

Social Impact Assessment

Technical documentation

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Authors



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The inclusion of a social assessment in the AgBalance® analysis depends on the goal and scope of the sustainability analysis and is performed in a separate tool: SEEbalance® (Saling, Perez, Kölsch, & Grünenwald, 2020). SEEbalance® assesses social aspects in accordance with the stakeholder groups defined by the United Nations Environment Programme (UNEP) and the Society of Environmental Toxicology and Chemistry (SETAC) Initiative.

More information is available at [BASF's SEEBALANCE® website](#).

The Social Analysis is built on two pillars: Social Life Cycle Assessment and Social Hot Spot Assessment. Either only one of these methods or both methods can be used in parallel, depending of the study.

Social Life Cycle Assessment

- Identify social risk (based on credible commercial data providers)
- Important impact categories considered include fair wages, forced labor, health and safety
- Focus on stakeholder groups like workers, communities and consumers

Social Hot Spot Assessment

- Evaluation of hot spots
- Linkage of relevant risks or benefits to the UN SDGs¹
- Recommendations for concrete improvements

1 Sustainable Development Goals

1. Social Life Cycle Assessment

The system boundary approach chosen for the analyzed cultivation system in the AgBalance® Model allows to perform additionally a Social Life Cycle Assessment (SLCA) of the applied farming practices within the system boundary. The farming practices like field preparation, planting, field operations and harvesting are rated within 11 impact categories with regard to the workers, local communities and consumer stakeholders as shown in the table below (Saling, Perez, Kölsch, & Grünenwald, 2020).

Impact Categories used in the Social Life Cycle Assessment and Hot Spot Analysis

No	Impact categories	Stakeholders
1	Health & safety	Workers
2	Fair wages	
3	No child labor	
4	Appropriate working hours	
5	No forced labor	
6	Freedom of association	
7	No discrimination	
8	Healthy & safe living conditions	Local communities
9	Security & conflict	
10	Land & property rights	
11	Healthy and safe products	Consumer

For the data provision a hierarchy approach was chosen. Depending on the data availability a company level or industry/country level can be chosen for the assessment of necessary inputs for farming practices within the above-mentioned impact categories:

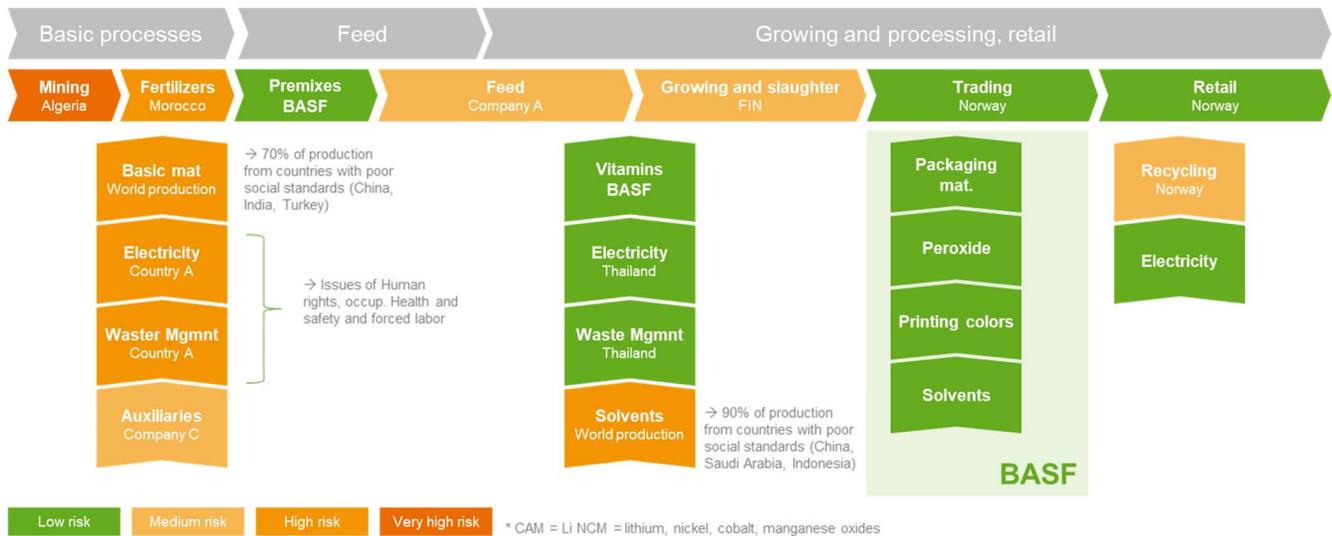
- Company level (detail analysis)

A company specific approach for the delivery of inputs is based on Ecovadis (Ecovadis, 2019) and Reprisk (RepRisk®, (n.d.)) database.

- Industry/country level (proxy analysis - if company data is not available)

The evaluation on an industry/ country level is based on data from the Maple Croft database (VeriskMaplecroft™, 2019). The Maple Croft data are based on country level or mixtures of country levels.

The results of those analyses are transferred to a scale-based rating from 1-10, linked with a color code for the ranking from green (low risk), yellow (medium risk), orange (high risk) to red (very high risk). The results of the SCLA are transferred to each process within the system boundary in the corresponding color codes in an overall view (see figure below). That allows an easy identification of improvement potentials considering e.g. opportunities in changing the process or comparison to alternative approaches. The visualization allows additionally the assessment of data robustness (graphical presentation of the origin of data (company specific or industry/ country level)).

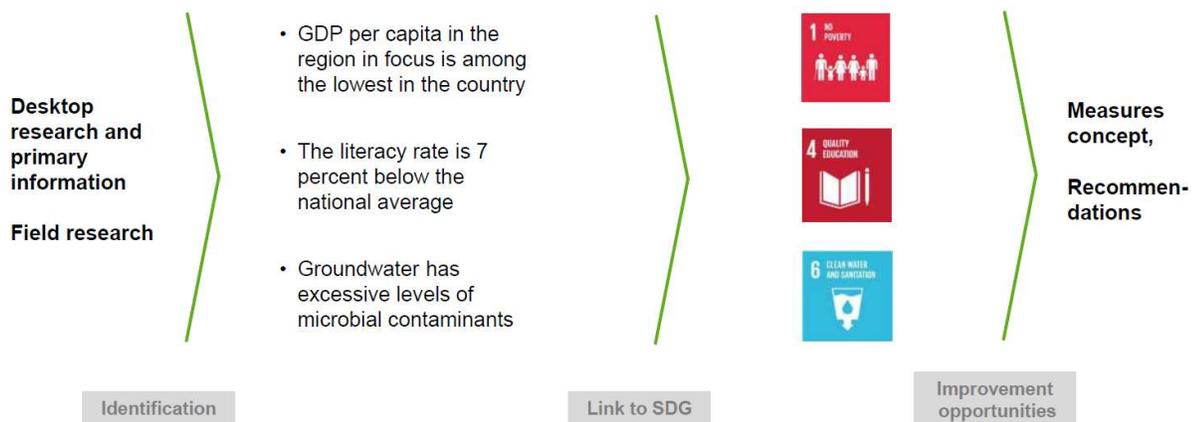


Source: (Saling, Perez, Kölsch, & Grünenwald, 2020)

2. Social Hotspot Assessment

Central social hotspots for the farming practices within the cultivation system boundary can be identified and evaluated within the Social Hotspot Assessment. Via this method it can be highlighted how farming practices and actors conflict with the UN Sustainable Development Goals (SDGs).

First, the relevant hot spots are identified by the expert in the scope region of the sustainability analysis and matched to the appropriate STG group (see figure below).



Example of identification of possible hotspots within the SDGs

The identified SDG group is a crucial element of the Social Hotspot Assessment. Second, key findings are further translated to key words which are defined in the SDG with respect to the analyzed system. Finally, the results of the analysis are linked to a color code for the ranking from green (low risk), yellow (medium risk), orange (high risk) to red (very high risk) revealing main social focus topics within the analyzed system (see table below).

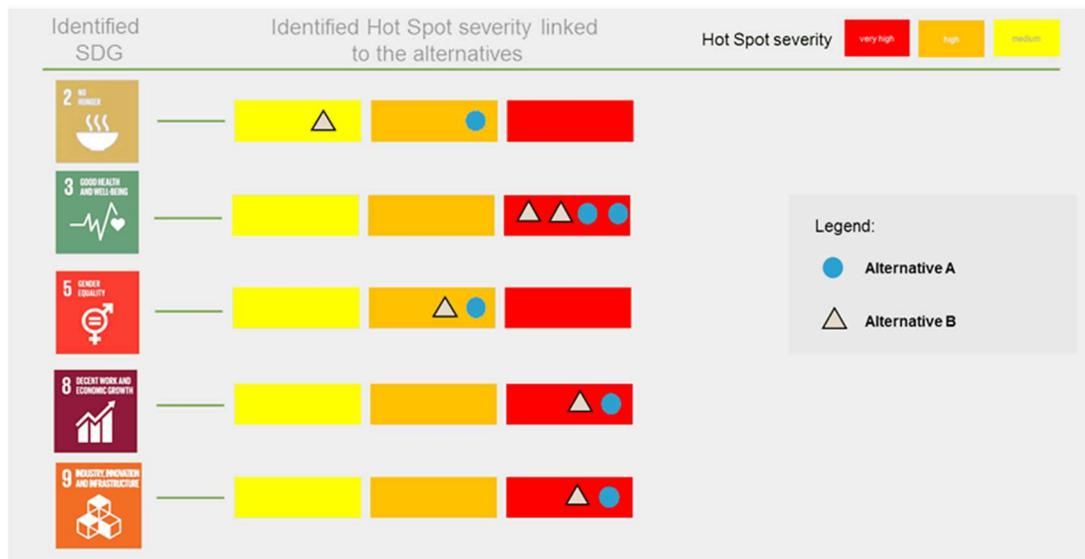
Example of identified SDGs and findings in the assessed system

SDG	Target	Description	Finding	Result
5	Achieve gender equality and empower all women and girls			x
5.1	End all forms of discrimination against all women and girls everywhere		In this sector women are much less paid than men	x
5.2	Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation		Violence against woman was reported in several cases	x
5.3	Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation		No indication	
5.4	Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate		No indication	
5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life		Women are not allowed to work on management level of companies, no single female in a leading level of companies were identified in this region/sector	x
5.6	Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences		No indication	
5.a	Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws		No indication	

Source: adapted from (Saling, Perez, Kölsch, & Grünenwald, 2020)

The result of the analysis serves as a base for identification of social hotspots within the system and can serve as a base for an informed decision-making process involving the relevant stakeholders. To do so, a normalization step is applied, using the SDG tracker module. For finding relevant baseline information, the issue is classified by using the SDG_identification database (SDG-tracker via sdg-tracker.org, ourworldindata.org or charts). The SDG_identification database uses official statistics from the UN (unstats.un.org) and other international organizations and presents data across all available SDG indicators (Ritchie, Roser, Mispy, & Ortiz-Ospina, 2018). With this data source, country-specific evaluations on every SDG can be found and integrated as a baseline or “Best of class” (BOC) information. Using the same statistics, the “Worst of class” level (WOC) can be achieved as well. For the hotspot levels as defined here, the best-performing country and worst-performing country are selected. If data is insufficient in these sources, additional viable sources, such as the international standard, can be used to define the most accurate levels. This is dependent on the scope in which the particular hot spot assessment was defined. The definition of the BOC/WOC is achieved by comparing, on an international level, the regional hot spot to other countries’ performance.

To present the findings of the assessment, the figure below displays the exemplary approach where all information, namely the process-step risks, the respective SDGs, as well as the hotspot severity, are combined. This gives a comprehensive overview for decision-makers and can highlight the most important social hotspots and their severity compared to other countries or regions along the value chain. It shows different impacts in a graphic overview and allows the comparison with another alternative process. It also visualizes which SDGs, in a process step of the system boundaries, are affected negatively and why.



Exemplary result presentation of the Social Hotspot Assessment for one alternative

3. Bibliography

Ecovadis. (2019). *Ecovadis, CSR Assessment Methodology*. Retrieved 10 2019, 24, from <https://www.ecovadis.com/methodology/>

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