



Management Response

Mid-term Evaluation (MTE) of the Transparency and Innovation of Sustainability Systems Programme, Phase II

by JWM Collaborations and BSS Volkswirtschaftliche Beratung

December 2025

Background

The State Secretariat for Economic Affairs SECO has mandated JWM Collaborations and BSS Volkswirtschaftliche Beratung with a Mid-term Evaluation (MTE) of the second phase of the “Transparency and Innovation of Sustainability Systems Programme (TISS II)” implemented by ISEAL.

The purpose of the evaluation was (a) to foster internal learning at SECO and ISEAL on whether the programme is still relevant in the changing geo-political and regulatory context, as well as whether it is effective in achieving its proposed objectives.

The assignment took place between May and October 2025.

Appreciation of the Report: Structure, Methodology & Process

The evaluation was carried out by Jan Willem Molenaar (JWM Collaborations; Lead Consultant) and Niclas Meyer (BSS Volkswirtschaftliche Beratung). Both team members count with substantial evaluation experience and complemented each other well thematically. Whilst the Jan Willem Molenaar has substantial expertise in the area of VSS, Niclas Meyer's was primarily responsible for the Swissness and trade-related aspects of the evaluation. The coordination of the assignment was straightforward, and the team showed a high degree of responsiveness.

The evaluation applied a contribution analysis to examine the extent to which ISEAL's activities have likely contributed to observed changes, while also considering alternative explanations and external influencing factors. The evaluation draws upon an extensive document review. Moreover, the evaluator led 56 key informant interviews with representative. By triangulating evidence across diverse data sources and perspectives, the evaluation was able to assess the plausibility and relative strength of ISEAL's contribution.

The evaluation report is clear and well-written. In our opinion, it draws the right conclusions and also provides valid recommendations. Particularly relevant are also the questions suggested at the end of the report to guide the development of a potential next phase. We also appreciated the fact that the evaluation team sought to corroborate preliminary findings in regular follow-up discussions with SECO and ISEAL. In this regard, also the very open final discussion between the evaluation team, SECO and ISEAL was of great value.

Key Findings and Lessons learnt

The evaluation responded to specific questions related to relevance, effectiveness and sustainability of the programme. Key findings include:

1. Relevance of VSS

Despite important developments in the area of sustainability regulation (particularly in the EU), initial fears of obsolescence of voluntary sustainability standards (VSS) have given way to a more differentiated view. These regulations do not replace many core functions of VSS. On the contrary: credible VSS are increasingly recognised by policymakers and companies as valuable tools for supporting compliance and enhancing the effectiveness of mandatory rules. However, relying solely on VSS is not enough to meet regulatory requirements. This shift is changing business practices and reducing the automatic appeal of certification. It also forces VSS to sharpen their value proposition. Their ability to remain relevant in a stricter legal environment will depend on how well they adapt and innovate. At the same time, trade policy and regulations on environmental claims explicitly acknowledge the role of VSS, and are further strengthening their relevance.

2. Role and performance of the ISEAL Innovations Programme

Overall, the Innovations programme (Innovations Fund and Accelerator) has significantly strengthened the culture of innovation among ISEAL members and increased their willingness to collaborate. It has enabled members to initiate significant changes in how VSS operate, driven both by the need to respond to changing business expectations and by the ambition to increase impact. Most projects focused on improving certification systems in direct response to business priorities. About a quarter, however, explored systemic approaches that go beyond certification aimed at achieving deeper impact on specific themes. While members see the funding as highly valuable, they also strongly appreciate ISEAL's broader support, especially its technical advice, peer learning opportunities, and facilitation of communities of practice.

At least half of the completed projects are scaled and bring lasting changes among the grantee organisations. These projects have helped ISEAL members improve their efficiency, inclusiveness, or effectiveness. Several have also enhanced their relevance for companies aiming to meet EU regulatory requirements and climate targets. However, there is little evidence that these innovations have been replicated or adapted by organisations beyond the original project partners.

3. Improvement in public sector understanding and/or use of VSS?

ISEAL's public sector engagement workstream has likely improved EU policymakers' understanding of the role of VSS. ISEAL appears to have influenced EU policies or implementation guidelines. Its positioning as a knowledge partner, emphasis on credibility principles, and strategy of direct engagement with policymakers can be seen as effective. Results are less tangible in the area of trade regulation, though ISEAL is recognised as a valuable contributor to the ongoing dialogue on the role of VSS in this context.

4. Swissness

The overall effectiveness of ISEAL's engagement with Swiss policymakers remains limited. Its business and policy activities in Switzerland have included relevant activities and some strategic achievements, notably through support to commodity platforms and increased

visibility at high-level events. However, ISEAL's recognition as knowledge partner among key Swiss policymakers is still low, and there is no clear evidence of policy influence to date.

5. Evidensia's role in increasing transparency and know how on VSS impact

Evidensia is regarded as a valuable public good by certain user groups, particularly researchers and practitioners. However, its overall reach remains limited, and more evidence is needed of uptake by other intended audiences. It has not been possible to determine whether Evidensia has meaningfully influenced awareness or decision-making among companies or governments.



Recommendations

RECOMMENDATIONS	MANAGEMENT RESPONSE	RESPONSIBILITY	TIMING
Recommendation 1 The Innovations Fund and Innovations Accelerator could place more emphasis on supporting grantees in mainstreaming and scaling of innovations.	Partially agree Not agree Response: Whilst it is inherent to innovation that future replication, mainstreaming and/or scaling cannot be granted at the outset, SECO and ISEAL agree that projects should ideally pass the pilot stage and develop larger impact over time. In this context, ISEAL has developed two reports looking at the number of past innovation projects that have led to concrete follow-ups. The results are rather encouraging, but admittedly, there is still room for improvement.		
	Measures: • Provide more weight to the business model and scaling potential in the selection of Innovation projects • Consider specific calls for larger, more collaborative projects under funding rounds in the potential TISS phase 3	ISEAL ISEAL/SECO	2027 onwards 2026
Recommendation 2 ISEAL should maintain its policy engagement at EU level to help ensure that VSS remain relevant and to support its members in	Partially agree Not agree Response: ISEAL and SECO agree that policy engagement at the EU level will remain a high priority in the future and should thus remain an element in a potential future TISS phase 3. At the same time, the regulatory landscape being very volatile, we should preserve a certain degree of flexibility to focus on topics and geographies that are most relevant. In addition, more a stronger, more institutionalized		

navigating a volatile and

RECOMMENDATIONS	MANAGEMENT RESPONSE			RESPONSIBILITY	TIMING
unpredictable regulatory landscape.	collaboration with the OECD on due diligence regulation should also be considered for the next phase. <u>Measures</u> :				
	• Build upon the good relationship with EU policymakers established under TISS 2 and continue to foster understanding of the potential role of VSS in the implementation of regulations. • Share relevant insights on EU policy development with interested public and private stakeholders in Switzerland. • Discuss OECD proposal and opportunities for collaboration under a next TISS phase			ISEAL ISEAL SECO/ISEAL	ongoing 2026 onwards S1 2026
Recommendation 3 ISEAL should recalibrate its strategy and goals on trade policy and the Global South for the remainder of the programme.	Fully agree	Partially agree	Not agree	Response: SECO and ISEAL agree that strategic choices need to be made to prioritize between stronger engagement in countries of the Global South and trade policy at the multilateral level. Considering the rather limited potential to meaningfully drive discussion on VSS at the WTO, we would currently favour a stronger focus on selected developing countries. However, a distinct foreign trade perspective should be adopted in this collaboration too. Combining ISEAL and SECO's	

geographic priorities, potential candidates for more targeted engagement would be

Brazil, Malaysia and Indonesia, and to a somewhat lesser degree also India and Ghana.

On multilateral trade, a limited engagement in partnership with institutions such as ITC

and/or IISD can still be considered.

RECOMMENDATIONS	MANAGEMENT RESPONSE			RESPONSIBILITY	TIMING
	<u>Measures:</u> • Assess interest of public sector as well as other stakeholders for increased ISEAL engagement in in Brazil, Malaysia, Indonesia as well as Ghana and/or India. • Assess potential for collaboration with ISEAL members in these countries. • Discuss potential for limited collaboration on VSS in multilateral trade and FTAs			ISEAL ISEAL	S1 2026
				SECO/ISEAL	S1 2026
					S1 2026
Recommendation 4 On the Swissness strategy, we recommend that ISEAL and SECO coordinate to achieve better alignment on expectations and strategy.	Partially agree	Not agree	<u>Response:</u> SECO and ISEAL agree that increased coordination of expectations and the way forward regarding Swissness are necessary, both with regard to public as well as private sector engagement. This is all the more important since the ISEAL Manager responsible for driving Swissness has recently resigned.		
	<u>Measures:</u> • Discuss next steps with regard to Swissness strategy for the remainder of the current phase and beyond. • Ensure regular exchange on this topic to ensure alignment and being aware of potential developments in the Swiss regulatory space.			SECO/ISEAL	Jan. 2026
				SECO/ISEAL	2026 onwards
Recommendation 5 Evidensia is seen as an important public good, but should invest more in communication, dissemination and partnerships to make it	Fully agree	Partially agree	Not agree	<u>Response:</u> SECO and ISEAL agree more effort is required to take Evidensia to external audiences and stakeholders and make more strategic use of investment in it to date. <u>Measures:</u>	

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better known and used among researchers, practitioners and conveners.	• Deepen external outreach and engagement of key stakeholders (especially business and policymakers) with Evidensia platform and resources • Seek to widen Evidensia’s funding sources to reduce reliance on SECO • Deepen integration between Evidensia and the research / learning elements of the TISS II Programme and future phases of the partnership			ISEAL ISEAL ISEAL & SECO	Q1-Q4 2026 Q1-Q4 2026 and beyond		
Recommendation 6 For SECO’s future post TISS II strategy, this MTE suggests that SECO should continue to support to ISEAL and its members with a focus on innovation on the certification and systemic strategies. Recommendation 7 Similarly, it is relevant to continue supporting ISEAL on its public sector engagement and on Evidensia.	Partially agree		Not agree	Response: SECO plans to continue its programmatic collaboration with ISEAL beyond the current TISS phase and agrees VSS innovation will remain an important topic. The modalities and foci of a future innovations programme still need to be discussed however. Measures: • In close collaboration with ISEAL, prepare a Credit Proposal for a TISS phase 3, including a specific component on VSS innovation.			
				SECO	Q1-3 2026		
	Fully agree		Partially agree	Not agree	Response: SECO also agree that public sector engagement as well as a continued focus on VSS impact should remain important elements of a potential future TISS phase. In determining the specific emphasis of to be given to different components – innovation, public sector, engagement, impact and potentially others -, given budgetary constraints also acknowledged by the evaluators, SECO and ISEAL will need to carefully weigh priorities and		
				SECO	Q1-3 2026		

opportunities. Measures:

RECOMMENDATIONS	MANAGEMENT RESPONSE	RESPONSIBILITY	TIMING
	• In close collaboration with ISEAL, prepare a Credit Proposal for a TISS phase 3, including a specific component on VSS innovation.		

Place and Date

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Karin Kreider

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Executive Director, ISEAL ALLIANCE
20 January 2026

Name
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