

Impact case study (REF3)

Institution: University of Greenwich		
Unit of Assessment: 22 – Anthropology and Development Studies		
Title of case study: Informing and Engaging Sustainable Supply Chain Initiatives and Policy-Makers to Improve their Impact on Producers, Workers, Communities and Environments		
Period when the underpinning research was undertaken: January 2000 to November 2020		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s):	Role(s) (e.g. job title):	Period(s) employed by submitting HEI:
Valerie Nelson	Professor of Sustainable Development	01/05/1996 – present
Adrienne Martin	Professor of Development Studies	01/05/1996 – present
Jeremy Haggart	Professor of Agroecology	17/01/2011 – present
Ravinder Kumar	Associate Professor	01/10/2013 – present
David Phillips	Senior Scientist	20/02/2012 – 21/07/2016
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Period when the claimed impact occurred: August 2013 – November 2020		
Is this case study continued from a case study submitted in 2014? N		
1. Summary of the impact		
<p>Concerns about the social and environmental impacts of business in developing countries arose as value chains became increasingly global in nature. Sustainable Supply Chain Initiatives (SSIs) seek to improve business supply chain impacts on producers, workers, communities, and environments. NRI research highlighted an evidence gap on SSIs' effectiveness, and strengthened SSI's capacity to learn about their impact. This informed their organisational strategies and enhanced the livelihoods of producers and workers, especially women. NRI research on Responsible Business Initiatives has improved learning and action, enhancing impacts on global company supply chain workers, producers, communities, and environments. It has informed UK government policy and programming, catalysing a shift to more systemic approaches.</p>		
2. Underpinning research		
<p>Since 2000, the University of Greenwich's Natural Resources Institute (NRI) has undertaken a major body of research producing over 100 publications on SSI strategies and impacts relating to supply chain responsibility and sustainability. SSIs employ a diverse range of mechanisms. Over the last three decades they have sought to try and address sustainability issues in global trade, such as disadvantaged workers' and farmers' livelihoods and rights, and tackling the environmental impacts of business. Some SSIs promote greater fairness in trade, such as the Fairtrade Foundation. Some SSIs target products, setting standards for their production and assuring buyers through certification and labelling (sustainability standards, such as Fairtrade International, Rainforest Alliance, Better Cotton Initiative), and are represented by a membership body, ISEAL. Other initiatives work through codes of conduct which set standards for suppliers, with compliance checked through auditing. Responsible Business Initiatives (RBIs) employ various levers to influence corporate conduct (e.g. mobilising investor pressure, creating public benchmarks to rate corporate performance).</p> <p>Our research identified an evidence gap on the effectiveness and impact of sustainable supply chain initiatives and conducted a landmark meta-review of evidence on Fairtrade impact (Nelson, V. and Pound, B. 2009). We helped SSIs to understand and use Theory of Change Methodology, by first setting out how they intend to bring about change and articulating the causal connections between planned actions and anticipated impacts. They then gather evidence to show if and how their interventions have made a difference, assessing the actual changes brought about for farmers, workers, communities, and environments affected by business and trade. This approach was previously unfamiliar to SSIs and the development community (3.6; 3.2). This work generated evidence on the effectiveness and impact of different initiatives (sustainability standards, corporate codes, responsible business initiatives) in different commodities (cotton, tea, cocoa, coffee), and countries (3.3; 3.1). It challenged the widespread assumption that well-intentioned initiatives achieve sufficient, or only positive, social, and environmental impacts. We also further</p>		

demonstrated that the impact of sustainability standards and movements is *highly variable and context specific* (3.6; 3.4).

An important methodological finding was that theory-based evaluation and an outcomes-focus for SSIs are essential for learning about and improving impact in conditions of complexity (3.5). Quality in evaluation requires balancing both rigour and utility (3.5). Robust evidence is required by donors and the wider community of practice to inform their policies (3.1; 3.3; 3.2) but obtaining such evidence especially from private sector-led development poses challenges. On social and environmental impacts, NRI revealed that SSIs deliver *important livelihood and environmental benefits* (3.6). However, these are not enough to raise producers and workers out of poverty or to tackle broader structural issues, such as food and land tenure insecurity or gender inequality (3.6). There are unintended and unrecognized exclusions (e.g. landless, the poorest, women producers, casual and temporary workers). Product coverage and uptake by companies is variable (3.6). We found that SSIs needed to scale up their impact on household incomes and livelihood assets and address previously neglected issues (e.g. climate resilience, gender equality, livelihood diversification and wider landscape management). Also, systemic issues are beyond the reach of SSIs (e.g. land insecurity, deforestation, infrastructure, child and forced labour, corporate governance rules) so they require additional or alternative measures (3.6). We demonstrated that more realistic stakeholder expectations of SSI effectiveness were necessary, plus more collaborative governance and multi-stakeholder partnerships across sectors and landscapes, additional development partnerships to increase farmer/worker incomes and livelihood security and attention to issues of power and participation (3.6), and measures such as regulatory interventions (3.2).

3. References to the research

1. **R. Kumar, V. Nelson, A. Martin**, A. Latheef, B. Suresh Reddy, L. Narayanan, D. Badal, S. Young (2019) '[Evaluation of the early impacts of the Better Cotton Initiative on smallholder cotton producers in Kurnool district India: Final Evaluation Report](#)'. Commissioned by ISEAL and the Ford Foundation, Natural Resources Institute, University of Greenwich, Chatham. Final report of a four-year competitively awarded research study, using a Randomised Controlled Trial design. Runner Up Award for '[Evaluation for Transformational Change](#)'
2. **Nelson, Valerie** and Flint, Michael (2019) '[Critical reflections on responsible business initiatives and systemic constraints for achieving a safe and just operating space for humanity](#)'. In: Lund-Thomsen, Peter, Hansen, Michael and Lindgreen, Adam, (eds.) *Business and Development Studies: Issues and Perspectives*. Routledge, UK. ISBN 978-1138059870 [REF2 Submission – Identifier 24233]
3. **Nelson, A. Martin** M. Flint, J. Ewert, M. Opondo, A. Hasan, **M. Hartog**. (2017) 'Trade and Global Value Chains Initiative – Final Evaluation', NRI report commissioned by the UK Department for International Development. [Evaluation: Trade and Global Value Chains Initiative - GOV.UK \(www.gov.uk\)](#). Final Report of a four-year competitively awarded independent Monitoring, Evaluation and Learning Study.
4. **V. Nelson, J. Hagggar, A. Martin** J. Donovan, E. Borasino, W. Hasyim, N. Mhando, M. Senga, J. Mgumia, E. Quintanar Guadarrama, Z. Kendar, J. Valdez and D. Morales (2016) '[Fairtrade Coffee: A study to assess the impact of Fairtrade for coffee smallholders and producer organisations in Indonesia, Mexico, Peru, and Tanzania](#)' NRI and ICRAF. Final report of a competitively awarded research study with four national collaborators
5. **Nelson, V. and Martin, A.** (2014) '[Exploring issues of rigour and utility in Fairtrade impact assessment](#)'. *Food Chain*, 4(1), 14-33. [Full version available from UoG on request] **Nelson, V. and A. Martin** (2013) '[Final Technical Report: Assessing the poverty impact of sustainability standards](#)', NRI. Final report of a DFID-funded four-year research project. Cited in multiple places by: Oya, C. et al. (2017). 'Effects of Certification Schemes for Agricultural Production on Socio-Economic Outcomes in Low- and Middle-Income Countries: A Systematic Review' *A Campbell Systematic Review* 3, pp.1-352.

4. Details of the impact

NRI research and sustained engagement has informed SSIs and donors, causing strategic policy changes and actions, leading to improved impacts on producers, workers, communities, and environments in or affected by global value chains in low and middle

income countries (LMICs). Millions of workers, smallholders, and communities in agricultural, forestry and apparel global value chains face poverty, human rights abuses, livelihood insecurity and environmental degradation. NRI's research has directly informed the SSIs who target these groups. Examples: Ethical Trading Initiative – 15 million workers, Better Cotton Initiative (BCI), 2.1 million licensed farmers; Fairtrade International, 178,051 plantation workers and 1.7 million farmers in producer organisations. The types of impact achieved are a) Increased smallholder producer and worker income, livelihood security, and environmental improvements; b) Greater gender equality and participation of women smallholders temporary / casual workers in different SSIs and share of livelihood benefits; c) More effective programming and partnerships for transformative impact across sectors.

Impact claim 1: Organisational strategy changes of Better Cotton Initiative catalysed, enhancing their impacts on the livelihoods of cotton producers and workers in LMICs, especially India and enhanced environmental impacts (3.1): Better Cotton Initiative (BCI), a non-profit organisation, is the largest cotton sustainability programme worldwide, reaching more than 2.3 million cotton farmers in 23 countries, accounting for 22% of global production in 2018-19. It has 1,840 members (companies, farmer organisations), who source more than 1.5 million tonnes of “Better Cotton” in 2019. Its goal is to improve cotton production for producers, the environment and for the sector's future. BCI is currently refining its 2030 Global Strategy, informed by NRI's 2015-18 user-oriented study (5.1a) and dissemination of its recommendations to BCI Governing Council) (5.1b and 5.1c), with a stronger outcomes-focus, and adoption of a ‘farmer-centric’ engagement model to increase farmer impact (5.1c). BCI has already: a) strengthened due diligence and monitoring of its implementing partners; b) developed a gender baseline, implementing a Global Gender Strategy and recruiting decent work specialists; and c) adopted an area-based approach as a direct result of NRI's research in India, recognizing the need for collaborative governance and investment in complex, challenging contexts, with funding secured and pilots underway in Pakistan and Turkey (5.1c). 3,500 farmers in Andhra Pradesh have benefited in terms of livelihood security from a more effective implementation by BCI's project implementer, the NGO PRDIS, and BCI's improved decision-making, due to NRI's research (2015-19) (5.1d).

Impact claim 2: Organisational strategy changes of Fairtrade organisations catalysed, enhancing their impacts on the incomes, livelihoods of disadvantaged producers and workers, especially women, in LMICs (3.4; 3.5): Fairtrade International is a non-profit, multi-stakeholder association of 22 member organisations (three producer networks and 19 national Fairtrade organisations). Its label, the Fairtrade mark, appears on 35,000 products, such as coffee and cotton, sold in 145 countries. It works to make trade fairer through standards, certification, producer support, and advocacy. There are 1,822 Fairtrade producer organisations, representing 1.7 million producers. Benefits for producers include organisational capacity strengthening, reduced price volatility and Fairtrade Premium Payments on sales, with €871 million earned by producers over the past 5 years. NRI's Fairtrade studies have led to organizational policy and strategy changes, improving impact on disadvantaged producers and workers; ‘NRI's work has made a significant contribution to Fairtrade becoming more of a learning organisation, helping it to learn what works and feeding this in to strategy improvements, creating more positive benefits for disadvantaged smallholders and workers around the world. For example, it has particularly encouraged greater attention to issues of gender, with NRI research work acting as an important catalyst in the development of Fairtrade's gender strategy’ (5.2c). Our Fairtrade coffee study is regarded as an important source of evidence on the impacts and challenges of Fairtrade which is utilised in the coffee sector (5.2a). The management response to this study states that it forms the basis for the F.I. Fairtrade Coffee Plan (2016-2020), leading to five priority action areas (5.2d). Our Fairtrade Cotton study similarly informed F.I.'s organisational and global strategy (5.2b; 5.2e), enhancing their impact and focus on evaluation and learning. NRI significantly contributed to Fairtrade launching their new impact monitoring system in 2016, which generated positive case studies for Brazil, Ethiopia, and Palestine (5.2f).

Impact claim 3: Improved ISEAL and Sustainability Standard Members' Learning and Action increasing their impact on producers, workers, communities, and environments in

LMICs (3.6): ISEAL is the global membership organisation for ambitious, collaborative, and transparent sustainability initiatives, with a strategic global role in driving governmental and company efforts to increase sustainability of commodity trade, tackling issues such as climate change, deforestation, poverty, and inequality. Currently, it has 26 members, e.g. Rainforest Alliance, Fairtrade International, Better Cotton Initiative, Forest Stewardship Council, Bonsucro, Marine Stewardship Council, Roundtable on Sustainable Palm Oil. The members, who collectively reach millions of workers and producers in LMICs, have increased their investment in learning and action to scale up their social and environmental impact (5.3a; 5.3b). NRI improved their understanding and communication of how they intend to effect change, by pioneering theory of change approaches to evaluation (5.3a). NRI's sustained engagement with ISEAL and members since 2009 helped to strengthen their monitoring, evaluation, and learning capacity, creating a stronger outcome-focus (5.3d). It led to ISEAL's project, *Demonstrating and Improving Poverty Impacts* (2013-15), involving rigorous impact evaluations (including our BCI study), distilling key lessons for members, and encouraging other researchers to address this evidence and learning gap. Our engagement with ISEAL, contributed, in 2016, to ISEAL publishing a collaborative research agenda (which cited our study on the effectiveness and impact of sustainability standards) and demonstrates the growing global research effort to find ways to measure and increase SSI impacts on the ground (5.3c). Our pioneering work raised ISEAL's awareness of the need for good evidence and learning leading them to launch **Evidensia** in 2019, an online 'credible evidence' platform catalysing sustainability action through sharing of evidence and lessons for researchers, policy makers and practitioners. NRI has also contributed to this new platform (two blogs, sharing reports). ISEAL's Monitoring, Evaluation and Learning Manager states: "NRI's research has helped the systems they have studied learn about how to improve their interventions, in order to deepen and broaden impact." (5.3a).

Impact claim 4. Improved learning and action by Responsible Business Initiatives increasing their impact on producers, workers, communities, and environments in LMICs

(3.2): In 2014, the Department for International Development (DFID) funded the £30 million Responsible, Accountable and Transparent Enterprise (RATE) programme. RATE funded 12 global organisations (e.g. UN Global Compact, World Benchmarking Alliance, B Lab, ShareAction, Ethical Trading Initiative, Global Reporting Initiative) to scale up their work to improve business social and environmental impacts. Each RATE partner has large scale global reach to companies, e.g. 12,600 companies from 160 countries currently sign up to and are engaged by the UN Global Compact, and more than 10,000 companies report using the Global Reporting Initiative (GRI) standard. Each of these companies affects millions of supply chain workers, producers, communities, and environments, e.g. Ethical Trading Initiative (ETI) through corporate members reached over 15 million workers in 2019. In 2020, ShareAction's Workforce Disclosure Initiative engaged with 52 investment institutions, with \$6.5 trillion in assets under management, and with 141 global companies (5.4a). A strategic objective of RATE was to build the evidence base on social and environmental impacts of business activity. NRI was responsible for the monitoring, evaluation, and learning of RATE. NRI significantly strengthened the capacity of all these organisations to learn how to improve their impact. DFID's Annual Review of the programme (5.4b) states that: '*Thousands of companies around the world have been positively impacted by the RATE partners, and those partners have built stronger delivery models with better means to assess performance.*' By the end of NRI's support for RATE programme learning, the capacity of the 12 partners to develop theories of change and produce impact evidence (through Action Plans) had been significantly strengthened (5.4c; 5.4d; 5.4e). Several partner organisations have since published case studies which have informed their strategies and more effectively communicate the benefits of their work (5.4a; 5.4e).

Impact claim 5: Informed UK government policy and programme strategies on responsible business, stimulating government support for more systems-oriented, sector wide and mandatory approaches (3.3):

NRI has worked with UK Department for International Development, generating evidence on the effectiveness of different approaches for advancing business social and environmental responsibility. NRI's impact of sustainability standards study (3.6) highlighted the benefits, but also limits of this approach. The study recommended innovations by sustainability standards and encouraged DFID to look at additional mechanisms for

transforming whole commodity production sectors and landscapes, for example, through collaborative stakeholder approaches. DFID then funded the membership body, ISEAL, specifically to focus on innovation for enhanced impact. DFID subsequently invested in sector and landscape initiatives through the £57.39 million Partnerships for Forests Programme. Another example of how evidence directly informed donor policy on global trade relates to DFID's decision to fund a policy review (5.5a) which drew heavily on NRI's findings on the limits of voluntary responsible business initiatives in the Mid-term Evaluation of DFID's RATE programme (3.2). Voluntary approaches rely on coaxing companies to disclose more information – but information alone has proven insufficient to drive real change, especially for workers, smallholders, communities, and environments at the production end of global value chains. NRI highlighted the need for a more systems-oriented approach, focusing on combinations of more effective measures involving governments, regulations (mandatory due diligence), corporate governance innovation (e.g. 'for-benefit' enterprise), impact evidence, mobilizing investors, and collaborative multi-stakeholder approaches. DFID commissioned a policy review (2020) after our mid-term evaluation. It drew heavily on our findings, consequently informing DFID's policy on global trade, which includes a growing focus on combinations of more effective measures involving governments and regulations (e.g. human rights or deforestation due diligence), and attention to power issues, corporate governance, impact evidence, and mobilizing investors etc. NRI's work on the RATE programme – both research findings shared with DFID and facilitation of intensive learning by the RATE organisational partners over three years - pointed to the need for more far-reaching combinations of measures. NRI's work improved the success of the RATE programme and this is confirmed by DFID in their 2020 RATE Project Completion Report (5.4a). It states that the Monitoring, Evaluation and Learning (MEL) support which NRI provided to the RATE partners 'was a key success of the overall programme' and 'Learning from RATE – over the 6 years - has been instrumental in generating interest in and building capacity to deliver responsible business initiatives.' DFID accepted the strategic need for 'a more systemic programmatic approach to achieve focused and lasting impact' including attention to power across supply chains, mandatory regulations and use of impact evidence (5.4a). Aligned with NRI's RATE programme mid-term review findings and recommendations (3.2), DFID funded a final project, a major initiative promoting 'for benefit' companies through policy, procurement, and data interventions in West African cocoa, taking a more systems-oriented approach (5.5c). Additionally, NRI's 2019 evaluation of DFID's Trade and Global Value Chain Initiative informed DFID's strategy on how to effectively engage with the private sector for positive development outcomes for workers, smallholders, communities, and environments affected by business. NRI provided 'valuable information to inform DFID's work' and NRI's findings 'have already been used to inform programme decisions in these areas, and this final evaluation report will be disseminated within DFID to inform future programming decisions.' (5.5b).

5. Sources to corroborate the impact

1. **Impact claim 1 evidence:** (a) Evaluation study award; (b) NRI recommendations to BCI governing council; (c) Testimony from BCI; (d) Testimony from BCI partners.
2. **Impact claim 2 evidence:** (a) Testimony from Fairtrade International MEL manager; (b) Testimony from Fairtrade Foundation Senior MEL Manager; (c) Testimony from Fairtrade International former MEL manager; (d) Fairtrade International Management Response to NRI Study on the Impact of Fairtrade on Coffee; (e) Fairtrade International Management Response to the NRI Study on the Impact of Fairtrade in Cotton; (f) Fairtrade Foundation case studies of improved livelihoods of producers in Ethiopia, Brazil and Palestine.
3. **Impact claim 3 evidence:** (a) Testimony from IDEAL MEL manager; (b) Testimony from Rainforest Alliance, Senior Manager, Research & Science Communication; (c) ISEAL research agenda; (d) ISEAL report 'Evaluating impact of sustainability standards.'
4. **Impact claim 4 evidence:** (a) Excerpts from DFID RATE Project completion report; (b) Excerpts DFID RATE Annual Review; (c) RATE partner action strategies; (d) Testimony from Share Action; (e) Ethical Trading Initiative First impact study.
5. **Impact claim 5 evidence:** (a) DFID policy review; (b) DFID management response to NRI Trade and Global Value Chains study report; (c) DFID final RATE project funding decision.