Why Voluntary Standards – Standard Systems as management tool, GIZ Programme Social and Environmental Standards

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Why Voluntary Standards Systems (VSS)?

- Global supply chains – but rarely implemented global legal frameworks for production conditions

- Companies’ main factors of motivation:
  - Risk-management
  - Market differentiation
  - Instrument to increase transparency, efficiency, productivity

- Public sector interest:
  - Reputation
  - Social and environmental conditions
  - Increase competitiveness of local companies
  - Value creation

- Consumer‘s interest:
  - Product safety
  - Product quality
  - Feeling good!
VSS as tools for…

- Sustainable economic development
- Supply chain management
  - Risik-Management
  - Marketing differentiation
- Implementation of social and ecological conditions PLUS
  - Productivity
  - Efficient management processes
  - Transparency and traceability
  - Market access
  - Quality
VSS support...

VSS

Management tool to operationalise sustainable economic development in supply chains and production systems

Efficient management

Transparency / Traceability

Risk-Management and differentiation

Improved conditions across the supply chain

Improved market access and competitiveness

Responsible competitiveness
Current trends...

- Sustainability as competitive advantage
- Commitments from trade, industry, retail
- Safeguarding of investments
- Incorporation in financing / funds / indices
- Public incentives and initiatives (public procurement)
- Inclusion of cross cutting issues: climate, water
A movement!

From niche to mainstream
What does it mean to forestry?

- Certification as tool to address illegal practices
- Use new opportunities (REDD, HCV etc)
- Policy support necessary
- Cooperation of stakeholders crucial for strategic dev‘t
- Pro-actively respond to market demand