

Voluntary market standards drive sustainable production and consumption

Cooperation between supply-chain actors is required for scale-ups

Enhancing the sustainability of international supply chains is an important target of Dutch foreign policy. The main objective of the Dutch Aid and Trade agenda is, 'together promoting industry in developing countries, corporate social responsibility and international investment'.

There are a multitude of voluntary initiatives that try to achieve sustainable trade in timber and in agricultural resources, such as coffee, cacao, fish, soya and palm oil. Businesses and NGOs together have established platforms for defining market standards for sustainable production and trade, and logos have been introduced to inform consumers, such as Fair Trade and UTZ Certified for coffee and cacao, RTRS (Round Table on

Responsible Soy) for soya, and FSC (Forest Stewardship Council) for timber. By using these standards to certify their supply chains, companies may contribute to several SDGs, such as eradicating extreme poverty, encouraging sustainable economic development and protecting biodiversity.

From the year 2000 onwards, the market share of sustainably produced commodities has increased considerably in the Netherlands, thanks to the joint efforts and cooperation between companies, sector organisations, and civil society, with the Dutch Government playing a supporting role. Market shares of sustainably produced resources are also significant in other countries, but in production regions the adherence to standards for making

production more sustainable is much lower.

There are several barriers to scaling up sustainable consumption and production and realising inclusive impacts, such as high costs for producers, a lack of local finance and knowledge, insufficient global demand, and the absence of a level playing field in consuming countries. These barriers call for businesses, NGOs and governments to jointly develop solutions that can support local and global governance levels, and be applied across sectors. Governance arrangements are required at farm, company and landscape levels, in and across production sectors, in trade and distribution, and finally at the global level where both national governments and intergovernmental institutions operate.

Market shares of certified, sustainably produced natural resources



Levels of supply chain governance

