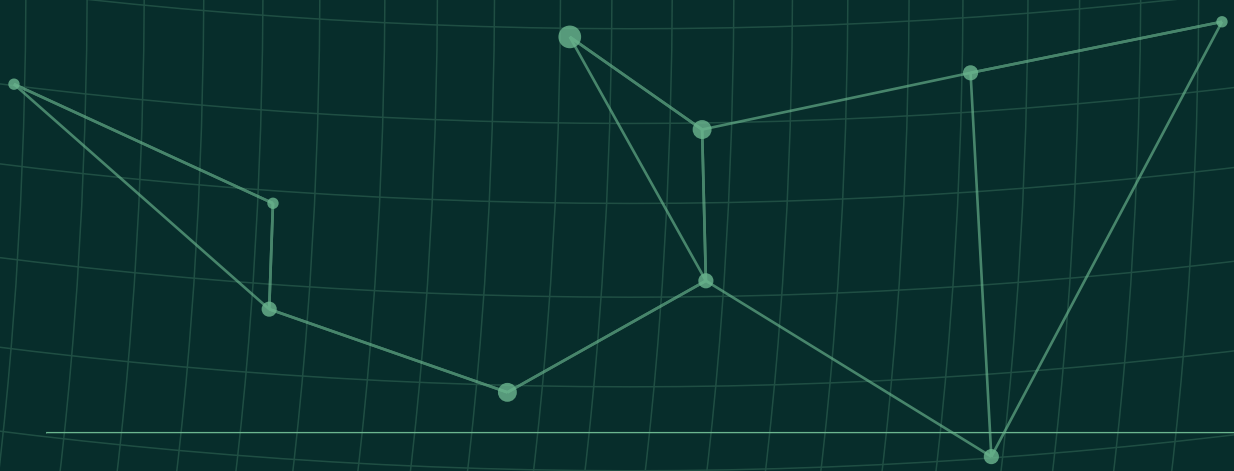
GREEN FUTURE TECH
LIMITED / HONG KONG SAR

GFT RESEARCH / WARP AND SIGNAL

The Compliance Frontier

EU sustainability and due-diligence rules and what they demand of African suppliers



wp17
RESEARCH EDITION

EDITION 2026-10-30
HONG KONG SAR

THE GFT THESIS

Value is made where it is measured.

GFT engineers sustainable factories that capture their own data from the first shift, so raw-material economies can keep the value they grow.

Read the evidence before acting on the recommendation.

ISSUER	Green Future Tech Limited, Hong Kong SAR
DOCUMENT	wp17 / The Compliance Frontier
EDITION DATE	2026-10-30
AUDIENCE	African textile and apparel supplier leadership, Factory operations, HR, quality and sustainability teams, EU buyers and importers sourcing from African suppliers, Development-finance and industrial programme reviewers
STATUS	Research edition. Generated locally. Publication and operating-performance acceptance are separate decisions.
PROGRAMME	GFT's Cameroon textile programme: feasibility, performance-management system design and digital strategy. Prepared 31 January 2024; source-refresh annotations retained in 2026.

IMPORTANT NOTICE

This document is not investment, legal or tax advice. Proposed controls and illustrative calculations require project-specific validation. Targets and announced third-party projects are not evidence of delivered operating performance.

The confidential programme PDFs are not reproduced or published. No client identity or engagement code is included.

EVIDENCE REMAINS GRADED

A: official. B: institutional or major research. C: trade or local press and market-research vendors. D: unverified; excluded from use. A grade describes the supplied register and does not certify accuracy.

Inherited publication dates unrecorded: R01, R02, R03, R05, R06, R07, R08, R09, R10, R27, R28, R29, R32. Temporal eligibility is unverified; these are inherited source-text checks, not independent source validation.

The operating case runs from fibre to feedback.

01 / African suppliers should build evidence into production before promising compliance 14

1.1 / The processing opportunity creates an evidence obligation 15

1.3 / The legal duty and the commercial request have different owners 17

1.5 / The programme is a design reference rather than a certified factory 19

1.7 / The strongest claim is the one the factory can reconstruct 20

1.9 / Changed EU rules make a dated register essential 22

1.11 / A buyer evidence pack should help an operator make a decision 24

1.13 / A supplier should challenge a request it cannot explain 26

02 / The sales route and product code decide which rules apply 31

2.1 / Selling through an importer differs from selling directly 32

2.2 / Corporate thresholds must be tested by the correct entity route 34

2.3 / Reporting scope should not be inferred from an export invoice 35

2.4 / Product classification separates apparel from specialised equipment 36

2.5 / Cotton is not automatically covered by every environmental border rule 37

2.6 / A directive date is not the same as a supplier delivery deadline 39

2.7 / An exclusion should carry its reasoning and its expiry trigger 40

03 / Buyer due diligence requires action on harm across the chain 44

3.1 / The amended CSDDD preserves a corporate process duty 45

3.2 / Risk mapping must identify activities rather than just legal names 46

3.3 / Severity and likelihood determine the next investigation 48

3.4 / Smaller partners face distinct information-request safeguards 49

3.5 / A prevention plan must change a controllable process 51

3.6 / A certificate does not transfer the buyer responsibility 54

3.7 / Monitoring should test prevention and remedy effectiveness 55

04 / Worker protection has to survive the production deadline 58

4.1 / Recruitment evidence can expose coercion before production begins 59

4.2 / Payroll and time records must reconcile to the shift 61

4.3 / Children and young workers need distinct safeguards 63

4.4 / Subcontracting cannot erase responsibility for unsafe work 64

4.5 / Health and safety evidence must address the actual process 65

4.6 / A grievance channel must be safe to use 66

4.7 / A remedy must be checked with the affected person 68

05 / The forced-labour ban can stop a product regardless of corporate size 72

5.1 / The prohibition follows products from every origin 73

5.2 / The ban does not create a routine audit filing 74

5.3 / The investigation path separates concern from a decision 76

5.4 / Batch links determine which records can answer the concern 77

5.5 / An investigation hold needs a documented decision 79

5.6 / A review needs new evidence about the underlying problem 81

5.7 / A tabletop drill should test uncertainty before the border does 82

06 / Reporting requests should be necessary, reusable and bounded 85

6.1 / The buyer reports its own sustainability statement 86

6.2 / The reporting cap protects a defined class of undertakings 87

6.3 / The VSME recommendation is a practical starting template 89

6.4 / A data dictionary prevents incompatible answers 91

6.5 / The purpose of a request determines the response route 93

6.6 / An evidence pack should survive review and correction 95

6.7 / Request burden should be measured as work 96

07 / Current product duties need attention before future passport fields 99

7.1 / Composition labels must describe the product being sold 100

7.4 / The textile rules do not create a general CE-mark requirement 104

7.6 / Chemical restrictions apply to imports as well as EU production 105

7.9 / Sampling evidence has to match the batch and the test question 106

7.11 / Product safety requires a response after sale as well as before shipment 108

7.13 / A supplier declaration must state its limits 109

7.16 / Shipment release should stop on an unresolved critical requirement 110

08 / Prepare for textile ecodesign without inventing its final requirements 115

8.1 / A framework regulation needs product-specific rules 116

8.2 / The textile timetable is indicative rather than a compliance promise 118

8.3 / Product identity can be designed before the final field list 119

8.4 / A data carrier is only the entry point to evidence 121

8.5 / Durability evidence must reflect a declared use and method 122

8.6 / Operators need different views of the same record 124

8.7 / The supplier should invest first in reusable evidence 125

09 / Circularity costs follow product responsibility and destination rules 129

9.1 / The revised waste directive sets a framework for national schemes 130

9.2 / An African manufacturer is not automatically the EPR producer 132

9.3 / Packaging needs its own phased applicability assessment 134

9.4 / Unsold finished goods differ from manufacturing waste 135

9.5 / A circularity statement needs a material and destination record 137

9.6 / Waste prevention should be tested against commercial incentives 138

9.7 / The contract should state who supplies which circularity record 139

10 / Environmental claims must match the evidence and the product 143

10.1 / Consumer-law changes already affect environmental messaging 144

10.2 / The claim boundary must match the evidence boundary 145

10.3 / Carbon information is not automatically a border tax calculation 147

10.4 / Water and chemical evidence should state the operation measured 149

10.5 / A voluntary label has a precise award scope 150

10.6 / An approved claim needs change control 152

10.7 / The evidence should survive a reasonable challenge 154

11 / Compliance data must be useful without exposing the worker 157

11.1 / Applicability must be checked before importing a privacy rule 158

11.2 / The data model should separate product facts from worker identity 159

11.3 / Access should follow the decision being made 161

11.4 / International transfer rules depend on the direction and actors 162

11.5 / Evidence retention needs a requirement and a purpose 164
11.6 / An offline factory still needs a trustworthy record chain 165
11.7 / A corrected record must reach everyone relying on it 166

12 / Contracts should fund evidence and remedy rather than transfer slogans 170

12.1 / A supplier clause cannot erase a buyer corporate duty 171
12.2 / The reporting cap needs purpose-specific contract treatment 173
12.3 / Purchasing practices affect what the supplier can deliver 175
12.4 / Testing and evidence work require explicit resources 176
12.5 / Assurance evidence must be assessed within its scope 178
12.6 / Escalation should allow prevention, correction and remedy 180
12.7 / A negotiated evidence schedule can be reviewed before signature 182

13 / The cost of evidence should be tested against the order it serves 185

13.1 / The model must distinguish recurring work from setup 186
13.2 / A comparable unit cost needs a consistent denominator 188
13.3 / Request reuse should be measured rather than credited in advance 190
13.4 / A shipment hold creates cash exposure rather than a forecast fine 191
13.5 / A shared-service approach has benefits and concentration risks 193
13.6 / The tabletop drill should expose failure modes 194
13.7 / An export decision needs evidence of value and of readiness 196

14 / GFT would measure whether the system prevents harm and answers for the product 198

14.1 / Start by approving the route, roles and current-law register 199
14.2 / Make worker protection and current product duties the first gate 201
14.3 / Prove a reusable pack on a bounded product family 203
14.4 / Add future requirements through a controlled change process 204
14.5 / Measure outcomes that reveal the operating truth 206
14.6 / Integrate the new controls into the existing management cadence 208
14.7 / Publish bounded claims and preserve the unanswered questions 210

Executive summary 12
Evidence register 212
Glossary 229
Term index 232
Method and imprint 234

Every exhibit states a testable claim.

EXHIBIT 01 / stacked
The programme baseline separates raw exports from local processing 17

EXHIBIT 02 / layered-architecture
A duty reaches a supplier through an identifiable route 19

EXHIBIT 03 / flow
A production event becomes an answerable claim 21

EXHIBIT 04 / table
A useful pack states what remains unproved 25

EXHIBIT 05 / matrix
Triage separates urgent product and labour checks from reporting inflation 29

EXHIBIT 06 / layered-architecture
Each sales route needs its own role determination 33

EXHIBIT 07 / table
The amended corporate tests use different denominators 35

EXHIBIT 08 / table
An ordinary cotton shirt needs a reasoned border-rule screen 38

EXHIBIT 09 / flow
A scope decision stays usable only while its facts stay valid 41

EXHIBIT 10 / hbar
The illustrative direct route adds unresolved review tasks 42

EXHIBIT 11 / flow
Due diligence links investigation to action and rechecking 46

EXHIBIT 12 / layered-architecture
The investigation follows activities and affected people 47

EXHIBIT 13 / table
The request safeguard and reporting cap answer different questions 50

EXHIBIT 14 / bar
The illustrative window leaves part of the order unsupported 53

EXHIBIT 15 / table
Closure requires evidence beyond the completed action 55

EXHIBIT 16 / table
An indicator starts an enquiry rather than ending one 60

EXHIBIT 17 / flow
A wage discrepancy should be traced to payment and remedy 62

EXHIBIT 18 / layered-architecture
The worker needs a channel outside the production hierarchy 67

EXHIBIT 19 / table
A closed case needs evidence of its result 69

EXHIBIT 20 / waterfall
An illustrative part payment leaves the remedy case open 70

EXHIBIT 21 / table
Product prohibition and corporate duties use different scope tests 74

EXHIBIT 22 / flow
A concern and a prohibition decision occupy different states 76

EXHIBIT 23 / layered-architecture
A finished batch needs links to processes and protected evidence 78

EXHIBIT 24 / gantt
A response drill tests parallel duties before a release decision 83

EXHIBIT 25 / timeline
An adopted reporting act still needs its legal-status check 90

EXHIBIT 26 / table
A reusable answer retains its definition and evidence 92

EXHIBIT 27 / matrix
The question purpose selects the information rule 94

EXHIBIT 28 / waterfall
Duplicate requests consume staff time that can be observed 97

EXHIBIT 29 / table
Composition, safety and chemicals require different evidence 102

EXHIBIT 30 / flow
The approved label follows the material specification 103

EXHIBIT 31 / layered-architecture
A test report supports only its stated sample and method 107

EXHIBIT 32 / matrix
A critical evidence gap should hold the shipment 111

EXHIBIT 33 / waterfall
Batch segregation isolates the unapproved finish change before export 113

EXHIBIT 34 / matrix
Known passport principles differ from undecided textile fields 117

EXHIBIT 35 / timeline
Planned textile adoption leaves later legal milestones unresolved 118

EXHIBIT 36 / layered-architecture
A stable product record can serve changing disclosure schemas 120

EXHIBIT 37 / flow
A QR demonstration needs checks beyond opening a page 122

EXHIBIT 38 / timeline
Circularity rules begin through different legal mechanisms 131

EXHIBIT 39 / matrix
The sales route changes the producer enquiry 133

EXHIBIT 40 / sankey
Material records separate products, returns and process waste 136

EXHIBIT 41 / table
Packaging and textile evidence need separate ownership 140

EXHIBIT 42 / matrix
A claim about one component cannot stand for the whole garment 146

EXHIBIT 43 / table
Different carbon requests serve different decisions 148

EXHIBIT 44 / matrix
A label award differs from a general compliance statement 151

EXHIBIT 45 / flow
A claim should be approved against a dated evidence file 153

EXHIBIT 46 / waterfall
A packaging improvement supports only its bounded arithmetic 155

EXHIBIT 47 / layered-architecture
Public product facts should be separated from restricted worker evidence 160

EXHIBIT 48 / flow
A transfer assessment follows the actual data direction 163

EXHIBIT 49 / matrix
Retention follows purpose and applicable duty 165

EXHIBIT 50 / timeline
A correction preserves the history of the decision 167

EXHIBIT 51 / matrix
A duty, a task and a cost owner are different allocations 173

EXHIBIT 52 / waterfall
An added evidence request should be priced by its actual work 177

EXHIBIT 53 / table
Assurance outputs prove different propositions 179

EXHIBIT 54 / flow
Escalation should protect people while resolving the product decision 181

EXHIBIT 55 / table
Every information request should have a purpose and a cost owner 183

EXHIBIT 56 / waterfall
Setup and recurring evidence work have different cost drivers 187

EXHIBIT 57 / heatmap
Cost per unit changes with volume and duplicated work 189

EXHIBIT 58 / range
A hold-cost range depends on declared funding and time inputs 192

EXHIBIT 59 / table
A drill tests decisions rather than a readiness score 195

EXHIBIT 60 / matrix
Critical failures remain visible at the release gate 202

EXHIBIT 61 / timeline
The watchlist distinguishes applicable rules from future work 205

EXHIBIT 62 / table
Every proposed metric needs a denominator and a decision 207

EXHIBIT 63 / gantt
The roadmap advances through evidence gates rather than calendar promises 209

Build the factory and its evidence as one system.

African textile suppliers face a growing demand for evidence about products, working conditions and environmental performance. Yet an EU buyer questionnaire is not proof that every corporate sustainability rule applies directly to the factory. This paper argues that suppliers should build a small, controlled evidence system into production, then use a dated applicability register to decide what each customer and regulator can legitimately require. The analysis separates corporate reporting and due diligence from product prohibitions, safety, chemicals, labelling, packaging and consumer claims. It incorporates the adopted Omnibus amendments and distinguishes current obligations from future textile ecodesign and product-passport requirements. It explains why information-request safeguards depend on their purpose and why a voluntary certificate cannot replace prevention, remedy or product evidence. For a fictional Cameroon garment order, the paper follows supplier mapping, worker protection, batch records, laboratory evidence, reporting responses, contractual allocation and shipment decisions. Proposed exhibits include legal-role matrices, evidence registers, response drills and transparent cost formulas. Every numerical example must be sourced or explicitly illustrative. GFT's Cameroon textile programme provides the operating-design reference, not a claim of an implemented or certified export factory. The recommendations connect compliance work to the same performance-management records that run production. The paper closes with a gated pilot, a legal-change watchlist and measures of evidence retrieval, worker-confirmed remedy and product release. It is not legal, tax or investment advice.

01 The supplier sales route, entity status and product scope determine the duty holder; a buyer questionnaire alone does not establish direct corporate reporting obligations. [S02] [S03] [S17] [S33] [S35]

02 The adopted Omnibus amendments narrow corporate scope and move amended CSDDD application to 26 July 2029, with separate reporting timing; inherited descriptions of the original rules need replacement. [S01] [S02] [S35]

03 The CSRD protected-undertaking reporting cap and CSDDD safeguards for necessary partner information are different mechanisms, subject to their own scope and implementation. [S35] [S04] [S05]

04 The forced-labour product prohibition applies from 14 December 2027 across origins and company sizes in its market scope, while introducing no routine audit or reporting duty of its own. [S10]

05 Textile-specific product-passport data requirements await a future delegated act; planned adoption in Q4 2027 is not a universal apparel compliance date. [S11] [S12] [S13]

06 Current composition, chemical and product-safety duties require product-specific evidence now; a textile label does not itself require CE marking. [S16] [S17] [S28] [S33] [S34]

07 Textile EPR, packaging and unsold-stock rules have distinct responsible parties and implementation paths, so a single circularity checklist can misallocate duties. [S14] [S15] [S20]

08 Consumer-law changes applying from 27 September 2026 require disciplined environmental messaging; the separate Green Claims proposal must not be presented as an adopted compliance regime. [S18] [S19] [S36]

09 Worker-risk indicators require enquiry and protective action, while shared evidence systems need purpose, access and correction controls rather than indiscriminate personal-data collection. [S08] [S09] [S23] [S24] [S25]

10 GFT recommends a measured evidence pilot before scaling: validate product release, remedy effectiveness, request burden and operating cost instead of assuming an export premium. [S05] [S09] [S13] [S33]

01

PART I: ESTABLISH WHICH DUTIES REACH THE SUPPLIER / GFT POSITION

African suppliers should build evidence into production before promising compliance

GFT argues that a measured factory can answer changing buyer requirements without confusing documentation with the prevention of harm.

CHAPTER 01
DECISION TEST

GFT argues that a measured factory can answer changing buyer requirements without confusing documentation with the prevention of harm.

African textile and apparel suppliers should build a small, verifiable evidence system into daily production before signing European compliance warranties or purchasing generic reporting software. When an export opportunity arises, a factory that records material batches, shift attendance, chemical inputs, and quality checks at the shop-floor boundary can answer legitimate buyer questions and investigate real risks without paralysing management. [S07] [S33] Conversely, treating every customer questionnaire as a direct statutory command exhausts staff on unverified spreadsheets while leaving critical product-safety or labour vulnerabilities unaddressed. [S05] [S09] Green Future Tech Limited (GFT), Hong Kong SAR, recommends a two-part operating principle: weave primary measurement into production from the first shift, and maintain a dated applicability register separating direct legal duties, buyer due-diligence enquiries, contractual preferences, and future rules. [S02] [S35] This paper provides that operating guide for African suppliers considering European Union sales; it is not investment, legal, or tax advice, and every entity or product determination requires qualified review against the actual transaction. [S33] [S35]

1.1

The processing opportunity creates an evidence obligation

Cameroon illustrates both the industrial prize of local value addition and the measurement discipline required to capture it. In the inherited programme data annex, about 95 percent of Cameroonian cotton fibre is exported raw while about 5 percent is processed locally, alongside a stated industrialisation target of 50 percent local processing. [R06] Cameroon's national development strategy restates that 50 percent local-processing target by 2030. [R07] Across the wider annex context, national seed-cotton output reached 330,000 tonnes in 2022, 314,455 tonnes in 2023, and about 340,000 tonnes in 2024, with 2025 projections above 350,000 tonnes across an upstream network where SODECOTON supports more than 220,000 producers and operates nine ginning plants and two oil mills. [R01] [R02] [R03] Across the CFA franc zone, cotton output was 2.3 million tonnes in 2024/25, down 11.5 percent. [R05] These inherited register entries carry a grade-C trade-press classification with unrecorded original publication dates where noted; they establish the bounded sector context for GFT's programme analysis rather than a newly audited baseline or a GFT operating result. [R06] [R07]

Moving a raw-material economy from exporting baled lint to shipping finished garments requires more than spinning frames and sewing lines. Under GFT's Warp and Signal thesis, production is the warp and measurement is the weft: a modern factory must generate verifiable records of how garments are made as it makes them. [S07] [S0102] Whenever an African manufacturer considers selling into European value chains, physical capacity encounters an evidence obligation. European Union rules require all consumer products sold in the Union to be safe, identifiable, and traceable regardless of origin. [S33] [S0102] Chemical restrictions under REACH apply to imported articles just as they apply to domestic goods, including limits on carcinogenic, mutagenic, or reprotoxic substances in clothing, textiles, and footwear under Annex XVII entry 72. [S16] Meanwhile, international due-diligence frameworks note that garment

and footwear supply chains are fragmented and multi-tiered, spanning raw material production, wet processing, and assembly across formal factories and informal homeworkers. [S06] [S07]

1.2 PHYSICAL CAPACITY WITHOUT OPERATIONAL RECORDS LEAVES VALUE EXPOSED

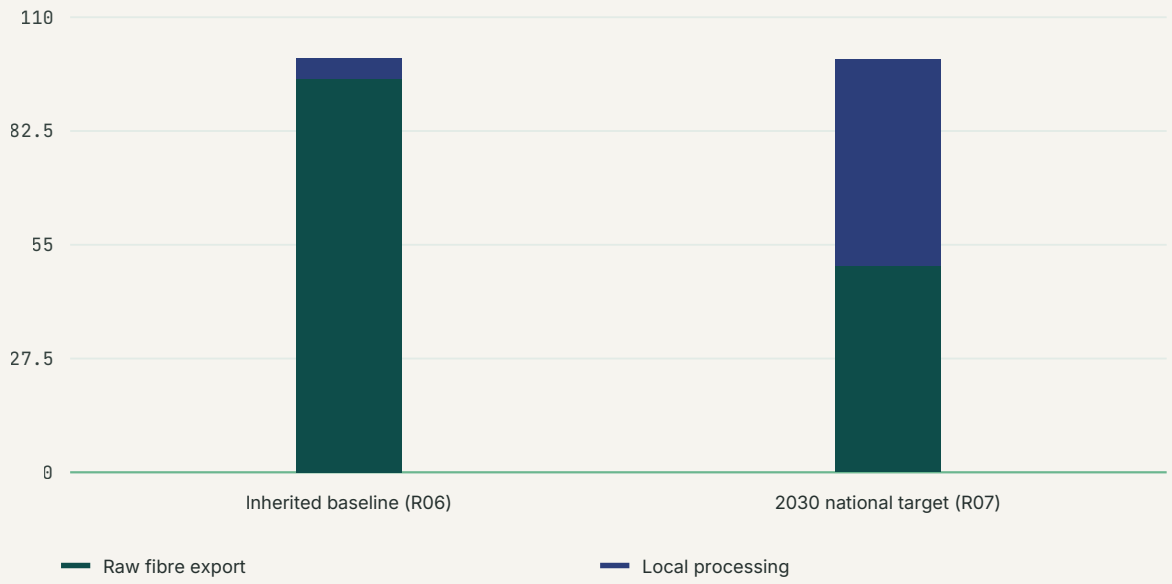
A factory that expands physical output without recording batch genealogy, chemical formulations, working hours, and defect containment cannot prove shipment integrity when questioned by an importer, lender, or market-surveillance authority. [S16] [S25] [S33] In GFT's engineering analysis, keeping more manufacturing value locally requires four concurrent record streams alongside machine capacity: labour and recruitment records demonstrating fair pay and voluntary work, chemical and wet-processing logs tied to fabric lots, physical quality and composition checks matched to garment labels, and resource-use measurements covering energy, water, and process waste. [S09] [S16] [S17] These records enable a plant manager to reconstruct which cotton lot, dye recipe, sewing line, and inspection check produced a specific carton of shirts. [S07] [S0102]

GFT states a strict evidentiary boundary around this argument. Building an operational record system is necessary for answering regulatory and commercial scrutiny, but no source opened for this paper establishes that documentation alone generates buyer demand, guarantees export orders, or commands a price premium. [S05] [S13] A supplier should invest in shop-floor measurement because controllable production requires feedback and market-entry gates block undocumented goods, not because a compliance folder replaces competitive cost, quality, and delivery. [S10] [S33]

Exhibit 1, p. 17 contrasts the inherited Cameroonian cotton-processing baseline with the stated 2030 national target, placing the industrial transformation goal beside the shift required from raw export to local conversion. [R06] [R07]

EXHIBIT 01 / PERCENT OF COTTON FIBRE

The programme baseline separates raw exports from local processing



SOURCED [R06] [R07] Inherited programme-annex figures (grade C, original publication dates unrecorded). R06 records about 95 percent raw fibre export and about 5 percent local processing. R07 records the SND30 national target of 50 percent local processing by 2030. These are sector context figures, not newly audited statistics or GFT operating results.

Expanding local processing from an inherited baseline of about 5 percent toward a 50 percent target implies new conversion and assembly operations across multiple sites. [R06] [R07] However, **Exhibit 1**, p. 17 cannot establish how much future processed volume will be sold domestically, regionally, or into the EU, nor does it prove that any announced project has achieved export readiness. [R06] [R07]

1.3

The legal duty and the commercial request have different owners

When an African garment manufacturer receives a sustainability questionnaire or contract addendum from a European brand, the document rarely distinguishes between rules binding the buyer, rules governing the physical product at the border, lender covenants, and voluntary labels. [S02] [S17] [S29] Treating all four as a single compliance mandate leads suppliers to sign sweeping warranties over corporate reporting standards that do not apply to them directly, while overlooking mandatory product-composition or chemical rules that can trigger a customs withdrawal or recall. [S16] [S33] [S35]

GFT separates the compliance frontier into four ownership routes:

1. **Corporate duties on in-scope undertakings**: The amended Corporate Sustainability Due Diligence Directive (CSDDD) establishes a corporate due-diligence duty for very large companies in scope to identify and address actual and potential adverse human-rights and environmental impacts across their operations,

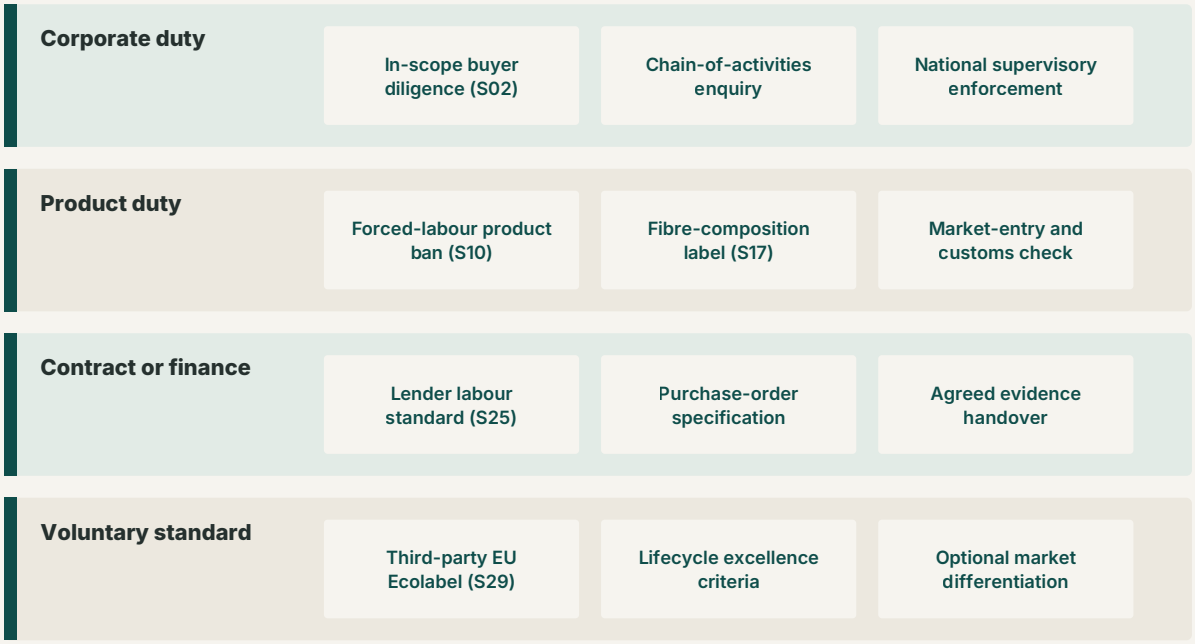
subsidiaries, and chains of activities. [S02] [S35] Similarly, the Corporate Sustainability Reporting Directive (CSRD) requires in-scope undertakings to report under European Sustainability Reporting Standards (ESRS). [S03] [S35] A smaller African supplier outside those statutory thresholds is not the reporting undertaking or corporate duty holder, even when supplying an in-scope buyer. [S02] [S35]

2. **Product duties on goods placed on the EU market**: Product law follows the article and the economic operator placing or making it available on the Union market, regardless of company size. [S10] [S33] From 14 December 2027, the Forced Labour Regulation prohibits products made with forced labour from being placed on, made available on, or exported from the EU market across all origins and company sizes. [S10] Current rules already require textile products marketed in the EU to carry fibre-composition labels or permitted commercial documents, require footwear labels to identify the materials of the three main shoe parts, restrict hazardous substances in imported articles under REACH, and mandate under the General Product Safety Regulation (GPSR), applicable since 13 December 2024, that non-food consumer products sold online or offline be safe and traceable. [S16] [S17] [S33] [S34] [S0101] [S0102]
3. **Contractual and finance-linked obligations**: Buyers or development lenders may require specific labour or environmental practices by contract. For example, International Finance Corporation Performance Standard 2 requires fair treatment, safe working conditions, avoidance of child or forced labour, and primary supply-chain risk identification for finance-linked enterprises. [S25] Such terms bind through the financing or commercial agreement rather than as an EU import statute. [S25]
4. **Voluntary standards and environmental labels**: The EU Ecolabel is a voluntary scheme verified by independent experts for products meeting lifecycle environmental criteria. [S29] Likewise, the Commission's July 2025 recommendation on a voluntary sustainability reporting standard for small and medium-sized enterprises (VSME) offers a non-binding template to ease the burden of answering large-company or bank requests. [S05] Moreover, Commission guidance on the Textile Regulation states that textile composition rules do not require CE marking of ordinary textile products, whereas specialised rules such as personal protective equipment legislation may apply to protective garments. [S28]

Exhibit 2, p. 19 organises these four routes into a responsibility architecture derived from the opened institutional sources, separating the duty holder from the supplier interface. [S02] [S10] [S17] [S25] [S29]

EXHIBIT 02 / CATEGORICAL LEGAL AND VOLUNTARY ROUTES

A duty reaches a supplier through an identifiable route



SOURCED [S02] [S10] [S17] [S25] [S29] Categorical transcription from S02 (CSDDD corporate duty on very large companies), S10 (Forced Labour Regulation product prohibition), S17 (Textile Regulation composition labelling), S25 (IFC Performance Standard 2 finance-linked labour standard) and S29 (voluntary third-party verified EU Ecolabel). Does not constitute legal advice for a specific transaction.

1.4 OPERATING GUIDANCE NEVER REPLACES QUALIFIED LEGAL REVIEW

Reading **Exhibit 2**, p. 19 prevents two opposite errors. First, an African factory manager must not assume that falling below European corporate turnover and headcount thresholds exempts exported garments from EU safety, composition, chemical, or forced-labour product rules. [S02] [S10] [S16] Second, a buyer should not present its corporate reporting workbook or a voluntary ecolabel criterion as a direct statutory duty on a small third-country producer. [S29] [S35] Because **Exhibit 2**, p. 19 cannot settle which party acts as the legal manufacturer, importer, or responsible economic operator in a specific transaction, or how each Member State transposes a directive, supplier teams should use this guide to organise verifiable production evidence before instructing qualified legal counsel on a specific route. [S02] [S33] [S0101]

1.5

The programme is a design reference rather than a certified factory

To keep its engineering proposals concrete without inventing corporate credentials, this paper uses GFT's three-part Cameroon textile programme as its internal operating-design reference. Prepared on 31 January 2024 with source-refresh notes retained in 2026, the programme comprises an industrial feasibility study, a performance-management system (PMS) design, and a phased digital strategy. [R06] In

accordance with GFT's confidentiality rules, this paper does not name the client, disclose any engagement code, or treat the programme deliverables as public documents. [R06]

In the feasibility study's base case, core manufacturing covers garment cut, make, trim (CMT), and finishing for domestic and regional markets first, with spinning and knitting evaluated as optional partnered operations rather than assumed day-one plant assets. [R06] The programme is an engineering design reference, not an operating factory, an executed EU export contract, a certified facility, or a field-tested compliance deployment. [R06] Where the inherited register records third-party announcements, such as the SODECOTON and CICAM merger target for 2030 or the Camtext SA integrated project announced in November 2025, those entries describe external sector developments reported by press rather than GFT engagements or results. [R08] [R09] [R10]

1.6 THE PERFORMANCE-MANAGEMENT SPINE SUPPORTS COMPLIANCE EVIDENCE

Rather than treating compliance as a detached administrative office, the programme's PMS organises factory records into six operational families: production, quality, delivery, cost, people, and sustainability. [R06] Every metric specifies a capture point at the machine or workbench, a role owner, a review cadence, and a corrective-action path. [R06] The companion digital strategy pairs that cadence with an offline-aware architecture where operators record timestamped events locally at the edge before synchronising with the core data store. [R06]

This paper extends that proposed PMS and data spine so an African supplier can answer European due-diligence, product-safety, chemical, and reporting requests from the same records that run production. [S03] [S16] [S33] Companion papers cover the industrial baseline, shop-floor measurement, provenance models, wet processing, and data governance, while interactive tools such as `risk-matrix` and `kpi-cascade` illustrate indicator and risk propagation conceptually without acting as legal certification engines. [R06] [S07] [S35]

1.7

The strongest claim is the one the factory can reconstruct

When a customer, auditor, or authority challenges a product claim or investigates a supply-chain risk, a summary tick-box on a questionnaire has little evidential weight. [S07] [S10] What matters is whether the supplier can reconstruct the production reality from primary records created when the work occurred. [S33] [S0102] GFT proposes a five-element record chain:

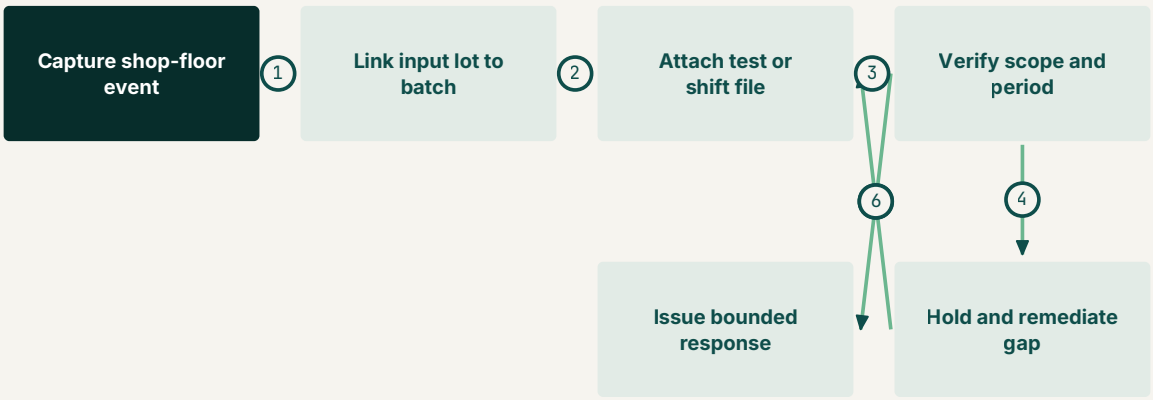
- **Production event**: A timestamped shop-floor occurrence, such as receiving fabric rolls, mixing a dye bath, completing a cutting marker, logging shift attendance, or recording a worker grievance intake. [S09] [S16]
- **Batch and lot link**: The identifier binding input lots (yarn, fabric, chemicals, trims, labels) and work shifts to a finished garment batch and carton sequence. [S17] [S0102]

- **Primary evidence file**: The inspection sheet, meter reading, payroll reconciliation, safety data sheet, or laboratory test report, stored with its version, sample boundary, and analytical method. [S03] [S16]
- **Role-based review and sign-off**: The documented check by a named operational role confirming whether the evidence matches the required specification and period. [S33] [S35]
- **External claim or buyer response**: The bounded declaration, test extract, or corrective-action notice transmitted externally, carrying explicit scope limits and an audit trail back to the primary file. [S03] [S33]

Exhibit 3, p. 21 illustrates this five-stage control loop, routing failed checks or missing records into containment and remediation rather than allowing automatic shipment release. [S10] [S16] [S33]

EXHIBIT 03 / ILLUSTRATIVE CONTROL SEQUENCE

A production event becomes an answerable claim



1. lot ID
2. method and sample
3. role check
4. missing or failed
5. retest or remedy
6. verified pass

ILLUSTRATIVE [S03] [S16] [S33] [S0102] GFT illustrative control design extending the programme PMS architecture and informed by EU product traceability and safety principles (S33, S0102), REACH article restrictions (S16) and reporting verifiability (S03). Represents a proposed workflow, not deployed software.

1.8 MISSING EVIDENCE MUST NEVER BE CODED AS ZERO HARM

A recurrent failure mode in factory reporting is the silent conversion of a blank field into a favourable compliance claim. If an external print shop has not submitted its chemical inventory, or a sewing line lacks a confidential grievance channel, a poorly

designed workbook often exports a zero for chemical breaches or labour complaints. [S07] [S08] [S16] Uploading that workbook converts an unmeasured gap into a false assertion of zero harm. [S08] [S09]

> **METHOD**
>
> To prevent silent falsification in GFT's proposed evidence architecture, every requirement field in a batch file or buyer extract must resolve to one of five explicit states: 1. `VERIFIED_PRESENT`: Primary evidence exists, matches the batch and period, and has been checked by the assigned role owner. [S03] [S33] 2. `MISSING_UNMEASURED`: The process or input has not been measured or received; the release gate treats this as an open gap requiring a hold or explicit disclosure. [S07] [S16] 3. `DISPUTED_OR_UNCERTAIN`: An indicator or test result is ambiguous and requires targeted investigation before classification. [S08] [S16] 4. `FAILURE_IDENTIFIED`: A breach of a labour safeguard, chemical limit, safety rule, or composition requirement is confirmed; the batch or process enters containment. [S09] [S16] [S33] 5. `REMEDIATED_AND_CHECKED`: Corrective action or worker remedy is completed and verified with the affected person or by repeat testing, while preserving the initial failure record. [S09] [S33]

This five-state rule aligns with international labour and product-enforcement standards. The International Labour Organization's revised 2025 forced-labour indicators and third-edition employer handbook state that operational indicators are signs that trigger investigation, referral, and risk assessment rather than reasons to conceal problems. [S08] [S09] Likewise, under the EU Forced Labour Regulation, authorities move from risk-based initial assessment and preliminary dialogue to formal investigation, decision, and review, where reconstructable batch and remediation records are vital. [S10] **Exhibit 3**, p. 21 cannot prevent a shop-floor breach by itself, but it ensures management sees a missing test or open investigation before dispatch. [S10] [S33]

1.9

Changed EU rules make a dated register essential

African suppliers are frequently handed outdated summaries of European sustainability rules. Relying on frozen descriptions of the original 2022 or 2024 directives misdirects engineering budgets toward repealed duties or superseded deadlines. [S01] [S35] A supplier evidence system must therefore rest on a dated applicability register recording the exact instrument, amendment status, publication stage, and application timetable as of the review date. [S02] [S04] [S35]

The adopted Omnibus I simplification package shows why version control is mandatory. On 24 February 2026, the Council of the European Union signed off on the amending directive simplifying corporate sustainability reporting and due-diligence requirements. [S01] [S35] According to the European Commission's corporate due-diligence page and the adopted Council-hosted text (PE-CONS 66/2/25 REV 2), the

Omnibus I acts (Directive (EU) 2025/794 and Directive (EU) 2026/470, published in the Official Journal on 26 February 2026 and entering into force on 18 March 2026) materially altered corporate scope and dates: [S01] [S02] [S35]

- **Narrowed CSRD reporting thresholds**: Mandatory reporting under amended Articles 19a and 29a of Directive 2013/34/EU is limited to undertakings and parent groups exceeding an average of 1,000 employees and EUR 450 million in net annual turnover. [S01] [S35] Under amended Article 40a, third-country reporting applies only where net Union turnover exceeds EUR 450 million for each of the last two consecutive financial years and an EU subsidiary or branch exceeds EUR 200 million in net turnover. [S01] [S35] Listed SMEs are removed from mandatory scope, and Member States may exempt "wave one" companies falling outside the new thresholds from reporting for financial years 2025 and 2026. [S01] [S35]
- **Narrowed CSDDD due-diligence thresholds**: Under amended Article 2 of Directive (EU) 2024/1760, ordinary EU scope requires more than 5,000 employees on average and net worldwide turnover above EUR 1.5 billion, while ordinary non-EU scope requires net Union turnover above EUR 1.5 billion, alongside raised royalty (above EUR 75 million) and turnover (above EUR 275 million) thresholds for franchising and licensing routes. [S01] [S02] [S35]
- **Changed CSDDD obligations and timetable**: The amendments remove the CSDDD climate-transition-plan duty, remove the EU-wide harmonised civil-liability regime in favour of national liability rules while preserving victims' right to full compensation, cap maximum pecuniary penalties at 3 percent of net worldwide turnover, postpone Member State transposition to 26 July 2028, and move application for all in-scope companies to 26 July 2029, with Article 16 reporting applying from financial years starting on or after 1 January 2030. [S01] [S02] [S35] Commission general due-diligence guidelines and voluntary model clauses are due by 26 July 2027, with further guidelines by 26 July 2028. [S02] [S35]

1.10 ADOPTION, ENTRY INTO FORCE, AND FUTURE DELEGATED ACTS ARE DISTINCT STATES

Even after an act is adopted, a register must separate adoption, Official Journal publication, entry into force, national transposition, and product-level application. [S02] [S04] On 3 July 2026, the Commission adopted two CSRD delegated regulations: one simplifying the ESRS and another establishing voluntary reporting standards for undertakings protected by the value-chain cap. [S03] [S04] However, the Commission's official register states that both 3 July 2026 acts are "not in force until it is published in the Official Journal". [S04] A supplier register must therefore mark those July 2026 acts as `adopted` while keeping their `in-force` and `applicable` status conditional on Official Journal publication. [S04]

Similarly, the Ecodesign for Sustainable Products Regulation (ESPR) is an enabling framework for product durability, circularity, footprint, and Digital Product Passport (DPP) rules, and the 2025 to 2030 Working Plan lists textiles as a priority where verification reliability and cost will be examined. [S12] [S13] Yet the Commission's textile DPP page states that exact information requirements depend on future delegated acts and technical specifications, giving Q4 2027 only as planned adoption for the

textile delegated act and noting that timelines may evolve. [S11] No vendor can certify a garment factory as "DPP-compliant" in October 2026 against final statutory fields that do not yet exist. [S11]

> **WARNING**
>
> This chapter's Omnibus I analysis relies on the Council press release of 24 February 2026, the live Commission corporate due-diligence page, and the Council-hosted adopted text PE-CONS 66/2/25 REV 2. [S01] [S02] [S35] While the Commission records Official Journal publication of Directive (EU) 2026/470 on 26 February 2026, the final Official Journal PDF could not be retrieved directly in this session, and Official Journal publication of the 3 July 2026 CSRD delegated acts was not certified here. [S02] [S04] [S35] Before relying on any threshold, cap, or exemption in a live contract, the supplier's legal reviewer must verify the final Official Journal text and Member State implementing law. [S02] [S35]

GFT recommends tagging every register row with one of five status labels: `proposal`, `guidance`, `adopted`, `in-force`, or `applicable`, paired with its source date and recheck trigger. [S02] [S04] [S11]

1.11

A buyer evidence pack should help an operator make a decision

Rather than compiling static certificates solely for external auditors, GFT proposes a modular **buyer evidence pack** drawn from the factory's performance-management system so each file supports an internal production, safeguarding, or shipment-release decision. [S07] [S16] [S33] Because different routes and products trigger different duties, the pack comprises seven modules, with only the relevant subset disclosed per order: [S05] [S17] [S33]

1. **Route-and-role statement**: Records the seller, buyer, brand owner, importer of record, destination Member States, product category, and candidate customs code, identifying manufacturer, importer, and responsible-operator roles. [S33] [S0101] [S0102]
2. **Activity-level supplier map**: Identifies the sites performing ginning, spinning, knitting or weaving, wet processing, cutting, sewing, packing, and subcontracting, treating multi-tier structure as a mapping prompt rather than an allegation of abuse. [S06] [S07]
3. **Product specification and composition file**: Links the bill of materials to fibre-composition calculations, permitted Annex I fibre names under the Textile Regulation, destination-language translations, and business-to-business documents. [S17] [S28]
4. **Labour-risk prevention and remedy file**: Connects recruitment terms, shift attendance, payroll reconciliation, safety checks, and confidential grievance and worker-confirmed remedy records, while applying data minimisation so worker identity documents are not uploaded to buyer portals. [S08] [S09] [S23] [S25]

5. **Chemical control and test evidence file**: Links dye and finish recipes to safety data sheets and batch-referenced laboratory test reports covering applicable REACH Annex XVII restrictions (including entry 72 CMR substances) and agreed buyer restricted-substances lists. [S16]
6. **Claims and labelling approval log**: Records every environmental, origin, or circularity statement on hangtags or packaging, checking whether it rests on a valid third-party award such as the EU Ecolabel or bounded site measurements. [S28] [S29]
7. **Incident containment and escalation protocol**: Defines authority to hold a lot, notify the importer, protect an affected worker, or report a dangerous product via the EU Safety Business Gateway where applicable. [S10] [S33] [S34]

Exhibit 4, p. 25 shows an illustrative seven-module index for a hypothetical Cameroonian garment lot before shipment review, surfacing missing, disputed, and corrected records so management can act before dispatch. [S08] [S16] [S33]

EXHIBIT 04 / ILLUSTRATIVE EVIDENCE-PACK MODULES

A useful pack states what remains unproved

Pack module	Primary PMS record	Status code	Operational decision
1. Route and role	Importer contract and CN draft	VERIFIED_PRESENT	Confirm importer owns EU entry
2. Activity map	CMT lines and external print shop	DISPUTED_OR_UNCERTAIN	Inspect print-shop sub-tier log
3. Fibre composition	Cotton lot and label proof	VERIFIED_PRESENT	Approve bilingual care and fibre tag
4. Labour and remedy	Shift payroll and agency check	REMEDIATED_AND_CHECKED	Verify fee refund with 2 workers
5. Chemical restrictions	REACH entry 72 dye batch test	MISSING_UNMEASURED	Hold shipment pending print test
6. Product claims	Draft hangtag wording review	REMEDIATED_AND_CHECKED	Remove unverified eco-badge
7. Safety and hold gate	Needle-detection and batch ID log	VERIFIED_PRESENT	Keep lot blocked on Module 5 gap

ILLUSTRATIVE [S07] [S09] [S16] [S17] [S33] GFT illustrative specimen evidence index for a hypothetical garment batch. Demonstrates explicit state coding (present, missing, disputed, corrected). Does not represent a completed audit, an operating GFT plant, or an approved EU shipment.

1.12 OPERATIONAL BENEFITS MUST BE TESTED IN A PILOT RATHER THAN ASSUMED

In **Exhibit 4**, p. 25, the hypothetical lot is held because Module 5 (`Chemical restrictions`) shows `MISSING_UNMEASURED` for an outsourced print paste and Module 2 (`Activity map`) flags an unverified sub-tier log. [S07] [S16] Meanwhile, Module 4 records that a recruitment-fee discrepancy affecting two workers was refunded and verified with the workers (`REMEDIATED_AND_CHECKED`), and Module 6 records removal of an unverified eco-badge. [S09] [S29] GFT's hypothesis is that this pack reduces

duplicate request hours, speeds up evidence retrieval, and accelerates corrective action; these remain hypotheses to test in a bounded pilot rather than claimed savings or assured export readiness. [S05] [S13] [S33]

> **GFT NOTE**
>
> Supplier leadership should approve an evidence-first operating principle before pursuing European export contracts. Assign a named applicability reviewer role to maintain the dated legal register and seven-module evidence index. Do not buy a compliance portal or sign a blanket customer warranty until the factory can reconstruct a single batch from fabric receipt to carton release and distinguish a missing record from a verified pass. [S03] [S33] [S35]

1.13

A supplier should challenge a request it cannot explain

Because European corporate and product rules interact across complex value chains, African suppliers frequently receive questionnaires mixing legitimate safety checks with disproportionate corporate reporting demands. [S05] [S35] GFT recommends testing every incoming buyer request against four operational questions before committing staff work: [S33] [S35]

1. **Who requests the information, and in what legal role?** Is the requester an EU importer of record, an in-scope corporate buyer conducting CSDDD or CSRD work, a lender, or an intermediary? [S02] [S25] [S33]
2. **Under which duty or contract clause is the request made?** Does it serve mandatory product conformity (REACH chemicals, fibre labelling, GPSR traceability, or the Forced Labour Regulation), an in-depth assessment of likely and severe harm, corporate ESRS reporting, or voluntary marketing? [S10] [S16] [S17] [S35]
3. **Which product, site, and period does it cover?** Does the buyer need batch-specific evidence for the garments ordered, or factory-wide annual totals across unrelated domestic lines? [S03] [S07]
4. **What decision will change when the answer arrives?** Will the evidence release a shipment, confirm a worker remedy, calibrate a prevention plan, or merely fill an optional database column? [S02] [S09] [S33]

1.14 THE OMNIBUS AMENDMENTS ESTABLISH TWO DISTINCT REQUEST SAFEGUARDS

The operative Omnibus I amending text (PE-CONS 66/2/25 REV 2) establishes two distinct statutory protections for smaller value-chain partners that suppliers must keep separate: [S35]

- **The CSRD value-chain reporting cap (amended Accounting Directive Articles 19a(3) and 29a(3))**: A "protected undertaking" is an undertaking in a reporting undertaking's value chain not exceeding an average of 1,000 employees in the preceding financial year. [S35] Reporting undertakings may rely on a self-declaration from the supplier unless manifestly incorrect. [S35] For requests made for sustainability reporting under the directive, protected undertakings have a statutory

right to decline information exceeding the voluntary reporting standards (to be adopted under Article 29ca based on the July 2025 VSME Recommendation (EU) 2025/1710), and contrary contractual clauses are not binding. [S04] [S05] [S35] Crucially, this cap does not affect requests made for other purposes, including Union due-diligence requirements. [S35]

- **The CSDDD necessary-information safeguard (amended Directive (EU) 2024/1760 Article 8(2) and 8(2a))**: During initial due-diligence scoping to identify general areas of likely and severe adverse impacts, in-scope companies must rely solely on reasonably available information, precluding partner requests as a general rule. [S35] During subsequent in-depth assessments of likely and severe risk areas, companies may request partner information only where necessary, and for partners with fewer than 5,000 employees, only when the information cannot reasonably be obtained by other means. [S02] [S35]

Neither corporate safeguard excuses withholding REACH chemical reports, Textile Regulation composition data, GPSR safety traceability, or targeted evidence addressing a forced-labour or workplace-safety risk. [S10] [S16] [S17] [S33] [S35]

WORKED EXAMPLE: TRIAGING A PRE-ORDER BUYER QUESTIONNAIRE

Consider a fictional garment maker in Douala, Cameroon, running a cut-make-trim and finishing plant with 320 employees, below both the 1,000-employee CSRD protected-undertaking threshold and the 5,000-employee CSDDD partner safeguard threshold. [S35] This continuing illustrative case represents no named client or GFT facility.

Before placing an illustrative trial order for 5,000 woven 100 percent cotton work shirts through an EU importer, the buyer sends a 120-question spreadsheet due in 10 working days. The applicability reviewer sorts the 120 illustrative questions into four buckets:

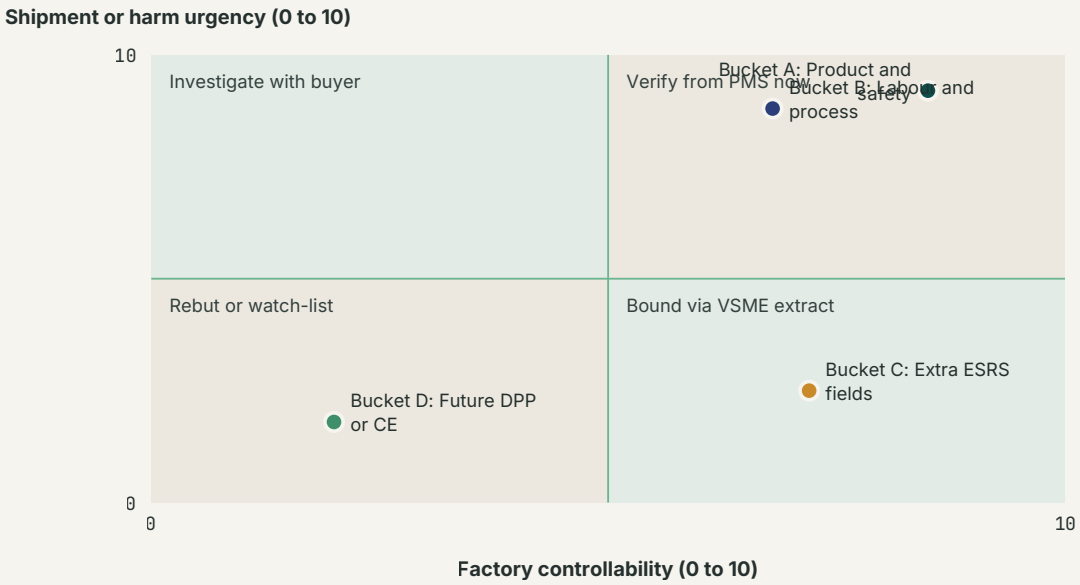
- **Bucket A (Current product and safety duties)**: 25 questions on fibre composition (S17), REACH entry 72 dye and finish restrictions (S16), and GPSR batch traceability (S33, S0102). [S16] [S17] [S33] [S0102]
- **Bucket B (Targeted labour and process risk inquiry)**: 20 questions on recruitment terms, wage reconciliation, and wet-processing subcontractors, aligned with ILO forced-labour indicators (S08, S09) and OECD garment risks (S07). [S07] [S08] [S09]
- **Bucket C (Excessive corporate ESRS reporting datapoints)**: 55 questions seeking granular Scope 3 and governance disclosures beyond the VSME standard (S05, S35) solely for the buyer's CSRD statement (S03). [S03] [S05] [S35]
- **Bucket D (Unsettled future or unapplicable rules)**: 20 questions demanding immediate certification against final textile DPP fields (which S11 states await a Q4 2027 delegated act) and a CE declaration for an ordinary cotton shirt (which S28 states the Textile Regulation does not require). [S11] [S28]

Assuming an illustrative ad hoc effort of 1.5 staff hours per question without triage, answering all 120 items requires 120 multiplied by 1.5 equals 180.0 staff hours. Under GFT's illustrative triage protocol, the 45 Bucket A and B questions are answered from reusable PMS files at 0.8 hours each (36.0 hours), the 55 Bucket C questions receive a bounded VSME extract requiring 8.0 hours, and the 20 Bucket D questions receive a 4.0-hour scope rebuttal citing S11 and S28. [S05] [S11] [S28] [S35] Total illustrative work drops from 180.0 hours to 36.0 plus 8.0 plus 4.0 equals 48.0 hours, saving 132.0 hours (73.3 percent). At an illustrative rate of EUR 20 per hour (about 13,119 XAF per hour at 655.957 XAF per EUR in R32), illustrative enquiry cost falls from EUR 3,600 (2,361,445 XAF) to EUR 960 (629,719 XAF), or EUR 0.528 per shirt across the 5,000-shirt illustrative order. [R32]

Exhibit 5, p. 29 plots the four questionnaire buckets from the illustrative Douala garment case across factory operational controllability and decision urgency for product release or worker protection. [S11] [S16] [S33] [S35]

EXHIBIT 05 / ILLUSTRATIVE INDEX (0 TO 10)

Triage separates urgent product and labour checks from reporting inflation



ILLUSTRATIVE [S05] [S09] [S11] [S16] [S17] [S28] [S33] [S35] GFT illustrative triage matrix for the fictional Douala garment questionnaire case. Coordinates (0 to 10 scale) are illustrative management judgements showing how product/safety duties (Bucket A) and labour-risk checks (Bucket B) take priority over excessive ESRS asks (Bucket C) and undecided future DPP or unapplicable CE demands (Bucket D).

As **Exhibit 5**, p. 29 shows, separating the four buckets turns a 120-item illustrative checklist into a disciplined sequence. The Douala plant focuses its 36.0 illustrative hours on Bucket A (`Product and safety`) and Bucket B (`Labour and process`), while bounding Bucket C with a VSME extract and recording a reasoned scope exclusion for Bucket D with watch-list triggers for Q4 2027 textile ecodesign rules. [S05] [S09] [S11] [S16] [S28] [S33] [S35]

1.15 THE CONTINUING CASE HANDS UNRESOLVED SCOPE QUESTIONS TO THE NEXT CHAPTER

At the close of this initial triage, the fictional Douala supplier has not yet shipped a shirt or declared itself compliant. It has identified what its shop floor can reconstruct, flagged an open print-shop chemical test, and separated product duties from reporting inflation. [S16] [S35] Before pricing the 5,000-shirt illustrative order or signing the contract, it must verify how the exact sales route and customs classification alter each party's legal role, which the next chapter examines directly. [S33] [S35]

A factory proves its compliance by reconstructing the batch, not by signing the questionnaire.

CHAPTER SOURCE NOTES

S07 OECD. 2026-02-26.

S33 European Union, Your Europe. 2026-08-19.

S05 European Commission, DG FISMA. 2025-07-30.

S09 International Labour Organization and International Organisation of Employers. 2025-11-26.

S02 European Commission. 2026-10-30.

S35 European Parliament and Council of the European Union. 2026-02-24.

R06 Cameroon Trade Hub. Publication date unrecorded; inherited source-text check.

R07 Ecofin Agency. Publication date unrecorded; inherited source-text check.

R01 Business in Cameroon. Publication date unrecorded; inherited source-text check.

R02 Fibre2Fashion; Business in Cameroon. Publication date unrecorded; inherited source-text check.

R03 SODECOTON. Publication date unrecorded; inherited source-text check.

R05 Ecofin Agency. Publication date unrecorded; inherited source-text check.

S0102 European Union, Your Europe. 2026-08-17.

S16 European Commission, DG GROW. 2026-10-30.

S06 OECD. 2018-03-07.

S25 International Finance Corporation. 2012.

S17 European Union, Your Europe. 2026-07-13.

S13 European Commission. 2025-04-16.

S10 European Commission, DG GROW. 2026-10-30.

S29 European Commission, DG Environment. 2026-10-30.

S03 European Commission, DG FISMA. 2026-07-03.

S34 Council of the European Union. 2026-03-27.

S0101 European Union, Your Europe. 2026-07-13.

S28 European Commission, DG GROW. 2026-10-30.

R08 Business in Cameroon. Publication date unrecorded; inherited source-text check.

R09 Ecofin Agency. Publication date unrecorded; inherited source-text check.

R10 Ecofin Agency. Publication date unrecorded; inherited source-text check.

S08 International Labour Organization. 2025-11-18.

S01 Council of the European Union. 2026-02-24.

S04 European Commission, DG FISMA. 2026-07-03.

S12 European Commission, DG Environment. 2026-10-30.

S11 European Commission, DG GROW. 2026-10-30.

S23 European Commission. 2026-10-30.

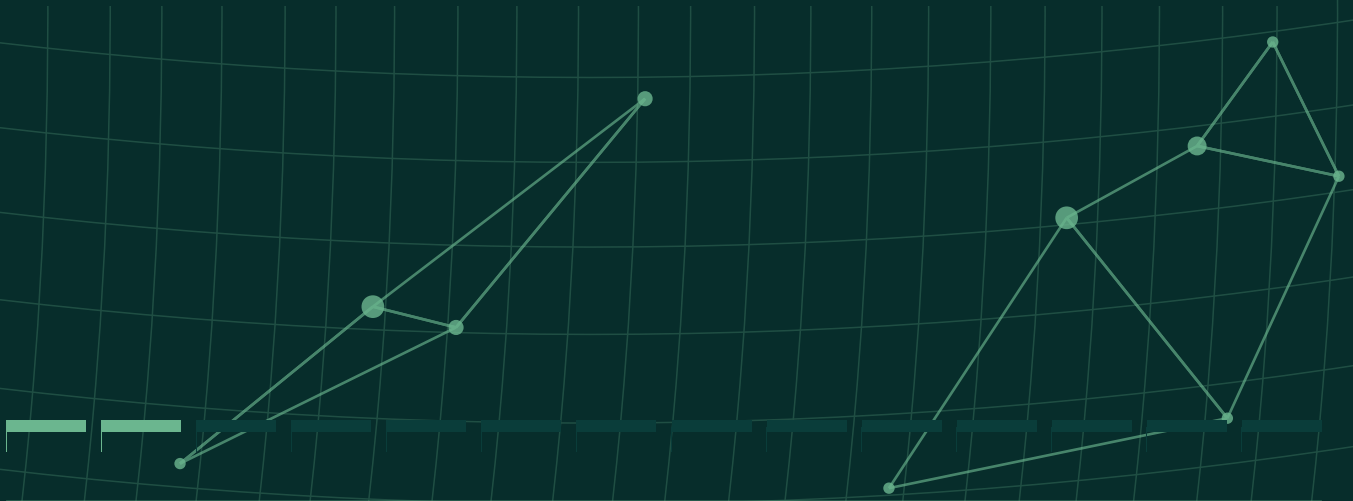
R32 Wise; XE. Publication date unrecorded; inherited source-text check.

02

PART I: ESTABLISH WHICH DUTIES REACH THE SUPPLIER / APPLICABILITY

The sales route and product code decide which rules apply

A destination label cannot replace an analysis of the entity, economic-operator role and exact product.



CHAPTER 02
DECISION TEST

A destination label cannot replace an analysis of the entity, economic-operator role and exact product.

An African supplier should settle the product, sales route, responsible entity and relevant date before accepting a compliance checklist. Corporate reporting, corporate due diligence and product requirements reach different parties through different tests. A customer can need information without making its supplier the reporting undertaking. GFT therefore recommends a dated scope decision for each proposed route, supported by a product file and a record of unresolved questions. This chapter provides that decision method, not legal, tax or investment advice. The corporate distinctions follow the adopted amending text; product responsibility requires a separate assessment. [S35] [S33]

2.1

Selling through an importer differs from selling directly

EU product-safety guidance covers products sold through both physical and online channels. Buying from an African factory does not remove the safety question, and selling online does not remove it either. The Council describes the general product-safety framework as applying to non-food products sold offline or online, subject to the framework's scope. An exporter should therefore begin with the actual transaction rather than assume that a website, distributor or logistics provider has absorbed every responsibility. [S33] [S34]

GFT proposes a route worksheet that names the contracting seller, contracting buyer, brand owner, consignee, intended user and destination market. Alongside each party, record its legal entity and place of establishment. Then identify separately who manufactures, who introduces the product into the relevant market, who distributes it and who performs the required responsible-economic-operator functions. Treat these as questions under the applicable instrument. A commercial description such as agent, partner or fulfilment centre is insufficient for the proposed worksheet because it does not explain what the party actually does.

For an illustrative importer sale, a Cameroon garment maker sells a buyer-branded shirt to an established EU business. The preliminary file identifies a candidate importer and asks whether the brand arrangement changes the legal manufacturer determination. The production site remains identified even if another entity holds a regulatory role. The file should not simply copy the factory name into every manufacturer field. Nor should it treat a delivery-term abbreviation or the party paying freight as a complete legal opinion. These are proposed checks, with the final role allocation subject to qualified review.

For an illustrative own-brand distribution route, the same maker markets its own shirt through an EU distributor. The reviewer must establish whether that distributor also imports, or whether a separate party introduces the product. Physical receipt alone does not provide a sufficient basis for GFT's proposed scope decision. The file should identify the relevant contracts, purchase flow, brand presentation and import arrangements. It should record a distributor's claimed role as an assertion awaiting support until the reviewer has reconciled it with those facts.

For an illustrative direct online route, the maker accepts consumer orders from its own shop. GFT would require a separate review of market targeting, product information, safety contact arrangements and the party able to answer authorities. The UK product-safety authority's guidance, expressly written for Northern Ireland, also explains the EU responsible-economic-operator requirement and possible operator arrangements. It is useful corroborating guidance, rather than a determination of this hypothetical Cameroon-to-EU route. The responsible operator is a defined compliance function, not merely a postal address. [S0201]

Exhibit 6, p. 33 compares the questions that change when the route changes. It deliberately uses an architecture of review responsibilities instead of an unsourced numerical compliance score. Each layer is an illustrative transaction, and none represents an approved GFT sales channel.

EXHIBIT 06 / ILLUSTRATIVE ROUTE-REVIEW QUESTIONS

Each sales route needs its own role determination



ILLUSTRATIVE [S33] [S34] [S0201] GFT illustrative worksheet, informed by official product-safety guidance. These are questions to resolve, not statutory role assignments or approved transaction structures.

The practical difference is control over the missing answer. Under the illustrative importer route, the maker can seek a documented allocation from its business buyer. Under the direct route, it must organise the missing functions before treating the route as usable. GFT's proposed release review would ask the same question in either case: can the named party retrieve the product file and act on a safety concern? Contractual willingness, verified capability and legal responsibility should be recorded separately.

Do not use the word producer as a universal substitute for manufacturer. GFT recommends a separate field for waste or packaging producer status, with the destination scheme and responsible party left conditional until reviewed. That keeps an unresolved circularity question visible without pretending this chapter has completed national scheme analysis. The operational owner should request that determination when selecting the destination, rather than let a generic supplier registration form make it accidentally.

2.2

Corporate thresholds must be tested by the correct entity route

The adopted Council-hosted text gives the ordinary EU CSDDD route as more than 5,000 employees on average and net worldwide turnover above EUR 1.5 billion. Its non-EU ordinary route instead uses net turnover in the Union above EUR 1.5 billion in the financial year preceding the last financial year. The distinction is material: the employee condition from the EU route must not be mechanically attached to the non-EU route. Use the precise legal wording rather than rounded summaries. [S35]

The Commission confirms that the amended framework concerns very large companies and also identifies consolidated group and franchising or licensing routes. Those routes require their own assessment. A factory-level headcount and an export invoice are insufficient inputs for a group determination. An ultimate parent, subsidiaries and an independent production company must not be collapsed into a single undefined organisation simply because they share branding or management contacts. [S02]

GFT proposes that the applicability reviewer start with an entity diagram signed off by the finance owner. For each legal person, identify the source of formation, ownership relationship, relevant financial statements and turnover geography. Where a group route could matter, retain the consolidation boundary. Where a franchising or licensing arrangement could matter, retain the agreement and royalty evidence. The purpose is to give the legal reviewer usable facts, rather than to ask an operations manager to infer corporate scope from a sales presentation.

The proposed calculation sheet should also keep the relevant financial periods visible. A current sales run rate cannot silently replace the statutory financial-year measure. The same applies to the consecutive-year entry and exit conditions that the full amended instrument may require the reviewer to apply. This chapter does not certify those conditions from the amending text alone. GFT would leave the conclusion unresolved until the reviewer has checked the underlying directive together with its amendments and national implementation, where relevant.

An illustrative screening case makes the denominator problem clear. Assume a non-EU company has worldwide net turnover of EUR 1.8 billion, including EUR 120 million in the Union. Assume no parent-group or special agreement route is established. The first amount does not by itself satisfy the ordinary non-EU Union-turnover test. The correct next action is to verify the geographic allocation and assess the other routes, not to conclude either that the company is covered because worldwide revenue is large or that it is permanently exempt. The assumed figures are purely illustrative. [S35]

A supplier outside the direct corporate scope may still be part of an in-scope buyer's chain of activities. The Commission expressly distinguishes smaller partners that can be indirectly affected from the very large companies with the corporate duty. GFT recommends recording these situations in separate fields: direct duty assessment and buyer evidence interface. Keeping both fields prevents a false choice between answering every corporate questionnaire as the reporting company and refusing every request because the factory is smaller. [S02]

The management decision is consequently narrower than a general compliance declaration. GFT would ask leadership to approve the assessment boundary and the person accountable for refreshing it. Leadership should not approve a universal exemption on incomplete turnover information. If the buyer cannot explain whether a request serves its corporate process, product release or a contractual preference, the supplier should seek that explanation while preserving any urgent investigation of harm. Detailed due-diligence procedure belongs to the next chapter.

2.3

Reporting scope should not be inferred from an export invoice

The amended ordinary EU CSRD test combines more than 1,000 employees on average with net turnover exceeding EUR 450 million. Consolidated reporting is assessed at the relevant group boundary. The third-country reporting route has a different construction: the text includes a subsidiary or branch gateway exceeding EUR 200 million and a third-country Union-turnover condition exceeding EUR 450 million for each of the last two consecutive financial years. The branch gateway is conditional on the subsidiary arrangements in the provision. None is a universal exporter threshold. [S35]

Exhibit 7, p. 35 preserves the denominators and separates the ordinary routes from the third-country gateway. It is a screening transcription of the adopted text, not an exhaustive legal scope engine. Its shortened rows must be read with the group, timing and special-route qualifications in the surrounding discussion. [S35]

EXHIBIT 07 / EMPLOYEES AND EUR NET TURNOVER

The amended corporate tests use different denominators

Route	Employees	Turnover boundary
CSDDD: EU ordinary	>5,000 average	>EUR 1.5bn worldwide
CSDDD: non-EU ordinary	No test in this limb	>EUR 1.5bn in Union
CSRD: EU ordinary	>1,000 average	>EUR 450m net
CSRD: third-country	Different route	>EUR 450m Union; >EUR 200m gateway

SOURCED [S35] Adopted Council text dated 24 February 2026. Ordinary tests only. Strictly above each stated threshold; group, financial-period, special-route, transition and national-implementation conditions require separate review. Third-country reporting gateway is not a standalone exporter test.

GFT's proposed response register distinguishes the entity that prepares a sustainability statement from the factory that supplies an input. A buyer can ask for product or process evidence for use in its reporting; that request does not establish a publication duty on the respondent. The adopted text contains reporting value-chain protections, while the Council's explanation describes the policy of limiting disproportionate requests. Their scope must be assessed against the request's purpose and relevant implementation, rather than invoked as a general refusal of safety information. [S35] [S01]

An illustrative order file should therefore carry the name of the requesting undertaking, the stated purpose, the required reporting period and the product or activity covered. GFT would have the commercial owner distinguish a request about the whole factory from one about the supplied batch. If the buyer needs annual energy data while the available record concerns an individual production run, the supplier should explain the mismatch. It should not convert the batch observation into a corporate annual total just to fill a portal field.

A proposed answer can be useful without overstating its status: identify the information supplied, its period, boundary and method, and the evidence that remains missing. Record whether the buyer has acknowledged those limitations. A submitted spreadsheet is not evidence that its recipient accepted the answer, and an accepted answer is not evidence that the factory meets every legal requirement. GFT recommends keeping response status separate from the scope conclusion so a successful upload cannot overwrite an unresolved applicability question.

This separation also provides a sensible procurement control. Before commissioning a reporting package, GFT would require the sponsor to specify which entity needs which output, under which obligation or agreement. A shared evidence library may support several customer responses, but the required publication, assurance or review work should follow the applicable route. The chapter makes no savings estimate from this approach. The proposal is to avoid buying an undefined corporate deliverable when the immediate need is a bounded supplier answer.

2.4

Product classification separates apparel from specialised equipment

Textile fibre labelling does not itself require CE marking. The Commission's textile guidance explains that other legislation can require it for particular products, including personal protective equipment. The same guidance treats footwear materials through a separate labelling framework. A fabric description therefore cannot determine every product requirement. Intended use and the legal product category need to be reviewed alongside composition. [S28]

Consider an illustrative file containing an ordinary cotton shirt, a garment marketed for protection at work and a pair of shoes. For the shirt, GFT would retain fibre specifications, construction, intended users, trims and proposed label artwork. For protective clothing, it would also retain the claimed protective function and the conditions of use for specialist assessment. For shoes, it would request the component description and the relevant materials-labelling review. These are proposed file contents, not binding tariff classifications or complete conformity routes.

The product owner should not allow the phrase workwear to settle the protective-equipment question. In the illustrative workflow, the reviewer compares the design specification, customer promise, packaging and online claims. If the maker describes a garment as protective in one place and ordinary clothing in another, the inconsistency becomes a scope issue requiring resolution before release. A declaration that

the fabric is unchanged cannot answer whether the product's claimed function has changed. GFT recommends version control over both the physical specification and the sales wording.

Customs classification and product-law scope should then be assessed together without treating them as interchangeable. GFT's proposed file records the candidate CN code, the code edition, the factual description used by the classifier and the review conclusion. It also records the separate product-law assessment. This chapter assigns no binding code to the fictional products. The point is to commission the classification question using the complete description, rather than copy a code from an apparently similar listing whose use, construction or materials may differ.

The current textile guidance requires fibre-composition information for products in scope and explains that accompanying commercial documents may replace or supplement labels in certain business-to-business supplies. That distinction should not be expanded into a conclusion that consumer labelling can be omitted merely because a factory's immediate customer is an importer. The intended stage of supply and applicable exceptions must be checked. GFT recommends preserving the agreed information handover and identifying who produces the final consumer-facing label. [S17]

For an illustrative change from the ordinary shirt to a protective variant, the production team should issue a change record before quoting a compliance cost. The record should state the new promise, the changed design, the intended customer and the unresolved specialist review. The commercial team can then obtain a testing and conformity proposal against that defined variant. It should avoid presenting a generic laboratory result as approval for the new use. A test can only answer the question and sample boundary it actually covers.

The resulting gate is deliberately practical. GFT would not release a route merely because every document slot contains a file. It would ask whether the product description, classification assessment, applicable requirement and evidence refer to the same version. A correct report for a superseded trim or a different claimed use does not close the proposed review. Detailed chemical testing, safety documentation and labelling methods are addressed elsewhere in this paper; this chapter establishes the boundary those methods must use.

2.5

Cotton is not automatically covered by every environmental border rule

As opened for this chapter, the Commission's CBAM page lists selected goods in cement, iron and steel, aluminium, fertilisers, electricity and hydrogen. GFT infers from that positive sector list that an ordinary cotton shirt should not be assigned CBAM treatment merely because a buyer requests carbon information. This remains an inference requiring confirmation against the current covered product codes. An information request and a border mechanism are different scope questions. [S22]

The Commission describes deforestation concerns around cattle, wood, cocoa, soy, palm oil, coffee and rubber and derived products. Cotton is absent from that listed commodity set. GFT therefore treats a cotton-only apparel exclusion as a preliminary inference, not a blanket exemption for every mixed product or consignment. An Annex product assessment is still required where relevant materials or separately supplied goods raise a possible covered-product question. [S21]

Exhibit 8, p. 38 shows the reasoning that a reviewer should preserve. It uses categorical text because a numerical risk matrix would imply a measured probability that these sources do not supply. The exhibit cannot establish the final legal treatment of an actual shipment. [S21] [S22]

EXHIBIT 08 / PRELIMINARY SCOPE INFERENCES

An ordinary cotton shirt needs a reasoned border-rule screen

Question	Preliminary answer	Required check
Cotton shirt: CBAM	Outside listed sectors	Current covered codes
Cotton shirt: EUDR	Cotton not listed	Current Annex products
Leather trim	No automatic conclusion	Material and product scope
Wood packaging	No automatic conclusion	Use and applicable exclusions

DERIVED [S21] [S22] GFT derived categorical screen: compare the assumed cotton-only ordinary shirt against the Commission commodity and sector lists. Cotton is absent from the EUDR commodity list; apparel is absent from the CBAM sector list. These comparisons are inferences, not verified code-level exclusions. Mixed goods and packaging need separate review.

In an illustrative mixed-material case, a designer adds a leather patch to the shirt and proposes a wooden presentation box. GFT would reopen the product file rather than declare the whole shirt covered or unaffected. The reviewer should establish the material, the nature of the supplied article and whether packaging is supplied in its own right or used to carry another product. The current Annex wording and any relevant packaging exclusions must be examined before deciding. This lane has not certified that transaction-specific Annex analysis.

The proposed operational response is to put the question where it belongs. A bill-of-materials change should notify the scope reviewer; a new separately sold accessory should get its own product assessment. The purchasing team should preserve supplier specifications sufficient to answer those questions. It should not demand unrelated plantation records from every cotton supplier merely because a questionnaire contains a forest section. Conversely, it should not delete that section without documenting why its materials and supplied products fall outside the relevant scope.

Carbon information can still have a legitimate commercial purpose in the illustrative shirt case even if the border-rule screen is negative. GFT would ask whether the buyer needs an emissions inventory input, a product footprint or support for a marketing statement, and would define the method accordingly. This proposal makes no

claim that a particular buyer is entitled to every requested field. It prevents a mistaken CBAM label from determining a calculation boundary that should instead follow the actual information purpose.

The final scope entry should state both the legal conclusion and its limits. A preliminary CBAM exclusion does not establish acceptable chemical content, safe construction or accurate textile labelling. A forest-rule exclusion does not establish the absence of environmental harm. GFT recommends a requirement-by-requirement decision, with each item retaining its own evidence and unresolved conditions. The source lists answer a bounded applicability question; they do not supply a universal sustainability verdict.

2.6

A directive date is not the same as a supplier delivery deadline

The Commission distinguishes adoption, publication and entry into force for the Omnibus amendments. It reports publication of Directive (EU) 2026/470 on 26 February 2026 and entry into force on 18 March 2026. It also describes national CSDDD transposition by 26 July 2028 and application from 26 July 2029, with the reporting measures applying to financial years starting on or after 1 January 2030. These are different legal events, not interchangeable shipment dates. [S02]

A separate Commission page illustrates the same distinction for consumer-law changes: adoption on 28 February 2024, transposition by 27 March 2026 and application from 27 September 2026. GFT recommends retaining the relevant stage in each applicability entry. An enacted instrument can exist before a particular duty applies, while a live product duty may already matter even though another sustainability framework remains in preparation. [S18]

The proposed order calendar should keep a contractual evidence deadline beside, but separate from, the relevant legal event. An illustrative buyer may request a product file before shipment so that it can review the order. That commercial date does not change a directive's application date. Equally, a future corporate application date is insufficient reason to ignore current product requirements or an agreed contractual delivery. The reviewer should identify what the request serves and whether the promised response is feasible.

For a future textile passport, the Commission states that exact information requirements will be set through relevant delegated acts and technical specifications. Its published timetable describes planned adoption of the textile act in Q4 2027, followed by further implementation work. GFT would record that as a planning dependency, not as a universal apparel compliance deadline. Procurement of a data system should preserve that distinction instead of presenting an anticipated field list as final law. [S11]

A proposed review record should also distinguish evidence freshness from legal status. The date a web page was accessed does not become the date legislation was adopted. For inherited sources that use an access date in the date field, the source register retains that basis explicitly. For the adopted Council text, the manuscript

should disclose that the final Official Journal text was not retrieved in this lane. The Commission's confirmation of publication is useful corroboration; it does not replace reconciliation with the operative text before publication. [S02] [S35]

GFT has not completed a survey of Member State implementation here. A destination-specific review remains necessary before treating a particular national obligation as settled. The same boundary applies to Cameroon law and regional sales routes, which this chapter does not certify. In an illustrative expansion plan, EU sales should receive their own conditional scope approval rather than retrospectively change every requirement in a domestic or regional operating plan. Tariff preferences and rules of origin belong to the paper on trade routes.

The management consequence is to approve readiness work against named dependencies. GFT would ask what must be ready for the next proposed order, what depends on a future act and what requires national legal review. A budget that combines these without explanation is hard to assess. A dated register allows the sponsor to fund reusable evidence capture now while retaining a decision point for specialised work whose final legal specification remains unresolved.

2.7

An exclusion should carry its reasoning and its expiry trigger

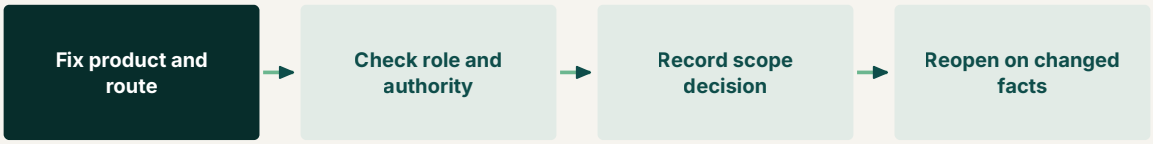
GFT proposes applicability states of supported, excluded, conditional and unresolved. Supported means that the reviewed facts and authority support applying the identified requirement; it does not mean conformity has been achieved. Excluded means that a reasoned assessment places the defined facts outside that requirement. Conditional means that an identified event or fact controls the answer. Unresolved means that the reviewer lacks the evidence or authority to decide. None should be represented by an empty cell.

Each proposed register entry should include the product version, legal entity, route, destination, requirement, authority, source date, review date and reviewer role. Record the controlling condition in plain language and the evidence location. An exclusion also needs a reopening trigger and a next review point. A change in product use, material, destination, group structure or relevant law should notify the owner. These are GFT control recommendations, not a claim that the proposed register itself meets every legal recordkeeping duty.

Exhibit 9, p. 41 shows the proposed review sequence. Unresolved cases return for evidence or qualified interpretation, while changed facts reopen the decision. The flow does not let a completed checklist bypass the scope review.

EXHIBIT 09 / ILLUSTRATIVE REVIEW SEQUENCE

A scope decision stays usable only while its facts stay valid



ILLUSTRATIVE [S11] [S35] GFT proposed control design. A future product act or a change in entity, product, route or destination reopens the assessment. This is not a legal approval workflow or implemented software.

WORKED EXAMPLE: CHANGING THE ROUTE CHANGES THE REVIEW WORK

An illustrative garment order contains 800 identical ordinary shirts. Assume the importer route needs 4 hours of initial scope review and 1 hour to maintain the agreed file. Its assumed total is 5 hours. Assume direct online own-brand sales need 4 hours for the same product review, 3 hours to examine operator arrangements and 2 hours to review the online information and escalation route. Its assumed total is 9 hours. The difference is 4 hours, calculated as 9 minus 5. These are invented task budgets for demonstrating allocation, not observed GFT labour times or legal minimums.

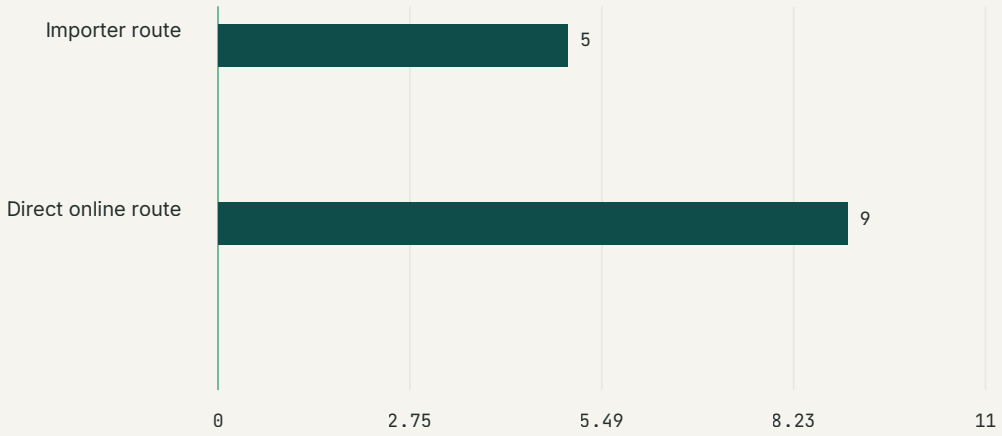
At an illustrative internal costing assumption of EUR 30 per hour, the review budgets become EUR 150 and EUR 270 respectively. The assumed incremental cost is EUR 120, or EUR 0.15 per shirt across the assumed order. No exchange rate, laboratory fee, external legal fee, operator service charge or margin is included. The calculation cannot establish the cheaper commercial route: it only identifies the additional review work assumed in this constructed case.

The illustrative decision remains conditional under either route. The importer option needs a verified role allocation and evidence handover. The direct option needs those functions organised without relying on an importer that has not been identified. Neither option passes merely because its review budget has been spent. If the garment gains a protective claim, both budgets must be reopened because the product question has changed.

Exhibit 10, p. 42 makes the illustrative workload difference visible. Its arithmetic follows the assumed tasks in the case, with no claim that route choice causes a measured burden increase.

EXHIBIT 10 / ILLUSTRATIVE INTERNAL REVIEW HOURS

The illustrative direct route adds unresolved review tasks



ILLUSTRATIVE Constructed task budgets only. Importer route: 4 hours scope review plus 1 hour file maintenance = 5 hours. Direct route: 4 hours product review plus 3 hours operator review plus 2 hours listing and escalation review = 9 hours. Difference = 4 hours. No external fees or legal minimum effort implied.

GFT NOTE

Approve a specific product and route for review before buying a generic compliance package. Give a named function responsibility for the scope register, require finance to verify entity facts, and require the product owner to notify material or use changes. Keep missing evidence visible. Release the proposed sales route only after the required determinations have been documented and the responsible parties can perform their assigned functions.

GFT also recommends a short challenge record for a disputed scope result. Preserve the question raised, the alternative interpretation, the missing factual input and the decision owner. If a buyer and supplier disagree about a role, the commercial team should not resolve that disagreement by silently changing a portal answer. The proposed record should show what remains contested and whether release depends on its resolution. This protects the distinction between a negotiated commercial accommodation and a reviewed legal conclusion.

Before reusing an earlier assessment, the proposed reviewer should compare the incoming order with the approved factual file. Confirm that the seller, brand presentation, destination, material specification and intended use still match. If they differ, record the difference and determine which conclusions need fresh review. A copied decision should retain the original source boundary; copying its wording into a new order does not extend the evidence. The purpose is practical continuity: reuse what the previous review established, while sending genuinely changed facts back through the decision process.

The chapter's decision is therefore concrete: select the intended transaction, prepare its factual file and commission the unresolved determinations against that file. GFT's proposed approach does not promise a compliant shipment from a checklist. It makes

the next reviewer able to see what was decided, what supported it and what would invalidate it. Production can then generate evidence against an intelligible requirement rather than an unexplained label.

A scope decision is useful only while its facts remain true.

CHAPTER SOURCE NOTES

S35 European Parliament and Council of the European Union. 2026-02-24.

S33 European Union, Your Europe. 2026-08-19.

S34 Council of the European Union. 2026-03-27.

S0201 UK Office for Product Safety and Standards. 2025-11-04.

S02 European Commission. 2026-10-30.

S01 Council of the European Union. 2026-02-24.

S28 European Commission, DG GROW. 2026-10-30.

S17 European Union, Your Europe. 2026-07-13.

S22 European Commission, DG TAXUD. 2026-10-30.

S21 European Commission, DG Environment. 2026-10-30.

S18 European Commission. 2026-10-30.

S11 European Commission, DG GROW. 2026-10-30.

GREEN FUTURE TECH

LIMITED / HONG KONG SAR

03

PART I: ESTABLISH WHICH DUTIES REACH THE SUPPLIER / RISK-BASED DUTIES

Buyer due diligence requires action on harm across the chain

Suppliers need to understand the buyer process while retaining responsibility for the risks they can prevent and remedy.

CHAPTER 03
DECISION TEST

Suppliers need to understand the buyer process while retaining responsibility for the risks they can prevent and remedy.

Buyer due diligence becomes useful when information changes a production decision and the result is checked with those exposed to harm. GFT recommends a shared engagement plan that identifies activities, investigates credible risks, assigns preventive action and tests whether remedy has worked. The buyer retains its own corporate judgement. The supplier remains accountable for its own conduct. The process proposed here is an operating design, informed by OECD guidance, rather than a finding that a particular African factory meets EU requirements. [S06] [S31]

3.1

The amended CSDDD preserves a corporate process duty

The amended Corporate Sustainability Due Diligence Directive, or CSDDD, retains a process for identifying and addressing adverse human-rights and environmental impacts. Its reach concerns the covered company's operations, subsidiaries and business partners where related to its chain of activities. The adopted amendment changes how that process is scoped and assessed. It does not turn the exercise into the collection of identical declarations from every supplier. The corporate duty holder and applicable legal perimeter must first be established through the route analysis developed elsewhere in this paper. [S35]

The adopted text provides for national transposition by 26 July 2028 and application from 26 July 2029. Measures implementing Article 16 reporting apply separately to financial years starting on or after 1 January 2030. These are distinct dates in the amended corporate framework. They are not universal delivery deadlines for African factories, and they do not postpone other applicable labour, environmental, product or contractual obligations. [S35]

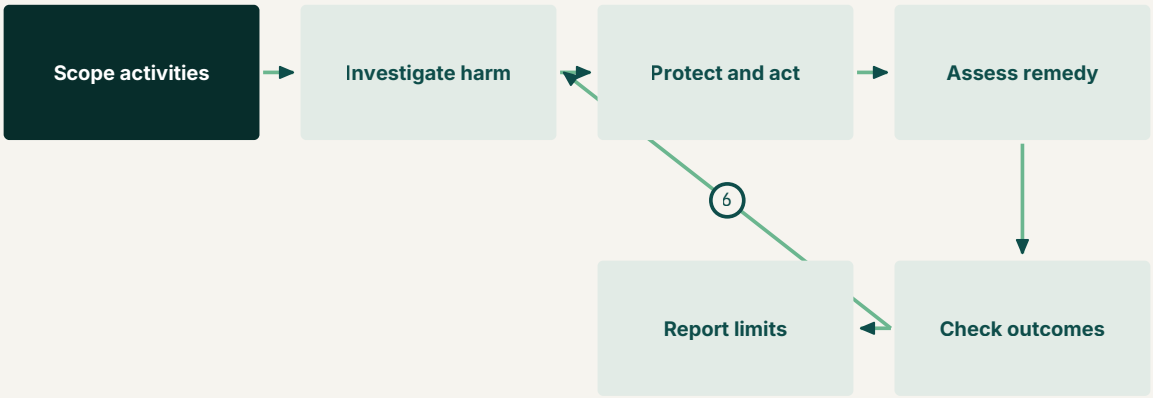
This chapter uses the Council-hosted adopted text dated 24 February 2026. The final Official Journal version could not be read through the available retrieval routes in this session. National implementing measures have not been surveyed. Before relying on an enforceable duty or asserting a statutory refusal right, the transaction reviewer must reconcile the adopted text with the published act and relevant national law. This chapter is operating-design research, not legal, tax or investment advice. [S35]

GFT's proposed control sequence translates the corporate process into decisions that a supplier can answer. Start with the reason for concern, identify what is already known, investigate the missing facts and decide who can change the relevant activity. Record immediate protection separately from the longer prevention plan. If an impact has occurred, assess the appropriate remedy rather than treating future prevention as compensation for past harm. OECD guidance distinguishes preventing impacts from providing or cooperating in remediation where appropriate. [S0302]

In the illustrative workflow in **Exhibit 11**, p. 46, the review step can return the case to investigation. A buyer may discover that the wrong site was assessed, or that a corrective measure transferred work elsewhere. The sequence therefore preserves an unresolved state. It also separates communicating progress from demonstrating success. A report can accurately disclose continuing work without suggesting that a signed form proves that the underlying harm has ended.

EXHIBIT 11 / PROPOSED DECISION SEQUENCE

Due diligence links investigation to action and rechecking



6. Unresolved

ILLUSTRATIVE [S0301] [S0302] [S35] Illustrative GFT operating design informed by OECD guidance and the adopted amendment. Nodes do not reproduce every statutory duty. Return to investigation when evidence or effectiveness is unresolved.

For implementation, GFT proposes an engagement record accepted by both commercial and operational owners. It should identify the buyer duty being served, the supplier activities concerned, the evidence sought, the decision maker and the next review trigger. Acceptance of that record would mean agreement on how to work. It would not constitute regulatory approval, assurance or proof that all relevant harms have been identified. That distinction should remain visible in the buyer response.

A supplier can also use the sequence before any customer falls within the amended framework. In that setting it is a voluntary management method, unless another duty or contract requires it. The practical question remains the same: what credible concern changes today's production plan? A future corporate application date supplies neither a reason to ignore an immediate hazard nor a basis for claiming that all buyers currently owe the same statutory process.

3.2

Risk mapping must identify activities rather than just legal names

The OECD describes garment and footwear production as fragmented and multi-tiered, including formal and informal work. A direct vendor list consequently provides a starting point rather than a complete account of where production occurs. Its sector analysis supports looking beyond the invoicing entity; it does not establish abuse at any named Cameroon business. A map should distinguish the general risk associated with an activity from evidence about the people and sites actually performing it. [S07]

GFT proposes recording the activity, site identifier, contracting relationship, material movement, workforce interface and evidence owner separately. Cotton sourcing and ginning belong upstream of fabric conversion. Wet processing, cutting, sewing and finishing may occur under different arrangements. Logistics can connect activities without changing ownership of the material. The illustrative map in **Exhibit 12**, p. 47 organises investigation boundaries rather than asserting that a particular order uses every operation shown.

EXHIBIT 12 / ILLUSTRATIVE ACTIVITY AND EVIDENCE BOUNDARIES

The investigation follows activities and affected people



ILLUSTRATIVE [S07] Illustrative supplier-map design. Each activity requires its own site, affected people, evidence owner and unknowns. No named supplier, verified route or observed incident is represented.

In GFT's proposed method, a fabric invoice would establish a commercial movement, subject to its authenticity and scope. It would not establish which dyehouse performed the operation. The investigator should connect the specification, dispatch and receipt records to the processing route, then ask about activities that remain unaccounted for. A trading name should not be silently treated as a production address. Equally, a missing processing address should remain an information gap until further enquiry establishes what happened.

The map should also show why the buyer needs each additional field. For example, an illustrative enquiry into chemical exposure might require the process used, the work area and the period concerned. It need not begin with a copy of every worker's identity document. GFT recommends providing the minimum information adequate for the decision, with controlled access to sensitive case material. The detailed privacy analysis belongs to the data chapter; here the operating objective is to connect an exposure to an activity without distributing identities unnecessarily.

The ILO's revised forced-labour indicators are tools for detecting possible victims and triggering further investigation. That is a disciplined model for handling early signals. A report of coercion deserves protective attention, but a screening indicator is not by itself a final legal determination. The case record should retain the source, context and uncertainty, while arranging competent enquiry and referral where needed. [S08]

GFT therefore proposes separate map fields for reported, corroborated, disputed and unresolved information. The investigator should retain conflicting accounts and record which evidence would distinguish them. A supplier's refusal to provide a document may reflect a legitimate confidentiality issue, lack of possession or concealment. The next action should test those possibilities rather than automatically selecting the most reassuring or most accusatory interpretation.

Changes to routing should reopen the map. In the illustrative garment case used below, a finishing subcontractor added after an order amendment would need a new activity record and risk review. The supplier should preserve the earlier route as history instead of overwriting it. The map then explains which evidence supported the original decision and why that decision may no longer apply. This is a proposed version-control discipline, not a finding about existing GFT systems.

3.3

Severity and likelihood determine the next investigation

The amended identification approach begins with a scoping exercise based solely on reasonably available information. It identifies general areas where adverse impacts are most likely and most severe. The in-depth assessment follows that exercise. This sequence matters because it separates initial screening from targeted requests for additional evidence. Starting with a universal demand for complete partner records would obscure the distinction that the amendment expressly creates. [S35]

Where several areas have impacts assessed as equally likely or equally severe, the adopted text permits prioritising areas involving direct business partners. That is a qualified ordering option, not a general limitation to direct suppliers. It does not justify ignoring a more serious concern merely because it arises further upstream. A reviewer should preserve the reasoning supporting the comparison and identify what new information would change the order of assessment. [S35]

OECD guidance describes severity through the gravity, reach and potentially irremediable character of an impact. It also gives particular weight to severity when prioritising human-rights risks. This is different from ranking suppliers by the financial loss that a late delivery could cause the buyer. The person exposed to harm, rather than the order margin, supplies the starting boundary for the assessment. [S0301]

GFT proposes a qualitative prioritisation worksheet before any optional numerical score. It should state the possible harm, people or environmental receptors affected, likely duration, available evidence, information gaps, immediate protective action and next investigation. A short justification should explain the chosen priority. If manage-

ment uses an internal score, it must publish its assumptions and permit a reasoned override. Multiplication of ordinal ratings cannot determine legal compliance or establish that an unmeasured activity is safe.

For an illustrative comparison, consider a credible report of a dangerous chemical exposure and an incomplete training attendance sheet. The missing sheet may matter, but it does not have the same evidential meaning as information suggesting present danger. GFT's proposed response would prioritise protection and competent investigation of the exposure, while keeping the training gap open. Completion of the easier paperwork should not displace the difficult enquiry simply because it improves the reported closure rate.

GFT also proposes recording what the investigator has not sampled. An interview with a permanent employee would not establish the experience of an agency worker who uses another recruitment route. A daytime observation would not establish conditions during an unobserved task. The review should identify those boundaries before drawing a general conclusion. Where further access is unsafe or impractical, management should state the limitation and choose an appropriate protective or escalation response, rather than treating the unobserved group as represented.

The worksheet should keep confidence distinct from severity. A potentially grave allegation can initially have uncertain support. GFT recommends recording both characteristics, rather than lowering the severity classification because corroboration is incomplete. A targeted investigation can then test credibility while precautionary steps address plausible immediate danger. This is a proposed decision discipline. It does not authorise indiscriminate suspension, public accusation or disclosure of an affected person's identity.

The ability to investigate is another separate consideration. An indirect processor may require cooperation through the direct supplier, a competent specialist or another credible channel. GFT proposes recording who can obtain the evidence, whether the affected people can participate safely and when the absence of access must escalate. Ease of access can influence the investigation method. It should not quietly redefine the importance of the harm being investigated.

Finally, retain the issues deferred through prioritisation. Give each an owner, a reason for deferral and a reopening condition. A dated decision that a less significant issue will follow an urgent investigation differs from dropping it from the register. In GFT's proposed management cadence, material new evidence overrides the previous queue. The risk-matrix companion can help organise discussion, but its output would remain a management aid rather than a legal determination.

3.4

Smaller partners face distinct information-request safeguards

The adopted CSDDD Article 8 amendment permits information requests for in-depth assessment only where the information is necessary. For business partners with fewer than 5,000 employees, it adds the condition that the information cannot reasonably be obtained by other means. Where different partners can provide the neces-

sary information, the text also favours asking the partner where the impact is most likely to occur, where reasonable. These conditions direct attention towards a defined evidential need. [S35]

The CSRD reporting cap has another purpose and boundary. Under the adopted Accounting Directive amendments, a protected undertaking is in the reporting undertaking's value chain and does not exceed an average of 1,000 employees during the preceding financial year, assessed on its balance sheet date. The protected undertaking may decline information beyond the specified voluntary standards when requested for the reporting purpose. This is not the same employee test or request test as the CSDDD safeguard. [S35]

The distinctions are condensed in **Exhibit 13**, p. 50. This is a transcription of the adopted provisions, with its legal-source limitation retained. The table does not certify national implementation, the current operative voluntary standard or the status of a particular supplier. Those determinations require a dated applicability review before a response asserts an enforceable right. [S35]

EXHIBIT 13 / ADOPTED-TEXT COMPARISON

The request safeguard and reporting cap answer different questions

Purpose	Partner boundary	Request condition
CSDDD assessment	All business partners	Information necessary
CSDDD added safeguard	Fewer than 5,000 employees	Not reasonably available otherwise
CSRD reporting cap	Value-chain undertaking; at most 1,000 average employees	May decline beyond voluntary standards
Other request purposes	Separate applicable regime	Reporting cap does not settle request

SOURCED [S35] Council adopted text: amended CSDDD Article 8(2a), printed page 96; amended Accounting Directive Article 19a(3), printed pages 55 to 57. Reconcile the final Official Journal act, national implementation and applicable voluntary standard before reliance.

A reporting cap cannot be treated as a general exemption from answering evidence about harm. The adopted text expressly preserves information requests serving other purposes, including due diligence, and does not itself create a supplier obligation to provide sustainability information. The response therefore needs a purpose-specific assessment, rather than either automatic acceptance of every request or a blanket refusal based on company size. [S35]

GFT proposes asking the buyer to identify the relevant process, the decision the evidence will support, the product or site concerned and the information already available. The supplier can then point to an existing report, identify a gap or propose a narrower extract. When a document covers only part of the requested period, the response should state that limitation. Reuse is useful only if the evidence answers the present question.

In an illustrative wet-processing enquiry, a recent process-specific assessment might answer whether a hazardous task has been reviewed. It might not answer a new worker account concerning a later shift. GFT would recommend sharing the relevant assessment while arranging a protected route to investigate the new account. Sending the old document as a conclusive answer would misstate its scope. Sending every payroll record would create burden without necessarily resolving the exposure question.

An effective challenge to an excessive questionnaire should therefore include an alternative. GFT proposes a written response identifying the unsupported request, explaining the available equivalent evidence and naming the unresolved issue. Urgent protective action should proceed alongside that discussion when needed. The supplier and buyer should retain the request history so that a disagreement over information does not disappear into a falsely complete sustainability response.

3.5

A prevention plan must change a controllable process

The OECD sector guidance supports constructive due diligence, while its recent sector analysis identifies purchasing practices and production planning as potential contributors to excessive working hours and safety risks. These are reasons to investigate commercial decisions alongside factory controls. They do not prove that a particular buyer caused a particular incident. A prevention plan needs observations linking a proposed change to the risk it is intended to address. [S06] [S07]

GFT recommends recording the enterprise's relationship to the concern before allocating the response. An operator may have performed the harmful task; another party may have contributed through its decisions; a buyer may be connected through a business relationship without the same causal role. The action record should explain the available evidence and leave contested attribution open. This proposed field helps prevent the commercial chain from becoming a chain of unsupported accusations. It also prevents uncertainty about another party's role from erasing the action an enterprise can take within its own control. Any legal finding about responsibility or liability requires the appropriate separate assessment.

GFT proposes writing an action around a controllable event. Instead of “improve sustainability”, specify the task or practice to change, the person authorised to change it, the resources available, the interim protection and the evidence required to assess effectiveness. The site operator may control equipment use. The garment supplier may control routing approval. The buyer may control a late specification change. Assigning every action to the supplier's sustainability contact would leave those decision rights unresolved.

GFT NOTE

Agree the operational change with the person who controls it. In GFT's proposed due-diligence register, each action links the suspected mechanism of harm to an owner, a funded intervention, an effectiveness check and a reopening trigger. Keep immediate protection, future prevention and remedy for past harm as separate decisions. Do not close the case solely because the supplier has uploaded a document.

The following illustrative case concerns a fictional Cameroon garment order with outsourced wet processing. It demonstrates planning arithmetic only. No actual order, processor, worker allegation or measured GFT result is represented. The numbers test whether an assumed delivery commitment can fit an assumed reviewed processing capacity; they are not legal working-time limits or estimates of an operating factory's productivity.

AN ILLUSTRATIVE SCHEDULE LEAVES PART OF THE ORDER UNSUPPORTED

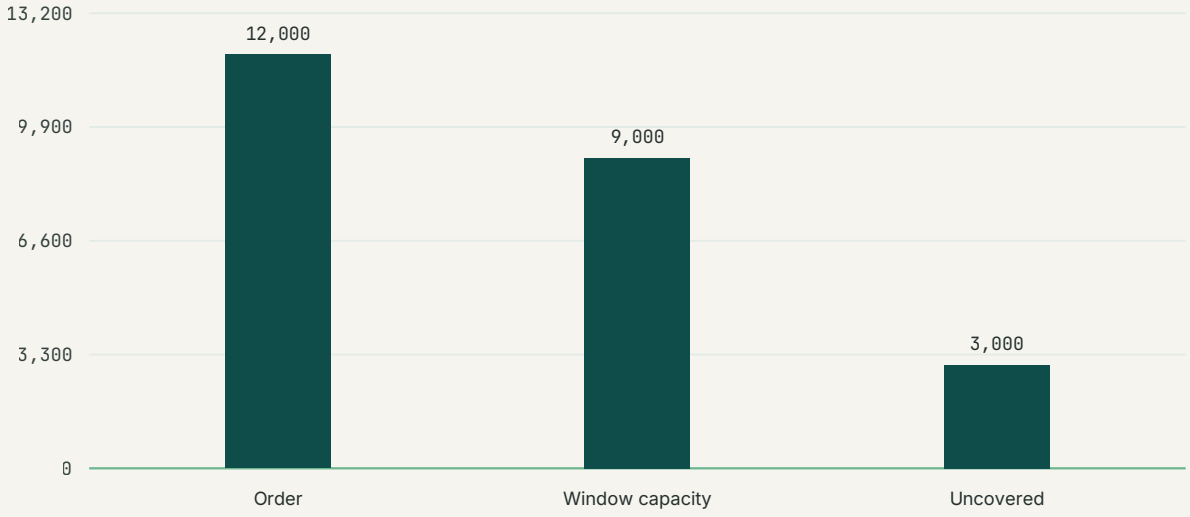
Assume an illustrative order requires 12,000 garments over 10 processing days. Assume a competent review has accepted a temporary planning ceiling of 900 garments per day while an alleged exposure is investigated. Available output is therefore 900 multiplied by 10, or 9,000 garments. The uncovered quantity is 12,000 minus 9,000, or 3,000 garments. At that same assumed ceiling, the full quantity needs 12,000 divided by 900, or 13.33 processing days, rounded up to 14 whole processing days.

In this illustrative case, the planning gap is therefore 4 processing days against the assumed 10-day window. The buyer and supplier must choose a defensible alternative: extend the window, reduce the initial delivery or assess another route before approving it. Neither unapproved subcontracting nor additional exposure becomes acceptable because the arithmetic identifies a shortfall. Transport time, quality losses, maintenance and rework are excluded assumptions; including them could require a longer window.

The illustrative quantities in **Exhibit 14**, p. 53 make the commercial decision visible. They cannot demonstrate safe production or prove a link between order pressure and the reported concern. The temporary ceiling itself would require a competent basis in an actual case. Increasing it merely to restore the promised ship date would invalidate the case's assumed protection boundary.

EXHIBIT 14 / ILLUSTRATIVE GARMENTS

The illustrative window leaves part of the order unsupported



ILLUSTRATIVE Assumptions: order 12,000 garments; 10 processing days; temporary reviewed planning ceiling 900 garments/day. Output = 900 × 10 = 9,000; gap = 12,000 - 9,000 = 3,000. Full order requires ceil(12,000/900) = 14 whole days. No legal limit or measured capacity is implied.

For this illustrative case, GFT proposes a joint decision log covering the revised delivery, the process investigation, interim controls, resources and the conditions for resuming the original plan. Procurement should record who approved any commercial change. The processor should record who approved the operating method. If another site is proposed, its suitability needs assessment before work moves. A routing change must not be counted as resolution without checking what happened to the original affected people.

A contingency should state what happens if the plan fails. GFT proposes defining the observation that would trigger escalation, who can authorise it and how people affected would be protected while the commercial decision is reviewed. A supplier should not promise continued production under every circumstance. Nor should a buyer assume that changing the purchase destination resolves harm already connected to the order. Any proposed restriction, suspension or alternative route requires its own assessment of consequences and applicable obligations.

Funding should follow the action. GFT recommends identifying who pays for specialist review, process changes and appropriate remedy before promising closure. The plan should preserve disagreement over causation or cost without suspending necessary protection. Detailed contractual allocation belongs to the contract chapter. The immediate output here is a feasible, resourced plan whose progress can be inspected and whose limits are honestly reported.

3.6

A certificate does not transfer the buyer responsibility

The OECD sector guidance states that collaboration does not change the individual enterprise's responsibility to identify, prevent or mitigate harm. Shared assessments can inform a buyer's judgement, but they cannot supply that judgement automatically. The practical implication is to ask what a document actually covers before using it to answer a broader question about an enterprise or supply route. [S0302]

GFT proposes distinguishing the evidence types in the review record. A supplier declaration states what its issuer asserts. A laboratory report concerns a sample and method. A site audit records findings within its scope and period. A voluntary certificate refers to its scheme and award boundary. A corporate due-diligence conclusion must explain how relevant evidence, gaps and actions inform the company's decision. These are proposed review categories, rather than interchangeable grades of universal compliance.

The reviewer should inspect the issuer, site, product or process scope, issue date, covered period, method and unresolved findings. A garment order may use a process absent from the assessment. A material change may have occurred after the visit. GFT recommends recording such mismatches before seeking another audit, because the missing element may require targeted evidence rather than repetition of the same exercise. Verification should answer the identified question.

The IFC labour standard provides a useful example of a framework with a defined application context. Its requirements address labour and working conditions for relevant financed activities, including supply-chain provisions within specified limits. It is a finance-linked performance standard, not a universal EU import certificate. Invoking it in a supplier pack therefore requires clarity about why it applies and what the evidence demonstrates. [S0303]

For an illustrative buyer request for a universal compliance warranty, GFT proposes an evidence response that identifies the garment specification, reviewed route, relevant jurisdictions, documents available and unresolved limitations. It should offer a review point when the product, process or law changes. The response should avoid converting a bounded test or assessment into a promise that every future activity complies with every legal regime. Final contractual wording requires qualified legal review.

A proposed response could state that the supplier can provide the agreed product and site evidence for the specified order, explain the period and methods covered, and disclose open corrective actions through a controlled channel. It could request clarification of any broader assurance sought and the basis for it. This is a negotiation approach, not ready-to-sign warranty language or advice that any existing contractual obligation may be disregarded.

GFT also recommends separating document approval from commercial release. A reviewer may accept that a report is authentic and relevant while still finding an unresolved concern that prevents reliance on it for the present decision. Conversely, an

outdated certificate need not invalidate every underlying measurement. The decision record should state what remains usable, what needs refreshing and what action follows. An undifferentiated pass mark would lose those distinctions.

3.7

Monitoring should test prevention and remedy effectiveness

The adopted amendment requires monitoring of whether measures are adequate and effective. Its periodic assessment provision combines a maximum interval of 5 years with earlier reassessment after significant change and when there are reasonable grounds to doubt effectiveness or identify new risks. That statutory cadence should not be mistaken for a recommended interval between operational checks of an active concern. A current hazard requires a response matched to its circumstances. [S35]

For the illustrative action register in **Exhibit 15**, p. 55, GFT proposes distinct states for action delivered, effectiveness checked and remedy unresolved. Each row pairs a claimed change with evidence capable of challenging it. The table is an operating template, not incident data. Its purpose is to prevent a management action from being reported as a verified outcome simply because its due date has passed.

EXHIBIT 15 / ILLUSTRATIVE ACTION-REGISTER FIELDS

Closure requires evidence beyond the completed action

Concern	Proposed action	Outcome check	Remain open if
Exposure concern	Control task and investigate	Observe task; seek worker account	Exposure unresolved
Capacity pressure	Revise delivery plan	Check actual routing and hours	Work moves unreviewed
Reported retaliation	Protect reporting route	Confidential follow-up	Reporter remains unsafe
Past harm	Agree appropriate remedy	Verify delivery and experience	Remedy disputed or incomplete

ILLUSTRATIVE [S0301] [S0303] Illustrative GFT verification design. No incident, worker response or successful remedy has been observed. Confirm protection and appropriate remedy separately; reopen on contradictory evidence.

GFT recommends selecting indicators that retain their denominators and uncertainty. Track overdue high-priority actions separately from all actions. Distinguish repeated concerns from newly reported concerns. Record whether the people affected could be reached safely and whether follow-up remains incomplete. A closure percentage alone cannot show whether the gravest problem was resolved. The proposed register should permit an action to reopen without treating the correction as a reporting failure.

Worker experience is an essential challenge to management's account. IFC's labour standard calls for an accessible grievance mechanism, understandable feedback without retribution and the ability to raise anonymous complaints. It also preserves

other available remedies. These provisions illustrate why a buyer's evidence channel and a worker's route to redress serve related but different decisions. A file sent to procurement does not itself provide remedy to the person affected. [S0303]

For an illustrative review, the person checking the outcome should compare the proposed change with the task as performed, available records and protected feedback. If the action concerned revised scheduling, inspect actual routing and production decisions rather than only the revised purchase order. If the action concerned a remedy, check whether the agreed measure reached the intended person and whether the dispute remains open. Do not require satisfaction to be manufactured as a condition of receiving support.

GFT proposes retaining a short closure memorandum with the evidence index. It should name the decision owner, describe the control change, state what was checked and disclose remaining disagreement. The memorandum should distinguish the affected person's account from management's interpretation without copying identifying details into an unrestricted buyer pack. Access to supporting case material should follow the review purpose. If the affected person cannot safely be contacted, that limitation belongs in the decision; it must not become an invented confirmation.

The review meeting should also consider whether the intervention has displaced the problem. In an illustrative case, reduced hours on the reported line might coincide with additional unreviewed work elsewhere. The proposed check would compare routing and work allocation across the affected activity boundary. This is why effectiveness depends on reconstructing the process, rather than celebrating a favourable indicator in isolation. A revised assessment may conclude that protection has improved while remedy remains incomplete. The record should support that mixed conclusion plainly.

GFT would connect this proposed register to the same management review that considers quality, delivery, people and resource performance. It is a design recommendation for this paper, not a claim of an implemented compliance deployment. The factory-measurement paper and supervisor-development paper provide companion operating questions; neither substitutes for the legal review or specialist investigation needed for an actual incident.

The reader's decision is to agree a risk-based engagement plan with the buyer, assign the operational and commercial owners, and preserve the distinction between request safeguards, prevention and remedy. The following labour chapter develops recruitment, working-time, grievance and worker-protection controls. The handover should contain the unresolved concerns and the evidence needed next, rather than an unsupported statement that the supply chain is compliant.

Due diligence earns its value when the next shift is safer and the evidence can explain why.

CHAPTER SOURCE NOTES

S06 OECD. 2018-03-07.

S31 OECD. 2018-02-01.

S35 European Parliament and Council of the European Union. 2026-02-24.

S0302 OECD. 2018-03-07.

S0301 OECD. 2018-02-01.

S07 OECD. 2026-02-26.

S08 International Labour Organization. 2025-11-18.

S0303 International Finance Corporation. 2012-01-01.

GREEN FUTURE TECH

LIMITED / HONG KONG SAR

04

PART II: MAKE DUE DILIGENCE ANSWERABLE TO WORKERS AND BUYERS / LABOUR CONTROLS

Worker protection has to survive the production deadline

A labour-risk system must protect people, hear complaints safely and verify that corrective actions actually work.

CHAPTER 04
DECISION TEST

A labour-risk system must protect people, hear complaints safely and verify that corrective actions actually work.

Worker protection survives a production deadline only when the people controlling that deadline must respond to worker evidence. GFT recommends treating recruitment, working time, pay, safety and grievance records as operating controls, with authority to change the schedule, stop an unsafe task and fund remedy. A buyer pack is an output of that system, not its purpose. The revised ILO indicators support investigation rather than automatic conclusions, while its employer handbook connects prevention, remedy and effectiveness review. The controls proposed in this chapter follow that distinction. [S0402] [S0403]

The chapter is an operating design for African textile suppliers, not a finding about any named business and not legal, tax or investment advice. Current Cameroon employment rules, safeguarding routes and privacy duties need local professional verification when an actual site is assessed. No existing GFT factory, certification or measured worker outcome is claimed.

4.1

Recruitment evidence can expose coercion before production begins

Recruitment is the first production control because it establishes whether a person can enter work on informed terms and leave it without penalty. The ILO definition joins work or service to a menace of penalty and an absence of voluntary consent. Its revised indicators therefore direct attention to deception, debt, restricted freedom and other circumstances that can qualify apparent agreement. They do not make a signed contract conclusive, and they do not make one warning sign a final finding of forced labour. [S0402]

That distinction changes the factory record. A recruitment file should not merely prove that a candidate received a document. It should preserve what the worker was told, which recruiter participated, what costs were requested, which identity documents changed hands and how the worker can seek help. The ILO and IOE handbook describes fair recruitment as a safeguard against forced labour and trafficking, and states that workers should not bear recruitment fees or related costs. A fee report is consequently a reason for protected enquiry and, where substantiated, appropriate repayment and corrective action, not a minor administration variance. [S0403]

GFT proposes a recruitment record with four linked views. The commercial view identifies the employer, labour provider and contractual parties. The worker view records the agreed role, location, pay basis and material terms in a form the worker understands. The evidence view links receipts, declarations and interviews without assuming that any one item is complete. The protection view records who can act if the worker reports debt, deception, retained documents or an inability to refuse work. These are proposed fields, not evidence that any supplier currently maintains them.

The revised ILO guidance is explicit that a single indicator does not confirm forced labour and that the absence of indicators does not rule it out. A good intake therefore avoids two errors. It does not declare a worker a victim without competent assessment, and it does not dismiss a concern because the worker has a contract, appears healthy or continues attending work. The reviewer records coercion and consent as questions requiring evidence from the worker's perspective. [S0402]

Exhibit 16, p. 60 shows the proposed passage from a warning sign to an enquiry and a safeguarding decision. It deliberately avoids a compliance score. A recruiter's explanation may alter the assessment, but it cannot erase immediate exposure while the explanation is tested. The rows are illustrative controls rather than allegations about Cameroon or any supplier.

EXHIBIT 16 / ILLUSTRATIVE RECRUITMENT-CONTROL DESIGN

An indicator starts an enquiry rather than ending one

Warning sign	Evidence to seek	Immediate protection	Question left open
Recruitment payment or debt	Receipt, recruiter account, worker account, deduction record	Pause further charges; protect against retaliation	Who received money and who must repay?
Identity document retained	Document custody log and worker account	Arrange safe return without exposing the report	Who holds it and can the worker leave?
Terms changed after acceptance	Original and replacement terms in understood language	Prevent involuntary assignment or penalty	Was consent free and informed?
Overtime refused but penalised	Schedule, instruction, pay and threat evidence	Remove threatened penalty; review the shift	What makes refusal costly to the worker?
Age evidence uncertain	Available records and specialist safeguarding assessment	Remove exposure to unsuitable work	Which lawful status and protective route apply?

ILLUSTRATIVE [S0402] [S0403] [S0401] Illustrative GFT protocol informed by ILO indicators, the ILO and IOE employer handbook and IFC PS2. No named supplier, confirmed case or legal determination is represented.

Personal information should not become the price of buyer assurance. Where the GDPR governs the processing, its principles require a specified purpose and data minimisation, alongside accuracy, security and storage controls. The supplier should first ask whether an extract, case reference or controlled review can answer the buyer's question without uploading identity scans. The GDPR does not automatically govern every African employment record merely because the customer is European, so local law and the actual processing circumstances still require analysis. [S23]

The release decision belongs before the worker joins an urgent line, not after the order is late. GFT recommends a pre-start exception review for unexplained fees, substituted terms, document custody and restrictions on leaving. The reviewer should be independent of the recruiter and able to pause deployment while protection is arranged. A pause is not a presumption of guilt. It is a temporary control whose duration, owner and review conditions should be documented.

Recruitment checks must also survive workforce changes. A new labour provider, a replacement contract, a transferred worker or an agency-led surge should reopen the record. The original terms and later versions should remain available for comparison. If the supplier cannot reconstruct what the worker accepted, the file should state that uncertainty rather than replacing it with a general declaration of voluntary employment.

4.2

Payroll and time records must reconcile to the shift

Payroll becomes credible when it can explain the work actually performed. The OECD identifies links among production planning, short lead times, purchasing practices, overtime, fatigue and safety risk. It also describes wage withholding, delayed payment and unpredictable earnings as sector risks. These observations justify reconciliation; they do not establish that a particular factory underpaid workers or forced overtime. [S07]

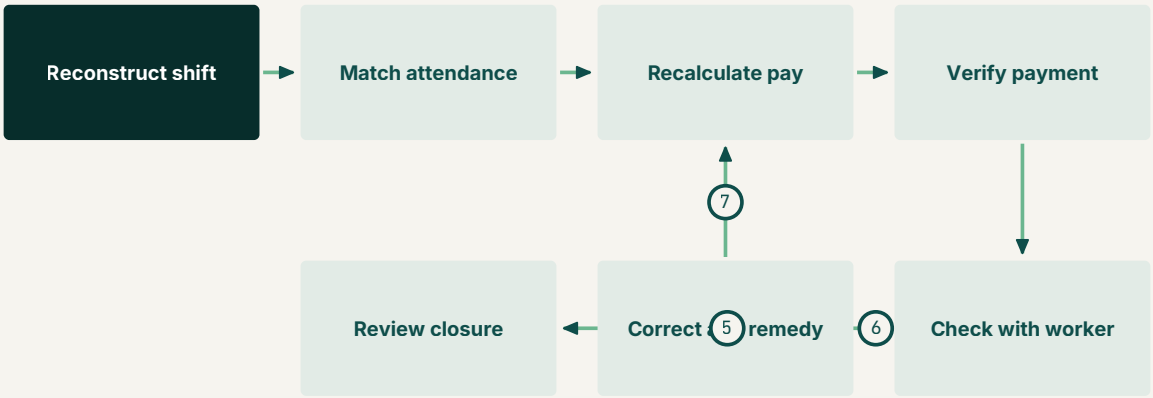
GFT proposes starting with the production calendar rather than the payroll summary. For each shift, the reviewer identifies the scheduled work, attendance evidence, approved changes and actual output route. The payroll record should then explain ordinary time, additional time, piece-rate calculations where relevant, allowances, deductions and the amount due. Payment evidence should show what was actually transferred or received. A payslip showing an amount due is not, by itself, evidence that the amount arrived.

The reconciliation must preserve mismatches. An attendance exception may reflect a broken reader, an informal approval or unrecorded work. A production record with no matching attendance entry may indicate an omitted worker, a subcontracted task or inconsistent timestamps. GFT recommends classifying these as unresolved until evidence supports an explanation. A blank overtime field must never be converted into zero additional work simply because the shift met its output target.

Exhibit 17, p. 62 places worker confirmation inside the control loop. The flow is illustrative and does not prescribe a statutory wage rate. Its important feature is the return path: a discrepancy can require correction of attendance, payroll, payment or the production record before the case is closed. The appropriate remedy depends on the verified discrepancy, not on which department owns the first document.

EXHIBIT 17 / ILLUSTRATIVE RECONCILIATION SEQUENCE

A wage discrepancy should be traced to payment and remedy



5. Resolved
6. Discrepancy
7. Recheck

ILLUSTRATIVE [S07] [S0401] Illustrative GFT control design. No wage rate, actual shift or observed underpayment is assumed. Reopen when worker evidence or payment evidence conflicts with closure.

METHOD

Use a reconciliation, not a document count. For a defined worker and pay period, compare time supported by attendance and production evidence, the contractual pay calculation, every deduction and the final payment. Record unmatched time and unmatched money separately. Ask the worker to confirm the result through a safe channel. Independent review is needed where the supervisor controls both the schedule and the first approval.

Current Cameroon wage, working-time and overtime provisions require fresh local legal verification at implementation. This chapter intentionally supplies no statutory rate, premium or maximum hour threshold. Inherited programme figures are not used as a present legal test. The actual reviewer must identify the worker category, applicable instrument, pay period and any collective or contractual terms before concluding that a payment or schedule is lawful.

Deadline pressure should trigger a forward control as well as a historical check. Before accepting an urgent change, operations and HR should compare the proposed hours and staffing with the verified applicable limits and the site's fatigue risks. If the plan depends on attendance that has not been agreed or on work outside the recorded shift, the commercial commitment is not ready. Moving work to another team or contractor requires the same analysis, not a new way to hide the hours.

Finally, the worker needs a route to dispute the record without depending on the supervisor whose decision is disputed. Payroll correction should include notice of what changed, preservation of the original entry and a check that any payment reached the person. Repeated edits to the same shift, unexplained deductions or fear of raising a mismatch should reopen the enquiry. A reconciled spreadsheet is useful only when it reflects the worker's experience and the actual movement of money.

4.3

Children and young workers need distinct safeguards

Age assurance is a safeguarding control, not a single identity-document check. IFC Performance Standard 2 addresses direct, contracted and supply-chain workers within its finance-linked scope. It requires identification of persons under the age of 18, prohibits their employment in hazardous work and calls for risk assessment and monitoring where national law permits minors to work. It also rejects work that is economically exploitative, hazardous, harmful to development or likely to interfere with education. This provides a useful control framework, not a statement of Cameroon's current minimum working age. [S0401] [S25]

The supplier must therefore separate several questions. What is the person's verified age status under the applicable law? Is the particular task lawful and suitable? Does the schedule interfere with education? Does the work involve dangerous equipment, chemicals, late hours or another relevant hazard? A person may be lawfully old enough for some work yet unsuitable for a specific task. Treating every young worker as either a child-labour case or an unrestricted adult employee misses that distinction.

GFT proposes an age-and-task review that links the available age evidence to the actual job, work area, shift and supervisor. The assessment should record uncertainty and identify a qualified safeguarding reviewer. Appearance, a manager's assurance or a copied document should not be treated as infallible. Where evidence conflicts, the person should be removed from exposure to potentially unsuitable work while the case is assessed. The interim arrangement should avoid punishment, loss of essential income or disclosure that could create further harm.

> **WARNING**
>
> Do not make automatic dismissal the default response to uncertain age evidence. Sudden removal can push a person into a more dangerous income route and can punish the person the protocol is meant to protect. Pause the hazardous exposure, obtain qualified local safeguarding advice and assess education, family, referral and remedy needs. Preserve other employment options only where they are lawful, safe and appropriate to the individual case.

Remediation should address the conditions that made the work harmful. Depending on competent assessment, that could include a safe alternative role, correction of an unlawful schedule, recovery of unpaid amounts, educational support or referral to an

appropriate specialist service. These are illustrative remedy categories, not a promise that every option is available locally. The affected person and relevant safeguarding professionals should participate in deciding what is safe and proportionate.

Young-worker monitoring also needs production triggers. A transfer to cutting, maintenance or wet processing, a change to night work, a new labour provider or an urgent order can change the earlier assessment. The supervisor should not be able to remove a task restriction to recover output without a new authorised review. Where the person cannot safely raise a concern, the grievance design should provide an appropriate representative or independent route.

The evidence pack should show the decision boundary rather than broadcasting identity material. A controlled record can state that age and task suitability were reviewed, identify the reviewer and retain unresolved restrictions. Raw documents remain subject to access and necessity controls. No buyer extract should imply that an age check proves safe work when the actual task or schedule has since changed.

4.4

Subcontracting cannot erase responsibility for unsafe work

The OECD describes garment and footwear supply chains as fragmented and multi-tiered, with subcontracting, informal work and homework alongside formal factories. It also identifies limited oversight in subcontracted and informal settings as a safety concern. This is a reason to map work arrangements carefully. It is not evidence that informal work is inherently abusive or that a named contractor has committed a violation. [S07]

The production deadline often changes the employment boundary without changing the purchase order. Overflow sewing, specialist embroidery, packing, maintenance or transport may move to another site. A labour provider may supply workers who remain under another organisation's day-to-day direction. GFT proposes that each route change identify the performing site, the party directing the work, the workers affected and the records available. The approved commercial supplier and the actual workplace must not be treated as interchangeable.

IFC PS2 distinguishes direct workers, contracted workers and primary supply-chain workers. For contracted workers it addresses third-party legitimacy, management and monitoring, contractual efforts and access to grievance. Its primary supply-chain provisions address specified risks of child labour, forced labour and life-threatening safety issues. These requirements arise within the IFC performance-standard context. They do not become a universal EU import statute merely because a supplier cites them. [S0401] [S25]

GFT's proposed subcontractor gate joins procurement, production and labour review. Procurement records the approved entity and scope. Production records the operation, quantity and timing. HR or safeguarding reviews the workforce interface, recruitment route and grievance access. A competent technical reviewer assesses process hazards. No single sign-off can substitute for the others. A certificate held by the contracting entity does not answer conditions at an unlisted performing site.

Late capacity pressure should reopen that gate before work moves. The purchase-order change should state which reviewed capacity remains, why additional routing is proposed and which controls accompany it. An urgent instruction sent before approval should be treated as an exception requiring containment, not retrospectively relabelled as an approved route. If work has already moved, the first task is to identify where people are working and whether they are safe.

The supplier should also test whether its own commercial decisions make the approved plan unrealistic. Late design changes, compressed delivery dates and unpriced additional processes can create pressure for unauthorised routing. The OECD identifies purchasing practices and short lead times as contributors to overtime and safety risks, which makes these legitimate subjects for joint buyer and supplier review. An actual causal finding still requires order-specific evidence. [S07]

Ending a contractor relationship is not a complete labour remedy. It may stop future exposure while leaving unpaid wages, recruitment debt, injury or retaliation unresolved. GFT recommends preserving an affected-worker communication and remedy path during any disengagement assessment. The decision record should evaluate the consequences for workers, the feasibility of corrective action and the duties arising under the actual contract and applicable law. Commercial exit and worker protection are separate decisions.

4.5

Health and safety evidence must address the actual process

A generic factory checklist cannot establish safe production. The World Bank Group and IFC textile guidance sets a defined process boundary and calls for application tailored to site-specific hazards and risks. It addresses textile manufacturing rather than polymer synthesis and natural raw-material production. Within occupational safety it identifies chemical, physical, heat, noise and radiation hazards, with monitoring designed for the specific project. The guidance is a technical reference, not a universal EU legal limit schedule. [S26]

The first record should therefore be a process-and-task map. A cut-make-trim operation may require close attention to cutting equipment, needle guards, manual handling, electrical safety, fire precautions and workstation conditions. Maintenance introduces moving equipment, stored energy and hot-surface questions. Wet processing, where present, changes the chemical, ventilation and heat assessment. The reviewer should not import controls for an absent process or omit controls because the product looks simple.

GFT proposes an inspection record that names the task, work area, hazard, exposed group, existing control and residual decision. It should distinguish a design control from protective equipment and from worker instruction. The IFC textile guidance, for example, discusses guarding and isolation for physical hazards and extraction or ventilation for relevant airborne exposures. An actual selection still requires competent assessment of the equipment and process in use. [S26]

The production deadline can weaken each layer invisibly. A guard may be bypassed to clear a jam quickly. Maintenance may be deferred to preserve output. A blocked route may appear when urgent stock accumulates. Additional hours may increase fatigue while the formal inspection checklist remains unchanged. GFT recommends linking safety review to schedule changes, process changes and exceptional output requests, rather than waiting for the next routine inspection.

Evidence types must remain distinct. A near-miss report records an event or warning, not an injury rate. An inspection records conditions within its scope and time. An emergency drill tests the scenario actually exercised. A corrective action records an intended or completed change. An independent check assesses only its stated remit. None should be relabelled as proof that the whole site is safe, legally permitted or certified.

A low incident count is similarly ambiguous. It may reflect fewer events, restricted reporting, a smaller exposed population or a changed observation period. GFT recommends reading incident information alongside near misses, worker reports, overtime, process changes and closure of high-priority actions. The purpose is not to maximise reports or minimise them. It is to detect conditions early enough to prevent harm and to check whether the controls work.

The operating system needs a stop-and-resume decision. A credible life-threatening hazard should reach a person with authority to stop the affected task without waiting for commercial approval. Resumption should require evidence that the critical exposure has been controlled, not merely a promise to complete an action later. The record should identify who assessed the residual risk and what monitoring remains. Production release and buyer communication follow that safety decision; they cannot override it.

Where external verification is needed, the reviewer should state its limits. A visiting specialist may observe one process, one shift or one document set. GFT would retain that scope in the evidence pack and assign any unobserved area as a remaining question. This is more useful than converting a dated visit into a blanket assurance. Worker evidence remains necessary after the visitor leaves, particularly when the next urgent order changes the work again.

4.6

A grievance channel must be safe to use

A grievance channel is useful only if a worker can raise a concern without paying for it through dismissal, lost hours, threats or exposure. IFC PS2 calls for an accessible worker mechanism, an appropriate management level, prompt and transparent handling, timely feedback without retribution and a route for anonymous complaints. It also says the mechanism should not impede other judicial or administrative remedies, and it extends attention to contracted workers. This is a finance-linked standard, but its control logic is directly relevant to the proposed supplier design. [S0401]

The amended CSDDD separately includes complaints and notification procedures within the due-diligence process of companies in its scope. That buyer process does not make every African factory the direct bearer of an identical statutory mechanism.

It does make a credible supplier route operationally important when a buyer seeks to hear and address impacts in its chain of activities. The supplier should distinguish its own duties and voluntary controls from the buyer's corporate process. [S02]

GFT proposes more than a suggestion box. Workers need a channel outside the line supervisor, intake in a language and form they can use, confidential case handling and a clear explanation of when information may need to be shared for protection or investigation. Interpreter support and non-digital access should be available where the workforce needs them. An anonymous route should not create a false promise that every concern can be resolved without further information.

Exhibit 18, p. 67 separates access, case management, independent review and external routes. The layers are illustrative. They prevent the person who controls production from becoming the sole judge of a complaint about that production. They also preserve specialist and lawful routes rather than presenting internal review as the only available remedy.

EXHIBIT 18 / ILLUSTRATIVE GRIEVANCE ARCHITECTURE

The worker needs a channel outside the production hierarchy



ILLUSTRATIVE [S0401] [S02] [S30] Illustrative GFT design. Actual worker representatives, specialists, authorities and remedy routes depend on the site and jurisdiction. No external acceptance or compensation outcome is implied.

Protection against retaliation needs observation after intake. HR and the independent reviewer should watch for changes to shifts, pay, duties, discipline and contractor status that could punish the reporter. The review should include workers who fear being identified through a small team or a distinctive account. Restricting the case file is necessary but insufficient if the operational response reveals who complained.

An OECD National Contact Point is not a universal local labour court. The OECD explains that a person with a legitimate interest may bring a specific instance concerning a company operating in or from an adherent country. If the NCP considers that the issues merit further examination, it offers mediation. The route is non-judicial and depends on the relevant connection and admissibility; it does not guarantee compensation or replace available national remedies. [S30]

> **GFT NOTE**
>
> Fund an escalation route that does not report to the production target owner before committing to the order. Test it with workers, including agency and subcontracted workers, and record who can protect a complainant, authorise an urgent stop and approve remedy. A channel that exists only in a buyer manual has not passed that test.

4.7

A remedy must be checked with the affected person

A case is not closed when the supplier uploads a corrective-action plan. GFT separates four outcomes: protecting the person from immediate exposure, ending the violating practice, delivering an appropriate remedy for harm and answering the buyer's evidence request. These outcomes can move at different speeds. A corrected payroll record may accompany repayment, but it is not repayment. A new recruiter policy may prevent future fees, but it does not repay an earlier charge.

The ILO and IOE handbook includes tools for grievance, substantive remedy and tracking effectiveness. GFT's proposed closure rule therefore requires evidence of the result and a safe follow-up with the affected person. Worker confirmation should inform the decision, not become a compelled signature or a waiver of other rights. If the person disputes the outcome, cannot be reached safely or reports recurrence, the case remains open or reopens. [S09] [S0403]

Exhibit 19, p. 69 provides an illustrative case sheet. It makes room for immediate protection, actual remedy and recurrence review. The same structure can show that buyer communication is complete while worker remedy remains unresolved. That distinction should be visible in management reporting rather than hidden inside an average closure rate.

EXHIBIT 19 / ILLUSTRATIVE REMEDY-VERIFICATION FIELDS

A closed case needs evidence of its result

Concern	Immediate protection	Remedy evidence	Closure and reopening check
Recruitment debt	Stop further charges and retaliation	Payment received; recruiter practice corrected	Worker confirms outcome; no repeat charge
Retained document	Restore safe possession and freedom to leave	Document returned; custody practice changed	Worker can leave; no replacement control
Pay discrepancy	Prevent penalty for disputing records	Corrected calculation and verified payment	Worker confirms receipt; later pay reviewed
Unsafe task	Stop or control the exposure	Task changed; competent resumption review	Exposure controlled; no adverse health report
Retaliation concern	Separate reporter from threatened penalty	Penalty reversed; conduct addressed independently	Reporter remains safe; follow-up completed

ILLUSTRATIVE [S0403] [S0401] Illustrative GFT case sheet. Remedy depends on the verified harm, worker needs and applicable law. No actual case, payment, worker agreement or successful outcome is claimed.

The following fictional Cameroon case combines a recruitment-debt report with an urgent garment order. Every amount is illustrative and chosen only to demonstrate remedy arithmetic. It is not a market fee, a legal threshold, an actual worker account or a measured GFT result.

REPAYMENT EVIDENCE MUST RECONCILE TO THE WORKER'S ACCOUNT

An illustrative worker reports paying XAF 120,000 in recruitment fees and XAF 30,000 in related costs charged by a labour recruiter. The amount requiring investigation is XAF 120,000 plus XAF 30,000, or XAF 150,000. The production manager must not move the worker, reduce their hours or disclose their identity to the recruiter in a way that creates retaliation risk. The independent case owner secures the report, assesses immediate safety and preserves the relevant recruitment and payroll records.

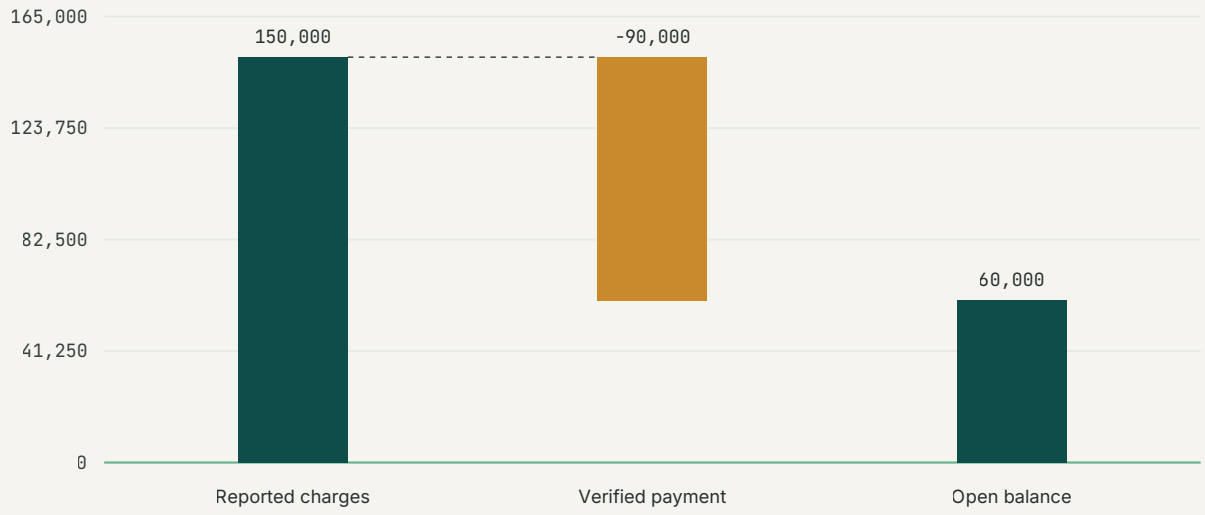
The buyer receives a bounded notice that a recruitment concern may affect the order, without receiving unnecessary identity material. Supplier and buyer review the delivery plan while safeguarding proceeds. A revised purchase order or slower output cannot substitute for remedy. The recruiter and employer may dispute who ultimately funds repayment, but that allocation dispute should not delay safe interim protection.

An illustrative first payment of XAF 90,000 reaches the worker. The unreconciled balance is XAF 150,000 minus XAF 90,000, or XAF 60,000. The case therefore remains open even if the buyer has received a corrective-action statement. Closure requires the remaining payment to be verified, the worker to confirm the outcome through a safe channel and a later review to check for further charges or retaliation. The arithmetic reconciles money only; it does not measure coercion, distress or full restoration.

Exhibit 20, p. 70 shows that illustrative balance without converting it into a cost of harm. The exhibit has no evidential value beyond the stated assumptions. In a real case, the reviewer would establish which charges were impermissible, whether other workers were affected and what additional remedy was appropriate.

EXHIBIT 20 / ILLUSTRATIVE XAF

An illustrative part payment leaves the remedy case open



ILLUSTRATIVE Assumptions: recruitment fee XAF 120,000 plus related costs XAF 30,000 gives XAF 150,000; verified first payment XAF 90,000; remaining balance XAF 60,000. All amounts are illustrative and exclude any other remedy or affected person.

Remedy records also need edition control. The ILO's first indicator edition described signs as clues to possible forced labour, while the revised edition retains the need for further investigation and updates operational guidance. Training should cite and use the revised material, preserve the version used and replace obsolete scripts. A historical checklist should not govern a new case merely because it is already embedded in a portal. [S32] [S08] [S0402]

The management review should end with the decisions that production cannot make alone. Is the worker safe now? Has the harmful practice stopped? Has the affected person received and accepted the appropriate remedy without coercion? Has anyone checked recurrence? What can the buyer be told without exposing the worker? GFT recommends answering those questions before reporting success and funding the independent route before the next production commitment.

A deadline may move a shipment. It must never move a worker beyond the reach of remedy.

CHAPTER SOURCE NOTES

S0402 International Labour Organization. 2025-11-18.

S0403 International Labour Organization and International Organisation of Employers. 2025-11-26.

S0401 International Finance Corporation. 2012-01-01.

S23 European Commission. 2026-10-30.

S07 OECD. 2026-02-26.

S25 International Finance Corporation. 2012.

S26 World Bank Group and International Finance Corporation. 2007-04-30.

S02 European Commission. 2026-10-30.

S30 OECD. 2026-10-30.

S09 International Labour Organization and International Organisation of Employers. 2025-11-26.

S32 International Labour Organization. 2012-10-01.

S08 International Labour Organization. 2025-11-18.

GREEN FUTURE TECH

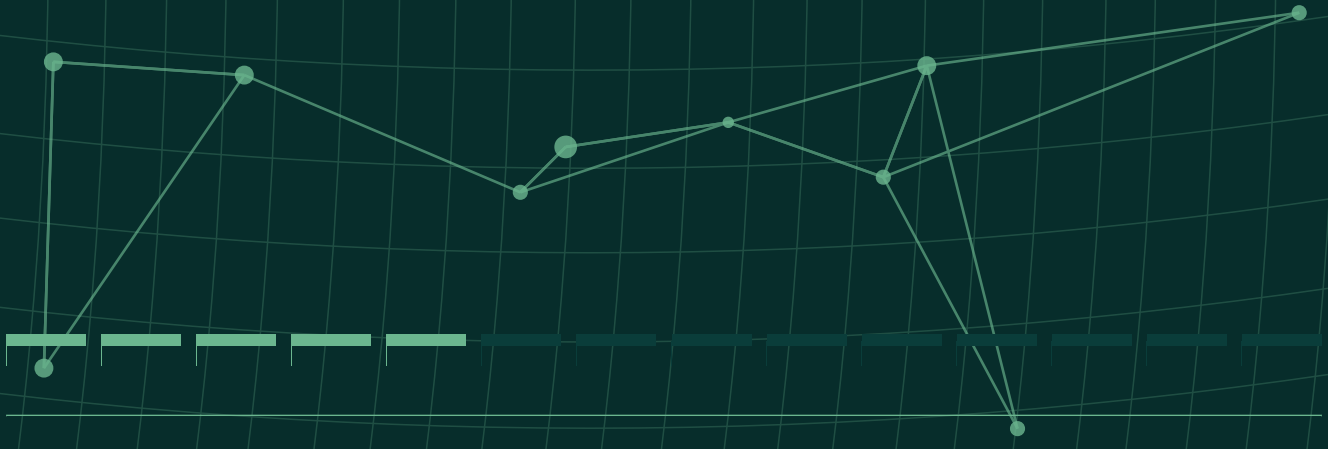
LIMITED / HONG KONG SAR

05

PART II: MAKE DUE DILIGENCE ANSWERABLE TO WORKERS AND BUYERS / PRODUCT PROHIBITION

The forced-labour ban can stop a product regardless of corporate size

A supplier response must link the affected product to its production evidence while safeguarding workers.



CHAPTER 05
DECISION TEST

A supplier response must link the affected product to its production evidence while safeguarding workers.

An exporter needs a product-specific response to a forced-labour concern, even when the company falls outside corporate sustainability reporting or due-diligence thresholds. The EU prohibition applies from 14 December 2027 to products placed on, made available on or exported from the EU market, across origins and company sizes. GFT recommends identifying affected goods, preserving the production record and protecting potentially affected workers through connected but distinct decisions. A missing record requires enquiry; it is neither a finding of forced labour nor evidence that the product is clear. [S10] [S08]

5.1

The prohibition follows products from every origin

The scope question starts with the transaction and the product. The Council-hosted legal text defines the economic operator through its role in placing products on, making them available on or exporting them from the Union market. GFT therefore starts the order assessment with the actual product and transaction, rather than a corporate reporting questionnaire. The relevant economic operator and sales route still need to be established for the actual order. This is an operating framework, not legal, tax or investment advice. [S0501]

Corporate sustainability due diligence uses a different scope mechanism. The adopted amending text retains company-scope conditions and changes the corporate timetable; it does not turn those conditions into a product exemption. Its amended application provision specifies 26 July 2029, with separate timing for the reporting provision. Those dates should remain separate from the forced-labour prohibition in an applicability register. National implementation and the actual entity route require their own review. [S35] [S10]

GFT proposes that each order file record the seller, buyer, importer where relevant, product description, destination, production locations and current status. Add the legal basis relied upon, its version and the person who reviewed applicability. The purpose is to make a later scope challenge answerable. The file should show why a rule reaches this transaction, rather than merely displaying a collection of sustainability policies. An unresolved role should remain visibly unresolved until reviewed.

Consider an illustrative Cameroon garment maker purchasing fabric through a trader and selling finished shirts to an EU importer. The proposed enquiry starts with the fabric operation identified in the concern, the order using that fabric and the evidence connecting them. It does not start by labelling Cameroon, the trader or every garment produced at the sewing site as implicated. Equally, identifying the sewing site does not answer what happened during earlier fabric processing. The scope should expand or narrow with evidence.

The comparison in **Exhibit 21**, p. 74 separates the product question from the corporate process question. It is a categorical transcription of the opened sources, not an entity-specific determination. The distinction matters because a supplier can be outside a corporate threshold while still supplying a product within the prohibition's market scope. [S10] [S35]

EXHIBIT 21 / LEGAL SCOPE AND APPLICATION DATE

Product prohibition and corporate duties use different scope tests

Question	Product ban	Corporate due diligence
Scope	EU market and export transactions	Companies meeting scope conditions
Small company size	No blanket exemption	Relevant to the entity scope test
Main application	14 December 2027	26 July 2029 under amended provision
Process	No routine audit or reporting filing	Corporate due-diligence duties
Decision boundary	Affected product and supply chain	In-scope company and activities

SOURCED [S10] [S35] S10 is an opened Commission explanation with no stated publication date. S35 is the adopted Council-hosted amending text. Corporate application is subject to national implementation; the reporting provision has separate timing. This comparison is not a legal determination for an entity.

For the proposed order register, GFT would add a change trigger beside every scope conclusion. A new fabric source, different processor, changed sales route or revised product specification would reopen the assessment. Keep the original decision so the reviewer can distinguish a justified change from a silently rewritten conclusion. The same approach prevents an old corporate-scope assessment being reused as a standing clearance for every future product.

The source boundary also needs to remain visible. The Commission explanation was opened for this chapter, but states no publication date; its register entry therefore records that limitation rather than using the access date as publication. The Council-hosted legislative texts provide a procedural cross-check. Their document dates are not application dates. For a live incident, GFT recommends checking the operative published law, current guidance and the actual notice before deciding the response route. [S10] [S0501] [S35]

5.2

The ban does not create a routine audit filing

The Commission explicitly states that the regulation creates no audit or reporting obligations and does not itself require sustainability due diligence. The Council-hosted text also states that it creates no additional due-diligence obligations beyond those in Union or national law. This boundary should prevent a supplier from confusing a proposed operating control with a newly mandated annual filing. [S10] [S0501]

GFT's recommendation is to retain usable evidence because it supports decisions, not to manufacture a filing requirement. Start with the question a record must answer. A purchase order identifies a commercial commitment. A production record connects an input to an operation. A labour record and a safely obtained account address working conditions. A management review explains the response. None should be renamed a universal clearance document merely because it sits in the same folder.

An illustrative evidence pack would contain a case summary, product identities, a source index, relevant upstream links, the action log and an unresolved-questions sheet. The summary should state who prepared it, what was checked and what was not checked. Keep full records under controlled access. The recipient should be able to find supporting material without receiving unrelated worker information or an entire production archive. This pack is GFT's proposed response design, not a prescribed regulatory template.

Treat a voluntary audit as a bounded item in that index. Record the site, activity, period, method and exclusions that it actually covers. Ask whether the questioned process and labour arrangement fell within that coverage. GFT would not infer that an audit of the sewing operation answers an allegation about a fabric processor. Nor would it infer that the existence of a certificate closes an allegation arising after the assessment. These are evidence tests, not assertions about any named scheme.

The ILO employer handbook provides practical tools for identifying and addressing forced-labour risks in operations and supply chains. Its role here is to inform prevention and response, rather than certify a shipment or replace an authority's investigation. GFT proposes keeping training and response protocols aligned with that current edition while leaving detailed worker-protection design to the preceding chapter. [S09]

> **GFT NOTE**
>
> Build the smallest pack that can explain the product and the response. Give every unresolved link an owner, an evidence request and a decision consequence. Do not purchase a generic certificate on the assumption that it authorises shipment. A completed questionnaire, an audit report and an authority decision should remain separate evidence states.

A useful review meeting would therefore ask what changed in production or worker protection, as well as what documents arrived. Suppose an illustrative supplier sends a signed declaration but cannot identify the processor used for the relevant fabric lot. The declaration adds an accountable statement; it does not fill the missing production link. The reviewer should retain it, record the gap and request the missing evidence. Repetition of the declaration should not gradually convert uncertainty into clearance.

Proportionality in this proposed system comes from limiting each request to its decision purpose. The buyer extract might identify sites, dates and controlled evidence references while a designated investigator accesses sensitive detail through an agreed channel. GFT would test whether the information is sufficient before collecting more. A growing archive without a reliable link to the affected goods is additional storage, not an answer. Detailed privacy and international-transfer analysis belongs in the paper's data-controls chapter.

5.3

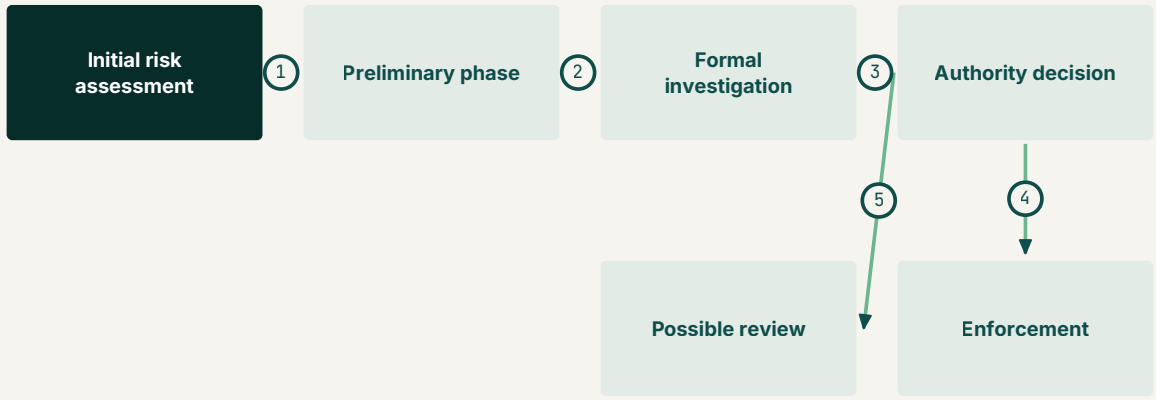
The investigation path separates concern from a decision

The Commission's explanation distinguishes initial risk assessment, preliminary engagement, formal investigation, decision and enforcement, with possible review. The Council adoption announcement assigns investigations outside the EU to the Commission and those within a Member State's territory to its authorities. GFT recommends checking these roles against the communication received, rather than inferring them from the sender's commercial relationship with the supplier. [S10] [S0502]

The path in **Exhibit 22**, p. 76 shows those distinct states. It does not assert that every submission reaches a formal investigation or that every investigation produces a prohibition. A response team should record the current state explicitly and preserve the communication that establishes it. [S10]

EXHIBIT 22 / INVESTIGATIVE AND ENFORCEMENT STATES

A concern and a prohibition decision occupy different states



1. Risk warrants enquiry
2. Substantiated concern
3. Finding supports decision
4. Apply decision
5. Review route

SOURCED [S10] Categorical transcription of the Commission explanation, not a case timetable. Progression is conditional; the review connection is a possible route. Internal precautionary holds are not an authority state in this diagram.

GFT proposes an intake record that separates a worker report, buyer enquiry, authority request, investigation notice and final decision. Record the sender, recipient, receipt time, product scope, requested information, confidentiality instructions and response route. Authenticate the communication through a known channel. Preserve the original language and a controlled translation where needed. Do not allow a supplier's internal summary to replace the instrument on which the next action depends.

The ILO indicators support detection and further enquiry. They should not be treated as an automatic product verdict. Their guidance also warns against treating the absence of indicators as proof that forced labour is absent. This supports a response that tests the concern and safeguards people without prematurely publishing a finding. [S08]

For an illustrative internal triage, the case owner would classify what is known, what is alleged and what is inferred. An allegation about coercion is different from an unidentified invoice, even if both require investigation. Conversely, a complete invoice trail can coexist with an unresolved worker account. GFT would keep separate evidence questions for the movement of goods and the conditions under which relevant work occurred. A record is useful only within the question it can answer.

GFT proposes a response index that follows the questions in the notice. For every question, record the answer, its scope, the evidence reference, the reviewer and any qualification. Keep unanswered questions visible rather than omitting them from the submission. Where an answer depends on an upstream processor, state whether the supplier has obtained direct records, a trader's statement or only a request for information. This proposed distinction helps the recipient judge the evidence without assuming that every document has the same evidential weight.

The response calendar should distinguish a legal deadline, a buyer's requested return date and an internal target. GFT recommends transcribing any binding deadline from the applicable instrument, recording who checked it and planning backwards from it. If records cannot be obtained, the case owner should disclose the limitation through the proper channel and seek advice about the next procedural step. An invented standard turnaround should never displace the actual notice.

GFT would also record branches that leave the main path: the concern was not substantiated, the scope changed, further evidence was requested, or a decision was reviewed. Keep the basis for each branch and the date it was communicated. A case management status should describe the event that occurred. It should not imply regulator approval merely because the team submitted material, received an acknowledgement or closed an internal task.

5.4

Batch links determine which records can answer the concern

The OECD describes garment and footwear supply chains as fragmented and multi-tiered, with subcontracting and different sourcing arrangements. That structure explains why a final assembly address may not identify all relevant operations. It does not establish that any named upstream business used forced labour. GFT's response design therefore links the concern to actual production events rather than assigning guilt by industry, country or purchasing category. [S07]

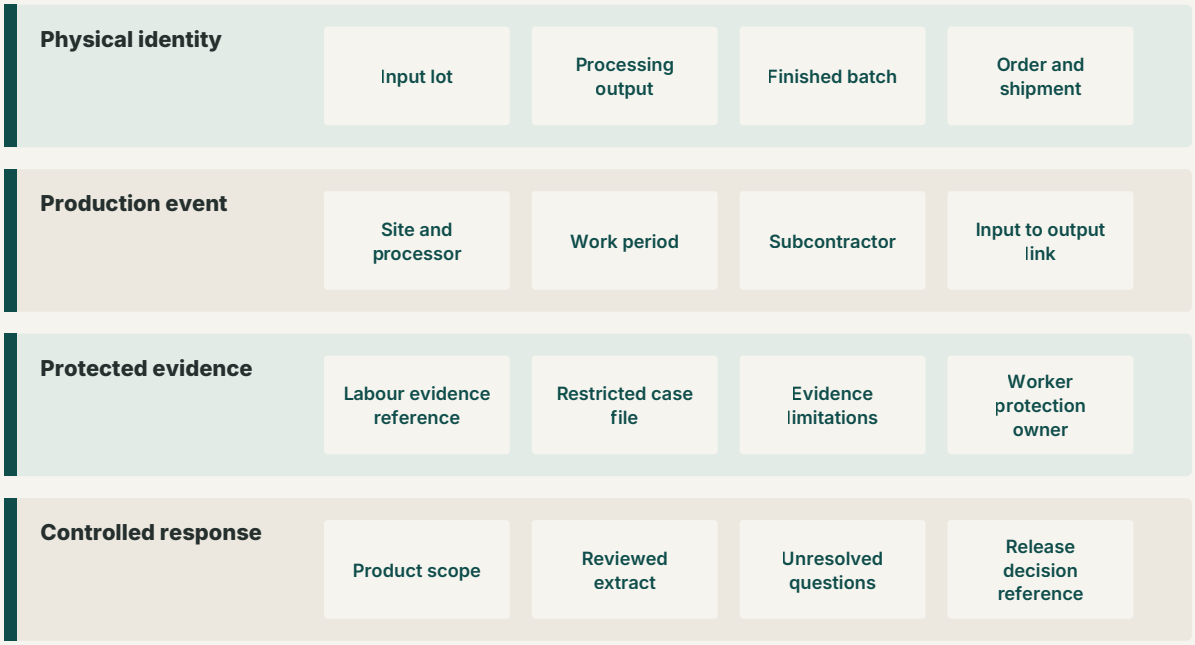
The illustrative relationship is simple: an input lot enters an identified operation at an identified site during a recorded period, then contributes to an output lot or finished batch. Include subcontracted processing and relevant trims where they enter the

product. Give the physical identifiers, site identifiers and evidence references their own fields. A trader's invoice name should not silently become the location where manufacturing took place. Detailed provenance mechanics belong in wp05.

The illustrative layers in **Exhibit 23**, p. 78 connect goods to the response without placing worker identities on ordinary batch labels. Each layer has a different purpose. The design provides a route to evidence, not proof that the evidence is complete or that coercion was absent.

EXHIBIT 23 / ILLUSTRATIVE EVIDENCE RELATIONSHIPS

A finished batch needs links to processes and protected evidence



ILLUSTRATIVE [S07] [S09] GFT illustrative control design informed by the OECD sector structure and ILO employer guidance. These are proposed record layers, not an implemented system, compulsory data schema or proof of absence of forced labour.

For this proposed system, segregation means keeping identified material physically separate; a mass-balance record reconciles quantities within its declared boundary; transaction documents record transfers or commercial dealings. These are distinct evidential models. GFT would state which model was actually used and what it cannot demonstrate. A numerical balance does not establish individual product identity, and product identity does not itself establish the conditions experienced by a worker. Do not collapse these questions into a single traceability score.

Reconstructing the boundary requires looking both backwards and forwards. Backwards, identify which input, processor, period and labour arrangement the concern could reach. Forwards, locate outputs, rework, remaining stock and finished goods connected to that input. GFT proposes retaining an unresolved category for material whose allocation cannot be reconstructed. The response should not distribute that uncertainty across supposedly clear batches using a convenient percentage. The allocation rule must be supported by records.

Evidence quality also depends on chronology. GFT would record when the underlying event occurred, when the document was created, when it was received and whether it was corrected. Preserve originals and link replacements to them. If a processor supplies a reconstructed record, identify it as reconstructed and state its basis. A later document can clarify an event, but its later arrival should not be disguised as contemporaneous observation.

The proposed reconciliation should also retain the unit used at each operation. Fabric may be recorded by length or mass while finished goods are counted as pieces. GFT would not infer a product allocation from a conversion factor unless the assumed yield, losses, rework and applicable production period are stated. If those inputs cannot be reconstructed, record the limitation. A neat numerical balance created from an unmarked assumption should not become stronger evidence than the missing allocation record it was intended to replace.

Use contradictory records as a question for investigation. An illustrative dispatch note might name a processor absent from the approved route, while a purchase order names the expected site. The proposed response would preserve both, locate the operational event and ask who authorised the change. GFT would not automatically treat the approved list as stronger simply because it was signed. The useful record is the one that explains what happened and identifies what remains unproved.

5.5

An investigation hold needs a documented decision

An internal precautionary hold should state the risk it addresses and who can change it. GFT proposes separate fields for goods status, investigation status and worker-protection status. This prevents a warehouse action from appearing to resolve a labour concern. It also prevents a buyer's delivery preference being represented as an authority instruction. In the Commission explanation, decisions and their enforcement follow investigation; the supplier's earlier precaution is a separate management action. [S10]

In GFT's illustrative protocol, the incident owner would preserve records and identify affected orders; operations would locate goods and prevent unauthorised movement; a worker-protection lead would arrange safe referral and contact; and the legal adviser would assess the notice and response route. A smaller business may combine roles, but should still document who decides and who checks. A person whose conduct is questioned should not control the entire evidence chain or the contact with affected workers.

WORKED EXAMPLE: A FABRIC RECORD GAP CHANGES THE PROPOSED HOLD BOUNDARY

An illustrative order contains 12,000 shirts in batches A, B and C. Assume A contains 4,000 shirts, B contains 3,000 and C contains 5,000. Production records initially link A and B to fabric lot F, whose external processing record is missing. Assume the other inputs and conversions are outside this example. No actual supplier, shipment, forced-labour finding or authority action is represented.

The illustrative potentially connected quantity is 4,000 + 3,000 = 7,000 shirts, or 7,000 / 12,000 × 100 = 58.3 percent of the order, rounded to a decimal place. The remaining 5,000 shirts are outside that initial link, not established as clear. GFT's proposed precaution would identify and control A and B while the reviewer tests whether C can actually be separated from lot F. Missing labour evidence and missing material identity remain different unresolved questions.

Now assume, illustratively, that the cutting record cannot distinguish the fabric used in B from the fabric used in C. Under a conservative proposed allocation, the possible connection reaches all 12,000 shirts: 4,000 + 3,000 + 5,000. The illustrative increase in potentially connected goods is 12,000 - 7,000 = 5,000 shirts. This is uncertainty about the evidence boundary, not an estimate that any share of the shirts was made with forced labour.

In this illustrative case, assume that a subsequently retrieved roll-allocation record, checked against cutting and stock records, establishes that C used a different lot. The proposed internal boundary could return to 7,000 shirts after documented review, subject to the unresolved labour issue and any applicable instruction. The record does not automatically release A or B. It also does not authorise the supplier to override an authority decision or promise that the importer will accept C.

The example makes a management choice visible without pricing a hypothetical fine or pretending that missing documents establish a violation. GFT recommends sending the importer a controlled explanation of the goods potentially connected, the basis of that boundary, the uncertainty and the next evidence request. Name the decision owner and the next review trigger. Keep the buyer communication, acknowledgement and any authority communication separately indexed so later reviewers can reconstruct who knew what.

GFT proposes testing how the hold reaches daily operations. The warehouse, dispatch planner and sales team should receive the same current product boundary through a controlled instruction. Ask how returned goods, replacement labels, split deliveries and subcontract stock would be handled in the illustrative case. A hold tied only to the original sales-order number could miss a relabelled or reallocated batch. Record the link between the affected goods and any subsequent commercial identifier instead of assuming that a new order creates a new physical product.

A proposed hold log should record where the goods are, who controls them, which movements are blocked and how changes are authorised. If goods have already left the supplier's custody, record the last confirmed location and contact the responsible counterpart. Do not backdate a warehouse hold or claim physical control of stock held elsewhere. The next action should reflect actual custody and legal instructions, rather than the status selected in a supplier spreadsheet.

The Council adoption announcement describes a final decision to ban, withdraw and dispose of a product, taken by the authority that led the investigation. GFT recommends retaining the exact action required in the applicable decision instead of replacing it with the generic word stopped. Release, withdrawal from the market and disposal are different actions. Their execution needs its own evidence, responsible party and review. [S0502]

5.6

A review needs new evidence about the underlying problem

The Council-hosted text provides for a review request containing new substantial information. It also links withdrawal of a decision for the future to demonstrated compliance with the decision and elimination of forced labour relating to the products concerned. The source is the adopted legislative text linked by the Council, rather than a retrieved Official Journal copy. Procedural requirements should therefore be checked against the operative law and notice for the actual case. [S0501]

GFT proposes a review file organised around what has changed. Identify the original finding or unresolved question, the new evidence, its origin, the relevant product and period, and why the evidence changes the assessment. Separate a correction to product identity from evidence about working conditions. A corrected invoice may change the upstream connection; it should not be presented as proof that coercion ended. The request should make its reasoning inspectable without concealing earlier contradictions.

The worker response needs its own closure test. Drawing on the ILO handbook's prevention and response purpose, GFT recommends checking whether the affected person can exercise the freedom or receive the remedy at issue. The review should ask whether the apparent correction survives in practice and whether the person can report continuing pressure safely. Detailed labour safeguards remain in the preceding chapter; here they are linked to product decisions without being replaced by them. [S09]

For an illustrative recruitment-debt concern, a cancellation of the garment order changes the commercial relationship but does not repay a worker's debt. GFT would track a proposed repayment or other remedy separately from stock handling and legal correspondence. Evidence might need to show the agreed action, actual receipt, the worker's safe confirmation and a check for continuing coercion. Those proposed records require local specialist review and appropriate privacy safeguards; they are not a declaration that a remedy has occurred.

GFT would maintain distinct closures for the internal enquiry, buyer corrective action, worker remedy and authority procedure. Each closure needs a stated scope and supporting evidence. An authority communication may resolve a product decision while a wider prevention action remains open. Conversely, a supplier may correct working arrangements while still needing to comply with an outstanding decision. The case dashboard should show these differences without allowing a single green status to conceal them.

A proposed recurrence check should look at the mechanism that allowed the problem to persist. If the enquiry exposed an unapproved processor, examine how capacity pressure, purchasing approval and dispatch documentation interacted. If it exposed an unsafe recruitment arrangement, the worker-protection team should review the relevant recruitment and supervision controls with specialist support. GFT recommends linking the corrective action to that mechanism. Replacing a document without changing the decision that caused the gap would leave the response vulnerable to the same failure on another order.

A restart recommendation should therefore explain the proposed goods, supply route, process changes, evidence reviewed and remaining conditions. GFT would require the reviewer to check whether the responsible counterpart or authority has actually taken the necessary action. Filing a review request does not itself prove that the underlying decision changed. Where the team cannot establish the current legal status, the dashboard should retain that uncertainty and prohibit an unsupported public clearance claim.

5.7

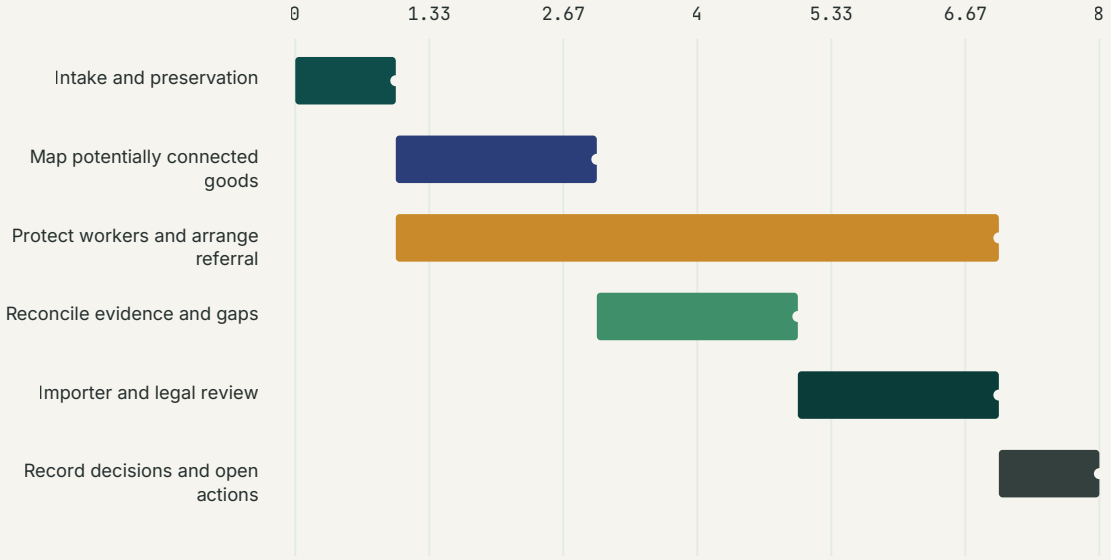
A tabletop drill should test uncertainty before the border does

GFT recommends rehearsing the missing-subcontractor-record scenario before an actual enquiry. The illustrative drill begins after transport has been booked, with an importer asking about an upstream fabric operation. The controller introduces conflicting site names, a missing allocation record and a request for worker information. Participants should distinguish what they can answer immediately, what they need to verify and which decisions require escalation. The exercise is a proposed test, not evidence of export readiness.

The planning window in **Exhibit 24**, p. 83 uses illustrative elapsed exercise units. They are scheduling assumptions, not working days, a legal deadline or measured response performance. The overlap keeps worker protection active while product mapping and records work continue. In a live case, the applicable notice and actual circumstances would determine timing.

EXHIBIT 24 / ILLUSTRATIVE ELAPSED EXERCISE UNITS

A response drill tests parallel duties before a release decision



ILLUSTRATIVE Assumed exercise window from 0 to 8 units. Intake and preservation occupy 0 to 1; product mapping 1 to 3; protected worker response 1 to 7; evidence reconciliation 3 to 5; importer and legal review 5 to 7; decision logging 7 to 8. Overlap is intentional. No statutory duration, field result or budget is implied.

Observe retrieval rather than rewarding a polished presentation. GFT proposes recording elapsed time to identify the potentially connected goods, elapsed time to locate the underlying record, and whether the response states its limitations correctly. Also test whether unauthorised movement can occur while a hold is recorded. These measures should expose a broken control even when the team eventually finds the document. No target or performance improvement should be claimed until a pilot establishes a usable baseline.

The drill should include a worker-protection challenge that cannot be solved by uploading more documents. An illustrative buyer request might ask for the complainant's identity, while the proposed safe response requires a restricted contact route. Participants should state the purpose of disclosure, the authorised recipient and the unresolved protection question. Detailed data controls belong in wp14 and the paper's privacy chapter. The test here is whether the incident process recognises the boundary before transmitting the material.

Use an observer who is not assembling the response to challenge its conclusions. GFT proposes asking the observer to select a finished batch from the proposed clear stock and require the team to reconstruct its allocation without advance preparation. Then select an unresolved batch and ask what precise evidence would change its status. This tests both unjustified reassurance and unnecessarily broad restriction. The exercise succeeds when the boundary is explained honestly, including where it remains uncertain, rather than when participants release the largest quantity of goods.

Close the illustrative exercise with an action register: the missing control, its owner, the evidence needed to establish correction and the condition for retesting. Rehearse the corrected step using another plausible allocation or subcontractor change, rather

than repeating the answer participants have memorised. GFT recommends testing the manual record chain before buying another platform. The operating architecture in wp18 and the trace-a-garment and risk-matrix companions can support that conversation without being represented as legal clearance tools.

The approval sought is practical: adopt a product-specific response protocol, assign decision owners and test it against an unresolved upstream link. Preserve the difference between suspicion, evidence, finding, remedy and authorised release. The factory should be able to explain both the goods it controls and the questions it has not answered. That is the proposed Warp and Signal discipline applied to an incident: production identity and measured decisions remain connected throughout the response.

A product response is credible when its evidence follows the goods and its remedy reaches the worker.

CHAPTER SOURCE NOTES

S10 European Commission, DG GROW. n.d..

S08 International Labour Organization. 2025-11-18.

S0501 European Parliament and Council of the European Union. 2024-11-06.

S35 European Parliament and Council of the European Union. 2026-02-24.

S09 International Labour Organization and International Organisation of Employers. 2025-11-26.

S0502 Council of the European Union. 2024-11-19.

S07 OECD. 2026-02-26.

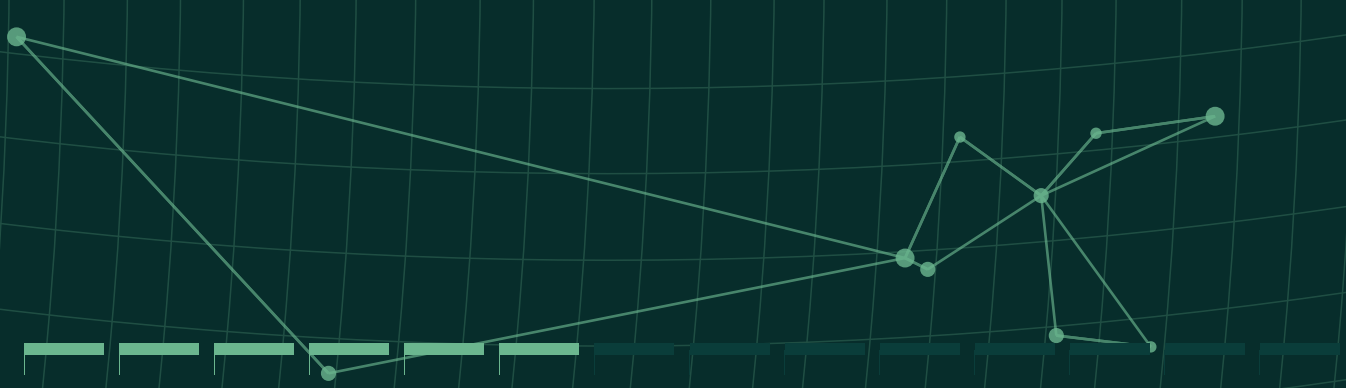
GREEN FUTURE TECH

LIMITED / HONG KONG SAR

06

Reporting requests should be necessary, reusable and bounded

Smaller suppliers need a controlled response system that distinguishes corporate reporting from other legitimate evidence requests.



CHAPTER 06
DECISION TEST

Smaller suppliers need a controlled response system that distinguishes corporate reporting from other legitimate evidence requests.

A supplier should answer a buyer's sustainability question through one controlled record, not through a new spreadsheet for every questionnaire. GFT recommends a response system that identifies the request's purpose, reuses evidence with the same meaning, and marks every gap, estimate and correction. The reporting value-chain cap can protect a defined supplier from excessive reporting requests. It does not dispose of necessary due-diligence enquiries, product evidence or worker protection. The operating objective is therefore purposeful selection rather than refusal: necessary information should move once, remain traceable and stop at a justified boundary. [S35]

This chapter is an operating-design analysis as of 30 October 2026, not legal, tax or investment advice. Exact amendment wording comes from the opened Council adopted text, with legal-status context from the Commission. Before asserting a statutory right or delivering a regulated response, the supplier and buyer should check the published act, relevant national implementation, effective reporting standards and their actual relationship. [S02] [S04] [S35]

6.1

The buyer reports its own sustainability statement

The Corporate Sustainability Reporting Directive assigns the corporate statement to the undertaking subject to that reporting regime. Companies within its scope report according to European Sustainability Reporting Standards, or ESRS. An African supplier may hold evidence that helps a buyer prepare that statement. Supplying the evidence does not, by that fact alone, make the supplier the reporting undertaking or transfer the buyer's responsibility for the corporate output. [S03]

The information request has two broad corporate purposes that should not be collapsed. The amended Accounting Directive refers to information needed to understand the undertaking's impacts on sustainability matters, and information needed to understand how those matters affect its development, performance and position. The first directs attention to people and the environment. The second connects sustainability matters to the reporting undertaking's prospects and condition. A supplier extract can inform either perspective, but its evidential status remains that of an input to the buyer's assessment. [S35]

This distinction changes the questions worth asking. A buyer assessing an impact may need to know which site performed a process, who was exposed and what corrective action followed. A buyer assessing a financial effect may need a different boundary, such as the possible interruption to a supply relationship. The same production record may support both enquiries, but neither should be answered with an undefined sustainability score. GFT recommends asking which decision the field supports and which population, period and unit would make the answer intelligible.

The corporate statement also differs from product evidence. EU product-safety rules require products sold in the EU to be safe irrespective of where they were made. A buyer's reporting template cannot replace the test report, specification control,

traceability or corrective action needed for a particular product. Conversely, a product file does not become a corporate sustainability statement merely because a supplier uploads it to a buyer portal. [S33]

GFT therefore proposes a request brief before any data collection begins. It should name the requesting entity, the corporate or commercial process served, the reporting period, the site and product boundary, the requested unit, the preferred format and the intended recipient. It should also ask what the buyer already holds. These fields are a proposed control, not a statutory form. Their purpose is to expose ambiguity while clarification is still cheap.

The response owner should then separate three kinds of work. The first is retrieval of an existing record whose definition already fits. The second is transformation, where a measured value can be recalculated transparently for another period or denominator. The third is new investigation, where the present evidence cannot answer the question. Treating all three as simple form filling hides the actual effort and encourages unsupported answers.

GFT's Cameroon textile programme supplies a useful design reference because its performance-management work connects production, quality, delivery, cost, people and sustainability records to owners and review. It does not demonstrate a deployed EU reporting service or an accepted buyer statement. The recommendation here is to use that operating record as the source of truth where its boundary fits, then add a controlled reporting view rather than building a parallel account of the factory.

Detailed greenhouse-gas accounting belongs to the companion carbon paper, and process measurement belongs to the resource paper. This chapter asks a prior question: can the supplier show what a reported value means, where it came from and why it is suitable for this request? If that cannot be shown, adding decimal places or another dashboard will not repair the answer.

6.2

The reporting cap protects a defined class of undertakings

The amended Accounting Directive defines a protected undertaking through two cumulative conditions. It must be in the value chain of a reporting undertaking, and it must not exceed an average of 1,000 employees during the preceding financial year, assessed on its balance sheet date. This is not a loose description of any small supplier. The workforce basis, period and value-chain relationship belong in the applicability record. [S35]

A reporting undertaking may rely on the value-chain undertaking's self-declaration to determine whether it is protected. The adopted text does not require the reporting undertaking to verify that declaration, but it may not rely on a declaration that it knows, or can reasonably be expected to know, is manifestly incorrect. GFT recommends a dated declaration that states its employee calculation and is reopened when the workforce basis or corporate relationship changes. [S35]

The substantive protection concerns information exceeding the voluntary standards. For a request made for sustainability reporting as required by the Accounting Directive, the protected undertaking has a right to decline the excess. The reporting undertaking must not require that excess through contractual or other arrangements established for its reporting requirements. A contrary contractual provision is not binding, without destroying the remainder of the contract. [S35]

The adopted text also places a notification duty on a reporting undertaking that directly or indirectly requests information beyond the voluntary standards from a protected undertaking. It must identify which information exceeds those standards and ensure that the protected undertaking is informed of its statutory right to decline it. A useful buyer request should therefore make the excess visible rather than leaving the supplier to reverse engineer the boundary from a portal. [S35]

The mechanism is bounded in both directions. It does not prohibit voluntary sharing, and it does not itself impose a general obligation on a value-chain undertaking to provide sustainability information. It also preserves requests for other purposes, including due diligence. A reporting undertaking that reports necessary value-chain information without exceeding the specified voluntary-standard information from protected undertakings is deemed to comply with the relevant value-chain reporting obligation. The cap is thus a reporting design rule, not a licence to conceal a material gap. [S35]

Legal status needs its own dated check. The Commission records that Directive (EU) 2026/470 was published in the Official Journal on 26 February 2026 and entered into force on 18 March 2026. The adopted amendment requires national measures for the reporting changes after entry into force, while the Commission's acts page lists the July 2026 voluntary standards as not in force until their own Official Journal publication. A supplier should not convert the adopted cap into an undated, universal refusal without checking the applicable national measure and effective standard. [S02] [S04] [S35]

The CSDDD request safeguard answers another question. For an in-depth assessment, companies may request partner information only where necessary. Where the partner has fewer than 5,000 employees, the information must also be unobtainable by other reasonable means. That test differs from the reporting cap's employee boundary, voluntary-standard reference and corporate-reporting purpose. The two regimes should appear as separate rows in the response record, not as one blended size exemption. [S35]

In practice, GFT proposes a protection assessment containing the request purpose, supplier workforce declaration, value-chain relationship, applicable voluntary-standard version, national-law check and any buyer notice of excess. The reviewer should record which fields are accepted, which are voluntarily supplied and which are declined with reasons. If the relationship or legal premise is unresolved, the response should say so and offer a proportionate alternative where possible.

This discipline also protects the buyer. A bounded response tells the reporting team which necessary information remains unavailable and why. It prevents an apparently complete supplier portal from concealing an unresolved scope question. The supplier

should preserve that limitation in its submission, while the buyer retains responsibility for explaining missing value-chain information where its own reporting rules require that explanation. [S35]

6.3

The VSME recommendation is a practical starting template

The Commission adopted its voluntary SME reporting recommendation on 30 July 2025. It presented the VSME as a way to reduce administrative burden by making it easier for smaller companies to answer sustainability-information requests from large companies and financial institutions. It encouraged requesters to base their questions on the voluntary standard as far as possible. This supports using the VSME as a common starting structure, not treating every buyer portal as an independently necessary invention. [S05]

The recommendation is voluntary. A supplier can use it to organise information without claiming that the resulting pack is a mandatory CSRD statement, an assured report or a regulator-approved filing. GFT's proposed adaptation is more modest still: map reusable internal records to the relevant VSME question, preserve the definition and evidence behind each answer, and omit fields that are not applicable with a stated reason. [S03] [S05]

Version control matters because the July 2026 policy instruments are not identical to the 2025 recommendation. The Commission records the adoption of two delegated acts on 3 July 2026, one simplifying certain ESRS and another establishing sustainability reporting standards for voluntary use by undertakings protected by the value-chain cap. The acts register opened for this chapter labels both as not in force until Official Journal publication. A folder named “VSME final” would conceal precisely the distinction the response system needs to retain. [S03] [S04]

Exhibit 25, p. 90 places the opened milestones on a common arithmetic scale. The intervals are calculated from calendar dates; they are not implementation durations or deadlines. The final point records the research boundary, not a prediction that the legal status will remain unchanged.

EXHIBIT 25 / DAYS AFTER 30 JULY 2025

An adopted reporting act still needs its legal-status check

0

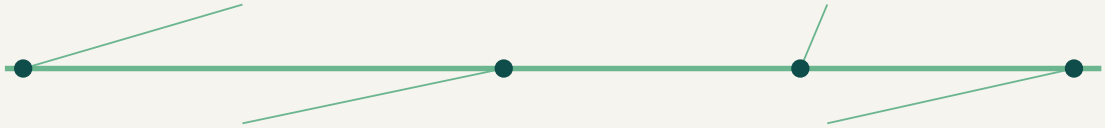
VSME recommendation

Commission adopts the voluntary SME recommendation on 30 July 2025.

338

Reporting acts adopted

Revised ESRS and voluntary value-chain standards are adopted on 3 July 2026.



209

Omnibus text adopted

Council-hosted adopted amendment is dated 24 February 2026.

457

Research status boundary

Opened acts page retains an Official Journal publication condition; effective version requires checking.

DERIVED [S03] [S04] [S05] [S35] Derived calendar arithmetic: 24 February 2026 minus 30 July 2025 = 209 days; 3 July 2026 = 338 days; 30 October 2026 = 457 days. S04 lists the July 2026 acts as not in force until Official Journal publication. This chapter does not certify a later publication or effective date.

The practical response is a version register, not a wait for perfect legal certainty. Record the template title, issuing body, adoption date, publication status where known, effective date where established, retrieval date and mapping version. A response prepared under the 2025 recommendation should remain identifiable after a later mapping is introduced. Historic answers should not be silently rewritten because a template changed. [S04] [S05]

A crosswalk can connect the old and new structures. For each question, it should show the internal dictionary key, the external field identifier, any change in definition and the migration decision. Some answers may transfer unchanged. Others may require a new boundary or additional evidence. The reviewer should mark those differences rather than assuming that similarly labelled fields remain equivalent.

The buyer has a role in keeping the template useful. GFT recommends asking it to accept the agreed common core and to place buyer-specific questions in a separate schedule. That schedule should state the additional purpose and decision. This is a negotiation proposal, not a claim that a buyer must accept a VSME-formatted answer for every legal or commercial need.

6.4

A data dictionary prevents incompatible answers

A reusable answer begins with a definition, not a value. GFT proposes a dictionary that identifies the site, legal entity where relevant, reporting period, workforce basis, output denominator, energy source, incident status and evidence owner. It should also state whether the record covers a whole site, a product family, an order or an allocated process. Without those fields, two accurate source records can produce an inaccurate consolidated answer.

The dictionary should distinguish a measured value from an estimate, an unavailable field and a non-applicable field. “Unavailable” means that the question applies but the supplier does not have adequate evidence. “Not applicable” requires a scope reason. An estimate needs a method, inputs, boundary and reviewer. None of these states should be converted to zero merely because a portal accepts only numeric entries.

This separation is particularly important when a buyer permits estimation. The estimate should not borrow an unmarked sector average and present it as site performance. Its method should show which measured records were available, which assumptions filled the gap and how sensitive the answer is to those assumptions. If the buyer needs a precise figure, the supplier should clarify whether an estimate is acceptable before investing in false precision.

A period lock provides another control. Once a reporting period closes, the source extract and dictionary version used for the submission should remain identifiable. A later payroll correction or meter reconciliation can create a new version, but it should not overwrite the evidence that supported the original answer. The review record should state whether the change is material for each recipient and whether a correction notice is required.

Exhibit 26, p. 92 shows a compact illustrative structure. Its rows are design examples, not observed factory data and not prescribed ESRS definitions. The actual buyer standard and operating context must determine the final definition. The table deliberately keeps method, evidence and review beside the value so that reuse does not detach the number from its meaning.

EXHIBIT 26 / ILLUSTRATIVE DICTIONARY FIELDS

A reusable answer retains its definition and evidence

Field	Boundary and period	Unit or state	Method	Evidence and owner	Review
Site electricity	Named site and meters; calendar quarter	kWh	Reconcile meter and invoice; label estimates	Meter log; energy reviewer	Unlocked
Workforce	Entity or site named; same period	Employees or FTE as requested	State averaging and inclusion rules	Payroll extract; HR reviewer	Definition check
Good output	Approved lines; same period	Garments	Count accepted units, not cutting input	Production log; operations owner	Unlocked
Corrective action	Specific case and site; period end	Open, closed, verified	Separate closure from effectiveness	Action register; process owner	Outcome unresolved

ILLUSTRATIVE Illustrative GFT response design. No factory observation, legal metric definition or completed review is represented. Adapt each row to the applicable standard, request purpose and measured system boundary.

The dictionary should also define transformations. If a buyer asks for energy per accepted garment, the numerator and denominator must cover the same site and period unless a documented allocation says otherwise. If another buyer asks for total site energy, the supplier should not submit the order-allocated value without explanation. The source measurement may be identical, but the reporting products are different.

Workforce fields need equal care. Period-end employees, average employees and full-time equivalent capacity answer different questions. Contractors and agency workers need an explicit inclusion rule rather than silent insertion into whichever category makes the answer appear stable. The protected-undertaking self-declaration has its own average-employee test, so its calculation should not be replaced by an unrelated portal field. [S35]

Incident and corrective-action records should preserve status at the reporting date. A concern reported but still investigated is not equivalent to a confirmed breach, and an action marked closed is not equivalent to an outcome verified with affected people. These distinctions allow the buyer to understand what is known without turning an unresolved case into either an accusation or a clean bill of health.

> **GFT NOTE**
>
> Approve one canonical response dictionary before buying another reporting portal. Give each field an owner, boundary, period, unit, evidence state and correction route. Let buyer-specific schemas reference that record rather than creating competing versions of the factory. Where a definition does not fit, ask for clarification or submit a labelled alternative instead of forcing the value into the nearest available field.

The dictionary is complete only when its ownership works in practice. Operations should explain production records, HR should explain workforce boundaries, and the evidence reviewer should test whether the submission matches the question. A sustainability coordinator can orchestrate the pack, but should not become the silent author of every operational estimate. Accountability remains with the roles that can explain and correct the source.

6.5

The purpose of a request determines the response route

Intake should classify the request before assessing its length. GFT proposes six working routes: sustainability reporting, CSDDD risk assessment, product safety, chemical compliance, commercial specification and voluntary marketing. A questionnaire can contain several routes at once. The response record should therefore classify each field or coherent field group, rather than allowing the document title to determine the legal treatment of every question.

For sustainability reporting, the reviewer tests the protected-undertaking conditions, the voluntary-standard boundary and the reporting purpose described above. For CSDDD risk assessment, the reviewer asks whether the information is necessary for the relevant in-depth assessment and, where the smaller-partner condition applies, whether it can reasonably be obtained elsewhere. Neither route should be used mechanically to answer the other. [S35]

Product safety requires an operational route. The Commission's product-safety guidance states that products sold in the EU must be safe regardless of where they were made, and that businesses must act when they find an unsafe product. A reporting cap should not be used to delay evidence needed to evaluate a safety concern or corrective measure. The request should identify the product, batch, hazard, decision and responsible economic operator. [S33]

Chemical compliance likewise needs product-specific treatment. REACH restrictions setting conditions for placing substances on the market apply to domestic production and imports. The Commission identifies a clothing, textile and footwear restriction in Annex XVII, but the current operative entry and exact article scope must supply the applicable limits and method. A generic corporate sustainability answer cannot establish that a garment meets those requirements. [S16]

The forced-labour route illustrates why “no reporting duty” does not mean “no information needed”. The Commission states that the Forced Labour Regulation introduces no audit or reporting obligations and does not prescribe sustainability due diligence. It also describes preliminary and formal investigations in which economic operators can be asked for documents or other information. The supplier should distinguish an ordinary buyer questionnaire from a case-specific investigation notice while keeping relevant product records retrievable. [S10]

Commercial specifications and voluntary marketing need their own review. A buyer may contractually require a standard beyond a legal minimum, but the supplier should identify that requirement as contractual and assess its feasibility, evidence and cost

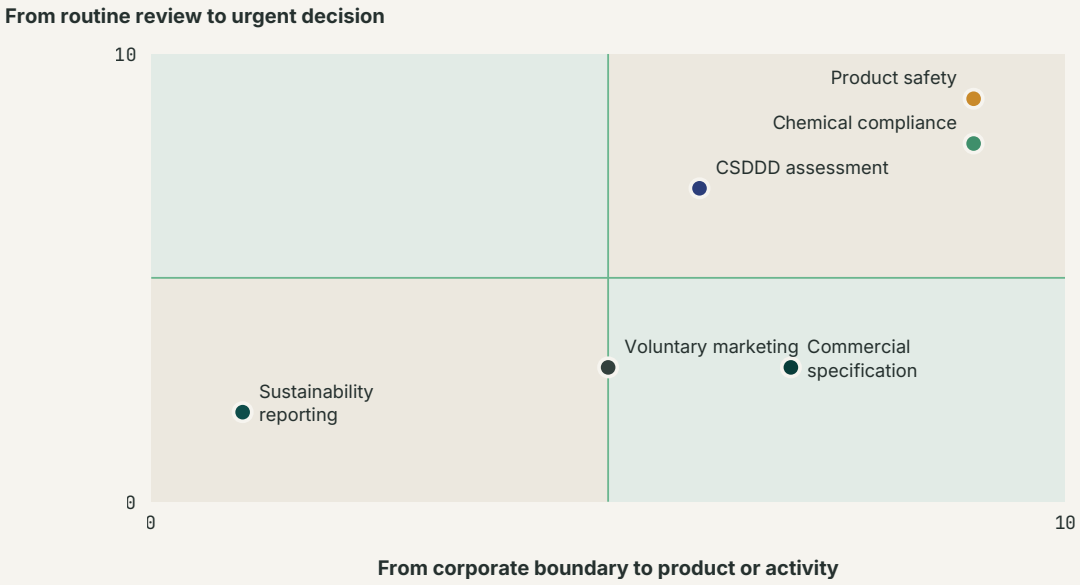
before acceptance. A marketing team may want a broad environmental story, while the evidence supports only a narrow product fact. The response should route that request to claims approval rather than inflating the reporting pack with unsupported superiority language.

Privacy provides a cross-cutting constraint, not another blanket refusal. Where GDPR applies, purpose limitation and data minimisation require personal data processing to serve a specified purpose and remain limited to what is necessary. A buyer's legitimate interest in labour evidence does not imply that every identity scan should be copied into a shared portal. The supplier should consider an aggregated answer, a redacted extract or controlled inspection, with local law and the actual processing arrangement reviewed separately. [S23]

Exhibit 27, p. 94 visualises this triage as an illustrative operating model. The horizontal position moves from a corporate value-chain boundary towards an identified product or activity. The vertical position moves from routine review towards an urgent operational decision. These are GFT planning coordinates, not legal scores, risk ratings or conclusions that one purpose matters more than another.

EXHIBIT 27 / ILLUSTRATIVE ROUTING COORDINATES FROM 0 TO 10

The question purpose selects the information rule



ILLUSTRATIVE [S02] [S10] [S16] [S33] [S35] Illustrative GFT synthesis. X runs from corporate value-chain reporting boundary (0) to identified product or activity (10). Y runs from routine review (0) to urgent operational decision (10). Positions are chosen to explain routing, not to rank legal duties or quantify risk.

The map shows why one universal refusal rule would fail. A reporting question may be bounded by the voluntary standards, while a safety question needs immediate technical escalation even when both arrive in the same workbook. It also shows why one universal acceptance rule would fail. A voluntary marketing request does not inherit the necessity of a product-safety enquiry merely because a buyer uses the same portal.

GFT's proposed protocol starts by reusing evidence that already answers the defined question. Where the purpose is ambiguous, the supplier asks for clarification before creating new data. Where the request is disproportionate, it offers a narrower extract or an existing equivalent and records the unresolved disagreement. Where the evidence suggests possible harm or a critical product failure, the operational review proceeds without waiting for the reporting negotiation to finish.

The response log should retain the buyer's answer to that clarification. If the buyer changes the purpose, the reviewer reopens the legal and evidential route. This prevents a reporting request from becoming a back door to unrestricted due-diligence collection, and it prevents a genuine risk assessment from being misfiled as optional reporting administration.

> **FIELD-LEVEL RESPONSE TRIAGE**
>
> For each coherent field group, record the stated purpose, the legal or contractual basis claimed by the requester, the product, site and period boundary, the existing dictionary key, the evidence state, the recipient and the decision supported. Then assign one operating state: reuse, transform, investigate, clarify or decline. Reuse requires a matching definition. Transformation needs a visible calculation. Investigation needs an owner and a review date. Clarification remains pending until the buyer answers. A decline states its basis and any proportionate alternative.
>
> Do not infer that legal basis from the portal label. Urgent safety or harm-related fields escalate immediately even when other fields remain under discussion. Close the field group only when the recipient has received the answer with its limitations and the released version has entered the submission log. This is a GFT operating design, not a statutory workflow.

6.6

An evidence pack should survive review and correction

A reusable pack needs a release process just as a product does. GFT proposes versioned submissions with a period lock, source references, reviewer sign-off and a distribution list. The pack should identify who prepared each answer, who checked its operational meaning and who authorised external release. These roles can overlap in a small organisation, but the checks should remain visible.

Preparation, assurance, buyer acceptance and public reporting are different states. Supplier preparation establishes what the supplier is willing to submit. External assurance has the scope and conclusion stated in its own engagement. Buyer acceptance records a commercial response within the buyer's process. Public reporting belongs to the entity making that publication. None of these states should be inferred from a completed upload or a successful file receipt. [S03]

Product acceptance is separate again. Product-safety guidance provides for corrective action, withdrawal and recall when unsafe products are identified. A buyer's acceptance of a sustainability pack does not establish that an EU authority has

accepted a product, nor does it remove an obligation to act on a later safety finding. The evidence pack should preserve the relevant product decision rather than presenting a general compliance badge. [S33]

The release checklist should test completeness against the applicable request, not against every field the supplier could possibly disclose. It should confirm that measured values reconcile to their sources, estimates carry methods, unavailable fields remain visible and non-applicable fields have reasons. It should also check that the final export has not dropped notes, units or source identifiers during format conversion.

Corrections need a wider boundary than the source file. If a meter error changes an energy answer, the reviewer should identify every submission that used it, assess the effect and notify the relevant recipients through a controlled correction. The original submission remains in the history. The new version states what changed, why, who approved it and which earlier version it supersedes.

Where personal data is concerned and GDPR applies, accuracy requires inaccurate data to be corrected or deleted without delay, taking account of the processing purpose. That principle supports a recipient-aware correction route rather than a quiet edit in a master spreadsheet. The detailed lawful basis, retention and international-transfer assessment still belongs to the privacy review, not to the reporting coordinator's convenience. [S23]

A correction should not erase a legitimate unresolved issue. If operations and HR disagree about a workforce boundary, the pack should record the dispute and the method chosen for the current response. Later agreement can close that issue through a reviewed decision. The reader can then distinguish a corrected factual error from a changed estimation method or a newly available record.

The pack also needs change triggers. A new buyer schema, a revised reporting standard, a different sales route, a changed meter boundary or a new subcontractor can all invalidate reuse. GFT proposes reopening only the affected dictionary rows and linked submissions, while preserving unaffected evidence. This makes maintenance proportionate and avoids rebuilding the entire response for every local change.

Finally, retention should follow the evidence's purpose and applicable obligations. The pack should remain retrievable long enough to support the statement, investigation or product decision it served, without turning every buyer extract into an indiscriminate permanent store of personal information. A retention schedule with legal and contractual review is safer than treating storage capacity as a retention policy. [S23]

6.7

Request burden should be measured as work

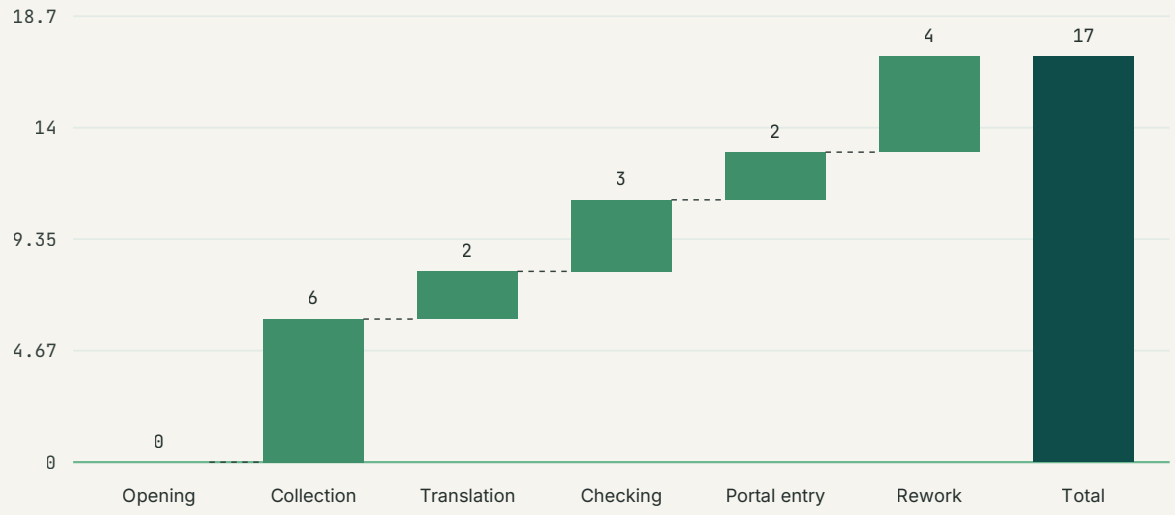
A supplier cannot manage request inflation if it records only the number of questionnaires received. GFT proposes logging collection hours, translation, evidence retrieval, checking, portal entry, rework and unresolved questions by buyer and request. The log should also identify duplicate fields and distinguish new investigation from reuse. These observations show where work accumulates; they do not presume that standardisation will save time.

The measurement unit should be a defined request, with amendments recorded separately. A short questionnaire can require extensive new measurement, while a long one can draw mostly from an approved pack. Comparing page counts would miss that difference. Staff time should be recorded by activity so that a technical investigation is not mistaken for avoidable administration.

Exhibit 28, p. 97 provides an illustrative work breakdown. All inputs are assumed to demonstrate the formula. They are not observed GFT hours, buyer benchmarks or a forecast. A future pilot should replace them with time records and preserve differences between products, buyers and request purposes.

EXHIBIT 28 / ILLUSTRATIVE STAFF HOURS PER REQUEST

Duplicate requests consume staff time that can be observed



ILLUSTRATIVE Illustrative formula: total response hours = collection + translation + checking + portal entry + rework = 6 + 2 + 3 + 2 + 4 = 17. All inputs are invented for the worked model and must be replaced by pilot observations.

The model makes rework visible as work rather than treating it as a defect after submission. It also suggests where a test should focus. If collection dominates, better source retrieval may help. If portal entry dominates, a common dictionary alone will not remove the burden. If rework follows inconsistent definitions, the buyer and supplier should examine the request specification before automating the response.

WORKED EXAMPLE: SIMILAR LABELS DO NOT MAKE THE ANSWERS REUSABLE

An illustrative Cameroon garment supplier receives two buyer requests. Buyer A asks for annual site electricity per accepted garment and average employees. Buyer B asks for quarterly order-allocated electricity per garment and period-end headcount. The labels are similar, but the periods, allocation boundaries and workforce definitions differ. The supplier should reuse source records and calculation documentation, not copy one final value into both answers.

For the response-burden model, assume the first request takes the illustrative 17 hours shown above. After a dictionary and evidence index are prepared, assume a comparable later request needs 2 collection hours instead of 6, and 1 rework hour instead of 4. Translation remains 2 hours, checking remains 3 and portal entry remains 2. The illustrative revised total is 2 + 2 + 3 + 2 + 1 = 10 hours. The modelled reduction is 17 minus 10, or 7 hours.

This arithmetic demonstrates a pilot measure, not a saving already achieved. The later request must be genuinely comparable, and the two energy and workforce answers still require their separate definitions. Reuse reduces avoidable retrieval and correction; it does not make incompatible reporting products identical.

A buyer negotiation can use the same evidence. The supplier should show which fields duplicate an agreed core, which require new measurement and which remain unclear. It can then propose the common pack, a bounded additional schedule and a realistic response date. Necessary harm-related evidence and critical product records should remain outside the burden-reduction trade-off.

GFT recommends testing this approach on a limited set of actual requests before claiming administrative value. Record the baseline, dictionary version, request mix and subsequent effort. Examine whether buyer clarification removes fields, whether retrieval improves and whether unresolved questions decline. If the burden merely moves from supplier administration to buyer review, the system has not achieved its objective.

Reuse the evidence, preserve its meaning and bound the request by its purpose.

CHAPTER SOURCE NOTES

S35 European Parliament and Council of the European Union. 2026-02-24.

S02 European Commission. n.d..

S04 European Commission, DG FISMA. 2026-07-03.

S03 European Commission, DG FISMA. 2026-07-03.

S33 European Union, Your Europe. 2026-08-19.

S05 European Commission, DG FISMA. 2025-07-30.

S16 European Commission, DG GROW. n.d..

S10 European Commission, DG GROW. n.d..

S23 European Commission. n.d..

GREEN FUTURE TECH

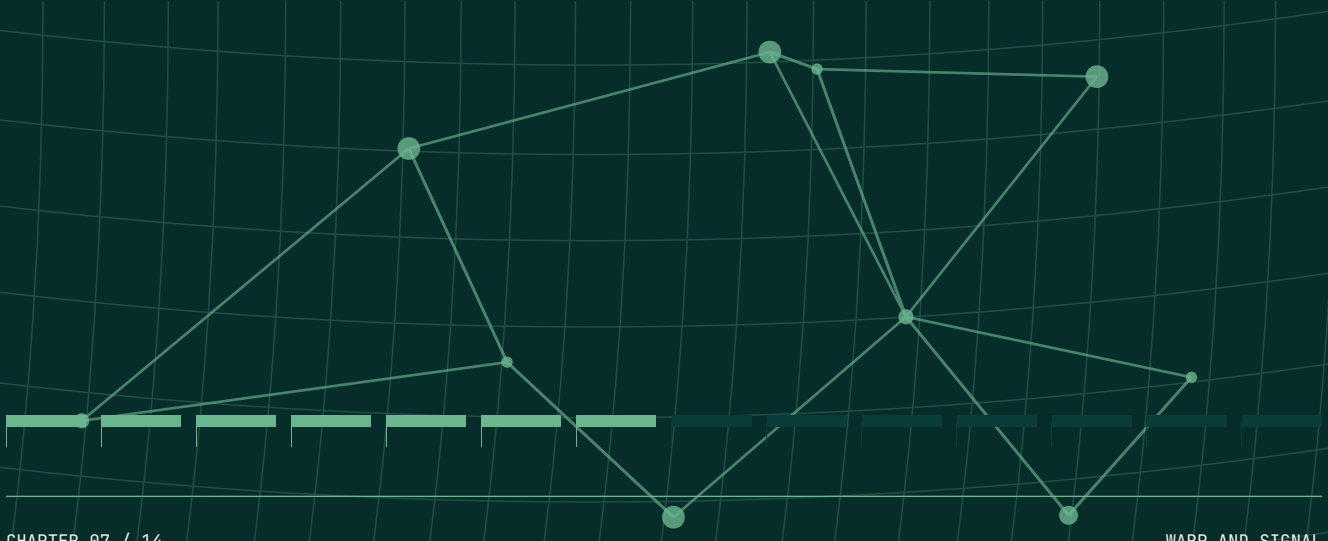
LIMITED / HONG KONG SAR

07

PART III: DEMONSTRATE THAT THE PRODUCT AND ITS CLAIMS CAN TRAVEL / SAFETY AND CHEMICALS

Current product duties need attention before future passport fields

A supplier must address composition, safety and chemical evidence even while new sustainability specifications are being developed.



CHAPTER 07
DECISION TEST

A supplier must address composition, safety and chemical evidence even while new sustainability specifications are being developed.

An African garment manufacturer preparing for European Union export routes cannot wait for the future textile Digital Product Passport to build product-level compliance evidence. [S11] While the Ecodesign for Sustainable Products Regulation (Regulation (EU) 2024/1781, in force since 18 July 2024) creates a framework for product longevity, circularity and digital information, the textile-specific delegated act has a planned adoption target of the fourth quarter of 2027 and its exact fields remain undecided. [S11] [S12] By contrast, four product-level regimes already govern clothing and textile articles placed on the European Union market today: fibre-composition labelling under Regulation (EU) No 1007/2011, sector-specific rules that determine when CE marking is prohibited or required, chemical restrictions on imported and domestic articles under Annex XVII of Regulation (EC) No 1907/2006 (REACH), and non-food product safety duties under the General Product Safety Regulation, which started to apply on 13 December 2024. [S16] [S17] [S28] [S34] Green Future Tech Limited (GFT), Hong Kong SAR, argues that a factory must weave composition verification, batch-matched chemical testing and post-sale safety traceability into production and dispatch gates now, before adding speculative passport fields. [S11] [S33]

In the Cameroon textile context, where inherited programme baseline records indicate that about 95 percent of cotton fibre is exported raw against about 5 percent processed locally and SND30 targets 50 percent local processing by 2030, moving from raw lint to finished garments shifts the compliance duty from commodity grading to finished-article conformity. [R06] [R07] GFT's three-part Cameroon textile programme (feasibility study, performance-management system design and digital strategy, prepared on 31 January 2024 with source-refresh notes retained in 2026) serves here as an operating-design reference for cut, make, trim and finishing operations, with spinning and knitting treated as optional partnered stages rather than a certified export plant. [R06] This chapter provides an operational engineering guide rather than legal, tax or investment advice; qualified advisers must verify the operative texts, Combined Nomenclature product codes and destination Member State rules for each transaction. [S28] [S33]

7.1

Composition labels must describe the product being sold

Every textile product marketed in the European Union must be labelled or marked to show its fibre composition, and the indication of fibre composition is mandatory at all stages of industrial processing and commercial distribution. [S17] [S0701] Under Regulation (EU) No 1007/2011, which has applied since 8 May 2012, mandatory composition rules cover all products containing at least 80 percent by weight of textile fibres, including raw, semi-worked, worked, semi-manufactured, semi-made and made-up products, as well as furniture, umbrella and sunshade coverings and textile components of multilayer floor coverings, mattress coverings and camping goods reaching at least 80 percent by weight. [S17] [S28] [S0701] A factory cannot treat composition labelling as a late packing detail; the label text is a regulated metrological statement about the mass fraction of every constituent fibre in the finished garment. [S17] [S28]

7.2 SCOPE BOUNDARIES, FIBRE NAMES AND MULTI-COMPONENT THRESHOLDS GOVERN THE LABEL TEXT

Before printing a label, the supplier and the European Union buyer must verify whether the article falls inside the general rule, a multi-component rule or a statutory exemption under Regulation (EU) No 1007/2011. [S17] [S28] Fibre names on the label are restricted to the harmonised generic names in Annex I, such as cotton, wool, polyester, viscose, lyocell or polyacrylate (added by Commission Delegated Regulation (EU) 2018/122 of 20 October 2017, after Commission Delegated Regulation (EU) No 286/2012 of 27 January 2012 added polypropylene/polyamide bicomponent). [S17] [S28] [S0701] Brand names or breed descriptions cannot substitute for an Annex I name: describing a knitted jumper solely as Merino violates the regulation unless the Annex I word wool appears, with any additional breed detail displayed separately under Article 16(2). [S28] Fibres must be listed in decreasing percentage order by weight under Article 9(1), meaning that a garment containing 60 percent cotton and 40 percent polyester cannot share a label with a style containing 40 percent cotton and 60 percent polyester. [S17] [S28]

Purity claims, tolerances and multi-component assemblies directly constrain factory quality control. [S17] [S28] A product may be described as 100 percent, pure or all of a single fibre under Article 7(1) only when composed exclusively of that fibre, subject to narrow statutory allowances. [S17] [S28] For multi-fibre blends, Article 20(3) permits a 3 percent manufacturing tolerance between the stated composition and the weight percentages obtained during official inspection under Article 19 (for example, 70 plus or minus 3 percent and 30 plus or minus 3 percent on a 70/30 blend). [S28] Under Article 11(1), textile components with different fibre contents that represent 30 percent or more of total product weight (and main linings) require separate disclosure, whereas smaller components below 30 percent need not be labelled separately (save for certain corsetry items under Annex IV where a 10 percent threshold applies) but still enter the overall calculation, excluding only reinforcement and trim items listed in Annex VII. [S28] Under Article 12, any textile product containing even small quantities of down, feather, bone, leather, pearl or horn must carry the exact sentence "Contains non-textile parts of animal origin" on the label or marking. [S17] [S28]

EXHIBIT 29 / CATEGORICAL LEGAL AND OPERATIONAL COMPARISON

Composition, safety and chemicals require different evidence

Regime	Current legal status	Product scope	Primary evidence record	Supplier verification role
Textile Regulation (EU) No 1007/2011	Applies since 8 May 2012	Products with at least 80% textile fibres by weight	Annex I fibre percentages, animal-origin notice, B2B or B2C label	Reconcile bill of materials, fabric weight and 3% lab tolerance
CE marking sector rules (e.g. PPE, toys)	Applies by specific product act	PPE (Reg. 2016/425), toys (Dir. 2009/48/EC), medical devices	EU declaration of conformity, technical file, notified body check	Screen intended use; never place CE mark on ordinary apparel
REACH Annex XVII restrictions	Applies to domestic goods and imports	Substances in articles, including Entry 72 (33 CMRs in textiles)	Batch-linked analytical test reports and recipe declarations	Control dyes, finishes, prints and trims against Annex XVII limits
General Product Safety Regulation (GPSR)	Applies since 13 December 2024	Non-food consumer products sold offline or online in the EU	Risk analysis, batch traceability, Safety Business Gateway path	Maintain lot records, physical safety checks and recall readiness
ESPR Textile Digital Product Passport	Planned delegated act Q4 2027	Textiles and apparel as defined in future delegated act	Future carrier-linked ecodesign and compliance dataset	Keep internal batch and material records reusable without pre-claiming

SOURCED [S11] [S16] [S17] [S28] [S33] [S34] Transcribed from opened EU institutional sources as of 30 October 2026. Exact obligation depends on the Combined Nomenclature product code, economic-operator role and destination Member State rules.

As shown in **Exhibit 29**, p. 102, each product rule answers a different regulatory question and demands a distinct primary artifact. [S11] [S16] [S17] [S28] [S33] [S34] What **Exhibit 29**, p. 102 cannot establish is the binding classification of a specific style without reviewing its tariff code, construction and sales route. [S28] [S33] Regulation (EU) No 1007/2011 does not harmonise wash-care symbols, sizing or country-of-origin marking, and Annex V exempts specific categories (such as textile parts of footwear under item 23, travel goods under item 17, toys, and device covers up to 160 square centimetres on one side under item 30), while Annex VI permits inclusive labelling for specified items. [S28] [S0701]

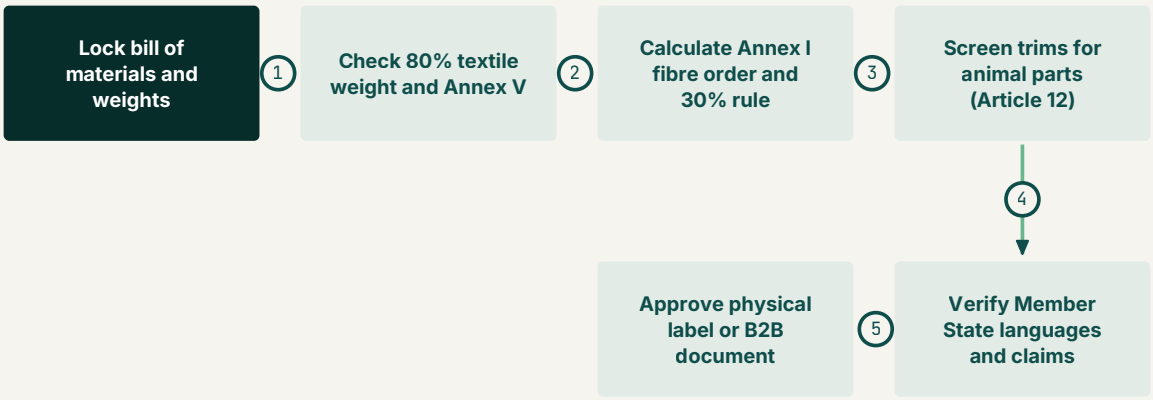
7.3 CONSUMER LABELS, BUSINESS-TO-BUSINESS DOCUMENTS AND RECYCLED-CONTENT STATEMENTS FOLLOW DISTINCT RULES

For textiles intended for sale to an end consumer, labels or markings must be durable, easily legible, visible, accessible and firmly attached (such as sewn in), using uniform lettering in the official language or languages of every Member State where the product is made available under Article 14(1) and Article 16(3), with composition also shown before purchase in catalogues and online offers under Article 16(1). [S17] [S28] Under Article 14(2), when products are supplied in business-to-business transactions within the supply chain or in public procurement, physical labels may be replaced or supplemented by accompanying commercial documents. [S17] [S28]

Mandatory composition must also remain separate from voluntary recycled-content statements. [S28] Under the Commission's FAQ on Regulation (EU) No 1007/2011, there is no requirement under the Textile Regulation to use the term recycled, and if a manufacturer wishes to give that information, the mandatory Annex I fibre name must appear first and the voluntary phrase must be displayed separately under Article 16(2) (for example, "polyester" followed separately by "recycled fibres"), provided it is not misleading. [S17] [S28] Since 27 September 2026, when Directive (EU) 2024/825 amending Directives 2005/29/EC and 2011/83/EU entered into application, any voluntary consumer environmental claim must also avoid generic unverified wording or presenting a component claim as covering the whole product. [S18] [S19] [S36]

EXHIBIT 30 / ILLUSTRATIVE GFT CONTROL SEQUENCE

The approved label follows the material specification



1. Style spec
2. In scope
3. Within 3% lab check
4. Add Article 12 text if needed
5. Sign off for batch print

ILLUSTRATIVE [S17] [S28] [S0701] Illustrative workflow proposed by GFT to link bill-of-materials records in the performance-management system design to Regulation (EU) No 1007/2011 verification gates. Not a record of an operating plant.

The illustrative sequence in **Exhibit 30**, p. 103 links the engineering bill of materials to label approval so a print proof cannot be released until component weights, Annex I fibre names, the 3 percent laboratory check, Article 12 animal-origin screening and Member State languages are verified. [S17] [S28] What **Exhibit 30**, p. 103 cannot validate is the chain-of-custody authenticity of a recycled fibre lot, which belongs to the provenance model in wp05. [S28]

7.4

The textile rules do not create a general CE-mark requirement

Garment exporters and unverified brokers sometimes assume that exporting clothing to the European Union requires a CE mark on the garment label. [S28] The European Commission's FAQ on Regulation (EU) No 1007/2011 states clearly: "The Textile Regulation does not require CE marking of textile products." [S28] CE marking is reserved exclusively for product categories governed by specific Union harmonisation legislation that mandates its use. [S28] [S33]

7.5 SPECIALISED PRODUCT LEGISLATION DETERMINES WHEN CE MARKING OR SEPARATE MATERIAL PICTOGRAMS APPLY

Certain products that meet the textile definition (at least 80 percent textile fibres by weight under Article 3(1)(a) of Regulation (EU) No 1007/2011) concurrently fall under sector-specific legislation requiring CE marking, technical files and manufacturer or importer identification. [S28] Question 8.6 of the Commission's FAQ identifies four main categories: [S28]

1. **Personal protective equipment (PPE)**: protective workwear, high-visibility garments and protective gloves designed to protect against health and safety hazards under Regulation (EU) 2016/425. [S28] [S0702]
2. **Medical devices**: surgical gowns, drapes and medical textiles governed by the Medical Devices Regulation (EU) 2017/745. [S28]
3. **Toys**: textile plush toys and dress-up items governed by the Toy Safety Directive 2009/48/EC (while Annex V of the Textile Regulation exempts toys from mandatory fibre composition labelling). [S28]
4. **Construction products**: geotextiles and construction textiles governed by the Construction Products Regulation (EU) No 305/2011. [S28]

Footwear follows a separate legal boundary. [S28] [S0702] Under Annex V item 23 of Regulation (EU) No 1007/2011, textile parts of footwear are exempt from mandatory textile fibre labelling, and Article 12 on animal-origin parts does not apply to footwear. [S28] Instead, Directive 94/11/EC requires consumer footwear labels to indicate the materials (leather, coated leather, textile or other materials) accounting for at least 80 percent of the surface area of the upper and the lining and sock, and at least 80 percent of the volume of the outer sole (or the two main materials where no single material reaches 80 percent). [S28] [S0702] In the Commission's 2025 to 2030 ESPR Working Plan (COM(2025) 187 final of 16 April 2025), footwear is also treated separately from textiles, with a dedicated study due by the end of 2027. [S13]

GFT NOTE

GFT recommends a mandatory pre-costing product-classification check before accepting any European Union order. The commercial and quality leads should complete an illustrative three-part worksheet: first, record the bill of materials and user group (adult apparel, children's wear, protective workwear or footwear); second, screen every functional or marketing claim on the buyer's tech pack (such as high-visibility, flame-retardant, protective or medical support) to check whether it triggers PPE Regulation (EU) 2016/425 or Medical Devices Regulation (EU) 2017/745; third, forbid printing a CE mark on any garment unless the style file holds a verified EU Declaration of Conformity citing the harmonisation act that mandates it. [S28] [S33] Using a CE mark on ordinary cotton apparel to signal quality or sustainability is unlawful. [S28] [S33]

7.6

Chemical restrictions apply to imports as well as EU production

Unlike corporate reporting or due-diligence directives that apply through company-size thresholds, European Union chemical restrictions attach directly to imported articles. [S02] [S16] As the European Commission's REACH Restrictions reference states: "Restrictions setting out conditions for the placing on the market of substances apply to both domestic production and imports." [S16] Under Title VIII and Annex XVII of Regulation (EC) No 1907/2006 (REACH), restrictions can ban or limit substances in imported textile articles even where registration is not required. [S16]

7.7 ANNEX XVII ENTRY 72 AND RELATED SUBSTANCE RULES TARGET TEXTILE DYES, FINISHES, PRINTS AND TRIMS

For an African cut-make-trim and finishing plant, the primary chemical rule is Entry 72 of Annex XVII to REACH, enacted by Commission Regulation (EU) 2018/1513 under Article 68(2) and applicable since 1 November 2020. [S16] Entry 72 restricts 33 carcinogenic, mutagenic or reprotoxic (CMR) category 1A and 1B substances in clothing, related accessories, skin-contact textiles and footwear, whether present as production residues or added intentionally for shrinkage or crease resistance. [S16] On 27 June 2018, the CARACAL competent authorities endorsed explanatory guide CA/44/2018 clarifying covered articles and available analytical methods. [S16]

Opened Commission records in S16 and S28 also identify related restrictions affecting garment components and finishes: [S16] [S28]

- **Nickel in metal fasteners (Entry 27 of Annex XVII)**: metal zippers, snaps, rivets and buttons in direct and prolonged skin contact must comply with Entry 27 nickel-release limits verified by harmonised standards. [S16]
- **Polycyclic aromatic hydrocarbons (Entry 50 of Annex XVII)**: adopted in December 2013 under Regulation (EU) No 1272/2013, Entry 50 restricts PAHs in rubber and plastic components of consumer articles in skin or oral contact, such as plastisol prints, elastomeric straps and soles. [S16]

- **Phthalates in plasticised materials (Entries 51 and 52 of Annex XVII)**: revised Entry 51 restricts DEHP, BBP, DBP and DIBP at or above 0.1 percent by weight individually or combined in any plasticised material (such as PVC prints, coated fabrics or synthetic patches). [S16]
- **PFAS and PFHxA in consumer textiles**: while national authorities estimate that textiles, upholstery, leather, apparel and carpets represent 11 percent of PFAS use (behind fluorinated gases at 59 percent and transport at 19 percent), the Commission adopted a restriction on 19 September 2024 banning undecafluorohexanoic acid (PFHxA) and PFHxA-related substances in consumer textiles such as rain jackets and waterproofing sprays. [S16]
- **Intentionally added microplastics and POPs**: Regulation (EU) 2023/2055 (adopted 25 September 2023, in force 17 October 2023) restricts synthetic polymer particles below five millimetres intentionally added to products (including non-biodegradable loose plastic glitter, subject to transitional rules), while Regulation (EU) 2019/1021 governs persistent organic pollutants and the REACH Restrictions Roadmap (updated 31 August 2026) signals upcoming substitution priorities. [S16] [S28]

7.8 PROCESS-LEVEL CHEMICAL MANAGEMENT DIFFERS FROM LEGAL ARTICLE LIMITS AND BUYER RSLS

Suppliers must separate three chemical frameworks: statutory article restrictions (REACH Annex XVII and POPs), buyer Restricted Substances Lists (RSLs), and factory process guidance. [S16] [S26] [S28] The World Bank Group and International Finance Corporation (IFC) Environmental, Health, and Safety Guidelines for Textile Manufacturing (30 April 2007) cover wet processing and natural, synthetic and regenerated fibre manufacturing, while stating: "This document does not include polymer synthesis and natural raw materials production." [S26] The IFC guidelines recommend replacing alkylphenol ethoxylates (APEOs) with biodegradable alcohol ethoxylates, avoiding high-formaldehyde cross-linkers, dichromate oxidisers and benzidine-based azo dyes that form carcinogenic aromatic amines, and testing textiles before market entry for pH, pesticides, heavy metals, formaldehyde, chlorinated phenols and carriers. [S26] However, IFC effluent guidelines (such as pH 6 to 9, BOD 30 milligrams per litre, COD 160 milligrams per litre, AOX 1 milligram per litre, total chromium 0.5 milligrams per litre and hexavalent chromium 0.1 milligrams per litre for 95 percent of operating hours) govern local factory discharges rather than certifying that a garment meets REACH Annex XVII Entry 72. [S26] Likewise, buyer RSLs or voluntary EU Ecolabel criteria under Decision (EU) 2014/350 (prolonged on 23 December 2025 to 31 December 2028) may exceed statutory law and must be tracked separately in the factory register. [S16] [S27]

7.9

Sampling evidence has to match the batch and the test question

A laboratory test report is an empirical measurement of a specific submitted sample under a named analytical standard, not a blanket export licence. [S16] [S28] Attaching an outdated generic pass certificate from a fabric trader provides no protection if the dye bath, finishing recipe, print paste or metal trim lot has changed. [S16] [S26]

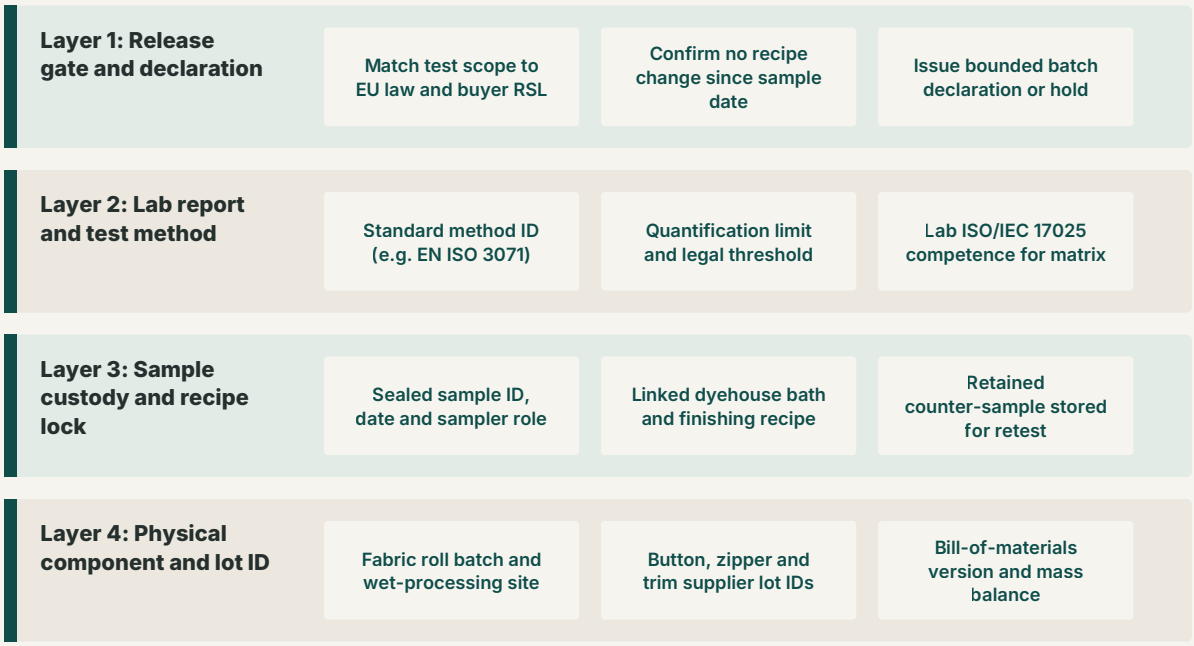
7.10 COMPONENT-LEVEL RISK MAPPING DETERMINES WHAT TO TEST AND WHICH METHOD TO SPECIFY

Drawing on S16, S26 and S28, GFT decomposes the garment bill of materials into five homogeneous testing zones: [S16] [S26] [S28]

- **Greige and bleached natural fabrics**: screen for agricultural pesticide residues where relevant, aqueous extract pH under EN ISO 3071 (S28), and chlorinated bleaching residues. [S26] [S28]
- **Dyed yarns and fabrics**: test against the 33 CMRs in Entry 72 of Annex XVII, including carcinogenic aromatic amines cleaved from azo dyes, restricted disperse dyes and extractable heavy metals. [S16] [S26]
- **Resin-finished and water-repellent fabrics**: test for free and released formaldehyde (Entry 72) and PFHxA or related PFAS substances in repellent finishes (S16). [S16] [S26]
- **Prints, coatings and plasticised trims**: test for restricted phthalates (DEHP, BBP, DBP and DIBP at the 0.1 percent threshold in Entry 51), PAHs (Entry 50), solvent residues and intentionally added microplastics. [S16] [S26]
- **Metal fasteners and leather or animal-origin trims**: test metal parts touching skin for nickel release (Entry 27) and lead or cadmium, and screen leather and horn trims for chromium VI and the Article 12 label notice. [S16] [S28]

EXHIBIT 31 / ILLUSTRATIVE GFT FOUR-LAYER EVIDENCE MODEL

A test report supports only its stated sample and method



ILLUSTRATIVE [S16] [S26] [S28] [S33] Illustrative control architecture designed by GFT to connect laboratory test reports to batch production records in the Cameroon programme PMS design. Does not represent an audited laboratory deployment.

As shown in **Exhibit 31**, p. 107, a laboratory report in Layer 2 supports a Layer 1 release decision only when Layer 3 (sample chain of custody and recipe lock) and Layer 4 (physical component and supplier lot identity) remain unbroken. [S16] [S28] [S33] What **Exhibit 31**, p. 107 cannot supply is the operative concentration limit for every substance; reviewers must check the current Annex XVII text, the CARACAL guide CA/44/2018, CEN/TC 248 standards and the ECHA Forum's living compendium of analytical methods before ordering tests. [S16] [S28]

METHOD

GFT proposes an illustrative five-point **Test-to-Batch Reconciliation Check** within the factory quality system (linking to process measurement in wp06 and provenance data in wp05): [S16] [S28]

1. **Identity link**: confirm that fabric rolls, dye lots, finishing logs and trim batches cut for the order match the lot identifiers on the laboratory sample form. [S16] [S26]
2. **Component coverage**: verify that main fabrics, linings, prints, coatings and fasteners are each covered in their relevant matrix. [S16] [S28]
3. **Threshold check**: confirm that the tested analytes match REACH Annex XVII (such as Entry 72, Entry 27, Entry 50, Entry 51 and PFHxA) plus the buyer RSL, with a limit of quantification below the threshold. [S16]
4. **Method competence**: verify that the report cites the current CEN/TC 248, EN ISO (such as EN ISO 3071 or Annex VIII of Regulation (EU) No 1007/2011) or ECHA compendium method and laboratory accreditation. [S16] [S28]
5. **Retest trigger screen**: check logs between sampling and packing for five retest triggers: (a) a dye or finish chemical change; (b) a fabric mill, dyehouse or trim supplier switch; (c) re-dyeing or chemical rework; (d) odour, pH or colour-fastness anomalies; or (e) a legal or buyer RSL update. [S16] [S26]

7.11

Product safety requires a response after sale as well as before shipment

Beyond composition and chemical limits, every garment must satisfy the overarching European Union safety rule: "EU rules require that all products sold in the EU must be safe, regardless of where they were made." [S33] For non-food consumer products sold offline or online, the horizontal regime is the General Product Safety Regulation (GPSR), which "started to apply on 13 December 2024" alongside the Digital Services Act (applying since February 2024) and Market Surveillance Regulation (EU) 2019/1020. [S28] [S34] [S0703]

7.12 THE GPSR LINKS PRE-MARKET RISK ANALYSIS TO POST-MARKET SAFETY GATE AND SAFETY BUSINESS GATEWAY DUTIES

While the Council notes that 68 percent of European Union consumers feel confident that products they buy are safe, the GPSR tightens both pre-market prevention and post-sale recall obligations: [S33] [S34] [S0703]

- **Pre-shipment risk assessment and traceability**: garments must be evaluated against European safety standards (such as CEN/TC 248 pull-test standards for children's clothing attachments, cords, sharp trims and chemical hazards) and carry batch or serial traceability plus responsible European Union economic-operator contact details. [S28] [S33] [S34]
- **Online marketplace controls and product safety sweeps**: online marketplaces must designate a single product-safety contact point and cooperate with authorities authorised to order removal of dangerous offers; the GPSR also introduced simultaneous coordinated "product safety sweeps" and automated detection of reappearing dangerous web offers. [S34] [S0703]
- **Safety Business Gateway notifications and Safety Gate alerts**: when a product on the market proves dangerous, economic operators must immediately take corrective action (withdrawal from distribution, recall from consumers or destruction) and notify national authorities through the **Safety Business Gateway**, while authorities share alerts across the Union via **Safety Gate**. [S33] [S34] [S0703]
- **Consumer recall remedies**: when a product is recalled under the GPSR, consumers are entitled to repair, replacement or refund. [S34]

> **WARNING**
>
> As official Your Europe guidance warns, only a **manufacturer, a distributor or an authorised representative** can file notifications in the **Safety Business Gateway** (S33). [S33] Where an African supplier sells through an European Union importer or brand, that buyer typically holds the statutory reporting role, whereas a direct-to-consumer exporter must appoint a responsible economic operator in the Union. [S33] [S34] In either route, if the African factory cannot trace which fabric roll, needle-check log and trim batch entered an unsafe lot, a narrow batch withdrawal can escalate into a full recall. [S33] [S34] Holding a voluntary **EU Ecolabel** award (under Regulation (EC) No 66/2010 and textile or footwear criteria prolonged to 31 December 2028) never replaces GPSR safety conformity. [S27] [S29] [S33]

7.13

A supplier declaration must state its limits

Buyers often demand a blanket warranty stating that a shipment complies with "all EU laws, including REACH, GPSR, Textile Labelling, ESPR, CSDDD and CSRD." [S02] [S11] [S16] [S17] [S33] Signing an unbounded warranty confuses factory-controlled product facts with buyer corporate reporting duties (S03, S35), undecided future textile passport fields (S11) and unverified upstream inputs (S07, S16). [S07] [S11] [S16] [S17]

7.14 FOUR DISTINCT DOCUMENTS CARRY DIFFERENT EVIDENTIAL WEIGHT AND AUTHORITY

GFT's compliance register separates four evidence types: [S16] [S29] [S33]

1. **A bounded supplier declaration**: a first-party statement for a named style, order and batch range, listing the exact requirement checked, the bill of materials and logs reviewed, the signatory role, issue date and upstream certificates relied upon. [S16] [S17] [S28]
2. **An accredited laboratory test report**: a third-party measurement valid only for the tested specimen, method and detection limit. [S16] [S28]
3. **A voluntary third-party ecolabel or certification**: an independent award against scheme criteria for a defined product group and validity window, such as the EU Ecolabel (S27, S29, S36). Under Directive (EU) 2024/825 (S18, S36), displaying a voluntary sustainability label in consumer marketing is prohibited from 27 September 2026 unless established by public authorities or based on a third-party certification scheme whose monitor is legally separate from both the scheme owner and the trader. [S18] [S36]
4. **A competent-authority inspection decision**: an official customs or market-surveillance determination (such as by Sector 32 textile labelling authorities in S28), which no private certificate can pre-empt. [S28] [S33] [S0703]

7.15 CHANGE-NOTIFICATION RULES PROTECT THE VALIDITY OF A BOUNDED SUPPLIER DECLARATION

In GFT's illustrative control design, every batch declaration states four boundaries: (a) the exact product, purchase order, date window and carton count; (b) the positive list of verified composition and REACH Annex XVII parameters; (c) explicit exclusions for undecided future rules such as Q4 2027 textile passport fields (S11); and (d) a mandatory **Change-Control Covenant** requiring written notice and buyer approval before any change in fabric mill, blend ratio, dye recipe, finishing chemical, print paste, trim supplier or subcontractor. [S07] [S11] [S16] [S17] [S28] This change trigger is a GFT operational control rather than a statutory retest interval, preventing unrecorded dyehouse substitutions from invalidating the shipping file. [S16] [S26]

7.16

Shipment release should stop on an unresolved critical requirement

GFT rejects weighted-average compliance scores at dispatch: product duties are conjunctive legal gates where an accurate French and German composition label cannot offset a REACH Annex XVII Entry 72 amine failure or a failed GPSR fastener pull test. [S16] [S17] [S28] [S33] [S34]

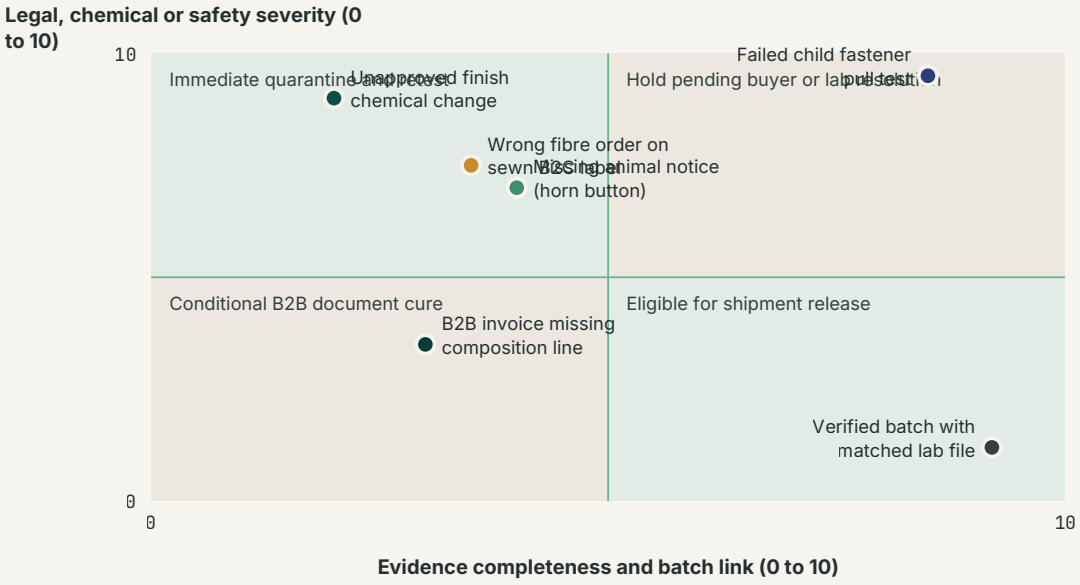
7.17 VISUAL DEFECT INSPECTION AND COMPLIANCE EVIDENCE GATES SERVE COMPLEMENTARY ROLES

In GFT's Cameroon textile programme (prepared 31 January 2024 with 2026 source refreshes), automated visual inspection (wp03) and compliance release gates complement each other. [R28] [R29] Inherited inspection literature records that manual fabric inspection is 60 to 70 percent accurate and misses 20 to 30 percent of defects, whereas computer vision exceeds 90 percent accuracy across more than 40 defect

types at up to 60 metres a minute (within a fabric-defect-detection AI market estimated at US$523.4 million in 2024 and projected to US$6,522.1 million by 2033 at 33.8 percent a year, while McKinsey's *The State of Fashion 2025* notes AI cutting inventory costs by 35 to 40 percent). [R27] [R28] [R29] Yet a line-scan camera cannot detect PFHxA in a water-repellent finish (S16), a blend drift beyond the 3 percent tolerance in Article 20(3) of Regulation (EU) No 1007/2011, or a missing Article 12 horn-button notice (S28). [R29] [S16] [S28] GFT's **Shipment Release Gate** therefore requires both physical inspection sign-off and documentary compliance sign-off before packing release. [R29] [S16] [S17] [S33]

EXHIBIT 32 / ILLUSTRATIVE GFT RELEASE-GATE SCORE (0 TO 10 SCALE)

A critical evidence gap should hold the shipment



ILLUSTRATIVE [S16] [S17] [S28] [S33] [S34] Illustrative two-dimensional decision model proposed by GFT. Coordinates are analytical design positions on a 0 to 10 scale, not statistical measurements or regulatory probabilities.

In **Exhibit 32**, p. 111, any batch in the upper quadrants (such as an unapproved finish chemical change, a failed child fastener pull test or a wrong consumer label) triggers a warehouse hold. [S16] [S17] [S28] [S33] [S34] Only a non-hazardous B2B paperwork omission in the lower-left quadrant (such as adding a composition line to a commercial document under Article 14(2)) can be cured by documentation alone; **Exhibit 32**, p. 111 never permits shipping chemically unverified goods while awaiting later tests. [S16] [S17] [S28] [S33]

WORKED EXAMPLE

Illustrative mid-order finishing substitution on a Cameroon cotton-twill overshirt order

Consider an explicitly **illustrative** production case demonstrating GFT's release-gate arithmetic (all figures are illustrative design assumptions, not observed plant data). [S16] [S17] [S28] [S33]

Assumed order and product specification. An illustrative Cameroon plant produces **2,400 men's water-repellent woven overshirts** (100 cartons of 24 units) for an European Union importer selling in France, Germany and Belgium. [S17] [S28] Each illustrative **500-gram** overshirt comprises:

- Main shell (illustrative): **430 grams** of woven 100 percent cotton twill (**86.0 percent** of total weight). [S17]
- Yoke and pocket lining (illustrative): **50 grams** of 100 percent polyester taffeta (**10.0 percent** of total weight, not a main lining). [S28]
- Non-textile trims (illustrative): **12 grams** of natural horn buttons and **8 grams** of thread, labels and Annex VII stiffening (**4.0 percent** of total weight). [S28]

Composition and Article 12 label check. Following **Exhibit 30**, p. 103 under Regulation (EU) No 1007/2011: [S17] [S28]

- **Scope and components (Articles 2 and 11(1))**: in this illustrative case, textile fibres weigh 430 plus 50 equals 480 grams out of 500 grams (**96.0 percent**, above the **80 percent** threshold); the polyester lining is **10.0 percent** of total weight (below the **30 percent** separate-component threshold), so it is combined into the overall composition. [S17] [S28]
- **Fibre order and animal-origin notice (Articles 9(1), 12, 16(3) and 20(3))**: on the 480-gram net textile denominator, cotton is 430 divided by 480 equals 89.58 percent (**90 percent cotton**) and polyester is 50 divided by 480 equals 10.42 percent (**10 percent polyester**), within the **3 percent** analysis tolerance; the 12-gram horn buttons require the sentence **"Contains non-textile parts of animal origin"** in **French, German and Dutch**, with no CE mark permitted. [S17] [S28]

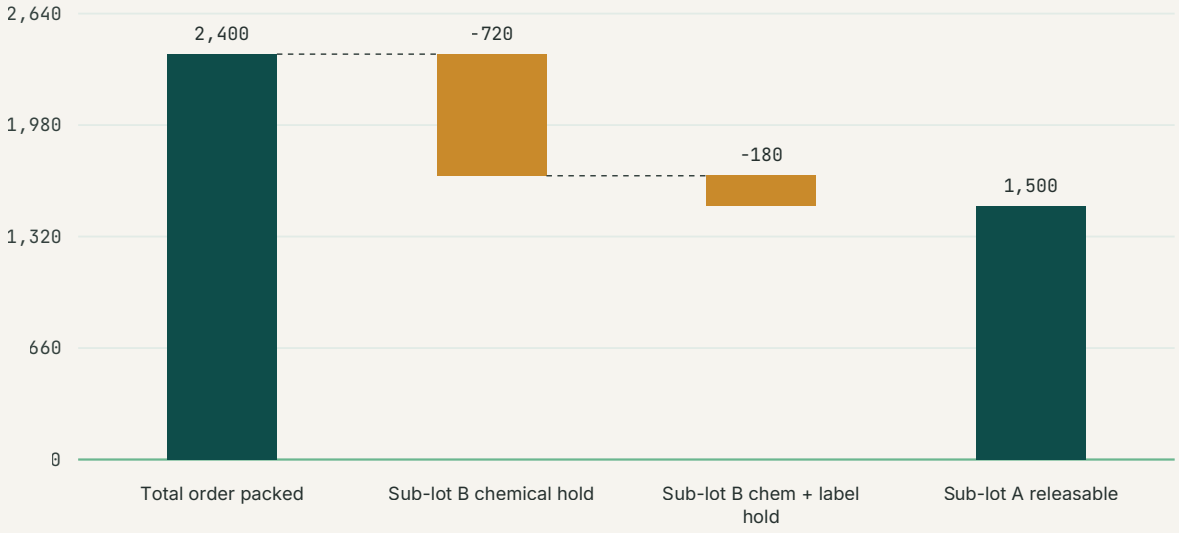
Mid-order finishing change and containment arithmetic. The illustrative 2,400 overshirts are finished in two sub-lots: **Sub-lot A (1,500 units, Cartons 1 to 62 plus 12 units in Carton 63)** uses approved fluorocarbon-free wax Recipe W-01 with verified REACH Entry 72, PFHxA and EN ISO 3071 pH reports; **Sub-lot B (900 units, 12 units in Carton 63 plus Cartons 64 to 100)** undergoes an unapproved weekend switch to stock fluorochemical and urea-formaldehyde Recipe W-02, and **180 units** of Sub-lot B (Cartons 93 to 100) also receive an old label missing the Article 12 horn-button notice. [S16] [S17] [S26] [S28] At the release gate: [S16] [S28]

- **Split-release eligible (Sub-lot A)**: unpacking **Carton 63** (24 illustrative units) segregates its 12 Sub-lot A units by bundle ticket to join Cartons 1 to 62 (**1,488 units**), yielding **1,500 releasable Sub-lot A garments** (**62.5 percent** of the order). [S16] [S17]
- **Quarantined for retest and relabelling (Sub-lot B)**: **900 illustrative garments** (**37.5 percent** of the order, weighing 450 kilograms) are held for accredited laboratory retesting on REACH Entry 72 formaldehyde and the 19 September

2024 PFHxA ban (S16), including **720 units** held for chemical retesting alone and **180 units** (Cartons 93 to 100, or **7.5 percent** of the order) held for both chemical retesting and physical Article 12 label replacement. [S16] [S17] [S28]

EXHIBIT 33 / ILLUSTRATIVE GARMENT UNITS (2,400-UNIT ORDER)

Batch segregation isolates the unapproved finish change before export



ILLUSTRATIVE [S16] [S17] [S28] [S33] Illustrative reconciliation from the worked example: 2,400 ordered garments minus 720 Sub-lot B garments held for chemical retest only, minus 180 Sub-lot B garments held for both chemical retest and Article 12 relabelling, leaving 1,500 Sub-lot A garments eligible for split release.

The illustrative waterfall in **Exhibit 33**, p. 113 shows how bundle-to-bath traceability confines the unapproved Recipe W-02 change to the 900 garments of Sub-lot B while preserving 1,500 Sub-lot A garments for split release. [S16] [S17] [S28] [S33] Without batch linkage, all 2,400 garments would require quarantine; and if Sub-lot B fails its laboratory retest, those 900 garments cannot be placed on the European Union market even if relabelled. [S16] [S33] Building this operational discipline across composition, CE-scope, REACH chemicals, GPSR safety and release gates today creates the exact product-and-batch evidence foundation that Chapter 8 will extend to future ecodesign and Digital Product Passport rules. [S11] [S12] [S16] [S17] [S33]

A passport field is a promise for tomorrow, but a composition label, a chemical test and a safe garment are the ticket across the border today.

CHAPTER SOURCE NOTES

S11 European Commission, DG GROW. 2026-10-30.

S12 European Commission, DG Environment. 2026-10-30.

S16 European Commission, DG GROW. 2026-10-30.
S17 European Union, Your Europe. 2026-10-30.
S28 European Commission, DG GROW. 2026-10-30.
S34 Council of the European Union. 2026-10-30.
S33 European Union, Your Europe. 2026-08-19.
R06 Cameroon Trade Hub. Publication date unrecorded; inherited source-text check.
R07 Ecofin Agency. Publication date unrecorded; inherited source-text check.
S0701 European Commission, DG GROW. 2026-10-30.
S18 European Commission. 2026-10-30.
S19 Council of the European Union. 2026-10-30.
S36 European Commission, DG Justice and Consumers. 2026-09-22.
S0702 European Commission, DG GROW. 2026-10-30.
S13 European Commission. 2025-04-16.
S02 European Commission. 2026-10-30.
S26 World Bank Group and International Finance Corporation. 2007-04-30.
S27 European Commission, DG Environment. 2026-10-30.
S0703 European Commission, DG Justice and Consumers. 2026-10-30.
S29 European Commission, DG Environment. 2026-10-30.
S07 OECD. 2026-02-26.
R28 DataIntelo. Publication date unrecorded; inherited source-text check.
R29 MDPI; industry inspection literature. Publication date unrecorded; inherited source-text check.
R27 McKinsey, The State of Fashion 2025. Publication date unrecorded; inherited source-text check.

GREEN FUTURE TECH

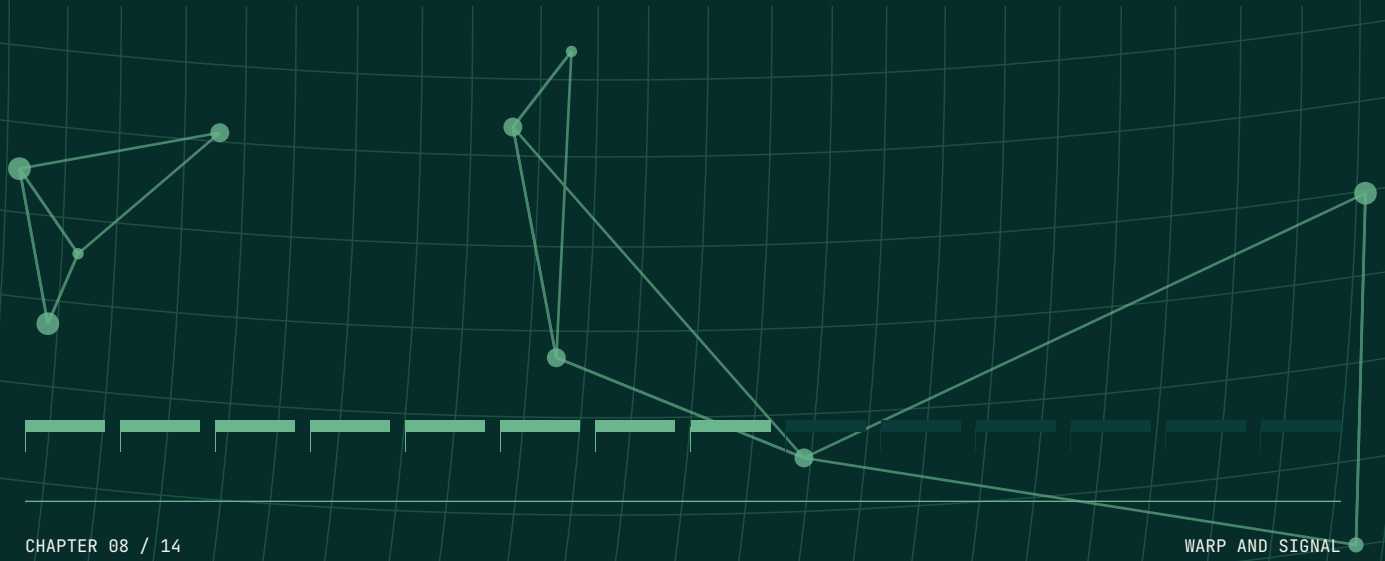
LIMITED / HONG KONG SAR

08

PART III: DEMONSTRATE THAT THE PRODUCT AND ITS CLAIMS CAN TRAVEL / ESPR AND PASSPORTS

Prepare for textile ecodesign without inventing its final requirements

A reusable product evidence model can be built before the textile delegated act fixes the legal fields.



CHAPTER 08
DECISION TEST

A reusable product evidence model can be built before the textile delegated act fixes the legal fields.

Preparation should begin with evidence that remains useful when the legal schema changes, not with a promise that a proprietary passport already satisfies future textile law. The Ecodesign for Sustainable Products Regulation (ESPR) establishes a framework for product-specific requirements. The Commission states that exact textile Digital Product Passport (DPP) information will be defined through the relevant delegated acts and supporting technical specifications. [S12] [S11] GFT therefore recommends a controlled product record, traceable measurements and versioned disclosure mappings. These assets can support current production and buyer reviews while the final textile fields, test methods and application dates remain conditional.

This approach separates three questions that a vendor demonstration often combines: what the factory can establish about its product, what a buyer requests under a contract, and what an adopted legal act will require. The answers belong in one evidence architecture, but they must retain different status labels. The proposal below is an operating design, not legal, tax or investment advice. It does not claim that GFT's Cameroon textile programme already contains a DPP, that a demonstration has been certified, or that preparing data guarantees future conformity.

8.1

A framework regulation needs product-specific rules

The ESPR has been in force since 18 July 2024. It replaces the earlier Ecodesign Directive and establishes a framework for setting requirements on specific product groups. The Commission describes coverage of virtually all physical goods, subject to limited exemptions, and a wider range of possible requirements than energy efficiency alone. That framework is the legal starting point. It is not, by itself, an apparel test protocol or a finished list of passport fields. [S12]

The 2025 to 2030 working plan explains how product-specific work will proceed. Ecodesign requirements may address product performance, product information, or both. They will be set through delegated acts, either product by product or horizontally for groups of similar products. Generic examples in the plan include durability, availability of spare parts, minimum recycled content, key product features and environmental footprints. These examples explain the regulatory mechanism. They do not assign every example to clothing or establish a numerical clothing threshold. [S13]

Textiles and apparel are prioritised in that working plan, with garments and footwear expressly included in the first priorities. The plan identifies potential improvement in product lifetime, material efficiency, water use, waste, climate impacts and energy consumption. This justifies early managerial attention. It does not prove that a particular garment has those impacts, that a particular intervention will reduce them, or that every possible measure will appear in the eventual act. [S13]

A useful preparation register therefore distinguishes the requirement family from its unresolved specification. Durability is a possible performance family. The applicable use scenario, sample, conditioning, test method, unit, acceptance limit and conformity procedure still need the relevant adopted rule. Recycled content is a possible family. The eligible input, chain of custody, calculation denominator and verification method

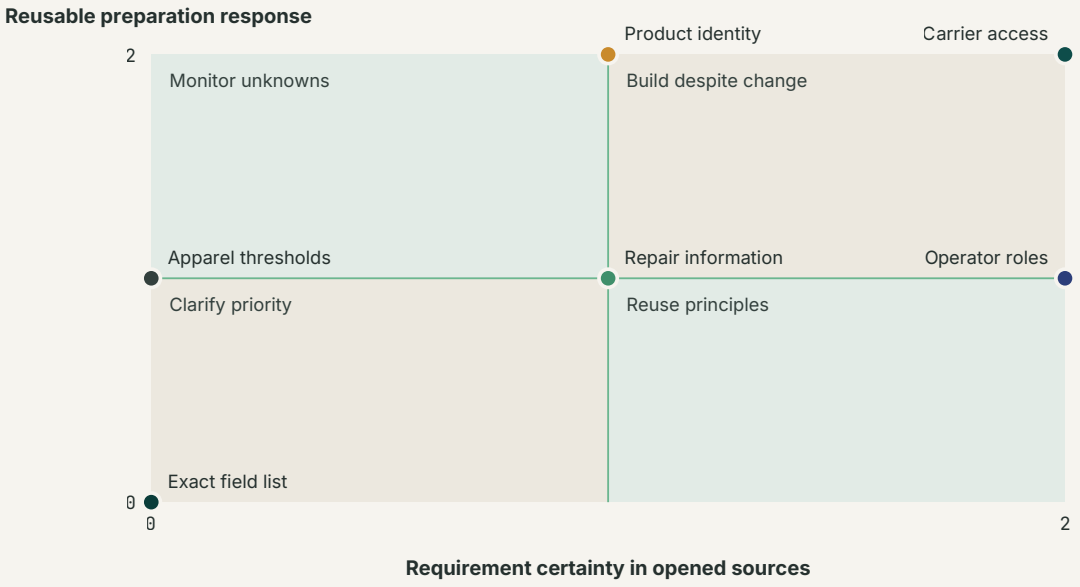
still need definition. Footprint information is a possible family. Its system boundary, data quality, allocation and comparison rules cannot be invented by the supplier. [S12] [S13]

The same discipline applies to information. The Commission lists possible textile DPP content such as product identification and characteristics, fibre composition where relevant, use and repair information, end-of-life information, origin information and identification of relevant economic operators. The list is explicitly conditional on the final delegated act. A supplier can organise evidence around these families without declaring that every listed item will become mandatory for every garment. [S11]

Exhibit 34, p. 117 converts that distinction into a workshop map. The horizontal score records whether the opened sources state a principle, identify a conditional family, or leave the exact requirement unresolved. The vertical score records GFT's recommended preparation response. Both are derived facilitation scores, not legal ratings, measurements of readiness or predictions about the final act. [S11] [S12] [S13]

EXHIBIT 34 / DERIVED CATEGORICAL SCORES FROM 0 TO 2

Known passport principles differ from undecided textile fields



DERIVED [S11] [S12] [S13] GFT coding of opened Commission sources. Requirement certainty: 0 = exact requirement unresolved, 1 = conditional requirement or information family, 2 = stated framework principle. Preparation response: 0 = monitor, 1 = design and test, 2 = build reusable evidence now. Positions are categorical workshop aids, not legal findings, probabilities or measured readiness.

The practical conclusion is not to wait for complete certainty. Product identity, specification control and traceable test evidence have operational uses before the legal mapping is finished. Conversely, a supplier should not hard-code a guessed threshold or publish a conformity statement merely because a requirement family appears in a policy document. Build the evidence, preserve its provenance, and leave the legal acceptance rule as a separately versioned object.

This also prevents a category error in procurement. A laboratory can test a declared property under a declared method. A software supplier can store and present fields. Neither activity alone establishes that the test or field is the one required by a future

textile act. The purchase specification should say which proposition each service supports and which decision remains with the legal reviewer and the responsible economic operator.

8.2

The textile timetable is indicative rather than a compliance promise

The Commission's textile page gives Q4 2027 as the planned adoption of the ESPR delegated act for textiles. It immediately qualifies the timetable: implementation timelines may evolve as legislative and technical work progresses. It also places additional guidance, technical specifications and implementation measures after adoption. Planned adoption is therefore not a universal date by which every textile product must carry a compliant passport. [S11]

Exhibit 35, p. 118 preserves the sequence without turning it into a fabricated deadline. The first event is the framework entering into force. The second is the working plan that programmes the product-specific work. The third is planned textile-act adoption. Later legal and technical milestones remain conditional on adopted instruments rather than being inferred from the quarter shown in an indicative plan. [S11] [S12] [S13]

EXHIBIT 35 / ORDERED LEGAL AND POLICY MILESTONES, NOT ELAPSED TIME

Planned textile adoption leaves later legal milestones unresolved



0

18 Jul 2024: ESPR in force

The framework regulation is in force; product-specific textile rules remain a separate task.

1

16 Apr 2025: working plan

The 2025 to 2030 working plan prioritises textiles and apparel for product-specific work.

2

Q4 2027: planned adoption

Indicative plan for the textile delegated act; the Commission warns that timing may evolve.

3

After adoption: specifications

Additional guidance, technical specifications and implementation measures are to be developed.

4

Later: verify application

Entry into force, transition and application dates remain to be confirmed in the adopted instruments.

SOURCED [S11] [S12] [S13] Positions 0 to 4 preserve sequence only and are not proportional to calendar time. Q4 2027 is planned adoption, not an application date. Entry into force, transitional arrangements, application and product-scope detail must be read from the eventual adopted act and related instruments.

A legal-change register should give each milestone its own row. Record the instrument, product scope, status, source date, adoption date where established, publication status, entry into force, transition, application and responsible reviewer. Keep consultation material and technical guidance in separate status classes. A preparatory study can inform design; it should not silently become the source of a binding product limit. The working plan itself is policy programming, not the textile delegated act. [S13] [S11]

Investment approval needs the same separation. A supplier can authorise record cleaning, specification control and evidence retrieval because those activities answer present operating needs. Expenditure tied only to an unadopted field or interface should carry a change allowance and a stop point. The reviewer should be able to explain which part of the work survives a different final schema and which part would need rework. That is a more defensible contingency than a precise budget built around an assumed legal deadline.

The register also needs reopening triggers. A new draft or adopted act, a technical specification, a changed product family, a different sales route and a buyer schema revision can each alter the assessment. Assign the monitoring task to a role and retain the text used for each decision. When the timetable moves, update the plan rather than preserving an obsolete countdown in sales material or a factory dashboard.

8.3

Product identity can be designed before the final field list

The durable core is a canonical product record: a controlled internal representation from which different disclosures can be generated. For a garment, GFT proposes links between style, style revision, material specification, component and trim identifiers, input lots, production batch, relevant economic operators and evidence references. The record should also retain the approving role, effective dates and supersession history. These are design recommendations, not an adopted EU schema. The Commission's conditional list makes product identification and characteristics plausible preparation areas, not settled legal fields. [S11]

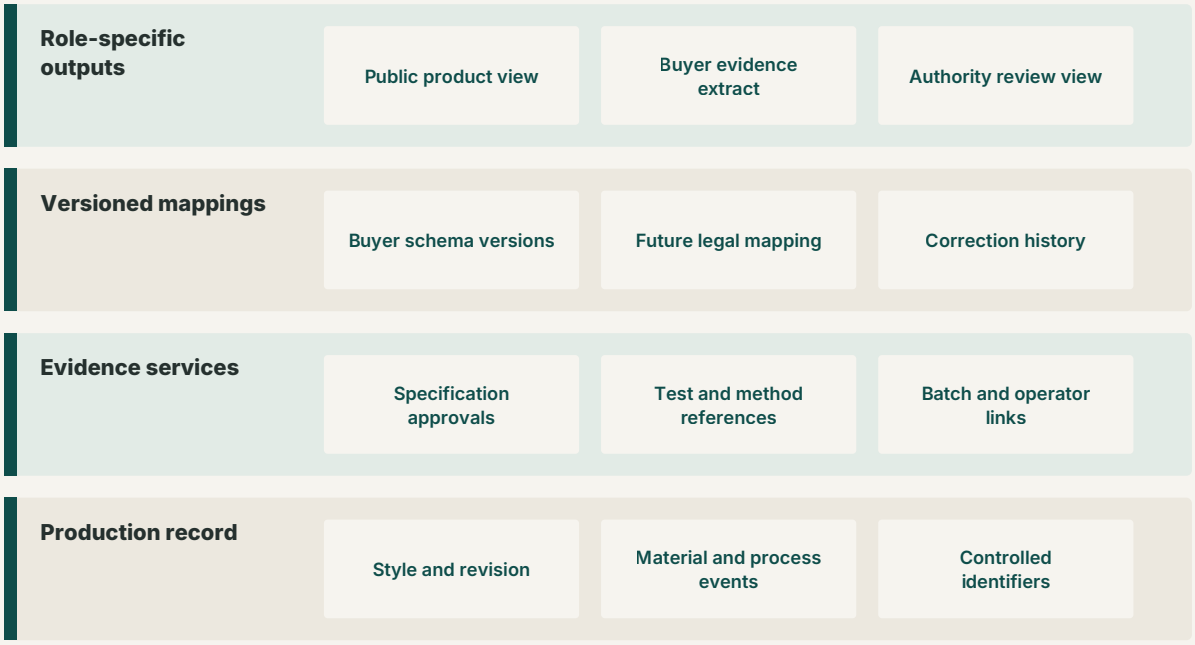
Identity must match the decision being made. A style identifies a design family. A colour and size variant may identify a saleable unit. A production batch connects a defined group to material and process events. An individual item may be necessary for a particular service or investigation. The future act and technical specifications must determine the legally required passport granularity. Until then, the internal model should preserve these relationships rather than choosing one identifier and discarding the others. [S11]

A useful record also distinguishes an identifier from the evidence behind it. A material code can point to an approved specification, but the code alone does not prove composition. A supplier reference can identify an economic operator, but it does not establish the actual processing site. A test reference can connect a result to a sample, but it does not demonstrate that every later batch remains equivalent. Each reference should resolve to a scope, owner, version and review state.

Exhibit 36, p. 120 shows the proposed separation. Production facts sit below evidence services, disclosure mappings and role-specific outputs. A future field change should alter the mapping and, where necessary, add a measured source field. It should not rewrite the production event that originally created the evidence. The architecture is illustrative and does not represent a deployed GFT system or an EU-prescribed technical stack. [S11] [S13]

EXHIBIT 36 / PROPOSED EVIDENCE ARCHITECTURE

A stable product record can serve changing disclosure schemas



ILLUSTRATIVE [S11] [S13] Illustrative GFT design informed by conditional DPP information and product-specific rule-making. It is not an adopted EU data model, a claim of interoperability certification or a description of an implemented factory platform.

The mapping layer should be explicit enough to audit. For each external field, retain its internal source, transformation, unit, applicable product population, schema version and reviewer. Mark an unavailable source as unavailable rather than filling it with a default. If a buyer changes a label or requests a new grouping, create a new mapping version. Historic submissions should continue to resolve to the evidence and definitions used at the time.

Change control must run in both directions. A revised external schema can require a new disclosure. A revised fabric, trim supplier, finish or production route can change the underlying answer even when the external schema stays fixed. The product review should therefore connect specification approval, batch release and disclosure approval. A passport page that remains visually stable while its material source has changed is not a controlled record.

For GFT's Cameroon textile programme, the shared core store in the digital strategy is a possible source for this proposed evidence layer. That is an architectural connection to investigate, not a claim of existing passport functionality. Detailed chain-of-cus-

tody design belongs in wp05 and technical implementation in wp18. This chapter's requirement is narrower: preserve product truth independently of any single presentation format. [S11]

8.4

A data carrier is only the entry point to evidence

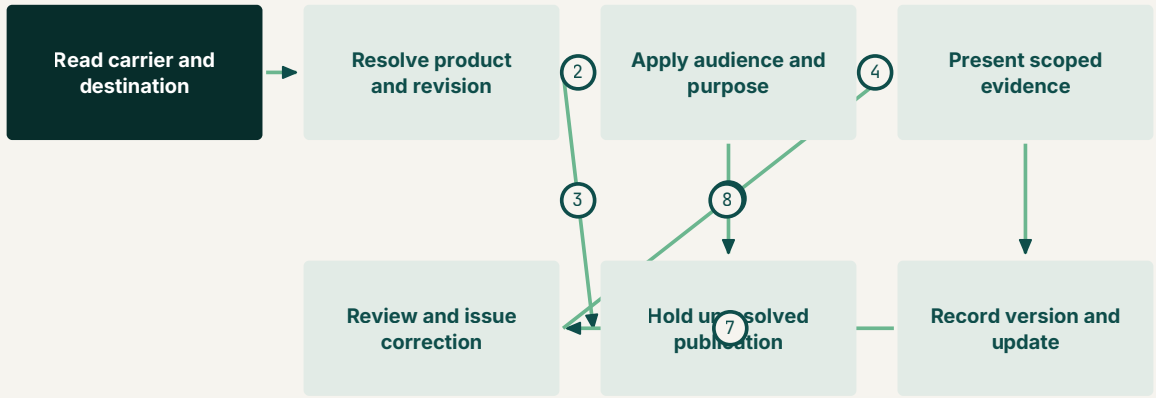
The Commission states that the textile DPP will be accessible at online points of sale and through a data carrier on the product, such as a QR code. It also distinguishes access to ecodesign information from authority access to conformity-assessment information required under applicable legislation. The carrier is therefore an entry mechanism with different information needs and audiences. Its precise form, granularity, access rights and technical specifications remain subject to the final requirements. [S11]

A working QR demonstration proves a narrow technical proposition: a code resolved to a page during a test. It does not prove that the code identifies the correct product population, that the displayed evidence is complete, that the user is entitled to the content, or that the page will persist for the required period. Nor does placing the same record on a blockchain answer those questions. Evidence quality and legal applicability remain separate from storage novelty.

Exhibit 37, p. 122 sets out a proposed demonstration path. The failure branches matter as much as the successful page view. An unresolved identifier should stop publication. An unauthorised request should receive only the permitted view. A changed source record should create a reviewable update rather than silently replacing what a buyer or authority previously saw. [S11]

EXHIBIT 37 / PROPOSED DEMONSTRATION AND CONTROL SEQUENCE

A QR demonstration needs checks beyond opening a page



2. Identity resolved
3. Mismatch or gap
4. Permitted view
5. Entitlement unresolved
7. Source or schema changes
8. Approved new version

ILLUSTRATIVE [S11] Illustrative GFT test flow. No statutory carrier, response time, persistence period or access design is asserted. Successful completion would demonstrate only the tested controls, not conformity with a future textile delegated act.

The test protocol should use known cases and record their expected results. Include a valid product, a superseded revision, an unknown identifier, a user without authority access and a source document under correction. Check whether the page states its product scope and evidence date. Test the export received by a buyer as well as the screen viewed by a consumer. A visually clear page can still conceal a broken evidence link.

Persistence needs an owner and a recovery path. Record who controls the domain or resolver, how identifiers are retained across a system migration, and what happens when a product is discontinued or a supplier changes. Do not invent a statutory retention period before the relevant act specifies one. The present objective is to avoid a demonstration whose links fail as soon as the vendor, product name or website structure changes.

8.5

Durability evidence must reflect a declared use and method

Durability is a meaningful preparation area because the ESPR framework includes product longevity among its possible requirement dimensions. That does not supply a garment test limit. A supplier should not translate a general policy objective into a

number of washes, abrasion cycles or years of use and call it an ESPR threshold. The future product-specific act and cited methods must establish the applicable requirement. [S12] [S11]

A durable evidence record begins with intended use. A work shirt, a fashion garment and a protective item can face different stresses and care conditions. Their intended use also affects product classification and the relevance of a test. GFT would record the product's declared use, user and care assumptions before selecting a method. Those declarations do not prove performance. They make the performance question sufficiently precise to test.

The test file should then identify the style revision, material specification, sampled units, production batch where relevant, sampling rationale, conditioning, method version, laboratory or competent reviewer, results and uncertainty. Preserve failures and deviations as well as passes. State whether the result concerns a fabric, a seam, a component or the finished garment. A fabric result cannot be presented automatically as proof of the finished product's behaviour.

For an illustrative product comparison, the denominator must remain stable. A result per wash cycle, per wear period or per defined mechanical action answers a different question from a general claim that a product lasts longer. If the supplier compares two revisions, retain both methods and conditions. Where the method changes, mark the results as non-comparable unless a justified bridge exists. Detailed material engineering belongs in wp20 and process measurement in wp06; the compliance task is to preserve the claim boundary.

> **METHOD**
>
> For every proposed durability statement, link intended use + product revision + sample + condition + method version + result + reviewer. Record the unit and any excluded components. Separate an observed result from an extrapolated service life. If a future legal act specifies another method, retain the old result as historical evidence and create a new mapping rather than relabelling the old test as legal conformity.

Repair and maintenance evidence needs a corresponding product boundary. Record replaceable components, approved repair instructions, necessary tools or skills, available service routes and the revisions to which the information applies. Do not promise spare-part availability or successful repair without an operating route behind the statement. The Commission identifies use, repair and maintenance information as possible textile DPP content, not as permission to invent a universal apparel repair score. [S11]

Voluntary criteria can inform preparation only within their own scope. As of the accessed Commission page, the EU Ecolabel lists separate textile-product and footwear criteria, with textile criteria under Commission Decision (EU) 2014/350 and validity extended to 31 December 2028. The page also records revision as ongoing. A criterion used for a voluntary textile application must therefore be checked by product group, current consolidated text and validity. It must not be silently renamed the future ESPR test. [S27]

The EU Ecolabel is voluntary and third-party verified. Independent experts check compliance with the scheme's criteria. That assurance model differs from a supplier's internal test, a buyer's specification and a future ecodesign conformity requirement. A current award can support only the proposition covered by its licence and product scope. It is not a blanket passport certification, and no such award is claimed for GFT or the illustrative supplier here. [S29]

Other environmental evidence needs the same restraint. Recycled-content work should retain eligible input definitions, mass basis and chain of custody. Footprint work should retain system boundaries, allocation and data sources. Repair information should identify the actual garment revision. Preparing these records can expose missing measurements now, but none should be assigned a future legal threshold before the adopted act supplies it. [S12] [S13]

8.6

Operators need different views of the same record

Responsibility should follow the actual sales route and economic circumstances. The Commission states that operators placing textile apparel on the EU market or putting it into service will primarily be required to make the prescribed DPP available. Depending on the circumstances, these may be manufacturers, producers or importers. Distributors and dealers will need to ensure that a DPP is available for products they handle. Some suppliers and service providers may need to provide relevant information available to them. [S11]

Those descriptions do not allow an African factory to assign itself every role, or no role, from its location alone. The order file should identify the seller, brand owner, importer, distributor, product owner and party making the relevant market supply. Legal review should then determine the applicable operator role under the adopted rule. A supplier's agreement to host a page or populate fields is an administrative task. It should not be treated as automatic transfer of statutory responsibility.

The same canonical record can support different views once those roles are clear. A public view may carry approved consumer-facing product information. A buyer view may add specification and batch evidence required for its decision. An auditor or authority view may require controlled access to underlying conformity material. The final act must determine the legally required content and access rules. Until then, these views are design patterns, not a claim that every audience is entitled to every file. [S11]

A public product page should not become a route into worker identity documents, grievance accounts or unreviewed allegations. Where GDPR applies, the Commission's principles require purpose limitation, data minimisation, integrity and confidentiality, with personal data limited to what is necessary for the stated purpose. GFT therefore proposes that product records reference restricted labour evidence through controlled identifiers rather than reproducing personal files in a public passport. Local privacy and employment law need their own applicability review. [S23]

Commercial confidentiality requires a similar decision. A regulator may need evidence that a consumer does not. A buyer may need a test report but not every upstream cost or unrelated worker record. Record the purpose, recipient, approved fields, redaction and release authority for each view. Access should be tested against the decision being made, not granted merely because a platform can technically expose the whole archive.

Cross-border hosting adds a separate question rather than an automatic conclusion. The EDPB identifies cumulative criteria for a transfer outside the EEA: a controller or processor subject to GDPR, disclosure to another organisation, and a recipient outside the EEA or an international organisation. The direction and actors must therefore be mapped before selecting transfer safeguards. Sending product evidence from Cameroon to an EU buyer is not, by that fact alone, the same transfer situation as an EU controller making personal data available to a non-EEA host. [S24]

Corrections must propagate through every view without erasing history. If a material specification or test reference changes, retain the earlier version, the reason for correction, the approving role and the recipients notified. A public page should present the current approved statement. A reviewer may need to reconstruct what was shown when an order or shipment decision occurred. This is an evidence-integrity control, not a proposed public display of every internal dispute.

The operating test is whether each party can perform its own decision with the least disclosure that is sufficient. The manufacturer or importer can assemble the prescribed record, the distributor can check availability, the supplier can answer for its source data, and the authority can reach the relevant conformity evidence. The passport becomes useful through those decisions, not through the volume of information exposed. [S11]

8.7

The supplier should invest first in reusable evidence

The investment sequence should follow reuse, not presentation. Start with product identity, controlled specifications, batch relationships, economic-operator references and evidence that resolves to a declared method. Then create buyer mappings and test role-specific outputs. Visual design and carrier production come after the underlying record can survive review. This order follows from the conditional status of textile fields: a stable evidence base can accommodate a changed schema, while a polished interface cannot compensate for missing product truth. [S11]

A bounded pilot should use one actual product family and one defined sales route. Its purpose is to discover whether the supplier can reconstruct the record, not to award itself a readiness score. Test specification changes, missing upstream evidence, correction propagation, buyer export and authority-view access as separate cases. Record failures in their own categories. A missing measurement, an unresolved legal role and an invalid link need different corrective actions.

Legal monitoring should feed the same change process. When a new adopted text or technical specification arrives, compare its fields and methods with the canonical dictionary. Identify added, renamed, removed and redefined items. Assess the affected product population, then test one record before changing the wider catalogue. Keep the previous mapping available so historic disclosures remain explainable. The future act may also alter the work still needed, so the monitoring task must be able to stop obsolete development as well as add fields. [S11] [S13]

Vendor assessment should ask for evidence rather than slogans. Request the schema provenance, version history, export format, identifier model, access controls, correction behaviour, hosting arrangements and migration provisions. Ask which functions are available under the present contract and which depend on later legal specifications. Require a demonstration against the supplier's own controlled cases. A vendor can offer useful data management without having a legal basis to certify conformity with requirements that remain undecided. [S11]

> **GFT NOTE**
>
> Approve reusable product evidence now and conditional legal mappings separately. Fund identity, specification control, batch links and declared measurement methods before buying a passport badge. Require every vendor claim to name its adopted legal basis, product scope and certification body where relevant. If those cannot be established, treat the offer as a software or evidence-service proposal, not as proof of future EU conformity.

WORKED EXAMPLE: A VENDOR PROMISES IMMEDIATE PASSPORT CERTIFICATION

An illustrative vendor offers a Cameroon garment supplier immediate textile DPP certification against a proprietary schema containing 200 fields. The supplier's workshop finds 70 fields that can be populated from controlled internal evidence, 50 that depend on additional buyer-specific inputs, and 80 whose legal definition, source or necessity remains unresolved. These categories are constructed for the evaluation. They are not the Commission's final field list, and the vendor is fictional.

The illustrative arithmetic is 70 + 50 + 80 = 200 fields. Controlled internal evidence covers 70 / 200 × 100 = 35 percent of the proprietary schema. Buyer-dependent fields account for another 50 / 200 × 100 = 25 percent, while unresolved fields account for 80 / 200 × 100 = 40 percent. The supplier could potentially map 60 percent after obtaining the buyer inputs, but that is not a legal readiness score. The final textile act may require different fields, definitions or evidence.

The useful procurement scope is consequently narrower than the sales claim. The supplier can test whether the vendor exports the 70 controlled mappings without loss, preserves evidence references, versions the 50 buyer-dependent inputs and leaves the 80 unresolved items visibly open. Those numbers remain illustrative. The test should use actual product records and include corrections, revoked access and a schema change. No field completion percentage can certify legal conformity.

GFT's illustrative decision is to reject the immediate certification proposition while retaining the option to buy a useful evidence service. The contract should describe the functions actually demonstrated, prohibit an unsupported conformity representation and require portable mappings. Legal review should remain with the responsible parties. The purchase proceeds only if the service improves controlled evidence at an acceptable verified cost, not because the vendor displays a passport badge.

The reader decision is therefore specific. Approve preparation that remains valuable across plausible legal outcomes, and keep final textile requirements in a dated conditional register. Test the canonical record and its mappings on a bounded product family. Defer any claim of passport compliance until the applicable act, technical specifications, operator role and application date have been checked. No pilot result, vendor statement or voluntary label should be allowed to erase those conditions. [S11] [S27] [S29]

The desired end state is modest but demanding: the supplier can identify what was made, reconstruct the evidence behind each disclosed statement, show who approved it and explain which legal questions remain open. That capability serves production before it serves a passport. It also gives the future legal mapping a reliable starting point instead of a collection of presentation fields.

Prepare the product truth now, and let the legal schema remain changeable.

CHAPTER SOURCE NOTES

S12 European Commission, DG Environment. 2026-10-30.

S11 European Commission, DG GROW. 2026-10-30.

S13 European Commission. 2025-04-16.

S27 European Commission, DG Environment. 2026-10-30.

S29 European Commission, DG Environment. 2026-10-30.

S23 European Commission. 2026-10-30.

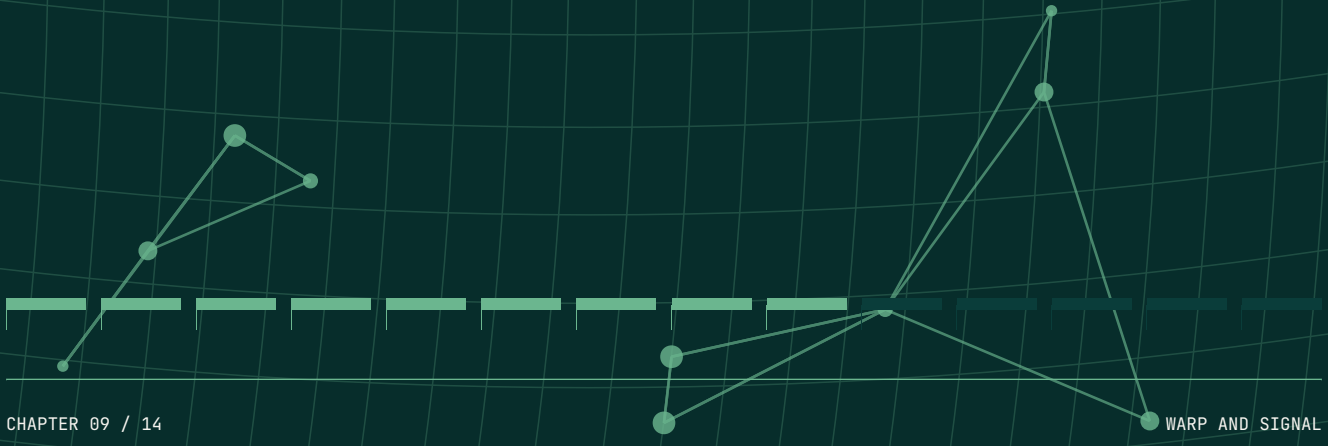
S24 European Data Protection Board. 2026-10-30.

09

PART III: DEMONSTRATE THAT THE PRODUCT AND ITS CLAIMS CAN TRAVEL / WASTE AND PACKAGING

Circularity costs follow product responsibility and destination rules

The party placing goods on a market must be identified before allocating registrations, fees or unsold-stock obligations.



CHAPTER 09
DECISION TEST

The party placing goods on a market must be identified before allocating registrations, fees or unsold-stock obligations.

Circularity cannot be budgeted from the factory's location or from a single European checklist. The supplier must first identify the product, the party placing it on each destination market, the sales route and the legal role attached to that route. It must then separate textile producer responsibility, packaging obligations and rules for unsold finished goods. GFT recommends a route-and-stream register that assigns evidence and administrative work before assigning fees, return costs or public claims. This is an operating framework, not legal, tax or investment advice. The operative law and national scheme for the actual destination require qualified review. [S15] [S20] [S14]

The commercial distinction is equally important. A statutory duty holder, the party performing an administrative task and the party bearing a cost can differ. A contract can allocate work and expense, but it should not be treated as proof that legal responsibility has moved. The supplier therefore needs two linked answers: who must act under the applicable rule, and who has agreed to supply, check and pay for each record. A vague promise to handle circularity leaves both questions unanswered.

9.1

The revised waste directive sets a framework for national schemes

The targeted revision of the Waste Framework Directive entered into force on 16 October 2025. It introduces common EU rules for extended producer responsibility (EPR) for textiles and footwear, while requiring every Member State to establish its own scheme. Producers will pay a fee for each product placed on the market, financing collection and subsequent re-use, preparation for re-use, recycling and disposal. The Commission describes eco-modulation that adjusts fees against sustainability criteria, including durability and recyclability. This establishes a mechanism, not a uniform fee that a supplier can insert into every order model. [S15]

The implementation clock has two distinct parts. The Commission states that Member States have 20 months to transpose the revised directive and 30 months to establish textile and footwear EPR schemes. Entry into force is therefore not evidence that registration portals, fee schedules and reporting processes were operational everywhere on that date. A supplier planning a sales route should record the directive milestone separately from the destination scheme's actual legal status, responsible authority, producer definition and opening date. [S15]

The policy context explains the attention given to textiles, but it does not provide an order-level fee. The Commission reports about 12.6 million tonnes of EU textile waste in 2019, with only one-fifth separately collected for re-use or recycling. Those figures describe a historical EU-wide waste stream. They do not measure an African factory's output, predict its future EPR bill or demonstrate that a particular garment is recyclable. A financial model should use verified scheme inputs rather than converting a sector waste total into an assumed charge per garment. [S15]

The revised rules also affect the boundary between used textiles and waste. The Commission states that all separately collected textiles will be considered waste and must undergo sorting before possible shipment. Unsorted textile waste falls within the Waste Shipment Regulation. For a supplier offered returned garments or collected

offcuts, the operational question is therefore not answered by calling the material reusable. The record should establish condition, collection route, sorting status, intended shipment and the applicable waste or product classification before movement. [S15]

The milestone sequence in **Exhibit 38**, p. 131 keeps the three legal mechanisms visible. It uses an ordered event scale rather than pretending that the intervals are proportional. National EPR implementation remains a separate verification task, while later packaging and unsold-stock provisions must not be collapsed into one circularity deadline. [S14] [S15] [S20]

EXHIBIT 38 / ORDERED LEGAL MILESTONES, NOT ELAPSED TIME

Circularity rules begin through different legal mechanisms

0

16 Oct 2025: waste directive

Revised directive enters into force; national transposition and EPR scheme periods follow.

1

19 Jul 2026: unsold goods

Large-company prohibition on destroying covered unsold apparel and footwear begins.

2

12 Aug 2026: packaging

PPWR starts applying on a phased basis.

3

2028: sorting labels

Commission describes harmonised packaging labelling from 2028.

4

2030: later measures

Medium-company unsold-goods coverage and selected later PPWR measures are described separately.



SOURCED [S14] [S15] [S20] Event positions 0 to 4 preserve sequence only. The Waste Framework Directive milestone is entry into force, not confirmation that every national EPR scheme is operational. The 2030 event combines distinct later measures described by the sources; it does not assert a common day.

A destination register should consequently carry a publication gate. Before a fee or deadline enters the sales model, the reviewer should identify the national legal instrument, the responsible scheme or authority, the covered product category, the obligated entity, the reporting period and the evidence of registration where required. Record the source date and the next review trigger. If only the EU framework has been checked, mark the national row unresolved rather than inserting a placeholder charge that later acquires the appearance of fact.

The same gate applies to eco-modulation. The Commission identifies durability and recyclability as factors, but that does not entitle the supplier to invent a discount for an untested garment. A claim of lower EPR cost needs the actual scheme formula, the product's assessed category and evidence accepted by that scheme. GFT would

retain durability tests, material specifications and repair information as potentially useful product records, while keeping any financial effect conditional until the destination rules confirm it. [S15]

9.2

An African manufacturer is not automatically the EPR producer

Factory location answers where an operation occurred. It does not, by itself, identify the producer under a destination EPR scheme. The Commission's common framework attaches fees to products placed on the market and leaves Member States to establish schemes under common rules. The order review must therefore connect the first supply event, the entities involved and the destination definition. An African manufacturer selling to an EU importer should not automatically register as producer everywhere, nor should it assume that another party has done so merely because the buyer is established in the EU. [S15]

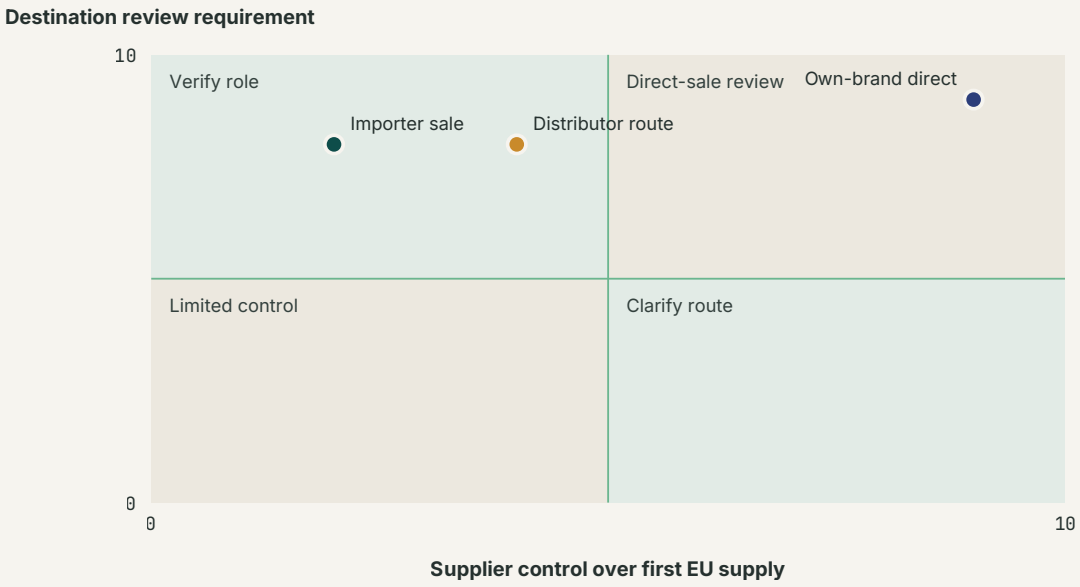
Consider three illustrative routes. In the first, a Cameroon garment maker sells a buyer's branded shirts to an EU importer, which arranges their introduction to the destination market. In the second, the same maker sells its own brand directly online to consumers in several Member States. In the third, an EU brand buys through a distributor whose exact role differs by transaction. These routes justify different producer enquiries. They do not produce automatic legal conclusions from the labels importer, brand or distributor. The contractual delivery term and invoice wording are evidence for the review, not substitutes for the applicable definition.

The route worksheet should name the seller, buyer, consignee, brand owner, party selecting the destination, party making the first supply and party holding product title at that point. It should also identify who provides registration information, product quantities and fee payments under the actual scheme. Where the route spans several countries, assess each destination rather than treating one registration as a blanket answer. Keep unresolved legal status separate from an agreed commercial assumption.

The comparison in **Exhibit 39**, p. 133 is an illustrative workshop map. Horizontal position represents the supplier's practical control over the first EU supply in the constructed routes. Vertical position represents the need for destination-specific legal review. The scores are not probabilities, compliance ratings or findings about who is legally the producer. Their purpose is to stop a low-control route being managed as though the supplier controlled the market introduction, and to stop a direct-sales route being treated as an ordinary wholesale shipment.

EXHIBIT 39 / ILLUSTRATIVE WORKSHOP SCORES FROM 0 TO 10

The sales route changes the producer enquiry



ILLUSTRATIVE [S15] Illustrative positions for three constructed sales routes. Higher x means greater assumed supplier control over first EU supply; higher y means greater need for destination legal review. The positions are GFT facilitation aids, not measured values, legal outcomes or scheme classifications.

Once the legal review identifies the responsible entity, the supplier can build the evidence interface. A practical order file would retain the role determination, its source and reviewer, the covered product family, the destination, registration evidence where applicable, quantity reports and reconciliation to invoices. The quantity basis must be explicit: pieces, mass or another scheme-defined unit should not be substituted silently. Returns, cancellations and replacements need consistent treatment under the actual reporting rules rather than a supplier-defined net figure.

Contractual allocation needs the same precision. The buyer may agree to administer registrations, calculate fees or receive product data, while the supplier agrees to provide verified quantities and specifications. Write those tasks separately from statutory responsibility and from indemnity or price terms. If the buyer later changes the destination or sales channel, a change-control clause should reopen the role assessment before dispatch. A fixed clause copied from an importer-sale order may be wrong for the supplier's own-brand website.

GFT NOTE

Approve a route-and-role sheet before accepting a circularity fee or return clause. Name the destination, first-supply event and responsible entity, then list the records each party will supply. Where the producer definition or national scheme is unresolved, show that uncertainty in the price model and obtain qualified review. Do not convert an administrative service into an unsupported transfer of statutory responsibility.

The resulting control is deliberately modest. It does not certify that a product is circular or that all EPR duties have been met. It establishes whether the order has an identifiable duty holder, a current destination assessment and a reconcilable evidence trail. Those are the conditions for discussing cost. Without them, a precisely calculated fee can still be charged to the wrong party, for the wrong product population or under an obsolete scheme assumption.

9.3

Packaging needs its own phased applicability assessment

The Packaging and Packaging Waste Regulation (PPWR) begins application on 12 August 2026 on a phased basis. It establishes a harmonised framework for packaging and packaging waste across the Single Market. That date should open a packaging applicability review, not trigger every later requirement at once. The supplier and its buyer need to identify the packaging format, its use, the relevant provision, the economic-operator role and the application date before approving a design or declaring conformity. [S20]

The Commission's announcement provides a useful warning against copying headlines between product categories. A restriction on per- and polyfluoroalkyl substances in food-contact packaging is one of the measures entering application, with detailed limits and guidance for that use. An apparel carton, polybag or transport pallet wrapping is not made subject to an identical rule merely because it is packaging. The correct response is to test the actual material and intended use against the operative provisions, not to add a universal apparel PFAS certificate to the checklist. [S20]

Later milestones also need separate rows. The Commission describes harmonised packaging labels for waste sorting from 2028. It describes measures on empty space, certain single-use plastic packaging and re-use targets from 2030, alongside recycled-plastic content and recyclability requirements. These are different design and information questions with different conditions. A packaging register should not summarise them as a single 2030 packaging ban, nor should a current specification be represented as satisfying secondary legislation that remains under development. [S20]

For the factory, the packaging bill of materials should sit beside, but remain distinct from, the garment bill of materials. Record each sales bag, label substrate, hanger, carton, protective sheet, pallet wrap and returnable container where present. For each item, retain the supplier specification, material composition, weight basis, intended use, reuse arrangement and change history. These are GFT's proposed operating records. They do not presuppose that every data field is legally required for every format.

The measurement boundary matters when a buyer asks for a packaging reduction. A lighter polybag may reduce material in one component while a higher damage rate could increase replacement shipments or returns. GFT would therefore review material mass, product protection, expected trips for reusable formats and end-of-route

evidence together. This is a design hypothesis to test with actual orders, not a claim that thinner packaging is always environmentally preferable. Any comparative environmental claim also needs the bounded evidence discussed in the claims chapter.

A reusable format needs its own operating proof. The record should identify the owner, the outward and return journeys, the inspection criterion, the cleaning process where relevant, loss rates and the point at which a damaged unit leaves the loop. Do not count a container as reused merely because it was designed for reuse. Equally, do not count all returned packaging as recycled without evidence of the accepted downstream treatment. The actual route and destination evidence must determine what the record can say.

Packaging EPR or registration duties should be checked separately from textile EPR. A single supplier declaration covering both can conceal different obligated parties, product populations and reporting periods. The proposed order register should therefore carry a packaging row with its own legal basis and a textile row with its own basis. Shared product quantities may feed both, but only after the reviewer confirms that the same quantity definition applies. [S15] [S20]

9.4

Unsold finished goods differ from manufacturing waste

The unsold-goods prohibition answers a different question from EPR. From 19 July 2026, large companies across the EU are prohibited from destroying unsold clothes, clothing accessories and footwear within the measure's scope. Medium-sized companies follow from 2030, while small and micro-businesses are exempt under the Commission's explanation. Company size, product status and the party carrying out destruction all matter. The provision should not be copied into a factory procedure as a universal ban on disposing of every textile residue. [S14]

The Commission directs businesses to prioritise keeping products in use through sale, including discounts or alternative markets, donation, or preparation for re-use through repair, refurbishment or remanufacturing. Destruction is allowed only in specified circumstances and must follow the waste-treatment hierarchy, giving priority to recycling. This makes the disposition decision and its supporting evidence central. A warehouse instruction to destroy stock should not be treated as sufficient proof that no higher-value route was available. [S14]

The stated exceptions include unsafe or damaged items, counterfeit or intellectual-property-infringing goods, and items rejected by charities or donation schemes. Businesses relying on exemptions must provide proof and publish annual reports on discarded goods. The Commission also states that companies must keep records for five years for inspection. A supplier supporting an in-scope buyer should therefore be able to provide condition and disposition evidence without inventing an exception after the event. The five-year period belongs to this specific record context and should not be extended automatically to every factory document. [S14]

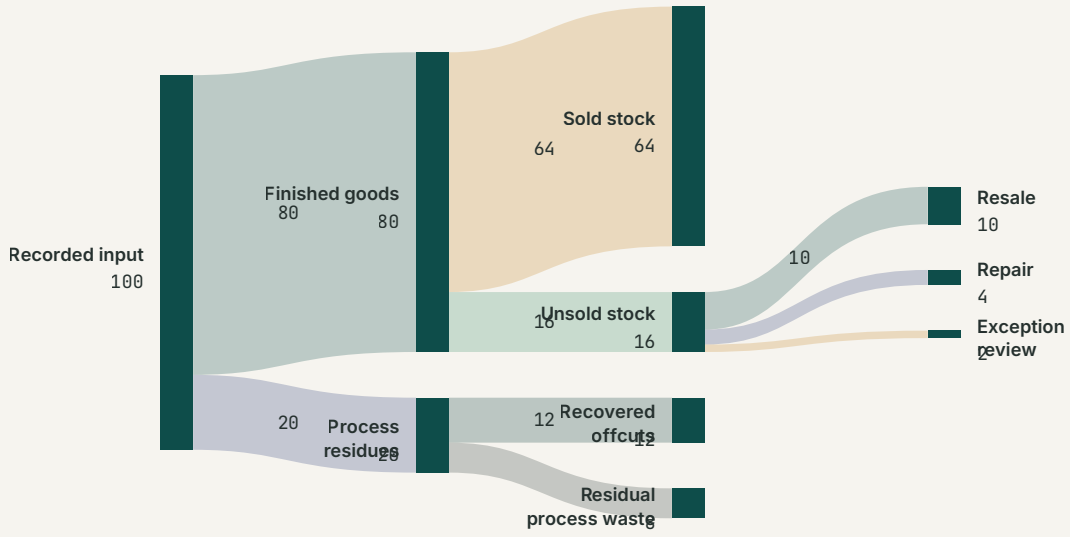
A useful material taxonomy separates reusable returns, damaged finished products, unsold consumer products, cutting waste and hazardous process waste. The categories are not interchangeable. A shirt returned because of fit may remain a usable product; a contaminated shirt may require a safety assessment; a cutting offcut arises during manufacture rather than after consumer sale. Each needs a status, physical location, custodian, condition assessment and authorised next route. Legal classification remains subject to the actual rule and facts.

Manufacturing guidance reinforces the need to describe process residues precisely. The IFC and World Bank textile guidelines list trials, selvedge, trimmings, fabric and yarn cuttings, spent dyes, pigments, printing pastes and wastewater-treatment sludge among sector wastes. They discuss re-use or recycling routes and separate management of hazardous and non-hazardous waste. These are technical guidelines, not the EU unsold-consumer-goods prohibition and not a site-specific permit. The factory should use them to structure operational enquiries while checking local requirements and actual process hazards. [S26]

The illustrative flow in **Exhibit 40**, p. 136 applies that separation to 100 material-accounting units. The quantities are invented solely to demonstrate conservation and record boundaries. They are not tonnes, measured factory yields or recycling rates. Finished goods and process residues branch first; unsold goods then receive their own disposition states. A flow balances only because all inputs and outputs within the model are declared. [S14] [S15] [S26]

EXHIBIT 40 / ILLUSTRATIVE MATERIAL-ACCOUNTING UNITS

Material records separate products, returns and process waste



ILLUSTRATIVE [S14] [S15] [S26] Constructed example: 100 input units divide into 80 finished-goods units and 20 process-residue units. Finished goods divide into 64 sold and 16 unsold; unsold goods divide into 10 resale, 4 repair and 2 exception-review units. Process residues divide into 12 recovered-offcut and 8 residual-waste units. Every internal node conserves flow. No observed production, return, recovery or destruction rate is claimed.

In a real record, the unit could be pieces for finished goods and kilograms for process residues, but the conversion between them must be measured and stated. Do not force unlike units into one apparent balance. Reconcile opening stock, production, returns, disposition and closing stock within each declared unit. Where a conversion factor is necessary, retain its sample, calculation, date and uncertainty. An unexplained residual belongs in an exception log, not in a convenient recycling category.

The disposition record should identify the decision as well as the movement. A transfer to a charity is not the same as acceptance by that charity. A shipment to a repairer is not evidence that repair succeeded. A load described as recovered is not evidence of final recycling without an accepted downstream record. GFT would retain handover, receipt, inspection and outcome as separate events, with unresolved outcomes visible. This avoids treating transport documentation as proof of a circular result.

9.5

A circularity statement needs a material and destination record

A circularity statement should begin with a physical record, not a marketing adjective. For fabric offcuts, rejects, returns and packaging, record the originating process, material description, quantity, unit, weighing method, date and custodian. Then record the proposed and actual destinations separately. A bale leaving the factory for a recycler supports a handover statement. It does not establish the quantity accepted, the treatment completed or the output produced unless downstream evidence answers those questions.

The weight basis should survive review. State whether a quantity is measured on a calibrated scale, calculated from piece counts, estimated from bale averages or reported by a contractor. Preserve moisture, contamination and packaging deductions where they materially affect the declared mass. These are proposed GFT measurement controls, not universal EU reporting specifications. Their purpose is to prevent a wet, mixed or poorly documented load being presented as an equivalent quantity of clean recovered fibre.

Sorting and shipment evidence needs particular care where material crosses a border. The revised waste framework treats separately collected textiles as waste and requires sorting before possible shipment, with unsorted textile waste subject to waste-shipment rules. A supplier should therefore avoid describing an unsorted collection as a used-product export simply because some items could be reused. Retain the sorting protocol, inspection sample, rejection route and receiver acceptance, then obtain the necessary legal classification for the actual shipment. [S15]

Recycled-content wording has a separate product boundary. The Commission's textile-labelling FAQ explains that the Textile Regulation does not require the term recycled, but permits voluntary recycled-fibre information if it is not misleading or deceptive and is displayed separately from the regulated fibre name. A composition label is therefore not, by itself, substantiation of a recycled-content claim. The claim file needs the input identity, chain of custody, calculation basis and product scope behind the voluntary wording. [S28]

For an illustrative calculation, suppose a batch record contains 40 kilograms of verified recycled input within 100 kilograms of the material population defined for a claim. The simple mass share is 40 / 100 × 100 = 40 percent. This constructed example proves arithmetic only. It does not establish that the input qualifies as recycled under a particular standard, that the batch represents a finished garment or that a public claim is lawful. The reviewer must test those questions independently.

Consumer-facing wording requires another gate. The consumer-law changes described by the Commission have applied since 27 September 2026 and strengthen protection against greenwashing. GFT would therefore review the exact claim, the audience, the product or component covered and the evidence available at publication. A statement about recovered cutting waste should not become a claim that the finished garment is recyclable, made from recycled fibre or part of a verified fibre-to-fibre loop. Those propositions require different evidence. [S18]

The claims chapter addresses the wider legal review. Here, the operating rule is narrower: keep material origin, physical destination and product wording connected. If the destination evidence changes, revise the operational statement and assess whether any public wording must be corrected or withdrawn. Do not preserve an attractive claim by lowering the evidential standard after a contractor rejects the load or a recycling route fails.

9.6

Waste prevention should be tested against commercial incentives

Circularity controls can fail when the commercial system rewards the creation of unsold stock. Late design changes, inaccurate forecasts, minimum-order commitments and unrestricted returns can move inventory without preventing its production. GFT's recommendation is to trace each material outcome back to the decision that created it. The question is not only where an unsold garment went. It is why the garment exceeded a real sales requirement and which party could have changed that decision.

The OECD describes garment and footwear supply chains as fragmented and multi-tiered, extending from raw materials to finished goods and from informal homework to multinational retailers. That structure makes coordinated records important because the party seeing a demand signal may not be the party committing fabric, capacity or packaging. It does not prove that any particular buyer causes overproduction. The supplier should test that proposition using its actual order changes, production releases and return records. [S07]

A prevention review should compare the approved order, subsequent revisions, production authorisation and final delivery. Identify who approved additional units, when the buyer confirmed colours and sizes, and whether material was committed before that confirmation. Include cancelled styles and packaging made obsolete by changed artwork. The corrective action might concern forecast governance, design freeze, order accuracy or a smaller initial production release. Detailed inventory and capacity methods belong in the companion papers on those subjects; this chapter asks how those decisions alter circularity responsibility and evidence.

Return terms deserve the same scrutiny. A buyer may have a legitimate need to withdraw unsafe or nonconforming products. A broad right to return ordinary unsold stock creates a different commercial exposure. The contract should distinguish these causes and specify condition assessment, transport authorisation, title, costs and disposition rights. A clause that sends every unsold item upstream may give the buyer a clean warehouse while leaving the supplier with goods it cannot legally or commercially place elsewhere.

The cost model should show its components instead of hiding them in a generic sustainability allowance. GFT proposes separating verified EPR charges, packaging administration, evidence work, reverse logistics, inspection, repair, re-use preparation and authorised treatment or disposal. Add stock carrying cost only through the inventory model, and keep taxes or customs questions for qualified review. Do not assume a fee per garment, a resale recovery or a recycling credit before the relevant scheme and actual route supply the inputs.

Prevention should then be evaluated with paired operational and financial measures. Useful pilot observations include units produced beyond the approved order, returns by cause, repair yield, unresolved exception stock, disposition lead time and total cost by stream. Compare like products and periods. A fall in destruction accompanied by a rise in unresolved storage is not proof of improved outcomes. Nor is a lower unit cost sufficient if goods are routed to an unverified destination.

> **METHOD**
>
> For each stream, reconcile opening quantity + receipts + production inputs - authorised outputs = closing quantity, using one declared unit. Separately reconcile verified charges + measured handling work + logistics + treatment = stream cost. Record estimates and their basis in distinct fields. Review any residual before publishing a recovery rate or allocating the result to an order.

This approach lets the parties discuss prevention without pretending that every cost can be eliminated. Some returns, damaged goods and process residues will remain. The aim is to make their causes visible, keep higher-value product routes available where lawful and fund the necessary evidence and treatment. Commercial terms should support that result rather than rewarding the least visible disposition.

9.7

The contract should state who supplies which circularity record

A workable circularity schedule translates the route analysis into named records and decisions. It should identify each product and packaging population, the destination, the responsible legal entity where established, the evidence supplier, the reviewer and the cost owner. It should also state which conclusions remain unresolved. The schedule belongs beside the technical specification and order terms so that a material or route change cannot proceed without its evidence consequences being reviewed.

The proposed schedule in **Exhibit 41**, p. 140 separates five record families. It is illustrative and does not assign statutory responsibility to any party. Instead, it shows the minimum interface that a buyer and supplier can adapt after destination review. The source column explains the framework informing the enquiry, not a complete list of applicable law. [S14] [S15] [S20] [S26]

EXHIBIT 41 / PROPOSED RECORD AND RESPONSIBILITY SCHEDULE

Packaging and textile evidence need separate ownership

Stream	Supplier evidence	Decision or counterpart record	Review basis
Textile products	Product identity and quantities	Producer role, registration and accepted report	Destination EPR scheme, S15
Packaging formats	Material, mass, use and changes	Role, phase and applicable design review	PPWR applicability, S20
Unsold finished goods	Quantity, condition and location	Re-use route or evidenced exception	Company scope and S14
Process residues	Source, category and measured mass	Receiver, treatment and local approval	Site controls and S26
Collected returns	Condition and sorting status	Product or waste route and shipment acceptance	Destination review and S15

ILLUSTRATIVE [S14] [S15] [S20] [S26] GFT illustrative allocation template. Responsible roles, legal classifications and reporting fields must be confirmed for the actual destination and transaction. Sources identify the governing or technical framework; they do not make this schedule a statutory form.

The schedule should also preserve decision rights. State who may approve resale, donation, repair, return, destruction under an applicable exception, or a change in packaging format. Require the person approving a route to record the evidence reviewed and any conditions. A supplier should not receive an instruction to destroy goods without knowing the accountable entity and the evidence basis. A buyer should not receive a recycling claim without the destination record needed to support it.

Change control closes the loop. A different fabric composition can affect an EPR category or recycled-content statement. A new polybag can alter the packaging assessment. A new destination can change registration and reporting duties. A higher return rate can alter inventory, workload and available disposition routes. The contract should require notification early enough for the relevant assessment, with shipment or publication held where a critical requirement remains unresolved.

WORKED EXAMPLE: A BRAND PROPOSES RETURNING UNSOLD GARMENTS

An illustrative EU brand holds 800 unsold garments from a Cameroon supplier and asks the supplier to accept their return and all associated costs. The parties have not yet established the goods' condition, the applicable company scope, the destination rules or whether cross-border movement is authorised. GFT's proposed first decision is to identify and hold the stock at its current location while those questions are reviewed. The request alone does not make the goods waste, establish an exception or authorise shipment.

For the constructed cost case, suppose condition screening classifies 600 units as suitable for resale review, 150 as candidates for repair and 50 as unresolved pending safety and exception assessment. These quantities sum to 800. They are illustrative management categories, not proof that any route has been approved. Resale and donation remain subject to product condition, brand authority and destination review. The 50 unresolved units must not be silently added to a recycling total.

Assume, solely for arithmetic, an internal handling allowance of XAF 300 per returned unit and a repair planning allowance of XAF 1,200 per repair candidate. The illustrative non-freight exposure is 800 × XAF 300 + 150 × XAF 1,200 = XAF 240,000 + XAF 180,000 = XAF 420,000. Divided by the 800 returned units, this equals XAF 525 per returned unit. These are invented planning inputs for method demonstration, not market quotations, EPR fees or measured programme costs.

The illustrative XAF 420,000 excludes freight, customs, taxes, EPR charges, storage, resale recovery and treatment of unresolved items. It should not be called the total return cost. The buyer and supplier should replace each allowance with observed or quoted inputs, then allocate the verified amount according to cause and contract. Before any physical return, they should also document product status, title, sorting and shipment requirements. A cheaper arithmetic outcome cannot legalise an unauthorised movement or unsupported destruction.

The final review should test whether the agreement improves the decisions that created the stock. If the supplier bears every return cost but cannot challenge forecast changes or obtain disposition evidence, the clause may transfer expense without strengthening prevention. If the buyer controls the route but lacks timely product and packaging data, administration may still fail. GFT recommends a schedule that joins information, authority and resources, then tests it on a bounded order before wider use.

The approval sought is therefore specific: assign destination-specific responsibility before allocating circularity costs, keep textiles and packaging in separate applicability rows, and require evidence for every unsold-stock disposition. Preserve unre-

solved classifications and scheme details as open work. The result is not a universal circularity certificate. It is an order record capable of explaining who acts, who pays, what happened to the material and which claims the evidence can support.

Circularity becomes accountable when responsibility, material and destination share one record.

CHAPTER SOURCE NOTES

S15 European Commission, DG Environment. 2025-10-16.

S20 European Commission, DG Environment. 2026-08-11.

S14 European Commission, DG Environment. 2026-07-17.

S26 World Bank Group and International Finance Corporation. 2007-04-30.

S28 European Commission, DG GROW. 2024-01-31.

S18 European Commission. 2026-10-30.

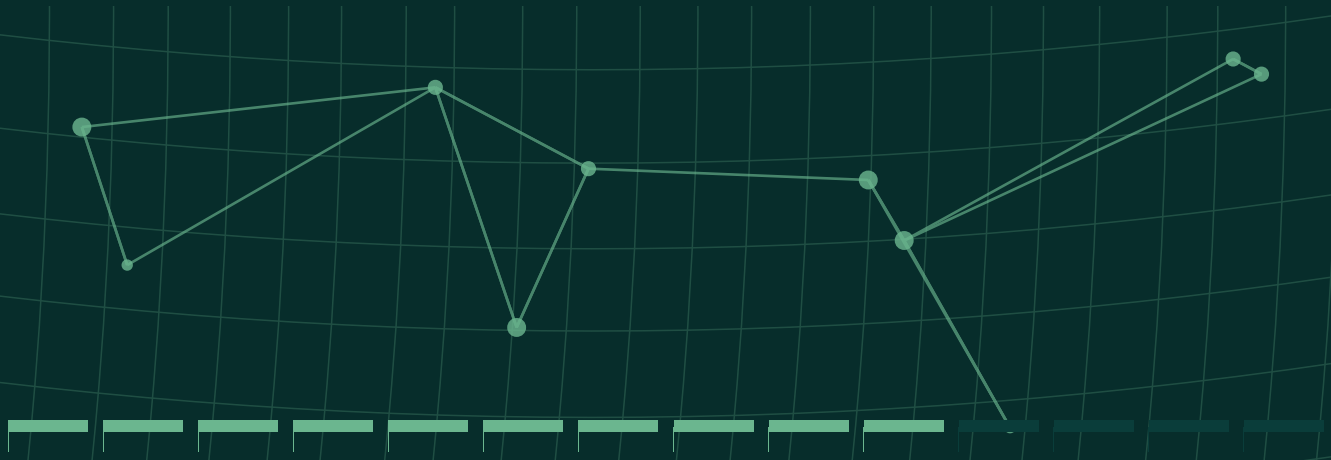
S07 OECD. 2026-02-26.

10

PART III: DEMONSTRATE THAT THE PRODUCT AND ITS CLAIMS CAN TRAVEL / CLAIMS AND FOOTPRINT

Environmental claims must match the evidence and the product

A measured improvement is useful only when its boundary, method and communication are defensible.



CHAPTER 10
DECISION TEST

A measured improvement is useful only when its boundary, method and communication are defensible.

An environmental claim should say only what a reviewed evidence file can reconstruct for the product, site, period and audience concerned. A packaging improvement cannot substantiate a garment-wide claim. An emission factor cannot substitute for a missing activity record. An offset purchase cannot be presented as a reduction inside the product's value chain. The practical control is therefore editorial and operational at once: fix the claim boundary before choosing the wording, then change or withdraw the wording when the evidence no longer supports it.

For an African supplier, this discipline belongs in the ordinary production and sales routine. The technical team defines what was measured. The commercial team identifies the representation a customer will understand. A competent reviewer tests the two against the applicable consumer rules and the destination market. GFT's Cameroon textile programme supplies an operating-design reference for source records and management review, not evidence of a certified product, a measured footprint or an environmental result. This chapter offers an evidence and communication method, not legal, tax or investment advice.

10.1

Consumer-law changes already affect environmental messaging

Directive (EU) 2024/825 has applied since 27 September 2026. The Commission states that it amends the Consumer Rights Directive and the Unfair Commercial Practices Directive, with Member States given until 27 March 2026 to transpose it. A supplier selling to consumers in the EU should therefore review current representations now, including representations on existing stock, rather than wait for a future textile passport or a separate claims statute. National competent authorities and courts enforce the applicable national provisions, so destination-law review remains necessary. [S18] [S36]

The amended rules address more than obviously false numerical statements. The Commission's September 2026 questions and answers describe a prohibited generic environmental claim where its specification is not provided clearly and prominently on the same medium. The guidance also treats text, pictorial, graphic and symbolic representations as possible environmental claims when they communicate positive, zero or reduced environmental damage in a commercial context. A leaf device, product name or colour treatment can therefore matter to the overall impression, even where the legal classification of a particular device requires case-specific assessment. [S36]

Sustainability labels need a separate review from factual product statements. The Commission guidance states that displaying a sustainability label is prohibited where it is neither based on a certification scheme nor established by a public authority. Its description of a certification scheme includes independent third-party verification, publicly available requirements and terms, and monitoring by a competent independent party. An internal badge designed by a supplier or buyer should not be allowed to borrow the appearance of an independently verified award without meeting the relevant conditions. [S36]

Offset-based product claims require particular restraint. The amended Unfair Commercial Practices Directive prohibits claiming, on the basis of greenhouse-gas offsetting, that a product has a neutral, reduced or positive environmental impact in terms of greenhouse-gas emissions. The Commission explanation distinguishes compensation outside the product's value chain from actual emission reductions within it. It also preserves room for non-misleading communication about environmental investments, which is not the same as calling the garment carbon neutral. [S36]

Future-facing language is evidence work as well. The Commission guidance explains that environmental claims about future performance require clear, objective, publicly available and verifiable commitments and targets, a detailed and realistic implementation plan with allocated resources, and independent third-party expert verification. It also describes regular findings being made available to consumers. A target printed beside a product should not be treated as though it were an achieved product attribute, nor should a corporate aspiration be silently converted into a present-tense garment claim. [S36]

The separate Green Claims proposal must not be confused with these applicable consumer-law amendments. The Council page opened for this chapter says that the proposed measures would set common substantiation criteria and would involve verification by independent experts. It also records that the Council and Parliament were negotiating the final text. That source does not establish an adopted standalone Green Claims verification regime or a compliance date. The chapter therefore uses the proposal only to explain why precise substantiation matters, not to invent a current duty. [S19]

A useful approval meeting consequently asks two different legal questions. First, what does the applicable consumer law, as transposed and enforced in the destination, require of this representation now? Second, what additional requirements might arise if the pending proposal or product-specific rules change? Combining those questions produces false certainty. Keeping them apart allows the supplier to correct present communications while maintaining a dated watchlist for future changes. [S18] [S19]

10.2

The claim boundary must match the evidence boundary

The claim boundary is the object and set of processes to which the statement refers. It may be a retail bag, a fabric component, a finished garment, a manufacturing site or a corporate programme. These objects are related, but they are not interchangeable. The Council's consumer-policy page gives the direct example of a product being marketed as made with recycled material when only its packaging contains that material. The problem is not merely missing detail. It is a transfer of evidence from one object to another. [S19]

A supplier should begin with the exact noun in the proposed sentence. “This bag contains recycled material” directs attention to the bag and its material record. “This garment is recycled” directs attention to the garment's composition and may carry a different consumer meaning. “This garment has a lower footprint” introduces a comparison, a lifecycle question and a baseline. “Our factory is sustainable” expands the

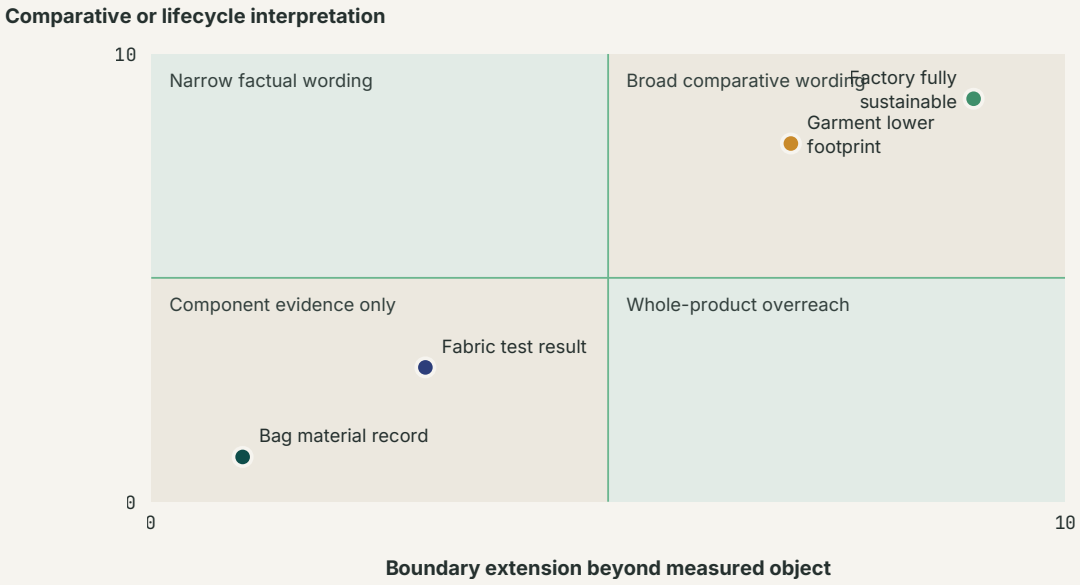
representation still further, across operations and possibly across environmental and social issues. The illustrative wording here is a drafting test, not approved marketing language.

The evidence file must then reproduce that boundary in fields a reviewer can inspect. It should identify the product or site, model and batch where relevant, measurement period, process stages, data sources, calculation method, baseline, exclusions and uncertainty. It should also name the intended channel and audience. A business-to-business technical annex can carry detail that would be obscure on a small label, but the existence of an annex does not cure an inconsistent headline. The Commission guidance on generic claims makes clear and prominent specification on the same medium central to that particular prohibition. [S36]

Exhibit 42, p. 146 applies this test to four common objects. The positions are an illustrative editorial device, not legal scores. Horizontal position represents how far the proposed wording extends beyond the measured object. Vertical position represents how much comparative or lifecycle interpretation the wording requires. Higher positions demand more definition and evidence, not greater marketing confidence.

EXHIBIT 42 / ILLUSTRATIVE EDITORIAL POSITION, 0 TO 10

A claim about one component cannot stand for the whole garment



ILLUSTRATIVE [S19] [S36] Illustrative scoring by GFT for editorial review. X is boundary extension beyond the measured object; Y is comparative or lifecycle interpretation demanded by the wording. Positions are not legal conclusions, measured impacts or statistical estimates. S19 supplies the packaging-versus-product concern and S36 supports claim specification.

The matrix shows why specificity reduces the evidential gap. A bag material record can be checked against the bag specification and supplier documents. A garment-wide lower-footprint statement needs a defined comparator and a coherent lifecycle method. A broad factory statement needs a much wider assessment and may still be too vague to approve. No position on the chart establishes legality; its purpose is to stop a narrow record being used to answer a broad question.

Baselines deserve the same discipline as boundaries. “Lower than last year” requires a previous measurement using a compatible method and product definition. “Lower than a conventional garment” requires the comparator to be identified and justified. “Reduced by half” requires an arithmetic relationship as well as equivalent units and boundaries. Where production volume, fabric weight, garment size or energy allocation changes, the reviewer must decide whether the comparison remains like for like. These illustrative phrases demonstrate the review questions and are not claims about a GFT product.

A local sourcing fact illustrates the same limit. Evidence that cotton was obtained near a factory may support a bounded statement about that input's recorded origin. It does not, by itself, establish lower water use, lower transport emissions across every route or a lower lifecycle footprint. Those propositions involve additional activities, denominators and counterfactuals. The safe conclusion is not that local sourcing has no environmental value, but that each claimed value needs its own evidence chain.

> **GFT NOTE**
>
> Write the evidence boundary before the marketing sentence. GFT recommends a one-page claim cover sheet naming the object, exact wording, audience, channel, measurement period, process stages, comparator, exclusions and approval owner. If the technical record and the headline use different nouns, stop the approval. A narrower factual statement is usually more useful than an expansive statement that the factory cannot reconstruct.

This approach also protects legitimate improvement work. A measured reduction at a finishing operation can be reported as a result for that operation and period, subject to its method. It need not be inflated into a whole-garment result to become commercially relevant. Precise communication lets the buyer understand where the improvement occurred and what remains unmeasured. That is a better basis for the next production decision than a broad badge unsupported by the batch record.

10.3

Carbon information is not automatically a border tax calculation

A carbon number can serve several decisions, and each decision sets a different evidence requirement. A buyer may request value-chain information for its own corporate sustainability statement. A technical team may commission a product-footprint study to identify process improvements. A sales team may want a comparative product statement. A customs specialist may need to determine whether a border mechanism covers the goods. The same emissions figure should not migrate between these uses without a scope review.

Corporate reporting starts with the reporting undertaking's obligation and reporting standard. The Commission states that companies subject to the CSRD report according to European Sustainability Reporting Standards. A supplier's extract can inform that statement without becoming the supplier's own ESRS report. The response should identify the requested value-chain category, organisational and operational

boundary, reporting period, measurement method and estimates. It should also preserve the distinction between information supplied and assurance over the buyer's final statement. [S03]

A product-footprint study asks a different question. It follows declared lifecycle stages for a defined product and functional unit. Its result depends on activity data, emission factors, allocation, cut-off choices and the treatment of uncertainty. Those choices may be appropriate for internal hotspot analysis yet insufficient for a public comparison. The accounting method belongs with the specialist analysis in the companion greenhouse-gas paper; the control here is to prevent a study output from being detached from its method.

Current CBAM scope should not be inferred from the presence of carbon data in a buyer questionnaire. The Commission lists selected goods in cement, iron and steel, aluminium, fertilisers, electricity and hydrogen. Ordinary apparel does not become subject to a carbon border charge merely because a customer asks for product-carbon information. This is an inference from the positive sector list, not a classification opinion for a mixed shipment. The exact customs code and current operative scope still need competent review. [S22]

Exhibit 43, p. 148 separates the four requests by the decision they support. It is a scope map, not a calculation standard. Its sourced rows distinguish corporate reporting, current CBAM coverage and consumer communication; the product-study row states a methodological distinction rather than prescribing a particular footprint standard.

EXHIBIT 43 / EVIDENCE AND DECISION SCOPE

Different carbon requests serve different decisions

Request	Decision served	Evidence emphasis	Do not infer
Buyer corporate report	Buyer disclosure	Period, category, boundary and estimates	Supplier issued an ESRS statement
Product-footprint study	Process or product analysis	Functional unit, stages, factors and allocation	Public superiority is automatic
Environmental marketing	Consumer representation	Claim wording, comparator and same-medium qualification	A study file cures overbreadth
CBAM scope review	Border obligation	Current goods list and exact product code	Carbon data creates apparel CBAM duty

SOURCED [S03] [S22] [S18] [S36] S03 supports the corporate reporting row. S22 supplies the current positive CBAM sector list, with product-code review still required. S18 and S36 support the consumer-communication row. The product-study row is GFT methodological synthesis, not a claim that one standard governs every study.

The practical response is to route the request before calculating. A corporate reporting request goes to the reporting-data owner. A product study goes to the footprint specialist and product owner. Marketing wording goes through claims approval. A

border question goes to customs and legal review. One evidence repository can support all four, but each output needs its own cover sheet and reviewer. Reuse should preserve definitions, not erase them.

Within the evidence file, actual measurements and estimates should remain visibly different. Meter readings, fuel records and production quantities need source documents and period reconciliation. Emission factors need publisher, version, geography, unit and year. Allocation needs a stated rule and a reason. An estimated value needs its calculation basis and should not acquire the apparent precision of a meter merely because it has been copied into a spreadsheet. No emissions saving is asserted for GFT's programme because no such measured dataset has been opened in this chapter.

Comparative wording adds another gate. A lower result can be an artefact of a narrower boundary, a different garment weight, a more favourable factor set or a changed allocation rule. The reviewer should reproduce the comparison from the same inputs before approving the statement. If comparability cannot be demonstrated, the result may still guide an internal engineering review, but it should not become a public superiority claim. The consumer-law sources require attention to the representation itself, not only to the existence of a technical file. [S18] [S36]

10.4

Water and chemical evidence should state the operation measured

Environmental manufacturing guidance has a process boundary just as a claim does. The World Bank Group and IFC textile guidelines cover manufacturing involving natural, synthetic and regenerated fibres, but expressly exclude polymer synthesis and natural raw-material production. They also tailor application to the hazards and risks of each project through environmental assessment. A supplier should therefore use the guidance as technical reference material within its stated scope, not as a universal product claim or a substitute for site-specific assessment. [S26]

The same source locates desizing, bleaching, mercerising, dyeing, printing and other treatments within wet processing or finishing. It describes chemical and liquor baths, washing, rinsing and drying, and the resulting wastewater issue. It also discusses hazardous chemical use in pretreatment, dyeing and related processes. These passages direct measurement towards the operations where the relevant inputs and releases occur. They do not justify assigning a wet-processing benchmark to every garment operation. [S26]

Consider an illustrative cut, make and trim site that receives finished fabric. Its water record might cover process cleaning, steam generation or domestic uses, depending on the actual installation. It should not silently import a dyehouse water-intensity value and present that value as its own consumption. If an outsourced dyer serves the product, that operation belongs in the supply-chain map and its evidence needs a separate site, period and denominator. This is a measurement-design example, not a finding about any named factory.

A usable water metric begins with the meter or other measurement basis and the operation served. The reviewer defines whether the value covers incoming water, recycled water, discharge or consumption, then links the numerator to a compatible output denominator. Garment pieces, kilograms of fabric and batches answer different questions. Partial metering, shared utilities and changes in production mix must be disclosed. A calculated litres-per-unit value without those fields cannot support a meaningful comparison, even if the arithmetic is correct.

Chemical claims require equal precision. A restricted-substance test addresses the substances, method and sample named in the report. A manufacturing chemical-inventory review addresses inputs and process controls. A wastewater result addresses a discharge point and sampling event. None of these alone supports an unqualified “chemical-free” garment statement, which is an illustrative example of wording to reject. The review should identify the chemical question first, then select evidence that actually answers it.

The age and scope of technical guidance also matter. The textile EHS source is dated 30 April 2007 and presents good international industry practice and site-tailoring principles. It is not presented here as the current expression of every EU legal limit. Current permits, applicable chemical restrictions, buyer requirements and test methods need their own dated sources. An environmental marketing review should not turn a guidance value into a statutory threshold or an achieved factory result. [S26]

> **METHOD**
>
> For every resource claim, reconcile five fields: measured operation, source point, period, physical denominator and exclusions. Add the method version and reviewer for a comparison. If the statement concerns an outsourced process, record the supplier site and evidence transfer separately. If any field is unknown, narrow the statement or leave the value unpublished. Detailed water and process calculations belong in the companion resource-measurement paper.

The claims reviewer can now ask a decisive question: does the public sentence describe the same operation that produced the evidence? A dyehouse reduction cannot be attributed to a cut-and-sew site's own meter. A site-level reduction cannot be assigned to every garment without an allocation method. A batch test cannot establish annual site performance. These distinctions do not obstruct communication. They make the resulting statement useful to a buyer who needs to know where action occurred.

10.5

A voluntary label has a precise award scope

The EU Ecolabel is a voluntary scheme, not a general condition of market access. The Commission describes it as third-party verified, with independent experts responsible for checking compliance with the applicable criteria. That independence distinguishes an awarded product from a supplier's own declaration. It does not remove the need to inspect the licence, product identity, criteria version and validity before using the label in a particular channel. [S29]

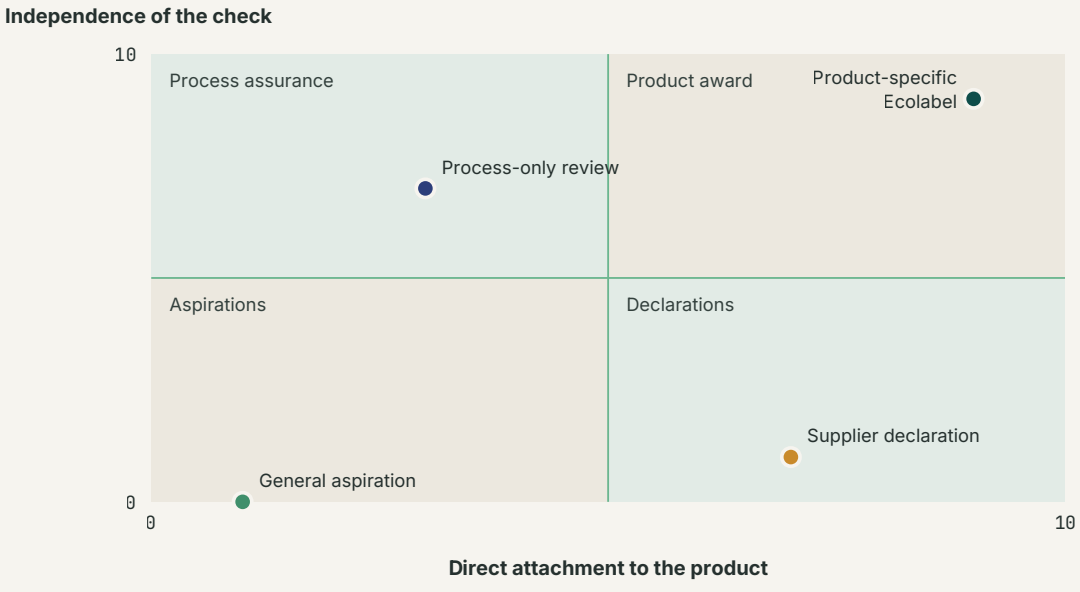
Product-group scope is equally important. The Commission's clothing and textiles page lists separate footwear and textile-product criteria. Its textile scope includes clothing and accessories, interior textiles, fibres, yarn, fabric and knitted panels. As of the source access date, the page records validity to 31 December 2028 for the listed current footwear and textile criteria, alongside amendments prolonging that validity. This is criteria-version information, not proof that any particular supplier or garment holds an award. [S27]

A useful evidence review therefore asks what exactly was awarded. A certified product is not the same proposition as a certified management process. A supplier declaration is not independent verification. A general sustainability aspiration is neither an award nor a measured result. These categories can coexist in a responsible evidence system, but their communication must preserve their different meanings. No EU Ecolabel award, management certification or other environmental certification is claimed for GFT or the illustrative venture in this chapter.

Exhibit 44, p. 151 makes the distinction visible. Vertical position represents the independence of the check described by the evidence. Horizontal position represents how directly the evidence attaches to the product being discussed. The EU Ecolabel position is derived from the Commission descriptions. The other points are illustrative evidence categories, not judgements about a named scheme. The scores are ordinal editorial aids, not measurements of environmental performance.

EXHIBIT 44 / GFT ORDINAL EDITORIAL SCORE, 0 TO 10

A label award differs from a general compliance statement



DERIVED [S27] [S29] Derived categorical mapping. Y scores independence of the check: no external check 0, self-declaration 1, illustrative independent process review 7, and Commission-described third-party product verification 9. X scores direct attachment to the discussed product: general aspiration 1, illustrative process-only evidence 3, illustrative product declaration 7, and product-specific award 9. S27 and S29 support the Ecolabel properties only; other positions are illustrative categories, not named-scheme assessments or legal scores.

The chart does not rank environmental outcomes. A highly independent process review may be valuable while still saying nothing sufficient about a particular garment. A detailed supplier declaration may identify a batch precisely while remaining self-

issued. The award route is strongest only for the proposition its criteria and licence actually cover. Reading that scope is more useful than treating every logo as interchangeable proof.

Label wording should also stay within the award. The Commission guidance explains that generic claims associated with an Ecolabel still depend on relevant product-group criteria; it gives the example that biodegradability could not be inferred where the applicable criteria contain no biodegradability requirement. The label can support what the scheme assessed, not every environmental virtue a sales team might associate with it. [S36]

10.6

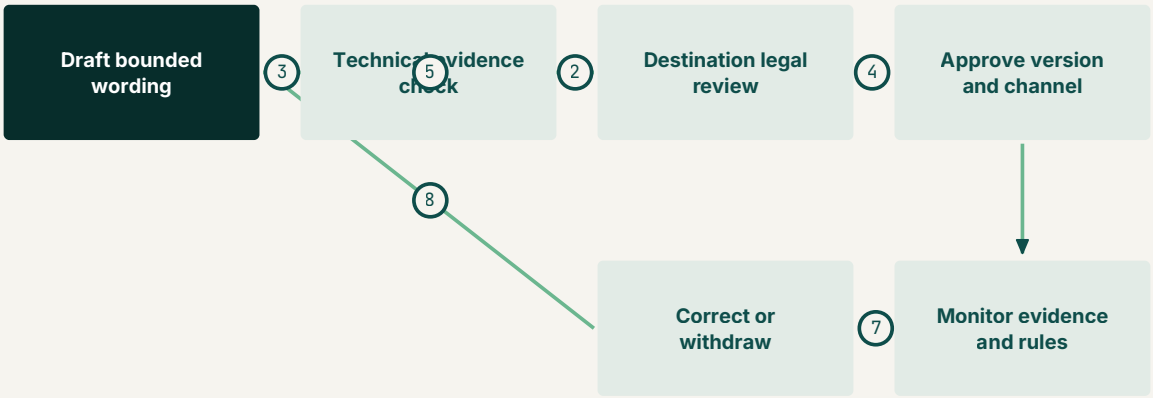
An approved claim needs change control

Approval is a state attached to a version, not a permanent property of a slogan. GFT recommends a claim register containing the exact wording, product or site boundary, intended audience, channel, evidence-file version, technical owner, legal-review status, approval date, next review and withdrawal trigger. It should record translations and adaptations separately where they can change the consumer impression. A reusable claim is one whose evidence and limitations remain attached, not one that can be copied freely between products.

Exhibit 45, p. 153 sets out the proposed operating sequence. Technical review establishes whether the evidence answers the claim. Legal review tests the representation and destination requirements. Publication is authorised only after both routes resolve their exceptions. Monitoring then watches the evidence and the rule base, with correction or withdrawal available when either changes. This is a GFT control design, not a statutory workflow.

EXHIBIT 45 / PROPOSED DECISION SEQUENCE

A claim should be approved against a dated evidence file



2. supported scope
3. revise evidence gap
4. resolved
5. revise wording
7. change or challenge
8. controlled replacement

ILLUSTRATIVE [S18] [S36] Illustrative GFT workflow informed by the application date and claims guidance in S18 and S36. It does not reproduce a statutory procedure or guarantee legal clearance. Legal review is scoped to the actual representation and destination.

Material change should reopen the file before the next publication or shipment, according to the risk involved. Triggers include composition, supplier, production location, wet-processing route, energy mix, allocation rule, baseline, test scope and claim translation. A new source version or legal act can also change the review. The trigger does not prove that the old result became false. It establishes that the previous approval can no longer be assumed to answer the new conditions.

Channel control matters because the same claim can appear in a garment label, product page, marketplace listing, sales deck and buyer portal. The register should identify every recipient and publication location. A corrected master document is insufficient if the old wording remains on a retail page or printed bag. For existing stock, the Commission guidance discusses possible practical responses such as covering or correcting claims and adding supplementary information at the point of sale, subject to the actual circumstances and enforcement review. [S36]

The September questions and answers are guidance, not the final judicial word. The document expressly states that its answers are not a formal Commission position or legally binding interpretation, that authoritative interpretation belongs to the Court of Justice of the European Union, and that national competent bodies and courts enforce the provisions. The claims register should therefore record guidance as guidance and route material uncertainty to qualified destination review. [S36]

Corrections should preserve the decision history. Keep the original wording, evidence version, reason for change, authorising reviewer, affected products and notification record. Distinguish an evidence correction, a wording qualification and a full withdrawal. Those actions address different failures and should not be collapsed into a silent file replacement. The objective is to let a later reviewer reconstruct what was said, why it was considered supportable and when that support ended.

10.7

The evidence should survive a reasonable challenge

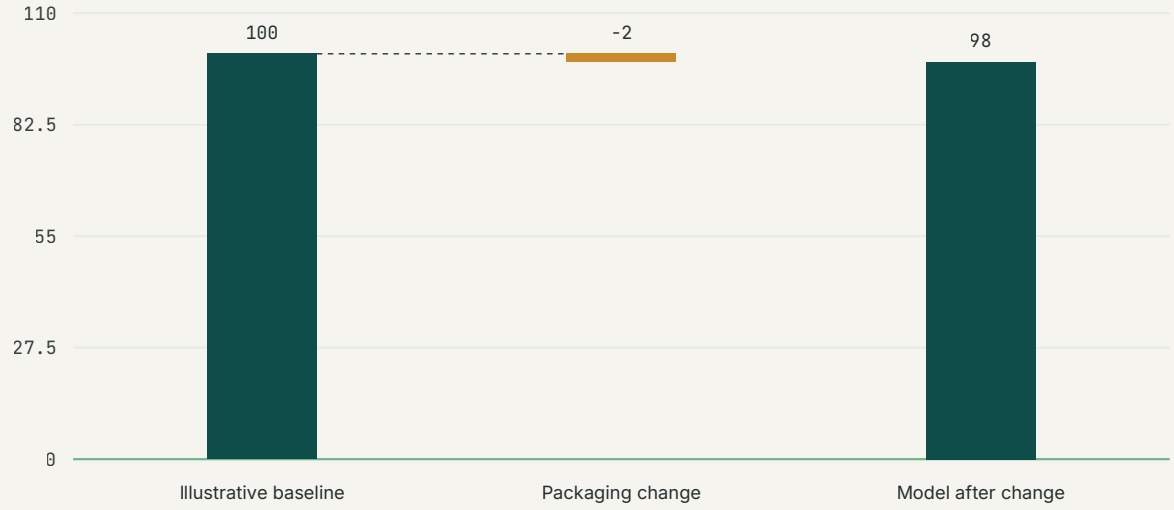
A challenge test should imitate a sceptical but fair reader. Give the reviewer the headline without the sales explanation. Ask which product and environmental effect the wording brings to mind, what comparison it implies, and which record would be needed to verify that impression. Then compare the answers with the actual evidence file. This tests communication, not merely document availability. A technically true component fact can still create a misleading whole-product impression when placed in the wrong sentence. [S19]

> **WORKED EXAMPLE**
>
> An illustrative sales team proposes “low-carbon garment” after changing the retail bag and purchasing offsets. For arithmetic demonstration only, assume an internally modelled garment baseline of 100 arbitrary greenhouse-gas units and a packaging change of 2 units within that model. The result is 100 minus 2, which equals 98 units. The modelled reduction is 2 divided by 100, or 2 percent of the declared baseline. Every input is invented to demonstrate boundary arithmetic. This is not a lifecycle assessment, a factory measurement or a GFT result.

Exhibit 46, p. 155 shows only that narrow arithmetic. The opening and closing totals refer to the illustrative model, while the single change relates to packaging. No offset appears as a deduction because the case treats an offset outside the value chain as a separate transaction, not as a physical reduction in garment production.

EXHIBIT 46 / ILLUSTRATIVE EMISSIONS UNITS PER GARMENT MODEL

A packaging improvement supports only its bounded arithmetic



ILLUSTRATIVE Illustrative case with invented inputs: opening model 100 units, packaging change minus 2 units, closing model 98 units. Arithmetic: 100 - 2 = 98; 2 / 100 = 2 percent of the declared baseline. No measured product, lifecycle assessment, offset deduction or environmental performance claim is represented.

The arithmetic is internally valid and still insufficient for the proposed headline. The model has no supplied activity data, emission factors, lifecycle stages, comparator, allocation rules or uncertainty assessment. More fundamentally, the evidence identifies a packaging change while the wording characterises the garment as a whole. A reviewer should reject the headline even though the subtraction is correct. The appropriate response is to improve the evidence or narrow the claim, not to debate the arithmetic.

The offset purchase does not repair that boundary failure. The Commission guidance states that claims based on offsetting must not present a product as having a neutral, reduced or positive greenhouse-gas environmental impact. Its rationale is that compensation outside the product's value chain is not equivalent to an actual reduction within it. The case should therefore remove any carbon-neutral or reduced-climate-impact wording founded on the purchase. A separately worded statement about support for an environmental initiative would need its own accurate transaction evidence and non-misleading presentation. [S36]

What can the team retain? If bag composition and the change are documented, a factual packaging statement confined to the verified material and period may be reviewable. If the internal model is methodologically sound, it can remain an internal improvement record with its assumptions visible. Neither route automatically authorises a consumer claim. The technical owner must supply the records, and the claims reviewer must approve the exact wording and channel against the applicable destination rules. The illustrative case deliberately stops short of providing approved marketing copy.

A genuine lower-footprint comparison would require much more. The team would need a defined functional unit and comparator, consistent lifecycle boundaries, current activity evidence, appropriate factors, justified allocations and an uncertainty discussion. It would need to show that changes in garment weight, durability or product mix do not make the comparison misleading. Those requirements follow from the comparison question itself. They are not a licence to delay a simple packaging correction until a full study exists.

The challenge should end in a recorded decision. In this case, withdraw the whole-garment wording, quarantine affected draft materials, preserve the packaging evidence and assess any environmental-investment communication separately. Record which channels used the disputed statement and who must confirm removal or replacement. If the claim has already been published, escalate the correction through the same controlled history described above rather than silently editing one page.

GFT recommends publishing bounded facts that an operator can defend under questioning. This may mean saying less, but saying it with a product, period, method and evidence owner attached. Whether buyers reward that discipline through fewer queries, faster technical review or stronger commercial relationships is a hypothesis to observe. The chapter does not assume a price premium, export contract or regulatory acceptance. The immediate gain is decision quality: production improvements remain connected to the claims they can genuinely support.

Publish the boundary with the claim, and let no slogan travel further than its evidence.

CHAPTER SOURCE NOTES

S18 European Commission. 2026-10-30.

S36 European Commission, DG Justice and Consumers. 2026-09-22.

S19 Council of the European Union. 2026-10-30.

S03 European Commission, DG FISMA. 2026-07-03.

S22 European Commission, DG TAXUD. 2026-10-30.

S26 World Bank Group and International Finance Corporation. 2007-04-30.

S29 European Commission, DG Environment. 2026-10-30.

S27 European Commission, DG Environment. 2026-10-30.

11

Compliance data must be useful without exposing the worker

The factory needs controlled, retrievable evidence and a separate decision about who may see personal information.

CHAPTER 11
DECISION TEST

The factory needs controlled, retrievable evidence and a separate decision about who may see personal information.

A compliance record should let a reviewer reconstruct a product, a process and a remedy without turning every worker into an openly searchable attachment. GFT recommends separating the evidence proposition from the identity material behind it. The buyer usually needs to know what was checked, which batch or activity was covered, which exceptions remain and whether a remedy was verified. It does not automatically need a copy of every passport, interview or grievance. Role-based views, controlled extracts and a documented transfer assessment can preserve evidential value while reducing unnecessary disclosure.

This operating design reflects the dated sources in the chapter register. It is not legal, tax or investment advice. GDPR applicability, lawful bases, employment records, confidentiality and international transfers require review of the actual entities and processing. Relevant Cameroon and other national laws remain a separate implementation dependency; this chapter does not claim to have verified them. Nor does it claim that GFT's Cameroon textile programme contains a deployed privacy architecture. Its performance-management and digital-strategy work is a design reference, not evidence of measured security or legal compliance.

11.1

Applicability must be checked before importing a privacy rule

The first question is not whether a file contains compliance evidence. It is whether the information relates to an identified or identifiable living person. The Commission's definition covers direct identifiers and combinations of information that can identify someone. It also states that pseudonymised information remains personal data where re-identification is possible. A case number substituted for a name is therefore not automatically anonymous. Irreversible anonymisation has a different status, but a supplier should not assert it merely because the obvious names have been removed. [S1101]

Processing is equally broad. Collection, recording, retrieval, consultation, disclosure, alteration and destruction can all count. A buyer portal is not the only processing event. A supervisor opening a restricted interview, an HR officer exporting a spreadsheet and a consultant correcting a case record may each form part of the relevant processing map. The Commission also makes clear that the rules can cover manual as well as automated processing. A paper grievance file does not become irrelevant to privacy simply because the factory has no integrated software. [S1101]

GDPR applicability then needs its own analysis. Commission guidance addresses controllers and processors established in the EU that process personal data as part of their activities, regardless of where the processing occurs. It also addresses organisations established outside the EU when they offer goods or services to individuals in the EU or monitor their behaviour there. These tests concern the processing and entity circumstances. They do not support the shortcut that every African employment record falls under GDPR whenever the factory has a European customer. [S1101]

The buyer's sustainability duty does not remove that analysis. The amended corporate due-diligence framework requires in-scope companies to identify and address adverse human-rights and environmental impacts across their own operations, subsi-

diaries and chains of activities. Supplier evidence can support that process. The duty is not, however, a general instruction to collect unlimited identity material. The reviewer must still establish what information is necessary, which entity processes it and which legal rules govern that processing. [S02] [S23]

Roles should be assigned for each processing operation rather than for the commercial relationship as a whole. The Commission describes the controller as determining the purposes and means, and the processor as acting on the controller's behalf under documented instructions. A supplier may control its payroll administration while a hosted service processes records for it. A buyer may determine a separate purpose when it receives an extract. Joint determination, repeated reuse and onward hosting need particular scrutiny. A contract label alone should not be treated as the factual answer. [S1101]

GFT therefore proposes an applicability record before any worker evidence is shared. Record the entities, establishments, affected individuals, processing purpose, data categories, systems, recipients and actual direction of each disclosure. Identify who decides why and how the processing occurs, the claimed lawful basis and the relevant local employment, privacy and confidentiality rules. Where GDPR is engaged, add the applicable principles and transfer analysis. Where it is not, do not infer that disclosure is unrestricted. Local law, contractual confidentiality and worker protection still need attention.

That record should be revisited when the route changes. A new buyer portal, an external auditor, a labour recruiter, a cloud host or a buyer's non-EEA affiliate can alter the actors and purposes. A different use of an existing file can be just as important as a new file. Purpose limitation requires a specified purpose where GDPR applies, and further use needs its own compatibility assessment rather than a vague appeal to compliance. [S23]

11.2

The data model should separate product facts from worker identity

A durable data model begins with the proposition that each audience needs to test. A product reviewer may need a batch identifier, material specification, production site, test scope and release status. A labour reviewer may need to know whether recruitment fees were reported, whether protective action occurred and whether the affected person confirmed a remedy. These propositions can share an evidence index without sharing every underlying document. The index should point to restricted sources rather than copying their contents into every shipment pack.

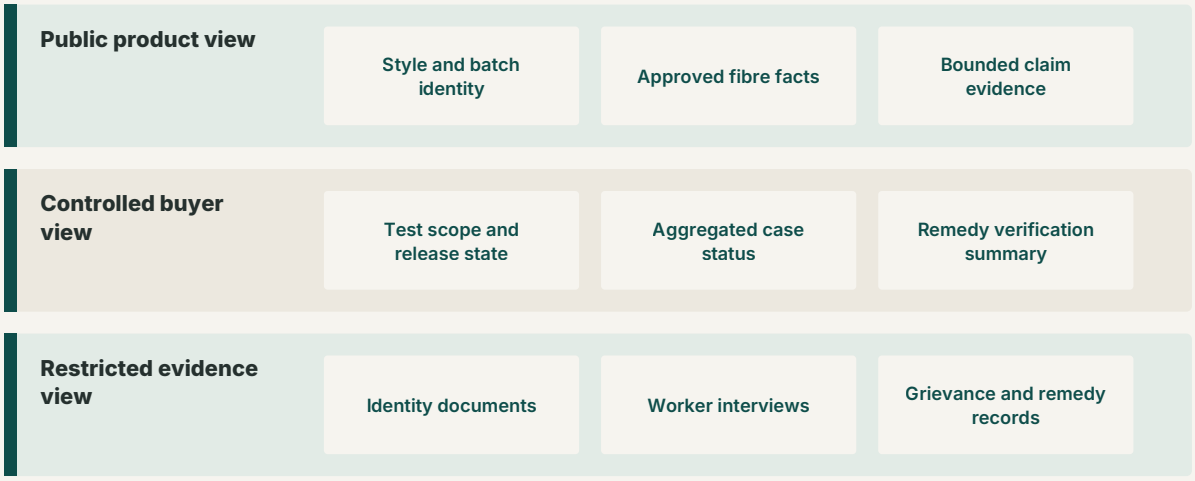
Each evidence reference needs enough metadata to be useful: the assertion supported, product or activity boundary, observation period, collection method, source owner, reviewer, version and unresolved limitation. Add an access classification and a disclosure rationale. This lets the compliance team retrieve the relevant evidence while keeping identity fields outside routine product work. It also prevents a buyer extract from becoming a second, uncontrolled master record whose accuracy cannot be maintained.

The separation is architectural, not a claim that references are harmless. A worker case token linked to a small site, shift and job role may identify someone when combined with other information. The Commission's treatment of pseudonymised data means that the token can remain within the personal-data analysis. Aggregation can also expose a person where a group is small or the allegation is already widely rumoured. The reviewer must test identifiability in context, not merely count removed name fields. [S1101]

Exhibit 47, p. 160 proposes three views of the same evidence system. Public product information carries approved product facts. Controlled buyer evidence carries scoped assurance and remedy status. Restricted personal records retain identity documents, interviews and grievance details. The layers are a GFT design, not an EU-prescribed database or a claim that the lower layers can answer every possible enquiry.

EXHIBIT 47 / ILLUSTRATIVE EVIDENCE VIEWS

Public product facts should be separated from restricted worker evidence



ILLUSTRATIVE [S11] [S23] [S1101] Illustrative GFT access architecture informed by conditional DPP information, GDPR minimisation and the continued personal-data status of re-identifiable records. It is not a deployed system or a complete legal access matrix. Each actual field still needs purpose, entitlement and transfer review.

The future Digital Product Passport does not justify merging these views. The Commission says textile-specific fields will be set through the relevant delegated acts and technical specifications. It describes access to product information and, for authorities, relevant conformity-assessment information. That conditional product framework supplies no basis for publishing grievance narratives or worker identity on a product page. The final passport mapping should preserve distinct public, buyer, auditor and authority entitlements. [S11] [S23]

Restricted records still need to be retrievable. A case summary that cannot be traced to its source is only an assertion. The controlled extract should identify the evidence owner, review state and route for authorised inspection. Where a buyer genuinely needs underlying material, the parties can consider a scoped extract, an on-site

review or another proportionate method before transmitting an entire file. The alternative must answer the actual assurance question rather than merely reducing the file size.

> **GFT NOTE**
>
> Build the buyer pack from evidence references, not from a folder of identity scans. For every requested field, record the decision it supports, the least identifying form that can support it, the authorised recipient and the route to inspect the source. Keep a pseudonymous reference inside the personal-data assessment whenever someone could relink it to a worker. Escalate any request that cannot explain its purpose or onward recipients.

11.3

Access should follow the decision being made

Access control becomes useful when it starts with a decision, not with a job title. Operations may need to see a blocked batch and its unresolved test. HR may need the worker identity behind an incorrect payment. A compliance reviewer may need the status and evidence scope without seeing the underlying interview. A buyer may need assurance that a defined concern was investigated. An auditor may need controlled access to selected source material. An authority may have a specific legal power, but the recipient should still record and verify the request rather than treating the word authority as a universal password.

The factory should translate these decisions into role views and field-level entitlements. Routine views should show the minimum content needed for the task. Sensitive source records should require a separate, logged action. Temporary access should have an owner and an end condition. Removing a name from a dashboard is insufficient if the same user can open an unrestricted attachment library or export the whole case population. Where GDPR applies, integrity and confidentiality require appropriate technical and organisational measures against unauthorised processing, loss and damage. [S23]

Every disclosure needs a purpose that can be stated in plain language. “The buyer requested it” identifies a commercial event, not a lawful basis or a necessity test. A better record might say that an importer needs to assess a reported recruitment-fee issue affecting a named production route. That purpose allows the supplier to consider a case status, scoped investigation findings and remedy confirmation before considering identity documents. Where GDPR applies, the Commission also calls for transparency about recipients and whether information will be transferred outside the EU. [S23]

An export log should preserve that reasoning. Record the requester, recipient organisation, evidence set, purpose, legal and contractual basis reviewed, fields removed, approving role, destination, onward recipients and correction route. The log should also identify what was not disclosed. That negative boundary helps a later reviewer distinguish an incomplete investigation from a deliberate redaction. A recipient who needs broader access can then request a defined addition rather than receiving the whole archive by default.

Urgent safeguarding needs a different route from routine reporting. A credible threat to a worker may require immediate action by a small authorised group even before a normal buyer review. That does not justify broadcasting the allegation to every commercial contact. The incident protocol should separate protective decisions from evidential disclosure and preserve both. It should also guard against a supervisor learning the complainant's identity through a supposedly anonymous summary.

External service providers need the same scrutiny. A portal host, payroll provider or investigator may process information for another organisation, but the actual facts determine the role. The Commission describes processor duties as specified through a binding contract or other legal act and notes that an organisation can be a controller for one part of an operation and a processor for another. The access review should therefore cover instructions, subcontractors, retention, return or deletion and incident communication rather than relying on a hosting label. [S1101]

No role view is permanent. Access should change when a worker leaves a team, an investigation closes, an auditor's engagement ends or a recipient's purpose changes. Periodic review should compare actual exports and administrator rights with approved purposes. The point is not to accumulate logs as another form of surveillance. It is to detect disclosures that no longer have an explanation and to stop them.

11.4

International transfer rules depend on the direction and actors

A data-location label cannot replace a transfer assessment. The EDPB identifies three cumulative criteria for a transfer outside the EEA: a controller or processor is subject to GDPR for the given processing, it discloses or otherwise makes personal data available to another organisation, and that recipient is outside the EEA or is an international organisation. All three concern a specific processing operation. The analysis must name the exporter, the separate recipient and the direction of availability. [S24]

This distinction changes two common cases. An African supplier sending worker evidence to an EU buyer is not automatically making the same Chapter V transfer as that buyer later disclosing the file to a separate non-EEA host. The first submission may still involve GDPR obligations for one or both parties, and local law may apply. The second disclosure can meet the EDPB transfer criteria where the buyer is subject to GDPR for the processing and the other conditions are present. The direction must be mapped rather than inferred from the passport's nationality or the server's marketing region. [S24] [S1101]

Making information available can matter as well as sending a file. A buyer that permits a non-EEA affiliate or processor to consult a restricted portal may be disclosing data even if nobody downloads a spreadsheet. Conversely, a contract that names an EU hosting region does not answer who can access the record from elsewhere. The transfer map should include administrators, support teams, auditors, group entities and sub-processors where they can actually obtain the information. [S24]

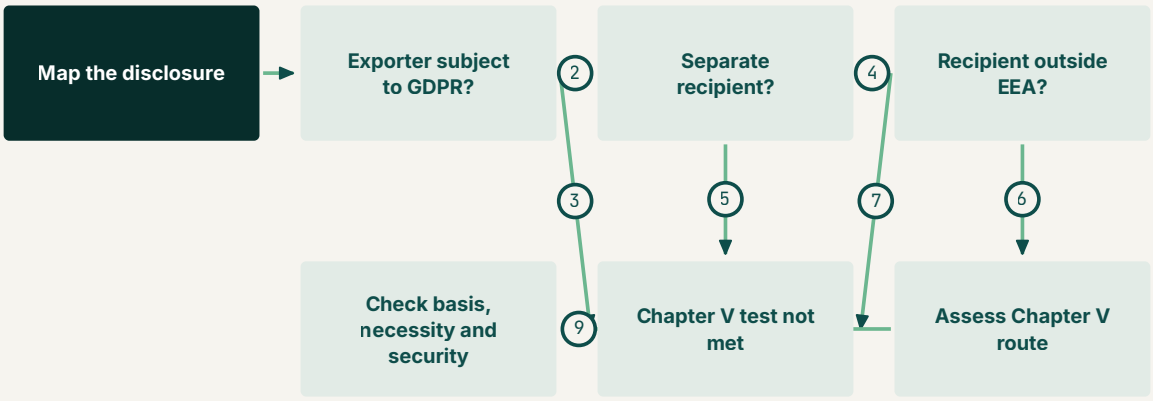
The EDPB describes adequacy decisions and, in their absence, appropriate safeguards as the principal routes, with derogations available in specified situations. Appropriate safeguards include several instruments, not just one standard contract. Derogations are exceptional and cannot become the routine basis for repeated disclosures. This chapter does not assert that Cameroon has an adequacy decision, that any organisation has approved safeguards or that a derogation applies to the worked case. Those propositions require dated verification and qualified review. [S24]

A signed transfer instrument is not the whole control. EDPB guidance says Chapter V conditions sit alongside the other GDPR rules, including a lawful basis, security and minimisation. Its discussion of standard contractual clauses also addresses transfer-impact assessment and destination-law circumstances. A supplier should therefore not treat the presence of a contractual clause as permission to upload unnecessary identity data. Reducing the disclosed dataset remains a separate decision. [S24]

Exhibit 48, p. 163 turns the EDPB criteria into a decision sequence. The flow is derived from the cited guidance. A negative answer does not conclude that processing is lawful or unregulated. It means only that the stated Chapter V test is not established on those facts, after which the reviewer must still consider other GDPR provisions, local law, confidentiality and worker protection.

EXHIBIT 48 / DERIVED CHAPTER V SCREENING LOGIC

A transfer assessment follows the actual data direction



2. Yes
3. No
4. Yes
5. No
6. Yes
7. No
9. Other rules remain

DERIVED [S24] [S1101] Derived from the EDPB's three cumulative transfer criteria. This is a screening aid, not a legal determination. Every branch still requires review of other applicable data-protection, employment, confidentiality and safeguarding rules.

The transfer record should attach the evidence for each answer: entity details, processing role, recipient relationship, hosting and access arrangement, purpose, dataset and proposed route. It should name the reviewer and the next recheck trigger. A new sub-processor, changed hosting region, additional buyer affiliate or broader evidence set can change the assessment. Keeping that record beside the evidence export lets the factory explain not only what it sent, but why that route was considered permissible at the time.

11.5

Evidence retention needs a requirement and a purpose

Retention is not a competition to keep every file forever. Where GDPR applies, the Commission states that personal data should be stored for no longer than necessary and that the organisation should set time limits for erasure or review. It also recognises that legal obligations can require records for fixed periods, including relevant national labour or tax rules. The schedule must therefore identify the actual purpose and requirement rather than choosing one convenient period for the entire compliance archive. [S23]

GFT proposes a schedule by record class. Recruitment identity evidence, payroll calculations, worker interviews, grievance records, laboratory reports, batch specifications, buyer submissions and public claims can have different users and legal contexts. For each class, record the purpose, triggering duty or contract, start event, review date, deletion or anonymisation route, investigation-hold rule and accountable owner. An undefined “business need” is too weak. The entry should say which decision or right the retained record still serves.

A specific requirement must remain inside its legal scope. The Commission's unsold-textiles guidance states that companies must keep relevant records for five years for inspection under that regime. That period belongs to the described unsold-goods obligations and responsible businesses. It is not a five-year rule for worker passports, grievance interviews, laboratory files or every sustainability record. Copying it across the archive would confuse one product-waste provision with general evidence governance. [S14]

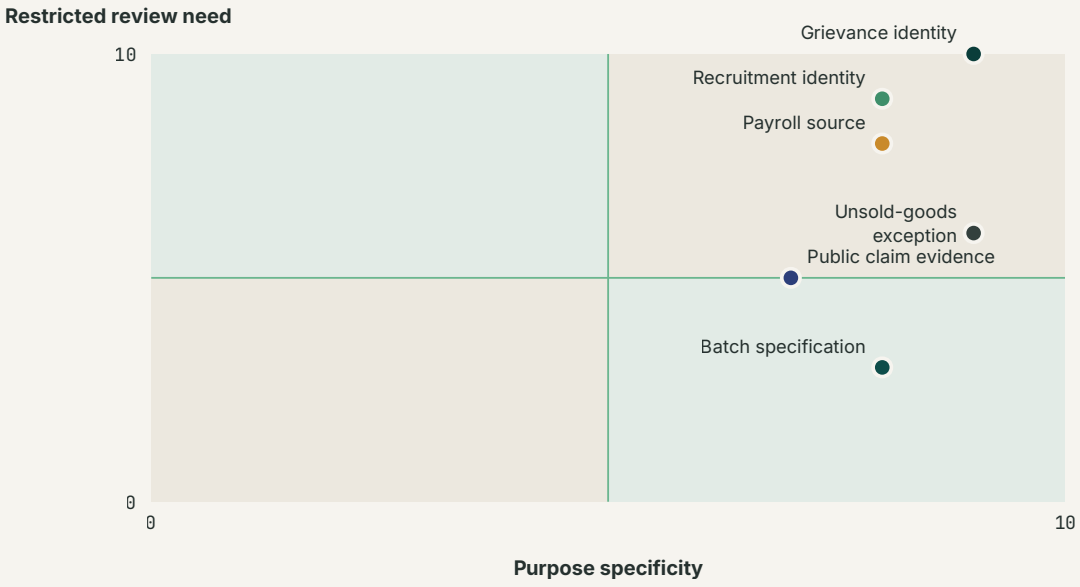
Investigation holds need equal discipline. A credible dispute, authority enquiry or remedy review can justify preserving identified records beyond routine review. The hold should name the matter, evidence boundary, approving role, permitted users and next review. It should not become an invisible permanent exception. When the hold ends, the schedule should resume and the reviewer should decide whether any material still serves another documented purpose.

Correction and deletion are also different operations. A corrected payroll record may need to retain its earlier version so that a reviewer can understand the original payment decision. A public claim withdrawn from a website may need its supporting evidence and distribution history retained for a defined review. Conversely, retaining an original file does not justify continuing to display its inaccurate contents as current. The active view, historical record and deletion queue need separate states.

Exhibit 49, p. 165 maps illustrative record classes by purpose specificity and the need for a restricted retention review. The coordinates are workshop aids, not months, legal scores or risk measurements. A high position means that the class deserves particularly careful access, hold and deletion analysis. It does not mean that the record should automatically be kept longer.

EXHIBIT 49 / ILLUSTRATIVE REVIEW COORDINATES FROM 0 TO 10

Retention follows purpose and applicable duty



ILLUSTRATIVE [S14] [S23] Illustrative GFT retention workshop. X is increasing purpose specificity and Y is increasing need for restricted retention review. Positions are not retention periods, legal ratings or measured risk. Actual periods require the relevant law, contract, limitation analysis and investigation status. The five-year Commission requirement discussed in the text is confined to its unsold-goods scope.

Deletion must reach the practical copies as well as the visible record. Exports, local caches, shared folders and backup processes should be included in the system map. Some copies may require a technical cycle rather than immediate destruction, but that delay needs an approved method and protection against restoration into active use. The schedule should record what actually happens. A policy saying “deleted” is not evidence that every recipient or copy has been addressed.

11.6

An offline factory still needs a trustworthy record chain

Connectivity failure changes how evidence is captured, but it does not change the question a reviewer must answer: which version supported which decision, and who could see or alter it? GFT's Cameroon textile programme supplies a performance-management and digital-strategy reference for local records and controlled information flows. The controls below are proposals built from that reference. No offline availability, recovery time or security outcome has been measured for an operating factory.

Local capture should preserve three times where relevant: when the production or worker event occurred, when the record was entered and when it synchronised. A single upload timestamp cannot distinguish a contemporaneous observation from a late reconstruction. The record should also carry its local identifier, device or terminal, capturing role and revision state. These fields do not prove that the event happened. They allow a reviewer to investigate gaps and reconcile duplicate entries when the connection returns.

Queued synchronisation needs visible failure states. A record awaiting upload should not look identical to one accepted by the central evidence store. The local system should show whether it is a draft, locally approved, queued, synchronised, rejected or in conflict. Retrying after an outage must not silently create a second version of the same event. Where two terminals produce conflicting entries, the system should preserve both and route the discrepancy to an authorised reviewer rather than letting the latest timestamp win automatically.

Offline access creates a confidentiality trade-off. A supervisor may need enough local information to hold an unsafe batch or protect a worker during an outage. That does not require a complete copy of the identity archive on every terminal. Cached records should be limited by task and protected through suitable access and device controls. Paper fallback needs the same discipline: numbered pages, secure custody, later reconciliation and a record of every copy. The practical aim is continuity of the decision, not continuous exposure of the whole dataset.

Recovery should be tested as an evidence exercise. A proposed drill would disconnect a terminal, capture a batch exception and a protected case update, restore the connection and inspect the resulting chronology. Reviewers would check duplicates, missing approvals, conflicting versions, access events and the ability to reconstruct the shipment or remedy decision. Any durations or error counts belong in the drill report only after it is run. This chapter proposes the test and reports no result.

The same test should ask what happens when the local device is lost or the central copy is unavailable. Recoverable copies, controlled administrator action and clear reauthorisation procedures matter more than a claim that the platform is always online. A cryptographic checksum may help detect a changed file, but it cannot establish that the original statement was true. Trust comes from the chain of capture, review, correction and disclosure, not from a particular storage technology.

11.7

A corrected record must reach everyone relying on it

Accuracy is an operating obligation, not an invitation to overwrite the past. Where GDPR applies, the Commission requires inaccurate personal data to be rectified or deleted without delay, taking account of the processing purpose. A compliance system also needs to understand how the inaccurate record affected a payment, shipment, claim or remedy. The correction should therefore preserve the original entry, the new entry, the reason, the supporting evidence and the authorised reviewer. [S23]

Different states prevent different kinds of uncertainty from being collapsed. A disputed record remains under challenge. A corrected record replaces a specific error with an evidenced amendment. A superseded record may have been accurate for an earlier period but no longer describes the current specification or process. These states should not all appear as “updated”. The active view must show which version is valid now, while the historical view shows what was relied on earlier.

Exhibit 50, p. 167 sets out an illustrative correction sequence. Its positions preserve order, not elapsed time. The central control is recipient notification after the corrected version is approved. Without that step, the factory may repair its master record while a buyer, auditor or public product page continues to distribute the earlier statement.

EXHIBIT 50 / ILLUSTRATIVE ORDERED EVENTS, NOT ELAPSED TIME

A correction preserves the history of the decision



0
Capture original
Record source, scope, version and permitted users.

1
Use in decision
Link the version to payment, release, claim or remedy.

2
Raise discrepancy
Mark the assertion disputed without deleting the original.

3
Approve correction
Record evidence, reviewer, reason and effective state.

4
Notify recipients
Identify every export, portal and public presentation relying on it.

5
Verify propagation
Confirm receipt, downstream correction and any repeated decision.

ILLUSTRATIVE [S23] Illustrative GFT amendment workflow informed by the GDPR accuracy principle. Event positions show sequence only and assign no legal or operational deadline. The original record, correction rationale and recipient set remain available to authorised reviewers.

The recipient register should be created at disclosure, not reconstructed during a crisis. It should identify the organisation, evidence version, export reference, receiving contact or system and onward-sharing information available to the supplier. A correction notice should state what changed, which decision may be affected and what the recipient must do. Receipt is not enough where the earlier record supported a shipment release or public claim; the responsible owner must decide whether that action needs repetition or withdrawal.

Worker corrections require special care. A payroll error can require recalculation and payment, not just an edited field. A worker's request to correct an interview should be assessed without exposing the case to the supervisor whose conduct is disputed. An allegation later found unsupported should not remain attached to a person's routine

profile without its resolution and context. At the same time, the investigation record may need restricted preservation under the applicable schedule. Accuracy, remedy and retention are linked but distinct decisions.

WORKED EXAMPLE: AN AUDITOR REQUESTS WORKER PASSPORTS

An illustrative Cameroon garment supplier receives a request to upload identity-document scans for 180 workers to an audit portal. For the arithmetic only, assume each scan contains six direct-identifier fields. Bulk disclosure would therefore expose 180 x 6 = 1,080 direct-identifier field instances before counting addresses, document images or other content. This is an illustrative exposure count, not a measure of legal risk or audit quality.

The supplier should first ask what the auditor must establish. If the question is whether age and task suitability were reviewed, a controlled status extract and scoped source inspection may answer it without a bulk passport upload. If the question concerns recruitment debt, passports may be peripheral to the relevant receipts, recruiter terms and worker accounts. The evidence plan should follow the assurance proposition rather than treating identity documents as a universal labour-control proxy.

Next, map the actors. Identify the supplier, buyer, auditor, portal operator and every hosting or support recipient. Determine who decides the purposes and means for each processing operation. If an EU buyer subject to GDPR makes the personal data available to a separate non-EEA recipient, apply the EDPB's cumulative transfer analysis to that disclosure. Do not assume that the initial Africa-to-EU submission and the buyer's onward non-EEA hosting are the same transfer. [S24] [S1101]

The supplier can propose an illustrative alternative: case references, verification status, reviewer, scope and unresolved exceptions in a controlled extract, with source inspection under a defined access protocol. If all 180 cases remain in scope and no direct identifiers are exported, the direct-identifier field instances in that particular external disclosure would be 180 × 0 = 0. The arithmetic shows only the reduction in those assumed fields. Case references may remain personal data, small groups may be identifiable, and the alternative still needs a lawful basis, security and transfer review. [S1101] [S23]

The decision is therefore neither automatic upload nor blanket refusal. Record the audit purpose, necessary evidence, least identifying alternative, recipient entitlements and unresolved legal questions. Where underlying documents remain necessary, agree their precise scope and access route. Preserve the decision and its correction path. The buyer obtains an answer it can inspect, while the worker is not made to supply unlimited personal data as the price of assurance.

A final control is to test the whole chain with one record. Select a fictional batch and a fictional protected case, then trace each from capture to review, disclosure, correction and retention review. Check that the product user cannot open identity material, that the authorised labour reviewer can retrieve the source, and that a recipient list

exists for every export. Record any failure as an action with an owner. The system is useful when those controls work together, not when each department holds a separate policy.

Evidence should travel by purpose, while identity remains behind the access the person can trust.

CHAPTER SOURCE NOTES

S1101 European Commission. 2024-11-29.

S02 European Commission. n.d..

S23 European Commission. n.d..

S11 European Commission, DG GROW. n.d..

S24 European Data Protection Board. n.d..

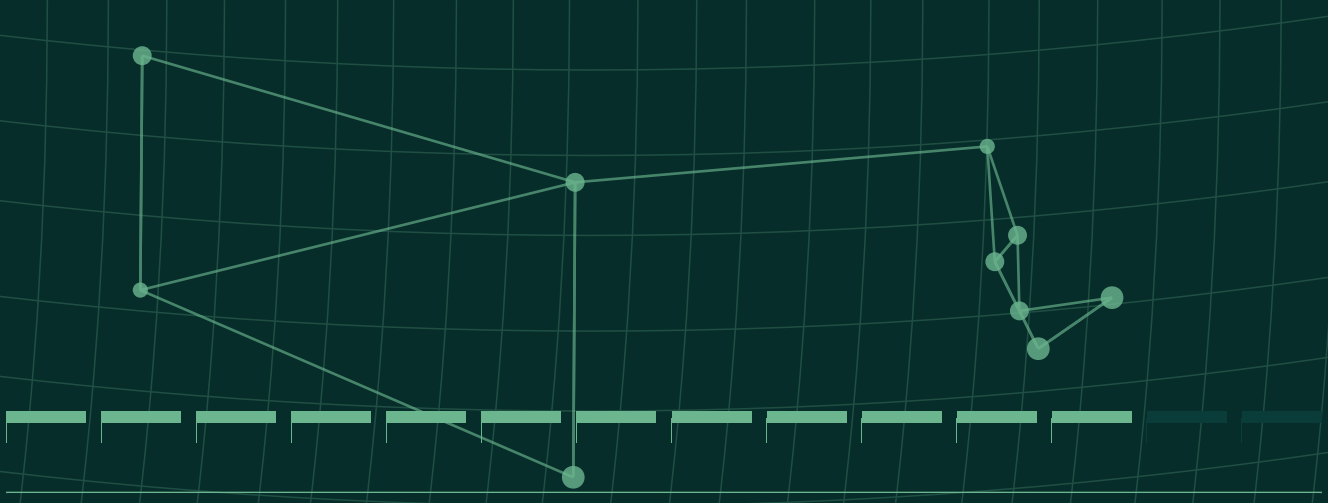
S14 European Commission, DG Environment. 2026-07-17.

GREEN FUTURE TECH
LIMITED / HONG KONG SAR

12

Contracts should fund evidence and remedy rather than transfer slogans

A workable supplier agreement defines the information, responsibility, resources and decisions on each side.



CHAPTER 12
DECISION TEST

A workable supplier agreement defines the information, responsibility, resources and decisions on each side.

A supplier agreement should turn sustainability language into funded, inspectable work. It should name the legal duty holder, the party performing each task, the evidence to be produced, the payer, the decision owner and the route to remedy. A broad warranty cannot do that work. It can make the supplier responsible for words while leaving tests, worker engagement, record retrieval and corrective action without time or money. GFT recommends a bounded evidence schedule attached to the commercial terms, with unresolved legal questions kept visible rather than hidden inside a promise of universal compliance.

Four allocations need to remain distinct. A statute may place responsibility on a buyer, importer, manufacturer or another economic operator. A contract can assign an operational task to a different party, but that assignment does not by itself move the statutory duty. The payer of an invoice is a third question. Authority to release a product, suspend work or approve a remedy is a fourth. Collapsing these questions into "supplier shall comply" prevents both parties from seeing who must act when evidence is missing or harm is found. [S02] [S33] [S35]

This chapter is an operating-design analysis as of 30 October 2026, not legal, tax or investment advice. Its clause topics and schedules are proposals for transaction-specific review, not language ready for signature. The parties need to verify the current operative acts, national implementation, product classification, governing law and their actual sales route. No executed GFT supply contract, buyer acceptance, legal opinion or implemented remedy system is claimed. [S02] [S35]

12.1

A supplier clause cannot erase a buyer corporate duty

The amended Corporate Sustainability Due Diligence Directive establishes a corporate process for companies within its scope. The Commission describes the identification and addressing of actual and potential adverse human-rights and environmental impacts across a company's own operations, its subsidiaries and its chain of activities. A supplier can provide records, access and corrective action that support that process. It cannot become the buyer's corporate judgement merely by signing a questionnaire or warranty. [S02]

The adopted amending text makes the limitation explicit. Participation in industry or multi-stakeholder initiatives, independent third-party verification and contractual clauses can support implementation, yet a company may nevertheless be held liable in accordance with national law. The contractual question is therefore not how to make buyer responsibility disappear. It is how to obtain useful performance and evidence while preserving the responsibilities that each party holds in law. [S35]

A generic warranty also confuses different propositions. A supplier may accurately state that a named report covers a named batch and test method. That is a representation about identified evidence. A promise that every future product, site and upstream activity will always comply with every present and future rule is a much broader obligation. It conceals the product boundary, the period, the evidence avail-

able and the party able to control the relevant process. The first proposition can be checked. The second needs extensive qualification and legal review before anyone relies on it.

GFT proposes a clause review that begins with scope. Identify the contracting entities, products, production sites, sales route, order period and relevant economic-operator roles. Then identify each requested output: a declaration, record extract, laboratory test, site visit, corrective plan, worker interview, claim approval or incident notice. The review should state what each output establishes, what it excludes and which decision it informs. This prevents a document request from becoming an accidental transfer of undefined legal exposure.

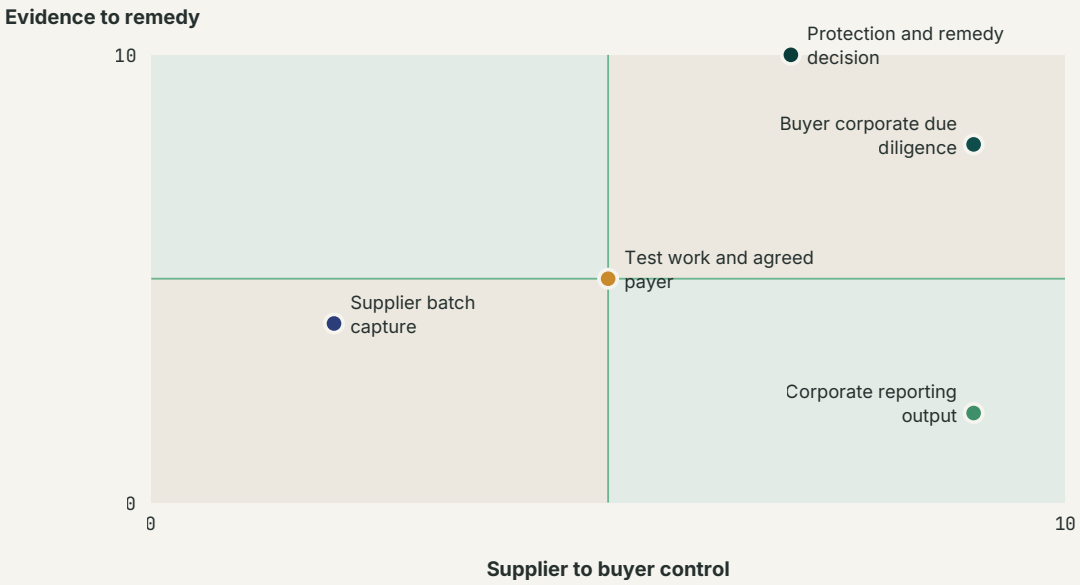
Access provisions need the same precision. “Buyer may audit at any time” does not explain the triggering purpose, notice, scope, competence, confidentiality, worker safety or treatment of personal information. A workable provision defines the proposed access route and the records or personnel genuinely needed. It also provides for urgent concerns without making every routine review an emergency. Where GDPR applies, purpose limitation and data minimisation remain separate tests; contractual consent between companies does not itself establish lawful processing of worker data. [S23]

Change notification should follow controllable events. Relevant examples include a changed material specification, a new subcontractor, a different production site, a revised buyer template or evidence that an earlier statement was wrong. The clause should say who notifies whom, what information accompanies the notice and which decisions pause pending review. It should not require disclosure of every minor operational event irrespective of its effect on the product or people.

Exhibit 51, p. 173 separates these allocations as an illustrative planning map. Horizontal position represents proposed operational or decision control, not legal liability. Vertical position represents the move from routine evidence administration towards prevention, protection and remedy. The labels deliberately distinguish the buyer's corporate process from the supplier's record work and from the shared decision to fund a test.

EXHIBIT 51 / ILLUSTRATIVE ALLOCATION COORDINATES FROM 0 TO 10

A duty, a task and a cost owner are different allocations



ILLUSTRATIVE [S02] [S25] [S35] Illustrative GFT contract-design map grounded in the cited corporate-duty and worker-protection frameworks. X runs from supplier operational control (0) to buyer decision control (10). Y runs from routine evidence administration (0) to prevention, protection and remedy (10). Positions are not legal scores, liability findings or measured responsibilities. Cost ownership must be separately stated in the evidence schedule.

The map is not an organisational chart. A supplier can control the underlying records while the buyer controls its corporate assessment. A laboratory can perform a test while another party pays and a qualified economic operator retains its product duties. A worker-protection decision may require buyer action on purchasing terms as well as supplier action on site. The schedule should record those interfaces instead of assigning one name to every box. [S33]

Escalation belongs in the clause architecture from the start. A missing document may need clarification. A failed test may need product containment and technical review. A credible concern about coercion may need immediate protection even before the evidence is complete. These routes require different authority and should not be reduced to one commercial default notice. The later escalation ladder in this chapter therefore separates evidence resolution, product decisions and worker remedy.

12.2

The reporting cap needs purpose-specific contract treatment

The reporting cap belongs to a defined value-chain relationship and reporting purpose. The adopted Accounting Directive amendment uses an average of 1,000 employees during the preceding financial year, assessed on the balance sheet date, within its protected-undertaking definition. The fuller status and self-declaration tests belong to the reporting analysis. For contract drafting, the essential point is to record the applicable status and voluntary-standard boundary instead of labelling every smaller supplier “protected”. [S35]

For reporting required by that Directive, a protected undertaking may decline information exceeding the voluntary standards. The reporting undertaking must not require that excess through contractual or other arrangements for its reporting requirements. Where an excess request is made, it must identify the excess and the statutory right to decline. The schedule should therefore tag reporting fields and their standard boundary rather than burying them in a general annex. [S35]

Contrary wording has a precise consequence: the offending provision is not binding, while the remaining contract provisions retain their binding nature. The whole agreement is not void. A side letter should not be used to compel the same excess for the same purpose. The review should isolate that requirement and preserve the valid commercial work around it. [S35]

The cap is not a general refusal mechanism. The adopted text preserves information requests for other purposes, including compliance with Union due-diligence requirements. Product-safety duties also remain operational: EU guidance states that products sold in the EU must be safe regardless of where they were made, and businesses must act when they identify unsafe products. A supplier should not invoke a reporting cap to withhold necessary safety evidence or delay corrective action. [S33] [S35]

CSDDD safeguards answer a different question. They use necessity and, for smaller partners, reasonable alternative-source tests for an in-depth assessment. The schedule must classify the request before choosing a protection, not transfer a reporting threshold to due-diligence or product work. [S35]

This distinction has a practical drafting consequence. A single clause saying “supplier shall provide all sustainability information requested” merges reporting, risk assessment, product release, legal investigation, marketing and commercial specification. GFT recommends replacing that formula with field groups that state their purpose and evidence route. Where the supplier voluntarily offers information beyond a reporting ceiling, the submission should say so and preserve any confidentiality and use restrictions. Voluntary sharing should not silently become an unlimited precedent for every later request.

Legal status remains a dated dependency. The Commission's acts register opened for this research lists the July 2026 voluntary value-chain standards as adopted but not in force until Official Journal publication. The final contract review must check the effective standard version and applicable national implementation on the relevant date. It should not treat the 2025 VSME recommendation and the later voluntary standards as interchangeable instruments. [S03] [S04] [S05]

> **GFT NOTE**
>
> Replace every blanket information clause with a purpose-based evidence schedule. For each field group, record the legal or commercial purpose, applicable standard version, existing evidence, incremental work, access boundary and payer. Put product-safety and urgent worker-protection routes outside reporting negotiations. Send protected-status declarations, contrary wording, liability, governing law and national implementation to qualified legal review before signature.

12.3

Purchasing practices affect what the supplier can deliver

The OECD describes garment and footwear supply chains as fragmented and multi-tiered, extending from raw-material production to finished goods and from informal homeworkers to large retailers. That structure justifies attention to the relationships around an order. It does not establish that a particular buyer's price, forecast or lead time caused harm at a particular supplier. The opened source excerpt used here supports the sector structure; the purchasing mechanisms below are GFT proposals to investigate and negotiate, not reported findings about the fictional case. [S07]

A contract can make those mechanisms visible before a deadline fails. The order brief should identify the product specification, approved capacity, production route, evidence deliverables and decision dates. Forecasts should be labelled as forecasts rather than treated as guaranteed volumes. Capacity commitments should distinguish available production time from time required for testing, worker consultation, record review and corrective action. None of these schedules proves that a safe or compliant order will result. They make the operating assumptions available for challenge.

Specification changes need a controlled route. A new dye recipe can invalidate the relevance of earlier chemical evidence. A new trim supplier can change the product file. A buyer-requested label or packaging change can alter the claims and information review. The change order should therefore ask more than whether the line can physically make the revision. It should identify affected evidence, additional work, responsible reviewer, payer, revised timing and any hold on release.

Subcontracting requires an equivalent control. The supplier should disclose the proposed activity and site at the level needed for the actual risk and product assessment. Approval should not become a pretence that the buyer directs every employment decision, nor should confidentiality become a reason to hide production from the evidence system. The parties should agree which changes require prior review and how urgent capacity problems are escalated before unapproved work enters the order.

Price and timing discussions should include feasibility rather than relying on a later default clause. If the requested delivery date leaves insufficient time for an agreed test or protective investigation, the supplier should record the constraint and propose a decision: revise the date, narrow the product change, add suitable resources or decline the commitment. Accepting the date while planning to bypass the evidence gate is not a commercial solution. Nor does a buyer's willingness to pay an administrative fee settle whether the underlying action is lawful or effective.

Shared planning can still leave responsibility unclear. A buyer may provide forecasts and technical support, while the supplier controls daily staffing and production. The contract should avoid both extremes: buyer instructions that ignore operational knowledge, and supplier acceptance of requirements it knows it cannot meet. GFT recommends an exceptions review in which operations, quality, people and commercial

roles can surface conflicts before the order is confirmed. Detailed line balancing and inventory mechanics belong to the companion operations papers; the contractual task is to make the conflict actionable.

The purchasing review should also examine what happens when evidence reveals a problem. If every delay automatically triggers cancellation, the parties may create an incentive to conceal uncertainty. If every problem automatically extends the order, a critical product or worker issue may be ignored. A better schedule distinguishes remediable administrative gaps from conditions requiring containment, urgent protection or refusal to ship. It records who may choose each route and how the worker and product consequences are assessed.

12.4

Testing and evidence work require explicit resources

The Commission states that companies within the amended CSDDD scope bear the costs of establishing and operating their due-diligence process, together with costs linked to appropriate measures to prevent, mitigate, bring to an end or minimise adverse impacts where needed. That statement identifies corporate cost responsibility. It does not decide which party must pay every supplier invoice, nor does it supply a tariff for laboratory work, translation, systems or audits. Those allocations belong in the negotiated schedule. [S02]

GFT proposes separating three kinds of expenditure. The first is reusable setup, such as a controlled evidence index, product-role assessment or data dictionary. The second is order-specific recurring work, such as a defined batch test or translation of a current declaration. The third is response to a newly identified problem, which may include investigation, containment, worker support, product correction and remedy. Treating all three as routine overhead makes an unexpected but necessary response look like a request for discretionary administration.

The schedule should state the deliverable and approval route before naming a payer. For a test, identify the product components, question, method, sample relationship and recipient. For translation, identify the document, language, intended user and treatment of subsequent corrections. For a site assessment, identify scope, competence, access, unresolved findings and follow-up. For a system, identify the actual workflow and portability of the records. A purchase order for “compliance” without those details cannot show what completion means.

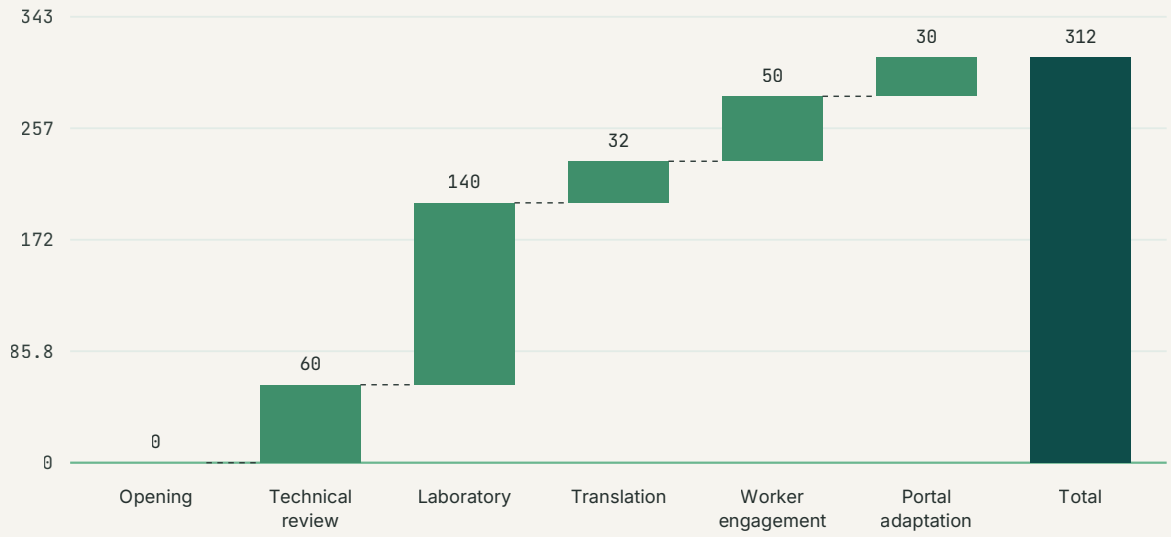
Worker engagement deserves its own resource line. Interviews, accessible grievance channels, interpreter support and remedy verification require time and suitable conditions. They should not be reduced to a signature collected during production. IFC Performance Standard 2 provides a finance-linked framework for fair treatment, safe and healthy working conditions, avoidance of child or forced labour and attention to primary-supply-chain risk. It is not an EU import regulation or a ready-made buyer-supplier cost clause. [S25]

Administrative cost sharing differs from compensation for harm. A buyer can agree to fund a document portal while leaving a recruitment-debt case unresolved. A supplier can repay an affected worker while the parties still disagree about the portal fee. The contract should preserve these separate decisions. It should not state that payment of an audit fee, a sustainability charge or a capped evidence allowance automatically satisfies every corrective or remedial obligation.

Exhibit 52, p. 177 shows how an incremental package can be made inspectable without inventing market prices. The figures are illustrative cost units, not CFA francs, euros, vendor quotations or GFT expenditure. The example assumes hourly rates solely to demonstrate multiplication and adds a separately assumed laboratory allowance. Actual negotiations need observed time, written scopes and current quotations.

EXHIBIT 52 / ILLUSTRATIVE COST UNITS

An added evidence request should be priced by its actual work



ILLUSTRATIVE Illustrative arithmetic only: technical review = 6 hours x 10 cost units = 60; laboratory allowance = 140; translation = 4 hours x 8 = 32; worker-engagement preparation = 5 hours x 10 = 50; portal adaptation = 3 hours x 10 = 30. Total = 60 + 140 + 32 + 50 + 30 = 312. All rates and quantities are invented for the worked model, not market fees or a GFT cost baseline.

WORKED EXAMPLE: EVIDENCE ADDED AFTER THE GARMENT PRICE

An illustrative Cameroon garment supplier accepts a price for an order whose agreed evidence pack already covers routine batch records and the existing label review. The buyer then adds a new technical scope review, a laboratory requirement, translation, worker-engagement preparation and entry into a buyer-specific portal. The supplier should not recharge work already included merely because it appears in a new questionnaire. It should isolate the genuinely incremental tasks and any reusable source records.

For the arithmetic, use the illustrative assumptions in **Exhibit 52**, p. 177. The incremental core is 60 + 140 + 32 + 50 + 30 = 312 cost units. This is a negotiation model, not a price recommendation. The technical review still needs a defined product boundary, the laboratory allowance needs an actual scope and quotation, and the worker-engagement activity needs a safe method. The portal charge does not purchase legal conformity.

Now assume, purely for the illustrative comparison, that the buyer also requests a duplicate site assessment costed at 180 cost units. The supplier has an existing assessment but proposes a scoped review of its gaps and unresolved findings at an assumed 40 cost units. The initial expanded request would be 312 + 180 = 492 cost units. The alternative package would be 312 + 40 = 352 cost units. The arithmetic difference is 140 cost units.

That difference is not a realised saving. The parties must first establish that the existing assessment is current, independent enough for the purpose and relevant to the same sites and questions. If it is not, the cheaper alternative may be inadequate. The unresolved legal terms also remain outside the arithmetic: liability, governing law, confidentiality, worker protection, product release and any actual remedy require their own review and resources.

The worked example supplies a negotiation order. Agree the necessary output, test whether existing evidence answers it, scope the remaining work, assign the payer and then address the commercial price. Starting with a fixed sustainability surcharge reverses that order. It can fund duplicated administration while leaving a decisive test or protective action unbudgeted.

12.5

Assurance evidence must be assessed within its scope

Assurance language often hides a change of proposition. A supplier declaration states what its issuer asserts within a stated scope. A laboratory report addresses specified samples, methods and results. A site assessment examines selected sites, periods and findings. Product certification assesses a defined product against a scheme's criteria. Corporate reporting assurance addresses the information and engagement described in its own report. None becomes universal proof merely because it carries a signature or logo.

The EU Ecolabel provides a useful boundary. The Commission describes it as a voluntary scheme and states that independent experts check compliance with EU Ecolabel criteria. That verification concerns the scheme and its applicable criteria. It does

not, by itself, establish physical safety, the absence of forced labour, every legal requirement for market access or the accuracy of every unrelated corporate statement. [S29]

Corporate reporting has another boundary. Companies subject to the CSRD report according to ESRS. A supplier data extract can feed the reporting undertaking's work, but the extract does not become an ESRS statement or an independently assured supplier report through upload alone. The contract should identify who prepares the output, who reviews it and whether any external assurance is actually commissioned. [S03]

Nor should third-party verification be sold as a due-diligence liability shield. The adopted CSDDD amendment expressly preserves possible liability under national law notwithstanding third-party verification or contractual clauses used to support implementation. The practical value of an assessment lies in the quality and relevance of its evidence, not in a claim that its existence ends the buyer's process. [S35]

Exhibit 53, p. 179 sets out these propositions without assigning a readiness score. The table distinguishes the output's proper use from conclusions it cannot support. Its last column is as important as its first: a reviewer should be able to say what remains unproved before accepting the evidence.

EXHIBIT 53 / SOURCED SCOPE DISTINCTIONS

Assurance outputs prove different propositions

Output	Proper proposition	Does not by itself establish
EU Ecolabel verification	Independent checking against applicable Ecolabel criteria	General market access, safety or absence of forced labour
Corporate ESRS report	Sustainability reporting by the undertaking within the reporting regime	Assurance over every supplier extract or product
Third-party due-diligence support	Evidence or assistance within the engagement and method	Removal of possible liability under national law
Product-safety response	Action on an identified product concern by the relevant businesses	A general sustainability or corporate compliance conclusion

SOURCED [S03] [S29] [S33] [S35] Sourced categorical synthesis of the opened institutional texts. The table does not rank assurance quality, certify any supplier or replace review of the actual report, criteria, engagement and legal role.

A reviewer should test independence, competence, sampling, exclusions, site coverage, issue date, expiry and unresolved findings. These are not decorative metadata. A technically sound report can still be irrelevant to the order if its sample does not match the batch or its site list omits the operation in question. Conversely, a missing badge does not prove that the underlying product fails a specific legal test.

The evidence schedule should record the review outcome as accepted for a defined purpose, accepted with limitations, requiring clarification or rejected for that purpose. “Approved” without the purpose is too weak. It invites a later team to reuse the report

for a broader claim than its method permits. Where a report supports a public environmental statement, claims review remains another decision rather than an automatic extension of technical acceptance.

12.6

Escalation should allow prevention, correction and remedy

An escalation clause should begin with the decision required, not with a predetermined commercial punishment. An ambiguous record needs clarification. A product concern may need containment, technical assessment and a release hold. A worker concern may need protection before the facts are fully established. These actions can proceed in parallel, but they should not be treated as interchangeable outcomes or delayed until a routine contractual notice period expires.

The amended CSDDD text provides an important discipline for more serious disengagement decisions. Where the governing law entitles the company to suspend, its suspension provisions operate as a last resort in the stated circumstances and include enhanced prevention or corrective-action plans where there is a reasonable expectation of success. Before suspension, the company must assess whether its adverse impacts can reasonably be expected to be manifestly more severe than the impact concerned. If so, suspension is not required, but the company must be able to give duly justified reasons to the supervisory authority. Where suspension occurs, the text calls for steps to address its impacts, reasonable notice and continued review. [S35]

That legal framework should not be copied mechanically into every supply agreement. It does mean that “terminate immediately for any sustainability issue” is an inadequate operating design. The contract review should distinguish a temporary hold, suspension, termination and an authority order. It should identify who assesses worker consequences, who maintains communication and how a credible corrective path is reviewed. Continued engagement is not proof of effective prevention, but automatic exit can also leave harm unaddressed.

Product decisions need their own authority map. The Forced Labour Regulation introduces no routine audit or reporting obligation, while its investigation and decision process is distinct from a buyer's commercial precaution. A supplier or buyer shipment hold is therefore not the same event as an authority prohibition, withdrawal or disposal decision. The record should state who imposed the hold, under which contractual or legal route, for which products and on what evidence. [S10]

Where a business finds an unsafe product, EU guidance requires appropriate action and describes corrective measures including withdrawal and recall in the relevant circumstances. A contractual negotiation about evidence fees must not postpone that response. The escalation ladder should connect the commercial team to the qualified product decision-maker and preserve notices, affected batches and corrective evidence. [S33]

Exhibit 54, p. 181 proposes a ladder that keeps worker protection visible throughout. It is not a statutory flowchart and assigns no universal deadlines. Its decision node separates routine monitoring from legal escalation. Clarification can resolve an evidence gap, while a verified remedy can inform the next commercial decision without rewriting the original incident.

EXHIBIT 54 / ILLUSTRATIVE DECISION SEQUENCE

Escalation should protect people while resolving the product decision



6. Resolved with controls
7. Unresolved or severe
8. Decision and mitigation recorded

ILLUSTRATIVE [S09] [S10] [S33] [S35] Illustrative GFT escalation design informed by the cited sources. It does not reproduce every statutory step, assign legal deadlines or promise a commercial outcome. The diagram simplifies concurrent operational work into one readable sequence. Suspension or termination requires separate legal and impact review.

Remedy needs evidence beyond administrative closure. The updated ILO and IOE handbook supports practical identification, prevention and mitigation of forced-labour risks; it does not supply a universal contractual remedy formula on the opened landing page. The parties should define the appropriate response to the actual harm, resources, affected-person confirmation where suitable and recurrence review. A buyer's cancelled order does not itself repay recruitment debt or restore safe work. [S09]

External dispute routes also need accurate descriptions. OECD National Contact Points provide a non-judicial grievance mechanism and may offer mediation where issues merit further examination. They do not guarantee admissibility, compensation or a court outcome, and they are not automatically available through an NCP in every supplier country. The contract should preserve applicable legal rights and routes rather than presenting one mediation channel as the exclusive answer. [S30]

12.7

A negotiated evidence schedule can be reviewed before signature

The evidence schedule should be short enough to review and precise enough to operate. Each row should connect a requested field or output to its purpose, source record, format, update trigger, confidentiality treatment, cost owner and status. “Pending” should remain available for unresolved legal or technical questions. A schedule that marks every item agreed before the product and sales route are checked merely transfers uncertainty into the signature process.

Reusable reporting content should be identified separately from new investigation. The Commission presented the VSME recommendation as a way to make SME responses to large-company and financial-institution requests easier and encouraged requesters to base their questions on it as far as possible. This supports negotiation around a common core where the standard fits. It does not require a buyer to accept an incomplete answer to a product or risk question outside that reporting purpose. [S05]

Exhibit 55, p. 183 gives a fictional annex structure. Its payer entries are negotiation proposals, not statements of legal incidence. The rows distinguish reusable records from incremental work and mark issues that remain pending. They also prevent the cost discussion from erasing confidentiality and worker-safety conditions.

EXHIBIT 55 / ILLUSTRATIVE CONTRACT SCHEDULE

Every information request should have a purpose and a cost owner

Evidence output	Purpose, source and format	Update and access	Proposed payer	Status
Batch composition file	Label review; bill of materials; structured data	On material change; buyer product reviewer	Supplier routine record	Reusable
Defined chemical test	Restriction question; sampled components; PDF report	On relevant recipe or supplier change; technical recipients	Buyer incremental fee	Scope pending
Common reporting core	Reporting; controlled site records; standard template	Period close; reporting team only	Supplier within agreed administration	Standard check pending
Upstream risk extract	Risk assessment; investigation records; redacted extract	On new material concern; restricted reviewers	Shared new investigation	Necessity review
Worker-case outcome	Remedy verification; case record; status summary	On reviewed case change; no raw identity pack	Separate response budget	Method pending
Portal adaptation	Buyer submission; approved pack; buyer schema	On schema change; named users	Buyer-specific administration	Incremental

ILLUSTRATIVE [S05] [S23] [S35] Illustrative GFT schedule for a fictional garment order. Payer and status entries are proposed negotiating positions, not statutory allocations or agreed GFT contract terms. Adapt purposes, evidence and access to the actual product, route, law and buyer requirement.

Privacy fields require substantive review, not a general confidentiality label. Where GDPR applies, personal data collection must serve a specified purpose and remain limited to what is necessary. The schedule should therefore ask whether an aggregated answer, redacted record or controlled inspection can meet the need. Raw identity documents, grievance details and unrestricted onward access should not become default shipment attachments. Local law, lawful processing and any international-transfer assessment remain separate questions. [S23]

The commercial schedule should distinguish included routine work, approved incremental work and exceptional response. It should identify the evidence of completion for each charge and prohibit silent expansion through a changed portal or template. If the buyer changes the schema after agreement, the change-control row should reopen only the affected mapping and effort. If the supplier changes the product or production route, its notification duty should reopen the relevant evidence even when no additional invoice is proposed.

Final legal review should cover governing law, enforcement, liability, indemnities, termination, mandatory local rules and the interaction between the schedule and the main agreement. This chapter has not verified a Member State civil-liability regime or

the laws of a selected destination. Nor does it resolve whether any proposed clause is enforceable between particular parties. Those questions should remain express pending items rather than being settled by an operational template.

Before signature, each party should be able to answer five questions from the schedule itself. What must be delivered? Who performs the work? Who pays for incremental effort? Who decides when evidence is inadequate or a product must stop? How are people protected and remedy verified? If any answer depends only on a broad slogan in another clause, the negotiation is not complete.

GFT's Cameroon textile programme provides the design reference for shared ownership of production, quality, delivery, cost, people and sustainability records. It does not demonstrate a negotiated EU buyer contract or an implemented remedy mechanism. The practical recommendation is to connect the proposed evidence schedule to that operating record, so contractual duties draw on controlled factory evidence rather than creating a parallel account of production.

Allocate the duty, fund the work and keep the remedy within reach.

CHAPTER SOURCE NOTES

S02 European Commission. n.d..

S33 European Union, Your Europe. 2026-08-19.

S35 European Parliament and Council of the European Union. 2026-02-24.

S23 European Commission. n.d..

S25 International Finance Corporation. 2012.

S03 European Commission, DG FISMA. 2026-07-03.

S04 European Commission, DG FISMA. 2026-07-03.

S05 European Commission, DG FISMA. 2025-07-30.

S07 OECD. 2026-02-26.

S29 European Commission, DG Environment. n.d..

S10 European Commission, DG GROW. n.d..

S09 International Labour Organization and International Organisation of Employers. 2025-11-26.

S30 OECD. n.d..

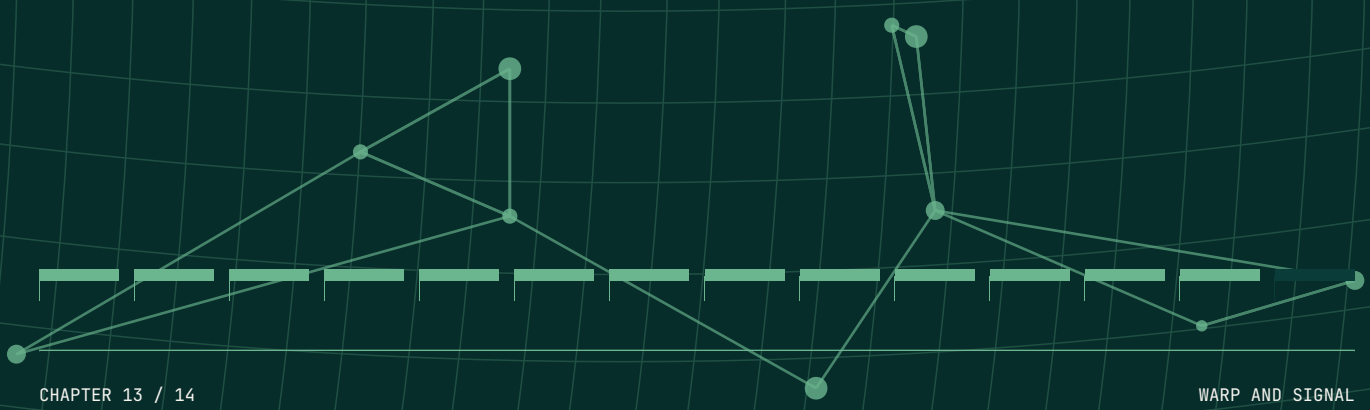
GREEN FUTURE TECH

LIMITED / HONG KONG SAR

13

The cost of evidence should be tested against the order it serves

A supplier needs a transparent cost model and a practical rehearsal rather than an assumed compliance premium.



CHAPTER 13
DECISION TEST

A supplier needs a transparent cost model and a practical rehearsal rather than an assumed compliance premium.

An evidence system is worth funding when it lets a supplier release a lawful product, protect workers and answer a defined customer need at a cost the order can bear. The decision cannot start with an assumed compliance premium. It should start with an order model that separates setup from recurring work, states which units can legitimately ship and records the cost of delay without inventing a penalty forecast. A rehearsal then tests whether the supposed evidence system works under pressure. GFT recommends a bounded pilot on a real product and sales route, with measured hours, actual quotations and unresolved legal questions carried into the investment decision. This chapter provides an operating method, not legal, tax or investment advice.

The method has two disciplines. First, no favourable margin can cancel a critical product or worker-protection failure. Second, no administrative burden should be described as waste merely because it is inconvenient. Some evidence is necessary for safety, legal review or remedy. Other work may be duplicated, poorly specified or avoidable through reuse. The economics become useful only when those categories remain distinct.

13.1

The model must distinguish recurring work from setup

A supplier should build the cost model around decisions, not around a software subscription or an annual audit line. The first decision is whether the product and sales route have been scoped correctly. Initial product review therefore sits beside legal applicability work, specification mapping and the design of batch records. These are setup activities because they create a reusable basis for later orders. Their treatment in this management model does not prescribe their accounting treatment.

System setup is a second block. It includes configuring record identifiers, access rights, evidence locations, review responsibilities and correction routes. Staff training belongs here when it establishes the initial operating capability. Refresher training after a material legal, product or process change may instead be recurring. The model should state the reason for each classification rather than forcing every invoice into a permanent category.

Recurring evidence work begins once the product family is operating. Periodic testing, specification review, evidence retrieval, buyer responses and controlled disclosure recur by batch, period, request or change event. Worker engagement and remedy need their own lines. A reserve for remediation is a planning provision, not evidence that harm occurred and not a substitute for immediate protective action. Legal advice, internal process change, product redesign and buyer-specific administration also need separate labels. Combining them would hide the decision that management can actually take.

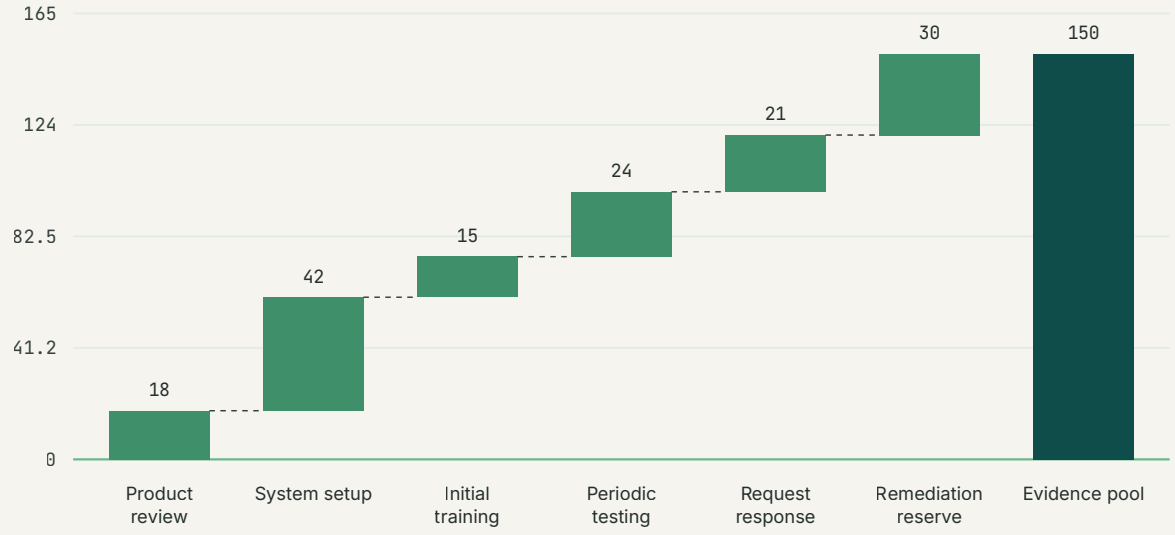
The Commission's ecodesign working plan says that analysis will consider the reliability and cost of associated verification mechanisms. That confirms verification cost is a policy design question. It does not provide a cost curve for a garment supplier. [S13]

Likewise, the Commission presents its voluntary SME reporting standard as a way to reduce administrative burden when smaller companies answer sustainability-information requests. It does not establish the saving a particular factory will realise. [S05]

Exhibit 56, p. 187 shows a purely illustrative cost build-up. It uses cost units rather than a currency so that no market fee, wage rate or vendor quotation is implied. The setup block contains product review, system setup and initial training. The recurring block contains testing, request response and a remediation reserve. The model deliberately leaves production cost, revenue and financing outside the evidence subtotal.

EXHIBIT 56 / ILLUSTRATIVE COST UNITS

Setup and recurring evidence work have different cost drivers



ILLUSTRATIVE Illustrative model only. Product review 18 + system setup 42 + initial training 15 = 75 setup units. Periodic testing 24 + request response 21 + remediation reserve 30 = 75 recurring units. Total evidence pool = 150 units. No market price, accounting treatment or actual incident is assumed.

The illustrative total of 150 cost units is not a budget recommendation. Its purpose is to expose the allocation question. Setup may serve several orders, while a buyer-specific portal charge may serve only one. Testing may be triggered by a changed dye recipe rather than by elapsed time. Remedy may be urgent and non-deferrable even when the order has no remaining headroom. Each line therefore needs a driver, an owner and an approval rule.

A useful cost card records the activity, cost object, driver, payer, evidence output and reuse potential. The cost object may be a product family, batch, site, customer or order. The driver may be a changed specification, a test sample, a request field or an hour of qualified work. Reuse potential should be marked as unproved until the same evidence has actually answered a subsequent need without equivalent rework.

> **GFT NOTE**
>
> Approve the evidence model as a decision ledger before approving a platform. For every cost line, name the decision supported, the product or worker population covered, the driver, the payer and the evidence retained. Keep legal duties, buyer requests and voluntary enhancements in separate columns. Do not purchase a generic compliance bundle before that ledger shows which work is actually required.

The model should also distinguish cash cost from internal effort. An external laboratory invoice is visible immediately. Hours spent by production, human resources or quality staff often remain hidden inside ordinary payroll. Both belong in the pilot log, but they should not be added without a stated valuation basis. Internal hours can first be reported as hours, then converted with a user-supplied loaded rate in a clearly labelled scenario.

Finally, setup allocation is not permission to smooth away a cash constraint. An order model may spread reusable setup across a defined eligible volume for comparison. The cash plan still needs the actual payment timing. A supplier can show a positive allocated margin while lacking the cash to complete required tests before shipment. The investment review needs both views.

13.2

A comparable unit cost needs a consistent denominator

The proposed unit measure is evidence cost per eligible shipped unit. Its numerator is allocated setup plus recurring evidence cost attributed to the order. Its denominator is the number of units that have passed the applicable release checks and are contractually available to ship. Production volume, ordered volume and invoiced volume are not automatic substitutes. Each answers a different question.

The word eligible is a control, not a marketing description. Product-safety rules apply to products sold in the EU regardless of where they were made, and businesses in the supply route have responsibilities under the applicable legislation. [S33] REACH restrictions can apply to imported articles as well as domestic production. [S16] A unit should not enter the denominator while a critical requirement within the order's verified scope remains unresolved. The precise release checklist still depends on the product, role and destination.

This denominator prevents a common modelling error. If a supplier divides evidence cost by every garment sewn, it can make the unit cost look low while counting goods that cannot lawfully or contractually be shipped. If it divides by the first small pilot order only, it can overstate the long-run burden of reusable setup. Neither result is a reliable return calculation. The model should show ordered, produced, eligible and shipped quantities as separate fields, with reasons for each difference.

Setup allocation needs an explicit population. A product-review cost may be allocated across the orders that use the unchanged specification and evidence design. A site-wide access-control setup may need a broader allocation. A buyer-specific schema

mapping should not be spread across customers that cannot use it. When the useful life or reuse population is uncertain, the chapter recommends sensitivity ranges rather than a single amortisation assumption.

Exhibit 57, p. 189 illustrates the arithmetic with an allocated setup pool of 75 cost units and three recurring-cost scenarios. The recurring total rises from 30 to 60 to 90 illustrative cost units as duplicated response work rises. Eligible volume varies across 500, 1,000 and 2,000 units. Cost per eligible unit equals allocated setup plus recurring evidence cost, divided by eligible units. The chart multiplies that ratio by 1,000 for readable labels.

EXHIBIT 57 / ILLUSTRATIVE COST UNITS PER 1,000 ELIGIBLE SHIPPED UNITS

Cost per unit changes with volume and duplicated work

	Recurring 30	Recurring 60	Recurring 90
500 eligible	210	270	330
1,000 eligible	105	135	165
2,000 eligible	52.5	67.5	82.5

Cell scale: 52.5 to 330

ILLUSTRATIVE Illustrative sensitivity, not observed costs or volumes. Formula: (75 allocated setup units + recurring evidence units) / eligible shipped units × 1,000. Rows are eligible volumes of 500, 1,000 and 2,000. Columns use recurring totals of 30, 60 and 90 units. Values are exact model outputs.

At an illustrative eligible volume of 1,000 units, the displayed cost rises from 105 to 165 cost units per 1,000 eligible units as recurring work increases. This is the difference between 0.105 and 0.165 cost units per eligible unit. At the lowest recurring scenario, moving from 500 to 2,000 eligible units reduces the displayed measure from 210 to 52.5 cost units per 1,000. These are arithmetic results from declared assumptions, not measured economies of scale.

The sensitivity reveals two separate management questions. Can reusable setup serve a larger eligible population without losing validity? Can recurring work be reduced without removing necessary evidence? A smaller unit cost created merely by shipping more units with unresolved failures would be a false improvement. A reduction in recurring effort created by reusing a reviewed answer may be genuine, provided the product, period and request purpose remain comparable.

The model should stop short of a composite return unless the other inputs have their own evidence. Revenue, customs duties, tax, labour productivity, financing and production losses require separate models and source boundaries. Adding them here

would create an apparently precise answer from incompatible assumptions. The evidence model instead supplies a bounded cost input to the order decision, while product release and worker protection remain gates rather than monetary adjustments.

A denominator review should accompany every comparison. The reviewer checks whether the same product family, unit definition, release population and period are used in each scenario. If the denominator changes because the buyer cancels part of the order, that is a commercial volume effect. If it changes because goods fail release, that is an eligibility effect. Combining the two would obscure the corrective action required.

13.3

Request reuse should be measured rather than credited in advance

Reuse is a hypothesis until a second request arrives. A supplier may reasonably expect a controlled product record or voluntary reporting template to reduce work, but the saving belongs in the base case only after comparable observations. Before that point, the model should show the full effort and a separate sensitivity for possible reuse. This prevents an anticipated efficiency from concealing an under-resourced response process.

The Commission's VSME description supports the direction of travel: a common voluntary standard is intended to make responses to large-company and financial-institution requests easier for SMEs. [S05] It does not show that every buyer will accept the same extract, that every field fits a product order or that translation and review disappear. The supplier should therefore measure its own workflow rather than converting the policy objective into a promised saving.

A pilot log should capture collection, translation, technical checking, approval, portal entry and rework as separate activities. It should record the request purpose, product and period, number of fields, evidence already held, missing evidence and the recipient's response. Hours should be assigned to the activity where they occur. A quality specialist interpreting a test result is not doing the same work as an administrator uploading a file, and the distinction matters for both cost and control.

The basic comparison is response hours before reuse minus response hours after reuse. A monetary saving requires a further input: the appropriate loaded rate for each role, multiplied by the comparable hours avoided. The rate is a user-supplied planning input until payroll and overhead policy support it. No saving should be booked when the later request is narrower, concerns a simpler product or arrives with better buyer instructions. Those changes are alternative explanations.

A matched-request protocol makes the comparison fairer. Select requests with the same purpose and substantially the same evidence boundary. Record differences in product mix, order size, reporting period, buyer schema and required language. Where a perfect match is unavailable, keep the observations as separate cases rather than manufacturing a trend. A small pilot can reveal failure modes without establishing a general cost curve.

Buyer turnaround needs the same care. The supplier controls internal retrieval and approval time, but not the time a recipient takes to review or reject a submission. The log should separate elapsed waiting time from active supplier work. Faster portal acknowledgment does not prove acceptance. A request closed without further questions may reflect a satisfactory answer, a changed buyer priority or an abandoned order.

> **METHOD**
>
> For each response, calculate total active hours as collection plus translation plus checking plus approval plus portal entry plus rework. Report these components before calculating a total. Compare reuse only where the request purpose, evidence boundary and required output are comparable. Keep elapsed buyer waiting time outside active hours. Convert avoided hours into money only with a declared role-specific rate and a labelled scenario.

The counterfactual should remain visible in the management account. If a buyer reduces its questionnaire while the supplier introduces reusable evidence, the whole time reduction cannot be attributed to the supplier's system. If order volume doubles, total response work may rise even while work per request falls. If a new product needs additional tests, higher cost may indicate broader coverage rather than worse administration.

The practical output is not a single savings claim. It is a library of observed response routes with their effort and limitations. Management can then decide which fields deserve a controlled canonical answer, which need product-specific work and which require clarification before staff begin collecting data. Reuse becomes an operating result when the evidence shows it, not a discount granted to the project business case in advance.

13.4

A shipment hold creates cash exposure rather than a forecast fine

A hold is first an operational and cash event. Goods remain unfinished, undispatched or otherwise unavailable for sale while teams preserve records, investigate, retest, correct labels or protect affected people. The financial model should represent those observable consequences. It should not invent a probability of enforcement or a universal penalty and call the result expected compliance value.

The forced-labour product framework illustrates why this distinction matters. The Commission describes separate assessment, dialogue, investigation, decision and enforcement stages, while also stating that the regulation itself introduces no audit or reporting obligations. [S10] A supplier precautionary hold is not the same event as an authority decision. The internal model must name which state it represents and which actor authorised it.

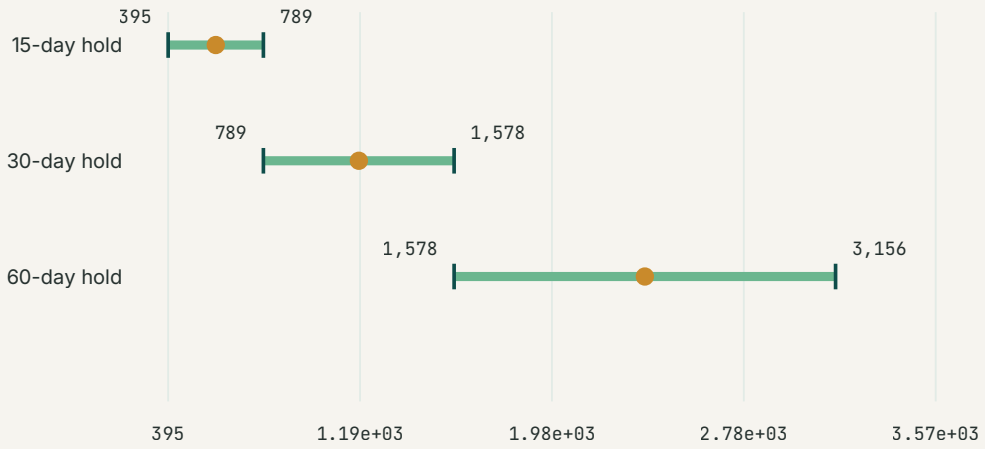
A narrow working-capital calculation can still be useful. The planning formula is inventory value under hold, multiplied by the annual funding rate and hold days, divided by the declared day-count basis. It estimates the funding cost of value tied up

for that period. It does not include every consequence and does not predict the hold duration. Inventory value, funding rate and days are user inputs, not facts supplied by the regulation.

Exhibit 58, p. 192 applies that formula to an illustrative inventory value of 120,000 currency units. The low and high bounds use annual funding rates of 8 percent and 16 percent, with a midpoint of 12 percent. Hold durations of 15, 30 and 60 days are planning scenarios on a 365-day basis. The exhibit is deliberately labelled illustrative because none of these inputs is an observed supplier or enforcement figure.

EXHIBIT 58 / ILLUSTRATIVE CURRENCY UNITS

A hold-cost range depends on declared funding and time inputs



ILLUSTRATIVE Illustrative scenarios only. Inventory value under hold = 120,000. Formula = inventory value × annual funding rate × hold days / 365. Low, mid and high rates = 8%, 12% and 16%. Values rounded to the nearest whole currency unit. No enforcement probability, statutory deadline or actual supplier funding rate is implied.

The midpoint for an illustrative 30-day hold is 1,184 currency units after rounding: 120,000 multiplied by 12 percent, multiplied by 30, divided by 365. The corresponding low and high values are 789 and 1,578 currency units. This range describes sensitivity to the declared funding rate only. It is not a statistical confidence interval, and the midpoint is not a forecast mean.

WORKED EXAMPLE

A fictional supplier places an illustrative 120,000 currency units of inventory under internal review after a specification change. Its planning case uses a 12 percent annual funding rate, a 30-day hold and a 365-day year. The funding exposure is 120,000 × 0.12 × 30 / 365 = 1,183.56, rounded to 1,184 currency units. Storage, retesting, rework, worker remedy and legal support remain separate lines. The example demonstrates a formula only. It does not estimate the likelihood or total cost of an actual hold.

A complete hold account needs those separate lines because they have different owners and cash timing. Storage may accrue daily. Testing may require an external quotation before work begins. Rework may consume materials and capacity. Lost

sales depend on the contract and subsequent buyer decision. Worker remedy must be determined by the harm and the affected person's needs, not capped by the remaining order margin.

Legal and advisory costs also need careful treatment. A scope review may resolve which evidence is necessary and prevent irrelevant work. It should not be presented as a fine avoided. Likewise, a shipment hold can protect against a worse outcome without proving that the alternative would have been an enforcement action. The decision record should state what the hold achieved, what remains unresolved and who may release the goods.

A hold can also distort the unit-cost denominator. Goods under critical review are not eligible shipped units. Moving them out of the denominator increases the measured evidence cost per eligible unit, but that increase is not the main reason to act. The primary question is whether the product and people are protected. Cash exposure helps management resource the response; it does not decide the legal or ethical release condition.

13.5

A shared-service approach has benefits and concentration risks

Evidence work can be organised inside the supplier, bought from specialists or supported through a buyer-shared service. Each route changes more than the invoice. It changes who defines the record, who can retrieve it, who corrects it and what happens when the commercial relationship ends. The cheapest visible service fee may not be the lowest total cost once portability and continuity are included.

An internal evidence team keeps process knowledge close to production and worker-management systems. It can connect batch events, specification changes and corrective action without sending every question through an intermediary. Its costs include training, supervision, cover for absence and independent review where needed. Internal control does not remove the need for competent laboratories, legal advice or specialist safeguarding support.

External specialists can provide expertise that would be inefficient to maintain for occasional work. The buyer of those services still needs a clear scope, competence check, confidentiality terms and usable output. A report locked inside a consultant's format may answer one questionnaire while leaving the supplier unable to reconstruct the evidence later. Procurement should therefore test data export, source access and correction rights alongside price.

A buyer-supported common portal may reduce repeated formatting and make request purposes clearer. It can also concentrate dependency. If several customers use different schemas, the supplier still needs a canonical internal record and mapping layer. If the buyer changes portal, access terms or hosting arrangements, the evidence must remain retrievable. A shared platform does not replace product-specific testing, worker engagement or the supplier's own release decision.

Personal information adds a sharper boundary. Where the GDPR applies, its principles include purpose limitation and collecting only the personal data necessary for that purpose. [S23] The EDPB separately explains cumulative criteria for transfers to organisations outside the EEA and conditions that apply in addition to other GDPR rules. [S24] These questions depend on the actors and data direction. A common portal is not automatically unlawful, but convenience alone does not answer necessity, access or transfer review.

The commercial comparison should therefore include exit cost and service continuity. Can the supplier export every record with its version history and evidence links? Can a worker's restricted information be withheld from a broad product extract? Will the service remain available during an incident, and who pays for urgent retrieval? These are operating requirements, not technical accessories.

A mixed model is often the most testable starting point. The supplier retains the canonical evidence register and decision rights. Specialists provide bounded analysis. Buyer portals receive controlled extracts. The pilot can then price each interface and observe where duplication remains. No vendor should be described as regulator-approved unless that specific status and scope are independently evidenced.

13.6

The tabletop drill should expose failure modes

A cost model describes intended work. A tabletop drill tests whether people can perform that work when several problems arrive together. The exercise should use a fictional order, controlled records and a fixed decision table. It is not a simulation of authority enforcement and should not produce a readiness score. Its purpose is to expose missing evidence, unclear authority and actions that could harm a worker or release an unreviewed product.

The proposed scenario combines a changed dye recipe, missing upstream records, a worker allegation and an excessive reporting request. Each event has a different decision path. REACH restrictions can apply to imports, so a changed material or finish should trigger product-specific scope and evidence review rather than an administrative assumption that the old test still covers the new state. [S16] The reviewer must determine the actual substance question, sample and batch relationship from the operative requirements.

Missing upstream records require containment and reconstruction. The team should identify affected input lots, processing events and finished batches, preserve the available record and name what cannot be established. A missing record is an evidence gap, not proof of abuse. It is also not a zero-risk answer. The forced-labour framework's distinct assessment and investigation stages reinforce the need to separate a concern, an internal review and an authority finding. [S10]

The worker allegation changes the priority. Protection, confidential intake and escalation outside the production deadline must come before evidence packaging. The ILO and IOE handbook uses forced-labour indicators to help companies identify and

assess risks in practice. [S09] An indicator starts enquiry; it does not license a public accusation. The drill should record who can take safeguarding action, how the affected person can confirm remedy and which information must remain restricted.

The reporting request tests a separate control. The team should ask its purpose, check what can be reused and distinguish product evidence from corporate reporting. The adopted amending text gives protected undertakings a right, subject to its conditions, to decline information beyond the voluntary standards for specified sustainability-reporting requests. [S35] That mechanism should not be stretched into a refusal to supply necessary safety or investigation evidence. National implementation and the applicable standard version remain review dependencies.

Exhibit 59, p. 195 sets out the rehearsal register. Its result cells deliberately state that the drill has not been run. Retrieval times, decision quality and remediation effectiveness must be recorded only during an actual exercise. A completed template is not a completed drill.

EXHIBIT 59 / ILLUSTRATIVE REHEARSAL PROTOCOL

A drill tests decisions rather than a readiness score

Scenario	Evidence to retrieve	Decision required	Result
Changed dye recipe	Specification, change notice, batch link and test scope	Hold release pending product-specific review	Not run
Missing upstream record	Input lot, processing site and affected finished batches	Preserve evidence and contain the affected scope	Not run
Worker allegation	Restricted intake, protective action and remedy record	Protect the person and escalate independently	Not run
Excessive reporting request	Request purpose, reusable answers and standard mapping	Clarify purpose and route a proportionate response	Not run

ILLUSTRATIVE [S09] [S10] [S16] [S35] Illustrative scenarios and proposed actions. Sources support parts of the decision context, not any observed drill result. All result cells remain Not run. No actual allegation, product failure, legal conclusion or measured retrieval time is claimed.

A facilitator should introduce the events in sequence and preserve the decisions made at each point. The changed recipe may reduce the eligible batch before the worker allegation arrives. The reporting request may distract staff while the upstream record remains missing. This interaction is the useful stress: the drill shows whether urgent protection and product control retain owners when administrative work competes for the same people.

The observation sheet should record elapsed retrieval time, active work, unresolved evidence, decision-maker and protective action. It should also note false starts, inaccessible records and ambiguous instructions. Those observations become pilot costs and design changes. They must not be backfilled with target values after the exercise. If no retrieval occurred because a record was absent, the honest entry is unavailable, not an unusually fast response.

Closure requires more than a meeting. Each gap needs an owner, resources and a review condition. A corrected template addresses an administrative defect only if the revised route works on the next exercise. A worker-related action needs appropriate confirmation and recurrence review. A product hold needs an authorised release decision based on the actual evidence. The drill budget should include these follow-up actions, otherwise the exercise becomes a performance without operational change.

13.7

An export decision needs evidence of value and of readiness

The final decision should compare accepting, conditionally accepting, repricing or declining the order. Acceptance requires both economic headroom and a clear release path. Conditional acceptance may be appropriate when evidence work, buyer clarification or product review has a funded owner and a feasible completion point. Repricing may address identifiable incremental work. Declining may be necessary when the route cannot meet critical conditions or the commercial terms cannot fund the required response.

A positive contribution never overrides a critical failure. Product safety, applicable chemical restrictions and worker protection are not optional enhancements to be traded against price. The order model should therefore present two outputs side by side: an economic calculation and a gate register. A high margin beside an unresolved critical gate means do not release. A low administrative cost beside complete evidence does not, by itself, prove that the order is attractive.

WORKED EXAMPLE

A fictional buyer offers an order with an illustrative contribution of 480 cost units before evidence work, across 12,000 garments. Allocated setup is 75 units and recurring evidence work is 75 units. A duplicated buyer-specific administration route would add 30 units. Under that route, total evidence cost is 180 units, residual contribution is 300 units and evidence cost is 0.015 units per garment. If a comparable reusable pack removes the 30 units of duplicated work, residual contribution becomes 330 units and evidence cost becomes 0.0125 units per garment. These are scenario arithmetic, not measured savings, a price forecast or proof of buyer acceptance.

The illustrative case shows why negotiation should focus on the work driver. Removing duplicated administration improves the scenario without claiming to reduce necessary testing or remedy. Repricing can be evaluated against the same transparent lines. Yet if the changed dye recipe still lacks the required release evidence, neither version authorises shipment. The financially preferable route remains conditional on the gate.

The investment memorandum should attach actual buyer terms, the verified scope decision, external quotations, internal-hour observations and the drill register. Assumptions should remain in separate sensitivity cells. A premium can be included

only as a buyer-supported commercial input, not as a reward automatically generated by compliance. Financing approval, EU market access and buyer acceptance are separate decisions that this model cannot promise.

> **GFT NOTE**
>
> Pilot one bounded product family and sales route before scaling an EU commitment. Fund the current product and worker-protection gates first. Then measure setup cash, recurring hours, eligible volume, retrieval performance and buyer-specific rework. Scale only when the evidence is reusable, the order economics remain transparent and no critical failure is being hidden inside a favourable average.

The decision record should close with the unresolved questions as well as the recommendation. Who confirmed the legal scope? Which evidence remains missing? Which costs are quotations and which are estimates? What did the rehearsal fail to retrieve? What must change before the next order? Those answers make the economics answerable to the order rather than making the order serve a predetermined compliance story.

Test the evidence in the order, and let no margin overrule a critical failure.

CHAPTER SOURCE NOTES

S13 European Commission. 2025-04-16.

S05 European Commission, DG FISMA. 2025-07-30.

S33 European Union, Your Europe. 2026-08-19.

S16 European Commission, DG GROW. n.d..

S10 European Commission, DG GROW. n.d..

S23 European Commission. n.d..

S24 European Data Protection Board. n.d..

S09 International Labour Organization and International Organisation of Employers. 2025-11-26.

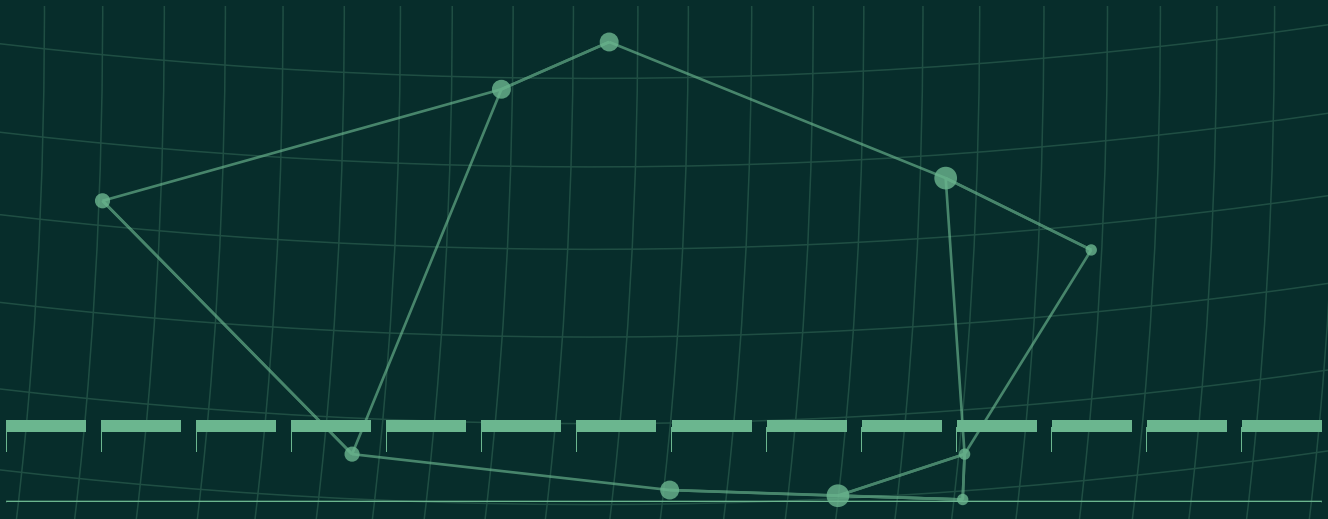
S35 European Parliament and Council of the European Union. 2026-02-24.

GREEN FUTURE TECH
LIMITED / HONG KONG SAR

14

GFT would measure whether the system prevents harm and answers for the product

The roadmap begins with scope and current duties, then proves repeatable evidence and adapts to later rules.



CHAPTER 14
DECISION TEST

The roadmap begins with scope and current duties, then proves repeatable evidence and adapts to later rules.

GFT would approve the compliance roadmap only when it can show two operating results: people are protected from harm, and each product can be answered for at its release boundary. A larger document library, a busy reporting calendar or a high average score cannot establish either result. The roadmap therefore begins with a dated decision about the sales route, legal roles and current product duties. It then tests a bounded evidence pack, measures whether workers confirm remedy and whether batches retain the right evidence, and changes scale only after review. Future rules enter through a controlled watchlist rather than an invented deadline.

This is a proposed operating system, not a claim that GFT has implemented or certified an export factory. It uses the Cameroon textile programme as a design reference for feasibility, performance management and digital strategy. Field performance, buyer acceptance, legal conclusions and implementation costs remain to be established. The recommendations are dated as of 30 October 2026 and are not legal, tax or investment advice. Qualified reviewers must confirm the actual entity, product, destination, contractual terms and current law before a shipment or investment decision. [S02] [S35]

The management rule is deliberately strict. Administrative completeness may be averaged across a defined requirement population, but a critical failure may not be hidden inside that average. An unresolved worker-protection issue, an unreviewed safety concern or missing evidence for an applicable chemical restriction remains a hold even when every reporting field is complete. The amended CSDDD itself connects corporate due diligence with complaints, monitoring and public communication, while EU product-safety guidance requires action when a business identifies an unsafe product. [S02] [S33] The roadmap joins those duties to daily production decisions without treating them as interchangeable legal regimes.

14.1

Start by approving the route, roles and current-law register

The first approval is not a technology choice. It is a written scope determination naming the contracting entities, production sites, product family, intended use, sales route, consignee, importer and other relevant economic operators. The reviewer should also identify the destination countries and the party making each public claim. A factory cannot select the correct evidence population while these questions remain open. Nor can it distinguish a direct legal duty from a buyer request merely by reading the buyer's questionnaire.

The route decision should produce a role map rather than a generic statement of EU readiness. For each obligation or request, record the duty holder, the operational contributor, the evidence reviewer, the payer and the person authorised to act. Legal advice, investment approval, product release and publication authority need separate decision rights. One sponsor may coordinate the register, but that sponsor should not silently acquire every approval. Roles are named by function here because no GFT staffing or client organisation is assumed.

A current-law register then converts the route into dated rows. Each row needs the instrument, provision, product or entity scope, legal status, application conditions, relevant national implementation, source version and next review trigger. Adoption, publication, entry into force, transposition and application are different states. The Commission's acts register, as opened for this research, lists the July 2026 simplified reporting and voluntary value-chain standards as not in force until Official Journal publication. A roadmap should preserve that qualification rather than treating adoption as immediate application. [S04]

The same discipline applies to rules already described as applying. The Commission states that the consumer-law changes entered application on 27 September 2026, while the PPWR began applying on a phased basis from 12 August 2026. Those dates do not make every provision identical in scope or make every supplier the duty holder. The register must still identify the actual claim, packaging, role and destination. [S18] [S20]

Corporate due diligence needs a separate row from product evidence. The Commission describes the amended CSDDD as a duty for very large companies within its scope, with Member States applying the principal transposition measures from 26 July 2029 and the Article 16 reporting measures for financial years starting on or after 1 January 2030. These are not universal African factory deadlines. They are review points for the buyer relationship and any entity that may itself be in scope. [S02] [S35]

The adopted amending text also shows why purpose belongs in every register row. Its reporting protection for protected undertakings concerns information requested for sustainability reporting, and its CSDDD information safeguards answer a different purpose. Product-safety and chemical evidence cannot be dismissed by attaching a general reporting label to the request. The route reviewer should record why the information is needed before selecting a response or a refusal. [S35]

Approval requires a short exception log. Record provisions not checked, national transposition not verified, uncertain product classification, unavailable buyer terms and any evidence that could not be retrieved. An exclusion should state its reasoning and its reopening trigger. A register that says only compliant or not applicable hides the work that remains. A register that preserves conditional and unresolved states gives management a decision it can safely revisit.

> **GFT NOTE**
>
> Do not approve an EU shipment commitment before the route, roles and current-law register have named reviewers. Keep legal applicability, product release, investment approval and public-claim authority as distinct decisions. Require every exclusion to carry a reason, source date and reopening trigger, and carry unresolved national implementation into the handoff rather than converting it into a presumed exemption.

14.2

Make worker protection and current product duties the first gate

The first operating gate protects people and the product before it optimises administration. Worker protection begins with safe recruitment and grievance routes, the ability to escalate beyond the production hierarchy, and a remedy process that can be checked with the affected person. The ILO and IOE handbook uses the forced-labour definition and its indicators to help companies identify and assess risks in practice. An indicator should start enquiry and protective action, not become an unsupported accusation or a line item deferred until the order closes. [S09]

Recruitment and remedy records should therefore sit outside the shipment deadline's control. A supervisor under pressure to dispatch should not be the only person able to close a concern about withheld documents, debt or coercion. The proposed gate asks whether the affected person is safe, whether immediate action has an independent owner, whether evidence is restricted to those who need it and whether the agreed remedy has been confirmed. The gate remains open when administrative closure is not matched by the person's experience.

Product evidence forms the other side of the same release decision. EU guidance states that every textile product marketed in the EU must be labelled or marked to show fibre composition, subject to the applicable scope and business-to-business provisions. The bill of materials, approved composition, language version and printed label therefore need a traceable relationship to the product being released. [S17] A claim approved for an earlier material specification should not be carried across an unreviewed change.

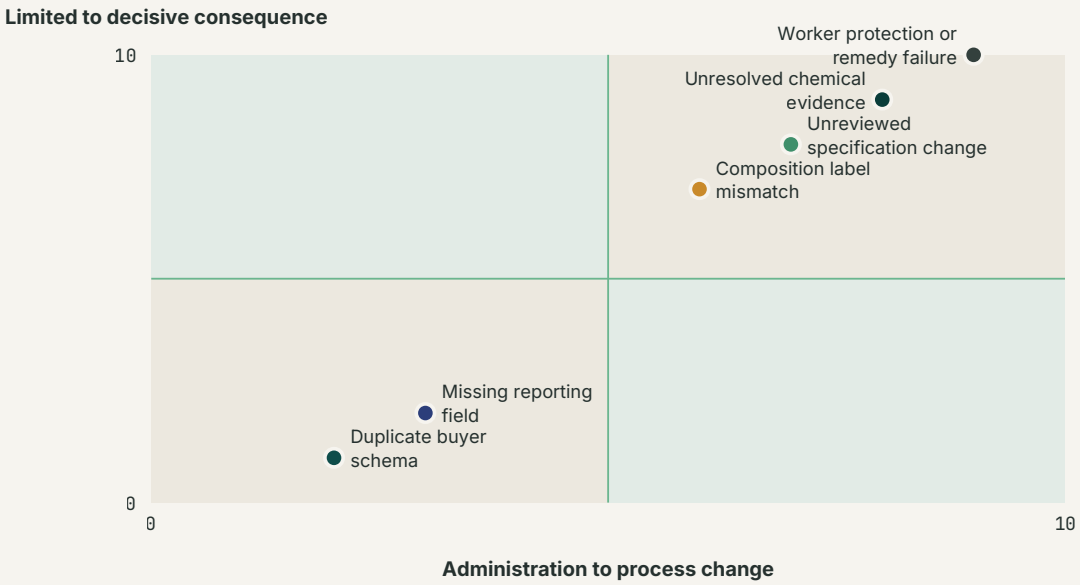
Chemical evidence needs its own product-specific test. The Commission explains that REACH restrictions on placing substances on the market apply to domestic production and imports, and identifies restrictions for clothing, textiles and footwear in Annex XVII entry 72. That establishes the need to examine the actual article and restriction. It does not allow a generic supplier declaration to replace the operative limits, method, sample identity or batch relationship. [S16]

Safety continues after production. EU guidance states that products sold in the EU must be safe regardless of where they were made, and that manufacturers and other businesses linked to distribution or sale must act if they find an unsafe product. The release file should therefore connect design and test evidence to complaints, corrective action, withdrawal or recall routes where applicable. A sustainability label or a completed buyer portal does not answer that product-safety question. [S33]

Exhibit 60, p. 202 shows why the release decision should not become a single maturity score. The vertical dimension is the consequence of leaving an issue unresolved, not a measured legal risk. The horizontal dimension is the degree to which the issue sits in routine evidence administration or requires operational change. A duplicate schema can be inconvenient without being decisive. Unresolved chemical evidence or a worker-protection failure requires containment or protection regardless of the average completeness score.

EXHIBIT 60 / ILLUSTRATIVE DECISION COORDINATES FROM 0 TO 10

Critical failures remain visible at the release gate



ILLUSTRATIVE [S09] [S16] [S17] [S33] Illustrative GFT decision map. X runs from routine evidence administration (0) to operational process change (10). Y runs from limited release consequence (0) to decisive protection or release consequence (10). Positions are categorical design aids, not measured risk, legal findings or supplier scores. Sources support the issue categories, not the coordinates.

The map is not permission to rank one person's harm against another product failure. It is a rule against compensation between unlike failures. Missing reporting information may justify clarification and rework. A label mismatch may require correction and a new approval. An unresolved safety, chemical or worker-protection condition may require a hold, urgent action or specialist escalation. Each state needs its own decision and named authority.

A hold should be precise about its object. Identify the affected people, requirement, input lots, batches, claims and shipments. Record what is known, what is missing, who may release the hold and what evidence would change the decision. Do not describe an internal precaution as an authority prohibition. Conversely, do not wait for an external authority before taking a protective step that the supplier can already see is necessary.

The gate also needs a change trigger. A new dye recipe, trim supplier, production site, subcontractor, intended use or consumer claim can change the evidence question. A responsible reviewer should determine whether the earlier evidence remains valid before the changed product enters the eligible release population. A form marked complete after the change is not evidence that the review occurred before it.

14.3

Prove a reusable pack on a bounded product family

The pilot should be small enough to inspect and real enough to expose the work. Select one product family, one defined sales route and a limited set of applicable requirements after the scope review. The product choice, order volume and acceptance criteria must come from the actual opportunity. This chapter does not invent them. The useful unit is not a generic factory transformation but a controlled chain from product specification to production event, batch evidence, review, release and buyer response.

The pilot pack should contain the route-and-role statement, current-law rows, product specification, applicable label and test evidence, change history, worker-protection route, corrective-action register and a controlled response index. Each item needs an owner, period, evidence location, version and review state. Missing, disputed, corrected and not-applicable entries should remain distinguishable. A blank field must not become a zero incident count or a declaration that every upstream input conforms.

Reuse begins with a canonical answer rather than a copied attachment. The answer should retain its definition, source boundary and effective version so that a later request can be matched to it. The Commission's VSME recommendation is intended to reduce administrative burden by making it easier for SMEs to answer sustainability-information requests from large companies and financial institutions. That supports a common response structure for its intended purpose, not a universal product file or proof that every buyer will accept the same extract. [S05]

Purpose-based triage protects the pack from request inflation. Route each question to sustainability reporting, due diligence, product safety, chemicals, commercial specification, claims or another identified purpose. Reuse only evidence with the same population, period and meaning. The adopted reporting amendment gives protected undertakings a right, subject to its conditions, to decline information beyond the voluntary standards for specified reporting requests. It does not create a blanket refusal for necessary product or investigation evidence. [S35]

A retrieval test should use a real question and a controlled clock. Record when the request becomes sufficiently clear to answer, when the reviewer receives the pack and how much active work was needed for collection, translation, checking, approval and portal entry. Keep recipient waiting time separate from supplier work. A portal acknowledgement is not buyer acceptance, and a file found quickly is not necessarily the right file.

Corrective action belongs inside the pilot rather than after its evaluation. If the pack lacks a batch link, assign the repair and repeat the retrieval. If a worker-related record exposes unnecessary identity information, revise access before circulating the pack again. If a product test does not cover the changed specification, hold the relevant release and establish the evidence required. Scaling should be conditional on these repeated decisions working, not on the first demonstration looking complete.

METHOD

Set the pilot acceptance table before work begins. For every requirement, record the applicable population, evidence expected, reviewer, retrieval test, criticality and decision on failure. Define buyer review, legal review and corrective-action closure separately. Accept a reusable answer only after it has answered a subsequent comparable request without equivalent rework. Leave targets blank until observed baseline values and their limitations have been recorded.

The scale decision needs evidence of review as well as evidence of completion. A qualified legal reviewer may need to confirm an unresolved scope point. The buyer may need to confirm that a controlled extract answers its stated purpose. Operations may need to demonstrate that the release gate holds when production is busy. Worker-protection actions need appropriate confirmation and recurrence review. None of these is interchangeable with a draft pack or a successful upload.

14.4

Add future requirements through a controlled change process

The watchlist should change the evidence system only when a verified source changes the applicable question. Each row needs an owner, official source, instrument, status, affected product or entity, last check, next review and implementation decision. Proposal, adopted, published, in force, applicable and guidance states should remain separate. A future requirement should not enter the release checklist merely because a vendor has added a field with the same name.

Textile ecodesign and the Digital Product Passport illustrate the control. The Commission states that exact textile information requirements will be defined through relevant delegated acts and supporting technical specifications. Its indicative timeline gives Q4 2027 as planned adoption of the textile delegated act and expressly warns that implementation timelines may evolve. The correct preparation is reusable product identity and evidence mapping, not a claim that every garment must carry a completed passport by that quarter. [S11]

The forced-labour product regime has a different status and decision path. The Commission states that the prohibition applies from 14 December 2027 to covered products placed on, made available on or exported from the EU market, regardless of origin. It also states that the regulation introduces no audit or reporting obligations. The watchlist should therefore track guidance, investigation practice and the supplier's product evidence, without inventing a routine filing duty. [S10]

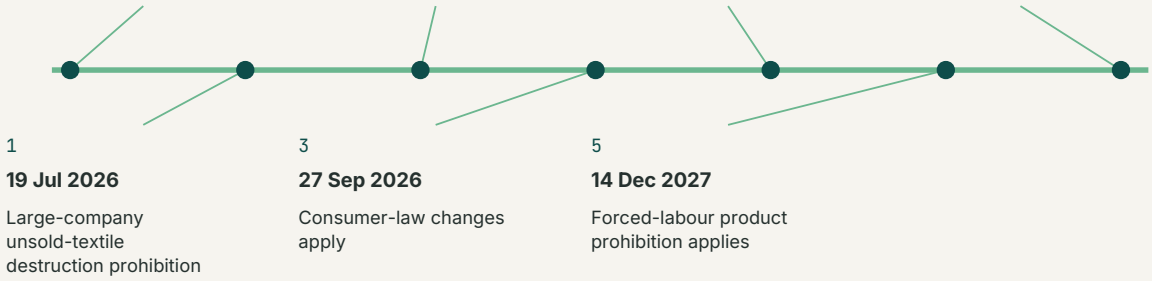
Textile extended producer responsibility requires destination-level work. The revised Waste Framework Directive introduces common rules under which Member States establish textile and footwear EPR schemes, with producers paying fees for products placed on the market under those schemes. The register should follow the actual national scheme, producer definition, route and fee conditions rather than assigning every African manufacturer a uniform EU registration task. [S15]

Claims need an equally careful status label. The Council describes ongoing work on separate Green Claims measures and records negotiations between the Council and Parliament. That proposal content should not be copied into the current-law register as an adopted verification regime. Current consumer-law duties still require review of the actual wording and evidence, while any future regime needs its own applicability check. [S18] [S19]

Exhibit 61, p. 205 orders the principal dates used in this paper without converting them into a single supplier deadline. Equal ordinal spacing is used to make the sequence legible, so distance between events carries no duration meaning. The Q4 2027 textile entry marks an indicative planned adoption window, not an application date. Every other entry still requires the scope analysis described above. [S11]

EXHIBIT 61 / CHRONOLOGICAL EVENT INDEX, NOT ELAPSED TIME

The watchlist distinguishes applicable rules from future work



0
13 Dec 2024
GPSR application for covered non-food products

1
19 Jul 2026
Large-company unsold-textile destruction prohibition

2
12 Aug 2026
PPWR phased application begins

3
27 Sep 2026
Consumer-law changes apply

4
Q4 2027 plan
Indicative textile delegated-act adoption window

5
14 Dec 2027
Forced-labour product prohibition applies

6
26 Jul 2029
Principal amended CSDDD measures apply

SOURCED [S34] [S14] [S20] [S18] [S11] [S10] [S02] Sourced legal-event sequence as of 30 October 2026. Numeric positions 0 to 6 are ordinal and equally spaced, not date calculations. Exact dates appear in labels. Q4 2027 is the Commission's indicative planned textile delegated-act adoption window, not a universal DPP application date. National implementation, product scope and economic-operator role require separate review.

The sequence is a review aid, not a readiness countdown. GPSR started to apply on 13 December 2024 for covered non-food products sold online or offline, so current product safety cannot wait for the later sustainability milestones. [S34] The unsold-goods prohibition for large companies began on 19 July 2026, with its own exceptions and evidence conditions. [S14] These events affect different decisions and should not be merged into one circularity or product-passport task.

A controlled change should produce an impact note before a schema or checklist changes. The note identifies what the new text alters, which products and roles are affected, which existing evidence remains valid, what requires legal confirmation and

who authorises implementation. The reviewer then tests one affected product before scaling the change. If the source is only a proposal or an indicative plan, the note records preparation and monitoring rather than asserting a new legal duty.

14.5

Measure outcomes that reveal the operating truth

Measurement should show whether the system changed a decision or an outcome. The numerator, denominator, population and period must therefore be visible. Evidence completeness means fully evidenced applicable requirement and batch pairs divided by all applicable requirement and batch pairs in the reviewed population. It does not mean documents uploaded divided by documents expected across an undefined list. The applicability register establishes the denominator before completeness is calculated.

Retrieval time should measure active supplier work from a sufficiently clear request to a controlled response, with recipient waiting time shown separately. Duplicate request hours should capture repeated collection, translation, checking or entry for the same evidence and purpose. These measures can test the administrative objective of a reusable pack. The VSME burden-reduction objective supports measuring that work, but it does not supply a factory baseline or guarantee a saving. [S05]

Worker measures need a stronger test than case closure. Worker-confirmed remedy is the share of administratively closed remedy cases in which the affected person, through a safe and appropriate route, confirms the agreed outcome. Repeat incidents should be counted for the same defined failure after closure. A falling complaint count may indicate improvement, fear, reduced access or a changing workforce, so it cannot stand alone as evidence of prevention. The ILO and IOE focus on identifying and assessing forced-labour risks supports enquiry and response rather than a simple grievance-volume target. [S09]

Product measures should retain the batch and change boundary. Traceable test evidence is the share of released batches linked to evidence covering the applicable question, sample and method. Prior change review is the share of released changed specifications with documented review before release. Withdrawn claims and unresolved critical holds should remain visible as counts with reasons, not converted into a favourable composite. Product-safety and chemical duties make those release boundaries consequential. [S16] [S33]

Exhibit 62, p. 207 defines the proposed measurement set. It deliberately supplies no baseline or target. A target set before observation could reward incomplete populations, rapid but wrong answers, premature case closure or release despite a critical gap. The first pilot should establish whether the measure can be calculated consistently and whether its decision rule protects the person and product.

EXHIBIT 62 / PROPOSED KPI DEFINITIONS, NO OBSERVED VALUES

Every proposed metric needs a denominator and a decision

Measure	Definition	Decision
Evidence completeness	Complete applicable requirement-batch pairs / all applicable pairs	Investigate gaps; hold if critical
Active retrieval time	Supplier work from clear request to controlled response	Find delays without rewarding wrong answers
Duplicate request hours	Repeated work on the same evidence for the same purpose	Clarify schema and test reuse
Overdue corrective actions	Open actions past their agreed review date / all open actions	Escalate owner and resource constraints
Worker-confirmed remedy	Closed cases with affected-person confirmation / all closed remedy cases	Keep unconfirmed outcomes open to review
Repeat incidents	Same defined failure recurring after case closure	Reopen cause and effectiveness review
Batch test traceability	Released batches with applicable linked test evidence / all released batches	Hold where critical evidence is absent
Prior change review	Released changed specifications reviewed beforehand / all released changes	Stop unreviewed release and repair the gate
Unresolved critical holds	Open critical product or worker holds at review	No release or closure by average score

ILLUSTRATIVE [S02] [S05] [S09] [S16] [S17] [S33] Illustrative GFT KPI dictionary. Sources support the control purpose and legal context, not any baseline, target or performance result. Applicable populations and periods must be fixed before calculation. Critical holds remain separate from all averages.

The management review should read the measures together and preserve their contradictions. Faster retrieval beside more repeat incidents is not success. Higher evidence completeness beside an unresolved chemical hold is not release readiness. More worker-confirmed remedies may show that concerns are being addressed rather than that harm is increasing. The reviewer needs the underlying cases, population changes and evidence quality before interpreting direction.

Targets should be set only after the baseline has survived a definitions check. Confirm who records the event, whether sites and subcontractors use the same status meanings, whether the period is complete and whether restricted worker information can be reviewed safely. Where a denominator is too small or the case mix changes materially, report the cases rather than manufacturing a trend. A missing observation remains missing; it is not zero harm or full compliance.

WORKED EXAMPLE: THE SPONSOR'S GATE DECISION

A fictional pilot has an illustrative population of 48 applicable requirement and batch pairs. Reviewers find 42 completely evidenced pairs, so illustrative completeness is 42 / 48 = 87.5 percent. The remaining six pairs include two critical product holds. The sponsor therefore sees an administrative completeness result but cannot authorise those two releases. Dividing by produced garments instead would change the question and hide the applicable-requirement denominator.

The same illustrative pilot answers eight comparable requests in 64 active supplier hours, including 14 hours repeated on previously supplied evidence. Mean active work is 64 / 8 = 8 hours per request, while duplicate work is 14 / 64 = 21.875 percent of active hours, rounded to 21.9 percent. These observations describe this fictional case only. They justify testing request clarity and reuse, not claiming a saving or setting a universal target.

Finally, the fictional register contains five administratively closed remedy cases. Four have affected-person confirmation, giving an illustrative worker-confirmed share of 4 / 5 = 80 percent. The unconfirmed case remains open for outcome review even if its repayment form is filed. The scale decision is therefore conditional: repair the two critical holds, keep the unconfirmed remedy under review, test whether duplicate work falls on a comparable later request, and retain all case narratives beside the arithmetic.

14.6

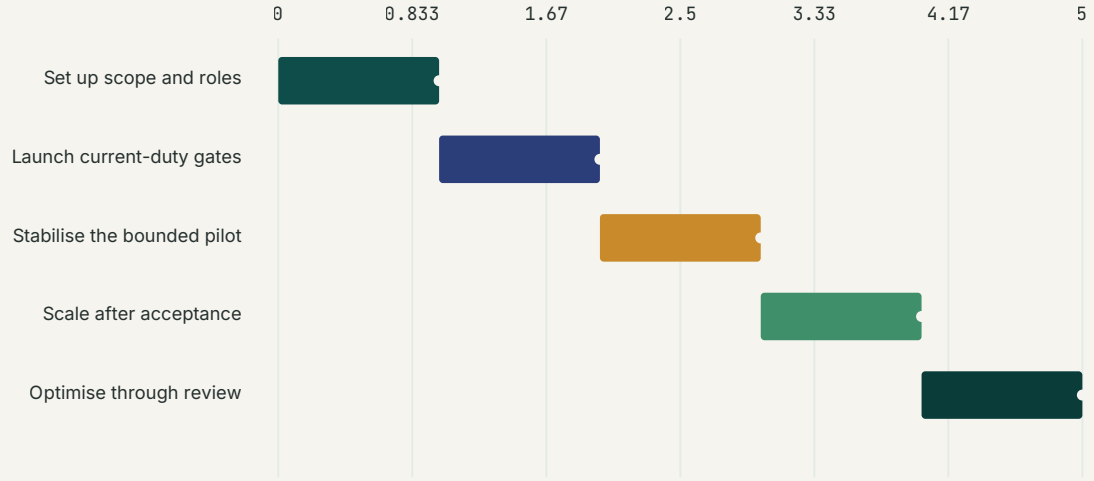
Integrate the new controls into the existing management cadence

The controls should enter the management routines that already direct production, people, quality and decisions. For this roadmap, GFT labels the cadence set up, launch, stabilise, scale and optimise, aligned with the programme's performance-management and digital-design logic. These are proposed planning stages, not a report that a client site has completed them. The existing programme remains a feasibility, performance-management system and digital-strategy reference rather than an implemented compliance service.

Exhibit 63, p. 209 makes the dependency visible. Equal intervals separate decision states; they are not weeks, months, budget releases or promised completion dates. A later stage begins only when the preceding evidence gate has an authorised outcome. Legal change monitoring continues throughout, even though the diagram shows the main management sequence.

EXHIBIT 63 / RELATIVE GATE POSITIONS, NOT ELAPSED TIME

The roadmap advances through evidence gates rather than calendar promises



ILLUSTRATIVE Illustrative GFT programme sequence. Equal numeric intervals from 0 to 5 separate decision stages and do not estimate implementation duration, resources or cost. Set up approves scope; launch applies current worker and product gates; stabilise repeats the bounded pilot; scale requires acceptance evidence; optimise uses controlled change and outcome review. No live implementation is claimed.

Set up finishes when the route, roles, requirement population and unresolved legal questions have named reviewers. Launch tests current worker-protection and product gates before an EU shipment commitment. Stabilise requires repeated retrieval, controlled correction and effective action on the bounded product family. Scale begins only after the specified buyer, legal, operational and worker-protection reviews are complete. Optimise then uses observed outcomes and verified legal change to revise the system.

The cadence should separate escalation from periodic review. A critical safety, chemical or worker concern moves immediately to the role with authority to protect or hold. Routine evidence quality, duplicate work and overdue actions enter the periodic operating review. Management examines unresolved holds, repeat incidents and handoff exceptions before considering scale. This prevents an urgent protection decision from waiting for a scheduled reporting meeting.

Each review needs a decision record, not only a dashboard. Note the population and period examined, the evidence challenged, the decision made, the owner, resources and next verification. Where a measure cannot be calculated, record the reason and repair the definition or source. Where a target is missed because the product mix or legal scope changed, preserve that explanation rather than adjusting the historic denominator to create apparent improvement.

Companion papers can supply the detailed engineering methods for factory measurement, provenance, resources, skills, circularity, data governance, footprinting and architecture. This compliance roadmap retains the duty-to-decision connection: which rule or request applies, what evidence answers it, who acts and what remains unresolved. The programme's Warp and Signal principle is practical here. Production events create the records, and measurement returns to change production rather than decorating a report.

14.7

Publish bounded claims and preserve the unanswered questions

External communication should use the same gate as product release. Publish the exact product, site, period, method and evidence boundary that a reviewer approved. Do not turn a pilot into a certification, a buyer review into regulator acceptance, an internal hold into an authority decision or a planned textile act into a current passport duty. Where wording is uncertain, narrow it or withdraw it. Current consumer-law application and the separate Green Claims negotiations make that status distinction especially important. [S18] [S19]

The handoff register should preserve every unanswered question that could change a decision. Include unverified national implementation, final operative legal versions, product classifications, buyer-specific requirements, unavailable source records, actual operating costs and field evidence not yet collected. Give each item an owner, next action and reopening trigger. An explicit unresolved item is more useful than a confident statement that the research cannot support.

Management should receive a short decision pack containing the approved route, current critical gates, pilot definitions and observations, unresolved holds, worker-remedy status, legal watchlist and conditions for scale. It should separate sourced facts, derived arithmetic and illustrative scenarios. It should also record dissent where a reviewer does not accept the evidence or its interpretation. Scaling is a reversible management decision subject to new facts, not a reward for completing the previous phase.

GFT's recommendation is therefore to measure at source, act on harm, test the product, negotiate proportionate requests, protect personal information and review legal change through named owners. These are reasoned design recommendations as of 30 October 2026, not legal, tax or investment advice and not a compliance certification. The remaining task is to prove them in a bounded operating pilot while keeping every critical exception visible. [S04] [S35]

Measure whether harm ends and the product answers, then let the roadmap advance.

CHAPTER SOURCE NOTES

S02 European Commission. n.d..

S35 European Parliament and Council of the European Union. 2026-02-24.

S33 European Union, Your Europe. 2026-08-19.

S04 European Commission, DG FISMA. 2026-07-03.

S18 European Commission. n.d..

S20 European Commission, DG Environment. 2026-08-11.

S09 International Labour Organization and International Organisation of Employers. 2025-11-26.

S17 European Union, Your Europe. n.d..

S16 European Commission, DG GROW. n.d..

S05 European Commission, DG FISMA. 2025-07-30.

S11 European Commission, DG GROW. n.d..

S10 European Commission, DG GROW. n.d..

S15 European Commission, DG Environment. 2025-10-16.

S19 Council of the European Union. n.d..

S34 Council of the European Union. n.d..

S14 European Commission, DG Environment. 2026-07-17.

Provenance travels with the claim.

Available inherited records and all chapter-local source records are graded below. Identical source identities are consolidated without losing citation aliases. Missing annex references are excluded. Unrecorded dates are disclosed rather than invented.

R01 Inherited evidence R01 GRADE C

Business in Cameroon. Publication date unrecorded. businessincameroon.com

Cameroon seed-cotton production 2022-2024: 330,000 t (2022), 314,455 t (2023), about 340,000 t (2024).

Inherited source-text check; original source not independently re-opened for this edition.

R02 Inherited evidence R02 GRADE C

Fibre2Fashion; Business in Cameroon. Publication date unrecorded. fibre2fashion.com; businessincameroon.com

2025 seed-cotton projection above 350,000 t.

Inherited source-text check; original source not independently re-opened for this edition.

R03 Inherited evidence R03 GRADE C

SODECOTON. Publication date unrecorded. sodecoton.cm

Company profile: more than 220,000 cotton producers supported in northern Cameroon; nine ginning plants; two oil mills.

Inherited source-text check; original source not independently re-opened for this edition.

R04 Inherited evidence R04 GRADE C

Financial Fortune Media. Publication date unrecorded. financialfortunemedia.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R05 Inherited evidence R05 GRADE C

Ecofin Agency. Publication date unrecorded. ecofinagency.com

CFA-zone cotton output 2.3 million t in 2024/25, down 11.5 percent.

Inherited source-text check; original source not independently re-opened for this edition.

R06 Inherited evidence R06 GRADE C

Cameroon Trade Hub. Publication date unrecorded. cameroontradehub.cm

About 95 percent of cotton fibre exported raw against 5 percent processed locally; industrialisation target of 50 percent local processing.

Inherited source-text check; original source not independently re-opened for this edition.

R07 Inherited evidence R07 GRADE C

Ecofin Agency. Publication date unrecorded. ecofinagency.com

SND30 restates the 50 percent local-processing target by 2030.

Inherited source-text check; original source not independently re-opened for this edition.

R08 Inherited evidence R08 GRADE C

Business in Cameroon. Publication date unrecorded. businessincameroon.com

Announced SODECOTON and CICAM merger to create a cotton-textile industrial pole targeted by 2030.

Inherited source-text check; original source not independently re-opened for this edition.

R09 Inherited evidence R09 GRADE C

Ecofin Agency. Publication date unrecorded. ecofinagency.com

Camtext SA integrated cotton-to-textile project, US$300 million (180 billion XAF); Panafritex and Arise with SODECOTON, CNPS and Marlo; 12 November 2025.

Inherited source-text check; original source not independently re-opened for this edition.

R10 Inherited evidence R10 GRADE C

Ecofin Agency. Publication date unrecorded. ecofinagency.com

Camtext SA: 12,000 t a year processed; about 12,000 jobs at the Dibamba hub and 3,000 at Garoua; return on investment near 11 years; optimal capacity around 2033.

Inherited source-text check; original source not independently re-opened for this edition.

R11 Inherited evidence R11 GRADE C

Business in Cameroon; MMI News. Publication date unrecorded. businessincameroon.com; mimimefoinfos.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R12 Inherited evidence R12 GRADE C

Business in Cameroon. Publication date unrecorded. businessincameroon.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R13 Inherited evidence R13 GRADE C

Business in Cameroon; MMI News. Publication date unrecorded. businessincameroon.com; mimimefoinfos.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R14 Inherited evidence R14 GRADE C

WageIndicator. Publication date unrecorded. wageindicator.org

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R15 Inherited evidence R15 GRADE C

wage.is. Publication date unrecorded. wage.is/cameroon

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R16 Inherited evidence R16 GRADE C

WageIndicator. Publication date unrecorded. wageindicator.org

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R17 Inherited evidence R17 GRADE C

just-style. Publication date unrecorded. just-style.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R18 Inherited evidence R18 GRADE B

Congressional Research Service IF10149; AGOA (Wikipedia). Publication date unrecorded. congress.gov; en.wikipedia.org

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R23 Inherited evidence R23 GRADE C

MacMap; AfCFTA. Publication date unrecorded. macmap.org

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R24 Inherited evidence R24 GRADE C

Mordor Intelligence. Publication date unrecorded. mordorintelligence.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R25 Inherited evidence R25 GRADE C

Market.us. Publication date unrecorded. market.us

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R26 Inherited evidence R26 GRADE C

Statista. Publication date unrecorded. statista.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R27 Inherited evidence R27 GRADE B

McKinsey, The State of Fashion 2025. Publication date unrecorded. mckinsey.com

AI at scale in fashion: inventory cost down 35 to 40 percent; forecast accuracy up 20 to 30 percent; revenue per customer up 15 to 25 percent; forecast errors cut 20 to 50 percent; lost sales down up to 65 percent; 75 percent of executives prioritising; sector operating-profit potential US$150 to 275 billion over three to five years.

Inherited source-text check; original source not independently re-opened for this edition.

R28 Inherited evidence R28 GRADE C

DataIntelo. Publication date unrecorded. dataintelo.com

Fabric-defect-detection AI market US$523.4 million (2024) to US$6,522.1 million (2033) at 33.8 percent a year; Asia-Pacific about 46 percent in 2024.

Inherited source-text check; original source not independently re-opened for this edition.

R29 Inherited evidence R29 GRADE C

MDPI; industry inspection literature. Publication date unrecorded. mdpi.com

Manual defect inspection 60 to 70 percent accurate, missing 20 to 30 percent of defects; computer vision above 90 percent across more than 40 defect types; line-scan inspection up to 60 metres a minute.

Inherited source-text check; original source not independently re-opened for this edition.

R30 Inherited evidence R30 GRADE C

Design Journal (Taylor and Francis). Publication date unrecorded. tandfonline.com

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R31 Inherited evidence R31 GRADE C

arXiv 2509.04705. Publication date unrecorded. arxiv.org/abs/2509.04705

Source metadata retained for traceability. This entry is not cited in the chapter text.

Inherited source-text check; original source not independently re-opened for this edition.

R32 Inherited evidence R32 GRADE C

Wise; XE. Publication date unrecorded. wise.com; xe.com

CFA franc to US dollar reference rates; franc pegged to the euro at 655.957. The GFT study's method note places the franc near 590 to 610 per US dollar across the 2023 study window and near 563 to 577 more recently, and treats currency conversions as estimates.

Inherited source-text check; original source not independently re-opened for this edition.

c01-S01 Council signs off simplification of sustainability reporting and due diligence requirements to boost EU competitiveness GRADE A

Council of the European Union. 2026-02-24. https://www.consilium.europa.eu/en/press/press-releases/2026/02/24/council-signs-off-simplification-of-sustainability-reporting-and-due-diligence-requirements-to-boost-eu-competitiveness/

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S02 Corporate sustainability due diligence GRADE A

European Commission. 2026-10-30. https://commission.europa.eu/topics/business-and-industry/company-law-and-corporate-governance/corporate-sustainability-due-diligence_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S03 Corporate sustainability reporting GRADE A

European Commission, DG FISMA. 2026-07-03. https://finance.ec.europa.eu/financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S04 Implementing and delegated acts: CSRD GRADE A

European Commission, DG FISMA. 2026-07-03. https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/corporate-sustainability-reporting-directive_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S05 Commission presents voluntary sustainability reporting standard to ease burden on SMEs GRADE A

European Commission, DG FISMA. 2025-07-30. https://finance.ec.europa.eu/publications/commission-presents-voluntary-sustainability-reporting-standard-ease-burden-smes_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S06 OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector GRADE B

OECD. 2018-03-07. https://www.oecd.org/en/publications/2018/03/oecd-due-diligence-guidance-for-responsible-supply-chains-in-the-garment-and-footwear-sector_g1g89b0b.html

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S07 Due diligence essentials for responsible garment and footwear GRADE B

OECD. 2026-02-26. https://www.oecd.org/en/publications/responsible-business-conduct-spotlights_03a75bf9-en/due-diligence-essentials-for-responsible-garment-and-footwear_c7ae4e4a-en.html

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S08 ILO indicators of forced labour, 2025 revised edition GRADE A

International Labour Organization. 2025-11-18. https://www.ilo.org/publications/ilo-indicators-forced-labour-1

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S09 Combating forced labour: A handbook for employers and business, third edition GRADE A

International Labour Organization and International Organisation of Employers. 2025-11-26. https://www.ilo.org/publications/combating-forced-labour-handbook-employers-and-business-1

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S10 What is the Forced Labour Regulation and how does it work? GRADE A

European Commission, DG GROW. 2026-10-30. https://single-market-economy.ec.europa.eu/single-market/goods/forced-labour-regulation/what-forced-labour-regulation-and-how-does-it-work_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S11 Textile Apparel and the Digital Product Passport (DPP) GRADE A

European Commission, DG GROW. 2026-10-30. https://single-market-economy.ec.europa.eu/single-market/digital-product-passport/textile-apparel_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S12 Ecodesign for Sustainable Products Regulation GRADE A

European Commission, DG Environment. 2026-10-30. https://environment.ec.europa.eu/strategy/circular-economy/ecodesign-sustainable-products-regulation_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S13 Ecodesign for Sustainable Products and Energy Labelling Working Plan 2025-2030, COM(2025) 187 final GRADE A

European Commission. 2025-04-16. https://environment.ec.europa.eu/document/download/5f7ff5e2-ebe9-4bd4-a139-db881bd6398f_en?filename=FAQ-UPDATE-4th-Iteration_clean.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S16 REACH Restrictions GRADE A

European Commission, DG GROW. 2026-10-30. https://single-market-economy.ec.europa.eu/sectors/chemicals/reach/restrictions_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S17 Textile Label GRADE A

European Union, Your Europe. 2026-07-13. https://europa.eu/youreurope/business/product-rules-compliance/textiles-and-footwear/textile-label/index_en.htm

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S23 Principles of personal data processing under the GDPR GRADE A

European Commission. 2026-10-30. https://commission.europa.eu/law/law-topic/data-protection/information-business-and-organisations/principles-gdpr_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S25 Performance Standard 2: Labor and Working Conditions GRADE A

International Finance Corporation. 2012. https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-2

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S28 Frequently Asked Questions on Regulation (EU) No 1007/2011 on textile fibre names and related labelling and marking GRADE A

European Commission, DG GROW. 2026-10-30. https://single-market-economy.ec.europa.eu/document/download/34fcf863-59ef-4352-8489-a2577102fd8f_en?filename=revised+FAQs+on+Regulation+1007-2011+-+published.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S29 EU Ecolabel: About the EU Ecolabel GRADE A

European Commission, DG Environment. 2026-10-30. https://green-forum.ec.europa.eu/green-business/eu-ecolabel/about-eu-ecolabel_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S33 Selling products safely in the EU GRADE A

European Union, Your Europe. 2026-08-19. https://europa.eu/youreurope/business/product-rules-compliance/product-safety-and-liability/selling-products-safely/index_en.htm

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S34 Product safety and market surveillance GRADE A

Council of the European Union. 2026-03-27. https://www.consilium.europa.eu/en/policies/product-safety-market-surveillance/

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S35 Adopted sustainability reporting and due diligence amending directive text, PE-CONS 66/2/25 REV 2 GRADE A

European Parliament and Council of the European Union. 2026-02-24. https://data.consilium.europa.eu/doc/document/PE-66-2025-REV-2/en/pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S0101 Footwear Label GRADE A

European Union, Your Europe. 2026-07-13. https://europa.eu/youreurope/business/product-rules-compliance/textiles-and-footwear/footwear-label/index_en.htm

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c01-S0102 Selling products in the EU GRADE A

European Union, Your Europe. 2026-08-17. https://europa.eu/youreurope/business/selling-in-eu/selling-goods-services/selling-products-eu/index_en.htm

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c02-S01 Same source record as c01-S01.

---

c02-S02 Corporate sustainability due diligence GRADE A

European Commission. 2026-10-30. https://commission.europa.eu/topics/business-and-industry/company-law-and-corporate-governance/corporate-sustainability-due-diligence_en?prefLang=bg

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c02-S11 Same source record as c01-S11.

---

c02-S17 Same source record as c01-S17.

---

c02-S18 Sustainable consumption GRADE A

European Commission. 2026-10-30. https://commission.europa.eu/topics/consumers/consumer-rights-and-complaints/sustainable-consumption_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c02-S21 Regulation on Deforestation-free Products GRADE A

European Commission, DG Environment. 2026-10-30. https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c02-S22 Carbon Border Adjustment Mechanism (CBAM) GRADE A

European Commission, DG TAXUD. 2026-10-30. https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c02-S28 Same source record as c01-S28.

---

c02-S33 Same source record as c01-S33.

---

c02-S34 Same source record as c01-S34.

---

c02-S35 Same source record as c01-S35.

c02-S0201 EU Regulation 2023/988 on General Product Safety: detailed guidance GRADE A

UK Office for Product Safety and Standards. 2025-11-04. https://www.gov.uk/government/publications/general-product-safety-regulations-northern-ireland/eu-regulation-2023988-on-general-product-safety-detailed-guidance

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c03-S06 Same source record as c01-S06.

---

c03-S07 Same source record as c01-S07.

---

c03-S08 Same source record as c01-S08.

---

c03-S31 OECD Due Diligence Guidance for Responsible Business Conduct GRADE A

OECD. 2018-02-01. https://www.oecd.org/en/publications/oecd-due-diligence-guidance-for-responsible-business-conduct_15f5f4b3-en.html

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c03-S35 Same source record as c01-S35.

---

c03-S0301 OECD Due Diligence Guidance for Responsible Business Conduct, full guidance GRADE A

OECD. 2018-02-01. https://www.oecd.org/content/dam/oecd/en/publications/reports/2018/02/oecd-due-diligence-guidance-for-responsible-business-conduct_c669bd57/15f5f4b3-en.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c03-S0302 OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, full guidance GRADE A

OECD. 2018-03-07. https://www.oecd.org/content/dam/oecd/en/publications/reports/2018/03/oecd-due-diligence-guidance-for-responsible-supply-chains-in-the-garment-and-footwear-sector_g1g89b0b/9789264290587-en.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c03-S0303 Performance Standard 2: Labor and Working Conditions, full standard GRADE A

International Finance Corporation. 2012-01-01. https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standard-2-en.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c04-S02 Same source record as c01-S02.

---

c04-S07 Same source record as c01-S07.

---

c04-S08 Same source record as c01-S08.

c04-S09 Same source record as c01-S09.

c04-S23 Same source record as c01-S23.

c04-S25 Same source record as c01-S25.

c04-S26 Environmental, Health, and Safety Guidelines for Textile Manufacturing GRADE A

World Bank Group and International Finance Corporation. 2007-04-30. https://www.ifc.org/content/dam/ifc/doc/2000/2007-textiles-manufacturing-ehs-guidelines-en.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c04-S30 National Contact Points for Responsible Business Conduct GRADE A

OECD. 2026-10-30. https://www.oecd.org/en/networks/national-contact-points-for-responsible-business-conduct.html

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c04-S32 ILO indicators of forced labour, first edition GRADE A

International Labour Organization. 2012-10-01. https://www.ilo.org/publications/ilo-indicators-forced-labour

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c04-S0401 Same source record as c03-S0303.

c04-S0402 ILO indicators of forced labour, 2025 revised edition, full booklet GRADE A

International Labour Organization. 2025-11-18. https://www.ilo.org/sites/default/files/2025-11/ILO%20Indicators%20of%20Forced%20Labour%202025.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c04-S0403 Combating forced labour: A handbook for employers and business, third edition, full handbook GRADE A

International Labour Organization and International Organisation of Employers. 2025-11-26. https://www.ilo.org/sites/default/files/2025-11/Combating%20forced%20labour%20-%20A%20handbook%20for%20employers%20and%20business.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c05-S07 Same source record as c01-S07.

c05-S08 Same source record as c01-S08.

c05-S09 Same source record as c01-S09.

c05-S10 What is the Forced Labour Regulation and how does it work? GRADE A

European Commission, DG GROW. n.d.. https://single-market-economy.ec.europa.eu/single-market/goods/forced-labour-regulation/what-forced-labour-regulation-and-how-does-it-work_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c05-S35 Same source record as c01-S35.

---

c05-S0501 Regulation prohibiting products made with forced labour on the Union market, PE-CONS 67/24 GRADE A

European Parliament and Council of the European Union. 2024-11-06. https://data.consilium.europa.eu/doc/document/PE-67-2024-INIT/en/pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c05-S0502 Products made with forced labour: Council adopts ban GRADE A

Council of the European Union. 2024-11-19. https://www.consilium.europa.eu/en/press/press-releases/2024/11/19/products-made-with-forced-labour-council-adopts-ban/

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c06-S02 Corporate sustainability due diligence GRADE A

European Commission. n.d.. https://commission.europa.eu/topics/business-and-industry/company-law-and-corporate-governance/corporate-sustainability-due-diligence_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c06-S03 Same source record as c01-S03.

---

c06-S04 Same source record as c01-S04.

---

c06-S05 Same source record as c01-S05.

---

c06-S10 Same source record as c05-S10.

---

c06-S16 REACH Restrictions GRADE A

European Commission, DG GROW. n.d.. https://single-market-economy.ec.europa.eu/sectors/chemicals/reach/restrictions_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

---

c06-S23 Principles of personal data processing under the GDPR GRADE A

European Commission. n.d.. https://commission.europa.eu/law/law-topic/data-protection/information-business-and-organisations/principles-gdpr_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c06-S33 Same source record as c01-S33.

c06-S35 Same source record as c01-S35.

c07-S02 Same source record as c01-S02.

c07-S07 Same source record as c01-S07.

c07-S11 Same source record as c01-S11.

c07-S12 Same source record as c01-S12.

c07-S13 Same source record as c01-S13.

c07-S16 Same source record as c01-S16.

c07-S17 Textile Label GRADE A

European Union, Your Europe. 2026-10-30. https://europa.eu/youreurope/business/product-rules-compliance/textiles-and-footwear/textile-label/index_en.htm

Opened source record.

```
Accessed 2026-10-30. Quote retained in the machine-readable source record.
```

c07-S18 Same source record as c02-S18.

c07-S19 Empowering consumers for more sustainable choices GRADE A

Council of the European Union. 2026-10-30. https://www.consilium.europa.eu/en/policies/green-claims-empowering-consumers-for-more-sustainable-choices/

Opened source record.

```
Accessed 2026-10-30. Quote retained in the machine-readable source record.
```

c07-S26 Same source record as c04-S26.

c07-S27 EU Ecolabel: Clothing and textiles GRADE A

European Commission, DG Environment. 2026-10-30. https://green-forum.ec.europa.eu/green-business/eu-ecolabel/product-groups-and-criteria/clothing-and-textiles_en

Opened source record.

```
Accessed 2026-10-30. Quote retained in the machine-readable source record.
```

c07-S28 Same source record as c01-S28.

c07-S29 Same source record as c01-S29.

c07-S33 Same source record as c01-S33.

c07-S34 Product safety and market surveillance GRADE A

Council of the European Union. 2026-10-30. https://www.consilium.europa.eu/en/policies/product-safety-market-surveillance/

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c07-S36 Questions and Answers: Directive on empowering consumers for the green transition GRADE A

European Commission, DG Justice and Consumers. 2026-09-22. https://commission.europa.eu/document/download/3c257883-bb2a-4dd9-a6dc-501d587bb34f_en?filename=Q%26A+ECGT_Directive_Sept+2026.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c07-S0701 Textiles, Leather, Fur GRADE A

European Commission, DG GROW. 2026-10-30. https://single-market-economy.ec.europa.eu/sectors/textiles-ecosystem/textiles-leather-fur_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c07-S0702 Footwear industry GRADE A

European Commission, DG GROW. 2026-10-30. https://single-market-economy.ec.europa.eu/sectors/textiles-ecosystem/footwear_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c07-S0703 Product safety GRADE A

European Commission, DG Justice and Consumers. 2026-10-30. https://commission.europa.eu/business-economy-euro/doing-business-eu/eu-product-safety-and-labelling/product-safety_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c08-S11 Same source record as c01-S11.

c08-S12 Same source record as c01-S12.

c08-S13 Same source record as c01-S13.

c08-S23 Same source record as c01-S23.

c08-S24 International data transfers: Data protection guide for small business GRADE A

European Data Protection Board. 2026-10-30. https://www.edpb.europa.eu/sme/be-compliant/international-data-transfers_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c08-S27 Same source record as c07-S27.

c08-S29 Same source record as c01-S29.

c09-S07 Same source record as c01-S07.

c09-S14 Ban on destruction of unsold clothes and shoes enters into application GRADE A

European Commission, DG Environment. 2026-07-17. https://environment.ec.europa.eu/news/ban-destruction-unsold-clothes-and-shoes-enters-application-2026-07-17_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c09-S15 Revised Waste Framework Directive enters into force to boost circularity of textile sector and slash food waste GRADE A

European Commission, DG Environment. 2025-10-16. https://environment.ec.europa.eu/news/revised-waste-framework-directive-enters-force-2025-10-16_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c09-S18 Same source record as c02-S18.

c09-S20 New EU packaging rules start to apply, including restrictions on PFAS in food-contact packaging GRADE A

European Commission, DG Environment. 2026-08-11. https://environment.ec.europa.eu/news/new-eu-rules-packaging-enter-application-2026-08-11_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c09-S26 Same source record as c04-S26.

c09-S28 Frequently Asked Questions on Regulation (EU) No 1007/2011 on textile fibre names and related labelling and marking GRADE A

European Commission, DG GROW. 2024-01-31. https://single-market-economy.ec.europa.eu/document/download/34fcf863-59ef-4352-8489-a2577102fd8f_en?filename=revised+FAQs+on+Regulation+1007-2011+-+published.pdf

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c10-S03 Same source record as c01-S03.

c10-S18 Same source record as c02-S18.

c10-S19 Same source record as c07-S19.

c10-S22 Same source record as c02-S22.

c10-S26 Same source record as c04-S26.

c10-S27 Same source record as c07-S27.

c10-S29 Same source record as c01-S29.

c10-S36 Same source record as c07-S36.

c11-S02 Same source record as c06-S02.

c11-S11 Textile Apparel and the Digital Product Passport (DPP) GRADE A

European Commission, DG GROW. n.d.. https://single-market-economy.ec.europa.eu/single-market/digital-product-passport/textile-apparel_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c11-S14 Same source record as c09-S14.

c11-S23 Same source record as c06-S23.

c11-S24 International data transfers: Data protection guide for small business GRADE A

European Data Protection Board. n.d.. https://www.edpb.europa.eu/sme/be-compliant/international-data-transfers_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c11-S1101 Data protection explained GRADE A

European Commission. 2024-11-29. https://commission.europa.eu/law/law-topic/data-protection/data-protection-explained_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c12-S02 Same source record as c06-S02.

c12-S33 Same source record as c01-S33.

c12-S35 Same source record as c01-S35.

c12-S23 Same source record as c06-S23.

c12-S03 Same source record as c01-S03.

c12-S04 Same source record as c01-S04.

c12-S05 Same source record as c01-S05.

c12-S07 Same source record as c01-S07.

c12-S25 Same source record as c01-S25.

c12-S29 EU Ecolabel: About the EU Ecolabel GRADE A

European Commission, DG Environment. n.d.. https://green-forum.ec.europa.eu/green-business/eu-ecolabel/about-eu-ecolabel_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c12-S10 Same source record as c05-S10.

c12-S09 Same source record as c01-S09.

c12-S30 National Contact Points for Responsible Business Conduct GRADE A

OECD. n.d.. https://www.oecd.org/en/networks/national-contact-points-for-responsible-business-conduct.html

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c13-S05 Same source record as c01-S05.

c13-S09 Same source record as c01-S09.

c13-S10 Same source record as c05-S10.

c13-S13 Same source record as c01-S13.

c13-S16 Same source record as c06-S16.

c13-S23 Same source record as c06-S23.

c13-S24 Same source record as c11-S24.

c13-S33 Same source record as c01-S33.

c13-S35 Same source record as c01-S35.

c14-S02 Same source record as c06-S02.

c14-S04 Same source record as c01-S04.

c14-S05 Same source record as c01-S05.

c14-S09 Same source record as c01-S09.

c14-S10 Same source record as c05-S10.

c14-S11 Same source record as c11-S11.

c14-S14 Same source record as c09-S14.

c14-S15 Same source record as c09-S15.

c14-S16 Same source record as c06-S16.

c14-S17 Textile Label GRADE A

European Union, Your Europe. n.d.. https://europa.eu/youreurope/business/product-rules-compliance/textiles-and-footwear/textile-label/index_en.htm

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c14-S18 Sustainable consumption GRADE A

European Commission. n.d.. https://commission.europa.eu/topics/consumers/consumer-rights-and-complaints/sustainable-consumption_en

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c14-S19 Empowering consumers for more sustainable choices GRADE A

Council of the European Union. n.d.. https://www.consilium.europa.eu/en/policies/green-claims-empowering-consumers-for-more-sustainable-choices/

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c14-S20 Same source record as c09-S20.

c14-S33 Same source record as c01-S33.

c14-S34 Product safety and market surveillance GRADE A

Council of the European Union. n.d.. https://www.consilium.europa.eu/en/policies/product-safety-market-surveillance/

Opened source record.

Accessed 2026-10-30. Quote retained in the machine-readable source record.

c14-S35 Same source record as c01-S35.

Stable definitions make comparisons useful.

Adoption

Formal approval of a legal act; it is distinct from publication, entry into force and application.

Application date

The date from which a specified provision is to be applied, subject to its scope and transitional arrangements.

Assurance

An independent engagement on specified information; its scope and conclusion must be read before relying on it.

Batch

A defined production grouping used to link material, process and evidence records.

Buyer requirement

An information or performance condition imposed by a customer, with a legal or commercial purpose that should be identified.

CBAM

The EU Carbon Border Adjustment Mechanism for selected covered goods; use the current product-code scope.

Chain of activities

The CSDDD term for covered upstream and specified downstream activities, subject to the applicable legal definition.

Chain of custody

The documented relationship through which material identity or claims are passed between supply-chain stages.

CN code

A Combined Nomenclature customs classification used in determining product-specific treatment; classification needs competent review.

Conformity evidence

Records supporting a stated requirement for a specified product or process; not automatically a regulator approval.

Corrective action

A change intended to address an identified problem, with effectiveness checked separately from administrative closure.

Corporate scope

The entity, group, size, activity and territorial conditions that determine whether a corporate duty applies.

CSDDD

The EU Corporate Sustainability Due Diligence Directive, read with adopted amendments and relevant national implementation.

CSRD

The EU Corporate Sustainability Reporting Directive and its amendments to corporate reporting requirements.

Data minimisation

Limiting personal information to what is necessary for its specified processing purpose, where the relevant privacy rules apply.

Delegated act

A Commission act adopted under powers in legislation to supplement or amend specified non-essential elements, subject to legal controls.

Digital Product Passport

A legally specified product-information mechanism where applicable; a QR page alone does not establish conformity.

Due diligence

A process to identify, prevent, mitigate and address adverse impacts; the applicable law or guidance defines its particular scope.

Economic operator

A role defined by the relevant product law, such as manufacturer, importer or distributor.

Entry into force

The point at which a legal act becomes legally effective, which may precede the application of particular obligations.

EPR

Extended producer responsibility for specified product waste, with responsibility determined under the relevant scheme.

ESPR

The Ecodesign for Sustainable Products Regulation, a framework for product performance and information requirements.

ESRS

European Sustainability Reporting Standards used by undertakings subject to the relevant EU reporting rules.

EU Ecolabel

A voluntary EU environmental labelling scheme with product-specific criteria and independent verification.

EUDR

The EU Deforestation Regulation covering listed commodities and relevant products, subject to current amendments.

Evidence completeness

A proposed measure of required evidence present for a defined applicable-requirement population; completeness alone does not prove compliance.

Forced labour

Work involving coercion and lack of voluntary consent, assessed against the applicable legal definition and facts.

GPSR

The EU General Product Safety Regulation for products within its scope, including relevant online and offline sales.

Grievance mechanism

A process through which affected people can raise concerns and seek an appropriate response without retaliation.

Importer

The economic-operator role for introducing a product from outside the relevant market, as defined in the applicable law.

Information-request cap

A purpose-specific limit on certain reporting requests to protected undertakings; it is distinct from CSDDD request safeguards.

Labelling

Mandatory or voluntary product information whose content, format and responsibility depend on the relevant rule.

Materiality

A relevance determination under a specified reporting or decision framework; it does not waive product safety or worker protection.

NCP

An OECD National Contact Point that promotes responsible business conduct and handles qualifying non-judicial specific instances.

Placing on the market

A legally defined first-supply event whose precise meaning and territorial scope depend on the applicable product rule.

Protected undertaking

An undertaking meeting the amended Accounting Directive conditions for protection from specified reporting-information demands.

REACH

The EU chemicals regulation, including restrictions that can apply to substances in imported articles.

Recall

A product-safety measure aimed at getting an affected product back from users, distinct from preventing further supply.

Remedy

An appropriate response addressing harm to affected people; a corrected report alone may not constitute remedy.

Risk prioritisation

Selecting investigation or action by severity, likelihood and context under the relevant framework.

Scope 3

Value-chain greenhouse-gas emissions within a defined accounting framework; not itself a product import tax.

Supplier declaration

A supplier statement with a defined issuer, scope and evidence basis; it is not necessarily independent assurance.

Transposition

Member State measures implementing a directive in national law, with timing and content requiring verification.

VSME

The voluntary sustainability reporting standard for SMEs recommended by the Commission, distinguished from subsequent voluntary standards.

Withdrawal

A measure preventing further supply of a product in the distribution chain, distinct from recall from users.

Follow the terms back to their context.

Page references point to occurrences in chapter prose. When a term does not occur in a chapter, its glossary definition is indexed.

Adoption 23 39 76 81 89 90 100 118 119 200 204 205

Application date 39 46 127 134 205

Assurance 36 46 54 60 63 66 95 124 148 160 161 168 178 179

Batch 16 20 22 25 26 28 29 36 77 78 80 83 93 100 108 109 110 111 113 119 120 123 124 125 126 138 146 147 150 151 158 159 161 164 166 168 171 176 178 179 186 187 193 194 195 201 203 206 208

Buyer requirement 229

CBAM 37 39 148

Chain of activities 34 45 67 171

Chain of custody 108 116 124 137

CN code 37

Conformity evidence 125

Corporate scope 23 34

Corrective action 22 26 59 65 66 81 82 86 87 95 109 138 171 174 175 190 193 201 203

CSDDD 17 23 26 27 28 34 39 45 49 50 66 88 93 109 174 176 179 180 199 200

CSRD 18 23 24 26 28 35 50 89 109 147 179

Data minimisation 24 60 94 124 172

Delegated act 24 28 100 117 118 119 204

Digital Product Passport 23 100 113 116 160 204

Due diligence 17 32 45 50 51 56 73 74 88 93 171 199 200 203

Economic operator 18 19 73 93 109 118 119 171 173

Entry into force 23 39 88 119 130 200

EPR 130 131 132 134 135 139 140 141 204

ESPR 23 104 109 116 118 122 123

ESRS 18 23 26 28 86 89 91 147 179

EU Ecolabel 18 25 106 109 110 123 124 150 151 178

EUDR 230

Evidence completeness 206 207

Forced labour 18 22 26 59 64 70 73 77 80 81 93 176 179 180

GPSR 18 26 27 28 108 109 110 113 205

Grievance mechanism 55 181

Importer 16 19 24 25 26 28 32 33 37 41 73 80 82 104 109 112 124 125 132 133 161 171 199

Information-request cap 230

Labelling 25 26 36 37 39 73 100 102 104 109 110 137 173

Materiality 231

NCP 68 181

Placing on the market 231

Protected undertaking 26 50 87 88 174

REACH 15 18 25 26 27 28 32 45 48 66 70 78 93 100 105 106 108 109 110 112 113 125 165 184 188 194 201

Recall 17 95 109 180 201

Remedy 22 24 26 45 52 53 55 56 59 61 63 64 65 67 68 69 70 81 84 158 159 160 161 164 166 168 171 172 173 176 178 181 184 186 187 192 193 195 196 199 201 206 208 210

Risk prioritisation 231

Scope 3 28

Supplier declaration 54 110 135 151 178 201

Transposition 23 39 45 200

VSME 18 27 28 29 89 90 174 182 190 203 206

Withdrawal 17 81 95 109 152 154 167 180 201

A reproducible edition keeps its limits visible.

Production is the warp. Measurement is the weft.

Green Future Tech prepared this white paper from published sources opened during research, each recorded with its URL, publisher, date and a quoted sentence in the evidence register, and from GFT's Cameroon textile programme evidence register (R entries, transcribed from the programme's data annex and flagged where refreshed in 2026). Derived figures show their inputs; illustrative models are labelled with their basis. No figure is presented as audited, and nothing here is legal, tax or investment advice.

Source treatment preserves uncertainty.

Inherited records reproduce the supplied finding and attribution only where cited. Their source-text status is preserved. Original publication dates and exact source URLs are incomplete in that register. These records require independent validation before external reliance. New chapter-local sources carry a publication date, complete URL, publisher, exact supporting quotation and access date.

The exports share a content model.

The PDF and web edition use the same parsed chapter blocks and SVG exhibits. The build records input hashes, artifact hashes, layout measurements and elapsed time. Cross-references, source notes and the term index are generated from identifiers rather than manually typed page numbers.

IMPRINT

Issued by Green Future Tech Limited, Hong Kong SAR.
Engineering the sustainable production of tomorrow.

GFT Research. Edition 2026-10-30. Document wp17. Locally generated proof. No named author, office, certification or client endorsement is implied.

GREEN FUTURE TECH

LIMITED / HONG KONG SAR

The factory that makes the garment should make the evidence.

Engineering the sustainable production of tomorrow.

wp17
GREEN FUTURE TECH LIMITED

HONG KONG SAR
2026-10-30