Opportunities for Civil Society Organizations to Accelerate Product Sustainability through Multi-Stakeholder Engagement with The Sustainability Consortium

September 2011

Contents

Introduction

This document reflects the collective interest of a diverse group of civil society organizations (CSOs) to begin a more robust dialogue with The Sustainability Consortium (TSC) to help it realize its aspirations. This collective effort is an extension of the work that each of these organizations has undertaken to engage with The Sustainability Consortium separately. It is grounded in their shared belief in the tremendous potential contribution of the Consortium, and the Consortium's need for greater support to become a global, multi-stakeholder collaboration.

The goal of this informal group of CSOs – this "CSO Working Group for The Sustainability Consortium" – is to support The Sustainability Consortium to realize its vision of a more environmentally, socially and economically sustainable world, and the belief that this can best be accomplished through truly global and multi-stakeholder collaboration. As such, these organizations seek to incorporate other stakeholders from civil society into their effort to proactively and constructively engage with The Sustainability Consortium.

This document articulates the aspiration of CSOs to support The Sustainability Consortium and the belief of these CSOs in the promise of The Sustainability Consortium to improve worldwide sustainability. Beyond that, it presents the findings of an assessment of the Consortium's efforts to develop further and prospects for making itself truly collaborative among a diverse set of global stakeholders. Along with this assessment, the document also provides recommendations for the Consortium as to how it might improve these prospects. The CSO Working Group discussed these issues during a meeting held in Washington, DC, on July 15th and 16th, 2011 and is based on their individual experiences working with The Sustainability Consortium as well as the findings of the assessment compiled by the Environmental Defense Fund (EDF) and Innovations for Scaling Impact (iScale). The EDF-iScale assessment was informed by research undertaken by staff of the two organizations, which combined broad desk research with semi-structured interviews of representatives of a broad cross-section of civil society organizations, businesses and business consortia, and staff of The Sustainability Consortium.

This effort was initiated by EDF and iScale to respond to the desire of various stakeholders engaged with The Sustainability Consortium, including members and staff of the Consortium as well as stakeholders external to the organization, to catalyze a sophisticated CSO engagement strategy with TSC. At its inception three goals were identified for the effort:

- Catalyzing broad participation among stakeholders of The Sustainability Consortium to represent leading CSOs from around the world and with different interests in corporate and supply-chain sustainability so as to enable TSC to realize its mission of improving environmental, social and economic sustainability worldwide.
- Promoting The Sustainability Consortium's fulfillment of the role it has committed to undertake for the public good by fairly monitoring and reporting its activities and especially the tangible contribution of its work to sustainability.
- Achieving greater product sustainability throughout the entire product lifecycle across all relevant consumer goods sectors through improved production practices, public policies, and consumer choice based on the products of The Sustainability Consortium's work.

In order to progress towards these goals, EDF and iScale identified the following tasks that would need to be included in a multi-year effort:

- Assessment of the primary goals and interests of TSC and CSO stakeholders regarding TSC's evolution to be a multi-stakeholder institution, and the opportunities and challenges to TSC's development into a multi-stakeholder institution.
- Facilitating the coming together of CSOs interested in proactively engaging with TSC to begin conversations on strategies for doing so, including identification of an initial vision and purpose for such engagement, as well as the value proposition of such engagement for TSC.
- Development by interested CSOs in collective strategies for supporting the TSC's evolution into a critical contributor to multi-stakeholder action for advancing sustainability, both through participation within TCS as well as through engagement of TSC with a global network of diverse CSOs working on sustainability.

EDF and iScale initiated this effort in the spring of 2011, capping the first phase of this work by inviting representatives of CSOs that had expressed particular interest in the project during their interviews to a meeting in mid-July in DC. EDF and iScale wrote this document and are responsible for its content. We have attempted to reflect the interests and concerns of a number of very diverse groups and individuals. But that group is only a small group. And the nature of this document is that it is limited by the time frame in which it was created. TSC is constantly evolving, as are the CSOs working with TSC. Additionally, there are issues that CSOs care about that need to be identified and prioritized. But **we would like to emphasize strongly that this is meant to simply begin what we hope will be a very productive dialogue and working relationship with TSC**.

This first phase of the effort to support The Sustainability Consortium to evolve into a more multi-stakeholder initiative has been generously underwritten by the Metanoia Fund, a private philanthropy based in Boston, Massachusetts.

Initial Recommendations

- **The Sustainability Consortium must include CSOs at leadership and technical levels to be credible. The Consortium will be more likely to realize its aspirations if a more diverse set of stakeholders are meaningfully engaged in both leadership roles as well as in technical working groups.** In contrast, the current Consortium represents an effort of businesses, particularly large corporations, with some incorporation of academic researchers in a mostly technical advisory role. While CSOs are encouraged by the recent decision of the Consortium to add two seats to the board for CSO representatives, this should be viewed as but a first step toward meaningfully incorporating a wide range of stakeholders into its governance structure and work.

- **To realize its comprehensive vision of sustainability, The Sustainability Consortium would be well served by proactively incorporating organizations representing the social and economic sides of sustainability as well as environmental stakeholders.** For example, CSOs involved in areas ranging from human rights to labor to health would bring important insights to the Consortium's work. In pursuing this diversifying of civil society representation in its work, the Consortium should also pay particular attention to ensuring that this representation is global, as identified in its mission and vision. This can be initially met, in part, through the meaningful incorporation of CSOs based in countries other than the United States.

- **More clarity and transparency is needed around The Sustainability Consortium's process for civil society stakeholders to be represented and to be meaningfully engaged in its work.** Clear, specific opportunities for meaningful input allow resource-constrained organizations to participate in the most effective and strategic way.

- **The mission and strategy of The Sustainability Consortium could benefit from being more clearly and compellingly articulated.** For example, there is confusion both inside and outside of The Sustainability Consortium about whether it exists to create an index of the sustainability of consumer products, the science and tools that would inform such an index, or both. Similarly, the seemingly continuously changing structure and operational goals of the Consortium, even from one meeting to the next, can leave open the question of the mandate of the Consortium and its members.

- **Rigor and credibility are key characteristics of any system developed by TSC.** The systems and products need to stand the test of investigation by outside stakeholders so that there is confidence enough in the recommendations and data to put them into action.

- **The Sustainability Consortium should be characterized by transparency and inclusivity.** At present, the governance of TSC is viewed, by at least some CSOs, as closed and siloed. One way to aid in transparency is through improved information flow and general communication, which to date has been characterized by some stakeholders as sporadic and confusing.

- For The Sustainability Consortium to move beyond an environmental metric of measuring impact, **TSC can increase its leverage by also incorporating social impacts** of products on livelihoods, workers and poverty, for example.

- In order for The Sustainability Consortium to fully include CSOs among its dedicated stakeholders, **TSC would be well served to think deeply and strategically about financial support for CSOs to engage in TSC activities**. Without a funding stream for CSOs, it is possible TSC membership will be dominated mostly by businesses and thus less likely to succeed in its vision.

- The Sustainability Consortium can be influential by producing effective LCA and other relevant tools and standards that help support company decision-making and actively manage for both sustainability and future availability of resources. **LCA is a powerful approach for cradle-to-cradle foot printing.** At the same time, **other tools (risk assessments, water foot printing and stewardship, commodity standards from roundtable initiatives, etc.) may be more appropriate for certain sectors and supply chains.**

- **Scientific rigor is critical**. As The Sustainability Consortium moves forward to spur the generation of data that represent the environmental and social impacts of the global industrial economy, the Consortium **data should be validated**, including expert peer review from the private and public sector. Furthermore, **results should be clearly articulated to enable industry to use as readily as possible.**

- **The Sustainability Consortium can and should move from measurement to action.** Now in its third year and with the recent hiring of an executive director and board expansion, the TSC will be looked to for results. The TSC should consider setting challenge targets around the most important impacts and issue areas -- carbon, water, biodiversity, land use, and toxics -- ultimately including social issues. One idea is to make a challenge target announcement at Rio, Davos, or a similar high-profile forum. The Consumer Goods Forum gained great credibility when 19 of its member companies made an analogous announcement at the Cancun Conference of Parties.

Looking Forward

Aspirations for Engagement with The Sustainability Consortium

We believe The Sustainability Consortium represents an unprecedented opportunity to transform the sustainability of consumer goods. This combination of global companies and academic institutions has tremendous potential to create the science, tools and systems that can lead to transformational change.

We believe that CSOs must engage with TSC for it to be successful. Indeed, we think TSC is unlikely to reach its potential without CSOs. CSOs will ensure credibility of the process and results of TSC, help drive innovation and progress, and will undoubtedly push principles such as transparency and rigor that will help achieve results. Ultimately, CSOs will help hold this extraordinary collection of companies and universities accountable for achieving the aspirations of its members and the tremendous potential for positive change that TSC can achieve.

CSO engagement with TSC must be guided by principles such as proactive and constructive engagement with companies. CSOs will seek to help drive action and results, and will be focused on the rigor and integrity of the work of TSC. Transparency and clear communication can help create safe and productive spaces to enable the hard work necessary to drive the transformational progress the world needs.

Next Steps for the CSO Working Group for The Sustainability Consortium

Broadly speaking, active CSO participation in the TSC engagement process to date has been inconsistent – some organizations have been directly involved since the TSC's creation, and others have only recently joined the conversation. The July meeting was an effective catalyst to ignite collaboration among CSOs. The organizations represented at the meeting hosted by EDF in its Washington, DC, office included:

- Business for Social Responsibility (BSR)
- Carbon Trust
- Conservation International (CI)
- Environmental Defense Fund (EDF)
- Natural Resources Defense Council (NRDC)
- Oxfam America
- World Resources Institute (WRI)
- World Wildlife Fund (WWF)

The following table outlines an action plan to continue—and amplify—CSO engagement with the TSC going forward. Given that it was generated at the July meeting, it is a snapshot in time. These markers of success are intended to capitalize on the progress already made by CSOs individually (and now in this collective capacity), and aim to sustain momentum going forward.

A summary of the key concepts discussed at this meeting can be found in Appendix A: Initial Thoughts on The Sustainability Consortium from a Civil Society Perspective.

Next Steps for the CSO Working Group for The Sustainability Consortium

Signposts	Lead Stakeholders	Activities
Continued Coordination of Development of the CSO Working Group for The Sustainability Consortium	• BSR • Carbon Trust • Conservation International • EDF • NRDC • Oxfam America • WRI • WWF	• The initial members of the CSO Working Group will continue to collaborate to identify opportunities to further develop the Group to be able to proactively engage with and constructively influence TSC • These initial members will begin to articulate a collective strategy to influence the Consortium to be more effective, in part through its development into a more multi-stakeholder endeavor, including, o Identifying the unique opportunities available to each of the various CSOs of the Working Group as well as to the group as a whole for influencing TSC, o Developing over time a common understanding of the unique and shared objectives of the participants of the CSO Working Group, o Identifying both strategies for influencing TSC as participants in official TSC operations, where available, and strategies for influencing TSC through activities outside of these official channels, and o Members of the CSO Working Group will also begin to identify potential sources for additional financial support to enable their collaborative work to critically support The Sustainability Consortium
Integrate CSO Members of the TSC Board into the CSO Working Group	• EDF	• EDF will invite, on behalf of the CSO Working Group, the newly appointed CSO Members of the TSC Board to a meeting of the Group. The purpose of this meeting is to introduce the CSO Board Representatives to the Group and its emerging efforts to spur more meaningful CSO engagement with TSC and identify options for best incorporating the Board Representatives into these efforts.
Initiate CSO Working Group efforts to identify strategies for advancing the work of the TCS Sector and Technical Working Groups, beginning with the… • TSC Food, Beverage, and Agriculture Sector Working Group • TSC Electronics Sector Working Group • TSC Measurement Science Working Group	• NRDC for the TSC Food, Beverage and Agriculture Sector Working Group • Carbon Trust for the TSC Electronics Sector Working Group • WWF and WRI for the TSC Measurement Science Working Group	• NRDC will coordinate an initial meeting of interested CSOs to discuss the status of efforts being undertaken within the TSC Food, Beverage and Agriculture Sector Working Group and potential opportunities for CSOs to advance these efforts. In particular, the discussion will focus on the Level 1 SMRS efforts to date and the top five Food Beverage and Agriculture products (beef, cotton towels, wheat cereal, strawberry yogurt and coffee). • Carbon Trust will coordinate an initial meeting of interested in CSOs to review the progress of efforts being undertaken within the TSC Electronics Sector Working Group, within which seemingly considerable progress has been made. The participants in this effort will focus on identifying factors that have contributed to the considerable progress already made within the Electronics Sector Working Group in order to identify lessons for CSO efforts to accelerate progress within other TSC Sector Working Groups. • WWF and WRI will coordinate an initial training workshop for of interested CSOs to develop their technical understanding of Product Life-Cycle Analysis and other methodologies for assessing the sustainability of products. This workshop will potentially be presented as part of WRI's planned workshop for introducing CSOs to and training them in WRI's newly developed assessment methodology, Additionally, this initial workshop might by the spur for an ongoing series of training and development workshops for CSOs interested in product sustainability assessment methodologies and related technical issues.
Expand the CSO Working Group's representation of the breadth and diversity of stakeholders of The Sustainability Consortium	• BSR • Carbon Trust • Conservation International • EDF • NRDC • Oxfam America • WRI • WWF	• Based on the common understanding that the CSO Working Group for The Sustainability Consortium should be as inclusive of all CSOs willing to contribute to the shared goals of the group, all initial members of the CSO Working Group actively recruit other CSOs that they consider bring particular capacity to the efforts of the Group • Four key constituencies are identified for priority recruitments – o Representatives from CSOs primarily concerned with social issues o Representatives with technical expertise related to product sustainability assessment o Representatives from countries other than the United States, and particularly countries in the Global South o Representatives with greater focus on industries other than Food, Beverage and Agriculture Sector • Together, members of the group will design and implement a more explicit plan for recruiting other key CSOs to expand the representativeness of the group, as well as for promoting awareness of the group as an open collaborative rather than a self-appointed group claiming exclusive representation of CSO interests vis-à-vis The Sustainability Consortium
Develop a communications platform for the CSO Working Group to facilitate its growth and coordination	• EDF • iScale	• iScale will set-up an internet-based workspace for the CSO Working Group for The Sustainability Consortium • EDF and iScale will contribute initial content to the virtual workspace of the Working Group • Together, all of the participants of the CSO Working Group will develop norms for use of the virtual workspace and further develop the content of the workspace

Appendix: Summary of Discussion from Meeting of CSOs Interested in The Sustainability Consortium, July 2011

This section provides a rapid assessment of the prospects for greater civil society engagement with The Sustainability Consortium. This assessment reflects EDF-iScale's capture of the discussion in the initial July 2011 meeting for the CSO Working Group for The Sustainability Consortium, with supporting information added from the survey that informed the DC meeting. The recommendations provided earlier flow from this rapid assessment. It is an essential piece to help others understand that the thinking behind the recommendations is not simply uniformed "positions."

Civil Society Interest in The Sustainability Consortium

As introduced above, civil society organizations recognize and appreciate The Sustainability Consortium's unique potential for advancing environmental, social and economic sustainability.

Nevertheless, CSOs also see a difference between their more limited expectation of what the value proposition can be in its current configuration, and a more extensive value proposition that TSC could present if it were developed to its more full potential. As it is, CSOs anticipate that TSC can advance the more limited goals, such as:

- Development of standard product sustainability measurement frameworks, and
- Collection of data on product sustainability in one location that is accessible to all stakeholders, including the general public

However, CSOs believe that the outcomes that could come from and should be sought to be realized from the unique opportunity offered by TSC include:

- Rigorous validation, incorporating independent scientific review, of the methodologies and data on product sustainability generated through TSC processes
- Maintenance of product sustainability data generated by TSC processes in a way to ensure the preservation and integrity of the data and consistent availability of the data to the public
- Sustainability targets for product sectors based on the data and standards generated by TSC Sector Working Groups

In addition to these high-level outcomes that CSOs identify as reasons for having a general interest in TSC, they also present a number of specific reasons for their interest in engaging with TSC. Among the goals that CSOs give for their interest in the TSC are:

- Harnessing the standing of TSC to drive faster transformational improvement of the sustainability of products through consumer and company behavior
- Promoting the development of a consumer model that is sustainable
- Ensuring consistency in various, related approaches to advancing sustainability, of which TSC is only one
- Advancing a concept of "sustainability" through TSC that reflects a "systems" approach rather than simply a concern with "sustainable products"
- Influencing business to engage in efforts to advance broader societal good
- Supporting companies within TSC that are leading on sustainability and who can model for and challenge other companies inside the Consortium
- Creating sustainable supply chains that feed and provide for billions, while giving people a voice and empowering them to live a sustainable livelihood

- Advancing sustainable production processes (such that reduce carbon emissions and other byproducts of production to sustainable levels) and the sustainable management of natural resources
- Identifying specific, quantifiable targets that companies can be held accountable for improving the sustainability of their operations
- Advancing supply chain-wide measuring and reporting most critical to sustainability challenges while preventing "green-washing"

CSOs also note particular comparative advantages that TSC has, among other efforts to engage businesses in sustainability efforts, for achieving these goals. These include:

- TSC is only two years old and in this short time has already made positive contributions to efforts to advance attention to product sustainability
- TSC has developed a large and broad membership of companies from across most, if not all, consumer goods sectors, that provides it with considerable influence across industries
- Walmart's leadership and commitment to participation in TSC has been an important factor in promoting the Consortium's agenda and attracting business members, and represents a unique source of the considerable influence that the Consortium can have throughout the consumer goods industry
- Important and well-regarded companies are involved in and seemingly committed to the governance of TSC
- Given these sources of influence, TSC can undeniably drive the science, tools and advancement of efforts to promote product sustainability
- Life-Cycle Analysis, which the TSC has prioritized, can support better decision making for companies
- TSC's association with academic institutions allows the Consortium to tap into valuable technical capacity for its work, including allowing for potentially more activity through student-supported efforts
- The Electronics Sector Working Group has made great strides, in part because of its relationship with MIT, and can serve as a model for other Sector Working Groups

Given this unique potential for TSC to contribute to advancing product sustainability, CSOs are interested in engaging with TSC in a number of ways to support it and advance its impact. These include contributing expertise, knowledge and tools to the Consortium's efforts, supporting TSC to build-in adequate scientific accuracy into its measurement systems, and advancing the principle that companies should take the data resulting from TSC to improve the sustainability of their products.

Some CSOs, however, have not yet identified engagement with TSC as a priority because they are still considering the level of effort that their organizations can or should put forth toward the Consortium. Some of these indicate that they will wait to engage with TSC until the goals and processes of the Consortium have been clarified and it is clear what a commitment to participate actually entails. Some CSOs have not engaged with TSC simply because they have not been invited to participate.

Yet other CSOs have also expressed a more definitive disinterest in being involved with TSC, particularly driven by the concern that there are already various standards and metrics in place for product sustainability. They point out that broad-brushed environmental efforts are not the best suited for this particular type of initiative (focused on the development and application of technical solutions, such as measurement science broadly and life-cycle assessment in particular). Instead, these CSOs suggest, the critical challenge for improving product sustainability is a lack of political will to implement such standards, which is not a primary concern of TSC.

Finally, another concern of many civil society organizations regarding engagement with TSC is resource limitations (including time, personnel, and funds). Even those CSOs regularly involved with the TSC working groups note that while they participate in meetings, conference calls, and webinars as they can, time and staff resources critically limit their engagement.

As one CSO representative notes, capturing many of these considerations, "*We have to make sure what we do is the best use of our time and resources – and it makes a systemic impact. People have showed up to the dance, but will they get out on the dance floor?"*

Civil Society Organizations Involvement with The Sustainability Consortium

In terms of the form of CSO engagement with TSC, the most common is participation in the Consortium's working groups. CSOs are involved with, at least, the following TSC working groups Home and Personal Care; Food, Beverage & Agriculture; Electronics; Measurement Science; Pulp & Paper; and Packaging.

In addition to involvement with the TSC working groups, others regularly work on an informal basis with TSC staff and TSC members regarding the Consortium's operations and particularly its ongoing development. Yet other CSOs participate in TSC events and engage TSC staff less regularly, but not as a recognized, "official" partner.

In terms of their work with TSC member businesses, those that CSOs identify most as having direct, independent relationships with regarding the Consortium include:

- Walmart
- Safeway
- PepsiCo
- BASF
- Best Buy
- Unilever
- Procter & Gamble
- Coca Cola
- Intel
- Panasonic
- Earth Friendly Products
- Clorox
- Burt's Bees
- Hewlett Packard
- SC Johnson

In addition to the businesses identified that CSOs work with regarding TSC, CSOs also identified other companies that they engage with regarding sustainability including: Target, Tesco and Method. These additional companies could also be important actors to incorporate into TSC.

Notably, among civil society organizations interested in the Consortium, most have not collaborated with other CSOs to engage with TSC. Moreover, not only have CSOs not cooperated with each other proactively in their engagement with TSC, they have also not been moved toward greater cooperation by their interaction with each other in TSC activities. For example, while some CSOs note that they interact with each other in TSC working groups, none report any efforts to cooperate in such efforts.

Weaknesses of The Sustainability Consortium

TSC also presents certain challenges to greater civil society involvement and its general ability to achieve its goals. This section summarizes the CSO view on its perceived weaknesses.

While acknowledging the benefit of Walmart's leadership and commitment to TSC, CSOs also raise concerns that Walmart's influence on TSC might overwhelm or even stifle the meaningful input of other companies.

Related to this is the issue that such prominent (or even dominant) leadership by Walmart within TSC might deter (or already deters) the participation of other critical actors due to competitive reasons.

Continuing on the theme of participation and composition of TSC, CSOs believe that the TSC is handicapped by not including other stakeholder groups. The lack of outreach on this front is surprising given its aspiration to be a multi-stakeholder initiative.

CSOs view that the participation issues may be grounded in shortcomings related to governance and transparency. Even with the addition of two CSO appointees to the Board, corporations will still dominate the composition and decision-making in the Board. This doesn't signal interest in the broad participation of CSOs. Furthermore, this raises the question for CSOs as to whether this governance structure will drive results. Finally, the general lack of transparency makes it difficult to engage. CSOs articulated issues around seemingly ever-changing priorities as well as minimal sharing of information about its operations.

CSOs also raise the issue of transparency when reflecting on why certain Sector Working Groups advance as opposed to others. Additionally, CSOs see a lack of transparency in the selection of the particular focus areas within Sector Working Groups. The lack of clarity as to this decision-making, which is seen as leading to emphasis on product groups and products that do not necessarily represent the greatest potential impact, calls to question potential political influence of companies seeking to manipulate these efforts. Related to this concern is that the model that TSC takes for working in each sector is the same and instead needs to be adapted from sector-to-sector to facilitate the most appropriate decision-making within each working group.

In interviews as well as at the meeting, a number of CSOs raised concerns around TSC operations. In terms of operations, CSOs articulated inefficiencies stemming from TSC's reliance on academic institutions for research support. For example, the regular roll-over of working group research staff, students that regularly graduate, precludes the development of accessible capacity which carries with it the regular cost of training new staff and compromises the level of quality in the facilitation of sector working groups.

Finally, CSOs point out that TSC's up-until-now exclusive focus on Life-Cycle Analysis (LCA) is a concern as LCA is only one methodology. Although it is valuable for particular purposes, other methodologies should also be incorporated into TSC's focus if it is going to advance the field of measurement of product sustainability. In particular there is concern that LCA represents a weak methodology for considering social and economic dimensions of sustainability vis-à-vis environmental considerations. Also, the CSOs are concerned about the split between members of the TSC over the development of a comprehensive LCA database to use for hot spot analysis versus those wanting to develop a product scoring system.

Some CSOs also suggest that companies' investment in TSC might actually be diverting resources from other more effective efforts to advancing sustainability.

Challenges to Civil Society Engagement with The Sustainability Consortium

In addition to these broader weaknesses of TSC itself, CSOs that have been involved with TSC also offer up various challenges specifically regarding civil society involvement in the Consortium. Some of these have already been mentioned above, but here we group these challenges into three main categories and provide some additional detail that has not been discussed above. In short, CSOs identify three overlapping dimensions of TSC operations that they see as challenges to their engagement with the Consortium –

1. *Mission* – a concern with the lack of clarity of objectives of TSC as a whole and working groups in particular, and especially mandates for participants (what is desired and expected from stakeholders in their participation in the Consortium)
2. *Governance* – concern with a lack of clarity as well as perceived disorganization and inconsistency regarding the structure and governance of The Sustainability Consortium
3. *Technical* – various concerns regarding the lack of clarity about the unique value proposition represented by TSC in broader efforts to advance the science and measurement of product sustainability or the development of product standards. Additionally, there are concerns that the discussions regarding technical issues can at times be dominated by a few voices and in a way that can seemingly confuse, obfuscate or contradict the purpose of the value proposition being offered by TSC

More specifically, regarding governance issues, CSOs raise three related points. First, there is a lack of a clear definition of TSC discussions as a "safe" space to have conversations about mutual interest and gain, which has contributed to the slow development of greater trust and more open and effective dialogue among participants. Second, an emphasis on decision-making by voting has hindered the development of a culture and practice of consensus building, and contributes to the persistence of a perception among CSOs that companies want to control decision-making. As one CSO representative notes, "*TSC needs to broaden its governance to make it more interdisciplinary and participatory – then the potential to produce results that are seen as controversial or not useful decreases. They can avoid this if they get the process right, but they are taking late corrective steps.*" Finally, because there are no known developed rules for when CSOs can engage in working groups, entering into participation in these conversations can pose a challenge.

Markers of Progress in the Development of The Sustainability Consortium

In addition to their assessment of the weaknesses and challenges of TSC, CSOs have also identified important organizational development priorities for the TSC.

In short, in order to be successful, CSOs suggest that The Sustainability Consortium needs to focus its organization's development efforts on establishing:

- Clearly articulated, mission-driven goals and objectives
- Transparent and inclusive governance
- Regular, clear communication with stakeholders
- Good practices related to the products and processes of TSC efforts
- A global perspective and membership
- A truly multi-stakeholder approach
- Collaboration with external stakeholders to provide validation of standards

Because many of the expectations for progress on some of these more important issues (e.g. governance and membership) have been addressed elsewhere, the discussion of this section will focus on highlighting priorities for development of TSC related to items that overlap several of these categories.

For example, looking first to the goals of TSC but with an eye toward the assurance of good practice regarding both the products and the processes of TSC, there are several priorities that CSOs suggest would mark critical progress in TSC's development. The first of these is an identification of the goal for measurement and data standards emerging from TSC to contribute to international harmonization of such standards, thus requiring that TSC's standards be developed to be internationally accepted. Such an expectation requires, of course, a focus on assuring that the standards meet expectations that will satisfy international audiences. One way to ensure this is to have these standards result from a truly global, multi-stakeholder perspective.

Similarly, another goal-related marker that also touches on good practice and collaboration with external stakeholders for validation is that TSC establish an expectation that companies choosing to report TSC-derived product sustainability scores on product labels incorporate third-party validation as part of this process.

Other expectations for progress in the development of TSC best practice include a standard TSC process for Working Groups to experiment with identifying "right" processes for measuring sustainability; then, testing these processes with multi-stakeholder review and independent assessment of the prototype results; and finally, rolling out the methodologies. Such a process would help to minimize the risk that resulting methodologies and standards would fail to meet the scrutiny of stakeholders that were not engaged in the piloting, testing and roll-out process. A simple first step towards this sort of robust process for developing methodologies and standards is for TSC to develop consistent guidelines outlining the SMRS process, which should then be made public.

Overlapping both the priority of clearly articulated goals and regular reporting to stakeholders, TSC should carefully consider what will be the "ask" to be made of consumers. The availability of LCA and other data can be reported to consumers in a way that ultimately leads to decision-making that moves consumers toward more sustainable consumption. As one CSO representative noted, *"[There is a] need to get the consumer invited to the conversation... To get consumer groups aware, [TSC] should have a mainstream media strategy. They could use Walmart stores to get the word out, educational displays that explain why Walmart and its suppliers are moving toward sustainability."*

Finally, returning to transparent and inclusive governance, several expectations for progress focus on TSC developing characteristics of a truly multi-stakeholder initiative. For the most part, all of these are building blocks of the larger subject introduced earlier, with overlap with other categories of priorities. The first of these addresses the rather obvious expectation of minimizing conflicts of interest. As a general principle, CSOs express an expectation for TSC to limit the participation of companies on certain issues in which the companies have a direct conflict of interest. Complementing this, there is an expectation that TSC develop its governance structures to deal with conflicts of interest, including:

- Incorporating the broadest population of stakeholders necessary to counteract any potentially dominant stakeholder group,
- Empowering the participation of all stakeholder groups by minimizing the dominance of any stakeholder or group with a particular interest/agenda,
- Establishing clear rules about the composition of working groups, and specific minimum requirements for representation, and
- Balancing participation among businesses, academics, civil society, and other stakeholder groups, such as representatives of governments and multi-lateral organizations, who can and likely should be incorporated as participants in the multi-stakeholder process.

Notably, on this last point, there is an expectation that TSC clarify the distinction between CSOs/NGOs and multi-lateral (inter-governmental) organizations, such as the United Nations Environmental Programme (UNEP), which should not be considered a representative of civil society.

Important Stakeholders to Engage The Sustainability Consortium

Finally, when considering how to further civil society engagement with TSC, it is important to consider which CSOs in particular are important to involve in these efforts. Of course, certain CSOs are critical to involve because they have considerable potential to influence TSC because of their already meaningful relationships with the Consortium and or certain of its members. Other CSOs might not already have influential relationships with TSC but have been identified by other CSOs as being critical to involve in efforts to engage civil society with the Consortium because of their unique capacities.

Beginning first with a look at CSOs already meaningfully engaged with TSC, those most identified by other CSOs as the primary civil society actors currently engaged in the TSC initiative are: Business for Social Responsibility (BSR), World Wildlife Fund (WWF), Environmental Defense Fund (EDF), the Natural Resources Defense Council (NRDC), Conservation International (CI), The Nature Conservancy (TNC), World Resources Institute (WRI), CARE, and the Lowell Center for Sustainable Production (LCSP). It is important simply to point out, that among these CSOs BSR is unique as an organization that represents the businesses that comprise its membership and it has a primary function of offering technical assistance to businesses rather than representing expertise regarding sustainability.

While these organizations are recognized by many of their peers for their meaningful engagement with TSC, it is notable that some CSOs express concern to the contrary that they do not know if any CSOs are actually involved with TSC and that there is a significant lack of transparency as to what extent or in what capacity any such CSOs are involved with TSC. Some others suggest that even if there are CSOs involved with TSC efforts they have yet to see substantive influence from civil society on TSC operations.

In addition to the importance of involving those CSOs that already have relationships established with TSC in the effort to further encourage TSC to become more multi-stakeholder in its character, TSC could also intentionally pursue to incorporate several categories of stakeholders to have better, more inclusive, and more comprehensive input into its work – these include stakeholders from the global south, governments and critical categories of CSOs discussed below.

Before turning to the enumeration of the different types of CSOs that should be further incorporated into TSC, we turn to a quick note on incorporation of the global south and governments. In order to fulfill its mission, which can only be realized if addressed globally, TSC can and should make a concerted effort to incorporate more representation of international civil society organizations, as well as more companies from outside the U.S., Europe, and even China. Additionally, TSC should consider how it might also be more effective if it were to engage governments as stakeholders. For example, on the issue of LCA, one CSO notes that the U.S. Environmental Protection Agency represents a thoughtful and valuable perspective on technical issues like LCA.

In terms of other critical CSOs to incorporate into this process, the following priority stakeholder groups stand out as priorities:

- ***Environmental Protection Organizations focused on Technical Analysis***
- ***Humanitarian and Social Development Organizations***
- ***Standards, Reporting, and Certifications Bodies***

Technical Environmental Organizations. TSC would benefit from greater incorporation of more environmental protection organizations focused on technical analysis to help advance discussion as well as minimize dissonance between TSC efforts and those emerging elsewhere. In addition to increasing the capacity of TSC in regards to life cycle analysis (LCA), the TSC could potentially improve and accelerate the progress of its work through the incorporation of more technically focused CSOs with expertise ranging from Sustainability Measurement Reporting Systems (SMRS) to green chemistry and end-of-life/recycling and toxicity expertise. Among the organizations that were specifically identified as potentially offering critical technical environmental expertise to TSC are:

- Carbon Trust
- Clean Production Action
- Consumer Goods Forum
- Green Seal
- Refrigerants Naturally

Humanitarian and Social Development Organizations. The inclusion of organizations focused on social and economic dimensions of sustainability could also help accelerate and improve the progress of TSC. Inclusion of these groups could specifically help TSC to address sustainability holistically such as through examining product sourcing, manufacturing and supply chains to consider products' impacts on livelihoods, local economies, and poverty. CSOs that have been identified as priority candidates for incorporation into TSC efforts of perspective on social and economic sustainability include:

- Amnesty International
- Human Rights Watch
- International Labor Rights Forum
- Oxfam America
- International Trade Union Confederation
- Social Accountability International

Standards, Reporting, and Certifications Bodies. Finally, there is a need to identify the relationship between TSC and other bodies concerned with and continuing to push forward on standards and certifications. Given that there is considerable concern that TSC may be duplicating efforts, especially with virtually no effort yet to benchmark the result of its work, much could be learned to improve TSC's operations from the incorporation of existing standards, reporting, and certifications bodies. As one CSO representative noted,

> *"How does this relate to the criteria they [TSC member companies] are already supporting? There should be an assessment of standards (like Forest Stewardship Council,* Perfluorocompounds (*PFC) Reduction/Climate Partnership, etc.). Is the TSC a whole different set of standards? Is industry developing its own standards? We want to build something with more support than business alone."*

Among those CSOs that TSC could potentially recruit to participate are:

- Global Reporting Initiative
- Global Social Compliance Programme
- Eco Logo
- Ethical Trading Initiative (UK)
- Fair Trade USA
- ISEAL Alliance
- US Green Building Council (LEED)
- Forest Stewardship Council (FSC)
- Marine Stewardship Council (MSC)
- World Business Council on Sustainable Development (WBCSD)