

# Expert Meeting on Voluntary Sustainability Standards, Market Access, and Trade-led Sustainable Development

UNCTAD, Supported by the United Nations Forum on Sustainable Standards (UNFSS)<sup>1</sup> and the German Development Institute (DIE)

**27 September 2017**  
**Room XXV, Palais des Nations, Geneva, Switzerland**

## BACKGROUND

In recent years, Voluntary Sustainability Standards (VSS) for commodities have had an increasing influence over export opportunities for developing countries in international trade.

VSS are considered a market-based tool to transform commodity production, global supply chains and consumption patterns into more sustainable ones. There are around 500 VSS and these apply to agricultural, forestry, or fishery products - such as coffee, tea, bananas, cocoa, palm oil, timber, and cotton – which are among the major export earning sectors of many developing countries.

The exponential growth of VSS reflects an effort to capturing the growing consumer demand for “sustainability” and nature-based, healthy products. More and more global retailers opt for sourcing products that carry sustainability standards, or eco-labels. For developing-country producers, complying with VSS can increase marketability of green exports in the growing and lucrative “sustainability” and nature-based markets in the world. Complying with VSS can also advance sustainable production methods in the field, and contribute to the achievement of SDGs such as poverty elimination (SDG1), gender equality (SDG5), decent work (SDG8), sustainable production and consumption (SDG12), sustainable marine ecosystem (SDG15), and terrestrial ecosystems protection (SDG15).

However, being certified for a VSS can be a considerable challenge to local producers, particularly small enterprises and resource-poor farmers. Examples to date suggest that VSS-certified producers tend to be larger-scale producers, exacerbating competitiveness disadvantages faced by small-scale producers within a country. Other challenges faced by stakeholders in producing countries include: the proliferation of VSS without interoperability among them; lack of constructive partnerships between VSS and the government; uncertainty over VSS-induced price premiums, and lack of administrative and technical capacity in proving VSS compliance (e.g. testing laboratory).

In short, VSS may be catalytic to achieve win-win-win outcomes for trade-induced economic growth, environmental sustainability and social development. However, small producers and businesses in developing countries and theirs

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<sup>1</sup> The UNFSS was set up in 2013 as is an inter-agency framework that aims at enhancing developing countries' participation in the international dialogue on VSS. The UNFSS members work collaboratively towards supporting producers, businesses, NGOs and the government in developing countries to better assess the contribution of VSS to sustainable development goals. The five member agencies of the UNFSS are: Food and Agriculture Organization (FAO), United Nations Industrial Development Organization (UNIDO), United Nations Environment (UNE), United Nations Conference on Trade and Development (UNCTAD), and International Trade Centre (ITC).

government are not always technically, financially or institutionally capable to reap the developmental benefits arising out of VSS.

In this context, UNCTAD analyses potential effectiveness and development impact of VSS from the perspectives of developing-countries and conducts technical assistance towards improving their capacity in using VSS as a tool for achieving sustainable development. UNCTAD is also a member of the UNFSS which promotes dialogue, cooperation and partnership among UN agencies in support the development of VSS in a manner that enhances sustainable development in developing countries.

As part of a process of addressing VSS, a number of developing countries, supported by UNFSS, have recently decided to establish national multi-stakeholder VSS platforms with the aim to holistically discuss strategic approaches to VSS. The national platforms are national initiatives that reflect local priorities. For example, India, with the support of UNCTAD, as a member of UNFSS, has established its national platform on VSS to “facilitate dialogue between stakeholders, (...) enhance market access opportunities of PSS; (and) maximize sustainable development benefits” ([Presentation by Quality Council of India](#) at the first meeting of the Multi-Stakeholder Committee). Recently China and Brazil have also moved forward to establish their national multi-stakeholder platforms on VSS.

## OBJECTIVE OF THE MEETING

Against the above background, UNCTAD is organizing the workshop to discuss VSS, their impact upon developing countries’ market access and sustainable development, and the contribution of national platforms for VSS. The workshop is also supported by UNFSS and DIE.

Key questions to be addressed will be:

- How effective have VSS been for sustained, inclusive and sustainable trade?
- What type of global partnership can help improve VSS’ effectiveness on inclusive and sustainable trade growth?
- What is the role of a national regulatory framework on VSS?
- What are key lessons from the formation of national multi-stakeholder platforms on VSS so far?
- Is there a need for global governance on VSS?

This VSS meeting takes place as part of the UNCTAD's Non-Tariff Measures Week (25 to 27 September, 2017) held in Room XXV in Palais de Nations, Geneva, Switzerland. The first two days will be dedicated to mandatory Non-Tariff Measures and it will include policy discussions, the latest research and the Multi-Agency Support Team (MAST) meeting on the revision of the International Classification of NTMs. Topics include NTMs transparency and regional integration. For further information please go to <http://unctad.org/ntm>

DRAFT PROGRAMME OF THE MEETING

Monday 28<sup>th</sup> and Tuesday 28<sup>th</sup> September 2017

10:00 – 18:00 Opening of the Non-Tariff Measures Week - MAST Meeting

Wednesday 27<sup>th</sup> September 2017

13:30 – 14:45 Registration

14:45 – 16:00 **VSS and trade-led sustainable growth: Do we need global governance?**

- How do we balance “gains” from VSS across different stakeholders?
- How can trade policy tackle VSS influence on developing countries’ market access?
- When and in which areas global governance on VSS is needed?

**Chair:** Isabelle Durant, Deputy Secretary-General of UNCTAD

**Speakers:**

- Harsha Vardhana Singh, Brookings India
- Patrick Mallet, ISEAL Alliance
- Bernard Hoekman, European University Institute
- Noel Kalo, Department of Industry, Vanuatu
- Kali Taylor, SDG Lab
- Andrea Barrios Villareal, México

**Discussants:**

- Aimée Hampel-Milagrosa, Asian Development Bank
- Mika Vepsäläinen, UNECE

16:00 – 16:15 Coffee break

16:15 – 17:30 **Multi-Stakeholder Approach at the National Level**

- Case study on the national multi-stakeholder VSS platforms of China, India and Brazil
- What is the role of a national regulatory framework on VSS?
- How do we assess various stakeholders’ interests and concerns on VSS?
- Can governments use national platform on VSS to implement policies on sustainable development?

**Moderator:** Thomas Fues, Director, MGG, German Development Institute (DIE)

**Speakers:**

- Rogerio Correa, National Institute of Metrology, Quality and Technology Brazil
- Zhang Xiuchun, China Association for Standardization
- Sofia Pacheco, Dirección Nacional de Normas, México
- Manish Pande, Quality Council of India
- Aderina Uli Panggabean, National Standardization Agency Indonesia
- Mathale Peter, South Africa Bureau of Standards

**Discussants:** UNFSS Members: FAO, ITC, UNCTAD, UN Environment, UNIDO

