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Private Multi-stakeholder Governance in the Agricultural Market Place: An Analysis of Legitimization Processes of the Roundtables on Sustainable Palm Oil and Responsible Soy

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Abstract

Over the past decades a new model for governing agricultural commodity chains emerged in response to severe sustainability challenges: so-called Roundtables. This paper aims to better understand the process of creating legitimacy in these Roundtables. The legitimization processes of two cases are analyzed: the *Roundtable on Sustainable Palm Oil* and the *Roundtable on Responsible Soy*. From this analysis explanations for the specific development of such a process are derived. The first level of explanation is actor-based and addresses the factors trust and collaborative advantage. The second level refers to institutional factors that provide opportunities and constraints for legitimate interactions to develop, such as the structure of the commodity chain, the type of lead firms in it and the role of governmental policies. The analysis reveals several characteristics of possible legitimization problems and their implications for the application of this governance model.

Keywords: multi-stakeholder governance, legitimacy, roundtables, palm oil, soy

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The Rise of Partnerships in Global Agrifood Chains

Over the last decennia we have seen the initiation of a new model for governing agricultural commodity chains in response to severe sustainability challenges. These so-called wicked problems are “dynamically complex, ill-structured, public problems” (Batie 2008, 1176) for which no ultimate problem definition and definite solution exists and for which stakeholders have fundamentally different frames of reference (Peterson 2009). These new models of governance have become a crucial component of the strategy of many large multi-national companies in the food industry (Dentoni and Peterson 2011). In a new form of partnership, businesses and NGOs took the initiative to define more sustainable production standards and related certification schemes to address these problems. These arrangements often focus on a specific product(-type) and aim to make a whole agricultural sector more sustainable. These collaborative, multi-stakeholder arrangements have been defined as non-hierarchical, self-organizing alliances to promote more sustainable production and consumption practices, while using the market as a coordinating mechanism to realize this objective (Glasbergen 2007). Not only are these partnerships non-hierarchical, they can also be categorized as post-territorial, because their spatial boundaries are not demarcated by fixed, jurisdictional borders.

Outstanding examples of these arrangements take the form of a Roundtable. The two front running Roundtables are the Roundtable on Sustainable Palm Oil (RSPO) and the Roundtable on Responsible Soy (RTRS). These multi-actor arrangements show overlap in driving actors, face similar sustainability problems, and have similar organizational structures:

- The founding actors of the RSPO, the World Wide Fund for Nature (WWF) and Unilever, were also involved in setting up the RTRS and several businesses and NGOs actively participate in both roundtables.
- Both palm oil and soy are used on a global scale for food, feed and fuel. Both crops are largely planted as export driven, large-scale monocultures and belong to the fastest expanding crops in the tropics. Sustainability problems in both sectors relate to deforestation, loss of biodiversity and labor and land rights issues.
- Their governance structure and decision-making processes are such that commodity chain actors, as well as environmental and developmental NGOs are represented in the Executive Board and General Assembly of the roundtables. The General Assembly is in both cases the highest decision-making body.

The RSPO started a process to address sustainability concerns in palm oil production by engaging actors from all levels of the commodity chain in 2002. The RSPO currently counts over 1000 members and represents approximately 40% of global palm oil production and the majority of upstream food manufacturers in the supply chain. Members are divided into several membership categories: Oil Palm Growers; Palm Oil Processors and/or Traders; Consumer Goods Manufacturers; Retailers; Banks and Investors; Environmental/Nature Conservation NGOs; Social/Developmental NGOs; and Affiliate members. This last category of affiliate members does not have decision-making power or voting rights within the RSPO. Through a series of multi-stakeholder working groups, members of the RSPO spent several years designing Principles and Criteria (P&C) for sustainable palm oil production, a verification and certification process, and mechanisms for supply chain traceability and tradable credits. The General

Assembly is the highest decision-making body of the RSPO, where all members have one vote and decision-making occurs by majority voting. The first shipment of certified palm oil entered the market in November 2008.

The first RTRS meeting was held in London (2004), when WWF invited 25 potential stakeholders to discuss the idea of addressing sustainability issues in mainstream soy production through a multi-stakeholder process (RTRS 2010). Currently, the RTRS has approximately 150 members and represents a smaller portion of the market than the RSPO. Members are divided into 4 categories: Producers; Industry, Trade and Finance; Civil Society; and Observers. Observing members have no decision-making power or voting rights in the RTRS. The General Assembly also is the highest decision-making body. To prevent domination of one stakeholder group, voting in the General Assembly takes place per constituency group, instead of the one-member, one-vote principle in case of the RSPO. The RTRS approved the P&C for responsible soy production and an accompanying verification system in June 2010. The first shipment of certified soy from South America came to Europe in June 2011.

Both RSPO and RTRS can be seen as representatives of the development of a new global domain that is not only filled with (inter)governmental organizations but also with private arrangements that aim to fulfill a public function (Ruggie 2004; Abbott and Snidal 2009). One of the central debates related to this development regards the legitimacy of what Bernstein addressed as ‘non-state governance in the market place’ (Bernstein 2011). This debate is mainly based on a specific interpretation of the role of states in liberal democracies. According to this interpretation, states are the ultimate and exclusive authoritative agents in public affairs. The state needs to set the rules of the game and private actors need to pursue their activities within these rules (Glasbergen 2011). From this interpretation, legitimization of private governance may be problematic, for example, because private actors taking over political functions may erode public power; because these arrangements cannot be held accountable like governments to those who are affected; or because of doubts about the effectiveness of voluntary private standards given the lack of sanctioning power (i.e., Bäckstrand et al. 2010; Bexell 2010; Steets 2010).

However, these studies tell us little about the practices of creating legitimacy in terms of the ability of the arrangements to develop a more sustainable alternative to current practices that becomes accepted as an authoritative norm in their issue field. They also inform us less about problems associated with legitimacy that can occur within these multi-stakeholder settings and what this implies for these types of arrangements. Therefore this paper analyzes the practices through which legitimacy is created by looking at the interactions between the actors in Roundtables and the institutional context in which these interactions take place. The next section presents an operationalization of the question of legitimacy. Subsequently the methodology is presented, followed by an empirical analysis of the two Roundtables. From this analysis two levels of explanations for the specific development of these legitimization processes are derived. The first level refers to actor-related factors, while the second level refers to institutional factors that provide opportunities and constraints for legitimate interactions to develop. In the concluding section several problems regarding the creation of legitimacy are identified as well as possible strategies to overcome these.

Operationalization of the Question of Legitimacy

The concept of legitimacy refers to the acceptance and justifications of authority. According to Suchman, it is “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed systems of norms, values, beliefs and definitions” (Suchman 1995, 574). Biermann and Gupta’s approach of legitimacy refers to this classical interpretation and define legitimacy as “being in accord with established norms and requirements, or recognized principles or accepted rules and standards of behavior” (Biermann and Gupta 2011, 1858). Most studies on legitimacy take a state of affairs as a starting point and assume that this state can be evaluated on its *degree* of legitimacy. Their starting point is normative, in the sense that evaluations are based on what is assumed to be required to make governance arrangements legitimate. They either evaluate the procedures or the substantial content of private arrangements (i.e. Bäckstrand et al. 2010; Bexell 2010).

The procedural or input legitimacy approach evaluates the process through which decision-making takes place. It is assumed that non-state governance may become as legitimate as intergovernmental policies if they conform to equivalent democratic prerequisites, such as transparency, accountability, inclusiveness, etc. (Dingwerth 2007; Keohane 2011). The substantive or output legitimacy approach is concerned with the purpose and appropriateness of the governance activity of the arrangements. Here the arrangements are assessed in terms of their contribution to collective problem solving, for example, their ability to contribute to the protection of basic human rights, environmental protection, or empowerment of less privileged groups. If an outcome of a policy decision serves the public good and is effective in tackling a problem, it attains output legitimacy (Scharpf 1999). Both approaches focus on what *should* count as justification for recognizing the authority of private arrangements (Bernstein 2011, 21). However, they inform us less about the process through which their standards become *accepted* as an authoritative norm in their issue field. According to our view, an (additional) approach that aims to better understand the process of creating legitimacy would look at the practices through which legitimacy is realized. This approach studies the often cumbersome process of bringing diverse actors together to develop a common acceptable new management standard and the factors that influence this process.

This approach assumes that the legitimacy of private governance arrangements is rooted in a process of interaction among diverse actors, connected to a specific issue area, and in a specific contextual environment (Bernstein 2011; Schouten and Glasbergen 2011). For analytical reasons we divide this process into several ideal-typical phases. These phases are informed by theories regarding the policy cycle frequently used in the field of policy analysis (see for example Crabbé and Leroy 2008, 3) and are adapted to the multi-stakeholder governance model of Roundtables based on earlier studies (Schouten and Glasbergen 2011; Schouten et al. 2012). These phases include: engaging stakeholders in the multi-stakeholder process; defining the problem area and coming to an agreement on how to tackle the issues; implementing the agreed solutions and assuring compliance; assuring acceptance of external audiences. These phases should not be interpreted as taking place in a strict chronological order. A Roundtable process is an iterative process and phases can overlap as actors as well as issues can be in a different phases of the process at the same time. This paper takes the interactions between the partners in the

arrangement as the key unit of analysis. Related to these phases in the development of a Roundtable four factors are important to the process of creating legitimacy:

1. The inclusion of relevant stakeholders in the multi-stakeholder process.
2. The opportunities for stakeholders to come to an agreement on how to govern the sector.
3. The degree of compliance of involved stakeholders with the agreements.
4. The degree of acceptance of third party audiences of the outcomes of the process.

From this analysis this paper derives explanations for the specific development of these legitimization processes. The first level of explanations is actor-based and regards the factors trust and collaborative advantage. The second level refers to the, on the short-term inalterable, societal context in which the interactions develop. Here our focus shifts to institutional factors that provide opportunities and constraints for legitimate interactions to develop, such as the structure of the commodity chain, the type of lead firms in it and the role of governmental policies. Subsequently, it is important to understand how these two levels are interacting.

Methodology

This paper takes a case study approach similar to the one described by Eisenhardt (1989) and uses in-depth data to understand the complex dynamics going on in multi-stakeholder settings. Previous research endeavors on legitimacy did not reveal much about the processes through which multi-stakeholder arrangements become legitimized. In order to provide empirical substantiation to this field of research, this paper studies the practices through which legitimacy comes about. Several data collection methods are combined, including desk research, interviews and observations. Our comparative case study analysis is based on official documents produced by the RSPO and RTRS, minutes of Executive Board meetings, minutes of General Assemblies, and minutes of Working Group meetings. These documents are supplemented by documents on both Roundtables published by individual stakeholders of the Roundtable, and news articles. The desk research is further complemented by over 30 semi-structured in-depth interviews with individual members of both Roundtables (representatives of NGOs and value chain actors) and members of both Executive Boards about the development processes of the arrangements. Furthermore, several employees of NGOs that did not apply for membership of a Roundtable, but are working on palm oil and/or soy issues related to sustainability, were interviewed (a list of interviewees is available in the appendix). Additionally, observations were made during Executive Board meetings of the RTRS, the fourth Roundtable Conference on Responsible Soy and the third General Assembly of the RTRS, all in May 2009 in Campinas, Brazil. Furthermore, observation methods were used during the ninth Roundtable Conference on Sustainable Palm Oil and the eighth General Assembly of the RSPO in November 2011 in Kota Kinabalu, Malaysia.

The two cases were selected on the basis of their organizational similarities, as the RTRS is a copyist initiative of the RSPO. This unique situation allows us to conduct an in-depth comparative case study analysis in which we try to bring the factors that cause differences in their legitimization processes to the surface. This article uses the in-depth data in an inductive manner to generate new insights on factors that might hinder or enhance legitimization processes of Roundtables. Our qualitative data are very useful for understanding the dynamics underlying relationships and the reasons behind what we see happening in the cases (Eisenhardt, 1989).

Inclusion of Stakeholders in the Process

Both roundtables have the aim to get all stakeholders in the commodity chain plus environmental and developmental NGOs involved (RSPO 2012b; RTRS 2012a). Despite this intention, they both face problems including smallholders, local communities and consumers (Cheyns 2011; RTRS 2011). These stakeholder groups are mostly made up out of individual actors instead of organized interest groups. To actively involve these large numbers of individual stakeholders is extremely challenging for Roundtables.

Nonetheless, the RSPO was relatively successful in involving relevant stakeholders. They managed to attract large producing companies from the two most important producing countries, Indonesia and Malaysia (Unilever 2012). Furthermore, they have managed to get an important part of retailers in Europe and the United States involved, as well as a large amount of NGOs from many parts of the world (RSPO 2012a). On the other hand, they have hardly been able to engage stakeholders from importing countries of palm oil outside the Western world, such as China. Several programs were set up to get Chinese stakeholders involved, but so far the RSPO has only managed to get three Chinese companies on board (Cheng Hai 2011). Private market initiatives, like the RSPO, miss an institutional fit with the socialist market economy as it exists in China. The RSPO is aware of this problem and recognizes that the role of the Chinese government is critical to provide the enabling environment for collaboration to take place. However, it is still unclear how this process should exactly be managed.

The RTRS was less successful in including stakeholders into their multi-stakeholder process. First of all, they faced difficulties including global development and social NGOs in the standard setting process. Most Latin American NGOs did not become part of the process so that they are able to oppose the outcomes if they do not agree with them (Interview #8). Fetraf-Sul, the only organization representing small farmers stepped out of the RTRS early on in the process (2005) because it didn't feel it could influence the agenda enough. The development NGO Cordaid showed solidarity and left as well (A Seed Europe 2005). Secondly, not all main producing countries are well represented in the RTRS. While the United States are the biggest producers of soy (38 % of global production in 2003) only few RTRS members come from there (4,7 %) (RTRS 2012b). In general, soy producers from this part of the world do not see the need to address sustainability issues in their domestic industry. Third, the RTRS faces the same problem as the RSPO in terms of involving stakeholders from some important consumer countries. China's soy imports account for over 50 % of the world total. Despite this major role in the global soy market their membership count in the RTRS is very low (2 % of total membership), whereas Europe, importing only 17 % of global soybean, has a share of 44 % of the members (USDA 2010).

A fair distribution of costs and benefits is essential to keep stakeholders involved in a partnering process. Both Roundtables were not able to manage this issue properly and had prominent members leaving the process. Future expansion of palm oil is most likely to occur in Indonesia and so standards aimed at reducing deforestation and requiring environmental assessments and social audits on new developments will mostly affect plantations there (Interview #10). This makes Indonesian producers feel they bare most of the costs of certification, while benefits of the collaboration did not yet materialize. The Indonesian Palm Oil Association, GAPKI, resigned

their RSPO membership in the second half of 2011 (RSPO 2012c). They felt the organizational structure of the RSPO was not balanced enough at the expense of the producers and want to focus on their own Indonesian certification system (ISPO) (Interview #34) (TROPIS 2011; RSPO 2010). The RTRS faced similar problems. During the creation of the P&C an important participant, APROSOJA (Mato Grosso's State Association of Soybean Producers), left the organization because of forest conservation criteria introduced in the P&C. APROSOJA argued strenuously for the RTRS to approve a compensation program for any avoided deforestation. Without seeing any prospect for financial gain from the process, they were not willing to accept the P&C and terminated their membership of the Executive Board and the RTRS at the General Assembly in 2009¹. Roundtables focus on certification standards at production level, which means that producers bare most of the costs. Some of these stakeholders therefore tend to feel that the process is unfair and unbalanced. In both cases we see that in reaction local certification systems emerge: i.e. Brazil (Soya Plus), Malaysia (MSPO) and Indonesia (ISPO).

Coming to an Agreement

Consensus-based decision-making is institutionalized in the practices of both Roundtables and forms the backbone of the standard setting process. In order to reach consensus, issues need to be framed in a way that corresponds with the views of all stakeholders involved. To realize this cohesion, contentious issues are sometimes left out of the debate and so are advocates of radical viewpoints. However, in exceptional cases, when the ultimate reliability of the arrangement is at stake, the principle is abandoned, even at the cost of stakeholders leaving the process.

In the first years of the RSPO a conflict arose about the specific contribution of palm oil to sustainability problems. Whereas Malaysian producers focused mainly on poverty reduction due to palm oil development, NGOs stressed issues of deforestation caused by this development (RSPO 2003). Producers implicitly acknowledged the need to codify best practices, but were reluctant to say that sustainability was a problem in the palm oil industry. This conflict, which posed a risk to the development of the RSPO, was solved pragmatically. Instead of carrying on the debate on the exact contribution of palm oil to environmental degradation, it was decided to focus on a concrete standard for sustainable palm oil. At the first Roundtable conference, the natural-resource consultancy ProForest presented technical studies that would serve as a basis for the development of a standard (RSPO 2004). This document was acceptable to all partners, because contentious issues were avoided. The P&C were further developed by a working group that was put together by the Executive Board. The facilitator of this working group indicated that none of the members tried to slow down or frustrate the process (Interview #12).

An issue of contention in the P&C development group was the use of agrochemicals, in particular the use of paraquat. While prohibited in the European Union, paraquat is one of the world's most widely used herbicides. Producers insisted it was essential for their business to use agrochemicals, while NGOs insisted that the risks associated with the use of some of these chemicals to human health and safety were unacceptable. The resulting compromise on which consensus could be reached was quite disordered (Interview #12). The P&C, while requiring producers to actively look for alternatives to dangerous chemicals, ultimately do not ban their

¹ Observations during EB meetings in 2009, Campinas, Brazil and the GA in Campinas Brazil

use (Carrere 2006). A note was added to the P&C saying that the RSPO will urgently identify safe and cost effective alternatives to replace chemicals like paraquat, which is still included in the latest version of the P&C (RSPO 2007). Agreement on the remaining criteria was reached relatively quickly; producers knew that there was no chance of removing or weakening criteria and still reach consensus (Interview #12). Nevertheless, at the third Roundtable conference (2005), producers reported that the speed of the process gave them the impression that standards were being foisted onto them (RSPO 2005). Despite difficult moments in the RSPO standard setting process, none of our interviewees identified any specific item that was left out of the standard completely. However, still some disagreement remains about the necessary strength and clarity of specific criteria. Standard setting in the RSPO is an ongoing process and in 2011 a P&C review process started. This review process is considered an opportunity to substantially change and improve the standard, but only if consensus on changes is possible (Yaacob 2011).

The RTRS needed more time than the RSPO to come to a standard. Unlike the RSPO, the first RTRS conference did not have input studies on which to base their work. As a consequence the discussions were very unstructured and general and provided little direction for the future (Interview #14). According to one of the participants, “what was intended to clarify important issues became a messy, politicized event” (Interview #30). In response, the RTRS organized a technical workshop to discuss the problems of soy production in a smaller setting. This workshop produced a list of key environmental and social impacts. The RTRS standard was further drafted by the Development Group, which included representatives from all member constituencies (RTRS 2012c). After every meeting, drafts were made available for public consultation during which all stakeholders were invited to provide input.

The RTRS also faced some critical issues in the standard setting process. First, for the sake of consensus the issue of genetically modified (GM) soy was excluded from the debate early on in the process. The first Roundtable conference had shown that the RTRS could either allow GM soy and lose many of the NGOs in the process, or exclude it and lose numerous producers (Interview #15). They decided to be ‘technology-neutral’ regarding production techniques thereby excluding the topic from the Roundtable process (RTRS 2006), a decision that caused much opposition against the RTRS. A second controversy is related to the issue of deforestation (Interview #4). This issue was so controversial that the development group delivered a proposed set of P&C to the Executive Board wherein the issue of deforestation was not addressed. Producers from Mato Grosso, Brazil resisted agreeing to any criteria on this without implementing a compensation method for the opportunity costs of forest preservation (Interview #19). Earlier in the process these producers already argued that if farms were going to be certified, it was necessary and fair to also certify other operations in the value chain, such as greenhouse gas emissions of food manufacturers (Interview #4 and #19). Several Executive Board members felt very strong about including criteria on deforestation, because they thought the credibility of the RTRS was at stake. After long and difficult discussions it was decided to add a criterion on deforestation to the proposed P&C. They needed to let go of the principle of consensus and made this decision by majority voting instead. Two members voted against adding this criterion, while the rest was in favor. This decision by the Executive Board caused a great deal of dissension at the General Assembly of 2009. Without seeing any prospect for financial gain from the process, APROSOJA was not willing to accept the P&C and therefore left the

meeting and withdrew their membership. Subsequently, the P&C, including the criterion on deforestation, were ratified by the General Assembly.

Compliance with the Rule System

For a governance arrangement to be credible it is necessary that stakeholders involved comply with the rules they have agreed upon. This is not a self-evident process as both Roundtables have difficulties in achieving this.

The RSPO encountered several critical issues in the process of getting members to comply with the developed rule-system. First, when in 2005 a large palm oil producing member was accused of illegally dismissing over 700 employees, evicting their families from estate housing, and expelling their children from estate schools, it was unclear what was expected of the Executive Board (RSPO 2005). Therefore, a Code of Conduct was adopted, which lists the requirements of RSPO membership. It states that every member “supports, promotes and works towards the production, procurement and use of Sustainable Palm Oil”. Without this Code, the Executive Board had no means to assess whether or not a situation like this required their attention. The second critical issue was to get members to comply with the Code. A resolution was passed at the General Assembly in 2008, which called for all members of the RSPO to submit public plans of their time-bound sourcing targets and certification plan. Several producers identified this new change to the Code of Conduct as potentially very significant for predicting how the market for certified palm oil will behave (interviews with several Executive Board members). In practice, however, very few companies submit annual reports, making it difficult for producers to know how seriously end-users take their commitment to using sustainable palm oil. Technically, failing to provide these reports could be grounds for expulsion from the RSPO, but this did not happen so far.

A third critical issue appeared in the provisions of the RSPO Certification Systems document, that states that organizations can only certify individual plantations if they meet certain minimum criteria in their other holdings. These minimum criteria demand that there are no significant land conflicts, no replacement of primary forest or any area containing High Conservation Values, no labor disputes that are not being resolved through an agreed process and no evidence of non-compliance with law in any of the noncertified holdings². Certificates for all of the company’s holdings shall be suspended if there is non-compliance with any of these requirements. These clauses became an important tool for ‘watchdog’ organizations to attack companies that did not comply with these minimum criteria. The first plantation company to certify its operations was United Plantations (in Malaysia). After United Plantations completed this first certification, Greenpeace investigated its non-certified plantations in Central Kalimantan, Indonesia, and alleged that these United Plantations holdings did not meet the minimum criteria. They accused the RSPO of ‘greenwashing’ and allowing companies to “have their RSPO certification of Malaysian plantations but continue with business as usual in their Indonesian concessions” (Greenpeace 2008b). To not jeopardize the Roundtable process, conflicts of this sort were in several cases resolved outside of the RSPO. For example, Unilever in 2009 announced it was suspending future purchases from palm oil supplier PT SMART (Unilever 2009). This act

² RSPO certifications systems 13

followed the publication of two reports by Greenpeace, making allegations that the Indonesian company's plantations were responsible for destruction of high conservation value areas. Unilever took action outside of the RSPO framework and PT SMART remained an active member of the RSPO participating in several working groups.

A fourth critical issue regards the market uptake of certified sustainable palm oil, which has been very disappointing to producers. In 2008, the uptake of certified palm oil was only 2,7 %. While the uptake increased, in 2011 it was still just over half of the certified supply that was sold as such (52 %) (RSPO 2011). WWF decided to take action to address this problem. In 2009, it announced the introduction of a 'Palm Oil Buyer's Scorecard,' through which "companies will be scored on a variety of criteria relating to their commitments to, and actions on, sustainable palm oil" (WWF 2009). By publishing the performance of RSPO members outside of the Roundtable reporting mechanisms, WWF hopes to expose members to criticism for not supporting the process by actually buying the certified product. Because the uptake of certified palm oil is still lagging behind supply, WWF presented a new scorecard at the Roundtable conference in 2011, where the uptake of palm oil was an important topic of discussion. Despite the potential challenges caused by low demand, the certification of plantations has continued and so far 29 companies have had 135 palm oil mills certified (RSPO 2011).

The RTRS faces implementation issues very similar to those of the RSPO. RTRS members also subscribe to a Code of Conduct, which outlines different responsibilities of RTRS members. The basic agreement members make is to "support and work towards the financing, production, implementation of P&C, procurement and use of Responsible Soy". Similar to the RSPO, this Code requires members to "report annually on their efforts to support the RTRS and promote responsible soy". The percentage of members actually submitting annual reports is very low (Interview #36). If members are found to have acted in breach of the Code, they risk disciplinary measures including termination of their membership (RTRS 2012d). As yet, there has never been a member expelled from the RTRS on these grounds. Like the RSPO, the RTRS faces problems with the uptake of certified produce. There is no trade in physical certified soy, but only in virtual credits. This system overcomes the logistical complexities of creating a segregated supply chain. Producers can register their certified soy in a credit trade platform, which soy buyers can purchase in the form of credits. Of the 400,000 tons of certified soy produced in 2011, half is covered by credits that are sold through the trading platform (Interview #36). Although the credits remain valid for two years, it seems that in the RTRS the supply of certified produce also exceeds demand.

The Acceptance of the Roundtables by Third Parties

Multi-stakeholder arrangements, such as Roundtables, have the intention to influence external stakeholders' attitudes towards the industry (Dentoni and Peterson 2011). A good gauge for acceptance of the arrangements by third parties is the character, degree, and content of opposition to a Roundtable. Both roundtables had to face much opposition of third parties, but the character, degree and content of these protests differ.

The RSPO has been subject to numerous criticisms from NGOs that have not joined the initiative. Greenpeace and Friends of the Earth are chief amongst these groups. In 2007,

Greenpeace published a report in which the RSPO was described in a very negative way and the leading role of Unilever and its suppliers (Cargill, ADM-Kuok-Wilmar, Golden Hope, Sinar Mas) was critically assessed (Greenpeace 2007). In 2008, Greenpeace targeted an anti-palm oil campaign against Unilever, using their brand 'Dove' as a symbol for rapid rainforest destruction. Subsequent talks between Greenpeace and Unilever have resulted in a willingness on the part of Unilever to join the call for a moratorium on deforestation in Indonesia (Greenpeace 2009). Also in 2008, Greenpeace attempted to prevent the loading of the first RSPO certified palm oil on a Rotterdam-bound tanker in Indonesia (Greenpeace 2008a). There are many more examples of NGOs that publicly display their disapproval of the RSPO process. One of them is the German NGO 'Rettet den Regenwald'. In 2008 they published the 'International Declaration Against the 'Greenwashing' of Palm Oil by the Roundtable on Sustainable Palm Oil', which was signed by over 250 organizations worldwide (Rettet den Regenwald 2008). While campaigning NGOs are able to drive the process of developing increasingly positive and sustainable criteria forwards, their tactics have had some negative consequences as well. Producers have seen the front-running companies being specifically targeted for anti-palm oil ads. Early campaigns may have encouraged producers to be a part of the RSPO, but they also see the companies that do certify, such as United Plantations, being singled out as a result of their efforts (Interview #7). During the course of the partnering process the opposition against the RSPO decreased. Part of the reason is that campaigns as the ones described above have influenced the process. While Greenpeace and Friends of the Earth are still not members of the RSPO, they do visit RSPO conferences and are sometimes involved in the process on an ad hoc basis.

The RTRS is relatively less accepted as an authoritative agent. This can be seen in the large-scale organized opposition to the organization, which is present on several levels. First, there is opposition to the RTRS as a whole. There are two primary reasons for the relatively low support of NGOs for the process. One is the inclusion of GM-soy as potentially 'responsible.' The critics of the process include many large organizations, such as Friends of the Earth, as well as a large number of single-issue organizations, such as 'Toxic Soy' and ASEED Europe. The other source of opposition to the RTRS is based on the large-scale, mechanized production model that dominates in North and South America. The RTRS is seen by many NGOs as a symbol of big agro-industrial companies, which are viewed very negatively, because of the rapid agricultural expansions in an industry that was formerly dominated by smallholders, which has led to large social problems in Latin America (Interview #24). Second, individual members of the RTRS are attacked for being part of the organization. NGOs such as WWF and Solidaridad have been attacked because of their membership of the RTRS and are accused of legitimizing a standard that does not guarantee sustainable production at all (Gifsoja 2009). Companies are also heavily criticized for being involved in the Roundtable process. An example includes campaigns against a large Dutch supermarket, because of their support to the RTRS (Gifsoja 2011).

The difference between degrees of acceptance of the two Roundtables is quite clear. First, some actors that actively support the RSPO publicly oppose the RTRS. These actors include high profile organization like Oxfam Novib and Cordaid. In our interviews with NGOs the same pattern became visible, wherein the RSPO was believed to be more credible than the RTRS. A second difference is related to the character and content of the opposition. In case of the RSPO the standard is used by NGOs like Friends of the Earth and Greenpeace to attack members of the RSPO that violate the standard. In case of the RTRS, we do not observe this. The opposition

exists mainly of NGOs publicly disapproving very strongly of the standard itself. Third, internal and external NGOs in the RSPO seem to reinforce each other, while internal and external NGOs in the RTRS seem to frustrate each other (Schouten and Glasbergen 2011; Hospes, Stattman, and de Pooter 2009). The interaction between internal and external NGOs in the RSPO often leads to more leverage for internal NGOs in the negotiations, while the public disapproval in case of the RTRS, often leads to frustration for internal NGOs.

Trust and Collaborative Advantage

The previous sections analyzed legitimization processes of the two Roundtables from an actor perspective. From this perspective it seems that trust and collaborative advantages are crucial agency related factors that influence legitimization processes. Trust encapsulates the emotional element of the interactions: the reduction of feelings of risk and vulnerability in the partnering process (Gray 2007; Glasbergen 2010). The concept of collaborative advantage refers to doing business that is in one way or another profitable for all partners. Collaborative advantage encapsulates the synergy argument; for each partner the opportunities should outweigh the risks and they should be able to achieve something that they cannot realize on their own. In other words, potential partners will only collaborate if they supposed to gain from the partnership and they feel that risks and opportunities are fairly distributed (Glasbergen 2010; Gray 1996).

The specific working method used in the RSPO allowed trust to develop more easily compared to the RTRS, which made it easier to get relevant stakeholders involved and to come to an agreement. First of all, because of previous collaborations, the three key actors of the RSPO had already established some level of trust. The Malaysian Palm Oil Association (MPOA) and Unilever therefore perceived WWF as a very reliable partner. If another NGO had initiated the RSPO, industry participation would probably have been limited (Interview # 10). In case of the RTRS the role of WWF is more contested. WWF-Netherlands is a member of the Dutch Soy Coalition, an organization that claimed that the large-scale monoculture model of soy production is inherently problematic, and that the only solution is to decrease soy consumption (Dutch Soy Coalition 2006). Soy producers had trouble believing that this position had been set aside by WWF and this limited the level of trust in the initial phases of the RTRS. Secondly, the RSPO developed from a small group of stakeholders that laid out the direction for the organization before being open to other stakeholders (RSPO 2002). In case of the RTRS no early commitments were made and participants simply agreed that exploring collaboration was worthwhile. It seems to be beneficial to start out with a small group of actors who have already established some general level of trust. In this safe environment it is easier to start a collaborative process than in a situation of distrust with a large group of actors. After the start-up phase in both Roundtables similar issues of trust arose related to the perceived fairness of the partnering process, which relates to the issue of collaborative advantage.

The scale of the problems present in palm oil production and the desire for producers to maintain market position originally provided a significant potential collaborative advantage that allowed for the RSPO to develop as far as it has. The primary concern of WWF was deforestation, while Unilever was ultimately concerned about the security of their supply of raw materials (RSPO 2002). Retailers' main concern was to lower reputational risks. Reasons for palm oil producers to join the RSPO were to counter negative claims about palm oil, possible price premiums, market

access and preferential purchasing policies. However, as our analysis shows, the early expectations on collaborative advantage have not all been met. A specific problem regarding collaborative advantage in both Roundtables has been the obligation to keep part of one's property free from agricultural use to halt deforestation. Without an economic compensation mechanism, many producers object to this (Interview #31). Furthermore, the take-up of certified products by the market up to now has been very disappointing for producers.

This agency related explanation of legitimization processes of Roundtables is still incomplete and structural factors should be used to further explain the manifestation of legitimacy problems. The concept of structure in our case refers to the societal context in which the Roundtables emerge and shifts our focus to institutional factors that provide opportunities and constraints for the interactions to develop (Huijstee, Francken, and Leroy 2007). Based on our document analysis and interviews we identify four structural factors that create opportunities or constraints to the collaborative interactions of Roundtables influencing the manifestation of legitimacy problems: the structure of the commodity chain; the type of lead firms; governmental regulations; and, the political embedding of NGOs. These factors correspond largely with the literature on value chain governance (e.g.: Roberts 2003; Altenburg 2006; Coe, Dicken, and Hess 2008; Vermeulen et al. 2008).

The Structure of the Commodity Chain

A first factor that is assumed to influence the interactions is the structure of the commodity chain in terms of its mode of integration (Roberts 2003; Vermeulen et al. 2008). The more vertically or horizontally integrated a chain is, the easier it is for a governance initiative to progress. Vertical integration means that one firm is in control of multiple processes along the chain, while horizontal integration means that fewer firms are involved at each stage along the chain (Vermeulen et al. 2008). The more diffused the supply base is, the larger the number of possible supply routes, thereby reducing interest in certification amongst manufacturers and retailers (Roberts 2003).

While the production and trade of palm oil are fairly concentrated, the production of soy is much more diffused and the chain is less integrated. About 50 large plantation groups account for 75% of global palm oil production. The refining and trading segments of the chain are even more horizontally integrated: 15 business groups control 75% of the global market (Aidenvironment 2008). Concentration is also reflected by the increasing vertical integration of groups. American companies have recently invested in upstream operations, while Malaysian plantation companies have made investments in processing and trading. The soy value chain has an hourglass structure in which a very broad number of actors are present at the top and bottom, with much greater concentration in the middle (ibid.). There are tens of thousands of soy producers, from many different countries, selling soy to a very small number of large trading companies. The companies Archer Daniels Midland, Bunge, Cargill, and Dreyfuss control around 80% of the processing and trading chain (Carrere 2006). Their customers are processors and food manufacturers as well as feed companies, farmers, and meat/dairy processors. These companies sell to a small number of retailers, who in turn link to large numbers of consumers. The impact of the hourglass structure in the soy value chain has been significant. Changing production practices ultimately means connecting with farmers; however, there are so many different types of soy

farmers that it is very difficult to meaningfully engage with a significant representation. In contrast, the RSPO has been more successful involving a large percentage of producers, which can partly be explained by differences in the structure of the commodity chain.

The Type of Lead Firms

Lead firms are actors who are in the position to set the parameters under which other actors in the chain operate (Humphrey and Schmitz 2001). Depending on how vulnerable a lead firm is towards critical consumerism, they may be more or less committed to different standards, and may use different combinations of pressure and support to enforce a standard throughout their supply chain (Altenburg 2006). Consumer-facing companies, especially the ones with a strong brand, are much more vulnerable to reputation damage than other actors in the chain. However, even though the targeted companies are mostly at the end of the chain, power is not always located in the hands of those companies (Bair and Gereffi 2001; Dolan and Humphrey 2004).

In the palm oil chain, consumer-facing companies are in dominant positions. Unilever, the largest purchaser of palm oil, buying 4% of global production, has a very powerful position in the chain (Unilever 2008). Unilever plays a dominant role in the RSPO from the beginning onwards and its position in the palm oil chain helped producers demonstrate that the RSPO was meant as a progressive, but mainstream and business-friendly initiative. Unilever and other consumer-facing companies in the palm oil chain have inclinations to actively address sustainability, because of marketing benefits, minimizing reputational damage and securing long-term supply and are in a position to do so. In the case of soy, those companies that are presumably most interested in sustainability, the consumer-facing ones, are in a less dominant position. There are tens of thousands of soy producers, who sell their soy to a very small number of large trading companies that control most of the processing and trading and play the role of lead firms. These dominant actors in the chain are not brand-driven, like Unilever is (Interview #24). The size and power position of these companies makes it difficult for downstream actors to significantly influence their activities. Furthermore, they are accustomed to bulk products and pricing based on measurable product qualities rather than issues such as sustainability.

A related factor is product visibility. The more visible a commodity is to consumers, the stronger their demands will be towards consumer-facing companies and the more they shape the process of governance in the chain (Coe, Dicken, and Hess 2008). Although the products of the oil palm are used in approximately 50% of products in European supermarkets (WWF 2009), palm oil is not very visible to European consumers. Ingredient clarifications of products containing palm oil in the EU most of the time do not specify which exact oil is used, because the generic term 'vegetable oil' is used. The same is true for soy oil. Although soybean oil is an important ingredient in many food products, soybean demand is largely driven by the feed industry. These two products (oil and feed) of the soy plant reach the consumer in different ways. Soy is used in large quantities as animal feed to produce meat or dairy products, but is not an ingredient in those products and therefore not visible to consumers. As such, retailers, manufacturers, and meat processors have less of a commercial incentive to strongly push for changes upstream³.

³ Products that are made of soy (and sold in Europe) in which soy beans are more recognizable, like soy drinks or tofu, seem to have different types of certification or other means of guaranteeing that the soy used is not contributing

Government Regulations

There are many regulatory drivers and constraints that may influence the behavior of firms and their attitude towards sustainability initiatives, including taxation policies, national regulations, trade policies, and regulations on property rights (Vermeulen et al. 2008; Altenburg 2006). Subsidies and taxation policies may benefit or hinder supply chain relations and are highly relevant for the sourcing behavior of firms (Altenburg 2006).

Palm oil is grown in countries that do not subsidize the agricultural sector, but rather tax the export of agricultural products (Interview #30). Soy, on the other hand, is one of the most heavily subsidized crops in the United States commodity programs (Wise 2005). By contrast, the soy industry in Brazil is subject to taxes. The existing tensions in the WTO negotiations between these countries (the two biggest producers of soy) about export subsidies for agricultural products directly translate into the roundtable discussions and lead to a lack of trust among producers (Interview # 30). Furthermore, because American producers are subsidized, they have less of an incentive to connect to new markets, as their competitiveness is guaranteed. Tensions like this have never been a problem in the discussions on sustainable palm oil, resulting in totally different Roundtable dynamics and more favorable conditions to include stakeholders.

The RSPO standard requires that a High Conservation Value (HCV) assessment is made of an area before it is developed for the production of oil palm. If part of the area is considered HCV area, it has to be preserved and cannot be planted. Indonesian producers perceive this part of the P&C as a risk to their operations. Producers get a concession from the Indonesian government to develop a certain area within a certain time frame. They fear if they don't develop part of the area, the Indonesian government will transfer the concession to another company, which will then develop this HCV area that will be located inside their plantation (Interview #10, #30). According to a producing company that already preserves HCV areas these are groundless fears (Interview #35), but whether or not these fears are justified or not, they affect the legitimization process of the RSPO.

The Political Embedding of NGOs

Hospes et al. (2009) conclude that the relations between business and NGOs in the case of the RTRS have been a threat to the process, while similar relations in case of the RSPO have pushed the process forward. This difference can be partly explained by the political embedding of NGOs in the relevant continents. The political embedding of NGOs in South-East Asia (who are relevant stakeholders for the RSPO) is completely different from the political embedding in South America (which is a relevant audience for the RTRS) (Interview #33, #32).

The main difference relates to the attitudes of civil society organization towards market actors. In general NGOs tend to be more collaborative or more confrontational toward businesses. NGOs in South America have a long history of campaigning against large-scale agri-businesses and are

to sustainability problems. This might not only be related to the visibility of soy in these products, but also to the type of consumers that buys these products.

very distrustful of market initiatives such as the RTRS. As mentioned before, they see it as a symbol and extension of power of large agricultural companies (Interview #30). NGOs in South America therefore started protesting against the RTRS instead of becoming involved as one of the partners in the process. The position of NGOs in South-East Asia is totally different as civil society organizations were less developed and less influential in this region and tend to be more collaborative towards market actors. Therefore, the initiation of the RSPO has provided a new platform for NGOs to voice their concerns; a space that was not available before (Interview #33). This difference between the two regions reinforced itself under influence of Northern and large international NGOs, as it is a reason for them to support the inclusion of NGOs in the RSPO to strengthen the position of civil society in South-East Asia and to stay out of the RTRS process.

Conclusions

Most research on legitimacy of private governance arrangements takes a normative approach in which the legitimacy of a specific arrangement is evaluated. This approach is limited, because legitimacy is not an overall characteristic of a governance arrangement, but rather an attribute that is created in an interactive process. To better understand these legitimization processes in Roundtables, this paper analyzed the practices through which legitimacy is created by looking at the interactions between the actors in Roundtables and the institutional context in which these interactions take place. This approach revealed a variety of legitimacy problems.

First, it can be problematic to align different views on sustainable development in order to reach agreement about the way in which the industry will be governed. It is fundamental for a legitimization process that stakeholders come to a common problem definition and accompanying rule system. Although this was a difficult process in both analyzed cases, these Roundtables have managed to put a rule-system in place by taking on a pragmatic approach. Problems and solutions were framed in specific ways and some contentious issues were left out.

Second, while decision-making by consensus is a very important principle for Roundtables, reaching consensus is not always possible, certainly not when the credibility of the arrangement as a whole is at stake. In some cases majority voting and accepting the exit of certain stakeholders is the action strategy that is chosen. But since the resignation of important stakeholders is a threat to the legitimization process of the arrangement, in other cases problems are solved outside of the Roundtable process. This allows the sanctioning of nonconforming behavior, while at the same time keeping all partners in the process. Both strategies were present in our case studies.

Third, problems regarding legitimization arise from perceptions regarding costs and benefits of collaboration. For relevant stakeholders to get and to remain involved in the process their expectations and perceptions about collaborative advantages must be positive. For businesses this relates mainly to reducing negative publicity and gaining access to new markets, while for NGOs this mainly relates to expanding their moral influence. In our cases, especially producers felt they had to bare most of the costs of the partnering process. This is related to the fact that Roundtables focus on certification on production level, instead of looking at all stages of the production process and certifying every 'link' in the chain. Our analysis shows that the consequences of perceptions of an unfair distribution of costs and benefits become especially

visible in the implementation phase of the rule system. In that phase stakeholders experience whether they really gain more by complying with the rules than by continuing business as usual.

A fourth, related, legitimization problem concerns the implementation of the created rule system. The analyzed Roundtables are currently unable to get the majority of their members to comply with the standard, let alone the majority of the whole industry. Primarily, this is due to the voluntary character of private governance arrangements. Roundtables are not able to sanction member behavior to force them to comply with the established rule-system. As long as 'business as usual' is allowed, it is easier for producers as well as for buyers. It will be extremely difficult (or at least take a long time) for these Roundtables to change a whole market.

Fifth, in order to be accepted as an authoritative agent the created rule system must not only be credible for market parties, but also for other audiences. If this is not the case counter reactions are likely to develop which jeopardize the legitimization process of the arrangement as well as the credibility of individual Roundtable members. Especially companies are vulnerable to reputational damage by campaigning external NGOs, but negative campaigns form a risk to internal NGOs as well. In our cases we saw two different scenarios regarding this point. One in which internal and external NGOs seem to reinforce each other and bring the legitimization process forward (RSPO), and one in which internal and external NGOs frustrate each other and undermine the legitimization process (RTRS). Another difficulty for Roundtables is the role of consumer markets in some importing countries that, because of political ideology and context, are not (yet) ready to buy products that have extra value regarding sustainability (i.e. China).

These legitimization problems can be partly overcome by managing the process and adjusting the working methods of a Roundtable to ensure that trust and perceptions about collaborative advantage develop more positively. However, structural factors may constrain the development of the legitimization processes of these arrangements, thereby limiting the management options to enhance the creation of legitimacy.

The identification of these legitimization problems shows that taking a more practice-based approach to studying legitimacy of private multi-stakeholder governance provides additional insights that go beyond merely assessing the legitimacy of an arrangement based on normative criteria and shows how legitimization processes can be enabled or hindered by factors on an actor and on a more institutional level. These types of explanatory factors therefore add a new layer to the available theory on legitimization processes of private multi-stakeholder governance.

The findings of this article have some implications for the broader application of the Roundtable as a governance model. Currently, we see many Roundtables being initiated by Northern actors in a diverse range of commodity chains. In order to bring about sustainable change in an agricultural sector it is important to have a balanced participation of Southern and Northern actors in these Roundtables. Even if this balanced participation is secured, there are still risks in using this governance model, since structural factors influence their legitimization processes. Therefore, practitioners, including agri-food managers, should first conduct an institutional analysis of the context in which a governance initiative is meant to operate. This analysis should at least include a thorough commodity chain analysis, an analysis of regulations affecting this chain and an analysis of the nature of civil society organizations in main production areas. If

there are many potential hindering factors for the legitimization process of a Roundtable a different action strategy should be considered or these factors should be resolved.

The managerial impacts of our study mainly relate to adapting to potential hindering factors for the legitimization process of a Roundtable. Structural factors are assumed to be inalterable on the short-term and therefore managerial efforts should focus on the actor-based factors trust and collaborative advantage. These actor-based factors are not independent of structural factors. The structure of the commodity chain, the type of lead firms in the chain, governmental regulations, and the political embedding of NGOs all influence the degree of collaborative advantage for different groups of stakeholders, while trust building is primarily influenced by the type of lead firms in the chain, governmental regulations, and the political embedding of NGOs. When the institutional analysis shows that the structure of the commodity chain, the type of lead firms in the chain, governmental regulations, and the political embedding of NGOs in a specific industry are not beneficial for the legitimization process of a Roundtable, managing efforts should focus on increasing the perceived collaborative advantage for all stakeholder groups. When the analysis identifies the type of lead firms in the chain, governmental regulations, and the political embedding of NGOs as factors that could potentially have a negative influence on the legitimization process of a Roundtable—then managerial efforts should focus on increasing the level of trust between all stakeholder groups.

The research in this article is exploratory in nature and although our conclusions are empirically valid, they are based on two case studies and are therefore lack statistical validity. Future research could therefore test the results of this paper possibly in a more quantitative manner in which a larger number of Roundtable-like initiatives are analyzed, for example on the basis of survey data (a list of 18 multi-stakeholder arrangements that can possibly be studied in the agri-food sector is provided by Dentoni and Peterson 2011). From this data the proposed causal relations could be tested, which requires a quantification of the legitimacy concept for which smart indicators need to be developed. While our research has shown that Roundtables can place sustainability on the agenda of an industry and develop and implement a certification scheme, their legitimization processes can be negatively or positively influenced by different institutional settings. Further research should therefore specifically address the relative importance of individual structural factors on legitimization processes of Roundtables.

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Appendix

Interview List

| No. | RT | Interviewee | Member Category | Type and Date |
|-----|------|---|--|--|
| 1. | RSPO | Former Ethical Policy Manager, The Body Shop | EB member Retailers | Telephone interview March 30, 2009 |
| 2. | RSPO | Senior policy advisor, Oxfam- Novib | EB member Social or Development Organizations (NGOs) | Interview March 30, 2009 |
| 3. | RSPO | Consultant & Facilitator, | Facilitator | Interview April 3, 2009. |
| 4. | RTRS | Associate Director, ProForest | Facilitator | Telephone interview April 6, 2009 |
| 5. | RTRS | Outreach Manager | | Telephone interview April 7, 2009 |
| 6. | RSPO | Head of Food & Agribusiness Strategic Advisory & Research for South-East Asia, Rabobank | EB member Banks & Investors | Telephone interview April 8, 2009 |
| 7. | RSPO | Global Sustainability Director, IOI Group | EB member Palm Oil Processors & Traders | Interview April 10, 2009 |
| 8. | RTRS | Director of <i>consumer policy</i> , Coop Switzerland. | EB member Industry, Finance & Trade | Telephone interview April 14, 2009 |
| 9. | RSPO | Environmental Risk Manager, HSBC Malaysia | Banks & Investors | Telephone interview April 14, 2009 |

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|-----|--------------|---|--|--|
| 10. | RSPO | Ex-chairman, Malaysian Palm Oil Association | EB member Oil Palm Growers | Telephone interview April 17, 2009 |
| 11. | RTRS | Regional Expertise Centre Director (Argentina), Solidaridad | President Civil Society | Telephone interview April 20, 2009 |
| 12. | RSPO | Director, ProForest | Facilitator | Telephone interview April 21, 2009 |
| 13. | | Independent International Trade & Development Professional | | Telephone interview May 8, 2009 |
| 14. | RTRS | Senior Vice President Market Transformation, WWF | Civil Society | Telephone interview May 8, 2009 |
| 15. | RSPO | Head of Forest Conversion Initiative, WWF Switzerland | EB member Environmental or Nature Conservation Organizations (NGOs) | Telephone interview May 11, 2009 |
| 16. | RTRS | Purchasing Manager, Nutreco. | EB member Industry, Finance & Trade | Telephone Interview May 20, 2009 |
| 17. | RTRS | Executive director, Fundapaz | EB member Civil Society | Telephone interview May 30, 2009 |
| 18. | RSPO | Manager Marketing Refined Oils Europe, Cargill BV | Palm Oil Processors & Traders | Interview June 9, 2009. |
| 19. | RSPO RTRS | Manager Sustainable Production, Product Board Margarine, Fats & Oils (MVO) | Palm Oil Processors & Traders Industry, Finance & Trade | Telephone interview June 11, 2009 |
| 20. | RSPO | Deputy Director, Both ENDS | Social or Development Organizations (NGOs) | Telephone Interview July 23, 2009 |
| 21. | RSPO | Director Product Integrity, Ahold | Retailers | Interview July 28, 2009 |
| 22. | RSPO | Head of Program & Strategy, Wetlands International | Environmental or Nature Conservation Organizations (NGOs) | Telephone Interview August 17, 2009 |
| 23. | RSPO | Head of Food & Agribusiness Strategic Advisory & Research for South-East Asia, Rabobank | EB member Banks & Investors | Telephone Interview August 18, 2009 |
| 24. | RSPO | Global Supply Chain Director of Sustainable Agriculture, Unilever. | President Consumer Goods Manufacturers | Interview August 25, 2009 |

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|-----|--------------|---|---|--|
| 25. | RSPO RTRS | Manager Sustainable Production at Product Board Margarine, Fats & Oils (MVO). | Palm Oil Processors & Traders Industry, Finance & Trade | Interview August 28, 2009 |
| 26. | RSPO | Ex-chairman, Malaysian Palm Oil Association | EB member Oil Palm Growers | Telephone interview September, 2009 |
| 27. | | Campaigner biofuels, biomass & palm oil, Friends of the Earth Netherlands | | Interview September 2, 2009 |
| 28. | | Forest campaign leader in Indonesia, Greenpeace | | Telephone interview September 17, 2009 |
| 29. | RSPO RTRS | Global Supply Chain Director of Sustainable Agriculture, Unilever | President EB member Consumer Goods Manufacturers Industry Finance & Trade | Phone Interview February, 2009 |
| 30. | RSPO RTRS | Global Supply Chain Director of Sustainable Agriculture, Unilever | President EB member Consumer Goods Manufacturers Industry Finance & Trade | Several interviews & personal communications, March-August, 2009 |
| 31. | RTRS | Corporate Affairs Director, Bunge Brazil. President, ABIOVE | EB member | Personal Communications, March-August, 2009 |
| 32. | RTRS | | Civil Society | Informal interview, October 17, 2011 |
| 33. | RSPO | Director, Forest Peoples Program | | Phone Interview, October 26, 2011 |
| 34. | RSPO | Ex-chairman, Malaysian Palm Oil Association | EB member Oil Palm Growers | Phone Interview, November 8, 2011 |
| 35. | RSPO | Conservation Manager, PT REA | Oil Palm Growers | Informal Interview, November 23, 2011 |
| 36. | RTRS | Outreach Manager | | Personal Communications, January, 2012 |

Note. Interviews #1-24 were conducted by Jordan Nikoloyuk, interviews 25-36 were conducted by Greetje Schouten