# Linking Voluntary Standards
# to Sustainable Development Goals

# About the report

With the 2030 Agenda for Sustainable Development, the United Nations has called on the private sector to contribute more to achieving the Sustainable Development Goals (SDGs).

This report helps decision makers in the public and private sectors to understand where voluntary sustainability standards are best placed to contribute. It maps the linkages between these standards and each SDG goal, including its specific targets.

ITC is the joint agency of the World Trade Organization and the United Nations Conference on Trade and Development

# Foreword

The United Nations Sustainable Development Goals (SDGs) provide our pathway to progress towards 2030 and will be critical in allowing us to 'build back better' after the global pandemic. This will require smart partnerships between the public and private sector where the focus must be on supporting responsible social, environmental and economic practices in the pursuit of sustainable and inclusive growth.

Voluntary sustainability standards (VSS) are currently at the centre of the approach of businesses to sustainability. Going beyond minimum legal standards established by governments, VSS focus on reducing adverse environmental and social effects and responding to the demands of various stakeholders, including consumers.

Using original data, the present report tracks the extent to which sustainable practices promoted by voluntary standards align with the SDGs. This innovative research provides a clear picture of how the private sector can work towards the SDG targets by adopting voluntary sustainability standards. It documents the overlap between existing VSS standards and the SDG targets and identifies further potential to better align VSS with additional sustainable development goals. The report demonstrates that policymakers can select from a large number of relevant voluntary sustainability standards – at country and sectoral levels – to contribute to the SDGs.
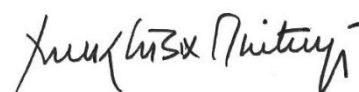
These insights are especially valuable for developing countries in their drive to for a future growth trajectory that is more sustainable and inclusive. Understanding the links between voluntary standards and the SDGs contributes to efforts to build a more resilient business ecosystem, create greener jobs, and build the business case for micro, small and medium enterprises (MSMEs) to adopt greener technologies.

At the United Nations, we have emphasized the alignment between competitiveness, sustainability and inclusiveness as a means to maximize economic and development impact. This report supports and builds on that approach. Increased understanding of how voluntary sustainability standards can connect with the 2030 Sustainable Development Agenda makes it possible to widen and advance the effort to meet the SDGs, especially given that we have just under ten years to reach our goal.

This project was the result of successful collaboration between ITC, UNCTAD, the European University Institute, the German Development Institute and the University of Amsterdam. We trust that the findings in the report will be a useful resource for standard-setting organizations, policymakers, suppliers and lead firms as they strive to bring together the public and private sectors and promote sustainable and responsible supply chains in pursuit of the Sustainable Development Goals.

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# Acknowledgements

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# Acronyms

| | |
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| FSC | Forest Stewardship Council |
| GRI | Global Reporting Initiative |
| ILO | International Labour Organization |
| ITC | International Trade Centre |
| MSC | Marine Stewardship Council |
| MDG | Millennium Development Goal |
| NGO | Non-governmental organization |
| OECD | Organisation for Economic Co-operation and Development |
| SDG | Sustainable Development Goal |
| SMD | Standards Map database |
| UNCTAD | United Nations Conference on Trade and Development |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UNFSS | United Nations Forum on Sustainability Standards |
| UNECE | United Nations Economic Commission for Europe |
| VSS | Voluntary Sustainability Standards |
| WBCSD | World Business Council for Sustainable Development |
| WTO | World Trade Organization |
| FSC® - CoC | Forest Stewardship Council - Chain of Custody |
| 4C | 4C The Common Code for Coffee |
| EFI | Equitable Food Initiative |
| HL/SPO | Fairtrade International – Hired Labour/Small Producer Organizations |
| HIH | Hand in Hand – Rapunzel |
| EHPEA | Ethiopian Horticulture Producer Exporters Association |
| ASMO | Fairmined Standard – Artisanal and small-scale mining organizations |
| ICCPCF | International Code of Conduct for the Production of Cut Flowers |
| RTTZ | Responsible Tourism Tanzania |
| RSPO | Roundtable on Sustainable Palm Oil – Principles and Criteria |
| SEDEX | Sedex Members Ethical Trade Audit – SMETA Best Practice Guidance |

# Executive summary

Developed by business, civil society organizations and multi-stakeholder initiatives, voluntary sustainability standards (VSS)[1] are widely used to govern environmental, social and ethical issues in global supply chains. According to the Standards Map of the International Trade Centre (ITC), there are more than 270[2] VSS in 600 product groups, 15 industries and 180 countries.

Over the past decade, market coverage of these standards has grown considerably. For example, in the agriculture sector, commodities with a significant share of global production certified by a sustainability standard include cocoa (25%), coffee (23%), cotton (16%), tea (16%) and oil palm (12%).[3]

The use of such standards is also widespread in other industries, such as forestry, fisheries, electronics and textiles and garments. Private sustainability standards now apply to millions of farms, plantations, and factories worldwide.

Given their pervasiveness in the global economy, it is surprising that voluntary standards have received little attention in the effort to reach the Sustainable Development Goals (SDGs). Under the 2030 Agenda for Sustainable Development, the United Nations has called on the private sector to contribute more to achieving the SDGs. While the United Nations and its Member States have long promoted the involvement of business and civil society through partnerships for delivering the SDGs, voluntary standards have not yet played a prominent role in discussions on implementing the sustainable development agenda.

This report aims to help fill this gap by informing the policy debate on the potential and limits of voluntary sustainability standards landscape. To this end, it conducts a systematic mapping of 232 private VSS and examines how the content of these standards corresponds to the 17 SDGs and the 169 targets they contain. Based on a rigorous coding and mapping exercise, the report describes the 'area of interlinkage' between the voluntary standards and the United Nations 2030 Agenda for Sustainable Development. The report examines the following:

- Do VSS and the requirements they contain correspond to the SDGs and their targets, and if so to what degree?
- Are certain SDGs and their targets better covered by VSS than others, and if so, which ones?
- In which countries and sectors are relevant VSS available to help achieve sustainable development objectives?

In tackling these questions, the report helps decision makers in the public and private sectors to identify the areas in which VSS are best placed to contribute to the SDGs. Through the mapping, it is possible to identify clearly the pool of VSS that is relevant to each SDG and its targets. This is the first empirical study to examine connections between voluntary standards and the SDGs at such level of detail.

Nonetheless, if voluntary standards are to contribute to the SDGs, it will be necessary to take into consideration factors other than connection and overlap. Decision makers aiming to create synergies with VSS need to assess carefully the design of these programmes, including the robustness of verification