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Understanding the effectiveness and impacts of sustainability standards: building a collaborative research agenda

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Context and purpose of this collaborative research agenda

As the global membership body for sustainability standards, the highest aim of the ISEAL Alliance is to improve impacts for people and the environment. There are two important ways through which ISEAL's work on Impacts supports this goal. The first is by working with standard systems to improve the regular monitoring and evaluation of their performance and putting learning and improvement at the heart of their efforts. ISEAL's Impacts Code and membership services are designed as tools to support this process. The second is by actively working with our members and researchers to understand the impacts of standards both to demonstrate their value and to learn and improve their impacts.

The standards community has made reasonable advances in researching its own impacts in recent years. This is matched by a growing interest from external researchers in the field of sustainability and development that has resulted in considerable literature emerging from various disciplinary fields of study. Despite these efforts, substantial knowledge and evidence gaps persist in our understanding of the impacts of sustainability standards. Research efforts in this field are often sector specific, uncoordinated, regularly restricted in geographic and thematic scope, and fall short methodologically both in terms of rigour and scope. This has led to a state of 'over-researching' in some sectors and themes and a complete neglect of other sectors and questions that are of relevance both to this community and to scholarship in this field. Methodological limitations and resource constraints have resulted in a plethora of case studies that explain impacts at a local level but limit our ability to interpret findings and draw conclusions at a more general level.

In order to address this challenge, ISEAL has been proactively engaging with the research community. Our efforts in the last few years have focussed on supporting researchers to understand sustainability standards, our members and their work and accessing research or data that we know already exists in their field of work. In addition, ISEAL also began to develop focussed research agendas on priority thematic areas to document key knowledge gaps in this field. The first of these was a Research Agenda on the Poverty Reduction Impacts of Sustainability Standards that ISEAL published in 2013 after close consultation with our membership and with researchers active in this field. This agenda has helped inform our own research work at ISEAL and the research work commissioned or undertaken by our members. In 2014, ISEAL also conducted research workshops towards developing two more such agendas – on the conservation impacts and on the gender impacts of standards. These have resulted in the publication of a draft Research Agenda on the Gender Impacts of Sustainability Standards in June 2015 and an effort to further develop the conservation research agenda that is ongoing.

This document aims to build on this work in two specific ways – firstly by updating the agendas on these themes and further prioritising key questions and secondly by expanding the scope to includes other themes and areas of enquiry that are emerging as priorities in this field. In each of the six identified thematic areas, we first highlight the emerging priority questions (based on feedback received thus far) and annex a longer list of questions (so you know these are also in our consideration but probably not emerging as priorities).

We are keen to develop this research agenda in close collaboration with the research community, standard systems and peer organisations working in this field and welcome all inputs into this process. We see it as a tool that can help focus research efforts and foster collaboration and partnership between ISEAL and its membership, the research community, peer organisations and funders interested in the common goal of advancing knowledge in this field. Once finalised, ISEAL will publish the research agenda as a public resource and work towards its uptake within our membership and through outreach and engagement with the research community and targeted partnerships.

Scope of this draft research agenda

This document compiles a 'long list' of research questions as a start towards building a more comprehensive research agenda for this field of study. It should be seen as a living document that will evolve with time based on the feedback we receive through consultation with our members and researchers and as issues shift in our dynamic field of practice. A few points to set the scope for this document to ensure readers understand its focus and limitations:

- ISEAL values all research in the field of sustainability that expands our knowledge base. However, in developing this research agenda, we are primarily focussed on understanding and demonstrating the *effectiveness and impacts* of standards on sustainability outcomes. The questions here are framed to focus on *evaluating standards* – their content and processes – and relating that to the outcomes and impacts they have (or not) on key areas of sustainability. We include here outcomes and impacts at the field level (in farms, factories, forests, fisheries and so on) but also in other spheres such as the supply chain, on business behaviour, on governance and policy-making or on consumer knowledge and understanding. We also do not focus here on the impact of *ISEAL* itself and its work although there is growing interest in this – both internally and externally.

- The research agenda focusses, at this stage, more on the *content* of our enquiry than the *method*. ISEAL has a keen interest in pursuing dialogue around research design, methods and ethics in this field but we see this an outcome of improved research engagement and learning that will emerge through the uptake of this agenda.

- An overarching priority for the standards community is to understand their *specific* impacts in the context of the heterogeneous and overlapping interventions in the field of sustainability and development. We are interested in knowing what works where, why, for whom and under what circumstances. We are also interested in general trends of impacts and our ability to demonstrate impacts at scale in addition to localised impacts in particular product / country / sector contexts.

- At this stage, the questions in this document are not sector specific. It is intended to apply to all sectors that ISEAL members work in and we welcome inputs to make it more comprehensive in that regard. However, we would like to use the consultation process to draw out questions that are priorities for particular sectors or sub-sectors and through that build customised research agendas for specific sectors, if useful. But in general, given that much of the existing research on standards has focussed on the agriculture and forestry fields, we would encourage the uptake of the research questions here to under-researched sectors such as mining & minerals, textiles, construction, finance, fishing, tourism and supply chain practices as a whole.

- At this stage, the research agenda is also not geography specific. But just as with the sectors, we wish to draw out priority questions for particular geographies or regions through the consultation process. ISEAL is also interested in understanding the emergence and impacts of standards in emerging economies and implications for sustainable production, consumption and the relevance of global standards. We are particularly keen to understand trajectories of change at a country-commodity level and beyond and what the territorial, topographic and spatial factors strengthen or limit the impacts standards can have.

- Lastly, the research agenda is focussed on six broad themes or areas of enquiry – (1) value chains and market penetration, (2) poverty and sustainable livelihoods, (3) conservation and natural resource management, (4) gender, (5) sustainable and ethical consumption and (6) the role of standards as governance and regulation tools. Understandably, this is not a water-tight categorisation and there is overlap between these themes. The categories are proposed more to help distinguish between the primary focus of the research question in each case. This is an indicative list of themes and we hope that through the consultation process, we can identify any more that are relevant or indeed consider combining themes in a meaningful way.

Understanding the impacts of sustainability standards

Developing our key research priorities

Theme 1: Value chains and Market Penetration

Sustainability standards are, in their most fundamental sense, market-based mechanisms aimed at driving sustainable consumption and production. So no matter which sector they operate in, it is important to know what impacts the presence and application of one or more standards in that sector results in – both at a general level and to the various constituent parts of a chain. With sustainability standards now operational in a range of commodity value chains and sectors, we are also interested in understanding the potential of standards to transform practices and outcomes at a sector-wide level. Over the last decade, although research on global value chains (GVCs) has made considerable progress, the specific analysis of the role of standards in them has been limited.

Emerging priority questions

1. How do interventions made by sustainability standards impact on value chain *practices* and *behaviours* in sectors in which they operate?

2. Under what conditions do global commodity value chains in which sustainability standards operate *include or exclude smallholders*? What are the factors that determine which groups are included and what are excluded?

3. What is the value that sustainability standards bring in terms of *convening industry-wide dialogue* and discussion on key issues?

4. How do credible sustainability standards impact the interaction and *governance* between different actors in a value chain? How do these interactions compare with other value chains?

Other research questions of interest

5. What are the factors that enable or limit the ability of standards to be widely adopted in a sector and under what circumstances do they start driving sector-wide change?

6. What are the costs-benefits of working with standards for businesses to achieve sustainability outcomes in specific value chains? How can the costs be reduced and the benefits be amplified from a business point of view?

7. What is the economic value of sustainability standards in relation to the reduction of transaction costs and risk in value chains and providing access to differentiate markets?

8. What are the impacts of standards on management practices of various entities in the value chain in relation to sustainability?

9. What are the spillover / overflow effects and impacts of using sustainability standards in a given sector especially when adopted by a critical mass of actors in that value chain?

10. How do standards interact with other tools for supply chain viability and what are their specific impacts? This could be linked to the effect of different value chain configurations and CSR strategies on the development and implementation of standards.

Theme 2: Poverty and Sustainable Livelihoods

Note: The questions in this section build on a detailed research agenda on the poverty impacts of sustainability standards that ISEAL published in 2013. We highlight here (in the box) the questions that have already been identified as priorities through previous consultation. To this, we have added questions that are emerging as additional knowledge gaps in this theme. The section has some questions that apply both to producer (farmer) and worker contexts and some that are specific to each. Many questions here are reflective of an ongoing conversation about the extent to which sustainability standards and certification could even be considered appropriate tools for poverty alleviation and whether their design and practice makes these expectations of poverty impact realistic.

Emerging priority questions

1. Under what conditions could sustainability standards be more effective tools that can contribute positively to poverty alleviation in rural contexts? What are the contexts and scenarios in which standards and certification can be leveraged to meet poverty outcomes for rural farmers and workers?

2. What are the factors that determine which 'poor' and 'marginalised' groups are able to participate / be included within sustainability standard schemes? What is the level of inclusion / exclusion of certain categories of the 'poor' and why?

3. What are the costs incurred by producers, especially smallholder farmers, in adopting sustainable standards in a particular sector? How do these costs compare to the benefits they receive? How sustainable are these benefits over time?

4. How do the introduction of sustainability standards affect the market and production dynamics in particular crop-country contexts? What added value (or 'additionality') does the application of sustainability standards have on structural improvements in productivity, quality and profitability in a particular sector / category?

5. What impacts do sustainability standards have on the **empowerment of farmers and workers** or specific sub-groups within (such as women)? To what extent does participation in a sustainability standard increase the bargaining or negotiating power of smallholders in a meaningful way? Which are the most important dimensions of empowerment that standards can affect and that are effective in leveraging change to improve livelihoods? → And how do they do this?

6. What is the impact of sustainability standards on farmer and worker organisations? Under what conditions are these organisations most effective in furthering positive outcomes for individual farmer or worker members?

7. Given dynamic rural market contexts, what are the conditions under which standards have the best or least impact? When do they work best? How do standards interact with other variables in the rural economy and impact then that then determines their ability to affect poverty outcomes?

8. What are the impacts of using sustainability standards on farm practice changes and adoption and how sustainable are these changes?

Other research questions of interest

9. What are the impacts of sustainability standards on the role of informal labour on certified smallholder farms?

10. How do wages and livelihoods of workers on such farms compare to those who are employed on non-certified farms?

11. What is the specific value addition of standards in supporting farmers and workers achieve more sustainable outcomes given the range of livelihood interventions that may be operational in their contexts?

12. To what extent have sustainability standards had an influence / impact on prices that smallholder farmers receive for what they sell? What is the ability of standards to influence price and if not, how sustainable is a focus on improving livelihoods solely through improved productivity & quality?

13. Given the general shift away from farming in rural societies, to what extent are sustainability standards incentivising continued farming or locking in already marginalised farmers and workers into rural agrarian cycles?

14. What difference do standards make to their working conditions and wages? How do these benefits different between permanent / temporary, local/ migrant and male / female workers?

15. What are the impacts of standards on working conditions and wages of workers employed in large-scale production contexts? What is the impact of sustainability standards that are often private and voluntary on labour regulation by public enforcement bodies?

Theme 3: Conservation and Natural Resource Management

Note: The questions in this section build on a draft research agenda on the conservation impacts of sustainability standards that ISEAL and a few others members have been developing over the last two years. A workshop on the draft agenda that was held alongside the ISEAL Annual Conference in 2014 already identified a few key priority questions. We build on that with a few more.

Emerging priority questions

1. What is the conservation effectiveness of certification systems?

2. To what extent and in what contexts do sustainability standards help reduce destruction and degradation of natural ecosystems and areas of biodiversity importance at landscape to regional scales?

3. What are the impacts that certification has on the biophysical effects (e.g. soil quality, water quantity and quality, air quality, etc.) in a particular region or sector?

4. To what extent do sustainability standards help maintain or improve on-production-site biodiversity, natural resource base and associated ecosystem services and environmental management practices?

5. What is the impact of individual standards and of standards as a collective?

6. And what institutional arrangements are required to incentivize payments for environmental services as a scale that is viable?

7. How do sustainability standards interact with other land use, governance, and market incentive systems and dynamics to influence the answers to the preceding questions?

8. To what extent do sustainability standards contribute to biodiversity-friendly landscapes and land-use mosaics?

Other research questions of interest

9. When and to what extent are conservation outcomes synergistic or conflicting with productivity and profitability outcomes? What role do standard play in this dynamic?

10. What are the strengths and weaknesses of sustainability standards as market-based mechanisms in achieving conservation outcomes and natural resource management?

11. To what extent do sustainability standards generate spillover effects (positive or negative) that are intended or unintended which affect ecosystem service flows to off-site beneficiaries?

12. How do sustainability standards interact with other land use, governance, and market incentive systems and dynamics to support opportunity/cost models (e.g. footprint models and life cycle analysis approaches for planning and decision making)?

13. To what extent can standards be a credible pathway for identifying and conserving high conservation value areas? How effective are standards at protecting high conservation value areas?

14. What techniques could be implemented to make the production area more amenable to species movement and diversity? How do we incorporate these techniques into standards? What spatial patterns, densities, and qualities of habitat are required on the production matrix to achieve pre-determined biodiversity objectives? For all of the above, when does change occur / pre or post certification?

15. What restoration approaches can be implemented through standard systems?

16. In light of impending climate change and issues of food security, to what extent will farms implementing standards have higher resiliency and thus improved capacity to maintain productivity?

17. What are the impacts (e.g. cultural changes such as stewardship ethics or practice changes) of standards on resource managers and companies?

18. Who or what are the driving forces behind observed conservation changes?

19. What are the tradeoffs between biodiversity and ecosystem service outcomes?

20. What role do different stakeholders play in maintain biodiversity outcomes and natural resource management objectives in the standards?

21. What is the role of technical assistance versus the standards in delivering conservation outcomes or natural resource management objectives?

Theme 4: Gender

Note: The questions in this section build on a detailed research agenda on the gender impacts of sustainability standards that ISEAL published in 2015. In general, many questions outlined under theme 2 are all applicable to a gendered analysis as well (in fact this would be preferred as these outcomes often differ based on gender as they do on the basis of class, poverty status, regional status and so on). The questions proposed in the ISEAL draft gender research agenda have not yet been prioritised.

Emerging priority question

1. What are the outcomes and impacts of standards on gender dynamics in production units and processes? To what extent do the introduction of standards improve gender equities in production contexts and to what extent do they worsen them?

2. What are the intended and unintended impacts of sustainability standards on the gendered division of production in sectors where they work?

3. To what extent do standards address or influence structural barriers that limit the gendered benefits of their work? What barriers persist in limiting women's participation and benefitting from these schemes and how can standards address these barriers better.

4. What are the positive and adverse impacts of protective measures put in place to protect women in many sustainability standards? How can these be improved to achieve the objective of protection while not delimiting women's access to better paid or higher positions at work?

5. To what extent do standard systems enable more gender equitious outcomes in all their spheres of work (i.e. not just at the level of the production or certification unit but through assurance, improved stakeholder consultation, transparency in governance and management)? How can standard systems improve the processes through which they work to enhance positive gender outcomes at all levels of their work?

6. How do women use and manage forests and to what extent do they participate in forest rule-making? What is the evidence that the gender composition of forest and fishery management groups affects resource governance and conservation outcomes?

Theme 5: Sustainable and ethical consumption

As market-based tools, standards seek to and often do influence trends and practices of consumption along with influencing production. Despite being a relatively less discussed role that standards play, there is growing recognition that sustainability issues need resolution at both production and consumption ends with a key role for consumers to play in making more sustainable choices.

> *Emerging priority question*
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> 1. How effective are sustainability standards, especially those that work through consumer-facing labels, in raising consumer knowledge and consciousness about sustainable consumption behaviours and practices?

Other research questions of interest

2. How do consumers interact with sustainability standards and schemes?

3. What are consumer motivations to purchase sustainably? How do these motivations differ by region and market?

4. How do consumer motivations to purchase sustainably interact with other parameters that determine purchasing decisions such as quality, accessibility and price? What is the elasticity of demand for sustainable products from a consumer standpoint?

5. The SSI Report in 2014 highlighted that there is a significant gap between the supply of and demand for sustainably produced goods and services globally. In the context of this data, what is the link between awareness (of sustainability issues and options) and actual purchase of sustainable products at the consumer level? Under what conditions does awareness translate into purchase and under what conditions not, particularly in terms of the current context where ethical consumption is co-created by the consumers and businesses.

6. How is the rising of a growing middle class in emerging economies such as Brazil, China, India and South Africa affect the consumer demand for sustainably produced goods and services? What does this mean for the relevance of global versus local standards and the impacts they can have on driving more sustainable consumption in the future?

Theme 6: The Role of Standards as Governance and Regulation Tools

A growing body of literature is interested in questions around the role that private voluntary standards (and their membership organisations such as ISEAL) play in governance and regulation of policies and practices. In this field of study, standards are often conceptualised as 'non-state-market-driven' governance mechanisms that could complement or undermine the efforts and need for more public regulation of some issues. It is valuable for ISEAL to understand research in this field and apply its learning both to our own working and to that of our members to ensure long-term credibility and sustainability of the role that standards can play.

Emerging priority questions

1. How do voluntary sustainability standards interact with existing intergovernmental or national regulations in particular countries and sectors where they operate? Are sustainability standards effective in improving compliance with existing laws and regulations and if so, under what conditions? What is the impact of sustainability standards on public policy making and regulation in which in which they operate?

2. How effective are sustainability standards in improving the governance, stakeholder dialogue and partnership and community interactions in sectors in which they operate?

3. How can the impact of private standards be enhanced and reinforced through governmental support (e.g. enabling regulations, provision of infrastructure, financial support, and other incentives)?

4. What are the impacts of standard systems' own governance mechanisms on intended sustainability outcomes and impacts? Under what conditions are multi-stakeholder consultations a useful governance tool to drive long-term positive change in the sustainability sector?

Other research questions of interest

5. How do standards systems interact with governments and businesses in the landscape of sustainability governance? What are the drivers, mechanisms, and pathways of interaction? What are its outputs, outcomes, and impacts?

6. What are the determinants of legitimacy in the sphere of governance and regulation in sustainability? How can credible standard systems improve their legitimacy as valid tools to bring about change in this field?

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