



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!





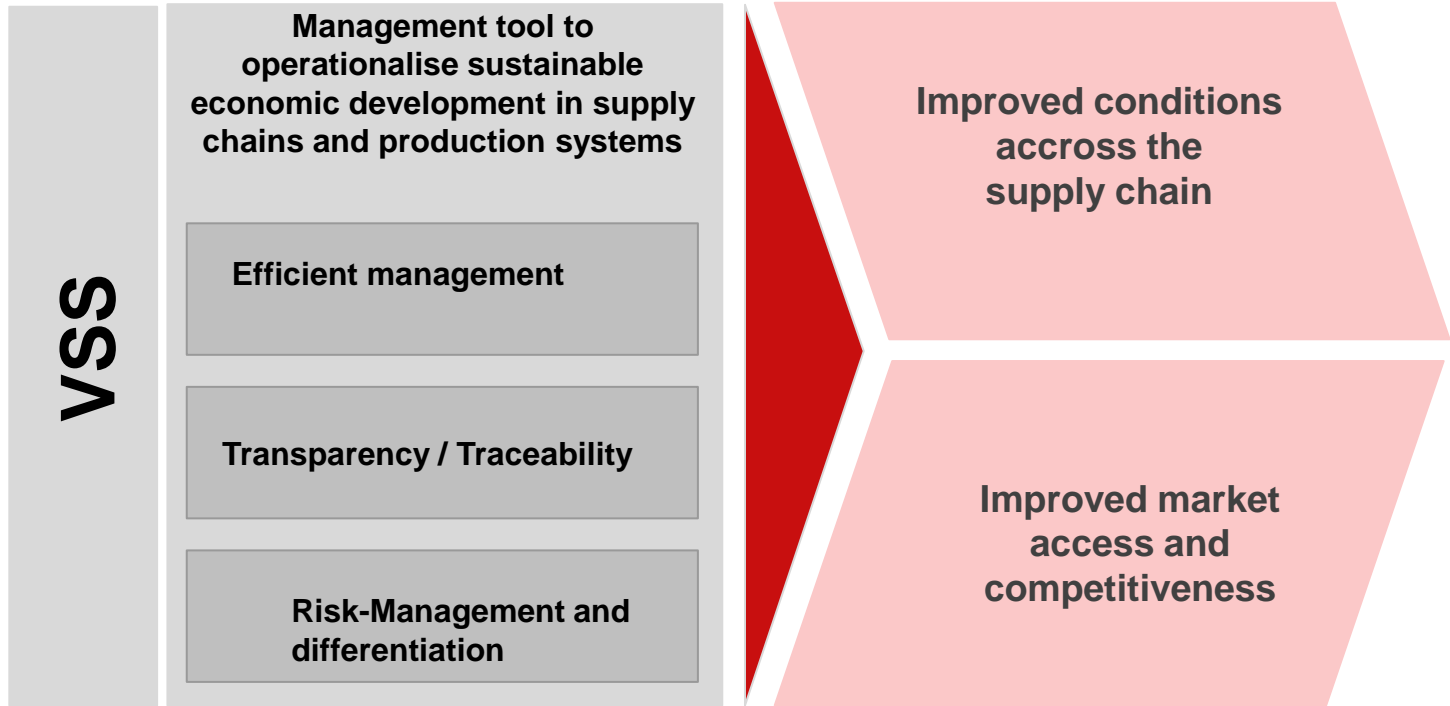
VSS as tools for...

- 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...





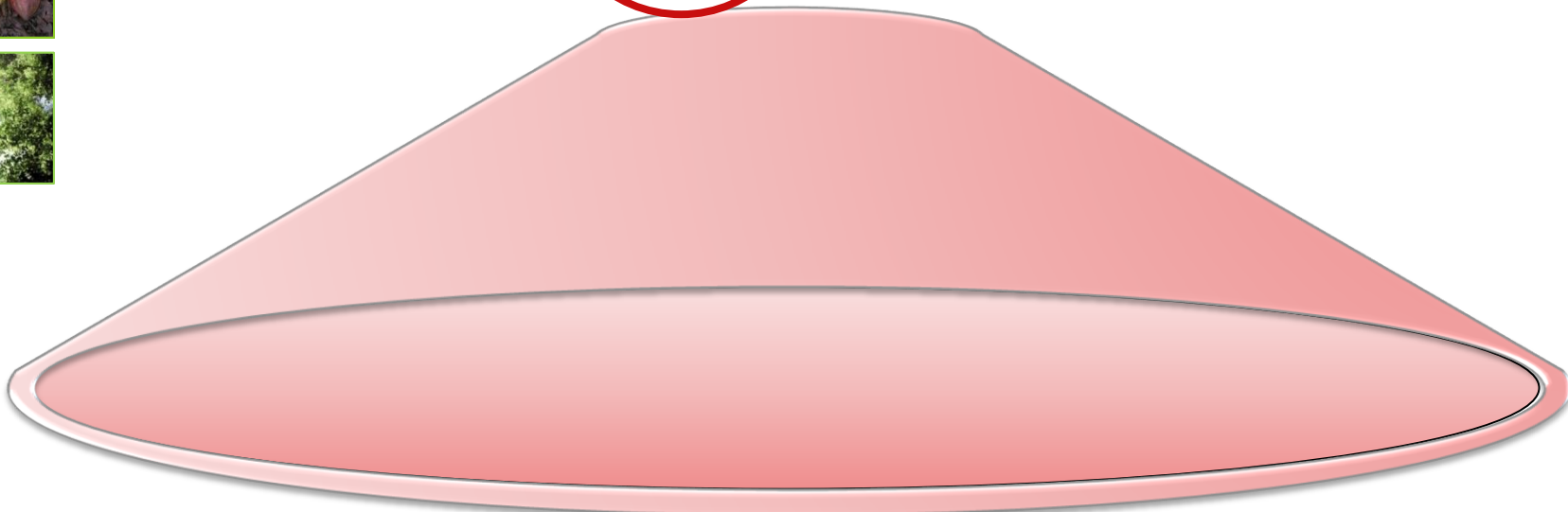
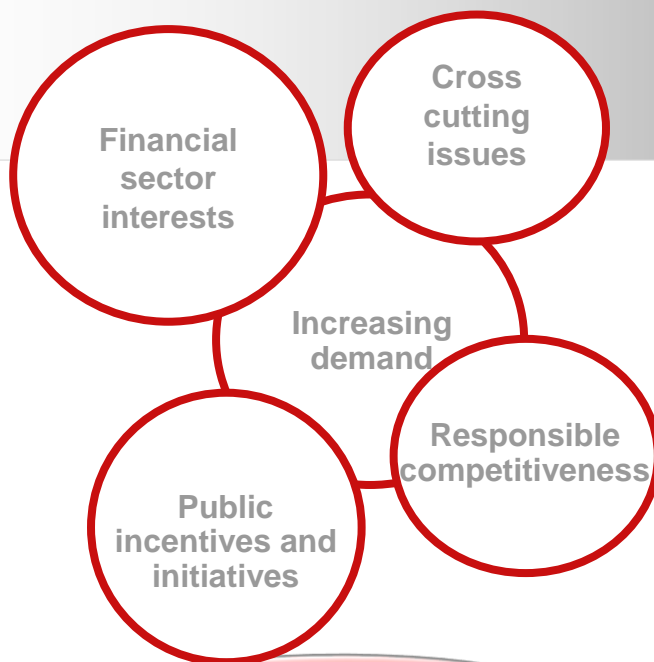
Current trends...

- 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





Programme Social and Ecological Standards



On behalf of
**Federal Ministry
for Economic Cooperation
and Development**