UNFSS Academic Advisory Council Meeting 2025

The Changing Landscape of Sustainability Governance. What next for VSS?

31 March – 1 April 2025

German Institute of Development and Sustainability (IDOS), Bonn

















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The Changing Landscape of Sustainability Governance. What next for VSS?

The UNFSS Academic Advisory Council (AAC) annual meeting brings together an international mix of academic and policy experts from various disciplines and backgrounds to consolidate the knowledge on Voluntary Sustainability Standards (VSS) and contribute to a comprehensive understanding of VSS effectiveness.

The global sustainability governance landscape is changing rapidly. VSS arose as voluntary, market-based instrument to address sustainability change in an era which was characterized by the rise of global value chains (GVCs) and high levels of economic cooperation, despite political differences. A new global order is emerging which is far more fragmented in nature and characterized by different regulatory approaches. On the one hand, we observe a strong trend towards deregulation and less engagement with the sustainability agenda, which affects how governments and companies are engaging with sustainability. On the other hand, we observe a strengthening of sustainability regulation, with the transformation of soft law into hard law concerning sustainability obligations for firms (e.g. due diligence regulations) and a deepening of sustainability commitments in free trade agreements (e.g. Agreement on Climate Change, Trade and Sustainability (ACCTS), EFTA-Indonesia Agreement). Concomitantly with these measures, several other tools are also on the rise which also ultimately strive to bring about corporate accountability, such as smart policy-mixes, different reporting requirements, jurisdictional approaches, sustainable investment and ESG, enhanced product traceability, among others. All these developments will impact VSS and co-evolve in interaction with VSS.

The previous UNFSS AAC meeting in 2023 focused on the gaps and synergies between due diligence and VSS. This year's edition will build on these discussions and focus on additional ramifications taking place in the global sustainability governance landscape and what this implies for future research. In addition, we aim to take stock of what we know about the achievements and impact of VSS so far and how the policy and research agenda on impact and effectiveness can be further developed towards the future.

Hence, the "What Next for VSS?" refers to (1) the role of VSS in a new international political context and what this means for VSS, policy-making and research and (2) the key knowledge gaps which remain in research on VSS and what the research needs are to address them.

Format

The UNFSS AAC 2025 2-day meeting is structured around 4 panels on key topics related to VSS. Each panel consists of a set of 10-minute presentations by both academics and practitioners to raise insights and points for discussion, followed by a roundtable discussion where all participants are invited to contribute.

Program

Monday, 31 March 2025

9:00 – 9:30 Arrival and Registration

9:30 – 10:15 **Opening Remarks and Tour de Table**

- 1. Welcome words: Anna-Katharina Hornidge (Director, IDOS)
- 2. Opening remarks: Clara Brandi (IDOS), Axel Marx (Leuven Centre for Global Governance Studies), Santiago Fernandez de Cordoba (UNCTAD)
- 3. Tour de Table

10:15 – 12:30 Panel 1: VSS in a changing regulatory environment and fragmented world

This panel aims to discuss the implications of a changed international and regulatory context for VSS. These changes include the emergence of new regulatory tools (due diligence-based initiatives), ESG requirements and developments in other private approaches (jurisdictional approaches, corporate initiatives e.g. company pledges) on the one hand, and increasing disengagement with the sustainability agenda amid geopolitical turbulences on the other hand. The panel will assess the possible implications and effects of these recent developments on VSS and how VSS can position themselves vis-à-vis these developments. This panel will explore the following questions: what role do/can VSS play in a changed geopolitical/geo-economic context (challenges/opportunities)? How do VSS relate/engage with other regulatory initiatives? What are the implications for VSS governance?

Moderator: Mercedes Aráoz Fernández (Universidad del Pacífico)

Panelists:

- 1. Yixian Sun (University of Bath) Transnational sustainability governance amid geopolitical turbulence
- 2. Claudia Kersten (GOTS) Challenges and Opportunities in a new Regulatory Environment. Insights from GOTS
- 3. Shemina Amarsy (ITC) Standards Map, complexity/differences between VSS and their changing role vs. regulations from ITC's perspective
- 4. Martin Schüller (Fairtrade Deutschland) *EU-Regulations in the context of HREDD and Fairtrade*
- 5. Thomas Dietz (University of Münster) Can Due Diligence Initiatives Overcome the Weaknesses of VSS? Preliminary Insights and Potential Future Research Directions
- 6. Vera Thorstensen (Fundação Getulio Vargas) New geoeconomic framework and the role of private standards (online)

Roundtable discussion

12:30 – 14:00 Lunch Break

14:00 – 16:00 Panel 2: The changing face of VSS design and implementation

The changes in the regulatory landscape and the emergence of new types of competitors will significantly affect VSS design and implementation, including premiumization, labeling, monitoring, auditing and reporting practices. Questions which will be addressed in this panel include: Who are new 'solution providers' that are emerging in the space of VSS? How do

they relate to VSS (complements versus competitors) and how do they affect VSS design and implementation? What type of reporting practices are emerging? What kind of monitoring and auditing data are being required/needed? How to balance transparency and data protection to avoid adverse effects? What is the role of and implications for VSS (including the governance of VSS)?

Moderator: Ariel Macaspac Hernandez (GIGA)

Panelists:

- 1. Graeme Auld (Carleton University) Auditors, Audit Markets, and Sustainability Governance
- 2. Janina Grabs (University of Basel) VSS and new competitors. Implications for demand and business models
- 3. James Harrison (University of Warwick) Corporate reporting under the German Supply Chain Act
- 4. Henk Gilhuis (Rainforest Alliance) How VSS can support companies to meet growing demands on ESG reporting and legal compliance
- 5. Lauren Shields (OECD) Learnings from OECD alignment assessments: Evaluating VSS's uptake of OECD due diligence recommendations (online)

Roundtable discussion

16:00 - 16:30 Coffee Break

16:30 – 17:30 Discussion next activities of the AAC

Axel Marx (Leuven Centre for Global Governance Studies), Santiago Fernandez de Cordoba (UNCTAD), Clara Brandi (IDOS)

18:30 Dinner @ Brauhaus Bönnsch, Sterntorbrücke 4, 53111 Bonn

Tuesday, 1 April 2025

9:00 - 9:30 Arrival

9:30-9:45 Opening Remarks

Clara Brandi (IDOS), Santiago Fernandez de Cordoba (UNCTAD)

9:45 – 12:00 Panel 3: Understanding VSS impacts and effectiveness

In essence, global sustainability governance targeting firms and value chains aim to change corporate/producer behavior and generate tangible sustainability impacts. Three decades of VSS research has focused on impacts. In this panel, we aim to discuss current approaches towards impact studies (focus on producer behavior versus sustainability indicators), possible new avenues and needs for impact research, discuss data needs and data availability, focus areas for research (biodiversity, others) and explore ways for possible further collaboration between academia, VSS and international policy community.

Moderator: Archna Negi (Jawaharlal Nehru University)

Panelists:

- 1. Miet Maertens and Eva Boonaert (KU Leuven) *Understanding heterogeneity in VSS impacts: Lessons, limitations, and moving beyond review studies*
- 2. Charline Depoorter, Janne Bemelmans and Axel Marx (University of Basel / UC Louvain / KU Leuven) The role of intermediaries in VSS implementation in shaping economic outcomes in the Indonesian cocoa sector
- 3. Evelien de Olde (Wageningen University & Research) Adoption of sustainable farming practices vs reporting measurable impact
- 4. Kate MacDonald (University of Melbourne) Scaling-up Multi-Stakeholder Sustainable Commodity Governance? Evidence from Indonesia and Peru (online)
- 5. Cameron Plese (RSPO) Putting Research Findings Into Action: Lessons and Learnings from RSPO

Roundtable discussion

12:00 – 13:30 Lunch Break

13:30 - 15:30 Panel 4: Scaling up VSS and spillovers of VSS sustainability impacts

To remain an agent of (sustainable) change, VSS need to be adopted and used, and/or might influence sustainability beyond the certified borders (spillover effects). In this panel, we aim to explore these two dimensions further. This panel will address the following questions: What are some of the main trends in and challenges related to VSS adoption? How do different actors (business, governments with new measures and inclusion of VSS in trade agreements, national platforms, donors) approach VSS uptake? Which initiatives can be taken to scale up VSS? What is a desired level of uptake? How to distinguish credible from non-credible VSS in the context of stimulating adoption? In terms of spillovers, we aim to identify and discuss different types of (positive and negative) spillover effects, assess what this might mean for other forms of sustainability governance and discuss the implications for VSS.

Moderator: Bernard Hoekman (European University Institute)

Panelists:

- 1. Rodrigo Fagundes Cezar (Fundação Getulio Vargas) *The Spillovers of VSS and Its Effects on Producers' Political Behavior*
- 2. Sönke Fischer (ASI) Defining credibility of schemes in light of regulations an assurance practitioners' perspective
- 3. Stefan Pahl (UNIDO) Who pays? Modelling the (unintended) impacts of sustainability supply chains regulations (online)
- 4. Annette Pensel (Global Coffee Platform) Change in the coffee sector via VSS and complementary approaches
- 5. Li Li (University of International Business and Economics) New issues in VSS governance from the perspective of sustainable trade

Roundtable discussion

15:30 – 16:00 **Conclusion**

- 1. Main takeaways: Axel Marx (Leuven Centre for Global Governance Studies), Charline Depoorter (University of Basel)
- 2. Looking ahead: Bernard Hoekman (EUI), Mercedes Aráoz Fernández (Universidad del Pacífico)
- 3. Closing words: Santiago Fernandez de Cordoba (UNCTAD), Clara Brandi (IDOS)

Registration

Please register your participation (whether in-person or online) at this link: Registration link UNFSS Academic Advisory Council meeting 2025

You can update your participation status and format at any time via the link.

Conference venue

Tulpenfeld 6 53113 Bonn

Contact

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Organizers















Directions

Link to Datawrapper: https://datawrapper.dwcdn.net/dGwYF/1/

From Bonn Central Station (Hauptbahnhof)

Take the U-Bahn (Subway) U 16 / U 63 or U 66 towards "Bad Honnef / Bad Godesberg" and get off at the station "Heussallee / Museumsmeile". You may buy your ticket at vending machines either at the Station or on board (choose ticket type 1b; 2.50 Euro, coins only). At Heussallee Station, follow the signs towards the Heussallee exit. After coming up the escalator, walk straight ahead for about 50m and turn right onto the footpath towards the "Tulpenfeld" office complex. Follow the signs across Tulpenfeld to the building of the German Institute of Development and Sustainability (IDOS), at Tulpenfeld 6.

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