



THEORY OF CHANGE

JUNE 2024



ACCELERATING CHANGE AND IMPACT

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The Food Network for Ethical Trade developed our Theory of Change (ToC) with members over a series of member and board workshops. A Theory of Change describes the change that an initiative wishes to see in the world and its understanding of how it will contribute to that change. In undertaking the development of our ToC the FNET Board's purpose was to help the membership prioritise where we focus and collectively define the outcome and impact we want to achieve.

We identified 3 key benefits for the organisation.

Communication:

to better articulate FNET's strategic aims and the change FNET is seeking to create.

1

Impact:

Measuring our impact to demonstrate the worker and business value which is essential for member retention and expansion

2

Alignment:

Align strategic goals to deliver impacts intended

3



WOMEN ARE PAID
ON
AVERAGE **20%**
LESS THAN MEN
FOR WORK OF EQUAL VALUE¹¹
UN WOMEN



“
**OUR VISION IS A
FAIR, EQUITABLE
AND RESILIENT FOOD
SYSTEM WHERE
PEOPLE CAN REALISE
THEIR HUMAN RIGHTS.**

**CLOSING THE
GENDER PAY GAP
COULD TAKE**

131   
years 
AT THE CURRENT SPEED (WEF)¹¹

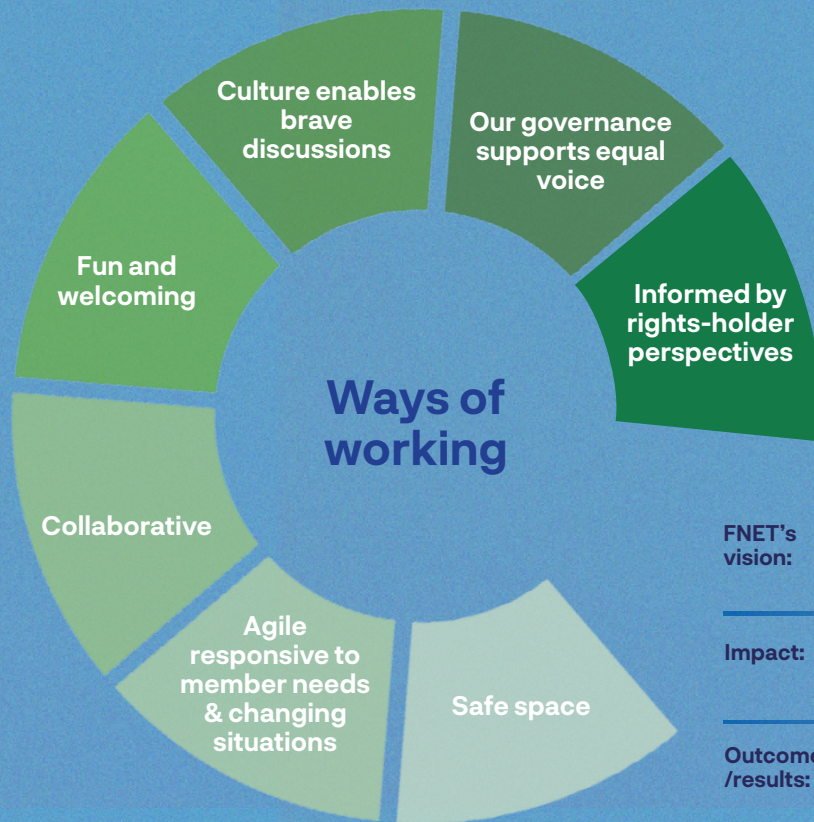
Introduction

FNET’s vision describes how members want the future to be. Through the ToC process, we learnt how important it is to agree a common definition for key terms. By a fair and equitable food system¹, we mean a food system from farm to fork, from manufacture to disposal, that ensures economic opportunity; high quality jobs with living wages; safe working conditions; access to healthy, affordable, and culturally appropriate food; and environmental sustainability. A resilient food system² is a food system that has the capacity to maintain a desired state of food security when exposed to stresses and shocks. When we refer to the people in the food system, we mean all types of worker and employee, including permanent, temporary, agency, migrant workers, homeworkers, smallholder farmers, and all other workers based at supplier locations, like independent contractors and service providers. Plus, customers and communities around production locations.

Our priority focus is on enabling people, particularly the most vulnerable, to know their rights and how to realise them. Human rights³ are the basic rights and freedoms that belong to every person in the world, from birth until death. They apply, regardless of race, sex, nationality, ethnicity, language, disability, religion, or any other status. Human rights include the right to life and liberty, freedom from exploitation, slavery and torture, freedom of opinion and expression, the right to work and education, and many more. The ways these rights are infringed vary. In terms of human rights, FNET particularly supports members to focus on the employment rights outlined in ETI base code⁴ plus those associated with the environmental impacts and a Just Transition⁵: water, land, health, and nutrition. Privacy rights also increasingly feature. Our understanding of a just transition is informed by IPCC⁶ definition: “A set of principles, processes and practices that aim to ensure that no people, workers, places, sectors, countries or regions are left behind in the transition from a high carbon to a low carbon economy.”

The sustained change (Impact) that FNET and our members want to achieve is improved livelihoods and working conditions of people within, and communities affected by, our operations and supply chains.

What we mean by affected communities is: where a business enterprise identifies (whether through its Human Rights Due Diligence (HRDD) process or otherwise) a situation where it causes or contributes to an adverse human rights impact that it has not foreseen or been able to prevent, its responsibility to respect human rights requires active engagement in remediation by itself or in cooperation with others. Where adverse impacts have occurred that the business enterprise has not caused or contributed to, but which are directly linked to its operations, products or services by a business relationship, the responsibility to respect human rights does not require that the enterprise itself provide for remediation, but to use its influence, to the greatest extent possible, to influence the business relationship to remediate. FNET aims to support members to be more effective agents of change so members will have a more positive impact on vulnerable people’s lives in global food systems from producer to point of sale.



FNET's vision: A fair, equitable and resilient food system where people are able to realise their human rights

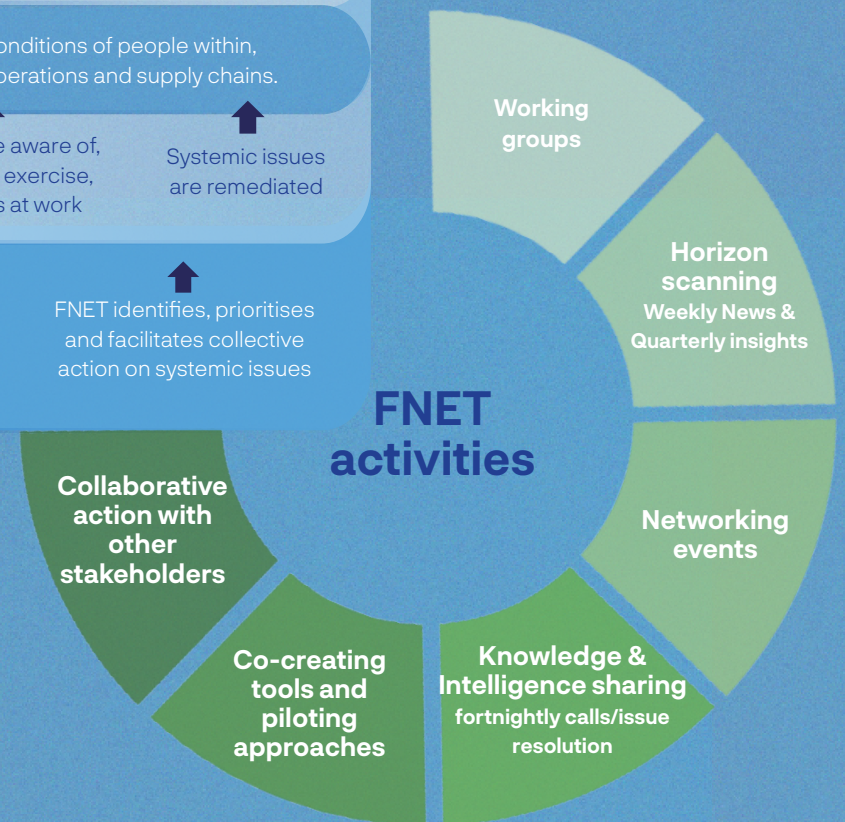
Impact: Improved livelihoods and working conditions of people within, and communities affected by, our operations and supply chains.

Outcomes /results:

- Members implement Responsible Business Practices
- Workers are aware of, and able to exercise, their rights at work
- Systemic issues are remediated

Outputs

- Businesses adopt common practical tools and approaches, and transparently report progress
- FNET identifies, prioritises and facilitates collective action on systemic issues



FNET THEORY OF CHANGE

MODERN SLAVERY GENERATES
\$236bn
IN ILLEGAL PROFITS EACH YEAR
(WALK FREE)¹¹



HOW FOOD NETWORK FOR ETHICAL TRADE (FNET) WORKS

Sharing knowledge, practical approaches and facilitating collective action

FNET was created to provide a safe space for courageous conversations on human rights issues between customers and suppliers. Our ways of working and activities are designed to enable members to openly share challenges, build professional competency, reduce duplication and align approaches. Reducing duplication in requests for information and divergence in approaches is crucial to freeing up businesses resources to be able to focus on implementing responsible business practices and better outcomes for people in a company's value chain. A value chain⁷ refers to the full life cycle of a product or process, including material sourcing, production, consumption and disposal/recycling processes.

All of FNET's activity is focused on enabling two outputs; that Businesses adopt common practical tools and approaches, and transparently report progress AND FNET identifies, prioritises and facilitates collective action on systemic issues. Recognising that some issues and problems are systemic or involve more than one company, we leverage our membership to focus on workers' rights issues and act collectively to resolve them. Using the knowledge, networks, and skills of our different members we can develop the collective understanding and practical approaches needed to tackle the more complex problems that impact workers worldwide. This might be a short-term response to a reported grievance or a global issue such as Covid, climate change or a new region of conflict that impacts

workers. Beyond our members, FNET actively collaborates with other stakeholders as needed to inform our approach, strengthen our leverage and advocacy as well as share lessons learned.

The short to medium outcomes (step changes) FNET is looking to have to achieve our ultimate impact are threefold. Firstly, members implement Responsible Business Practices as defined by OECD as processes through which businesses can identify, prevent and mitigate and remedy their actual and potential negative impacts, and account for how those impacts are addressed. This process involves meaningful consultation with potentially affected groups and other relevant stakeholders. Secondly, Workers in members own businesses and supply chains are more aware of, and able to exercise, their rights at work and thirdly that members' approaches to remediating systemic issues are maturing and this is making a difference to workers.

Measuring progress

This ToC has been used to challenge the development of FNET's 3-year strategy 2024-2027 and to ensure we have an indicators framework in place to track progress over time. Attributing impact and identifying causal links is particularly difficult. We have therefore developed an Indicators Framework with a suite of metrics and data collection methods to help us paint a picture of the impact of our activities and outputs. This in turn will help us understand whether they are aligned with our desired outcomes and impacts. These indicators include a mixture of both quantitative and qualitative measures and are designed to be used together; no single indicator can tell us whether our outcomes have been achieved. We will build data collection methods aligned with this Indicator Framework into FNET working group evaluation, project delivery and will be analysed on an annual basis. We will also collect baseline data for relevant indicators so that we can measure change. We will review and amend our Indicators Framework and the Theory of Change as we evolve our approach.

Assumptions

In developing our Theory of Change we acknowledged several assumptions which may limit its effectiveness.

 **DELIVERY ASSUMPTIONS**
that FNET has the skills and resources to deliver on its activities.

 **IMPACT ASSUMPTIONS**
that the activities listed will result in the desired outcomes and impacts as members meaningfully engage with FNET activities.

 **PROCESS ASSUMPTIONS**
that the process of putting together the Theory of Change is robust and member and wider stakeholder views have been well-represented.

Our Indicators Framework will help to test these assumptions and identify any unintended consequences, and the Theory of Change will be updated as needed when and if assumptions are proved to be wrong.



**WE ENABLE MEMBERS TO
OPENLY SHARE CHALLENGES,
BUILD PROFESSIONAL
COMPETENCY, REDUCE
DUPLICATION AND ALIGN
APPROACHES.**

214 
MILLION PEOPLE

PEOPLE IN WORK LIVE ON LESS THAN \$1.90 A DAY.
THAT'S 6.4% OF ALL EMPLOYED PEOPLE (ILO⁹).

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