WHY ADOPT THE SUSTAINABLE DEVELOPMENT GOALS?

THE CASE OF MULTINATIONALS IN THE COLOMBIAN COFFEE AND EXTRACTIVE SECTOR

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Student

Bas Adrianus Petrus Evers

University

Erasmus University Rotterdam

Faculty of Social Sciences

Supervisor

Dr. P.W.A. Scholten

Co-reader

Dr. M. Onderco

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ERASMUS UNIVERSITEIT ROTTERDAM

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Elena van der Ploeg

ABSTRACT

This study examined the behavior of multinational corporations(MNCs) towards the Sustainable Development Goals(SDGs). The corporations' Corporate Social Responsibility(CSR) strategies might be the key for adopting the SDGs, thus the study focused on motivations MNCs have to link CSR to the SDGs. Grounded in the integrative school of CSR, Fombrun's theory of stakeholder management and Campbell's principle of public responsibility theory were tested by assessing SDG adoption by MNCs in the Colombian coffee and extractive industry.

Empirics demonstrated that stakeholder management theory has more convincing explanatory leverage than the principle of public responsibility theory to explain why MNCs adopt SDGs, because SDGs attract reputational gains from stakeholders that could lead to creating opportunity platforms. Generalization is, however, difficult as decisive forces for SDG adoption differ per company and further theoretical innovation is needed to empirically test the 'added value' of the SDGs beyond the motivations for CSR strategies for businesses.

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1. The problem of SDG implementation

1.1. The complexity of SDG implementation

2015 was a pivotal year for development. In September the United Nations(UN) launched 17 Sustainable Development Goals (SDGs): broadly defined, long-term objectives addressing social, economic and environmental global challenges that need to be overcome in the next 15 years (UN,2015:A/RES/70/1). In July, a framework to finance the SDGs was adopted in Addis Ababa and afterwards in December, a universal agreement on climate was reached in Paris during the 'COP21' conference. Together these events shaped the UN development course for the coming decades with the SDGs at its heart: the '2030 agenda' (UN,2014:A/69/700). The UN member states serve as the focal point to implement these goals, and the most feasible way in which they are expected to do this is by aligning the SDG objectives with their current and future national development agendas. The UN stresses collaborative governance strategies to implement the SDGs nationally, which implies governments engaging with civil society and the private sector. This study explores one dimension of that engagement, which is the involvement of Multinational Corporations (MNCs) (UN,2015:A/RES/70/1:14).

Seeking engagement with the private sector is a new approach if compared with the ex post involvement of the private sector in the realization of the Millennium Development Goals (MDGs)(Jain&Islam,2015:84), the preceding list of objectives prior to the launch of the SDGs. The SDGs differ from the MDGs in three aspects(Scheyvens et al.,2016:373). Whereas the MDGs covered a social and economic dimension, the SDGs add an environmental dimension too. The SDGs target not only developing but also developed countries and finally, the SDGs were created through a more bottom-up consultative process instead of top-down (The Guardian, 2015).

The UN advocates the pursuit of corporate social responsibility(CSR) practices by MNCs and the SDG agenda is a non-binding initiative that relies on adoption by MNC's in realizing its stated goals. However, neither the UN nor the business environment in which they operate can coerce MNCs into adopting the SDGs. Hence the challenge of SDG compliance arises. As Barton points out:" Although various organizations such as(…)UN's Global Compact have consolidated a wide range of these types of voluntary codes, the lack of(…)tools for assessing and evaluating firm performance has led to increasing criticism from different quarters,(…)"(Barton, 2010: 3).

The fundamental motive explored in this study is why MNCs anticipate on the SDGs. Societal demands and private objectives do not coincide naturally neither are MNCs inherently philanthropic, which creates a challenge for SDG adoption. By anticipating on the SDGs MNCs also further public policy objectives, as put forward by the UN within a national context. The national context in this case is the country Colombia.

1.2. How to make MNCs adopt SDGs

To make MNCs engage with the SDGs is easier said than done and a plethora of factors could influence this decision. For example, MNCs might not be aware of the SDGs or their contributing potential for CSR performance. Theoretically it would be beneficial for all actors involved to align CSR strategies of MNCs with the adoption of SDGs, as put forward by the UN Global Compact (UN Global Compact, 2013:1). Their idea could be considered as a non-zero-sum concept, because all actors involved cannot lose anything by putting effort in adopting the SDGs. However, the nature of the 2030 agenda is that of an international voluntary regulatory program in which there is no enforcement mechanism to make MNCs adopt SDGs in their CSR strategies. Hence compliance with SDGs is norm-driven, also in the domestic business environment of a company that features the national context in which it operates.

It is then relevant to question why MNCs respond to CSR in the first place. Weber provides an answer to that question in her research on constructing a company-level measurement approach for CSR(Weber,2008). Weber identifies five business benefits of CSR, namely strengthening a positive image/reputation, enhancing employee motivation and recruitment, cost savings, revenue increases from higher sales and risk reduction(Weber,2008: 249). Based on this overview, I predominantly explore the link between the adoption of SDGs and enhancing reputation or reducing risk as a business benefit of CSR.

1.3. Research objectives

SDG adoption by non-state actors like MNCs and its link to CSR has never been academically systematically researched yet: recent work by Jain and Islam only reviews the impact of MDGs on CSR strategies (Jain & Islam, 2015).The potential of the approach to link CSR performance to SDGs provides justification to empirically assess why MNCs would anticipate on a UN initiative like SDGs. Secondly has been assessed if the government of a UN member state, in this case Colombia, is able to influence MNCs in taking this approach. This is important for governments in the pursuit of their national development agendas, which includes SDG implementation. Thirdly, it also provides deeper understanding of the motives MNCs have for CSR performance.

Assessing MNC behavior towards SDGs will be done by using a congruence analysis, in which two distinct theories will be tested to the same empirical reality with the aim to find the theory with the best explanatory leverage. Consequently, the congruence analysis will contribute to the scholarly discourse on the relative importance of a specific theory within the integrative school of CSR. Thus, the aim is to make a contribution by strengthening the position of one theory in comparison to other theories in the theoretical discourse of CSR(Blatter & Haverland, 2014: 150).

1.4. Research question

Hence, this study attempts to answer the following research question:

Why would Multinational Corporations in the coffee and extractive sector of Colombia comply with Sustainable Development Goals and to what degree is that influenced by the national development agenda of the government?

1.5. Societal and scientific relevance

1.5.1. Societal relevance

The societal relevance of such a study is considerable: it would provide ‘best practices’ for both the UN and MNCs on how to reinforce their partnership to achieve objectives regarding sustainable development.

1.5.2. Scientific relevance

The scientific relevance is that it provides new insights on UN compliance behavior by non-state actors and if CSR as a concept contributes to that or not. This study also contributes to new insights regarding CSR practices outside North America or Europe, regions that seem to dominate the discussions about CSR(Lindgreen et al, 2010:230). Furthermore this study will provide new observations on the leverage, or limitations of leverage, non-western governments have regarding objectives that require non-state actor collaboration.

1.6. Central research concepts

In this paragraph an explanation is provided of the central research concepts of this study.

Business environment: refers to the legal, norm-driven and regulatory conditions that govern business activities for MNCs, and within the context of this study emphasizing collaborative governance strategies and Colombia's national development agenda.

National government: play a central role in delivering the SDGs by aligning them to current or future national development agendas. Central to this study is the Colombian national government , which is comprised of numerous public bodies to achieve public objectives and set up policies to coordinate SDG implementation. Governments need to conduct collaborative governance strategies for private sector involvement in the SDG agenda.

Collaborative governance: governance concept that encompasses the nature of how the UN likes to see the SDGs become realized. According to the UN, the member states are key in this process but collaboration with civil society and the private sector is necessary to succeed. Collaborative governance stresses public agencies that engage non-state stakeholders in a collective decision-making process, as defined by Ansell & Gash(Ansell &Gash, 2008:544). Collaborative governance strategies are essential for the success of implementation of international development objectives, as the experience with the MDGs demonstrated (Sánchez et al, 2015:22).

Implementation: The UN member states are the central actors to realize the SDGs and make use of collaborative governance strategies to involve civil society, the private sector and national citizens. Hence from the perspective of the national government SDGs need to be implemented and within the contours of this study, the implementation process towards MNCs has been assessed.

Adoption: MNCs, allegedly, play a key role in realizing the SDGs. However, the UN-based initiative is non-binding in nature and therefore SDG realization by the private sector depends on voluntary adoption, as neither the UN nor its member states can coerce companies into implementing the goals.

Compliance: Compliance refers to the degree to which companies adopt SDGs into their CSR strategies without any enforcement mechanism. SDG adoption is namely norm-driven and thus demands self-regulation from companies. The challenge of compliance for the private sector therefore depends on both SDG implementation by national governments as SDG adoption by companies(Sánchez et al, 2015:35).

National development agenda: or national development plan is an outline of a government's long-term strategy for public policies being conducted during a demarcated period of time. It helps governments to prioritize development investments and mobilize resources for the SDGs (Lucci, & Surasky, & Gamba,2015). In terms of implementation of international development objectives, previous research has shown that incorporation of such goals in national strategies is common and necessary, as what happened in the MDG-era(Sánchez et al, 2015:35).

Within the contours of this study there will be referred to one specific national development agenda: the Colombian *plan nacional desarrollo*(PND).

Multinational corporations: In this study the terms 'firm', 'business' 'company' and 'corporation' will be used interchangeably to indicate the same phenomenon. For the purpose of this study an early definition from international business literature will be used, as proposed by Wright: "First, it is concerned with firm-level business activity that crosses national boundaries or is conducted in a location other than the firm's home country (. . .). Second, it is concerned in some way with the interrelationships between the operations of the business firm and international or foreign environments in which the firm operates" (Wright, 1970:110).

Corporate Social Responsibility: Generally speaking CSR covers all ethical, environmental and social dimensions of business, but this definition is hardly useful as the phenomenon is more complex(Kolk, 2016:23). In fact, although there is a vast amount of literature a singular definition of CSR is absent(Maon, Lindgreen & Swaen,2009:74)(Lindgreen et al,2010:229). Within the contours of this research the term 'corporate social responsibility' refers to "a stakeholder-oriented concept that extends beyond the organization's boundaries and is driven by an ethical understanding of the organization's responsibility for the impact of its business activities, thus seeking in return society's acceptance of the legitimacy of the organization” as defined by Gray, Owen & Adams in 1996 (Maon, Lindgreen & Swaen,2009:74). For the purpose of this study this definition constitutes socially responsible behavior of companies when referred to that concept.

There are multiple reasons this definition is chosen. First, this definition emphasizes the purpose of CSR as stakeholder-oriented, which matches the aim of this study to assess the behavior of MNCs towards their business environment. Second, it also matches the emphasis of the integrative school of CSR in terms of the company’s level of anticipation towards societal needs and aims towards achieving social legitimacy. Thirdly, this definition stresses CSR as strategies beyond mere philanthropic efforts and puts it at the core of the business model, stating that the company’s understanding of its impact on society is norm-driven. For the purpose of consistency in this study the term CSR is also used when referring to CSR aspects in sustainability, sustainable development, business ethics, corporate ethics, corporate social performance and corporate citizenship research.

Sustainable Development Goals: covering all goals and targets as put forward in the 2030 agenda.

1.7. Design of the study

This research tested two hypotheses about what causes MNCs to adopt SDGs according to the method of deduction. This means that the hypotheses are based on two different theoretical frameworks, which were tested through observations. This thesis explored whether there is a link between the CSR strategies of MNCs and the process of SDG implementation in the external environment of those MNCs. The factors that make MNCs decide to adopt SDGs in their business strategies have been explored. The research was carried out on the level of companies and the stakeholders in their business environment. The companies analyzed are specifically MNCs, and therefore ‘MNCs’ is the unit of analysis.

The research design of this study is a cross-sectional non-experimental design with a small N in which both the dependent variable and independent variables are measured at approximately the same time, namely the year 2017. That the research design has a small N indicates that a small number of samples is included: 6 MNCs. The independent variables and the conditions under which the independent variables are experienced are not controlled for. The link between SDG implementation and the socially responsible behavior of MNCs will be tested through qualitative research.

This empirical assessment has been conducted in a comparative case analysis, comparing the adoption behavior of MNCs towards SDGs in two different sectors of a UN member state that implemented the SDGs into its national development agenda: Colombia. The compliance behavior of MNCs in Colombia has been assessed in the coffee and extractive sector because they are relatively large markets in Colombia in which a lot MNC activity takes place with a history in CSR practices(NewForesight,2011: 13 &17)(FIP,2016:86). The following figure illustrates the interrelationship between the four core themes of this study.

Figure I: Interrelationship core themes

1.8. Reading guide

The first chapter covers the problem analysis, the research objectives and the research question for this study of MNC behavior towards SDGs. The review of CSR literature in the second chapter is used to select the two most relevant theoretical frameworks to assess the motivations MNCs have to adopt SDGs. Subsequently, two hypotheses were formulated from these frameworks that potentially explain MNC behavior towards SDGs from different angles. The third chapter gives and explains the research design chosen for this study. It also provides more information on the case study, sample and methods used. Lastly it also covers the operational definitions of the dependent variable and the independent variables.

The fourth chapter deals with providing context about the most relevant independent variables and central research concepts for the comprehensibility of this study. The fifth chapter deals with the collected data based on the interviews and literature desk research. Data is presented along the dependent variables related to the research question. The sixth chapter covers how these research findings can be interpreted by connecting the data to the theoretical frameworks, by testing the hypotheses as formulated in chapter 3. The final and seventh chapter covers the conclusion, discussion and answers the central research question, followed by policy and academic implications of this research.

2. Motives for a companies' socially responsible behavior

2.1. Approaches to CSR

Different streams of literature have addressed the conceptualization of CSR with different connotations and assumptions, from the realm of business administration to public administration. Problems of defining CSR have their repercussions in theorizing CSR too, as adequately put by Garriga & Melé: "Furthermore, some theories combine different approaches and use the same terminology with different meanings" (Garriga&Melé,2004:51).

All these studies of CSR, however, derive from the phenomenon that boundaries between the roles of public and private actors have blurred and therefore, societal expectations vis-à-vis business have increased(Kolk, 2016:24). Therefore business, as one element of a bigger array of organizations, provides the drivers that can construct a better world according to the CSR perspective(Maon, Lindgreen & Swaen,2009:73). For MNCs, to deal with these so-called 'non-market' issues was the start of creating CSR strategies. Businesses started to create programs and strategies to measure their social, environmental and ethical performance while simultaneously communicate with stakeholders to anticipate on their input.

How CSR management by MNCs relates to the SDGs is explained in the following quote by Kolk: "Academic and managerial agendas are to some extent influenced by policy debates, which have become very vibrant recently: the UN is moving from the Millennium Development Goals to the Sustainable Development Goals(…) these initiatives add to existing, ongoing measurements, usually at the country level, which have also identified key issues(…)"(Kolk, 2016:25).

The research by Garriga and Melé helps to identify which theories are most appropriate to apply in this study. They distinguish schools of CSR based upon the perspective of how the interaction of phenomena between business and society are focused (Garriga&Melé,2004:52). They propose the instrumental, political, integrative and ethical school of CSR of which the integrative school is key to this study.

The integrative school of CSR is central is because it stresses the idea that business ought to integrate social demands and that business depends on society for its existence, continuity and growth(Garriga & Melé, 2004:52). Assessing why MNCs answer to the SDGs, which can be considered public objectives and social demands, fits the premises of this school.

The consideration to exclude theories from other schools is a subjective one, and therefore explaining why the integrative school is deemed most appropriate is necessary. The instrumental and ethical school are two perspectives that strongly oppose each other in the CSR literature, as the former stresses CSR activities as only an instrument of wealth creation and the latter predominantly as an expression of corporate responsibility to society(Garriga& Melé,2004:51)(Kolk,2016:24). In the case of questioning the motivations of MNCs for adopting SDGs, neither one of these schools covers the full reality of companies' motivations as is expected that the empirics will provide a nuanced, mixed outcome of arguments from both camps(Kolk, 2016:24). Finally, the political school of CSR is mainly concerned with the power of companies in society and their influence in the political arena, which is highly relevant but not central to this study (Garriga& Melé,2004:52).

2.2. The integrative school of CSR

Garriga and Melé could consider both sub-theories as part of the same school in CSR, namely the school of integrative theories. For this school, 'social demands' are considered to be ways in which society interacts with business and gives it legitimacy and prestige. As a result, Garriga and Melé note that: "...corporate management should take into account social demands, and integrate them in such a way that the business operates in accordance with social values"(Garriga& Melé,2004:57). This idea juxtaposes the notion that analyzing why MNCs adopt SDGs is the same as measuring the company's level of anticipation towards societal needs.

Arguably the landmark work within the integrative school of CSR is Preston and Post's 1975 Private Management and Public Policy, that explores which management processes companies use to respond to social demands (Garriga& Melé,2004:58). Preston and Post stress that the content of business responsibility is dependent on the context of space and time in which the company operates(Garriga& Melé,2004:58). This is a relevant notion within the contours of this study since the context is the business environment of Colombia's extractive and coffee industries.

Garriga & Melé distinguish between four sub-theories, all part of the integrative school of CSR. The sub-theory of issue management arose in the 1970s and stressed the issue of the gap between public expectations of an organization and its actual performance(Garriga& Melé,2004:58). The degree of social responsiveness of the organization is then linked with ‘closing this gap’(Ackerman, 1973:89). Subsequently, Wartick and Rude added that issue management has the goal of minimizing ‘surprises’ that accompany social and political change that might impact the organization(Garriga& Melé,2004:58). Another sub-theory is called theories of corporate social performance, that can be characterized as a blend of integrative CSR theories as put forward by Carroll in 1979. Carroll proposes a model of corporate performance in which three elements are key: defining what social responsibility means for the organization, create a listing of social issues that the organization needs to respond to and a specification of the organization’s philosophy(Carroll, 1979:450). Later adaptions to the Carroll approach were proposed by, for example, Schwartz and Carroll, delivering an alternative model based on economic, legal and ethical core responsibilities(Garriga& Melé,2004:60). Finally, Wood presented a new model of corporate social performance in which CSR principles, processes and outcomes of corporate behavior are deemed equally important(Wood,1991:699).

However, integrative approaches to CSR deriving from the sub-theories of stakeholder management and principle of public responsibility are key to this study. The rationale for choosing these two sub-theories is grounded in the central research question. Although both sub-theories share the emphasis for companies on social demands that achieve social legitimacy, stakeholder management theory focuses more on what is better for the company in relation to its external environment whereas principle of public responsibility theory focuses on how a company can adapt better to its external environment. Garriga & Melé state the difference as: “ Instead of focusing on….the public responsibility principle, the approach called stakeholder management is oriented towards stakeholders or people who affect or are affected by corporate policies and practices”(Garriga& Melé,2004:59). Both theories, however, share the focus of the company as part of a complex web of interactions with society and stakeholders.

Two different theoretical frameworks have been constructed that can loosely be associated with the sub-theories of stakeholder management and principle of public responsibility, as grounded in the integrative school of CSR.

2.2.1. Stakeholder management theory

The academic development of the stakeholder management field started in the 1970s with works like that of Emshoff and Freeman, who coined two basic principles of the field(Garriga& Melé,2004:59). Firstly, priority is to achieve maximum overall cooperation between all stakeholder groups and the corporation's objectives; secondly, the most efficient strategy to achieve this is through efforts that deal with issues affecting multiple stakeholders (Garriga& Melé,2004:59). As such, the field comprises divergent topics like the responsiveness of organizations to the simultaneous influence of multiple stakeholders within a network, as proposed by Rowley (Rowley:1997, 887).

How can the link between a company's CSR performance in relation to its stakeholders be rationalized? Research by Galaskiewicz showed that corporations are more willing to undertake CSR strategies if they associate themselves with cultural/normative institutions that trigger incentives for such behavior (Galaskiewicz, 1991: 294). Following the logic of the integrative school on CSR, the social legitimacy and possibly even the company's existence is dependent on how its stakeholders perceive its activities, and one of the best attempts to influence its reputation amongst stakeholders is to engage with social demands through CSR strategies.

Stakeholder management tries to integrate groups with a stake in the firm into managerial decision-making (Garriga&Melé,2004:59). Managing the stakeholders of a company is closely related to what is called reputational risk management in the international business ethics literature (O'Callaghan,2007:96). Reputational risk management is considered part of stakeholder theory, which examines whether and why corporations attend to the interests of stakeholders along with their own immediate corporate interests (Campbell,2007:949). Fombrun, Gardberg and Barnett have developed a theoretical framework at the crossroads of theories of stakeholder management and reputational risk management, focused on so-called opportunity platforms and safety nets (Fombrun et al., 2000:85).

Fombrun et al. state that a good corporate reputation has increasingly become an important market mechanism for MNCs, and the means to enhance this reputation is by applying adequate risk management practices geared towards the protection of corporate reputations and the management of shareholder value. They define corporate reputation as:"...a cognitive representation of a company's actions and results that crystallizes the firm's ability to deliver valued outcomes to its stakeholders"(Fombrun et al, 2000:87). CSR practices allow MNCs to create a citizenship portfolio, which strengthens the social bonds between the company and the community (Fombrun et al., 2000:85). This portfolio gives the MNC reputational capital, which enables to negotiate more attractive contracts with suppliers. Thus, creating a citizenship portfolio and building reputational capital are perceived to be strategic tools that managers use to cope with the company's so-called bi-directional risks(Fombrun et al., 2000:85). This means that companies can both generate reputational gains by demonstrating CSR performance and suffer from reputational losses that will alienate stakeholders. Each stakeholder group of a company is considered as a potential source of reputational risk that needs to be managed, and also a potential stock of reputational capital that can be 'spent' in two ways: to build an opportunity platform or serve as a buffer against possible future reputational losses (Fombrun et al., 2000:88). Using what Fombrun et al. call 'corporate citizenship programs', companies can increase the potential for gaining reputational capital: in this instance these 'citizenship programs' are considered equal to CSR lines of action.

In accordance with this study, Fombrun's framework will not be applied to assess what companies spend their reputational capital on. Instead, the focus is on the relevance of SDG adoption and its potential extra effect on a company's stakeholders. Can greater reputational capital be extracted from stakeholders if SDGs become part of these citizenship programs?

Table I: Fombrun et al's stakeholder management theory

Variable	Definition	Values	Indicators	Source
Corporate citizenship programs	Portfolio of CSR activities a MNC has	Yes/no	-Presence of CSR in business strategies	CSR reporting documents companies, media coverage, interviews
SDG adoption	SDG adoption in existing corporate citizenship programs of MNCs	Yes/no	-SDGs integrated into a company's corporate citizenship program	CSR reporting documents companies, media coverage, interviews
Reputational capital	The company's ownership of capital, gained from its corporate citizenship programs, to	Yes/no	-Credit from previous and current corporate citizenship programs -credits lost from previous or current corporate citizenship programs	CSR reporting documents companies, media coverage, interviews

	influence bi-directional risks			
Stakeholder groups	The company interacts with different stakeholder groups, namely media, community, regulators, customers, partners, employees, investors and activists	Yes/no	-Proof of interaction with different stakeholder groups in relation to CSR performance -Proof of causal relationship between stakeholders and reputational capital	CSR reporting documents companies, media coverage, interviews
Reputational implications of stakeholder groups	A company's awareness that each stakeholder can cause both reputational gains and losses	Yes/no	-The management of each stakeholder group implies certain potential reputational losses and gains	Interviews
SDG adoption ultimately serves as a 'safety net'	The company adopts SDGs because it needs a buffer against future reputational losses	Yes/no	-The company states that SDG adoption has an ultimate preventive purpose for its corporate reputation	Interviews
SDG adoption ultimately serves as an 'opportunity platform'	The company adopts SDGs because it helps future business opportunities	Yes/no	-The company states that SDG adoption has a ultimate proactive purpose for its corporate reputation	Interviews

Appendix D provides a table that clarifies the interrelatedness between these 7 variables.

2.2.2. Principle of public responsibility theory

The second sub-theory from the integrative school of CSR shares the notion that business should integrate social demands and ,consequently, business gains social legitimacy. The difference with Fombrun's stakeholder management theory is, however, that this theory focuses more on how a company can better serve its external environment. Therefore the work by Preston and Post is considered to have founded this sub-theory(Garriga& Melé,2004:58). Preston and Post coined the term 'public responsibility' within the context of CSR to emphasize "(...)the term public rather than social, to stress the importance of the public process, rather than personal-morality views or narrow interest groups defining the scope of responsibilities"(Garriga& Melé,2004:58). Hence they stress public policy as guiding in an organization's responsible behavior. In the 1981 revision of their theory, Preston and Post advocate the idea of business intervention in public policy processes especially regarding policy that is not clearly established; in the case of Colombia, this is a relevant notion why SDG adoption by MNCs is so important(Preston& Post, 1981:61). Another contribution to this sub-theory is based on the work by Vogel, who explored the business-government relationship focusing on how CSR strategies influence government regulations and vice versa(Vogel, 1981:144). In other words this sub-theory explores how a MNC can better answer to the call of a government that aims to implement the SDGs.

Notions of public responsibility theory closely relate to domestic norm compliance in the public administration literature. It assumes that corporations cannot be forced by governments to adopt SDGs into their CSR strategies. This creates a problem of norm compliance, and demands a high level of self-regulation from MNCs to realize the SDGs. Theories of compliance provide different accounts of why international and domestic actors-states, firms, corporations, and individuals- do (not) comply with international and domestic norms (Grossman&Durwood,2005:73). Hence, SDG implementation is a case of norm compliance since it is focused on cooperation and compliance assistance as a means to prevent non-compliance, following a logic of appropriateness as it is based upon conceptions of appropriate action (Grossman& Durwood, 2005:74). This contrasts with rationalist compliance, a model that focuses on deterrence and enforcement as a means to prevent or punish non-compliance. Models of rationalist compliance are inapplicable to this study since the 2030 agenda is an international voluntary regulatory program, a public policy tool with a program design from a norm-based approach(Berliner&Prakash,2015:115). This approach assumes that corporations participate in such a program to gain benefits including reputation and goodwill, which could explain SDG adoption by MNCs (Berliner&Prakash,2015:116).

In such an environment the degree to which MNCs will comply with SDGs as social demands depends greatly on the architecture of the environment in which the MNC is situated, hereafter called its institutional environment. In other words, the importance of the public process to enable or disable companies to comply with norms domestically should not be underestimated (Garriga&Melé,2004:58). Moreover, the principle of public responsibility theory stresses the presence of public bodies in this process and vice versa, the involvement of companies in policy formation regarding SDGs. However, this sub-theory covers more than just corporate interaction with levels of government, as "…public policy includes not only the literal text law and regulation but also the broad pattern of social direction reflected in public opinion, emerging issues, formal legal requirements and enforcement or implementation practices"(Garriga&Melé, 2004:58).

A company's norm compliance depends heavily on the conditions under which a company is more likely to pursue CSR strategies in which international norms are adopted(Campbell,2007:947). To assess if this is the case, the theoretical framework as developed by Campbell will be tested. If self-regulation is the tool for SDG adoption, this theory focuses on the environment of institutions that constrain or enable CSR behavior of MNCs. Hence, the logic of domestic norm compliance starts with the assumption of how to make MNC behavior comply with international norms like SDGs within a complex institutional environment, and if CSR strategies are tools to make that work. With institutional conditions forces are meant that operate outside the corporation at the macro- and interorganizational or field level within which the MNC maneuvers (Campbell,2007:948). The correlation between institutional conditions and CSR strategies of corporations is, in contrast to theories of stakeholder management, a much less investigated aspect within the field of CSR(Campbell,2007: 948).

Campbell has drawn up an institutional theory of assessing CSR behavior of firms which will be used as a theoretical framework to assess the SDG adoption by MNCs. In his theory he defines an array of variables that together make up institutional conditions inspired by theories of institutional analysis and comparative political economy(Campbell,2007:950).

Table II: Campbell's principle of public responsibility theory

Variable	Definition	Values	Indicators	Source
Institutional environment	A company's CSR performance is dependent upon actors in its external environment	Yes/no	Company makes CSR related decisions based upon the degree of public/private regulation, presence of NGOs/corporate behavior monitoring organizations, instutionalized norms, associative behavior among corporations and organized dialogue with stakeholders	CSR reporting documents companies, media coverage, public policy/thinktank documents
SDG adoption	A company's willingness to	Yes/no	Companies adopt SDGs based upon the	CSR reporting documents

	adopt SDGs, as part of their CSR strategy, is mostly dependent on its institutional environment		same indicators as constituting ‘institutional environment’.	companies, media coverage, interviews, SDG adoption guidelines
Strong institutional conditions	The strong institutional conditions a company is faced with provide positive or negative incentives for SDG adoption	Yes/no Positive/negative	Companies are more(or less) likely to adopt SDGs into their CSR strategies if facing strong state regulation, collective industrial self-regulation, monitoring NGOs, institutionalized norms encouraging CSR behavior, membership of industrial/employee organizations and institutionalized dialogue with stakeholders	CSR reporting documents companies, media coverage, interviews, public policy/thinktank documents, documents by industrial organizations
Weak institutional conditions	The weak institutional conditions a company is faced with provide positive or negative incentives for SDG adoption	Yes/no Positive/negative	Companies are more(or less) likely to adopt SDGs into their CSR strategies if facing weak state regulation, lack of collective industrial self-regulation, weak monitoring NGOs, institutionalized norms that don’t encourage CSR behavior, no membership of industrial/employee organizations and no institutionalized dialogue with stakeholders	CSR reporting documents companies, media coverage, thinktank reports, documents by industrial organizations, interviews

Appendix D provides a table that clarifies the interrelatedness between these 4 variables.

2.3. Hypotheses

The hypothesis flowing from the theoretical framework of Fombrun et al., as based upon theories of stakeholder management, is that:

> *Companies are willing to adopt SDGs into their CSR strategies because they consider them as potential contributors to existing corporate citizenship programs, with the aim of extracting more reputational capital from stakeholders, because SDGs are considered to attract gains and not losses.*

This hypothesis stresses a rationale behind how companies can make SDGs profitable for themselves whilst contributing to ‘social needs’. As Fombrun et al. note: “By considering upside potential along with protection from loss, firms may more easily justify investments in corporate citizenship programs"(Fombrun et al.,2000:102). In the context of this research the question is posed if the opportunity platforms and safety nets framework offer satisfying answers to why MNCs would allocate resources to adopting SDGs. The logic of this theory thus starts with the assumption of how to make SDG adoption profitable for MNCs through stakeholder- and reputational risk management.

Another possible answer to the question why MNCs would allocate resources to adopting SDGs is grounded in the idea that the external business environment of the MNCs is providing incentives to make the company comply with norms. These assumptions are central to the principle of public responsibility theory, stressing the relevance of institutional conditions as presented in Campbell's theory.

Hence the second hypothesis flowing from this theoretical framework related to CSR strategies of MNCs is that:

Strong institutional conditions, as presented in Campbell's theory, provide positive incentives for MNCs to adopt SDGs into their CSR strategies.

This means that companies are more likely to adopt SDGs into their CSR strategies if they encounter strong state regulation, collective industrial self-regulation, membership of industrial or employee organizations, engagement in institutionalized dialogue with stakeholders, NGOs and other independent organizations that monitor them, and a normative institutional environment that encourages socially responsible behavior(Campbell,2007:962). Under this definition I distinguish between strong institutional conditions of the 'hard' kind, referring to state regulation or legislation and the 'soft' kind, referring to collective industrial self-regulation, monitoring independent organizations like NGOs, membership of industrial or employee organizations, engagement in institutionalized dialogue with stakeholders and a normative institutional environment that encourages socially responsible behavior. In other words, institutional conditions enhance the possibility that MNCs will adopt SDGs into their CSR strategies.

2.4. Conclusions

This chapter discussed how two theories were selected from the CSR field of literature. Also, two hypotheses were formulated from the theoretical frameworks that will be tested against the empirical data. The following figure presents an overview on how the current selection of theoretical frameworks came about.

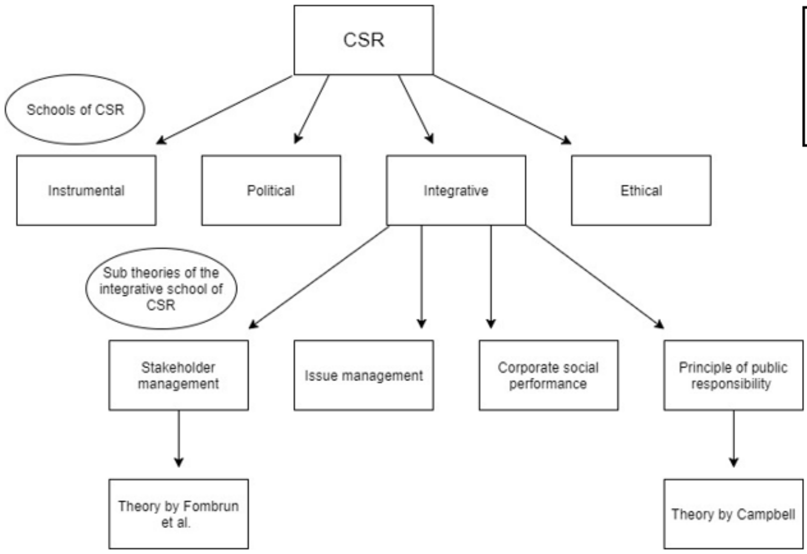

Figure II: selection of theoretical frameworks

3. Research design

3.1. Research design

3.1.1. Cross-sectional non-experimental small N design

A multiple-case approach is used in this study given the complex nature on the subject and the need to take into account a great number of elements, following the recommendation by Eisenhardt(Eisenhardt, 1989:537). This means that the use of secondary data, extracted from both primary and secondary sources with literature based desk research, will be combined with multiple interviews in each case to develop profound insights and provide the basis for greater transferability of the findings to other contexts(Eisenhardt, 1989: 538).

The methodology that is used is to search within secondary data such as websites, statistics, reports and articles to collect information. According to Yin, a case study is relevant if the research is seeking to explain some present circumstances, how and why social phenomena work or if the research requires an in-depth description of some contemporary social phenomenon(Yin,2009). The implementation of SDGs at MNCs is considered to be a prominent example of a social phenomenon that needs to be researched. Disadvantages of a case study design might be that the research is slightly sloppy, because of not following systematic procedures that might affect the goal of results that are unbiased.

This research can be classified as an empirical analysis, since the empirical reality of MNC behavior towards SDGs will be assessed with the help of interviews and testing of two dissimilar theories on the same empirical phenomenon. Furthermore, because this research is geared towards understanding the rationale of companies' strategies, this study is considered qualitative instead of quantitative. This means that patterns of argumentation are more interesting than statistical data. As the adoption of SDGs by MNCs in two distinct sectors is considered a complex process, a qualitative method is more appropriate(Yin,2009).

This study is also considered cross-sectional instead of longitudinal, because observations will be made at a certain point in time from which data will be extracted to provide as evidence: in this case, the year 2017. In terms of design, five basic types of research can be distinguished: cross-sectional design, experiment, comparative case study, single case study and time series analysis. This research can be classified as a cross-sectional non-experimental single case study with small N. The reason why an experiment is not conducted in this thesis is because the unit of analysis is MNCs and the topic is SDGs. MNCs are complicated to use in a (quasi)experiment, because it is impossible to control the application of the independent variables and it is impossible to assign subjects to different groups. The implementation of SDGs is a very complex process, which cannot be measured before and after exposure to the independent variables. Moreover it is impossible to control the environment in which SDGs are implemented. As a result this is a non-experimental design, depending heavily on observations.

The small N design corresponds with the small amount of cases that is included in the sample. Because the context of SDG implementation is very different amongst countries, it is difficult to use the results for the entire population, when only a few cases are investigated. A small N design focuses on small selection of cases, which makes it harder to identify generalizations, which also decreases its external validity. However, because a cross-sectional design is used this decrease is limited.

3.1.2. Population and sample

The national 'policy space' that will be examined is Colombia, which is taken as population for multiple reasons (Rohlfing,2012:24). Colombia's dedication to the SDG agenda is exceptional: it was the first country, next to Guatemala, to propose the concept of SDGs(Steven & Kubitschek Bujones,2013:11). It was the first country to create a strategy for aligning its national development objectives with the SDGs (Lucci, & Surasky, & Gamba,2015:4). Why a national policy context matters when assessing CSR mechanisms becomes clear from the research of Maignan and Ralston, who studied CSR strategies of 100 corporations in a comparative cross-national context across four countries from the Organisation for Economic Co-operation and Development(OECD)(Maignan&Ralston, 2002: 497). Although corporations mentioned the same motivations for pursuing CSR strategies, systematic differences were found in responses across the four countries, which signifies that national institutions play a role in shaping CSR strategies.

For this study a comparison of two dissimilar cases is also a cross-sector analysis, as is assumed that sectoral differences render different motivations for why MNCs adopt SDGs. This claim is grounded in previous research about, for example, different learning regimes driven by technology leading to different industrial dynamics or the relationship between businesses' innovation and industry structure(Dosi et al,1995:412)(Audretsch,1995:441).

The choice to specifically investigate the coffee and extractive sectors is based upon consultations with the Dutch Embassy in Colombia, the Dutch Chamber of Commerce in Colombia, the Ministry of Foreign Affairs in the Netherlands and the Colombian National Department of Planning (DNP): experts were thus involved to select the cases (Lindgreen,2010:236). These sectors are taken as cases as they are historically important sectors in Colombia and include a lot of MNC activity, which allows for a large sample group (OEC,2016). Moreover, both sectors are perceived to be dissimilar in learning regimes and diverge significantly when comparing their history in innovation and thus CSR performance.

Academic consensus exists on the coffee sector having a positive track record regarding CSR, being referred to as a 'pioneer industry for sustainability' or 'leading edge in the sustainability movement of markets'(Reineke et al,2012:794)(Barham & Weber,2012:1269). Furthermore is coffee considered the first traded product in which codes were developed to address CSR-related concerns(Giovannucci & Ponte,2005:287). Dominant explanations for this are the dismantling of the sector's international price regime in 1989 and crisis in 2002, affecting small farmers because of strong price drops. Improving the social and environmental circumstances of these farmers was a logical response(Kolk, 2005: 229)(Bacon,2005:498)(Reineke et al.,2012:794)(Muradian &Pelupessy,2005:2040). In coffee producing countries besides Colombia, like Nicaragua, Brazil and Ethiopia, the same factors driving CSR can be identified(Valkila,2009:3019) (Watson &Achinelli,2008:227) (Petit, 2007: 229).

On the contrary, the extractive sector is generally considered to have a negative track record on CSR. Many cases of MNCs in this sector regarding CSR-related violations or noncompliance fueled criticism, forcing companies to readdress their CSR performance(Warhurst, 2001: 58). Different authors refer to the companies' behaviour in this context as the 'focal point of outright opposition', causing 'decades of environmental disaster' or 'exacerbating local inequities'(Slack, 2012: 179)(Gilberthorpe & Banks,2012:185) (Farrell et al.,2012:194). The causes of this criticism vary from the extraction of resources inherently regarded as one of the most environmentally and socially disruptive businesses to contradictions between CSR commitments and actual performance(Jenkins & Yakovleva,2006:272) (Slack,2012:182). Also nowadays this sector struggles with CSR-related challenges as identified in various contexts outside Colombia, like in the cases of

Guatemala, Papua New Guinea or South Africa(Slack,2012:183)(Gilberthorpe & Banks,2012:187)(Farrell et al.,2012:198).

In terms of feasibility, this study will limit itself to three MNCs in both sectors. For the coffee sector this means that this study will limit itself to Nespresso, Starbucks and Casa Luker. For the extractive sector this study will limit itself to Glencore[1], Ecopetrol and Repsol.

Because the SDG agenda covers a vast array of SDGs that each consist of specific indicators, this study will not apply a pre-selection of which SDGs will be looked at for both sectors. This study attempts to answer why MNCs in both sectors are generally motivated to adopt SDGs, not why one SDG matters more than the other. Moreover, strong overlap exists between the targets of different SDGs, as the 2030 agenda is meant as a framework in which the different development goals are complementary[2]. Furthermore, it is difficult to state beforehand which SDGs or their corresponding indicators are more relevant for one MNC than the other.

In terms of data collection, the framework by Yin has been applied to decide which methods are most appropriate. Yin identifies six sources of evidence for case studies, namely documents, archival records, direct observation, participant-observation and physical artifacts(Yin,2009: 211). For this study documents and interviews were used. Data collection started by conducting desk research and assessing different kinds of documents. According to Yin, documents refer to: agendas, memoranda, administrative documents, newspaper articles, journal articles, press releases, draft reports and any other document relevant for the investigation. In this research the following documents were used: relevant web sites, academic articles, think tank reports, official documents, press releases, company reports and newsletters and public statements.

After document desk research interviews have been conducted. This is a very important source of information, as it can help the researcher to overcome possible gaps as a result of information lacking from the desk research. There are several types of interviews possible, namely open-ended, semi-structured, focused, structured or a survey. For this study semi-structured interviews have been conducted, as it allows to generate

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[1] For the following part of this study, when referred to Grupo Prodeco the name Glencore will be used.
[2] In-depth explication on this follows in chapter 4

interviewees' accounts from their own perspective and understanding. The selection of the interviewed actors was based upon two factors. First, a list emerged from desk research of the most important stakeholders of the chosen MNCs. Second, new names of potentially interesting actors emerged during the interviews with MNCs.

The semi-structured interviews undertaken for this study can be classified in two categories. First there are the interviews with the sample group within the two different cases: MNCs in the Colombian coffee and extractive industry. Second there are the interviews with actors within the population and cases, with the goal of providing more explanatory leverage related to the independent variables in relation to the dependent variable. These are interviews with public bodies, civil society organizations, business associations and NGOs relevant for answering the research questions, henceforth called 'non-MNC actors'.

Table III: Overview data source from interviews per case

Extractive sector	**Interviewee**	**Coffee sector**	**Interviewee**	**Data applicable to both cases**	**Interviewee**
Repsol	Manager Institutional and Communitarian Relations	Nespresso	Green Coffee Project Manager Colombia	UN Global Compact	General Coordinator
Ecopetrol	Environmental Performance Manager	Starbucks	General Manager Colombia	National Department of Planning	Technical Secretary SDG Commission
Glencore (Prodeco)	Head of Sustainability	Casa Luker	Business Director	Global Reporting Initiative	Director GRI Hispanic Americas
Anglogold Ashanti	Human Rights & Strategic Projects Manager	Amor Perfecto	General Manager	National Association of Entrepeneurs in Colombia	Vice-President Juridical Affairs
Colombian Petroleum Association	Social Management Professional	Colombian Coffee Growers Federation	Assistant of the CEO	Ministry of Environment	Professional in Sectoral and Urban Environmental Affairs
Ministry of Mining and Energy	Coordinator Territorial Hydrocarbons Strategy	Ministry of Agriculture	Consultant Coffee Chain, Coordinator Coffee Sector, Technical and Ecological Professional from the Directory of Innovative Development	UN Development Program	National Adviser SDGs, National Coordinator Sustainable Settlements Extractive Industries, Specialized Professional of the Hydrocarbon National Agency
Transparency International	Manager Program Extractive Industries	Expocafé	Sustainability Analyst	Regional Autonomous Corporation	Environmental Administrator & Natural Resources Specialist
		Cafexport	General Manager	Foundation Ideas for Peace	Business and Human Rights Director

Prior to the interviews, publicly available secondary material provided by the target actor of the interview was reviewed. This material included corporate plans, organizational websites, policy documents and annual reports. Of the 23 interviews that have been conducted, 20 took place at the actor's head offices in Colombia. All of the interviews have been carried out personally and each interview lasted approximately between 34 and 112 minutes. The interviews began with the search for answers to the general questions as listed in appendix B, but the conversations were also driven by emerging topics as part of the respondents' own perspective on the themes. Of the 23 interviews, 19 were done in Spanish and 4 in English. An English summary of each of the interviews can be found in appendix C.

Following the interviews additional information was examined provided by the respondents and other sources like industry conference proceedings, conference papers, consultant's reports, magazines and government documents.

3.1.3. Congruence analysis

When performing a case study research of the explanatory type, three methods can be distinguished: causal-process tracing, co-variational analysis and congruence analysis. For this study a congruence analysis was deemed the most appropriate, because the goal is to match theoretical expectations, derived from the two theories, with empirical data. In congruence analysis, case studies are used to "provide empirical evidence for the explanatory relevance or relative strength of one theoretical approach in comparison to other theoretical approaches"(Blatter & Haverland, 2014: 144). This fits the aim of this study, since its purpose is to find out whether one of the two selected theories provides better explanatory leverage to why MNCs would adopt SDGs. Hence, explanation is not driven by co-variation but by establishing congruence between within one case between theoretical expectations/hypotheses and observations. Also, internal validity is ensured by congruence, thus causal analysis is based on the degree of congruence between predictions and observations.

Blatter & Haverland distinguish between two types of congruence analysis, namely the competing theories or complementary theories approach. For this study has been chosen to use the competing theories approach, since the scientific goal is to use empirical information to judge the explanatory power of a theory in relative terms by comparing these actual observations with expectations that are deduced from one theory and with expectations deduced from another theory(Blatter & Haverland, 2014: 145). Although part of the same school, both theories used stand in stark opposition to each other because they provide fundamentally different explanatory leverage to answer the central research question. As a result, the goal of this study is not to find complementary implications in the real world as a result of a plurality of theories, possibly leading to new explanatory insights (Blatter & Haverland, 2014: 145). The advantage of the competing theories approach is that it allows for assessment of the meaning of internal interactions between actors and structures(Blatter & Haverland,2014:160).

3.2. Operationalization

The theories have been tested as a qualitative case analysis, because it allows for a congruence analysis including dependent and independent variables (Blatter & Haverland,2014:144). The theoretical ambition of comparing two national sectors is grounded in the belief of a ceteris paribus assumption. This means that the coffee and extractive sector are comparable cases in terms of CSR behavior of MNCs, but that they differ in the way they interact with SDG adoption or the PND. Thus, the aim of this study is to 'match patterns' (Yin,2009:143). Therefore this congruence analysis will provide observations for the explanatory relevance of CSR in enhancing corporate SDG adoption in comparison to the absence of CSR. This causal analysis offers internal validity.

Following that logic, the dependent variable is considered the degree to which MNCs will adopt SDGs into their CSR strategies or not. This means that there are eight independent variables that have been taken into account, which are MNCs in the Colombian coffee sector, MNCs in the extractive sector, the Colombian government, SDGs, the PND, CSR in Colombia, reputational gains and institutional conditions. Figures III and IV demonstrate how the operationalized variables of both theories integrate the causal mechanic between the dependent and independent variables.

Important to mention is that the selection of variables is also a selection of proxy variables, meaning that an abstract concept like 'CSR in Colombia' cannot be captured completely. What has been done, however, is capture and assess discernible developments and notions in a number of concrete and measurable manifestations of the abstract concept. These measurements always remain far from perfect as they are simplifications of a more complex reality and do not control for other potentially relevant factors.

3.2.1. Dependent variable compliance with SDGs through CSR performance

Based on the aforementioned demarcations of the study the variables, derived from the two selected theories in chapter 2, are defined to make them operational for empirical testing.

Table IV: Operationalized variables Fombrun et al.'s stakeholder management theory

Number	Definition	Sources
A1	CSR behavior of the MNC, defined as the companies' corporate citizenship programs, is (not) present.	CSR reports, interviews, media coverage
A2	Integrating SDGs into the CSR strategy of the MNC, defined as SDG adoption through corporate citizenship programs, is (not) present.	CSR reports, interviews, press releases
A3	The MNC has(not) won or lost reputational capital from corporate citizenship programs, defined as losses or gains of capital to influence bi-directional risks.	CSR reports, media coverage, interviews, thinktank reports, public statements
A4	(No) Proof of the MNC's interaction with different stakeholders related to CSR performance, defined as the relationship between stakeholders and reputational capital.	CSR reports, thinktank reports, online coverage, interviews, public statements
A5	The MNC is (not) aware that stakeholder management could imply reputational losses and gains, defined as the MNCs' awareness of bi-directional risks.	CSR reports, interviews
A6	The MNC does (not) regard SDG adoption as a buffer against potential reputational loss, defined as a safety net for its corporate reputation.	Interviews
A7	The MNC does (not) regard SDG adoption as supportive for potential reputational gain, defined as an opportunity platform for its corporate reputation.	Interviews

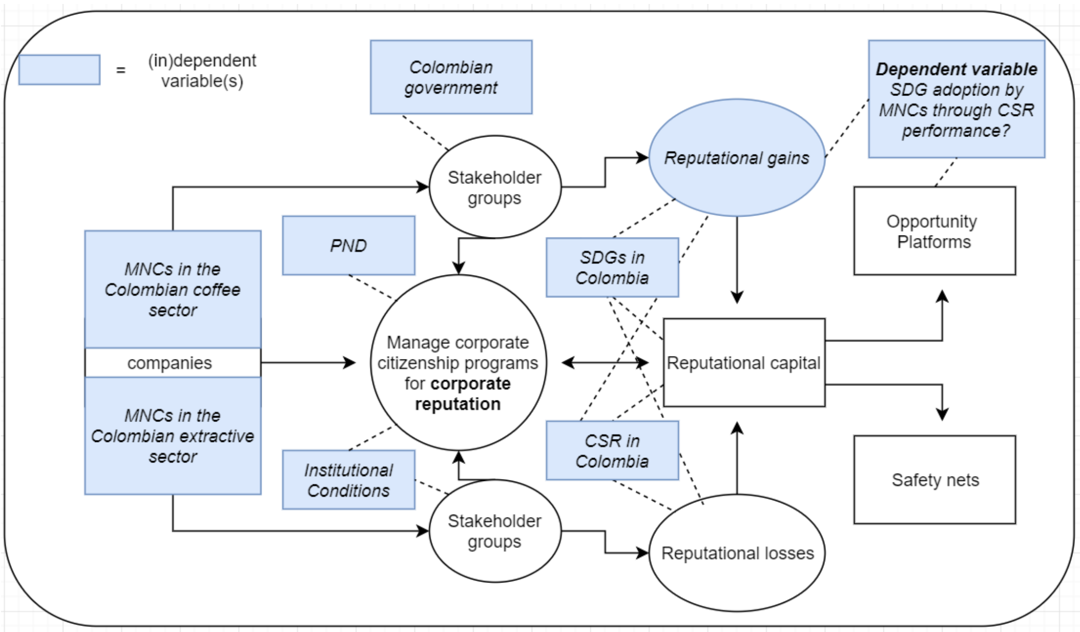


Figure III: Causal pathway dependent variable- independent variables stakeholder management theory

Table V: Operationalized variables Campbell's principle of public responsibility theory		
Number	**Definition**	**Sources**
B1	CSR performance of the MNC is (not) based on its institutional environment, as defined in table II.	Thinktank reports, public policy documents, media coverage, sector studies, official statements.
B2	SDG adoption by the MNC through CSR is (not) based on its institutional environment, as defined in table II.	Regulations, interviews, thinktank reports, sector studies, public policy documents, public statements.
B3	SDG adoption by the MNC through CSR is (not) more likely if faced with strong institutional conditions as defined in table II.	Regulations, media coverage, interviews, business trend analyses, sector studies, thinktank reports.
B4	SDG adoption by the MNC through CSR is (not) more likely if faced with weak institutional conditions as defined in table II.	Regulations, thinktank reports, media coverage, interviews, sector studies, business trend analyses.

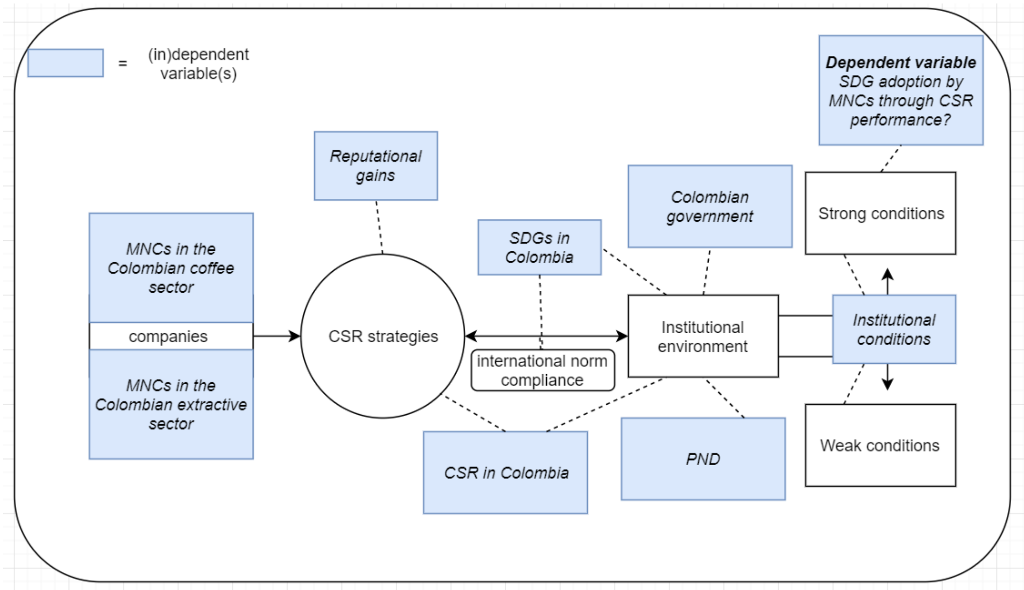


Figure IV: Causal pathway dependent variable- independent variables principle of public responsibility theory

3.2.2. Independent variables

In this paragraph the 8 independent variables are dissected from the theoretical frameworks that influence the dependent variable. Data has been collected on these variables as presented in chapter 5 with the aim to answer the central research question.

Table VI: Independent variables

Name	Sources
MNCs in Colombia's coffee sector	Interviews, sector studies, academic sources, media coverage.
MNCs in Colombia's extractive sector	Interviews, sector studies, academic sources, media coverage.
Colombian government	Interviews, academic sources, media coverage, public policy documents, thinktank reports.
SDGs in Colombia	Interviews, thinktank reports, media coverage, public statements, consultancy reporting.
National Development Agenda	Interviews, public policy documents, media coverage.
CSR in Colombia	Interviews, thinktank reports, consultancy reporting, sector studies, media coverage, academic sources.
Reputational gains	Interviews, academic sources, press releases, CSR reports, consultancy reporting.
Institutional conditions	Interviews, academic sources, press releases, CSR reports, consultancy reporting.

3.3. Conclusions

The empirical assessment of the two hypotheses has been done using a cross-sectional, non-experimental case study with small *N*, which means the sample group consists of six MNCs. The sample group was empirically and qualitatively tested in two different cases within the same population, namely the coffee and extractive sector in Colombia, using two forms of data collection: desk research and interviews. A congruence analysis of competing theories is the method that was used to provide observations for the explanatory relevance of the two theories as formulated in chapter 2. Empirical testing of the hypotheses has been done by operationalizing the dependent variable and 8 independent variables.

4. Context

4.1. SDGs

The cornerstone for the SDG agenda was the adoption of the 'The Future We Want' document at the UN Conference on Sustainable Development in Rio de Janeiro in 2012(UN,2014:A/69/700).There, debates about the successors of the MDGs lead to the first SDG agenda draft, organizing the Goals in eight thematic clusters, as a result of three years of multi-stakeholder debates and diplomatic negotiations. Important to note that in this context, Colombia is regarded as one of the main drivers of developing the SDG agenda(Fukuda-Parr,2016: 44)(Hák et al, 2016:566).

The SDGs are much broader and specified than the MDGs, covering 17 goals that together encompass 169 targets. Each of these indicators includes 5 to 12 targets to make the SDGs more tangible, encompassing a total of 303 indicators. The targets represent the desired features of the goals whereas the indicators state the requirements to achieve those targets (Hák et al, 2016:568). The goals cannot be considered as stand-alone objectives but should be regarded as complementing each other, creating overlap between different themes the SDGs stand for. This complementarity also has implications for the intersectoral links that exist between the SDGS in terms of implementation. For example, the effort to recover resources from wastewater like nutrients and energy contributes to both goal 12(sustainable consumption and production) and goal 2(zero hunger). The following figure presents the SDGs.

Sustainable Development Goals

Goal 1. End poverty in all its forms everywhere

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3. Ensure healthy lives and promote well-being for all at all ages

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5. Achieve gender equality and empower all women and girls

Goal 6. Ensure availability and sustainable management of water and sanitation for all

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12. Ensure sustainable consumption and production patterns

Goal 13. Take urgent action to combat climate change and its impacts*

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

* Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change.

Figure V: Sustainable Development Goals

Source: United Nations A/RES/70/1. Transforming Our World: The 2030 Agenda For Sustainable Development(2015)

4.2. Collaborative governance strategies

That private investment for the SDGs is crucial within the Colombian context is demonstrated by the fact that Colombia doesn’t receive ODA anymore. This implies that Colombia needs to look for other sources to mobilize resources to invest in the SDGs(Arango, 2017:1)(Scheyvens et al.,2016:372). Out of this context the concept of collaborative governance strategies arises, emphasizing that national governments are key as policy coordinator towards the implementation of public development goals but that contributions on behalf of the private sector in this pursuit are indispensable(Sánchez et al, 2015:2).

A collaborative governance strategy underpins the way the Colombian government aims to implement the SDGs, which the following figure demonstrates. A critical note here is that, as mentioned by the DNP during an interview, for only 52% of the SDGs targets private sector involvement is deemed necessary.

Figure VI: SDG implementation in Colombia: a collaborative governance approach

Source:Mohieldin(2017) The Sustainable Development Goals and Private Sector Opportunities

4.3. CSR

Challenges in, for example, making CSR performance by multinational companies a measurable unit derive from the epistemological confusion surrounding the term(Weber, 2008: 247). Concepts like 'sustainability', 'sustainable development', 'corporate accountability', 'citizenship' and 'social responsibility' all seem to refer to the same endeavour. This makes definitions of CSR abound and there hardly seems to be any consensus about it, while sub concepts have emerged at the same time as well(Kolk, 2016:24). MNCs themselves are also contributing to the terminological confusion as they interchangeably use headings like 'corporate citizenship' or 'sustainability reports' to disclose their CSR performance in annual reports (Kolk,2016:24).

What is agreed upon is the relative better track record of CSR in the coffee sector than in the extractive sector, as explained in 3.1.2.(NewForesight, 2011:21).

4.4. MNCs

The necessary involvement of businesses to realize SDGs might be just as relevant as businesses gaining social legitimacy from adopting SDGs in terms of a ‘win-win’ dynamic. To address the ‘win-win’ dynamic in the context of SDG compliance the UN Global Compact has released the ‘Building the Post-2015 Business Engagement Architecture’ document in 2013 (Global Compact,2013:2). The core message, as presented in the following figure, demonstrates the interrelationship between profit-seeking and CSR performance.

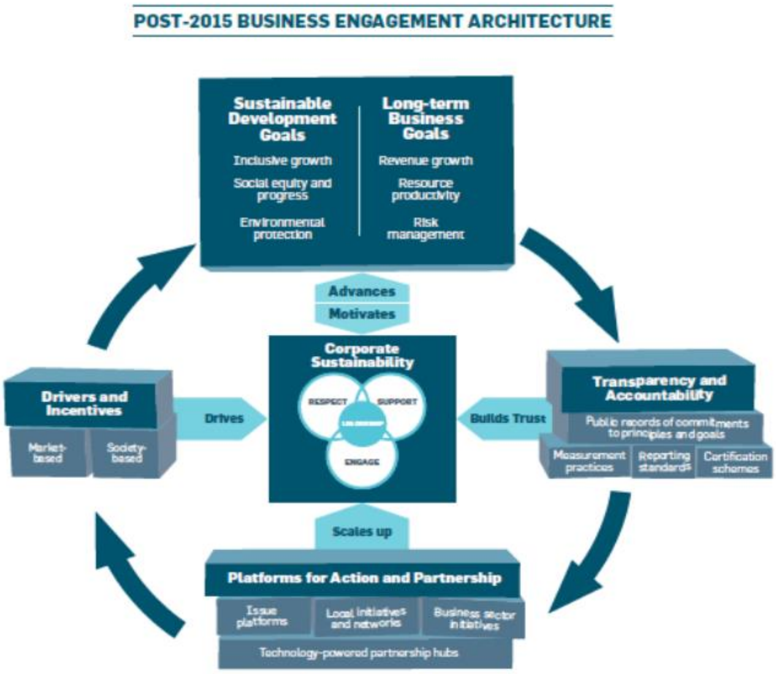


Figure VII: SDGs and business goals

Source: Building the Post-2015 Business Engagement Architecture

When demarcating this research a choice was made to focus on the behavior of MNCs. This means that, for example, Small- and Medium-sized companies(SMEs) are not taken into account. The reason to focus on MNCs is based on the presumption that MNCs are a category of firms that are most sensible to external pressures which could potentially affect their business strategies: in this case, the implementation of SDGs. The relevance of the international dimension of MNCs is exemplified by Zyglidopoulos:”There are numerous examples of multinationals, who have to comply with a level of social and environmental responsibility originating outside the country of which they operate”(Zyglidopoulos, 2002:146). The transnational scope has two important implications which makes MNCs different from other types of firms: international reputation side effects and foreign stakeholder salience(Zyglidopoulos,2002:142).

4.5. National Development Agenda

SDG implementation is best served at the national level when integrated in the public objectives the national government already has: this assumption is grounded in previous research on development target adaption(Sánchez et al, 2015:6). Colombia's national development agenda, the PND, was presented by the Colombian government to the congress in 2015 under the name '*Todos por un Nuevo País*'(All for a New Country) and set the development guidelines and objectives for the period 2014-2018(PND,2015)[3]. What makes this national development agenda distinct is that by September 2015, 91 of the 169 SDG targets were already aligned with national objectives, which makes it the backbone of the government's strategy to SDG implementation: this was even before the SDGs were officially agreed upon(Lucci, & Surasky, & Gamba,2015:3). This means that for the DNP covering the 2019-2022 period, 58 targets more need to be integrated; the remaining 19 SDG targets have an solely international orientation.

The PND is only one of four national agendas with which the Colombian government aims to realize the SDGs: the other ones are the OECD accession process, the peace accords with the *Fuerzas Armadas Revolucionarias de Colombia*(FARC) and the Green Growth Strategy(Mohieldin, 2017:23). In theory the government's lines of action regarding these agendas is connected to at least 146 targets, which translates into 86% completion of the 2030 agenda. The following figure shows the overall strategy by the government for SDG realization through its national agendas.

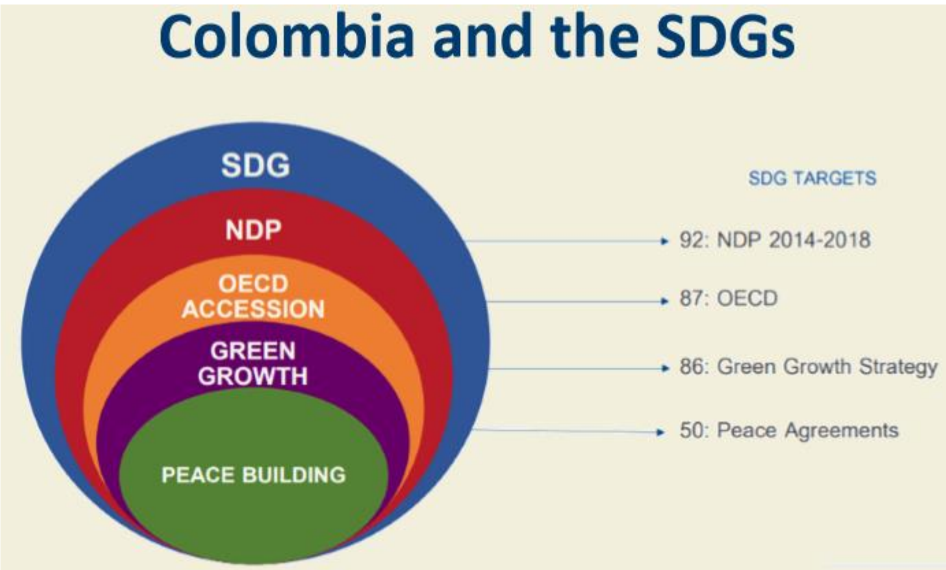


Figure VIII: SDG implementation in Colombia: a tale of four national agendas

Source: Mohieldin(2017) The Sustainable Development Goals and Private Sector Opportunities

[3] Appendix C provides further information on the content of the PND

Since 2013 Colombia aims to become a OECD member country which means that a formal evaluation is taking place of the country's policies on a wide range of CSR-related areas (OECD, 2013:1). The Green Growth Strategy is considered the cornerstone of the PND, meaning that inclusive and environmental growth principles are being implemented in every aspect of public policy(El Espectador, 2017: 1).

4.6. Colombia

To understand on which level decisions are taken by the national government it is relevant to provide a brief explanation on how the public system works and relates to the coffee and extractive sector. The president is the highest executive national body, supported by the Vice President and a Council of Ministers. In May 2018 national elections will be held that could influence the direction of SDG implementation(The Bogotá Post,2017:1). On the regional level Colombia is made up out of 32 'provinces', so-called *departamentos*. On the local level, *departamentos* themselves consist of municipalities.

Coffee production is geographically concentrated in the so-called 'coffee growing axis'(*Eje Cafetero*) that covers *departamentos* in the centre-western part of the country. The country's historical production levels have not been matched since the drop in 2010 due to dry climate, rust disease and the FNC's Coffee Renovation Project(NewForesight,2011:18). Against this background the coffee sector has always suffered from sustainability challenges, among other factors covering land competition and climate change(NewForesight,2011:13). Coffee is produced by independent farmers that either sell their coffee independently or to a cooperative. 95% of these farmers are small scale in productivity and land ownership(Samper et al.,2012: 11). Farmers can choose which proportions they sell independently or to cooperatives, and MNCs can choose which proportions they buy from which farmer or cooperative, which creates strong competition. The sector's most important business association is the FNC, mostly representing the interests of small farm owners and also buyer of coffee from its members at an internal price. It monitors quality standards and supports research and development among other activities.

Exploration activities in Colombia's extractive sector can mostly be found in *departamentos* in the center-eastern, center-northern and northeastern parts of the country. Colombia's economic growth until 2013 can predominantly be attributed to the boom in commodity prices, in for example oil and gas(Díaz et al.,2016:11). After this prices fell and revenues declined, among other causes as a result of protests, blockades and the government's tax reform in late 2016(Jamasmie, 2017: 1). This sector is very diverse and covers the exploitation of oil, gas, coal, precious metals and emeralds among other products. In terms of the sector's business environment for the companies it is important to note that three business associations are representing private sector interests: the ACP with of focus on oil and gas companies , the ACM with a focus on mining companies and to a lesser degree, ANDI. Policy conduct and regulation in this sector on the national level is managed by the Ministry of Energy, the administration of oil and gas and mining resources by the ANH and the ANM who also hand out licensing regimes for hydrocarbons and mining (Díaz et al.,2016:15). Furthermore, the ANH is in charge of putting out blocks to tender in yearly rounds. On the regional level companies need to take into account environmental permits to conduct their projects, and the CARs have the final say in this.

Figure IX: Political map of Colombia

Source: BC Maps

How can Colombia furthermore be characterized in political and socioeconomical terms, defining the business environment in which MNCs operate? A first attempt to provide an analysis about the highly complex state of affairs in this country comes from the work of Acemoglu & Robinson, who explain the hardships the Colombian government is facing as a result of interstate violence between different (para)military groups. They state that "Colombia is not a case of a failed state about to collapse. But it is a state without sufficient centralization and with far-from-complete authority over all its territory"(Acemoglu &

Robinson, 2012:423). Weak state centralization results in lawlessness and insecure property rights because politicians lack incentives to provide public services. As Acemoglu & Robinson note, huge regional inequalities remain persistent which gives rise to left-wing rebels or right-wing paramilitaries to flourish in poor areas because they make deals with politicians(Acemoglu & Robinson, 2012:424).

The observations by Acemoglu & Robinson are only one of many perspectives on how to define Colombia's political state of affairs. Notwithstanding, what is universally agreed upon is the importance of the long-standing armed conflict for Colombia's business environment and context in which the national government tries to implement the SDGs. The promise following the peace deal is greater political stability and security which might lead to greater opportunities for business. On the short term the post-conflict period might still seems rife with risk but the connection between the SDGs and the peace agreement cannot be underestimated.

Figure X: Interrelationship peace deal and the SDGs

Source: Mohieldin(2017) The Sustainable Development Goals and Private Sector Opportunities

In economic terms, three general factors contribute to high expectations regarding Colombia's mission to successfully realize the SDGs: the cooling down of the domestic conflict, the country's current macroeconomic stability and its large fiscal inflows(Financial Times,2013:31). As Angel Gurría, Secretary-General of the OECD, states: "Robust growth has been accompanied by low inflation, declining public debt and better management of public resources”(OECD,2015:1). The following figure demonstrates some trends in terms of Colombia’s economic development in recent years.

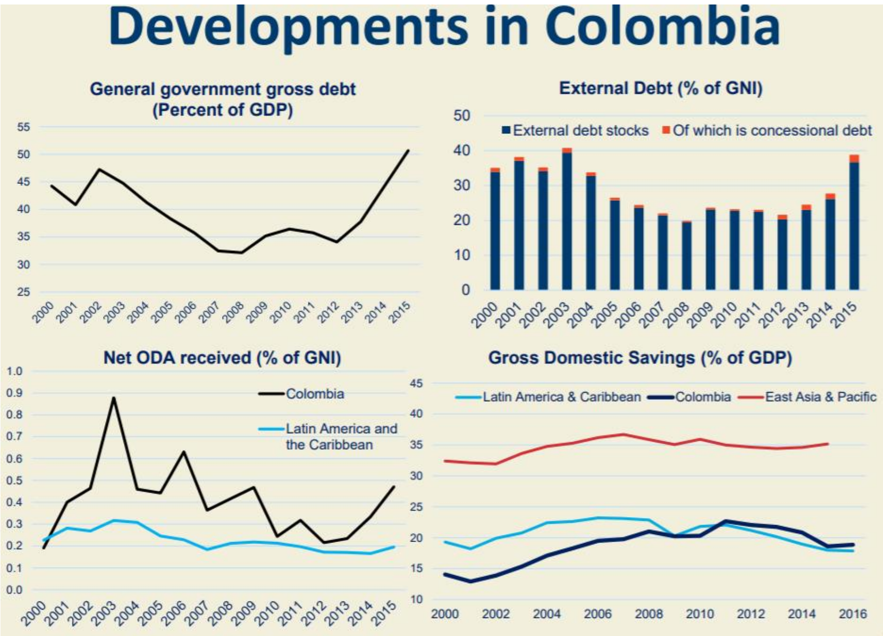


Figure XI: Colombia’s economic development

Source: Mohieldin(2017) The Sustainable Development Goals and Private Sector Opportunities

5. Empirics

Through the conduct of interviews and through literature desk research, data has been collected that is relevant to answer the main research question and consequently, test the hypotheses as posed in chapter 2. In this chapter the data that has been found has been organized along the two different cases, the Colombian coffee and extractive sectors. Within the cases the data has been organized along the lines of the independent variables as dissected from the theoretical frameworks in 3.2.2. Paragraph 5.3. covers the data that is applicable to both cases.

5.1. Multinational corporations in Colombia's coffee sector

Public bodies that have been interviewed, related to this sector, are the Ministry of Agriculture, the DNP, the Ministry of Environment and the CAR. MNCS that have been interviewed, related to this sector, are Starbucks, Nespresso and Casa Luker. Other non-MNC actors, related to this sector, that have been interviewed are Amor Perfecto, Expocafé, Cafexport, the FNC, UN Global Compact, GRI, ANDI, UNDP and the FIP.

5.1.1. The role of the Colombian government

Different actors, also other public bodies, point to the DNP as the first point of reference when it comes to the implementation of the SDGs. Public bodies like the Ministry of Environment state that it's the prime responsibility of the DNP to coordinate on the national level what needs to be done concerning the SDGs.

> - *"A second challenge is the role and participation of non-state actors such as the private sector in the implementation of the agenda. Here we need the private sector to have incentives to be part of these actors that will help us to materialize the commitments as proposed by the SDGs."*-
>
> Interview with Simón Gaviria, President of the DNP, in Humanum Colombia

One non-MNC actor stated that they regard the attitude of the government on CSR-related obligations as too flexible towards companies , in the sense that more mechanisms should be created to sanction companies that are not complying with international norms like the SDGs. The following perceptions have been noticed concerning government action towards the SDGs.

Table VII: Perceptions on obstacles for the government on SDG implementation	
Obstacle	**Description**
Access to concessional financing	The government lacks budget for SDG implementation, leading to a lack of financial incentives to engage private sector actors(non-MNC).
Lack of attention	The government lacks attention to public agendas that could support SDG implementation (non-MNC actor).
Lack of long-term planning	Lack of long-term planning by the government is by some explained as related to the volatile nature of policy shifts (both MNC and non-MNC)
Risk of cherry-picking	The risk that the government will prioritize certain SDGs over others (non-MNC)
Risk of prioritizing peace	The risk that the government might prioritize the post-conflict peace efforts over the SDGs, or is unable to manage the two themes simultaneously (non-MNC).
Problem of authorization	SDG implementation appears to be a centralized public agenda, in which the DNP coordinates everything and other public bodies lack responsibilities. This also goes for coordination on national and local level (non-MNC).
Lack of flexibility	The SDG agenda is not easily integrated into existing other public agendas, which impedes implementation speed(non-MNC).
Lack of communication	Lack of communication with private sector actors on cooperation regarding the SDGs (Non-MNC and MNC actors). Furthermore, hardly any communication exists on tackling the national agendas altogether(figure VIII)(non-MNC).
Lack of institutional capacity	The physical lack of government capacity to manage SDG implementation(both MNC and non-MNC).
Lack of institutional uniformity	Lack of coordination between different public bodies on SDG implementation(non-MNC).
Corruption	Corruption is deemed as impeding SDG implementation (non-MNC).

5.1.2. CSR in Colombia's coffee sector

All MNCs related to this sector that have been interviewed state that they have some kind of overarching CSR strategy on a national scale. This means that they seem to 'do something' about their business environment: what varies is the scope of their actions, the audience towards which these activities are oriented and the geographical influence.

In Colombia an integrated CSR strategy on the national level scale is absent. However, a range of national CSR initiatives exist which also have implications for actors in the coffee sector. An example is the work done by Icontec, Colombia's normalization institute, that advocates a technical guideline for companies to follow related to social responsibility called the *'Guía Téchnica Colombia(GTC) 180 de Responsabilidad Social'*(Jansen & Veeneman, 2016:8). Examples of public CSR initiatives are EQUIPARES, which is a seal businesses receive for contributing to the economic empowerment of women or Program 40 Thousand First Jobs, a publicly funded programme for companies hiring young people(FIP,2016:25). A final example is advocacy by the European Union(EU) for CSR in Colombia in the context of the Free Trade Agreement(FTA) by means of a Resolution from the EU Parliament(FIP,2016:25).

Two factors, as mentioned in chapter 4, are highly important when it comes to pushing CSR initiatives in Colombia, which are the accession process to become an OECD country and the post conflict process that bring new opportunities to invest in CSR-related activities . As a result of this accession process, the OECD Guidelines for Multinational Enterprises are receiving particular attention(Scheyvens et al.,2016:373).

Certain CSR initiatives are contained to sector level, although like the case on the national level, an integrated sector-level CSR strategy is absent. To address persistent socio-economic and environmental concerns this sector has a strong focus on voluntary certification, of which Fairtrade, Organic and Rainforest Alliance were the first and later accompanied by UTZ Certified and the 4C Association(NewForesight:2011,13).

- *"Certification for farmers allows them to commercialize their products but at the same time they have difficulties to get used to a climate in which only sustainable production methods are their access to the market."*-

Consultant Coffee Chain, Ministry of Agriculture

The NGO *Solidaridad* is part of an international network that assists small coffee farmers with a focus on a sustainable supply chain, and therefore they have created the Sustainable Trade Platform. Another project by *Solidaridad* is called BACK to REDD+ in which the objective is to produce more coffee with less environmental footprint. Another example is SAFE platform (Sustainable Agriculture, Food and Environment) which has projects in Colombia to improve the sustainability and coffee quality of small-scale farmers. The FNC has projects stemming from its CSR strategy since 2002 that convert into multi-actor initiatives on the ground, like the *Manos al Agua* project in collaboration with Nespresso to improve water usage on farms(FNC,2016:1).

In the interviews certain factors were identified that are regarded as obstacles for the successful realization of CSR-related initiatives.

Table VIII: CSR-related obstacles in Colombia's coffee sector	
Obstacle	**Description**
Short term profit before long term planning	In business strategy, short term profit is preferred over long term impact, which could be explained as a result of the country's unstable investment climate but impedes the creation of CSR strategies(MNC and non-MNC).
CSR as philanthropy	In Colombia CSR and philanthropy are by many regarded as the same phenomenon (non-MNC).
Sustainability not widespread	The concept of sustainability and awareness about it is still an evolving concept in Colombia (non-MNC).
Disconnect CSR policies national-subnational level	Congruence is lacking regarding CSR promotion on the national- level and subnational level and also between the national level and sector level(non-MNC).
CSR too much voluntary nature	Many CSR initiatives lack meaningful impact because they are purely based on voluntary willingness of actors (non-MNC).
Extensive agriculture and livestock grazing	Extensive agriculture and livestock grazing are deemed as key CSR challenges in this sector(MNC).
Water pollution	Water pollution affects the health conditions of farmers(MNC and non-MNC).
Informal land ownership	Informal land ownership complicates the right to cultivate land(non-MNC).
Pressure on labor and union rights	Pressure on labor and union rights is considered a key social issue on Colombia's countryside(non-MNC).
Generation gap	Younger generations are not willing to work on the family farms anymore caused by uncertainties about the future(MNC and non-MNC).
Correlation sustainable coffee production and fair prices	Sustainable coffee and fair prices is a tense relationship because when farmers need to meet certain norms like the SDGs, the investment to achieve this undermines their profit for coffee sales. This puzzle of 'financial co-responsibility' for now remains(MNC).
Farmers' reluctance to accept new technology	Most farmers have family-run businesses that have been using the same methods for generations, making them reluctant to accept innovation(non- MNC).
Lack of institutional support	Without local public management agrarian communities cannot be supported to invest in CSR activities(non-MNC).

Correlation climate change and volatility coffee prices	The risk, deriving from the impact of climate change, will only contribute more to the price volatility of the global coffee market, (non-MNC).
Coffee regions as former war zones	The commercialization of coffee zones equals 'liberating' farmers from violent conflict. This argument is however not undisputed, as other actors have stated that coffee zones have always been under government control and thus less affected by violence(MNC and non-MNC).

- *"A third challenge is to promote the generational gap; a key point is to assure that the young sons of coffee farmers will get excited about coffee as a plan for life and learn to value their coffee regions."*-

Interview with FNC, CECODES Sostenible Mente

The content of a company's CSR strategy varies depending on how the company defines CSR. To that regard Cafexport, for example, stated that 'it should refer to a combination of social, environmental and economic activities that generate profit for a company without affecting the natural business environment of the company in the long term'. Expocafé states that CSR should entail 'real impact' , referring to offering training and advice to farmers, instead of donating money in a philanthropic sense. ANDI distinguishes between philanthropy and CSR as a more modern conceptualization in which social, environmental and/or economic investments render a certain profit for the company as well.

During the interviews I have found various ways in which the actors shaped their CSR strategies. The CSR strategy can derive from the mother company, like in the case of Nespresso that follows the strategy of Nestlé. The CSR strategies of Nespresso and Starbucks can be considered 'programs', that consist of a series of measurements (training in quality improvement, technical assistance, sustainability standards etc.) to improve conditions for the coffee farmer. Starbucks' program is called the C.A.F.E. Practices and the one from Nespresso is AAA Sustainability Quality. On top of that Starbucks also operates regional training centers for farmers called Farmer Support Centers, of which one can be found in Colombia(Starbucks, 2016:20). Some programs only have a national scope, like Nespresso's Farmer Future Program aimed at creating retirement funds for Colombian farmers. Some programs only have a regional scope, like the set of social development projects Casa Luker is running in the city of Manizales under its foundation(Fundación Luker, 2016:9). Lukerways, Casa Luker's CSR strategy consists of a series of ‘imaginaries’ that in practice are translated into projects regarding, for example, plant cultivation. CSR strategies can also be more ‘inward’ than ‘outward’ looking for companies: Amor Perfecto, for example, trains underprivileged youth that want to become baristas within the company.

Offering a transparent and fair price to the coffee farmer is mentioned as a core element of CSR performance in the coffee sector. This strategy is also linked to the idea that consumers ought to know the source of the coffee they are consuming, as Nespresso puts forward as a core philosophy in their AAA Program. FNC for example, among other activities, has a purchase guarantee policy towards the associated coffee cooperatives to aim for the best price for their coffee.

5.1.3. Multinational corporations’ behavior towards the SDGs

When analyzing the data from the interviews, the degree to which MNCs are adopting the SDGs can generally be divided into three variations:

Table IX: Variations of SDG adoption by MNCs

Variation	Description	MNC
Willingness to adopt	MNC had not yet taken notice of the SDGs but wants to adopt into CSR strategy.	Starbucks
‘Implicit contributions’	MNC contributes to SDGs within CSR strategy but does not frame or link it as such. Also, through anticipation on other CSR agendas are SDGs realized.	
Concrete linkages	MNC has concrete link between CSR strategy and SDGs.	Nespresso, Casa Luker

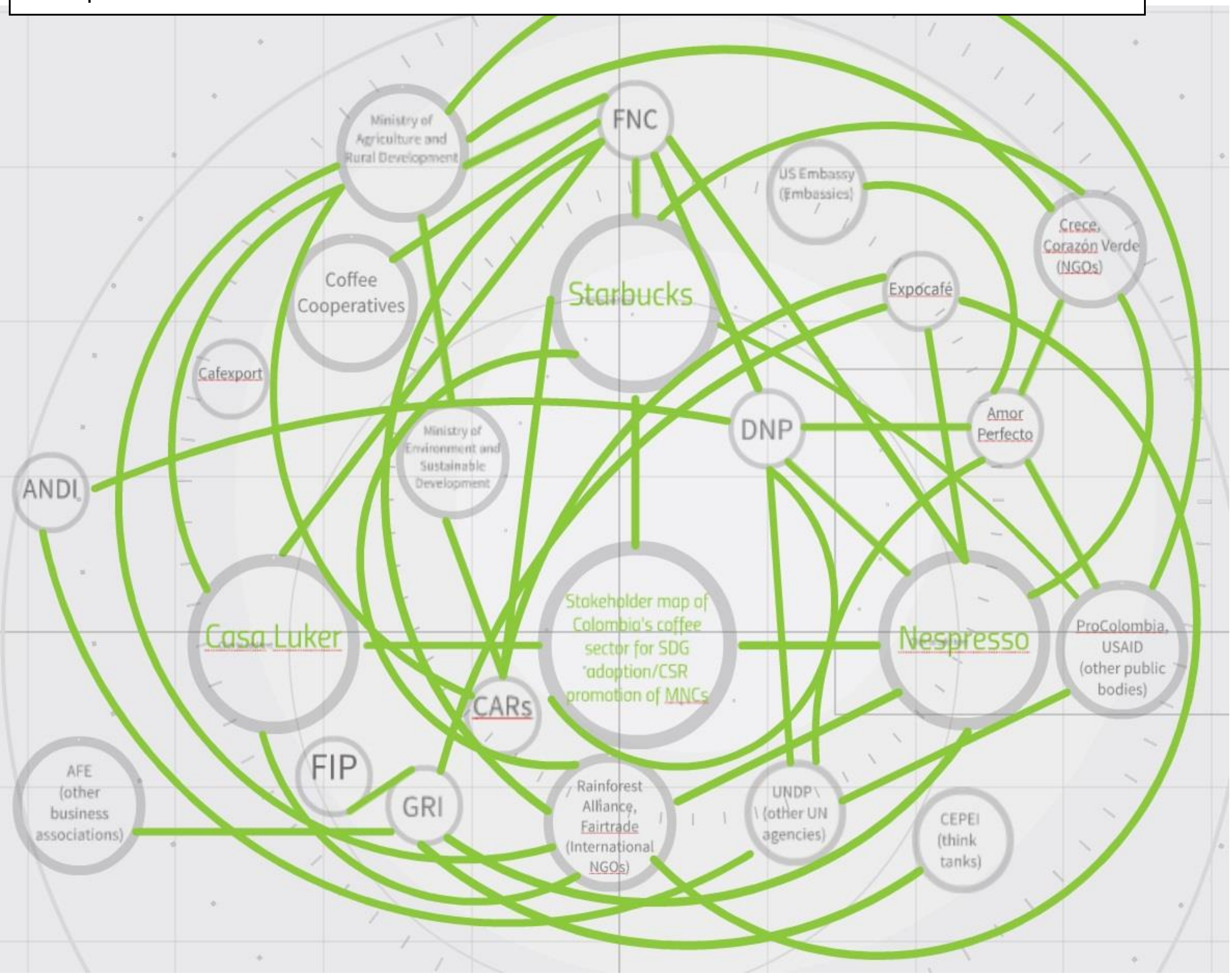
In the case of Nespresso, the adoption of the SDGs into the existing CSR strategy has already led to a ‘new integrated CSR approach’(Nespresso,2017:17). In the case of Casa Luker, the ‘imaginaries’ are in the process of being linked to the SDGs and the projects belonging to the various ‘imaginaries’ will be subject to impact assessments along the lines of the SDGs.

- *“We have identified 11 of the 17 Sustainable Development Goals where we can make a contribution.”*-

Global Head of Sustainability, Nespresso (Nespresso,2017)

As a result of the interviews certain stakeholders within the sector were identified that the MNCs deemed relevant for, either or both, the promotion of CSR and the adoption of the SDGs. Interestingly, the FNC is also considered an impediment towards the realization of the SDGs as a result of political overweight in the public debate. The strong position of the FNC is by some interviewed actors considered as the main reason why multi-stakeholder dialogue cannot exist within the industry.

Figure XII : Stakeholders for MNCs in the coffee sector regarding SDG adoption and/or CSR performance



5.1.4. Sustainable Development Goals in Colombia's coffee sector

Both interviewed MNCs and non-MNC actors define the SDGs in different ways based upon their perception of the concept, which has implications for how they are being dealt with.

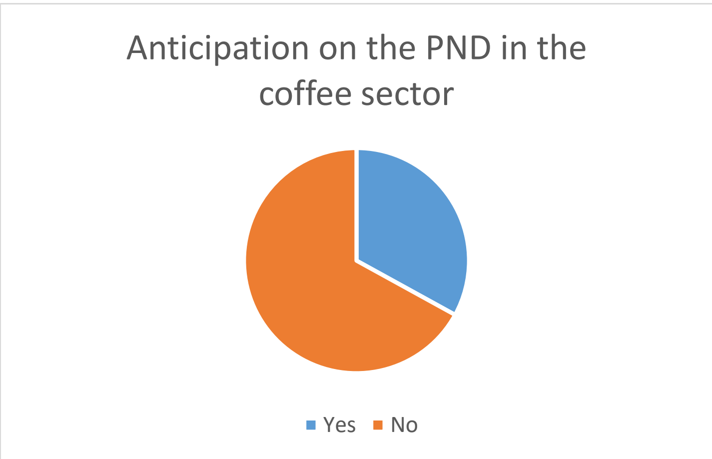
One MNC considers the SDGs also as a 'metric' to measure impact on social demands and showcase results on CSR performance. According to the FNC, the SDGs should serve as a framework as well coordinate the shared responsibility the private sector, government and market have in producing and selling fair coffee. A non-MNC perceives the SDGs as a 'standardized, universal language' with which all involved actors can talk about the same issues.

> - *"We wanted to find a way in which we could demonstrate our achievements in a format that more people would understand it."-*
>
> Business Director, Casa Luker

Initiatives, programs and organizations exist on the (inter)national level that encourage SDG adoption, which also have sector-level implications. One of them is the Climate and Clean Air Coalition(CCAC), launched by the United Nations Environment Programme(UNEP) to reduce climate pollutants, of which Colombia is a member country. Another example is the Global Partnership for Sustainable Development Data network of which Colombia is a partner, that aims to improve collecting, spreading and utilizing data stemming from the realization of the SDGs.

5.1.5. The role of the National Development Agenda

15 of the interviewed actors in this sector had been asked if they anticipate on the targets as set in the PND.

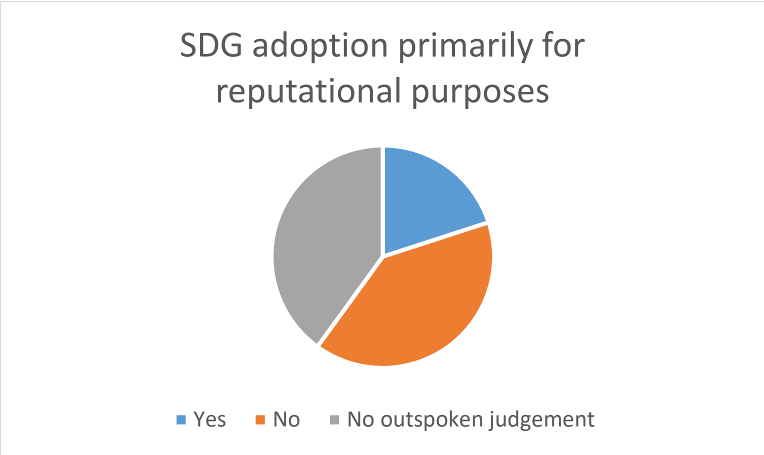


Two-third of the interviewed actors state that they do not or barely anticipate on the targets as set in the PND. Also, the majority of the interviewed MNCs in this sector have stated that they do not take into account the targets as set in the PND.

Both MNCs and non-MNC actors shared their views on how they perceive the PND. The Ministry of Environment stated that before the creation of a PND, ministries need to submit their own input and this input could contain targets oriented towards the SDGs. Actors like the Ministry of Agriculture state that the MNCs have an important role in the realization of the PND as components of their CSR strategies overlap with the objectives as stated in the PND. Global Compact mentions that the PND has a strong positive effect on the implementation of the SDGs but independently it is insufficient.

5.1.6. Reputational gains in Colombia's coffee sector

The 15 the interviewed actors in this sector were asked if they perceive the adoption of the SDGs as a marketing tool towards their stakeholders for reputational purposes.



The result demonstrates that the majority of interviewed actors perceive that SDG adoption by MNCs in their sector is not primarily driven by reputational gains. Moreover, 40% has stated that they cannot pinpoint reputational gains as the prime incentive for MNCs to anticipate on the SDGs: their answer to this question varies from providing a different incentive, to stating it is part of the incentive to stating that the incentive is blended with other incentives for SDG adoption. Concerning the interviewed MNCs in this sector, the majority has stated that they do not or would not adopt SDGs primarily for reputational gains.

In the interviews both MNCs and non-MNC actors provided different motivations for (not) adopting the SDGs out of reputational motives. Also, non-MNC actors shared their views on what they regard as motivations for MNCs to adopt SDGs.

> - *"We want to secure a stable supply of coffee and the only way to get high-quality coffee is assuring that the farmer will be farming in a way that will allow him or her a sustainable living."*-
>
> General Manager Farmer Support Centre Colombia, Starbucks

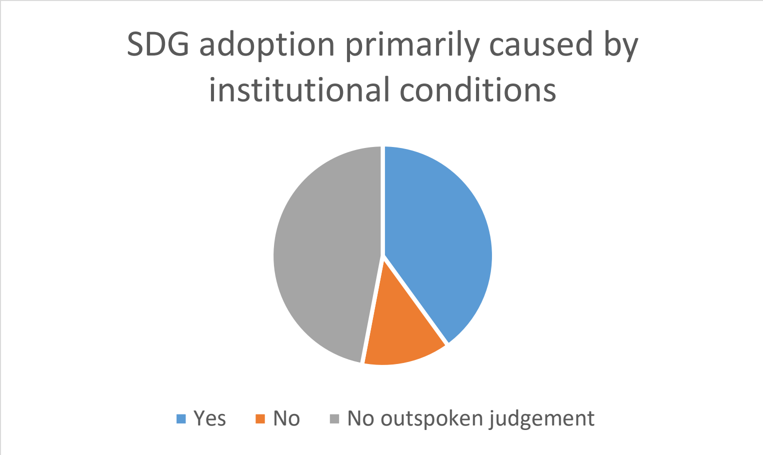
Table X: Motivations for SDG adoption based on reputational gains

Motivation	Explanation	MNC or non-MNC
CSR performance and/or SDG adoption equals product quality	If no CSR-related investments are made towards the farmer, the coffee quality will go down as well. In this sense a stable supply chain is only guaranteed by sustainably cultivated coffee.	MNC
CSR performance/SDG adoption equals better long-term reputation	Companies, by investing in their CSR performance and SDGs, will gain a better reputation in the long term in their own business environment.	Non-MNC
Correlation between stakeholder management and profit	One MNC stated that it is proven that companies which are more socially responsible attract more attention from investors.	MNC
SDGs as a label: no added value	Some actors don't perceive the 2030 agenda as having added value on top of the CSR-related investments companies are already undertaking.	Non-MNC

An exemplifying case of CSR performance by an MNC which could be primarily motivated by reputational gains is Starbucks' 2013 announcement to forge an alliance with USAID to improve the living conditions of 25.000 farmers, providing technical assistance, new market opportunities and technology(FIP, 2016:29). Starbucks was not triggered by institutional conditions to undertake this but did reach out to prime stakeholders for this move, with supposedly the aim for a better reputation in the long term.

5.1.7. Institutional conditions in Colombia's coffee sector

15 interviewed actors in this sector were asked if they perceive the adoption of the SDGs as primarily answering to institutional conditions.



The result demonstrates that the majority of interviewed actors perceive that SDG adoption by MNCs in their sector is primarily driven by institutional conditions. Moreover, almost 50% has stated that they cannot pinpoint institutional conditions as the prime incentive for MNCs to anticipate on the SDGs[4]. Concerning the interviewed MNCs in this sector, the majority has stated that they do or would adopt SDGs primarily because of institutional conditions.

In the interviews both MNCs and non-MNC actors provided different motivations for (not) adopting the SDGs out of institutional conditions. Also, non-MNC actors shared their views on what they regard as motivations for MNCs to adopt SDGs.

Table XI: Motivations for SDG adoption based on institutional conditions

Motivation	**Explanation**	**MNC/ non-MNC**
National legislation indirectly contributing to SDG realization	Like a legal restriction on water usage for small farms on a national scale.	MNC
Institutional compliance leads to reputational gains	Companies want to comply with their institutional environment because, as a 'reward', this could lead to certain benefits for their reputation because stakeholders approve.	Non-MNC
Regulatory pressure too low for SDG adoption	Complying with the bare minimum of the law is insufficient for SDG realization.	Non-MNC
Regulation as a tool to introduce SDGs to MNCs	In the initial phase of SDG adoption, regulation is important because it forces the companies to become acquainted with the SDGs.	Non-MNC

[4] See paragraph 5.1.6. to understand what types of explanations MNCs gave to motivate this.

The importance of institutional conditions influencing CSR behavior of MNCs becomes clear with the case of Nespresso, that teamed up with Fair Trade USA in 2013 to certify over 6800 farmers in the *departamentos* of Cauca and Nariño. The certification scheme implies compliance with regulation but also reputational gains in the long term as the revenues of the certification created a development fund that was invested in potable water projects(Nespresso,2017:32) .These kind of projects are not only aimed at complying with regulation concerning water usage but also at increasing the quality of the product.

5.2. Multinational corporations in Colombia's extractive sector

The public bodies that have been interviewed, related to this sector, are the Ministry of Mining and Energy, the DNP, the Ministry of Environment and the CAR. MNCS that have been interviewed are Ecopetrol, Repsol, Glencore and AngloGold Ashanti. Only the first three MNCs belong to the sample group. Other non-MNC actors that have been interviewed are the ACP, Transparency International, UN Global Compact, GRI, ANDI, UNDP and the FIP.

5.2.1. The role of the Colombian government

Public bodies regard action towards the SDGs as important because it is a useful agenda as it contributes to 'instruments that promote environmental strategies', which is a critical theme in the extractive sector. Despite this ambition MNCs state that in general, weak public bodies in Colombia hamper the creation of a comprehensive approach to realize the SDGs. For the same reason, a non-MNC actor states that without these public bodies MNCs can also not be guided to adopt the SDGs. DNP states that this alignment is being fortified with the creation of a document on inter-ministerial regulatory frameworks in 2018. Another non-MNC actor states that it regards the attitude of the government on CSR-related obligations as too flexible towards companies, which is why complying with the SDGs will be more difficult as well. Concerning government actions on CSR, some non-MNC actors go as far as to state that the government is biased towards their management of resources on the local level. They state that cases exist in which the local public bodies close deals with MNCs about the exploration of territories without consultation with the communities first.

- *"Each of Colombia's institutions is geared towards their own objectives but an organisation that binds forces, to tackle challenges altogether in areas like health or water, is absent."*-

Coordinator Territorial Hydrocarbons Strategy, Ministry of Mining and Energy

The interviews also demonstrated certain factors that are commonly considered as obstacles for the government to implement the SDGs.

Table XII: Perceptions on obstacles for the government on SDG implementation

Obstacle	Description
Access to concessional financing or financing for adaptation	See 5.1.1.
Lack of attention	Public attention and resources are still flowing more into hydrocarbons than any other sector despite post-conflict promises (non-MNC).
Lack of long-term planning	See 5.1.1.
Risk of cherry-picking	See 5.1.1.
Risk of prioritizing peace	Public efforts concerning the post-conflict phase in Colombia is considered more important than any other public agenda(MNC).
Problem of authorization	See 5.1.1.
Lack of flexibility on public strategies	See 5.1.1.
Lack of communication	See 5.1.1.
Lack of institutional capacity	The Colombian government doesn't have a long history of experience with private sector collaboration(non-MNC).
Lack of institutional uniformity	See 5.1.1.
Corruption	Corruption has created widespread skepticism, affecting state legitimacy, and thus also their ambition to realize the SDGs(non-MNC).

5.2.2. CSR in Colombia's extractive sector

A range of national CSR initiatives exist which also have implications for actors on the level of the extractive sector. Associative behavior among companies for CSR action is for example pushed by CECODES, the Colombian business council for sustainable development and the local branch of the World Business Council for Sustainable

Development(WBCSD). An associate of CECODES is, for example, Ecopetrol. Not only does CECODES push for CSR strategies but also for SDG implementation(Caicedo et al., 2016:3). The *Guías Colombia* initiative is a partnership between the Colombian government, civil society and companies to contribute to the improvement of human rights: AngloGold Ashanti states to actively support it and Ecopetrol is a member since 2011 as well. The FIP is one of the leading actors in this initiative by actively promoting and investigating the link between business and human rights. The National Strategy to Safeguard the Respect for Human Rights(2014-2034) is a public CSR initiative that sets out actions to incorporate people of vulnerable groups, like people with disabilities or demobilized combatants, into the labour market(FIP:2016,25). Another example is the Decent Work Campaign, involving people into public processes related to working conditions(FIP:2016,25).

> - *"Guidelines promote the implementation of CSR, which, therefore, contributes to the SDGs. Within the Guias Colombia initiative we thus promote the SDGs."*-
>
> Human Rights & Strategic Projects Manager, AngloGold Ashanti Colombia

Certain CSR initiatives are contained to sector level although, like the case on the national level, an integrated sector-level CSR strategy is absent. One of them is called the *Comité Minero Energético de Seguridad y Derechos Humanos* or CME, that principally exists to promote the UN Voluntary Principles in Colombia's extractive industry: AngloGold Ashanti, Ecopetrol and Repsol are all members. Other sector-level CSR initiatives have international roots. An example is the EITI Standard, a standard that urges to improve accountability on extractive resources worldwide. The ATI Code of ethical business conduct is being promoted by Transparency International: Colombia is member of this initiative since 2014 and uses its data to inform public debate on themes like taxation levels. Finally and important to mention are the UN Voluntary Principles on Security and Human Rights and the Free and Prior Informed Consent, the latter relating to the rights of indigenous and Afro-Colombian groups(Jansen & Veeneman, 2016:11). The latter is especially relevant given the conflicts of interest that existed between extractive sector companies and indigenous people and/or local communities, exemplified by the case of the La Colosa mine of AngloGold Ashanti(AngloGold Ashanti,2014).

The ACP has sustainable development policies for their member companies, in this case covering CSR-related themes like human rights. An example is the 'GTC-250' technical guide on social good practices developed in collaboration with Icontec. Public strategies in this sector also have CSR-related objectives, like in the case of the Territorial Hydrocarbon Strategy by the Ministry of Mining and Energy regarding conflict resolution. Another example is the Territorial Tooling Plan, that covers development targets in for example the creation of local workforce in the regions.

In the interviews certain factors were identified that are regarded as obstacles for the successful realization of CSR-related initiatives.

Table XIII: CSR-related obstacles in Colombia's extractive sector

Obstacle	Description
Short term profit before long term planning	See 5.1.2.
CSR as philanthropy	Companies state that their CSR-related investments 'substitute' what ought to be public investments, what they regard as acts of 'philanthropy'(MNC).
Sustainability not widespread	See 5.1.2.
Disconnect CSR policies national-subnational level	See 5.1.2.
CSR too much voluntary nature and few binding mechanisms	See 5.1.2.
Royalty payments	Royalties are sums companies need to pay to the government, which uses that fund to invest in public works. The problem is that the tax reductions companies receive are higher than the royalties they are paying (non-MNC).
Internal reassessment of CSR	A sector-wide phenomenon is the integration of the health, safety & environment (HSE) domain with the original CSR domain, and this process is prioritized over SDG adoption (MNC).
CSR as a support area	In this sector the view persists of CSR investments as a 'support area' instead of core business, which lowers the priority for SDG adoption(MNC).
Land reform	Current land administration reforms mean that MNCs can barely receive new licenses for exploration onshore and so focus needs to reset to offshore, which implies less spending on CSR practices and/or SDG adoption(MNC).
Lack of institutional support	Without bigger institutional capacity, illegal groups/paramilitaries hijacking or interrupting business activities will remain a protracted issue(MNC).

Historical context conflict	Traditionally MNCs in this sector operated outside of the geographical reach of state supervision as they were considered war zones(non-MNC).
Competition on CSR	Competition exists between companies in terms of the visibility of their CSR performance, disrupting knowledge-sharing (MNC).
Lack of leverage business associations	The involvement of the ACP is regarded as limited regarding the promotion of CSR in the sector and/or SDG realization(MNC).

All MNCs related to this sector state that they have some kind of overarching national CSR strategy. The content of a company's CSR strategy varies depending on how the company defines CSR. For AngloGold Ashanti, CSR encompasses three focus areas: people, safety and sustainability(AngloGold Ashanti, 2016:3). In their definition of 'corporate responsibility', Ecopetrol stresses that expectations of stakeholders and the adoption of practices contributing to sustainability is at the core(Ecopetrol,2016:43). Repsol considers the social, environmental and economic impact within the effective control of the company as CSR(Repsol,2016:2).

During the interviews various ways were found in which the actors shaped their CSR strategies. AngloGold Ashanti, for example, lacks a holistic national CSR strategy but is involved in a series of CSR projects with an overall strong focus on human rights promotion. Repsol based its national CSR strategy on strategic alliances with stakeholders. Ecopetrol divides its CSR strategy into a list of environmental and social priorities, but clearly aimed at stakeholder involvement. Glencore also divides its CSR strategy in three 'pillars' with a special focus on human rights promotion.

5.2.3. Multinational corporations' behavior towards the SDGs

When analyzing the data from the interviews, the degree to which MNCs are adopting the SDGS can generally be divided into three variations:

Table XIV: Variations of SDG adoption by MNCs

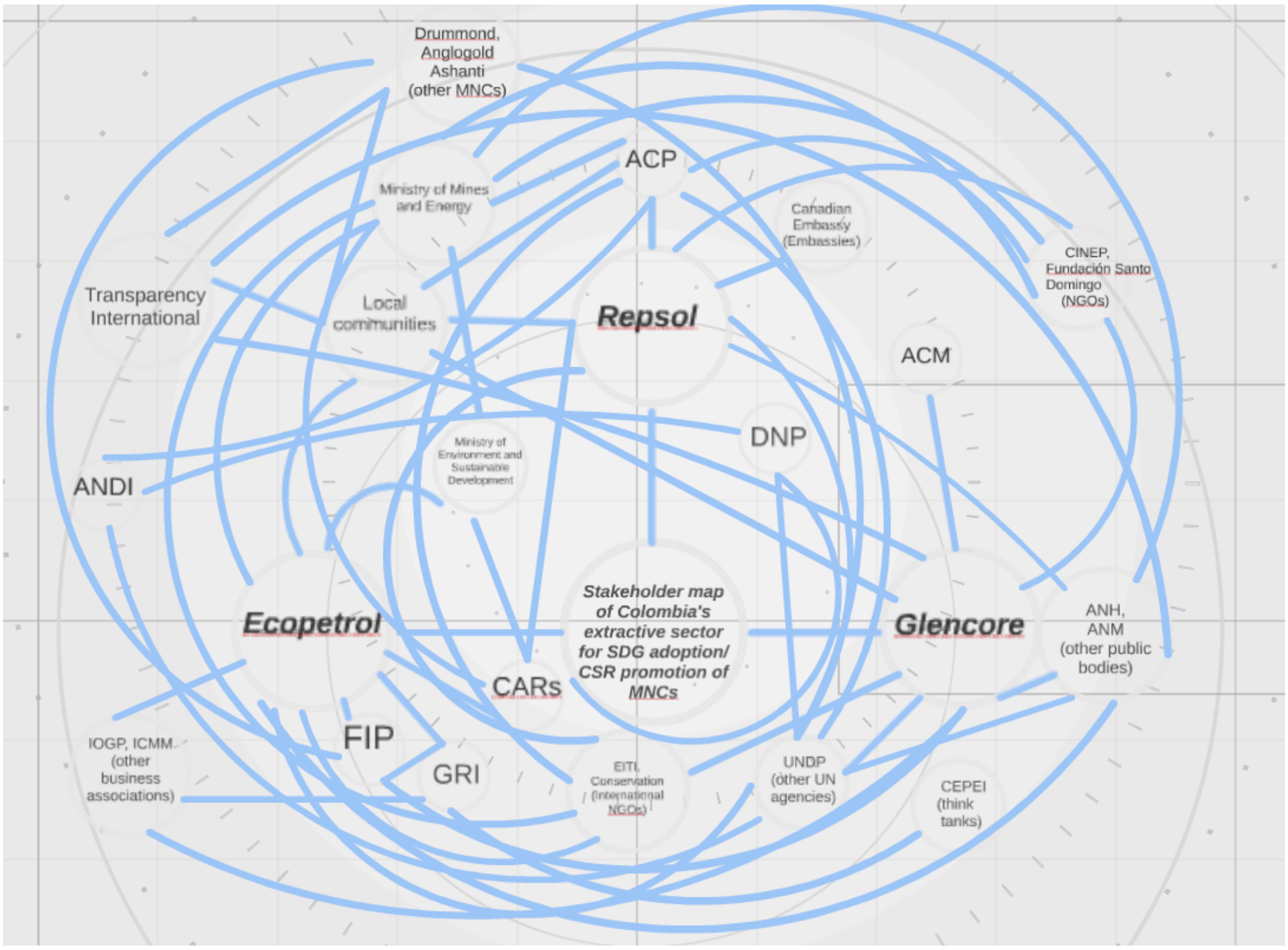
Variation	Description	MNC
Willingness to adopt	See 5.1.3.	
'Implicit contributions'	See 5.1.3.	Ecopetrol
Concrete linkages	See 5.1.3.	Repsol, Glencore

In the case of Glencore the existing CSR strategy is not being linked to specific SDGs but to SDG clusters. Some of the interviewed non-MNC actors provide services to the MNCs in terms of their SDG adoption. Glencore is for example helped by the UNDP to reassess their social investments towards SDG targets(Glencore,2016:42).

The UNDP is both mentioned by Glencore and Repsol as the first and foremost stakeholder that made the companies aware of the SDGs: Glencore is, for example, developing tools on the measurement of SDGs in cooperation with the UNDP. Several MNCs and non-MNC actors state that they exhibit the impact of their CSR performance with the help of the guidelines from GRI. In the process of reporting through the 'GRI method', the SDGs are also taken into account like in the case of Ecopetrol(Ecopetrol, 2016:17). All the interviewed MNCs in both sectors have written sustainability reports based on the GRI Standards. The way MNCs report on their CSR performance is also criticized by GRI in the sense that they fail to meet local demands, like reporting in the local language.

As a result of the interviews certain stakeholders within the sector were identified that the MNCs deemed relevant for, either or both, the promotion of CSR and the adoption of the SDGs.

Figure XIII: Stakeholders for MNCs in the extractive sector regarding SDG adoption and/or CSR promotion



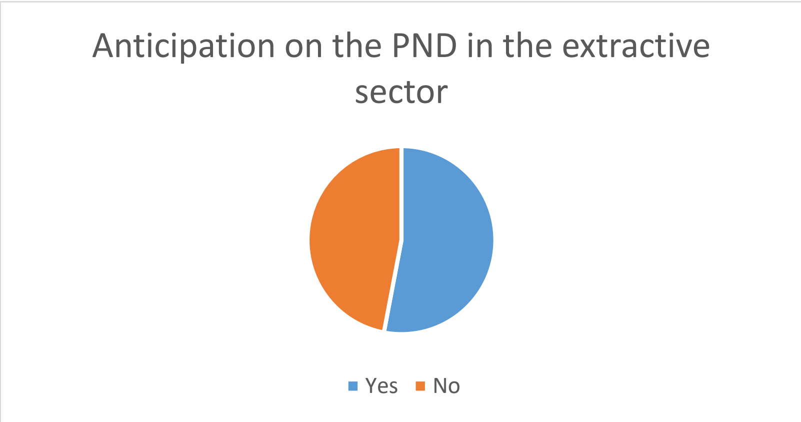
5.2.4. Sustainable Development Goals in Colombia's extractive sector

Different actors frame the SDGs in different ways and this particular vision also has implications for how the SDGs are dealt with. Ecopetrol calls the SDGs a 'scope' in which objectives can be listed that need prioritization. Glencore considers the SDGs as a 'convenient framework' to synchronize with its own CSR mission.

Initiatives, programs and organizations exist on the (inter)national level that encourage SDG adoption, which also has sector-level implications. One example is the Western Central Atlantic Fisheries Commission(WECAFC), initiated by the UN Food and Agriculture Organisation(FAO) to conserve fisheries in the wider Caribbean region which includes the waters in which many MNCs in this sector have offshore exploration projects. In the same range of themes Colombia is a partner of the Hydrography Capacity Building Programme for Coastal States, that aims to provide hydrographic and nautical charting services such as coastal zone management.

5.2.5. The role of the National Development Agenda

15 of the interviewed actors in this sector had been asked if they anticipate on the targets as set in the PND.



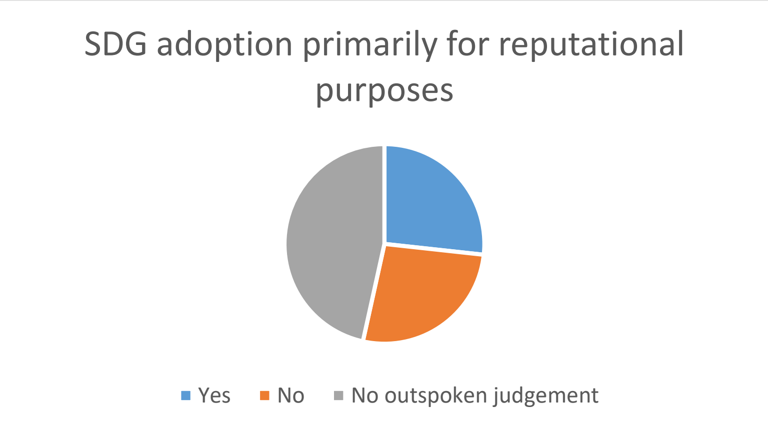
A slight majority of the interviewed actors state that they take into account the targets as set in the DNP. Also, two out of three interviewed MNCs have stated that they anticipate on the PND.

Both MNCs and non-MNC actors shared their views on how they perceive the PND. Ecopetrol mentions it regards the PND as a benchmark to know where priorities should be put regarding its overall business strategy. Repsol mentions it only takes into account the governmental development plans on the level of municipalities and *departamentos*.

The ways MNCs consider the PND are ‘only as a reference point’ to get a grasp of the government’s investment focus. One interviewed non-MNC for example noted that they implicitly contribute in certain domains where their objectives meet those of the PND, like post-conflict. The UNDP has an overarching strategy that is directly linked to the PND: its Country Program Document contains objectives that directly derive from the PND and also needs approval from Colombian public bodies to be put into action. An interviewed public body stated that the lack of coordination between the national and subnational level is also a challenge regarding the DNP, as sometimes congruence lacks between what is stated in the DNP and what municipalities have stated in their own development action plans. MNCs also state that they do take into account development strategies on the subnational level but not on the national. ANDI takes the PND into account to coordinate their long-term strategies regarding the private sector.

5.2.6. Reputational gains in Colombia's extractive sector

15 of the interviewed actors in this sector were asked if they perceive the adoption of the SDGs as a marketing tool towards their stakeholders for reputational purposes.



The result demonstrates that the majority of the interviewed actors cannot pinpoint reputational gains as the prime incentive for MNCs to anticipate on the SDGs[5]. Concerning the interviewed MNCs in this sector, the majority has stated that they do or would adopt SDGs primarily for reputational gains.

> - *"That is the reputation we are looking for, that the rural population see us an ally and allows us to work with us and don't make protests and blocks, because these blocks are costly. That is a different type of reputation; not for the shareholders but for the stakeholders ."*-
>
> Environmental Performance Manager, Ecopetrol

In the interviews both MNCs and non-MNC actors provided different motivations for (not) adopting the SDGs out of reputational motives. Also, non-MNC actors shared their views on what they regard as motivations for MNCs to adopt SDGs.

Table XV: Motivations for SDG adoption based on reputational gains

Motivation	**Explanation**	**MNC/ non-MNC**
CSR-related investments and/or	MNCs are only permitted to do business by approval of the local communities.	MNC

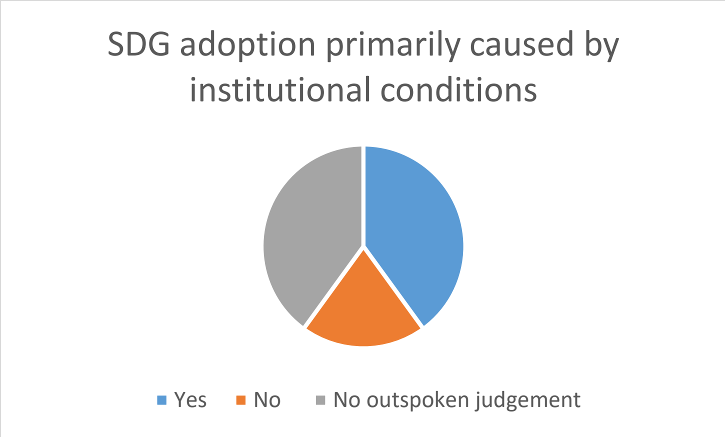
[5] See paragraph 5.1.6. to understand what types of explanations MNCs gave to motivate this.

SDG adoption as a licence to operate		
CSR-related investments and/or SDG adoption to 'compensate for errors'	Investing in CSR performance helps to overcome the bad reputation MNCs in the extractive industry historically have and to regain trust from local communities. One non-MNC adds that reputation management is highly relevant as companies utilize someone else's property.	MNC and non-MNC
CSR as a support area for purpose of improving stakeholder relations	Because CSR is traditionally viewed as a 'support area', it is strongly aimed at pleasing stakeholders.	MNC
SDGs as an opportunity to create more reputational leverage	The SDGs could be an opportunity to create more reputational leverage to tackle criticism from the past.	MNC
SDGs as a tool for greenwashing	The SDGs serve to report on 'alleged' impact regarding CSR performance but that in reality, this impact is not realized.	Non-MNC
Interrelationship profitability and sustainability	MNCs state that' it is proven that companies which are more socially more responsible attract more attention from investors'.	MNC

An exemplifying case of an MNC doing a CSR-related investment primarily driven by reputational gains, from my perspective, is Ecopetrol's collaboration with trade union USO for the building of the Centre of Historic Memory of the Magdalena Medio. The goal of the Centre is to collect community experiences regarding conflict with the industry and finding scenarios for reconciliation in that region(Ecopetrol,2013). This way, presumably, Ecopetrol hopes to gain trust via an investment primarily focused on its stakeholders with the aim to renew its 'license to operate'.

5.2.7. Institutional conditions in Colombia's extractive sector

To 15 interviewed actors in this sector was asked if they perceive the adoption of the SDGs as primarily answering to institutional conditions.



The result demonstrates that 40% perceive that SDG adoption by MNCs in their sector is primarily driven by institutional conditions. However, an equal percentage of respondents has stated that they cannot pinpoint institutional conditions as the prime incentive for MNCs to anticipate on the SDGs. Concerning the interviewed MNCs in this sector, all have stated that they do or would adopt SDGs primarily because of institutional conditions.

In the interviews both MNCs and non-MNC actors provided different motivations for (not) adopting the SDGs out of institutional conditions. Also, non-MNC actors shared their views on what they regard as motivations for MNCs to adopt SDGs.

Table XVI: Motivations for SDG adoption based on institutional conditions

Motivation	**Explanation**	**MNC or non-MNC**
National legislation indirectly contributing to SDG realization	See 5.1.7.	MNC
Financial incentives	Private sector involvement in public projects could lead, under certain circumstances, to tax reductions on the company's income tax. A different obligation derives from taxes companies need to pay including royalties.	Non-MNC
Environmental licenses	Environmental licenses are needed by companies to start exploration in a certain region. The conditions for these licenses contribute to the SDGs.	MNC and non-MNC
Mandatory social and environmental investments	Companies that sign exploration contracts, so-called E & P contracts, are obliged to spend 1% of their profit on the environment and another 1% on social goals.	MNC and non-MNC

Royalties	The payment of royalties by MNCs to the government is necessary so that its yields can be used for public works.	Non-MNC

Various non-MNC actors note that institutional conditions in the extractive sector are more developed than in the coffee sector as result of popular discontent in the past. The importance of royalty payments is exemplified in the following case involving Glencore. Fines were imposed on the grounds of detriment of the state wealth resulting from adjusting a method for royalty calculation of a contract entered into with Glencore in 2015. As a consequence of this calculation amendment the government and municipalities in the Cesar *departamento* lost revenues(Semana, 2016).

Legislative frameworks in the extractive sector are also deemed more necessary than in coffee because companies need to make contracts regarding someone else's property: in coffee, the farmers producing the coffee are owners of their own property. This assumption can be confirmed by the many cases that exist regarding this topic, one from 2014 investigated by the Inter-American Commission on Human Rights in which Ecopetrol failed to conduct mandatory prior consultations for the exploration in the ancestral territory of the U'wa people(FIP,2016:29).

- *"The mandatory social investment, as part of the E&P contract, in our case regarding our Program for the Benefits of Communities, has to be linked with the local development plan of the area in which we have activities."*-

Manager Institutional and Communitarian Relations, Repsol

What is also mentioned is that the extractive sector is one of the most regulated industries in Colombia and not only as a result of bad reputation management in the past, but also in terms of practicalities: the risks in terms of operations and accidents are simply higher than in, for example, coffee.

6. Analysis

This chapter provides a comparison of deducted assumptions deriving from the two different theories with the empirical data as presented in chapter 5. The assumptions are established on the basis of the operationalization of the dependent variable. The same empirics are compared to the assumptions to figure out whether the observations are in line or in contradiction with the hypotheses, or whether neither is the case, and they lie outside the hypotheses. After testing each assumption for each theory it will be concluded if the hypotheses have been confirmed or not. At the end of the chapter the findings of the congruence analysis in relation to the two theories are summarized.

6.1. Principle of public responsibility theory

This sub-theory from the integrative school of CSR stresses explanations on how a company is affected by its external environment, which in the case of this study means the institutional environment that enables or constrains the MNC to (not) comply with the SDGs. The theory has a focus on the role of public bodies that constrain or enable CSR performance by MNCs, but it has to be understood that 'institutional conditions' in this context means more than levels of government or formal legislation but also implies 'collective industrial self-regulation, monitoring NGOs, a normative institutional environment that leads to socially responsible behavior, membership of industrial/employee organizations and institutionalized dialogue with stakeholders'(Campbell, 2007:962). This theory is applied to my case study to assess whether weak or strong institutional conditions are decisive in making MNCs adopt SDGs into their CSR strategies in the context of self-regulation of international norms.

6.1.1. Assumption I: CSR performance by MNCs because of institutional environment

Based on the empirical data the assumption is that MNCs in Colombia's coffee and extractive sector do make CSR related decisions based upon their institutional environment as defined by Campbell.

Both sectors provide good examples of institutional conditions that influence MNCs to make CSR related decisions: in coffee, *Solidaridad*'s Sustainable Trade Platform and in the extractive sector, the CME. A distinction has to be made here between 'hard' and 'soft' institutional conditions, in which the former refers to formal legislation or regulation and the latter to forces that make MNCs prone to normative compliance behavior. Both types of conditions are met with obstacles in both sectors, like the reluctance of farmers towards new technology or competition on CSR track records(tables VIII and XIII).

In the category of 'hard institutional conditions', formal legislation or regulation is more present for MNCs in the extractive sector than in the coffee sector, as a result of the context and history of CSR in the respective sector(table XVI). The conflicts of interests between local(indigenous) communities and companies, the practicalities of the labor itself and the organization of the exploration in 'blocks' in a time of land administration reform are all factors that fuel austerity of 'hard institutional conditions' in the extractive sector. This is also related to the 'soft institutional conditions', for which can be observed that the amount of guidelines, ethical guides, standards and codes of conducts is bigger for MNCs in the extractive sector than in coffee.

In coffee more certifications exist which are primarily in place for environmental damage control than is the case for the extractive industry(table X). This is directly related to the quality of the product and altogether better supervised by one business association, the FNC. The influence of business associations constituting an environment in which 'soft institutional conditions' can flourish seems stronger in the coffee sector than in the extractive sector, although the role of the FNC is not completely uncontested as mentioned in paragraph 5.1.3. The OECD accession process and peace process respectively have influence in both sectors, however currently more as 'soft' than 'hard' institutional conditions as legal implementation of the peace accord is in progress and the OECD Guidelines for Multinational Enterprises are based on voluntary compliance. Yet, almost all interviewed MNCs link their CSR strategies to the peace process as discussed in appendix C2.

For both sectors can be concluded that the role of the national government is not decisive when it comes to CSR promotion. Lack of a holistic CSR strategy, a mismatch between national and subnational policies, a lack of legal enforcement mechanisms, a 'knowledge gap' and lack of institutional capacity, are some factors that are present in both cases(appendix C2). The role of the PND, considered a 'soft institutional condition', to push CSR strategies seems more relevant in the extractive sector than in the coffee sector, although still very limited: little more than half of the respondents have stated that they anticipate on the targets as set in the PND. Also more MNCs in the extractive sector than in the coffee sectors have stated to anticipate on the PND, but merely as a compass or ‘reference point’ to gain knowledge on the focus of the government regarding development targets.

For MNCs both in the extractive and coffee sector the assumption can be confirmed, however on the basis of very different motivations. The assumption also seems to be more valid for MNCs in the extractive sector than in the coffee sector.

6.1.2. Assumption II: SDG adoption by MNCs because of institutional environment

Based on the data the second assumption is: MNCs in Colombia’s coffee and extractive sector do adopt SDGs based upon their institutional environment as defined by Campbell.

Again, within the institutional environment one has to distinguish between ‘soft’ and ‘hard’ institutional conditions. Secondly, during the interviews with MNCs it was noted that, in general, the environment that constitutes their CSR behavior is perceived as the same that influences their behavior to adopt SDGs. This means MNCs have expressed the same kind of arguments for CSR performance as for SDG adoption. The reasons why it can be safely assumed that MNCs do not distinguish between different motives for CSR performance and SDG adoption is that first, five out of six interviewed MNCs regard CSR strategies as the best business tool to adopt the SDGs(see appendix C3) and second, four out of six interviewed MNCs have already made concrete linkages between their existing CSR strategies and the SDGs(see paragraphs 5.1.3. and 5.2.3.). Of the remaining two MNCs, one was unaware of the existence of the SDGs and the other stated it was making implicit contributions to the realization of SDGs, meaning that it considered the two phenomena as mutually reinforcing.

For both sectors can be concluded, apart from national legislation indirectly contributing to the SDGs, influence of the national government on ‘hard institutional conditions’ for SDG adoption barely exists (table XI). Reasons are for example the lack of financial incentives to adopt SDGs or the lack of formation of legislation regarding the 2030 agenda as a result of other public agenda priorities(tables VII and XII). Concerning ‘soft institutional conditions’ the influence of the national government is under the current state of affairs limited to the actions by the DNP. These are not only observations from the empirical reality, but the conclusion is that almost 75% of the interviewed actors also perceive the role of the government towards the SDGs currently as too passive, flexible or falling short as mentioned in appendix C1.

Other forms of government action, like the Territorial Tooling Plan by the Ministry of Energy indirectly contribute to certain SDG targets but mainly exist for CSR promotion. The PND, considered a ‘soft institutional condition’ and considered a public policy tool covering a majority of SDG targets, is considered more relevant in the extractive sector than in coffee though still very limited.

A majority of MNCs in both the coffee and the extractive sector have stated that they would adopt SDGs primarily out of institutional conditions: taking into account what is stated above, this would principally refer to ‘soft institutional conditions’. Interestingly, regarding all interviewed actors in both sectors it seemed hard to pinpoint institutional conditions as the main incentive for MNCs for SDG adoption. If it were not the main incentive it could be a variety of other motivations and if it was, it has to refer to ‘soft institutional conditions’ not initiated by public bodies, reasoning from the aforementioned. Possibly the OECD accession process and peace accord could be relevant in this category concerning their overlap with the realization of SDGs: 50% of the interviewed MNCs associate the peace process with SDG adoption(appendix C4). At the same time the peace process is also considered an impediment for SDG implementation(table XII).

A final factor that influences the decision for MNCs in both sectors to adopt SDGs but is unrelated to the institutional environment, is the nature of the SDGs themselves. As table XIX in appendix C4 shows, various forms of critique have been expressed towards the SDGs and especially one of them is relevant in the context of impeding ‘soft institutional conditions’, which are political trends in Colombia. Several interviewees have mentioned the fragmentation of the political arena about the peace conditions, priorities on other national agendas and possibly the elections in May 2018 as complicating SDG implementation (see paragraphs 4.5. and 4.6.)

What applies for both sectors is that, in the current state of affairs, no sector-level condition exists that encourages SDG adoption for MNCs which makes this assumption not confirmed.

6.1.3. Assumption III: SDG adoption by MNCs because of strong institutional conditions

Based on the data the third assumption is that MNCs in Colombia's coffee and extractive sector are more likely to adopt SDGs into their CSR strategies because strong institutional conditions are considered as encouraging to do so.

Taking into account what has been concluded from assumption II 'Strong institutional conditions' at least barely exist when it comes to 'hard institutional conditions' in both sectors for SDG adoption. 'Soft institutional conditions' that are directly aimed at SDG adoption by MNCs exist only in the dimension of the MNC's institutional environment outside relations with public bodies or strategies and not on the sector level, which could be regarded as the national and international implications of the environment in which these MNCs operate or the climate of CSR lines of action: individual cases of the interviewed MNCs of 'soft institutional conditions' having such an effect are explained in paragraph 6.1.4.

These preliminary conclusions are, however, difficult to harmonize with the perceptions the MNCS. As the majority of interviewed MNCs in both sectors stated their prime motivation for SDG adoption is driven by institutional conditions, as mentioned in paragraphs 5.1.7. and 5.2.7. This is also in line with the perceptions of other actors related to both sectors about what motivates the MNCs. At the same time, 50% of the respondents in the coffee sector and 40% in the extractive sector couldn't pinpoint institutional conditions as the prime incentive for MNCs to adopt SDGs, as they considered the motivation a rather blended mix of factors that have contributed to this decision. Consequently it could be argued that the theoretical distinction between the two chosen theories works better on paper than in practice, as at least for assessing SDG adoption the divergence of propositions that constitutes both theories is not that clear-cut.

On the national level, for example, the implementation of the OECD Guidelines for Multinational Enterprises does support the aims of the SDGs but the purpose of the Guidelines is the promotion of CSR: an MNC does not principally aim to adopt the SDGs when adopting the OECD Guidelines. One could consider the decision by headquarters to integrate the SDGs into the global CSR strategy is a strong institutional condition, but strictly speaking this falls outside the scope of Campbell's definition(appendix C4) . Based on these findings it cannot be concluded that strong institutional conditions have encouraged MNCs to adopt SDGs in both sectors and thus this assumption is not confirmed.

6.1.4. Assumption IV: SDG adoption by MNCs because of weak institutional conditions

Based on the data the fourth assumption is that MNCs in Colombia's coffee and extractive sector are not more likely to adopt SDGs into their CSR strategies because weak institutional conditions are not considered as encouraging to do so.

First it has be analyzed if both the coffee and the extractive sector in Colombia are suffering from weak institutional conditions in relation to SDG adoption, again with a distinction between 'hard' and 'soft' institutional conditions. Are 'hard' institutional conditions related to SDGs weak in Colombia's coffee and extractive sector? Taking into account what has been concluded in assumption III, the answer is yes because national regulation or legislation encouraging MNCs to adopt SDGs barely or not exists: the exception is regulation/legislation encouraging CSR behavior, which in many cases indirectly contributes to certain SDG targets but also this category is limited.

Are 'soft' institutional conditions related to SDGs weak in the coffee and extractive sector? From the influence of NGOs to the role of business associations to trends that advocate a normative institutional environment, these forces are not weak when it comes to CSR promotion in both sectors but the link from these CSR initiatives to SDG promotion is not well established yet. The discussion then arises to what degree a distinction between CSR performance and SDG promotion is relevant when both are mutually reinforcing phenomena, but in a strict sense also 'soft' institutional conditions related to SDGs are weak.

Some exceptions can be made when it comes to forces, considered as 'soft institutional conditions', that are convincing for MNCs to adopt SDGs. These forces, at least partly, lie outside the sphere of Colombian public bodies so they have to found in NGOs, a normative institutional environment, industrial/employer organizations or institutionalized dialogue with stakeholders. As stated in assumption III the positive or negative influence of the OECD accession process and peace accord, both considered as 'normative institutional environments' on SDG adoption is disputed. The case of Nespresso releasing its *Aurora de la Paz* coffee is an example of a positive effect of the peace accord(appendix C2). The case of Glencore serves as an argument for SDG adoption by 'institutionalized stakeholder dialogue' as a 'soft' institutional condition, as this MNC is helped by the UNDP to develop SDG measurement tools(paragraph 5.2.3.). If GRI can be considered a NGO then their work on the integration of the SDGs into the GRI Standards, that all interviewed MNCs have used for their sustainability reporting, is an important 'soft' institutional condition(paragraph 5.2.3.). The FNC initiated the *Manos al Agua* project in collaboration with Nespresso, which is a case of an industrial organization constituting a 'soft' institutional condition(paragraph 5.1.2.).

Four out of six interviewed MNCs in both sectors have to some decree already adopted the SDGs into existing CSR programs, which means some factor must have triggered them to make this decision. As aforementioned, 'hard' institutional conditions related to SDGs in both sectors can be considered weak, and 'soft' institutional conditions associated with Colombia's public bodies are definitely weak as well. This leaves a category of 'soft institutional conditions' that per individual case do encourage MNCs to adopt SDGs. Overall these observations lead to the conclusion that a different factor other than weak institutional conditions must have made the MNCs adopt the SDGs. Thus the assumption is confirmed.

6.2. Theory of stakeholder management

This sub-theory from the integrative school of CSR stresses explanations on how the company serves its external environment, which in the case of this theory means the value of its corporate reputation dependent on the company's stakeholder groups. With reputational risk management practices, the company can manage its so-called corporate citizenship programs which can result in generating reputational gains or mitigating reputational losses. The reputational capital a company loses or wins from this can either be spend on reputational opportunity platforms or safety nets. This theory is applied to my case study to assess whether SDG adoption by MNCs attracts extra reputational gains from stakeholders.

6.2.1. Assumption I: MNCs have corporate citizenship programs as part of their business strategies

Based on the data the assumption is that corporate citizenship programs are present for MNCs in Colombia's coffee and extractive sector, as part of their business strategies, in which their socially responsible behavior is expressed.

According to the propositions in the theory by Fombrun et al. a corporate citizenship program is used by companies to increase the potential to gain reputational capital: this capital is used to 'spend on' opportunity platforms or safety nets. In the empirical reality corporate citizenship programs can be understood as CSR related activities by companies, stemming from a CSR strategy. Based on the collected data from all interviewed MNCs in both sectors it can be concluded that they have corporate citizenship programs, in the form of certain CSR-related lines of action stemming from a strategy or program as stated in paragraphs 5.1.2 and 5.2.2. The assumption can thus be confirmed.

6.2.2. Assumption II: MNCs adopt SDGs into their corporate citizenship programs

Based on the data the assumption is that MNCs in Colombia's coffee and extractive sector do adopt SDGs in the company's existing corporate citizenship program.

It has been confirmed that all MNCs interviewed has some form of corporate citizenship program. Based on the collected data it can be concluded the majority of interviewed MNCs in the coffee sector has already made concrete linkages between their corporate citizenship program(s) and the SDGs(table IX). Regarding the interviewed MNCs in the extractive sector the same can be stated(table XIV).

The majority of the interviewed MNCs in both sectors have, to some degree, adopted the SDGs, but does this also mean linking it to their existing CSR strategies? The majority of the interviewed MNCs have made this link and not, for example, created a new division specifically orientated at the SDGs. The majority of the MNCs is convinced the best way to anticipate on the SDGs is by linking them to existing CSR programs(appendix C3). That conclusion and the aforementioned means that this assumption can be confirmed.

6.2.3. Assumption III: MNCs have won or lost reputational capital from corporate citizenship programs

Based on the data the assumption is that MNCs in Colombia's coffee and extractive sector do have experienced losses and gains of reputational capital from previous and current corporate citizenship programs to influence bi-directional risks. Given the collected data it has to be observed if the propositions of the theory of Fombrun et al., concerning the loss and gain of reputational capital due to bi-directional risks, can be applied to the interviewed MNCs in both sectors.

Regarding the interviewed MNCs in the coffee sector, Starbucks, Nespresso and Casa Luker respectively have their C.A.F.E. Practices, AAA Sustainability Quality programs or projects based on Lukerways, because they want to improve the social conditions of the farmer in combination with quality of the product(table X). It can be assumed that reputational gains are the output of these programs which are used for creating opportunity platforms, because CSR-related investments for these MNCs are essential for the sustainable cultivation of their products; corporate citizenship programs are core business. This is confirmed within the theory as “effective citizenship programs heighten stakeholder support to enact new opportunities” (Fombrun et al, 2000:89). When analyzing other motivations by MNCs on why to invest in CSR or SDGs, it becomes clear it is more likely that creating opportunity platforms is the preferred outcome for MNCs in this sector than creating safety nets. One way or another, MNCs in the coffee sector have indeed won reputational capital from their corporate citizenship programs.

Regarding the interviewed MNCs in the extractive sector, the motivations why Repsol, Ecopetrol and Glencore make CSR-related investments fundamentally differs from their counterparts in coffee. When analyzing the collected data, a motivation that stands out is the ‘license to operate’ argument, which means that good relationships between the company and local (indigenous) communities are deemed as a precondition for their core business(table XV). This is directly related to another principal argument, in which both MNCs and non-MNCs in this sector have stated a bad reputation has to be overcome to compensate for errors in the past relating to conflicts with local communities(table XV). Therefore it can be assumed reputational capital for these MNCs, as a result of corporate citizenship programs, is used to create safety nets because “companies must also manage the downside risk associated with potential loss of reputational capital”(Fombrun et al, 2000:95). The interviewed MNCs in this sector have either suffered from reputational losses and/or spend reputational capital on safety nets.

It can thus be confirmed that MNCs in both sectors have won or lost reputational capital from corporate citizenship programs, albeit on the basis of very different motivations and preferred outcomes.

6.2.4. Assumption IV: MNCs manage stakeholders because of corporate citizenship programs

Based on the data the assumption is that MNCs in Colombia's coffee and extractive sector do perform stakeholder management in relation to their corporate citizenship programs and thus CSR performance.

Within the theory of Fombrun et al. stakeholder management is inextricably linked to the concept of corporate reputation, as "a corporate reputation is a cognitive representation of a company's actions and results that crystallizes the firm's ability to deliver valued outcomes to its stakeholders" (Fombrun et al, 2000:87). The 'company's actions' to this regard can be considered as corporate citizenship programs, and for the interviewed MNCs in both sectors stakeholders are a central component of these programs. Stakeholders are on one hand, a necessary input for corporate citizenship programs but on the other hand also the central aim of the outcome of these programs(tables X and XV). This premise implies that stakeholder management is essential for corporate citizenship programs and thus CSR performance of the company. To prove this premise is correct it will be demonstrated by using one example from the coffee sector and one from the extractive sector.

Nespresso, one of the interviewed MNCs in the coffee sector, launched their Farmer Future program in 2014 to assure a retirement fund for collaborating farmers. This program was only made possible with the help of one of Nespresso's suppliers and important stakeholder: Cafexport. The target group of the program was another prime stakeholder group for Nespresso, namely the coffee farmers.

Glencore, one interviewed MNCs in the extractive sector, has a high focus on human rights promotion in their CSR strategy. For improving the impact and outcome of their human rights program Glencore seeks guidance from the UNDP and FIP, which are considered as two prime stakeholders. The outcomes of the program itself are aimed at the local communities in the areas in which Glencore has its activities: this community is also considered a prime stakeholder.

The examples demonstrate the interrelationship between stakeholder management and corporate citizenship programs for MNCs in both sectors. This assumption is thus confirmed.

6.2.5. Assumption V: MNCs win or lose reputational capital from stakeholder management

Based on the data the assumption is that MNCs in Colombia's coffee and extractive sector perform stakeholder management and, at least partially, the incentive to do this is the loss or gain of reputational capital to influence bi-directional risks.

Given what has been concluded from assumption III the interviewed MNCs in both sectors do perform stakeholder management, which is directly interrelated with their citizenship portfolio and thus corporate citizenship programs. The following question is if these MNCs also perform stakeholder management to influence bi-directional risks, meaning reputational gains or reputational losses according to the theory of Fombrun et al. If motivations by these MNCs for SDG adoption can be considered the same as for CSR promotion and thus the conduct of corporate citizenship programs, these motivations can be analysed to assess if they meet the criteria for what Fombrun et al. considers as 'reputational gains' or 'reputational losses'.

Reputational gains are considered as "improving a company's ability to attract resources, enhance its performance and build competitive advantage"(Fombrun et al, 2000: 85). On first sight this may apply to the motivations of MNCs in both sectors: motivations like improving stakeholder relations through CSR, improving the reputation in the long term or the interwovenness of profitability and sustainability all fall in this category(tables X and XV). However, in the case of the interviewed MNCs for the extractive sector the mitigation of reputational losses seems to be the precondition for reputational gains. Fombrun et al. state the following: "citizenship programs also mitigate the risk of reputational losses that can result from alienating key stakeholders"(Fombrun et al, 2000:85). As explained in assumption III, MNCs in this sector use corporate citizenship programs to create 'a license to operate' and to 'compensate for errors' principally vis-à-vis local communities. Would these MNCs not use these programs to 'gain trust' from these local communities they would risk further alienating them as stakeholders. Once this risk is mitigated the company can attract resources, enhance its performance and build a competitive advantage. For MNCs in the coffee sector reputational gains stem from the use of corporate citizenship programs to mainly improve social conditions of the farmers with the goal to improve the quality of their products.

Again, as stated in paragraph 6.1.3., these conclusions are difficult to harmonize with the perceptions MNCs have as the majority of interviewed MNCs in the coffee sector stated that they would or would not adopt SDGs for reputational gains as stated in paragraph 5.1.6. On the contrary, MNCs in the extractive sector do state that they do or would adopt the SDGs primarily for reputational gains as stated in paragraph 5.2.6. and furthermore, 40% of the respondents in coffee and 50% of the respondents in the extractive sector stated they cannot pinpoint reputational gains as the prime incentive for SDG adoption. This has led me to think how accountable these perceptions of the MNCs are against the backdrop of the theoretical distinction between the two chosen theories as explained in paragraph 6.1.3.

Based on these observations it can be concluded that MNCs in the coffee sector perform stakeholder management through their citizenship portfolio to obtain reputational gains. On the other hand, MNCs in the extractive sector perform stakeholder management through their citizenship portfolio to first, mitigate reputational losses which might eventually lead to reputational gains. The assumption can be confirmed.

6.2.6. Assumption VI: MNCs do not adopt SDGs to create a safety nets

Based on the data the assumption is that MNCs in Colombia's coffee and extractive sector do not adopt SDGs into their corporate citizenship program with a preventive purpose related to reputational capital, defined as a 'safety net'.

The conclusion for assumption V is that the interviewed MNCs in the coffee sector principally use corporate citizenship programs to obtain reputational gains. For the interviewed MNCs in the extractive sector the objective is the same, although they initially use corporate citizenship programs to mitigate reputational loss. This reasoning has come about because it was assumed that MNCs in both sectors have the same motivation for investing in CSR as for the adoption of SDGs as mentioned in paragraph 6.1.2.

If it can be assumed that MNCs in both sectors generally behave in the same way towards CSR-related activities as towards SDG adoption, then the conclusions as drawn in assumption V apply here as well. This would mean the interviewed MNCs in the extractive sector are more likely to adopt SDGs to mitigate reputational risk in their stakeholder management and thus aim for creating safety nets. On the other hand, the interviewed

MNCs in the coffee sector are more likely to adopt SDGs for reputational gains in their stakeholder management and thus don't aim for safety nets. Based on these conclusions the assumption cannot be confirmed.

6.2.7. Assumption VII: MNCs adopt SDGs to create opportunity platforms

Based on the data the assumption is that MNCs in Colombia's coffee and extractive sector do adopt SDGs into their corporate citizenship program with a proactive purpose related to reputational capital, defined as an 'opportunity platform'.

Concluded from the collected data for assumption VI is that motivations related to CSR behavior by MNCs in both sectors are the same motivations we can consider regarding SDG adoption. Furthermore it has been concluded that in general, MNCs in the extractive sector are more likely to adopt SDGs into their citizenship portfolio because they can mitigate reputational risks. For these MNCs mitigating reputational loss through corporate citizenship programs is a precondition for reputational gains with the ultimate goal of creating opportunity platforms. MNCs in the coffee sector generally are more likely to adopt SDGs into their citizenship portfolio because they offer reputational gains with the aim of creating opportunity platforms.

Hence based on these observations can be concluded that this assumption cannot be confirmed.

Conclusions

This chapter attempts to test the theoretically derived assumptions from two theories with empirical observation through data collection. The following table summarizes the results by demonstrating which theoretically derived assumptions have been confirmed or disconfirmed with empirical observations.

Table XVII : Results		
Assumptions		
	Disconfirmed	**Confirmed**
Principle of public responsibility theory		
Assumption I		X
Assumption II	X	
Assumption III	X	
Assumption IV		X
Stakeholder management theory		
Assumption I		X
Assumption II		X
Assumption III		X
Assumption IV		X
Assumption V		X
Assumption VI	X	
Assumption VII	X	

7. Conclusions

The aim of this research was to assess the motivations of MNCs in the coffee and extractive sector in Colombia towards compliance with the SDGs and to what degree those motivations were influenced by the PND. The first chapter explained why these motivations needed to be examined through a theoretical assessment of a company's CSR behavior. The second chapter presented a selection of two theoretical frameworks from the vast literature on CSR. Predictions were derived from these theories in the form of two hypotheses. The third chapter discussed and justified the choice for a case study design, and specifically congruence analysis of the competing theories type to assess which theory has the most explanatory leverage. The fourth chapter provided background information on SDG compliance within the Colombian context for MNCs, with a special focus on Colombia's public bodies and instruments. In chapter 5 the collected data was organized along the two cases, which are the Colombian coffee and extractive sectors, and the independent variables as operationalized from the theoretical frameworks. In the sixth chapter data was applied to the two theories, focusing on assumptions that were established on the basis of the operationalization of the dependent variable. These assumptions were empirically tested for each theoretical framework and consequently, either confirmed or disconfirmed.

This chapter the answers and discusses the central research question: the assessment of this question was done using two hypotheses as formulated in paragraph 2.3. The hypotheses will be tested in paragraph 7.1. based upon the central findings in chapter 6. The second paragraph describes the limitations of this research and the final two paragraphs deal with the policy implications and implications for further research of this study.

7.1. Central research question

The central research question of this study is:

Why would Multinational Corporations in the coffee and extractive sector of Colombia comply with Sustainable Development Goals and to what degree is that influenced by the national development agenda of the government?

Through congruence analysis of the theory of stakeholder management, and the principle of public responsibility theory under propositions by respectively Fombrun et al. and Campbell, it is eminent the former theory has strongest explanatory value to answer the research question central to this study. Under the propositions as formulated by Fombrun et al., the theory of stakeholder management best explains what motivates MNCs in the Colombian coffee and extractive sector to comply with the SDGs. Although theoretical assumptions from both theories were disconfirmed when tested empirically, stakeholder management theory proves more convincing, as will be underlined in the discussion of the hypotheses below.

The hypothesis flowing from the theoretical framework of Fombrun, Gardberg and Barnett, as based upon theories of stakeholder management, was that:

Companies are willing to adopt SDGs into their CSR strategies because they consider them as potential contributors to existing corporate citizenship programs, with the aim of extracting more reputational capital from stakeholders, because SDGs are considered to attract gains and not losses.

Based on the conclusions of the assumptions in chapter 6, it can be confirmed that MNCs have existing corporate citizenship programs, which could be considered CSR strategies in the empirical reality, directly related to stakeholder management. Through corporate citizenship programs MNCs win or lose reputational capital and the adoption of SDGs is considered part of this dynamic.

The empirical data has demonstrated that MNCs hardly distinguish between tactics of CSR promotion or SDG adoption, and also consider them as mutually reinforcing concepts. This means that MNCs view SDGs as welcome contributions to their existing CSR strategies, while no specific motivations were given why SDG adoption means 'added value'. If no intrinsic motivation was given on SDG adoption by MNCs this means the decision to do so was pushed for by actors in the external environment, in this case their stakeholders.

What goes for both cases is that at the very least one can assume that SDG adoption leads to more reputational capital and not less, because SDGs are considered to attract reputational gains and are not meant to mitigate reputational losses. This becomes especially clear when analyzing the motivations for MNCs in both sectors. The ultimate goal of their CSR strategies is to create opportunity platforms and not safety nets, for MNCs in the extractive sector however, it was concluded that initially safety nets have to be created to achieve reputational gains. Hence this hypothesis can be confirmed.

The second hypothesis flowing from this theoretical framework related to CSR strategies of MNCs was:

> *Strong institutional conditions, as presented in Campbell's theory, provide positive incentives for MNCs to adopt SDGs into their CSR strategies.*

Testing this theory with the empirical reality has demonstrated that MNCs are affected by their institutional environment when it comes to their CSR performance, but that this might not be the case for compliance with the SDGs. Moreover, a distinction had to be made between 'soft' and 'hard' institutional conditions influencing CSR and SDG adoption behavior. For both sectors it was concluded that there are insufficient in explaining why MNCs would adopt SDGs. Weak institutional conditions, both 'soft' and 'hard' do not encourage MNCs to adopt SDGs. However, overall strong institutional conditions, both 'soft' and 'hard', have the same effect for SDG adoption by MNCs: 'hard' institutional conditions which are strong are barely existent and only the category of 'soft' institutional conditions outside the sphere of public bodies in some specific examples have a strong effect. Overall it could be concluded that this hypothesis has been disconfirmed.

In sum, the hypothesis related to Fombrun et al.'s stakeholder management theory has more explanatory leverage than Campbell's principle of public responsibility in answering the central research question. Concludingly, in the assessment of the congruence analysis the theory of stakeholder management theory is more convincing. This conclusion, however, has to be placed within a larger framework of considerations which are outlined in paragraph 7.2. and 7.3. respectively.

7.2. Discussion

Several considerations are important to keep in mind when drawing this conclusion. As became clear from the empirical reality variation of the outcomes regarding the differences between the two cases was smaller than expected. Arguments used by MNCs in both sectors concerning their CSR behavior and SDG adoption had significant overlap. Also, non-MNC actors associated with different sectors provided data applicable to both cases.

Examples of overlap are complications concerning the national government, the normative institutional environment as constituted by the peace process and the OECD accession process or the existence of organized dialogue between MNCs and stakeholders. However, it is possible that the differences between the two cases are more relevant in explaining the outcomes. For example, public/private regulation is stronger in the extractive sector than in coffee, as is the presence of corporate behavior monitoring organizations. In the coffee sector associative behavior among companies is stronger because of the FNC, as are institutionalized norms: CSR is core business because it directly relates to the quality of the coffee beans.

The differences in outcomes between the two sectors can, to some degree, be justified by their dissimilarity in track record of CSR as explained in paragraph 3.1.2. This is confirmed by motivations provided by MNCs in both sectors. For example, a MNC in the extractive sector investing in CSR to 'compensate for errors' is in line with buffering criticism from the past.

Another consideration is that the dividing line between CSR performance and SDG adoption basically disappeared as the interviewed MNCs didn't seem to distinguish between the two phenomena when it came to motivate their behavior to anticipate on either of both. This has unsatisfying implications when reflecting on why the theory of Fombrun et al. was selected in the first place. It is still not confirmed that SDGs trigger greater reputational capital or have a reinforced effect for CSR strategies. To work towards such confirmation, further theoretical innovation is needed in this field.

One of the most important observations couldn't be explained using the current theoretical distinction between the two theories. This further emphasizes the need for a rethinking of theory. This observation is the fact that for a significant number of respondents (40-50%) of both sectors goes that they couldn't pinpoint the propositions of one of the two chosen theories as decisive for MNCs adopting or not adopting SDGs. This has led me to two considerations: the divergence of propositions that constitute theories in the integrative school of CSR works better on paper than in practice and second, the assessment of SDG adoption behavior is limited when empirically testing the chosen strand of CSR literature.

Consequently, the empirical data emphasized that considerable overlap exists between the propositions of both theories when tested in reality. This was already highlighted in chapter 2 under the presumptions by Kolk. For example, are the stakeholder groups, which the corporate citizenship programs are aimed to extract reputational capital from, not part of the institutional conditions Campbell is referring to in his theory? Many respondents had difficulties to choose either one of the two propositions from the theories, implying the main motivation for MNCs to adopt SDGs.

Finally, and related to the earlier considerations is the fact that the central research question is still not answered with a satisfying, unambiguous answer rooted in the theorization of this study. If MNCs are primarily motivated to adopt SDGs into their existing CSR strategies because they aim to create opportunity platforms and not safety nets, this means reputational capital is extracted from stakeholder groups and thus the motivation for MNCs is grounded in their external environment. Fombrun et al.'s theory of stakeholder management delivers an unsatisfying answer to which elements of this environment or which stakeholders are decisive related to SDG adoption: about the outcomes cannot be generalized. Based on the conclusions regarding Campbell's principle of public responsibility theory, this answer is more approximated. The assumption made in chapter 2 regarding institutional conditions as decisive for SDG adoption by MNCs is largely disconfirmed as the empirics have shown that 'hard' institutional conditions barely exist and conditions of the 'soft' kind only outside the realm of public bodies are relevant. This category of institutional conditions could, at the same time, be the stakeholders which is hinted at in the theory of stakeholder management. Because these conditions could only be explained with specific examples it seems that the most relevant stakeholder or 'soft' institutional condition for SDG adoption is different per actor within the sample group.

7.3. Limitations of the research

Certain limitations should be mentioned related to the following aspects of this study. First, this study is based on a cross-sectional design and therefore interpret the data of the year 2017. The implementation process of the SDGs in Colombia however, spans across 15 years, therefore what occurs in the timeframe between 2017 and 2030 could render very different results compared to what is concluded on the basis of the data in this study. A form of times-series design was not possible within the scope of this study.

The second related limitation is that the data from the year 2017 prove less representative in comparison to forthcoming years to assess the empirics of the research question that was asked. Most prominently because, as mentioned in paragraph 1.1, the SDG initiative was launched only in 2015 and data for the study presented here has been collected barely two years after. As many respondents in the interviews have mentioned as well, expectations should be low when it comes to the maturation of the SDG concept in different dimensions of Colombian society as people and entities are just getting acquainted with it.

The third limitation is related to the case selection. In paragraph 3.1.3. is motivated why the Colombian coffee and extractive sector where taken as cases, but during the actual conduct of the research it became apparent that the complexity of especially the latter case was less manageable in terms of sample group size and variety of actors within the case. The Colombian extractive sector principally contains the exploration of gas, oil and minerals in which each of those 'sub-sectors' cover a vastly different dynamic and issues at stake as initially anticipated on. In hindsight, the Colombian oil sector would have lend itself more naturally as second case to collect data from. This difficulty did however not emerge for the coffee sector, which turned out to be manageable in terms of sample group, amount of other actors involved, trends and issues.

The fourth limitation is the multiplicity of variables this research aimed to assess under the same research question, in which one of these variables turned out to be relatively less important compared to the other ones. Specifically, the role of the national development agenda related to the SDG implementation process.

7.4. Policy and research implications

This study has aimed to contribute to the theoretical discourse on socially responsible behavior of companies in a complex, non-western business environment in which they operate. Furthermore, this study has aimed to assess the behavior of non-state actors towards compliance with the UN, in this instance the SDGs, and how CSR behavior can be a contributing factor. Finally, this study has assessed the possible leverage a non-western government has towards non-state actors operating in their sphere of policy. The conclusion for all these elements of my study is that further and even wider research is still needed.

Further research requires a times-series design to assess what the behavioral changes are of all actors involved regarding SDG compliance, also to examine the progress or non-progress over the period of years of time regarding this subject. It would especially be interesting to assess if the Colombian government, and its lines of action and public bodies involved in the SDGs, have made considerable advancements in a couple of years. A policy recommendation therefore is also that non-western governments dealing with SDG implementation should analyze the shortcomings as listed in this study concerning the Colombian government and draw lessons from it.

In this study not all theoretical approaches to assess the behavior of MNCs towards CSR were taken into account when assessing their behavior towards SDGs. Now that this study has confirmed the positive link between CSR performance and SDG adoption by MNCs, other approaches could be taken into consideration for future research. Also, for this study was chosen to examine two different cases within the same population: the coffee and extractive sectors in Colombia. Because compliance with the SDGs can be studied on a global level a study examining two different populations while using the same case could produce starkly contrasting results.

Even if MNCs have adopted SDGs on paper, through sustainability reporting based on the GRI Standards, it might not immediately be clear if they will make the behavioral changes to fulfill the necessary obligations and thus run the risk of committing 'SDG-washing'(Berliner& Prakash, 2015:116)(Business Call to Action, 2016:1). Further research could take up this topic to go beyond mere motivations of MNCs.

Finally and most importantly, the aforementioned conclusions have demonstrated that a specific answer to the central research question has not been produced yet in the sense that one cannot generalize about the outcomes. What is decisive for MNCs in Colombia's coffee and extractive sector to adopt SDGs are a kind of stakeholders known as strong institutional conditions of the 'soft' kind, as specified by Campbell following this congruence analysis. This, however, still leaves a broad category of factors making only individual assessment per company on why SDGs are adopted relevant, as demonstrated in paragraph 6.1.4.

Concludingly, after testing two theories this study could not indicate the ‘extra added value’ of the SDGs on top of existing CSR strategies as companies provided the same motivations for the two phenomena. The reason is that theorization of the divergence of propositions of both theories works insufficiently when empirically tested as observations have shown significant overlap when assessing SDG adoption behaviour, at least to some degree. Likewise, motivations for SDG adoption and CSR performance seem to be hard to distinguish empirically. I would therefore consider theoretical innovation within the school of integrative CSR to empirically assess why companies anticipate on international voluntary regulatory programs, like the SDGs, within the contours of their rationale for CSR.

List of abbreviations

ACM: *Asociación Colombiana de Minería* (Spanish spelling), Colombian Mining Association

ACP: *Asociación Colombiana del Petróleo* (Spanish spelling), Colombian Petroleum Association

APC: *Agencia Presidencial de Cooperación* (Spanish spelling), Presidential Agency for International Cooperation

ANDI: *Asociación Nacional de Empresarios de Colombia* (Spanish spelling), National Associacion of Entrepeneurs in Colombia

ANH: *Agencia Nacional de Hidrocarburos* (Spanish spelling), National Hydrocarbon Agency

ANLA: *Autoridad Nacional de Licencias Ambientales* (Spanish spelling), National Authority of Environmental Licenses.

ANM: *Agencia Nacional de Minería* (Spanish spelling) National Mining Agency

CAR: *Corporaciones Autónomas Regionales* (Spanish spelling) Regional Autonomous Corporation

CCAC: Climate and Clean Air Coalition

CINEP: *Centro de Investigación y Educación Popular* (Spanish spelling), Centre for Investigations and Popular Education

CME: *Comité Minero Energético de Seguridad y Derechos Humanos* (Spanish spelling), The Energy Mining Committee on Security and Human Rights

CONPES: *Consejo Nacional de Política Económica y Social* (Spanish spelling), National Advisory on Economic and Social Policy

CSR: Corporate Social Responsibility

DNP: *Departamento Nacional de Planeación* (Spanish spelling) Colombian National Department of Planning

EBRD: European Bank for Reconstruction and Development

EU: European Union

FAO: Food and Agriculture Organisation of the United Nations

FARC: *Fuerzas Armadas Revolucionarias de Colombia*(Spanish spelling) Revolutionary Armed Forces of Colombia

FIP: *Fundación Ideas Para la Paz*(Spanish spelling) Foundation Ideas for Peace

FNC: *Federación Nacional de Cafeteros de Colombia*(Spanish spelling) Colombian Coffee Growers Federation

FTA: Free Trade Agreement

GRI: Global Reporting Initiative

ILO: International Labour Organisation

MDG: Millennium Development Goal

MNC: Multinational Corporation

OAS: Organisation of American States

ODA: Official Development Assistance

OECD: Organisation for Economic Co-operation and Development

PND: *Plan Nacional de Desarrollo*(Spanish spelling) National Development Agenda

RVO: Dutch Enterprise Agency

SDG: Sustainable Development Goal

SME: Small- and Medium-sized Enterprise

UN: United Nations

UNEP: United Nations Environmental Programme

UNDP: United Nations Development Programme

WBCSD: World Business Council for Sustainable Development

WECAFC: Western Central Atlantic Fisheries Commission

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Appendix A. General list of interview questions

1.1. For ‘non-MNCs’

1. Are the aims of the organisation geared towards **implementing** the **SDGs** in Colombia?
2. Are you taking the objectives of the **national development agenda** into account into the organisations’ strategy?
3. How does the organisation collaborate with **multinational corporations** to make them comply with **SDGs**?
4. Does the organisation collaborate with **multinational corporations** in the Colombian **coffee and/or mineral sector**?
5. Does the organisation have a strategy for involving **multinational corporations** in the 2030 agenda?
6. What gives **Colombia** the potential to fail or to succeed in the 2030 agenda? Which specific factors can you name that influence the implementation of SDGs in Colombia?
7. How does your organisation perceive the role of the Colombian **government** in realizing the 2030 agenda?
8. Is **CSR** the solution for companies adopt **SDGs**?
9. Does the organisation think that **multinational corporations** are primarily interested in adopting the **SDGs** to increase their **reputation**?
10. Does the organisation think that **multinational corporations** are primarily interested in adopting the **SDGs** because they are triggered by **institutional conditions** to do so?

1.2. For MNCs

1. Does the company have a **CSR strategy**?
2. Is the company aware of the **SDGs and/or 2030 agenda**?
3. Does the company see a link between **CSR** and **SDGs**?
4. Why is the company interested in adopting the **SDGs?**
5. Does the company’s **CSR strategy** take into account the **adoption** of **SDGs**?
6. If not, does the company have the intention to **adopt SDGs** in the near future?
7. Are you taking the objectives of the **national development agenda** into account into the companies’ strategy?
8. Are there forces within **the sector**, like guidelines, regulations, associations or an agenda-pushing civil society, that advocate the 2030 agenda? For example OECD Guidelines?
9. Is there a certain stakeholder, or group of stakeholders, that specifically influences the decision of the company to adopt SDGs?
10. Is there a legislation or regulation that makes the company decide to adopt the **SDGs**?
11. How does your company perceive the role of the Colombian **government** in realizing the 2030 agenda?
12. Is the **government** pushing the company to adopt the **SDGs**?
13. Does the company perceive the **SDGs** as a marketing tool?
14. Is the company inspired to adopt the **SDGs** because other companies in the **sector** are doing so?
15. Does the company perceive **SDG adoption** as answering to a societal demand?

Appendix B. English summaries of interviews

1. Interview Amor Perfecto

Amor Perfecto is Colombia's largest speciality coffee distributor and although it is relatively smaller than the three other coffee companies I've interviewed, I was interested to get an additional, non- MNC perspective on the implementation process of the SDGs in Colombia. Amor Perfecto doesn't have an overall CSR strategy, but describes its commitment to social and sustainable policies as translated into activities like fundraising events for NGOs like the Juan Pablo Gutierrez Foundation or the US embassy. There is also an internal angle, in which Amor Perfecto offers training programs to underprivileged youth that want to become baristas and states that its beans are roasted in a 'green' process. It aims to offer fair prices to coffee farmers by always offering at least a 30% higher price than the set price by the FNC. Its network of clients is very Colombia- based, but its expansion strategy is internationally oriented with buyers in South Korea, Norway and Spain, for example.

Amor Perfecto was not aware of the existence of the 2030 agenda, and when I provided an introduction on the theme the first response was rather critical because sustainable development and a good price for the coffee don't go hand in hand and most likely, at the cost of the farmer. The following expression was representative for the opinion of the spokesperson on this topic: 'If you don't pay the farmer well, there is no sustainability'. There are also no stakeholders around Amor Perfecto that informed the company on the SDGs. Amor Perfecto exemplifies that the activities their undertake in social and environmental themes are not merely marketing tools, but more orientated towards 'truly achieving something' and thus also perceive the SDGs as answering to a societal demand.

Regarding the PND Amor Perfecto is not directly involved in the same targets. It is stated that Amor Perfecto sees the government as a facilitator of the realisation of the SDGs and that, in the first place, it is a 'public agenda'. On the other hand, on less voluntary terms, the government should enforce more legislation on the private sector regarding sustainable practices like reforestation or higher taxes orientated towards these kinds of endeavours.

2. Interview AngloGold Ashanti

Anglogold Ashanti is a MNC in the Colombian extractive industry since 2002. The Colombian branch is part of a global gold mining company with headquarters in South Africa. The corporation primarily works in two greenfield exploration projects in the centre-western part of the country. With the Human Rights & Strategic Projects Manager we discussed current CSR projects the company has, with a strong focus on a human rights promotion programme. The company lacks a holistic national CSR strategy which is interesting given the fact that many MNCs in this study do. However, the national CSR projects are all in line with international standards that Anglogold follows on a global level. For example, the Code of Business Principles and Ethics includes compliance with regulations and standards like the OECD Guidelines for Multinational Enterprises, which addresses the SDGs as well. We further in detail discussed why local CSR projects are relevant for Anglogold by means of a case study from the La Colosa mine, from which the company faced criticism in recent history regarding, for example, the lack of local community involvement and inadequate waste treatment.

On the Colombian level the absence of an overall CSR strategy means no direct link with SDG adoption, only implicit contribution according to Anglogold. This contribution refers to ‘promote them in our everyday work’ in collaboration with national initiatives like Guias Colombia. It seems clear to me that for Anglogold,

Thus the company is aware of the 2030 agenda and its possible realization through a company’s CSR strategy, although it explicitly stated that the primary actor for adopting SDGs are not companies but ‘the countries’. I presume that means action on behalf of the national government. Furthermore Anglogold isn’t aware of any national regulation or legislation specifically making the company decide to act upon the SDGs. Specifically mentioned was the National Action Plan on Business and Human Rights(NAP) as pushing CSR themes in the company’ business environment. This is a guide to support the voluntary implementation of the UN Guiding Principles on Human Rights and Business in Colombia.

3. Interview Ecopetrol

Ecopetrol's CSR strategy is divided into three social and three environmental priorities: integrated water management, climate change reduction and sustainable agriculture and business promotion are the environmental lines of action. The social lines of action are investments in basic needs, municipality administration strengthening and diversification of local economy. Especially the last category is regarded as 'replacing/enforcing state capacity', compensating social investments in the absence of government involvement.

On the other hand Ecopetrol firmly states that 'investment in the local community is a condition for operation', which indicates the company's motivation for having a CSR strategy. Ecopetrol regards this as obvious because 'the people in the village are watching us' so CSR has a more external focus. Ecopetrol also brings up the concept of health, safety & environment(HSE) which is similar but more operational in the extractive industries and has a more internal focus. Recently the company tries to integrate the two domains, as is the case for most companies in the sector, which obstructs the SDG adoption as the challenge to integrate the CSR with the HSE domain is prioritized. What is another obstruction is the traditional nature of the sector, which means sustainable investments will remain merely a 'support area' and mostly for reputational motives, to evade local protests and to keep international investors happy. Thirdly, as a result of the post-conflict period, it will basically be impossible to do onshore exploration so it will be more dependent on reserves.

Ecopetrol's CSR strategy is not explicitly connected to the SDGs neither it is defined by the goals, although Ecopetrol is aware of their existence and calls it a 'scope', it also doesn't perceive the SDGs as a marketing tool. The company criticizes the 2030 agenda as simply putting forwards too many goals which makes it impossible to prioritize. The upside is that, with that many goals, many targets and indicators fit in existing CSR programs.

Ecopetrol implicitly contributes to the PND by collaborating with several ministries, that have the PND as their benchmark. Ecopetrol also states that regulations like compulsory social investments are indirectly contributing to the SDGs, which is a percentage invested in a project that needs to be spent on social and environmental investments as part of the contract signed with the ANH. Regarding the role of the Colombian government Ecopetrol states that weak public bodies hamper the creation of a comprehensive SDG approach, and non-alignment of different national policies doesn't help either: 'an emerging market government leading an integrative approach on the global level doesn't make any sense'. Ecopetrol is thus sceptic about Colombia's role as forerunner in the 2030 agenda.

4. Interview Cafexport

Cafexport is small- to medium size Colombian coffee exporter that I interviewed to get a non-MNC perspective on how the coffee sector in Colombia works within its context. The company supplies coffee to MNCs like Starbucks and Nespresso.

With the General Manager I discussed what, according to his interpretation, the term CSR meant. He explained that CSR strategies should refer to a combination of social, environmental and economic activities that generate profit for a company without affecting the natural business environment of the company in the long term. He stressed the importance of being transparent on the prices for which farmers can sell their coffee, as this is their main source of income.

Regarding price levels of coffee, a safeguard in the system is presented by the FNC that sets the standard for the minimum price for which farmers have to sell their bags of coffee. A part of these farmers is a member of a cooperative: a total of 34 of these cooperatives can be found in Colombia. MNCs can choose to buy their coffee either from a cooperative or directly from a farmer and most of them choose the second option: most of the coffee being exported from the cooperatives is done by Expocafé. It is estimated that 65% of all coffee buyers, consisting of parties like the Neumann Kaffee Gruppe or Ecom, organize their supply via private channels and not the cooperatives.

We furthermore discuss the most important CSR programs currently being executed by MNCs within the sector, like Nespresso's AAA Sustainable Quality Program, Starbuck's C.A.F.E. Practices program or activities being done by Fairtrade. All these programs cover more or less the same tools: training, quality improvement, technical assistance, transparency and improvement of social conditions. Regarding the last category the problems are still severe, as the interviewee points out the top three biggest issues for the industry: health of the farmers, pensions, and levels of education. These three issues together also explain the 'generation gap' the coffee sector is facing, in which younger generations don't want to work on the farms anymore.

We finally discuss the role of the SDGs. The interviewee notes that if the government would invest time in developing a template with which companies could link their CSR activities to SDG indicators, the agenda would become more accessible and widespread. It is also pointed out that the responsibility to engage the private sector in the 2030 agenda is with the government: this could also be done via existing platforms like the Sustainable Trade Platform or Global Coffee Platform. Th interviewee points out the four biggest challenges the implementation process of the SDGs faces: focus & prioritization (cherry-picking the SDGs), lack of public (financial) incentives to convince companies to adopt the SDGs, measurability and lack of a proactive stance of the government towards the agenda. To this list can also be added the volatile nature of Colombian administration changes, in which for example and according to the interviewee, the last Minister of Agriculture had no interest in focusing on sustainability measures. Another element is the involvement of the FNC that has an overweight of political pressure, and as a result real dialogue between civil society, public and private partners doesn't exist. Finally, the interviewee is convinced that the peace process negatively affects the creation of a long-term strategy for coffee.

5. Interview Nespresso

Nespresso is a coffee MNC with headquarters in Switzerland but presence in 60 countries and owned by the Nestlé group. It has a specialization in the delivery of individual coffee portions in aluminium capsules. Decisions regarding CSR strategies are taken on the global level by the Sustainable Advisory Board, also referring to SDG adoption.

Regarding CSR strategy, one of the most important implementation programs is the worldwide AAA Sustainable Quality Program that has been launched in 2003 in collaboration with the Rainforest Alliance. It covers sustainability standards that are implemented on the farm level with the goal of improving quality coffee sourcing. More than 40,000 Colombian farmers are part of this program, who are also offered training, financing and technical assistance. The AAA Program is also used to demonstrate to consumers the source of their products and is therefore also regarded as a marketing tool. However, regarding Nespresso's view on the SDGs, it needs to be mentioned that its purpose is more nuanced. Yes, the SDGs are a tool to demonstrate Nespresso's CSR activities but also an effort to maintain the quality of Nespresso's products through answering to environmental and social demands.

The CSR strategy derives from the Creating Shared Value agenda from Nestlé, that has adopted the SDGs and has mapped material issues against the SDGs. The integration of the SDGs in the Creating Shared Value agenda has resulted in the formulation of three overarching ambitions, with a focus on health, community development and environmental impact. This is, however, the global strategy towards the SDGs but on the country level Nespresso aims to prioritize SDGs to which it could contribute the most. The result of an impact assessment, in collaboration with CRECE, showed three urgent social themes for farmers within the AAA Program: pensions, price volatility and .....

The interviewee also states that a certain degree of clarity is missing on behalf of the Colombian government regarding what the public strategy for the implementation of the SDGs in the coffee sector is. Within the sector it is stated that knowledge-sharing is still missing on the 2030 agenda, and a multi-stakeholder initiative in which coffee multinationals would be involved would serve this goal well: the existing Sustainable Trade Platform is confined to the producers only. What I found striking is that Nespresso also states that no lines of communication exist between the company and public agencies.

6. Interview Starbucks

Starbucks is a coffee MNC with headquarters in Seattle, USA but has presence in 60 countries. Only since 2014 Starbucks has presence in Colombia, but has been the world's largest buyer of arabica coffee since a long time. The Colombian branch is run as a joint venture by three partners: Starbucks Corp, Alsea SAB de CV and Grupo Nutresa. This interview took place in the Farmer Support Centre.

The CSR strategy that was discussed is the so-called Starbucks C.A.F.E.(Coffee and Farmer Equity) Practices program, which is used for 99,9% of coffee purchases globally. The C.A.F.E. program has the goal to make sure that the sourced coffee is measured against economic, social and environmental criteria to assure sustainable coffee production. Starbucks exports coffee from coffee cooperatives, that collect coffee from individual farmers who are considered the suppliers. The data from these farmers and the cooperatives is collected and then risks are assessed for their impact on the supply chain by independent verifiers, also regarding social and sustainable conditions. In this sense, for example, a farmer is not allowed to enter a Starbucks supply chain if it exercises child labour. Once the farmers are certified they get access to technical assistance and training to continuously improve their standards.

The interviewee expressed not to have knowledge beforehand on the SDGs, but notes that the objectives could very well fit into Starbuck's CSR strategy. The decision to anticipate on the SDGs would have to be taken by headquarters before being adopted on a national scale. Starbucks would be interested to adopt the SDGs to guarantee a stable supply chain, that can only be guaranteed if farmers produce coffee sustainably. In that sense Starbucks perceives the SDGs rather as answering to a societal demand than a marketing tool, which is also exemplified by the fact that the C.A.F.E. program is not well marketed.

We have discussed the fact that on the national level, certain legislation affects the farmers which is indirectly linked to complying with the SDGs. An example is a recent law that has been passed regarding water use for farms or the restrictions the CARS put in place regarding deforestation. Starbucks is encouraging its own suppliers to comply with these regulations. The government should also enforce these kinds of regulations more but only up till a point that it doesn't affect the economic viability of companies. To that regard the government should be a facilitator and encourager of initiatives like the SDGs but not force it upon companies.

We furthermore have discussed sector specific platforms and/or initiatives that are advocating CSR practices, like SAFE (Sustainable Agriculture, Food and Environment) that is being funded by the Starbucks Foundation. These initiatives, however, do not solve the 'generation gap' issue that is unfolding in this industry, in which younger generations do not want to work on their parent's farms anymore. Starbucks aims to provide them with entrepreneurial spirit and a new impulse to demonstrate that the farm life is economically feasible.

7. Interview UNDP

The strategy of the United Nations Development Program in Colombia is based upon the Country Programme Document, which is linked to the PND, and within Colombia is approved in collaboration with the APC (Presidential Agency for International Cooperation) and the Colombian Ministry of Foreign Affairs. We discussed the involvement of the UNDP regarding SDG implementation in Colombia and their intentions to create a multi-stakeholder platform, which will probably be launched in August 2017. Regarding direct collaboration with MNCs on SDGs more in-depth is spoken about the case of Grupo Prodeco, that receives support from the UNDP to reassess their social investments towards the SDGs. Only since 2014 did the UNDP started to create partnerships with extractive industry companies. To accelerate progress towards the SDGs the platform Business Call to Action was launched, a worldwide alliance of companies that committed themselves to the 2030 agenda: member companies can be found in Colombia as well. Interestingly, the UNDP states that the adoption of SDGs through CSR strategy is not the best way to achieve results: external pressure and multiparty-collaboration regards the UNDP as more important.

It is mentioned that one of the main challenges for SDG implementation is the changes in government leadership that are so tremendous that it reflects big switches in policy as well, and lack of continuity in institutions. Especially regarding the extractive industry, it is mentioned that Colombia needs to strengthen its regulations to combat illegal mining because it polluting potential is destructive for the SDGs. What complicates this sector as well is the presence and influence of illegal groups/paramilitaries seeking profit, but this is more the case for minerals than for coal and petroleum. It is also because of these circumstances that the UNDP states that a solid human rights policy is crucial for a company's reputation in this sector, and most probably the main reason why they are interested to adopt the SDGs. Social investments are principally done by companies to compensate for errors, UNDP states, and in many cases the investment is too limited and there exists a disconnect between in what the company invests and the actual communal needs. In spite of this, social investments of companies are regarded as a 'license to operate' although these are met minimally.

A crucial element that should guide MNCs in adopting the SDGs is directions on behalf of the headquarters, but what changes everything is the context of the country in which MNCs operate. It is therefore that the UNDP perceives that Colombia lacks mechanisms and regulations to guide MNCs in this process. The fact that labour unions are put under a lot of pressure in Colombia and therefore lack authority doesn't contribute to processes of compliance either.

Regarding the Colombian government the UNDP states that the DNP does a good job, which is working towards the SDGs through several committees. The UNDP perceives the dedication of the Colombian government to the SDGs as a serious effort, although coordination is still lacking between different public sector actors for its realization. It should also offer tools to MNCs to progress the SDGs.

8. Interview Expocafé

Expocafé is the biggest exporter of coffee being supplied by the farmer's cooperatives, and is highly involved in providing sustainable coffee products. To achieve that, they certify their coffee with, for example, labels from Rainforest Alliance and Fairtrade. The interviewee explained that these certifications are important for Expocafé to allow farmers to showcase their high quality products. They are also the condition for Expocafé to commence a deal with a certain farmer, and some of these 'labels' can be big investments for the farmer or cooperative in question. Expocafé states that one of the biggest challenges, when it comes to farmers adapting to sustainable practices, is that they have a sceptic stance towards new technology.

The interviewee explains about the various projects Expocafé has regarding CSR activity. An example is a training program in the Cauca region in which farmers are taught how to manage their resources. Another example is a program in the Caldas region where younger generations are encouraged to take over the company of their parents on the farm. The interviewee explains that the link between Expocafé's CSR strategy and the SDGs is more implicit, and that Expocafé already exhibits its sustainability practices through its GRI report. Lines of collaboration also exist between Expocafé and MNCs in the sense that they work together to make the coffee supply chain more sustainable by sharing best practices. For Expocafé, the most important function of CSR practices should be real impact for the farmers without simply granting money to them.

We discussed a bit more how the coffee supply chain in Colombia works. We talked about the competition between different exporters and that farmers can choose to sell different amounts of their coffee to different exporters.

When discussing the potential Colombia could have in realizing the 2030 agenda the interviewee answers that the direct contact with the local communities and farmers helps a lot in creating real impact. On the other hand it is also stated that in many cases local public management of supporting agrarian communities lacks a lot, which impedes progress. The interviewee thinks that the role of the government regarding the SDGs needs to be more 'strategic', in a sense that they needs to articulate better how a partnership with the private sector would look like regarding the SDGs. Policies need to connect better with real demands on the ground is the focal point of the interviewee regarding the role of the government.

9. Interview Transparency International

Transparency International is an international NGO with the purpose of combating corruption; this interview took place with its national chapter in Colombia. Transparency works together in close cooperation with municipal authorities to track the behaviour of

MNCs that are being active in Colombia's regions where extraction of natural resources take place. They are in dialogue with companies about, for example, the ATI code of ethical business conduct.

Transparency doesn't have a strategy of supporting the SDG implementation process and states to implicitly contribute to the goals stated in the PND in areas like the post-conflict. Regarding the dynamic of implementing the SDGs in the Colombian extractive industry Transparency perceives the role of the government right now as too flexible regarding social and environmental obligations companies need to comply with: we talked in depth about the example of labour rights. National public agencies close deals with companies about the exploration of a certain territory without consulting the demands of the people in that territory first. Transparency states the reason for this is a lack of institutional capacity and long-term planning. Regarding the SDGs Transparency believes the role of the government should be more pro-active to cooperate with companies about this: more knowledge-sharing is needed to realize the SDG for private partners. Context- and region-specific knowledge is missing on behalf of the government for implementation.

Transparency has the potential to be an important actor in realizing the 2030 agenda when it comes to making information public about the social performance of MNCs. The challenge Transparency is facing now, however, is that their engagement is focused on the ministries and not directly the companies. The other challenge they find missing is a multi-stakeholder platform addressing the notion of the transparency of information. However, Transparency sees the peace process as an opportunity to, in the first place, identify regions in the country that are most torn by the conflict and thus are most in need of social and environmental investments; the SDGs can help identify these needs, so there is an overlap between the two phenomena.

According to Transparency MNCs in the extractive industries are primarily interested in adopting the SDGs because 'reputation is what moves them'. Part of managing that reputation is publishing reports on CSR performance but what Transparency stresses as well is what happens next: do they actually realise what is promised? Partially the source of social conflict between communities and companies is because communication is missing and locals don't receive the answers they need. Another key element is the injustice that has arisen from companies paying royalties into a fund that the government should use for public works: tax deductions MNCs receive are higher than the royalties they should pay for.

10. Interview Ministry of Agriculture

The conversation with the various representatives of the Ministry started out with an explanation on how public policy implementation in Colombia works, with the example of quality improvement of ground water. We discuss the role of the CARs and the rural development agencies on the department level and how they incorporate certain CSR-related standards or strategies. The Ministry has a focus on sustainable rural development of the smallest farmers in which a high level of collaboration is sought with the sector associations or unions, like the FNC for coffee. That way the Ministry can involve itself in the product supply chains to tackle issues regarding commercialization and productivity, based upon an action plan which is based upon the development agenda of the Ministry and input from the department (*gobernación*) in which the activity takes place.

The Ministry states that thus far, no coherent strategy exists to implement the SDGs but that a joint vision on behalf of the DNP does, and that the DNP is responsible for coordination with the ministries on how the SDG targets should be engaged with. The Ministry also notes that many tools are still missing to implement the SDGs, most prominently budget restraints, prioritization and authorization. Another obstacle named is a cultural component, in which farmers are not very flexible to change their traditional methods to make their output more sustainable. We furthermore discuss what options the Ministry has to change the farmer's attitude, and that the holdfast to traditional methods is also linked to a lack of education. However, the peace process is named by the Ministry as one of the biggest opportunities to push the SDGs as well, as there is many overlap between the two agendas.

Regarding the role of the private sector the Ministry states that MNCs have an important role to play in the realisation of both the PND as well as the SDGs. In many of their CSR strategies components of rural development can be found. The Ministry, however, doesn't have lines of communication with companies and regrets that this form of cooperation is not yet well established. Thus, regarding the SDGs, the Ministry concludes as well that the government could be more proactive.

When asking the question what the Ministry thinks is the primary motive for MNCs to adopt the SDGs, the answer is that in the first place the companies want to comply with their institutional environment, like environmental obligations, and that this indirectly could lead to certain benefits regarding their reputation as valued by their stakeholders. However, this institutional environment for the coffee sector is created more by the FNC than the Ministry, the interviewee admits, which I think was a striking comment. The interviewee explains that the National Coffee Producers Committee takes decisions on public policy for this sector, and the Committee consists of the FNC among other parties that have great leverage on the board.

11. Interview ANDI

ANDI is the national entrepreneurs association of Colombia and is a non-profit that aims to promote economic and social policies that ensure a proper functioning of free commerce in Colombia. ANDI represents businesses big and small that together cover around 60% of Colombia's GNP, although membership is expensive and so less SMEs are member. ANDI has a local network in each big Colombian city in which companies can apply for membership. It also has chambers of commerce for each sector, covering both the extractive industries and coffee as well although the main responsibilities for the former have been 'outsourced' to the Colombian Petroleum Association and the Colombian Mining Association.

Promoting CSR policies for its member companies is especially done through the ANDI Foundation, that supports affiliated companies to make sustainable and social investments. It is also done through the 'ANDI del Futuro' programme, in which leading companies are supporting the development of youth entrepreneurship with a strong socioeconomic angle. ANDI mentions straight away that the implications of the post-conflict peace process play a big role in these investments. We discuss the differences between the traditional conception of CSR as a philanthropic idea and its more modern conceptualization in Colombia. ANDI admits the difference but also states that both are still relevant although difficult to quantify results.

Regarding the SDGs ANDI states it is supporting the agenda but that an overall strategy is still under construction, also because they are awaiting instructions from the national government and because of priority-setting of themes: ANDI admits that macroeconomic stability and peace are, for example, themes that are higher on the list. This is also the vision ANDI has towards its member companies, in which ANDI doesn't want them to become 'fed up' because of the list of topics they ought to deal with. This might also relate to the fact that ANDI doesn't specifically mention their opinion on what motivates companies to adopt the SDGs, as it could be a multitude of reasons. It does state that companies generally will not regard the SDGs as a catalyst to undertake more action in aspects of CSR because they are already doing.

During the interview I strongly got the feeling that the ANDI doesn't appreciate the added value the SDGs could have, and regards it more as a label than something else. It became clear to me in statements like 'with or without the SDGs, Colombia will move on concerning investments in society that need to be done'. Despite this ANDI believes that an optimistic spirit regarding the future is what pushes the realization of the SDGs in Colombia: the country is in a process of 'reinventing itself' and this process will be more important than the outcome, ANDI states.

To coordinate long-term strategies regarding the private sector ANDI takes the PND into account. Apart from this ANDI states that their agenda is different from that of the government, and that also relates to the SDGs: ANDI states this their realization is more a state responsibility. Regarding the role of the government ANDI states that it should be multi-oriented: offer tools to companies to deal with the SDGs and also create incentives to adopt them.

12. Interview CAR (Autonomous Regional Corporation)

The CARs in Colombia are decentralised environmental management authorities at the regional level that are in charge of, for example, managing forests and enforcing environmental licenses to companies. I was interested to interview one of the CARs to get a more local perspective on the role of the Colombian government regarding the implementation of the SDGs. In Colombia there are 30 CARs and their jurisdiction coincides with the territorial boundaries of Colombia's 'provinces', the *departamentos.* I had an interview with the CAR of Cundinamarca, the *departamento* in which Bogota is situated.

We discuss the different mechanisms the CAR has to attain voluntary commitment from companies concerning certifications and standards that are not legally binding, which they consider as CSR strategies. What is legally binding are the environmental licenses companies need to start their activity in a certain region, which is dealt with by the National Authority of Environmental Licenses (ANLA in Spanish) or the CAR depending the scale of the project. The CARs can approach MNCs to ask for their partnership in one of the CAR's own projects, but this dynamic also works vice versa. An incentive for companies to engage themselves in these projects might be that they receive tax reductions on their income tax if they do certain investments. These are called *'inversiones en control y mejoramiento del medio ambiente*' which translates as 'investments in environmental management and improvement'.

The CAR writes an action plan that covers the entity's planned projects for the next four years. Because the objectives in this plan, that was launched in 2016, are strictly followed the SDGs are not taken into account yet. The interviewee states that its contribution to the 2030 agenda is more 'implicit' in the way that some of the projects might contribute to the SDGs but are not necessarily linked to them. The interviewee holds the same kind of opinion on the impact of the peace process on the realisation of the SDGs, in a sense that it could be beneficial but only when they coincidentally cross each other.

The interviewee states that one obstacle the CARs face is that in Colombia's public policy agenda, environmental challenges are generally not prioritized and continuity is lacking regarding the government's efforts towards this topic: this has implications for the coordination of policies on the national and regional level. On top of this the interviewee states that, regarding the realisation of development targets, the Colombian government is still too centralised. All this also has implications for limited institutional capacity available to confront these challenges, which also makes enforcement of regulations harder. Environmental challenges in Colombia only become bigger because many companies work on a black market in which their environmental impact is not registered. Furthermore, small rural communities lack the education and economic freedom to invest in environmental solutions, which together also leads to a lack of long-term vision.

On the other hand, the interviewee believes that the natural resources of Colombia could increase the country's potential if managed well, without corruption and a good balance of economic growth and development. To make this succeed the government could push MNCs more to invest in the SDGs, but this is different for SMEs as they have other budgetary priorities. When it comes to 'shared responsibility' between the government and companies on CSR investments, the interviewee states that when the voluntary commitment of companies lacks to invest it still comes down to the government to take action. That's why the initiative in the first place should be with the government.

13. Interview DNP(National Department of Planning)

The DNP is the Colombia's national public entity in charge of defining, recommending and promoting public and economic policy. Regarding public policy it is in charge of long-term agenda's and therefore also SDG implementation.

The interviewee's introduction consists of the history of Colombia's pioneer involvement in the creation of the 2030 agenda and it's forerunner's role in its implementation on a national scale by means of its integration with the PND, that now consists of 92 SDG targets. This means that 58 SDG targets are still left to be covered in the PND of the next administration, because 19 targets are solely orientated at transnational issues.
Within the DNP exists a directorate that is called the *Dirección de Seguimiento y Evaluación de Políticas Publicas*(translated as the Tracing and Evaluation of Public Policies Directorate) which uses an information system called SINERGIA with which they can track the development of accomplishing the objectives as stated in the PND, and thus the SDG targets.

In February 2015 the Inter-Institutional Commission was created by presidential decree which has the sole responsibility of implementing the SDGs by the government. This entity consists of the Presidential Office, the DNP, the Ministry of Environment, the Ministry of Foreign Affairs, the National Administrative Department of Statistics (DANE), the Social Prosperity agency and the APC and comes together every three months. The Inter-Institutional Commission has an operational branch called the Technical Committee, that comes together every month. The Technical Committee is in charge of developing strategies to link the SDGs to already existing frameworks like the post-conflict agenda, the PND or the Green Growth Mission. This is relevant as, for example, when one projects the 2030 agenda on the post-conflict agreement, there is an overlap of 68 SDG targets. The interviewee notes that regarding this process, the biggest challenge lies with SMEs because for MNCs this alignment is already very clear.

The interviewee also explains Colombia's participation in the Inter-Agency Expert Group on analysing the measurability of the SDG indicators through DANE. The interviewee claims as well that through the work of DANE, for 54% of the SDG indicators measurement tools are already available in Colombia. She exemplifies the measurements being done on food waste in the production chain and how to tackle this, which is now in a pilot phase being executed by the DNP. The interviewee also gives another example on how the DNP is working towards the realisation of the SDGs, in which she explains the DNP's 2016 involvement in the drafting of the Plan on Territorial Development and their input about the SDGs. The issue here is, however, that on the regional and local level institutional capacity is lacking to produce statistical information. Regarding lines of communication on the SDGs, the DNP is also working on a web portal to provide accessible information to citizens on the topic. Apart from this a specific strategy on communicating the SDGs also exists.

The interviewee notes that right now for DNP the biggest challenge is the long-term strategy for the SDGs, and that the solution might be the creation of two CONPES documents. The first one, which is already in the making, should define the strategies to implement the SDGs and a monitoring framework for the 'prioritized SDG indicators', on which public information at a measurable level is already available. The final goal is to connect a measurable objective on the national level to every one of the 303 SDG indicators with this monitoring framework. The first CONPES should also include the plan to create a mechanism to reach out to non-public stakeholders on the SDGs.

To create more coherency between the policies of different public bodies on the SDG the DNP plans to release a document in 2018 that does exactly that, with a focus on regulatory frameworks. To gain more political leverage for the long-term pursuit of the SDGs the DNP is also creating a cluster of Congress politicians that together will push for more attention to sustainable development and the SDGs. The ideal would be that every law passed in Congress will be measured along the lines of positive impact on the 2030 agenda.

Up to this point non-public stakeholder involvement in the strategies of DNP on the SDGs has only been limited to giving certain workshops to civil society actors on the topic, on behalf of the so-called Multi-actor Platform. The idea is that this Platform should keep on providing workshops on the SDGs on the regional level in the next two years. To this regard the interviewee also refers to regional initiatives already being undertaken on the SDGs, like *Antioquia Sostenible* and *Valle por y para Todos*. Regarding private sector actors working on the SDGs the interviewee specifically names Ecopetrol as a good example. The interviewee also notes that for 88 of the SDG targets no explicit private party involvement is necessary.

Furthermore we discuss which actors the interviewee considers as most relevant in the coffee and extractive sector towards the realisation of the SDGs. An interesting observation on behalf of the interviewee was that she notes that the legislative framework in the extractive industries is more advanced than in coffee, simply because popular discontent has always been more orientated towards the former than the latter. This, however, does not mean that bad cases do not exist among the coffee growers. A big difference between the sectors that the interviewee notes is that MNCs in the extractive by default need to manage their reputation well because they utilize someone else's property, local communities for example: this principle does not apply for MNCs in coffee.

What goes for all the MNCs that come to Colombia is that they bring with them certain standards and guidelines that have already been adopted on the headquarters' level, and that will be applied in Colombia as well.

14. Interview Glencore (Prodeco Group)

Prodeco Group is the Colombian branch of the Anglo-Swiss MNC Glencore, which is a commodity trading and mining company with headquarters in Switzerland. Prodeco Group was acquired by Glencore in 1995 and is right now the third largest producer of export thermal coal in Colombia, and their operations can mainly be found in the most northern, east part of the country, near the Caribbean coastline.

With the Head of Sustainability we discussed the alignment of Prodeco's community business portfolio with the SDGs, specifically the 5 SDG clusters. The alignment means linking Prodeco's 3-pillar CSR strategy to a SDG cluster and then also to a specific SDG mostly related to it. The step afterwards will be to measure the contribution done to a specific SDG in a specific area. We discussed in more detail a CSR project focused on the improvement of public schools in the municipalities in which the company operates, and the fact that the purpose of the company's CSR strategy is stakeholder relations. The interviewee admits that the mining sector hasn't contributed much to the development of the area in recent history due to misspending of tax and royalties money.

The interviewee notes that the biggest difficulties with SDG adoption are the overambition and vagueness/quantification: 'the Goals that talk about peace, how do you complete that in Colombia?'. Biggest motive to adopt the SDGs is because of the synchronisation with the company' sustainability mission: 'a convenient framework'. Prodeco doesn't perceive the SDGs as a possible marketing tool, rather more as a tool to answer to societal demands through the CSR programmes Prodeco has.

In collaboration with the UNDP Prodeco is developing tools to enhance methods for adoption and progress measurement. The company notes stakeholders like the Colombian Ministry of Foreign Affairs and Prodeco's suppliers as actors which with exists dialogue about the SDGs. The company states that the role of the Colombian government should only be to provide a framework to the private sector about the SDGs in which social contributions can be measured. The interviewee also criticizes the slow progress the government is making on this topic: in that regard the interviewee states that a civil society organisations like the UNDP was more helpful to inform Prodeco on the SDGs than the government or environmental agencies.

15. Interview Ministry of Environment

What was most striking for me from the start was that I got informed on the fact that there is currently only one person in charge of the SDGs within the whole Ministry. The Ministry works on the SDGs through inter-ministerial agendas, for example through the high-level SDG commission that had been created by presidential decree. There are also distinct targets per ministry: this process is compared to the accession process of Colombia for the OECD. What makes the SDGs especially interesting for this Ministry is that they are regarded as 'instruments that promote environmental strategies' and push for further regulation, although the SDGs are voluntary program in principle. However, the Ministry itself doesn't have a fixed strategy for the implementation of the SDGs up till now and states that, in the first place, it's the responsibility of the DNP to coordinate the Ministry on what to do with the SDGs. This is done, for example, with a CONPES on SDGs that is under construction: a national long-term policy on economic and social strategy with the highest authority. The interviewee does name some initiatives that do exist and by coincidence have overlap with the 2030 agenda.

The interviewee also explains the involvement of the Ministry in the creation of the PND, in which before approval of the PND the Ministry submits its own proposal to the DNP. This proposal could contain targets oriented towards the SDGs, and in that way the Ministry contributes to the 2030 agenda through the PND.

The interviewee mentions that one of the biggest challenges of the 2030 agenda is how to measure the SDGs in terms of results, also because they appear very broadly defined. Strikingly, the interviewee mentions that work would be easier with less targets and indicators and now, as a result of the structure of the 2030 agenda, the Ministry needs to be selective. Another challenge is the general view on the nature of the work of the Ministry in which much legislation on a local level needs to be implemented, and local communities might perceive the SDGs as 'another procedure'. The coordination between national and local public actors is a general problem in Colombia for whatever policy field.

When we discuss the lines of communications that exist between the Ministry and MNCs, the interviewee first refers to the work done by CAR on environmental licenses and then the environmental assessment that is done by the Ministry before a MNC is allowed to start a project. Unfortunately this assessment doesn't include the SDGs yet and further bilateral contact between the Ministry and companies doesn't exist either. Multi-party 'table sessions' do exist in which companies are present and which are focused on solely one objective. It is unfortunate that these sessions are mostly only convoked in the case of dispute resolution or some other negative prehistory. However, strategies are in the making to approach MNCs on the SDGs and how they could contribute to the 2030 agenda: the interviewee refers to workshops being held on this topic specifically in Medellin. The role of the government primarily should be 'to facilitate incentives' that drives the companies to anticipate on the SDGs, although the interviewee also admits that the Ministry is falling short on how proactive they should be. On the question what motivates companies to adopt the SDGs, the interviewee states that one cannot generalize and it differs per case. What the interviewee does state is that issues of compliance arise more easily with SMEs than with MNCs because, the latter group is less monitored and specifically in the mining sector. The response of the government to this is limited as well because it simply lacks capacity and budget.

Finally, the Ministry mentions that the potential Colombia has to realize the SDGs lies in its public spirit to move forward because of the consequences of the armed conflict. The diversity of the regions is also mentioned as a benefit instead of a challenge, offering different solutions to the same problems.

16. Interview Ministry of Mining and Energy

We began to talk about the regulations that exist within the extractive sector that oblige MNCs to spend budget on their CSR performance. The interviewee explains the coordination of projects between the Ministry and the ANH, and the role of social and environmental clauses in E & P contracts that companies need to start exploring blocks. In this process the needs of local communities are important, the so-called PBC in which companies are obliged to invest 1%. Another 1% needs to be invested by companies in environmental terms to compensate for, example, water usage and deforestation. This is the only regulation that exists apart from obligations related to tax that companies need to pay including royalties. These taxes are then again used by the government to invest in projects related to, for example, implementation of the SDGs. The interviewee explains the history of the ANH as well, that before 2003 was the allocation of blocks was completely in the hands of Ecopetrol.

The Ministry doesn't have an overall strategy to implement the SDGs, neither is there specifically a person or direction in charge of this topic. The interviewee perceives the following challenges regarding the implementation of the SDGs: prioritization and selection, lack of inter-ministerial coordination and a lack of state capacity on the local level. On the other hand, the interviewee states that the potential of Colombia's historic non-competitive agricultural tradition is what could drive the SDGs. There are many regions in Colombia that are now being 'rediscovered' after a period of conflict, that could thrive due to commercialized agricultural production. The region Los Llanos is mentioned as an example. The interviewee mentions the peace process as an accelerator of this theme, but states as well that structural changes are needed more for real progress, like combating poverty, corruption and weak governance

The interviewee explains the process of consultation that passes as part of the creation of the PND for the next four years, in which The Ministry also contributes input to the DNP. The interviewee also explains that there is a lack of congruence between the national PND and the development action plans de municipalities have, which sometimes leads to friction. One of those plans is the Territorial Tooling Plan, that covers development targets in for example the creation of local workforce in cooperation with MNCs in the area. Still the interviewee admits that the government should do more, and that public initiative to collaborate with the MNCs is the way to realize the 2030 agenda. It should also be the state responsibility to make companies aware of this agenda and once this happens, companies will be willing to invest in societal demands in their surroundings.

In the Territorial Hydrocarbon Strategy cooperation between the Ministry and companies is key in themes like conflict resolution. The interviewee explains about the pre-history of these conflicts, in which companies arrived in certain regions and started subcontracting other companies for exploration without any state supervision: this triggered negative responses from local communities living there because initially, the companies weren't very cautious with social and environmental considerations. On top of this there was always disagreement between the intentions of the government and the intentions of companies, who had the backing of labour unions and were trying to bring the ANH in discredit. Especially MNCs are mentioned as driving forces of corruption and inequality, for example. These companies operated outside of the main geographical reach of state control, whereas the main coffee region of Colombia is right inside this reach: the same observation can be applied for Colombia's regions that were hit hardest by the armed conflict. Armed military groups and the FARC also responded with violence to the undertakings of the companies by, for example, blowing up oil pipelines. Nowadays these tensions are less but still exist, as a result of, for example, fracking practices.

17. Interview Repsol

Repsol Colombia appears to be well advanced when it comes to aligning their CSR programs to the SDGs. Main reason for this is because of the decision taken by headquarters to focus social and environmental investments on the 2030 agenda. Furthermore Repsol's CSR strategy is based upon strategic alliances to realize the SDGs together, which means their CSR projects are realized in cooperation with stakeholders like the UNDP or the Canadian embassy. The company also states that embassies in Colombia is general are doing a good job regarding spreading information about the SDGs. Repsol answers that the added value of adapting the SDGs is the corporate obligation an oil company has to generate positive impact. However, Repsol also admits that ultimately the goal is oriented towards business: 'it is proven that companies which are more socially more responsible attract more attention from investors'. Repsol understands that sustainability and profitability are interwoven.

It is also stated that the CSR projects are partly born out of legal obligation, which is a percentage invested in a drilling project that needs to be spent on social and environmental investments as part of the contract signed with the ANH since 2012. This obligation is called PBC, 'Programa en Beneficio de Las Comunidades', program for the benefit of communities. Other reasons for Repsol's CSR strategy mentioned are: social/environmental investments as a 'license to operate' and a tool to overcome the bad reputation the extractive industry in Colombia historically has and to build trust with the local communities. The building of trust needs to lead to decreasing the dependency of the communities on the extractive industries as a source of labour and income. Repsol does this by supporting local access to supply chains in cacao and coffee, for example. It also invest in alternative energy resources, which I find striking as a petroleum company: in the La Guajira province Repsol invests in solar energy. Repsol states that the reason for this is that the company is well aware oil is not the energy source of the future.

Most of Repsol's drilling projects are offshore exploration, divided in four blocks in Colombia. Their area of operations is therefore mainly based around the Colombian Caribbean coastline, in Cartagena, but also more land inwards in the Meta region. Even though through multi-stakeholder CSR programs Repsol is making an impact, the impact could still be bigger if there would exist more knowledge-sharing between the different companies in the industry: competition exists in terms of visibility of which company makes which social or environmental investment, which complicates SDG adoption as well. A lack of trust and communication creates obstacles, and the ACP doesn't seem to have a strong role in this dynamic either. Finally Repsol mentions the SDGs are easier to operationalize because they are more specific and the volume of objectives is that big and wide, that they can be applied everywhere.

Repsol states that because the government prioritizes its efforts towards the peace process right now it is less focused on the 2030 agenda. Profound switches in administration don't contribute either to maintain focus on certain long-term agendas like the SDGs. A specific example of the lack of involvement of the government is failing to connect the targets of the PBCs of the ANH to the SDGs. For Repsol the PND is only used as a reference point to know where the government's focus within the sector lies. Direct alignment with governmental development plans takes place on the level of municipalities and departments.

18. Interview UN Global Compact

The Global Compact is a UN initiative to encourage businesses worldwide to adopt CSR strategies and to report on their CSR performances. The Global Compact has local networks to advance its mission on the country level, which is also happening in Colombia since 2009. It is highly engaged in the implementation process of the SDGs in the sense that it tries to communicate the goals in an understandable way to the private sector and make companies aware of the role in this process in a 5-step plan.

The Global Compact collaborates with the public sector, e.g. the preparation for the presentation of Colombia's progress on the SDGs at the UN High Level Political Forum in 2018 together with the DNP. Regarding the private sector they, for example, support the Cecodes Sostenible initiative, that is a network of big Colombian companies that want to strengthen their CSR policies.

Global Compact notes that in many cases companies are already working towards the realisation of the SDGs through their CSR strategies, but they just don't project these efforts as adopting the SDGs. The reason for this might be that companies question what is the extra benefit of the SDGs, what is their gain? We discussed the strategies Global Compact has to convince companies to work towards the SDGs. We discussed the risk of 'greenwashing' regarding the SDGs, and the Compact states that this risk is mitigated due to the fact that if companies only pretend to adopt the SDGs, stakeholders will find out soon enough. So adopting SDGs is not primarily for reputational purposes, Compact states. If certain regulations or institutional norms coincide with the SDGs, companies will only make sure to achieve the bare minimum this regulation requires. This argument is thus less relevant for the realisation of the SDGs. Then again, regulatory pressure and reputational issues are bigger in the extractive industries than in coffee, Compact mentions.

Regarding the position of the Colombian government, the Compact notes that progress is huge compared to how was dealt in the past with the MDGs. It is stated that, for example, the PND helps to push the SDGs but is insufficient on its own. However, coordination between the national and local level is still missing which affects the awareness about SDGs for MNCs as well. The government is highly engaged in the peace process which goes at the cost of focusing on the SDGs. The Compact mentions that the biggest flaw the government has is the lack of capacity to communicate what they are working on, including the SDGs. This theme is directly related to the peace process, as all the public language should be as neutral as possible to avoid friction between different societal groups. On the other hand, thanks to the peace agreements many social and environmental issues have regained attention nationally.

19. Interview National Federation of Coffee Growers

The FNC is the most important and biggest business association for the coffee growers in Colombia(around 600.000 members) . It was founded back in 1927 and has since then been promoting the production and exportation of Colombian coffee. This mission encapsulates a variety of tasks, including research and development, production monitoring and policy formulation and implementation on the sector.

The CSR strategy of the FNC is built upon three pillars: a social, economic and environmental aspect. Within the strategy there doesn't exist a specific focus on the realization of the SDGs, but 'what we do aligns with the SDGs but is not done because something like the SDGs exists'. The interviewee is slightly critical towards the SDGs as she asks what the benefit for the industry is to adopt the SDGs. It is also a very abstract phenomenon for small scale farmers who are expected to anticipate on them in everyday life. The voluntary nature of the SDGs also doesn't contribute to the fact that companies are feeling pressured to take action. More mechanisms should be created to sanction companies who are not complying with international norms or standards. In the reporting of their CSR output companies generally don't get punished either for non-alignment with the SDGs. This makes the interviewee lead to the conclusion that the 2030 agenda is a rather 'romantic' objective.

The sustainability mission entails a philosophy in which the FNC considers the commercialisation of coffee zones as 'liberating' them from struggles in the past regarding the civil war, drug trafficking, paramilitary violence etc. The three pillars translate into specific projects like the *Manos al Agua* project, which has the goal of improving water usage in collaboration with partners like Wageningen university. Other development projects also exist in collaboration with private partners like Nespresso. According to the vision of the interviewee, coffee that is responsibly produced and sold can only be the result of the sharing of responsibility between the private sector, the government and a fair market. The SDGs could serve well as a framework to make this happen.

The FNC foresees several challenges for the future of the Colombian coffee sector. First, younger generations are less tempted to take over their parent's business on the countryside because they see better opportunities elsewhere. Second, the FNC doesn't have the same financial resources as it once had to serve the farmer's needs, in for example sustainable practices. This means that an imbalance exists between the income for exporters and for producers, as the former doesn't have to spend on achieving certain certifications or better practices. Consumers, who are buying the coffee, don't need to worry about the degree of sustainability in the supply chain either. As a consequence of the choices the farmer needs to make, survival is more important than a sustainable business on the short term and thus the priorities on spending are clear.

Poverty on the countryside is already widespread and farmers have difficulties to maintain their business and meanwhile, invest in CSR practices. Thus the interviewee's question is: 'how are we going to realize the financial co-responsibility for these farmers?'.Third, a lack of institutional capacity is missing on the regional level in Colombia so that the government cannot answer well to the farmer's needs. In the past there have been cases of remote areas in which the FNC basically took over the role of the state to create social security for the farmers. Fourth, the nature of the global coffee market implies great price volatility that creates uncertainty for the producers: The prediction is that this problem only becomes bigger as the impact of climate change become bigger.

Regarding the role of the government towards the SDGs the interviewee states that they should invent more resources to financially stimulate actors to anticipate on the 2030 agenda. The initiative to make Colombia more sustainable should not be with the private sector but in the first place with the government. The problem is that widespread scepticism exists which affects the legitimacy of the government, as a result of the way in the peace deal was sealed and the incoherence of the government's agenda. As an example the interviewee states that the real potential of post-conflict Colombia is in rural development, why then does the hydrocarbon industry still structurally gets more attention and investment? The FNC also doesn't anticipate on the PND but does take into account the regional development plans because the FNC has offices in all the coffee *departamentos*.

20. Interview Colombian Oil Association

I had the choice to interview either the ANM or the ACP as umbrella organisations in Colombia's extractive sector, but I chose the ACP because two out of three MNCs I initially planned to interview are oil companies. ACP represents and promotes the common interests and views of the Colombian private industry in hydrocarbons, which mainly covers oil and natural gas and a total of 46 companies that cover 96% of the industrial activity. ACP sets out its own sustainability policies in collaboration with the member companies, but states as well that specifically the MNCs have their own strategies based upon what is coordinated on behalf of the their respective headquarters. The ACP states that this creates difficulties for their work as well as MNCs on the national level cannot sign treaties without consulting headquarters first, for example regarding the SDGs.

The ACP, in terms of sustainable development policies, focuses on safety issues, human rights, and the promotion of 'best practices'. These programmes are, however, still voluntary in nature and don't have a legislative angle. An example is the 'GTC- 250' technical guide on social good practices that was made in collaboration with Icontec International. Another legally binding obligation for companies in this sector are the environmental licenses they need to pay for. The ACP doesn't have a strategy specifically orientated at creating conscience about the SDGs.

The ACP mentions the obligatory minimum investment standard that exist which forces companies to make social investments, mostly focused on the prosperity of the local communities in the area in which the company operates: a PBC. These investments are part of the clause the company signs in a contract with the ANH which permits them to start exploration in a certain block, so-called E & P contracts. The ANH puts blocks out to tender for companies in so-called 'rondas' every year. When I question the interviewee about the relatively bad reputation of the extractive sector the answer is that, mistakes has been made, but as a result it is now one of the most regulated sectors in Colombia. Accidents in the past not solely explain the high level of regulation: in terms of practicalities, impact and operations, these standards are necessary to do the job.

Regarding the question what motivates MNCs to adopt SDGs the ACP answers it cannot distinctly state that its more for reputational purposes or sincere interest to answer to a societal demand. The interviewee states it's a mix, and it strongly depends on the type of stakeholder as well. The ACP states that they don't really care why companies are motivated to do so as long as they do it. Specifically regarding the adoption of SDGs ACP states reputational considerations is an important element because credibility of the companies is an important theme in this sector and it is regarded as 'a license to operate'. Regarding the role of the government towards the SDGs the interviewee states that more action should be taken.

21. Interview Global Reporting Initiative

GRI is an international organization that sets up and promotes sustainability guidelines for companies and also lectures companies about a distinct method of sustainability reporting. GRI perceives the SDGs as a way to talk in the same language about the same issues, a standardization of CSR-related topics that can be applied by anyone, anywhere. GRI actively supports the SDGs by helping companies on how to report on the SDGs and their linking with the GRI Reporting Standards. This is for example being done with the so-called SDG Compass, a mapping service and assessments on how to measure progress on the SDGs.

GRI sees that one of the main challenges right now is to also address the SDGs on the level of SMEs and not only the biggest companies. This is very relevant in the Colombian context as more than 80% of the country's private sector are SMEs, but the government prominently focuses on the biggest companies. Within the Colombian context GRI states that the momentum of the SDGs is favourable because it serves as a means of communication between the public and private sector to collaborate on the same themes. Because it is still a relatively new concept it might be that companies are simply not aware of the 2030 agenda. Regarding awareness GRI states that the public sector also lacks to transfer the message and should do this more rapidly and with an overarching vision for all public entities. An example is the fact that there already exists a link on paper between the peace agreement, the SDGs and the OECD Guidelines, but the communication on the linkages between them falls short. In terms of what would make the SDGs succeed in

Colombia GRI answers its human capital is key, and the growing common interest in sustainable development in compared to other countries in the region.

The Colombian public sector also lacks experience to collaborate with the private sector and therefore GRI hasn't seen many examples of successful private-public collaborations that indeed generate impact regarding the 2030 agenda. These collaborations also cannot solely drive on voluntary commitment, but need a financial incentive as well and the same tools for measurement between private and public partners. The government should also not see the SDGs as a list of boxes that need to be 'checked' but think of them in terms of long-term impact.

When it comes to the question whether companies are motivated to adopt the SDGs or not, GRI answers it is impossible to state that one is more important than the other: the answer lies more in the timeframe. Initially, institutional conditions will be more relevant to introduce companies to the concept of SDGs but later on other motivations will become more important. According to GRI, CSR investments with the prime goal of reputational management is the least effective. Internally, the adoption of the SDGs depends a lot on the view the leadership has on the SDGs: if the SDGs are merely considered as a 'support area' their management will remain in a non-core business department of the company as well, whereas if the board of directors takes notice of the SDGs its importance may grow as well. What they also state is that the added value of the SDGs for business can only have impact in the medium and long term. The biggest challenge, however, is that a trend exists in Colombia that businesses tend to prefer to think in short-term profit instead of long-term implications. GRI explains that this trend could be based on the fact that historically, Colombia faces an insecure investment climate.

Another element mentioned is based in religion, in which GRI states that Christian values are strong in Colombia and therefore companies historically are inclined to contribute to society in a philanthropic way. However, philanthropy and sustainable development are two different concepts. A final important element mentioned is the cultural value that family enterprises have in Colombia, in which personal affinity stands higher than any other motive to work. Regarding MNCs GRI also states that in their sustainability reporting they fail to meet local demands, like reporting in the local language.

22. Interview Fundación Ideas Para La Paz

The FIP is an independent think-thank established in 1999 by private sector leaders that has the overarching goal to contribute to the construction of peace in Colombia. The FIP has four fields of interest in which it works in programmes: conflict dynamics and peace negotiations, post-conflict, business and human rights and security and criminal policy. I was interested to hear the perspective from a think-thank on the themes of my investigation and therefore decided to interview them.

The interviewee is in charge of the programmes concerning the link between business and human rights and points out a programme the FIP is firmly involved in regarding this theme, called *Guias Colombia.* It is also stated that human rights is a fundamental aspect of the 2030 agenda, and this aspect of CSR should be turned into legislation instead of a normative framework. What might impede this process is the context of the peace deal and its implications, as Colombian society is highly polarized about the peace conditions. Because of this it might be hard to pass new legislation, the interviewee states, as it leads to profound fragmentation of leadership both in business and politics. As a consequence of this, an entity in the political realm is right now missing which is pushing the 2030 agenda. This is also partially a result of all attention being orientated towards the post-conflict phase.

The interviewee states that one of the biggest challenges for the adoption of SDGs by companies is how to materialize them. In her work on the *Guias Colombia* project, the interviewee also has noticed that many companies struggle with the quantity of SDGs and how to select which one they should adopt. Communication between public and private sector should thus be key regarding this topic.

When we discuss what drives MNCs to adopt the SDGs the interviewee states that, through answering to a societal demand in the business environment of the company, the company also gains most in terms of reputation regarding its stakeholders. The two motives could thus be strongly interconnected. It is, however, also stated that right now Colombia is still in a very early phase of implementing the SDGs and therefore the interviewee states that it's hard to already conclude if SDG adoption leads to 'greenwashing'.

On the role of the government regarding the implementation of the SDGs the interviewee notes that the private sector can make significant contributions, in terms of financial resources and/or transfer of knowledge where the state falls short, but the initiative should be with the government. The problem is that the institutional capacity of the government is structurally falling short. The ideal scenario would be where the government and companies work together as actors with 'co-responsibility' to realize the SDGs, instead of blaming each other for their shortfalls. We also discussed the potential of the interaction between the implementation of the peace accords, the PND and the SDGs, and their similarities.

23. Interview Casa Luker

Casa Luker is originally a Colombian family-owned company that was established in 1906 but its business has grown over the years to international proportions, now exporting to over 42 countries. Its core business is the manufacturing and export of cacao but they also started a business in the selling of coffee under their own brand, Lukafe, which covers around 20% of its business activities. Casa Luker is present in four different *departamentos* of Colombia for the production and supply of their products: Huila, Arauca, Necocli and Sur de Bolivar. I was interested in interviewing Casa Luker as it is the only MNC in the sample group that has its origins in the population, Colombia.

Casa Luker's CSR strategy is called 'Lukerways' and consists of 15 long-term visions called 'imaginaries'. The strategy entails a research centre called Granja Luker, in which it develops education and training models for their farmer-suppliers with the aim to have a sustainable impact on the farmer's lives. Because the production of cacao is such a delicate process these models are necessary as well to guarantee the high quality of the product. It is also the case that all the country's cacao zones are former war zones as well, so social development and the substitution of illicit crops in these areas is crucial. To that regard the post-conflict phase is also considered by Casa Luker as a 'window of opportunity' in the sense that the government has designated cacao as a preferred substitute crop for coke cultivation.

Casa Luker's CSR strategy consists since 2011 of projects regarding reforestation, the building of public schools and labour provision in the same regions where, for example, the coffee is produced. We talk in more detail about one specific project Casa Luker is exercising in Necoclí in which 550 hectares of plants were created in collaboration with the local community to create positive impact in a region very much affected by violence. The CSR strategy of Casa Luker already has a link with the adoption of the SDGs, in the sense that the 'imaginaries' are linked to the different SDGs and their respective projects are linked to impact assessment results: the process of linking is still underway. Casa Luker, although not a member, got acquainted with the SDGs by CocoaAction, a voluntary worldwide strategy that aligns all key stakeholders in the industry on regional priority issues in cocoa sustainability. It is facilitated by the World Cacoa Fundation.

The interviewee explains Casa Luker's considerations regarding the SDGs. First, as Casa Luker prefers a tailor-made approach, the SDGs need to 'downsized' as they are wide and vague. Next there needs to be prioritized which SDGs matter to Casa Luker and which not and finally, the need to make them measurable to assess their impact. A positive note is that the SDGs can be a universal language and therefore it should be easy to communicate about them on a global scale and between different actors from different backgrounds. Casa Luker considers the SDGs as a 'metric', something functional to measure impact on social demands instead of a marketing mechanism. With the SDGs as a 'metric' is it also easier to showcase results on CSR performance, Casa Luker states.

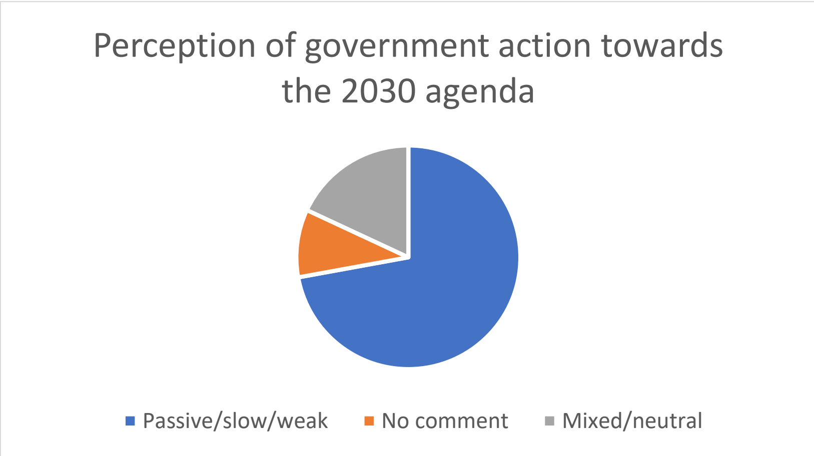
It also has a foundation, called *Fundación Luker,* with the goal of contributing to social development in the Colombian city of Manizales. Casa Luker's CSR strategy also entails several entrepreneurial projects like a cocoa promotion model for investors in order to motivate the cacao culture in Colombia or the organisation of cultural events for the youth, in which they learn to play instruments or sports, to motivate their spirits in their poor circumstances.

Appendix C. Other collected data

In this section all the data is covered that has been collected but didn't fit in chapter 5 or is not directly linked to answering the main research question.

C1. The role of the Colombian government

During the interviews the question was asked how 22 interviewed actors perceived the role of the Colombian government in realizing the SDGs. The answers can roughly be divided in three categories: the government is too passive, no outspoken opinion on the government's progress towards the SDGs or no comment.



What is interesting is that none of the interviewed actors had a dominantly positive opinion of the current behavior of the national government towards the SDGs, even the public bodies themselves. The majority of interviewed actors state that it's falling short, also being too passive or flexible when it comes to SDG implementation. Some actors state that the government is falling short towards SDG implementation in general, but that some bodies like the DNP have a positive track record.

How do the interviewed actors perceive the actions of the government towards CSR? Non-MNC actors state that in the realm of CSR the national government should be more strict and enforce more binding measurements as voluntary self-regulation falls short. On the other hand, MNCs state that yes, more mechanisms for compliance are needed but only up till the point that it doesn't affect the economic activity of the company.

The interpretations on how the behavior of the government should be towards the SDGs differs as well. In a general sense two types of responses arose from the interviews. The first is the government as a 'facilitator', a more passive role in which the government should address the awareness of the 2030 agenda and create platforms to exchange knowledge on how to act on them, but with limited mandate. The second one is the government is a more proactive role, in which it should push private sector actors more to take action on the SDGs.

Based on the interviews I have tried to collect information on how the government exactly anticipates on the SDGs. The central institution in charge of implementing the SDGs on a national scale appears to be DNP: it is by all the interviewed actors the only mentioned public body in correlation with the government's role concerning the SDGs. The lines of action of the DNP regarding the implementation of the SDGs consists of: integration with the PND, monitoring of progress on SDG realization through the Tracing and Evaluation of Public Policies Directorate, developing tools for SDG measurement and developing communication strategies on the SDGs including a web portal for citizens.

Apart from this the DNP is also pushing the creation of two CONPES documents specifically targeting SDG implementation. CONPES are *Consejos Nacionales de Políticas Económicas y Sociales*, or long-term economic and social policy frameworks, serving as the highest planning authorities for policy conduct. The first CONPES aims to create a strategy for non-public stakeholder involvement. To make this push political will in Congress is needed, and that's why the DNP is forming a cluster of politicians that will draw more attention to the 2030 agenda. The DNP is also involved in connecting the SDGs to other public strategies, like the Plan on Territorial Development. A public body created solely for the purpose of effective SDG implementation is the Inter-Institutional Commission, a hybrid institution entailing seven different public bodies that creates inter-ministerial agendas about the SDGs. The operational arm of the Inter-Institutional Commission is called the Technical Committee, which is in charge of linking the SDGs to already existing public priorities like the peace process or the PND. Although public bodies like the Ministry of Agriculture and the Ministry of Mining and Energy state that no ministry-specific agenda has been created yet on the SDGs, the Ministry of Environment does mention targets they are specifically oriented at the SDGs.

A broad base of literature identifies the possible challenges a national government has when it comes to involving the private sector in the realization of public development targets like the SDGs or other CSR-related themes. Specifically concerning the promotion of

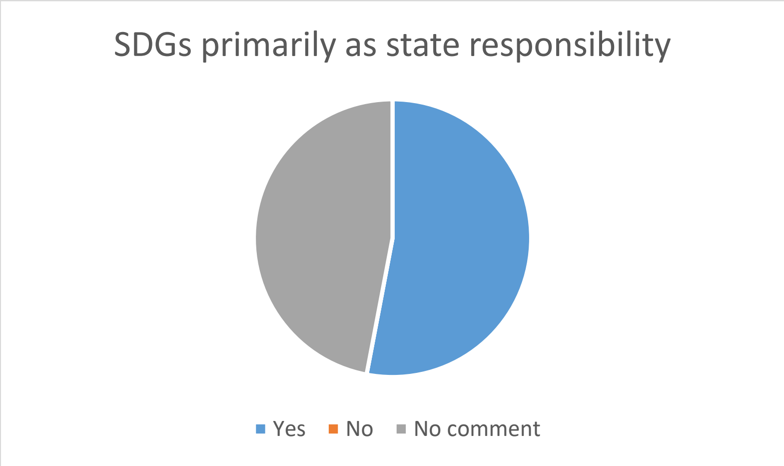
CSR practices in the private sector government involvement is considered to be relatively weak and not integrated into an encompassing government strategy (Baena,2009:2). To presume that this assumption is applicable to Colombia is however debated by the same author, as she states to have positive prospects for growing involvement of both the public and private sector in CSR practices (Baena,2009:2). Possibly the implementation of SDGs and the new national development agenda function as catalysts of this process. For the successful implementation of SDGs and the involvement of MNCs in this process through the realization of the DNP concerted government action is deemed crucial(OECD,2015:5). Weak institutional capacity towards development objectives further encompasses weak coordination between different national institutions, weak coordination between local and national institutions or the lack of budgetary frameworks for implementing policies(Sánchez et al, 2015:15). Another factor is quantity, distribution and qualification of civil servants that influences the quality of service delivery by the government. The quality of the public service delivered, in this case development goals, also depends on the level of corruption civil servants are dealing with. Furthermore public bodies need to have effective monitoring and evaluation systems in place, to check in what degree the SDG implementation actually delivered(Sánchez et al, 2015:37).Finally weak institutional capacity is also marked by poor possibilities for data collection and development, including weak statistical agencies.

Fukuda-Parr identified potential obstacles that could obstruct the implementation of SDGs as a result of pitfalls in public management. The first obstacle is selectivity, which means that some SDG goals and targets could be neglected the Colombian government in setting priorities in their public objectives within the PND (Fukuda-Parr,2016: 50) (Lucci, & Surasky, & Gamba,2015:3). The second one is simplification, which means that the carefully negotiated objectives of the 2030 agenda could be simplified and therefore reinterpreted in the implementation process, which could mean SDG adaption by companies under the wrong qualifiers. The third one is related to national adaption of the SDGs, which could potentially undermine the ambition of the SDGs as a result of their accommodation to the national context; Fukuda-Parr points out that this especially applies to political causes of poverty and inequality (Fukuda-Parr,2016: 50)(Sánchez et al, 2015:1). Most of these obstacles relate to the alignment of the SDGs with a country's national development agenda. According to Sanchez et al. there are three more dimensions of the role of national governments related to successful implementation, based on the experience with the MDGs. First national governments are crucial in conducting political leadership, which makes it possible to forge consensus among all actors involved that enable collaborative governance(Sánchez et al, 2015:3). Policy coherence is one aspect but it needs to be accompanied by a budgetary framework, fiscally enveloping the development objective(Sánchez et al, 2015:15). Second governments are responsible for legislative changes to facilitate adoption and implementation and third, they play a significant role in advocacy and consultation processes with stakeholders. These six factors could be pressing issues in the case of Colombia as the potential lack of institutional capacity is a widespread phenomenon in Latin America (Pratt and Fintel, 2002).

So based upon the obstacles that have been identified, what do the interviewed actors perceive as possible solutions for the national government and SDG implementation? According to both MNC as non-MNC actors what would be a useful approach towards the implementation of the SDGs regarding the private sector is the creation of a template or any other tool, with which companies could link and measure their CSR performance to SDG indicators. Non-MNC actors furthermore state that the government should focus on creating (financial) incentives for private sector actors to engage with the 2030 agenda. Another suggestion, by both MNC as non-MNC actors, is that the already existing multi-stakeholder platforms can be used to share knowledge on the SDGs as well.

It was also noted during the interviews that opinions differ on how the share should be regarding the public or private sector responsibility towards the realization of the SDGs.
Non-MNC actors state that in the first place, the 2030 agenda is a public agenda and therefore the prime responsibility to accomplish it is with the government. As stated by a non-MNC actor, the initiative is also with the government when it comes to triggering the private sector to anticipate on the SDGs. The Ministry of Agriculture stated that the MNCs have an important role in the realization of the SDGs. A non-MNC actor had a different observation, in which it stated that the initiative to take action on the SDGs should in the first place be with the government in the case the voluntary commitment of companies falls short: in a non-binding environment this is the only way to create balance in a 'shared responsibility' between government and private sector actors.

To 15 actors related to the coffee sector was asked if they perceive the SDGs in the first place as a state responsibility. The majority stated that this was indeed the case. A significant amount of respondents did not have an outspoken judgement on this topic, as their answers were generally more orientated towards seeking a balance between public and private sector responsibilities in the 2030 agenda.



In the case of the extractive sector, MNCs consider the government as the primary actor to take responsibility regarding the implementation of the SDGs, before the private sector should take action. This sense of responsibility can take different forms, from creating (financial) incentives to persuade the private sector to engage in the SDGs to more knowledge-sharing on the topic, according to non-MNCs.

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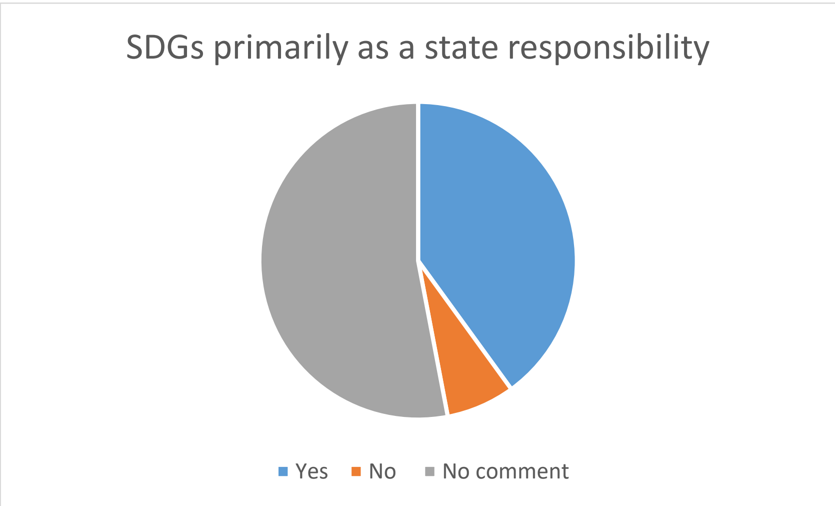


C2. CSR in Colombia's coffee and extractive sector

The consequence of CSR being a concept fueled by predominantly European and American influences means that when applying it to Latin America, the implications are rather solely adoption than adjustment of CSR to local circumstances(Kolk, 2016:23)(Lindgreen et al, 2010:229)(Peinado-Vara,2006:63). On the contrary, a more universal argument exists that the cultural context of a company determines what is required and expected of organizations regarding ethical and economic concerns(Lindgreen et al, 2010:229). To this regard it is important to mention that companies often have a social responsibility to fulfill needs that governments cannot or will not in the realm of development issues (Lindgreen et al, 2010:237). In Colombia this culture has caused a long history of philanthropy by the private sector.

A holistic national CSR strategy by the Colombian government seems absent, as the responsibility to advocate several aspects of CSR is spread across different public bodies(Jansen & Veeneman, 2016:7). An example of this is Colombia's National Action Plan on Human Rights and Business, launched in 2015 and managed by an institution called the Presidential Office for Human Rights(Jansen & Veeneman, 2016:7). CSR promotion in Colombia is furthermore pushed by alignment with 19 UN Conventions, 11 regional conventions stemming from the Organization of American States(OAS) and 12 conventions from the International Labor Organization(ILO)(FIP,2016:14). A wide range of other public CSR initiatives exist, among others the Colombia Network against Child Labor in collaboration with 14 companies or the National Strategy to Fight Against Human Trafficking (2016-2018) (FIP, 2016:43). ANDI also plays a role in pushing CSR strategies through its foundation, that supports affiliated companies making CSR-related investments and the '*ANDI del Futuro'* programme, which has the goal of promoting youth entrepreneurship with a strong socioeconomic angle

On the private sector side many CSR initiatives exist as well, like Ecopetrol's Community Committee to identify and address labor harassment issues, Casa Luker's agroforestry system investment for the community development of Necoclí or Repsol's Communities Benefits Program for supporting the Wayuu people in the Guajira *departamento*.

Within the Colombian context it becomes clear that the implications of the post-conflict peace process and CSR performance are inextricably linked. This is put forward in, for example, Nespresso's release of the *Aurora de la Paz* coffee that has its origins in a former war zone and its production is linked to the AAA Sustainability Quality program(Nespresso,2017:5). In the collected data the link between post-conflict challenges and CSR activities and investments was a common theme among the interviewed actors: the majority of the interviewed MNCs anticipates on this link.

MNCs that link their CSR performance to the peace process.
Sources: Almeida,I.(2017), APC(2017), Ecopetrol(2017), Grupo Prodeco (2017), Repsol(2017)

A common theme regarding the origin of the national CSR strategy for MNCs in both cases is its alignment with the lines of action on CSR that are being coordinated on a global level by headquarters. This also implies for MNCs that the adoption of the SDGs on a national level is dependent upon the global decision by headquarters to anticipate.

In the interviews with actors from both cases certain factors were identified that are regarded as obstacles for the successful realization of CSR-related initiatives.

Table XVIII: Obstacles for CSR performance in both cases

Obstacle	Explanation
Mismatch on offer and demand	General disconnect between policies on the national and subnational level, which creates a mismatch between demands that local communities have and offer in terms of CSR-related efforts. Moreover, a lack of context- and region- specific knowledge exists(non-MNC).
Peace process as impediment	The implications of the peace deal is an impeding factor to push for CSR initiatives as Colombian society is highly polarized about the peace conditions, leading to fragmentation in political leadership to push for new legislation(non-MNC).

Lack of legal enforcement of CSR	Weak enforcement of laws and regulations related to CSR. A common critique expressed is that many of CSR initiatives are only based on voluntary commitment of businesses and lack any legislative framework (non-MNC).

CSR, as a concept, has been introduced to better understand boundaries of corporate involvement in society and its focus is on how corporations contribute to more sustainable development at different geographical scales(Barton,2010: 2). Ideas on business ethics were linked with existing strategies of workers groups within business social and environmental responsibility activities, which resulted in early environmental certifications for corporations on themes like worker safety, local community impact and human rights(Jenkins,2002:6). In Latin America, corporate ethics emerged in response to economic crises in Argentina and Peru and social crises in Colombia and Brazil(Gutiérrez & Jones,2004).

The concept of CSR seems to suffer from several intrinsic constraints. An Achilles heel is that empirics have shown that it is difficult to quantify CSR practices. As Fombrun et al. stresses: “Without numbers, many firms may not see the link between citizenship and profitability, and thus may underinvest in citizenship”(Fombrun et al,2000:102). On top of this CSR as a concept also seems to suffer from lacking monitoring- and evaluation mechanisms, which makes it harder to sell to companies(Barton, 2010:3). Baena, in her research on CSR practices in Colombia, furthermore mentions the mismatch between the intentions stated in the companies’ CSR strategy and its anticipated impact on ‘society’ (Baena,2009:1). This affects the legitimacy of CSR as a tool since it may have long-term implications but no immediate results for the population it’s targeted at. Then there is a consideration that the outcome of companies’ CSR strategies may do more harm than good, again as a result of a mismatch between expectations and the reality of societal needs(Baena,2009:1). Finally CSR is suffering from epistemological confusion as mentioned in paragraph 4.3. A certain trend can now be seen in which the different (sub) concepts addressing CSR are used interchangeably because they all seem to refer to the ethical, environmental and/ or social discussions on how a business operates(Kolk, 2016:24)

C3. Multinational corporations' behaviour towards the SDGs

Different actors mention different advantages regarding the adoption or implementation of the SDGs. Repsol notes that because the SDGs are so specific, they are easy to operationalize. Repsol also notes that the character of the SDGs is so universal that they can be applied everywhere, anytime. The broadness of the SDGs also makes it easier for companies to adopt them into existing CSR strategies, Ecopetrol notes.

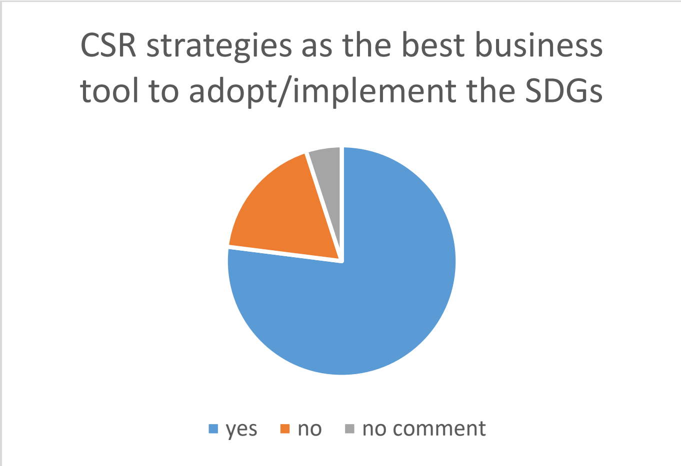
The mentioned critique, in terms of disadvantages concerning the adoption/ implementation and the nature of the SDGs, is however more extensive.

Table XIX: Critique on the SDGs and/or its adoption/implementation

Critique	Explanation
Wideness	Because SDGs are so broadly defined they are harder to measure and hard to materialize(both MNC and non-MNC).
Too abstract	The SDGs are considered as 'too abstract' for the small scale farmer that ought to deal with them in everyday business(non-MNC).
Quantity forces prioritization	The SDGs imply too many objectives which makes it impossible to prioritize. The quantity of the SDGs also makes it necessary to prioritize because the agenda as a whole is simply too ambitious (both MNC and non-MNC).
Measurability of impact	Various actors mention the difficulty to measure the impact of the SDGs(both MNC and non-MNC).
Unknown	The agenda has only been launched since 2015 and thus it is still a relatively new and unknown concept among businesses (non-MNC).
Competition with other agendas	Because of priority-setting of topics within the organization, one actor states that supporting the adoption of SDGs is not regarded as relevant as, for example, attributing to the country's macroeconomic stability and/or the peace process(non-MNC).
Lack of added value	The 2030 agenda is not regarded as a catalyst for CSR-related investments because to this regard, the SDGs lack 'added value'. A similar argument is mentioned, that states that companies possibly don't showcase their anticipation on the SDGs because they don't see the extra benefit(non-MNC).
SDG adoption/implementati on doesn't thrive with	Impact of SDG adoption can be only be observed on the medium- and long term. The problem in Colombia, however, is that businesses tend to think prefer to think in short-term profit instead of long-term impact (non-MNC).

short-term profit thinking	
Risk of becoming 'support area'	The decision for MNCs to adopt SDGs also depends on the leadership structure, deciding if SDGs remain a 'support area' or will reach the board of directors(non-MNC).
SDGs stem from CSR, not the other way around	One non-MNC actor mentioned that they will not adopt the SDGs because the 2030 agenda came into existence, but because the SDG targets naturally stem from the CSR activities the organization was already undertaking. The causal relation is thus that SDGs flow from CSR and not the other way around(non-MNC).
Lack of legal enforcement of SDGs	The effectiveness of the SDGs is constrained by the voluntary nature of the agenda, which makes companies feel less pressured to take action(non-MNC).
Colombia's political context as impediment	Political will is considered as an impeding factor for pushing the SDGs, as the Colombian political arena right now is highly polarized as a result of the conditions under which the peace deal has been closed.
SMEs as impediment	The biggest challenge for SDG adoption lies not in the hands of MNCs but in those of SMEs. This is highly relevant within the Colombian context as they make up for 80% of all jobs in the private sector. The problem one actor perceives is that its focus regarding SDG implementation is cooperation with MNCs(non-MNC).
Approval by headquarters	What seems to be a common binding mechanism for MNCs is that, if they are motivated to adopt the SDGs on a national level, the decision to do so is dependent on approval by headquarters. Because the SDGs are a global voluntary regulatory program, it needs to be integrated on an international scale for the companies as well and cannot be confined to solely one country in which it is operating. (both MNC and non-MNC).

22 interviewed actors were asked if they share the idea that CSR strategies are the best business tool to adopt or implement the SDGs.



An overwhelming majority of interviewees stated that indeed the best way to adopt the SDGs is through already existing CSR projects or overall strategies. Other actors have expressed critique towards the idea as well, stating that multi-party collaboration and external pressure are more relevant to make companies adopt the SDGs.

A breakthrough in designating the role of the private sector in contributing to development goals came with the so-called Monterrey Consensus in 2002, the result of the first UN International Conference on Financing for Development in which UN member states, multilateral organizations, civil society and business leaders gathered to discuss international development cooperation. This document contains a central notion that private investment underpins all national and international development efforts and this leading task for business was reemphasized during the follow-up 2008 Doha and 2015 Addis Adaba conferences(UN, 2003:9).

An important consideration when analyzing the CSR performance of MNCs are the basic economic factors of the company to conduct such an endeavor(Campbell,2007: 948). This factor includes the general financial condition of the firm, the health of the economy and the level of competition the firm faces. These are highly relevant factors not to be underestimated because, for example, in an economic climate where inflation is high and customer confidence is weak companies will be less inclined to spend on CSR strategies. Colombia, in recent history, has more than once suffered from such an economic climate.
Another factor that can influence CSR performance of is weaker corporate governance of the firm (Chong et al.,2003). Within the context of Colombia it is important to note that the prevalence of corruption has a high impact good corporate governance(Jansen & Veeneman, 2016:19). To that regard a track record exists of MNCs operating in various

sectors in Colombia that have been proven guilty of corruption. A prominent example is the case of Chiquita that financially supported left-wing guerrilla and right wing paramilitaries from 1989 to 2004 to engage in terrorist activity(Maurer, 2009: 597).

C4. SDGs in Colombia's coffee and extractive sector

Within the broad spectrum of initiatives promoting CSR in Colombia's private sector, some have linked their strategy directly to SDG compliance: a good example is the UN Global Compact. They support both public and private efforts to realize the SDGs, for example in terms of supporting the DNP on Colombia's presentation regarding SDG progress for the 2018 UN High Level Political Forum. Both GRI and the Global Compact collaborated to create the so-called 'SDG Compass', a guide with the purpose of aligning the companies' business strategies with SDG adoption(GRI, 2015). On behalf of UN apparatus the Business Call to Action platform was launched, which is a worldwide alliance of companies that have committed themselves to the SDGs: on the national level Colombian companies can be found as well that are part of this platform. Furthermore some initiatives are being prepared to be launched that are specifically targeting the implementation of the SDGs. One of these is a multi-stakeholder platform being set up by the UNDP or a multi-actor platform by the DNP. The Ministry of Environment refers to workshops being held in Medellin on the topic.

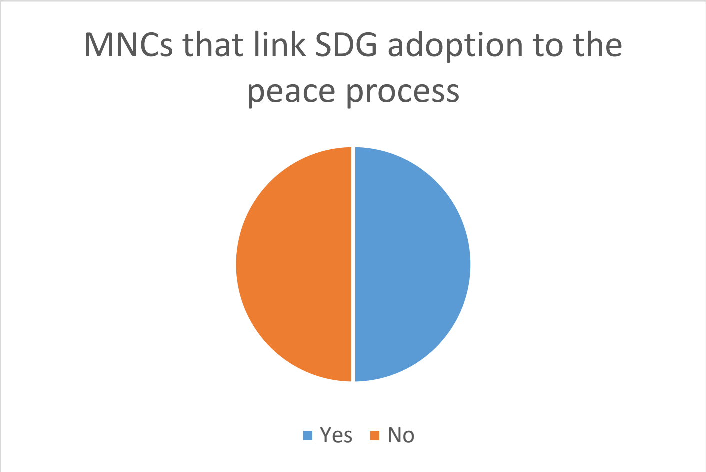
On a regional level certain sector-crossing CSR initiatives exist as well, that are directly linked to the SDGs. An example is the regional collaborative governance initiative *Antioquia Sostenible,* consisting of two universities, a business association, a think tank, an NGO and a consultancy that together promote the SDGs in the *departamento* Antioquia(Proantioquia,2017). An equivalent for the *departamento* Valle del Cauca is *Valle por y para Todos*, consisting of 23 companies(El Tiempo, 2016).

A strong link exists between the post-conflict peace process and the SDGs: as Transparency International points out, the peace process offers a window to figure out where social and environmental investments are needed most, identified with the SDGs. ANDI also mentions that, because of the peace process Colombia is 'reinventing itself' and this process will certainly contribute to the realization of the SDGs. At the same time, the peace process is also regarded as an obstacle meaning that SDGs could also be put aside for other public objectives.

- *"First there is the national flag and then come the Sustainable Development Goals."*-

Vice-President Juridical Affairs, ANDI

GRI spoke of a 'favourable momentum' for the SDGs as a means of communication between public and private sector about the same issues. Of the interviewed MNCs, only half associate SDG adoption directly with the peace process.



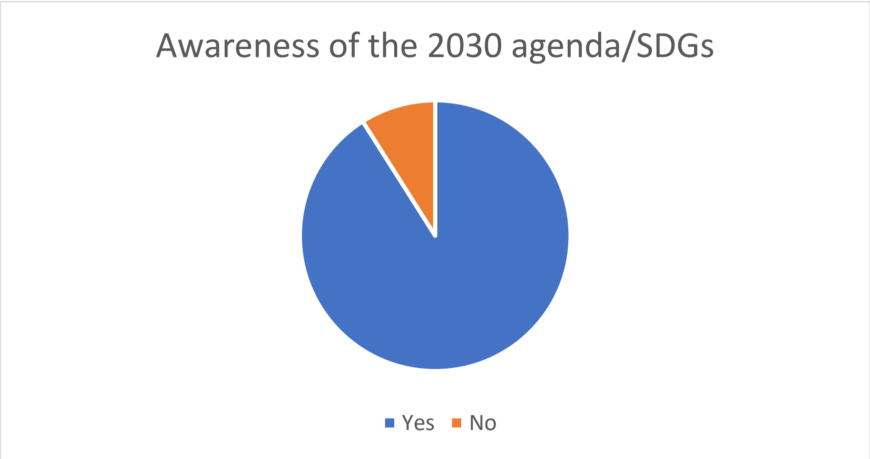
MNCs that link SDG adoption to the peace process.

Sources:(Grupo Prodeco,2017:160), (Repsol,2017: 6), (Nespresso,2017:30)

- *"Many of the SDGs look like they are written for Colombia when one, for example, talks about peace."*-

Head of Sustainability, Glencore Colombia(Grupo Prodeco)

In 22 interviews was asked if these actors were aware of the existence of the SDGs.



A great majority of the respondents had at least some knowledge of what the SDGs are. The majority of the interviewed MNCs, 5 out of 6, state that they are aware of the existence of the SDGs.

The SDGs as a mechanism is not a stand-alone effort but builds upon a development underway since 1992 to mobilize the international community to confront complex global challenges. In 1992 the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil, took place in which was decided that sustainable development would be the right pathway to tackle these challenges(UN,2014:A/69/700). Follow this so-called 'Earth Summit' the MDGs were launched in 2000, expressing a desire to tackle global challenges by taking not only multilateral action but also mobilizing actors from all segments of society, from civil society to the private sector.

That private sector involvement in accomplishing the SDGs is necessary becomes clear from different strands of literature. For example, Kharas & McArthur point out that with official development aid(ODA) only, financial meets would not be met(Kharas& McArthur, 2014:1). Hence the aim should be to convince companies that a combination of private profits and CSR management is possible to attain the SDGs. Others state that a general trend can be perceived of increasing scarcity of public budgets, which in itself creates higher expectations for the private sector(Jacquet, 2016:90).

Although the SDGs seem to have the potential to address many complex social, economic and environmental challenges, they are also a subject of criticism in terms of their effectiveness. Various factors contribute to this cynicism. First, there might arise a gap between what companies state to adopt and the actual behavioral changes they make to adopt, but is this problem intrinsic to the SDGs or more a case of lack of norm-based compliance? Can this problem be derived back to the notion that SDGs are hard to quantify or poorly measurable? Hák et al. points out that lack of compliance with the SDGs could derive from the fact that some targets are simply non-quantified(Hák et al, 2016:567). Another factor stated is the poor alignment between the SDGs and other international agreements(Hák et al, 2016:567).

The DNP regards the voluntary involvement of SMEs as an important challenge for the successful realization of the SDGs. As this class of companies is key to Colombia's GDP(see chapter 4) it needs a designated strategy to target their willingness to contribute to the

2030 agenda. Also, as the Ministry of Environment notes, SMEs have generally more alignment issues than MNCs because they are less monitored, and this specifically goes for the extractive sector.

C5. The role of the National Development Agenda

The PND was drafted by the government of Juan Manuel Santos, the current president of Colombia, with the aim to serve as a legal tool for monitoring delivery on the country's medium-term goals, long-term objectives and guidelines for economic, social and environmental policy that the government will adopt.

Colombia's national development agenda is organised in a distinct way. The PND consists of three pillars, namely *Paz*(Peace) related to the process towards a peace settlement with the FARC, an internal conflict the country has been suffering from since the early 1960s(Financial Times,2013:18). The other two pillars are *Equidad*(fairness) addressing social inequality as a main concern and *Educación* (education) addressing better quality of education to foster human capital that will ultimately lead to higher economic growth(PND,2015:1). In order to realize these pillars, five cross-sectoral strategies have been outlined, namely 'strategic competitiveness and infrastructure', 'social mobility', 'transformation of rural areas', 'good governance' and 'security and justice for peace-building'. Furthermore, the realization of the three pillars with the five strategies needs to be guided by green growth.

How is the launch of this PND related to the realization of the SDGs? In order to accomplish the 2030 agenda the government created new public bodies to coordinate the implementation. After the establishment of the SDG Open Working Group in June 2014, the Colombian DNP was created against the backdrop of the SDG agenda with the intention to convert SDGs into concrete actions by 2018. Once the SDGs were incorporated into the DNP, institutions had to be created to coordinate stakeholders and sectors and execute policies related to SDG implementation. In February 2015 President Santos issued a decree to establish the High Level Inter-Institutional Commission or Inter-Agency Commission, a cooperation between seven governmental institutions to coordinate successful SDG implementation (Espey,2015). On top of that a Technical Committee was established, consisting of five cross-sectional working groups with the purpose of exchanging strategies between public and non-public stakeholders on how to realize the SDGs.

Appendix D. Interrelatedness variables selected theories

Table XX:Interrelatedness variables Fombrun et al. 's stakeholder management theory

	Corporate citizenship programs	**SDG adoption**	**Reputational capital**	**Stakeholder groups**	**Reputational implications of stakeholder groups/bi-directional risks**	**Creating 'safety nets'**	**Creating 'opportunity platforms'**
Corporate citizenship programs	X	The incorporation of SDG indicators in a company's corporate citizenship program	Corporate citizenship programs built reputational capital for companies	A main reason for companies to have corporate citizenship programs is to build relations with its stakeholder community	Corporate citizenship programs can generate reputational capital, with which bi-directional risks can be managed	The company uses corporate citizenship programs as a buffer against potential reputational losses	The company uses corporate citizenship programs as a stepping stone towards future business opportunities and thus reputational gains
SDG adoption	The most feasible way SDGs will be adopted by MNCs is by incorporating them into their corporate citizenship programs	X	Adopting SDGs gives MNCs more potential to attract reputational capital	The adoption of SDGs by a company will most certainly have positive repercussions for the relationship the company has with its stakeholder community	A company's awareness that SDG adoption might influence reputational gains or losses from stakeholders	The company makes SDGs part of its corporate citizenship program as a buffer against potential reputational losses	The company makes SDGs part of its corporate citizenship program because it creates stepping stones towards future business opportunities
Reputational capital	Reputational capital is the output of corporate citizenship programs	By adopting SDGs, companies create the potential to attract more reputational capital and not less	X	Reputational capital can be 'spend' by companies to manage relations with stakeholder groups	Reputational capital can be used by companies to manage bi-directional risks	Only with reputational capital, gained from corporate citizenship programs, can a company build 'safety nets'	Only with reputational capital, gained from corporate citizenship programs, can a company build 'opportunity platforms'
Stakeholder groups	Corporate citizenship programs function as a tool for companies to connect with	The incorporation of SDGs into a company's corporate citizenship program can have an effect on its	Stakeholder groups affect the amount of reputational capital a company can gain or lose via corporate	X	Stakeholder groups 'control' the bi-directional risks a company faces	Stakeholder groups can cause a company to build 'safety nets' as a result of reputational risk	Stakeholder groups can cause a company to build 'opportunity platforms' as a result of

	stakeholder groups	management with stakeholder groups	citizenship programs				reputational risk
Reputational implications of stakeholder groups/bi-directional risks	Bi-directional risks are a result of companies engaging with stakeholder groups via corporate citizenship programs	The incorporation of SDGs into a company's corporate citizenship program can have an effect on the bi-directional risks its facing	Reputational capital 'spend' by companies has an effect on the bi-directional risks its facing because of its relationship with the stakeholder community	Stakeholder groups create bi-directional risks in their relationship with the company	X	Bi-directional risks can both be a cause or a consequence of companies building 'safety nets'	Bi-directional risks can both be a cause or a consequence of companies building 'opportunity platforms'
Creating 'safety nets'	Companies generate reputational capital via corporate citizenship programs which they can use to build 'safety nets'	Incorporating SDGs into corporate citizenship programs might be a tool for companies to create or strengthen their 'safety nets'	Reputational capital allows a company to create 'safety nets'	Stakeholder groups are the prime reason for a company to face a reputational loss, which requires a 'safety net' to mitigate the damage	Bi-directional risks can cause a company to aim for the creation of a 'safety net'	X	If a company is not aiming to build a buffer against possible reputational losses, it can spend reputational capital to build 'opportunity platforms'
Creating 'opportunity platforms'	Companies generate reputational capital via corporate citizenship programs which they can use to build 'opportunity platforms'	Incorporating SDGs into corporate citizenship programs might be a tool for companies to create or strengthen their 'opportunity platforms'	Reputational capital allows a company to create 'opportunity platforms'	Stakeholder groups are the prime reason for a company to acquire reputational gains, which is strengthened by building an 'opportunity platform'	Bi-directional risks can cause a company to aim for the creation of an 'opportunity platform'	If a company is not aiming to invest in possible reputational gains, it can spend reputational capital to build 'safety nets'	X

Table XXI:Interrelatedness variables Campbell's principle of public responsibility theory

	Institutional environment	SDG adoption	Strong institutional conditions	Weak institutional conditions
Institutional environment	X	The institutional environment of a company is pivotal in making it decide to adopt SDGs or not	If the institutional environment of a company consists of strong institutional conditions, companies will feel encouraged or impeded to pursue CSR activities	If the institutional environment of a company consists of weak institutional conditions, companies will feel encouraged or impeded to pursue CSR activities
SDG adoption	The institutional environment of a company is pivotal in making it decide to adopt SDGs or not	X	In an environment consisting of strong institutional conditions, companies will be more likely or less likely to adopt SDGs	In an environment consisting of weak institutional conditions, companies will be more likely or less likely to adopt SDGs
Strong institutional conditions	If a company perceives its institutional environment as encouraging or impeding CSR performance because it consists of strong state regulation, collective industrial self-regulation, monitoring NGOs, a normative institutional environment that encourages socially responsible behavior, membership of industrial/employee organizations and institutionalized dialogue with stakeholders	If a company perceives its institutional environment as encouraging or impeding SDG adoption because it consists of strong state regulation, collective industrial self-regulation, monitoring NGOs, a normative institutional environment that encourages socially responsible behavior, membership of industrial/employee organizations and institutionalized dialogue with stakeholders	X	A company perceives either impediments or incentives to pursue CSR performance in an institutional environment that either consists of weak or strong institutional conditions

Weak institutional conditions	If a company perceives its institutional environment as encouraging or impeding CSR performance because it consists of weak state regulation, lack of collective industrial self-regulation, weak monitoring NGOs, a normative institutional environment that doesn't encourage socially responsible behavior, no membership of industrial/employee organizations and no institutionalized dialogue with stakeholders	If a company perceives its institutional environment as encouraging or impeding SDG adoption because it consists of weak state regulation, lack of collective industrial self-regulation, weak monitoring NGOs, a normative institutional environment that doesn't encourage socially responsible behavior, no membership of industrial/employee organizations and no institutionalized dialogue with stakeholders	A company perceives incentives to pursue CSR performance in an institutional environment that either consists of weak or strong institutional conditions	X