



UEBT
SOURCING[®]
WITH RESPECT

UEBT MONITORING & EVALUATION REPORT 2022

Part 2

Reach and scale of
UEBT programmes
and member actions
for the period 2021

APRIL 2023

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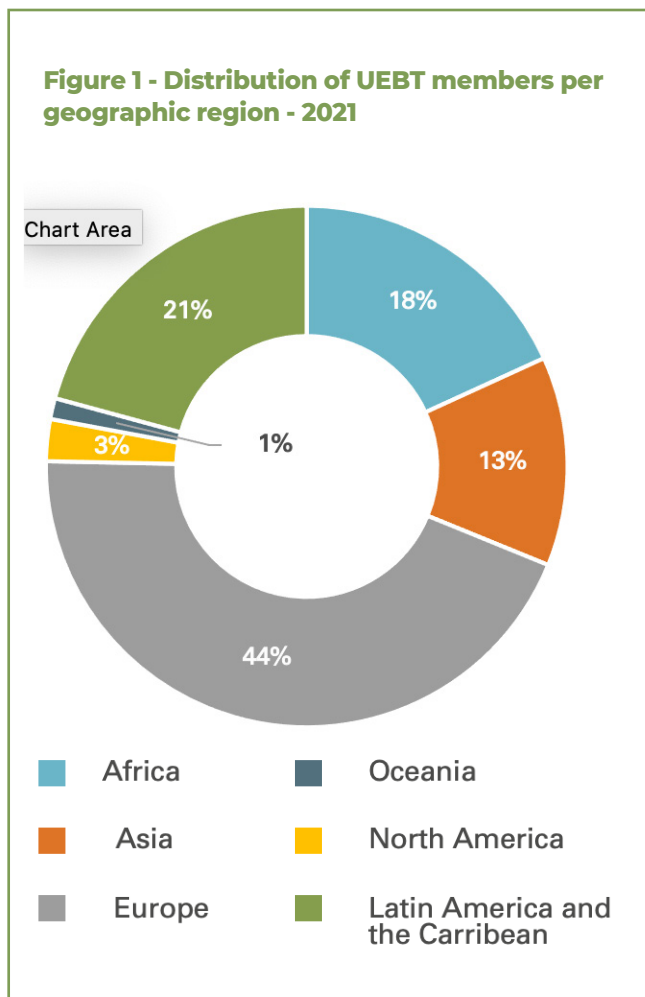
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1. FINDINGS LEVEL ONE: REACH AND SCALE, OUTPUTS

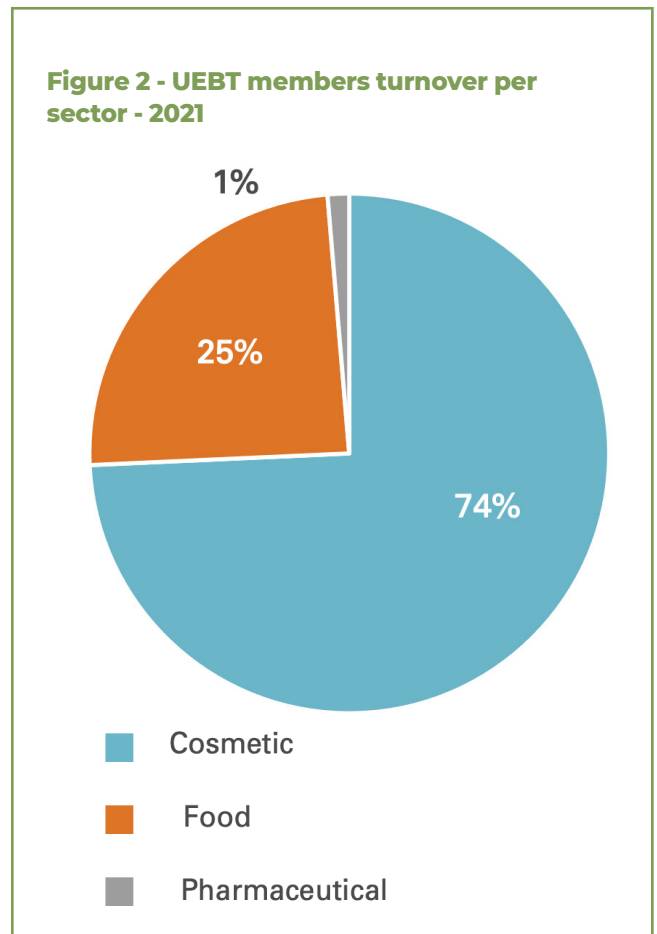
The UEBT In 2021 (cut-off date 31st December 2021), UEBT had 77 members and 33 companies that are certificate holders (have achieved one or more UEBT certifications), including 21 UEBT-RA certificate holders, 11 UEBT ingredient certificate holders, and two ethical sourcing system (ESS) certificate holders. Most certificate holders are also members, three of them are certificate holders but not members. The 77 member companies are based in 32 countries, mostly in Europe, followed by Latin America and Africa. A smaller percentage of members are based in Asia, North America and Oceania (Figure 1).

Among the companies that were certificate holders and not UEBT members, two of them come from Europe, and one from Asia.



The members include companies from the cosmetics, food and pharmaceuticals sectors. In terms of annual turnover, cosmetics is the most relevant sector, generating 74% of the annual turnover declared by the all the UEBT members for 2021, followed by the food sector (Figure 2).

The number of UEBT members and certificate holders is steadily increasing year after year. With 77 members and 33 certificate holders at the end of 2021, UEBT membership increased by more than 20% compared to 2020, and certification by 65%.



Among the UEBT members, there are 20 brands, 23 primary producers, 60 processing companies, 28 trading companies and 27 final product manufacturers. Most companies have more than one position in the supply chain.

Several UEBT members are intermediary processors that work directly with producers. Whether or not a company has direct contact with local producers or collectors is significant because it affects how the company implements its UEBT membership obligations. Companies that have direct contacts with producers directly support and exercise a level of control over the implementation of ethical sourcing practices at a local level. Companies that do not have such contacts with local producers promote the practices more indirectly, i.e., through the terms under which they buy their natural raw materials.

UEBT members differ in the number of natural raw materials and supply chains that they handle. There are small companies working with a single natural raw material and supply chain, while other companies might work with up to 3,000 natural raw materials and supply chains.

Prioritised supply chains

In 2021, UEBT members have prioritised 308 supply chains, involving 148 plant species and 206 natural raw materials derived from these species. The prioritised plant species are sourced from 57 different countries. 32% of the prioritised plant species come from Africa, followed by 28% from Latin America and another 18% from Europe (Figure 3). The geographic distribution changed compared to the previous year when Europe was leading in terms of relevance when looking at sourcing origins. 165 Organisations at Source (defined as those organisations that are directly responsible for the cultivation or collection of the natural raw material) are involved in the production of prioritised plant species.

Looking at production systems, most of the prioritised plant species (50%) derive from cultivation. 39% of the prioritised plant species are collected from the wild, and 11% are sourced from agroforestry production systems (Figure 4). In terms of volumes, 97% originate from cultivation systems. In the last year some of the members started prioritising commodities such as soy and this is leading to an increasing relevance of cultivation as production system in terms of volumes.

Figure 3 - Sourcing of prioritised plant species per geographic region - 2021

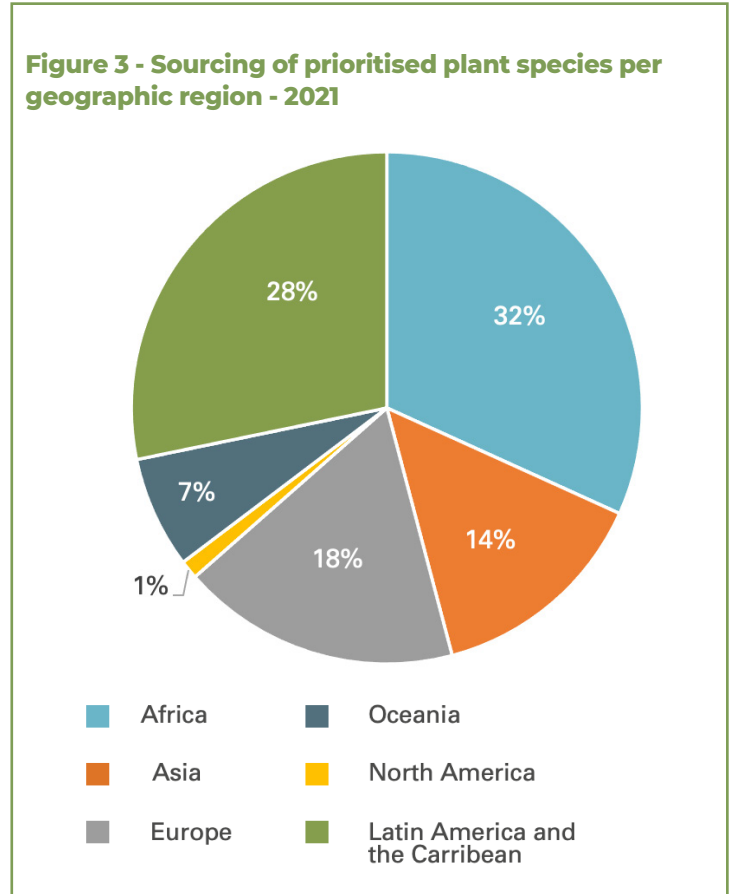
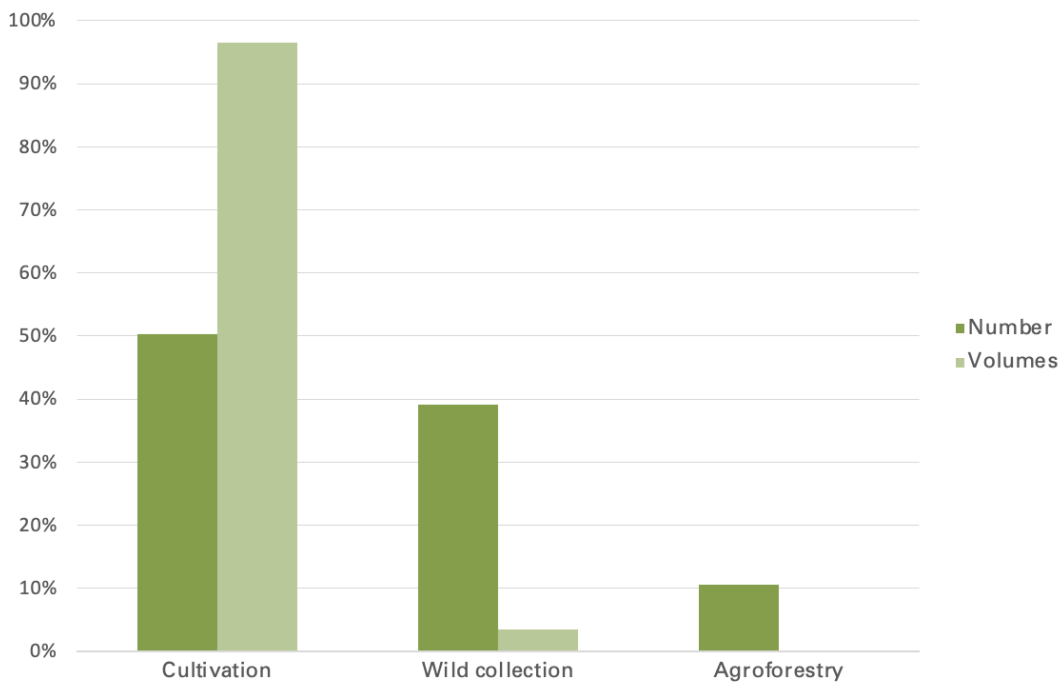


Figure 4 - Sourcing of prioritised plant species and volumes per production system - 2021



The number of prioritised supply chains and prioritised plant species, as well as the number of organisations at source involved in these supply chains, decreased by 30 to 40% [compared to the previous year](#). Between 2020 and 2021 – following a broader standard revision process - UEBT has been redefining the requirements around the prioritisation of ingredients and this has led some of the members to review their priorities.

Due to this, in 2021, some of the members brought their priority list down to zero to start the prioritisation process again. Some other members were in the process of re-thinking their membership scope due to some internal restructuring and merging with other companies, which again determined their priority ingredients to be redefined from scratch.

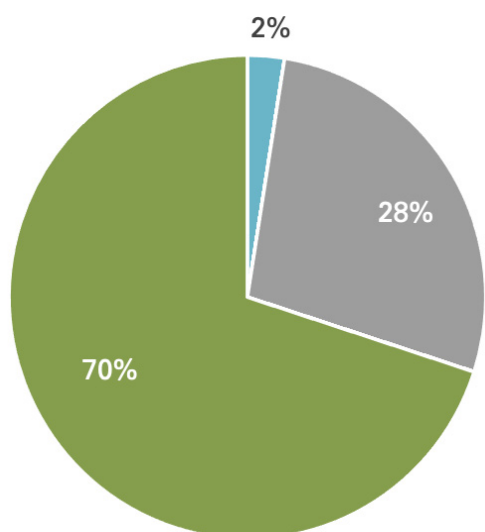
Certified supply chains

In 2021, there were 385 UEBT or UEBT-RA certified supply chains involving 40 plant species and 51 natural raw materials under the UEBT ingredient certification and 89 plant species and 120 natural raw materials under the UEBT-RA Herbs & Spices programme, which is a joint certification programme between UEBT and Rainforest Alliance. 45 Organisations at Source were involved in UEBT certified supply chains, and 77 in UEBT-RA certified supply chains.

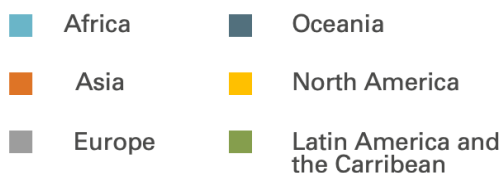
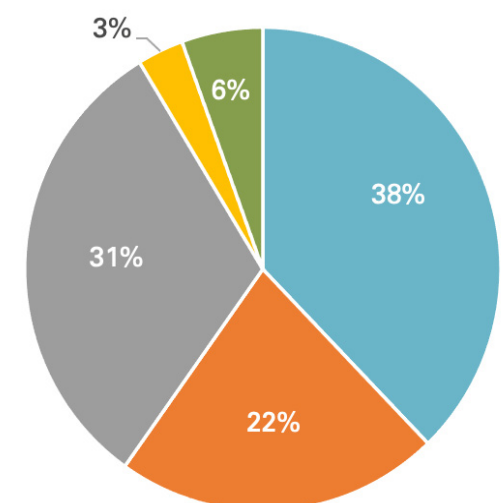
The certified plant species are sourced from 36 different countries. The majority of plant species certified with the UEBT ingredient certification (70%) come from Latin America. Africa is the geographic region from which most plant species (38%) within the UEBT-RA certification are sourced (Figure 5).

Figure 5 - Sourcing of certified plant species per geographic region - 2021

UEBT certified plant species per geographic region



UEBT/RA certified plant species per geographic region



In terms of production systems, cultivation is the main production system for UEBT/RA certification when considering the number and volumes of plant species, with 56% and 54% respectively. For UEBT certification, the number of plant species cultivated and wild collected is the same, while the volume of cultivated plant species represents almost 100% of the volume of UEBT certified plants, due to a UEBT certified ingredient being a commodity, cultivated in a large scale and low-labour production model, which we consider an outlier for the purpose of this analysis. When the outlier is removed, most UEBT certified volumes come from wild collection (59%) (Figure 6).

In the UEBT certification programme, most field operators (workers, pickers, etc.) are found in wild collection systems (90%), while in the UEBT/RA programme, the main production system in terms of number of field operators is agroforestry, with this type of production system accounting for 38% of the field operators within the UEBT/RA certification. From 10 to 27% of field operators are involved with cultivation in both programmes (Figure 7). Compared to previous years, some of the certified agroforestry system certified under the UEBT certification programme moved to the UEBT/RA certification programme. This explains the reduced relevance of this system in terms of field operators in the UEBT certification programme.

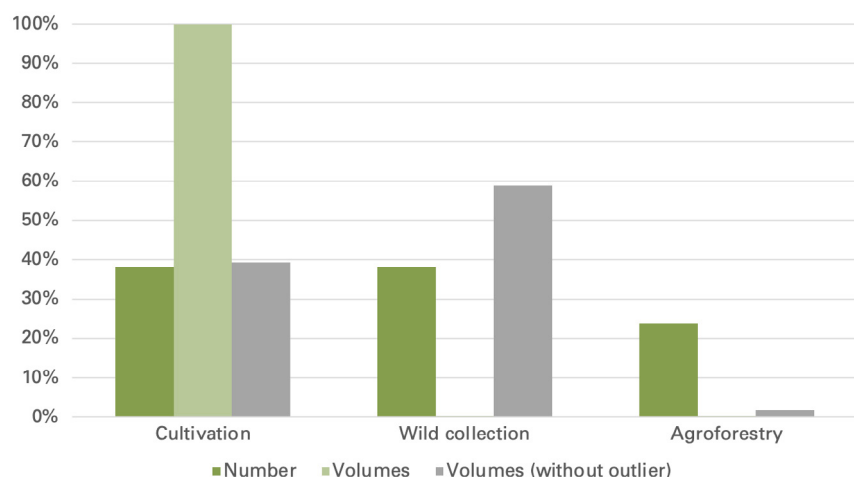
These figures show that there is no linear relation among the volumes and number of plants produced through a certain production system and the number of field operators involved. There are production systems like agroforestry and wild collection that are more labour intensive than some cultivation systems. At the same time, cultivation systems differ in terms of productivity and labour needs, with some large scale and modern systems being more labour-efficient than smaller scale and traditional ones.

Overall, there was a decrease of 15% in the number of certified supply chains [compared to 2020](#). The decrease concerned the UEBT/RA certification program, with some of the UEBT-RA certified companies deciding to de-certify some of their supply chains. 2021 was the first year of the revised standard and the launch year for the UEBT/RA program. Therefore, changes in the revised standard and the time needed for certified supply chains to adapt may have influenced the decisions in terms of certification. However, the UEBT ingredient certification saw an increase in the number of companies joining the program, with a resulting increase in number of certified supply chains, plants, and natural raw materials. Wild collection is still more relevant within the UEBT certified supply chains, in terms of number of plants, volumes and number of field operators involved, while cultivation is the most relevant production system for UEBT/RA certified supply chains.

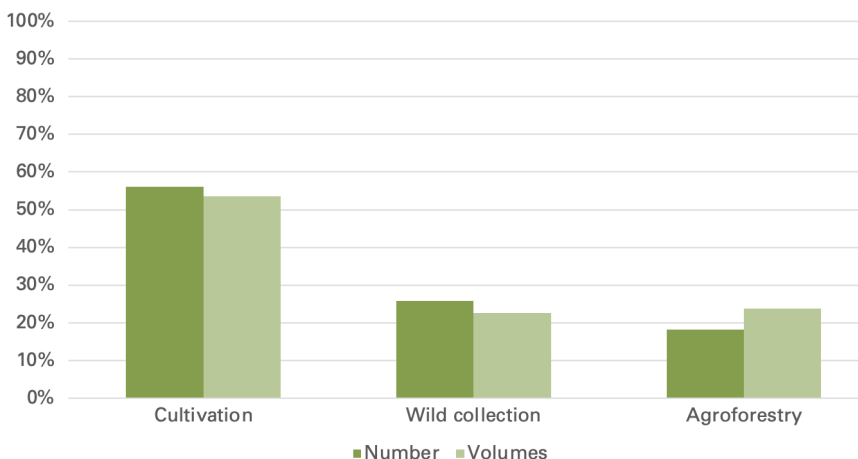
Still, the trends in both programmes are similar to previous years when looking at the geographic origin of the plants, with the UEBT certification programme dominated by plant species collected from the wild in Latin America, while the UEBT-RA certified supply chains are located in a wider variety of geographic origins, dominated by Africa and Europe, and are mostly from cultivation systems.

Figure 6 -Sourcing of certified plant species and volumes per production system - 2021

UEBT certified plant species per production system



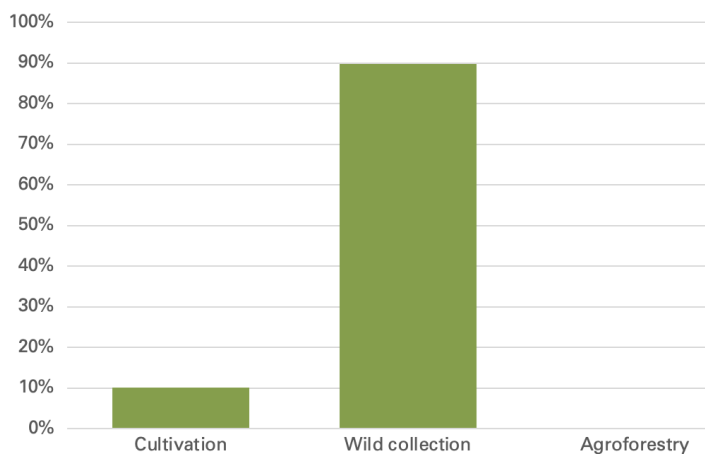
UEBT/RA certified plant species per production system



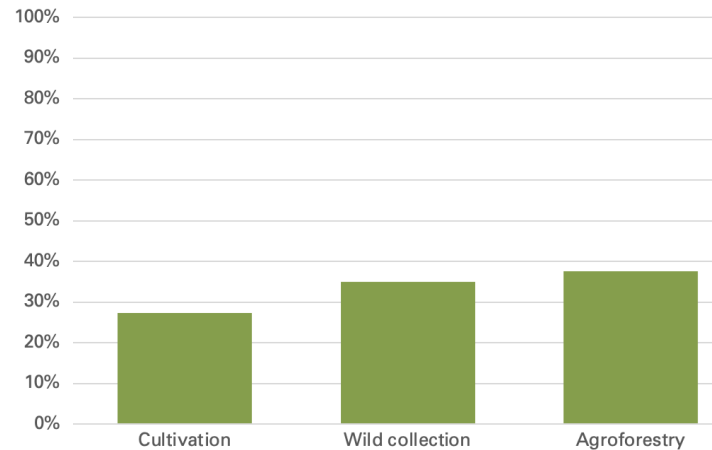
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Figure 7 -Field operators involved in the certified supply chains per production system- 2021

Field operators in UEBT certified supply chains per production system



Field operators in UEBT/RA certified supply chains per production system



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Verified supply chains

In 2021, 171 supply chains have gone through a verification assessment. Some of those commissioned by members in the scope of their Ethical Sourcing System certifications, some other requested by members and non-members as part of the UEBT verification programme. The UEBT verification programme was started in 2021. Before 2021, what was counted as verified supply chains were only those verified as part of the Ethical Sourcing System certification. 85 plant species and 114 natural raw materials have gone through verification assessments. The plant species included in the assessments are sourced from 42 different countries. Countries in Europe account for 42% of the total plants under verification assessments, followed by Africa (28%), Asia (14%) and Latin America with 12% (Figure 8). 114 Organisations at Source are involved in the verification assessments. The number of supply chains, plants, natural raw material, and organisations at source have more than quadrupled compared to 2020).

In terms of production systems, the trend is the same as in previous years: most of the verified plant species (62%) derive from cultivation systems, however most volumes (57%) come from wild collection (Figure 9), and several verifications had missing data on volumes due to the first year of the programme. A majority of the field operators involved in the production of verified plant species work in cultivation systems (Figure 10).

Figure 8 -Sourcing of verified plant species per geographic region - 2021

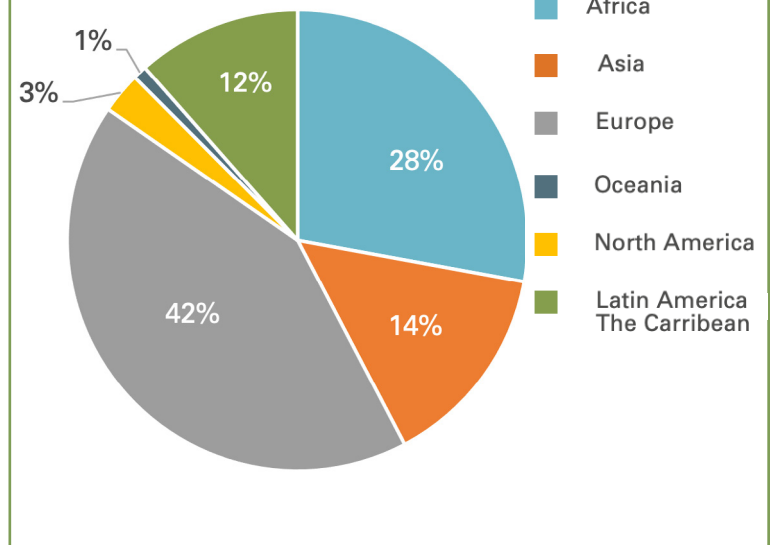


Figure 9 -Sourcing of verified plant species and volumes per production system - 2021

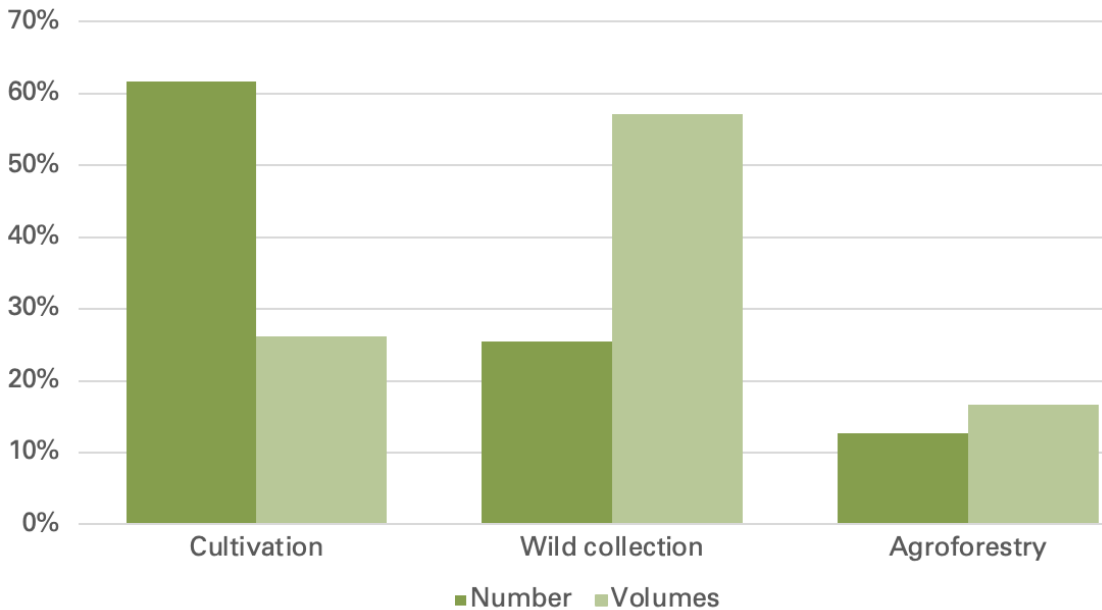
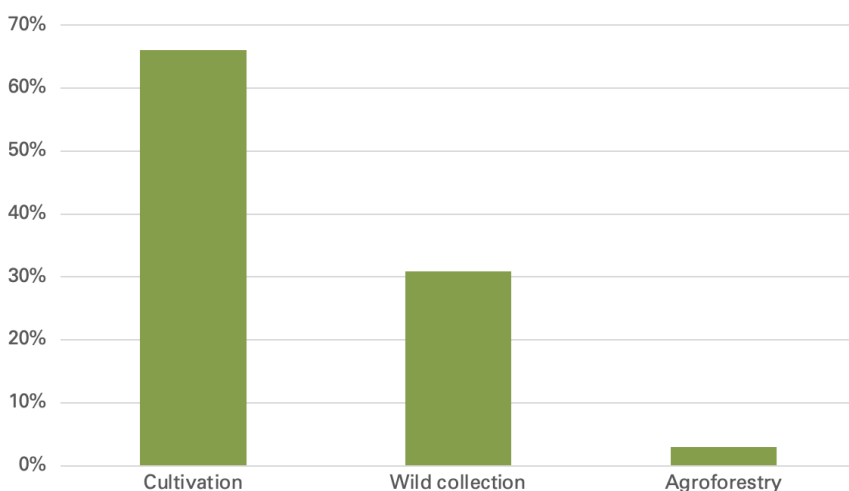


Figure 10 - Field operators involved in the verified supply chains per production system - 2021



2. LEARNING POINTS FROM REACH AND SCALE ANALYSIS

With a rising number of members, UEBT continues to expand its reach and impact all over the world. UEBT members' sourcing of natural raw materials concerns regions that are significant for biodiversity conservation and sustainable use of biodiversity, from the Amazon in Latin America, to biodiversity hotspots in Africa and Asia and protected areas in Europe. Commitments to biodiversity conservation and regeneration is of utmost importance in such areas. But also, in areas with less remarkable biodiversity characteristics, the work of UEBT members shows a commitment to contribute to bringing back biodiversity and regenerating nature. UEBT members' sourcing countries include some affected by poverty and other socio-economic issues hindering development, which gives an opportunity to contribute to positive social impacts through the sourcing activities of UEBT members.

The improvement of sourcing practices implemented by UEBT members and their suppliers as part of the UEBT membership and certification programmes aims at improving biodiversity and socio-economic conditions in thousands of supply chains over several continents, for hundreds of plant species and natural raw materials, and affect tens of thousands of field operators.

The UEBT standard went through a revision in 2020, and 2021 was the first year of its application. This comes with some changes and strengthening in the requirements. Moreover, this was the year of the launch of the UEBT-RA programme for herbs and spices. Overall, this has not influenced the trend of the growth of UEBT members (as explained above), however it seems it has influenced the strategic decisions of the members and certificate holders in terms of which and how many supply chains to prioritise or certify. The decrease in prioritized supply chains may be motivated by an increasing effort required to comply with the standard.

Many members and non-member companies are showing interest in a more gradual approach which starts with verifying supply chains and understanding their current conditions to be then able to define plan of actions. The verification programme has indeed seen a substantial increase compared to the year before. This approach gives more time to the members and their suppliers to conform with the standard and mitigates the risk of members completely dropping supply chains when they do not meet the requirements. The verification assessment represents the starting point to determine the kind of support needed and appropriate pathway for improvements.





UEBT is a non-profit association that promotes sourcing with respect. Its mission is to regenerate nature and secure a better future for people through ethical sourcing of ingredients from biodiversity.

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