

Investing Together in a Just World without Poverty

Oxfam Novib in co-operation with the private sector



From local to global in our fight against poverty

Around the world 2 billion people live in poverty. That is not acceptable to Oxfam Novib. We want to empower people to build an independent livelihood without poverty. We believe this is possible, because the most important cause of poverty is injustice.

People do not only cause injustice; people can also put a stop to injustice. This is what we fight for. Each person is entitled to a fair income, food, healthcare, education and a safe life.

We believe in people's power. For us poverty eradication and development work starts with supporting projects of local partners. But our partners alone cannot end poverty. Governments, the private sector and citizens have to contribute as well.

With this in mind we advocate with governments and companies to consider the interests of the poorest people. We may also campaign publicly to push them into the right direction. We also work in partnerships with companies, using each other's strengths to realise a just world, without poverty.

Code of conduct for cooperation with companies

We have drawn up a code of conduct for cooperation between companies and development organizations.

This code of conduct is based on the following principles:

- we assume that there is mutual respect for each other's mission and role
- mutual trust without hidden interests is essential; both parties commit themselves to using their money, manpower, knowledge, networks, etc. for the purpose
- we expect transparency from companies, and we will offer the same in return
- we always want to enter into a dialogue with companies; if we nevertheless deem it necessary that we have to confront a company publicly because of its policies or actions, it will always be notified in advance
- if we start to cooperate with a company formally, we would like to lay down the details in an agreement which defines the shared vision about the end result to be achieved, as well as the mutual responsibilities.

We have more than fifty years of experience of working in developing countries. We have been part of the International Confederation Oxfam since it was formed in 1994. This partnership of fourteen international organisations is generally respected as a partner for governments and the private sector. Again, this is based on the idea that together we stand stronger in the fight against poverty.

The Oxfams share a joint mission; together we can have more impact, and will have more chance that our voice and those of our partners are heard. All Oxfams work towards achieving five basic rights, which are closely linked:

- * the right to a sustainable livelihood
- * the right to basic social services
- * the right to life and security
- * the right to be heard
- * the right to identity

The key to development

Companies are the engine behind the economy, and therefore hold the key to development. Development is blocked when companies decide to work purely for their own profit and lose sight of their social responsibility.

The policies and practices of companies should not impact negatively on the livelihoods of people living in poverty, and should not be at the expense of human rights or the environment.

We therefore choose to engage with companies, for instance about their roles and responsibilities in international production chains, or to explore collaboration with us in development projects.



We focus our private sector work around three themes:

On the following pages we will explain how we work on these themes with the private sector, governments and institutions.

Fair coffee

Coffee has been the symbol of the fight for fair trade for forty years. Oxfam Novib was one of the co-founders of the Dutch Coffee Coalition in 2003. This platform of trade unions and social movements fought for better working and living conditions in the coffee sector. After five successful years it was decided to extend the field of operations to tea and cacao, under a new name: the Dutch Tropical Commodity Coalition.

Small coffee farmers receiving too low a price for their coffee; child labour on plantations; coffee pickers working for subsistence wages, usually without any labour rights; exposure to pesticides that are bad for people and the environment. In 2003 the Coffee Coalition conducted a public campaign to make coffee roasters, including coffee giant Douwe Egberts, accept their responsibility for these bad conditions in the coffee sector.

Oxfam Novib works on empowering local producers' organisations in production countries, enabling them to stand up for their rights and interests by themselves. It is now also part of an international Roundtable, the 4C Association with all the stakeholders in the coffee industry, thus bringing a level playing field for all parties a step closer.

By 2009, 25 % of all coffee sold in the Netherlands was produced sustainably. Globally, the percentage reached 5 %. In November 2010, the members of the Dutch Royal Association for Coffee and Tea committed publicly to increase sustainable coffee from one-quarter to three-quarters in the Dutch market by 2015. This made the Dutch coffee market a global front runner.



Green Santa¹ persuades retailers

From 2012 only Fair Trade, sustainably produced chocolate letters – a traditional gift at Dutch 'Sinterklaas' celebrations - will be for sale in the Netherlands. In March 2010 the Minister of Agriculture, cacao traders, chocolate makers, supermarkets, Oxfam Novib and other civil society organisations signed a statement of intent to that effect. This statement was a direct consequence of Oxfam Novib's Green Santa campaign in 2009.

More than 100,000 Dutch men and women supported Green Santa in his fight against unsustainable chocolate letters. The goal was to allow small cacao farmers to earn a better price for their products in better working conditions. The campaign was a big success: at the end of 2009 seven retail chains decided to change their purchasing policies for chocolate in 2010. Hundreds of thousands of cacao farmers and their families will benefit from this.

The Green Santa campaign and its success did not happen out of the blue. We have been working towards more justice in the cacao chain since 2003. We do this, among others, in consultation with our partners in the production countries and with chocolate makers. Together with Tony Chocolonely we are studying how the trade chain can be organised such that cacao farmers earn a better income. We also want to make the role of women in the production process more visible, so they can improve their position.

Over the past seven years Oxfam Novib has been working towards sustainable cacao production together with its partners in Ivory Coast, Ghana, Peru and Brazil, with large international cacao companies such as Mars and Cargill and in the Netherlands, with Verkade and the government.



¹Sinterklaas is the Dutch equivalent of Santa Claus, but happens on December 5, and is focused on children. Chocolate letters are a traditional gift.

Money must roll - but into the right direction

Money keeps the economy moving. It is usually the banks that decide where the money goes to. They therefore have a lot of social responsibility. Together with banks and other financial institutions we are committed to ensuring that this money is invested as responsibly as possible. We do this by means of company partnerships and the Fair Bank Guide.



An example of a company partnership is our collaboration with ASN Bank. Together we have set up, among others, the ASN-Novib Fund. This fund invests in microfinance institutions in developing countries, where the poorest people can also qualify for a loan for starting a small business or other enterprise. Triple Jump manages the ASN-Novib Fund and the Oxfam Novib Fund, and it invests in development.

One bank pays more attention to the impact of its investments than the other. Banks finance carbon intensive energy, arms supplies, or unsustainable logging of tropical forests - often without the consumer being aware of this. Together with Amnesty International, Friends of the Earth Netherlands and FNV (Federation of Dutch Trade Unions), we have developed the Fair Bank Guide. In 2010 Dierenbescherming, the Dutch RSPCA, also joined the initiative. Via a website, customers can monitor how their bank goes about its business. When unhappy, they can demand that their bank pursues a more socially responsible policy, or they can even change bank. The result two years later: all 13 banks have produced stricter social and environmental policies.

At this moment we are supporting our partners in the South to develop their own Fair Bank Guides. Brasil will be the first to have a launch at the beginning of 2011.

A win-win-win situation

Since March 2010 Oxfam Novib has been working with the Swedish Svenska Cellulosa Aktiebolaget (SCA). This multinational is known in the Netherlands for its hygiene products, such as Libresse, Edet and Tork. In its campaigns around these brands SCA is supporting education projects of partners of Oxfam Novib in South Sudan and Niger.



SCA has built a good reputation in corporate social responsibility. In 2008 the World Wide Fund for Nature declared the paper company the most environmentally friendly tissue manufacturer in the world. In its collaboration with Oxfam Novib SCA takes this a step further and contributes to the goal of ensuring that all children go to school by 2015.

This co-operation has advantages for all those involved. We help SCA with our knowledge, experience and contacts in developing countries; SCA helps us with its marketing expertise and finances. And ultimately many children, mainly girls, in South Sudan and Niger will benefit from this. They get the opportunity to go to school in proper hygienic conditions and so lay the basis for an independent livelihood without poverty.

Sources of hunger and conflict



Aquaculture

Aquaculture, which is expanding rapidly in developing countries, is one of those threats. It has a negative impact on fishing rights and on the opportunities for building a livelihood from fishing. This form of agriculture often also threatens other livelihoods of people living on coasts. Nevertheless, aquaculture also offers opportunities for alternative and new forms of income. We are therefore talking with the aquaculture sector to discuss its negative impact, and to find solutions together with them and with governments.

Sustainable palm oil

Palm oil occurs in about half of all packaged products. It is also used ever more often as a raw material for biodiesel and for generating green energy. However, the large-scale production often takes place at the expense of people and the environment: forests are felled and people are driven from their land to make way for new plantations.



Oxfam Novib is on the board of the Roundtable on Sustainable Palm Oil (RSPO). In this Roundtable we work with plantation owners, manufacturers, retailers, banks and other social organisations on drawing up standards for the sustainable production of palm oil. In doing so, we communicate the voice of small farmers, farm labourers and local communities.

Palm oil is an important product for Dutch industry. The port of Rotterdam is the biggest importer of palm oil and worldwide the Netherlands is in the top 3 of processors of this raw material. At the end of 2008 the world's first cargo of certified palm oil arrived in the port of Rotterdam. This was a milestone for RSPO.

Late 2010 there was further cause for celebration when the certified volume had doubled compared to the year before, and the share that reached the market had also risen from 27% to 56%.

In that same year the Dutch sector organisations targetted the use of 100% sustainable palm oil in 2015. And this has brought RSPO's objective for a global turn to a sustainable production and use of palm oil a step closer.

Insurance against natural disasters

A failed harvest is a disaster in itself. But for a small farmer in India it often means the end of his business. And climate change only raises the risks for farmers. DHAN Foundation has therefore developed micro-insurance policies for these people.

DHAN, a partner of Oxfam Novib, sought professional support for setting up its insurance scheme. With our mediation the organisation established contact with the insurer Eureko, Achmea's parent company. Eureko advises and assists DHAN, as a result of which the partner now not only offers life, disability and pension insurance, but also livestock and crop insurance.

Thanks to these products, 700,000 families are now no longer reduced to extreme poverty when a natural disaster occurs; instead, they are ensured of a better livelihood.

One of DHAN's programmes is aimed specifically at women. The programme is based on the idea that local financial institutions managed by women are an effective strategy for improving the situation of women living in poverty.



For further information about the opportunities of working with Oxfam Novib, please call Oxfam Novib on the general number. You will then be put through to a member of our Private Sector Team

Colophon

Oxfam Novib
Mauritskade 9
P.O. Box 30919
2500 GX The Hague
Telephone: +31 70-3421621

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