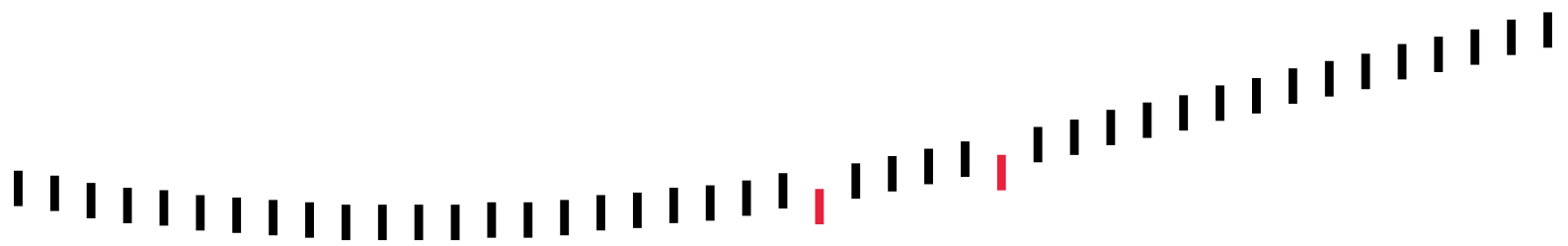
JWM Collaborations

BSS Volkswirtschaftliche Beratung

Final Report

TISS II Mid-Term Evaluation

Rotterdam / Basel | 28.10.2025



Acronyms and Abbreviations

ASC - Aquaculture Stewardship Council

ASEAN - Association of Southeast Asian Nations

ASI – Assurance Services International

CEO – Chief Executive Officer

CCPIT-CSC – China Council for the Promotion of International Trade Commercial Sub Council

CGIAR – Consortium of International Agricultural Research Centres

CoP – Community of Practice

CSRD – Corporate Sustainability Reporting Directive

ECGT - Empowering Consumers for the Green Transition Directive

ESG - Environmental, Social and Governance

EUCSDD - Corporate Sustainability Due Diligence Directive

EUDR - Regulation on Deforestation-free Products

FACS - Food & Agricultural Commodity Systems Community

FCDO – Foreign, Commonwealth & Development Office

FPIC - Free Prior and Informed Consent

FSC – Forest Stewardship Council

FTA – Free Trade Agreement

GCD – Green Claims Directive

HRDD – Human Rights Due Diligence

IF – Innovations Fund

IFPRI – International Food Policy Research Institute

IISD - International Institute for Sustainable Development

ITC – International Trade Centre

IPM – Integrated Pest Management

MTE – Mid-Term Evaluation

NGO – Non-governmental Organisation

OECD – Organisation for Economic Co-operation and Development

RSPO – Roundtable on Sustainable Palm Oil

RTRS - Round Table on Responsible Soy

SECO – State Secretariat of Economic Affairs

SRP - Sustainable Rice Platform

TCM - The Copper Mark

TISS II - Transparency and Innovation of Sustainability Standards, Phase II

ToC – Theory of Change

VSS – Voluntary sustainability standard

UEBT – Union for Ethical Biotrade

UNCTAD - United Nations Conference on Trade and Development

UNFSS – United Nations Forum on Sustainability Standards

WTO – World Trade Organization

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Executive Summary

ISEAL's programme Transparency and Innovation of Sustainability Standards, Phase II (TISS II) is funded by SECO. The current phase began in October 2022 and runs for four years and three months. SECO commissioned this Mid-Term Evaluation (MTE) after 2.5 years of implementation. The report presents the findings of that evaluation. It answers six key evaluation questions, based on a qualitative approach rooted in the programme's Theory of Change. The methodology combined a desk review with interviews of key informants.

1. Have VSS gained or rather lost in relevance in the context of the changing regulatory environment (e.g. EUDR, CS3D, CSRD, etc.), and for what reasons?

The TISS II programme is unfolding at a time of uncertainty for voluntary sustainability standards (VSS). New due diligence laws, such as the EUDR, CSDDD, and CSRD, are challenging the perceived role and relevance of VSS. Yet initial fears of obsolescence 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. How and to what extent have the initiatives supported through the Innovations Fund been able to spark significant innovations (e.g. in terms of scope/scale, costs, inclusion of smallholders, use of technologies, etc.), if at all? What was the role of the Innovations Accelerator?

ISEAL's Innovations workstream has enabled its members to initiate significant changes in how VSS operate. They are driven both by the need to respond to changing business expectations and by the ambition to increase impact. ISEAL members have actively used the TISS II-funded Innovations Fund and Innovations Accelerator in their innovation programmes. 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. Overall, the Innovations programme has significantly strengthened the culture of innovation among members and increased their willingness to collaborate.

3. How and to what extent do the projects supported through the Innovations Fund bring about lasting changes in how VSS operate?

At least half of the completed projects from Phases I and II 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.

4. How and to what extent have public and private sector actors in different countries (developing world, EU, Switzerland, …) improved their understanding and/or use of VSS, if at all?

ISEAL's public sector engagement workstream has likely improved policymakers', specifically 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. Beyond trade, TISS II has supported ISEAL's engagement in producing countries, focusing on the implications of EU policies. These efforts have helped build relationships that are now being used to shape domestic policy environments. Ongoing engagement in India and China has contributed to a more supportive context for recognising credible sustainability standards. Recent activities in Ghana and Indonesia similarly focus on strengthening the credibility of national or regional standards.

5. To what extent and how does having a local ISEAL representative influence the knowhow and use of VSS among public and private sector actors in Switzerland? In how far is this complementary to the existing sector platforms (e.g., cocoa, coffee, gold, textiles, palm oil)?

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. This is partly due to ISEAL's strategic focus on EU-level engagement and a Swiss approach that has leaned more toward business than policy outreach. While these priorities are understandable, they have limited the organisation's ability to fully meet SECO's expectations regarding the Swissness component of the programme.

6. To what extent has Evidensia contributed to increase transparency and know how on VSS impact?

Evidensia is regarded as a valuable public good by certain user groups, particularly researchers and practitioners. The outreach activities funded under TISS II, including webinars, podcasts, blogs, and What Works briefings, are generally well received. However, its overall reach remains limited, and there 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.

The Mid-Term Evaluation resulted in the following recommendations for the remainder of the programme:

1. Scaling innovations: The Innovations Fund and Innovations Accelerator should place greater emphasis on supporting grantees in mainstreaming and scaling promising innovations.
2. Sustaining EU engagement: ISEAL should maintain its engagement at the EU level to help ensure that VSS remain relevant and to support its members in navigating a volatile and unpredictable regulatory landscape.
3. Trade and Global South strategy: ISEAL is advised to revisit and refine its approach to trade policy and engagement in the Global South to clarify objectives and increase strategic coherence.
4. Swissness coordination: ISEAL and SECO should jointly reassess and align their expectations and strategy regarding the Swissness component of the programme.
5. Evidensia outreach: Evidensia should invest more in communication, dissemination, and strategic partnerships to increase its visibility and use among researchers, practitioners, and conveners of business and government decision-makers.

For SECO's future engagement, we recommend continuing support to ISEAL, with a focus on fostering innovations both in certification systems and in broader systemic strategies. We also see value in maintaining support for ISEAL's public sector engagement and for Evidensia, which continues to serve as a relevant public good. To define the scope and focus of a potential TISS III phase, SECO and ISEAL will carefully need to weigh strategic priorities and opportunities.

1 Introduction

The Swiss State Secretariat of Economic Affairs (SECO) Trade Promotion Section has commissioned JWM Collaborations and BSS Volkswirtschaftliche Beratung to conduct an external Mid-Term Evaluation (MTE) of its grant to ISEAL: Transparency and Innovation of Sustainability Standards, Phase II (TISS II). The current phase of the program started in October 2022 for a period of 4 years and 3 months. This MTE thus takes place after 2.5 years of implementation.

The objectives of this MTE are to:

1. foster **internal learning** at SECO's Trade Promotion Section and ISEAL
2. assess the **relevance** of the programme in the changing regulatory context
3. assess whether the programme is **effective** in achieving its proposed objectives and to inform **corrective steering measures** in the current phase (if needed).
4. inform the development of an eventual **future initiative**.

The primary scope of the evaluation is on the **three workstreams** funded by TISS II as defined in the credit proposal:

1. **Public Sector Engagement**: to assist governments and multilateral organisations in understanding how sustainability systems can support public policy goals.
2. **Innovations:** to work with sustainability systems to innovate in order to be able to meet the evolving needs and expectations of producers, governments, and supply chain actors. This workstream includes both the Innovations Fund and the Innovations Accelerator.
3. **Evidensia**: to compile the evidence on what works and what does not, and share the corresponding learnings.

Another focus of attention is the programme's activities to engage with **Swiss stakeholders**, including public, private actors, sector initiatives and academia.

The evaluation took place between June and September 2025. This document presents the findings.

This report starts with an introduction of the TISS II programme and the methodology applied in this MTE. The following chapter present the findings. They are structured according to the evaluation questions (see annex III). It starts with the overall relevance questions, followed by the effectiveness questions structured per workstream. The sustainability question is integrated in the Innovations section as this question only refers to that workstream. This report ends with overall conclusions and recommendations.

2 Introduction to the Programme

The programme's overall goal is to build understanding and catalyse innovation in the use of voluntary sustainability systems (VSS), to support governments and companies in finding effective, collaborative solutions to the world's most pressing sustainability challenges.

It has defined three main outcomes.

1. **VSS innovation**: Sustainability systems increase their value for producers and are well-positioned to support governments and businesses in meeting due diligence requirements and other regulatory conditions for sustainability in global trade.
2. **Public sector engagement**: Government actors will know how they can most effectively partner with and reference sustainability systems in relevant trade policy and smart mix regulatory approaches.
3. **Evidence**: Leaders in government, business, and sustainability systems will share an evidence-based understanding of how to design and deliver more effective sustainability policies and interventions.

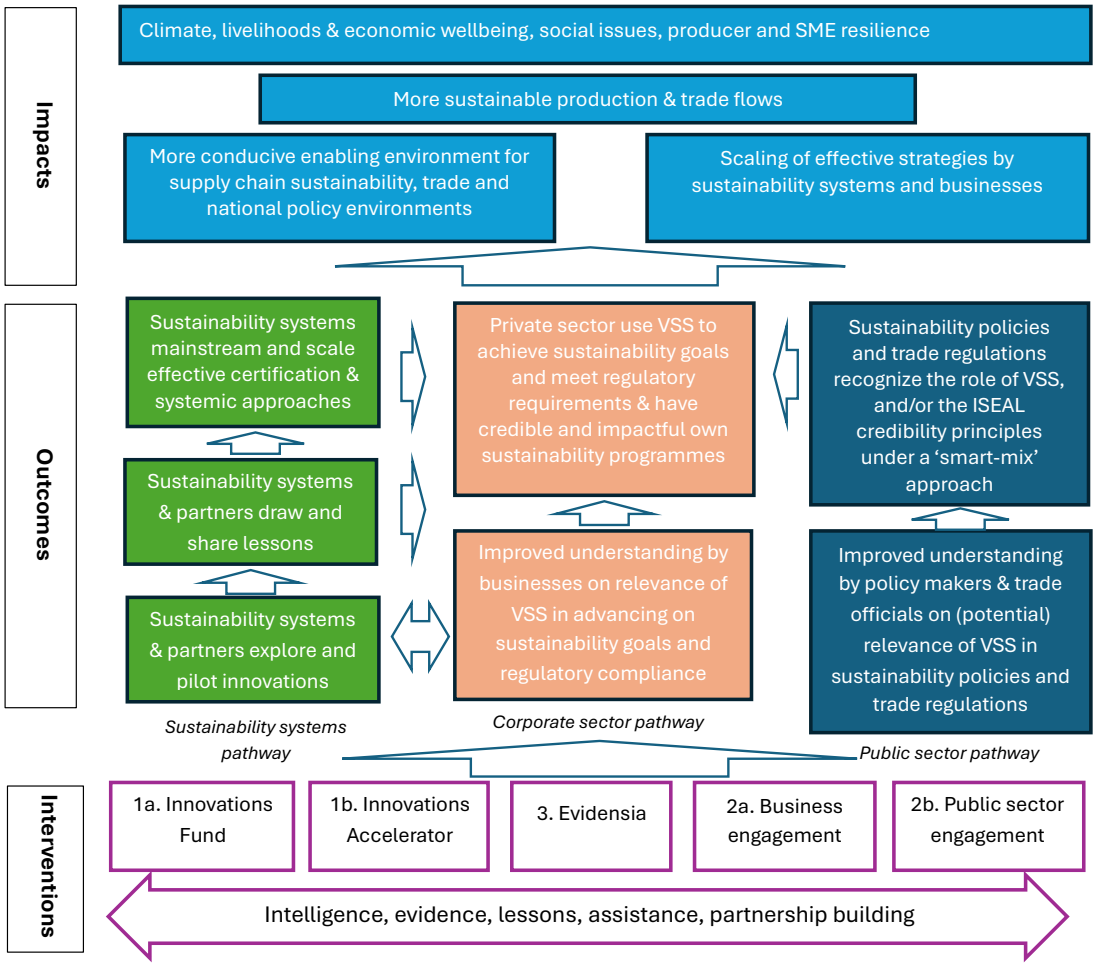
These outcomes correspond with three workstreams.

1. **Innovations**. This workstream consists of the Innovations Fund (IF) and the Innovations Accelerator. The Innovations Fund provides grants and technical support to system improvements and collaborative action for impact by ISEAL members and partners. The Innovations Accelerator provides technical support, facilitates collaboration and learning related to the IF projects and other member activities.
2. **Public Sector Engagement**. This workstream regroups multiple interventions. It consists of ISEAL's engagement on EU policies and trading agreements. Various public and private sector engagement actions in producing countries, also referred to as the Global South, are also part of this workstream. In addition, we have included in this workstream ISEAL's activities to engage with the public and private sector in Switzerland. In reality, this component is somewhat cross-cutting across the three workstreams.
3. **Evidensia**. This workstream comprises the further development and promotion of the Evidensia.eco platform as source for credible information on the effectiveness of market-led and supply chain sustainability approaches. It also comprises various knowledge development, sharing and dissemination activities such as research briefings, podcasts, webinars and events. TISS II also co-funded a systemic review on the evidence of market-led and supply chain sustainability approaches on the Decent Work agenda.

TISS II is a follow-up of TISS I. TISS I focussed on the Innovations work, while this follow-up broadened to scope to public sector engagement and Evidensia.

In support of this MTE, we developed a simplified ToC of the TISS II programme, presented at the next page.

Figure 1: Simplified Theory of Change of the TISS II programme



Of the five interventions in this ToC, the business engagement (2a.) is the least explicit in the TISS II programme. Businesses are mostly targeted as participants in the Innovation Fund projects, users of Evidensia and through engagement activities in Switzerland and the global south. They also inform the strategies in the other pathways. However, TISS II primarily supports the sustainability systems and public sector to create the conditions in which businesses choose to use VSS to meet their sustainability goals and regulatory requirements.

Assessing the impact level of this ToC is not the scope of this MTE.

3 Evaluation Methodology

Following the Terms of Reference (see Appendix I), this MTE assesses to what extent the causal relationships hypothesized in the Theory of Change (ToC) do exist and result in the desired outcomes. We applied 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.[1] By triangulating evidence across diverse data sources and perspectives, we were able to assess the plausibility and relative strength of ISEAL's contribution, rather than claiming exclusive attribution.

To support the quality of our findings, this evaluation draws upon an extensive document review of more than 70 documents provided by ISEAL and studies identified by the evaluators (see Appendix II). They include:

1. Internal programme documents provided by ISEAL,
2. External materials, such as scientific studies, evaluation reports, and third-party analyses,
3. Key informant interviews with diverse stakeholders, including policymakers, business representatives, ISEAL members, and independent experts.

Moreover, we led 56 key informant interviews with:

- Internal: ISEAL staff: 11
- Partly internal as far as the innovations projects are concerned, partly external as far as comments and reflections on ISEAL's relevance and effectiveness: ISEAL members: 20
- External:
  – Swiss commodity platforms: 3
  – Businesses: 4 interviews
  – Multilateral organisations: 5
  – Policy makers (EU, Switzerland, Global South): 7
  – NGOs: 2
  – Academia and researchers: 4

The selection of key informants followed a purposeful sampling approach. Interviewees were identified based on their in-depth knowledge of ISEAL's activities and their ability to assess the relevance, effectiveness, and impact of these activities from different perspectives. For the interviews regarding the Innovation Fund projects, projects were selected based upon the following criteria:

- Status of completion
- Assessed as being highly innovative by the Appraisal Committee
- Having interesting partnerships, including private sector
- A diversity in terms of impulse, replication and thematic grants; small vs large ISEAL members; long-standing versus new ISEAL members; sectors

[1] Mayne, J. (1999). Addressing Attribution Through Contribution Analysis: Using Performance Measures Sensibly. Office of the Auditor General of Canada.
White, H. (2009). Theory-Based Impact Evaluation: Principles and Practice. International Initiative for Impact Evaluation (3ie).

The goal was not to achieve statistical representativeness, but rather to gather well-informed and diverse insights that would allow us to understand underlying mechanisms and contextual factors in depth. This approach is consistent with the overall qualitative orientation of the evaluation, which seeks to "get to the bottom of things" rather than to produce a representative snapshot of opinions. For example, for questions related to relevance, it was important to understand how ISEAL's role and the relevance of VSS are perceived by different actor groups – including ISEAL members, policymakers, and external experts. Yet, the purpose of the analysis went beyond documenting stakeholder perceptions. The evaluation aimed to assess, on the basis of triangulated evidence, whether and in what ways ISEAL and VSS remain relevant in the changing regulatory landscape, what new functions they are assuming, and how they can contribute to a smart mix of voluntary and mandatory approaches to sustainability governance.

Consequently, the findings presented in this report do not necessarily reflect the aggregated opinions of interviewees but rather the analytical interpretation of the evaluation team, informed by multiple data sources and guided by the Theory of Change.

The data analysis followed this qualitative approach, aiming to understand the underlying dynamics and meanings rather than to provide a representative picture. The analysis combined inductive and deductive reasoning. Deductively, the evaluation questions and the Theory of Change provided a guiding analytical structure. Inductively, emerging insights and explanations were identified from the data itself. This iterative process allowed the evaluation team to capture both expected and unanticipated findings.

To strengthen the credibility of results, we applied triangulation across different data sources and stakeholder groups, comparing perspectives from "insiders" (ISEAL members and partners) with those from "outsiders" (policy actors, academics, and businesses). Validation of preliminary findings was conducted through follow-up interviews and discussions with ISEAL and SECO, helping to test the plausibility and completeness of interpretations.

Limitations

We recognise that qualitative interviews are not neutral instruments of data collection and that both interviewees and interviewers may introduce biases that influence findings.

Interviewee biases may stem from social desirability or courtesy bias, institutional interests, or limited knowledge of certain programme components. Respondents may also overstate or understate the role of ISEAL depending on their professional position or relationship with the organisation. However, the purpose of the interviews was not to reproduce opinions or perceptions one-to-one, but – as described above – to get to the bottom of things by identifying underlying mechanisms, contextual factors, and causal explanations. Stakeholder views were therefore treated as evidence to be interpreted, rather than as findings in their own right.

Interviewer biases are typically more difficult to eliminate entirely, as they may arise unconsciously from expectations, selective attention, or interpretive framing. For instance, an interviewer might unintentionally ask leading questions that confirm existing assumptions, or focus more on themes perceived as important to SECO or ISEAL. To mitigate such risks, we applied several measures. First, we used a semi-structured interview guide to ensure consistency across interviews while maintaining flexibility for probing emerging issues. Second, all interviews were conducted by two evaluators with complementary expertise. In some cases, both evaluators were

present during the same interview; in others, they conducted interviews separately and subsequently compared their notes and interpretations to identify and address potential biases. Finally, findings from interviews were triangulated with evidence from document analysis and other data sources to validate interpretations and enhance the robustness of conclusions.

The TISS II programme is not an isolated programme within ISEAL. It has linkages and overlaps with other workstreams funded by other donors or membership contributions. Hence, the contribution of TISS II to specific interventions and outcomes cannot always be clearly distinguished. Particularly in the public and private sector engagement workstream, various TISS II funded interventions build upon earlier interventions financed by other donors or ISEAL core funding.

This MTE did not conduct any field work to assess the effectiveness of individual projects financed by the Innovations Fund. This was a deliberate choice, as this MTE does not focus on the effectiveness of the Innovation Projects.

4 Findings

4.1 The relevance of VSS in the changing regulatory landscape

This chapter provides an answer on the first evaluation question: Have VSS gained or rather lost in relevance in the context of the changing regulatory environment (e.g. EUDR, CSDDD, CSRD, etc.), and for what reasons? It is based upon the key informant interviews and a review of relevant studies on this topic.

4.1.1 The changing regulatory landscape

TISS II is implemented in a period with important regulatory changes at EU level. Where VSS once filled the gaps left by a lack of regulation, governments are now taking a much more active role in addressing sustainability challenges. Businesses are increasingly being made responsible for what is happening in their supply chains. New legislation in the EU and elsewhere requires businesses to carry out due diligence on issues such as human rights and deforestation. At the same time, sustainability claims are directly being regulated, for instance in the not-yet adopted Green Claims Directive of the EU.

These regulations, along with company sustainability and ESG reporting frameworks, are changing the way that businesses address sustainability within their supply chains, and are re-shaping how they can use voluntary third-party initiatives, systems, and standards.

In addition to the challenges that this changing regulatory landscape may provide to both businesses and VSS, the current uncertainty surrounding these changes (Omnibus process) adds an extra level of complexity. Key laws, such as the CSRD, CSDDD, EUDR and the GCD are currently being revised and, at the time of writing, it is unclear whether, how and, if so, when they will be implemented.

4.1.2 The roles of VSS in this changing landscape

There are different views among the key informants that we interviewed on whether VSS gained or lost in relevance in the context of the changing regulatory environment. There is general agreement that this is a period of turmoil for VSS. And as is usual in uncertain times, there is divergence in opinions of whether standards will remain relevant or not. The EU Green Deal and consequent regulatory development set in motion at least two different, somewhat opposing, developments.

On the one hand, the regulation pushed companies to move away from VSS and replace them by own systems and commercial service providers. To be compliant to the CSDDD and EUDR it is not sufficient for companies to solely rely on VSS. Consequently, in preparation to the upcoming regulation, businesses started to create new business functions often more integrated in the legal compliance departments than in sustainable sourcing departments. Some companies still use VSS for certain functions. Others replaced them by internal processes,

often in combination with services from specialized tech-based data and verification service providers. These companies emerged over the last years in response to the market opportunities created by the regulatory developments. As compliance with the new legal requirements is costly, companies may move increasingly from VSS to these often-cheaper service providers. The regulation may also undermine the sustainability ambitions of businesses; as the regulation is set to raise the bar for everyone, some wonder why they should aim for another bar set by VSS.

On the other hand, some of the new regulations explicitly recognise VSS, thus increasing their relevance. The Empowering Consumers Directive (coming into force in 2026) explicitly recognises the role of VSS. The Green Claims directive (introduction still uncertain), among all regulations, goes furthest by stating that businesses can substantiate their claims and ensure compliance by using credible VSS, significantly boosting their attractiveness. Credibility is defined in line with ISEAL's credibility criteria. The EU implementation guidance for EUDR highlights the supportive role of sustainability systems.

VSS also offer various services which support businesses to meet the regulatory requirements. Indirectly, due diligence regulations (CSDDD, EUDR) lend new relevance to VSS. Due diligence regulation requires companies to identify, mitigate, and account for risks. VSS can complement public policies in several ways including as proof of compliance with regulatory requirements (Marx et al. 2024)[2]. One company we interviewed reported that VSS helped them meet EUDR requirements more quickly than competitors relying solely on internal processes. Another VSS stated that they saw a sharp increase in membership, which they attribute to the role they can play in helping companies comply with the new regulation. Specific opportunities for VSS in this context are:

- Demand for credible data for reporting and disclosure under CSRD and other frameworks positions VSS as key data providers.
- Risk management and traceability are core VSS strengths, directly aligned with due diligence obligations. As one company informant stated: *It is not a guarantee on zero-risk, but VSS are a credible start. They offer the standardization which allows our buyers to source from different origins as long as it is certified.*
- Credibility and anti-greenwashing functions are increasingly sought after, with ISEAL's Codes and Principles acting as a benchmark.
- Existing infrastructure and expertise in verification, auditing, and capacity building give VSS an operational advantage over ad hoc company solutions.
- To mitigate or remediate sustainability risks, concrete solutions on producing countries are needed (e.g. through individual supply chains, collaborative /landscape investments or creating an enabling context). VSS already offer some of these or are well positioned to develop new services or programmes that enable this.

From a governance perspective, mandatory legal requirements do not directly replace VSS. They are complementary. Mandatory legal requirements can only force companies within their jurisdiction (i.e. the EU) and within legal remit (i.e. above company size thresholds) of the law to change their behaviour. However, they have no impact on companies outside their jurisdiction or the defined legal remit. VSS on the other hand can target companies that do

[2] Marx, A., Depoorter, C., Fernandez de Cordoba, S., Verma, R., Araoz, M., Auld, G. et al. (2024) Global governance through voluntary sustainability standards: Developments, trends and challenges. Global Policy, 00, 1–21. Available from: https://doi.org/10.1111/1758-5899.13401

not fall in the remit of the mandatory legal requirements. However, VSS only reach companies that voluntarily use them, and many companies ignore them. Mandatory legal requirements, however, cannot be ignored and can thus target companies that would not adopt sustainability practices otherwise. This complementary role is also acknowledged by a study published by the EU Commission, stating: *If the main objective of the policy action is helping efficient firms to be even more sustainable, voluntary standards may be preferable. Instead, if the main objective is to lead all firms (and the least efficient ones in particular) to ensure at least a minimum level of sustainability, mandatory standards may be preferable. (Russo et al. 2023)*[3]. Hence, VSS can also remain a separate and independent sustainability governance tool with the specific aim of surpassing the minimum criteria specified in public policies (i.e. raise the sustainability bar for businesses which are certified) (Marx et al. 2024).

VSS continue to offer business benefits beyond regulatory compliance. In fact, regulatory compliance has never been a primary driver to adopt VSS. From a company perspective, VSS provide multiple benefits like operational benefits, sales and marketing, stakeholder engagement, supply security and sector-wide change (Molenaar, 2022)[4]. Some companies work with them as they can support them in meeting their beyond-legal sustainability objectives. Others work with them to avoid the next media scandal. Laws and regulation cannot replace these benefits. In a world with mandatory legal requirements, they can help companies differentiate themselves by signalling to their consumers through VSS that they go further than their competition. This is like the dynamics of front-runners and laggards that have characterized so many commodity sectors and VSS adoption for so long.

In the current context, companies react in different ways. Companies reevaluate the value of VSS in the wake of the upcoming regulation. Some have reduced their sustainability ambitions and do the least possible to meet any legal requirement. This could imply stop using VSS. Others wait and see; they may continue their sustainability programmes with VSS, but do not communicate about it, nor invest in it. Other companies have recently turned to VSS in the hope that they will help them achieve compliance with the new mandatory requirements. Finally, the usual front-runners continue to pursue their sustainability objectives and take VSS by the hand to make it work for them. They have for example their HRDD procedures in place, but consider third-party and multistakeholder-based certification as a good basis to show they do something about the risks.

In conclusion, the fear that VSS would become irrelevant with the introduction of mandatory sustainability and human rights due diligence is unfounded. VSS can support companies in meeting regulatory due diligence requirements. There are also regulatory, and policy developments that explicitly recognize VSS: the EU Green Claims Regulation, for instance, boosts the attractiveness of VSS substantially. Governments in the EU, Korea, and elsewhere increasingly recognise VSS within market access and procurement regulations. Trade policies also recognise VSS. Research shows that almost half of trade agreements concluded between 2018 and

[3] Russo, C., Sansone, M., Colamatteo, A. and Pagnanelli, M.A., Sustainability standards: Voluntary versus mandatory regulation, Publications Office of the European Union, Luxembourg, 2023, doi:10.2760/598433, JRC130619.

[4] Molenaar, J.W. (2022) The business benefits of adopting sustainability standards: A review of literature and evidence in the last six years. London: ISEAL

2023 refer to VSS in some way.[5] Second, VSS fulfil other functions than supporting regulatory compliance. Finally, for many of these functions, mandatory legal requirements are no replacement to VSS.

However, VSS need to adapt. While some VSS experience an increase in membership, others face stiff competition from cheaper, often less credible, specialized service providers, undermining their current value proposition and business models. To maintain their relevance, VSS need to adapt, possibly even dramatically. The next chapter will show whether SECO's support to ISEAL's innovation workstream allows them to do so.

4.2 Innovations

This section answers the second evaluation questions of whether the Innovations Fund (IF) and the Innovations Accelerator have sparked significant innovations and the sixth evaluation question of whether it has brought lasting changes in how VSS operate.

4.2.1 Strategy and interventions

The objective of this workstream is that sustainability systems increase their value for producers and are well-positioned to support governments and businesses in meeting due diligence requirements and other regulatory conditions for sustainability in global trade. The Innovations workstream consists of two main components: the Innovations Fund and the Innovations Accelerator. The Innovations Fund provides grants to innovation projects led by ISEAL members. Phase II of the Fund had funded 47 projects till the start of this MTE (see table below). The Fund also supports the grantees in preparation and implementation of their projects and facilitates exchanges and learning between grantees and the wider ISEAL community. This happens through webinars, workshops, blogs, learning briefs and the ISEAL website. A key activity of the Innovations Accelerator is the facilitation of communities of practice on various topics, including data, assurance and climate. These CoPs have a strong link to the IF projects, but their scope goes beyond them. For example, the CoPs on data and assurance resulted in two concrete outputs: the Data Maturity Rubric and Assurance Integrity Framework. As part of the Innovations Accelerator, ISEAL also established partnerships with key actors in the climate ecosystem on traceability and chain of custody. Other activities which fall under the scope of the Innovations Accelerator are the annual CEO retreat and member CEO survey to better understand their perceptions and responses to the changing environment.

Of all 47 Phase projects, eight are classified impulse grants, five as replication grants and the remainder as thematic grants. The characteristics are:

- Impulse grants: ≤ CHF 20,000 and ≤ 6 months in duration.
- Replication grants: CHF 40,000 – 90,000 for projects up to 1 year.
- Thematic grants: Small grants, CHF 40,000 - 90,000 for projects up to 1 year & Medium grants, CHF 80,000 - 170,000 for projects up to 2 years.

[5] Steffany Bermúdez, Florencia Sarmiento (2024) Will the Inclusion of Voluntary Standards in Trade Agreements Lead to More Sustainable Trade? https://www.iisd.org/system/files/2024-04/ssi-voluntary-standards-agreements-sustainable-trade.pdf

At the start of this MTE, 10 Phase II projects have ended, and 16 had recently started and no progress report submitted yet. The projects cover the following SECO priority countries (old and new): Colombia (#5 projects), Peru (#3), Ghana ((#4), South Africa (#1), Egypt (#1), Vietnam (#4) and Indonesia (#4).

Table 1: Projects have been funded through 8 funding rounds[6]

Date	Focus of calls of expression	Number of projects funded	Average grant per project (CHF eqv.)	Total amount funded
March 2023	Impulse & replication	8	50,335	402,680
July 2023	Due diligence	5	130,500	652,500
October 2023	Due diligence & Climate action	10	121,600	1,216,000
March 2024	Social issues	7	116,800	817,500
June 2024	Improved livelihoods and economic wellbeing	5	139,000	695,000
July 2024	Collective action to improve producer and SME resilience	7	116,430	815,000
July 2025	Impulse grants	5	19,760	98,800
	Total	47		3,603,080

4.2.2 Relevance

Most innovations correspond to strategic needs by ISEAL members. Key drivers are:

- **Corporate member needs:** As corporate members or clients are confronted with new demands on climate, due diligence, reporting, or traceability they look how these initiatives can better respond to those needs. These requests can come from companies along the whole supply chain. An example is Mars pushing the Sustainable Rice Platform (SRP) to develop a Low-Carbon' module with the motivation that it would be much more efficient if SRP delivers the required carbon data, rather than having to collect such data separately. Some grantees said that the project may not have been directly informed by their private sector members, but because they believe that this is what the private sector wants.
- **Increased competition from private service providers:** This driver is closely related to the previous one and stems from increasing competition from companies offering particularly data driven solutions related to climate targets or the EU regulation on deforestation, due diligence and reporting. As one member explained: *Our strength is that we are multi-stakeholder-based, but you need to be at least on par with what the private sector is offering in term of data solutions*. Multiple ISEAL members feel a bigger urgency to continuously update their value proposition than several years ago.

[6] Phase I funded 49 projects and in July 2025, another 11 projects have been funded with as theme: Future Proofing Sustainability Systems which funded 11 projects (of which 4 replication grants), with a total value of 1,340,900 CHF. These projects have not been included in the scope of this MTE.

- **Exploration of 'radical' new ideas:** This less frequently mentioned driver is more exploratory in nature. Some members use the Fund to test the feasibility of a new idea. An example is a project by Better Cotton that explores the facilitation of health insurance to certified cotton farmers in Ghana. Other examples are projects that explore the role of new technologies such as AI for their organisations, or conduct research into specific sustainability issues that are not yet addressed by a system.

The first two drivers imply that innovations are closely aligned with the strategic priorities of the members. This alignment is further encouraged by the scarce availability of human and financial resources at these organisations; they need to pick their projects diligently as they do not have the luxury to try out many things. The third driver may be less urgent but could result in VSS taking up new roles for impact.

Members highly appreciate the tailored funding opportunity of the Innovations Fund, which allows them to innovate faster and better. As the innovations are close to the organisations' priorities, most grantees believe that they would have eventually invested in this innovation, also without the Fund. However, the Fund enables to invest much earlier, work at higher intensity, raise the ambition level and work with other partners. It also enables to invest in something which will not generate an immediate financial return. Although other funding opportunities may exist, they are often less tailored to the needs of strengthening members' systems. The reputation of ISEAL and its donors also facilitates raising co-funding from the private sector. Three grantees reported that they would not have invested in the project without external funding, more grantees reported that they would have invested much less, or much later.

Another important and unique benefit of the Innovations Fund is the technical, process, networking and learning support that grantees receive. Grantees appreciate how ISEAL acts as a partner providing valuable strategic and technical input, both in the project development and implementation phase. Multiple grantees and progress reports appreciate how ISEAL has been instrumental in finding project partners or in reaching out to the right people in other organisations for consultation and expertise. Members appreciate the regular check-in calls to discuss progress and challenges for the quality of feedback provided by ISEAL staff and the collaborative spirit. ISEAL is seen as flexible as they were keeping an eye on the bigger goals with the possibility to reset and adapt. According to some, this flexible attitude is in contrast with the very detailed reporting framework, which can take quite some time to fill in compared to the amount of the grant received. This seems to be most of an issue for the small grants.

ISEAL staff also supports information sharing and learning between projects and the rest of the membership. The CoPs support valuable exchanges between peers. There is also appreciation by grantees of projects where ISEAL staff played an active role in the facilitation of project consortia meetings or gave visibility to projects at external events.

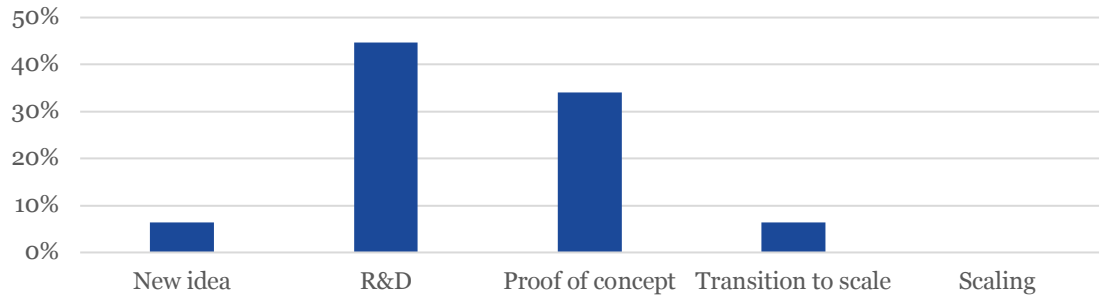
4.2.3 Effectiveness

Type of projects

Most Phase II projects are in the research & development and proof of concept phase. The Fund asks each project to classify their project to the innovation cycle. The below figure shows the aggregated classification. Some projects selected two categories. Most projects are in the early phases of the innovation cycle. These projects are research-based and will require

follow-up action to get to implementable solutions. Particularly the impulse and small grants are used for this, though not exclusively. A large group of projects are working on pilots either as part of research and development or proof of concept phase. In our assessment there seems to be confusion among grantees in consistently distinguishing between these two phases.

Figure 2: Proportion of Phase II projects according to the innovation cycle



Multiple Phase II projects build upon earlier projects. Although Phase II had five replication grants till the start of this MTE, several thematic projects build upon the outputs and lessons of Phase I and Phase II projects. This can be a direct follow-up into the next phase of the innovation cycle, or an adaptation by considering the lessons learned in the previous project.

The projects resulted or intend to result in a wide range of outputs. The most common ones are:

- **Research, strategies and roadmaps:** These projects are usually at the beginning of the innovation cycle and provide insights in current challenges and possible future action. Some research is focused on how VSS can improve their existing services, e.g. how to use advanced technologies like remote sensing and AI in assurance. Other research looks more holistically at what roles different stakeholders, including sustainability systems, should play to realize a desired impact. Such research informs strategies or roadmaps of individual sustainability systems or collectives of stakeholders.
- A new or improved **methodology, approach**, **product or service:** These projects generate recommendations, proof of concepts or lessons to improve existing services by sustainability systems, or to develop new ones. Examples of improvements are projects developing more participatory ways to collect data or making assurance or traceability systems more efficient or inclusive to small-scale producers. Examples of new services are new reporting or incentive mechanisms (e.g. for specific climate or biodiversity impacts), approaches to remediate human rights violations or new capacity building services to producers.
- **Tools or guidance documents:** Several projects develop tools and guidance for internal staff, other sustainability systems, certification bodies, supply chain actors or civil society organisations. Topics covered by these projects include fairer due diligence, remediation of child labour, climate action at producer level, farm level wage sampling, traceability of climate data, Free Prior and Informed Consent (FPIC) and audit accountability, remote auditing, the identification of sustainability risks or benchmarking of sustainability standards against public regulation.
- **Training programmes or modules:** Some projects develop concrete training materials. Examples are training modules for auditors or companies on due diligence related topics or how to involve local communities and indigenous people in mine rehabilitation projects.

Themes like due diligence, climate action, livelihood and well-being corresponded very well to members' needs. Some question whether the funding rounds must be thematic or could be open to multiple themes, as the desired timeline to invest in a certain innovation is not necessarily aligned with the Fund's timeline.

Most projects work on improvements of certification related strategies. This can relate to assurance, monitoring, producer support, traceability, incentive models and claims. Multiple projects are also a response to the upcoming regulations around HRDD and deforestation. They look on how the identification, mitigation and remediation of human rights risks can be better incorporated in their assurance, monitoring and stakeholder engagement processes.

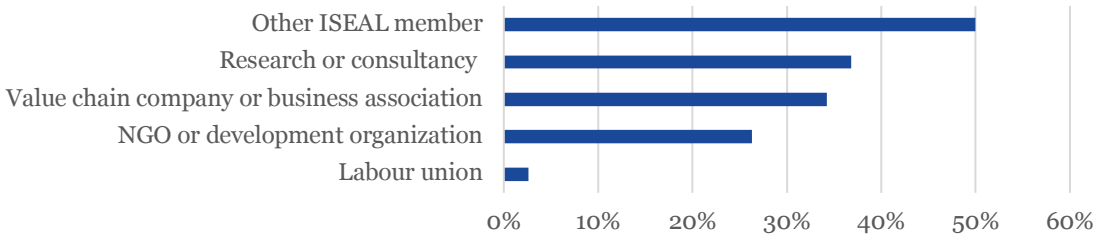
About one quarter of the Phase II projects explore innovations on systemic strategies which are not directly in service to certification. This percentage is based upon the evaluator's own assessment. Examples include projects figuring out how to include informal waste pickers in recycling chains in Colombia and the earlier mentioned health insurance project in Ghana. Some projects work on the provision of additional services to value chain actors or producers, e.g. to reduce their climate impact or to facilitate access to finance. Two projects work on solutions to support governments or financial institutions in investing in sustainable/certified companies. Several projects support the coordination and action from different stakeholders in specific geographies or globally.

Different opinions exist on whether the Innovations Fund should prioritize systemic strategies. On the one hand, there is acknowledgement that the EU regulatory development and the competitive pressure from private sector solutions draws the attention to innovations on for example assurance or data solutions. One member emphasized that financing basic certification operations can even become a challenge in the current context and should perhaps be an object of future funding. On the other hand, two grantees find it really a shame that so many resources are spent on the certification agenda, while there is an obvious need for complementary or even alternative strategies that create more impact at producer level, e.g. by working beyond individual supply chains and at landscapes. The Fund did have one funding round specifically aiming at these.

Collaborative action

The Phase II projects that have official project partners (= 38 projects) have on average 2.4 partners. Of those without other partners, the majority were impulse grants.

Figure 3: Proportion of projects with partners by partner type (n = 38)



Half of the projects consist of partnerships with at least two ISEAL members, though the degree of collaboration varies. In our own assessment, more than half of these

projects have been developed as a truly collaborative effort between ISEAL members to tackle certain challenges collectively. A clear example of this is the Risk Information Alliance which comprises of a coalition of five ISEAL members. Another project is run by a coalition of five seafood and aquaculture sustainability systems. There are also multiple projects where two members work intensively together to tackle common challenges. Several consortia members continued their collaboration through new Innovations Fund projects. In the other projects, the partnerships between ISEAL members are less intense. In these cases, there is a strong lead grantee and another ISEAL member is providing occasional input or feedback.

Collaboration is also promoted by asking and facilitating consultation and exchanges with other ISEAL members during project implementation. Almost all projects have consultations with ISEAL members in the beginning of their project. Most projects have also presented intermediate results with other members through the CoP webinars or events such as Members' Week. In general, these consultations and exchanges generate relevant input and inspiration. While some mention that the exchanges are often too superficial, others pick up the phone afterwards in search for deeper exchanges. In a few projects, the responsiveness from other members on consultations was disappointing. Members expect a higher response rate when the consultation request is coming from ISEAL staff rather than from the member itself.

There is general appreciation for the partnership emphasis of the Innovations Fund as well as a little criticism. Most members find the collaborative pre-competitive action highly relevant for the ISEAL community, including their own organisation. This perspective of working on something which is potentially relevant to others is unique to the Innovations Fund. Collaboration can also save money and create more alignment towards businesses. Two grantees struggled with implementing the partnership as priorities were not aligned, for example because organisations were at different stage of the innovation process, or because it required too much time to manage them. Staff turn-over is seen as potential bottleneck for successful partnerships.

Of all Phase II projects, 55% have non-ISEAL members as official project partners. These can be for example research partners that conduct part of the of the project activities or value chain actors that are involved in the piloting of new approaches. Examples of direct company engagement are Mondelez participating in Fairtrade's project to pilot a business model for data ownership among cocoa cooperatives and the Union for Ethical Biotrade (UEBT) testing their HRDD tools in Turkey in collaboration with different producers and value chain actors.

There are also projects that support collaborative action by multiple stakeholders in specific geographies. An example is the Aluminium Stewardship Initiative fostering collaboration between key stakeholders, including waste pickers, SMEs, local authorities, and corporate entities to integrate informal waste pickers into formal recycling markets.

The overall innovation culture within the ISEAL community

The ISEAL community seems to have a more mature innovations culture compared to six years ago. This is an observation by the evaluator, who in 2019 also conducted the MTE of Phase I of the Innovations Fund. Grantees admitted that they are more ready to make use of the Innovations Fund than six years ago. They also have become less opportunistic and have aligned their innovation agenda better with their strategic priorities. Several among them already have new projects in the pipeline and are closely monitoring new funding rounds. Generally, high level decision-makers are at least informed and often involved in the innovation process from an

early stage. There is a clear recognition that ISEAL with the support of SECO has had a significant contribution in supporting this innovation culture.

The increased intensity of information sharing, exchanges, and collaboration of the Innovations workstream has contributed to this enhanced culture of innovation. An important difference is that the Innovations Fund puts more attention to cross-learning and partnerships compared to the beginning of TISS I. In line with the recommendation of the mid-term review in 2019, ISEAL has adopted a more strategic approach to learning and knowledge sharing to shape and push the innovation agenda of its members. This has resulted in better technical input from ISEAL staff and peers into innovation processes. It has also contributed to a stronger culture of collaboration between members, something which was less present in 2019. The communities of practice have strongly contributed to this by becoming platforms for learning, exchange and agenda-setting. According to the interviews, the communities of practice are offering inspiration, sense-checking and peer learning around questions, challenges, and opportunities other organisations deal with. The outputs, including presentations, from the CoPs supports the credibility within the organisation of individuals as it shows that he or she is not alone in telling this is important. The sessions also help to create connections, which could potentially result in collaboration. The facilitation of connecting members with each other also happens outside the scope of the CoPs and IF projects. The interviews brought up multiple examples where ISEAL connected members for information and peer learning on specific requests. This is highly appreciated. Such requests can be of strategic in nature, e.g. sharing experiences on data automatization and AI, to very practical, e.g. on how to be recognised by the UK accreditation system after Brexit.

The annual CEO retreat is another activity to facilitate exchanges and improvement. We have interviewed two participants. They appreciated how it creates a sense of togetherness and forces them to think beyond their own sector which usually results in new insights for their own sector. The participation of the ISEAL Board in these meetings is also appreciated. These sessions also help to identify what ISEAL can do to help them in overcoming common challenges.

Other valuable resources are some of the knowledge products published by ISEAL. Multiple organisations referred to the use of the Data Maturity Rubric to structure their work and close gaps on data strategy and procedures. Grantees and CoP members also referred to the use of various other knowledge products developed by ISEAL outside of the scope of direct TISS funding, including guidance on Claims, Benchmarking and Free Prior and Informed Consent.

The density of information sharing, webinars and events create challenges to some members. Some experience an information overload as members do not have the resources to manage this properly. Another comment is that many webinars are insightful but often remain generic. Some informants expressed the desire for deeper discussions on practical issues, implementation challenges, and potential next steps. Physical meetings provide more opportunities for in-depth discussions, but it may not always be possible to have the right people from the organisation to attend these sessions. For non-certification system members, most communities of practice are less relevant.

4.2.4 Sustainability

To answer whether the Innovation Project bring lasting change on how VSS operate, we can partly draw upon a review ISEAL conducted in 2024 on whether projects were being continued and

scaled. This review covered 20 out of 42 Phase 1 projects. It adopted the following definition of scaling: *Scaling an innovation is the process of extending, deepening or expanding its application to maximise impact. Scale can be achieved by expanding to reach a greater number of people, or new geographical locations and contexts. Scaling can also include growing, replicating or adapting an innovation to maximise impact (ISEAL, 2025)*[7]. They made a distinction between:

- Functional scaling: The adaptation and improvement of their innovations to increase the effectiveness and impact of their existing activities
- Horizontal scaling: Others the replication of their innovations in different locations or expanded to reach more users.

The 2024 review showed that most projects are continuing at a larger scale compared to where they were at project-end. Furthermore, half of the innovations report scaling across broader geographies or a larger set of stakeholders (50%) or are continuing to improve and adapt at a small scale (35%) since project-end.

The interviews part of this evaluation obtained additional insights on Phase 1 projects. Some collaborative projects in Phase I like the Delta Project or the Integrated Pest Management (IPM) database did not continue. Reasons mentioned were the lack of a custodian or strategic re-orientation of the main driving organisation. However, the outputs of these projects still inform the approaches and tools of the project consortia members as well as other organisations. Other projects, such as the Accountability Framework are still operational and became a mature sustainability initiative. Several members confirmed that outputs of Phase I projects are nowadays fully embedded in their organisations. For example, ASI the risk methodology developed in Phase I is now informing their new assurance model. Another example is the Atla project by Better Cotton which informed their landscape approach and was followed up by another pilot to test this model with IDH. As mentioned before, multiple Phase II projects were a follow-up of Phase I projects.

Most finished Phase II projects, as well as some unfinished projects, already resulted in operational changes, follow-up activities and scaling within project grantees. Examples of horizontal scaling are:

- The impulse grant by the The Copper Mark (TCM) funded research about the sustainability problems in artisanal and small-scale mining in Peru. This research was presented at an OECD forum and resulted in a new project funded by European Partnership for Responsible Minerals. In this new project, in which multiple organisations are involved, concrete activities are being implemented to improve the situation of these miners. Meanwhile, TCM is looking at how it can better address the challenges of these miners through their standards and assurance system.
- ASC's yet unfinished project on ESG data has set in motion a whole range of activities around data sensitivity and security, value added products, and potential revenue streams.
- ASI implemented a follow-up of a Phase I project to further explore of the use of drones and other technologies in its assurance services. They recently started another follow-up project with ASC and Rainforest Alliance.

7 ISEAL (2025), Uptake and scaling innovations: lessons from ISEAL Innovations Fund projects. Learning brief: https://isealalliance.org/get-involved/resources/learning-brief-uptake-and-scaling-innovations-iseal-innovations-fund

Examples for horizontal scaling, often in combination with functional scaling, are:

- Goodweave has replicated their innovation on identifying forced labour in other places in India and are planning to do so in Nepal.
- SRP is adapting its Low Carbon Module being developed in Pakistan to Vietnam.
- UEBT started to build capacities internally and of certification bodies around the world based upon the tools developed in their project. Where the project piloted the tools in Turkey, they now start to introduce it in other countries and explore a larger roll-out.
- As part of the ongoing project, SAN is working with Rainforest Alliance and Preferred by Nature to integrate their community-based assurance and monitoring model into their systems.

Other grantees are still figuring how to scale. For example, Goodweave plans to embed their solution on child labour remediation in their system, though as it is very time-consuming and costly, they still need to figure out how. Some projects resulted in clarity that certain innovations are not feasible to implement or scale. Examples are technologies which are too expensive to integrate in current assurance or monitoring activities or add too little value. Financing capacity building services also remains a challenge to various members.

Multiple projects have improved the readiness of members to deal with the EU regulation, though uncertainty remains. One member expressed that the IF projects contributed to becoming more relevant to the EUDR by supporting the development of new tools and adaptation to meet the legal requirements. This is also applicable to some of the organisations that have worked on Human Rights Due Diligence projects. However, as there is not yet full clarity about how the different regulations will be implemented, it remains uncertain how ready they are. Uncertainty also exists because many companies have already put in place their own processes and procedures to comply with the legal requirement, making them potentially less dependent on ISEAL members.

We found less evidence of innovations being replicated or adapted by other organisations than the project partners. ISEAL puts a lot of emphasis on writing case studies and learning briefs from finished projects. It also facilitates the sharing of project results through webinars and workshops. Several projects are also asked projects to develop generic guides, potentially applicable to the wider community. Despite these efforts, hardly any of the grantees were aware of others using or copying their guides or innovations. They themselves also acknowledged that although other projects may have inspired or informed their innovation, they did not really replicate what others did. At best, they built upon some lessons or insights of other projects or used some elements of it. We found only two examples of true replication. The first one is the Cotton Connect project on regenerative agricultural incentives. This project is a direct follow-up of the RTRS phase II project, in which other ISEAL members adapting the innovation of the first project to a new context. The second example is UEBT building upon a Phase I project on Due Diligence and Grievance Mechanisms implemented by Bonsucro and Responsible Jewellery Council. A different kind of replication we identified is Bonsucro's innovations fund for its members has largely a similar set-up as ISEAL's Innovations Fund.

4.3 Public sector engagement

This section provides an answer to the third evaluation question: How and to what extent have public and private sector actors in different countries improved their understanding and/or use of VSS, if at all? It also looks at the fifth evaluation question on the extent to which ISEAL has influenced the knowhow and use of VSS among public and private sector actors in Switzerland. Before TISS II, ISEAL's public sector engagement work was largely financed by member contributions (approx. 75%) with the remainder by donors (25%). Thanks to TISS II these figures were reversed. This enabled gave ISEAL to broaden its scope and to adopt a more pro-active engagement approach. The objective of the Public Sector Engagement workstream of TISS II is that government actors will gain knowledge on how they can most effectively partner with and reference sustainability systems in relevant policies and smart mix regulatory approaches.

In general, ISEAL adopts the following strategies in its policy engagement work, although variations exist between different focus areas.

- **EU focus**: The main regional focus of ISEAL's policy engagement has been on the EU, where regulatory frameworks on due diligence, deforestation-free supply chains, forced labour, and sustainability reporting are most advanced. In addition, it works on trade policy and on policies in producing countries aligning with SECO's geographic priorities. Each of these focus areas have a different section in this chapter.
- **Evidence-based advocacy**: ISEAL uses the outputs of Evidensia and lessons from the Innovations workstream to underpin its policy messages with credible, research-based evidence. This ensures that engagement with policymakers is not only normative but grounded in robust data.
- **Knowledge products and resources**: ISEAL developed and disseminated briefings, policy recommendations, blogs, and webinars to enhance policymakers' and stakeholders' understanding and use of sustainability systems. There has also been significant effort on general communications and policy specific linkedin campaigns to raise the level of understanding and awareness around VSS and ISEAL.
- **Convening workshops and participation in relevant events**: Organising events to foster dialogue among diverse stakeholders (governments, businesses, NGOs, VSS, producers) and gather perspectives on emerging regulations.
- **Partnerships with commodity platforms**: This intermediary-based approach reflects ISEAL's strategy of working with businesses through platforms, which is complementary to their direct engagement.
- **Selective One-to-One interactions**: Direct engagement with key stakeholders has been pursued only selectively, largely due to resource constraints. This has allowed ISEAL to introduce itself and its value proposition while relying mainly on broader, platform-based channels for outreach.

Overall, these priorities and areas of focus are coherent and well chosen. The strategy demonstrates a clear understanding of where ISEAL can add most value. It allows ISEAL to use its limited resources effectively by leveraging partnerships and intermediaries, enabling a broader initial reach and the possibility to go deeper where opportunities arise. It is also notable and commendable that ISEAL has a clearly defined strategy guiding its engagement, which is not self-evident in comparable organisations.

4.3.1 EU-Level Policy and Public Engagement

Strategy and Interventions

At the EU level, ISEAL's initial focus was on due diligence regulations (CSDDD and EUDR). Eventually, however, green claims became a priority, as regulations such as the Green Claims Directive (GCD) and the Empowering Consumers for the Green Transition Directive (ECGT) directly govern VSS' access to the market and market value of VSS. More recently, ISEAL started to work on reporting and transparency regulations (Corporate Sustainability Directive and the Taxonomy). In the following we will focus on claims and due diligence.

ISEAL implemented the following activities in support of the EU policy engagement.

- **Events**. ISEAL organised targeted events to explain VSS to policymakers, including a Breakfast Meeting with the European Commission on the Green Claims Directive. A high-level policy forum in Brussels took place in October 2025 aimed at European policymakers.
- **Dedicated EU policy staff**. ISEAL hired a Brussels-based staff member with in-depth knowledge of EU policymaking.
- **Member coordination**. Through the Brussels-based staff, ISEAL facilitated joint advocacy among its members, including coordination calls on EUDR, Green Claims, and Due Diligence.
- **Ongoing monitoring**. ISEAL systematically tracks legislative processes such as the Corporate Sustainability Due Diligence Directive, the Forced Labour Regulation, and related measures. This monitoring allows ISEAL to anticipate practical challenges for members and provide timely guidance.
- **Technical input**. ISEAL submitted a formal technical paper to EU policymakers on the Green Claims Directive, offering article-by-article recommendations. It also supported these processes with references to its Credibility Criteria Guidance documents, recommended to policymakers as benchmarks for credible sustainability systems. Overall, we count more than 10 policy papers.
- **Direct engagement**. ISEAL engaged in exchanges with policymakers, including officials in DG ENV, DG JUST, Members of the European Parliament, and virtual meetings with Special Rapporteurs and Country Representatives. The aim is to position ISEAL as a trusted partner providing high-quality technical information.
- **Member Information**. ISEAL has kept its members informed about ongoing EU policy developments, explaining their implications for VSS and certified entities, and providing guidance on how to adapt strategies accordingly. ISEAL has taken part in the European Commission's Multi-Stakeholder Platform on the EU Deforestation Regulation (EUDR) sharing insights from that forum with its ISEAL members.

Overall, the scope of activities implemented is substantial. They align closely with the overarching strategy and can be considered highly compatible with it. Given the limited resources available, the breadth and intensity of activities are noteworthy and demonstrate that ISEAL has pursued policy engagement in a comprehensive and effective manner.

Effectiveness

There is a strong appreciation among ISEAL's members of the role they play in policy engagement at EU level. To the disappointment of some of its members, ISEAL was initially reluctant to engage in EU policy level advocacy until a few years ago. This changed in recent

years, and TISS II funding allowed them to hire dedicated policy staff. Since then, members appreciate ISEAL's expertise and pro-activeness in coordinating its member's advocacy. Members experience ISEAL becoming more visible in Brussels and refer to some joined successes.

ISEAL is likely to have had some influence in the Green Claims Directive to recognise VSS. In the GCD, VSS were given a privileged role: companies can easily become compliant by using credible VSS. This is likely to significantly increase the relevance of VSS for companies to use them. VSS are thus explicitly given a direct role in the law and underlining their recognition at EU level. At the time of writing, however, it is unclear whether the GCD will be implemented. The GCD is particularly relevant for VSS because it directly regulates environmental labelling schemes, not only businesses. Several risks were identified during the drafting phase:

- **Exclusion or prohibition of VSS**. Substantiation requirements (scientific evidence, lifecycle perspective, full transparency) could have made many existing schemes non-compliant. Parliamentary drafts even portrayed chain of custody certification as prone to fraud and required peer-reviewed evidence and full disclosure of certified content.
- **High verification requirements**. All environmental labels and schemes, it was initially suggested, have to undergo verification by accredited conformity assessment bodies, potentially duplicating or overruling VSS assurance processes.
- **Proliferation controls.** New schemes, early drafts proposed, could only be approved if they demonstrated significant added value compared to existing ones, risking a freeze of the market and limiting adaptation or innovation.

ISEAL and its members consistently engaged to address these issues. Methodologically, however, it is difficult to ascertain ISEAL's influence on the final outcome. According to our interview results, the Commission was already sympathetic to the role of VSS ("preaching to the choir"). However, several findings indicate that ISEAL did contribute to the outcome:

- Our interviewees suggested that the European Commission sees ISEAL as an important and trusted partner in this dossier.
- The European Parliament's mandate for the GCD incorporated many of ISEAL's recommendations.
- ISEAL's technical expertise filled gaps in policymakers' knowledge. As one ISEAL member stated: "ISEAL's ability to explain technical details and the functioning of VSS, mass balance systems, and supply chains was highly convincing in meetings with the Commission, especially in the context of green claims."
- The technical submission on the GCD received nearly 1000 views, indicating wide reception.
- VSS members reported that ISEAL's coordination in Brussels allowed them to exert greater influence collectively than they could have achieved individually.

Our findings also suggest that ISEAL had some influence in the context of the EUDR and EUCSDD. Several interviewees with knowledge of the policy-making process suggested that ISEAL has contributed to the fact that the Commission's guidance documents adopted ISEAL's suggestions on credibility and robustness and to clarify the role of VSS to be not just for assessment but also for mitigation. An example is a specific chapter of the EUDR FAQs that talks about scheme credibility as being very closely aligned with ISEAL Credibility Principles and submissions made by ISEAL. Another example, is that in the Parliament's position on the CSDDD, the definitions and roles of schemes were more precisely formulated, reflecting elements from ISEAL's 2022 recommendations.

4.3.2 Trade policy

Strategy and interventions

ISEAL has been following the trade agenda for 15 years. Before TISS II, ISEAL had mostly a reactive approach towards organisations like WTO on important policy developments. TISS II provided them for the first time with budget to develop a more strategic and pro-active approach. In this programme, ISEAL aims to improve awareness how trade policy does or could recognise or reference voluntary standards and frameworks to meet their sustainability clauses. ISEAL positions itself as a knowledge developer and capacity builder on these topics. Key targets are organisations that have a network and influence in the trade domain, such as OECD, ITC and WTO. ISEAL has long history of dialogue with these organisations. An additional and new target group for ISEAL are the trade missions from the global south, with a focus on SECO's priority countries. A large part of the budget in this workstream was spent on the partnership with IISD for research and capacity building of policymakers. The first year of TISS II has largely been spent on case studies and a research report on how VSS are referenced in trade regulation. This enabled ISEAL and IISD to have something of value when engaging with trade officials. This engagement started with a webinar on the research findings with representatives from trade missions of Costa Rica and Switzerland joining as speakers. It then also organized a roundtable at the WTO Trade and Environment Week in Geneva in 2024. This year, ISEAL and IISD organised a capacity building workshop titled 'Integrating Credible Sustainability Standards into Trade Policy'. Recently they started to engage directly with trade missions from the global south.

Effectiveness

ISEAL is believed to make a valuable contribution to the dialogue on the role of VSS in trade policy and is sought for input by trade relevant organisations. The informants working on trade policies valued ISEAL's contribution to this debate through its publications and events. They also find it relevant that this debate is taking place. ISEAL is also sought after for advice by various organisations. It has been asked to provide input or to review reports published by OECD, ITC, UNIDO as well as The World Bank World Development Report 2025 which focusses on 'Standards in Development'.[8] Some of these reports explicitly cite the ISEAL Credibility Code and Principles and the ISEAL Code which was one of ISEAL's outreach goals.

The interviews revealed mixed opinions on whether VSS are barriers or enablers to trade. Informants highlighted that there are divergent opinions about the role of VSS in trade agreements. Some may see they can facilitate trade, but there are also concerns about their proliferation, the challenges they pose to small-scale producers to be included, and whether they have impact. In contrast, organisations like ITC and IISD have nowadays a vision on the role of VSS in trade policies which is aligned with ISEAL's. One trade policy expert recognised the relevance of VSS as they can help businesses to comply with the sustainability requirements in trade

[8] Balaban, C. et al. (2025), "Towards more environmentally sustainable supply chains: The role of trade agreements and sustainability initiatives", *OECD Trade Policy Papers*, No. 293, OECD Publishing, Paris, https://doi.org/10.1787/8bf5cb62-en.
OECD/ITC (2024), *Understanding Sustainability Initiatives: A Typology Framework*, OECD Publishing, Paris, https://doi.org/10.1787/8f8a3d7f-en.
ITC's (2025), New handbooks guide businesses on EU rules to fight deforestation, https://www.intracen.org/news-and-events/news/new-handbooks-guide-businesses-on-eu-rules-to-fight-deforestation

regulation, as well as with the new EU due diligence regulation. Other interviewees suggested that the 20 years of experience by VSS in promoting sustainability can be valuable to policymakers.

ISEAL has started to build relationships with trade delegations from key non-EU countries and thereby creates conditions for potential more direct influence on trade policies. One of ISEAL's ambitions is to develop relationships with key non-EU countries working in Geneva and elsewhere, notably SECO priority countries. According to ISEAL this is slowly succeeding as they managed to have bilateral meetings with various delegations. It does, however, take time to build trust and one needs to be able to offer something like expertise, case studies or capacity building. We have not been able to validate these outcomes as attempts to set up interviews with two trade delegates failed.

4.3.1 Producing countries

Strategy and interventions

ISEAL is active in selected producing countries since many years. SECO's support in 2011 allowed ISEAL to start to engage in emerging economies. Since then, SECO's funding was one of the big support mechanisms to continue this work key emerging economies. TISS II has further deepened this support. The TISS II proposal states that over the course of the programme, ISEAL will identify 2-3 producing countries, informed by SECO's priority countries, where they will make a concerted effort to influence specific policy dialogues, supporting governments and related stakeholders to better understand the benefits of recognising and engaging with VSS.

ISEAL's strategy was to prioritize awareness raising in producing countries on EU policy developments and bringing in their perspectives in the EU policy discourse. This choice was based upon the urgency of the EU policy developments and the implications they may have for producing countries. With the support of SECO, ISEAL organised three in-country workshops in India (November 2022), Ghana (November 2023), and Colombia (April 2024) to understand the perspectives of stakeholders outside of Europe regarding emerging due diligence legislation. The workshops in Ghana and Colombia were organized in partnership with ITC and UNIDO respectively. The workshops were attended by representants from civil society, businesses and their associations, governments and sustainability systems.

As relationships with government representatives from various countries improved, various follow-up actions have been undertaken. The above-mentioned workshops supported building relationships and understanding of the domestic policy context. In Ghana, ISEAL now collaborates with COCOBOD on the development of the African cocoa standard and the Ghanian ambassador was present at ISEAL's EU policy event in Brussels in October 2025. Although there is no direct follow-up in Colombia taking place, one government representant from Colombia participated in this year's ISEAL Symposium to discuss the implications of the EU regulation for Colombia. In addition, ISEAL has in recent years also improved relationships with for example Indonesia; this year it had a one-to-one session with Indonesia's Trade Mission in Geneva and later this year ISEAL staff will visit Indonesia as, according to ISEAL, the Indonesian government is keen to work with them. There are also more often exchanges with Trade Missions in Geneva from other producing countries.

Effectiveness

The three workshops created awareness and generated input for ISEAL's policy agenda. According to the meeting notes from ISEAL, the workshop in India was useful in shaping recommendations for EU policymakers and contributed to the revision of the ISEAL Code of Good Practice for Sustainability Systems. The workshop in Ghana helped to identify challenges and opportunities of the emerging due diligence regulation for various actors in Ghana. It also identified how sustainability systems could play a role in the required due diligence processes. Colombia's workshops had similar outcomes discussed Colombia's efforts to incorporate sustainable development into its overarching environment and trade regulation. Three of the informants participated in the above events. They found them relevant as there is a lot of misinformation and concerns about the EU regulation. Some informants questioned whether ISEAL, as membership organisation, is the right organisation to build partnerships with Southern governments, but most did not see an issue in this.

Meanwhile, partly funded by TISS II, ISEAL continued its engagement activities in India and China, where it contributed to improved recognition for credible sustainability standards. Interviews with partners from India and China revealed that ISEAL is seen as an active and relevant actor in their countries. ISEAL runs quarterly virtual meetings with ISEAL member staff based in India and in China. In India, ISEAL participates actively in various sustainability summits and workshops (e.g. from UNFSS or Centre for Responsible Business). They also participate in various networks. The Indian informant provided two examples where the Indian government starts to recognise VSS: It referenced VSS in a progress update on the Sustainable Development Goals, and referenced the option for third party verification like VSS in its guidelines against greenwashing. These examples cannot directly be attributed to ISEAL, but the informant believes that through its long engagement in India, ISEAL contributed to a more enabling environment for such developments. The informant believes that ISEAL's direct impact could bigger with more human resources and visibility in India.

Partly historically funded by SECO, ISEAL is active for more than 10 years in China. It has developed partnerships with amongst others the China National Textile and Apparel Commission and the China Council for the Promotion of International Trade Commercial Sub Council (CCPIT-CSC). The collaboration with the latter includes the translation and promotion of the Chinese versions of the ISEAL Code of Good Practice for Sustainability Systems and the Benchmarking Guidance. ISEAL also contributes expert resources to CCPIT-CSC's goal of using, developing and promoting voluntary sustainability standards in trade. This includes providing training materials and expertise to guide Chinese sustainability standard developers and users. One informant shared that ISEAL is a reference in China for business and public-private initiatives that work on sustainability standards. This reputation was also confirmed by an ISEAL member who worked on a Chinese version of their standard; *ISEAL has cemented our reputation here. Chinese know who ISEAL is and we also reference them in our agreement with our Chinese partner.*

Though not directly linked to ISEAL, several members also obtain successes in obtaining government recognition in producing countries. For example, in Indonesia, the government starts to have a more constructive attitude towards RSPO and has entered into a formal collaboration with them. Another example is the active government participation in multiple SRP national chapters. In Indonesia, SRP works with the government to recognise SRP as specialty rice so farmers receive higher prices.

These examples show that government perceptions in the Global South are changing. Nonetheless, some informants reported about cases where government leaders still do not want to hear about VSS. They refer to arguments like the lack of transparency, protecting interest, distorting markets, money-making machines and the proliferation of standards.

4.3.2 "Swissness" and stakeholder engagement in Switzerland

Strategy and interventions

According to the Credit Proposal, SECO explicitly required ISEAL to pay particular attention to stakeholders in Switzerland, both in the public and private sector. The so-called Swissness dimension was introduced with the aim to position ISEAL and its members as knowledge partners to Swiss stakeholders and support the understanding and use of sustainability systems.

- **Swiss Presence:** To establish a presence in Switzerland, ISEAL hired a dedicated staff member whose role focused on Swiss business and policy engagement. This position created the core capacity to deliver on the Swissness component. In addition, ISEAL hired an Associate Manager based near Geneva, but her responsibilities were centred on public sector engagement with the EU and trade policies. Although on a Swiss contract, her role was not connected to Swissness and did not contribute to Swiss-specific activities.
- **Engagement with Platforms:** ISEAL engaged intensively with the cocoa and coffee platforms, and to a lesser degree with the palm oil and soy platforms. It also identified the Sustainable Textiles 2030 initiative, but has not engaged with it to date. ISEAL supported platforms also contributed to a Regulatory Readiness Workshop series, sharing expertise to help members prepare for regulatory requirements.
- **Symposium in Baden:** Another important activity was the ISEAL Global Sustainability Symposium, which took place in June 2024 in Baden, Switzerland. The event, titled *"Corporate Sustainability Due Diligence: Strengthening Partnerships for Effective Action,"* brought together 192 participants, including representatives from 28 Swiss companies, the Swiss government, NGOs, academia and VSS. A quarter of attendees were from Switzerland. Discussions focused on building effective due diligence and reporting partnerships, clarifying the role of different actors in achieving sustainability goals, and exploring the implications of policy changes. Key topics included data, traceability, grievance management, communication, and assurance within VSS.
- **Direct engagement:** Linked to the symposium in Baden, ISEAL organized a breakfast session with Swiss businesses to discuss their learnings on EUDR and the positioning of VSS. In preparation of this meeting, ISEAL interviewed Swiss cocoa companies. ISEAL also participated or spoke at various events which allowed them to engage directly with businesses.
- **WTO Trade and Environment Week:** In May 2025, ISEAL did a webinar and a roundtable discussion, *"Strengthening the role of VSS in trade policy,"* held at the WTO Trade and Environment Week in Geneva in October, co-hosted with support from the Swiss Mission to the WTO. This event not only highlighted the need to build capacity for policymakers to understand credible VSS, but also contributed on the Swissness dimension by increasing visibility for both ISEAL's work and the Swiss government's role in recognising VSS within trade policy discussions.
- **Policy Engagement:** This year, the Swiss representative also established contacts with policymakers at SECO and other federal agencies. These interactions aimed to strengthen ISEAL's policy engagement in Switzerland and build relationships with relevant decision-

makers across the federal administration. The objective was also to understand the direction of travel of Swiss government policy on sustainability and ESG issues and to identify potential areas where the role of VSS could be leveraged, both from a policy support perspective and in preparing companies for regulatory readiness.

- **Membership dynamics:** The Swiss Better Gold Association became a member of ISEAL but has since withdrawn. ISEAL successfully recruited Oeko-Tex, who are headquartered in Switzerland, as a new member.
- **Engaging with the research community:** ISEAL's engagement with academics and researchers within Switzerland is evident through its stated goal of strengthening partnerships with institutions like ETH Zurich and the University of Basel, the participation of academics in its Swiss-hosted events like the Global Sustainability Symposium.

This list of activities demonstrates that ISEAL has undertaken a number of initiatives in Switzerland. However, a comprehensive strategy for the full project period that balanced the various outcomes was lacking from the outset. It became clear during the evaluation that SECO had expected more, particularly in terms of direct engagement with policymakers, which only really started at the time of this evaluation.

Effectiveness

ISEAL has managed to establish a constructive collaboration particularly with SWISSCO and the Swiss Platform for Sustainable Cocoa, which contributed to the goal of supporting the understanding of sustainability systems in Switzerland. ISEAL's engagement with the coffee and cocoa platforms went beyond raising awareness: it was able to contribute to the development of the roadmaps of both platforms. The new roadmaps clarify that using an ISEAL Code Compliant VSS represents the highest level of ambition that all members should aim for. In addition, corporate programmes now need to fulfil more concrete criteria for robustness that are inspired by the ISEAL Code. The evaluation of company programmes against these criteria will be done by SWISSCO in 2026, with support by ISEAL.

The influence on relevant Swiss policymakers is still low. Through the aforementioned activities, ISEAL is also likely to have increased the visibility of VSS in Switzerland. However, direct engagement with Swiss policymaker engagement has started only in the last few months. Where ISEAL's Swiss representative did initiate discussions with SECO and various federal agencies, these interactions have so far not been particularly impactful. The meetings served mainly for ISEAL to introduce itself, explain what it does, and outline the potential role of voluntary sustainability standards. Yet, at this point in the program, ISEAL has not been able to demonstrate a concrete added value for these policymakers or to establish direct points of alignment with their ongoing work. Our interviews with relevant policymakers in Switzerland, those for whom VSS and ISEAL could be potentially relevant and useful, confirm the picture that ISEAL's influence on public sector stakeholders remains limited. Many policymakers had not heard of ISEAL before. Others were aware of the organisation, but had not engaged with it in any substantive way and had not reflected much on its possible relevance for their work. From this, we can conclude that the goal described in the Credit Proposal – to convince Swiss policymakers of the value of VSS – has not yet been fully achieved. We understand that SECO expected a bigger impact on showing the relevance of ISEAL and its members as knowledge partners.

Compared to its strong positioning in Brussels, ISEAL has struggled to achieve a similar presence and influence in Swiss policy-making. There are several reasons for this:

- **Reduced sense of urgency:** One reason for the limited impact on Swiss policymakers could be that ISEAL was not able to make timely use of ongoing policy discussions to provide value. At the time of the 2024 symposium, the topic of due diligence was still relevant, but the window for concrete policy engagement was closed. The relevant ordinance on due diligence concerning conflict minerals and child labour, and which does mention VSS, had already been written two years prior. However, new windows of opportunity might open in the future.
- **Strategic focus on the EU:** ISEAL placed much of its emphasis on EU policy processes, which is understandable given that debates in Switzerland mainly revolve around whether and how to align with EU regulations. Swiss policymakers' scope for going beyond and diverging from EU regulations is small. Concentrating resources on Brussels therefore made strategic sense. However, although ISEAL actively participated in EU working groups, for example on the EUDR, Swiss policymakers we interviewed reported that they did not benefit from these insights. While SWISSCO were informed, Swiss government officials were not systematically included in this knowledge transfer.
- **Staff priorities:** The staff member appointed in Switzerland was primarily responsible for business engagement rather than policy engagement. This was also stated transparently by ISEAL in its 2023 Narrative Report. As a result, the Swissness dimension did not prioritise policy engagement to the extent expected by SECO.
- **Alignment between SECO and ISEAL:** It appears that ISEAL and SECO priorities were not fully aligned. Maybe ISEAL and SECO should have clarified expectations and strategies more explicitly at the outset. Better alignment on priorities would have helped avoid diverging expectations.

Overall, the limited presence of ISEAL in Swiss policy-making reflects both strategic choices and structural constraints. While the focus on Brussels appears justified, a stronger transfer of insights to Swiss policymakers and clearer alignment with SECO's expectations could have increased the effectiveness of the Swissness component.

4.4 Evidensia

This section provides an answer on the fifth evaluation question about to what extent Evidensia has contributed to increase transparency and know-how on VSS impact. Following the Theory of Change, we also looked at who used this information and how it may or may not have influenced corporate and government decisions.

4.4.1 Strategy and interventions

The objective of this workstream is that leaders in government, businesses, and sustainability systems will share an evidence-based understanding of how to design and deliver more effective sustainability policies and interventions. Evidensia was founded in 2019 by ISEAL, WWF and Rainforest Alliance and since then implemented by ISEAL. Evidensia has always been funded through different programmatic grants. As these grants recently ended, SECO became the sole funder since this year (though a new funding request to another donor has been submitted recently). While the previous grants were linked to concrete research outputs, TISS II funding is institutional, giving Evidensia much more flexibility to invest. Evidensia's goal is to ensure that credible research and evidence positively influence corporate and government decisions regarding sustainable commodity production and sourcing. Evidensia delivers high quality evidence,

information and insights on sustainability impacts of market-led and supply chain sustainability approaches. It does this by providing easy access, sharing credible content and supporting learning and interpretation through interactive tools and specific analysis. Evidensia manages an online knowledge platform (www.evidensia.eco). It also produces briefings, podcasts and webinars that distil results and learnings from research. Evidensia conducts regular systematic evidence reviews on the effectiveness of market-led approaches on key topics. Through partnerships and collaborations, it is knowledge partner with several organisations.

4.4.2 Relevance

The Evidensia platform is particularly relevant for the research community and practitioners. They consider Evidensia as the place-to-go for credible research about the impacts of standards or other supply chain led approaches. For academics and students, Evidensia offers a great place to start searching for high quality research. As one academic explained: "it saves us a lot of work of figuring out which credible studies there are." Content-wise it focuses on a niche compared to other digital libraries, making it a user-friendly platform for that niche. The navigation structure greatly contributes to the user-friendliness. Examples of its use mentioned are searching relevant publications for one's own research, understanding the value of specific approaches as basis for own programming, finding evidence to back-up certain statements about for example impacts or market shares. According to the informants, there is not really an alternative available. One informant stated: *To assess its relevance, you should ask whether something like Evidensia should be created if it did not exist. The answer is most likely yes.*

While some informants question whether ISEAL is independent enough to run the platform objectively, others see that any potential conflict of interest is well mitigated. Two respondents questioned whether ISEAL is the right organisation to run a platform of objective research about tools that are implemented by its members. Having members in its governance bodies was seen as a weakness and they suggested that there are more independent initiatives who could host it. Two members of Evidensia's research council understand that there could be a perception of bias but are convinced that Evidensia has robust procedures in place for accepting publications on the platform as well as for the systematic reviews. This was confirmed by another knowledgeable informant. More than one practitioner also highlighted that ISEAL has the expertise and respect of research organisations to manage such platform.

There is mostly appreciation for the outreach activities such as the webinars, podcasts, blogs and What Works briefings. One practitioner specifically appreciated the efforts to provide insights based upon multiple publications, which creates more value than traditional launch activities of one single publication. All researchers interviewed valued that the dissemination activities enable them to share and discuss their findings outside their research bubble. One informant was less impressed by the dissemination as it has a lot of overlap with what others do.

The systemic review on Decent Work is relevant from a knowledge gap closing perspective, but there are mixed opinions about its relevance to inform future action. As part of TISS II, Evidensia co-invested together with IDH and Rainforest Alliance in a systemic review on Decent Work in the agriculture and textiles sectors. This theme was underrepresented in the research community and becoming increasingly relevant in relation to the HRDD regulation. Companies also indicated a clear interest in the topic. The review provided a comprehensive picture on approaches and possible impacts on Decent Work. The researchers interviewed

appreciated this study. ISEAL staff mentioned that this review has informed revisions of the standards or strategies of two members. However, according to one of the partners, the relevance for the private sector was limited as it did not come up with clear examples of what worked or not. This made it difficult to distil relevant insights to support companies in decision-making. Based upon this experience, one could argue whether for topics where there is not that much relevant research available, a rigorous systemic review is the right approach to distil useful messages. In contexts where not a lot of action is taking place, figuring out what to do is probably more useful than figuring out what the impact is of what has been done.

4.4.3 Effectiveness

Despite the appreciation and growing user numbers, the interviews also show that many target groups do not know or do not use Evidensia. The 2024 figures provided by ISEAL show 18.000 unique visitors that year (including China and India featuring in the top of visitors) and clear growth figures in newsletter subscribers (+31% to 2,405 subscribers) and LinkedIn members (+148%), as well as more than 1000 participants in public learning events. Publications from IISD, ITC, UNCTAD and OECD use Evidensia as source for information about evidence. However, the key informant interviews also generated examples of target groups who did not know or did not use Evidensia. For example, only one government official, from the South, reported to have used the platform. Other informants from the public sector did not know it or had not visited it. The same applies to the companies we spoke to. There were even two informants from ISEAL members that were not aware of Evidensia. Various others reported never having used it or not for a long time. They expect more use by their monitoring and evaluation colleagues.

It has been impossible to assess to what extent Evidensia has influenced awareness and corporate and government decisions. ISEAL uses the information coming from Evidensia in their public and private sector policy engagement activities. This certainly gives more credibility to their messages. One informant also believes that their own and Evidensia's research has contributed to recognition of higher credibility standards in the GCD, EUDR, EFTA-Indonesia trade agreement. However, it is difficult to understand the real influence of this as so many other factors have contributed to this. One informant also pointed out to the risk that "the evidence of the mixed impacts that comes out of most of the research on Evidensia may even undermine the relevance of VSS in regulation." Anyhow, we did not hear of any examples where the Evidensia platform, its research or dissemination activities has directly influenced decision-making in the private or public sector. Considering that various public and private actors we interviewed did not know about or do not use Evidensia, this direct influence may indeed be limited. One could also argue that the link between awareness or knowledge and decision-making is anyhow a weak one. In that sense, Evidensia is more a go-to-resource for accurate information, than for action. This also makes Evidensia more a platform relevant for academics and organisations that try to influence public or private sector decisions, rather than the public and private actors themselves.

5 Conclusions

5.1 Relevance of VSS

The TISS II programme is implemented in a period of great uncertainty for VSS, as mandatory due diligence regulations are calling into question the relevance of VSS. However, initial fears of irrelevance have given way to a more nuanced picture: While in the initial policy debate on mandatory due diligence and sustainability reporting regulations in the EU there might have been a narrative that VSS had "failed" and therefore mandatory regulation was necessary. Regulations such as the EUDR, CSDDD, and CSRD do not replace VSS but rather redefine their function. Policymakers and leading businesses increasingly recognise credible VSS as indispensable partners in implementing the new regulatory architecture. At the same time, it is not sufficient for companies to solely rely on VSS to become compliant with the CSDDD and EUDR. The regulatory shift is therefore reshaping corporate practices: responsibility for compliance is moving closer to legal departments, with new private service providers offer competitive solutions. This reduces the automatic pull of certification and puts pressure on VSS to sharpen their value proposition. While some VSS have seen their market grow by expanding their role as data providers, compliance facilitators, and credibility enhancers, many others struggle as they see their value proposition and business models undermined by these new developments. They feel a great urgency to adapt. The coming years will therefore be decisive in determining whether VSS can consolidate their position as essential pillars in a smart mix of regulatory and voluntary approaches—or risk being sidelined by faster, less costly alternatives.

In trade policy and Green Claims regulation the relevance of VSS has increased substantially. The privileged role of credible VSS in the Green Claims Directive – though its adoption is still uncertain – illustrates how they provide companies with a streamlined and trusted route to substantiate sustainability claims. Moreover, in trade policy frameworks, references to VSS in free trade agreements and procurement policies have multiplied, signalling their growing importance as instruments to secure sustainable market access and to operationalize trade-related sustainability objectives.

At the same time, in the area of due diligence, the value of VSS has been called into question and their continued relevance hinges on their ability to adapt. Whether VSS can maintain their relevance in this area will depend on their ability to innovate and to adapt their systems to remain fit for purpose. Besides, the driver for companies to adopt VSS go far beyond regulatory compliance. There are other business benefits that VSS offer in terms of supply chain efficiencies, reputational and marketing benefits, and strategies to improved, and increasingly measurable, sustainability impact.

5.2 Relevance of TISS II

SECO's support to ISEAL workstreams on Innovations, public sector engagement and Evidensia is relevant. First, its continued support to VSS in adapting to the changing context is highly relevant. VSS need to adapt to changing business needs, and these needs are partly determined by regulation. To stay relevant, VSS feel urged to innovate. Many try to figure

out what way to go. They do not only need to adapt to the implications that the regulatory changes have on business conduct, but also to other drivers for businesses to adopt VSS, including supply chain management, reputational risk management, marketing purposes and delivering quantified sustainability impact data. In this dynamic context, ISEAL is seen by its members as an experienced and trusted facilitator who supports them to innovate and collaborate.

Second, SECO's new support to ISEAL's public sector engagement is highly relevant as well. We heard a consistent need for more expertise among policymakers on what role VSS could play in the implementation of their policies. ISEAL is seen as a relevant knowledge partner for this.

Third, there is a widespread acknowledgement that the evidence of the effectiveness of VSS should underpin both the developments at the VSS as well as how VSS are recognised by the public sector. Hence the relevance to support Evidensia.

The three workstreams reinforce each other. We observed many cross-linkages between the workstreams. Examples are Evidensia informing the policy engagement activities, the policy engagement activities informing the Innovations Funds grant themes, and the Innovations Accelerator informing Evidensia's research agenda. TISS II is also benefiting from other workstreams in ISEAL. All these cross-linkages improve quality and efficiency of the individual workstreams.

Considering the broad thematic and geographical scope of the programme, ISEAL has adopted a smart mix of strategies based upon a good understanding of the context and its own strengths and weaknesses. The programme is quite ambitious to engage at various policy levels (EU level, trade agreements, Switzerland and specific producing countries), to be a key driver for innovation among VSS, and to manage a globally recognised knowledge platform on the impact of market driven instruments. The evaluators appreciated ISEAL's justifications of the different strategies in the workstreams. We also observed a smart use of partnerships, such as with its members on the EU agenda, with IISD on the trade regulation and with various academics and NGOs in Evidensia.

Nonetheless, the wide scope in relation to the available resources pose a risk that resources are too thinly spread or certain expectations by SECO are not met. This is probably most visible in the Swissness, trade policy and Global South components. Considering the available resources, and adapting to changing contexts and insights, ISEAL had to set priorities. In the case of Swissness, these priorities were not fully aligned with those of SECO. In the case of trade policy, some clarity of purpose was lacking. In the case of the Global South, resources were a limiting factor. A more regular exchange between SECO and ISEAL on expectations and strategies could possibly avoid diverging expectations.

5.3 Effectiveness of TISS II

ISEAL's Innovations workstream allowed members to spark significant innovations, of which many bring about lasting changes in how VSS operate. Driven by the urgency to adapt to new demands by businesses as well as the pursuit to have more impact, ISEAL members are innovating a lot. The Innovations Fund and Innovations Accelerator are important instruments in this and used by all members. ISEAL strongly supports exchanges and collaboration on important themes within its membership. Partly driven by the EU regulation on due

diligence, EUDR and the drive of companies for quantified impact data, most attention went to innovations directly improving the certification system. About a quarter of projects explored beyond certification, or systemic strategies, for bigger impact on specific themes. Many Innovation Fund projects resulted in follow-up activities. At least half of the finished projects from Phases I and II are scaled within the projects' grantees. They support members to improve their efficiency, inclusiveness or effectiveness. Several projects also made members more relevant for companies in meeting EU regulatory requirements and climate targets. We found little evidence that innovations are being replicated or adapted beyond the project partners. While the funding is considered to be a great good by the members, they also highly appreciate ISEAL learning support through its technical advice, the linking to other members and the communities of practice.

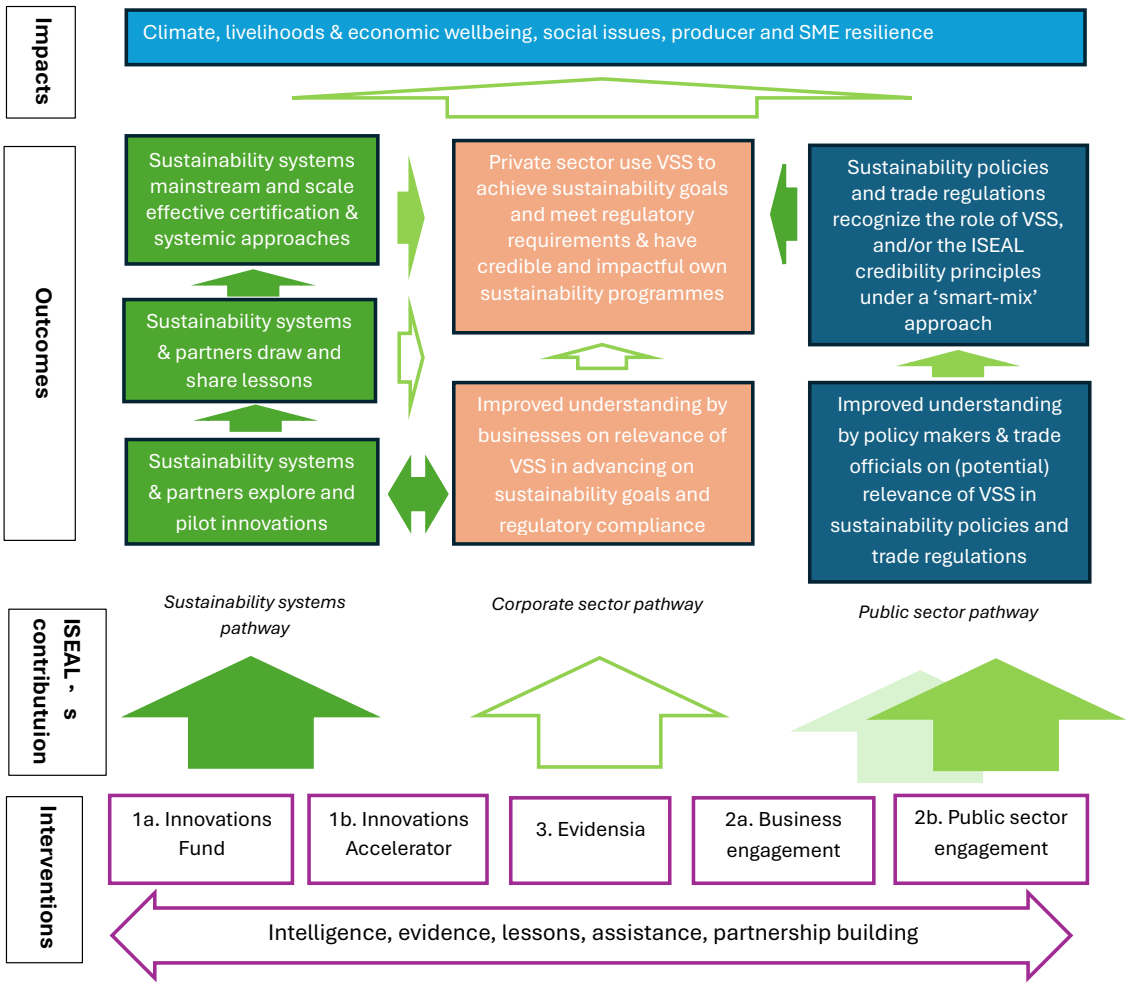
The public sector engagement workstream likely improved the understanding of the role of VSS policymakers. ISEAL appears to have influenced EU policies or implementation guidelines. Their positioning as knowledge partner, their focus on credibility principles and their strategy to engage directly with policymakers can be considered successful. There are fewer tangible outcomes on ISEAL's work regarding trade policies. ISEAL is believed to make a valuable contribution to the dialogue on the role of VSS in trade policies. ISEAL's work on trade is maturing. With the improved relationships with trade missions from some Southern countries and the recognition on knowledge provider, it may have set some conditions to become more effective in how such regulation further recognises VSS. Beyond trade, ISEAL's engagement in producing countries under TISS II has focussed on the implications of the EU policies. These activities have built relationships which start to be used for influencing domestic policy environments. Meanwhile, the continuation of engagement activities in India and China resulted in an improved enabling environment for the recognition of credible sustainability standards. Recent engagement with Ghana and Indonesia also evolves around the credibility of national or regional standards.

The overall effectiveness of engaging with Swiss policymakers is still limited. ISEAL's business and policy engagement in Switzerland has produced important activities and some strategic achievements, particularly in supporting commodity platforms and increasing visibility through high-level events. However, awareness of ISEAL among key policymakers in Switzerland is still low, and concrete policy influence has not yet been demonstrated. This is partly due to ISEAL's deliberate prioritisation of EU-level engagement and the focus of the Swissness to be more on business engagement than on than policy engagement. While these choices are understandable, they reduced opportunities to deliver on SECO's expectations for Swissness.

Evidensia is seen as an important public good by specific actors, although its reach is still limited. Evidensia is mainly used by the research community and practitioners and more evidence is needed of direct use by other target groups. There is mostly appreciation for the outreach activities funded under TISS II, such as the webinars, podcasts, blogs and What Works briefings. It has been impossible to assess to what extent Evidensia has influenced awareness and corporate and government decisions.

When coming back at the ToC developed in the MTE inception period, we can distinguish the plausible contribution TISS II has had on the various pathways. The below figure shows that TISS II primarily focusses on creating the enabling conditions for the private to use VSS. They do this by supporting VSS in becoming more effective and efficient and by advocating for regulatory incentives that recognise the use of credible VSS. This MTE confirmed that sustainability system performance and public regulation are key drivers for businesses to use VSS.

Figure 4: TISS II contribution to its simplified Theory of Change



This MTE suggests that ISEAL with TISS II had so far a strong contribution to sustainability systems pathway and a weak (e.g. Swiss and trade policy) to medium (EU Policy) contribution to the public sector pathway. Through its outcomes in the sustainability and public sector pathways, it contributed to the enabling conditions for the private sector pathway. More information about the contribution to the project outcomes can be found in Appendix IV.

6 Recommendations

This chapter presents the main recommendations that were generated as part of this MTE. For the remainder of this programme, we recommend:

1. **The Innovations Fund and Innovations Accelerator could place more emphasis on supporting grantees in mainstreaming and scaling of innovations.** Mainstreaming could be promoted by supporting grantees to pay attention early in the innovation cycle to the business model behind an innovation. In addition, early attention to change management such as the strategies, tactics, governance and risk management can also increase the likelihood that innovations will be faster mainstreamed within the organisation. To support the scaling of innovations among different members, the Innovations Fund could support a small number of larger and longer-term projects by larger consortia of members to scale proven innovations or to jointly find solutions for common challenges.[9] ISEAL will need to figure out whether they can play a facilitating role in these coalitions, as several members would like to see them taking up such role. The call for larger grants should not replace fully the smaller ones as they cater to different needs and members; they help members to invest without too much risk in an innovation cycle. Some of these small grants have proven to be snowballing into larger innovation processes.

2. **ISEAL should maintain its policy engagement at EU level to help ensure that VSS remain relevant and to support its members in navigating a volatile and unpredictable regulatory landscape.** This is critical to avoid undermining the added value of VSS and to ensure that they remain an integral part of the regulatory ecosystem. Compared to a few years ago, ISEAL is in a better place to have effect. With the support from TISS II, it has built relationships with policymakers and influencers and proved itself useful as expert on topics such as credible verification, traceability, claims and the mitigation of sustainability issues.

3. **ISEAL is recommended to recalibrate its strategy and goals on trade policy and the Global South for the remainder of the programme**. On both themes, ISEAL has implemented activities which helped them to build the knowledge, recognition and relationships that could potentially make them more effective in the remainder of the programme. However, on the trade policy, some clarity of purpose was lacking so far, and on the Global South work resources were thinly spread. It is therefore recommended to make some choices for the coming period. Both workstreams are highly relevant. One argument is that targeted engagement and dialogue with policy makers from the South, whether on trade or domestic policies, are crucial to enhance legitimacy and foster broader acceptance of VSS. Meanwhile, emerging economies such as India, China and Indonesia already became the biggest consumers of many of the commodities that fall within the scope of ISEAL's membership. Hence, members and partners like to see ISEAL continuing to engage in producer countries, for example on the benchmarking and strengthening of national policies and standards, supporting

[9] Note that at the time of this MTE, ISEAL commissioned research on scaling and sustainability of impact of supported projects to understand what is needed for VSS to achieve sustainability of innovations, mainstream innovations and achieve scale. This research will inform what role can ISEAL Innovations Fund and Innovations Accelerator can play and develop a concept for scaling funding round.

the private sector to meet international standards and to promote demand side uptake in the Global South.

However, engaging with policymakers and trade negotiators from individual countries and at multilateral level is resource intensive and may require in-country staff. There are several ways how ISEAL could deal with this challenge:

– The choice of priority countries, target policies and policy makers or trade negotiators require a careful selection. For example, one can adopt a more pro-active engagement approach towards policy makers and trade negotiators in a few strategic producing countries, while adopting a more re-active to multilateral trade organisations.
– ISEAL should continue its collaboration with member staff in priority countries and start to strengthen them on the topic of trade policy through case studies and research reports.
– ISEAL could opt to capitalize on its improving reputation as knowledge partner and capacity builder through events and workshops, particularly when this could be done in partnership other organisations. Organisation like ITC, UNFSS, ISSD, IDH have overlapping mandates to support sustainability solutions in producing countries and often have staff or implementation partners in relevant countries.

4. **On the Swissness strategy, we recommend that ISEAL and SECO coordinate to achieve better alignment on expectations and strategy.** Given that Swissness was introduced as a new component of the programme in Phase II, closer and more frequent consultation between ISEAL and SECO is essential to ensure that expectations are aligned on both sides. A transparent strategy is needed, specifying clear objectives (e.g., becoming a trusted knowledge partner), identifying the most suitable activities to achieve these goals (e.g., direct engagement, events, and knowledge dissemination), and outlining how priorities are determined. We recommend that this strategy include regular exchanges with Swiss policymakers to maintain an open line of communication, particularly when relevant policy developments arise or policy windows open. This proactive approach would enable ISEAL to focus its limited resources where impact is most likely, especially in the early stages of policy processes, when technical expertise can be most influential.

5. **Evidensia is seen as an important public good, but should invest more in communication, dissemination and partnerships to make it better known and used among researchers, practitioners and conveners.** It is therefore recommended:
   a. To continue the high intensity communication around Evidensia's knowledge outputs and its platform; it remains important to tailor such activities to clearly defined target groups. This MTE suggests that its primary users are intermediaries such as academics and organisations that try to influence business or government decisions. They are often better placed to use the evidence and translate these into meaningful messages for the decision-makers they try to influence.
   b. To include more research from the Global South in its platform; this may bring a more balanced assessment of the often-Western dominated market-led instruments. It could also broaden the scope from export commodities to crops that are relevant from a domestic food systems perspective.
   c. To adopt more hybrid research approaches for its future research products, such as systematic reviews; it is recommended to think in an early stage by whom and for what purpose this research should be used and adapt the research approach and outputs to this.

d. To look for new partnerships as knowledge broker; in line with partnerships such as with the UN FACS, CGIAR/IFPRI and World Bank's Folur, Evidensia could play a role to facilitate access or package the information from its platform to the needs of other organisations and programmes. Providing more tailored knowledge services to development NGOs could also be an option to explore. Potential benefits are increased use and effectiveness, enhanced credibility and new revenues streams for the tailored services.

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. SECO should continue to support ISEAL, enabling it to help VSS to innovate and position themselves as credible compliance partners. In the current regulatory context, VSS need to adapt their business models and value propositions in order to remain relevant. ISEAL's innovation workstream is well placed to facilitate this transformation and to ensure that VSS can complement mandatory requirements through services such as risk management, traceability, and credible verification. In addition to this compliance role, SECO should continue its support to VSS in exploring and scaling new strategies for impact. As compliance approaches are often insufficient to generate the desired impact, there is need for more systemic strategies that address the root causes of sustainability issues and create an enabling environment for the scaling of impactful innovations.

Similarly, it is relevant to continue supporting ISEAL on its public sector engagement and on Evidensia. The first, because mandatory regulation can be a powerful pathway to impact. They have however their limitations and VSS can offer credible complementary value. This complementary value is more likely when VSS or credibility principles are recognized the Global North and Global South. The second, Evidensia, remains an important public good, particularly to those academics, practitioners and convenors that try influence of corporate and public decision-making. As such it is also an important pillar behind ISEAL's own public and private sector engagement.

To determine the scope of a potential TISS III a further weighing of priorities and opportunities is needed. We realize that proposing to continue and intensify the current scope of the programme in a possible next phase is not the most realistic advice in the current political context in which most donors find themselves. Hence, it is recommended to sit down with ISEAL and ask them where they think most value can be created in a possible next Phase of this programme and review those against SECO's own priorities. Some questions that can guide this discussion are:

- Should ISEAL capitalize on its improved positioning to influence EU policies and trade agreements? To what extent can member contributions further finance these activities? What role can partnerships play? (particularly on the trade agreements)
- How deep should be ISEAL's engagement in producing countries and to what end? How many? What co-investments can come from partners and members with a direct interest in those countries? How does the value of producer country engagement compare to investments in Switzerland?
- What are opportunities to develop a more diversified revenue model as knowledge broker of Evidensia for development programmes and organisations?
- What is a minimum scale of the Innovations Fund that would cater to the different needs of the membership? What opportunities exist to attract additional donors for this Fund beyond FCDO? How to capitalise on the value the Innovations Accelerator offers to its members?

Appendices

I. Terms of Reference

Economic Cooperation and Development WE

Terms of Reference (ToR)

for

External Midterm Evaluation (MTE)

Of

Transparency and Innovation of Sustainability Standards, Phase II

SAP: UR-00999.20.01; UR-00999.20.02

ACTA NOVA ID: SECO-541.2-12

Purpose of the Evaluation
The current phase of the program started in October 2022 for a period of 4 years. This MTE thus takes place after 2.5 years of implementation. Its purpose is to foster internal learning at SECO's Trade Promotion Section (WEHU) and ISEAL: Is the programme still relevant in the changing geopolitical and regulatory context? Is it effective in achieving its proposed objectives? The conclusions and recommendations of the MTE should help to take corrective steering measures in the current phase (if needed). In addition, they should also inform the development of an eventual future initiative.
The evaluation will be published in the evaluation database of the Swiss Confederation. It is foreseen to also share the results of the evaluation with colleagues at FCDO, who co-finance parts of the programme since 2024.

Description of the Intervention
The programme's overall goal is to build understanding and catalyse innovation in the use of voluntary sustainability systems (VSS), so as to support governments and companies in finding effective, collaborative solutions to the world's most pressing sustainability challenges. Through its three workstreams, the program aims to:

a. assist governments in understanding how sustainability systems can support public policy goals,
b. work with sustainability systems to innovate in order to be able to meet the evolving needs and expectations of producers, governments, and supply chain actors, and
c. compile the evidence on what works and what does not, and share the corresponding learnings.

The programme builds on SECO's longstanding partnership with ISEAL, the global membership organisation for credible VSS. Whilst VSS innovation was already an important element of the previous phase, the specific emphasis on public sector use of VSS as well as on strengthening impact evidence is new. Also, the current phase has a distinct "Swissness" focus.

The programme budget under this phase amounts to CHF 10 million. In 2024, FCDO has decided to complement SECO's funding with an equal amount, i.a. contributing to the Innovations Fund and Accelerator.
For additional information on the programme, its logframe and indicators, budget, etc., please refer to the Credit Proposal in Annex 2.

Scope and Focus of the Evaluation / Evaluation Questions
In consultation with ISEAL and SECO colleagues responsible for M&E, the following evaluation questions under three OECD DAC criteria have been defined:
Relevance

- *Have VSS gained or rather lost in relevance in the context of the changing regulatory environment (e.g. EUDR, CS3D, CSRD, etc.), and for what reasons?*

Effectiveness

- *How and to what extent have the initiatives supported through the Innovations Fund been able to spark significant innovations (e.g. in terms of scope/scale, costs, inclusion of smallholders, use of technologies, etc.), if at all? What was the role of the Innovations Accelerator?*
- *How and to what extent have public and private sector actors in different countries (developing world, EU, Switzerland, ...) improved their understanding and/or use of VSS, if at all?*
- *To what extent and how does having a local ISEAL representative influence the knowhow and use of VSS among public and private sector actors in Switzerland? In how far is this complementary to the existing sector platforms (e.g., cocoa, coffee, gold, textiles, palmoil)?*
- *To what extent has Evidensia contributed to increase transparency and know how on VSS impact?*

Sustainability

- *How and to what extent do the projects supported through the Innovations Fund bring about lasting changes in how VSS operate?*

The evaluators are asked to validate the meaningfulness of these questions in the inception report and suggest eventual changes if considered necessary.
The primary focus of this MTE is on the current phase. However, especially for the question under the sustainability criteria, it is advised to also consider the experience of innovation projects supported under TISS phase 1. Annex 3 provides an internal learning report on scaling of past innovation projects prepared by ISEAL. In addition, the conclusions and recommendations of the evaluation should also provide a solid basis for an eventual follow-on initiative.

Evaluation Methods and Process
The evaluation will primarily be based on review of documents, interviews and, if considered useful, a survey. No field missions (other than a workshop at SECO to discuss findings; see next section) are foreseen at this stage, but can be proposed in the inception report if deemed necessary.
The evaluation will be contracted through Lot 3 (Como Consult) of the Project Support Partnership (PS-P) modality of SECO's Trade Promotion Section. Como Consult will subcontract the evaluators for this mandate.
At SECO, the person in charge of this evaluation is Martin Peter. ISEAL will be involved in all key moments of the evaluation, including the discussion of the inception as well as the evaluation reports. ISEAL will also be a key resource for the evaluation team throughout the evaluation process.
Evaluators are expected to propose a sound theory-based methodological approach tailored to the purpose and scope of the evaluation. To answer the evaluation questions under the effectiveness criterion, using a Contribution Analysis[1] approach (or elements thereof) is encouraged. As part of the Inception Report, they will present a detailed design, including an evaluation matrix (ref. SECO-WE's Evaluation Guidelines, Annex IX), sampling and data collection methods such as document review, interviews, and/or surveys, among others.

The methodology should explain how data will be analysed, including procedures for handling qualitative data. Data collection and analysis should apply triangulation and be verifiable and transparent. Evaluators should outline how findings will be substantiated and assess the anticipated strength of evidence (e.g., low, medium, or high confidence).
Any methodological limitations should be transparently discussed, along with strategies to mitigate them.
Evaluations must be conducted ethically and legally, respecting the rights, dignity, and interests of those involved. Evaluators are expected to demonstrate cultural and contextual sensitivity, maintain impartiality and independence, and ensure informed consent and voluntary participation. All evaluation processes must adhere to ethical and legal standards, including data protection obligations and confidentiality. Sensitive or personal data must be handled with care, in accordance with applicable data privacy regulations.
Evaluators are expected to adhere to SECO-WE's Evaluation Guidelines throughout the assignment.

Deliverables
Key deliverable under this MTE include:

- Inception Report (incl. detailed approach and methodology, refined ToC/Logframe, and Evaluation Matrix).
- Draft and Final Evaluation Reports, max. 25 pages structured according to Annex V of SECO Evaluation Guidelines.
- Physical or virtual exchange to discuss the findings after submission of the Draft Report

Reports should be visually engaging, using figures, illustrations, and graphs alongside text and table.
The evaluation report will be published in accordance with the Freedom of Information Act (FoIA). It must be submitted in a manner that protects data privacy. Any private information should be submitted in a separate annex.
All evaluation reports at SECO undergo a quality assessment. Hence, the report must be understandable as a stand-alone document. This is especially important for the evaluation's approach, design and methods. Where additional detail is needed, this can be included in the annex.

Schedule (tbc)

- Kick-off Meeting: May 26, 2025
- Submission of Inception Report: June 30, 2025
- Submission of Draft Report: September 1, 2025
- Discussion of Findings: September 11, 2025
- Submission of Final Report: September 30, 2025

Evaluation Team / Qualifications
The evaluation team should combine profound knowledge on VSS, development cooperation and have the necessary methodological evaluation skills. Due to the distinct focus on Swiss stakeholders, familiarity with the Swiss private and public sector environment and language skills in German and French will also be expected.

The Consultants will be sub-contracted by WEHU's PS-P Como Consult. Thomas Finkel, Managing Director of Como Consult, will ensure quality control of the deliverables prior to submission.

II. Key informants and literature reviewed

Key informants

- Assurance Services International - Marcos Antonia Hidalgo Arellano
- Aquaculture Stewardship Council – Jill Swasey
- BAFU - Nicolas Schmid
- Better Cotton – Klara Shepherd & Yasmin Kjaer
- Bonsucro – Norma Tregurtha
- Centre for Responsible Business - Rijit Sengupta
- European Commission - DG Environment - Policy officer responsible for Green Claims
- Fairtrade International - Tytti Nahi & Meri Hyrske-Fischer
- Fairtrade Max Havelar - Melanie Dürr
- Forest Stewardship Council - Matteo Mascolo
- Global Coffee Platform - Nazir Ul-Haq
- Global Infrastructure Basel Foundation – Vivian He
- Goodweave - Elisabeth Bystrom
- Halba - Petra Heid
- IDH - Honore Johnson
- IISD – Sara Elder
- ISEAL – Kristin Komives, Vida Rangan, Patrick Mallet, Tamara Beradze, Joshua Wickerham, Leslie Sajou, Robert Suter, Philippa Cuberthson, Martyn Cole, Alaa Karadamour
- ITC – Shemina Amarsy & Matthieu Lamolle
- KU Leuven – Axel Marx
- Marine Stewardship Council - Aygun Kazimova
- Mars – Inge Jacobs
- OECD – Lauren Shields
- Peking University - Dr. Liang Xiaohui
- Rainforest Alliance - Fanny Gauttier
- Responsible Steel – Annie Heaton
- Round Table on Responsible Soy - Lieven Callewaert
- SECO – Martin Peter, Domnik Ledergerber and two representatives who do not want to be mentioned by name
- Starbucks – Ruchira Joshi
- Sustainable Agriculture Network – Oliver Bach
- Sustainable Biomass Program – Nicolas Viart
- Sustainable Rice Platform – Trusti Widiastuti
- Swissco - Christian Robin
- Swiss Better Gold Association – Diana Cullilas
- The Copper Mark - Alicia Polo y La Borda
- UNDP FACS – Simon Cooper
- UNFSS – Santiago Cordoba
- Union for Ethical Bio Trade – Deniz Austin & Jennifer Sutil
- University of Oxford – Gillian Petrokofsky

In addition, we spoke the following people who do not want to be mentioned by name: to one assistant to a member of the EU parliament, one staff member of a trade organisation, one representative of the public sector in the Global South, a representative of a Swiss commodity platform and a Swiss coffee producer.

Literature reviewed

We received in total 70+ documents from ISEAL excluding the Innovations Funds project applications and progress reports. The documents included:

- TIIS II annual progress reports
- Internal strategy documents
- Publications, policy briefs, learning papers and other outreach material published by ISEAL or its partners as part of the TISS II programme
- Third-party literature related to the MTE evaluation questions

III. Evaluation Matrix

Evaluation questions	Evaluation criteria	Data sources	Limitations	Evidence quality
1. Have VSS gained or rather lost in relevance in the context of the changing regulatory environment (e.g. EUDR, CS3D, CSRD, etc.), and for what reasons?	• Appreciation of relevance by key informants, ISEAL and SECO staff	• Key informant interviews • Third-party literature on relevance of VSS	• Selection bias towards informants that know VSS very well	High level of evidence based upon variation of informants interviewed and available literature.
2. How and to what extent have the initiatives supported through the Innovations Fund been able to spark significant innovations (e.g. in terms of scope/scale, costs, inclusion of smallholders, use of technologies, etc.), if at all? What was the role of the Innovations Accelerator?	• Logframe indicators • Appreciation of progress by key informants, ISEAL and SECO staff	• IF project updates publications, portfolio data, etc. • Key informant interviews • Interviews with programme staff	• No field work on projects undertaken	High level of evidence based upon consistent feedback from informants' progress reports of projects.
3. How and to what extent have public and private sector actors in different countries (developing world, EU, Switzerland, …) improved their understanding and/or use of VSS, if at all?	• Logframe indicators • Appreciation of progress by key informants, ISEAL and SECO staff	• Programme updates, publications, policy briefs, etc. • Key informant interviews • Interviews with programme staff	• Limited number of respondents from Global South	EU: High level of evidence based upon consistent feedback from informants and policy related documentation. Global South: Medium level of evidence as spoken only to a few stakeholders and some divergent opinions exist.
4. To what extent and how does having a local ISEAL representative influence the knowhow and use of VSS among public and private sector actors in Switzerland? In how far is this complementary to the existing sector platforms (e.g., cocoa, coffee, gold, textiles, palmoil)?	• Logframe indicators • Appreciation of progress by key informants, ISEAL and SECO staff	• Programme updates • Key informant interviews • Interviews with programme staff	• None	High level of evidence based upon consistent feedback from informants.
5. To what extent has Evidensia contributed to increase transparency and know how on VSS impact?	• Logframe indicators • Appreciation of progress by key informants and ISEAL	• Data on reach, knowledge publications • Key informant interviews • Interviews with programme staff	• Not all user groups have been included in sample (e.g. VSS M&E staff)	High level of evidence because of feedback of various of the global key research professionals on VSS.
6. How and to what extent do the projects supported through the Innovations Fund bring about lasting changes in how VSS operate?	• Whether innovations sustain or expected to sustain • Whether innovations have been scaled • Whether there are spin-offs	• IF fund documentation • Key informant Interviews • Interviews with programme staff	• Only few Phase II projects have finished.	High level of evidence based upon consistent feedback from informants and earlier research on scaling of Innovation Fund projects

IV. Summary of contribution to project outcomes

The following table summarized the high-level outcomes per main outcome of TISS II.

Description of main changes per project outcome	**Contribution by project**	**Strength of evidence for contribution**
Innovations: Sustainability systems increase their value for producers and are well-positioned to support governments and businesses in meeting due diligence requirements and other regulatory conditions for sustainability in global trade.		
Almost all members work on better solutions for due diligence, performance monitoring, assurance, traceability, inclusiveness, etc. There is a lot of collaboration between members on innovations. Many solutions are mainstreamed of which various support new business need to meet regulatory requirements.	Strong contribution through Innovations Fund, communities of practice, events and publications	High level of evidence based upon consistent feedback from informants and earlier research on scaling of Innovation Fund projects.
Public sector engagement: Government actors will know how they can most effectively partner with and reference sustainability systems in relevant trade policy and smart mix regulatory approaches.		
Increased understanding among EU policymakers and better reference to credible sustainability systems some policies and implementation guidelines. Impact of EU Compass yet unknown.	Strong contribution through direct engagement with policymakers and recognition for its expertise on credible standards.	High level of evidence based upon consistent feedback from informants and policy related documentation.
Emerging understanding on role of standards in trade regulation. Different opinions about role of standards in trade persist.	Medium contribution through publication and events. No direct influence on specific trade policies.	Medium level of evidence as spoken only to a few stakeholders and some divergent opinions exist.
Mixed understanding by policymakers in Switzerland.	Weak contribution for limited engagement with Swiss policymakers	High level of evidence based upon consistent feedback from informants.
Increasing understanding by policymakers in producing countries, with a lot of variation between countries.	Medium contribution through workshops and direct engagement	Medium level of evidence as spoken only to a few stakeholders.

Evidensia: Leaders in government, business, and sustainability systems will share an evidence-based understanding of how to design and deliver more effective sustainability policies and interventions		
Key research and knowledge gaps on impacts of market-based tools are filled, with new evidence picked up by research professionals and communications channels.	High contribution through Evidensia platform, its learning activities and systemic reviews.	High level of evidence because of feedback of various of the global key research professionals on VSS.
Effect on leaders in government and businesses seems limited.	Weak contribution as the direct use of public and private sector leaders is limited and Evidensia's indirect contribution is hard to assess.	High level of evidence based upon interviews and user data.

Although the project has no separate workstream for private sector engagement, its logframe contains an outcome for the private sector.

Private sector engagement: Private sector professionals and institutions meaningfully apply information, analysis, and research on sustainability systems and use such systems to meet their sustainability goals.		
Mixed trends on VSS use by private sector; some retreat, some wait and see, some invest in VSS.	Medium contribution by advocating for the credibility agenda and support to members' innovations. Regulatory uncertainty and rise of private data-driven initiatives are strong influencing factors.	Weak level of evidence because of limited number of interviews with private sector, although trends were confirmed ISEAL members.

V. Recommendation table

Recommendation for the remainder of the TISS II programme	Urgency	Addressee
1. The Innovations Fund and Innovations Accelerator could place more emphasis on supporting grantees in mainstreaming and scaling of innovations.	Medium	ISEAL
2. ISEAL should maintain its policy engagement at EU level to help ensure that VSS remain relevant and to support its members in navigating a volatile and unpredictable regulatory landscape.	High	ISEAL
3. ISEAL is recommended to recalibrate its strategy and goals on trade policy and the Global South for the remainder of the programme.	High	ISEAL and SECO
4. On the Swissness strategy, ISEAL and SECO should coordinate to achieve better alignment on expectations and strategy.	High	ISEAL and SECO
5. On Evidensia a. ISEAL should invest more in communication, dissemination to make it better known and used among researchers, practitioners and conveners. b. ISEAL could include more research from the Global South in its platform c. ISEAL should adopt more hybrid research approaches for its future research products, such as systematic reviews d. ISEAL could look for new partnerships as knowledge broker	 Medium Medium High Medium	 ISEAL ISEAL & research partners ISEAL ISEAL

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