DEVELOPMENT, THE ENVIRONMENT AND FOOD: TOWARDS AGRICULTURAL CHANGE?

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In a global context of widespread liberalization and a growing political importance given to issues of so-called sustainable development, agriculture has not proved the exception to the transversal phenomenon of the privatization of standards. In response to the growing industrialization of agricultural production methods, to the proliferation of large-scale agricultural pollution and to a growing awareness of the working conditions of farmers and agricultural workers from the “South”, the theme of sustainable development has become increasingly visible. In parallel to the development of public policy and other international agreements, private standards have increased, which have a declared intention of encouraging farmers to minimize their negative impacts from an environmental and social point of view.

While corresponding to a variety of objectives and/or secondary aims in the field of sustainable development (organic agriculture, fair trade, food safety issues, responsible production, ethics, etc.), these standards refer however to similar institutional and procedural schemes. Based on specifications of environmental and/or social “best practices”, such standards are often – but not always – associated with specific labels or statements on products, which enable consumers to identify them. Producers adopt these specifications voluntarily (hence they are known as voluntary standards) and “third party certification” procedures are employed to monitor compliance – where an auditor ensures that farm practices conform to specifications. Producers

SUSTAINABLE VOLUNTARY STANDARDS: TOWARDS PRIVATIZED REGULATION IN THE FOOD AND FARM SECTOR?

“Organic farming”, “fair trade”, “responsible” products... private standards such as these have multiplied to encourage farmers to participate in voluntary quality approaches. Combined with retailer standards, such voluntary approaches are increasingly necessary to ensure market access and are used as reference by public authorities.

1. We distinguish “business to business” standards, which are not visible to end consumers but serve as traceability insurance and a guarantee between the various operators in the food chain, from “business to consumer” standards, which have an associated label aimed at the final consumer.
are awarded with the corresponding label if standards are met, which can be used on their products to promote sales or marketing opportunities.

As already demonstrated (Fouilleux, 2010), various devices are gathered under the term private voluntary standards. Using examples from the agri-food sector, the first part of this paper shows that despite this variety, standards tend towards convergence and transnationalization. The second part reviews the debate that exists between public and private spheres that is generated by the use of private standards as an increasingly powerful form of control.

A SHORT HISTORY OF VOLUNTARY STANDARDS: TRANSNATIONALIZATION OF ORGANIZATIONS AND INSTRUMENTS

ORGANIC AGRICULTURE STANDARDS Among the different types of private standards, some are managed by politically and/or socially-oriented organizations. This is the case for organic agriculture, an area where alternative producer groups identified certain consumer concerns and implemented relevant standards. Such standards were originally private, to be followed by government regulation in France (1981), the European Union (1992), and the rest of the world (more than 60 governments have now established public regulations in organic farming). In parallel, hundreds of private organic standards also exist throughout the world, which vary considerably in terms of the number of farmers and volumes of products involved. While initially organic farming was structured primarily within the European Union, and more generally in industrialized countries, it has gradually extended to include so-called “Southern” or “developing” countries, mainly as product exporters to European and US markets. Organic standards were the first to be organized internationally, which was carried out through the International Federation of Organic Agriculture Movement (IFOAM), founded in 1972 at the initiative of the French Nature and Progress association, the British Soil Association, a Danish group of biodynamic farmers and the Rodale Institute, a leading advocate of organic farming in the United States. IFOAM has played an important role in the dissemination of organic agriculture throughout the world.

As producer associations, consumers, government policies, businesses and other economic agents were mobilized, a real “global organic agriculture sector” was gradually institutionalized (Raynolds, 2004). The first formal international specifications – although initially vague – defining organic production were established in 1980, the “voluntary standard” instrument and its associated “third party certification” dimension undoubtedly had a role in the structuring, institutionalization and consolidation of a global market for certified organic products. Initially, the producer groups that had set up the initial specifications developed the certification; farmers inspected each other on a voluntary basis involving mutual knowledge and trust. Then, a sharp

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2. Many public voluntary standards also exist, such as geographical indications in Europe, the Label Rouge in France.
increase in trade flows and an increase in the amount of organic sales by supermarkets (which are now the main retailers of such products, selling far greater quantities than speciality shops (Daviron and Vagneron, 2011)) led to an increase in the number of standards and practices that took on a more market-oriented significance, creating conflicts and political contradictions all the way up to the IFOAM level.

Indeed, the increasing formalization of specifications – linked to the need to provide criteria and indicators to enable certifiers to make objective and straightforward measurements during audits – has gradually diluted the initial objectives of the founders of the organic movement, who emphasized the need for a systemic, holistic and ad hoc approach to agriculture and the interactions between humans, nature and agriculture. While IFOAM still tolerates less formalized specifications and alternative control systems, it now gives particular emphasis to third party certification, which it justifies by the demands of markets and states. In addition to IFOAM standards that producers can adopt directly, IFOAM is now proposing a multilateral system of equivalence (a kind of organic “meta-standard”), which could accompany other organic standards, whether public or private, and allow producers to use the IFOAM logo next to those of other standards.

**FAIR TRADE STANDARDS** Fair trade provides another example of a voluntary standard initially supported by private citizens engaged in explicitly political projects. This movement was originally structured around militant organizations based mainly in Europe (and the US), who purchased products directly from producer organizations in developing countries, which they then sold to consumers via a network of speciality shops. These shops – part of the “Magasins du Monde” organization – sell products under their own name (Traidcraft, Oxfam, Solidaridad, Equal Exchange, Artisans du Monde), particularly local crafts (although including some agricultural products, especially coffee). In this model, rather than a shared common standard and a certified label, product equity is guaranteed to the consumer by long-established relationships of trust between producers, buyers and the place of purchase (Daviron and Vagneron, 2011). This model is now embodied in the comprehensive plan by the World Fair Trade Organization (WFTO) that endorses an approach based on trust and peer review, known as an “integrated system”, which it considers as a more suitable method than third party certification.

However, the speciality stores model has faced strong competition since the late 1980s from the development of a second generation of fair trade initiatives, based on standardization and third party certification. The Max Haavelar Foundation, established in the Netherlands in 1988 by a Dutch priest and an executive from the Dutch development NGO Solidaridad, is considered the first initiative to standardize fair trade. With labelling and third party certification, the aim was to develop a larger market by selling products in supermarkets, generating increased support to producer incomes in developing countries (Raynolds et al., 2007). The immediate success of Max Haavelar with consumers induced a proliferation of standardization initiatives and the considerable diversification of stakeholders that supported
the standards. Given this explosion of initiatives in 1997, the Fair Trade Labelling Organisation (FLO) was created to unite fair trade labelling organizations, and it today gathers 24 national members, including 19 standards organisations or “labelling initiatives” (covering 23 countries) and three networks of certified producers (Africa, 2004; Latin America, 2004; and Asia 2005). In addition to representing and promoting the development of fair trade, FLO’s main activity is to formulate and revise the various fair trade specifications according to products – in other words, once again, global meta-standards.

RETAILER STANDARDS A third type of private voluntary standards should also be mentioned, one that is particularly important in the agri-food industry: “retailer” standards. They are unrelated to organic or fair trade standards by the way in which they are aimed at the mainstream and not at “niche” markets and they are not based on explicitly political objectives. Such standards, for example GlobalGAP and IFS, are utilised by stakeholders involved in large-scale retailing. GlobalGAP specifications vary according to product type. They include a set of basic specific requirements, as well as additional stricter criteria that are recommended but not mandatory, allowing the definition of several certification “levels”.

GlobalGAP standards were created in 1997 under the name of EurepGAP (Euro-retailer produce working group for good agricultural practices) and were originally to be applied exclusively to food safety issues. The standards resulted from an initiative of the key stakeholders involved in European supermarkets, who participated in the Eurep working group, under strong British influence from companies such as Tesco and Sainsbury’s. The use of GlobalGAP standards was later extended beyond issues of food safety, and their specifications now integrate sustainable development along with social, environmental and ethical concerns.

These private standards are not a priori obligatory and their application remains theoretically voluntary, but the fact that all major retailers demand such standards explains their very rapid extension and widespread implementation. In fact, for many purposes, these standards have replaced public standards (Jaffee and Henson, 2004). Moreover, because of the extent of their application, EurepGAP standards were often assumed to be obligatory by countries that exported to the European Union, and that to avoid confusion with mandatory public standards the EU pushed for the name to be changed to GlobalGAP, which was achieved in September 2007. In addition, due to the market power of retailer standards, they are more often used as reference for governments: they are sometimes used as explicit objectives or as a “basis” for national and international public policy. Thus, to assist producers with their upgrading of operations and practices, and to “facilitate their market access”, courses are funded and delivered and grants are specifically targeted by public policies for the implementation of these private standards.

3. These two examples are European, but a similar situation exists in the United States or Australia for example, concerning similar standards.
MULTI-STAKEHOLDER STANDARDS FOR SUSTAINABLE COMMODITIES Finally, a fourth category of standards has emerged in the 2000s with explicit focus on “sustainability” or “responsibility”. These standards are characterized by the governance structures that produce them, which involve specific so-called “multi-stakeholder” decision-making processes; and the related standardization organizations are often called “round tables”. These organizations claim that their functioning is based on inclusive and participatory processes described as “democratic” because they allow all those involved or concerned with the commodity and sector in question (producers, financiers, importers, agri-food industries, upstream industries, exporters, supermarkets, social and environmental NGOs) to provide input and contribute to decisions. Round tables are based on equitable representation of the different stakeholders and on very precise and codified participatory procedures, and the mode of interaction within them is mainly based on the continuous search for consensus.

Initially applied to forests (FSC – Forest Stewardship Council, 1993) and then fisheries (MSC – Marine Stewardship Council, 1999), and also established for textiles and mining among others, sustainable multi-stakeholder voluntary standards have increased in the last decade for agricultural commodities originating from the tropics and traded on international markets. Examples include the Roundtable on Sustainable Palm Oil (RSPO, 2003) and on Responsible Soy (RTRS, 2005) and also for sugar cane (BSCI, 2006), biofuels (RSB, 2007), cotton (BCI, 2007), etc.

ISEAL, THE GLOBAL ASSOCIATION FOR SUSTAINABILITY STANDARDS This brief overview shows the coexistence of different standard types (organic agriculture, fair trade, retailer, sustainable commodity standards), each marked by a tendency towards international or transnational organization (IFOAM, FLO and WFTO, GlobalGAP). It should also be noted that this tendency towards organization on a transnational scale asserts itself despite the objective competition between different standards of

**BOX 1 DO RETAILER STANDARDS WORK IN THE INTEREST OF PRODUCERS?**

Retailer standards exemplify the power relationships that voluntary standards can exacerbate in each sector. Indeed, besides the fact that they provide a way for retailers to differentiate themselves from their competitors, the standards can be used to anticipate regulatory changes or as a form of risk management by its transference onto upstream operators (Henson, 2008). Moreover, the requirement for specific standards by retailers, who control virtually all of the market, constitutes a real barrier to entry into European markets and represent a significant risk of excluding small producers, including those from developing countries: if they are not of sufficient size and cannot afford additional certification costs – or rather the various certifications necessary for export – they will go out of business. So while GlobalGAP standards claim to work “in the interests of producers”, several studies highlight the fact that they are of most benefit to large supermarket chains, increasing their regulatory capacity while reducing their direct supervision and support, thus minimizing their liability in case of problems, with the costs being carried forward to producers and processors (Hatanaka et al., 2005; Henson, 2008). For some critics, such standards and public programmes are likely to lead to “a reinvention of European colonial food relations” (Campbell, 2005), by encouraging farmers in developing countries to export, rather than to provide for the local market.
the same type: rather than competing over the exact content of specifications or on the practical feasibility of corresponding audits, or seeking to obtain the maximum amount of potential customers for a product or region, it is primarily in the interest of standards organizations to cooperate to establish themselves as credible and effective, and therefore legitimate, regulators. In a similar way, and further strengthening the trend towards convergence, since the mid-2000s there has been a gradual establishment of the ISEAL (International Social and Environmental Accreditation and Labelling) Alliance, an organization that aims to combine different standard types.

In many ways, ISEAL is a functional equivalent of the ISO (International Standards Organization) specializing in the field of voluntary environmental and social standards, which aims to unite and harmonize the different standard types. Launched in 1999 by members of four pioneering voluntary standards organizations (FSC, IFOAM, FLO and MSC) to address the risks of confusion and of a declining credibility of standards, its formal status as a non-profit organization was established in 2002. Its membership now comprises 12 standardization (and accreditation) bodies and seven associate members. This membership includes standards for fair trade (FLO, Utz certified) as well as GlobalGAP or standards such as the Common Code for the Coffee Community or the Better Sugar Cane Initiative for example, as well as organizations related to organic farming (IFOAM until 2010, IOAS).

ISEAL presents itself as “the global association for social and environmental standards”, a “community of practice” which aims to “create a world where environmental sustainability and social justice are the normal conditions of business”. The main activity of ISEAL is to develop “best practices” for the producers of sectorial standards (considered as clients), which are used as procedural rules for the production of “good” voluntary standards in environmental and social fields. These criteria are contained in meta-standards (codes) that aim to guide members in the development, improvement and strengthening of standards. There are four main codes: a “Code of Ethics”, a “Code of Good Practice for Setting Social and Environmental Standards,” a “Code of Good Practice for Assessing the Impacts of Social and Environmental Standards Systems” and a “Code for Assuring Compliance with Social and Environmental Standards”. Another important activity of ISEAL is to promote private voluntary standards to states, international organizations, academic communities, private firms, etc. as effective regulatory instruments.

PRIVATE STANDARDS AND PUBLIC STANDARDS: A DISTINCTION THAT IS LESS THAN CLEAR…

Despite their great diversity, the standards discussed above have much in common. They are based on the same principle: regulation through the market. In theory, through the purchasing of certified products, consumers encourage the establishment of more socially fair and environmentally friendly production conditions. In this regard, the regulatory dimension is secondary: it is the market that guides the type of productive practices. The implementation and monitoring of standards is based almost exclusively on private actors, including certifiers and independent
organizations accredited by the standard holder. As a service provider, certification agencies are paid by producers to monitor their practices for compliance with the specifications of a particular standard. Agencies conduct audits of producer practices and ultimately decide whether or not a corresponding label is to be granted. Third party certification creates considerable economic activity and certifiers have a vested interest in the proliferation of voluntary standards (Djama et al., 2011). Public or private, voluntary standards are a form of privatization of the regulation process.

Another striking feature that emerges from a study of the proliferation of private standards is that they all claim to aim for the common good, to produce a “public good”. Thus, we can see in the willingness shown by standards organizations to emphasize the “democratic” nature of their decision-making processes an aspiration to compete with, if not to replace, public decisions in terms of legitimacy. Rhetoric highlighting the benefits of private management of environmental and social issues stems from two academic schools of thoughts: the first being political science, where it draws on the most normative work of the school of global governance, which emphasizes the inability, considered to be both structural and functional, of public authorities to deal with the complex issues related to globalization and the benefits expected from an increased involvement of private actors in the framework of public-private partnerships (Reinicke, 1998); and the second is management science, where it derives from the work on the concept of corporate social responsibility (CSR), which...
would give companies crucial comparative advantages in a competitive environment (Porter and Kramer, 2006). At the meeting point between these two areas, a vast literature has developed on collaborative governance methods that propose ideal procedures to ensure legitimate decisions on a given issue, based on procedures involving multiple stakeholders (Van Huijstee and Glasbergen, 2008; Zadek, 2008). These models directly inspire the sustainable standards mentioned above as well as the good practices promoted by ISEAL.

However, an increasing number of studies stress the limitations of these devices in terms of equity and inclusiveness. Empirical observation of the functioning of the round tables on “Responsible Soy” (RTRS) and “Sustainable Palm Oil” (RSPO) provide an obvious illustration. The governance structures of these round tables gather together the various operators in the relevant sector, who are expected to deliberate among themselves to decide the specifications and management procedures of the certified sectors. However, an analysis of the situation reveals several problems: the number of members present in each category (over-representation of the industry), their representation within each category (influence of international NGOs compared to local NGOs, lack of direct representation of small farmers), unequal distribution of discursive resources between actors (i.e. unequal representation in the process of forming a consensus and on the definition of what is, or is not, considered debatable) (Cheyns, 2011).

Moreover, beyond the rhetoric, private standards are in many ways related to the public authorities. Many of them are directly supported, including financially, by governments. The International Financial Corporation (IFC), for example, which is the branch of the World Bank Group dedicated to financing the private sector, is a direct member of several round tables. Many of its fund allocation programmes

**Box 2 ARE STANDARDS ORGANIZATIONS INCLUSIVE?**

The various standards organizations do not all operate in the same way and some appear more truly inclusive than others. For example, in the RSPO there are seven categories of stakeholders among which five represent the different stages of the value chain (production, industry, finance, etc.) and two are NGO categories respectively representing social and environmental interests. In the RTRS, social and environmental NGOs are grouped into one “civil society” category, ahead of a “producer” category and an “industry” category. There is therefore a noticeable difference between these two round tables and the Forest Stewardship Council (FSC), which is their historical model. The FSC is divided into three chambers, “economic”, “environmental” and “social”, each with an equal percentage of voting rights. Compared to the FSC, the RSPO and RTRS associations therefore allocate much greater power to economic interests at the expense of NGOs in terms of the formal allocation of seats: 75% of votes on the RSPO board and 66.6% for the RTRS, compared with only 33.3% in the FSC. In addition, in the FSC, 50% of the votes within each chamber are distributed to representatives of the South and 50% to its members of the North. Such a division is not made in the RSPO, or in the RTRS, or in any other sustainable standardization initiative for agricultural commodities. Despite characteristics that appear more equitable, actors of other round tables often regard the provisions of the FSC as overly cumbersome and inefficient in terms of decision-making, some even referring to it as a “psychotic democracy” (Bartley and Smith, 2010).
require beneficiary companies to participate in the round tables. Various states are also involved. In all sectors, there is particularly active bilateral cooperation from the US, Canada, Britain, Germany and Sweden. While in agriculture, the Netherlands, Germany and Switzerland play leading roles. Dutch cooperative agencies have developed programmes such as the Sustainable Trade Initiative to encourage sustainability in international trade, which particularly involve the establishment of transnational private voluntary standards. Since the beginning of the 2000s, Germany has also been very active in the support of sustainable standards and has directly participated in the launch of several round tables, including the 4C Association (Common Code for the Coffee Community), in association with cooperation from Switzerland. In parallel, national cooperation agencies are also taking an active role in the defence of voluntary standards as regulatory instruments. Conferences, such as in Berlin in 2006 and 2008, are frequently organized to bring together the sustainable standards community as actors and to promote these regulatory tools, to “expand and deepen the positive effects” of voluntary standards and to “make them a mainstream phenomenon”. The term paradigm shift has even been used. Finally, there is a proliferation of institutionalized transnational networks that combine public and private authorities on the issue of private voluntary standards. Three such examples are given below:

The Trade Standards Practitioners Network (TSPN), launched by the German Cooperation agency, USAID and the World Bank, brings together various organizations and institutions involved in standard setting and capacity building in related fields. The TSPN consists of three main working groups. The first is aimed at policymakers in developing countries, including through a guide that aims to help them “understand the catalytic function of voluntary standards for development and their role in the success of export strategies”. The second aims to “maximize the positive impacts of the actions of cooperation and technical assistance related to standards (...) and to ensure the sustainability of these impacts”. It aims to define a shared understanding of the impacts of standards, and to provide the tools to measure them. This type of evaluation relates to particular techniques, which is a highly political area: measuring the impact of standards ultimately enables them to be classified as “good” or “bad” instruments; and also, according to the criteria used, the value of a standard can be calculated in completely different ways. The third working group of the TSPN, which is mainly led by the IFC, is specifically aimed at the private sector in developing countries to increase the commitment to voluntary standards initiatives by its actors (international companies in these countries that source from international markets, exporters in developing countries, national and international companies that provide, on a commercial basis, services in connection with the voluntary standards – certification agencies, auditing offices and training providers). This refers to an obvious issue of legitimacy and to a recurring problem for the different standards systems: they can only be developed if the economic actors in the field adopt them. The promoters of these systems therefore develop methods of persuasion in this direction.

Launched in 2003 at the initiative of the Canadian think tank IISD and the United Nations Commission on Trade and Development (UNCTAD), the Sustainable
Commodity Initiative (SCI) promotes sustainable standards as a potential driver for a paradigm shift: “voluntary supply-chain approaches have the potential to establish a new paradigm for commodity production and trade.” The projects relating to the SCI bring together dozens of partner organizations of all types (companies, cooperation and development agencies, many research organizations, international organizations, consulting firms, TSPN, standards organizations, ISEAL, certifiers, etc.) that “collectively support initiatives to improve the sustainability of international trade and global markets for raw materials”. SCI faces the challenge of assembling and disseminating as much information as possible on sustainable standards systems and to produce specific knowledge to refine and improve them in terms of impact assessment, capacity building and training, financing and the reporting of standards information. All of these works also share a clearly and explicitly political goal: to influence public authorities so that public policies support and promote sustainable standards.

Finally, the Trade for Sustainable Development (T4SD) project is supported by the International Trade Centre, an organization formed jointly by the UNCTAD and WTO. It aims to establish a comprehensive database of all existing sustainable standards systems, a training programme, and a research observatory on the subject. While T4SD defines itself as “a UN sponsored neutral information repository”, it provides many examples that illustrate the political dimension of the production of knowledge on sustainable standards and the competitive relationships that sometimes cause standards organizations to oppose each other. For example, during a meeting in Amsterdam organised by ISEAL, the representative of the German FSC explained her reluctance vis-à-vis the creation of the T4SD database and her annoyance that ISEAL was encouraging its members to work with the ITC: she was sceptical about the way in which the ITC measured the impacts and the criteria that they might employ, which could disadvantage her organization in favour of its main rival PEFC. Indeed, since the PEFC certifies more timber than the FSC, but based on less demanding specifications, if performance standards were measured on the basis of the volume of wood certified for example, this would make the FSC appear less efficient and therefore less attractive to loggers, and could lead to a loss of market share.

This proliferation of transnational networks that combine public and private authorities – which are often interlinked – attests to the undeniable support for private voluntary standards globally. Furthermore, although the actors involved tend to stress that these networks primarily address the “need for dialogue” and the “sharing of experiences” that the proliferation of standards has created, such a phenomenon highlights concerns from public authorities that they have been caught slightly off guard by the explosion in these instruments, and their willingness to refocus on the issue and take control of their development.
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