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Developing Partnerships Across Global Supply Chains



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Definitions

A sustainable supply chain is largely determined by its suppliers. Consequently, the importance of long-term partnerships with suppliers for achieving the sustainable development goals in global supply chains is steadily increasing. Three different practical examples are used to illustrate this increasing importance of buyer–supplier relationships. They represent three types of relationships – knowledge partnerships, standardization partnerships, and service partnerships – and serve as a basis for the development of an industry partnership model for global supply chains. The chosen industry examples (the chemical, automotive, and agricultural case) illustrate which subtargets of SDG 17 can be addressed to meet environmental and social challenges of a global supply chain.

Managing Supplier Sustainably Across Global Supply Chains

Challenges to sustainability in the global supply chain are becoming more and more evident. In 2017, France was the first country to enact a “supply chain law” (<https://germanwatch.org/de/stichwort/lieferkette>) to clarify the duty of care of companies with regard to human rights. In addition, the European CSR reporting guidelines have been significantly tightened. When one considers that the average depth of vertical integration lies between 60 and 70%, the statement that a company is only as sustainable as its suppliers seems convincingly true. This increases not only the importance of the procurement function in the company itself, but also its ability to manage supplier networks sustainably.

Sustainable Procurement: A Possible Success Factor

In strategic supply management, ecological and social elements are becoming increasingly important, in addition to economic goals such as achieving cost reduction targets. The implementation of a sustainable supply chain poses numerous challenges, especially for globally driven procurement activities. Sustainable procurement requires investment in buyer–supplier relationships, including the introduction of a supplier evaluation model that incorporates sustainable evaluation criteria into considerations, or the provision of training measures for buyers and suppliers that ultimately increase economic uncertainty in the

supply chain. Both aspects are defined as the most important barriers in the context of implementing sustainable procurement management. Other inhibiting factors of medium importance, however, are the strong focus of procurement on the short-term goal of cost reduction, a lack of guidelines and standards, minimal support from top management, and the additional demand on suppliers and their lack of necessary resources to position themselves more sustainably (Fröhlich 2015).

In fact, the importance of sustainability in supply management can no longer be ignored. Resilient supply chains, in terms of securing the provision of procurement items to maintain the company's ability to produce the final product, are in danger because of sustainability-based risks. The fact that supply markets are closed because the global suppliers do not support the company's sustainability vision is still woefully underestimated. In most cases, the impact on the company's image of a loss of supply cannot be clearly attributed to sustainability frameworks, and above all it cannot currently be quantified.

According to a study published by EY (2016), risk management is still the most important driver for sustainable procurement. Unintentional violations of human rights, or ecological issues in a global supply chain, can cause immense damage to a company's brand or image. Compliance and regulatory risks, as well as business continuity, are also mentioned, but they are not among the most important drivers, accounting for 33% and 22%, respectively. The loss of a licence to operate is feared by 87% of respondents. The Rana Plaza disaster led to irreparable damage to the company's image, the compensation for which now requires a great deal of resources, and so companies are therefore not so much afraid of the legislator and legal changes as of the end consumer, who ultimately decides on the sustainable success of a company. The second most critical stakeholder is the investor, who attaches more and more importance to compliance via ecological and social criteria when financing business ideas. Even if ignoring sustainable challenges can lead to losing the licence to operate, companies increasingly see the potential hidden behind a

sustainable corporate strategy. Efficiencies and opportunities for innovation have become one of the key drivers in sustainable supply management, especially as the innovative added value of suppliers is increasingly taken into account in strategic buyer–supplier relationships.

To sum up the above, one main challenge remains: a functional area, whose contribution to the achievement of corporate objectives is still evaluated, according to possible cost reduction potentials to be exhausted is not up to such a complex task as the consistent implementation of social and ecological standards throughout the entire supply chain. Challenges such as ensuring environmental and social standards in the supply chain, the quality assurance of procurement objects, political and legal uncertainties in supplier countries as well as the lack of control possibilities and the complexity of the supply chain (Fröhlich 2015) call for new strategies and approaches in supply management, coupled with the willingness of top management to invest not only in the processes, but also the employees of the purchasing and supplying company.

The Impact of SDG 17 on Global Supply Chains

It became clear so far that it is not possible to guarantee a sustainable supply chain that takes into account ecological and social challenges equally while not establishing long-term co-operation between purchasers and suppliers. In this respect, the importance of SDG 17 is thus: the 17 objectives can only be achieved through a strong global partnership, and so governments, civil society, and business must work together to implement them accordingly. "Leave no one behind" is the overarching principle of Agenda 2030, and UN member states have committed themselves to reaching first those who are furthest behind (17ziele.de/ziele/17.html).

In order to explain better what added value multistakeholder partnerships in procurement can provide in achieving a sustainability vision, it is necessary to characterize briefly the individual subareas of SDG 17. These further explanations are taken from the United Nation's homepage (sustainabledevelopment.un.org/sdg17) and cover the areas of finance, technology,

capacity building, trade, and systemic issues, which in turn are subdivided into policy and institutional coherence, multistakeholder partnerships, and data, monitoring, and accountability.

“Technology, science and capacity building are major pillars of the Means of Implementation of the Post-2015 Agenda and of the Rio+20 follow-up processes. The research, development, deployment, and widespread diffusion of environmentally sound technologies in the context of a Green Economy [are] also closely linked to other core elements and means of implementation, including innovation, business opportunities and development, trade of environmental goods and services, finance and investment, and institutional capabilities” (sustainabledevelopment.un.org/sdg17).

This paragraph offers a perfect definition of the importance of the first four subsections of SDG 17. Systemic issues are particularly noteworthy here, as they are the focus of this entry. The political framework must ensure that sustainable development can be initiated, in order to minimize corruption or the violation of human rights in a global supply chain. Without political support in the respective sourcing country, it becomes almost impossible for the procuring company to advocate the achievement of the SDGs; furthermore, it is particularly important that reliable data for sustainable development are made available. Digital technologies such as supply chain mapping or data mining (Fröhlich and Steinbiss 2018) increase transparency, which is a necessary prerequisite to ensure that SDGs are implemented in a global supply chain in the long run (Fröhlich et al. 2019). It must also be considered that supply chain initiatives need to be set up and key performance indicators developed, to make improvements in the degree of sustainability in a global supply chain measurable. The visualization of joint successes is essential in achieving supplier engagement and the necessary commitment in a multistakeholder partnership. This leads us to last subsection dealing with systematic issues – multistakeholder partnerships, the defining characteristics of which, according to Treichel et al. (2017), are:

- “The focus lies on overcoming social challenges and pursuing the common good through long-term cooperation.
- Several representatives from at least three of the four stakeholder groups (state, private sector, organized civil society and academia) voluntarily join forces. At least one member is from organized civil society.
- All the stakeholders are involved in the MSP’s work on an equal footprint.
- The partnership involves some degree of institutionalisation and independence.”

Although in this entry the focus is on supplier–buyer relationships, the following practical examples make it clear that it is not possible to implement a sustainable global supply chain without the support of NGOs or any of the other stakeholders mentioned above. For this reason, it is helpful to use the multistakeholder partnerships concept as the theoretical basis for this entry. Three types of partnership exist (Treichel et al. 2017): knowledge, standardization, and service. The first form of cooperation focuses on the transfer of knowledge between suppliers and purchasers, while standardization partnerships attempt to implement standards between suppliers and the purchasing company, e.g., for sustainable supplier evaluation and supplier management. The last form of partnership implements concrete projects and services, to enable suppliers to meet ecological and social standards.

In a nutshell, SDG 17 refers to the need for cross-sector and cross-country collaboration in pursuit of all goals by 2030. It is a call for countries to align policies, and it is about strengthening and streamlining cooperation between nation states, both developed and developing, using the SDGs as a shared framework and a shared vision for defining this collaborative way forward. The world has a global roadmap for building resilient and inclusive economies, and the adoption of the SDGs and the Paris Agreement on climate change leaves little room for ambiguity about what we need to do. The private sector has a tremendous role to play in fulfilling the objectives laid down in the SDGs and the Paris Agreement, but business

as usual will not get the job done. The imperatives to eliminate poverty, avoid catastrophic climate change, and build inclusive societies call for new approaches. In particular, new ways of leveraging businesses' collective assets and resources through collaboration have to be found, as no one organization can tackle systemic issues alone (Rockefeller Foundation BSR 2018).

An Industry Partnership Model for Global Supply Chains

In the EY Report (2016) it is stated: "Working with peers, industry associates, standard setters and NGOs is critical for companies to achieve sustainability in the supply chain," which corresponds with the development of regenerative business models (Fullerton 2015). A holistic understanding of economics will replace the concept of the invisible hands' mechanistic world view, which was previously based on Adam Smith's concept. In order to rethink capitalism, so-called "vitality criteria" are coming to the fore. "In right relation" and "Empowered Participation" are two important criteria that support the collaborative approach chosen in this entry. Purchasers and suppliers are part of the "interconnected web of life" (Fullerton 2015) and therefore cannot be seen isolated from society and the biosphere. Empowered participation highlights the importance of empowering suppliers to understand global sustainable supply chains holistically. It is the task of the procurement company to educate its suppliers and to point out where potential for sustainable improvement in a supply chain can be found. Concrete joint measures have to be developed, examples of which can be found in the second part of this entry.

So many of the challenges and opportunities associated with corporate sustainability cannot be tackled by individual companies on their own – it must be done by collaboration throughout the global supply chain, with a multistakeholder partnership driving the agenda. To be leading edge, supply chain functions must be collaborative, move beyond the traditional role and deliver more strategic value. Moving to this new strategic role will require procurement's increased collaboration with internal stakeholders and standard

setters, and startups to work on new ideas and innovative solutions with suppliers, drive digital solutions with technology experts and partner with universities for research and development projects and other like-minded businesses to drive the sustainability agenda for a just world.

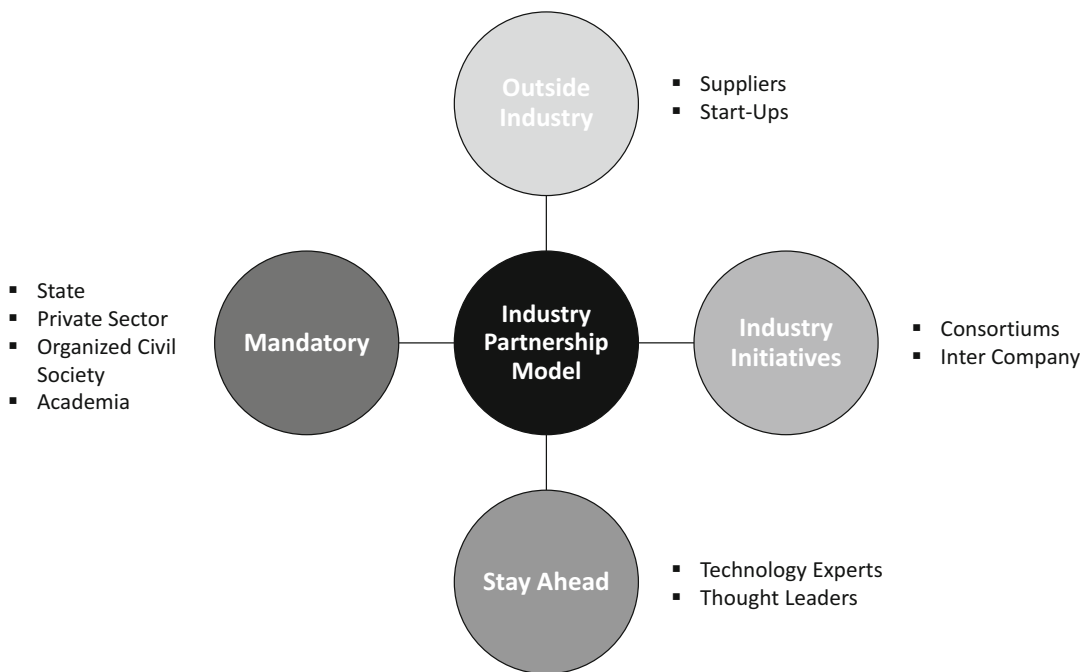
Based on the results of the EY Report (2016), an industry partnership model has been developed. The challenges and drivers of a sustainable supply chain, as described above, can only be solved in a collaborative model. In addition to the stakeholders discussed above, there are other potential partners that need to be considered in the context of sustainable supply chain management. Furthermore, this understanding also requires a new mindset (Fröhlich and Steinbiss 2018a) as well as capabilities and incentives on the part of the institutions for sustainability. This industry partnership model is advantageous in a number of ways. For instance, it will give a platform to companies to create a common voice for a topic which is a concern across the sector, and it will enable sectors to become influential in setting new standards; in the long run, such partnerships could also result in the reduction of cost and effort. Lastly, it will attract more innovative solutions and new ideas, which will further improve the overall supply chain (Fig. 1).

Partnership Models in Practice: Three Different Industries: Three Different Challenges

As discussed previously, three different practical cases are provided herein. The "Chemical Industry Case" represents standardization partnerships, the "Automotive Case" stands for knowledge partnership, and the "Agricultural Case" provides an example of service partnerships. A summary is then presented on how the three discussed cases help to achieve the SDG 17 subtargets.

The "Chemical Industry Case"

Together for Sustainability (TfS) is a joint initiative between chemical companies, founded in 2011. The project serves as a typical example of standardization partnerships, because it is based



Developing Partnerships Across Global Supply Chains, Fig. 1 An industry partnership model. (Source: own illustration)

on good practices and builds on established principles, such as the United Nations Global Compact (UNGC) and the Responsible Care Global Charter, as well as standards developed by the International Labor Organization (ILO), the International Organization for Standardization (ISO), and Social Accountability International (SAI) (tfs-initiative.com).

It was developed and implemented as a global program to assess, audit, and improve sustainability practices within the chemical industry’s supply chain, with the aim of building industry standard for sustainable supply chains and establishing a standard approach for evaluating and improving the sustainability performance of suppliers. The Tfs approach creates a path of continuous improvement for both suppliers and their customers by initiating a dialogue on tangible sustainability improvements. Following the principle, “An audit for one is an audit for all,” sustainability assessments and audits are shared between all Tfs members, subsequently resulting in fewer individual requests for multiple standards, and a more efficient allocation of resources.

Ultimately, collaboration within the initiative should lead to a common standard for benchmarking the sustainability performance of companies within chemical industry supply chains (Baid et al. 2020; tfs-initiative.com).

Since the start of the program, more than 10,000 supplier sustainability evaluations have been conducted. The sustainability performance of 10,566 suppliers has been rated via Tfs, based on EcoVadis assessments, and 1,526 Tfs audits have been conducted by means of the Tfs audit program. In 2018, 1,491 new supplier assessments were initiated by Tfs members via EcoVadis, and 358 Tfs audits were conducted through the Tfs audit program, with all results shared among the whole Tfs group. In addition, in 2018, over 2,000 suppliers, who had previously conducted a Tfs assessment through EcoVadis or a Tfs Audit, documented their progress on improvements and shared their reassessments (tfs-initiative.com).

Tfs membership has more than doubled since its founding 4 years ago. In addition to the six founding members, members have been added

from Europe and the USA, with continuous growth forecast for the future. The latest member of the initiative is the Wanhua Chemical Group – the first company headquartered in the Asian Pacific region (tfs-initiative.com).

Wanhua CPO has made continuous efforts and achieved significant results in sustainable purchasing, but they still face a number of challenges. The TFS initiative partnership, however, enables the group to engage more with its suppliers and promote sustainable development values. Its decision to join the TFS initiative is a strong signal of partnership across borders and creates further momentum for more activities with regard to sustainable supply chains in China.

To create further awareness among suppliers, a TFS supplier training day took place on September 3, 2018, at the Evonik campus in Shanghai Xinzhuang. Around 200 suppliers and TFS member company representatives participated, and the purpose of the training was to raise awareness of sustainability standards across chemical industry supply chains and mitigate associated risks in corporations. Detailed training was given on how to use TFS tools for sustainability improvements (Baid et al. 2020).

The Indian chemical industry, which is rated sixth in the world and third in Asia in value-added terms, is one of the important links in the global chemical supply chain. Business activities of all organizations are thus becoming more global, and supply chains more complex. Considering the important role played by the chemical industry across sectors, including automobile, pharmaceuticals, textiles, and even manufacturing, aligning with sustainability will help it drive innovation as well as the growth engine. In such scenarios, the TFS initiative leads by example in corporate responsibility by creating benchmarks for sustainable supply chains.

Together for Sustainability has been formally launched in India to encourage Indian suppliers to adopt sustainability practices in their management and manufacturing systems. A TFS summit was held in Mumbai in 2016 to build awareness about the importance of creating a sustainable supply chain among Indian chemical suppliers and manufacturers. Over 500 representatives from

suppliers and TFS member companies, as well as local and international associations, international audit companies and experts, attended the summit. In India, 300 suppliers have currently been assessed through EcoVadis, and audits at 28 sites have been concluded.

The positive impact can only be realized through collaborations and partnerships on a global scale. TFS is leading this initiative for the chemical industry and creating a sustainable supply chain by creating awareness, shared assessments, and audits. Thus, the focus is now on business leaders taking tangible implementation steps at their organizations to work together with like-minded partners towards sustainable development goals.

The “Automotive Case”

In the following paragraph, an example is illustrated of the possible implementation and tracking of the SDG 17 in the automotive industry. Supply chains and networks within the automotive industry are highly complex, nontransparent, and even sometimes unknown, so special effort is required by pursuing the implementation of SDG partnerships throughout the supply chain. Strategic focus in this regard falls especially on subtarget 17.16, regarding global partnerships for sustainable development, and 17.17, regarding public partnerships with stakeholders that do not belong to the direct business. The following example of a possible implementation of goal 17 is described for the automotive upstream supply chain, namely the material supply chain, which is needed for in-house production.

To establish partnerships for SDG 17, the company primarily determines what SDG contributions should be concentrated on by the company. After ascertaining the focus goals, a company assigns already existing activities in terms of sustainability to the respective SDGs. In a second step, further dedicated measures are defined to contribute positively to a specific goal or subtarget.

One of the delicate topics within automotive supply chains is respect for human rights, but due to the lack of transparency of these supply chains, it is difficult – or even impossible – to know if

there has been any violation. Therefore, partnerships with suppliers, right down to raw material suppliers, need to be established. A common commitment to this topic and a clear definition of what it stands for, with a respective action plan in case of violation, need to be harmonized. The distinguishing issue is that a customer not only pushes the issue to their direct supplier, but they also work together to find solutions for the sub-supplier, which has a knock-on effect throughout the supply chain.

The global multistakeholder approach is generally applied not only for direct business partners, but also for nondirect business partners such as local political and social organizations. In this approach, three main requirements play a decisive role, as illustrated in the following scheme (Fig. 2).

Transparency is about generating the best possible clarity in the upstream supply chain, albeit this is a goliath task. As a customer alone it is impossible, and therefore partnerships with suppliers are necessary to dig deeply into the common supply chain.

The second and internally most crucial undertaking is to create a common understanding in one's organization and subsequently to develop partners in the supply chain to reach the same understanding. As a further step, each stakeholder needs to accept process and individual responsibility for the business.

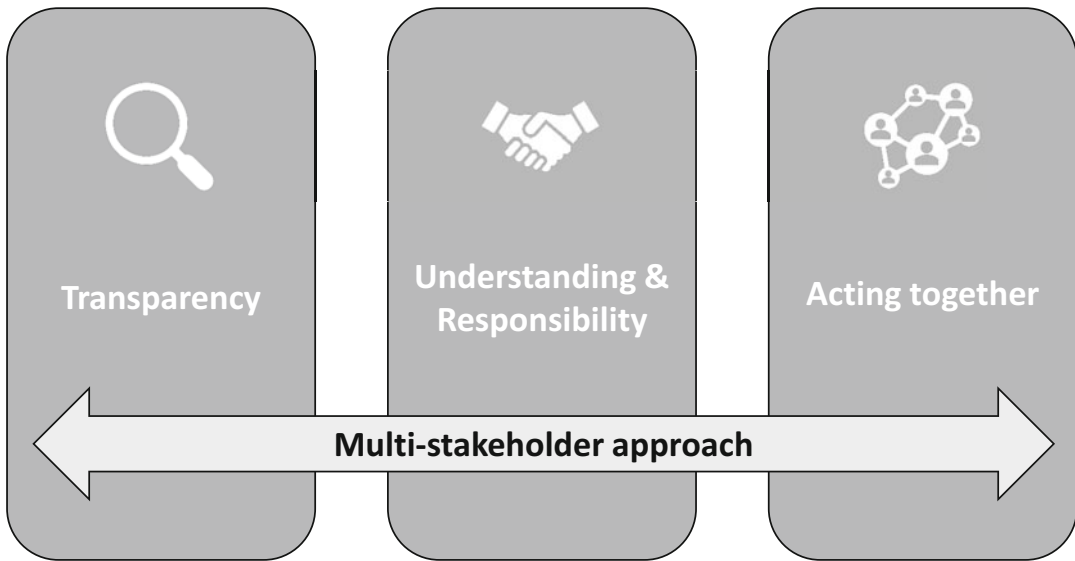
When acceptance of responsibility for sustainability goals is reached, the third step is to act together, which means in this case defining common measures to achieve the common goals contributing to the 17 SDGs. One such example where this multistakeholder approach is important is when discovering a violation or some form of noncommitment within the supply chain. In this instance, a common approach to helping and developing the common partner is essential. Frequently, a supplier has several customers, and thus the decision to also include OEMs in the partnership approach is important. One issue in the automotive supply chain can easily result in subsequent effects on several stakeholders, and so important in this regard is that an issue is not

only pushed to the direct supplier, but also that a collective solution or an action plan is created.

An example where partnership is indispensable within automotive industry is the contribution to climate neutrality. To reach a successive decrease of the own carbon footprint including emissions from the supply chain, a master plan in each individual supply chain part needs to be implemented in cooperation with the affected suppliers. Only if a tier 2 supplier, e.g., is willing to decrease the emissions in the own supply chain to climate-neutral condition, a customer company can include the indirect emissions coming from the supply chain into the climate neutrality consideration. Therefore, partnerships is necessary to decrease the common carbon footprint.

In this framework, the nonbusiness partner network can accelerate action in countries where special boundary conditions are in place. For instance, local political and social requirements can be considered easier and implemented in a sustainability strategy with a local approach. Non-business partner networks especially can provide an important input into the network in terms of how to deal with specific issues, without neglecting local political restrictions and social standards. To help partners in emerging and developing countries, organizations and networks in the specific country can assist. Furthermore, a partnership can be a basis for knowledge transfer regarding technological know-how and political and social requirement exchange – and thus help develop common measures to achieve these goals. Special attention must be given to compliance issues in this multistakeholder approach, so a legal representation should always be integrated. To complete this stakeholder and partnership approach, an impulse-giving element can be included, such as the fulfillment of defined measures extracted from sustainability goals and sub-targets as awarding requirements for future business or as an obligation for strategic suppliers. This can be augmented by including sustainability criteria into the supplier award program of a company.

In summary, SDG 17 represents an essential goal as the base for implementing other SDGs within the automotive industry, due to its huge



Developing Partnerships Across Global Supply Chains, Fig. 2 Scheme for three important requirements for SDG 17 implementation. (Source: own illustration)

and nontransparent supply chains. Multi-stakeholder projects with direct and nondirect business partners are key. Concerning the main contribution to dedicated SDGs, partnerships with not only suppliers but also with customers are crucial. Nonbusiness partner networks are major milestones for the implementation of SDGs, especially in emerging and development countries, to provide help and to acquire information on local requirements.

The “Agricultural Case”

The following case has a completely different focus. As an example of a service partnership, the INA initiative implements projects and services to help farmers in developing countries meet ecological and social standards and at the same time secure their livelihoods. The Sustainable Agricultural Supply Chains Initiative (INA) is a platform of approximately 70 stakeholders from the private sector, civil society, and politics. Together, they want to improve the living conditions of smallholders and establish greater sustainability in global agricultural supply chains through holistic approaches. Therefore, the INA concentrates on the protection of remaining natural resources, ensuring deforestation-free supply

chains as well as living incomes and a living wage.

The INA is embedded in the program Sustainable Agricultural Supply Chains and Standards, set up by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The global community has set itself the ambitious 17 sustainable development goals (SDGs) that build the framework for the work of GIZ.

As a multiactor partnership, the INA thus contributes to the SDGs (1) “No poverty,” (2) “Zero Hunger,” (8) “Decent work and Economic Growth,” (12) “Responsible Consumption and Production,” (15) “Life on Land,” and especially (17) namely “Partnerships for the goals.” The INA is a service provider and an implementation platform, and as a knowledge hub it informs stakeholders on various topics concerning sustainable supply chains, showing best practices and lessons learnt with the target of generating a common basis of knowledge.

In its function as an implementation platform, local alliances are a crucial lever in achieving systemic impacts, which is why the INA promotes partnerships with local governments and ministries, the private sector, civil society, and smallholders (SDG 17.17).

Through its projects, the organization aims to establish sustainable landscapes by means of a jurisdictional approach, which defines its activities not by sectoral but by political borders. Thus, it is not limited to one specific sector but rather revolves around various resources and actors in a defined region. Along these lines, the INA defines solutions for more sustainability in producing landscapes, and it follows a cross-commodity approach. A model of integrated land use that is the basis for such a landscape approach can help prevent or lessen displacement effects. For its implementation, different aspects have to be considered, and cooperation has to go beyond sectoral limits and stretch along global value chains. This means that one of the most important factors of success is to consult all relevant actors in the partnership.

As digitalization is another important issue within the INA, the implemented projects are accompanied by digital tools which support smallholders and help increase transparency throughout the supply chain. Therefore, it tracks the development of new technology and innovation, which in turn enhances knowledge-sharing among relevant stakeholders (17.6).

Two ongoing projects exemplify how the INA works together with actors in the countries of production to improve smallholders' living standards while simultaneously preserving natural resources.

The INA project in the Nono Sale district in Ethiopia, called "Innovations for Sustainable Agricultural Supply Chains in Ethiopia," (ISASE) mainly deals with organic beeswax and coffee, because many smallholders within the district are coffee farmers who additionally grow spices and keep bees to collect honey, which they then sell on the local market. The beeswax, which is a by-product of honey production, is not commercialized and is thus thrown away. However, the demand for beeswax as a sign of bio-quality in natural cosmetics is high, and as a result, the INA works together with two competitors, KahlWax and Norevo, as well as with experts from the Bees for the World organization to baseline opportunities. Relating to capacity-building (SDG 17.9), the INA trains the farmers to improve

the quality of their beeswax, to increase added value, and to guarantee market linkage. This is done not only for beeswax but also for coffee, with the primary aims being to diversify and increase the income of smallholders, in order to close the income gap.

To build up a sustainable landscape within the Nono Sale district, the INA coordinates its activities with the district government and the responsible ministry in Ethiopia, to enhance policy coherence in this region (SDGs 17.13/14/15).

Activities in Colombia focus on forest conservation through alternatives to livestock farming. The goal is to develop sustainable regions in Meta and Caquetá in trustful cooperation with local authorities. Partners are the Ministry of Agriculture and Rural Development, municipality governments, NGOs, and European companies. In doing so, the INA takes into account the background of Colombia as a post-conflict country; for instance, the 2016 peace agreement, along with its obligations, is also considered within the project. Apart from the goals to provide alternative marketing opportunities and to establish agroforestry systems, social inclusion is a central topic within the project (SGD 17.15) – in line with the aforementioned peace agreement. The INA works on the following crops: cocoa, rubber, palm oil, and coffee.

Both projects have in common that the INA works together with IT developers to ensure the traceability of products throughout the supply chain.

To summarize, the INA promotes partnerships between governments, the private sector, and civil society, due to the belief that strong partnerships are required to reach the sustainable development goals.

Conclusion: How Partnerships across Global Supply Chains Address SDG 17

This entry has discussed three practical examples, to make clear how important suppliers are in achieving a purchaser's sustainability vision. Strong relationships based on trust and commitment with suppliers are needed to tackle the

challenges we currently have to face – and will have to face in the future. The shift to a more holistic world view, as well as the increasing importance of collaborations in global supply chains (EY 2016), highlights SDG 17 – partnerships for the goals. Finally, the question arises as to what specific subgoals of SDG 17 can be achieved through the practical cases described herein.

The **Chemical Industry Case**, with the TfS initiative, places the focus on establishing standards in dealing with suppliers. Uniform supplier assessment standards protect the limited resources in companies and help set standards successfully in a global supply chain. Activities in China and India were highlighted, and concrete examples were used to explain how important it is to build up triangular cooperation. Thus, the example of TfS supports subtarget 17.9, i.e., capacity-building. TfS represents the international cooperation of companies in the chemical industry to strengthen targeted capacity-building in developing countries. A common understanding of quality standards in the supply chain helps implement national plans to achieve all goals for sustainable development. The cooperation between TfS and EcoVadis supports also subtarget 17.19 (Data, monitoring, and accountability), in that they “develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries” (sustainabledevelopment.un.org/sdg17).

The **Automotive Case** illustrates the importance of knowledge partnerships. The high complexity of the automotive supply chain requires the consistent exchange and dissemination of information at all levels of the supply chain. The multistakeholder partnership approach described in this example is “mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals” (subtarget 17.16). The importance of exchange with local authorities and organizations has been stressed several times and corresponds to subtarget 17.17.

The **Agricultural Case** is a good example not only of a service partnership but also of the

industry partnership model developed in this entry. It is clear that local authorities must be involved in the design of global supply chains, because only in this way can we succeed in jointly combating poverty and exploitation in the agricultural sector. Local characteristics must be taken into account just as much as the history of a country or region. These aspects are part of the systemic issues and include policy and institutional coherence (17.13–17.15). The importance of digitization and the use of modern technologies to achieve the necessary transparency in a global supply chain is particularly clear (17.6); for instance, by using drones or satellite technologies, large areas can be monitored and attempts to circumvent ecological regulations can be nipped in the bud.

The aim of this entry is to illustrate that the sustainable setup of supplier–buyer relationships is the key to success in implementing environmentally friendly and social supply chains. Practical examples are used to illustrate how multistakeholder partnerships can contribute to the implementation of sustainable supply chains. It is important to understand that companies have to first of all develop a concrete set of measures to relocate their sustainability strategy, but they also have to accept that only selected SDGs and respective subtargets can be achieved. According to the authors, this understanding is still largely lacking in practice, since companies try to do justice to all SDGs and then subsequently fail or take only half-hearted steps to make their sustainability vision a reality.

Cross-References

- ▶ [Accountability Frameworks for Partnership Toward Sustainability](#)
- ▶ [Africa-EU Research Collaboration on Food Security and Sustainable Agriculture](#)
- ▶ [Corporate Responsibility: Law Interactions](#)
- ▶ [Cross-Sector Partnerships: Role Toward Achieving the UN Sustainable Development Goals](#)
- ▶ [Partnerships for Development and the SDG17: Role of Foreign Direct Investment](#)

- [Role of Transnational Multi-stakeholder Partnerships in Achieving Sustainable Development Goals](#)

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