

Voluntary Sustainability Standards and Fostering Green Exports in Asia and the Pacific

A Project to be implemented by UNCTAD (2017-2019)

Project Title :	Fostering the development of “green” exports through Voluntary Sustainability Standards (VSS) in Asia and Pacific
Implementation Date:	2017- December 2019
Target Region/Countries:	Asia-Pacific/Vanuatu, Lao People’s Democratic Republic, the Philippines
Executing Entity:	UNCTAD Division on International Trade
Project Objective:	To strengthen capacities of developing countries to foster the development of green export sectors through effective utilization of voluntary sustainability standards
Key outputs:	Multi-stakeholder platform, strategic options, national action plan
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1. DEVELOPMENT OBJECTIVES

- To maximize the benefit of **voluntary sustainability standards** (VSS) to developing countries diversifying into “green” exports
- To promote a bottom-up approach through multi-stakeholder dialogue and collaboration on implementing VSS as a tool to foster green exports and sustainable development
- To increase information and transparency of on VSS to local stakeholders for them to be proactively engaged in standard-setting and impact assessment

2. BACKGROUND

The 2030 Agenda for Sustainable Development defines international trade as “*an engine for inclusive economic growth and poverty reduction, and contributes to the promotion of sustainable development*” (Paragraph 68, the 2030 Agenda for Sustainable Development).

In support of developing countries’ efforts to leverage international trade as a means to achieving the SDGs, this project focuses on fostering *green* exports via exploiting VSS.

Green exports are exports that are harvested, produced, processed or serviced with methods that are sustainable, in the sense that they generate less negative or potentially positive externalities in terms of socio-economic or environmental development of the local community. International markets for “green” products, such as organically produced agricultural, fishery and forestry products, have been growing more rapidly and show more profitability than their “brown” equivalents.

VSS are norms and standards that are used to ensure that a product in question is harvested, produced or processed in accordance with certain sustainability metrics, including basic human rights, labour standards and environmental impacts. Countries can use VSS as a tool to increase economic gains to producers *and to*

transmit the gains from trade to social and environmental sustainability. However, many developing countries still face capacity gaps in doing so.

In order for VSS to yield meaningful gains to social and environmental at the local level, they need to be tailored to context-specific socio-environmental and production conditions. This in turn requires coordinated efforts by multi-stakeholders towards improving transparency, operability, and applicability of VSS to local objectives, needs and conditions.

The project will be implemented in Vanuatu, Laos, and the Philippines. These countries were selected based on the following justification:

- **Vanuatu** has already identified the targeted green export products (cocoa, copra/coconuts, sandalwoods and their associated products) with the [UNCTAD National Green Export Review \(NGER\)](#) project. The country now aims to identify strategies and actions towards achieving the green export growth.
- **Lao People's Democratic Republic**, through the implementation of the Swiss-funded [UN Trade Cluster Initiative in the country project](#) that developed commercial linkages between local small-scale organic producers and the country's tourism industry, is now interested in tapping into rapidly-growing demand for their organically produced vegetables, tea and silk in regional and international markets.
- **The Philippines** has extensive experience with VSS when promoting the country's key exports such as coconut oil, bananas, coffee and fresh or processed pineapples. Gathering information on these experiences through a national multi-stakeholder platform can help producers and businesses across different sectors and the government policymakers to holistically assess the country's strategies towards green export growth and sustainable development.

3. EXPECTED OUTPUTS/RESULTS

This project is expected to produce:

- Assessment toolkit which will provide a user-friendly methodology to assess key socio-environmental concerns of different stakeholders as regards VSS and green exports, taking into account gender specificities and other variables;
- Multi-stakeholder platforms for dialogue on VSS as a tool to foster "green" exports that genuinely embed local socio-environmental gains;
- Adoption and implementation of the National Action Plans by stakeholders to increase the effectiveness of VSS towards fostering green exports;
- A comprehensive report on country experiences and the findings from the project.

These outputs will contribute to:

- Increase understanding by stakeholders on the impacts of domestic and international VSS on the development of "green" exports and sustainable development objective;
- Improve capacity of multi-stakeholders to jointly design, assess and implement the strategic options for making the best use of VSS to develop "green" and sustainable exports; and
- Increase understanding by other countries within the region and beyond of how to make an effective use of VSS to enhance "green" exports and sustainable development in all the three dimensions.

4. PROJECT IMPLEMENTATION

The activities towards meeting these expected accomplishments will take place in three phases.

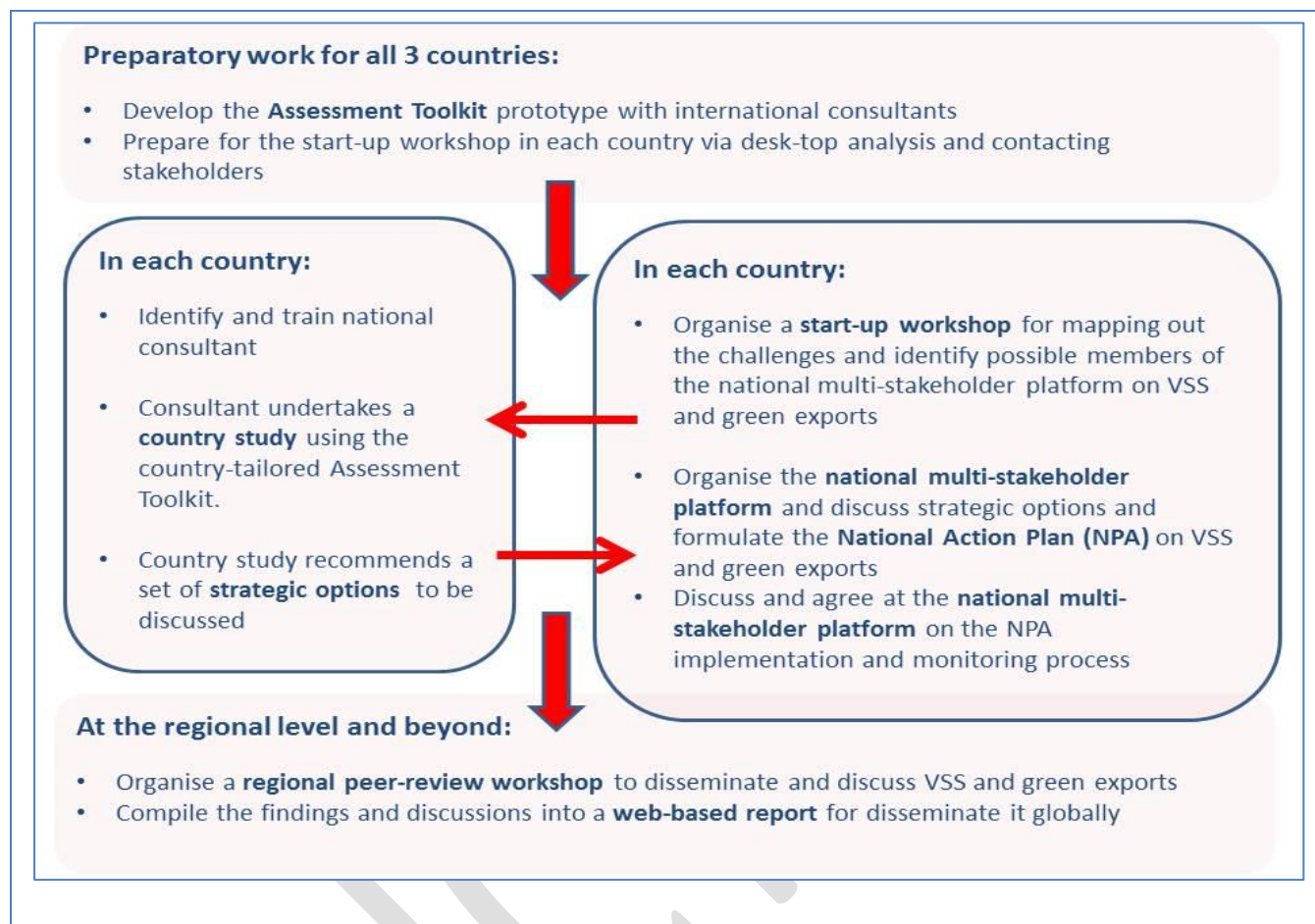
In the phase 1, the project will develop an **assessment toolkit** for systematically identifying and scaling sustainability concerns of different stakeholders. The project will then organize the start-up workshop in each country in preparation for the first national multi-stakeholder platform meeting in the next phase. Following the start-up workshop, a national consultant will conduct a **country study** which will provide **strategic options** for a multi-stakeholder platform.

The phase 2 focuses on establishing the national **multi-stakeholder platform** on VSS and green exports. At the national platform workshop, the stakeholders will discuss and evaluate the strategic options recommended in the country study, with a view to agreeing on the **National Action Plan (NAP)**. The NAP should map out who-does-what in which steps and sequences, together with how such actions will be monitored and evaluated.

The key focus of the phase 3 is to disseminate the projects' country-specific findings, good business practice and success cases to other countries in the Asia and Pacific region. The project organizes a **regional peer-review workshop**, which aims at increasing understanding among regional participants on ways to foster green exports via VSS. The project then compiles the findings, country experiences and the discussion into a **comprehensive report on VSS and green exports**. The report will be made available on the UNCTAD web.

The table below summarizes the chronological sequencing of the project implementation.

Phase 1		
2017	A1.1	Design the Assessment Toolkit to identify and scale concerns of different stakeholders as regards VSS and green exports. The tool-kit will be used by national consultants for A1.5
For each country:		
2017	A1.2	Conduct a fact-finding mission in preparation for the start-up workshop
	A1.3	Train a national consultant on the use of VSS impact-assessment tool kit
2018	A1.4	Organize a start-up workshop per country to map out the key issues and the key stakeholders in preparation for the national platform
	A1.5	Conduct a country study , the conclusion of which will be the strategic options which will be discussed at A2.1
Phase 2		
2019	A2.1	Organize the national multi-stakeholder platform to discuss and evaluate the strategic options recommended in the country study. Develop and adopt the National Action Plan (NAP) towards making VSS more effective for developing and fostering the "green" export sectors in the country in a socially and environmentally sustainable manner Help each country establish a process for implementation and monitoring of the NAP
Phase 3		
2019	A3.1	Organize a regional peer-review workshop to disseminate and discuss the country cases
	A3.2	Publish a comprehensive report of the findings and country experiences on the UNCTAD web



5. THE PROJECT'S CONTRIBUTION TO THE SDGs

The project is expected to improve countries' capacity to achieve the following SDGs and the targets:

Goal 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture: 2.4

By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production (...) and that progressively improve land and soil quality

Goal 8 Decent work and economic growth: 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation (...); **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

Goal 12 Ensure sustainable consumption and production patterns: 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and integrate sustainability information into their reporting style; **12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities

Goal 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss: 15.2 By 2020, promote the implementation of sustainable management of all types of forest, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally; **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

Goal 17 (Strengthen the means of implementation and revitalize the global partnership for sustainable development): 17.11 Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020; 17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder 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

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