

Labelling and human rights due diligence

Label Check: Leather and Leather-Shoes

Introduction

In the global leather and leather footwear production, workers are exposed to high risks. Massive labour rights violations in the production of leather, leather goods and footwear are not uncommon, labour rights are little respected and social standards are often poorly implemented. Low wages, extreme workloads and hardly regulated working conditions are commonplace. The intensive use of harmful chemicals in the production of leather not only endangers the health of workers, but also damages the environment. It is high time to counteract the social and ecological problems and enforce better working conditions for people and to protect the environment. Companies have a primary responsibility to ensure that workers' rights are respected and environmental standards are met throughout their entire supply chain. But governments also have a duty: They must regulate through laws, their enforcement and jurisdiction that companies comply with labour and human rights and environmental requirements. With the Supply Chain Due Diligence Act in Germany and the draft legislation at EU level, policymakers are setting a regulatory framework for environmental and human rights due diligence.

For many years, so-called multi-stakeholder initiatives and voluntarily set standards have existed that attempt to make ethical principles in production credible. Some have started aligning their policies with the OECD Guidelines on Corporate Due Diligence. However, most existing initiatives and product standards do not yet have OECD alignment. Previous research on product standards and certifications, such as ["Reliably certify sustainability"](#) by the German Consumer Agency or ["Good quality - quality labels, multi-stakeholder and sector initiatives in footwear and leather production"](#) by Change Your Shoes have highlighted the shortcomings of product standards and certifications.

To ensure respect for labour and human rights among their suppliers, companies currently generally rely on audits and/or corresponding certification systems. The company survey "Human Rights Due Diligence in Practice" conducted by INKOTA and Südwind currently confirmed this handling. Companies' own codes of conduct and sector or industry standards used are checked by audits and certified if necessary.

The standards applied are only transparent to a very limited extent. Information on the audit, the results collected, and grievances identified, as well as their elimination or remediation in terms of due diligence, is hardly accessible to the public.

Only two of the certification systems presented here (Blue Angel and Austrian Eco-Label) are based on statutory regulations. Four other certification systems presented primarily follow the interests of involved groups in setting priorities or in the choice of technical, ecological or social specifications and criteria. Most of the certification systems described in this publication focus on environmental and/or material quality. Labour and human rights criteria usually play a rather subordinate role. In principle, participation in certification systems is voluntary, but it can become part of a contract as a requirement among business partners. The more often certification systems are taken up as a reference or requirement in business relationships, the faster they become a “voluntary standard” in practice. Since compliance with criteria and requirements is in principle voluntary, non-compliance with them can, in the worst case, result in the certificate being revoked and/or the company/product not being qualified.

The certification systems presented in this overview can be divided into two categories, business-to-business (B2B) and business-to-consumer (B2C). B2B labels cover individual or several stages of the manufacturing process of the products, they serve in particular the quality of information exchange between two or more companies. B2B labels are not usually visible to consumers on a product, while B2C labels are. B2C labels are intended to provide quality information and orientation for consumers; products are marked with a label that is intended to draw attention to requirements that have been met, e.g. environmental standards.

Unlike in the area of textiles, there are only a few relevant labels for leather products. Thus, it often remains a great challenge for consumers of leather goods and shoes to find leather products in stores and online stores which labelling would clarify under which circumstances they were produced. This report presents some labels relevant to leather products. For each label, there is a brief introduction with objectives and scope. This is followed by an analysis of underlying criteria; the analysis is done for environmental and social criteria as well as animal welfare and transparency. The analysis is based on information that is publicly available. Finally, the evaluation of the labels is summarized in a graphical matrix and the underlying requirements and their treatment are evaluated by means of coloured gradations. The certification schemes (business-to-consumer) Blue Angel Shoe, Leather Standard by Oeko-Tex, natural leather IVN certified and the Austrian Eco-Label, as well as the business-to-business labels Leather Working Group (LWG) and Higg Brand and Retail Module (Higg BRM) are presented. The selection of the certification systems presented is based primarily on the information provided by companies using systems in the Together for Decent Leather company survey on human rights due diligence and on their relevance for leather and leather products.

Blue Angel / The German Ecolabel Footwear and Insoles



The Blue Angel label is owned by the German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV). The German Environment Agency defines the criteria that products or services should comply with to be certified with the label and appoints the members of the Environmental Label Jury. Since 1978 the awarding body for the Blue Angel has been a German non-profit company RAL which has guided consumers and industry for over 90 years.

Objectives

The objectives of the Blue Angel label include the identification of products and services that meet high environmental and social standards during production and use. They also include minimizing the use of hazardous chemicals and ensuring good serviceability of products.

Scope

Blue Angel provides two Standards relating to a) the production of leather (UZ148) and b) and the production of shoes and insole (UZ155). This assessment refers to the standard Blue Angel/UZ155 on production (leather) shoes and insoles¹. The label sees itself as an environmental label expanding more to the social criteria. It also includes packaging, consumer information and requirements for advertising statements. A comprehensive [background report](#) on the review of the award criteria DE-UZ 155, of the Blue Angel eco-label for footwear and insoles has been put online.

CRITERIA

Environmental criteria

The Blue Angel Label identifies products produced in compliance with high environmental standards. Avoidance of hazardous chemicals in the product and maintaining high environmental standards during manufacturing is the fundamental goal of the Blue Angel.

The environmental criteria include strict limits on water consumption during the entire leather manufacturing process. In addition, wastewater treatment shall meet the requirements for both direct and indirect discharge limits into water bodies. The criteria also include limits on indoor air emissions following the requirements for emissions of volatile organic compounds (VOC).

Moreover, the environmental criteria provide requirements for compliance with chemical restrictions based on the EU and German chemical regulations. For example, chemicals with hazardous characteristics listed in the criteria are not allowed for use in leather products. The criteria also include restrictions on heavy metals. However, the criteria's limit values are only provided for cobalt, copper, and chromium.

¹ Blue Angel Shoe and Austrian Ecolabel for Shoes (Austrian Ecolabel/UZ 65 Shoe) have been developed in close cooperation.

It is important to note that the environmental criteria of the Blue Angel Label prohibit the use of some substances as groups that creates a more effective management of hazardous chemicals. For example, the criteria ban the use of Chloroalkanes and Perfluorinated and Polyfluorinated chemicals as well as Alkylphenol Ethoxylates and Alkylphenols and flame retardants. In addition, synthetic nanomaterials are prohibited for use in leather processing or in finished products. Moreover, the Blue Angel Label does not allow halogenated polymers in plastic packaging, and cardboard containers should be made of 80 percent recycled materials.

Social criteria

Social criteria of the Blue Angel Label are based on the Code of Conduct for the European Leather Industry of 2000. The Code is based on the requirements of ILO conventions and on the international principles regarding human rights and human dignity. Specifically, ILO Conventions on Ban on Forced Labour, Child Labour, Freedom of association and right to collective bargaining, and Non-Discrimination are noted.

Wages: The Code covers only minimum wages in conformity with the minimum legal rules and with the minimum rules in the industry that should allow workers to meet their basic needs. The relevant ILO conventions, for example, ILO 95² and ILO 131³ are not referenced. Salaries should be in conformity with the rules of the country where production (tier 1) takes place. At the same time, no career development or other kind of development of employees' potential is envisaged.

Labour conditions: Freedom of association and collective bargaining are included in the list of criteria. The social criteria do cover essential aspects such as hours of work (Industry) Convention, ILO No. 1. It compliance with all EU regulations to be allowed on European markets as a general requirement but does not provide specific criteria on labour conditions. No breaks, vacations or maternity or family and childcare leave are considered.

Health and safety at work: The Code requires a safe and clean working environment and the best professional practices to ensure health and safety at workplace regarding all specified risks. Moreover, the social criteria do not consider special safety at the workplace during pregnancy or paid sick leave.

Non-discrimination: Child labour is forbidden for people younger than 15 years. However, the Code also allows persons above compulsory school age in the countries concerned to work. Given that in some developing countries, compulsory schooling takes place before the age of 14, this requirement may allow children under the age of 15 to work. Any type of physical violence, as well as threats, punitive or exceptional disciplinary practices, sexual or other harassment, and any acts of intimidation by an employer are strictly prohibited. However, no specific provisions on prevention of discrimination and training on protection against discrimination in the workplace are offered.

Homeworkers: No requirements regarding the interests and rights of homeworkers, as for example foreseen in ILO 177⁴ are provided.

2 ILO Convention 95 on Protection of Wages
3 ILO Convention 131 on Minimum Wage Fixing
4 ILO Convention 177 on Home Work

Animal welfare

The Blue Angel requires to explicitly exclude endangered species and focuses on ethical origin and aspects of animal protection. It also refers to the relevant version of the Protocol of the Leather Working Group.

Transparency

The Blue Angel Label is transparent, meaning it provides public access to criteria, and recommendations with a primary focus on the environment. Consumers get information about product durability, type of leather and the tanning process. Misleading advertising statements that will undermine the possible risk of exposure to toxic chemicals such as „non-toxic“ and „non-harmful“ are prohibited. However, no disclosure of chemicals in products is provided. The label does not give any specific information to consumers at the point of sale. While the label requirements are easy to find online, information to consumers is limited to the FAQs section. The names and institutions involved in developing the product requirements are provided on the website, however information on compliance checks is scarce.

CONCLUSION

The Blue Angel Label is reliable and provides detailed and trustworthy information to consumers to decide on the purchase considering the environmental, health and social-related effects of a product. It is built on strict environmental and social criteria to ensure the protection of health and the environment, workers' rights, and animal welfare. The standard is continuously under revision, and the tendency is progressive. The criteria are intended to ensure that products or services certified with the Blue Angel meet the requirements and expectations for environmental and social compatibility. Although important social criteria are not covered and product certification has limited impact in this area, the Blue Angel nevertheless provides a system for minimizing risks.

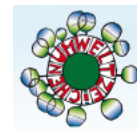
Examples of companies using The Blue Angel Label

Leather and finished leather products that contain the Blue Angel label include CREST LEATHER ITALIA srl, Dani S.p.A, G+H Leder GmbH, Gmelich + Söhne GmbH, Gruppe Mastrotto Spa, HELLER-LEDER GmbH&Co.KG, I.C.A. Industria Conciaria Arzignanese S.r.l, Stolz bvba.

Assessment

SELECTION OF CRITERIA		Blue Angel Shoe
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	very good
	Water management	very good
	Waste management	insufficient
	Chemicals	very good
SOCIAL CRITERIA	Human Rights	ok
	Workers' Rights	ok
	Living Wages	not included
	Consumer Rights	good
ANIMAL WELFARE		good
TRANSPARENCY		good

Austrian Ecolabel for Shoes Österreichisches Umweltzeichen/ UZ 65 Schuhe



The Austrian Ecolabel for Shoes is owned by the Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK). The Label is hosted by Austrian Consumer Association (VKI), which also makes a check of completeness and plausibility of external and independent assessment of certified products government. The label is based on the German Blue Angel Label for Shoes. The collaboration between the Austrian and the German ecolabels should allow brands and producers to use two labels with just one certification. However, the Austrian ecolabel for shoes poses stricter social standards and criteria for tanning on the producers. For this overview, we only assessed aspects related to leather and other components and materials of shoes, to stay in line with the scope of the other labels in this overview.

Objectives

The objectives of Austrian Ecolabel for Shoes include high environmental standards in the manufacturing process and avoiding harmful chemicals, some of them in finished products and some in the manufacturing process. The label also enhanced workers' safety and social standards in production and good serviceability.

Scope

The label includes all types of shoes, except toys, single-use shoes, shoes using PVC, and shoes made of feathers and downs. The label is mainly a product label, but also covers requirements along the supply chain including workers' rights (only tier 1)⁵.

CRITERIA

Environmental criteria

The Austrian Ecolabel for Shoes applies high environmental standards, especially for hazardous chemicals. Label holders must comply with a list of banned and restricted chemicals, including those listed as substances of very high concern in REACH⁶, fragrances and CMRs⁷. The criteria for the limits of chromium VI and tanning processes are even stricter than in the Blue Angels sister label. The criteria also include water consumption and wastewater treatment. However, there are no criteria for waste management or waste minimization. The criteria do not include requirements for air emissions or energy consumption.

⁵ Blue Angel Shoe (UZ 155) and Austrian Ecolabel for Shoes (Austrian Ecolabel/UZ 65 Shoe) have been developed in close cooperation

⁶ Substances of Very High Concern (SVHCs) under EU REACH Regulation are chemicals that have serious effects on human health or the environment, including substances that are carcinogenic, mutagenic, bio-accumulative or toxic for reproduction.

⁷ CMR substances are substances that are carcinogenic, mutagenic, or toxic to reproduction

Social criteria

The list of social criteria is comprehensive and includes ILO Core Conventions⁸ covering minimum wages, working hours, forced and child labour, freedom of association and collective bargaining, health and safety at work, and non-discrimination. This list goes beyond the Blue Angel requirements and applies only to the Austrian Ecolabel for Shoes.

Wages: The mentioned ILO 95⁹ and ILO 131¹⁰ cover only minimum wages, not living wage (even if the guideline name it "Living Wage", reference to these ILO conventions would not guarantee a living wage).

Labour conditions: Working hours, freedom of association and collective bargaining are included in the list of criteria.

Health and safety at work: These requirements are part of the ILO Core Conventions, but no requirements to prevent accidents, provisions for the safety of pregnant women, or training on health and safety are listed.

Non-discrimination: This requirement is part of ILO Core Conventions. Still, no specific provisions to prevent intersecting discrimination and training for protection against discrimination or (gender-specific) violence or harassment at the workplace, etc., are required.

Homeworkers: No requirements regarding the interests and rights of homeworkers, as for example foreseen in ILO 177¹¹ are provided.

Compliance with the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector is recommended but not a must. Requirements to prevent accidents or health and safety training are not on the list of criteria. The social criteria only apply for direct suppliers and do not cover the deeper supply chain. In the next revision it is foreseen to expand the application of the criteria to more parts of the supply chain.

Animal welfare

To get the Austrian Ecolabel for Shoes only hide from farm animals used for milk and meat production are allowed. It is prohibited to use animals from endangered species. However, there is no criteria that does not allow farming in protected areas or in areas of illegal deforestation.

Transparency

For all criteria detailed evidence is required. The documents are being reviewed by RAL gGmbH, which grants the label when companies comply with the criteria. In Germany, RAL gGmbH is the sole awarding body for the German environmental label - the Blue Angel - and the European environmental label - the EU Ecolabel. Consumers also profit from the requirement for the companies to provide information about components and materials of the shoes in German language. The Austrian label additionally demand information about repairability and replacements of parts of the shoes. The criteria of the label are publicly available, however the information on the official website is scarce.

⁸ Conventions of the International Labour Organisation (ILO) are based on the freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation.

⁹ ILO Convention 95 on Protection of Wages

¹⁰ ILO Convention 131 on Minimum Wage Fixing

¹¹ ILO Convention 177 on Home Work

CONCLUSION

The Austrian Ecolabel for Shoes is reliable and provides trustworthy information to consumers. They are being enabled to make an informed purchasing decision. However, the environmental criteria are strict, but for some criteria, there are no requirements to apply them along the whole supply chain of the production. The social criteria are more stringent than those in the sister-label Blue Angel. The standard is continuously under revision and shows a progressive tendency. Its strong focus on environmental aspects leaves room for improvement in social and labour aspects. The Austrian Ecolabel for Shoes still has a way to go to become a label for “sustainability”. Additional, more ILO-norms should be included, covering e.g. ages/living wages.

Examples of companies holding the Austrian Ecolabel for Shoes

Legero Schuhfabrik GmbH, THINK Schuhwerk GmbH

Assessment

SELECTION OF CRITERIA		Austrian Ecolabel for Shoes
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	very good
	Water management	good
	Waste management	insufficient
	Chemicals	very good
SOCIAL CRITERIA	Human Rights	ok
	Workers´ Rights	good
	Living Wages	not included
	Consumer Rights	good
ANIMAL WELFARE		good
TRANSPARENCY		good

NATURLEDER IVN certified (IVN Leather Standard)



The IVN Leather Standard was developed in 2017 for the natural leather by the International Association of Natural Textiles (IVN e.V.). It provides applicable criteria and recommendations for leather and fur products to ensure the highest possible sustainability standards along the whole value chain from the raw material and manufacturing of leather, packaging, labeling, sale, and use of the finished leather products.

Objectives

The key objectives of the Standard include the use of harmless chemicals and wastewater treatment, reasonable minimization of resources, providing safe working conditions, and protecting consumer's health.

Scope

The scope of the Standard covers manufacturing of sustainable leathers and skins, their packaging, labeling, trade and distribution. All auxiliary substances and process chemicals must be evaluated from extraction to disposal.

CRITERIA

The Standard comprises environmental and social criteria binding for the certified companies. However, the recommendations that are part of the standard are "desirable" but nonbinding and show the ambitious strategy of moving towards comprehensive environmental safety and sustainability.

Environmental criteria

Environmental criteria for the IVN Leather Standard include requirements for wastewater treatment and sludge disposal to ensure there is no contamination of soil, ground- or surface water. The environmental criteria also contain requirements for chemical inputs in the processing stages of leather and leather products and requirements related to the hazard and toxicity of chemical substances. It provides a detailed list of prohibited hazardous substances, such as endocrine disruptors, heavy metals, biocides, and the Substances of Very High Concern under the EU REACH Regulation¹². These substances are banned or restricted in all processing stages of IVN NATURLEDER hides or fur. The decision to ban chemicals listed in the Standard is based on environmental or toxicological reasons. In addition, the Standard does not allow the use of chlorinated plastics in packaging materials. Moreover, paper or cardboard used in packaging material for NATURLEDER goods must be recycled from pre- or post-consumer waste. In addition, the standard contains progressive recommendations that demonstrate positive trends in addressing important issues such as the intention to use certified organic hides, ensuring product longevity, and biodegradability of associated waste.

¹² Substances of Very High Concern (SVHCs) under EU REACH Regulation are chemicals that have serious effects on human health or the environment, including substances that are carcinogenic, mutagenic, bio-accumulative or toxic for reproduction.

The Standard also includes requirements for environmental monitoring based on data on energy and water consumption and waste generation and discharge. However, the environmental criteria do not include requirements for air emissions, which leaves an important aspect of air pollution outside the standard.

Social criteria

The social criteria of the IVN Leather Standard are focused on human and workers' rights and apply to all stages of leather production, processing, and trade. The fulfillment and evaluation of specific social criteria are based on compliance with the relevant conventions of the International Labour Organization (ILO)¹³. The criteria include safety at workplace with emphasis on health and safety measures for handling chemicals.

Wages: The criteria only require wages to meet basic needs and to provide some discretionary income. No reference to the relevant ILO conventions is made. At the same time, no career development or other kind of development of employees' potential is envisaged.

Labour conditions: Working hours, freedom of association and collective bargaining, are included in the list of criteria. However, the social criteria are insufficiently developed regarding essential aspects such as working hours. The Standard allows a 7-day workweek of 8 hours per day with only one day off for every 7-day period. This requirement contradicts with the EU standard workweek of 40 hours. In addition, the standard does not exclude the nine-hour workday, allowing only a 30-minute break after six hours of work and 45-minute break after nine hours of work.

Health and safety at work: The provision of appropriate personal protective equipment is required, and workers participate in regular health and safety trainings. Nevertheless, the social criteria do not consider special safety at the workplace during pregnancy. No vacations, maternity leave, family and childcare leave, or sick leave are considered.

Non-discrimination: The employment of children under 16 is prohibited, however, exemptions may be applied. The importance to conform to the ILO conventions 138¹⁴ and 182¹⁵ is highlighted. Physical or verbal abuse or the threat of physical abuse, sexual, gender or other harassment are prohibited. However, no specific provisions to prevent discrimination and to set up training for protection against discrimination, violence or harassment at the workplace, etc., are required.

Homeworkers: Obligations to employees under labour or social security laws must also be met in the case of home-based work. However, no requirements regarding the interests and rights of homeworkers, as for example foreseen in ILO convention 177 are provided.

Animal welfare

Criteria are not sufficient to protect animals from cruelty and to protect natural habitats from destruction. However, further recommendations meet these concerns and specifically highlight that the destruction of natural habitats should be rejected.

13 Conventions of the International Labour Organisation (ILO) are based on the freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation.

14 ILO Convention 138 on Minimum Age

15 ILO Convention 182 on Worst Forms of Child Labour

Transparency

IVN Leather Standard is transparent within the supply chain. It also issues publicly available sustainability reports and provides public access to criteria, and recommendations.

CONCLUSION

IVN Leather Standard is reliable and provides detailed and trustworthy information to consumers to decide on the purchase considering the environmental, health and social-related effects caused by a product. It is built on strict environmental and social criteria to ensure the protection of health and the environment, workers' rights, and animal welfare. The standard is continuously under revision, and the tendency is progressive. Comments provided above will help address the existing challenges to guarantee that a product or service holding Naturleder label meets high requirements and expectations on environment and social performance.

Examples of companies holding NATURLEDER label

Leather and finished leather products produced in compliance with the NATURLEDER standard and certified by an Approved Certifier (= NATURLEDER Goods) may be labeled as "NATURLEDER IVN certified". Four IVN member companies producing shoes for children and watchbands hold a NATURLEDER label. These companies include Graf Uhrarmbänder GmbH, Pantolinos Manufaktur GmbH, Pololo GmbH, and Werner Schuhe GmbH.

Assessment

SELECTION OF CRITERIA	IVN Leather Standard	
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	insufficient
	Water management	good
	Waste management	good
	Chemicals	very good
SOCIAL CRITERIA	Human Rights	ok
	Workers' Rights	ok
	Living Wages	insufficient
	Consumer Rights	not included
ANIMAL WELFARE	good	
TRANSPARENCY	very good	

LEATHER STANDARD by OEKO-TEX®



LEATHER STANDARD¹⁶ by OEKO-TEX® is an international standardized testing and certification system available for leather and leather products. The product label by LEATHER STANDARD is available for products tested for harmful substances at all production levels, including accessories, thus proving their safety for human health and the environment. LEATHER STANDARD is a business-to-consumer initiative that helps reduce testing costs for hazardous substances and build the trust of customers and other partners at all participating production levels.

Objective

The objective of LEATHER STANDARD OEKO-TEX® certification is to support companies producing leather and leather products along the entire supply chain in ensuring high product safety for humans and the environment.

Scope

LEATHER STANDARD by OEKO-TEX® tests and certifies leather and leather articles from all processing levels for toxic substances: from semi-finished leather products to finished articles. The certification of the following skin types is provided: sheepskin, lambskin, goatskin, cattle and cowhide, calfskin, horse leather.

LEATHER STANDARD also tests textile or non-textile components of a leather article for harmful substances in accordance with STANDARD 100 by OEKO-TEX®. In some cases, the limit values for the STANDARD 100 go beyond national and international requirements for hazardous chemicals. The certification scheme allows to test each component and ingredient of the article before providing the STANDARD 100 label. The tested leather product components include but not limited to threads, buttons, zippers, and linings. Prints and coatings applied to the outer material are also tested for harmful substances, however, such tests are conducted using other criteria applicable to them.

CRITERIA

Environmental Criteria

The test is conducted by independent OEKO-TEX® partner institutes based on OEKO-TEX® criteria catalog¹⁷ that is updated annually considering new scientific knowledge and legal requirements concerning harmful substances. The criteria catalogue includes about 100 test parameters based on international and other recognised test standards. The limit values of chemicals are much more stringent than the valid national and international requirements. They include regulations that ban AZO colouring agents, chromium (VI), PFOS, lead; requirements based on the REACH¹⁸ regulation and the ECHA SVHC Candidate List¹⁹. In addition, many not yet legally regulated chemicals harmful to health and numerous

¹⁶ https://www.oeko-tex.com/importedmedia/downloadfiles/LEATHER_STANDARD_by_OEKO-TEX_R_-_Standard_en_01.2022.pdf

¹⁷ <https://www.oeko-tex.com/en/apply-here/leather-standard-by-oeko-tex>

¹⁸ <https://echa.europa.eu/regulations/reach/legislation>

¹⁹ Substances of Very High Concern (SVHCs) under EU REACH Regulation are chemicals that have serious effects on human health or the environment, including substances that are carcinogenic, mutagenic, bio-accumulative or toxic for reproduction.

substance classes toxic to the environment are included. Moreover, the OEKOTEX® Service Ltd. can introduce and apply more strict requirements as needed. A transition period for new and more stringent requirements can also be considered.

Overall, LEATHER STANDARD identifies four product classes, including sensitive categories such as baby products and products in direct contact with skin:

- 1: Articles for babies and children up to 3 years of age
- 2: Articles used close to the skin
- 3: Articles used away from the skin
- 4: Decorative materials

Social criteria

LEATHER STANDARD does not include social criteria. They are part of STeP by OEKO-TEX®²⁰ certification system for leather and textile production industry that stands for Sustainable Textile & Leather Production. STeP is aimed at improving working conditions and ensuring health and safety protection at workplace at the production sites. Working times, wage payments and social insurance are part of STeP certification system which is based on existing social standards in the production facility. However, OEKO-TEX® website does not contain publicly available information about what existing social standards STeP refers to and whether it also recognizes ILO social standards or the Code of Conduct for the European Leather Industry. Information about social criteria by STeP is presented in the form of an advertising rather than in-depth information about the requirements for occupational safety and social responsibility.

Animal welfare

Leather standard by OEKO-TEX® does not certify the leather from exotic or protected animals such as crocodiles, snakes, and armadillos. However, it is not clear whether leather from other wildlife species is eligible for certification. In questionable cases the OEKO-TEX® Secretariat makes the final decision.

Transparency

The LEATHER STANDARD certificate is valid for 12 months. Consumers can check the validity status of the certification by entering the complete certification number given on the label in the corresponding field on OEKO-TEX® website: <https://www.oeko-tex.com/en/label-check>

A list of the testing institutes authorised by the OEKO-TEX® Service Ltd. to provide tests, audits, and other services in connection with OEKO-TEX® products is available online²¹. Detailed lists of limit values and individual harmful substances is also available online²².

To find OEKO-TEX® labelled products and which brands have already had their leather articles certified, consumers need to use the OEKO-TEX® Buying Guide²³. However, the search process is complicated and unclear. To find information, consumers should be familiar with the LEATHER STANDARD, including associated annexes and product classes.

20 <https://www.oeko-tex.com/en/our-standards/step-by-oeko-tex>

21 https://www.oeko-tex.com/importedmedia/downloadfiles/LEATHER_STANDARD_by_OEKO-TEX_R_-_Standard_en_01.2022.pdf

22 Ibis

23 <https://www.oeko-tex.com/en/buying-guide>

CONCLUSION

LEATHER STANDARD by OEKO-TEX® is a standardised testing and certification system that can certify finished leather, leather fibre materials, ready-made articles, accessories, leather gloves, leather bags, leather covers, etc. The system is applied for all stages of leather production. It helps companies comply with various regulations by providing assessments of toxic substances in four categories of leather articles. These articles are tested for consumer and environmental safety against a long list of hazardous chemicals. The requirements are stricter for products that come into direct contact with skin. The test criteria are updated annually and standardised worldwide. They are carried out by independent OEKO-TEX® member institutes with proven expertise. It should be noted that contamination resulting from transportation, storage, packaging, and inadequate usage is not declared by LEATHER STANDARD by OEKO-TEX®. The trademark is not a quality label. It does not contain information about the product's properties, such as flammability or response to cleaning processes. Moreover, LEATHER STANDARD does not include social criteria which are part of another standard by OEKO-TEX®.

Examples of companies holding LEATHER STANDARD by OEKO-TEX®

Conceria Centomo S.r.l, Fineotex Chemical Limited

Assessment

SELECTION OF CRITERIA		LEATHER STANDARD BY OEKO-TEX®
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	not included
	Water management	not included
	Waste management	not included
	Chemicals	very good
SOCIAL CRITERIA	Human Rights	not included
	Workers' Rights	not included
	Living Wages	not included
	Consumer Rights	not included
ANIMAL WELFARE		ok
TRANSPARENCY		ok

The LWG was created in 2005 as a non-profit-organisation to provide guidance to the leather industry for improvement. It develops auditing tools to assess the environmental performance of leather manufacturing facilities and other actors related to leather industry. Being a globally recognized organisation representing responsible leather sourcing, LWG developed high environmental standards and certifies leather manufacturers that meet these standards. Leather manufacturers audited against LWG standards can receive one of four medal ratings, these are Audited, Bronze, Silver or Gold depending on them meeting the requirements for each level.

Objective

The objective of the LWG is to improve the impact of the leather supply chain by becoming the overarching standard for all elements and actors in the leather value chain. The LWG promotes transparency within the supply chain, accurate data and credible environmental certification. It aims to ensure effective communication to consumers and brands, share information and facilitate collaboration across all sectors linked to leather production.

Scope

The LWG membership includes representation from the whole supply chain of leather production including suppliers of chemicals and machinery, leather manufacturers, subcontractors, commissioning manufacturers and traders of raw, part processed and finished leather as well as brands, and retailers. It provides audit standards to cover all operations related to leather making. If a company operates in several sites, then the operation at each site will be audited.

CRITERIA

In February 2021 the LWG issued a revised version of the Leather Manufacturer Audit Protocol (Protocol 7). It covers key elements of leather manufacturing including the chemical management module, stricter requirements for effluent treatment, substantially developed requirements on traceability and a requirement for social auditing from a recognised third party.

The LWG audit is a technical audit, primarily of the environmental performance of leather production at a site. All audits are undertaken by independent auditors, approved by LWG with extensive technical experience and knowledge of leather production.

Environmental criteria

Chemical management: LWG audited facilities are expected to demonstrate effective chemical management policies and systems for chemical compliance, procurement and sales, storage, handling and disposal, communication of hazards, and preventing exposure.

LWG has made chemical management a mandatory section across all audits with set targets aligned to both ZDHC (Zero Discharge of Hazardous Chemicals) and AFIRM Group (Apparel and Footwear International RSL Management) chemical management objectives. This means all LWG-certified leather manufacturers, commissioning manufacturers, subcontractors, and traders are incentivized to comply with the ZDHC MRSL (Manufacturing Restricted Substances List) and AFIRM RSL (Restricted Substances List) to achieve and maintain their LWG rating. All LWG certified leather manufacturers will also be able to use the ZDHC Gateway to provide evidence of compliance during their audit.

Coupled with a robust due diligence testing programme, this helps the LWG members to provide assurance that safer chemistry has been practiced in the manufacture of leather from LWG certified facilities.

Restricted substances: The Protocol includes meeting a Restricted Substance List (RSL) requirements aligned to those developed by the Apparel and Footwear International RSL Management (AFIRM) Working Group. The list guides companies within the supply chain to improve product safety by limiting the use of hazardous substances in apparel and footwear. The section includes requirements for testing to demonstrate that these levels are being met and appropriate process controls are in place.

Water usage: The Protocol requires effectively measure all in-coming sources of water with the score obtained reflecting the level of water used.

Effluent treatment: The Protocol increased testing requirements to 5 key wastewater contaminants and introduced stricter limits. An alignment with a unified standard for wastewater testing according to the ZDHC Wastewater Guidelines is required. These are the first guidelines defining wastewater requirements for hazardous chemicals included in the ZDHC MRSL.

Air emissions: Audited sites must be able to identify and account for all emissions to air and to demonstrate they meet the requirements and limits set in the audit standard.

Waste management: The audit standard requires that all wastes are accounted for and disposed of in a way that meets all applicable legal requirements and minimises the risk of any negative environmental impact.

Social auditing

LWG does not conduct any social auditing. A leather manufacturing site is required to have an undergone LWG recognised social audit, available on the LWG webpage to demonstrate social responsibility. This is a new, non-critical section in Protocol 7, and it is still possible to achieve gold status without a social audit. Making the social auditing requirement critical for a medal rating and inclusion of a measure of social performance is planned to be included in future versions of the audit standard.

Animal welfare

The LWG requires to source 100% of exotic material legally in accordance with CITES, a multilateral treaty to protect endangered plants and animals. Evidence that the materials did not come from areas of illegal deforestation is required for areas of high risk.

Transparency

The LWG focuses primarily on promoting transparency within the supply chain. It also aims to ensure effective communication to consumers by representing responsible leather sourcing. To claim about LWG, brand members must comply with criteria outlined in the LWG Claim Framework to ensure all claims are accurate and appropriate. No misleading language is allowed. Monitoring of all claims help building trust with consumers and protect the credibility of the LWG.

CONCLUSION

The LWG Claim is reliable and provides trustworthy information to consumers to decide on the purchase considering the environmental effects of a product. It is built on strict environmental criteria to ensure the protection of the environment, and animal welfare. The auditing protocols are continuously under revision, and the tendency is progressive. In the LWG, social audit and social criteria are not an essential part and companies can be awarded Gold status without a social audit.

Examples of companies received LWG rating

LWG has more than 1,300 members representing the entire leather supply chain, including 3C Lavorazione Pelli Srl ; A Buhler S/A Curtume; A N Leathers Private Limited, other.

Assessment

SELECTION OF CRITERIA	Leather Working Group	
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	ok
	Water management	very good
	Waste management	good
	Chemicals	very good
SOCIAL CRITERIA	Human Rights	not included
	Workers' Rights	not included
	Living Wages	not included
	Consumer Rights	not included
ANIMAL WELFARE	good	
TRANSPARENCY	very good	

Higg Brand and Retail Module (Higg BRM)

Higg BRM is one of five Higg Index tools released by the Sustainable Apparel Coalition (SAC) that is supposed to help companies reduce negative environmental and social impact and improve sustainability across the value chain. It is a self-assessment-tool and it measures the environmental and social impact of different steps of a product's lifecycle and can be used by product designers, brands, factory managers, and retailers. The Higg Brand and Retail Module has been picked up in this analysis because major retail platforms in the Together for Decent Leather company survey require the Higg Brand and Retail Module as evidence of sustainability. However, due to a lack of transparency of publicly available information, it was impossible to assess the Higg BRM to the same extent as the other tools presented in this report.

Objective

The objective of the Sustainable Apparel Coalition is to transform apparel and footwear industry towards sustainability. Higg BRM tool helps brands and retailers assess the sustainability risks by measuring their sustainability performance.

Scope

Higg BRM is a tool to measure environmental and social impacts of apparel and footwear products throughout the product lifecycle.

Benefits

Higg BRM has apparent benefits for the industry. It, among other advantages, helps brands and retailers conduct comprehensive sustainability analyses and better understand sustainability priorities.

What does Higg BRM assess?

Higg BRM helps apparel and footwear industry assess the environmental and social impact of its value chain to better understand the needs for improvements throughout the product lifecycle. The online questionnaire for assessing the environmental impact includes, among other things, air emissions, water and energy use, wastewater pollution, chemicals and waste management, biodiversity loss and animal welfare. The online questionnaire for assessing social impact includes, for example, wages, health and safety, discrimination, and harassment, forced and child labour, working conditions. Scores suggested by Higg BRM indicate where companies can make improvements to achieve a better sustainability performance.

Transparency

Higg BRM is a business-to-business initiative. It does not publicly share data from the brands that help identify areas for improvement. Thus, stakeholders outside the value chain are not aware of the results of the assessment based on the Higg BRM questionnaire. Neither are they aware of the steps undertaken by the company to improve its sustainability performance based on the results of the assessment. As a result, the improvements claimed by the brands or Higg cannot be publicly verified.

CONCLUSION

Higg BRM is an relevant business initiative that helps companies improve their environmental and social impact. The Higg BRM assessment uses a comprehensive list of questions that help the apparel and footwear industry identify areas that need improvement to minimize negative impact, identify priority areas, and better meet the sustainability goals, but it gives no transparency about the risk analysis and which steps will be taken to minimise or prevent identified risks in the supply chain. Nevertheless, the Higg BRM questionnaire does not include questions regarding the transparency of information or the availability of companies’ sustainability data to the public. Such an information gap makes Higg BRM less useful for the public and does not help consumers make the right purchasing choice based on the sustainability approach.

Assessment

SELECTION OF CRITERIA		Higg BRM
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	not included/no information
	Water management	not included/no information
	Waste management	not included/no information
	Chemicals	not included/no information
SOCIAL CRITERIA	Human Rights	not included/no information
	Workers’ Rights	not included/no information
	Living Wages	not included/no information
	Consumer Rights	not included/no information
ANIMAL WELFARE		not included/no information
TRANSPARENCY		insufficient

SUMMARY

Assessment

Selection of criteria		Blue Angel	Austrian Ecolabel for Shoes	Naturleder IVN certified	OEKO-TEX® Leather Standard	Leather Working Group	Higg BRM
ENVIRONMENTAL CRITERIA	(Indoor) air pollution	very good	very good	insufficient	not included	good	not included/ no information
	Water management	very good	good	good	not included	very good	not included/ no information
	Waste management	insufficient	insufficient	good	not included	good	not included/ no information
	Chemicals	very good	very good	very good	very good	very good	not included/ no information
SOCIAL CRITERIA	Human Rights	good	good	good	not included	not included	not included/ no information
	Workers' Rights	good	good	good	not included	not included	not included/ no information
	Living Wages	not included	not included	insufficient	not included	not included	not included/ no information
	Consumer Rights	good	good	not included	not included	not included	not included/ no information
ANIMAL WELFARE		good	good	good	good	good	not included/ no information
TRANSPARENCY		good	good	very good	good	very good	insufficient

KEY TO COLOUR BARS ■ very good ■ good ■ ok ■ insufficient ■ not included ■ not included/ no information

Concluding remarks

This overview of some common certification and labeling schemes in the leather, leather goods and footwear segment by no means claims to be exhaustive. The selection is based on the labeling schemes most frequently cited as references in the company survey "Human Rights Due Diligence in Practice" (June 2022). They are therefore likely to be particularly relevant for companies and their products, especially as "quality labels", not least for those product segments in which an environmentally friendly and socially responsible production method is to be made credible to consumers and customers.

However, if you are looking for a quality label for sustainable production, you will quickly reach the limits of quality labels for leather, leather goods and footwear, as they are only of limited significance across all three pillars of sustainability (economic, social, ecological/environmental). The labels discussed here historically come from the field of environmental or technical quality certification. Accordingly, the areas of labour and human rights (social dimension) are not equally developed as their environmental counterparts, this is also demonstrated by the overview chart.

The quality labels examined here are all based on the voluntary commitment of companies to align their production to the relevant standards and to have them audited. In contrast, international agreements on the protection of the environment, climate and ecology as well as UN human rights conventions define a legal framework that companies are expected and required to adhere to. Therefore, especially states and governments have the duty to create regulations that make companies with globally organized supply chains to comply with these international rights and to no longer violate them in impunity and without sanctions.

LEGAL NOTICE

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TOGETHER FOR DECENT LEATHER is a three-year program of seven civil society organizations from Asia and Europe. The program aims to improve working conditions in the leather (garment) and footwear industry in South Asia, with a focus on India, Pakistan and Bangladesh to reduce labour rights violations. The consortium is working to establish a stronger commitment to fulfilling their human rights due diligence by companies and requires governments to establish regulations and protection mechanisms to improve compliance with international labour rights. More information on the program and consortium on the website: www.togetherfordecentleather.org



The **INKOTA-network** is a development advocacy organization that has been fighting hunger and poverty for over 50 years with political campaigns and in cooperation with partner organizations in the global South and advocates for a just globalization. INKOTA empowers people in the global south so that they can free themselves from hunger and poverty. www.inkota.de



Südwind is a development policy organization that promotes sustainable global development, human rights and fair working conditions in Austria. Through educational work, the publication of Südwind Magazine and publications, Südwind addresses global interrelationships and engages in high-profile actions, campaigning and information work for a fairer world.



Health and Environment Justice Support (HEJSupport) is a non-governmental organization working for a healthy environment and environmental justice for all. We support groups of people and regions worldwide that are affected by environmental pollution. In doing so, we work on a global, regional and national level.

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