



SUSTAINABLE  
DEVELOPMENT  
GOALS

2017

THIS REPORT HAS  
BEEN PRODUCED IN  
COLLABORATION WITH:



THE GLOBAL GOALS  
For Sustainable Development

**SDGs MEAN BUSINESS:**  
**HOW CREDIBLE STANDARDS CAN HELP**  
**COMPANIES DELIVER THE 2030 AGENDA**

Written by: Sergio Ugarte, SG Consult; David D'Hollander, ISEAL; Norma Tregurtha, ISEAL; and Nina Haase, WWF

Edited by: Barney Jeffries

Design: Swim2Birds / www.swim2birds.co.uk

Published in February 2017 by WWF - World Wide Fund For Nature (Formerly World Wildlife Fund), Gland, Switzerland.

Any reproduction in full or in part must mention the title and credit the above-mentioned publisher as the copyright owner.

© 2017 WWF. All rights reserved

Cover photo: © Robin Romano / GoodWeave



WWF's mission is to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature, by:

- Conserving the world's biological diversity;
- Ensuring that the use of renewable natural resources is sustainable; and
- Promoting the reduction of pollution and wasteful consumption.

WWF works with business to:

- Promote better production and responsible sourcing of raw materials;
- Encourage a switch to 100 per cent renewable energy and away from fossil fuels;
- Engage jointly for better legislative frameworks and better implemented laws;
- Support the equitable sharing of natural resources;
- Redirect financial flows to support conservation and sustainable ecosystem management;
- Raise awareness of the need to consume more wisely; and
- Protect some of the world's most ecologically important places.



The ISEAL Alliance is the global alliance for sustainability standards. ISEAL members include 22 of the largest global sustainability standards organizations.

Their members are leaders in the delivery of sustainable

value chains and have pioneered the design and application of standards to link sustainable production and consumption across international trade.

ISEAL Members cover social and environmental sustainability issues - from labour rights and sustainable livelihoods to biodiversity conservation - and are active across a diverse range of sectors.

The four goals of ISEAL are to:

- Improve the impacts of sustainability standards;
- Define credibility for these standards;
- Improve their effectiveness; and
- Increase their uptake.



Disclaimer:

This report has been financed by the governments of the UK and Sweden. Responsibility for the content lies entirely with the creator. The government of the UK and Sweden do not necessarily share the expressed views and interpretations.

# CONTENTS

<b>EXECUTIVE SUMMARY</b>	4
<b>FOREWORD</b>	8
<b>PART A</b>	<b>10</b>
<b>1. Sustainable business, the SDGs and market transformation</b>	12
A global agenda for business	13
Sustainability – optional or essential?	15
Transforming sectors, markets and supply chains	16
<b>2. The role of credible sustainability standards in achieving the SDGs</b>	18
Standards as tools for making markets more sustainable	18
Sustainability partnerships, credibility and greenwashing – the basics	20
Understanding the SDG impacts of using sustainability standards	21
<b>3. The business case for credible sustainability standards</b>	23
<b>PART B</b>	<b>26</b>
<b>INTRODUCTION</b>	28
SDG2: Zero hunger	30
SDG3: Good health and well-being	32
SDG5: Gender equality	34
SDG6: Clean water and sanitation	36
SDG8: Decent work and economic growth	38
SDG12: Responsible production and consumption	40
SDG13: Climate action	44
SDG14: Life below water	46
SDG15: Life on land	48
SDG17: Partnerships for the goals	52
<b>CONCLUSION</b>	56

# EXECUTIVE SUMMARY

The 2030 Agenda for Sustainable Development was adopted at the

General Assembly of the United Nations in September 2015. At its heart are the Global Goals for Sustainable Development, also known as the Sustainable Development Goals (SDGs): 17 goals and 169 targets chosen to tackle major development challenges by 2030.

The SDGs are quickly becoming a universal language for governments, businesses and NGOs to engage each other around shared sustainability aims, commitments, outcomes and impacts. They provide a holistic framework that allows, and indeed requires, businesses to contribute to their achievement over the next 15 years.

The private sector has a responsibility to contribute to achieving the SDGs. Large multinational companies, in particular, have a key role to play in addressing social and environmental issues in their own supply chains and the wider sector they are part of. Credible sustainability standards offer businesses a ready-made tool to do so.

Achieving the SDGs represents a business opportunity. Poverty, inequality, water scarcity, climate change and the degradation of natural resources and services are all ultimately bad for business. Conversely, investing in meeting the SDGs can unlock new markets and opportunities and secure a company's long-term prosperity.

This report focuses on how businesses can use credible voluntary sustainability standards to contribute to many of the SDGs and targets. Standards and certification systems are one mechanism for scaling up sustainable practices and transforming sectors. Other complementary approaches are, of course, also needed to achieve this transformation.

Improving the way we harvest, grow, extract and produce the goods we consume on a daily basis has the power to enhance the lives of hundreds of millions of people, and save essential ecosystems and resources. When a critical mass produces, sources and consumes better, these practices become the norm, transforming whole sectors and entire markets. This has the potential to make a major contribution to achieving the SDGs.

Credible standards provide guidance on what better production looks like in a concrete and practical way. In doing so, a standard typically contributes to a number of SDGs and at the same time brings real business benefits.



17  
GOALS

169  
TARGETS



© SUSTAINABLE AGRICULTURE NETWORK

Credible sustainability standards can help businesses in sectors like tea production make a tangible contribution to the SDGs .

## DIRECT BUSINESS BENEFITS INCLUDE:

- **Efficiency gains:** improved management practices required to meet standards can improve the overall efficiency of producers, workers, processors and traders.
- **Transparency and traceability:** credible certification coupled with traceability enhances transparency within supply chains and provides public information about sustainability.
- **Improved supply chain relationships:** multistakeholder standards can strengthen relationships between buyers and suppliers, increasing the longevity of their commercial exchanges and allowing for better long-term planning.

Standards and certification schemes will only deliver the real, measurable sustainability outcomes that contribute to achieving the SDGs if they are credible. A credible sustainability standard is more than a logo on a product: it is run by an independent organization that ensures compliance, maintains the integrity of the system and has a clear mission-driven focus on sustainability.

## KEY ELEMENTS OF A CREDIBLE STANDARD SYSTEM INCLUDE:

- **Multistakeholder participation:** standard requirements should be developed and governed through a multistakeholder process, involving representatives from across the entire supply chain from businesses, civil society, governments, research institutions and NGOs, with balanced decision-making. This should ensure the standard has positive social and environmental impacts, while also being practically and economically viable for large-scale uptake.
- **Transparency:** details of the standard, how it is applied and how decisions are made, including certification assessments, should be clear and publicly available.
- **Independent verification:** compliance with the standard should be verified by an accredited, independent third party auditor or certification body. Impartial and periodic field-level verification is essential to understand whether a standard is actually achieving its mission.
- **Continuous improvement:** the standard and the system should be regularly reviewed to incorporate the latest information and lessons learned and ensure it delivers its goals.

Three main considerations will help decide whether a sustainability standard can help a business contribute to the SDGs:



### 1. RELEVANCE TO GOALS, TARGETS, INDICATORS AND BUSINESS THEMES UNDER THE SDG AGENDA

With its 17 goals and 169 targets, the SDG agenda is comprehensive. Because of their focus on economic, social and environmental improvements, credible sustainability standards have a broad connection to many of the global goals.



### 2. PERFORMANCE LEVELS AND THE PATHWAY TO COMPLIANCE

Sustainability standards vary widely in the level of performance they require. It's important to understand the difference between low-bar standards, which are easier to achieve, and high-bar standards, which can be very demanding. Certain sustainability standards focus on preventing worst practices in a given sector, while others have rigorous improvement pathways. The overall impact of a standard depends both on the level of performance and its uptake.



### 3. CREATING OPPORTUNITIES, CHANNELLING RESOURCES AND MOBILIZING INVESTMENTS

The impact of a sustainability standard also depends on how it can provide incentives, mobilize investments and provide resources for actors within supply chains to improve their performance. Among other advantages, sustainability standards can provide enhanced market access, better contract terms and, in some cases, direct price premiums to producers.

Sustainability and credible standards have become part of mainstream understanding of what it means to do good business. A growing number of CEOs recognize sustainability not as a “nice to have” but a cornerstone of business success – and this is reflected in the increasing uptake of credible sustainability standards. While ambitious sustainability goals and effective strategies to achieve these at the individual company level remain vital, sector-wide transformation can only happen through the sort of collective action that credible standards encourage. And it is transformation at this level that is required for businesses to make a real contribution toward the poverty-free, sustainable world set out in the SDGs.

## KEY RECOMMENDATIONS

**Achieving the SDGs demands a global shift toward sustainable development. This will require significant changes in business models, investments and policy frameworks which are beyond the scope of this report. These recommendations focus on the immediate steps that businesses, investors and governments can make to effectively use standards and certification, as a way of accelerating progress toward SDG targets.**



### MANUFACTURERS, TRADERS, BRANDS AND RETAILERS SHOULD:

- Map the sustainability impacts of their operations and supply chains.
- Engage with and use credible standard systems to increase the use of sustainability practices.
- Make public commitments to credibly certified and (where possible) segregated commodities for 100 per cent of their volume requirements.
- Use credible standards to report on progress toward their sustainability targets and the SDGs.



### INVESTORS AND DONORS SHOULD:

- Support private sector efforts to contribute to the SDGs by investing in capacity building programmes to support smallholders, SMEs and developing-world producers to achieve sustainability standards.
- Develop policies which incentivize key businesses across various sectors to increase the uptake of sustainable practices and standards.



### GOVERNMENTS AND POLICY-MAKERS SHOULD:

- Create an enabling environment for better production and consumption, including support (financial or capacity building) to supply-chain actors committed to credible sustainability certification.
- In public procurement policies, reference credibly certified goods.
- Consider using the uptake of credible sustainability standards and certification as robust indicators for SDG targets.
- Review policies, subsidies and overseas development aid to promote sustainable (commodity) production and remove harmful incentives, including by referencing or giving preference to credibly certified goods.
- Set a strong legislative and policy framework that halts deforestation and conversion of natural habitats before 2020, while ensuring the proper implementation of existing and future laws.

## STRUCTURE OF THE REPORT

**Part A provides an overview of the role of businesses and credible sustainability standards within the 2030 agenda, while Part B provides further examples and explanations of how different standards can contribute to specific SDGs.**

# FOREWORD

**A new timer was set in motion when the General Assembly of the United Nations adopted the Sustainable Development Goals (SDGs) in 2015. The coming 15 years will require an extraordinary collective effort if the world is to achieve all the economic, social and environmental outcomes covered by the SDG agenda.**



**Richard Holland**  
Director, Global Conservation  
Division, WWF International



**Karin Kreider**  
Executive Director  
ISEAL Alliance

*Credible, multistakeholder standards embody the partnership spirit of the SDGs, bringing together businesses, NGOs, governments and others to work toward common goals that benefit business, people and the planet.*

The input of the private sector during the development of the SDGs was unprecedented. Equally new are the expectations around the role the private sector will play in implementing the SDGs. While many leading businesses have made powerful commitments to help address some of our greatest challenges today, such as climate change, deforestation or extreme poverty, the entire business community has a responsibility to help deliver the SDGs. It is clear that without the commitment of companies large and small across the globe, as well as the finance sector, the implementation of the 2030 Agenda will fail.

For a company, 17 goals and 169 targets can seem daunting – particularly when picking off a few “easy” ones is not an option. Companies need to be seriously addressing those goals and targets that are material to their business and where they have the biggest impact. However, there are many tools and organizations, including business platforms and peer groups, that can help support companies to play their part.

Credible sustainability standards are one such tool. They are tried and tested solutions that can be employed by businesses at every link in the value chain – enabling producers, harvesters and processors to achieve a recognized level of sustainability, and traders, manufacturers and retailers to address the negative impacts of their supply chains.

This Report provides a valuable overview of the role and impact that credible standards are already having on all sustainability dimensions: economic, social and environmental. Multistakeholder standards embody the partnership spirit of the SDGs, bringing together businesses, NGOs, governments and others to work toward common goals that benefit business, people and the planet.

It will take an unprecedented effort by the world community to meet the SDGs in the coming 13 years. The clock is ticking.

**Richard Holland**, Director, Global Conservation Division, WWF International  
**Karin Kreider**, Executive Director, ISEAL Alliance



The 2030 Agenda for Sustainable Development was adopted at the General Assembly of the United Nations in September 2015.



## PART A: SUSTAINABLE BUSINESS, THE SDGS AND MARKET TRANSFORMATION

The 2030 Agenda for Sustainable Development was adopted at the General Assembly of the United Nations in September 2015. At its heart are the Global Goals for Sustainable Development, also known as the Sustainable Development Goals (SDGs): 17 goals and 169 targets chosen to tackle major development challenges by 2030. They are an unprecedented international commitment to end extreme poverty and create a fairer, environmentally sustainable world.

The SDGs are quickly becoming a universal language for governments, businesses and NGOs to engage each other around shared sustainability aims, commitments, outcomes and impacts. They provide a holistic framework that allows, and indeed requires, businesses to contribute to their achievement over the next 15 years.

# SUSTAINABLE BUSINESS, THE SDGs AND MARKET TRANSFORMATION

## THE GLOBAL GOALS For Sustainable Development



Figure 1: The Global Goals, or Sustainable Development Goals (SDGs)

**The private sector will make or break the SDGs. This report focuses on the importance of credible, voluntary sustainability standards as one of the tools that businesses can use to contribute toward the SDGs.**

There are other important ways that business can play their part in the 2030 Agenda apart from using credible sustainability standards. Investing in supply chains, working with local communities, and engaging with key stakeholders can and should be part of corporate action on the SDGs. Policy and advocacy work within a sector or toward governments to ensure commitments on sustainable development are implemented is another role for businesses. While this report encourages businesses to go beyond using credible sustainability standards, it stresses their importance in promoting collective action and transparent, consistent and measurable approaches to achieving the SDGs.



## A GLOBAL AGENDA FOR BUSINESS

Unlike the Millennium Development Goals, the SDG framework puts a strong emphasis on the contribution and involvement of the private sector. Business was involved in defining the agenda, and will be equally central to its implementation through tackling major sustainability challenges and investing in the achievement of the global goals over the next 15 years. The inter-governmental agenda for financing the SDGs – the **Addis Ababa Action Agenda**<sup>1</sup> – stresses that public funding and development aid alone will not be enough to secure the necessary resources and investment to achieve the SDGs. Private sector investment and international trade will be indispensable drivers of progress.

*“Business is a vital partner in achieving the Sustainable Development Goals. Companies can contribute through their core activities, and we ask companies everywhere to assess their impact, set ambitious goals and communicate transparently about the results.”*

**Ban Ki-moon**  
United Nations  
Secretary-General

*“Private business activity, investment and innovation are major drivers of productivity, inclusive economic growth and job creation [...] We call upon all businesses to apply their creativity and innovation to solving sustainable development challenges.”*

*“The scale and ambition of the new Agenda requires a revitalized Global Partnership to ensure its implementation. It will facilitate an intensive global engagement in support of implementation of all the Goals and targets, bringing together Governments, the private sector, civil society, the United Nations system and other actors and mobilizing all available resources.”*

Resolution 70/1 Transforming our world: the 2030 Agenda for Sustainable Development - adopted by the UN General Assembly on 25 September 2015

The early response from business has been promising. According to research by **PricewaterhouseCoopers**<sup>2</sup>, awareness of the SDGs is high among the business community at 92 per cent, compared to just 33 per cent within the general public. In **GlobeScan’s 2016 State of Sustainable Business survey**<sup>3</sup>, around one in three companies said they would use the SDGs to set corporate targets, and already nearly a third of the members of the **World Business Council for Sustainable Development (WBCSD) – 50 in total – are communicating on the SDGs in their corporate non-financial reporting**.<sup>4</sup> A number of business-led initiatives focus on the implementation of the SDGs.

Achieving the SDGs represents a business opportunity. Poverty, inequality, water scarcity, climate change and the degradation of natural resources and services are all ultimately bad for business. Conversely, investing in meeting the SDGs can unlock new markets and opportunities and secure a company’s long-term prosperity.

*“The SDGs provide a robust framework and an historic opportunity for companies to harness their capital and creativity to help solve global challenges. As an engine of economic growth and employment and a source of technology and innovation, business has both a critical role to play and a vested interest in contributing to this agenda.”*

WBCSD President and CEO Peter Bakker

## UN GLOBAL COMPACT - [UNGLOBALCOMPACT.ORG](http://unglobalcompact.org)<sup>5</sup>



The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption. It urges companies to take action in support of UN global and issues embodied in the SDGs. Launched in 2000, it is the largest corporate sustainability initiative in the world – with more than 8,800 companies and 4,000 non-business signatories based in 160 countries, and more than 80 local networks.

## BUSINESS AND SUSTAINABLE DEVELOPMENT COMMISSION - [BUSINESSCOMMISSION.ORG](http://businesscommission.org)<sup>6</sup>



The Business and Sustainable Development Commission, launched in January 2016, sees sustainable development as “the business opportunity of a lifetime”.

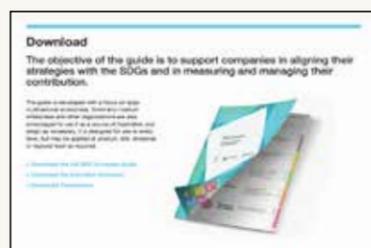
It aims to make a powerful case for businesses to get involved in implementing the SDGs, supported by sound evidence, rigorous research and compelling real-world examples.

## BUSINESS CALL TO ACTION - [BUSINESSCALLTOACTION.ORG](http://businesscalltoaction.org)<sup>7</sup>



Launched at the United Nations in 2008, the Business Call to Action aims to accelerate progress toward the SDGs by challenging companies to develop inclusive business models that engage consumers, producers, suppliers and distributors of goods and services.

## SDG COMPASS - [SDGCOMPASS.ORG](http://sdgcompass.org)<sup>8</sup>



Developed by Global Reporting Initiative (GRI), the UN Global Compact and the WBCSD, the SDG Compass guides companies in aligning their strategies with the SDGs and in measuring and managing their contribution.

## SUSTAINABILITY – OPTIONAL OR ESSENTIAL?

Across the private sector, a range of sustainability issues started becoming mainstream concerns long before the adoption of the SDGs. Companies increasingly acknowledge that social and environmental factors affect their brand value, market position and competitiveness. These include:

- Reputational risks from unsustainable practices or disasters;
- Supply chain resilience resulting from long-term access to raw materials and availability of natural resources;
- Reliance upon ecosystem services for business operations;
- Positive or negative socio-economic impacts from production; and
- Compliance with national regulation and international frameworks.

Sustainable and responsible management is increasingly a part of a company’s licence to operate and grow in a resource-constrained world. This encompasses both increasing legislation in producer and consumer countries, and the expectations of finance institutions, shareholders, customers and civil society. From accessing credit from banks to avoiding conflicts with local communities, there are strong incentives for companies to take responsibility for managing the sustainability challenges, risks and opportunities in their own operations and throughout their supply chains.

In this context, **contributing to the SDG agenda is not an optional burden, but a necessary investment.** In addition, the new global goals were not adopted in a vacuum – they connect to various existing sustainability agendas and commitments, including on climate change (Paris Agreement), deforestation (the New York Declaration on Forests, the Amsterdam Declaration “Towards Eliminating Deforestation from Agricultural Commodity Chains with European Countries”), sustainable agriculture (OECD guidance), human rights (the UN Guiding Principles for Human Rights), biodiversity (Convention of Biological Diversity – Aichi Targets), and others.

## BUSINESS AS USUAL AND THE SDG AGENDA DON'T MATCH

The private sector will make or break the SDGs. Despite the efforts of many forward-looking companies, “business as usual” prevails in many sectors. This could block or even reverse progress on several of the SDGs. For example, production of agricultural commodities can have negative impacts that threaten the achievement of several goals.

### POTENTIAL NEGATIVE IMPACTS OF AGRICULTURAL EXPANSION ON SDG PROGRESS

SOCIAL IMPACTS	NEGATIVE IMPACTS	ENVIRONMENTAL IMPACTS	NEGATIVE IMPACTS
<ul style="list-style-type: none"> <li>■ Land grabs and other social conflicts involving land and water rights</li> </ul>	<ul style="list-style-type: none"> <li>1 <b>GOAL 1</b></li> <li>6 <b>GOAL 6</b></li> </ul>	<ul style="list-style-type: none"> <li>■ Unsustainable exploitation and pollution of fresh water</li> </ul>	<ul style="list-style-type: none"> <li>2 <b>GOAL 2</b></li> <li>3 <b>GOAL 3</b></li> <li>6 <b>GOAL 6</b></li> </ul>
<ul style="list-style-type: none"> <li>■ Farmers or workers earning less than a living wage</li> </ul>	<ul style="list-style-type: none"> <li>1 <b>GOAL 1</b></li> <li>2 <b>GOAL 2</b></li> <li>8 <b>GOAL 8</b></li> <li>10 <b>GOAL 10</b></li> </ul>	<ul style="list-style-type: none"> <li>■ Deforestation and degradation of forests and other natural ecosystems, such as grassland</li> </ul>	<ul style="list-style-type: none"> <li>12 <b>GOAL 12</b></li> <li>15 <b>GOAL 15</b></li> </ul>
<ul style="list-style-type: none"> <li>■ Child labour</li> </ul>	<ul style="list-style-type: none"> <li>8 <b>GOAL 8</b></li> </ul>	<ul style="list-style-type: none"> <li>■ Increase of greenhouse-gas emissions</li> </ul>	<ul style="list-style-type: none"> <li>13 <b>GOAL 13</b></li> </ul>
		<ul style="list-style-type: none"> <li>■ Global biodiversity loss</li> </ul>	<ul style="list-style-type: none"> <li>14 <b>GOAL 14</b></li> <li>15 <b>GOAL 15</b></li> </ul>

The lists in these tables are not exhaustive, but addressing these negative impacts is critical for companies that want to contribute to the SDGs, regardless of what country they operate in or where they are in the value chain. Adopting credible standards, which explicitly tackle these and other issues, is a practical and effective way for companies to comprehensively address the key sustainability impacts in their sector.

## TRANSFORMING SECTORS, MARKETS AND SUPPLY CHAINS

*“Just as we expect all electrical equipment today to have passed a safety test, one day we won’t need to look for ecolabels on products like paper, wood, fish and beef because better production will be the norm.”*

Richard Holland, Director, Global Conservation Division, WWF International

Improving the way we harvest, grow, extract and produce the goods we consume on a daily basis has the power to enhance the lives of hundreds of millions of people, and save essential ecosystems and resources. When a critical mass produces, sources and consumes better, these practices become the norm, transforming whole sectors and entire markets. This has the potential to make a major contribution to achieving the SDGs.

This transformation has already kick-started in various sectors. Industry commitments to stop deforestation have seen increasing support, for example, although operationalizing them remains a challenge for even the biggest corporations.

The Global Salmon Initiative (GSI) and Consumer Goods Forum (CGF) are instructive examples of efforts toward collective transformation. The CGF resolution to support zero net deforestation by 2020 has succeeded in elevating the issue on the international policy agenda – but without fast and concerted action by more member companies, their commitment runs the risk of sounding hollow. The GSI, by contrast, has made rapid progress with transparent reporting and public accountability at a company level and sector-wide.



## MARKET TRANSFORMATION TOWARD ZERO DEFORESTATION?

The Board of the Consumer Goods Forum, representing 400 of the world’s largest consumer goods companies, has pledged to mobilize member businesses’ resources to help stop deforestation by 2020. The focus is on addressing the four largest drivers of tropical deforestation – beef, palm oil, pulp and paper, and soy.

However, so far only a handful have taken meaningful action to source these commodities sustainably. WWF’s recent report **Slow Road to Sustainability: Sourcing Soft Commodities by Consumer Goods Forum Members**<sup>10</sup> reviewed the policies and performance of 256 manufacturer and retailer members, representing combined annual sales of more than US\$3.5 trillion globally. Only 36 per cent had their own deforestation-free commitments, and only 20 per cent had action plans to achieve them. Just 22 companies (or 9 per cent of those analysed) had made quantified and time-bound commitments to source all or most of the commodities they need according to credible certification standards.

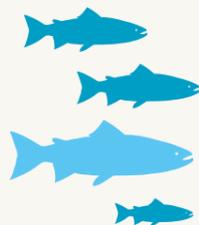
To achieve the CGF’s zero deforestation goal, companies should commit publicly to source only credibly certified commodities by 2020, and to transparently report on their progress. Doing so would make concrete a contribution to SDG15 which seeks to preserve and protect life on land, and targets on halting deforestation by 2020 (15.1) and halting the loss of biodiversity (15.5). Ending deforestation is also essential to combating climate change (SDG 13).

The SDG agenda provides a new global framework and a strong, consensus-based direction to invigorate and strengthen these ongoing processes. This will require significant investment, capacity building, knowledge sharing and new collaborations.

**Credible sustainability standards and certification schemes are a key tool in market transformation and its contribution to the SDGs.** They facilitate a shared understanding of what sustainability looks like within a particular sector, commodity or issue. They also provide transparent assurance mechanisms and communicate essential sustainability information within sectors, across supply chains and, in many cases, to the end consumer.

Certification uptake within a sector or country provides a useful indicator for market transformation: it demonstrates how both companies and whole industries are changing practices and contributing to the SDG framework in a concrete way. A strong increase in the use of credible sustainability standards, including in developing or emerging economies where sustainable practices are not yet commonplace, could be a meaningful way for the private sector to contribute to the SDG agenda.

How businesses can use sustainability standards as SDG tools is further explained in the next chapter.



## SUSTAINABLE SALMON FARMING BY 2020

The Global Salmon Initiative aims to drastically reduce the negative impacts of salmon production on some of the world’s most ecologically important regions. The 12 GSI member companies collectively produce around half of the world’s farmed salmon, so their potential to improve sustainability in the sector is enormous.

Members have agreed a common objective of achieving 100 per cent Aquaculture Stewardship Council (ASC) certification by 2020. The ASC standard provides a reference point to monitor progress on different aspects of sustainability. The **2016 GSI Sustainability report**<sup>9</sup> shows that over 70 GSI salmon farms have been certified, with another 35 under assessment.

Achieving ASC certification across the salmon sector will make a significant contribution to the SDGs – including SDG6 on water, SDG14 on life below water and SDG15 on life on land.

# THE ROLE OF CREDIBLE SUSTAINABILITY STANDARDS IN ACHIEVING THE SDGs

Sustainability standards are market-based tools, designed to address the most pressing sustainability challenges within a given sector or industry. They establish criteria that producers, processors and other supply chain actors must meet to

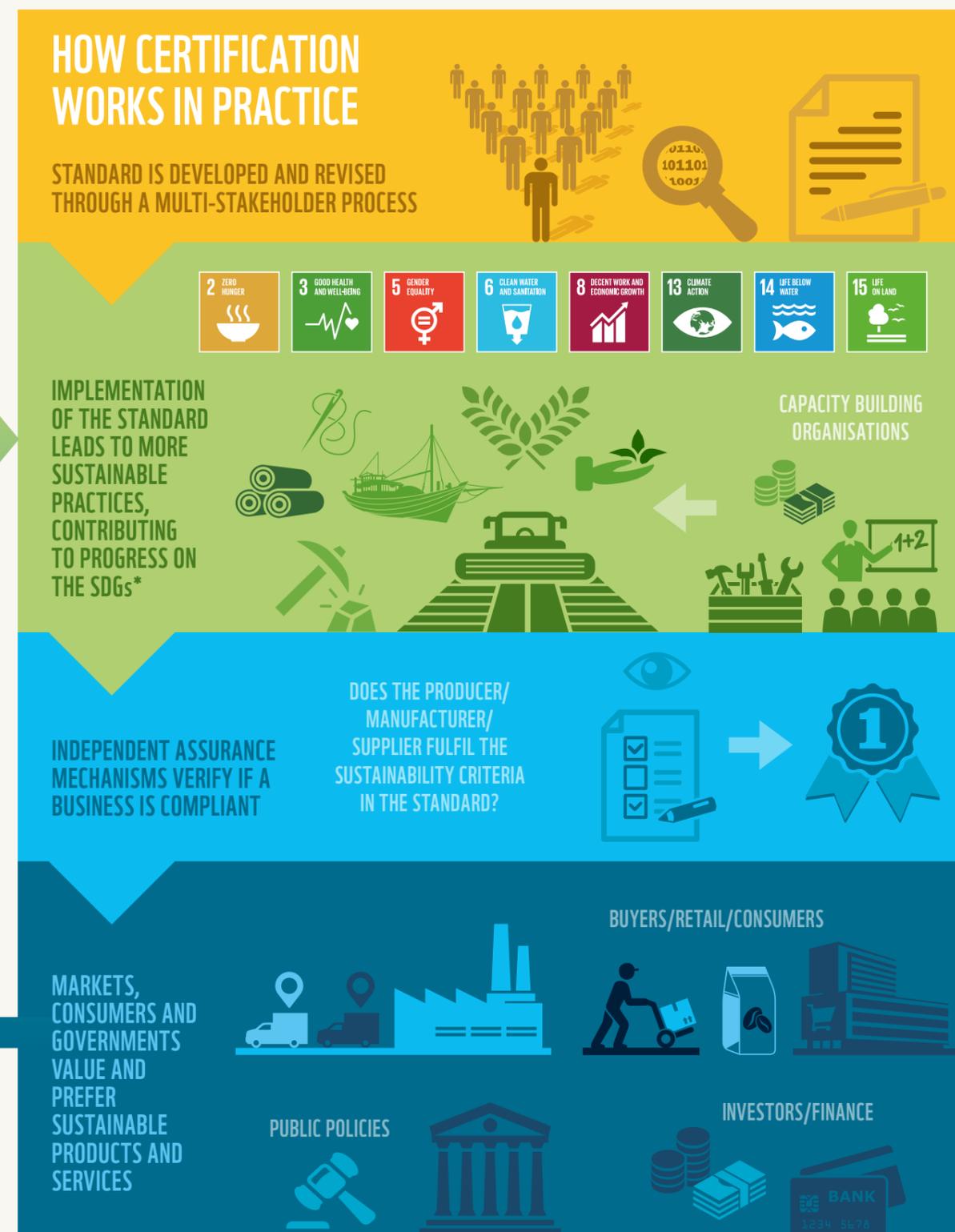
bring about positive social, environmental and economic impacts. By integrating more sustainable practices in supply chains, they provide a concrete link between sustainable production and sustainable consumption.

Sustainability standards translate the broad concept of sustainability into specific, concrete measures for companies and their suppliers.

## CREDIBLE STANDARDS AS TOOLS FOR MAKING MARKETS MORE SUSTAINABLE

While voluntary sustainability standards are more established in some sectors than others, their continued growth in size and scope is an indication of their effectiveness as practical tools for companies and their supply chain partners to improve production practices. Credible standard systems can not only shape corporate policies and set sector-wide agendas or commitments, but also measure progress and verify whether such policies and commitments have been followed through.

**Sustainability standards are a means to an end – the degree to which they contribute to sustainable development depends on how businesses adopt them, use them, build on them and invest in their implementation. The figure opposite sets out the different elements making up a standards system and shows how certification works in practice.**



\*Depending on the sustainability standard in question, the implementation can contribute to a variety of SDGs, as further explained in this report.

## MEMBERS OF THE ISEAL ALLIANCE

ALLIANCE FOR WATER STEWARDSHIP



## WHAT MAKES A STANDARD CREDIBLE?

With more than 450 sustainability labels active in the market, how can you know which ones are credible? The credibility of sustainability standards and labels is becoming increasingly important to consumers, businesses and governments who want to avoid “greenwashing”. Only credible standards can deliver the real, measurable sustainability outcomes that contribute to achieving the SDGs. A credible sustainability standard is more than a logo on a product: it is run by an independent organization that ensures compliance and maintains the integrity of the system. Key elements of a credible standard system include:

- **Multistakeholder participation:** standard requirements should be developed and governed through a multistakeholder process, involving representatives from across the entire supply chain from businesses, civil society, governments, research institutions and NGOs, with balanced decision-making. This should ensure the standard has positive social and environmental impacts, while also being practically and economically viable for large-scale uptake.
- **Transparency:** details of the standard, how it is applied and how decisions are made, including certification assessments, should be clear and publicly available.
- **Continuous improvement:** the standard and the system should be regularly reviewed to incorporate the latest information and lessons learned, and its impacts evaluated to ensure it delivers its goals.
- **Accessibility:** the standard should make an effort to maximize its accessibility by reducing implementation barriers and minimizing costs.

**Without rigorous organizational structures, systems and safeguards in place, it's impossible to measure the impact of a standard or certification scheme. This is why the credibility of a standard is integral to its ability to contribute to the SDGs.**

WWF and the ISEAL Alliance have developed various resources to help businesses, investors, the public sector and civil society to understand and analyse the credibility of sustainability standards.

ISEAL's **Credibility Principles**<sup>11</sup>, developed through a year-long consultation on five continents, outline the essential components for a standard to deliver positive impact. ISEAL has also developed three **Codes of Good Practice**<sup>12</sup> to provide guidance and criteria for credible standard systems:

- **Standard-setting** – covering areas such as balanced multistakeholder processes, transparency and accountability, and timely revision processes;
- **Assurance** – setting out expected practices for assuring conformity with social and environmental standards; and
- **Impacts** – specifying general requirements for monitoring and evaluation systems to ensure the standard is contributing to its goals in the field.

As of 2016, 18 standard systems and 3 accreditation bodies achieved full membership of the ISEAL Alliance. See a full list of current ISEAL members: [www.isealalliance.org/our-members/full-members](http://www.isealalliance.org/our-members/full-members)<sup>13</sup>

Building on ISEAL's resources, WWF outlines **16 principles for credible sustainability standards**<sup>14</sup> consistent with its mission and goals. WWF has also developed a comprehensive **Certification Assessment Tool (CAT)**<sup>15</sup> for assessing a standard's strengths and weaknesses, in order to drive improvements.

## UNDERSTANDING HOW CREDIBLE STANDARDS CONTRIBUTE TO THE SDGs

To decide whether a sustainability standard can help your business contribute to the SDGs, you need some understanding of the standard and how it is implemented. Three main considerations are:

### 1. RELEVANCE TO GOALS, TARGETS, INDICATORS AND BUSINESS THEMES UNDER THE SDG AGENDA

With its 17 goals and 169 targets, the SDG agenda is comprehensive. Because of their focus on economic, social and environmental improvements, credible sustainability standards have a broad connection to many of the global goals.

Certain standards will have a clear connection to specific targets under the SDG framework. For example, many sustainability standards in agriculture contribute directly to Goal 2, target 2.4 on the implementation of sustainable food production systems and resilient agricultural practices. Most sustainability standards will also have a social component with criteria relating to workers' rights or health and safety for employees, contributing to SDG8 in general, and specifically to target 8.8 which seeks to “Protect labour rights and promote safe and secure working environments for all workers”.

Some sustainability standards will have a concrete link to the global-level indicators used by the UN and governments to measure progress against specific targets – a good example here is how forest management standards and certification are used to measure progress against SDG15 (see box). As various national indicator frameworks are developed, other SDG targets may well use standards uptake and certification as indicators.



### Forest certification as a measure of SDG target 15.2

The Forest Stewardship Council (FSC) is a credible standard system for sustainable forestry, with coverage in more than 80 countries. It directly connects to SDG15 on “life on land”, and specifically target 15.2: “by 2020, promote the implementation of sustainable management of all types of forests[...]”. To measure this target at a global level, the Food and Agriculture Organization of the United Nations (FAO) will use indicator 15.2.1 “Forest cover under sustainable forest management”, which includes the area of certified forests. As well as being officially integrated within SDG15, the FSC standard contributes to **various other goals**, including SDG8 (decent work), SDG12.2 (natural resources) and SDG13 (climate change).

Understanding the targets and indicators behind the goals is important, but as the SDG framework was designed to measure the performance of countries, not the private sector, there is not always a perfect connection between the targets/indicators and sustainability standard systems.

The UN Global Compact, World Business Council for Sustainable Development and Global Reporting Initiative have collaborated on a tool to guide companies on how they can align their strategies with the SDGs, and to measure and manage their contribution. The SDG Compass presents five steps that assist companies in maximizing their contribution to the SDGs: understanding the SDGs, defining priorities, goal setting, integrating sustainability and reporting. The online version of the guide includes a live inventory of business tools and indicators mapped against the SDGs: [sdgcompass.org](https://sdgcompass.org).

Most credible standards have started looking at how the SDG framework connects to their own, and to build this into their impact assessments. This will allow businesses that use these standards to better understand and communicate their contribution to the SDGs.



## 2. PERFORMANCE LEVELS AND THE PATHWAY TO COMPLIANCE

Sustainability standards vary widely in the level of performance they require. Certain sustainability standards focus on preventing worst practices in a given sector, while others have rigorous improvement pathways which require producers and businesses to keep developing and enhancing their sustainability practices. The overall impact of a standard depends both on the level of performance and its uptake.

Within a standard, different sustainability areas may have different performance levels. For example, a standard might demand very high performance on ecosystem conservation, but might have less demanding requirements about worker rights. This standard could contribute strongly to SDG15, but its contribution to SDG8 would be more limited. Companies need an understanding of how strongly the standard they are using performs against key sustainability issues to make accurate claims about SDG outcomes or impacts. Where available, WWF CAT assessments offer these insights; the [ITC Standards Map online database](#)<sup>16</sup> allows users to filter standards according to their individual priorities.



## 3. CREATING OPPORTUNITIES, CHANNELLING RESOURCES AND MOBILIZING INVESTMENTS

The impact of a sustainability standard also depends on how it can provide incentives, mobilize investments and provide resources for actors within supply chains to improve their performance. Among other advantages, sustainability standards can provide enhanced market access, better terms of contract and, in some cases, direct price premiums to producers.

However, complying with a sustainability standard can be challenging, in particular for small-scale producers, farmers and workers in developing or emerging economies where access to finance or technical expertise is difficult to obtain. Increasingly, credible standard systems are developing capacity-building programmes and partnerships to improve their standard's accessibility in challenging contexts. Enabling small and medium-sized companies, smallholders and community producers to implement better practices and access high-value markets greatly increases the contribution sustainability standards can make to the SDGs. Businesses have a crucial role to play in providing outreach, training and investment to support this.

**Scaling up investment in sustainable supply chains in developing or emerging economies is important to ensure greater progress towards the SDGs by 2030 – credible sustainability standards can provide direction to such investments.**

## THE BUSINESS CASE FOR CREDIBLE SUSTAINABILITY STANDARDS

The use of credible sustainability standards has gained new momentum in recent years. Globally, the 18 systems that are part of the ISEAL Alliance grew by 16 per cent between 2014-15 and 2015-2016 in terms of the number of certificates issued. In three key emerging markets – Brazil, China, and India – certification uptake grew faster than the global average, almost doubling in the same period.

**A growing number of influential businesses are committing to the use of credible sustainability standards.** Recent surveys undertaken by Globescan and ISEAL found that business leaders were confident that sustainability standards are good for their business. Three-quarters of respondents see a strong business case for standards and understand that using standards brings about positive sustainability impacts. Many influential multinational companies have committed themselves to sector transformation and integrated sustainability standards in their sourcing strategies. The next page provides a selection of examples, and more are discussed in Part B under SDG12.

**X2** IN BRAZIL, CHINA AND INDIA, CREDIBLE CERTIFICATION UPTAKE ALMOST DOUBLED BETWEEN 2014-15 AND 2015-16

## COMMITMENTS TO MARKET TRANSFORMATION THROUGH STANDARDS

### TIMBER, PULP & PAPER



- **IKEA** sourced 50 per cent of its timber products from FSC-certified or recycled sources in 2015, and it's committed to 100 per cent by 2020. IKEA's commitment has resulted in big increases of forest certification in China, Russia and Eastern Europe.
- **Kimberly-Clark** purchases 100 per cent of the fibre in its global tissue products from certified suppliers.
- **Procter & Gamble** used FSC sources for 50 per cent of the fibre in its tissue and towel products in 2015.

### PALM OIL



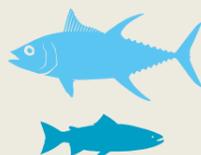
- **Carrefour, Walmart** and **Sainsbury's** are among the retailers that have met their commitments to source 100 per cent certified sustainable palm oil.
- Manufacturers **Ferrero, Danone** and **Arnott's** all sourced physically segregated certified sustainable palm oil for 100 per cent of their requirements in 2015.
- Large palm oil traders such as **Wilmar, Olam International** and **Cargill** have committed to 100 per cent certified sustainable palm oil.

### SOY



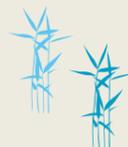
- Swedish retailers **ICA Sverige, Axfood** and **Coop Sweden** and Dutch retailers **Superunie, Albert Heijn** and **Jumbo** all used 100 per cent credibly certified soy in 2015.
- Thanks to major buyers in the **Swiss Soy Network** such as **Migros** and **Coop**, 94 per cent of soy imported into Switzerland for animal feed in 2015 was certified sustainable. Similar initiatives are under way in Belgium, the Netherlands, Denmark and Sweden, among others.
- Danish dairy company **Arla Foods** sourced 100 per cent credibly certified soy in 2015.

### FISH/SEAFOOD



- The top 10 food retailers in the world all have commitments to sustainable seafood, featuring MSC predominantly. Commitments to source sustainable seafood range from global scales, such as **IKEA** (100 per cent MSC and ASC), to national, such as **Lidl Germany** (which has already met its commitment to 100 per cent MSC for fresh and frozen fish).
- **Kroger**, the largest grocery chain in the US, has pledged to source 100 per cent of its top 20 wild-caught seafood species from certified fisheries, or those working toward certification.
- Around 60 per cent of global tuna canners have signed up to the **International Seafood Sustainability Foundation** to work toward certified tuna.

### SUGARCANE



- Manufacturers including **The Coca-Cola Company, Ferrero, PepsiCo** and **Unilever** have pledged to buy 100 per cent sustainable sugar by 2020, specifying **Bonsucro** as their preferred standard.

In addition to the social, environmental and developmental benefits detailed in this report, credible sustainability standards offer a range of direct business benefits:

#### Benefits for buyers, traders, international companies



- **Security of supply and increased resilience:** unsustainable practices threaten the long-term viability of business models, in particular those relying on the use of natural resources.
- **Consumer confidence and reduced reputational risks:** credible standard systems and certifications provide a high degree of assurance that responsible practices are being implemented and help manage possible reputational risk associated with issues like deforestation or poor labour conditions. Consumer surveys have found that certification and labelling increases confidence in brands.
- **Reporting on international and national policies and laws:** large and influential companies are increasingly asked to demonstrate how they contribute to global agendas (such as the SDGs) and required, by law, to be transparent about their sustainability performance. Credible standards are an important aid in these reporting efforts.

#### Shared benefits across supply chains



- **Efficiency:** in many cases, the improved management practices required to meet standards will improve the overall efficiency of producers, workers, processors and traders.
- **Transparency and traceability:** the use of credible certification coupled with traceability enhances transparency within supply chains and provides public information about sustainability.
- **Supply chain relationships:** multistakeholder standards can strengthen relationships between buyers and suppliers, increasing the longevity of their commercial exchanges and allowing for better long-term planning.

#### Benefits for producers and certified firms



- **Increasing profitability and productivity:** in many sectors certification has led to higher revenues through increased yields and reduced inputs, and helped small and medium enterprises to realize economies of scale
- **Lowering external costs:** certification is a way of lowering the external costs of production, which benefits the environmental and social well-being of producers and the communities they live in.
- **Market advantages:** credible certification can help producers to access high value markets, and may include a price premium.
- **Access to finance and payments for ecosystem services:** increasingly, banks and investors are looking for their clients to become certified, and will offer better credit terms because of the reduced risk. Private and public funders are creating systems to reward those who help to maintain and enhance ecosystem services, such as freshwater supplies and carbon storage. Businesses using sustainability standards are well placed to access such incentives.



## PART B: CREDIBLE STANDARDS AND THE 2030 AGENDA IN PRACTICE

The first part of this report outlined the business case for the SDG agenda and the positive contribution that credible sustainability standards can make. This second part looks in greater depth at the practical ways in which sustainability standards can contribute to specific goals, themes and targets of the SDG framework.

The use of sustainability standards is no silver bullet; it is one means to make progress on the SDG agenda, and ultimately both governments and businesses will need to combine various efforts and measures. However, in pioneering new solutions and transforming whole markets and sectors, the positive impact and influence of credible standards can be formidable.

This part of the report aims to provide ideas and inspiration on how sustainability standards can contribute most directly to achieving the SDGs. It focusses on credible standard systems that meet requirements and criteria set by the ISEAL Alliance as case studies to illustrate key points.

# SELECTED GOALS

Part B covers 10 of the 17 Global Goals. The goals included are those that can be most directly addressed by businesses using existing

credible standard systems. However, the focus on these 10 SDGs does not mean sustainability standards in general cannot contribute to the remaining seven goals, as shown in the box below.



## INDIRECT CONTRIBUTIONS TO SDG1 AND SDG10

**Paying a living wage:** while many standards require minimum wages, increasingly standards are requiring a living wage to be paid. To identify what this means, a number of standards have come together in the Living Wage Coalition to help develop methodologies to define living wages for specific regions.

**Ensuring rights to natural and other resources:** various credible standards ensure that indigenous peoples and local communities can continue to use sites and resources fundamental for satisfying their basic needs (for livelihoods, health, nutrition, water, basic infrastructure, etc.)

**Requiring free, prior and informed consent:** this supports the rights of indigenous peoples to control over their land and natural resources (1.4), as well as contributing to SDGs 3, 10, 11 and 12.

**Requiring participatory social impact assessments:** credible certification usually requires an assessment of social risks and impacts, with input from indigenous peoples and surrounding communities. Besides contributing to SDGs 1 and 10, this also contributes to SDGs 2, 11, 12 and 17.

## THE GLOBAL GOALS ARE INTERCONNECTED

While this part of the report does not cover all of the SDGs, it's important to understand how all are strongly interconnected: in the language of the UN Resolution, they are "integrated and indivisible". So when a sustainability standard ensures that a business contributes to SDG 8 (decent work) by guaranteeing a safe working environment and providing on-site medical services, this also has positive impacts on SDG3 (health and well-being) and SDG1 (ending poverty), as work-related accidents can push whole families into poverty.

Many other interconnections can be made between the environmental, social and economic impacts of applying credible sustainability standards in a given sector.

## APPROACH

This report does not aim to provide a definitive, in-depth benchmarking of credible sustainability standards against the SDG goals and targets. Instead, it takes an illustrative approach to demonstrate how credible standards have the potential to be tools for contributing to achieving the SDGs. For each of the selected SDGs, this includes:

**An overview of how standards can enable a business to contribute to the Goal:**

- This focuses on the principles and criteria which are included in sustainability standards, and how these relate to specific targets and themes under the SDG in question.
- Importantly, while we identify concrete areas, this does not mean that all credible standards address these specific areas in their principles and criteria.
- We do not attempt to cover all the outcomes and impacts a standard system can have, particularly its more indirect outcomes or broader influence.

**Good practice examples of how existing sustainability standards are contributing to the Goal.**

- Examples are drawn from a range of standards, sectors and geographies.
- They include both specific case studies, and broader illustrations of how a particular standard helps contribute to specific themes and targets.

## FURTHER ANALYSIS AND BENCHMARKING

This report aims to catalyse further thinking on how credible sustainability standards can be used as business tools for contributing to the SDGs. As noted in Part A, the impact of a given standard system depends on various factors, including the areas and issues the standard covers, how high the bar is set for achieving the standard, and the volume of business that the scheme encompasses.

More in-depth benchmarking of existing standards against the SDG framework will be needed. Much information about different sustainability standards is already at hand, but has not yet been examined through an SDG lens. Potential sources include WWF's Certification Assessment Tool (CAT), which benchmarks standards against its Principles for Credible Standards, and the **ITC Standards Map**<sup>17</sup>, a database with over 200 standards included. In the near future, more information will become available as credible standard systems are working to refine their monitoring and evaluation, allowing them to identify and communicate more accurately how their users are contributing to the SDG framework.



# END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE

The private sector has a critical role to play in making food production more sustainable. Various standards have been developed with this specific aim, and are already used and trusted by producers, companies and consumers around the world. However, progress on SDG2 will require scaling up investment and commitments to transform agricultural and seafood supply chains.

Agricultural development is one of the most powerful tools to end extreme poverty, as 78 per cent of the world's poor live in rural areas and depend largely on farming to make a living. At the same time, agriculture and land-use change are responsible for around a fifth of global greenhouse-gas emissions, and are some of the biggest threats to ecosystems and biodiversity. Sustainability standards are making food production more sustainable across a variety of sectors. They can contribute to SDG2 by:

### Combining food production and ecosystem conservation

Certified producers often balance production with actions to protect or restore aquatic and terrestrial ecosystems.

### Increasing agricultural productivity and food safety

Most sustainability standards for agriculture include measures to improve productivity and quality, such as:

- Improving harvesting practices and soil management
- Mitigating pests and crop diseases more safely and effectively with methods such as biological controls
- Following hygiene and food safety protocols and policies
- Managing the use of chemicals.

### Ensuring access to natural resources

Credible standards ensure that farms or plantations don't unreasonably restrict access to land or resources for local communities, including indigenous people.

### Increasing farmers' incomes and opportunities

Sustainability standards provide a range of measures to support farmers and agricultural workers. These include access to finance and technical expertise that enable increased yields and reduced costs, especially for smaller producers.

### Enabling sustainable sourcing and food labelling, enhancing traceability and demonstrating transparency

Credible standards allow food companies and retailers to develop sustainable sourcing policies and commitments by providing a ready-made, transparent and impartial assurance system. Standard systems with developed chain of custody models also allow companies to better understand where their products come from, allowing them to invest in the agricultural communities which provide their goods.

## KEY BUSINESS THEMES



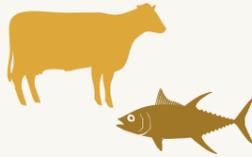
**Healthy and affordable food**



**Food labelling, safety and prices**



**Sustainable sourcing**



**Genetic diversity of farmed and domesticated animals**



**Labour practices in the supply chain**

## RELEVANT SDG TARGETS

**2.3** By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge.

**2.4** By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

## GOOD PRACTICE EXAMPLES



### Improving smallholder livelihoods: effectiveness of certification in coffee, cocoa and cotton

Farmers using sustainability standards have seen net increases in their incomes due to productivity and quality improvements, as well as premiums paid to them. A study by KPMG SUSTAINEO covering various standard systems found that certified smallholders also had better access to training, and their children's school attendance was improved. The study covered Fairtrade, UTZ Certified, Sustainable Agriculture Network/Rainforest Alliance, Common Code for the Coffee Community (4C, now the Sustainable Coffee Platform), Better Cotton Initiative (BCI), Cotton made in Africa (CmiA) and Organic. A growing amount of data on farmer livelihoods and productivity is showing how standards can contribute to several targets under SDG2. For example, the BCI's 2014 Harvest Report found farmers following the BCI standard across seven countries had yields 23 per cent higher and profits per hectare 36 per cent higher than conventional cotton farmers, while using less water and chemical inputs.



### Certified biofuels enhance food security

Using land to grow crops for fuel and other non-food uses can be a threat to food security. The Roundtable on Sustainable Biomaterials (RSB) has a principle that "Biofuel operations shall ensure the human right to adequate food and improve food security in food insecure regions." Certified companies must assess risks to food security where they operate, and take measures to mitigate any negative impacts. In regions of food insecurity, they must take action to enhance food security for those directly affected – for example, by setting aside land for food growing, increasing yields or supporting workers to produce food for their households.



### Cocoa farmers in west Africa see increased productivity and profitability with certification

Rainforest Alliance-certified cocoa farmers in Ghana achieved significantly higher yields than non-certified farms, according to research, with two-thirds saying that returns from certification were "much more" than what they invested in the process. A separate study from Ghana found that certified cocoa farmers have improved their productivity, with farms that have been certified for longest having the highest productivity. In Côte d'Ivoire, average productivity on certified cocoa farms was nearly 50 per cent higher than on non-certified farms: all six cooperatives in the study had also increased their cocoa quality. Another study in the country also found certified farms had significantly higher yields and higher income: as a result, two-thirds of the certified farmers said their economic circumstances had improved, while three-quarters of the non-certified farmers said theirs had worsened.



# ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

Addressing the health and well-being of farmers, workers and their broader communities is a key concern for responsible businesses. Many sustainability standards prescribe a range of concrete measures to prevent dangerous practices and create more healthy and safe working and living environments.

National regulations usually require basic health and safety measures, but in many countries these are not adequately enforced. Standards ensure these are implemented, and go beyond the legal minimum, leading to improvements in workplace safety and reduced injuries and deaths related to occupational hazards. Credible standards also often contribute to the health and well-being of the wider community.

### Occupational health and safety and access to medicine

Sustainability standards can ensure that:

- Policies and training programmes are in place to address and assess occupational health and safety
- Staff are trained in health and safety provision
- All people on production sites wear appropriate personal protective equipment
- Staff receive first aid and free emergency care for work-related injuries
- Alarm and evacuation procedures are in place.

### Water quality

Sustainability standards often address the health and quality of water sources (see also SDG6), which supports several targets under SDG3. These may include requirements to ensure:

- Risks to water quality are identified and mitigated
- No overuse of water in production, harvesting or other processes
- Safeguards against water contamination
- Riparian zones are maintained or restored.

### Air quality

Standards may include concrete, specific measures to address air pollution, such as:

- Using integrated pest management in place of chemical pesticides
- Restricting the use of the most hazardous/highly toxic agrochemicals
- Documenting agrochemical and fertilizer use.

## KEY BUSINESS THEMES



Occupational health and safety



Access to medicines



Access to quality essential health care services



Air quality



Water quality

## RELEVANT SDG TARGETS

**3.8** Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

**3.9** By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

## GOOD PRACTICE EXAMPLES



### Certification contributes to health and well-being in the Congo basin

Forest Stewardship Council (FSC) certified logging operations provide better health care and safer working conditions, according to research from the Congo Basin. A 2013 study by WWF and the Center for International Forestry Research (CIFOR) compared nine FSC certified and nine non-certified logging companies. It found that all certified forestry operations offered health and life insurance to all staff, versus just one in four non-certified ones. Certified operations were more than three times more likely to have diligent safety procedures in place. All certified forest management units had functioning local medical facilities in case of injury, compared to 38 per cent of non-certified units, and offered better working and living conditions.



### Certified tea plantations have better access to health in India

Workers on certified tea estates in India are healthier than those on non-certified estates, according to a 2014 study. Employees on non-certified farms are absent for health reason for 24 days a year on average, compared to 14 days a year on estates with UTZ and other certifications. The difference in absence for longer than a week due to health problems is even larger: 61.9 days a year on non-certified farms versus 6.3 days a year on certified farms. Field observations by the researchers confirmed that conditions at certified estates are better, especially with regards to cleanliness of living areas and production sites and availability of protective equipment.



### Safer mining in Peru

When Minera Yanacocha in Peru joined the Responsible Jewellery Council in 2012, it had to make a number of health and safety improvements along its supply chain to achieve certification. This included reaching an agreement with a local artisanal mining association to end the use of mercury – a dangerous practice that was still employed by around two-fifths of the association's 105 miners. The association agreed to formalize its operations according to the standard of the Alliance for Sustainable Mining, a sustainability standard for small and artisanal miners, and mercury use has now been phased out completely.



# ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

The unequal treatment of women in the global economy is recognized as an enormous human rights challenge and an obstacle to sustainable development. Sustainability standards provide a means for businesses to address this by making improvements within their own operations and throughout supply chains.

Women comprise close to 70 per cent of the agricultural labour force in many developing countries, but are often marginalized, lacking rights to land ownership and access to credit. They are often paid less than men, and may be subject to gender-based violence and abuse. While discrimination and unequal treatment of women in the workplace is a deep-rooted issue with no single solution, sustainability standards can provide practical steps to address it. These can cover:

### Increasing economic participation and equal income

Depending on the sector and activity, standards can foster greater participation of women by:

- Building the capacity of female producers and entrepreneurs
- Stipulating that women are paid equally with their male counterparts in the same position. This often requires improvements in record-keeping and management of employment contracts.

### Promoting equal opportunities

Sustainability standards can ensure equal hiring, training and promotion opportunities are being respected. Standards often require:

- Policies and processes that explicitly prohibit discrimination on the basis of gender
- Incentives for women to develop their careers, such as specific training.

### Access to sexual and reproductive health services

Standards may require specific protection and benefits for pregnant women and mothers, such as paid maternity/paternity leave, and a guaranteed right to return to the job.

### Preventing violence and harassment

Standards often require measures to address mistreatment and abuse of female employees, such as specific sexual harassment complaint and remediation policies.

## KEY BUSINESS THEMES



Economic inclusion

Equal remuneration for women and men



Diversity and equal opportunity

Non-discrimination



Childcare services and benefits

Workplace violence and harassment



Access to sexual and reproductive health-care

Women in leadership

## RELEVANT SDG TARGETS

5.1 End all forms of discrimination against all women and girls everywhere

5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

## GOOD PRACTICE EXAMPLES



### Weaving opportunities for women in Nepal

The GoodWeave standard certifies carpets and rugs that are free from child labour or forced labour. The organization runs a vocational training initiative for women, called Weaving Opportunities. Launched in Nepal in 2013, the programme aims to provide at-risk and impoverished women with marketable skills and to replenish the workforce with skilled adult weavers. After three months' training, participants have the opportunity to work at a GoodWeave-certified carpet factory. In a survey of 87 women on the programme, more than half had no income before the intervention, while those who had been employed had a median monthly income of around US\$30. Within the first month of employment, their median income was \$60 – and their incomes have risen further as their weaving skills and speed increase.



### Transforming gender relations in coffee-growing households in Uganda

A Fairtrade coffee cooperative in Uganda is addressing gender inequalities within its organization and communities. Bukonzo Joing Cooperative Union in the Rwenzori mountains of western Uganda brings together around 5,500 coffee-growing households. A sizeable majority of its members are women, due to a policy of joint membership for married couples. The Fairtrade-supported Gender Action Learning System has involved men and women farmers committing to specific actions to overcome inequalities, such as equitable allocation of work in their households and joint decision-making on how to use household income. They keep diaries to chart progress and report back to their community groups. At the same time cooperative staff and leaders have reviewed organizational policies and practices and taken steps to ensure women are able to participate actively in all aspects of cooperative life.



### Addressing sexual harassment in the farm workplace

Sustainable Agricultural Network (SAN) has published a 'how-to' guide on addressing sexual harassment and gender-based violence against farm workers. It aims to help certified farms deal with these sensitive issues in order to remain compliant with their standard. The guide explains how to create policies, procedures and programmes to tackle workplace sexual harassment. It also covers educating workers on the issue and how a farm enterprise can monitor if what they have put in place is working. The guide is clearly linked to the SAN principles and criteria that call for a safe, harassment-free and non-discriminatory workplace.



# ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

Water use for agricultural and industrial activities across the globe is putting stress on this essential natural resource. By defining and guiding sustainable water management and use, sustainability standards provide a practical tool for business to contribute to SDG6.

Even before the adoption of the global goals, studies found that 2.5 billion people (36 per cent of the world population) live in regions under water-stress, and more than 20 per cent of the global GDP is already produced in risky, water-scarce areas. Water issues are recognized as one of the biggest risks facing business, and many sustainability standards include clear requirements on water management and stewardship:

### Efficient water use and availability

The Alliance for Water Stewardship sets out detailed criteria to make water usage more efficient and ensure operations do not contribute to depleting surface or groundwater resources. Measures may include:

- Keeping records of water used on farms or plantations
- Implementing measures to adapt to water scarcity, including rainwater harvesting.

### Protecting freshwater ecosystems

Where natural water sources and economic activities overlap, sustainability standards can set requirements for protecting or restoring ecosystems. Many standards require producers to identify, protect and restore riparian zones.

### Water quality and preventing pollution

Standards may require safeguards measures, including:

- Having in place a wastewater disposal plan
- Defining company policies for the application and storage of agrochemicals and fertilizers.

### Guaranteeing access to water

Standards can make sure workers have access to safe drinking water, clean toilets and washing facilities. They may also guarantee access to safe drinking water, adequate sanitation and hygiene awareness off-site.

## KEY BUSINESS THEMES



Freshwater management and use  
Water efficiency



Governance and stakeholder participation  
Water quality



Safe drinking and sanitation  
Development of water supplies and services



Management of wastewater  
Preserving water-related areas

## RELEVANT SDG TARGETS

**6.1** By 2030, achieve universal and equitable access to safe and affordable drinking water for all

**6.3** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

**6.4** By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

**6.5** By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate

**6.6** By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes

**6.b** Support and strengthen the participation of local communities in improving water and sanitation management

## GOOD PRACTICE EXAMPLES



### Collaborative action on downstream water pollution in Tanzania

Diageo's Tanzanian subsidiary Serengeti Breweries Limited implemented the Alliance for Water Stewardship (AWS) Standard at its facility in Moshi, Tanzania, to assess and address water-related risks. Applying the standard enabled Serengeti Breweries to identify that the local utility company lacked capacity to adequately manage the high levels of wastewater coming to it from the municipality. This was resulting in wastewater above toxicity thresholds being released downstream. Implementing the AWS Standard has led to a collaboration between Serengeti Breweries, the local basin water office and the utility on a pollution control programme aimed at water users in the upper part of the catchment, in order to improve water quality for downstream water users.



### Pioneering water-efficient sugar production

The Bonsucro standard has pioneered new methodologies to determine sustainable water use in both sugarcane growing and sugar mills. The standard evaluates yields in terms of "crop per drop", and the amount of cane produced per unit of water extracted in irrigated systems. For mills, the Bonsucro standard requires a maximum consumption of 20kg of water per kilo of sugar produced – though 97 per cent of certified mills consume less than this.



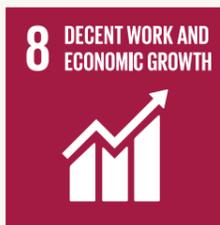
### Certified coffee preserves water quality in Nicaragua and Colombia

Poor coffee farming and processing practices may threaten downstream water quality through soil erosion, agrochemical runoff and acidic effluent from coffee washing stations. The Sustainable Agriculture Network (SAN) standard (the basis for Rainforest Alliance certification) addresses erosion, restricts agrochemicals and bans the most toxic ones, and requires the effluent from coffee washing stations to meet water quality standards. Research from Nicaragua showed Rainforest Alliance certified farms were associated with less water contamination and better water conservation, while similarly sized non-certified farms were associated with erosion around water sources. Similarly, certified coffee farms in Colombia had significantly higher water quality, according to indicators such as vegetation, turbidity and invertebrate species diversity.



### Preventing the negative effects of aquaculture

Fish farming can have severe impacts on aquatic ecosystems. Antibiotics and other chemicals can pollute freshwater ecosystems, while nutrient-rich organic matter (such as uneaten feed and faeces) can cause algal blooms and deplete oxygen levels. The Aquaculture Stewardship Council (ASC) standard ensures fish farms have no negative impact on water quality and freshwater ecosystems, through strict science-based controls on waste and nutrient releases and a ban on all preventive antibiotic use.



## PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

**The private sector is responsible for creating decent work, ensuring safe workplace conditions, and respecting workers' rights. Sustainability standards provide a means to verify progress across global supply chains, particularly in countries or industries with low levels of worker protection.**

Some standards are exclusively focused on labour issues; others touch on the issue in the context of improving the overall sustainability of a particular value chain or product. Requirements are usually based on the International Labour Organization's core conventions. Credible standards can contribute to decent work in various areas:

### Transparent and non-discriminatory hiring and employment

- Operating an effective employment management system, including record-keeping of all employees
- Preventing unfair hiring and recruitment practices, particularly of vulnerable groups such as migrant workers
- Offering apprenticeships and traineeships and generating employment and training opportunities for local communities.

### Minimum, fair and living wages, and adequate compensations

- Paying the national minimum wage or industry averages to all hired employees
- Having policies and processes in place for all workers to ensure proper wage adjustments
- Engaging with workers to determine living wages
- Providing sufficient compensation to workers who suffer accidents or injuries on the job.

### Workers' rights

- Respecting freedom of association and collective bargaining rights
- Providing grievance mechanisms for all workers, with a mutually agreed and documented system for dealing with complaints.

### Gender equality (see also SDG 5)

- Protecting women's labour rights, for example through implementing and enforcing policies on sexual harassment and maternity leave.

### Building the capacity and skills levels of workers

- Providing skills development opportunities for workers
- Creating entrepreneurial opportunities to help workers supplement their income
- Generating value-adding opportunities for SMEs.

### Forced labour and child labour

- Processes to prevent child labour and forced labour throughout global supply chains
- Supporting education of minors.

### Safe and healthy working conditions (see also SDG 3)

- Implementing occupational health and safety policies and training
- Providing appropriate protective equipment.

## KEY BUSINESS THEMES



**Employment  
Economic  
inclusion**



**Non-  
discrimination**



**Capacity  
building**



**Availability  
of a skilled  
workforce**



**Elimination  
of forced or  
compulsory labour**

## RELEVANT SDG TARGETS

**8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

**8.4** Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead

**8.5** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

**8.7** Take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour, eradicate forced labour and, by 2025, end child labour in all its forms, including the recruitment and use of child soldiers

**8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

**8.9** By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

## GOOD PRACTICE EXAMPLES



### Child labour-free rugs

GoodWeave is an international organization working to stop child labour in the carpet industry by creating market demand for certified child-labour-free rugs and monitoring supply chains. It also rehabilitates and educates former child labourers. In India, where GoodWeave has been active longest, the number of identified child labourers has fallen significantly; the organization increasingly focuses on preventative activities, such as creating "child-friendly" communities.



### Improving workers' rights in the sugar sector

Labour rights are an important sustainability hotspot in the sugarcane sector. Child labour is a serious concern in some areas, as are health and safety hazards to workers. Sugar mills certified under the Bonsucro Code of Conduct must clearly demonstrate the absence of child and forced labour among their suppliers, and adhere to minimum standards on worker safety: certified producers must not exceed 15 accidents per million hours worked in the mill and 45 in the field annually. The average Bonsucro mill's lowest wage, including benefits, was 24 per cent higher (for agriculture) and 29 per cent higher (mill) than the local minimum legal wage.



### Hake certification means jobs and growth in South Africa

South Africa's hake trawl was one of the first fisheries in the developing world to achieve Marine Stewardship Council (MSC) certification. The fishery's export value has been estimated at US\$187 million a year. Recent analysis published in Elsevier's Fisheries Research concluded that moving back to a non-certified model would result in a 37.6 per cent loss of value over five years, and put 5,000-12,000 jobs at risk.



### Combining job creation and sustainability in tourism and sports

The tourism and leisure industries face a responsibility to create opportunities for decent work while also addressing environmental and cultural impacts. The Rainforest Alliance's tourism standard for hotels and tour operators defines 78 criteria to guide businesses in doing this. The standard, adopted by 200 tourism businesses across eight countries, relates to SDG target 8.9 (and 12.b) by stimulating the creation of local employment opportunities, engagement with local communities, and the protection of historical and cultural heritage. This standard has been recognized by the Global Sustainable Tourism Council, which has established a global baseline standard to help assess tourism sustainability certifications. Recognized initiatives must meet a minimum level of transparency and impartiality and address various sustainability aspects. Sustainability standards are also emerging within specific tourism and leisure sectors: for example, the Golf Environment Organization manages a standard for more sustainable golf courses.



# ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

**Goal 12 calls on businesses, governments and individual consumers to embrace sustainable practices and actively choose sustainably produced products and services. Sustainability standards and labelling systems will play a key role in enabling this.**

Standards and labels have pioneered, promoted, and enabled more sustainable consumption and production across many sectors, from agriculture, forestry and fishing, to tourism and energy production. From small producers to large multinational companies, using credible sustainability standards is one of the most concrete, accessible and impactful ways to take responsibility for contributing to SDG12. Certification and labelling programmes also offer businesses a way to communicate these efforts to their customers and clients, helping them to make more sustainable consumption choices.

### Adopting and reporting on sustainable practices

As explained throughout this report, sustainability standards define concrete practices to be adopted across different sectors or industries – as called for explicitly in target 12.6. This helps provide important information and details which companies can use in their sustainability reporting.

### Sustainable management and efficient use of natural resources

Across sectors and industries, credible standard systems define what responsible and efficient use of natural resources looks like. They can provide:

- A consensus and point of orientation for an industry/sector on how to address natural resource management
- A credible and effective way to verify and measure how effectively supply chain actors manage natural resources

- Incentives for supply chain actors to adopt sustainable resource management.

### Transparent supply chains and sustainable sourcing policies

As supply chains are increasingly globalized, knowing whether products come from a sustainable source is increasingly complex. Standard systems can provide:

- A traceability system for global supply chains, giving companies assurance that their products come from a sustainable source
- An accessible certification and claims management system.

### Sustainable public procurement

Sustainability standards enable more sustainable procurement by governmental bodies by:

- Helping to define sustainability criteria for public tenders
- Providing a credible means to verify whether sustainability criteria are fulfilled
- Aligning sustainability criteria between public and private actors.

### Information about consumption and sustainable lifestyles

Standards organizations often run public campaigns to raise awareness of how the everyday consumer can buy more sustainable products.

## KEY BUSINESS THEMES



Sustainable sourcing



Resource efficiency of products and services



Materials recycling



Procurement practices



Product and service information and labelling

## RELEVANT SDG TARGETS

**12.1** Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

**12.2** By 2030, achieve the sustainable management and efficient use of natural resources

**12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

**12.6** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

**12.8** By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

**12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities

**12.a** Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production

## GOOD PRACTICE EXAMPLES



### Supermarkets switching to sustainable sourcing

Large supermarket chains are often the last link between the source of a product and the consumer. Products with sustainability labels have long been available in supermarkets. More recently, however, a number of large retailers have committed to switching to 100 per cent credibly certified products for a number of key commodities – from cocoa and coffee, to palm oil and soy, to seafood, to the paper in their packaging.



### Introducing Peru's water risk-free asparagus to global markets

Peru is the world's largest exporter of asparagus. Yet this success is at risk through unsustainable water use in the regions of La Libertad and Ica, where most asparagus is produced. Acting on research highlighting the impact of European asparagus consumption on water tables in Peru, supermarkets Marks & Spencer and Coop and their suppliers Barfoots and DanPer have launched a project to ensure the sustainability of Peruvian asparagus. They are working with growers in La Libertad to implement the Alliance for Water Stewardship (AWS) standard. It's an example of how the AWS standard enables new patterns of sustainable consumption and production by bringing supply chain partners to work together to address shared water challenges and mitigate risks.



### Banks look to credible standards to support sustainable development

The International Finance Corporation, the private sector arm of the World Bank Group, has made credible certification part of its environmental and social Performance Standards. Clients involved in sectors such as agriculture, forestry and fisheries need to show that their management practices meet relevant credible standards, as demonstrated by independent verification or certification. The IFC's standards are a global benchmark, forming the basis of the Equator Principles, which have been adopted by over 70 financial institutions worldwide.



### Governments commit to responsible and deforestation-free procurement

Standards can help to align public procurement policies with sustainable development goals. Many national governments and local authorities routinely request paper and furniture products certified by the Forest Stewardship Council (FSC). The UK government's Timber Procurement Policy, for example, demands that suppliers must prove legality and sustainability of timber products, and recommends this is done through independent third-party certification schemes such as FSC.

The government of Norway, meanwhile, recently announced that all its procurement would be deforestation-free; credible sustainability standards provide a means to verify this. Similarly, Sweden's National Agency for Public Procurement recommends that public bodies include criteria on sustainable palm oil and soy in their food sourcing requirements.

A growing number of contracting authorities are also choosing to integrate Fairtrade criteria into their procurement policies. In France, for example, the city of Paris has provided one third of its uniformed agents with Fairtrade cotton uniforms, and the municipality of Traun has bought Fairtrade-certified polo shirts for 75 per cent of its staff members. The national postal service, La Poste, uses Fairtrade cotton for all its t-shirts and 40 per cent of its workwear overall.



### China's Sustainable Seafood Week

China is one of the world's largest consumers of seafood, but awareness and market demand for sustainable seafood is low. For the last three years, WWF and partners have held a Sustainable Seafood Week to promote responsible seafood and introduce consumers to the Marine Stewardship Council (MSC) ecolabel. The 2016 event was the largest yet, involving 78 stores from eight of China's largest retailers, as well as jd.com (China's largest online retailer) and several international hotel chains.



### Standards for sustainable natural ingredients

Swiss company Weleda produces thousands of natural cosmetic and pharmaceutical products. As part of its commitment to sustainability, Weleda has joined the Union for Ethical BioTrade (UEBT) and adopted its Ethical BioTrade standard. Almost all of the 650 raw materials used in the manufacture of Weleda products now fall now under a biodiversity management system that ensures traceability, equitable prices for producers, sustainable management of natural resources and other Ethical BioTrade requirements. The company has also integrated sustainability into its corporate reporting, in line with the SDGs.



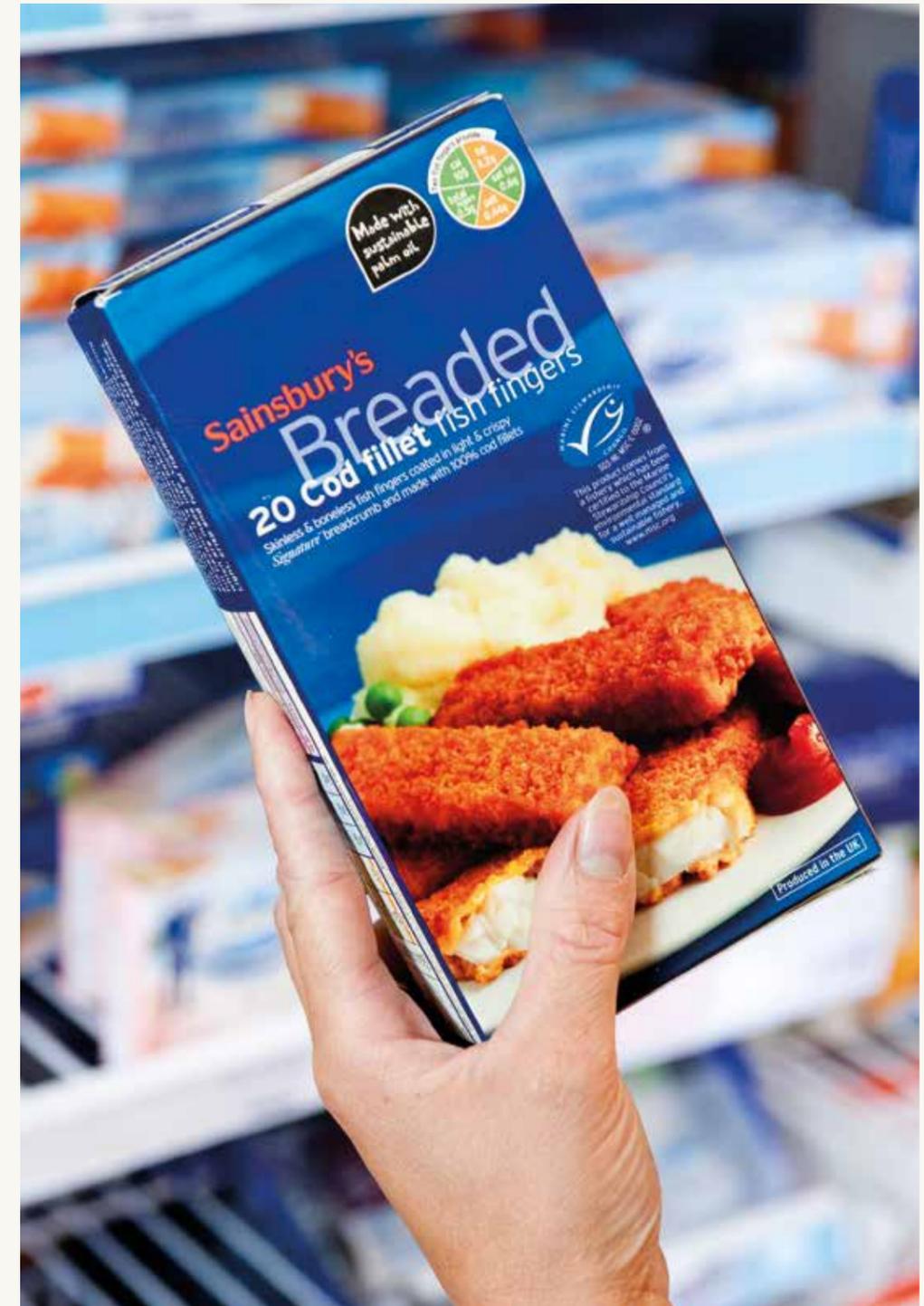
### Tuna canners press for sustainable management

The International Seafood Sustainability Foundation (ISSF) is a partnership between scientists, NGOs including WWF and tuna processing companies, which aims to ensure the long-term conservation and sustainable use of global tuna stocks. Together, its members control around three-quarters of the global canned tuna market, giving them significant influence over tuna fisheries and the regional fisheries management authorities that regulate them. The ISSF promotes MSC certification, and works to improve management measures so that more tuna fisheries can become certified.



### Forest sector transformation in Chile

The forest sector in Chile has been transformed over the last five years, with the certification of the country's two largest forestry companies, Arauco and Forestal Mininco. More than 2 million hectares of forest plantations are now FSC certified, out of a total of 2.6 million hectares in the country. As a condition of certification, Arauco and Forestal Mininco committed to restore 25,064 hectares and 8,738 hectares of native forest to compensate for areas that had been cleared after 1994. The companies are also actively conserving and enhancing HCV areas on their land, totalling 62,763 hectares for Arauco and more than 11,000 hectares for Forestal Mininco.



© RICHARD STONEHOUSE / WWF-CANON

Certification makes it easier for consumers to make responsible choices. These fishfingers contain MSC-certified cod and RSPO-certified palm oil.



# TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

The adoption of the Paris Climate Agreement should bring renewed action on climate change. The private and financial sectors are expected to play a significant role in achieving global and national targets. Sustainability standards provide concrete tools to help companies' supply chains reduce their emissions and improve energy efficiency, along with innovative ways to adapt to the consequences of climate change.

Across industries, sustainability standards support efforts to mitigate the negative climate impacts of production processes. Many are engaged in carbon offsetting schemes, integrated in public climate or energy policies, or involved in climate mitigation or resilience projects. Climate mitigation and adaptation measures that sustainability standards require from supply chain actors vary, but can cover:

### Carbon accounting and emissions reductions

Many standards require producers or companies to, at a minimum, measure their greenhouse-gas emissions, and to develop and implement plans to reduce emissions.

### Reducing greenhouse gases and increasing carbon sequestration

Measures to address emissions can include:

- Preventing deforestation
- Soil cover management, and restoring tree coverage or other perennial vegetation
- Climate-friendly sourcing and management of fertilizers and fuels

- Waste management
- Clean technologies
- Participation in other initiatives aimed at GHG reduction and carbon dioxide sequestration.

### Enable energy efficiency and the use of renewable energy

Sustainability standards can:

- Require companies and their supply partners to keep records of energy consumption, use energy more efficiently and replace non-renewable sources with renewable ones
- Verify sources of renewable, sustainable energy.

### Climate change adaptation

In some sectors and regions, the consequences of climate change are already being keenly felt. Some standards provide guidance on climate change adaptation actions, while others provide access to projects and inputs to help certified entities cope with the consequences of climate changes.

## KEY BUSINESS THEMES



Energy efficiency



Environmental investments



GHG emissions



Risks and opportunities due to climate change

## RELEVANT SDG TARGETS

**13.1.** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

**13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

**13.b** Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries, including focusing on women, youth and local and marginalized communities

## GOOD PRACTICE EXAMPLES



### Accounting for climate impacts through integrated farm management

LEAF has promoted integrated farm management for over 25 years to encourage more sustainable farming. This includes management practices for climate change adaptation and mitigation. In 2014, LEAF Marque-certified businesses carried out a carbon footprint assessment on 102,164 hectares of crops – up from 47,602 in 2012. Nitrogen use efficiency, which also affects greenhouse-gas emissions, was measured on nearly 126,000 hectares, demonstrating the growing commitment and influence of LEAF Marque to deliver change.



### Reducing emissions from biofuels

Biofuels have the potential to reduce greenhouse-gas emissions by replacing fossil fuels – but their ability to do so varies greatly according to where and how they are produced. For example, biodiesel produced from palm oil grown in place of tropical rainforest on peat soils would actually produce much higher emissions than conventional oil. Biofuels certified against the Roundtable on Sustainable Biomaterials (RSB) standard must reduce greenhouse-gas emissions by at least 50 per cent compared to their fossil-fuel equivalent. Over two years, the first 17 companies to achieve RSB certification saved at least 439,500 tonnes of CO2 equivalent.



### Reduced impact logging reduces climate impacts too

The Forest Stewardship Council (FSC) standard requires forest managers to implement reduced impact logging practices. The Nature Conservancy (TNC) has developed a practical methodology – known as RIL-C – for measuring and verifying greenhouse-gas emissions reductions achieved through reduced impact logging. Studies in Indonesia (Borneo) and the Amazon (Madre de Dios, Peru) have shown that RIL-C can reduce emissions by 20-50 per cent.



### Opening up the carbon market to smallholders and rural communities

A new Fairtrade Climate Standard enables smallholders and rural communities to sell carbon credits on international carbon markets. Developed in conjunction with the Gold Standard, the most rigorous international standard for carbon offsetting, the scheme enables small producers to profit from reducing emissions. Fairtrade Carbon Credits cover the cost of their climate mitigation projects while also providing a Fairtrade Premium, money that farmers can then reinvest into adapting to the impacts of climate change. Logistics company Deutsche Post DHL Group and retailer Marks & Spencer are among the first companies to commit to buying Fairtrade Carbon Credits.



### Climate change adaptation for coffee growers in Vietnam

Decreased water availability, new or different pests and diseases and more extreme weather events are among the climate change impacts threatening coffee producers in Vietnam. To increase Vietnamese farmers' resilience, UTZ has been running the Coffee Climate Care (C3) project since 2013. UTZ developed training materials and trained 35 promoter farmers, who went on to train 1,250 producers. Understanding the causes and effects of climate change led to measures such as planting shade trees, installing wind breaks, covering crops, and improved irrigation and fertilizer management. Within a couple of years, around half the farmers were already implementing the measures. Based on the experience of the C3 project, a new version of the UTZ code of conduct addresses climate change explicitly.



# CONSERVE AND SUSTAINABLY USE THE OCEANS, SEAS AND MARINE RESOURCES FOR SUSTAINABLE DEVELOPMENT

**Business activities are putting unprecedented pressure on marine life in all its forms. For some challenges, such as preventing unsustainable fishing and reducing runoff from farms, sustainability standards are already playing a pivotal role. With marine issues crossing national borders and jurisdictions, international sustainability standards are a vital tool to conserve and sustainably manage the vast oceans.**

Oceans cover more than 70 per cent of the planet's surface, and around 1 in 10 people are directly or indirectly dependent on seafood for their livelihoods. Governments and businesses alike have recognized the need to move to a "blue economy" based on sustainable use of marine resources, reflected in the targets of SDG14. These can only succeed with strong action from the private sector, and credible standard systems can support this in several ways:

### Maintaining and rebuilding fish stocks

Using scientific methods to assess fishing practices and the status of fish stocks, credible sustainability standards such as the Marine Stewardship Council (MSC) have helped drive sustainability in fisheries by incentivizing them towards:

- Setting harvest limits and controls to ensure stocks are fished at sustainable levels
- Preventing illegal, unregulated and unreported (IUU) fishing, and ensuring fisheries operate in regulated and managed areas
- Introducing measures to restore overfished and depleted stocks
- Preventing destructive fishing methods, such as the use of dynamite and poison.

In addition, sustainable aquaculture, as assessed by credible standards like those of the Aquaculture Stewardship Council (ASC), can help to take pressure off wild fish stocks (presuming any wild fish used as feed is also sourced according to credible sustainability standards).

### Protecting marine and coastal ecosystems

Sustainability standards in a number of sectors can require various measures to prevent harm to marine ecosystems, for example to:

- Minimize bycatch (catching non-target species), discards and "ghost fishing" from lost fishing gear
- Eliminate negative impacts from aquaculture on wild fish populations, including by improving water quality around fish farms
- Reduce run-off of agrochemicals and sediment from farms in sensitive coastal areas
- Ensure land-based operations such as factories dispose of products and materials responsibly to prevent harmful impacts on marine environments.

## KEY BUSINESS THEMES



## RELEVANT SDG TARGETS

**14.1** By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

**14.2** By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans

**14.4** By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics

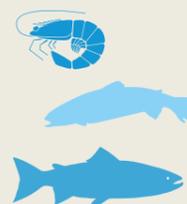
**14.b** Provide access for small-scale artisanal fishers to marine resources and markets

## GOOD PRACTICE EXAMPLES



### MSC certification against IUU fishing

Illegal fishing of Patagonian toothfish (or Chilean seabass) used to be a major problem in the South Atlantic, but MSC certification has helped to stamp it out. Today, six major toothfish fisheries – representing over half of world stocks – are MSC certified, and eliminating IUU fishing is a key condition of their certification. The South Georgia Patagonian toothfish fishery, for example, uses a surveillance system to help exclude unlicensed vessels from its waters. The catch position and weight of every box of fish caught is recorded in real time using tamper-proof satellite technology, and catches are barcoded to ensure illegal fish can't enter the supply chain. Income from the certified fishery also funds research and surveillance teams to monitor fishing activity on the otherwise unpopulated islands off South Georgia.



### Responsible aquaculture: relieving pressure on coastal and marine life

Aquaculture is the fastest-growing food production system in the world. Almost half the seafood we eat now comes from farms instead of being caught in the wild. While this has enabled a huge expansion in seafood consumption, the rapid expansion of the aquaculture industry has caused new environmental impacts. Aquaculture can affect coastal and marine habitats in various ways; disease and parasites carried by farmed species can be carried over to wild populations, and the chemical inputs and antibiotics used to counter this can also have negative impacts on marine life. Meanwhile, many farmed fish are fed on fishmeal and fish oil, which in turn can come from wild populations.

The ASC aims to reduce these negative impacts by setting standards and providing certification for sustainable fish-farming practices. Among other requirements, the ASC standard prevents conversion of important coastal habitats such as mangroves to fish farms, provides science-based indicators to prevent negative impacts on aquatic environments, and demands that fish-based feed is used efficiently and comes from sustainable sources.



### Better sugarcane production protects Australia's Great Barrier Reef

Runoff from sugarcane and other farms near the coast has a severe impact on the Great Barrier Reef: sediment can smother corals, chemical herbicides and pesticides poison reef species, and fertilizers destabilize nutrient levels. The resulting algal blooms form a breeding ground for the devastating coral-eating crown-of-thorns starfish. Project Catalyst, a partnership between WWF, natural resource management groups Reef Catchments and Dry Tropics and Terrain, The Coca-Cola Foundation, the Australian government and local sugarcane farmers, supports farmers to trial, monitor and share better practices that reduce impacts on the reef. In the first two years, the farms taking part improved the water quality of 77.5 billion litres of runoff, significantly reducing the amount of nitrogen, phosphorous, herbicide and other pollutants flowing into the Great Barrier Reef. The Bonsucro standard provides a platform to replicate these results in other regions.



# PROTECT, RESTORE AND PROMOTE SUSTAINABLE USE OF TERRESTRIAL ECOSYSTEMS, SUSTAINABLY MANAGE FORESTS, COMBAT DESERTIFICATION, AND HALT AND REVERSE LAND DEGRADATION AND HALT BIODIVERSITY LOSS

Protecting life on Earth is a shared responsibility, and SDG15 is a rallying call to prevent further harm to forests and other ecosystems and the biodiversity they support. Some businesses already rely on credible sustainability standards to make nature conservation part of their operations, but a stronger uptake is needed to achieve progress on this global goal.

The most common pressures causing land degradation and deforestation are related to agriculture, unsustainable forest management, mining, infrastructure projects and fire. Credible sustainability standards provide concrete ways for businesses to contribute to the targets and themes of SDG15:

### Preventing deforestation and forest degradation

Restoring forest areas, halting deforestation, and implementing sustainable forest management are concrete actions at the heart of SDG15. The Forest Stewardship Council (FSC) standard pioneered responsible forest management, and sustainability standards for other sectors often integrate similar concrete measures, including:

- No deforestation of primary forest after a specified cut-off-date
- No deforestation and minimized degradation of secondary forest
- Agroforestry systems or forest management plans that adhere to best management practices.

### Preventing soil degradation and erosion

Agriculture and other sectors can put stress on terrestrial

ecosystems through soil degradation and erosion, which in turn can cause further negative impacts such as flooding or preventing regrowth of trees and other vegetation. Sustainability standards can prescribe various soil quality measures, including:

- Soil analysis for new production areas
- Crop rotation and intercropping to mitigate soil degradation
- Reduced-impact logging methods to reduce soil exposure
- Ensuring adequate vegetation on the banks of waterways.

### Protecting biodiversity

Sustainability standards often include direct and indirect measures to protect plant and animal life. These can include:

- Assessing and monitoring biodiversity
- Identifying, preserving and minimizing impacts on critical habitats and high conservation value (HCV) areas
- Restricting hunting, collection and trafficking of protected species
- Maintaining buffer zones and wildlife corridors
- Ensuring fair and equitable sharing of benefits arising from the utilization of biodiversity.

## KEY BUSINESS THEMES



Deforestation and forest degradation  
Land remediation



Genetic diversity of farms and domesticated animals



Landscapes  
Forest management and fibre sourcing



Mountain ecosystems  
Natural habitat degradation



Terrestrial and inland freshwater ecosystems

## RELEVANT SDG TARGETS

**15.1** By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

**15.2** By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

**15.3** By 2020, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world

**15.4** By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development

**15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

**15.6** Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed

**15.7** Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products

**15.8** By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species

**15.9** By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts

**15.a** Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed.

**15.b** Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation

**15.c** Enhance global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities to pursue sustainable livelihood opportunities

## GOOD PRACTICE EXAMPLES



### Building demand for sustainable forest management

The FSC standard has transformed forest management globally. As of October 2016, 191,773,307 hectares of forest in 82 countries were FSC certified – equivalent to 16 per cent of the total forest area used for timber production globally. Companies that buy timber-based products have played a significant role in increasing the area of forest being sustainably managed by demanding credible certification. For example, IKEA has worked in partnership with WWF to double the certified forest area in China, hugely increase the certified area in Russia, and promote FSC in Eastern Europe and Vietnam.



### Protecting areas of high conservation value

First introduced by FSC in 1999, the HCV concept has become an integral part of voluntary certification schemes like the Roundtable on Sustainable Palm Oil (RSPO). Companies seeking certification against these standards must identify, conserve and manage areas of outstanding or critical environmental, socio-economic or cultural value. The application of the concept can address many social, economic and environmental issues related to SDG15, such as conserving an area's most valuable species, ecosystems and landscapes; protecting people against floods, avalanches and soil erosion; conserving natural resources of importance to local communities; valuing non-timber forest products and environmental services; or conserving cultural heritage and identity.



### Preventing ecosystem conversion from soy production

Over recent decades, soy has undergone the greatest expansion of any global crop, threatening forests and other important natural ecosystems and the biodiversity they support. The Round Table on Responsible Soy (RTRS) aims to prevent the negative impacts of soy production by promoting certified sustainable soy. Since the standard was introduced in 2010, it has excluded soy grown on land converted from forest after 2009. In June 2016, it was updated to prevent conversion of any natural land, steep slopes or areas legally designated for conservation or cultural and social protection.



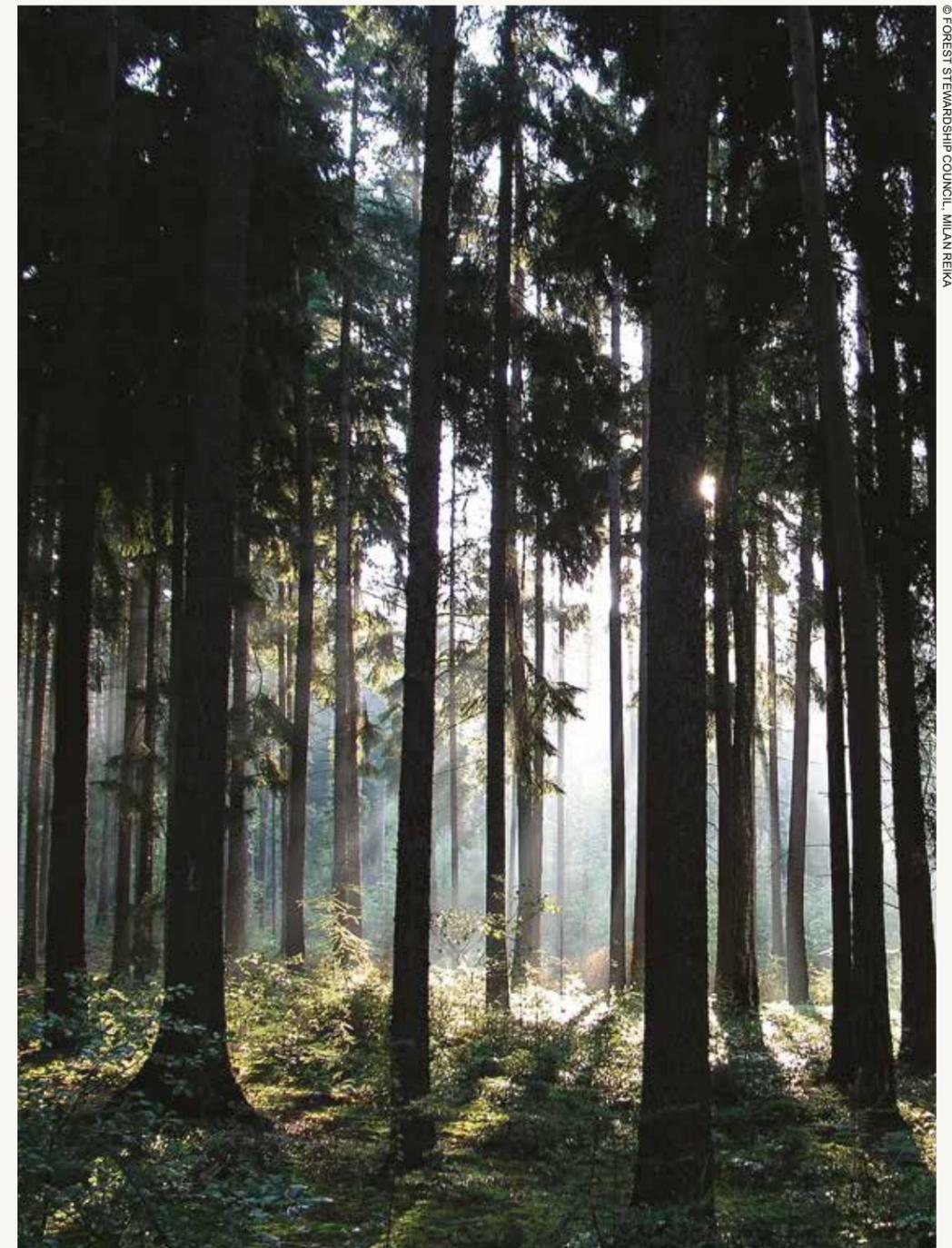
### RSPO smallholder certification taking pressure off elephants and tigers

Tesso Nilo National Park on the island of Sumatra is one of the last strongholds of Sumatran elephants and tigers and boasts some of the most diverse flora on the planet. But it's under siege by illegal palm oil plantations. French retailer Carrefour has been working with WWF to support smallholders in the area to achieve RSPO certification. Smallholders taking part in the project have managed to increase productivity through better management practices, without expanding into the national park.



### Standards support equitable benefit sharing from genetic resources

The Nagoya Protocol was adopted in 2010 to ensure the fair and equitable sharing of benefits derived from the utilization of genetic resources. Based on this agreement, national rules require companies that develop innovative products based on biodiversity or associated traditional knowledge to share the resulting benefits with the relevant communities and countries. The Nagoya Protocol has been ratified by more than 90 countries and is reflected in SDG target 15.6. In its article 20, the Nagoya Protocol recognizes the role of standards in advancing its objectives. The Ethical BioTrade standard, managed by the Union for Ethical BioTrade (UEBT), is one of the tools for businesses to implement the Nagoya Protocol and deliver on target 15.6 – whereby a company demonstrates its engagement to advance the rights of countries and communities over their biodiversity and supports local development.



© FOREST STEWARDSHIP COUNCIL, MILAN REIKA

Forest Stewardship Council (FSC) certification is a recognized indicator for measuring progress toward SDG15.



# STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALIZE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

The ambitious nature of the SDG agenda requires unparalleled investments in human resources, technology and trade in environmental good and services. Recognizing that governments alone will not be able to provide the scale of investment needed, SDG17 aims to foster multistakeholder and public-private partnerships. Sustainability standards provide successful examples.

Sustainability standards can drive investment, guide capacity building and enable sustainable trade. They can provide a support mechanism and guide to strengthen public and private implementation efforts. Importantly, the multistakeholder nature of credible standards gives all those affected an opportunity to express their interests and concerns: in effect, they already function as partnerships for sustainable development within a given sector or industry. Not surprisingly, governments around the world are acknowledging standards systems and their stakeholders as useful development partners. Credible standards systems relate to various targets and themes under SDG17:

### Multistakeholder standard development

Credible standards bring together businesses, NGOs and governments to develop and implement sustainability principles, criteria and measurements of progress. They will have mechanisms in place to:

- Enable broad participation during the initial development of the standard
- Plan for regular revisions of the standard so new views and sustainability concerns are integrated.

### Transparency and knowledge exchange

Transparency is crucial for credible standards. Standards (and draft versions) need to be publicly available and accessible to any stakeholder, which in turn leads to knowledge sharing across a sector or

industry. Moreover, credible standards will seek to provide as much information and guidance as possible to enable businesses to understand and use the standard.

### Fostering public-private partnerships

Given the various actors involved in developing credible standards, they can provide the basis for broader sustainability coalitions or initiatives, bringing together public, private and civil society partners.

### Enabling sustainable investments

Because of their transparent, consensus-based nature and focus on concrete measures, sustainability standards are useful tools for investors seeking to support sustainable business practices. Credible standards can thus channel investments to those businesses which are committed to contributing to the SDGs.

### Policy coherence

A key criticism of donor governments is that they commit resources to development programmes but at the same time undermine sustainable development through other policies, such as trade or procurement policies with negative social or environmental impacts. Sustainability standards can help donors develop a more joined-up approach that reinforces their sustainable development investments.

## KEY BUSINESS THEMES



Environmental investments  
Foreign direct investments



Capacity building efforts  
Equitable trading



Knowledge and technology transfer



Exports of developing countries  
Project financing



Public-private partnerships  
Multistakeholder partnerships

## RELEVANT SDG TARGETS

**17.9** Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation

**17.14** Enhance policy coherence for sustainable development

**17.16** Enhance the global partnership for sustainable development, complemented by multistakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

**7.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

**17.19** By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries

## GOOD PRACTICE EXAMPLES



### From standard system to sustainability platform: the Global Coffee Platform

Founded in March 2016, the Global Coffee Platform (GCP) aims to tackle critical sustainability challenges and improve the livelihoods of coffee farming communities. The GCP builds on the work and membership of the 4C Association, whose 4C Code provides a baseline sustainability reference for the coffee industry, and the pre-competitive activities of the Sustainable Coffee Program which works toward bringing sustainable coffee production and sourcing practices to scale. Through a bottom-up approach, the GCP – together with key actors such as the International Coffee Organization – aligned the priorities of public and private sector stakeholders from every part of the value chain into a global agenda for the sector, known as Vision 2030. The GCP supports action on these priorities through collaboration with public-private platforms in coffee producing countries, and through thematic work streams at a global level, focussing on climate smart agriculture, economic viability, gender and youth. As a platform, the GCP aims to enable sector-wide adoption of sustainability practices by creating a level playing field for collective reporting, in combination with mutual learning across all supply chain actors.



### Partnerships to promote certification for palm oil

The social and environmental impacts of palm oil production represent a significant risk for investors. To mitigate these risks, a number of finance institutions, including the International Finance Corporation, Credit Suisse and Rabobank, require their clients to achieve Roundtable on Sustainable Palm Oil (RSPO) certification. Members of the investment community have also formed partnerships to promote more sustainable palm oil production. One such initiative is the Sustainable Palm Oil Investor Working Group, whose 25 members represent assets under management of over US\$1.4 trillion. The group aims to raise awareness of palm oil sustainability issues among investors, provide a unified investor voice in support of sustainable palm oil and the RSPO, and engage with companies to support more sustainable practices.



### Credible standards enable access for small businesses

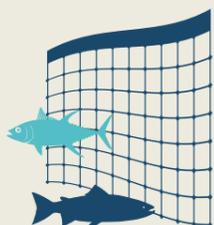
A recent analysis found that credible multistakeholder standards which are members of ISEAL are more accessible to SMEs, smallholders and producers in developing countries. The report found that ISEAL-affiliated standards were more likely to offer learning assistance and financial support, making the standards more readily accessible, particularly to developing-country producers. Standards that are ISEAL full members were 52 per cent more likely than other standards to have a design where implementation costs are shared, and 37 per cent more likely to share certification costs.



### Government and private sector collaborate on Better Cotton in Mozambique

To make the country's cotton production more sustainable and competitive on the global market, the government of Mozambique turned to the Better Cotton Initiative for support and expertise. BCI assisted in developing improved extension services in line with its principles and criteria. The BCI's principles and criteria were integrated in revised national cotton regulations, and a national standard for sustainable cotton production is being developed, mirroring the BCI criteria and indicators while including additional sustainability criteria for other parts of the production chain. The first "Better Cotton" in Mozambique was harvested in 2013, and the country is on track to become the first to meet the BCI standard for 100 per cent of its cotton production in 2016.

The process illustrates how a standard system can bring together different actors in new partnerships as envisioned by SDG17. The sustainability transformation in Mozambique is a joint effort between the government, the cotton companies and producers in Mozambique, and BCI and its various stakeholders.



### Turning potential conflict into positive collaboration

The Marine Stewardship Council (MSC) certification process enables stakeholders to respond to draft assessments. When the Iceland lumpfish fishery's MSC draft assessment report was published for public comment in 2013, BirdLife International, an environmental NGO, was quick to respond. They had just published research that had shown that Iceland was one of the areas with the highest estimated seabird bycatch in gillnets globally. As a result of BirdLife's comments, the fishery, in order to maintain certification, was required to improve the data it collected on seabird and mammal bycatch, so that risks could be monitored and if necessary mitigated and avoided. The process provided an opening for BirdLife to work with the fishery, which has welcomed seabird observers onboard its vessels, and to secure funding to establish a seabird monitoring programme in the Icelandic fleet.



© WWF-INDONESIA/ANURMAN

Credible sustainability standards support knowledge transfer and capacity building efforts.



## CONCLUSION

The private sector has a responsibility to contribute to achieving the SDGs. Large multinational companies, in particular, have a key role to play in addressing social and environmental issues in their own supply chains and motivate change of the wider sector they are part of. Credible sustainability standards offer businesses a tool to do so.

As this report has shown, businesses can contribute to many of the SDGs and targets by using credible sustainability standards to scale up sustainable practices and transform their sectors.

## BENEFITS OF USING CREDIBLE STANDARDS

Actors along the supply chain can benefit from using credible sustainability standards for several reasons:

- Credible standards provide guidance on what better production, or “sustainability for the mainstream”, looks like in a concrete and practical way, focused on a specific process, sector or industry. This helps businesses to address the biggest impacts in a specific sector. In doing so, a standard typically contributes across a number of SDGs.
- By bringing together different actors (businesses, NGOs, governments, etc.), credible standards embody the multistakeholder, partnership approach which is central to the SDG agenda.
- Standards pioneer innovative solutions such as HCVs, traceability, living wage and others.
- Standards provide a scalable solution, allowing companies to be part of a broader movement toward greater sustainability in their sector. This has a greater impact than individual actions can achieve.
- Standards can provide incentives to businesses that improve their sustainability practices, for example through more stable business relations between suppliers and buyers, by offering market access or in some cases through price premiums.
- Standards improve transparency and traceability. They provide a framework for companies to monitor and report on progress toward sustainability goals, and the added security of better understanding their own supply chains.

## COLLECTIVE ACTION

**Sustainability and credible standards have become part of mainstream understanding of what it means to do good business.** A growing number of CEOs recognize sustainability not as a “nice to have” but a cornerstone of business success – and this is reflected in the increasing uptake of credible sustainability standards. While ambitious sustainability goals and strategies at the individual company level remain vital, sector-wide transformation can only happen through the sort of collective action that credible standards encourage and enable. And it is transformation at this level that is required for businesses to make a real contribution towards the poverty free world set out in the SDGs.

**The multistakeholder nature of credible sustainability standards increases understanding and helps pave the way for sector-wide improvements** – even among producers and companies that are not certified – in a way that individual supply-chain actions cannot. Even where measures for meeting sustainability standards seem modest, for example putting in place waste disposal systems on farms or making safety equipment available for workers, they can make a significant contribution when adopted by most or all businesses within a country, sector, or indeed globally. Credible standards also provide greater rigour, transparency and opportunities for continuous improvement, including through cross-standard collaboration facilitated by organizations like ISEAL.



© SIMON DE TREVANHTE / WWF-UK

**Standards are not a silver bullet.** Market-based solutions alone cannot deliver the SDGs, nor eliminate all the negative impacts of commodity production and other business operations. It is clear, too, that not all standards are created equal. While this report has shown how credible standards can enable outcomes and impacts across various SDGs, a benchmarking of all existing sustainability standards against the SDG framework goes beyond its scope. In addition, even credible standards represent a fixed level of sustainability: progressive businesses should (and do) attempt to go beyond these requirements to increase their contribution for reaching the global goals.

*“There is no business case for enduring poverty. We have an opportunity to unlock trillions of dollars through new markets, investments and innovation – but to do so, we must challenge our current practices and address poverty, inequality and environmental challenges. Every business will benefit from operating in a more equitable, resilient world if we achieve the Sustainable Development Goals.”*

Paul Polman, CEO, Unilever

## TOWARD 2030 – RECOMMENDATIONS

Achieving the SDGs demands a global shift toward sustainable development. This will require significant changes in business models, investments and policy frameworks which are beyond the scope of this report. These recommendations focus on the immediate steps that businesses, investors and governments can make to effectively use standards and certification, as a way of accelerating progress toward SDG targets. These efforts should link to existing commitments and agreements.



### MANUFACTURERS, TRADERS, BRANDS AND RETAILERS SHOULD:

- Map their supply chains to understand the sources of their inputs and develop an understanding about how sustainable supply chain management can contribute to the SDGs.
- Ensure operations fully comply with national, regional and international agreements at all steps of the supply chain, including global agreements for sustainable business, such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises
- Commit publicly to source only credibly certified and (where possible) segregated commodities for 100 per cent of their volume requirements by 2020 at the latest, prioritizing those commodities that are material for their businesses.
- For commodities where supply in the right volumes is not available at present in all geographies, companies should highlight the challenges and collaborate with other stakeholders to resolve supply issues as soon as possible.
- Invest in capacity-building programmes to support smallholders, SMEs and developing-world producers to achieve certified sustainable production.
- Publish quantified, time-bound action plans detailing how they contribute to transformational change within their sector.
- Engage with other supply chain actors and industry sectors in a collaborative and pre-competitive way to contribute to the SDG agenda on a large scale:
  - Join or initiate accountable industry platforms.
  - Support the development of multistakeholder standards in sectors and regions where they are weak or non-existent.
- Engage with policy-makers in cross-commodity policy initiatives to advocate for the elimination of unsustainable practices and explore partnerships to advance land-use planning and sustainable production at landscape and jurisdictional scales (see government section below).
- Use credible standards to report on progress toward their sustainability targets and the SDGs.



### INVESTORS AND DONORS SHOULD:

- Support private sector efforts to contribute to the SDGs by investing in capacity-building programmes to support smallholders, SMEs and developing-world producers to achieve sustainability standards.
- Develop policies which incentivize businesses across various sectors to increase the uptake of sustainable practices and standards.
- Create new financial products which can incentivize sustainable production.
- Develop payment for ecosystem service initiatives which use credible standards and certifications systems.
- Ensure existing financial products, such as green bonds, are based on credible practices and have commensurate claims attached to them.

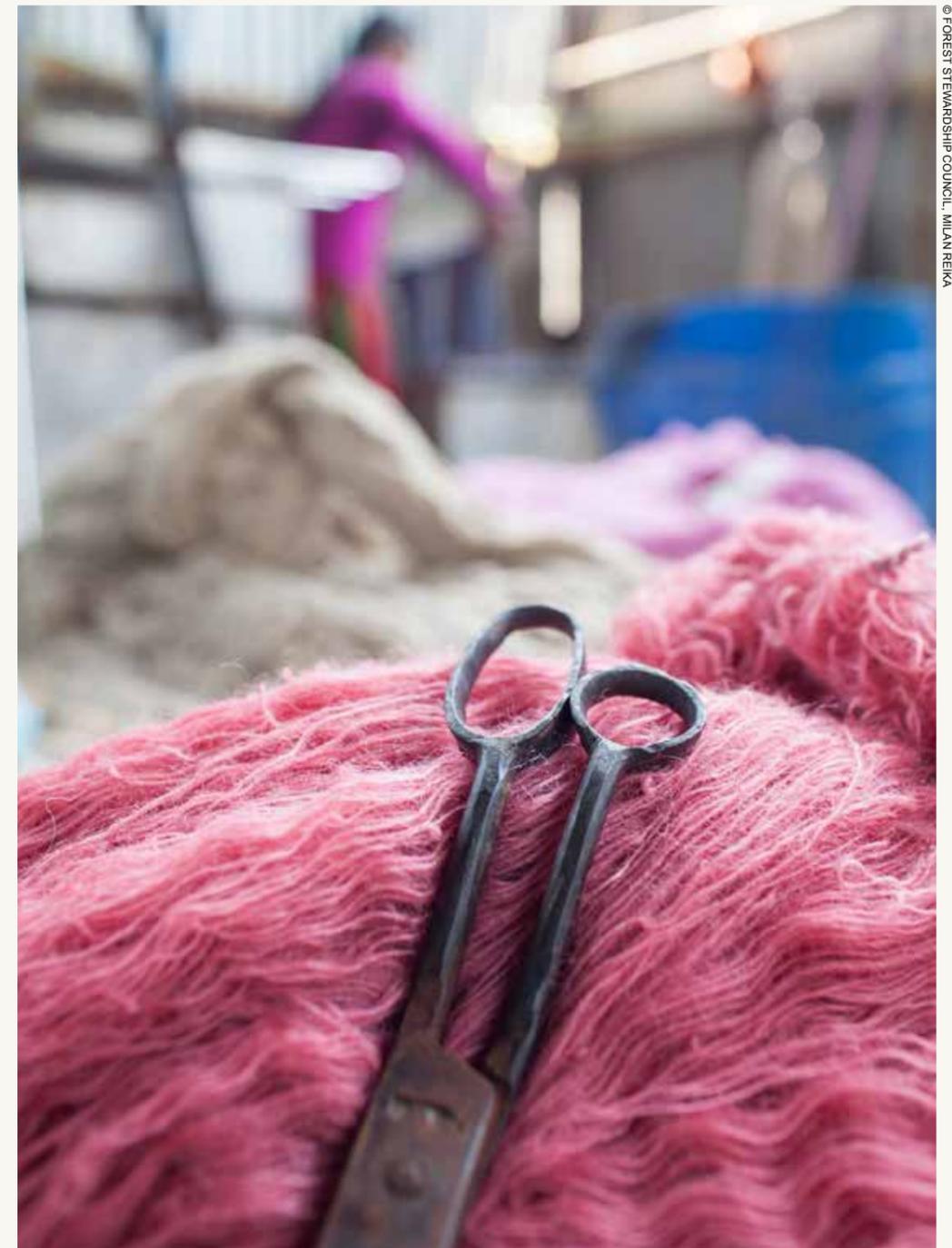


### GOVERNMENTS AND POLICY-MAKERS SHOULD:

- Create an enabling environment for better production and consumption, including support (financial or capacity building) to supply-chain actors committed to credible sustainability certification.
- In public procurement policies, reference credible sustainability standards and ensure credibly certified goods are preferred.
- Consider using the uptake of credible sustainability standards and certification as robust indicators for SDG targets, including, but not limited to, target 12.6 which urges business to adopt more sustainable practices.
- Review policies, subsidies and overseas development aid to promote sustainable (commodity) production and remove harmful incentives that may promote irresponsible or even illegal production, including by referencing or giving preference to credibly certified goods.
- Set a strong legislative and policy framework including integrated land-use planning that halts conversion of natural habitats before 2020, while ensuring the proper implementation of existing and future laws.

## LINKS

- 1 [www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA\\_Outcome.pdf](http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf)
- 2 [www.pwc.com/gx/en/sustainability/SDG/SDG%20Research\\_FINAL.pdf](http://www.pwc.com/gx/en/sustainability/SDG/SDG%20Research_FINAL.pdf)
- 3 [www.globescan.us3.list-manage1.com/track/click?u=f86fe191bb86c1bf2da47462a&id=2d4a276458&e=982adfd71b](http://www.globescan.us3.list-manage1.com/track/click?u=f86fe191bb86c1bf2da47462a&id=2d4a276458&e=982adfd71b)
- 4 [www.wbcsd.org/Clusters/Social-Impact/News/New-research-shows-SDGs-matter-to-leading-global-businesses](http://www.wbcsd.org/Clusters/Social-Impact/News/New-research-shows-SDGs-matter-to-leading-global-businesses)
- 5 [www.unglobalcompact.org](http://www.unglobalcompact.org)
- 6 [www.businesscommission.org](http://www.businesscommission.org)
- 7 [www.businesscalltoaction.org](http://www.businesscalltoaction.org)
- 8 [www.sdgcompass.org](http://www.sdgcompass.org)
- 9 [www.globalsalmoninitiative.org/sustainability](http://www.globalsalmoninitiative.org/sustainability)
- 10 [wwf.panda.org/wwf\\_news/?269970/WWF\\_report\\_slow\\_road\\_to\\_sustainability](http://wwf.panda.org/wwf_news/?269970/WWF_report_slow_road_to_sustainability)
- 11 [www.isealliance.org/our-work/defining-credibility/credibility-principles](http://www.isealliance.org/our-work/defining-credibility/credibility-principles)
- 12 [www.isealliance.org/our-work/defining-credibility/codes-of-good-practice](http://www.isealliance.org/our-work/defining-credibility/codes-of-good-practice)
- 13 [www.isealliance.org/our-members/full-members](http://www.isealliance.org/our-members/full-members)
- 14 [www.d2ouvy59p0dg6k.cloudfront.net/downloads/wwf\\_principles\\_for\\_standards\\_and\\_certification\\_schemes\\_external\\_version.pdf](http://www.d2ouvy59p0dg6k.cloudfront.net/downloads/wwf_principles_for_standards_and_certification_schemes_external_version.pdf)
- 15 [www.d2ouvy59p0dg6k.cloudfront.net/downloads/wwf\\_principles\\_for\\_standards\\_and\\_certification\\_schemes\\_external\\_version.pdf](http://www.d2ouvy59p0dg6k.cloudfront.net/downloads/wwf_principles_for_standards_and_certification_schemes_external_version.pdf)
- 16 [www.standardsmap.org](http://www.standardsmap.org)
- 17 [www.standardsmap.org](http://www.standardsmap.org)



© FOREST STEWARDSHIP COUNCIL, MILAN REIKA

# SUSTAINABLE DEVELOPMENT IN NUMBERS

100%  
RECYCLED



50%

Members of the Global Salmon Initiative, which produce half of all farmed salmon globally, are working toward credible sustainability certification by 2020.

+23%

Farmers following the Better Cotton Initiative standard had yields 23 per cent higher than conventional cotton farmers, while using less water and chemical inputs.



191 MILLION

Forests covering 191 million hectares are being sustainably managed to the Forest Stewardship Council standard.

1/3

One in three businesses say they will use the Sustainable Development Goals to set corporate targets.



**Why we are here**

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

[panda.org/markets](http://panda.org/markets)

