust.

After the presentations, the floor was open for questions.

Mr Messely was asked what kind of information he would like to see as mandatory and included on all clothing labels? and whether Sheep Inc's technology could be applied by other brands or industries. He replied that it is the accountability of the brand to ensure that a conscientious purchasing decision by the consumer is made. The information should be easy to understand as well. Some essentials could be the details on country of origin, list of suppliers, the material and the CO2, water and chemical impact of producing a garment. He said the labelling technology of Sheep Inc. could easily be adopted by other brands.

The delegate from Pakistan asked Mr Wessely what minimum information requirement should be met by the labels of the premium and fast fashion area of garments should be. He said the requirement should be the same for both ends of the markets.

For the question, 'Is there any timeline for the inclusion of microplastics into an LCA metric and to product labels?', Dr Daystar answered that there are several different ones; one is called Moroca and the current timeline is 2025.

A question was addressed to Ms. Pepper that It seems like there is more demand for truth in labelling and also more distrust of claims. What do you think can help build trust in consumer claims? She pointed out that it can be difficult for brands to tell the truth about their products but need to be held accountable for the things they claim.

Dr Daystar was asked as where does the majority of uncertainty come from in LCAs and what needs to happen to improve this? He said that when one thinks of cotton production there is a lot uncertainty and generally models are created to account those flow and are used in life cycle assessments. These models are a source of uncertainty in itself.

A delegate said that labelling and claims can help to leverage the farmer's voice and asked how labelling could benefit producers? Ms. Pepper replied that leveraging the farmer's voice is one way to explain what they have witnessed and has benefitted them.

When asked what sort of labelling scheme she would envision to reduce the environmental footprint of clothes and textiles, Prof Klepp suggested that the date of the manufacturing on the garment should be visible so a consumer can know how old a garment is, the content of the material used and guarantees as to how long can the garment be used for. Ms Lovell added that from due diligence prospective, the label should identify all severe risks in the sector.

The Chair, Mr Syed, thanked all the presenters and closed the session.