

Research on the benefits of certification and its long-term effects on improving the sustainability of agricultural production do however reveal ambiguous results, especially regarding the position of smallholder farmers. This raises questions on how and to what extent certification actually contributes to a more sustainable production and better livelihoods, whether there is a need for alternative strategies to ensure sustainable agricultural production, and what viable alternatives could be.

During the symposium project results from the SPIN project (Maastricht University) and the project from Wageningen (SUSPENSE) were presented by the Phds and project leaders. In order to present their results, the PhDs prepared and presented a poster. In interactive sessions, several key note speakers shed their lights on the topic of the symposium. This resulted in interesting discussions on alternative approaches to certification (e.g. value chain approaches, landscape approaches, community projects), but it also posed the question whether it isn't too early to abandon certification already. Maybe, the positive effects are only about to materialize in the near-by future.

During the symposium it became apparent that economic development lies at the core of many sustainability issues in Indonesian Agriculture. It does not only play a role in governmental regimes (presentation Otto Hospes), but also in the realities faced by the smallholder farmers in the south (Pieter Glasbergen) and the capitalist system underlying private certification (Ulrich Hoffmann). One could wonder whether the relationship between the smallholders and the certifiers represents a happy marriage?

### **What do we mean with "Beyond Certification"?**

Up till now, most studies focus on maintaining or enhancing the current character of certification, or improving certification within its current context. Relatively few studies look "beyond certification". However, the concept of "Beyond Certification" does not have a univocal meaning (Luc Franssen); different interpretations are given to it, including:

1. **Certification does not work:** most radically, one may state that certification simply does not work and efforts to improve it are useless per definition. We need something different than supply chain assurance.
2. **Certification has unused potential:** It is too early to abandon certification now, as the positive implications may only manifest themselves in the coming years. "Beyond certification" should be interpreted as a form of private governance that leaves more space for governmental regulation from Southern actors.

Axel Marx posed a valid question regarding "Beyond certification"; can the body of evidence be considered strong enough to abandon certification? Should we start something new when the old is only getting institutionalized now? Instead of changing the entire system we may have to focus more on increasing adoption (scaling up); and stimulating cooperation instead of competition in sustainability standards. True, the evidence in current literature can be considered ambiguous; but is the balance really negative? Axel Marx concludes that evidence is inconclusive, but the majority of studies find positive impacts. It seems that the initial impact was rather low, but standards are also learning and therefore learn how to create more impact. The impacts of sustainability standards are furthermore highly contextual and the evidence-base is still rather small. Besides, we should not be blind for unintended, but positive consequences that go along with certification (e.g. innovation, social learning, social capital formation) and for ongoing trends (increasing demands by firms and standards becoming more integrated in public policies). Maybe, some significant effects are still to come? A relevant question to be debated is therefore: What is the time frame to assess impact?

3. **Private certification is more problematic than certification itself:** Going one step further implies the idea that private standards are not sensitive (enough) to local contexts. What we therefore need in going "beyond *Private* Certification" are less western oriented approaches (eg public standards, sharing of best practices among farmers, interventions based on capacity building) to increase the likelihood that producers gain from certification.

Ulrich Hoffmann showed that “Beyond certification” can also be seen as an inevitable response to the failure of private certification. According to Hoffmann, private certification is essentially equal to damage limitation and risk management (focusing on end of the pipe solutions) leading to incremental, not systemic change. Globally, only 1% of the farmers, 1% of global cultivated land, and 1-2% of global retail food sales are covered by private sustainability standards. Upscaling however, does not make sense given the so-called treadmill effect. This means that the market share of sustainability standards will not go beyond 10-15%. This has to do with costs that need to remain competitive, which will increasingly put companies under pressure. Compliance verification has become very lucrative for the business sector which is not a good incentive to uphold sustainability certification. The question is however, what the role of Southern governments could be. Currently, governments seem to see sustainability too much as a technical issue instead of a process inherent to production systems. Lot of innovation comes from new-comers. We need new types of instruments (e.g. trade instruments as incentives for Southern governments) and new types of organizations. A question that followed this discussion, was whether the insight may learn that certification is just not for everybody, and for those who will not benefit from it, the idea of “beyond certification” may apply. We should also be careful in measuring impact, and not just focus on impact in terms of the aims of the certification schemes themselves.

4. **Organizational survival of certifiers:** Further, “Beyond Certification” could also be shaped by looking at the Certifying organizations. Maybe –for the sake of organizational survival- certification schemes should consider doing different things (eg. from standards monitoring and regulation towards more consultancy). This is what Luc Franssen called a “post-regulatory approach”. For businesses, certification is only one alternative.
5. **Beyond Agriculture:** Certification also increasingly deals with brand values and reputation. Around 80% of a business’ value currently exists of intangible assets; 20 years ago 80% of the value was made up of tangible assets. If you make a quadrant with high versus low capital and high versus low land availability, we should wonder whether the marginalized farmers (low capital and low land availability) may even benefit from certification or even ever benefit from “beyond certification”. Maybe for these smallholders, the option “beyond agriculture” is the only viable option. Are (all) farmers really in a position to invest in intensification?

## Discussion of some alternative approaches

### *Landscape approach (IDH – Desi Kusamadewi)*

The landscape approach supports a transition from a vertical approach of certification towards a more horizontal approach through incentivizing concession and land use players to collaborate and become integrated in Sustainable development. In the discussion, most players were rather optimistic about the chances to bring stakeholders together in this approach; it is a way to reflect a diversity of interests. More critical questions were raised on the implementation capacity. People also asked whether this new approach maybe part of the earlier mentioned “struggle for organizational survival of IDH” and the question whether market means can be remedied by more market means? Doesn’t this approach neglect macro-economic problems that play a role in explaining some of the inefficiencies of private certification schemes? A positive and well appreciated aspect relates to the fact that combating deforestation related problems are currently beyond the mandate of certification. Landscaping may be an answer to this challenge. Besides, landscaping allows to collaborate rather than to compete in a specific region. People from certification schemes also warn for disruption that potentially follows from (small) changes. A change of only one word in the principles and criteria implies that all producers, auditors etc. need to be informed about this change and be in favor of it. Aren’t the prospective changes too small to cause and risk disruption?

### *Consolidation of sustainability standards in delivery contracts (Ruerd Ruben)*

There are not too many impact studies yet. Ruerd Ruben identified 150 sound studies, out of which he only considers 42 to be robust. These studies however, offer some relevant results. First, we can observe

an underrepresentation of the relations between farmers and other actors in the value chain. Most income (and price-) effects are either not significant or significant, but rather small. What we also observe, is that if the share of certified coffee in the domestic market increases, all coffee prices go up. We should focus more strongly on the entire value chain instead of only at the producers. If we look at the entire value chain, for example, we can identify quite some margin in transportation. This offers opportunities for redistribution of benefits: a 5% reduction in packaging prices, for example, may lead to a 15% increase in prices for farmers.

Further, we find that some variables are neglected in impact studies which may lead to an over-estimation of effects (resource allocation) or an under-estimation (reduced risk). There should also be more attention to non-observable effects (e.g. behavioral). What may also be worthwhile to further investigate is that certification usually implies intensification and specialization. This is not necessarily positive as it may increase risks. Looking beyond certification would imply – according to Ruben- that the voluntary standards have to become consolidated in delivery contracts (input-output contracts). This may imply the further rise of private labels such as Globalgap, Starbucks, and Nespresso).

#### *The FAIR model of change (Johan Verburg)*

What is important to realize, is that certification implies decommodification. In “normal” trade, origin usually doesn’t matter. What matters, is price. Certification however, reverses this idea and suddenly makes the place of origin very important. There are some blind spots that are insufficiently dealt with by certification schemes (e.g. water constraints, gender, food security). Other issues to consider are the so-called flagship certification (certifying farmers who are better off already), and the balance between the prevention of exclusion and the promotion of inclusion. The fair model of change represents a green growth business model, following a landscape approach, and seeing the businesses (palm oil mills) as guests in the landscape or community. The approach may follow 4 stages: the implementation of projects, competition (differentiation and certification), collaboration and institutional embedding, and sustainable transformation. It is all about the establishment of relations between host communities and palm oil producers. During the discussion some critical sounds rose related to the apparent ease in which government engagement and -support was assumed.

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