Leather Traceability Cluster Alignment of Leather Traceability Schemes Terms of reference

I. Statement of Purpose

Traceability and Transparency catch increasing attention in the leather market, as legislation and customer requests aim to provide information to consumers on how, by whom, and where products are made. Animal Welfare, Deforestation, Child or Forced Labour, Toxic-free supplies, etc. are some of the ethical considerations that lay behind this growing trend.

Traceability constitutes a particular challenge for the leather industry, as hides & skins obtain their identity separate from the animal at the slaughterhouse, and information on the previous lifecycle is lost in the vast majority of cases around the globe.

Leather industry certification scheme owners are looking into this issue and attempt to offer to the sector's operators tools and instruments for supporting their traceability and transparency needs. Although the recent OECD Due Diligence Guidelines or the UNECE and UN/CEFACT initiative provide a standard framework for traceability schemes in the (textile &) leather value chain, certain options need to be narrowed down to fit the needs of specific consumer markets. Also, a proliferation of different and diverse approaches on traceability risks leading to an impasse of mutually-not-recognised certifications, an increase of unproductive costs for operators being forced by customers to follow several schemes and may end up in audit fatigue.

The present COTANCE-led initiative "Leather Traceability Cluster" offers leather certification scheme owners a meeting point on a pre-competitive basis for defining the minimum essential elements of traceability and evidence of verification to be present in a scheme. This should minimise or possibly avoid above dysfunctions. COTANCE chairs the European standardisation body CEN TC 289 where such an agreement can then be officially consecrated, allowing also to be referenced in legislation.

II. Objectives

- 1. To offer a platform for discussion on approaches, implementation solutions, or best practices regarding the further development of upstream leather traceability.
- 2. To establish, on a pre-competitive basis, the minimum essential elements of leather traceability systems to be verified by certification schemes of equivalent informative value.
- 3. To align solutions for leather traceability and consecrate them in a common document that can be submitted to official standardisation so as to be mutually recognised and referenced by regulators.

III. Duration

The Leather Traceability Cluster shall last for the duration of the development of a joint normative document to be submitted to official standardisation by CEN TC 289/WG 4.

IV. Cluster Membership

1. Cluster Membership Composition

Membership is open to the following organisations/experts:

- a) organisations active in the development of leather traceability certification schemes;
- b) standardisation experts participating in official leather standardisation activities;
- c) representatives of Leather Trade Associations;
- d) representatives of Livestock & Meat Trade bodies;
- e) Non-Governmental Organisations with specific traceability objectives (e.g. deforestation);
- f) Inter-Governmental organisations addressing Leather Traceability & Transparency issues.

Representatives of categories a), b) and c) were invited from the inception of the Cluster. Representatives of categories d), e) and f) will be invited to join the Cluster activities in a subsequent moment as agreed by the other categories.

Member organisations of the Cluster shall provide representatives with a high level of expertise, including competence and experience, on the use of traceability, standardisation and/or certification methods.

2. Application for participation

The Leather Traceability Cluster is open to additional leather industry stakeholders (for permanent, temporary or ad hoc participation).

Application shall be made by formal written request. Applicants shall submit a formal application letter indicating their motivation for applying and providing proof of their:

- Connection to the leather sector and its value chain;
- Relevant competence and experience on livestock/leather traceability;
- Willingness to participate in the cluster in an active and constructive manner;
- Commitment to support the cluster's mission through concrete contributions.

Any new application shall be addressed to the Cluster Chair who will submit it to the Cluster members, who shall take a formal decision by a three-fourths majority at their next meeting.

3. Costs

The members of this cluster bear their own costs. If specific costs might be foreseen, these will be managed on an ad-hoc basis, with unanimity decision.

V. Meetings of the Cluster

1. Typical meeting form and frequency

The frequency of the Leather Traceability Cluster meetings will be, in principle, monthly:

- Typically, Cluster meetings will be held on-line unless Members decide to come together for a physical meeting in Brussels or elsewhere.
- Physical meetings will be hosted preferably in cluster members' venues.

The Cluster can decide to set up separate Working Groups with specific objectives bringing together Members committing to address those interests. Such Working Groups will set out their own Terms of Reference and appoint a Chair who will report back to the Cluster under part 2 of the Agenda.

Working Groups have no own identity. They depend on the Cluster which will take any final decision on matters submitted.

2. Chairing of the Cluster Meetings

The Cluster meetings will be chaired by the representative of COTANCE or on whom COTANCE delegates.

3. Convening the meetings

The Chairperson will send:

- the invitation to the Cluster members as agreed at each meeting or according to an agreed meeting schedule;
- agendas and documents to be reviewed during the meeting will be sent ahead of the cluster meeting with sufficient time to allow all members to prepare.

Cluster working documents will not be circulated outside of the group until they are considered as Cluster's official positions.

4. Cluster Meeting Agenda

With the above objectives in mind, the agenda items consist of typically two parts:

- 1. Working elements for the preparation of the Common Draft Standard.
- 2. Sharing problems and experiences on the further development of leather traceability schemes. This intends to keep the cluster informed at all levels.

5. Decision-making process

Cluster members will aspire to define common positions through consensus approach. The meeting chairperson will actively pursue large consensus among members.

In case a consensus cannot be reached, a vote will be organised. The overall position will be adopted by three-quarters majority of votes cast.

The cluster defines consensus as the absence of sustained opposition.

To ensure cluster members' equal representation in all votes referred to in the terms of reference, the voting rights are as follow:

- For Certification Scheme owners: each organisation has one vote;
- For CEN TC 289 standard experts: each expert has one vote, unless there are several experts from the same originating national mirror Committee;
- For NGOs, Leather, Livestock or Meat Trade Associations, as well as for Inter-Governmental Organisations: each organisation has one vote.

6. Confidentiality and Intellectual Property:

All cluster members will respect the mutual confidentiality of each organisations' proprietary information and documentation which may be shared for the purpose of achieving a common approach.

Each cluster member retains ownership of their proprietary information, but all new standards and approaches may be adopted by all cluster members once agreed.

Contact person:

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