



**UEBT**  
SOURCING<sup>®</sup>  
WITH RESPECT



# THEORY OF CHANGE

JULY 2020



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# Introduction

UEBT is an international non-profit association that promotes the sourcing of natural raw materials with respect for people and biodiversity. Through its membership programme, committed companies work with UEBT on improving their sourcing of natural raw materials, particularly in cosmetics, food and pharmaceuticals, but also in other sectors. UEBT advances practices for biodiversity innovation and sourcing that enhance nature regeneration, livelihoods and local development, sector transformation and brand value. This document describes the UEBT vision; the strategies it applies to advance it; and the changes foreseen to accomplish this vision.

## Background

The work of UEBT is based on internationally recognised principles and commitments linked to biodiversity and sustainable development. Since the 1992 Earth Summit, sustainable development has been a guiding concept for global efforts towards economic development, social equity and environmental protection. In 2015, more than 190 countries adopted the Sustainable Development Goals (SDGs) as a roadmap for sustainable development until 2030. Conservation and sustainable use of biodiversity is an essential and crosscutting concept in the SDGs.

Biodiversity encompasses the diversity of all living things, from human beings to microorganisms, including the variety of ecosystems. The UN Convention on Biological Diversity (CBD) was formed in 1992 and promotes biodiversity conservation and sustainable use, as well as the sharing of benefits derived from the use of genetic resources.

It recognises the global and local importance of biodiversity conservation for the functioning of our planet and acknowledges biodiversity as a pillar for sustainable development. In 2014, the Nagoya Protocol was adopted under the CBD to set further development principles for biodiversity-based research and development, and how benefits derived from such utilisation should be shared. National rules for implementing the Nagoya Protocol establish, for example, procedures to access genetic resources for research and development and how benefits derived from such activities should be shared with traditional knowledge holders such as indigenous peoples and local communities.



# Promoting change

UEBT was created in 2007 with the support of the UNCTAD BioTrade Initiative, and today brings together companies and other organisations committed to Ethical BioTrade. UEBT member companies may collect or grow natural raw materials (for example, through wild collection, agroforestry or agriculture); produce natural raw material-based ingredients such as extracts, vegetable and essential oils, tinctures, and active ingredients; or conduct research and development on new products. For all these activities, the UEBT Standard guides company practices and drives promotion of regenerative practices for biodiversity, contribution to improved livelihoods and local development, and respect for the rights of workers and communities (see box 1).

## Box 1

### UEBT standard defines practices that:

- **promote biodiversity conservation and sustainable use** by maintaining and restoring ecosystems and by using biological resources sustainably. This includes measures that contribute positively and proactively to biodiversity conservation in sourcing areas, as well as measures that actively reduce any potentially negative impacts raised by sourcing activities,
- **contribute to local development by equitably sharing the benefits** generated using biodiversity; this takes place through equitable trade practices, and through the sharing of benefits derived from innovation based on biodiversity and associated traditional knowledge,
- **seek to respect human rights**, the rights of workers and local and indigenous communities, and other rights linked to natural resources, and
- **address sourcing risks** and improve the economic viability of companies and their products, so that Ethical BioTrade companies and their supply chains

UEBT aims to contribute to sector transformation in the sectors its members operate in. Through Ethical BioTrade principles and tools, it provides a model and

platform for businesses to act on important social and environmental issues in their sourcing activities, in alignment with the SDGs and CBD objectives.

The private sector is recognised as a critical partner in advancing sustainable development and the objectives of the CBD. Through biodiversity-based innovation and the ethical sourcing of natural raw material, businesses can contribute to recognising and increasing the value of biodiversity, as well as to local development and the conservation and restoration of the biological resources on which their activities depend. Companies committed to sourcing with respect for people and biodiversity are thus able to grow economically while generating positive impacts along their supply chains. Such commitment also responds to growing consumer demand and helps to manage sourcing risks and secure supply chains.

Achieving these objectives requires the adoption of business models that consider environmental, social, and economic impacts in an integrated manner. Individual businesses, and eventually whole sectors, need to change the way they operate to generate positive impacts. At the same time governments need to develop legal and policy environments that are conducive to biodiversity-based innovation efforts and for natural raw material sectors to develop sustainably.

To contribute to this, UEBT not only supports member companies with the implementation of Ethical BioTrade practices, but also promotes and creates awareness on ethical sourcing of biodiversity beyond its member companies. UEBT provides practical expert inputs to governments and international organisations so as to contribute to an enabling regulatory environment for ethical sourcing of biodiversity.

# UEBT theory of change

UEBT is committed to a world in which all people and biodiversity thrive. Its vision focuses on companies that innovate and source natural raw materials with respect for people and biodiversity.

## UEBT VISION

Contribute to a world in which all people and biodiversity thrive.

## UEBT MISSION

UEBT works to regenerate nature and secure a better future for people through ethical sourcing of ingredients from biodiversity.

UEBT's Theory of Change (ToC) shows how UEBT works towards fulfilling its vision. It includes:

- UEBT's main strategies and interventions:** Aimed at supporting UEBT member companies, their suppliers and field operators as well as other (non-member) companies and other private and public stakeholders in Ethical BioTrade.
- Outputs:** Actions expected to be implemented in the short term by UEBT member companies (along their supply chains) seeking to comply with Ethical BioTrade principles, as well as those actions taken by other companies and other stakeholders engaging in Ethical BioTrade issues.
- Outcomes:** Medium-term results that UEBT member companies, suppliers and field operators as well as other companies and stakeholders achieve or benefit from because of their engagement with Ethical BioTrade issues.
- Impact:** Long-term effects that this generates for people, biodiversity and sectors.

- Vision:** The reality UEBT desires: that companies innovate and source natural raw materials with respect and contributing to a world in which all people and biodiversity thrive.

UEBT's ToC is aligned with the UEBT Ethical BioTrade standard. UEBT manages a Monitoring and Evaluation system that assesses whether the work of UEBT, its members and other stakeholders is implemented as intended and is having the desired result. In this way, UEBT and its members continue to understand, learn, and improve their work, results and impacts.

## THE UEBT ETHICAL BIOTRADE STANDARD



Conservation of biodiversity

Respect for biodiversity



Sustainable use of biodiversity



Compliance with legislation



Fair and equitable sharing of benefits

Respect for people



Socio-economic sustainability



Clarity about land tenure



Respect for rights of actors

Hereafter is more detail on each of the elements of UEBT's ToC and its graphical representation is presented in the Annex.

# UEBT strategies and interventions

A key part of UEBT's strategies and interventions is aimed at supporting UEBT members: those engaged and committed companies and their suppliers and field operators, because they are the ones that lead the way by example towards the implementation of Ethical BioTrade principles and practices in the sourcing of natural raw materials.

However, UEBT also works with additional, non-member companies and other private and public stakeholders to enable Ethical BioTrade principles and practice at the sector level. UEBT uses three strategies:

## STRATEGY 1

### STANDARDS SYSTEM FOR ETHICAL BIOTRADE COMMITMENTS

As a standards system UEBT provides:

- A standard (principles and criteria) for Ethical BioTrade commitments and practices that is:
  - Credible, because it is recognised and adopted (e.g. by ISEAL as compliant with international Codes of Good Practice, and by companies that integrate it in their work)
  - Effective, because it is both defined and periodically revised in a participatory way by including the inputs of a wide range of stakeholders
- A membership programme for companies, through which Ethical BioTrade practices and commitments are assessed.
- Assurance programmes, through which Ethical BioTrade practices are verified and certified at the level of the companies and in their supply chains.

## STRATEGY 2

### ASSOCIATION OF COMPANIES

As an association of companies, UEBT supports members involved in biodiversity-based innovation and sourcing to pave the way for the implementation of Ethical BioTrade commitments by:

- Providing technical support and training on the Ethical BioTrade principles and practices,
- Promoting exchange of experiences and partnerships among actors at different stages of the supply chain,
- Giving access to tools and approaches that facilitate implementation of Ethical BioTrade practices.

## STRATEGY 3

### KNOWLEDGE SHARING PLATFORM ON ETHICAL BIOTRADE ISSUES

As a knowledge platform UEBT:

- Carries out sector-specific outreach and communication and develops tailored content to raise awareness on Ethical BioTrade,
- Provides advisory services to companies and other stakeholders, including governments and other organisations, on Ethical BioTrade issues,
- Creates networking opportunities, through conferences and events, for actors in the Ethical BioTrade world, and
- Initiates and contributes to multi-stakeholders initiatives such as special field projects to promote Ethical BioTrade practices.

# Outputs

In the short term, UEBT's three strategies contribute to companies and other stakeholders taking certain actions.

First, UEBT membership and certification requirements demand actions and changes from companies and, indirectly, from their suppliers and field operators. The changes concern the way the sourcing is managed. These actions and changes include:

- Adopt commitments, strategies and policies to manage risks for people and biodiversity and to implement Ethical Sourcing along the supply chains of natural raw material.
- Implement a supply chain due diligence system to trace back and assess all the processes along the supply chain where Ethical Sourcing practices are enforced.
- Implement Access and Benefit Sharing (ABS) due diligence for the sourced natural raw material.
- Promote and verify Ethical BioTrade practices in natural raw material supply chains.

Second, as a centre of expertise, UEBT reaches out to member and non-member companies and other stakeholders. As a result, companies and other stakeholders:

- Acquire awareness, commitment and knowledge on Ethical Sourcing.

# Outcomes

In the medium term, the actions taken by UEBT members, suppliers, and field operators as well as non-member companies and stakeholders, should achieve concrete results.

The medium-term outcomes for UEBT members, suppliers, field operators, local communities in the context of sourcing include:

- Progress on company commitments on Ethical Sourcing.
- Stronger partnership and benefit sharing along supply chains.
- Promotion and sustainable use of biodiversity in sourcing areas.
- Improvement of working and living conditions for operators in the sourcing areas.

The medium-term outcomes for the sector in general, include:

- Better practices and approaches on sourcing with respect for people and biodiversity.





# Impact

There are three long-term effects of the medium-term outcomes. They are contribution to:

- Regeneration of biodiversity
- Improved livelihood and local development
- Sector transformation
- Enhanced brand value

## Possible unintended effects

The processes described above may be:

- Hampered by some effects that despite being unwanted may still occur, or
- Promoted by some contextual dynamics that move in the same direction.

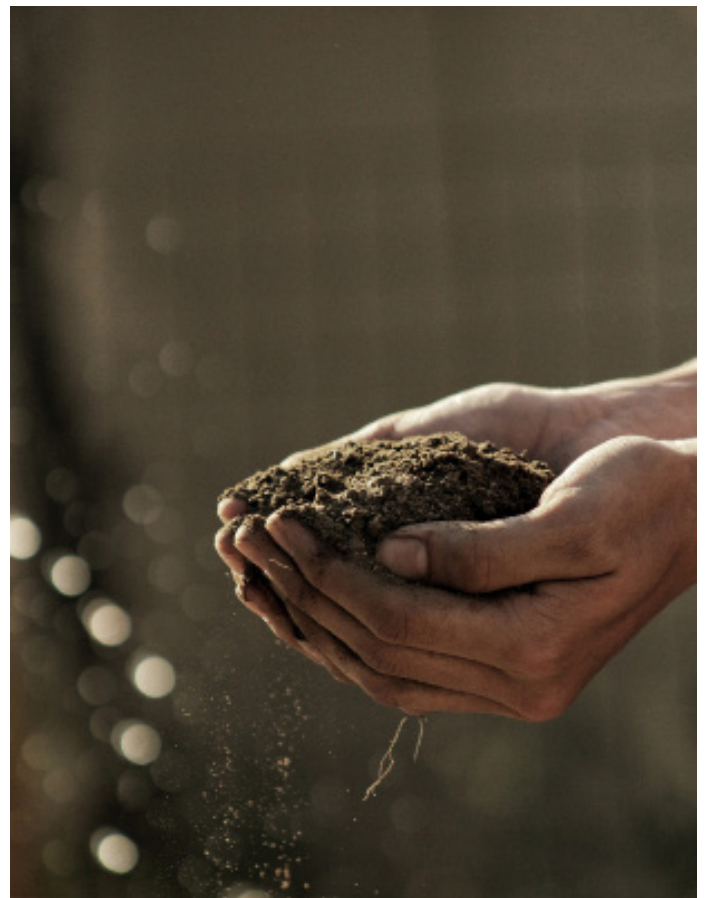
The possible risk of unintended effects to be monitored are the following:

- Slowdown of innovation from research and development because of increasing requirements to be fulfilled.
- Increased procedural burden along supply chain.
- Reduced opportunities to find suitable suppliers that comply with Ethical BioTrade principles and practices.
- Costs of certification and the changes required by it are passed to the suppliers/producers.
- Ethical BioTrade investments are made instead of investments in other activities to increase immediate productivity.

- Threats to food security due to replacement of food crops with cash crops.
- New conflicts in sourcing areas for increased or not accepted or difficult to apply requirements.

Among the factors that can foster the above-described processes, there are:

- Companies own strategies, tools and expertise for sustainability.
- Market and legal demands for sustainable practices.
- Requirements of other sustainability standards.
- Socio-economic and environmental necessities to take actions for sustainability.





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# UEBT Theory of Change



## UEBT Vision

**A world in which all people and biodiversity thrive**

### Impacts

Enhanced brand value

Biodiversity regeneration

Improved livelihoods and local development

Sector transformation

### Outcomes

Progress on company commitments on **Ethical Sourcing**

**Stronger partnerships and sharing of benefits** in supply chains

**Regeneration and sustainable use** of biodiversity in sourcing areas

Improvement of **working and living conditions** in sourcing areas

Better practices and approaches on sourcing with respect for **people and biodiversity**

### Outputs

Adopt Ethical Sourcing commitments, strategies and policies

Implement supply chain due diligence systems

Implement **ABS due diligence** systems

Promote and verify supply chain practices that respect people and biodiversity

Acquire **awareness, commitment and knowledge** on Ethical Sourcing

UEBT member companies, suppliers, field operators and other stakeholders

### UEBT Strategies

Ethical sourcing system certification

Ingredient supply chain certification

UEBT membership programme

Projects and advisory services

Conference and training

Multi-stakeholder initiatives

Information sharing

### UEBT

**Standards system**  
Ethical BioTrade Principles

**Association**  
Companies committed to Ethical BioTrade

**Knowledge-sharing platform** on Ethical BioTrade issues