A due diligence approach to responsible chemicals management

14 February 2019, 16:00 – 17:30

Partners

ZDHC, OECD Environment, Health and Safety

Objective of the session

This session will explore how a due diligence approach to hazardous chemicals and substitutions may enhance risk mitigation, risk prevention and innovation in textile, apparel, leather and footwear supply chains. The discussions will elaborate and showcase due diligence practices for responsible chemical management through the lens of different sector stakeholders.

Background

Many different steps are usually involved in creating a fashion item, from commodity sourcing, to material creation, dyeing, tanning, finishing, to assembly and finishing of the garment or piece of footwear. Each of these process steps is associated with an external impact on the environment and by extension on society. Typically, the earlier processing steps are linked with the greatest combined environmental impacts through water use, energy, waste, and pollution. The use of hazardous chemicals in textile and leather supply chains plays an important role in this regard, especially in wet processing. Hundreds of different chemicals are being used in dyeing, tanning and printing with many of them bearing hazardous properties.

The sector is increasingly recognising and addressing this challenge by engaging in a pro-active management of the supply chain that goes, in some cases, even beyond regulatory requirements. In recent years the sector has assembled around one common Manufacturing Restricted Substances List (MRSL) to control the chemical inputs right from the beginning in a scientific and internationally accepted way. A comprehensive management of chemical inputs can also minimise output related risks and impacts, related to water quality, waste generation, air pollution and product compliance. A holistic view on responsible chemical management is essential to create the system change required to transform the industry to a higher standard of sustainability.

While the identification and mitigation of chemical related risks in the supply chain is a starting point, the potential lies with a shift to phasing out and substituting hazardous chemicals with safer chemical alternatives. In this regard it is imperative that substitutions are identified which are non-regrettable and viable in terms of their hazardous profiles but also their functional performance. An industry-wide Research List can guide the substitution journey for the supply chain and point to substances for which innovation and scaling of safer alternatives is required before including them on restricted lists.

Communication of chemical related risks and building knowledge on best practices on how to implement mitigation are additional important elements for responsible chemical management. Central access to hazard profiles for chemicals

and reliable substitution information are key to inform and decide on different due diligence scenarios. Besides the communication within the supply chain – from chemical companies to manufacturers, brands/ retailers and end consumers – the wider stakeholder community also plays an essential role, e.g. to create awareness, set enabling frameworks and spur innovation towards safer chemical alternatives.

Discussion questions

- How can chemical related risks along the supply chain be best identified? What are the main challenges in identifying these hot spots?
- How do different stakeholders address and mitigate the chemical related risks identified? Which approaches are taken and what are key success factors?
    - From different stakeholders' perspective: such as chemical company, brand/retailer, industry collaboration, non-governmental organisation, policy / multilateral agency
- Which due diligence practices are used to communicate risks associated to chemicals to both communities and workers? How can this chemical risk information be best translated to end consumers?
- How does chemical substitution play a role in risk mitigation along the supply chain? How can it be ensured that substitutions are non-regrettable? What would it take to make safer chemical assessment and related substitution mainstream in the supply chain?

For more information

- OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector (OECD 2017), https://www.oecd-ilibrary.org/governance/oecd-due-diligence-guidance-for-responsible-supply-chains-in-the-garment-and-footwear-sector_9789264290587-en
- OECD Substitution and Alternatives Assessment Toolbox, http://www.oecdsaatoolbox.org/
- OECD Portal on Per and Poly-fluorinated Chemicals, http://www.oecd.org/chemicalsafety/portal-perfluorinated-chemicals/
- OECD website on chemical safety, http://www.oecd.org/chemicalsafety/
- Synthesis Report: Workshop on Approaches to Support Substitution and Alternatives Assessment, (OECD 2019), http://www.oecd.org/officialdocuments/displaydocument/?cote=env/jm/mono(2019)3&doclanguage=en
- Cross Country Analysis of Approaches to Support Alternatives Assessment and Substitution of Chemicals of Concern (OECD, 2019), http://www.oecd.org/officialdocuments/displaydocument/?cote=env/jm/mono(2019)2&doclanguage=en
- Database of Per- and Polyfluoroalkyl Substances (PFASs), http://www.oecd.org/chemicalsafety/risk-management/global-database-of-per-and-polyfluoroalkyl-substances.xlsx; and Summary report on the new comprehensive global database of Per- and Polyfluoroalkyl Substances (PFASs) (OECD, 2018), http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ENV-JM-MONO(2018)7&doclanguage=en.
- Economic Features of Chemical Leasing (OECD, 2017), http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ENV-JM-MONO(2017)10&doclanguage=en
- Working Towards a Global Emission Inventory of PFASs: Focus on PFCAs - Status Quo and the Way Forward (OECD, 2015), http://www.oecd.org/chemicalsafety/risk-management/Working%20Towards%20a%20Global%20Emission%20Inventory%20of%20PFASS.pdf
- ZDHC Manufacturing Restricted Substance List (ZDHC MRSL version 1.1.), https://www.roadmaptozero.com/mrsl_online/
- ZDHC Waste Water Guidelines (ZDHC 2016), https://www.roadmaptozero.com/fileadmin/pdf/Files_2016/ZDHC_Wastewater_Guidelines.pdf

- ZDHC Waste Water Treatment Technologies Document (ZDHC 2018), https://www.roadmaptozero.com/fileadmin/pdf/Files_2018/Wastewater_Treatment_Technologies_for_the_Textile_Industry-FINAL.pdf
- ZDHC Gateway (Chemical Module and Waste Water Module), https://www.roadmaptozero.com/gateway/
- The business case for removing hazardous chemicals with ZDHC (report 2019), https://www.roadmaptozero.com/fileadmin/pdf/Files_2018/Executive_Summary_PwC_business_case_study_December_2018_final.pdf