



Bridging Global Standard Requirements and Local Farmer Needs:

Implementing Partners of the Better Cotton Initiative in Pakistan and India

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Abstract

In recent years, collaborative multi-stakeholder initiatives (MSIs) between private sector companies and civil society organizations have sought to find common solutions to sustainability challenges related to cotton, timber, and other raw materials, as well as hazardous work conditions in industries such as garments, textiles, and leather production. In this article, we contribute to the MSI literature by conceptualizing how intermediate standard implementing organizations deal with organizational tensions as street level bureaucrats, theorizing their differential capacity to navigate between two sets of competing pressures inherent to MSI standards: (1) upscaling in volume terms and maintaining the stringency of the standard; and (2) farmer capacity building and auditing approaches. Empirically, we analyze how intermediary standard implementing organizations of a particular MSI, the Better Cotton Initiative (BCI), mediate between these global sustainability standards pressures and the needs of farmers in Pakistan and India. We conclude that this process of mediating between global standards and local farmer needs results in a situation whereby BCI intermediate standard implementing organizations increasingly spend time on data gathering exercises instead of enabling farmers to comply with the standard through capacity building.

Introduction

In the last two decades, a large number of multi-stakeholder initiatives (MSIs) have come into existence (Hughes, 2001; Hughes *et al.*, 2007; Zeyen *et al.*, 2016; Fowler and Biekart, 2017). MSIs typically involve business, non-governmental actors and other stakeholders working together – usually on a transnational basis – to find solutions to global sustainability challenges (Utting, 2002; Cheyns and Riisgaard, 2014). Since the 1990s, MSIs have proliferated in a wide range of contexts, industries and sectors, involving, for instance, the certification of factories/farms engaged in food and textiles production and the monitoring of oil and gas facilities (MSI Integrity, 2017).

MSIs have been recognized for their potential to widen stakeholder inclusion and incorporate a great diversity of interests in regulatory processes (Dolan and Opondo, 2005). However, they have also been criticized for having exclusionary effects due to embedded power inequalities, as well as through favoring of some forms of knowledge and engagement over others (Cheyns and Riisgaard, 2014). Significant attention has thus been paid to whether MSIs have lived up to their potential, i.e. whether they constitute more democratic, legitimate, and participatory forms of international rule-making in the labour and environmental realms (Edmunds and Wollenberg, 2001; Bauman-Pauly *et al.*, 2017). A closely related literature has explored whether MSI standard systems have achieved their intended impacts in terms of better working conditions for those labouring on farms and in factories, and reduced environmental pollution at these production locations (O'Rourke, 2006; Costa, 2013). Critical voices in the debate have honed in on how these MSIs tend to be Northern-driven and dominated by retailer/brand concerns, while limiting the recognition of 'Southern' voices in multistakeholder processes (Cheyns, 2011; Ponte and Cheyns, 2013; Cheyns, 2014).

In this article, we explore the centrality of a particular set of 'Southern' actors – namely MSI standard implementing organizations – in bridging global sustainability pressures and the needs of farmers in Pakistan and India. In doing so, we contribute to an emerging literature that explores how more abstract ideas in sustainability standards are modified, appropriated, and reworked by local implementing agents in line with the needs of institutional pressures and end users (Espach, 2006; Ponte, 2008; Blowfield and Dolan, 2008; Riisgaard, 2009). This literature contains insights on how sustainability standards impact local implementation staff, the social and political

strategies of program administrators, how they interpret capacity building measures, and their perceptions of particular sustainability criteria as being culturally alien. For instance, Malets (2013) uses the notion of ‘translation’ to describe how innovations in organizational practices and systems are never simply adopted by system users. Instead “actors who translate ideas recombine new, externally given elements and old, locally given ones” (Malets, 2013, p.303; see also Herrigel, 2010; Zeitlin and Herrigel, 2011). From this point of view, there will never be simple correspondence between the original one-way communication model envisaged in communication studies and the ways in which sustainability standards are actually translated into on-the-ground practice (see also Hughes *et al.*, 2014; Puppim de Oliveira and Fortes, 2014).¹

Our article thus makes two distinct contributions to the sustainability standards literature. In theoretical terms, we conceptualize how local intermediary standard implementing organization bridge global sustainability standard pressures and the needs of end users by drawing on insights from organization theory (on organizational tensions) and public administration (the concept of street-level bureaucracy). These leads us to theorize their role in MSIs as related to their differential capacity to navigate competing standard pressures in their interaction with farmers as they are faced with organizational dilemmas (1) between scaling up and maintaining standard stringency and (2) between capacity building and auditing approaches.

In empirical terms, our article contributes to the sustainability standards literature by analyzing how the implementing partners of the Better Cotton Initiative, a global sustainability standard system, face organizational tensions of having to satisfy both centrally defined standard requirements and the key interests and concerns of local farmers in Pakistan and India. We argue that this process of mediating between global standards and local farmer needs results in a situation whereby BCI intermediate standard implementing organizations increasingly spend time on data

¹ In a related literature, the international development aid literature, authors such as Mosse (2004) have argued that ‘good’ development policies which legitimize and maintain political support are hard to straightforwardly implement in developing countries. Instead implementation is driven by multi-layered, complex sets of relationships and the culture of development organizations, leading to unintended outcomes, thereby problematizing a rational planning approach which assumes a linear and causal relationship between policy, implementation and effects.

gathering exercises instead of enabling farmers to comply with the standard through capacity building.

We focus on Pakistan and India because South Asia is an important production region for the BCI involving 538,522 better cotton farmers (34 percent of BCI farmers globally), 1,136,000 hectares under better cotton cultivation (33% of global BCI land coverage), and 725,000 metric tons of better cotton produced (29 percent of global BCI production) in the 2015-2016 growing season (BCI, 2017a, p. 18). The region also has a high dependency on cotton production for employment.² In turn, Pakistan and India account for 98 percent of cotton production in South Asia.³

We draw primarily on 52 interviews with the BCI's headquarters (7) and local offices in India (2) and Pakistan (3), donor agencies (3), 10 BCI IPs including top management, field level staff in different production regions, and those responsible for BCI engagement (33), as well as third party auditors (4) concerning their interpretation of the BCI standard implementation process.⁴ Within Pakistan and India, we studied all the 10 IPs of the BCI active in the states of Punjab and Gujarat (India) and the provinces of Sindh and Punjab, Pakistan. The interviews focused on the organizational background and histories of the IPs, their interaction with the BCI, farmers, and workers, as well as their approaches to contextualizing the capacity building and assurance approaches of the BCI within their particular localities. All of the interviews were recorded digitally. On average interviews lasted one and a half hour. In instances where interviewees did not permit interviews being digitally recorded, we took detailed interview notes and sent them back to the interviewees for their review and feedback. Subsequently, all interviews underwent full transcription with the help of research assistants. Moreover, we also undertook a review of the website of the IPs and the BCI, downloading the publicly available information about the

² According to the International Cotton Advisory Committee (2017), the number of cotton growers in Pakistan is estimated to be 1.3-1.8 million farmers whereas the number of cotton growers in India is thought to be 5.8-7.7 million farmers.

³ India is the world's leading producer at 27,000,000 x 480lb. bales and Pakistan the fourth leading producer at 8,250,000 x 480lb. bales a year (Index Mundi, 2017).

⁴ These interviews, in turn, are part of a much wider research effort in which we undertook 240 farmer and worker interviews in Pakistan (Punjab and Sindh provinces) and 360 interviews with farmers and workers in India (Punjab and Gujarat states) in 2015. In these interviews, we mainly focused on the effects of the BCI standard system on farmer incomes, work, and environmental conditions of cotton farmers and on-farm workers. In order to understand how the BCI operated in both countries, we also interviewed several supply chain actors including garment factories, fabric mills, spinners, and ginneries in the four provinces/states investigated.

standard system, its operations in India and Pakistan, and particularly its work with IPs in both countries.

As part of the data analysis, open and axial coding procedures (Strauss and Corbin 1998) were developed. Interviewee transcripts were read and coded with a view to identifying similarities and differences in interviewees' perceptions of the capacity building and assurance components of the BCI standard system. Through this iterative process of coding interview transcripts four categories emerged: upscaling, stringency of standard, capacity building and auditing. A detailed review of these categories indicated that interviewees perceived these as trade-offs which led to the subsequent structuring of the empirical analysis section according to the 'upscaling vs. stringency of standard' and 'capacity building vs. auditing' dilemmas. These were then given theoretical interpretation through a close reading of the literatures related to street level bureaucracy, organizational tensions, and resource dependency. The draft article was shared with actors in the BCI network such as the Geneva, Lahore, and New Delhi-based BCI secretariat, the IDH, WWF-Pakistan, and IKEA that provided detailed written feedback which helped to ensure the factual accuracy of the article and test our interpretations against practitioner views.

Our article is structured as follows. First, we introduce the BCI and its IPs in India and Pakistan. The second section of the article details our theoretical framework wherein we conceptualize the role of intermediary standard implementing organizations facing organizational tensions as street-level bureaucracies that have differential capacities to navigate between global standard pressures and local level demands from end users (farmers). In our empirical analysis, we use this theoretical framework to analyze how the BCI's IPs navigate between the competing standard pressures that they are charged with implementing, highlighting that corporate foundations⁵ appear to be better placed to deal with these tensions than NGOs or private sector suppliers. Finally, the conclusion outlines our main findings and the research and policy implications flowing from our analysis.

⁵ A corporate foundation is here defined as a charitable foundation that channels the distribution of a firm's profits into non-profit activities.

The BCI and its Implementing Partners in South Asia

The BCI is an MSI consisting of retailers/brands, producer organizations, suppliers and manufacturers of cotton-based products (garment manufacturers, fabric mills, spinners, ginners, traders, and institutions financially supporting these organizations), civil society organizations, and associate members (any organization with an interest in sustainable cotton that does not fit into the above categories). The mission of the organization is to “make global cotton better for the people who produce it, better for the environment it grows in, and better for the sector’s future by developing Better Cotton as a sustainable mainstream commodity” (BCI, 2017a). By 2020, this objective is to be reached by ensuring that 30 percent of global cotton production is Better Cotton and that five million farmers are engaged in Better Cotton production (BCI, 2013a). As of 28 February 2017, the BCI had 1060 members including 73 retailers and brands, 32 producer organizations, 912 suppliers and manufacturers, 33 civil society organizations, and 10 associate members (BCI, 2017b). The BCI standard system consists of six main components encompassing key production principles and criteria, a farmer capacity building program, an assurance program, chain of custody guidelines, a claims framework, and a results and impact component (BCI, 2017a). The BCI, in turn, is committed to six production principles which participating farmers must adhere to regarding crop protection, water efficiency, soil health, natural habitat, fibre quality, and decent work⁶. Limitations of space do not permit us to investigate how all relevant aspects of the BCI standard system are operationalized in Pakistan and India. Instead we concentrate on two central aspects – the BCI’s capacity building and assurance system approaches – wherein the IPs are centrally involved in actualizing the BCI standard system in South Asia.⁷

If we look at the BCI in India and Pakistan, the starting point for BCI’s involvement in both countries after the organization opened offices in 2010 was slightly different. India had a pre-existing history of sustainable cotton standard systems such as fairtrade cotton and organic cotton in addition to local variants such as Non-Pesticide Management and Low External Input Sustainable Agriculture, and Responsible Environment Enhanced Livelihoods. In other words, there was a diverse sustainable cotton standard landscape and a variety of potential IPs at the

⁶ These principles and their associated criteria are described in the document “Better Cotton Production Principles and Criteria Explained” (BCI, 2013b).

⁷ The other aspects of the standard system include the BCI production principles and criteria, the BCI’s chain of custody program (i.e. the traceability system), the BCI’s Claims Framework, and Results and Impacts.

national and state levels to approach when the BCI established a local presence. Some Indian IPs reported that they had experimented with organic cotton farming, but that it had largely failed due to its inability to generate sufficient demand from the mainstream market, falling yields, and decreased income for farmers. They therefore welcomed the introduction of the BCI standard which came with a promise of better market uptake and of being less difficult for farmers to comply with. However, in Pakistan prior to 2010, fairtrade cotton farming had been close to non-existent and experience with organic cotton farming was very limited, although a partnership between WWF and IKEA had experimented with the introduction of better management practices in cotton since 2006. As such, sustainable cotton production only seemed to become more widespread with the introduction of the BCI.

Table 1 contains an overview of the BCI IPs present in Pakistan (Punjab and Sindh) and India (Punjab and Gujarat) in 2014-15, demonstrating that there are both similarities and differences in the characteristics of IPs in Pakistan and India.

Table 1: An overview of the BCI's Implementing Partners in Sindh and Punjab, Pakistan and Punjab and Gujarat, India in 2014-15

Project Number	Country	State	IP	Status of IP	Local partner	Status of LP	# BC Farmers	District
1	India	Punjab	WWF	International NGO	Revival of Green Revolution (RGR)	NGO	6374	Bathinda/Mansa /Muksar/Fazilka
2	India	Punjab	Trident	Private Sector Firm	None	N/A	14773	Bathinda/Mansa /Muksar/Faridkot
3	India	Punjab	ACF	Corporate Foundation	None	N/A	2722	Bathinda
4	India	Gujarat	Solidaridad	International NGO	Agrocel	Supplier	2550	Surendranagar
5	India	Gujarat	ACF	Corporate Foundation	None	N/A	2733	Junagarh
6	India	Gujarat	Cotton Connect	Private Sector Firm	AKRSPI	NGO	3405	Rajkot
7	India	Gujarat	Cotton Connect	Private Sector Firm	YKM	NGO	1863	Patan
8	India	Gujarat	Cotton Connect	Private Sector Firm	SIPL	Supplier	3460	Surendranagar
9	India	Gujarat	AFPRO	NGO	None	N/A	11183	Surendranagar & Rajkot
10	India	Gujarat	AFPRO	NGO	None	N/A	3402	Rajkot
11	India	Gujarat	Arvind	Private Sector Firm	None	N/A	3601	Tapi
12	Pakistan	Punjab	WWF	International NGO	None	N/A	N/A	Toba Tek Singh, Jhang, Bhawalpur, Rahimyar Khan
13	Pakistan	Punjab	Lok Sanjh	NGO	None	N/A	N/A	Toba Tek Singh, Jhang
14	Pakistan	Sindh	WWF	International NGO	None	N/A	N/A	Sukkur, Ghotki, Khairpur
15	Pakistan	Sindh	CABI	Nonprofit organization	None	N/A	N/A	N/A

Source: authors own compilation based on internal BCI Data. All organizations were recipients of funds from the Better Cotton Fasttrack Program.

In both countries, international and local NGOs function as IPs. These include the local branches of international NGOs such as WWF (in Pakistan and India) and CABI (in Pakistan). We also find local NGOs such as AFPRO (in India) and Lok Sanjh (in Pakistan) taking on the role of IPs and being directly responsible for project implementation. However, in India, we also have international actors – one NGO (Solidaridad) and a private sector firm (Cotton Connect) – functioning as IPs that work through so-called Local Partners that are responsible for actual project implementation. Solidaridad is thus working with the local supplier, Agrocel, while CottonConnect is working with the local supplier, Spectrum International, and two NGOs (Aga Khan Rural Support Program and YK) as Local Partners. In India, unlike in Pakistan, we also find a corporate foundation, the Ambuja Cement Foundation, working as an IP. Moreover, the concept of Local Partners is not used in Pakistan, where there are also no IPs that are corporate actors. In short, we can divide BCI IPs into three broad categories: private sector suppliers to international firms, NGOs, and corporate foundations.

During the time of our fieldwork in 2014 and 2015, IP projects were financed through the so-called Better Cotton Fast Track Program (BCFTP). While the BCI capacity building and assurance program were managed by the BCI secretariat itself, actual fund management was undertaken by the Dutch Sustainable Trade Initiative (IDH). It was conceived as a close collaboration between BCI and IDH, with BCI bringing in its cotton expertise and the IDH its program and strategic positioning *vis-à-vis* international donors and brands to accelerate BCI's growth and impact. The BCFTP worked with a coalition of ten apparel brands committed to procuring 100% sustainable fibre in the future and was based on 1:1 matched support by the public funders – such as Rabobank Foundation, Farmer Support Programme (Solidaridad), ICCO and IDH – to financial contributions from the apparel brands to the program. For enabling a public-private partnership that aims to upscale and accelerate the sustainable production of cotton, IDH delivered for BCFTP a threefold role of convening, sharing learning and co-funding of BCI projects.

Theorizing the role of intermediary standard implementing organizations as street-level bureaucracies

Street Level Bureaucracy

How are more abstract ideas in sustainability standards modified, appropriated, and reworked in line with institutional pressures and the needs of end users? We suggest that it may be useful to hone in on the role played by intermediary standard implementing organizations that form part of MSIs. We here build on the work of Lipsky (1980, 2010), whose book *Street-Level Bureaucracy* highlighted how public service workers become de-facto policy decision-makers. Since its original publication, the notion of street level bureaucracy has been used widely in policy, NGO, management, and organization studies to illustrate how street-level bureaucrats exercise considerable discretion in interpreting centrally defined policy objectives, navigating between their stated intentions and the needs of end users. This has been documented, for instance, through studies of responses to performance measurement, street level discretion under contracting out arrangements, labor inspectorates, and environmental law enforcement (Piore and Schrank 2008; Brodtkin 2012; Zhan 2014).

Lipsky points out how street-level bureaucrats such as social workers, policemen and hospital staff tend to be the faces of public policy that met end users such as elderly people in need of social care, victims of crime, patients in hospitals and so on. Street-level bureaucrats often have to deal with huge caseloads, conflicting public policy goals and underfinanced public programs and yet, at the same time, they have considerable discretionary authority in interpreting and operationalizing centrally-defined policy directives. This can often lead to situations in which there is considerable discrepancy between official central policies in theory and on-the-ground street-level practice.

However, the literature on street-level bureaucracy has so far not been directly related to the sustainability standards literature, particular the question of how abstract ideas in such standards might be modified, appropriated, and reworked in line with institutional pressures and the needs of end users. Here we suggest that the literature on organizational tensions offer useful insights into this puzzle. It emphasizes that organizations are inherently full of tensions such as flexibility versus control, autocracy versus democracy, global vs. local, and social versus financial (Calton and Payne, 2003). The literature distinguishes between two theoretical approaches to handling such tensions: contingency and paradox theory (Lewis and Smith, 2014). First, contingency theory

seeks to answer the question, “Under what conditions should managers emphasize either A or B?” In this perspective, organizational tensions are perceived of as problems in need of solutions. Here organizations should try to secure a fit between managerial decisions such as organizational design and contingencies such as strategy, task, and environment. Contingency researchers weigh up the pros and cons of opposing choices, assess needs in the current context, and select the option that offers that greatest fit. Organizational tensions are then solved for instance by zooming in on ‘when and where to focus on each strategy separately’ (Smith and Lewis, 2011).

By contrast, a paradox perspective poses the question of “how managers can engage A and B simultaneously?”. It accepts the inevitability of organizational tensions and advocates that these should co-exist rather than be solved through fit. Organizational actors are encouraged to live and thrive with tensions, adopting a both/and mindset that focuses on ‘working through’ them in ways open synergistic possibilities for coping with their influence on organizational life (Calton and Payne, 2003). As Lewis and Smith (2014) argues, paradox theory advocates the identification of *focal* paradoxes (defined as “contradictory yet interrelated elements that exist simultaneously and persist over time”); *actor responses* to organizational tensions (defensive that seek to avoid or reduce the negative impacts of tensions or strategic that engage competing forces); *ideal outcomes* (embracing tensions in ways that enable peak performance in a sustained way); and the nature of the *interrelationship* of organizational tensions. Here vicious cycles involve defensive reactions emphasizing one pole at the expense of the other, fueling a downwards spiral in performance or virtuous cycles where accepting paradox sparks learning and creativity that fuel organizational synergies (Spektor et al, 2011).

From this point of view, intermediary standard implementing organizations may – as street-level bureaucracies – be thought of as having to navigate between differential organization tensions. On the one hand, they are supposed to be helping end users – farmers in this case – taking into account their particular needs and priorities. On the other hand, the need for human responsive responsiveness in relation to farmer needs may be undermined by cost-cutting measures, the adoption of formalized systems of data gathering, and documenting performance in ways that favor factory-style mass processing of client interaction. The risk is that policy implementation takes on unintended directions that undermine end users’ (i.e. farmers’) legitimate expectations of being served in accordance with their particular needs and circumstances.

Drawing on the earlier work of Riisgaard *et al.* (2017) we identify two dilemmas which intermediary standard implementing organizations can handle from either a contingency or a paradox theory perspective in their interaction with end users (farmers).⁸ The first of these can be described as the ‘scaling up’ vs. ‘stringency of standard’ dilemma. Here the key argument is that an inherent trade-off may exist between the stringency of the principles of sustainable production and the size of the standard program (e.g. Ingenbleek and Meulenberg 2006; Macdonald 2007). In other words, if standard-setting MSIs are relatively stringent, it may be more time-consuming, costly, and technically challenging for (especially smallholder) farmers to comply with standard requirements. At the same time, however, retailers and brands tend to be concerned with selling their goods in mass consumer markets where price, volumes, and the number of farmers involved in standard initiatives matter, leading them to be less concerned with ensuring the stringency of standard requirements (Riisgaard 2011). In such circumstances, intermediary standard implementing organizations may therefore have to develop the size of their projects quickly in order to satisfy the demands from retailers and brands for increased volumes of sustainable commodity production, thereby compromising their ability to implement the standard in a stringent fashion.

The second dilemma that intermediary standard implementing organizations are faced with can be described as the ‘capacity building’ vs. ‘auditing’ dilemma. On the one hand, capacity building of farmers may often be required in order for MSI standards to be effectively implemented, meaning that implementing organizations must enable farmers to gain greater control and awareness of their own production methods, save costs, improve productivity, reduce the use of harmful pesticides, and ensure better conditions for on-farm workers. Capacity building of this kind is about IPs trusting in the ability of farmers, and giving them ‘power to’ improve their own livelihoods. However, in order to retain credibility in the eyes of their funders and brands, MSIs are also required to monitor farmers with the aim of ensuring that only farmers that comply with the standard are given a certificate or licensed under the standard. Hence, this often leads to auditing

⁸ In an earlier article, some of the authors of this article identified a third sustainability standard dilemma which was called ‘stakeholder inclusion vs. process efficiency’. This relates mainly to international level negotiations in MSIs and not field level implementation. Hence, it is not included in this paper.

of farmer behaviour – and exercising ‘power over’ the farmers – to determine which farmers can be accredited. As street-level bureaucracies, intermediary MSI standard implementing organizations are thus asked to navigate between different competing policy objectives (capacity building vs. auditing) which may reduce their ability to implement the standard in line with officially stipulated requirements.

However, we also recognize that MSIs may choose between adopting what Kolk and Tulder (2004) call global ethical and multi-dimensional ethical strategies in dealing with the ‘capacity building’ vs. ‘auditing’ dilemma. Originally, Kolk and Tulder (2004) argued that international buyers could use a global ethical strategy to implement corporate codes of conduct in relation to their suppliers, reflecting ‘universal’ moral standards and human resource management practices. In other words, the same ethical requirements could be applied everywhere, regardless of the context of implementation. International buyers could also use a multi-dimensional ethical strategy, however, which delimits a more relativist view of the ethical challenges arising in global production systems. Here, a more context-sensitive, situation-specific and tailor-made approach is used to address ethical dilemmas.

We contend that the same logic can be used in relation to the ‘capacity building’ vs. ‘auditing dilemma’ facing intermediary standard implementing organizations. In fact, auditing is likely to reflect a global ethical strategy where auditing requirements may universally apply regardless of the setting in which these farmers are embedded. Capacity building requirements are, however, likely to be more flexible so that training approaches can be adapted to suit the specific requirements of farmers in diverse contexts in line with a multi-dimensional ethical strategy. Hence, we would expect intermediary standard implementing organizations to have greater room for contextualizing capacity building interventions. In practice, intermediary standard implementing organizations are likely to use a mixture of a global ethical and a multi-dimensional ethical strategy. The auditing requirement could lead these organizations to demonstrate upwards accountability towards MSIs and their funders but downwards accountability towards farmers may simultaneously be strengthened as they seek to abide by the capacity building requirement.

Differential capacity of intermediary standard implementing organizations

We argue that the ability of intermediary standard implementing organizations to navigate between these competing standard requirements may be linked to the street-level bureaucracy that each intermediary standard implementing organization can be seen as representing. In the case of the BCI, IPs are variously private sector suppliers, corporate foundations, and NGOs. Table 2 below provides a more detailed overview of the profile of each organization.

Table 2: Implementing Partner profiles 2014-2015 BCI growing season

Country	State	IP	Project Start	IP Profile
India	Punjab	WWF	2012	WWF-India works to stop the degradation of the planet's natural environment and build a future in which humans live in harmony with nature, by conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption. Established by the corporate Sri Ratan Tata and Navajbai Ratan Trusts the Reviving the Green Evolution (RGR) programme is the local partner of WWF.
India	Punjab	Trident	2011	Trident is one of the largest, state-of-the-art, integrated home textile manufacturers in the world with a strong sustainability profile. It is also a key supplier to IKEA.
India	Punjab	ACF	2010	The Ambuja Cement Foundation is the corporate social responsibility wing of the Ambuja Cements Ltd. Company. The Foundation works with rural communities surrounding the company's production plants with a view to improving its community relations.
India	Gujarat	ACF	2010	In Gujarat, the Ambuja Cement Foundation has another BCI project in line with its country-wide policy of working with rural communities that reside in the vicinity of the production
India	Gujarat	Solidaridad	2010	Solidaridad, a Dutch-based NGO, focuses on producer support and sustainable supply chain and market development. Its local partner, the Agro-service Division of Agrocel Industries Ltd, is part of the fairtrade and organic farming movements, assisting small and marginal farmers by handling output marketing, adding value for both main and rotational crops.
India	Gujarat	Cotton Connect	2011/12	CottonConnect assists brands in creating more sustainable cotton supply chains. It has two local partners: (a) Spectrum International Pvt that works with the production and trade of sustainable fibers/textiles; and (b) the Agha Khan Rural Support Program, an international NGO, which helps marginalized communities through community-based approaches to natural resource management.
India	Gujarat	AFPRO	2012	Action for Food Production, AFPRO, is an NGO that strives to enhance livelihoods and quality of life of rural and marginalized communities through the management of natural resources.
India	Gujarat	Arvind	2010	Arvind - textiles manufacturer/flagship company of the Lalbhai Group - is one of the largest exporters of denim in the world. As a major consumer of cotton, Arvind focuses on making this key resource more eco-friendly and sustainable, ensuring that cotton is cultivated so that farmers and Arvind's customers reap the maximum benefits from this crop without damaging the environment.
Pakistan	Punjab	Lok Sanjh	2014	Lok Sanjh is a non-profit, non-governmental organization working with the rural communities particularly with women farmers in Pakistan. The Lok Sanjh promotes strategies for socially and environmentally sound agriculture through focused research, policy advice and advocacy.

Pakistan	Punjab	WWF	2010	WWF-Pakistan aims to conserve nature and ecological processes by (a) preserving genetic, species, and ecosystem diversity; (b) ensuring that the use of renewable natural resources is sustainable, both now and in the longer term; and (c) promoting action to reduce pollution and the wasteful exploitation and consumption of resources and energy.
Pakistan	Sindh	WWF	2010	Supervised through the WWF’s office in Rahim Yar Khan in Southern Punjab province, the project has developed linkages with a local ILO-sponsored project aimed at combating child labor in the area given that WWF-Pakistan is primarily an environmental NGO.
Pakistan	Sindh	CABI	2014	Centre for Agriculture and Biosciences International is an international not-for-profit organization that aims to improve people’s lives worldwide by providing information and applying scientific expertise to solve problems in agriculture and the environment.

Source: IP websites accessed 31 May and 1 June 2017.

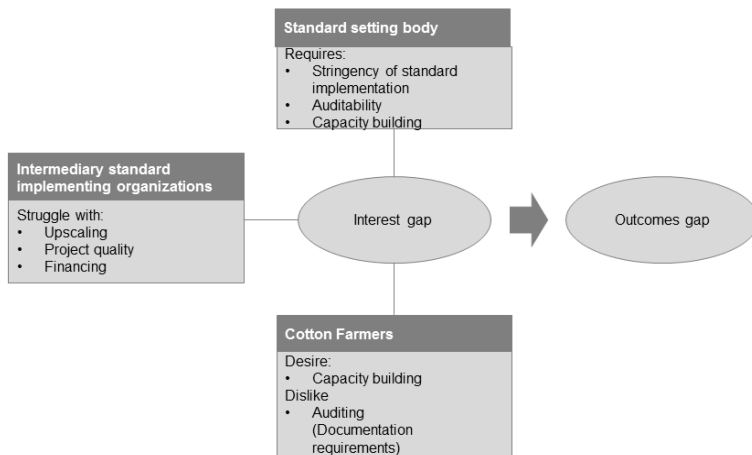
BCI IPs face the common challenge of having to navigate between competing standard system requirements. However, the three categories of IPs (NGOs, corporate foundations, and private sector suppliers) may have varying capacities to deal with these standard dilemmas. In this regard, a key factor in determining the ability of intermediary standard implementing organizations to bridge global standard requirements and the needs of end users is the *relative financial dependence* of intermediary standard implementing organizations on donor funding. Funding is a crucial factor to the functioning of IPs as they cannot implement or sustain BCI projects without internal or external financial support.

We here draw upon resource dependency theory which stipulates that organizations are controlled by actors in their external environment to some extent (Pfeffer and Salancik, 2003). In fact, for their functioning, organizations depend upon resource exchange relationships; in the case of IPs, BCI funding resources in exchange for project implementation. In the literature on donor funding to NGOs it has long been recognized that overreliance on external funding can threaten their autonomy and legitimacy, exposing them to the possibility of resource dependence and external control. Just like private companies, NGOs are part of markets for resources, requiring them to not only have normative but also instrumental concerns in order to ensure organizational survival through resource acquisition (Mitchell, 2014). In relation to intermediary standard implementing organizations, we can quote Mitchell (p. 71) who states that “the marketization of the external environment and the use of short term contracts may cause NGOs (here: intermediary standard implementing organizations) to adopt business orientations to compete more effectively against for-profit contractors, transforming NGOs into *de facto* businesses driven by excessive competition to neglect their missions in the pursuit of financial security.” In fact, in addition to their role as street-level bureaucracies, intermediary standard implementing organizations can be understood as contractors that compete in a market for sustainability standard projects. However, their level of financial dependence on sustainability standard projects tends to differ according to their organizational type.

Resource dependency theory thus distinguishes between the *criticality* and *scarcity* of various resources that organizations need for their survival (e.g. funding, supply inputs, manpower etc.) (Hatch and Cunliffe, 2012). Thus here we distinguish between different types of intermediary standard implementing organizations depending upon how critical and scarce donor funding is for

their functioning and survival. NGOs that primarily rely upon funding from international donors are likely to have very few incentives to openly contest sustainability standard requirements. In fact, donor funding here constitutes a critical resource for their organizational survival (as project-tied funding sometimes constitutes up to 85% of the annual budget of NGOs that we study here), and it is also a scarce resource as they are competing with other intermediary standard implementing organizations that wish to attract funding from the same sources. However, for corporate foundations that receive 50-60% of their funding from their parent company (as is the case in this study), donor funding constitutes a less critical and scarce resource for these foundations for organizational survival although such foundations also remain dependent on the parent company. Finally, assuming that private sector suppliers run profitable operations, they can co-finance their projects so here – at least in theory – donor funding is even less likely to be a critical and scarce resource that influences how they navigate between competing standard requirements. For instance, the IDH/BCI (2014, p. 7) reports that IP contributions to total project costs increased from 6% in 2011 to a projected share of 27% in 2014 as some of the BCI’s textile supply chain partners decided to invest directly in field projects to create a supply of Better Cotton that these IPs could transact in. Figure 1 provides an illustration of these interest and outcomes gaps.

Figure 1: Intermediary standard implementing organizations - interest and outcome gaps



If we summarize our discussion of the organizational and financial capacities of different types of IPs, it would appear that private sector suppliers are less financially vulnerable on international donor funding than NGOs in their role as street-level bureaucracies (although they remain vulnerable in relation to their financial bottomline). Private sector suppliers tend to generate their own funds and may therefore be better structurally placed to scale-up projects; i.e. carrying the expenses related to adding more farmers to a given project. However, they may be less well placed to ensure the stringency of standard implementation as their incentives for joining the BCI as IPs are often linked to improving their marketing efforts in relation to their customers. Hence, private sector suppliers may be engaged in farmer capacity building, but may lack the social sector experience of NGOs necessary to undertake this task effectively. Clearly, NGO IPs are likely to be more financially vulnerable in relation to international donor funding than private sector suppliers. As NGOs upscale their projects in a relatively short time period with the help of BCFTP resources, these projects may collapse upon the expiry of this funding. Hence, project quality is not only likely to suffer – in some cases NGO-run projects may be terminated altogether. Corporate foundation IPs appear to combine the characteristics of the two other street-level bureaucracy types. They may embody a commitment to social and community development work and sustainable agriculture and have the financial strength to at least partly sustain BCI projects without financial support from international funders although they are likely to still depend financially on support from the parent company.

Table 3 provides an overview of the potential strengths and weaknesses in balancing the different standard requirements of the BCI. However, it is important to note that while Table 3 contains an overview of the *potential* ability of different types of IPs to navigate between the various standard requirements that IPs are exposed to, their actual ability will depend upon the interaction between individual street-level bureaucrats employed in NGOs, private sector suppliers, and corporate foundations and the organizational structure within which they operate. Some street-level bureaucrats are likely to be very talented, strongly motivated and committed to the BCI standard system whereas others are not. Hence, it is difficult to generalize about the ability of BCI IPs to handle these standard requirements simultaneously.

Table 3: Comparison of BCI Implementing Partners

	Organizational capacity to address challenges around		
	Upscaling	Quality	Financing
Private Sector Suppliers	√		√
NGOs	√	√	
Corporate Foundations	√	√	√

In the next section of the article, we first outline the BCI’s capacity building and assurance programs in greater detail before analyzing how the BCI’s IPs seek to navigate between these competing standard requirements, and the implications of this negotiation process for sustainability standard implementation on the ground in India and Pakistan.

Competing standard requirements in the BCI: the capacity building and assurance programmes

The capacity building programme is delivered through IPs to enable farmers to adopt practices consistent with the Better Cotton Production Principles. Farmer capacity building, instead of simply checking outcomes through certification, is intended to provide BCI with greater confidence in the credibility of implementation and positively influence the number of farmers who earn a Better Cotton License. The BCI’s capacity building approach is summarized in Figure 2.

Figure 2: The BCI's capacity building programme

- **IPs** are organizations interested in working with cotton farmers to enable them to grow and sell Better Cotton. They are linked to BCI through a specific contract (i.e. Implementation Partnership Agreement).
- There are **no restrictions on the type of organizations** that can be IPs (whether NGOs, producer organizations, inter-governmental organizations, traders, ginners or a government institution). As the BCI does not train farmers directly, experienced and efficient IPs are crucial for its success.
- To enable **increased capacity and the credibility** of the BCI, IPs carry out a number of activities: (a) a consistent **endorsement process** of partners before implementation; (b) a **train-the-trainer program** for IPs on how to grow Better Cotton; (c) regular **monitoring** of IP performance during implementation; (d) and fostering **learning** between IP through the **sharing of best practices**.
- IPs develop **national guidance material** in **every country** growing Better Cotton in order to give to **farmers advice, information and clarity** on how to best achieve the production **principles and criteria** in that national context. This material is critical, as the BCI has developed a **globally applicable definition** of Better Cotton.

The Better Cotton Assurance Programme is intended to involve participating farmers in a repeated cycle of learning and improvement and helping to instill public confidence in the standard system through external assessment. It is also the central mechanism for assessing whether farmers can grow and sell Better Cotton (BCI, 2017c). Figure 3 summarizes the key characteristics of the BCI's assurance programme.

Figure 3: The BCI Assurance Programme

- Farms are differentiated as a) **smallholders**, b) **medium farms** and c) **large farms** as they have different production methods and use different workforces.
- Smallholders and medium farms are grouped into **Producer Units**. Smallholders are further organized into **Learning Groups**. Large farms go through the assurance process on an individual basis.
- In order to be licensed to grow Better Cotton a set of **Minimum Requirements** must be reached by all farmers including minimum production criteria, management criteria and reporting on results indicators. These aim to ensure that Better Cotton meets clearly defined standards for pesticide use, water management, decent work, record keeping, training and other factors.
- Farmers are encouraged to develop further through **Improvement Requirements** that are measured through a questionnaire. Farmers receive a score based on their answers. Their results are presented in performance bands for each farmer category. High scoring farmers are rewarded through extended Better Cotton license periods. The better the score, the longer the license.
- The Minimum and Improvement Requirements together constitute the **Better Cotton Performance Scale**. A different scale is proposed for each category of farmers as the requirements to grow Better Cotton differs per category of farmers.
- The credibility of the Assurance Program is based on a number of complementary mechanisms: **Self-assessment** at Producer Unit level (for smallholders and medium farms) or individual level for large farms, **2nd Party Credibility Checks** (by the BCI and/or partners) and **3rd Party verification** (by independent verifiers).

Hence, while the capacity building programme has some general prescriptions such as the use of learning groups (and their recommended size), the use of field facilitators, and lead farmers (BCI, 2017c), the assurance program has much more detailed prescriptions that the different actors need to follow. These actors include the BCI assurance team of the BCI secretariat in Geneva, the BCI country managers, and independent 3rd party verifiers. For instance, IPs use internal control through 2nd party auditing to prepare the producer units for verification and licensing and submit reports to BCI. Producer units must then maintain an internal management system, conducting internal assessment which forms the basis for their self-assessment.

Applying the BCI capacity building and assurance programmes: the role of IPs as street-level bureaucracies

Navigating upscaling vs. stringency of standard pressures

The performance pressures faced by BCI IPs resembled those described by Lipsky (1980) where street level bureaucrats have to deal with large caseloads (i.e. upscaling in terms of more farmers in each project). This was explained by a person in an international funding agency that was closely involved in the assessment and allocation of BCFTP funds to different IPs:

“Interviewer: So your performance measures/funding criteria...they are very quantitative in nature like building Better Cotton production capacity by counting the quantity of cotton produced or the number of farmer involved in projects, the number of hectares number covered in projects...?”

Interviewee: Correct. The number of farmers, the number of hectares. We were looking at getting to certain scale in a country. So if you look at India, for example...so two years ago there was only 90,000 metric tons of Better Cotton and there was huge supply-demand imbalance. So there was a very strategically focused direction to drive capacity creation in India. So last season it went to 90 to 210 (thousand metric tons). This season it will be 400 (thousand metric tons).” (International Funding Agency Representative)

However, as street level bureaucrats, the IPs had to handle ever larger caseloads (in terms of farmers) in a context of ever limited financial resources. Hence, according to the BCFTP annual report of 2014 (IDH/BCI 2014), cost efficiency, measured as capacity building cost per metric ton of Better Cotton produced, reduced globally from EUR 44,86 in 2010 to EUR 9,3 in 2014 while it decreased from EUR 109,82 to EUR 13,26 in India and from 11,46 to 3.62 in Pakistan. Table 4 below illustrates how caseloads increase while financial resources for training of farmers decreased.

Table 4: Upscaling (no. of farmers) and cost efficiency (EUR per metric ton of cotton lint)

	2010	2011	2012	2013	2014
India – No. of Farmers	12000	34000	76000	113000	200000
Pakistan – No. of Farmers	12000	43700	59000	46000	102000
India-Euro-Metric Lint	109.82	N/A	N/A	N/A	13.62
Pakistan – Euro-Metric Lint	11.46	N/A	N/A	N/A	3.62

Source: Authors' adaptation from IDH/IDH 2014.

As Lipsky (2010) illustrates in his work, the risk is that policy implementation (here: standard implementation) takes on unintended directions when street level bureaucrats need to navigate between mutually contradictory policy goals (i.e. upscaling and cost efficiency). This was expressed by several IPs, illustrated in the following quotation from an NGO IP from Pakistan:

“Yes, we have budgetary issues. We have to tell the donor that per farmer this is our cost and we will produce this much lint. We should look at quality. If an IP is focusing on quality and will perform better, we can't start blaming them for being too expensive. It is too discouraging. We want graduates and good educated people to be involved in this as opposed to them being unemployed. A facilitator is involved with farmers, explains methodologies and does practical demonstrations with them. If an unqualified person goes to a farmer, what can s/he do? A farmer would know more. Only when a more knowledgeable person will approach the farmer, will the farmer listen to them.” (Pakistani NGO representative)

However, it is not only that the drive for expansion that may affect project quality. The rush towards expansion also, in the view of a BCI staff member, affects the quality of the IPs that the BCI have allowed to be part of the scheme:

“This has been an ongoing frustration to be honest.. Especially in India..there are weaknesses with some of the partners in how they implement. There is one partner I can think of who has offices in (X) location and they work through local partners. The local partners, one in particular, that works in Z state in India, they do not have an office of any sort. So the guys just show up with a bag and papers – willy-nilly – all over the place. It does not seem very organized. When I was there...they had not mastered the assurance program or the whole concept of how this works.” (BCI Staff Member)

Similar concerns were expressed by other actors in the BCI. It appeared as if the BCFTP relied on a paradox approach to managing organizational tensions assuming ideal outcomes where upscaling and stringency of standard pressures would go hand in hand. However, in practice, upscaling had direct implications for how stringently the standard was implemented. For instance, during our fieldwork in India in late 2015, we obtained a list of farmers involved in a BCI project from an IP. However, upon interviewing some of these farmers, they informed us that they did not take part in a BCI project and did not know how their names had found their way onto this list. In another instance, the same farmers were registered by two IPs as taking part in different BCI projects. Hence, the upscaling vs. stringency of standard pressures dilemma was well captured in the following quote from a 3rd party BCI verifier:

“In fairtrade cotton or organic cotton, a relatively small number of farmers were given in-depth training. In terms of trying to get to scale in terms of the number of farmers trained and the volumes of Better Cotton produced, it might only be feasible to effectively train such a large number of farmers in a very limited capacity building agenda. For instance, training cotton farmers in ensuring their occupational health and safety and then doing that well with a large number of farmers instead of trying to do everything and running the risk of achieving very little.” (3rd party verifier)

Balancing capacity building and auditing

The BCI used what Kolk and Tulder (2004) called a multi-dimensional ethical strategy in relation to its capacity building approach. On the one hand, the IPs has ‘universal’ requirements in the area of capacity building. The BCI has an endorsement process for BCI partners and a ‘train-the-trainers’ program. It monitors IP performance during implementation and aims to foster learning between its partners. However, while the BCI has general prescriptions regarding the capacity building approaches (such as the use of learning groups and their recommended size, field facilitators, and lead farmers), these are not as detailed as those embodied in the BCI assurance system. Here the capacity building component allows for a more context-sensitive, situation-specific, and tailor-made approach for farmer training. This was related by an IP in Pakistani Punjab in relation to farmer field schools:

“...the farmer field school was used but we realized it was a very good tool but a slow process. We realized that we needed to think beyond farmer field schools. We started in one village –

one facilitator approach, demonstrator approach, sometimes we started engaging local teachers, mosques to spread the message. We used street theatre, crowds, loudspeakers, wall chalking in specific places about different pest attacks. We started introducing multiple approaches to reach out to farmers.” (NGO Representative Pakistan)

In Gujarat (India), another IP explained how it localized its farmer training activities in relation to how the use of bags to transport cotton from the farm to the ginning factory:

“Some local practices have been changed. Like in Gujarat, ladies have their old sarees. So many farmers prepared their own bag by sewing these sarees on the inner side so that the plastic thread cannot be mixed with the cotton. Now most of the farmers have adopted this practice. In Punjab and other states, we discussed with the spinners, ‘What is the actual thing which is bothering you? Is that the plastic thread or what exactly is the contamination?’ So somewhere we got educated that there are two color fibers. There are yellow and white. Regarding these fertilizer bags now they have the color sensors in their spinning facility so that most of the ginners can sense the yellow fibers easily, but it is difficult for them to sense white thread. So we should skip white bags as much as possible in the harvesting process. We therefore trained the farmers (in our BCI projects) that if you want to use plastic bags, use yellow bags not white bags.” (NGO Representative, India)

However, in relation to its assurance system, the BCI used a global ethical strategy where the same requirements – while differentiated for large, medium, and small farmers - were applicable regardless of the geographical context of project implementation. NGOs and corporate foundations with a relatively short history in the area of sustainable cotton production that were running relatively small BCI projects with a few thousand farmers considered the BCI assurance system to be very helpful in relation to professionalizing their work. This was explained by an NGO IP in Pakistan:

“We really appreciate the systems within BCI. We needed all these financial systems in place (i.e. BCFTP project budgeting and financial monitoring) to go into the implementation phase. The financial flow was as required and it was in place. Secondly, we needed technical interaction with BCI staff. They were always there and were quick to respond if we needed any clarification. The BCI country manager also paid visits to the area. He had detailed meetings directly with the implementing staff. They enjoyed good direct relationships with our producer unit managers...” (NGO representative Pakistan).

However, for the 3 IPs that had undergone significant upscaling processes by 2014/2015, for instance by increasing the number of farmers in project activities ten times, increasing demands for information management were reported as negatively affecting their farmer capacity building activities. This was explained by a staff member from an IP in Pakistan:

“I would estimate that I spend 70-80% of my time filling out these documents [i.e. internal assessment, self-assessments, indicator reports etc.]. The producer unit files take a lot of time. In Pakistan’s scenario farmers are illiterate, not interested in filling out so many forms.....[or]

any of this information or the literature which we have to ask from them in order to comply with the BCI standard. Their main concerns have to do with how they improve their yields...obtain subsidies for improving their water irrigation...(or) better rates for their seed cotton.” (NGO Representative Pakistan)

Here the IPs’ response to the BCI assurance system reflected a contingency theory approach, where one pole (auditing) was prioritized ahead of another (capacity building) during the process of upscaling. Hence, a key IP staff member in Gujarat explained the organization’s reason for *not* wanting to join the BCI:

“First, our reservation is about too much monitoring. This means that the person working with the farmer, he is less worried about the farmer, and he is worried more about the report he has to write (for the BCI). That we do not accept, and that is why we do not want to take a BCI project.” (NGO Staff Member, India)

Another auditing concern of some IPs in India and Pakistan related to the BCI’s use of third party verifiers. IPs related that third party verifiers were not sufficiently trained in the BCI standard system as to be able to undertake a meaningful assessment. This was explained by an IP active in Pakistan:

“For example, during third party verification, a person with one day training only comes here, sometimes with limited or no knowledge of local language and tries to verify the answers that we have collected during survey and training from the farmers. Farmers due to pressure to see some outsider talking in Urdu and asking questions about something that they might not remember i.e. what is the name of chemicals used in the field during first spray. Now, these people are not able to remember English brand names of chemicals instead rely on pictorial or colour information.” (NGO representative, Pakistan)

Hence, the process of implementing the BCI standard system becomes highly challenging for NGO IPs as they were caught between the competing demands of the BCI assurance system (i.e. exercising ‘power over’ farmers) and the capacity building priorities of BCI farmers (i.e. empowering them). Hence, BCI IPs need to navigate between the competing demands of farmers and the BCI’s need for proper verification of the farm-level results obtained. Some of the third party verifiers expressed reservations about the ability of BCI IPs to simultaneously handle these demands:

“We were a bit critical of the process adopted by the BCI, particularly of the ways in which – for instance – farmers were selected as part of the verification process. To some extent it was the BCI that selected which farmers were to be visited or their IP. This contrasts with a more traditional auditing process. In a more classical process where one is auditing compliance with a standard at the level of smallholders, one would be selecting farmers or villages at random by the auditor and on a random selection basis where it is the auditing firm that is in

charge of handling the random selection process. As the BCI is organizing the selection process, and auditing is often perceived as an imposition to BCI IPs. This is not an independent, third party verification process.” (Independent Verifier 2)

The role of corporate foundations, private sector suppliers, and NGOs

So far we have argued that the BCI’s IPs have struggled to reconcile centrally defined sustainability standard requirements and the varying needs of farmers in different localities. However, we also suggest that the *ability* of IPs to bridge global BCI standard requirements and the needs of farmers is partially related to the relative financial dependence of these different IPs on BCI donor funding. This concern was clearly articulated by an IP from Pakistan:

“The weakness in the system is that when we no longer receive funding, we will have to let go of this staff. BCI and the Better Cotton Fast Track Programme want us to make an exit strategy. It shouldn’t be that we just keep doing the same thing, keep getting money for it and keep sustaining jobs. We need to involve people in the private sector and the government for them to own the BCI standard system and continue this.....We need professional agricultural graduates to work on this so the extension department needs to be trained for this. We are trying to do this for our exit strategy...” (NGO representative, Pakistan)

In this way, NGOs appeared to differ from the private sector suppliers that operated in both Indian states. Private sector suppliers would often have their own financial and organizational resources to sustain BCI projects in the country. In the view of a BCI staff member, private sector companies were better placed to ensure the financial and organizational viability of BCI projects:

“Generally, private IPs are doing a better job than the not-for-profit ones. We have really struggled with the not-for-profit ones to get them out of this development mindset that they just need donor funds and when they do not have donor funds the project ends. They are not creative with thinking about exit strategies and continuing the project beyond donor funding. The second thing has been the level of professionalism or it is because the financial resources the private organizations have. On the whole private sector companies have better organized teams and structures.” (BCI Secretariat Staff Member)

A case in point here is that private sector suppliers tend to engage in the production of Better Cotton as part of their overall marketing strategy. Some of the private sector suppliers therefore seem to be willing to produce organic cotton, fairtrade cotton or Better Cotton, depending upon the market demand i.e. requirement of the customers, retailers and brands. However, they are sometimes less well-versed in social sector work and community orientation when compared to the NGOs that are BCI IPs. As their focus is on the ‘business case’ for being a BCI partner as part of their marketing strategy, there is a risk that private sector suppliers may be more pre-occupied

with having farmers' licensed as BC farmers than ensuring that they actually comply with the standard's production principles and criteria. This was explained by a BCI staff member:

“Going back to our conversation about compliance, obviously a private sector organization has more interest in getting licenses. They are then going to buy that cotton and send it to the customer. This will be highlighted in scoring. The risk level for private sector organizations is higher than not for profit ones.” (BCI Secretariat Staff Member)

Hence, whereas private sector suppliers that functioned as BCI IPs were present in both Gujarat and Punjab, private sector suppliers were not found as IPs in Pakistan.⁹ In India, however, a corporate foundation, the Ambuja Cement Foundation (ACF), operates as a BCI IP in both Punjab and Gujarat. ACF appears to combine both characteristics of a private sector company and an NGO. The corporate foundation was – in part – established to create a corporate image and positive relations with rural communities surrounding Ambuja's cement factories in different Indian states. At the same time, the ACF mainly employed staff who had a background in social sector work and sustainable agriculture. The ACF still depended mostly on BCFTP funds to implement its projects in 2014-2015. However, it could also more easily match BCFTP funds with those of its own. We put the potential strengths and weaknesses of NGOs, private sector suppliers, and corporate foundations as BCI IPs into perspective in the conclusion below.

Conclusion

In empirical terms, our article contributed to the MSI and sustainability standard system literatures by analysing how BCI IPs interpreted the organization's capacity building approach and its assurance system in the provinces of Sindh and Punjab (Pakistan) and the states of Punjab and Gujarat (India). Our findings were two-fold. First, IPs generally found it very challenging to expand projects rapidly in terms of the number of farmers involved in projects and at the same time having to lower their capacity building costs (i.e. a donor requirement) related to producing a metric ton of Better Cotton. In their view, they risked compromising the quality of project implementation in this process. Second, when BCI projects were still relatively small-scale and BCI IPs newcomers to the field of sustainable cotton production, some IPs narrated that the BCI's assurance system was helpful in ensuring the quality of their work as it constituted a well-thought

⁹ Shortly before the inauguration of the BCI standard system in 2010, a private sector supplier to IKEA, Chenab Textile Mills, had been an IP in IKEA's Towards Better Cotton project in Punjab, Pakistan. However, the company went bankrupt in 2009 before the BCI was officially launched in Pakistan.

out management system in a situation where they previously had not used any such system. However, it was commonly reported that – as projects expanded – so did reporting requirements, leaving less time for IPs to engage in capacity building activities with farmers. At the same time, according to IPs, engaging in extensive data gathering exercises and writing progress reports was not a key concern of farmers that were more interested in receiving capacity building that could help them improving their farming methods. Hence, as project upscaling took place, it appeared that there was a mismatch between the requirements of the BCI’s assurance system and the concerns of farmers. In other words, BCI IPs increasingly spent time on data gathering exercises instead of enabling farmers to comply with the standard through capacity building measures.

In theoretical terms, the article innovates by conceptualizing the role that intermediary standard implementing organizations play as street- level bureaucracies in navigating ‘global’ standard requirements and the needs of end users (i.e. farmers), highlighting their differential capacities to engage in this process, depending upon whether they were NGOs, private sector suppliers, or corporate foundations. When these standard requirements combine to create what we call ‘upscaling vs. stringency of standard’ and ‘capacity building vs. auditing’ dilemmas, intermediary standard implementing organizations have to interpret mutually competing standard requirements while operating with heavy caseloads and limited financial resources. We argued that corporate foundations are likely to be best placed to handle these dilemmas as they both have independent sources of funding (i.e. their mother company) and a strong social purpose mission. Hence, they are less likely to be exclusively dependent upon international donor funding (i.e. the case of many NGOs that otherwise have social sector expertise) or lack the social sector expertise in farmer training and community interaction that many suppliers do (who are otherwise in theory able to support farmer capacity building projects through their own financial resources).

In terms of policy implications, the BCI’s capacity building approach appears to be sufficiently flexible to allow IPs to contextualize their training approaches to the concrete needs of individual farmers. However, to date, no assessments have been made of the effectiveness of these training programs. Hence, this is a knowledge gap that the BCI could usefully fill in its future work. Regarding the assurance program, it is currently neither serving the function of promoting learning amongst participating farmers in India or Pakistan according to many IPs in India and Pakistan,

nor is it sufficiently rigorous to instill public confidence in the results obtained by the BCI according to some of the BCI's own third party verifiers. Hence, perhaps it is time that the BCI makes a strategic decision as to whether it wants to be a farmer capacity building organization, and then rigorously assess the effects of its capacity building activities, or whether it wants to be an auditable standard system that can verifiably demonstrate compliance levels with the standard. And then follow through on that approach. At the time of our fieldwork, large amounts of data were gathered without being actively employed for either IP or farmer learning in India and Pakistan, the data generation and documentation procedures were very time-consuming for IPs, and large amounts of money and human resources appeared went to gathering information whose immediate usefulness did not appear clear. This could be avoided by clarifying the purpose of the BCI as a farmer capacity building initiative and then simplifying data generation procedures to relating only to the effects of the BCI's capacity building activities.

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