

## Notes

### 1 Introduction

1. China has an export share of 8 percent in the global market in terms of resources (1 billion tons), and 3.7 percent in terms of financial value (166 billion USD). Its resource import share is 21 percent (2.7 billion tons), with a financial value share of 12 percent (554 billion tons) (in 2016) (Chatham House 2019). China is the world's largest manufacturer. A large share of its resource imports continue to be exported in the form of processed products, especially to the EU and the United States, in the textile and timber sectors (Cashore and Stone 2014; West and Lansang 2018).

2. In November 2016, the European Commission initiated the revision of this Directive for the post-2020 period. The revised Renewable Energy Directive (EU 2018/2001) was adopted in December 2018, and the member states need to implement most elements by June 30, 2021. When I speak of "RED" in this book, I mean both the original and revised Directive (RED I and II).

### 2 Three Central Perspectives on Power in Global Supply Chains

1. Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.

2. Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, the United States, and the EU.

3. There were 77 founding members of the organization, but it has expanded to 134 member countries.

4. Sachs and Santorius's triad originally referred to the EU, the United States and Japan.

### 3 Private Regulation in Global Supply Chains

1. After China, India, the United States, and Pakistan.
2. The following fair trade labeling initiatives are or were FLO members (since 1997): Fairtrade Australia and New Zealand; Fairtrade Österreich (Austria); Fairtrade Belgium; Fairtrade Canada; The Czech Fairtrade Association (marketing organization); Max Havelaar Denmark; Fairtrade Estonia; Reilun kaupan edistämissyhdistys (Finland); Max Havelaar France; TransFair Deutschland (Germany); Fairtrade Hong Kong Foundation (marketing organization); Fairtrade Mark Ireland; Fairtrade Italia (Italy); TransFair Japan; Europe Korea Foundation (marketing organization); Fairtrade Latvia; Fairtrade Lithuania; TransFair-Minka Luxembourg; Mexico Comercio Justo México (associate member); Stichting Max Havelaar (The Netherlands); Fairtrade Max Havelaar Norge (Norway); Fair Trade Label South Africa (associate member) (South Africa); Asociación del Sello de Productos de Comercio Justo (Spain); Fairtrade Sverige (Sweden); Max Havelaar Foundation (Switzerland); The Fairtrade Foundation (UK); and Fairtrade America (United States). These labeling initiatives were joined in 2007 by three Fairtrade producer networks: Network of Asian and Pacific Producers (NAPP); Coordinadora Latinoamericana y del Caribe de Pequeños Productores de Comercio Justo (CLAC); and Fairtrade Africa.
3. In May 2018, Greenpeace International announced that it would not renew its FSC membership, because, after more than twenty-five years of experience, the NGO considers timber certification “a helpful but insufficient tool in the struggle to save our forests” (Greenpeace International 2018).
4. After China, India, the United States, and Pakistan.
5. In order to fulfill the EU Organic standard, the farmers had to change to organic seeds. The study does not consider the use of the potentially more advanced seeds.
6. Cotton Outlook publishes representative prices for the principal growths of raw cotton. The Cotlook A index is intended to be representative of the level of offering prices on the international raw cotton market. It considers the cottons most frequently traded.

### 4 The Return of the State

1. In the area of anti-corruption, the US Foreign Corrupt Practices Act (FCPA) extends the jurisdiction of US courts to enforce bribery charges extraterritorially. It requires that US companies avoid engaging in activity that violates the corruption standard contained in the Act itself (while the timber supply chain-related laws require compliance with the laws of the countries in which they do business) (Fishman and Obidzinski 2014, p. 265). The FCPA attaches liability to a company through

its supply chain vendors. Because of the high penalties attached to violations under the FCPA, according to Sarfaty (2015, p. 1427), this law has spurred companies to develop compliance policies and enforce contractual provisions on their third-party suppliers. In Europe, the UK Money Laundering Regulations of 2007 pioneered money laundering requirements. These Regulations include customer due diligence requirements, which obligate a business to verify the identity of a customer and determine the purpose and intended nature of their relationship with them. In addition, the Regulations require identifying any beneficial owners, i.e. those who own or control the business (directors, shareholders, etc.) (Hoare 2008, 4). Similar steps are required in Japan and New Zealand (Hoare 2008, p. 11).

2. In 2006, Japan amended its Green Procurement Law to restrict state purchases of forest products to those that have been harvested legally from sustainable sources (Hoare 2008).

3. Public procurement policies of most EU member states also accept FSC and PEFC certification as evidence of legal and sustainable timber from all regions and producers, while the United States has thus far not been willing to develop procurement policies for timber at all (Gulbrandsen 2014, 78–79).

4. The Securities and Exchange Commission (SEC) is an agency of the United States federal government. Companies need to register if traded at the nation's stock and options exchanges.

5. <https://www.fairphone.com/en/how-we-work/mapping-phone-made/>.

## 5 Transnational Hybrid Governance

1. Lim Sian Cho, Bumitama Agri Ltd; Frazer Lanier, Citibank; Marieke Leegwater, Solidaridad; Henry Barlow (Affiliate Member); Priya Gopalan, USB; Samantha Bramley, USB; Matthias Diemer, WWF Switzerland; Melizel Asuncion, Verite; Michelle Desilets, Orangutan Land Trust; Lanash Thanda; SEPA (Sabah Environmental Protection Association); Robert Kruger, African Agriculture Fund; Suzanne Hall, San Diego Zoo Global.

2. Palm Oil Farmers' Unions (SPKS), Indonesia Ecolabel Agency (LEI), Forest Watch Indonesia (FWI), Independent Forestry Monitoring Network (JPIK), Kaoem Telapak, Indonesia World Resources Foundation, Greenpeace Indonesia, Human and Nature for a Sustainable Indonesia Foundation, Partnership, Institute for Ecosoc Rights, GAIA, Tropical Forest Foundation (TFF), Padi Indonesia (East Kalimantan), Jasoil (West Papua), Uno Itam (Aceh), Lembaga Tiga Beradik (LTB–Jambi), Evergreen (Central Sulawesi), Yayasan Pusaka, Sayogyo Institute, Indonesia Center for Environmental Law, Kemitraan, GeRak Aceh, Stabil East Kalimantan, MATA Aceh, Perkumpulan Bantuan Hukum Kalimantan, PPLH Mangkubumi, JAPESDA Gorontalo, GRID East

Kalimantan, LPMA Borneo (South Kalimantan), Yayasan Peduli Nanggroe Atjeh (PeNA), and Jikalahari (Riau) .

3. <https://www.icco-cooperation.org/en/countries/indonesia>.

## 6 Conclusions

1. Australia and New Zealand; Austria; Belgium; Canada; Czech Republic; Denmark; Estonia; Finland; France; Germany; Hong Kong; Ireland; Italy; Japan; Korea; Latvia; Lithuania; Luxembourg; México (associate member); The Netherlands; Norway; South Africa (associate member); Spain; Sweden; Switzerland; UK; and United States.

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# **Alternatives to Multilateralism**

## **New Forms of Social and Environmental Governance**

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