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Toward the Construction of Sustainable Markets:

A case study of third-party certifications in the local context of Kodagu, India

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Abstract. Research in the field of global value chains (GVCs) has criticised the ability of third-party certifications (TPCs), such as eco-labelling, to substitute governmental regulation on social and environmental issues. Attention has turned to the globally standardised approach of TPCs, which is imposed on local cultures and values, without being sensitive to local specific conditions. As previous literature focuses on contexts suffering from unsustainable conditions, this article extends literature on TPCs by investigating the consequences of implementing TPCs in a local context that is already environmentally sustainable by default. Through a case study of coffee production in Kodagu district, India, a region known for its traditional knowledge and practices in environmental and biodiversity conservation, the empirical findings provide evidence of the shortcomings of implementing globally standardised TPCs in this specific region. By adapting a market construction perspective, the purpose of this article is to investigate in what way the context specific conditions in Kodagu affect the ways in which TPCs are shaping outcomes and practices in the local coffee value chain. The main contribution of the study is that the implementation of TPCs creates unexpected outcomes in Kodagu, rather than contributing to the conservation of environmental sustainability and biodiversity. Our conclusions suggest that TPCs in this specific context rather work in a counterproductive way, by giving room for coffee growers to lower their environmental performance, whilst still having the opportunity to receive a TPC. This contribution is essential to evaluate the potential of global TPCs and to critically assess their ability to contribute to the construction of sustainable markets.

Keywords. third-party certifications, governance, global value chains, sustainable coffee production, sustainability, Kodagu, India, market construction, performativity

Introduction

Over recent decades, the world economy has experienced a remarkable rise of private governance due to the decline is state regulations (Mayer & Gereffi, 2010; Bartley, 2007; Gereffi et al., 2001; King & Pearce, 2010). In this regulatory vacuum, third-party certifications (TPCs), such as eco-labelling, have become a hot topic and represent a societal reaction to the introduction of neoliberalism in the global economy, and to the perceived governmental failures in addressing global problems (Bartley, 2007; Gereffi et al., 2001; Ponte & Riisgaard, 2011). These initiatives aim to address problems of environmental and social sustainability and are created by external groups, often non-governmental organisations (NGOs) that impose their rules and compliance methods onto a particular company or industry. This validates and legitimates production methods through certification processes that increasingly shape market actions (Gereffi et al., 2001; Renard, 2005).

Given the increased popularity of TPCs, it is crucial to critically assess the various practices, ideas and potentials of these initiatives. A growing body of research criticises TPCs' ability to substitute governmental regulation on social and environmental governance in global value chains (GVCs), and their ability to truly raise business practices into sustainable ones (see Gereffi et al., 2001; Hess, 2008; Raynolds et al., 2007; Giovannucci & Ponte, 2005; Renard, 2005). The critics include many aspects of TPCs' ability to influence sustainable practices, depending on whom, how, and in what purpose certification standards are set. This refers to the general concern of the great variations of TPCs, which influence their potential of generating positive impact. Most widely criticised are less strict, 'market driven' TPCs with broadly defined environmental and social standards, and with minimum requirements on companies' sustainability performance (Gereffi et al., 2001, Raynolds et al., 2007; Hess, 2008).

The common denominator for the criticism of TPCs is the power shift, centralisation, and institutionalisation

of governance toward the private sector (Renard, 2005; Giovannucci & Ponte, 2005). It can be argued that TPCs may represent 'a form of cultural imperialism, where values based in western cultures are imposed on local cultures and values' (Osmundsvåg, 2010, p. 189). Put differently, TPCs represent a normative framework that companies in the 'global North' use to gain moral legitimacy toward consumers, which may not be suitable in the 'global South' where they are implemented (Giovannucci & Ponte, 2005; Neilson & Pritchard, 2007; Renard, 2005). According to Ponte and Riisgaard (2011, p. 237), 'standard initiatives have been criticised for implementing a Northern agenda on Southern producers and workers, for not being sensitive to local specific conditions, and for providing consumers with a false sense of problem solving'. This statement suggests that the usage of TPCs may be detrimental to producing countries and to small-scale producers, despite their good intentions (Bartley, 2007; Neilson & Pritchard, 2008). Therefore, it is problematic to presume that TPCs operate in a vacuum, and that globalisation produces 'a single world market' that TPCs can approach in a standardised way (Tischner & Kjærnes, 2010; Neilson, 2008). Instead, Tischner and Kjærnes (2010) suggest that markets should be understood from a regionalist or multi-centred logic of globalisation. This argument draws attention to global TPCs' ability to govern and impact on sustainability issues in local contexts, such as a country's or region's specific conditions and characteristics. On the one hand, TPCs require standardised and normalised processes in order to provide signs of recognition and information necessary to consumers. On the other hand, this standardisation is also directed toward producers' production processes, and may therefore neglect local practices and traditions (Renard, 2005). That it, TPCs' power of acting in two directions. However, two-way directed governance presumes that different actors and interests along the GVC can be addressed in a standardised way.

In general, literature critically discusses TPCs' ability to address the worst forms of environmental and social abuse, in contexts suffering from unsustainable conditions (see Gereffi et al., 2001; Giovannucci & Ponte, 2005; Renard, 2005; Raynolds et al., 2007; Hess, 2008). In this research area, many authors discuss the agrifood sector. TPCs increase most rapidly in this industry since agricultural regions have long suffered from environmental, social and economic problems (Raynolds et al., 2007; Giovannucci & Ponte, 2005; Omondi Ochieng et al., 2013). However, less discussed in literature is the consequences of implementing TPCs in local agriculture contexts already sustainable by default and hence, this knowledge gap will be addressed of this paper. In the specific context of Kodagu, we use the definition of 'environmentally sustainable by default' to describe a local context where traditional knowledge and management practices have helped to preserve the local environment and its biodiversity, as well as protecting the region from habitat loss and deforestation (Chengappah et al., 2014; Rao, 2011). As for 'sustainability', we refer to the most recognised definition by the Brundtland Comission (World Commission of Environment and Development, 1987, p. 8): '...sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their needs'.

As TPCs increasingly become the normative framework for companies' sustainability initiatives, this means that all producers, regardless of their level of sustainability performances, are increasingly required to hold a TPC. Coffee growers in Kodagu district in the state of Karnataka, India, are known for their traditional knowledge and practices in environmental sustainability and biodiversity conservation. These growers also face an increased demand from the international market to certify their coffee. Through a case study of coffee production in Kodagu, this article therefore wants to explore the consequences of implementing globally standardised TPCs in an already environmentally sustainable context. Previous studies of TPCs in Kodagu exist. These studies include research areas of; the initial phase of implementing a industry-initiated TPC called 4C in Kodagu (Neilson & Pritchard, 2007); how geographical indications can help create price premium for shade-grown coffee (Chethana et al., 2010); what perceptions and associations coffee growers have with TPCs (Chengappa et al., 2014) and; the risks associated with governing environmental issues in Kodagu through global initiatives (Neilson, 2008). Neilson (2008) is the study we define as closest to our own research area. However, we extend this author's theoretical reasoning by investigating these issues through an empirical case study focusing on behaviours and practices among coffee growers. We will show that the implementation of TPCs creates unexpected outcomes in Kodagu, rather than contributing to the conservation of environmental sustainability and biodiversity in this specific context. This knowledge will extend literature on TPCs as we provide empirical evidence of the shortcomings of implementing globally standardised TPCs in a regional context, already environmentally sustainable by default. This contribution is essential in order to evaluate the potentials of TPCs as our findings suggest that TPCs in this specific context rather work in a counterproductive way by giving room for coffee growers to lower their environmental performance, whilst still have the opportunity to receive a TPC.

The above problematisation will be investigated through the lens of market construction, as a part of the marketing discourse. This theoretical approach is interested in conceptualising how markets come into being, and how markets are transformed over time (Holt, 2012). A market construction perspective enables us to understand TPCs as market devices with power that influence and shape market structures and practices in Kodagu. Market devices represent different sorts of technical instruments and tools that intervene in the shaping and reshaping of markets (Callon et al., 2007). Market devices are used by different market actors that aim to influence practices and processes, and therefore they partake in the

creation of market structures (Muniesa et al., 2007). Arguably, marketing has a key role in the construction of sustainable markets, and it is therefore crucial to examine the ability of market devices to contribute to this development. Furthermore, through this perspective we can understand how TPCs have contributed to the construction of a standardisation of what is considered to be 'sustainable' in the global market of coffee.

Nevertheless, by looking at a local context that is already environmentally sustainable by default, we want to problematise the potential of TPCs to have a positive impact in *all* markets where they are implemented. The standards set by TPCs represent perceived *ideas* of how to create sustainable markets in their ideal form (Kjellberg & Helgesson, 2006). Such perfect and ideal situations are uncommon since ideas of practices are not often directly translated into desired practices in the real world (Kjellberg & Helgesson, 2006; MacKenzie et al., 2007). In the case of Kodagu, this becomes obvious when investigating how global ideas of TPCs are not well adapted to this local reality. This refers to market devices' performative power, which equals TPCs' ability to translate ideas into reality (Kjellberg & Helgesson, 2006). Scholars have called for further research on performativity in order to explore how we understand, use and perform marketing knowledge and theories in practice (Kjellberg, 2013). This calls for a deeper understanding of the relation between the ideas held by TPCs of how to create sustainable markets and the real world outcomes following their implementation in a specific context.

The case study of coffee cultivation in the Kodagu will illustrate the potential of TPCs to adapt to a local context. This region represents one of the world's biodiversity 'hotspots' and is rich in local-based knowledge among coffee growers of how to preserve ecological biodiversity (Rao, 2011; Neilson & Pritchard, 2007). Nevertheless, in order for actors upstream the value chain to legitimate growers' cultivation and production methods as sustainable toward customers, these processes still have to get certified (Renard, 2005). As a consequence, Kodagu is a region where many international TPCs are present and where coffee growers are increasingly adopting TPCs to gain market access (Neilson & Pritchard, 2007). Kodagu therefore provides a suitable case to examine global TPCs' ability to govern and impact on environmental sustainability issues in local contexts.

We address the two research questions of *what* market structures are constructed by the implementation of TPCs in Kodagu, and *how* market practices and behaviours are being affected in this local context. The article has the purpose to investigate in what way the context specific conditions in Kodagu affect the ways in which TPCs are shaping outcomes and practices in the local coffee value chain.

This study will be delimited to the case of Kodagu since we are interested in understanding the details of this specific context. An in-depth investigation of the particular outcomes of TPCs in Kodagu enables us to gain a deeper understanding of the potential of these global initiatives. Due to the unique environmental conditions in Kodagu, the focus in this article will further be delimited to aspects of environmental sustainability. Furthermore, coffee will be the focus as this commodity emerged at the forefront of the increased use of TPCs and is today one of the most certified commodities in the global agrifood sector (Raynolds et al., 2007). Finally, we will delimit the study to less strict TPCs with broadly defined environmental standards and have chosen to focus on Rainforest Alliance (RFA) and UTZ Certified (UTZ). These are the two TPCs growing most rapidly in the Kodagu (Chengappa et al., 2014) and consequently, they are the TPCs with greatest influence in the area.

Literature Review

Governance in Global Value Chains

Recently, the world has witnessed an increased implementation of neoliberal politics and liberalisation of trade, undermining government regulations in national and international arenas (Bartley, 2007; Mayer & Gereffi, 2010; Hatanaka & Busch, 2008; Hess, 2008). The decline in state regulations has been fuelled by the globalisation of production and value chains, and the inadequacy of national governments to address issues beyond national boundaries, in an increasingly fragmented global economy (Bartley, 2007; Mayer & Gereffi, 2010). The recent dominance of neoliberal ideology has significantly changed the impact and direction of regulatory powers (King & Pearce, 2010). One observable result of above changes in the global economy is what various scholars agree to be a shift from governments to governance (Hatanaka & Busch, 2008; Hess, 2008; Bartley, 2007; Mayer & Gereffi, 2010). In sum, private governance regulations can be understood as private solutions to public problems (King & Pearce, 2010).

The shift in power toward private governance is often discussed in literature of GVCs, focusing on how the governance of private sectors creates production processes and product specifications (Gereffi 1994; Gereffi et al., 2005; Ponte & Gibbon, 2005). Today, the organisation of global productions has transformed dramatically (Mayer & Gereffi, 2010). The global economy is increasingly arranged around international production networks, and a growing share of the value creation now takes place outside the boundaries of the lead company (Bartley, 2007; Mayer & Gereffi, 2010; Halldorson et al., 2007). GVCs are linked through systems of governance, in which large companies, often based in developed economics, control a substantial part of the production of suppliers, who are usually smaller and based in developing economics (Andersen & Skjoett-Larsen, 2009; Mayer & Gereffi, 2010; Ponte, 2004). Gereffi (1994) examines the governance structure of GVCs, referring to the relationship between actors, and in what way

resources, finance, knowledge and information are allocated. The governance defines the terms of chain membership, the incorporation or exclusion of other actors accordingly, and the distribution of value-adding activities lead companies do not wish to perform (Ponte & Gibbon, 2005). The GVC approach analyses the role of leading firms' power over resources in questions of what, how, and by whom, the commodity should be produced, and ultimately they shape globally integrated production chains (Gereffi, 1994). The original distinction made by Gereffi (1994) between buyer-driven and producer-driven forms of governance in GVCs, still plays an important role for understanding changes and power relations in the global economy. Producer-driven chains are dominated by upstream controlled production systems in capital or technology-intensive industries. Buyer-driven chains have become the new model of global sourcing in labour-intensive sectors, common in the agriculture sector. The chains are characterised by production networks controlled by upstream manufacturers, large retailers, trading or branded companies, and are concentrated on branding, marketing and design functions. Lead actors in buyer-driven chains tend to have a higher 'drivenness' to make key decisions of activities, without owning any manufacturing facilities themselves (Ponte & Gibbon, 2005; Mayer & Gereffi, 2010; Tallotire et al., 2011). Hence, key actors in the value chain determine the rules and conditions and have the ability to affect behaviours, practices and functional divisions of the chain (Ponte & Gibbon, 2005).

As this article wants to examine what market structures are constructed by the implementation of standardised TPCs in Kodagu, it is important to understand how GVCs are governed and, how key actors enforce rules and conditions of participation, under which other actors in the chain operate (Ponte & Gibbon, 2005; Humphrey & Schmitz, 2001). Issues of governance in GVCs matter in terms of market access, distribution of gains and the leverage to influence policy initiatives (Humphrey & Schmitz, 2001). Most scholars agree that economic globalisation therefore demands global regulation. Changes in the international economy have created a vacuum or deficit of public regulatory at global level and hence, there is a call for new forms of governance in GVCs (Bartley, 2007; Mayer & Gereffi, 2010; Hess, 2008; Raynolds et al., 2007; Raynolds, 2012).

Agriculture and the Demand for New Forms of Governance

Voluntary non-governmental forms of governance have increased rapidly as a response to deregulation in the global economy and to address social and environmental concerns related to unsustainable production methods (Bartley, 2007; Gereffi & Mayer; 2010; Potoski & Prakash, 2002; Raynolds, 2012). The way in which agriculture historically has been under the control of national governments has significantly changed during recent decades and deregulations have been dramatic (Raynolds et al., 2007; Hatanaka & Busch, 2008). Due to problems in the industry, related to environmental, social and economic sustainability, as well as power-imbalances along GVCs, agriculture has been particularly affected by the rise of private governance regulations (Raynolds et al., 2007; Giovannucci & Ponte, 2005; Omondi Ochieng et al., 2013). These initiatives aim to address the environmental, health, quality, and ethical conditions of agricultural production methods (Mayer & Gereffi, 2010; Bartley, 2007; Raynolds et al., 2007). Voluntary forms of governance is fuelled by states' increasingly attempt to share their steering capacity with other actors by 'giving away' government structures to public-private partnerships and various forms of self-organisation (Jordan et al., 2010). New forms of governance regulation can be described as a 'third' way between command-and-control and the free market, representing a more flexible and market oriented way of self-regulation (Hess, 2008). Regulatory power is decentralised to stimulate the participation of corporations in the process of developing sustainability strategies, as well as holding corporations accountable for their individual performances. The concept puts confidence in the participation of civil society actors to encourage this movement (ibid).

According to Bartley (2007), the rise of private governance can be understood from two different perspectives. The first approach is the most prominent in existing literature and is marked-based, examining the role of market actors and leading firms in constructing institutions of industry governance. This approach explains firms' attempt to preserve their reputation in time of 'naming and shaming', to provide credible information to consumers. This is particularly true due to complex supply chain networks, to maintain market position and to limit competition, as well as gain competitive advantages (ibid). The approach describes companies' response to social pressure to improve their practices and mobilise consumer concerns about social and environmental conditions of production (Hess, 2008; Raynolds, 2012; Bartley, 2007). The second approach pays attention to the role of non-economic actors' ability to shape production and trade relations, as a more political outcome of broader conflicts about the power of states, markets and civil society in an increasingly neoliberal world (Bartley, 2007). Research within social movements contributes with the critical role of civil society actors, often NGOs, in new forms of governance arrangements (Smith, 2008; Bartley; 2007; Raynolds, 2012). In this perspective, new forms of governance are not linked to corporate strategies, but '…rather reflect the negotiated settlements and institution-building projects that arise out of conflicts involving states, NGOs and other nonmarket actors, as well as firms' (Bartley, 2007, p. 299). This political-institutional argument reflects the on-going political countermovement of today that uses market pressure to regulate the behaviours of corporations (Bartley, 2007; Smith, 2008; Mayer & Gereffi, 2010). Through global campaigns, social movements link companies' local practices with GVCs and suggest alternative, more sustainable norms for business practices (Smith,

2008; Bartley, 2007). As part of this social movement, NGOs play a central role in these international initiatives where social and environmental dimensions of economic activities are in focus of the criticism (Bartley, 2007; Raynolds, 2012; Gereffi et al., 2001). National and transnational NGOs are promoting new governance mechanisms such as certifications, monitoring, and production standards to mitigate corporate wrongdoing and reward improvements of environmental and social conditions (Gereffi et al., 2001; Raynolds et al., 2007; Bartley, 2007). Gereffi et al. (2001) term these market-oriented governance mechanisms 'third-party certifications'.

Third-party Certifications and Their Role in the Global Coffee Chain

TPCs, such as RFA and UTZ, are market devices used to govern and attest not only corporate behaviour but also their suppliers worldwide (Kjellberg & Helgesson, 2007; Raynolds, 2012; Renard, 2005). As a response to consumer unease and increased societal concerns for quality, food safety, health, human rights, and environmental conservation, TPCs assist companies in governing the environmental and social performance of their GVCs (Gereffi, 1994; Raynolds, 2012; Renard, 2005). TPCs aim to guarantee that products sourced by a company meet desired environmental and social standards. Nevertheless, TPCs have become more proactive, where actors no longer are waiting for accidents or disasters to happen, but rather seeking to find on-going corporate wrongdoing (Raynolds et al., 2007; Gereffi et al., 2001). Increased social pressure for improved responsibility has further made companies comply with TPCs as risk-reduction strategies with the desire to protect corporate reputation (Roberts, 2003; Bartley, 2007). They can be understood as companies' attempt to maintain market position and to secure supply (Roberts, 2003; Bartley, 2007). Often, TPCs enable companies to maintain control through coordination and traceability along different actors of the GVC (Muradian & Perupessy, 2005).

Today, coffee is one of the most certified commodities in the world (Raynolds et al., 2007). After the collapse of the International Coffee Agreement in 1989, coffee became oversupplied, and thus led to price decline in the market (Ponte, 2004). As a result, the global coffee chain became buyer-driven (Ponte, 2002a; Muradian & Pelupessy, 2005) and a north-south relation developed, where the bargaining power of roasters and distributors increased over the producers, which shifted the share of income (Ponte, 2002a; Raynolds et al., 2007; Ponte, 2002b). Increasing power of key actors in shaping the coffee industry has put focus on large companies' processes, in particular their responsibility downstream the chain, and thus the rise of TPCs in the global coffee chain has been significant (Gereffi, 1994; Ponte, 2002a). Civil society actors have increased their engagement in regulating social and environmental issues in the coffee sector to influence the behaviours of powerful actors and their production methods downstream their value chains (Raynolds et al., 2007). This includes establishments of new governance regulations, such as TPCs and eco-labelling for coffee (Raynolds et al., 2007).

Raynolds et al. (2007) identify three key dimensions that distinguish TPCs in the coffee sector. Firstly, the governance structure (meaning, which actors are included in creating and enforcing the standard) affects its potential for promoting sustainability. Secondly, the depth of social and environmental concerns, the rigor of the standards, and the inclusion of trade and price specifications, which determine if the standards are just 'holding the bar' or actually 'raising the bar' by improving social and environmental conditions. Thirdly, the market coverage and growth potential, which is critical in shaping the power of standards to effect global production, consumption and trade. In a similar way, Ingenbleek et al. (2007) distinguish between two main strategies between TPCs, those weighing principle over size, and those weighing size over principle (Ingenbleek & Meulenberg, 2006). Both sides aim to make contribution to the common goal of sustainable agriculture (ibid), but the essential difference is found in the trade-off between the principles of sustainable production and the size of the programme (Ponte & Riisgaard, 2011).

Nevertheless, TPCs' role to govern issues of sustainability has been questioned. As TPCs aim to guarantee a fair and standardised level of companies' production methods, their standards have become internationally normalised, often to the detriment of small-scale producers. This normalisation weigh heavily upon producers who often hold the costs of implementing certification standards, including coordination, monitoring and compliance (Omondi Ochieng et al., 2013; Perez-Aleman & Sandilands, 2008). As a consequence of these costs, TPCs can represent a significant barrier for smallholders and thus, they have an inherent mechanism of market entry and exclusion, converting them into a source of power for those who control them (Renard, 2005; Perez-Aleman & Sandilands, 2008; Giovannucci & Ponte, 2005). Other authors suggest that TPCs are too broadly defined and are used simply to identify risks and protect reputation of companies and hence, only 'hold the bar' of social and environmental performances (Gereffi et al., 2001; Raynolds et al., 2007; Hess, 2008). In addition, critics suggest that implementation of TPCs does not necessarily lead to the inclusiveness of Southern and/or disadvantaged actors, and to suitable standards in relation to the need of these actors and to local conditions (Ponte & Riisgaard, 2011). Finally, literature raises the issue regarding third-party standards' characteristic of being 'market-driven' (Cashore, et al., 2004; Bernstein & Cashore, 2007; Raynolds et al., 2007). The authors argue that corporations often seek more 'business friendly' standards to implement and if TPCs are too demanding the market will reject them. Consequently, TPCs with more demanding standards, that seek to raise environmental and social expectations, will increasingly be challenged by standards simply

upholding current level of requirements (ibid). Due to society's reliance on TPCs to ensure environmental and social sustainability in the production of coffee, it is therefore highly relevant to investigate their reliability.

The Performative Power of Third-party Certifications in the Construction of Sustainable Markets

TPCs as market devices aim to govern practices that are considered sustainable in GVCs (Loconto, 2010; Gereffi et al., 2001). They represent economic ideas and theories held by various interest groups of how to steer behaviours and practices with the purpose to influencing reality in a sustainable manner. Research on this kind of performative capacities of marketing and economic activities thus provides a way to reveal the practical outcomes of using TPCs in GVCs, and a way to understand how governance along the chain steer behaviour (Loconto, 2010). Ultimately, this theoretical approach provides a way to critically examine TPCs' ability to contribute to the construction of sustainable markets through practice.

From a market construction perspective, markets are considered to be constituted by market practices (Kjellberg & Helgesson, 2006; Araujo, 2007). The idea of marketing as performative is interested in understanding how marketing contributes to the reproduction and transformation of market structures. In other words, how markets are shaped (Araujo, 2007; Kjellberg & Helgesson, 2006). Recent research in the marketing discourse neglects the image of the market as a relatively stable and objective entity. Instead, it suggests that marketing plays an active role in the on-going making of markets by influencing practices (Zwick & Cayla, 2011; Kjellberg & Helgesson, 2006). Market devices, i.e. 'the material and discursive assemblages that intervene in the construction of markets', can be considered as objects with agency that steer practices that constitute markets (Muniesa et al., 2007, p. 1). However, the performative power of market devices does not derive from their existence *per se*, but rather from their potential to generate actions and to make others act (Muniesa et al., 2007). Or, put another way, 'if no one "picks it up", nothing happens' (Kjellberg & Helgesson, 2006, p. 843).

The performative capacities of economic activities refer to the impact of economic theories, ideas and visions on economic reality (Kjellberg & Helgesson, 2006; Muniesa et al., 2007; MacKenzie et al., 2007). Performativity can be understood through the way in which '...economics, in the broad sense of the term, performs, shapes and formats the economy, rather than observing how it functions' (Callon, 1998, p. 2). According to Callon et al. (2002), markets are public spaces, constituted by a large number of actors who all have conflicting economic, political and ethical ideas and interests about the structuring of the market. These actors try to establish new rules for how the market should be organised, resulting in a continuously evolvement and reconstruction of the market (Araujo, 2007; Callon et al., 2002). The construction of a market therefore becomes an interconnected, collective issue and the economy becomes political (Callon et al., 2002). This leads to various actors influencing on multiple and co-existing market practices that together contribute to shape the market (MacKenzie et al., 2007). In order to attain structure in the myriad of associations between actors in the market, market devices act as abstractive calculative tools that frame, classify and formalise market relations (Araujo, 2007; Muniesa et al., 2007; Callon & Muniesa, 2005). TPCs represent one example of such market devices that frame norms on sustainability issues which are translated into tools that are put to use in exchange settings (Kjellberg & Helgesson, 2007). This framing includes the formalisation of standards on a broad range of sustainability issues, control measures to facilitate the implementation of standards and monitoring instruments to ensure compliance (Raynolds et al., 2007; Giovannucci & Ponte, 2005).

Market devices' structuring ability enables the creation and operation of markets through the formalisation of procedures and clarification of hierarchies (Araujo, 2007; Callon & Muniesa, 2005). Araujo (2007) refers to this as 'markets as institutions' where market structures become stable enough to reduce uncertainty and influence and constrain behavioural norms. According to Muniesa et al. (2007), market devices are a prerequisite in the organisation of the market as they organise and stabilise the circulation and exchange of economic activities. In other words, market devices' performative power of influencing practices function as a risk-mitigating tool that establish roles and relationships and hence, enable economic exchange. The way in which market devices are constructed affects the ways in which people and things are performing outcomes (Muniesa et al., 2007).

To summarise, this theoretical section shows how TPCs can be used as performative market devices to realise the theoretical vision of sustainable production of coffee (see examples of theoretical visions in Table 1). TPCs can be seen as visionary ideas of how to influence and control actors in GVCs and hence, transform practices and behaviours into more sustainable ones. Ideally, there would be a direct link between the ideas of sustainability, held by interest groups and other actors, and the behavioural outcome in the market. Yet, TPCs' performative power depends on context specific conditions and many aspects may partake in shaping outcomes in the market.

Methodology

The context – Kodagu and the Coffee Value Chain

India produces 3.6 % of the world's coffee and was the sixth largest producer in 2013 (ICO, 2014). The country grows both Arabica and Robusta beans, with the former accounting for approximately 70% of the total coffee production (Coffee Board of India, 2014a). One-third of the production comes from the coffee-

producing region of Kodagu where coffee has grown for the last 120 years. The production volume makes the region the largest coffee producer in the country (Coffee Board of India, 2014a) and coffee one of the major drivers of the regional economic, the landscape, as well as the local cultural identity (Garcia et al., 2009; Rao, 2011; Bal et al., 2011). Coffee growers in Kodagu have strong positive associations with the environment and local communities in the region have a positive attitude toward biodiversity conservation (Chengappa et al., 2014). Many growers are therefore willing to pay in terms of spending time for participating in conservation programs (Ninan & Sathyapalan, 2005). In addition, a majority of the coffee growers in Kodagu are well educated (Chengappa et al., 2014).

TPCs	**Rainforest Alliance** **(Requirements set by Sustainable Agriculture Network's sustainable agriculture standards)**	**UTZ Certified**
Mission	"The Rainforest Alliance works to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practise and consumer behaviour".	"Our mission is to create a world where sustainable farming is the norm".
Vision	"We envision a world where people and the environment prosper together".	"A world where sustainable farming is the norm is a world where: farmers implement good agricultural practices and manage their farms profitably with respect for people and planet; industry invests in and rewards sustainable production and; consumers can enjoy and trust the products they buy".
Range of requirements aimed at environmental and biodiversity conservation	(1) Environmental management systems must be in place so that auditors can confirm that farms are operated in compliance with the Sustainable Agriculture Network (SAN) standard. (2) Farmers must conserve existing ecosystems and aid in the ecological restoration of critical areas. (3) Certified farms serve as refuge for wildlife, and therefore farmers should monitor wildlife species on farms. (4) The SAN standard requires that farmers conserve water by keeping track of water sources and consumption. (5) The SAN encourages the elimination of chemical products that pose dangers to people and the environment. (6) A goal of SAN's sustainable agriculture approach is the long-term improvement of soils. (7) Certified farms are clean and orderly with programs for managing waste through recycling, reducing consumption and reuse.	(1) Respect for protected areas, plant and animal life and water sources. (2) Preventing deforestation and planting shade trees. (3) Optimizing and reducing the use of artificial fertilizers and pesticides. (4) Efficient waste collection, processing and recycling. (5) Using energy carefully and encouraging the use of sustainable energy sources.

Table 1. The theoretical visions of RFA and UTZ for environmental sustainability (sources: www.rainforest-alliance.org and www.udzcertified.org).

TPCs are a fairly new phenomenon in the Indian coffee market and there are four prominent social and environmental certifications programs to be found; RFA, UTZ, Organic, and Fairtrade Labelling Organisations (Chengappa et al., 2014). In Kodagu, UTZ and RFA are the most common (ibid) and will therefore be the focus of this case. We also chose to focus on RFA and UTZ as these TPCs have the strategic approach of weighing the size of the programmes over the rigour of principles (Ingenbleek & Meulenberg, 2006). By looking closer at these two TPCs, we can investigate the effect of implementing requirements falling below the actual environmental practices among coffee growers in Kodagu. According to the Coffee Board of India, coffee growers with less than 10 acres of land are defined as smallholders in India. The coffee estates in the region of Kodagu are mainly medium and large-sized and will therefore be the focus of this study. RFA and UTZ, relative other TPCs, focus on large estate where costs can be more readily absorbed (Giovannucci & Ponte, 2005). These two TPCs expect the demand for certifications to grow and plan to double their volumes worldwide by 2015 (TCC, 2012).

The Kodagu coffee value chain (see figure xx) includes medium and large coffee estates that are landowners, often without their own curing plant. These actors sell their coffee either to the local market, to an international exporter/trader, or directly to roasters or branded companies in the international market. This depends mainly on the grower's size and financial, technological and cognitive resources and hence, their power position in relation to other actors. The Coffee Board of India, a governmental body under the control of Ministry of Commerce and Industry, plays an important role in supporting the coffee industry and represents various interests of coffee growers, exporters/traders, curing plants and the interests of labour as well as consumers (the Coffee Board of India, 2014b). However, interviews with representatives from the Coffee Board of India revealed that the organisation is not collaborating with any TPCs and wants to stay neutral in these questions.

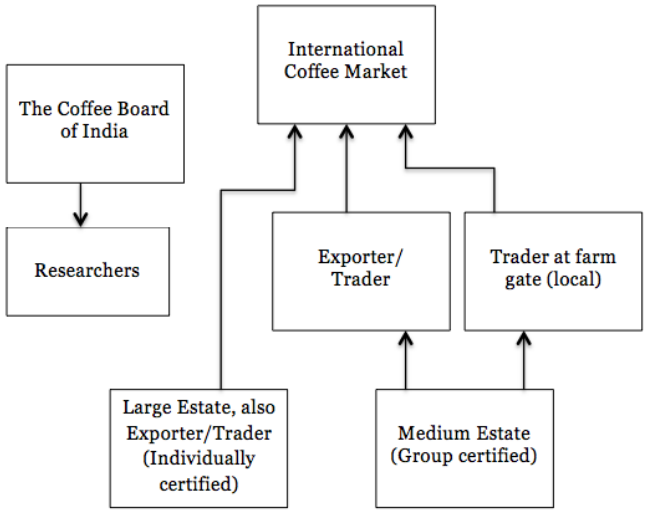

Figure 1. The coffee value chain in Kodagu (actors involved in the case)

The Case - Approach and Research Design

In order to describe how the local specific conditions in Kodagu affect the implementation of TPCs, a qualitative case study approach was proposed. In this case, we argue that TPCs are best understood if viewed from the perspective of actors involved in the Indian

coffee market, and should be explored from this context. Thus, a case study helps us to explore the reality of Kodagu from the inside and to collect vivid and rich descriptive information on the perspectives of key actors in the coffee value chain. A case study focuses on; understanding the dynamic present within a single setting (Eisenhardt, 1989); it involves an in-depth empirical investigation of a particular contemporary phenomenon within its real life context (Yin, 2009) and; uses multiple sources of information and evidence rich in context (Saunders et al., 2009). This means that the case is being explored in its economic, social, cultural, historical and physical setting to provide a thick, holistic and contextualised description of actors involved (Eriksson & Kovalainen, 2008). Through understanding the practices of actors involved, a thick and rich description of the case allows us to crystallise what context specific conditions are present in Kodagu and how these conditions affect the implementation of TPCs.

A case study approach is appropriated when investigating relativity new topic areas (Eisenhardt, 1989) and a single case is appropriate where the case represents an extreme and unique situation (Yin, 2009). To our knowledge, there is not much research done on how local conditions with high environmental practices are affecting the ability of global TPCs to make an impact on environmental behaviours and practices. TPCs were developed to eliminate the worst forms of social and environmental abuse and therefore, these are the contexts that have been mostly discussed in literature. Our choice to study a context rich in traditional knowledge on how to conserve biodiversity and nature, relative other coffee producing regions, thus represents the novelty of our study and our contribution to literature on TPCs and GVCs. Therefore, our case study had an exploratory approach since it assesses the phenomenon of TPCs in new light (Saunders et al., 2009).

The Procedure - Data Collection and Analysis

This case study is based on interviews with several actors in the coffee value chain in Kodagu. This provides an accurate and trustworthy picture of our empirical material and thus, a multidimensional image of how TPCs operate in this setting (Eriksson & Kovalainen, 2008). Sixteen in-depth interviews were conducted during three weeks in India, March 2014, and one interview were held in Copenhagen (researcher) and one on Skype from Sweden (RFA), and represent the empirical base of this study. The following actors are represented: coffee growers from Kodagu, large coffee exporters/traders with ownership over estates in Kodagu, representatives and a researcher from the Coffee Board of India, local exporters/traders, researchers in the field of coffee and forest conservation, and one representative from RFA (see table 2). Representatives from UTZ were contacted for an interview but to our disappointment, they got make to us too late. The interview questions had the purpose to understand two overall issues and followed a performative approach (see Kjellberg & Helgesson, 2006). Firstly, the purpose was to investigate *what market structures are constructed* through the implementation of global TPCs in the local context of Kodagu. Secondly, the interviews had the purpose to investigate *how practices and behaviours are affected*. Approaching these two issues helped focusing the interviews on the concrete activities and practices that are affected by the implementation of TPCs in Kodagu. The interviews differed in length from 30 to 120 minutes, and were tape-recorded and transcribed. In some cases, written notes were taken at site. Identification of respondents was done combining two non-probability sampling methods, namely 'snowball' and convenience sampling (Saunders et al., 2009). In order to get access to suitable coffee growers for our case, we used our personal contact with one of the board members of the Karnataka Planters' Association who represented the gatekeeper to our sample of growers (Saunders et al., 2009). This gatekeeper established the initial contact with coffee growers in the area and through a snowball effect, other medium sized coffee growers with either RFA or UTZ certified coffee estates, as well as a researcher in the area, were then successively selected. Through a convenience sampling, a report containing coffee exporters/traders in India, by the Coffee Board of India, identified coffee exporters/traders trading with RFA or UTZ certified coffee from Kodagu. These companies were approached through a formal e-mail to participate in the research.

In Bangalore, semi-structured interviews were held with representatives from the Coffee Board of India and questions were asked about the Indian coffee value chain and how TPCs have contributed to shape the structure of the domestic and international market of coffee. Interviews were also held at head offices in Bangalore with larger corporations with ownership over estates and that export coffee internationally. In Kodagu, semi-structured interviews were conducted with both coffee growers and a researcher. The questions focused on what structures and activities that have changed, and how practices and behaviours have been affected by the implementation of TPCs on their estates. Furthermore, questions about their incentives to go into certification were asked. In addition, several visits and stays on coffee estates gave us a better understanding of the way of life of coffee growers.

The empirical findings were analysed in a manner suggested by Eriksson & Kovalainen (2008) called case record. This method is appropriate in cases with a lot of unedited empirical data from several sources, to develop an accurate case description. We were interested in themes and patterns extracted from the empirical data, not from the pre-given theoretical framework. However, this method is inductive-oriented (ibid) and does not mean that theoretical concepts from prior research were not used, but rather used to sensitize empirical findings from prior research to help organise the data. Arguably, the role of theory in case research is to support the researchers to sort and structure an overload of empirical data (Andersen

& Kragh, 2011). However, too strong focus on pre-existing theory might blind the outcome of the result and hinder theory development (ibid). This implies that we allowed an open-minded approach to the case, but always with acknowledge and awareness that our pre-existing knowledge could biases the final result. The method of crosschecking, or triangulating, data from multiple sources (Eriksson & Kovalainen, 2008) helped sorting different behaviours and activities from the empirical findings in Kodagu and to organise themes. We started the analysis of our transcribed interviews by going through the interviews, one by one. This enabled us to gain an overall understanding of subjects discussed. Then, through colour coding, we identified recurring patterns in all interviews, which eventually formed our themes. After deciding on what themes were the most prominent from the interviews, we started building explanations to these themes, which also enabled a critical analysis of the themes' reliability. Due to our prior knowledge about TPCs, we were able to identify statements that were of interested to our research questions and purpose. This included arguments about every-day practices, behaviours and processes affected by the implementation of TPCs. At the same time, we were able to ignore statements that were more of emotional nature, as these arguments did not fit into our research questions or purpose.

Respondent	Role in the Indian coffee value chain	Size of coffee estate	TPC	Comments
Representative from RFA	Certifying body			
Grower	Coffee estate owner	Medium	RFA	Group certified
Grower	Coffee estate owner	Medium	UTZ	Group certified
Grower	Coffee estate owner	Medium	-	Left the UTZ group certification program
Grower	Coffee estate owner	Medium	UTZ	Group certified
Grower	Coffee estate owner	Medium	-	Left the UTZ group certification program
Grower	Coffee estate owner	Medium	UTZ	Group certified
General manager	Coffee estate owner and trader/exporter	Large	RFA, UTZ, Organic	Individually certified
General manager	Coffee estate owner and trader/exporter	Medium	Organic	Individually certified
General manager	Coffee estate owner and trader/exporter	Large	-	Actively opposes TPCs
Manager	Coffee estate owner and trader/exporter in MNC	Large	RFA, UTZ, SA8000, Organic	Individually certified
General manager	Coffee estate owner and trader/exporter in MNC	Large	RFA, UTZ, SA8000, Organic	Individually certified
General manager	Coffee trader/exporter in MNC		UTZ	Certifies estates under group certifications
Researcher	College of Forestry			Research in the field of coffee cultivation and biodiversity conservation
Researcher	Copenhagen Business School			Research in the field of governance and TPCs
Representative from the Coffee Board of India	Government body			
Representative from the Coffee Board of India	Government body			
Researcher from the Coffee Board of India	Government body			

Table 2. Respondents

Validity

Limitations do exist within case studies. Case studies have been questioned for lacking the ability to build new theory and a common concern is the scientific generalisation of the study (Yin, 2009; Saunders et al., 2009; Andersen & Kragh, 2011). Particularly single case studies can end up telling interesting stories, but create little way of generalisable theory (Eisenhardt, 1991). It is important to be aware of this limitation and not claim that results, conclusions or theory can be generalised to all other research settings (Saunders et al., 2009). In our case study, it may be argued that the explorative approach makes generalisation outside the Indian coffee value chain hard to validate. However, as Erickson (1986) argues, the general lies in the particular. What we have investigated can increase the understanding of the general by adding an in-depth knowledge of one specific case, which can be transferred and compared to similar situations. To ensure external validity, or generalisability, we provide a rich and thick description of Kodagu, so the reader will be able to determines how closely other situations match and whether findings can be transferred (Yin, 2009; Saunders et al., 2009). In other words, it is the reader that judges what can be transferred or applied to other contexts beyond the actual case. Nevertheless, case studies play an essential role in advancing and evolving a field's knowledge base and in particular though a narrative description of the case (Stake, 1995). The uniqueness of this single case study can therefore contribute to knowledge and theory building to help refocus future research in this field (Yin, 2009). In our case, this would be a contribution to a refocus of understanding the complexity of TPCs, by investigating their impact in a local context already sustainable by default.

Furthermore, the chosen respondents do not represent every actor from the Indian coffee value chain, i.e. curing plants and UTZ are not represented in the sample, and thus, important input for this case may have been lost. For instance, curing plants may have been excluded from the sample due to the chosen snowball sample method. In this method respondents are most likely to identify other respondents who are similar to themselves, which may have resulted in a homogeneous sample, in particular among the sample of coffee growers (Saunders et al*.,* 2009). However, due to the difficulties to approach coffee growers ourselves, this was the most appropriate possibility identified.

Findings and Analysis

The Unique Environmental Conditions in Kodagu

In order to understand what market structures are constructed through the implementation of global TPCs in Kodagu, and how practices and behaviours are being affected, a thoroughly examination of local conditions is required. Only then will it be possible to

understand how the local context has consequences for the potential of TPCs to promote environmental sustainability.

The area of Kodagu is covered by rainforest and represents one of the world's biodiversity 'hotspots'. These hotspots are characterised by exceptional concentration of endemic species (unique species that cannot be found elsewhere) and are undergoing exceptional loss of habitats (Myers et al., 2000). Kodagu is famous for its tradition of shade-grown coffee and until today, coffee growers retain native trees and other vegetation on their estates (Neilson, 2008). According to the interviewed researcher in Kodagu, reasons behind this include the historical limited access to water for irrigation in which shade has been essential to conserve water and protect plants from immediate sunlight and draught. The hilly landscape of Kodagu also complicates the transition into mechanically cultivation methods and coffee production is still dominated by manual work. Other reasons are the source to nutrition that leaves provide, which improve the fertility of the soil and the specific land tenure and tree rights that constrain growers from felling trees. A final reason is the sacred groves, traditionally known as Devarakadu, meaning God's forest. Sacred groves are believed to be abodes of the gods and to give harmony and protection to the community and thus, growers oppose strict laws and taboos against poaching and felling of trees (see also Neilson, 2008; Neilson & Pritchard, 2007). Coffee estates in Kodagu have a tradition of intercropping coffee with other species such as pepper, cardamom, areca, citrus and commercial timber, such as silver oak, in order to improve the economic viability of the estates. For these reasons, the vegetation becomes a natural feature of the coffee estates, which today constitute two-thirds of the landscape in Kodagu (Neilson, 2008; Rao, 2011; Neilson & Pritchard, 2007).

Due to the forest cover, coffee cultivation takes place in complex agroforestry systems and coffee estates play an important role in supporting the conservation of other habitats and the biodiversity in the region (Rao, 2011; Neilson & Pritchard, 2007; Bal et al., 2011; Chathana et al., 2010).

> *"The Indian coffee is grown in such a manner that is automatically protecting the land".*
>
> – Representative from the Coffee Board of India

According to Neilson and Pritchard (2007), the unique environmental conditions of Kodagu make it difficult to overstate the ecological role played by the privately owned coffee estates in the region since the interaction between nature and humans is intense. Fortunately, the region is rich in both local-based knowledge and traditional management practices among coffee growers of how to preserve ecological biodiversity (see Neilson & Pritchard, 2008; Chathana et al., 2010).

> *"I am the fourth generation of coffee farming, so they [coffee growers] have been here for 200 years, and they have been looking after the environment, they have saved it".*
>
> – Grower, medium coffee estate owner certified with UTZ

These traditions are however threatened by economic and political power, as well as undermined local social institutions in the region (Neilson & Pritchard, 2008). As a consequence, 30 % of the forest cover in Kodagu were lost in the last three decades, while at the same time, the area under coffee cultivation doubled, which has put pressure and negative impact on the ecosystems (CAFNET, 2011; Chethana et al., 2010). In sum, coffee growers in Kodagu face the challenge to enhance coffee productivity and at the same time maintain rich biodiversity of the area (see also Chethana et al., 2010).

> *"Irrigation is getting more and more available to farmers and many farmers are opening their shade because they want to produce more coffee. Access to water is essential to reduce the amount of shade".*
>
> – Researcher, College of Forestry, Kodagu

Interviews with different actors from the empirical case study revealed several factors that are threatening the maintenance of the forest cover. According to the researcher in Kodagu, the liberalisation of the world coffee market, increased competition and related intensification of coffee production, as well as the increased access to irrigation, have caused coffee growers to start opening the shade on their estates and the highly diverse coffee based agroforest systems are losing tree cover. The reduction of tree cover can potentially increase coffee productivity, but at the cost of increased dependency on external input, such as fertilisers and pesticides (see also Chathana et al 2010; CAFNET, 2011). Several interviews with coffee growers revealed the traditional ways in which they have preserved jungle species of trees on their estates. These trees provide fruits for birds that in turn protect the plants from pests and thus, birds represent an important sustainable substitute to pesticides. As the tree cover is gradually removed, the demand for fertilisers increases as birds leave the area. In addition, the jungle wood species are increasingly replaced by the commercial silver oak with its fast rotation time that provide an important source of income for growers, but at the cost of the loss of biodiversity. Due to price and market fluctuations of coffee, coffee growers expressed an increasing need to spread their economic risks by maximising the biomass production of the land. According to the interviewed researcher in Kodagu, believes in sacred forests are declining, which further accelerates deforestation in the area.

As a significant part of the landscape in Kodagu is dominated by coffee and since coffee has become the main activity in the region, with accelerating negative impact on the ecosystems, it is essential to highlight coffee growers' role as environmental stewards. The stakes are high to ensure the remaining habitats and species in the area do not disappear due to human pressure and hence, there is a need to support local management practices that address the conservation of the ecological biodiversity (CAFNET, 2011; Rao, 2011; Neilson & Pritchard, 2007; Neilson, 2008). The increased use of global TPCs represents one way to address these issues.

Environmental performance exceeds requirements set by third-party certifications

Due to the environmental advantages of coffee cultivation in Kodagu, interviewed coffee growers expressed the ease of getting certified.

> *"It is a perfect fit [between standards of TPCs and nature]. You don't have to do many other things, because it is a natural fit. You just need to do some briefly things to maintain the certification. So, that is an advantage to get the certification".*
>
> - General Manager, large coffee estate and exporter/trader certified with RFA, UTZ and organic

This finding is supported by Chengappa et al. (2014) who state that a majority of certified estates in Kodagu express that certifications requirements are easy to follow. The most commonly chances described by growers include safety equipment for labour such as gloves, small maintenance work on the estates, restriction on the use of fertilizers and pesticides and additional administrative work such as bookkeeping.

> "*Farmers are almost organic by default, the gap is small, just a little fertilizer and almost no pesticides at all*".
>
> - Researcher, College of Forestry, Kodagu

The case revealed that the context specific conditions in Kodagu is more or less environmentally sustainable by default and that coffee growers are easily fulfilling the requirements of RFA and UTZ and thus, the transition from conventional agriculture is not a major concern. For most part, the heavily-shaded coffee estates of Kodagu exceed the requirements of environmental standards set by TPCs and cannot really be equated with the open systems of coffee cultivation practices found in Vietnam, Brazil or elsewhere (see also Neilson, 2008). As a key finding in the case, the implementation of TPCs standards imply only minor improvements of environmental practices on the estates for coffee growers.

> *"We had no problem with implementing UTZ in the Indian market, there were hardly no factors that we didn't apply to […] No contrasting interests when implementing UTZ [at coffee estates through group certifications]".*
>
> - General Manager from an international coffee trader/exporter certified with UTZ

Both UTZ and RFA has been criticised for being two of the broadest standards in the market and for being non-specific in their standards, which only include minimum guidelines for responsible production (Giovannucci & Ponte, 2005; Raynolds et al., 2007; Omondi Ochieng et al., 2013; Kolk, 2005). Arguably, they 'weigh size over principles' by trying to cover a broad range of issues with fairly low level of requirements. This strategy aims to create as large market coverage as possible in the mainstream market and to attract larger brand manufacturers and roasters (Ingenbleek et al., 2007; Ingenbleek & Meulenberg, 2006). The case study shows that this influences their potential to shape environmental conditions in Kodagu as this specific context is under threat of losing its high performance on environmental practices and therefore needs standards that actually give growers incentives to 'raise the bar' rather than just 'holding the bar' of environmental conditions. We argue, as long as the standards set by the certifying body only ensure that minimum requirements of environmental performance are followed, or even give room for coffee growers to lowering their bar of current environmental behaviours, while still receiving a certification, the TPC seems not to be able to protect the unique environmental conditions or conserve biodiversity in Kodagu. For instance, in the guidelines for RFA's sustainable coffee production in India, coffee estates with agroforestry system must meet the requirement that '…cultivated land consists of minimum 12 native species per hectare on average' (Sustainable Agriculture Network, 2013, p.16). However, according to a researcher at College of Forestry in Kodagu, coffee growers in the region may traditionally have up to 30-40 different species on their estate.

> "*It could of course be a negative effect if you apply to the program and are informed that the minimum is 12 species*".
>
> - Researcher, College of Forestry, Kodagu

By way of conclusion, TPCs are likely to be of little benefit to biodiversity and environmental conservation effort in Kodagu as long as their standards do not create incentives for growers to uphold or improve their environmental methods and practices. As of now, TPCs do not create enough incentives for growers to improve their environmental behaviours and practices and to stop the on-going threat of deforestation. This situation seems to be particularly true as the case shows that growers' high performance on environmental practices and the density of biodiversity often exceed those requirements set by TPCs. In other words, neither UTZ nor RFA seem to be able to shape environmental standards that actually protect the unique environment of Kodagu, an argument supported by the case.

> *"By large, I was already doing what was required [prior to getting certified]. All of it, and more! What was mandatory we already do. We even pay loans to the workers for marriage. No child labour, storage of chemicals, plastic disposals, all this was being done. This was why I was tempted to this [TPCs]. So if I was going to get a premium for it? Why not? But I fight over the premium. The price I get from them [exporter/trader] is a discounted price. Lower than the local market".*
>
> - Grower, medium coffee estate owner certified with UTZ

The ability to empower coffee growers to take on the role as environmental stewards

In Kodagu, a majority of the interviewed coffee growers are landowners operating independently from other growers in the area, and who are widely spread across the district. Cooperatives of coffee growers are rare, and the ones that exist have had difficulties to adapt to trade patterns and hence, they are not powerful enough to help certifying growers directly (see also Mercereau & Vignault, 2008). However, the result from the empirical case shows that individual coffee estate owners also struggle with their economic viability, and often lack financial strength to hold the

cost of a TPC. At the same time, coffee growers expressed an increased pressure for holding a TPC.

With an increasing world demand for certified coffee, the study shows that the certification process are enforced by upstream actors in the international coffee chain, such as branded companies and roasters, who put pressure on downstream buyers and exporters/traders with operation in India, to certify coffee growers in the area. According to the Coffee Board of India, non-participation in TPC programs represents a barrier to trade since growers increasingly have no option but to follow the growing demand from exporters/traders for certified coffee.

Two ways of getting certified were revealed during the study depending on the grower's size, economic viability and power position in the coffee chain. Interviewed larger corporations with ownership over estates, that export coffee and hold an advantageous position in meeting the certifications demand from global buyers, mainly undertake *individual certifications* (see also Tovar et al., 2005; Chengappa et al., 2014) and deal directly with certifying bodies. Interviewed medium-sized growers with less advantageous position are often certified under a so called *group certification* (see also Tovar et al., 2005; Chengappa et al., 2014), initiated by an exporter/trader, who simplify the certifying process and reduce costs involved by certifying several growers at the same time. The exporter/trader attracts growers to the program by paying the initial cost and the annual fees for holding the certification.

> "*What happens is that promoters [exporters/traders], they form so called groups and the group members [coffee growers] are not in contact with each other. […] There is a lack of transparency because you don't get in touch with each other because it is no form [co-operatives/associations] to do so*".
>
> - Researcher, the Coffee Board of India

The program aims to improve quality and farm management practices that eventually will lead to a better price for *the* grower. Interviewed coffee growers therefore described the certification as an opportunity for them to expand to a new premium market with the help from the group certification. Noteworthy, coffee growers are not required to sell their coffee to the particular exporter/trader that has financially supported the estate. However, to get the coffee certified and to receive the expected price premium, the grower is required to sell to that particular company (see also Chengappa et al, 2014). Growers told us that they are obliged to hold the cost of upgrading the estate to ensure it complies with the specific standards of the TPC. During interviews with exporters/traders, they explained their responsibility for auditing, educating, and training the estates, as well as upholding the contact with the TPC. Consequently, coffee growers undertaking a group certification hold a very passive role in creating and enforcing standards included in the certifications.

> *"I am not aware of the operation after I have sent the coffee to them [exporters/traders]. They [exporters/traders] log all the coffee, where it comes from. […] I never get to know that my coffee which went from the estate, was paid X plus to Hanna in Sweden, what happened to that plus [price premium]?"*
>
> - Grower, medium coffee estate owner certified with UTZ

Due to these findings, it may be argued that the initiative by exporters/traders to group growers under a certifications seems to have negative consequences for the growers' empowerment as they lose control over their output at the farm gate and thus, lose important information flows and traceability of their coffee. Several growers expressed a lack of information regarding where their produced coffee goes after it leaves the farm gate and consequently, growers lose their ability and willingness to influence further up the value chain. Arguably, the group certification process is impeding the empowerment of coffee growers and creates an obstacle for growers to collectively come together and collaborate. The researcher from the Coffee Board of India suggests that TPCs would be more effective if growers worked together as a cooperative association to reduce the transaction cost of getting certified. Such initiatives are suggested to create a platform for exchange of production methods and marketing plans to empower marginalised growers (see also Tovar et al., 2005; Chengappa et al., 2014).

According to Raynolds et al. (2007) the power of different actors to create and enforce standards of TPCs, as well as relationships between these actors, affect the TPC's potential for promoting sustainability. As growers play an essential role in the conservation of biodiversity in Kodagu, the power of growers to take part of the creation and enforcement of standards is essential. Arguably, this would ensure that local conditions and practices are taking into account, which can ensure locally adapted standards that can promote sustainability. Ideally, the implementation of TPCs should make it easier for growers to take on the role as environmental stewards (Neilson, 2008) and thus, empower growers and shape practices and behaviours that would conserve biodiversity in Kodagu. Instead, results from the empirical case study show that normalised certification standards are rather imposed on coffee growers.

> *"Have you ever thought about the western standards aren't understandable for us to follow? I don't think western standards are something that we have to follow. Every country has their values, and I don't want to follow western standards".*
>
> – Grower, large coffee estate owner and trader/exporter actively opposes TPCs

During interviews, many coffee growers expressed scepticism regarding TPCs and they were not optimistic about the overall success in the long run from getting certified.

> *"They [TPC] had already decided what the condition were [in Kodagu]. They looked at us suspiciously. They do not take the farmer as a stakeholder, they think the farmer is the bad guy".*
>
> - Grower, medium coffee estate owner certified with RFA

They described standards being imposed on them as a direct consequence from getting certified, without

being included in the process of setting those standards. This finding is supported by Chengappa et al. (2014) who state that growers in Kodagu believe that certifications do not consider the local context and realities of Kodagu. During our study, several growers stated that TPCs represent a necessary evil to uphold relationships and access to buyers, and expressed the feeling of being 'forced' into the program.

"We are forced to have a certification. It is not driven by us".

– Grower, large coffee estate owner certified with UTZ, RA and Organic

From the above discussion of the certification process in Kodagu, it can be concluded that TPCs are contributing to the governance structure and power relations along the coffee value chain. The certifying process in Kodagu represents a buyer-driven form of governance where upstream actors determine rules and conditions for actors downstream the chain (Gereffi, 1994; Ponte & Gibbon, 2005). By certifying coffee growers, exporters/traders can establish closer bounds with growers and secure their certified coffee supply. According to Muradian and Perupessy (2005), holding a certification represents a way for growers to become a 'preferred supplier'. At the same time, TPCs increase the market power and position for local exporters/traders in the international arena. Rather than being a tool for environmental upgrading *per se,* TPCs facilitate coordination between actors in the value chain (ibid).

The inadequate price premium

"Indirectly I probably pay for the certification by getting a bad price".

- Grower, medium coffee estate owner certified with UTZ

In order to influence environmental behaviours and practices of coffee growers, one key point of concern is to ensure that growers are economically rewarded for the additional costs included in the transition to TPCs. According to Giovannucci and Ponte (2005), the easiest way to assess a TPC's ability to impact on sustainability is to estimate if the extra investment and effort needed pays off in terms of earning a premium over non-certified coffee. According to the case, the main driving factor for growers to undertake TPCs primarily depends on the added value and economic viability of such investment (see also Chengappa et al., 2014).

"I thought I was lucky for having already met the criteria but now I don't see any benefits from it".

– Grower, medium coffee estate owner certified with UTZ

UTZ and RFA are two market-driven TPCs with prices negotiated between the buyer and seller. They do not guarantee an assured premium but instead, their philosophy is that quality improvements of production and processes will help realise a market-determined quality premium for the coffee grower (Kolk, 2012). However, interviews show that TPCs are not a guarantee for an increased income for coffee growers in Kodagu.

"Because of the relationships with our buyers, all our buyers come and visit. They can be with us, they are our guests, so they know. I use that as a certification. I say, why the hell do I have to pay a certifier money for a job he doesn't know what he is doing. You asked a third-party certifier, what is shade-grown coffee? He's concept of shade-grown coffee would be what Brazil is doing. If Brazil is shade-grown coffee, then I must be an eight stars shade grown coffee. […] And that costs a lot of money, Who is going to pay for it? So I believe that my buyers should do the certifying themselves".

– Grower, large coffee estate owner and trader/exporter actively opposes TPCs

A vast majority of the growers expressed that undertaking a TPC has not increase their incomes significantly. Consequently, many growers expressed a feeling of being 'fooled by the system' and several of the interviewed growers have chosen to leave, or consider leaving, the program. Hence, it is essential that coffee growers in Kodagu get compensated through a price premium for their products produced under rich biodiversity.

"It is very expensive for a farmer to go for a certification. Especially in bad times. If things are bad, it (TPCs) is the first thing I delete".

– Grower, medium coffee estate owner certified with UTZ

According to Giovannucci and Ponte (2005) it is problematic to track who receives even the most concrete benefits from certified coffee, such as the premium, since these monetary benefits can be lost or diluted along the coffee value chain. This is supported by Ponte and Riisgaard (2011) who state that private governance through TPCs is highly disputed as the intended positive impact is by no means guaranteed or even assessed. Arguably, the absent adequate price premium in Kodagu could partly be explained by the fact that coffee growers already hold a high quality standard on their production and process methods and therefore cannot realise a market-determined quality premium from such improvements. Furthermore, exporters/traders are not always able to buy the coffee at a high premium, because of fluctuation of demand in the world market. The current high world price on coffee makes the relative premium on certified coffee go down compared to non-certified coffee. Thus, coffee growers chose to sell their coffee to the local market as uncertified where they received a better price.

"There are small operators [actors in the market] that pay more, 300-400 rupees more at the farm gate. […] If they offer me more, I will certainly go for the 12000 price. I cannot afford to lose the 400 rupees, I can do a lot with 400 rupees. When somebody else that is not even certified from the seal get the same […] The local market do not even bother if I am certified, he [local trader at farm gate] just care about the quality of the coffee".

– Grower, medium coffee estate owner certified with UTZ

Chengappa et al. (2014) confirm this by stating that only 37 % of certified coffee was actually sold as such. Arguably, TPCs seem not to be able to compensate for fluctuations in demand and price in the world market

and the expected premium is therefore vulnerable to market forces.

Competition between third-party certifications

Interviews show that several growers and exporters/traders have actively choosing not to practice environmentally stricter cultivation methods, e.g. organic, as there is no demand for such coffee from upstream market actors. As of today, traditional cultivation practices are also increasingly economically infeasible to the grower since these methods cannot meet the world market demand for larger quantities of coffee. Thus, coffee growers are dependent on the economic support to convert their production to organic.

> *"As of now, the answer is no [to certify growers as organic]. It is all market driven. If someone asks us to go into organic farming, we would definitely do so. But if you cannot market it, it is not viable. And also, we are in the mainstream market, if we focus on this market, it [organic] is not a business case".*
>
> - General Manager from an international coffee trader/exporter certified with UTZ

The potential of TPCs to promote sustainability, and to have a positive effect on the environment in Kodagu, partly depends on the way the TPC seek market coverage and growth potential (Ingenbleek & Meulenberg, 2006; Raynolds et al., 2007). As certified coffee has increasingly become mainstream, direct competition has risen and TPCs with higher and stricter requirements are facing pressure from TPCs with lower requirements (Raynolds et al., 2007). TPCs that aim for a high growth potential and the mainstream market often try to cover a broader range of issues, but with lower level of requirements on those issues in order to attract larger brand manufacturers and roasters in the mainstream market (Ingenbleek et al., 2007). Due to the ease of growers to get certified, these 'market driven' TPCs represent an 'easy way out' for larger brand manufacturers and roasters that seek legitimacy from increasingly demanding stakeholders at the lowest price possible (Cashore et al., 2004; Raynolds et al., 2007). As long as the stakeholder pressure for sustainable practices finds the level of requirements in these more 'business friendly' certifications satisfying, companies that try to protect their reputation and maintain their market position will find no reason to financially support growers in the transition to more rigor TPCs, such as through paying a premium.

> *"One issue why demand for organic is low is that farmers lack the information of demand and do not have access to the organic market. Traceability is not there, and many fall out after only a short period, it is not economic sustainable. […] Farmers are not enough paid for organic, same price as gate price".*
>
> - Researcher, College of Forestry, Kodagu

In turn, coffee growers explained the lack of incentives to go into, for instance, organic without any financial reward from doing so. Growers argued that the period of transition to organic is characterised by loss in yields and increased costs. Hence, potential gains from the growth of TPCs may be weakened by the fact that TPCs that mostly hold the bar on existing standards, to attract companies, are the ones growing the most rapidly (Raynolds et al., 2007). This is called 'race to the bottom' where different TPCs compete in the market, which impacts the content of the certification standards (Ponte & Riisgaard, 2011).

> *"There should be one cost for all certifications, it is a huge impact on farmers pocket to hold several certifications. For instance, exporters in India have several certifications such as UTZ, RFA, 4C etc. and each of these certifications mean an individual cost for the exporter even though the code of conducts are similar. In that case, we could use the same platform, one price".*
>
> - General Manager from an international coffee trader/exporter certified with UTZ

In accordance, the market driven characteristic of TPCs seems to work in the opposite direction from its intended purpose to offer coffee growers greater market access. Interviews with growers and local based exporters/traders suggest that too many TPCs are present in the Kodagu coffee market. This implies an obstacle to market access as growers are excluded from selling their coffee to buyers that require other TPCs than the one the coffee grower holds. From the case study it was revealed that growers holding for instance UTZ were not able to sell the same coffee to RFA, even though the two TPCs more or less cover the same standards on environmental and social conditions. The opportunity left for growers is to multi- or triple-certify, which means to hold more than one TPC. However, this implies increased costs for growers, which is not economically feasible.

> *"Our buyers want us to have the whole basket of certifications, organic plus rainforest alliance plus UTZ plus plus, but this is not possible economically".*
>
> – Grower, medium coffee estate owner certified with RFA

Summary of findings

A major conclusion from the empirical findings is that TPCs have the ability to positively contribute to environmental behaviours and practices in Kodagu. However, these contributions are mostly minor or incremental since coffee growers in the region traditionally hold high standards on their environmental practices and often exceed most of the requirements of environmental criteria. Arguably, the unique environmental conditions in Kodagu highlight the need for a contextual approach to sustainability that addresses the complex ecological realities in this local context. As long as TPCs do not meet these local realities of Kodagu in their standards, they will only be able to 'hold the bar' (or even lowering that bar) of growers' environmental performances in the region. As TPCs were not initially developed for the Indian coffee market, and due to their inherent structure of being globally standardised, they neglect local conditions in Kodagu. TPCs are therefore likely to be of little benefit to biodiversity and environmental conservation effort in Kodagu as long as their standards do not create incentives for growers to uphold or improve their environmental methods and practices, and thus 'raise

the bar' of those practices. The easiest way to create incentives for coffee growers to improve their environmental performance would be to ensure that such investment would pay off in terms of a premium. However, holding a TPC *per se* does not necessarily guarantee the coffee grower a significant price premium in Kodagu, as they cannot realise a sufficient premium through quality improvement of production and processes. Growers play a crucial role as environmental stewards of the landscape and there is a need to empower growers and support traditional management practices that support the conservation of biodiversity in the region. However, the case suggests that coffee growers are limited to a passive role in the formulation and enforcement of TPCs, and that normalised certification standards are rather imposed on them. It may therefore be concluded that growers' environmental knowledge and traditional practices are not fully utilised or valued. The pressure from upstream actors, who use TPCs as a standardised governance tool to secure supply of certified coffee, enhance traceability, and to seek normalising processes, fuels this passivity. Consequently, market forces and mainstream actors upstream the value chain are favouring the 'easy way out' from environmental responsibility by selecting those TPCs that only 'hold the bar' of environmental performances in Kodagu.

Discussion

By drawing on our experiences from Kodagu, this section aims to critically discuss the ability of TPCs as market devices to steer and influence practices that can create outcomes of sustainable behaviours and practices. Conclusions and insights from this discussion can then be used to extend our knowledge of TPCs as governance mechanisms in GVCs, and to understand what is needed to make these market devices more 'effective', in other words, making real change in practice.

Our findings show that TPCs, as market devices, have contributed to unexpected consequences in the local market in Kodagu, which includes the reproduction and transformation of market structures (Araujo, 2007; Kjellberg & Helgesson, 2006). In order to ensure a certain standard of production methods and practices that enable access to particular markets, upstream market actors simplify the certifying process by organising coffee growers under a group certification. Thus, facilitating market exchange. Arguably, the local coffee market in Kodagu has taken an institutional form where upstream actors in the coffee value chain ensure that desired structures and formalities are in place (Araujo, 2007). This process function as a risk-mitigating tool that reduce uncertainty and establish roles and relationships in the coffee value chain (Muniesa et al., 2007), however to the detriment of coffee growers' empowerment. The global standardisation of TPCs creates structures in Kodagu that do not capture the local reality and thus, undermine local knowledge and management practices, leading to declining environmental stewardship incentives among growers (Neilson, 2008). This implies a shift away from locally determined environmental management practices toward globally standardised systems and structures (ibid). Consequently, TPCs have the power to contribute to shape the structure and power relations along the coffee value chain. Coffee growers in Kodagu are willing to contribute both financially and with their time to conserve nature and biodiversity on their estates (Ninan & Sathyanpalan, 2005; Chengappa et al., 2014). Yet, as they are limited to a passive role, the process of TPCs works in a counterproductive way. Arguably, in the context of Kodagu, TPCs rather work as a coordinating and administrative tool that stabilise and organise the supply of certified coffee and do not *per se* improve environmental practices and behaviours among coffee growers. We argue that upstream market actors therefore use TPCs as a tool to enhance the traceability of certified coffee and increase their control over suppliers in the coffee value chain. Increased traceability is not the issue *per se*. However, as long as this traceability is in control of upstream market actors and is only applied in *one* direction downstream the chain, the benefits from increased traceability do not favour coffee growers. At the same time, the inherent structure of TPCs is inadequate to financially compensate growers in Kodagu for their exceptional environmental performance compared to many other markets.

In sum, in the local context of coffee production in Kodagu, TPCs do not represent a market device that are able to make a *real* change in terms of improving environmental practices and behaviours. Rather than contributing to their vision of shaping environmental sustainability, TPCs shape another reality that fuels governance structures and power relations along the coffee chain in this context (Kjellberg & Helgesson, 2006; Ponte & Gibbon, 2005). This puts coffee growers in a passive role where compliance with the increased demand for TPCs creates a 'ticket' to market access (Muradian & Perupessy, 2005), instead of the opportunity for new market opportunities.

Arguably, the standards of TPCs represent ideas and theories of how to create actions with the purpose to influence reality (Kjellberg & Helgesson, 2006; Loconto, 2010; Muniesa et al., 2007; MacKenzie et al., 2007), which can be done in a sustainable manner. Our findings suggest that these ideas and theories are not enough locally adapted to the specific context of Kodagu. Arguably, the way in which TPCs are globally standardised constrain their performative power since the standards do not 'fit' local realities and thus, there is no direct link between ideas and reality (Kjellberg & Helgesson, 2006; MacKenzie et al., 2007). Due to the inability of TPCs to emphasise coffee growers' essential role in the conservation of biodiversity in Kodagu (e.g. through financially rewarding their high environmental performance), other conflicting economic interest partake in shaping the reality of the coffee market in Kodagu (Callon & Muniesa, 2005; Araujo, 2007). An obvious example of this is found in the empirical findings where coffee growers sell their

coffee at a higher price at the farm gate, which makes it economically unviable to sell their coffee as certified. Consequently, TPCs' performative power and their ability to influence growers' behaviours and practices are reduced due to competing efforts to shape the market.

As there is a need to normalise standards of TPCs toward consumers, coffee from Kodagu becomes equated with other coffee producing regions in the world, even though these regions might have lower practices on environmental sustainability. Certified coffee from Kodagu becomes mainstream and the region's tradition in conserving nature and biodiversity is neglected as TPCs are not able to capture the unique reality in this region. At the same time, coffee growers have no option but to get their coffee certified as this is the only way to take their coffee to the western market as 'sustainably produced'. However, 'sustainability' in this context is defined by western ideas and standards set by TPCs (Ponte & Riisgaard, 2011; Giovannucci & Ponte, 2005; Neilson & Pritchard, 2007) and coffee growers' higher environmental practices are not translated to consumer information and hence, rewarded in the western market. Furthermore, as TPCs with broadly defined standards of sustainability become mainstream in the world market of coffee, this put pressure on coffee growers in Kodagy through lower price premium and increased demand for higher quantities of coffee. Consequently, growers meet this pressure by cutting trees and by larger input of fertilisers and pesticides to increase their yields. Arguably, the global standardisation of minimum requirements on sustainability has negative environmental consequences in the local context of Kodagu. Despite their visions of contributing to a world where sustainability is the norm, TPCs' performative effect globally has undesired outcomes in this already environmentally sustainable context.

Conclusions

This article shows that TPCs have counterproductive outcomes and shape governance structures and power relations in the local coffee value chain in Kodagu, which is detrimental to coffee growers' empowerment and their traditional management practices. Thus, this study contributes to previous research on GVCs and TPCs (Mayer & Gereffi, 2010; Gereffi et al., 2001; Ponte, 2004; Ponte & Gibbon, 2005; Giovannucci & Ponte, 2005; Gereffi et al., 2005; Andersen & Skjotte-Larsen, 2009; Renard, 2005; Raynolds et al., 2007; Hess, 2008; Neilson, 2008; Chengappa et al., 2014) and to the understanding of the potential of these global initiatives. Of even greater importance, the globally standardised TPCs give room for coffee growers in this region to lower their environmental performances, whilst still getting certified. It may be concluded that the performative effect of TPCs is effective in creating a homogeneous approach to 'sustainability' in the world market of coffee, but with minimum requirements on sustainability standards that may contribute to negative consequences in local contexts, already sustainable in their practices. This conclusion clearly shows the problem that arises when TPCs presume that all coffee markets is a 'single world market' where issues of sustainability can be approached in a standardised way (Tishner & Kjærnes, 2010; Osmundsvåg, 2010, Ponte & Riisgaard, 2011; Giovannucci & Ponte, 2005; Neilson & Pritchard, 2007; Renard, 2005). The main contribution of this study is that standardised TPCs do not only equalise the approach to 'sustainability' globally, but also has the performative power to influence lower performances in contexts that traditionally have held high standards on environmental and biodiversity conservation, as growers can still keep their certification. This adds to previous literature, investigating the ability of TPCs.

The results from this case study have important implications for theory and future research that address TPCs' ability to contribute to the construction of sustainable markets. The study highlights the complex reality of how markets are coming into being (Callon et al. 2002; Callon & Muniesa, 2005; Araujo, 2007; Kjellberg & Helgesson, 2006; Muniesa et al., 2007,). Further, how the performative power of these market devices on a global level may differ considerably compared to their performative power in a local context. The result is imperfect market devices that create outcomes far from their intended purpose. By looking at TPCs through the lens of a market construction perspective (Holt, 2012; Kjellberg & Helgesson, 2006; Araujo, 2007), we argue that these market devices have contributed to the global standardisation of what is considering to be 'sustainably produced'. As TPCs are contributing to construct homogeneity of sustainability practices and behaviours, they are creating a global market that coffee growers in Kodagu are locked into. In this context, coffee growers' traditional management practices clash with a globally constructed market with lower standardised requirements on sustainability. Arguably, this suggests that sustainable markets are created. However, this performative power is concentrated to powerful key actors and hence, the construction of 'sustainable' practices and processes becomes adjusted to serve their interests (Araujo, 2007; Callon & Muniesa, 2005). We therefore welcome future research in the field of GVCs and TPCs to turn their attention to how local specific contexts may cause unexpected and undesired consequences, following the implementation of new forms of governance, such as TPCs. This is particularly important in this early stage of creating sustainable markets, as today's initiatives on a global level neglect unique environments that are of particular interest to conserve for future generations. Our suggestion is that future research should extend its focus on how a more regional approach to TPCs can adapt to local contexts (both social and environmental), commodities and even different supply chains in order to successfully shape market structures, behaviours and practices that increase the sustainability performance in a particular setting. Here, of interest would be to investigate conflicting economic, political and ethical ideas in local contexts that contribute to construct markets, and

which may conflict to global standardised ideas of sustainability. However, this raises the question of TPCs' ability to govern in two directions and how to guarantee and simple and effective communication toward consumers.

The results from this case study also have impactions for practices in Kodagu and we have explored some possible options with the potential to increase TPCs' ability to influence environmental practices and behaviours on coffee estates. As a consequence of coffee growers' passive role in the formalisation and enforcement of TPCs, a great possibility to utilise coffee growers' positive associations with environmental conservation, and their unique traditions in environmental management practices, are lost. Furthermore, coffee growers struggle with the lack of control over their coffee as it leaves the farm gate and hence, they lose important traceability of their products and the ability to play an active role in the coffee supply chain. We suggest an approach that enhances the ability of growers to increase the traceability of their coffee and hence, increase control and marketing opportunities of their products. This would provide an opportunity away out from mainstream and to show who and what is actually behind the TPC itself and therefore, capture the unique environmental and biodiversity conservation practices among growers in Kodagu. Certified sustainable coffee are generally not differentiated in term of origins, although the certification processes lead to traceability which can be used to market the region or estate of the coffee as such (Mercereau & Vignault, 2008). Coffee growers are taken aside from the marketing channels of their products and hence, they do not benefit from the information related to the valuable attributes of their coffee further up the supply chain (ibid). This requires an alternative approach to TPCs where today's generic certification standards of TPCs are replaced by standards that reinforce the local characteristics of Kodagu (see also Chengappa et al., 2014). An estate or regional branding means that coffee growers sell their coffee aside from the mainstream and market their region as a sign of quality (Mercereau & Vignault, 2008). In the case of Kodagu, this sign of quality could equal the unique conservation of nature and biodiversity and hence, Kodagu could be branded as a hub of sustainability (Chengappa et al., 2014). Here, a locally adapted TPC could play a crucial role in making coffee growers take more ownership over the identity of Kodagu by supporting traditional environmental management practices that would be promoted through the certification. In other words, TPCs that are sensitive to local conditions can help coffee growers to realise a price premium for their coffee by promoting the differentiating characteristics of this specific location, which adds value for customers. In the case of Kodagu, this value would represent the conservation of one of the world's biodiversity hotspots.

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