Business–NGO partnerships in global value chains: part of the solution or part of the problem of sustainable change?
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This paper reviews business–NGO partnerships in global value chains, which are often developed by Northern businesses and NGOs but seek to address the conditions of production in the South. Three main debates surrounding the potential of partnerships to bring about sustainable change are identified: the ability for participation and inclusive arrangements, the contribution of market-based approaches to the problems targeted, and the impact of partnerships. As our discussion will show, all three debates are inconclusive. The paper explains this uncertainty and confusion, and offers suggestions on what this implies for future research on value chain partnerships.

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Introduction
Since the mid-1990s collaborations between businesses and NGOs have become omnipresent in attempts to address complex social–ecological challenges, including poverty, biodiversity loss, food insecurity or climate change. These ‘cross-sector partnerships’ have experienced particular proliferation in global value chains, such as those for timber [1,2], fisheries [3,4] and agricultural products such as coffee [5**,6], cocoa [7], palm oil [8,9], cotton [10] or soy [11,12]. The majority of value chain partnerships are initiatives of Northern-based multinational corporations (MNCs) and internationally operating NGOs while their objective is to change Southern production [13,14*]. This is to be achieved by means of articulating a vertically oriented logic with a contextual, horizontally oriented logic as they seek to connect developing country producers with global consumer markets [15*]. The use of sustainable production standards plays a key role in institutionalizing a new management practice to change the conditions of production and create opportunities for market access [16].

While value chain partnerships vary in scope and content, their basic premises remain the same. First, much of the rationale underlying the popularity of partnerships is built on the idea of utilizing the complementary resources and capabilities of businesses and NGOs to address issues that actors would not be able to deal with individually [17,18]. Second, partnerships embody a constructive approach to market-based approaches in development [19,20]. Businesses in particular have been attributed a new, active role in addressing societal challenges as prerequisites for well-functioning markets and a growing economy [21]. Together these two premises represent the potential of partnerships to bring about ‘sustainable change’ in global value chains, that is the potential to address the negative social and ecological impacts of production, which is often sought to be achieved through setting and implementing sustainable production standards to certify production practices.³

³ Since this article constitutes a generic overview, we refrain from further specifying the concept of ‘sustainable change’ due to the diverse visions and definitions of sustainability used by the different business–NGO partnerships and their member organizations.
inclusive of all relevant interests is contested. Secondly, pertaining to the use of market-based approaches, the spread of sustainable production standards is widely debated and their ability to contribute to resolving complex social–ecological problems is questioned. Thirdly, such ambiguity is enhanced in the absence of a clear understanding of the impacts of partnerships in terms of promoting sustainable change. None of the debates on partnerships are conclusive, producing considerable uncertainty about partnerships and specifically about how to assess the implications of partnerships. This paper therefore aims to review the research on value chain partnerships and their contribution to addressing complex social–ecological challenges. This will help to explain the uncertainty surrounding partnerships and to offer suggestions for what this implies for future research on partnerships.

Partnerships as inclusive arrangements — common practice or mere rhetoric?
The first debate on value chain partnerships touches upon the discourse of ‘participation’ which has been increasingly influential since the 1990s as a prerequisite for collaborative processes for sustainable change [22,23]. Yet, specifically in the context of global value chains, the literature struggles with the question of who should be able to participate in partnerships.

In answering this question, a first perspective centralizes the building of effective partnerships to determine who should participate [24]. If organizations from different societal sectors are able to realize concerted action and manage to achieve acceptance for their production standards, it is assumed to be an effective arrangement. Most attention has therefore been paid to the participation of MNCs and NGOs to instigate processes of sustainable change, given the utility of their complementary resources and capabilities [17,25]. However, studies have also recognized the difficulty in reconciling these partners due to their dissimilar institutional logics, which, in turn, may give rise to differing value frames and conflicting expectations [18,26]. While formal and informal governance mechanisms have been identified as important for successful relational processes [17,24], existing power imbalances between businesses and NGOs may still cause for a dominant business logic in partnerships to the detriment of civic or development-oriented NGO logics [27,28].

A second perspective takes a more normative position and looks at processes of deliberation and legitimation of value chain partnerships based on the premise that all relevant actors should be included for fair and ‘true’ partnerships [29]. A number of studies applaud the attempts of value chain partnerships to integrate multiple perspectives and discourses, attributing a high ‘input’ legitimacy to partnerships [30*,31]. Other observers are more critical and argue that partnerships, even where formal rules prescribe a balanced representation of actors, are frequently not able to ensure equal access and influence of all relevant actors, particularly those with fewer resources such as smallholders in the producing developing countries [8,9,33–36].

Here the ‘participation’ discourse is fused with an emphasis on ‘bottom-up’ processes to empower disadvantaged or vulnerable groups. Although a number of studies indicate that partnerships can stimulate active local participation as empowerment [15*,32], most research suggests that small-scale producers and local community organizations are effectively excluded from influencing decision-making in partnerships [6,28,37–39]. This also testifies to the difficulty of NGOs, especially Northern but also Southern ones, to ensure bottom-up participation and adequately represent the voices of smallholders and other local groups [23,40].

Partnerships and market-based approaches — creating opportunities or denying possibilities?
The second debate on value chain partnerships centres on the use of market-based approaches to generate sustainable change [41*]. Such approaches are based on the idea of bringing ‘order and consistence to production and exchange through the provision of more aligned and predictable incentives and sanctions’ in a manner that simultaneously contributes to poverty alleviation and environmental protection [42]. In the context of value chain partnerships, market-based solutions mostly take the form of sustainable production standards to reflect the social and environmental costs of production. At the same time, such standards serve to create new business opportunities in sustainable production and consumption, and unlock private sector investments that are not realized due to market and/or government failure [43].

Proponents argue that standards have the potential to equally reach diverse producers in various regions in the world and thereby spread sustainability values [15*]. By facilitating diversification in global markets and altering market structures, standards are suggested to be able to redistribute social control for the benefit of poor producers [42], which can, for instance, manifest in increased incomes for producers through higher product quality [19]. As also business partners stand to gain by securing a stable supply base or by exploring new market opportunities [7,25], using market-based thinking is critical to getting businesses to participate in partnerships in the first place, which is also suggested to increase the scale of partnership efforts [21]. Hence, partnerships create opportunities for small-scale producers that would otherwise not develop [25,32,42], alluding to the success of market-based approaches in poverty alleviation [19].

Opponents, on the other hand, argue that market-based solutions are not able to address the root structural causes
of many social–ecological problems in value chains [44,45]. Blowfield and Dolan [20], for instance, criticize that the conceptualization of poverty as a product of market failure per definition necessitates the integration of the poor into markets to alleviate such poverty. Hence, the identification of a development problem is shaped by its proposed solution. As a result, partnerships tend to narrowly focus on those issues for which a market solution is ready at hand, at the risk of premature problem closure [35] and a neglect of wider issues of inequality and power imbalances in global value chains [39,46]. In particular, standards seem to strengthen the position of large-scale producers and businesses [39,47], while further pressuring and marginalizing small-scale producers in global value chains [6,48]. Even the pragmatic argument that market-based approaches facilitate operations at a wider scale is contested, as many of the sustainability standards promoted by partnerships remain confined to niche markets [16], have limited distributional effects on the ground [37], and are dependent on subsidies of government organizations [49].

The impacts of partnerships – uncertain or ambiguous?
The third debate concerns the impacts of value chain partnerships. The majority of studies look at the impacts of partnerships ‘on the social good or the global problem targeted’ [14*]. They concentrate on the extent to which partnerships effectively solve the issues they target through voluntary rule-setting and enforcement in the form of sustainable production standards [31].

Studies have noted the difficulties associated with establishing rigorous but broadly acceptable rules [48] and promoting wide-spread compliance [9,50] beyond first movers and large-scale producers [47,51]. While partnerships are commended for opening up new political spaces in value chains [51,52] and putting sustainability on the international agenda [7,16], they are also criticized for being ad hoc and narrowly technical responses to the social–ecological problems targeted [6,35]. This is argued to create new problems of competition [5**,7,16] and ultimately reinforce the existing paradigm of commodity production [33,47].

The uncertainty regarding value chain partnerships is similarly pronounced when looking at their effects at the production level. Studies and review reports show contradictory results, particularly with regard to the standards promoted by partnerships. Some studies find positive socio-economic effects of standards [53,54] whereas others conclude that effects are insignificant [55**] or highly variable [56,57]. Contradictory findings have also been noted about environmental impacts, ranging from positive assessments [54] to more negative conclusions [58*,59].

This continued uncertainty on partnership impacts is particularly due to methodological and analytical difficulties of assessing partnerships in the light of lacking longitudinal data, absence of control groups and baselines, attribution gaps, and the elusive nature of some partnership activities, such as awareness, advocacy or empowerment [14*].

Moreover, most studies that look at the impact or effects of value chain partnerships seem to take the objectives of partnerships as a given and assess impact against these objectives. This renders the indirect effects of partnerships – those not already expressed in objectives – under-explored [14*]. A number of studies have therefore suggested that ‘impact’ also concerns the way that partnerships change how impact is understood and how sustainable change in global value chains is conceptualized. The element of depicting a compelling story of supporting the poor and enhancing their livelihoods in a way that resonates with and captures the interests of business seems to become increasingly important [6]. Such a ‘do good’-story is also regarded as necessary to create legitimacy with external audiences [8] and endorse partnerships as appropriate arrangements to promote sustainable change [20]. This has led to a kind of standardization of both the issues that partnerships address and the approach that is taken. Partnerships seem to focus on a limited number of standardized problems, such as lack of market access for small-scale producers [19,42] or specific aspects of environmental degradation [8], which are then addressed through toolbox approaches already pre-defined in international practice rather than through contextualized innovation [37].

Conclusions
All three debates indicate that value chain partnerships have the ambition to bring about sustainable change in global value chains. Indeed the collaborations between private actors from business and NGOs and their voluntary standards are generally considered to be important agenda-setters in their fields. At the same time, the debates bear testimony to the fact that analyses have ‘moved beyond the stage of broad assertions about partnerships’, such as them being ‘panaceas’ for addressing global problems or mere ‘hypes’ [14*]. Positive and critical assessments of partnerships co-exist, indicating that they solve certain problems in global value chains, but also create new problems. The continued inconclusiveness of the debate is particularly remarkable in the face of increasing research conducted on partnerships. The following eight points represent an attempt to explain this inconclusiveness based on the insights of the three debates.

1. Value chain partnerships develop in ad hoc and incremental ways. Many of the initiatives overlap or even compete with each other. This creates confusion,
not only for consumers and producers as the primary targets of standards, but also for other partnership audiences, including governments, external NGOs and business partners, and researchers.

2. Partnerships represent a new organizational model for businesses and NGOs, which, even though collectively speaking an increasing amount of knowledge is available, for the individual organizations and partnerships this largely an exploratory experience with uncertain outcomes.

3. Partnerships are faced with the challenge of reconciling divergent interests, representing economic, social and environmental objectives, in the midst of considerable uncertainty about the extent to which and under which conditions these interests can actually be aligned.

4. Partnerships aim to address complex social–ecological problems which, at their very essence, are dynamic with uncertain cause and effect relationships, making it difficult to understand the contribution of partnership approaches, especially over time.

5. Partnerships adopt a managerial, that is market-based approach to the problems which they seek to address. This induces a normative debate in which values about participation and inclusiveness or about the role of local stakeholders and power imbalances play a role. Depending on the perspective taken, the assessments of partnerships will vary substantially.

6. Partnerships are not power-neutral. Beyond normative assessments on who should participate, collaboration takes place within a context of existing resource and power asymmetries which are not offset through formal rules pertaining to decision making and representation. This creates suspicion in relation to the type of change promoted by partnerships – and who benefits or loses as a result of this change.

7. Partnerships embody Northern (or Western) precepts about sustainable change in value chains that encounter vastly different realities in the various places of production, which may or may not fit and harmonize with these precepts.

8. Partnerships operate in the ‘development sphere’ in their attempts to improve the conditions of Southern production. This makes them part and parcel of the broader debate on development and aid, including what development is, how it is to be achieved, with what resources, and what the responsibilities of the different actors are.

These points act as justifications to consider the implications for research on value chain partnerships, particularly as partnerships do not show any signs of losing their appeal, neither in practice nor from a scholarly perspective. We suggest the following four pointers for further research. First, this review indicates the need to capture partnerships not only as individual arrangements, but as part of a broader system of responses to social–ecological problems. This would require a shift in focus towards the relative contribution of partnerships in relation to and in interaction with other responses, such as government approaches [60]. Second, research tends to centralize partnerships in an effort to contribute to explaining the partnership phenomenon and advancing partnership theory. A complementary alternative would be to adopt a problem-driven approach, that is, to take a particular social–ecological problem in global value chains as a starting point for research. Such an approach would first analyze the problem within the embedded context of the needs, interests and preferences of small-scale producers in developing countries and then seek to answer the question of what partnerships might be able to contribute in this context vis-à-vis other possible interventions. Third, although the idea of a more sustainable value chain is underlying almost all research reviewed, there is a striking variety in the criteria of sustainable change and a remarkable absence of reflection on partnerships in the broader context of development theory and debates. This indicates the need for a deeper theoretical foundation to better understand the implication of partnerships. Finally, the debates reviewed indicate that partnerships reflect a fundamental yet uncrystallized shift in the framing and practice of private responsibilities for sustainable change in global value chains. This calls for a normative and theoretical reflection on the scope of private responsibilities for sustainable change in global value chains.

References and recommended reading

Papers of particular interest, published within the period of review, have been highlighted as:

- of special interest
- of outstanding interest


This is a comprehensive study of standards in the global coffee sector analyzing the interaction and interrelations among standards organizations. The authors conclude that the co-existence of multiple standards is promoted by the interplay between two countervailing mechanisms: convergence and differentiation.


This book chapter presents an overview of recent insights on cross-sector partnerships, discussing the role of partnerships, different actor categories, contexts, and impacts, and highlights the limitations of existing research to capture the multi-faceted nature of partnerships.


This article focuses on the global–local interaction of partnerships, specifically on how partnerships make internationally constructed norms fit local institutions by opening up spaces for co-creation.


This article traces how competition unfolds in sustainability niche markets by analyzing the interplay between multi-stakeholder value chain partnerships and more commercially oriented initiatives. Institutional and governance features of the respective initiatives are studied and compared over time.


This book contains a multidisciplinary discussion about private standards, with chapters on global agri-food chains in general and more specifically on fish and forestry, among others.


This article contains an elaborate discussion of why partnerships (multi-stakeholder initiatives) in the global marketplace are equally a response to and an integral part of the neoliberal agenda. The author goes to great lengths to establish the contradictions of neoliberalism and what this implies for partnerships.


http://dx.doi.org/10.1016/j.jclepro.2014.01.019.


This review paper looks at 46 relevant studies in the coffee and forestry sector to identify the benefits of different certification schemes. It also highlights the methodological challenges of assessing partnership impacts.


This is a brief but concise overview of standards and certification in the global forestry sector that includes an interesting discussion on what is called a "paper reality" of impacts, that is a situation where the effectiveness of certification seems to be well known despite only indirect evidence from the field.
