



Natural Resources and Ethical Trade Programme

Managed by the Natural Resources Institute

Natural Resources and Ethical Trade Programme – NRET

The Natural Resources and Ethical Trade Programme was established in 1997 as the first initiative to focus on the promotion and investigation of social and environmental dimensions in trade from the perspective of developing countries and poor people. As the corporate accountability and responsibility movement has continued to gather momentum NRET, has contributed to the debate around trade, standards and development. NRET provides an independent source of expertise in research and consultancy in ethical trade and responsible business, working with organisations in the North and South that share our aims.

Ethical trade is an umbrella term for an array of different initiatives that include social and environmental goals set alongside economic goals in the management of production and trade. This includes fair trade, forest certification, organic labelling, ethical sourcing and ethical investment at local and international levels.

Innovations and achievement in Ethical Trade

NRET has set the pace in the development of new and improved methodologies in ethical trade.

Key areas in which NRET is a leader include:

- Costs and benefits of ethical compliance
- Social impact assessment of codes of practice
- Development of national codes in export horticulture
- Gender analysis and participatory monitoring of codes
- Livelihoods and business analyses
- Engaging in ethical markets for forest products
- Understanding fair trade

Our approach

NRET works with a range of public and private sector organisations to:

- Further critical analysis and understanding of ethical trade
- Introduce viable social and environmental practices into core business operations
- Develop policies to promote best practices in ethical trade.

Responsible business is not only the responsibility of business. It needs communities, workers, organisations of civil societies, NGOs, government and shareholders to be involved. We engage with these stakeholders to improve social and environmental impacts of business activities.

We have a core team of people working on the programme and can draw on a wide range of NRI staff and associates skilled in applied social research, development economics, agricultural marketing, food quality and safety, and environmental assessment.

For further information contact:

The NRET Programme Manager

Natural Resources Institute, University of Greenwich at Medway
Central Avenue, Chatham Maritime, Kent, ME4 4TB. UK

Tel: +44 (0)1634 883199 Fax: +44 (0)1634 883076 Email: Nret@gre.ac.uk

The Natural Resources and Ethical trade programme (NRET) is committed to increasing the benefits of ethical trade in renewable natural resources for poor people and the environment in developing countries



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Themes and Recent Initiatives

We aim to optimise the benefits of ethical trade and responsible business initiatives, particularly as they affect poor people and developing countries. Throughout our work, we aim to share learning across initiatives and sectors and to influence policy.

Building better standards for responsible business

NRET works with organisations to develop standards for monitoring, auditing and reporting the social and environmental dimensions of trade with poorer countries.

- Over a period of four years, NRET worked with retailers and importers in the UK, and exporters, producers and workers in Africa to identify and address key challenges in implementing codes of practice. We developed indicators of ethical standards which reflect the priorities of smallholders and workers; established monitoring systems appropriate for smallholders; and put in place participatory institutional frameworks for promoting and monitoring ethical standards; and improved systems for monitoring compliance with social and environmental criteria applicable to small and medium scale farms.
- We have extended our work on codes of practice in horticulture to specifically consider their gender implications, especially in the ways in which codes affect women workers who may lack secure employment. We have identified the needs of workers employed in African horticulture and explored how social auditing can be improved to address the needs of female as well as male workers.
- Forest standards were not developed with small timber growers in mind. NRET has explored the capacity of smallscale timber growers to meet forest standards and made recommendations for how standards could be changed to meet the needs of smallscale timber growers.
- Working with local stakeholders in South Africa, we have developed Guidelines for Achieving Responsible Tourism and Benchmarking Success.

Producer market linkages

NRET helps companies and producer groups in developing countries take advantage of market opportunities through enhancing their understanding of customers' requirements and in establishing viable, efficient businesses.

- We have undertaken studies on how trade in forest products affects forest dependent people, resulting in the a set of lessons aimed at intermediaries helping communities and individuals get involved in ethical trade.
- Small farmer face a number of challenges to compete successfully in the global horticulture industry. NRET has worked with the horticulture industry to identify best practice for smallholders in export horticulture, and viable extension systems to educate smallholders, producing a CD ROM Small Producers in Export Horticulture: A Guide to Best Practice.

Ethical supply chain management

NRET works with mainstream companies and Alternative Trade Organisations to embed social and environmental issues into supply chain management.

- We have worked with stakeholders in the tea and cocoa value chains in order to identify best practice for managing social and environmental issues.
- NRET worked with African, Caribbean and European companies to explore the potential for responsible business approaches to the production and marketing of horticultural produce.
- We have worked with fair trade organisations to identify the challenges facing East African farmers exporting coffee, and made recommendations for capacity building initiatives.
- We have undertaken a detailed study of the key environmental and social issues in the jewellery value chain with a view to developing an ethical jewellery business strategy.

Assessing Ethical Trade

NRET is working with stakeholders along the supply chain to critically assess how and whether the impacts of ethical trade can be improved, especially in relation to livelihoods.

- We have undertaken an analysis of the business costs of implementing ethical trade standards.
- We are undertaking a long term assessment of the social impacts of ethical trade in the wine industry in South Africa and cut flower industry in Kenya. We are using indicators of impact developed by workers themselves to track changes in conditions across code adopting and non-adopting companies.
- We are developing work on power and governance in the value chain, considering how institutional factors at different levels may promote, sustain, or undermine the realisation of positive outcomes from the application of codes of practice.