**Leather Working Group (LWG)**

**Who They are:**

Founded in 2005, the Leather Working Group (LWG) is a multi-stakeholder organisation comprised of brands and retailers, leather manufacturers, suppliers, traders and technical experts working towards improving environmental stewardship within the leather manufacturing industry.

**Objective:**

The objective of the group is to provide, maintain and develop environmental auditing protocols, which assess the compliance and environmental performance of leather manufacturers across the globe. LWG boasts over 800 members, from leather manufacturers to suppliers, brands, and traders. The leather manufacturers audited under the LWG protocol represent approximately 20% of the world’s production of footwear leather and approximately 17% of total leather volume.

**Audit Protocol:**

The LWG environmental audit protocol is a living document which is reviewed and updated on a regular basis. The protocol focuses on factors relating to the environmental performance of tannery operations, such as energy and water usage, waste management, and the management of restricted substances.

Each audit is conducted every 24 months by an LWG-approved Auditor and is peer reviewed by a second LWG-approved auditor before results are confirmed. Following successful completion of an audit, LWG issues a certificate to the audited leather manufacturer which entitles them to automatic membership of the group for as long as their certificate is valid.

**Types of Audits:**

1. LWG Environmental Audit (for tanneries and leather manufacturers who process from raw or part processes material) – It includes General Facility Details, Operating Permits, Tannery Data, Raw Material Traceability, Environmental Management Systems, Restricted Substances, Energy Consumption, Water Usage, Air & Noise Emissions, Waste Management, Effluent Treatment, Emergency Plans, Housekeeping, Manufacturing Processes, Beamhouse Processes, Post Tanning Processes, Finishing Processes, and Complaints & Public Relations.
2. LWG Trader Audit - companies who have a warehouse and does trading of leather (LWG - Non LWG material is traded and stored separately in the same warehouse)
3. LWG Subcontractor Audit - leather manufacturers who works on solely sub-contracting basis (does not own any raw material)
4. LWG Commissioning Manufacturer Audit - company buys the raw material but commissions the work in other tanneries and sells the final product

**Costs:**

Environmental Audit Cost : 5000 USD Plus expenses and other (depending on the scope of audit)

Other Audits : 2500 - 3000 USD Plus expenses

Consultancy : Will be depending on the conditions of the company

**Audit Process:**

The tannery contacts the auditor directly and preliminary information is shared about the facility's scope (input material, process scope, presence of sub-contractors etc.) then tannery receives the audit contract. After signing the contract, the audit date is set and they payment is made. Audit is conducted on the agreed date. After the audit, tannery gets the result report and certificate (if audit is successful) in 2 - 4 weeks. Certificate is valid for 2 years.

**Scoring:**

Depending on the score which is determined by the LWG Technical Sub-Group (TSG) achieved, tanneries can be awarded a Gold, Silver, Bronze, or an Audited rating.

**Traceability:**

The LWG environmental audit assesses the ability of leather manufacturers to trace material back to the slaughterhouse. A separately recorded score is given to reflect the leather manufacturer’s ability to trace material with either physical marking or through paperwork only.

**Benefits of Membership:**

Membership gives companies the ability to influence change and network with others to discuss common goals and challenges in a pre-competitive and collaborative way.

LWG hosts two Main Member Meetings annually, one in Spring to coincide with APLF in Hong Kong, and a second held in Autumn in a different region. LWG makes available all meeting presentations and notes to its members via the private Member Area of the LWG website. In addition, the group conducts Regional Meetings as necessary, to allow as many members from around the world as possible to connect.

**Brands and Retailers:**

* Immediate access to an environmental auditing system that has been collaboratively developed by leading experts in the leather industry across the value chain and peer reviewed by NGO and academic stakeholders
* Reduced manpower and cost requirements to conduct environmental audits
* In-depth assessment and measurement of the Leather Manufacturer’s technical / environmental process and the ability to define improvement
* A mechanism that supports the promotion of continual improvement in environmental performance
* Support and advice for the implementation of the LWG process

**Leather Manufacturers:**

* Reduced manpower requirements to manage and supervise during environmental audits
* Input and representation for the Leather Manufacturers’ during the process
* Reduced costs when preparing for numerous audits from different Brands
* Audits conducted by industry experts and hence realistic expectations and measures set
* A mechanism that supports the promotion of continual improvement in environmental performance

**Suppliers:**

* An opportunity to understand directly the environmental objectives set by the brands and the pressures on the leather sectors through third parties
* Input and representation for the suppliers during the process
* Involvement in a forum that supports the promotion of continual improvement in environmental performance
* The opportunity to network and effect positive change in conjunction with industry peers