

ASI Monitoring and Evaluation (M&E) Plan – Theory of Change and Indicators

Draft 6 – 17 April 2018

Background

The challenge of demonstrating impact is central to the design of the ASI certification program. The adoption of the ASI standard by actors in the aluminium value chain is a means to achieve responsible production, sourcing and stewardship of aluminium: it is not an end in itself.

A Monitoring and Evaluation (M&E) program is a key tool for ASI to gain insight into the impact of its efforts and that of its members and, over time, to support continual improvement of its program. Implementing an effective M&E program will enable ASI to both communicate its progress and value, and inform the design and regular revision of its standards and assurance model so that it adapts to changing contexts and expectations. Thus M&E has a dual role: to provide evidence of outcomes and impact (“to prove”), and to learn from implementation and feedback (“to improve”).

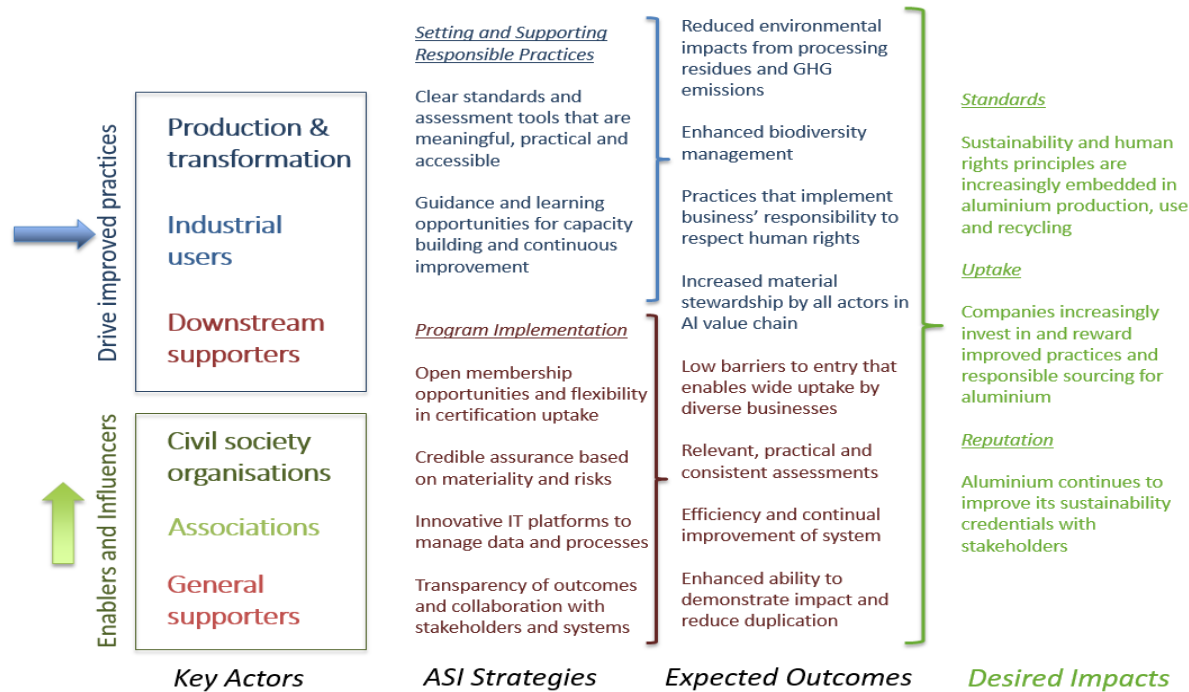
The M&E program therefore aims to capture the most important changes brought about by value chain actors that have adopted ASI standards, and identify gaps and issues that need further attention. ASI already collects data directly from members at the time of their membership application and during the certification process through its online assurance platform, *elementAI*. ASI will also conduct further data collection and analyses through case studies and surveys, and once there are a critical mass of certifications, plans to commission impact evaluations by independent researchers from 2019/2020.

This M&E Plan is intended as a dynamic document, similar to the ASI Risk Assessment and Management Plan, to be regularly reviewed and updated. It sets out:

- The ASI Theory of Change (v1 and v2)
- Proposed indicators for ASI’s Expected Outcomes and Desired Impacts

ASI Theory of Change – V1 and V2

ASI's first Theory of Change (V1) was adopted by the ASI Board as part of ASI's Strategic Plan in November 2015.



It was developed through consultation with ASI members in May 2015, the IUCN-convened Standards Setting Group in July 2015, and a public comment period from July to September 2015, announced through the [July 2015 newsletter](#) and a new [page on the ASI website](#).

Version 2 of the Theory of Change was developed through the strategic planning process with the newly established ASI Board and agreed in November 2016 with the 2017 Strategic Plan. V2.1 (shown overleaf) adds in reference to the 'hot spot' issues of the ASI Performance Standard on the left, and links them to global sustainability challenges on the right, and captures specific suggestions from the ASI Standards Committee and Working Groups. It also re-arranges the Expected Outcomes under the Desired Impacts (grouped under Standards, Uptake and Reputation). Supporting Strategies are now shown underneath.

ASI Theory of Change – V2.1

Desired Impacts and Expected Outcomes

Sustainability hotspots in the aluminium value chain ...

- Greenhouse gas emissions
- Biodiversity
- Bauxite, smelting and refining wastes
- Indigenous Peoples rights
- Recycling and material stewardship

Standards: Sustainability and human rights principles are increasingly embedded in aluminium production, use and recycling.

- Reduced climate change impact.
- Enhanced waste management of upstream processing residues.
- Enhanced biodiversity management.
- Practices that implement business' responsibility to respect human rights.
- Increased material stewardship by all actors in the aluminium value chain.

Uptake: Companies increasingly invest in and reward improved practices and responsible sourcing for aluminium.

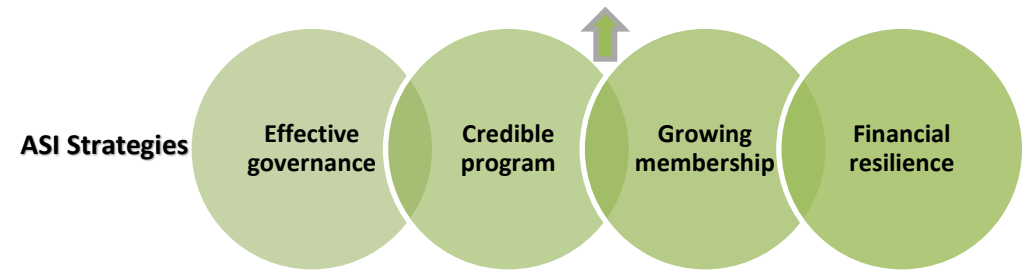
- Membership is accessible.
- Wide uptake of certification by diverse businesses.
- Relevant, practical and consistent assurance.
- Continual improvement among certified entities.
- Enhanced ability to demonstrate impact and reduce duplication.

Reputation: Aluminium continues to improve its sustainability credentials with stakeholders.

Society makes effective use of aluminium.

... linked to sustainability issues at the global level:

- Limiting to 2°C global warming
- Avoiding biodiversity loss
- Better waste management
- Respect for human rights through supply chains
- Creating a circular economy society



The diagram below illustrates how the M&E Plan connects to ASI's Strategic Plan, the latter overseen by the ASI Board.



M&E Indicators – initial draft

This document aims to further flesh out the Theory of Change V2.1 with program-level indicators to assess ASI's impact. The table below sets out proposed indicators and avenues and timing for collection, to identify areas where data collection need to be integrated into the ASI assurance model.

The identified indicators have been proposed with consideration of the following:


- Is the indicator critical for the ASI Theory of Change?
- Is it possible to collect this data in a cost effective way?
- Is the data likely to be reliable?



Additional indicators may be added to the list during the development of the assurance model and/or during future revisions of the Monitoring and Evaluation plan, as resources permit.




Notes:



- *Expected outcomes are linked to relevant goals in the UN Sustainable Development Goals.*
- *Indicators marked with * show those that are also in the [ISEAL Common Core Indicators](#).*

- Areas highlighted in orange show those that need additional data collection/analysis beyond what is collected through the assurance process or at the time of membership application. These should be considered for the 2019 budget onwards. Impact evaluations will be considered for 2020 onwards, when there is expected to be a sufficient pool of certifications to establish baselines and begin to analyse trends over time.
- Expected Outcomes with underlined text are those that have been edited from v1 to v2 of the ASI Theory of Change.
- Yellow highlights – for further discussion with Working Groups / Indigenous Peoples Advisory Forum.
- Format of annual collection: Through the ASI Assurance Platform (including annual reporting).
- Reporting of data: Discuss with Legal Committee and Standards Committee the format for reporting of annual data and compliance with ASI Antitrust Compliance Policy.

Desired Impacts	Expected Outcome	Indicators	Collection/Timing/Other comment
<p>1. Standards: Sustainability and human rights principles are increasingly embedded in aluminium production, use and recycling.</p>	<p>1. Reduced <u>climate change impact.</u></p> 	<p>1. GHG emissions (Scope 1 and Scope 2), GHG intensity (scope 1 and scope 2) and energy usage by source from Performance Standard-certified entities during a calendar year – total for the member relevant to the aluminium value chain (criteria 5.1), and if applicable, for each aluminium smelter within the Certification Scope.</p> <p>2. GHG emissions, GHG intensity and energy usage by source from CoC-certified entities engaged in aluminium smelting, and/or aluminium re-melting and/or refining to produce Recycled Aluminium (as defined in CoC Standard), and/or operating a Casthouse, during a calendar year.</p>	<p>Indicator 1 is required to be publicly disclosed under the ASI Performance Standard.</p> <p>Indicator 2 will be reported directly to the ASI Secretariat annually, within 3 months of the end of the reporting period. Probably need to collect GHG and energy and associated production to enable normalising – to discuss.</p> <p><i>GHG Working Group to consider methodology for aggregate and site based/process-based emissions, intensity averaging and guidance for scope of reporting for indicators 1 and 2, and how to normalise across different degrees of vertical integration (avoid double counting/incomparability). Working Group to consider existing report frameworks eg GRI, CDP. Also Scope</i></p>

			<p><i>3 emissions, which are not necessarily included in current language of Performance Standard (which refers to 'material GHG emissions' in 5.1 and 'most material sources of direct and indirect emissions' in 5.2'.</i></p> <p>Units:</p> <ul style="list-style-type: none"> • GHG emissions – tonnes CO₂ – eq / mass of specific GHGs (to accommodate any future changes to global warming potential of these) • GHG intensity – tonnes CO₂ –eq per metric tonne aluminium • Energy usage – Peta Joules
	<p>2. <u>Enhanced waste management of upstream</u> processing residues.</p> <div data-bbox="600 919 766 1086">  <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <div data-bbox="600 1123 766 1291">  <p>15 LIFE ON LAND</p> </div>	<p>3. Bauxite residue – total generated and proportion treated by mass using best available technology.</p> <p>4. Spent Pot Lining – total generated and proportion by mass where carbon and refractory materials are recycled.</p> <p>5. Dross – total generated and proportion by mass where treated dross residues are recycled.</p>	<p>Indicators 3, 4, and 5 - Data will be reported by Members directly to the ASI Secretariat, within 3 months after the end of the reporting period.</p> <p><i>Note to discuss indicators further with IAI with regards to overlapping data collection/opportunities for collaboration and methodologies to normalise data.</i></p> <p>Units:</p> <ul style="list-style-type: none"> • Bauxite residue – tonnes • Spent Pot Lining – tonnes • Dross – tonnes

	<p>3. Enhanced biodiversity management.</p> 	<p>6. Disclosed biodiversity outcomes from Biodiversity Action Plans.</p>	<p>Indicator 6 - Collect information through the ASI audit.</p> <p><i>Biodiversity and Ecosystem Services Working Group to provide guidance for consistent reporting of biodiversity outcomes across certified entities in the value chain and how to report in aggregate. Information to include outcomes based on the mitigation hierarchy of avoidance, minimisation, rehabilitation and offsets. Working Group to review other relevant reporting frameworks eg GRI, and consider including indicators for ecosystem services.</i></p>
	<p>4. Practices that implement business' responsibility to respect human rights.</p>  	<p>7. Implementation of human rights due diligence processes in line with the UNGPs.</p> <p>8. Implementation of effective Free, Prior and Informed Consent (FPIC) processes with Indigenous Peoples.</p> <p>9. Total number of workers employed by certified entities in Production and Transformation class, and by gender (M/F)*</p>	<p><i>Indicator 7 – Work with Human Rights Working Group to develop case study / evaluation project.</i></p> <p><i>Indicator 8 – Work with Indigenous Peoples Advisory Forum (IPAF) to develop participatory case study / evaluation project.</i></p> <p>Indicator 9 – collect data through ASI Audit; members will update for each Self Assessment update. <i>Human Rights Working Group to also consider other indicators relating to social and human rights-related impacts to address aspects such as</i></p>

	<p>5. Increased material stewardship by all actors in the aluminium value chain.</p>  	<p>10. Publicly available Life Cycle Assessments (LCA's).</p> <p>11. Mass of Recyclable Scrap Material (Pre- and Post- Consumer) inputs to CoC certified entities on a calendar year basis.</p> <p>12. Global and regional mass flows – referencing and/or based on IAI Mass Flow models.</p>	<p><i>working conditions, wages, occupational health & safety, and training.</i></p> <p>Indicator 10 – public LCA's are not required by the Performance Standard, only if publicly communicating about the findings does the 'LCA information and its underlying assumptions including system boundaries' need to be publicly available. Could collect through audit the available links to public info, and monitor number over time. Also consider quality assessment / peer review as an evaluation project.</p> <p>Indicator 11 – collected under CoC Standard. <i>Further discuss with the International Aluminium Institute (IAI) potential methodologies to assess performance over time and across space.</i></p> <p><i>Indicator 12 – to be developed through MOU collaboration with the International Aluminium Institute (IAI) – currently developing visualisation models for ASI CoC flows over time. Note these are models not statistics and that bauxite mass does not differentiate for bauxite quality.</i></p>
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			<p><i>Recycling and Material Stewardship Working Group to also discuss potential ASI-related indicators regarding recycling rates.</i></p> <p><u>Additional data collection/analysis from 2020:</u></p> <p>A. Assess publicly available LCA's for quality, peer review etc. Review available data on aluminium use benefits, and how to report in aggregate eg for Desired Impact 3 (Reputation).</p>
<p>2. Uptake: Companies increasingly invest in and reward improved practices and responsible sourcing for aluminium.</p>	<p>1. Low barriers to entry.</p>	<p>13. Growth in ASI members by membership class and size. 14. Duration from date of membership to date of first certification.</p>	<p>Data available from membership database. For indicator 13, also monitor transitions from Downstream Supporters to Industrial Users.</p>
	<p>2. Wide uptake <u>of certification</u> by diverse businesses.</p>	<p>15. Growth in certified entities by sector/activity.* 16. Number and identity of countries where certified entities produce.* 17. Growth in CoC Material: input and output quantities and input percentages per calendar year for CoC Material/s from CoC Certified Entities. Will include mass of ASI Aluminium (tonnes) from Casthouses produced and transferred to certified customers and/or carried over as Positive</p>	<p>Indicators 15 and 16 from certification data. Indicators 17 and 18 collected under CoC Standard on an annual basis, and provides an assessment of CoC Material (including ASI Aluminium) and ASI Credits production/supply from CoC Certified Entities.</p> <p>Indicator 19 to be surveyed through Assurance Platform to provide indication of potential future demand.</p>

		<p>Balance and/or produced under Internal Overdraw.</p> <p>18. Quantity of ASI Credits allocated to certified customers and received.</p> <p>19. Potential future demand for ASI Aluminium (tonnes) from downstream users.</p>	<p><u>Additional data collection/analysis from 2020:</u></p> <p>B. Case studies: value chain examples, assessments of costs and benefits along the chain,</p> <p>C. Survey: future/conditional demand (indicator 19).</p>
	3. <u>Relevant, practical and consistent assurance.</u>	<p>20. Duration of participation in the program since first year of certification.*</p> <p>21. Number of CoC Certified entities entering and leaving the program in the last year.*</p> <p>22. Number of non-conformances by criteria, and by Auditor.</p>	<p>Indicators 20 and 21 collected through certification data.</p> <p>Indicator 22 collected through audit reports, and is to distinguish number and nature of the non-conformances including the severity (i.e. minor versus major classifications) and status (open / closed).</p> <p><u>Additional data collection/analysis from 2019:</u></p> <p>D. Member Survey: satisfaction with certification program *, reasons for not renewing Certification (exit surveys); Oversight procedures for ASI Auditors to evaluate consistency of audits.</p>
	4. <u>Continual improvement among certified entities.</u>	<p>23. Number and nature of non-conformances by principle, and trends over time in 'Overall Maturity Rating' levels for Risks,</p>	<p>Indicator 23 collected through audit reports and normalised based on the number of audits in the reporting period.</p>

		Systems and Performance, for certified entities. 24. ASI training participation.	Indicator 24 collected through participation data.
	5. Enhanced ability to demonstrate impact and reduce duplication.	25. Existing recognised certifications held by ASI certified entities, leveraged for ASI certification.	Indicator 25 collected through audit and normalised based on the number of audits in the reporting period.
3. Reputation: Aluminium continues to improve its sustainability credentials with stakeholders.	1. <u>ASI is recognised as valued assurance.</u>	26. Number of 'on-product' claims. 27. Number of countries where such products are sold.* 28. Stakeholders' perceptions of aluminium's sustainability impacts and benefits.	Indicators 26 and 27 - Claims Guide requires approval of on-product claims, so will collect this data via that process. Growth in ASI members and certifications (indicators 13 and 15) are also relevant. <u>Additional data collection/analysis from 2019:</u> E. Stakeholder survey: 1 st year as baseline, and then re ASI Impacts Reports. Collaborate with association members re existing data/surveys and outreach.
	2. <u>Society makes effective use of aluminium.</u>	29. Trend data on volumes of aluminium used by sector (eg construction, automotive, packaging). 30. Data on in-use benefits of aluminium by sector (eg vehicle emissions saved through lightweighting).	<u>Additional data collection/analysis from 2019/2020:</u> F. Collaborate with IAI and association members on indicators 29 and 30.

A summary of the data collection for the 30 indicators is shown in the table below:

Collected through membership / certification data	Collected through audit reports		Collected through public domain information / partnerships / surveys	Collected through annual reporting from members
13, 14, 20, 21, 24, 26, 27	Perf. Std:	6, 9, 10, 25	1, 12, 19, 28, 29, 30	Perf. Std: 3, 4, 5, 7, 8
	CoC Std:	25		CoC Std: 2, 11, 17, 18, 19
	Scope/NC:	15, 16, 22, 23		
Total = 7	Total = 9		Total = 6	Total = 10

**Note indicator 19 is collected both through audit reports and surveys.*

ASI Theory of Change

