

# **UN Environment Management Group Nexus Dialogues**

























# The Background

Fashion, operationalized as textiles, apparel, leather, and footwear<sup>1</sup>, has had a historically-large environmental footprint, even without COVID-19 pandemic's compounding effects<sup>23</sup>. The sector is responsible for an estimated 8-10% of the world's greenhouse gas emissions,<sup>4</sup> and textile production processes have been found to use many chemical substances harmful both to the environment and human health<sup>5</sup>. At the same time, the fashion value chain is responsible for global revenue worth ~\$2.5T<sup>6</sup>. To monitor and decrease environmental impact, there has been a rise in ESG ("environmental-social-governance") frameworks and certifications<sup>7</sup> designed to observe life-cycle performance. Reporting frameworks (e.g., LWG, GRI, CDP, SASB) have focused on accounting for non-financial impacts relevant to production and governance, while certifications (e.g., Better Cotton Initiative, Bluesign, Oekotex, GOTS and Textile Exchange) focus on standardizing the impact of materials, chemicals, and energy used in production. There are a quite number of assessment tools related to the social impact of fashion as well, in particular regarding the compliance with international labour standards and national legislation. However, there is pervasiveness in the inconsistent,

<sup>&</sup>lt;sup>1</sup> Operational definition courtesy of UN Alliance for Sustainable Fashion (2019) https://unfashionalliance.org/

<sup>&</sup>lt;sup>2</sup> Sustainable Apparel Coalition, BCG, Higg CO (April 2020), Rebuilding a More Sustainable Fashion Industry After COVID-19.

<sup>&</sup>lt;sup>3</sup> ILO (2020). COVID-19: Action in the Global Garment Industry.

https://www.ilo.org/global/topics/coronavirus/sectoral/WCMS\_742343/lang--en/index.htm

<sup>&</sup>lt;sup>4</sup> Measuring Fashion: Insights from the Environmental Impact of the Global Apparel and Footwear Industries, Quantis, 2018 <a href="https://quantis-intl.com/wp-content/uploads/2018/03/measuringfashion\_globalimpactstudy\_full-report\_quantis\_cwf\_2018a.pdf">https://quantis-intl.com/wp-content/uploads/2018/03/measuringfashion\_globalimpactstudy\_full-report\_quantis\_cwf\_2018a.pdf</a>

<sup>&</sup>lt;sup>5</sup> KEMI. 2014. Chemicals in Textiles. Risks to Human Health and the Environment.

 $<sup>^{\</sup>rm 6}$  McKinsey & Company and BOF (2020) The State of Fashion 2020 Coronavirus Update.

<sup>&</sup>lt;sup>7</sup> To name a few: At the Copenhagen Fashion Summit 2017, Global Fashion Agenda launched the <u>2020 Circular Fashion System Commitment</u> ("2020 Commitment") with 90 signatories and 213 targets set across fashion design cyclability, apparel collection, resale and recycling in pursuit of sustainable practice by 2020. Thereafter, at COP 24 (December 2018), the UNFCCC launched the <u>Fashion Industry Charter for Climate Action</u> ("Fashion Charter") which has drawn 89 private-sector signatories and 28 supporting organizations committed to a target of 30% GHG emission reductions by 2030 and set a decarbonization pathway based on the Science-Based Targets Initiative. Further in August 2019, the G7 Summit produced the <u>Fashion Pact</u>, a collaborative movement based on multi-sectoral partnership, signed by 32 major fashion brands, and includes targets from the UNFCCC's Fashion Charter as well as greater aspirations to reach 100% renewable energy by 2030.



incomparable, and inconclusive implementation of environmental and social commitments across fashion-related industries<sup>8</sup>.

**Sustainable Fashion** is referenced by Stockholm+50<sup>9</sup>, and the UNEP report 'Sustainability and Circularity in the Textile Value Chain - Global Stocktaking'<sup>10</sup> as having the potential to support a *Sustainable Recovery For All* by applying the precautionary principle to the sustainable management of the environmental dimensions of its value-chain, including conscientious product design, natural resource and material inputs, workers' health and wellbeing, treatment of waste, and end-of-life product disposal, in pursuit of circularity and enhancing resilience for intergenerational equity.<sup>11</sup> Moreover, an integrated approach to environmental and social sustainability turns the drive towards circularity into a significant avenue for a *just transition*, with more and better jobs, social inclusion and poverty reduction.<sup>12</sup>

# UN System-Wide Dimensions and Significance

The United Nations Alliance for Sustainable Fashion ("UN Fashion Alliance") is an initiative of UN agencies (ILO, UNDP, UNECE, UNEP, UNGC, UNFCCC, and UNOP), and allied organizations (ITC and WBG) to contribute to the SDGs through coordinated action in the fashion sector, by supporting coordination and promoting best-practice projects and policies throughout the fashion value chain.

Due in part to the multidimensional significance and far-reaching implications of Sustainable Fashion, there is value gained from the better coordination of existing initiatives, as well as – in response to identified gaps – the generating of new, collaborative partnerships across a variety of stakeholders (UN included) to enable impactful programmes, and identifying integrated approaches for efficient capacity-sharing mechanisms.

# Sustainable Fashion in the 2030 Agenda

**Sustainable Fashion** has highly relevant implications to the <u>HLPF</u> (United Nations High-level Political Forum on Sustainable Development) 2021's theme of:

Sustainable and resilient recovery from the COVID-19 pandemic that promotes the <u>economic, social and environmental dimensions</u> of sustainable development: building an inclusive and effective path for the achievement of the 2030 Agenda in the context of the decade of action and delivery for sustainable development.

<sup>&</sup>lt;sup>8</sup> Cai, Y. J., & Choi, T. M. (2020). A United Nations' Sustainable Development Goals perspective for sustainable textile and apparel supply chain management. Transportation research. Part E, Logistics and transportation review, 141, 102010. https://doi.org/10.1016/j.tre.2020.102010

<sup>&</sup>lt;sup>9</sup> Stockholm+50 2022: https://www.government.se/government-policy/stockholm50/

<sup>&</sup>lt;sup>10</sup> UN Environment Programme (2020). Sustainability and Circularity in the Textile Value Chain - Global Stocktaking. Nairobi, Kenya.

<sup>&</sup>lt;sup>11</sup> Brundtland, G. (1987). Report of the World Commission on Environment and Development: Our Common Future. United Nations General Assembly document, A/42/427.

<sup>&</sup>lt;sup>12</sup> International Labour Organization (2015). <u>Guidelines for a just transition towards environmentally sustainable economies and societies for all</u>. Geneva, Switzerland.



The following SDGS will be discussed: 3 (good health and well-being), 8 (decent work and economic growth), 6 (clean water and sanitation); 7 (affordable and clean energy); 12 (responsible consumption and production), 13 (climate action), 15 (life on land) and 17 (partnerships).

# Rationale

Against this background, the UN Environment Management Group ("EMG"), in close collaboration with the UN Alliance for Sustainable Fashion (the "Alliance"), UN Conference on Trade and Development ("UNCTAD"), UN Environment Programme ("UNEP"), UN Economic Commission for Europe ("UNECE"), UN Educational, Scientific and Cultural Organization ("UNESCO"), UN Framework Convention on Climate Change ("UNFCCC") and International Labour Organization ("ILO") will organize a **Sustainable Recovery through Sustainable Fashion: A Focus on the Environmental Dimensions** (7 September 2021) Nexus Dialogue intending to facilitate an exchange of different approaches to address the environmental facets of the *Sustainable Fashion Nexus*, especially in pursuit of sustainable recovery from the COVID-19 context, and with an emphasis on the UN system's programmes.

# Objectives

Against the UN Fashion Alliance, partners will share knowledge of updated initiatives, challenges, and capacity gaps – the discussion will apply both a **micro-** and **macro-lens**.

**The Micro-lens** will have a peer-to-peer exchange on applying the environmental perspective to *Sustainable Fashion*, and identifying unexplored opportunities with a particular focus on circularity and decarbonization. The discussion will focus on how to adjust value chains towards environmental sustainability, including lifecycle implications on sustainable materials/inputs, product design, value chain traceability and transparency, sustainable consumption and production, and end-of-life management while applying the decent work agenda <sup>13</sup>.

**The Macro-lens** will seek to mobilize the UN system in its support to the Fashion Industry in advancing a Sustainable and Resilient Recovery for All through the environmental lens under the auspices, of Stockholm+50 2022<sup>14</sup>, and the Task Group of the One Planet Network and International Resource Panel<sup>15</sup>.

# **Outcomes**

The Nexus Dialogue is expected to produce a Policy Outcome Document on:

- Knowledge-sharing on updated, current, and emerging UN system initiatives highlighting the environmental and social dimensions of the Sustainable Fashion nexus.
- Establishing consensus of next-step priorities (e.g., taxonomies/definitions, capacity building and technical assistance to the most vulnerable, greenwashing, ESG reporting frameworks, stakeholder vs. shareholder value, innovation and advanced technologies, etc.) and the trajectory of future inter-sectional/multi-level dialogues on the Sustainable Fashion nexus.

<sup>&</sup>lt;sup>13</sup> The four pillars of the decent work agenda refer to job creation, rights at work, social protection and social dialogue, with gender equality as a crosscutting objective.

<sup>&</sup>lt;sup>14</sup> Stockholm+50 2022: https://www.government.se/government-policy/stockholm50/

<sup>&</sup>lt;sup>15</sup> UNEP (2021). Catalysing Science-based Policy action on Sustainable Consumption and Production – The value-chain approach & its application to food, construction and textiles. Nairobi.

https://www.oneplanetnetwork.org/sites/default/files/report unea5 catalysing science-based policy action on scp - task group irp-one planet 0.pdf



- Actionable recommendations for the UN system, in extending its support to the private sector and governments, based on identified priorities, capacity gaps, and under-explored opportunities.
- Providing recommendations and input on the environmental dimensions of Sustainable
  Fashion into subsequent and relevant events and initiatives, including:
  - UNFCCC Milestone document on the Fashion Industry Charter for Climate Action
  - UNECE Multi-Stakeholder Policy Dialogue (21-23 September 2021), on the side-lines of Milano Fashion Week
  - UN Biodiversity Conference, COP 15 (11 October 2021)
  - UNCTAD Creative Economy and Digitization Forum (15 October 2021)
  - UN Climate Change Conference, COP 26 (1-14 November 2021)
  - o 5<sup>th</sup> Session of the UN Environment Assembly (February 2022)

# Structure and Audience

For safety and logistical reasons, the Nexus Dialogue will be held virtually and hosted on Zoom Webinar. *Sustainable Recovery through Sustainable Fashion: A Focus on the Environmental Dimensions (7 September 2021)* will be 120-minutes long.

Invitations are extended towards representatives of the target audience, composed of colleagues within the UN system, private sector champions on Sustainable Fashion (e.g., fashion houses, brands, employer's organizations, workers' representatives, SMEs), civil society (e.g., general public, trade unions, academia, NGOs, youth groups), and member state representatives and policymakers.

The Nexus Dialogue will be recorded and made available for real-time public observers who will be able to contribute comments, questions, and resources via the Q&A function – including upvoting each other to notify organizers of the most popular concerns.

#### Moderated Panel Discussion

Key presentations will be made by the ITC Ethical Fashion Initiative, UNEP, UNCTAD, UNECE, UNESCO, UNFCCC, and ILO – after which, there will be a moderated free-flowing discussion involving all participants on the micro- and macro-lens questions.

#### **MICRO-LENS Questions**

- 1. Sectors adjacent to-, feeding into- and dependent on- Sustainable Fashion have been severely affected by COVID-19. As the UN system, how can we adjust our value-add to address environmental and social concerns in the fashion industry (inclusive of: material, labour, economic yield, trade, innovation) to be more responsible, resilient, and sustainable, while leveraging the principles of: circularity; sustainable consumption and production; just transition & decent work; decarbonization; and the green economy?
- 2. In light of the Synthesis Report on UN System Wide Initiatives Related to Fashion, what are some "best practices" in terms of engagement with member states and other stakeholder beneficiaries who, like us, are focusing on environmental impacts?



#### **MACRO-LENS Questions**

- 3. From the perspective of your agency and its initiatives, what are the future challenges and opportunities (focusing on those that the UN system is best suited to take forward) you can identify to leverage *Sustainable Fashion* for a just transition to environmental policies and a sustainable recovery?
- 4. In pursuit of a Sustainable Recovery, what are the environmental and social policy pillars and enabling conditions ) that are critical to *Sustainable Fashion*? In other words, what needs to be done and which actions should the UN system prioritize in supporting members states to take forward?





Time: 8:00-10:00 EDT, 7 September 2021

# <u>Time Zones</u> Sustainable Recovery through Sustainable Fashion:

A Focus on the Environmental Dimensions

8:00-10:00 EDT Host: Ms. Nina Arden, Sr. Nexus Dialogue Consultant, EMG Secretariat

14:00-16:00 CEST | Notetakers: TBD

15:00-17:00 EAT Moderator: Ms. Laila Petrie, CEO of 2050

Welcoming Remarks by Ms. Ligia Noronha, Secretary, EMG Secretariat (5 minutes)

**Introductory Remarks** by Mr. Simone Cipriani, Chairperson, UN Alliance for Sustainable Fashion and Head, ITC Ethical Fashion Initiative (5 minutes)

**Key Opening Interventions** (10 minutes)

- Ms. Sophia Yang, Executive Director, Threading Change (5 minutes)
- Ms. Sylvie Benard, Chair of Paris Good Fashion (5 minutes)

### Presentation of Key Initiatives relating to Sustainable Fashion (40 minutes)

- Mr. Simone Cipriani, Chairperson, UN Alliance for Sustainable Fashion and Head, ITC Ethical Fashion Initiative (5 minutes)
- Ms. Paola Deda, Director, Forests, Land and Housing Division, UNECE (5 minutes)
- Ms. Bettina Heller, Programme Officer, UNEP (5 minutes)
- Ms. Margherita Licata, Technical Specialist, ILO (5 minutes)



- Ms. Marisa Henderson, Head of Programme, Creative Economy, UNCTAD (5 minutes)
- Ms. Niclas Svenningsen, Manager, Global Climate Action, UNFCCC (5 minutes)
- Ms. Elisabeth Tuerk, Director, Economic Cooperation and Trade Division, UNECE (5 minutes)
- Ms. Meriem Bouamrane, Section Chief, Research & Policy on Biodiversity, Division of Ecological and Earth Sciences, UNESCO (5 minutes)

## **Moderated Panel Discussion (40 minutes)**

#### **MICRO-LENS**

- 1. Sectors adjacent to-, feeding into- and dependent on- *Sustainable Fashion* have been severely affected by COVID-19. As the UN system, how can we adjust our value-add to address environmental and social concerns in the fashion industry (inclusive of: material, labour, economic yield, trade, innovation) to be more responsible, resilient, and sustainable, while leveraging the principles of: circularity; sustainable consumption and production; just transition & decent work; decarbonization; and the green economy?
- 2. In light of the Synthesis Report on UN System Wide Initiatives Related to Fashion, what are some "best practices" in terms of engagement with member states and other stakeholder beneficiaries who, like us, are focusing on environmental impacts?

#### **MACRO-LENS**

- 1. From the perspective of your agency and its initiatives, what are the future challenges and opportunities (focusing on those that the UN system is best suited to take forward) you can identify to leverage *Sustainable Fashion* for a just transition to environmental policies and a sustainable recovery?
- 2. In pursuit of a Sustainable Recovery, what are the environmental and social policy pillars and enabling conditions ) that are critical to *Sustainable Fashion*? In other words, what needs to be done and which actions should the UN system prioritize in supporting members states to take forward?

# Q&A (10 minutes)

**Summary of Discussion** by Ms. Laila Petrie, CEO of 2050 and Vice-Chair of the UNFCCC Fashion Industry Charter for Climate Action (5 minutes)

**Concluding Remarks** by Mr. Hossein Fadaei, Head of Secretariat, EMG Secretariat (5 minutes)