MULTI-STAKEHOLDER ENGAGEMENT IN AGRIBUSINESS SECTORS:
OXFAM'S EXPERIENCES, PROGRESS TO DATE AND REFLECTIONS ON THE FUTURE.

OXFAM
Novib

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ABBREVIATIONS

4C	4C Association (Common Code for the Coffee Community)
ASC	Aquaculture Stewardship Council
ETP	The Ethical Tea Partnership
ESIA	Environmental and Social Impact Assessment
IDH	The Sustainable Trade Initiative
ICCO	International Cocoa Organization
IUCN	International Union for Conservation of Nature
KIARA	The People's Coalition for Fisheries Justice (Indonesia)
MSI	Multi-Stakeholder Initiative
RSCE	Roundtable on a Sustainable Cocoa Economy
RSPO	Roundtable on Sustainable Palm Oil
RTRS	Round Table on Responsible Soy
ShAD	Shrimp Agriculture Dialogue
SIA	Social Impact Assessment
WWF	World Wide Fund for Nature

EXECUTIVE SUMMARY

Oxfam Novib has spent nearly a decade engaging in a variety of multi-stakeholder approaches in agribusiness sectors, including active participation on behalf of Oxfam, the international confederation, in global roundtables and other institutionalized Multi-Stakeholder Initiatives (MSIs). MSI engagements have been driven in part by Oxfam's belief in the need for systemic change, which can only happen if the main stakeholders in a sector work together with shared understanding of issues and with common purpose to achieve clearly articulated social, environmental and economic outcomes."Oxfam has been approached to participate in MSIs as a representative social NGO because of the power of the Oxfam brand, its wide network of local partner organizations rooted in concerned communities, as well as the organization's technical expertise and ability to mobilize resources.

Oxfam has participated in leadership and governance roles in several MSIs: the Roundtable on Sustainable Palm Oil, the Aquaculture Stewardship Council, the 4C Association (Common Code for the Coffee Community), and the Roundtable on a Sustainable Cocoa Economy. Within these MSIs, Oxfam has pushed for a rights-based approach and inclusion of marginalized and disenfranchised actors, as well as advocated for addressing social justice issues related to labor rights, land rights, gender, and smallholder inclusion. It has taken the role of "insider" by directly associating with these initiatives, influencing their approaches and outcomes through governance roles, and negotiating with other stakeholder participants. In some cases as an insider Oxfam supported partners or allied with other NGOs that took an outsider position in order to critique the agenda.

In other cases, Oxfam has also strategically decided to take "outsider" positions with MSIs. As an outsider, it chose not to engage as a member (or in the governance), but instead has kept a watchful eye on the MSI and engaged from afar. The Round Table on Responsible Soy and Bonsucro are examples where Oxfam has been critical and/or provided constructive feedback directly or via partners.

Engagement with MSIs has come with both opportunities and risks. When Oxfam associates itself with an MSI, it brings credibility and legitimacy to the MSI through the Oxfam brand. The organization also risks alienating strategic partners and allies who don't believe in the MSI or might be campaigning against companies participating in the MSI. The risks are not just limited to Oxfam Novib, but to the Oxfam confederation as a whole. Oxfam has also combined its insider roles with campaigning against private sector actors involved in the initiatives, which also comes with reputational risks.

Oxfam has had success in terms of raising awareness of social issues and a rights-based approach. It managed to get special working groups on smallholders and social issues established. Its influence can be seen in both the content of standards and in the design of accountability mechanisms within MSIs. The MSIs Oxfam has worked with are starting to affect change in their respective sectors, but not yet at the scale and level of impact that Oxfam desires. It is also difficult to attribute changes on the ground directly to Oxfam, as well as answer the question what would have happened if Oxfam had decided not to actively participate.

As Oxfam contemplates its future engagements it needs to learn from its experiences thus far in terms of what strategies and tactics work best, and also understand the cost of engagement in terms of staff time, fundraising and risks to its reputation and relationships. The organization could also consider being an instigator and convener of new MSIs in sectors where this instrument could be a way to positively affect change on a large scale. Most importantly, Oxfam needs to ensure it has a long-term vision for the whatever sector it engages in, which includes a theory of change for how multi-stakeholder approaches contribute to the Oxfam vision on sustainable value chains. It should promote steps to monitor the scale and impact of the implementation of MSIs to ensure they are affecting change in line with Oxfam's mission of a just world without poverty.

INTRODUCTION

Oxfam Novib, the Dutch affiliate of Oxfam International, has spent nearly a decade engaging in a variety of multi-stakeholder approaches, including active participation in Multi-Stakeholder Initiatives (MSIs). The majority of these MSIs address agricultural sectors where Dutch economic actors play a pivotal role at global level. While other Oxfam affiliates have also engaged in multi-stakeholder approaches and work with MSIs that address agriculture (e.g.--cotton, tea), this paper focuses on the specific work of Oxfam Novib's private sector engagement team throughout the years, as it has most experience within the Oxfam confederation and a well-documented track record.

Oxfam Novib's MSI engagements were started as part of Oxfam's Private Sector strategy and with a mandate to represent the confederation. In this discussion paper "Oxfam" is used where it concerns the international confederation or Oxfam Novib with a mandate to represent the confederation. "Oxfam Novib" is only used when referring to the specific role of the Dutch affiliate, in the Dutch context or in its autonomous decisions concerning funding partners and allies.

Oxfam views engaging with industry as a necessary and important means to achieve the organizational mission: combating poverty through fair, socially just and inclusive sustainable economic development that ensures secure and sustainable livelihoods for the poor, protects the environment, and empowers the most marginalized. The MSI engagements have also been driven in part by Oxfam's belief in the need for systemic change, which can only happen if the main stakeholders in a sector work together with shared understanding of issues and with common purpose to achieve clearly articulated social, environmental and economic outcomes. This approach would have the opportunity to create impact at a large scale, affecting the market of an entire sector or internationally traded commodity.

Within the Oxfam framework Oxfam Novib has actively started using different types of tactics as a part of a holistic "programmatic" approach to private sector engagement. MSI engagement, alongside of other complementary interventions such as public campaigning, lobbying and advocacy, research studies on companies' poverty footprints, participatory social and human rights impact assessments. Oxfam has employed several tactics including mobilizing outside pressure and critiquing MSIs and companies unilaterally and collaboratively with other NGO allies, generating position papers based on grounded research, and working with frontrunner companies on alternative business models with positive poverty footprints.

ENGAGEMENT WITH MULTI-STAKEHOLDER INITIATIVES COMPLEMENTS DIRECT ENGAGEMENT WITH PRIVATE SECTOR ACTORS AND CAMPAIGNING ACTIVITIES, ENABLING OXFAM TO AFFECT CHANGE AT SCALE.

Oxfam has taken a "learning by doing" approach to engaging with MSIs, and every engagement has been unique in its nature, duration, resource intensity and roles that Oxfam has played. Because of the "learning by doing" nature of the approach, the engagements have been taken with a spirit of exploration and the results have had varied levels of success. The guiding

principle has always been the impact that Oxfam believes it can achieve for the issues it cares about most, but also recognizing the leverage of the MSI mechanism to achieve greater scale than by engaging in activities on its own or bilaterally with private sector actors.

This paper aims to capture the experience of Oxfam in its MSI engagements, understand the impacts of the MSIs and Oxfam's role working with them, and learn from the lessons of these engagements and related activities. Oxfam wishes to become even more strategic in delivering impact through MSIs in the future. It also aims to provide a foundation for new ways as to how Oxfam and its affiliates might engage, or promote new initiatives in the future and how to best support engagements by its country offices, alliances and local partner organizations (e.g.--in-kind resources, external resources and finance, knowledge and know-how, campaigning and coalition-building). The information contained herein should help inform Oxfam's learning in terms of MSI engagements as a model for progress against poverty.

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PART I: THE CONVERGENCE OF OXFAM'S PRIVATE SECTOR ENGAGEMENT APPROACH & MULTI-STAKEHOLDER INITIATIVES

ABOUT MULTI-STAKEHOLDER INITIATIVES

Multi-stakeholder approaches often take the form of a multi-stakeholder initiative (MSI). MSIs are voluntary initiatives that bring together a range of stakeholders to create solutions and/or seek system improvement to address social and environmental and economic challenges and opportunities in and around a supply chain, sector, or issue. Initiatives labeled as *partnerships* or *roundtables* may fit this definition and can sometimes be considered MSIs if there are a diverse set of stakeholders participating. MSIs vary greatly in terms of their vision, mission, operations and tools for addressing social and environmental issues. There are no set rules for the establishment of MSIs, their objectives, governance, decision-making, constitution, and/or operational structure.

Oxfam contends a legitimate and respected MSI should be democratic and create means for effective participation and ensure that decisions made are reflective of and responsive to local concerns and to the most materially affected stakeholders. The reality is that MSIs will often have actors with opposing views and interests as influencers and decision makers and thus the MSI's ability to make progress involves a combination of consensus building and "compromise" tactics. Sometimes the MSI will succeed in creating harmony, which leads to situations characterized as "win-win" and a "race to the top; while at other times there is conflict and tension, whereby progress comes through constantly negotiating agreements. Thus organizations and individuals that excel at brokering, mediating and constructive negotiating are important actors in MSIs.

MSIS SHOULD ENSURE DECISIONS ARE REFLECTIVE OF AND RESPONSIVE TO THE MOST MATERIALLY AFFECTED STAKEHOLDERS.

The number and clout of MSIs addressing sustainability has grown as a result of the momentum of companies that recognize for a variety of reasons (e.g.— long term security of supply of raw materials, human rights concerns) that they need to be more actively engaged in addressing social and environmental problems that materially affect their business activities. MSIs have also become a desired tool for NGOs wishing to demonstrate convening power and leadership in transforming sectors or on issues (e.g.—WWF has taken leadership in many of the agricultural commodity roundtables). Whether driven by private sector actors, NGOs, or other interested parties, there is recognition that MSIs can be an effective tool for dialogue and collective engagement of the private sector.

The majority of MSIs aim to transform the sector's "norm" through the creation of voluntary sustainability standards. These standards can be assured by a variety of verification mechanisms, including independent third party auditing and certification. Some MSIs go as far as creating traceability systems and labeling schemes to be able to deliver guarantees to the consumer and create a market for differentiated products. Although many MSIs leverage standards and certification, they are by no means a requirement or the only tools available to an MSI to affect their desired change.

TRADEOFFS AND TENSIONS OF MSIS AS A DRIVER FOR CHANGE

MSIs come with tradeoffs and natural tensions in terms of their approach to solving systemic issues. The following issues reflect some of the framing of the debate regarding tradeoffs.

An Alternative Mechanism for Regulation

MSIs create solutions for complex issues where governments or others have failed to do so. MSIs are also seen to work with existing market forces, not against them. However, they call into question whether Oxfam must focus on regulation that should be formalized and enforced by government, or instead regulated by the market and enforced by economic incentives.

Pre-competitive Benchmarks: Where to Set the Bar

MSIs try to create a common pre-competitive norm or benchmark within the sector, in which joint solution finding will result in more sustainable policy and practice changes, and peer-to-peer forms of accountability lead to improved compliance. MSIs often lead to business-to-business codes of conduct and standards and certification schemes that become industry norms. They often set the bar for a level playing field and define minimum good practice. However, Oxfam may find itself working with an MSI that might set the bar at the lowest common denominator and might thwart progress or the drive of private sector actors to seek a "beyond compliance" approach.

Pace of Change

One of the biggest drawbacks of MSIs is that they are perceived to be slow. Most multi-stakeholder processes take a few years to establish and develop and even once they have matured, the processes for consultation and decision-making are lengthy and tedious. However, the results may be more sustainable because the multi-stakeholder process will lead to solutions that can be embraced by a wide spectrum of stakeholders; thus more likely to succeed in practice. There is a tradeoff between short-term quick and easy wins and long-term approaches that may have greater mainstream gains but might take longer in terms of achieving consensus and/or demonstrating results.

Mainstream or Niche

One of the big debates is where an MSI sets the bar in terms of scale versus impact. There is one pathway which is seen as a lower bar to entry (i.e.—a baseline standard approach) where the intent is to have more private sector actors participate to meet a minimum threshold of sustainability and where greater volumes of product can be sourced, therefore benefiting more stakeholders. However, lower bars to entry could sacrifice the depth of social, environmental and economic impact that Oxfam desires. On the other hand, niche standards that have very

specific requirements may have higher bars to entry that limit the scalability of their system. There is a line of thought that actors could follow a "step-wise" approach whereby they start at a baseline standard and then "trade up" to a more rigorous standard if both options exist.

Proving their Worth

MSIs, by the very nature of their multi-stakeholder approach, are subject to scrutiny in terms of how they make decisions, the value they offer for money, and whether they are truly making an impact. They must constantly defend their decision-making processes for the public and reconcile between closed-door negotiations and full transparency. They struggle at times to measure the impact of their work and attribute changes in the industry to their interventions-- this is often because of the complexity of issues in the sector and the number of actors (and/or supply chains) involved. Lastly, the changes that MSIs attempt deliver are difficult and require time to show intermediate and lasting effects—although they have pressure to deliver quicker results to companies and donors, as well as to NGO participants such as Oxfam.

Uncomfortable Bedfellows

Working with MSIs might entail aligning with companies that are the target of campaigns by Oxfam affiliates or allies. These same companies who are targeted might not feel comfortable working closely with Oxfam. However, in an MSI setting, both parties need to find common ground and negotiate. This could be to the benefit of Oxfam in terms of pushing their agenda with a specific company, but can also be a threat to the Oxfam confederation and the brand, as well as relationships with key external partners and allies.

Southern NGO Involvement

Oxfam believes it is desirable for Southern NGOs to engage directly with MSIs. However, they may lack the resources and skills to engage. They also might be seen as too limited in scope in terms of issues and geography, whereas an international organization might have a more global and holistic approach. Furthermore MSIs often seek out international NGOs based on the reputation and brand as well as their resources. There may be a need for international NGOs to participate, but not to the detriment of allowing Southern voices to directly negotiate.
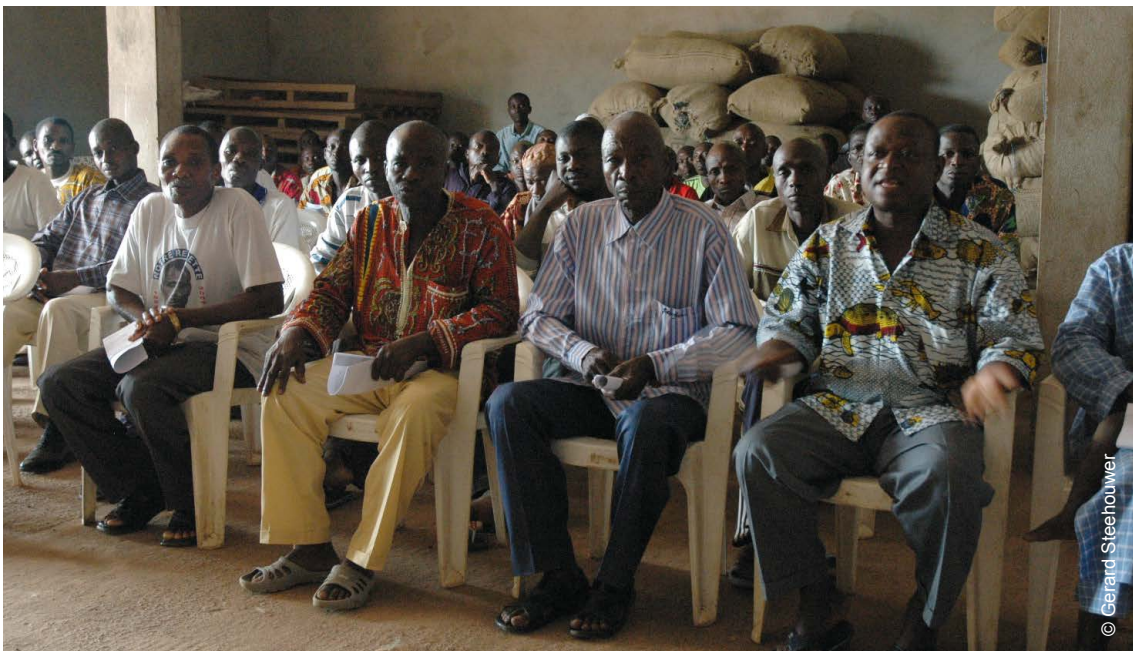
OXFAM'S STRATEGY FOR SYSTEMIC CHANGE VIA THE PRIVATE SECTOR

Oxfam's private sector engagement work focuses on sectors with extensive numbers of people living in poverty involved in the global value chain as the labor force, as small producers (notably small farmers), and as affected communities. Oxfam's work aims to mitigate risks for these stakeholders, including ensuring access to livelihood assets (such as land or water resources), as well as advocating for and safeguarding fair and equitable labor standards (such as upholding ILO conventions and advocating for living wages). This work also includes opportunity creation strategies, such as access to markets and finance for smallholders. Oxfam not only engages directly with the private sector to seek progress on these issues, but also aspires to affect deeper changes in attitudes and beliefs about how the private sector positively or negatively affects social and environmental outcomes for marginalized communities and those living in poverty.

A Rights-Based Approach

A rights-based approach to development is a cornerstone of Oxfam's work and private sector engagement strategy. It helps to define the stakeholders it intends to empower, the injustices it seeks to correct, the principles from which the approach is based, the methodologies to be used, and the individual and collective accountability in implementing the approach.

Box 1: Key Elements of Oxfam's Rights-Based Development Work

Rights-Based Development Work:

- Recognizes that imbalances in **power relations** contribute to marginalization and prevent poor people from exercising their rights;

- Is **participatory**, recognizing that all people, including those living in poverty, have a right to be involved in decisions that impact their lives;

- Recognizes that all development actors and all stakeholders are **accountable** to one another;

- Promotes **equality** and **non-discrimination**, with a particular focus on vulnerable or marginalized people(s);

- Is **holistic** - recognizing that economic poverty has deeply felt social, cultural and political causes and effects, and that the spectrum of human rights must be understood together to constitute the basic necessities for a life of dignity and freedom;

- Recognizes that rights also involve **corresponding** responsibilities – the fact that we all have human rights means we are also all duty bearers;

- Makes use of existing legal systems, and, depending on the context, develop links between development goals and international human rights laws.

THE CASE FOR OXFAM NOVIB'S ENGAGEMENT WITH MSIS

Oxfam acknowledges that MSIs that address sustainability have become necessary in the absence of effective government policy and regulation to mitigate and manage social, environmental and economic issues in a sector (e.g.—agricultural commodities such as cocoa, coffee, palm oil and soy; textile manufacturing; extractives, etc.). The rationale that drives Oxfam to engage in a multi-stakeholder approach is as follows: *if decision-making by powerful economic elites is replaced by more democratic decisions which involve all affected stakeholders, outcomes will be more sustainable.*

MSIS HAVE BECOME A NECESSITY IN THE ABSENCE OF EFFECTIVE REGULATION TO MITIGATE AND MANAGE SOCIAL, ENVIRONMENTAL AND ECONOMIC ISSUES THAT AFFECT OXFAM'S CORE CONSTITUENCY.

If Oxfam engages with an MSI, it has the possibility to impact and influence a large number of private sector actors (big and small, across a number of geographies, and with different roles in the supply chain). Oxfam can help set the bar for the entire sector through an MSI that becomes the industry standard or benchmark for sustainability performance. It has the opportunity to bring the issues it cares about to the forefront of discussion with private sector actors, can provide voice for the constituencies it represents, and advocate for a rights-based approach.

The sectors that provide the most justification for Oxfam's private sector engagement via MSIs are those that have a history of challenging social issues in terms of labor standards, land rights, and/or are dependent on smallholder production. These are often sectors with a long history of complex social and environmental issues promulgated by geographic, political, cultural, social and economic contexts that influence unsustainable production and trade (as well as have an acknowledged failure of markets and/or governments to address social, environmental and economic issues for the sector). Sectors that are targets also tend to have distorted balance of power and influence amongst actors in the supply chain, with those at the start of the chain being the most disempowered and marginalized.

The theory of change about MSI engagement from analyzing these conditions is as follows according to Oxfam Novib's Private Sector Engagement Team:

> *Wicked or complex problems require multi-stakeholder solutions for any significant change at scale. In trying to solve these problems there is a need for alternative governance structures that can provide holistic solutions. The only way to find solutions and for viable implementation to take place is through a long-term vision, engaging a critical mass of stakeholders, and providing sufficient support for implementation. For these solutions to work, the most marginalized and affected populations must have a stake in the solution building, a role in implementation, and benefit from the outcomes. A solution for systemic change in a sector needs to be inclusive, even if that means some level of compromise.*

MSIS AND OXFAM: MUTUAL APPEAL?

Oxfam Novib and its fellow affiliates have been proactively sought out to participate in various roles in MSIs, as MSIs usually desire and/or require "social NGOs" as part of the governance or membership structure. Oxfam is often a preferred social NGO because of the organization's capacity, reputation, brand recognition, fundraising capabilities and global reach. Participation in an MSI entails Oxfam bringing its expertise to an MSI regarding labor conditions, social justice and human rights, community engagement, smallholder market access and empowerment models, and fair and equitable trade. Oxfam is also oftentimes requested to engage in order to consolidate positions and represent other NGOs and civil society groups via its formal and informal networks. Yet, probably most importantly from the MSI perspective, Oxfam is sought out because of the power, credibility and awareness of the Oxfam brand.

MSIS SEEK OUT OXFAM BECAUSE OF THE POWER AND CREDIBILITY OF THE OXFAM BRAND.

Oxfam considers engagement with MSIs as part of its private sector approach for the following reasons:

MSIs bring self-regulation in otherwise unaddressed sustainability governance gaps.

- Oxfam intervenes because it can positively influence self-regulation of entire sectors, as a temporary, second-best alternative for failing mandatory regulatory frameworks at national and international level (e.g. land grabs in palm oil).

- Oxfam intervenes because voluntary approaches create at least a first step and possibly a "stepping stone" towards establishing and enforcing mandatory regulations (e.g. applying participatory approaches in social impact assessment through a standard for sustainable shrimp farming).

MSIs effectively address complex problems.

- Oxfam's constructive participation in MSIs ensures that challenging countries and issues remain on the agenda and get addressed (e.g. post-conflict countries, gender).

- The participation of Oxfam ensures the inclusion of interests of underrepresented, voiceless, and disenfranchised groups (e.g. smallholders, indigenous peoples, women, landless poor).

- MSIs are slow and time consuming but are assumed to be worth the time investment, since the MSI approach delivers better and more sustainable solutions for poverty and injustice (the value of joint solution finding leading to joint decision making) that are more holistic and more systemic in terms of change (e.g. smallholder inclusion in compliance with commodity standards).

MSIs provide conditions for influencing content and processes, relevant to the Oxfam mission and way of working.

- Oxfam can take a role in agenda setting within MSIs, raising interests, issues and concerns (e.g. land, small-scale agriculture, gender, transparency) at international level that are relevant for civil society organizations at national and local levels.

- Oxfam can ensure at an international level that MSIs are opening spaces for consultation and participation in decision-making so that interest groups can claim their own rights at national and local level.

It should be noted that Oxfam's strategic choice to support voluntary approaches is not a substitute for mandatory regulation. In Oxfam's experience with MSIs, governments may be partially and temporarily sidelined by MSIs. However, once an MSI has provided an alternative mechanism for governance, the hope is that this may mobilize the private sector to call upon formal regulators to provide a level playing field via regulation.

Oxfam is committed to strategically advocate for MSIs to continue putting pressure on production country governments, consumer country governments and international agencies (e.g. UN agencies) to provide formal regulations and other enabling conditions, building on the self-regulatory basis. For example, Oxfam supported the "Unilever coalition" that is working towards a moratorium on deforestation in relation to palm oil expansion, notably efforts to lobby governments in both Indonesia as well as the European Union, building on business-oriented advocacy within the Roundtable for Sustainable Palm Oil.

PART II: OXFAM'S EXPERIENCE WORKING WITH MSIS

OVERVIEW

Oxfam has been asked to formally participate in a number of MSIs, including the Roundtable on Sustainable Palm Oil (RSPO), the Aquaculture Stewardship Council (ASC), the 4C Association (4C), and the Roundtable for a Sustainable Cocoa Economy (RSCE). In addition, Oxfam has been asked to participate in other multi-stakeholder approaches, including IDH projects and initiatives of the Ethical Tea Partnership. In addition to the aforementioned reasons

OXFAM NOT ONLY BRINGS CREDIBILITY, BUT ALSO HUMAN RESOURCES, TECHNICAL KNOWLEDGE, AND FINANCIAL SUPPORT.

why Oxfam has been approached, it is important to consider that Oxfam is not only sought for its competencies as a development organization and its globally-recognized brand, but also for its vast human resources, technical knowledge, and financial support (that are necessary for effective engagement with an MSI). Oxfam is also an organization that has the power to fundraise for support and engage strategic donors, which may directly benefit the MSI as well as Oxfam's ability to engage and advocate a rights-based approach.

Oxfam Novib's private sector engagement team has had to be very conscientious in terms of the role it plays with MSIs. There may be opposition to the MSI or companies affiliated with the MSI on the part of allies, partners, or other Oxfam affiliates. This opposition might also come from other programmatic areas with Oxfam.

The approach that Oxfam Novib's private sector engagement team has taken has been to leverage many tactics to build a holistic engagement agenda. Oxfam may apply multiple tactics as the situation necessitates and will employ different interventions. In many cases it may align with or leverage initiatives of partner organizations. Researchers have termed this strategy the "Politics of Scale"[2] and Oxfam Novib oftentimes refers to the analogy of playing chess at several boards.

Roles that Oxfam plays when it chooses to engage with an MSI are best described as:

- **Insider.** This implies Oxfam being directly involved in the MSI in the form of governance (such as executive leadership demonstrated by a seat on the board), technical advisor (such as leading or being a member of a technical committee or steering group), and/or an active member that may propose resolutions. This allows it to advise, facilitate and negotiate as well as provide technical expertise. This is best demonstrated through the engagement that Oxfam has with the RSPO and had with the 4C Association and the RSCE.

- **Outsider.** This implies Oxfam not being directly involved in the MSI, but responding to consultations, commenting on the MSI's position on key issues, and/or potentially running campaigns or advocacy directly targeting the MSI or the sector. This is the role that Oxfam plays in engaging with the Round Table on Responsible Soy and Bonsucro for example.

[2]Luli Pesqueira Fernandez. "Friendly Outsider or Critical Insider? An Action Research Account of Oxfam's Private Sector Engagement." 2014, p. 72.

- **Bridge-Builder.** This describes a situation where Oxfam leverages its power as a leading development organization to allow for smaller NGOs (often local NGOs) to engage directly with the MSI. This is evidenced by Oxfam's work in palm oil, cocoa and aquaculture.

- **Herder.** This describes a situation where Oxfam has pulled together threads of initiatives and different actors to help move forward a multi-stakeholder agenda in the absence of a formalized MSI. This is the approach that Oxfam has taken in cocoa.

No matter the role(s) that Oxfam plays, the core competencies of Oxfam as an influencer, facilitator, negotiator and capacity builder always come into play, and Oxfam can wear many hats: strategic partner, campaigner, and on-the-ground implementer. Oxfam also tries to form strategic alliances with other NGOs as a common principle of MSI work. However, Oxfam's positioning with MSIs can sometimes be a difficult one as the organization might need to continually negotiate its position with both the MSI and allies, and may alienate allies as it seeks compromise positions in the absence of consensus.

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CASE STUDY: RSPO

The insider experience is best demonstrated through Oxfam's engagement in the palm oil sector with RSPO[3]. Oxfam found a compelling case to get engaged in the palm oil sector because of the following issues and opportunities:

- Lack of access of smallholders to international supply chains and unequal participation of smallholder in accessing benefits
- The potential to lift millions of people out of poverty and bring economic development to farmers in Indonesia, Malaysia and other palm oil producing countries
- Issues around free and prior informed consent to land, land-use changes and competition for land resources, natural resources (e.g. water)
- Concentration of production in terms of large-scale plantations and geographies (15 groups controlling three-quarters of the global market)

WWF, Unilever, and a handful of other sector stakeholders initiated the Roundtable for Sustainable Palm Oil (RSPO) in 2003 and Oxfam was asked to join as early as 2004. As the initiative gained momentum and the RSPO started to consider a global standard for sustainable palm oil production, the RSPO was deemed the logical institution whereby Oxfam could leverage its desire to expose the ills of the sector and put forward an agenda for change.

Oxfam's participation in the RSPO was a part of Oxfam's strategy aimed at having access to powerful stakeholders along the global palm oil chain to change the power dynamics in the sector. Oxfam's participation in the RSPO was and continues to be guided by the principle of improving communities' position vis-à-vis business stakeholders and investors in the sector, as well as ensuring the protection of the rights of individuals and communities to participation,

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[3] The information for this case study about Oxfam's role with the RSPO is taken from Luli Pesqueira Fernandez. "Friendly Outsider or Critical Insider? An Action Research Account of Oxfam's Private Sector Engagement." 2014.

inclusiveness, accountability and empowerment, which link to the process elements of the rights-based approach that Oxfam upholds.

For Oxfam, the governance of RSPO was built on a structure that Oxfam could support: a multi-stakeholder process predicated on the belief that equal rights should be given to each stakeholder group so that group-specific agendas could be brought to the table and decisions could be made on the basis of consensus. Each of the stakeholder groups has a seat in the Executive Board and is involved in project-level working groups, ensuring that participation is fairly allocated across sectors. The vision of RSPO is to "transform the markets by making sustainable palm oil the norm" with a developed standard for production of sustainable palm oil as a key pillar and starting point for that transformation.

Oxfam was asked to take a position in the MSI and accepted a role on the Board of Governors representing Social/Development NGOs (occupying one of the two NGO social/development allocated seats with Sawit Watch as the local counterpart from Indonesia who have occupied the other seat up until 2012). When Oxfam originally joined the RSPO, the initiative was focused more on environmental issues and large plantations, with Greenpeace leading on campaigns. Oxfam helped to bring social issues, labor issues, the land rights debate and the importance of smallholder inclusion to the attention of the MSI. It not only brought these issues to the attention of the stakeholders but also brought technical expertise, NGO voices, and accountability mechanisms to the RSPO to help find solutions. Throughout this work, Oxfam followed its principles to advocate for a rights-based approach.

Key actions by Oxfam as an "insider":
- Educating members about the role of smallholders and launching the debate to get smallholders on the agenda by developing and circulating a paper entitled "Inclusiveness and mutual benefits for smallholders and RSPO buyers". Oxfam also initiated the Steering Group in the Smallholder Task Force. These and a number of efforts by Oxfam helped to ensure a specific certification for "fit for purpose" for smallholders, distinguishing them from plantations.

- Oxfam, in collaboration with other NGOs, socialized the issues of land-related conflicts, land rights, and land use within the RSPO's membership. Furthermore, Oxfam is currently co-chairing the Human Rights Working Group.

- As a member of the Verification Working Group, Oxfam helped to influence the debate about credible assurance.

- Oxfam helped to ensure that smaller NGO voices were heard by effectively "holding the door open" for representatives of affected communities and smallholder organizations to engage directly with RSPO and lodge grievances.
- Oxfam helped to get the Complaints Panel up and running by establishing operations and capacity building of the staff and panel and chairing the panel during the crucial first years. It also co-promoted the establishment of the Dispute Settlement Facility and is currently in the Dispute Settlement Facility Advisory Group.

- Oxfam put forth the "Oxfam Resolution" which resulted in the RSPO's Code of Conduct. The Code of Conduct requires that members specify time-bound commitments for supplying or sourcing certified sustainable palm oil and to publish annual progress reports.

In addition to these key insider roles, Oxfam played an important "bridge-building" role, liaising with NGOs in support of and against the RSPO's delivery on its mission. This work resulted in the formation of formal alliances and coalitions with NGOs related to a variety of palm oil-related issues. This included working collaboratively with the Forest Peoples Programme and environmental allies such as Greenpeace and the Rainforest Action Network.

Oxfam also provided financial support to ensure that their agenda moved forward. This included financial support to the palm oil platform of various Dutch development and environmental NGOs as well as providing resources for specific projects within RSPO's Criteria, Smallholder, New Plantings and Greenhouse Gas Working Groups (either financial, in-kind or by supporting CSO partners to participate). For instance, Oxfam Novib supported Sawit Watch, a local NGO that works with local communities affected by palm oil. At this crucial time, Oxfam Novib supported Sawit Watch's development with financial and technical support and paid for paralegal teams to support community claims. Oxfam Novib has also supported smallholders directly to engage in the RSPO process.

Oxfam has also partaken in advocacy and campaigning including engaging consumers and businesses to create awareness for more sustainable palm production, smallholder inclusion, and campaigns against extension of production areas. These advocacy activities have taken place at the local, regional and global level and include close collaboration as a critically constructive partner with the Dutch Taskforce on Sustainable Palm Oil, led by the trade association MVO. Oxfam also collaborated with the "Unilever Coalition"--buyers and NGOs who more progressively aimed at combatting the issue of deforestation through sustainable palm oil. The Behind the Brands campaign has also highlighted effects on land and climate due to unsustainable palm oil production.

The Results

The following are results of the RSPO's progress to date. There is little doubt that the RSPO has helped heighten awareness of the need for responsible production of palm oil and has become a "home" for addressing the issue, as well as offers a standard and a certification, which are seen as part of a solution for private sector actors. The existence of the RSPO has helped to spur corporate commitments to address sustainable palm oil sourcing and investment in supply chains, whether through membership in the RSPO and trading RSPO certificates and/or using other tools at their disposal. As a result, the RSPO can claim:

- 2,196 registered members[4]
- 12.65 million tonnes of sustainable palm oil, accounting for 20% of global palm oil[5]
- Certification of over 3 million hectares of oil palm plantations in nine countries[6.]

[4] http://www.rspo.org/about/impacts [May 15, 2015]

[5] http://www.rspo.org/about/impacts [May 15, 2015]

[6] http://www.rspo.org/about/impacts [May 15, 2015]

The Indonesian government has also responded to the momentum of the RSPO and has set up the Indonesian Sustainable Palm Oil System--thus proving that MSIs can indeed create *voluntary* standards that enlighten governments and empower them to create (or reinvigorate) their own *mandatory* frameworks for governing sustainability issues.

There has also been progress on the issues that Oxfam advocated for and where Oxfam helped drive solutions. The RSPO has developed grievance mechanisms, a dispute resolution facility, and spaces by which indigenous groups, communities, and other stakeholders can have their issues addressed. The RSPO has been active in terms of adapting the standards for smallholder inclusion and going so far as to create a smallholder fund. The following box demonstrates progress. Although there is no direct attribution that Oxfam can claim, there is evidence that Oxfam made a contribution to RSPO that created momentum on the issues featured.

Box 2: Results of Key Palm Oil Issues on Oxfam's Agenda[7]

Complaints Panel

Since the establishment of the RSPO complaints panel, 46 cases have been filed against members of the RSPO, with the issues of lack of FPIC and cases where land use has been changed without proper HCV assessment as the primary complaints. Nineteen of the complaints filed have been resolved and closed; a further five cases have been closed but are awaiting resolution under the RSPO compensation process. RSPO is now establishing local complaints mechanisms, notably in Africa where they are seeing growth of uptake and complaints.

Code of Conduct

Since the launch of RSPO, they have suspended three members and expelled two following complaints investigations.

Dispute Settlement Facility

In 2013, the dispute settlement facility (DSF) was developed for members involved in cases of land dispute. The DSF is different from the complaints panel in that, typically, both parties have agreed to bring their case before an independent mediator. There are six disputes currently being mediated by DSF.

Smallholder Inclusion

Seven independent smallholder groups representing 3,037 individual smallholders in three countries have been certified.

Greenhouse Gas Emissions

Growers are to commit to report their GHG emissions from 1 January 2017.

[7] Roundtable on Sustainable Palm Oil Impact Report 2014.

Within RSPO's membership, companies are learning and engaging in environmental and social issues, creating policies and trying to best determine how to operationalize tricky issues. Even with the uptake in membership, certificates, and improved issues management at RSPO, there is no doubt that there are still challenges in terms of implementation. However, one could argue that prior to RSPO there was a gap in sustainable solutions and a governance mechanism for the sector and that RSPO has become a legitimate institution, filling the governance gap and addressing sustainability issues in palm oil. RSPO has arrived at sector-wide, systemic change and has employed joint solution finding resulting in better informed, better supported and more sustainable policy and practice changes.

However, RSPO still has not neared achieving transformation as it only represents 18% of palm oil produced globally. Deforestation is still an issue, land grabs are still prevalent, and the organization needs to greatly increase smallholder participation. Both the rigor of the standard and the credibility of the MSI are still in question for many NGOs. RSPO members are still targeted by Oxfam allies and there are questions about how far RSPO goes in terms of a rights-based approach.

In an independent evaluation[8] of Oxfam's participation in RSPO conducted in 2009 those involved in RSPO provided the following council in terms of Oxfam's need to continue with its insider role:

- Palm oil producers stated that Oxfam's withdrawal from the RSPO 'would cause 'serious damage to the RSPO', 'would damage its own reputation' and 'would be a fatal mistake as there still remains a lot be done'.

- A palm oil grower and consumer goods manufacturer believe that, 'As long as the RSPO is still a confused teenager, not a wise adult, Oxfam should remain with the RSPO'; Oxfam could help 'to put RSPO in its final shape'.

- A government official said that he would be 'concerned about the RSPO process if and when Oxfam would step out of the board of the RSPO'.

The debate as to whether Oxfam should have engaged (thereby legitimizing a dirty sector) and whether to continue to be an insider reemerges every now and then within Oxfam Novib, the Oxfam confederation and in the broader NGO community.

[3] Dr. O. Hospes and Dr. F.M. Köhne (Wageningen University), "An evaluation of Oxfam Novib's engagement in RSPO and 4C," 2009.

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CASE STUDY: 4C

When the Common Code for the Coffee Community (The 4C Association) was first founded as a project in 2003, it was unclear what direction it would take. It started as an initiative to create a dialogue about strategies and measures to address key issues and develop a common understanding about "sustainability" for the mainstream coffee sector. The initial dialogues were dominated by the largest coffee buyers and there was a general fear amongst NGOs that the initiative would set a lower bar of compliance than existing coffee sector initiatives (e.g.--Fairtrade, Rainforest Alliance, Utz Certified).

Oxfam shared this fear and was worried that this initiative was going to only serve the interests of big coffee buyers as an exercise in "green washing", thereby undermining the work of initiatives in the coffee sector, including Oxfam's advocacy efforts to raise the awareness of issues facing smallholders and workers on larger farms.[9] If the 4C were to move forward, there would be a need to have accountability for companies in their sourcing. Workers rights would need to be addressed and smallholders would need to be actively included in the initiative. If no accountability mechanism for companies existed, there would be no pressure on the industry to increase volume commitments over time. Furthermore Oxfam was concerned there would be focus on sourcing from the large coffee plantations of Brazil and Vietnam, thus leaving smallholder coffee growers behind. As a result of these concerns, Oxfam Novib joined in the 4C at the time of its founding and became a member when 4C was constituted as a membership association in 2007. Oxfam also held a seat in the 4C Council. It was hoped the 4C would provide a mainstream solution for sustainability issues in the coffee, next to niche initiatives such as Fairtrade. Thus Oxfam became an "insider".

[9] Oxfam framed the social challenges of the coffee sector in a landmark report: "Mugged – Poverty in our coffee cup". C. Gresser & S. Tickell. Campaign Report Oxfam International. 2002.

As an "insider" Oxfam advocated for 4C to address four important issues in its early stages:

- Company commitments. Oxfam wished to ensure that volumes of 4C compliant coffee sourced by companies would increase over time and that companies would be transparent and held to account regarding those commitments.

- Avoid green washing. Oxfam wanted to ensure that there would not be on-pack logo used that might confuse consumers about the 4C proposition or a company's commitment to source coffee under the mainstream standard. Thus communication protocols set by 4C were to be important.

- Smallholder inclusion. Oxfam wanted to ensure that 4C didn't just go for the low-hanging fruit of sourcing from large-scale coffee plantations, but that the initiative included the voice, needs, and participation of smallholder coffee farmers and benefits would accrue back to them.

- Worker rights. Alongside of the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), Oxfam needed to ensure the inclusion of workers' rights into the 4C Code.

In addition to being an advocate for issues, Oxfam also provided financing and technical know-how. Oxfam Novib funded the development of an impact measurement system, which was adopted by 4C and implemented in Uganda, Vietnam, Nicaragua and Brazil. Oxfam Novib also supported work on gender and coffee, which resulted in a seminar and a DVD about the topic. Lastly, Oxfam supported the development of the new business model of 4C in its later stages, which focuses on delivery of core services to strengthen its position as a pre-competitive platform.

Oxfam's participation as an insider was seen by some stakeholders as legitimizing the 4C. It signaled to the external world that Oxfam supported the project, to the point where one stakeholder noted: "When Oxfam believes in the project then outsiders will give it the benefit of the doubt"[10]. But Oxfam's role also kept the process on track by constantly seeking ways forward through the input of money, knowledge and ideas. It was noted that Oxfam was indispensible in that it had the knowledge on how to set up training facilities and development projects, and the network of local partner organizations to do it.[11]

The Results

Oxfam was influential in ensuring that Rules of Participation for the 4Cs were developed. These Rules of Participation are a 4C requirement and cover the issues of purchasing commitments, public reporting, claims, application of the Code of Conduct, and dispute resolution. These rules have helped to raise the level of accountability of members and credibility of 4C, which is now seen as a legitimate entry-level standard and pre-competitive platform for the coffee sector.

Oxfam was also perceived as a useful actor in holding companies to account. Oxfam Novib, as part of its private sector engagement strategy, was instrumental in the development of the Coffee Barometer produced by the Tropical Commodities Coalition. The Coffee Barometer tracked performance of companies' sustainably sourced purchases and commitments. Oxfam was able to use information from the barometer to engage in discussion around company 4C commitments--leveraging an outsider tactic via its insider role.

[10] Dr. O. Hospes and Dr. F.M. Köhne (Wageningen University), "An evaluation of Oxfam Novib's engagement in RSPO and 4C," 2009.

[11] Dr. O. Hospes and Dr. F.M. Köhne (Wageningen University), "An evaluation of Oxfam Novib's engagement in RSPO and 4C," 2009.

Oxfam Novib had hoped that 4C would be a "stepping-stone" as a baseline standard and that producers would then pursue more rigorous approaches with more differentiated market opportunities such as Rainforest Alliance, Utz Certified and Fairtrade. In 2013, there are examples of this happening in Brazil, Colombia, Kenya, and Vietnam, where the number of 4C units "stepping up" to other certifications were represented as 23%, 16%, 13%, and 9% respectively of the total number of 4C units.[12]

It had also hoped to create more focus within 4C on small producers: more small producer participation, empowerment and benefit. There is small producer membership and voice in the 4C platform. Certified 4C Units have individual small producers or may be cooperatives themselves, and 4C operates in countries where the majority of coffee production occurs on smallholder farms. Thus, small producers access training and other benefits. In a 2010 impact study, farmers report positively on access to training as the most important benefit of 4C participation, although it was noted that 4C has little influence on the trainings that 4C farmers receive within their units[13]. However, the same report finds that outcomes on social empowerment (related to active participation in producer organizations and/ or having work contracts) are sketchy and 4C certification did not result in any positive income changes for 4C producers[14].

Oxfam decided to leave its governance role within the 4C in 2011. This was a decision made at a strategic level within Oxfam. It felt that it had helped shaped the 4C as a more impactful institution and had paved the way for Southern NGOs who were starting to participate more actively in the 4C to keep the social justice agenda alive without Oxfam's direct involvement. Oxfam as an organization had lessened its priority on issues facing the coffee sector, moving on to cocoa among others. It was concerned about its own capacity issues, a lack of interest from other Oxfam affiliates, and a recognized prioritization of other engagement strategies such as the GROW campaign.[15] However, whether the initiative has truly made a difference for coffee farmers in terms of poverty alleviation and smallholder empowerment is still in question.

[12] 4C Association. "A Snapshot from the Field: Five Countries Over Five Years." 2014.

[13] "Assessing 4C implementation among small-scale producers: An evaluation of the effects of 4C implementation in Vietnam, Uganda and Nicaragua (Summary)". Michiel Kuit (Kuit Consultancy), Fédes van Rijn (Wageningen University and Research) and Don Jansen (Plant Research International December, 2010.

[14] Ibid.

[15] https://www.oxfam.org/en/campaigns/about-grow

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CASE STUDY: ASC

Aquaculture is a good example of a sector where Oxfam played multiple roles to balance tension around hotly contested issues.[16] Oxfam found itself in a challenging position when standards were being developed for sustainable aquaculture production— caught between an offer to engage in a legitimate multi-stakeholder process to create credible standards for the sector and NGOs who were against standards development altogether. Some seventy NGOs asserted that any engagement with the shrimp sector around certification would encourage green washing and a race to the bottom of a production system with considerable environmental impact.

Based on its mission, Oxfam believed that aquaculture was a sector in which it needed to engage. The industry is rife with labor issues, land conflicts, displaced people, contamination of agricultural lands, and controversies over access to natural resources. The sector was growing in several countries where Oxfam was actively working in Asia, and local partner organizations were involved. However, unlike some of its critics, Oxfam felt that aquaculture production was not going to go away and its ills needed to be addressed directly through a series of tactics and engagements. The sector as such also had potential to generate income for small-scale producers.

Oxfam had a long history of engaging in the aquaculture sector with local partners. Activities included shrimp culture improvement pilot programs; creating awareness on social and environmental consequences of shrimp farming in consuming markets; seeking the inclusion of social and environmental criteria in the GLOBALGAP retail food safety standard; participation in FAO technical expert consultation meetings to provide inputs into the development of the FAO Guidelines On The Certification Of Aquaculture (COFI 2012); and participating in advocacy and campaigning alongside of partner NGOs such as the regional Asia network SEAFish for Justice and KIARA (The People's Coalition for Fisheries Justice) in Indonesia.

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[16] The information for this case study about Oxfam's role with the ASC is taken from Luli Pesqueira Fernandez. "Friendly Outsider or Critical Insider? An Action Research Account of Oxfam's Private Sector Engagement." 2014.

Oxfam's role in aquaculture platforms was not without controversy because of the destructive environmental nature of shrimp farming and NGO opposition to the sector. When Oxfam became involved with the ShAD (The Shrimp Aquaculture Dialogue)--which evolved into the Aquaculture Stewardship Council (ASC)—the involvement was met with disdain from NGO partners. By engaging in a leadership role in the ShAD and subsequently the ASC, Oxfam was seen as legitimizing the industry practices. Furthermore, opponents contended that indigenous and local communities did not have a voice in these platforms and that these types of efforts were only a public relations effort. It should be noted however, that despite these critics, there was a strong multi-stakeholder approach to both the ShAD and ASC.

It was with hesitation that Oxfam took on its "insider status" within ASC because of lack of support from some partner networks and controversies surrounding certification of shrimp; however, the insider role seemed the best place to influence the debate, ensure social justice considerations, and influence the outcomes of the standard, especially making it fit for purpose for small producer organizations. Despite the controversies and risks, Oxfam decided to participate in the governance of the ASC.

In the hopes of easing the tension with both critics and allies, Oxfam Novib funded stakeholder meetings and engaged directly with critical NGOs, as well as consulted actively with partner NGOs. It joined the ASC with a deliberate role of being a "critical" insider: one that could feed information of relevance from critical outsiders, and partner NGOs into the decision-making process and create "spaces of influence" for critical voices, including funding meetings to consolidate positions and having a roadmap for the role of certification in aquaculture.

Oxfam, as an ASC "insider" and "outsider":
- Acted as a technical advisor in the Aquaculture Dialogues and the establishment of the Aquaculture Stewardship Council (ASC). This included taking a seat in the Technical Advisory Group (TAG) of the ASC, and providing advice to the ASC Board on the social content of standards, accreditation and audit manuals, and the monitoring of audit quality.
- Mediated between the ASC and critical NGOs on issues of process and technical content such as community consultation, Free and Prior Informed Consent, and GMOs in feed.
- Currently participates in the Steering Committee for the development of an aquaculture feed standard that addresses a major weakness in the range of farmed species-standards, each of which require fish oil, fish meal and plant ingredients in feed with their own social and environmental footprints considered.

Oxfam pushed for improvements from the inside, while supporting public campaigns critiquing the standard by other NGOs such as Friends of the Earth. Oxfam was able to influence the content of the standard on key social issues, especially related to social impact assessment. Despite Oxfam's good intentions, it failed to meet the expectation of some critical NGOs, who escalated their concerns about Oxfam's private sector engagement strategy for aquaculture to the Director of Oxfam International in the form of a direct complaint. Despite efforts to resolve differences, Oxfam and the critical NGOs decided to go their separate ways: they agreed to disagree.

Results

Despite the ASC being a relatively new standard and certification system, there are now more than 100 certified farms (in developed and emerging markets). They also have significant market commitments, including a commitment from the Dutch Retail Association (CBL). Supermarkets in the Netherlands will strive to only sell farmed seafood that meet ASC standards (or equivalent) by 2016 and the Rio 2016 Olympic Games pledging to source seafood from ASC-certified farms.[17]

The standard has also been a reference point for national and regional improvements. In Belize the shrimp growers association has used the ASC as its benchmark. The government of Vietnam has put its support behind ASC certification for pangasius, and the presence of the ASC standards and its potential impact on the shrimp industry opened space for Indonesian NGOs to sit at the table with government officials and representatives from the industry. The latest draft of the Shrimp Standards for the Association of Southeast Asian Nations (ASEAN) states their aim to comply with ASC.[18]

ASC has been a lever for connecting global buyers to smallholders, although there is still significant work to be done on ASC's part to make their certification more relevant and applicable to smallholders (work ASC intends to do in 2015). ASC's standard is also seen as a sustainability framework that can be used by NGOs and governments in supporting sustainable aquaculture.

Oxfam has been influential in bringing important issues to the forefront of ASC. ASC has included labor issues and other key social development dimensions into their standards, which include issues such as Free and Prior Informed Consent. ASC requires a Participatory Social Impact Assessment (p-SIA), which is an assessment of positive and negative consequences and risks of a planned or ongoing project undertaken. The p-SIA is conducted in such a manner that all stakeholder groups have input in process, results, and outcome of such an assessment, and that steps taken and information gathered is openly accessible to all. The p-SIA includes Free and Prior Informed Consent.

Although there are many positive outcomes, the path for engagement and alliances in such a controversial sector was never straightforward for Oxfam. There were contentious issues, including Oxfam's role with the ASC, which proved to be too much for a critical alliance of NGOs. As a result, Oxfam may have alienated some strategic partners in its pursuit of a systemic, sector-wide solution for the private sector.

[17] Seafoodsource.com. "ASC Celebrates Numerous Aquaculture Milestones". December 16 2014.

[18] Shrimp News International August 15, 2014.

CASE STUDY: RTRS

In the case of the Round Table on Sustainable Soy (RTRS), Oxfam decided explicitly to be an outsider, thereby allowing it to take on a more confrontational strategy towards this multi-stakeholder initiative. The rationale for Oxfam distancing from the RTRS included the controversy around the production of soy--as it is typically monoculture, grown in large-scale and industrialized plantations, and uses genetically modified seeds. Oxfam also felt that there was little attention paid in the development of the RTRS standard to land rights and social and environmental impacts, and as a result there was little support from local civil society organizations in Argentina and Brazil, two of the largest soy producing countries. Oxfam also acknowledged that two leading NGOs were engaging in insider roles: WWF and Solidaridad. Furthermore, the Dutch Soy Coalition, an initiative of leading Dutch civil society organizations, was coordinating an "outsider" effort (in which Oxfam Novib participated until 2014).

Oxfam was concerned that if local civil society organizations were not willing to get involved, there would be an unbalanced approach within the MSI, and that it would be more likely to serve business interests[19]. The issues that Oxfam cares about the most would not necessarily be considered with a low likelihood of a rights-based approach adopted if there was little civil society engagement. However, not getting engaged directly didn't necessarily mean that Oxfam wasn't interested in making a constructive contribution to the debate about soy and the development of a meaningful and credible standard.

Oxfam has and continues to be an outsider and observer of developments of RTRS and critically monitors and evaluates its progress. The work of this MSI as well as the actions of its members is scrutinized through work that Oxfam does in relation to land grabs, investments, and food security.

[19] Luli Pesqueira Fernandez. "Friendly Outsider or Critical Insider? An Action Research Account of Oxfam's Private Sector Engagement." 2014.

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CASE STUDY: BONSUCRO

Bonsucro started as a WWF Roundtable and focuses on production of sustainable sugarcane. At its inception, Oxfam Novib considered if and how to engage: whether as a member, a participant in the governance, or in an outsider role. Oxfam opted for the outsider role. This was for a number of reasons, including but not limited to the following: there already were social NGOs within the governance structure, and the initial focus on Brazil and larger production schemes did not necessarily fit with Oxfam's focus on specific geographies and work on smallholder inclusion. The role that Oxfam decided to take was as an active observer with the intention to participate in stakeholder consultations on standards.

The issue of sustainable sugar production came to the forefront of Oxfam's agenda through the report entitled "Sugar Rush": a Behind the Brands campaign to highlight the importance of land rights and how one crop – sugar-- has driven large-scale land acquisitions and land conflicts at the expense of local communities. Targets of the campaign included multinational companies that are members of Bonsucro, and as a result Oxfam put forth a series of recommendations in the public domain for Bonsucro to take a more active role in addressing land issues in sugar production. This critique included improvements to the standard, in particular embracing best practice in FPIC and ESIAs as well as making recommendations for reviewing complaints mechanisms and grievance processes.

Oxfam actively provided feedback to the standard revision process, and notes that some of those comments have translated into an improved standard; however there are still questions as to whether the issues of FPIC and ESIAs are considered core to Bonsucro's approach, as well as how auditors evaluate these issues in practice. As Bonsucro remains a focal point for approaches on sustainable cane (and biofuels) production, which intersect with key issues on Oxfam's land grabs agenda, Oxfam Novib and other affiliates who are leading on sugar will need to consider its approach to engagement and insider/outsider tactics.

CASE STUDY: COCOA

Oxfam Novib has been working since 2003 to overcome the sustainability challenges of the cocoa sector. Although currently there is a sense of urgency on the part of companies and other stakeholders to address sustainability in the sector because of an impending shortage of cocoa, in the early 2000s the issues were not as salient and there was no convening organization taking on leadership of the sustainability agenda. In the initial days of Oxfam Novib's involvement in the cocoa sector, Fairtrade and Rainforest Alliance had just started their work.

Oxfam Novib decided to take a multifaceted approach to address private sector engagement. This work focused on raising consumer awareness and supporting "frontrunner" companies in the Netherlands as well as working with Southern-based NGOs and producer groups to support them to engage with their local governments and international bodies. However, Oxfam Novib recognized that there needed to be a mechanism for broader systemic change. The organization that was best poised to take leadership was the International Cocoa Organization—the ICCO.

The ICCO, the international organization for cocoa whose constituency is composed of the producing and consuming member countries, launched The Roundtable on a Sustainable Cocoa Economy (RSCE) in 2007 at a meeting in Ghana. The initiative was met with optimism by Oxfam--it was perceived as an institution that could lead on the sustainable cocoa agenda. Oxfam organized a number of civil society organizations from across the globe to attend and held a meeting with these stakeholders before the conference started to get the pertinent issues on the table. It was soon after that Oxfam was asked to become the vice chair of the RSCE, which was accepted after due considerations.

In addition to using its bridge-building skills, Oxfam also used its research to help influence the discussion. As a vice chair, Oxfam prepared a paper for the RSCE meeting in Trinidad on 'social issues' and also presented a paper entitled: "Towards a Sustainable Cocoa Chain: Power and possibilities within the cocoa and chocolate sector". As the chair of the tropical commodity coalition Oxfam Novib was also heavily involved in producing the first cocoa barometer, following the success of the coffee barometers. Both papers as well as the cocoa barometer became formative documents that helped propel difficult discussions regarding the economics of cocoa and the underlying poverty issues beyond child labor, lack of transparency, and trading practices.

Over the course of the two years, Oxfam's role as a stakeholder in the RSCE took on importance. The organization held the position of Vice Chair of the RSCE, during which time draft principles for a sustainable cocoa economy were developed. As a vice chair, Oxfam continuously ensured other civil society organizations and labor unions were informed and informed others in the Oxfam confederation of the issues at stake. However, at the critical time of the Trinidad & Tobago meeting in 2009, Cote d'Ivoire (who had a leadership position within the governance of the RSCE and is a leading cocoa producer) did not endorse the principles, and the RSCE's progress was halted.

Despite the lack of a continued roundtable, Oxfam alongside of other NGOs has kept the RSCE agenda alive, continued to raise awareness, and has kept pressure on key issues such as price distribution in the supply chain and transparency. A key venue for this awareness and pressure

has been through efforts at the World Cocoa Conference, which has become a key platform for bringing together stakeholders and addressing the cocoa sustainability agenda. Subsequent efforts that are facilitated through the ICCO have helped generate momentum, with producing countries developing national action plans and the ICCO working with its members towards commitments and frameworks for enforcement. Oxfam and affiliates are very engaged in the dialogue and stakeholder work at the level of the ICCO.

Oxfam Novib has promoted other advocacy efforts to move the sector. These have included the Tropical Commodities Coalition Cocoa Barometer reports and engagement in the VOICE Network (Voice of Organisations In Cocoa in Europe)--a network of European NGOs and trade unions working together to address sustainability issues in the global cocoa supply chain. The VOICE Network now manages the Cocoa Barometer. Oxfam Novib has also created chocolate-focused campaigns, such as Green Santa, and continues to engage directly in public private partnerships with cocoa traders and brands, leveraging front-runner companies to push the boundaries on best practice and set an example for the industry. They have also leveraged the Behind the Brands campaign to push the major chocolate companies to address gender in the cocoa supply chain.

Results

As a result of this multipronged effort, Oxfam has seen results in terms of awareness and activities to improve outcomes in the cocoa sector, including commitments from the leading chocolate companies. The RSCE was also was an opportunity to affect change through an intergovernmental body, as opposed to other MSIs driven by the private sector. Although the RSCE lost momentum at a critical time, there are positive results that have come out of the RSCE. Oxfam has been a part of coordinated advocacy work to engage government and industry. It has worked on implementation projects directly benefiting smallholders. It has also sought out the platforms to enable a voice for smallholder cocoa farmers and southern NGOs in the global debate to enable sustainable cocoa production and trade. However, it has been a difficult journey to create a true MSI, and it is still uncertain how ICCO's activities will progress and engage the private sector to act.

PART III: REFLECTIONS ON MSI ENGAGEMENT AND THE ROAD AHEAD

OBSERVATIONS

MSIs are gaining legitimacy as a tool to address sustainability in the absence of effective government policies and regulation and are setting industry benchmarks for sustainability. They are perceived as a valid tool for change if they truly embrace a multi-stakeholder approach, demonstrate transparency, and are held to account by internal and external stakeholders. Across a number of sectors, there has been and continues to be remarkable participation in both the dialogue and uptake of sustainability standards and multi-stakeholder approaches. Private sector actors across widespread geographies with varying sizes of businesses and different business models and roles in supply chains (producers, traders, manufacturers, brands, retailers, financiers) are involved in MSIs. MSIs have also given governments and NGOs a much-needed framework and reference points to define and implement sustainability solutions in a given sector.

Oxfam has taken on insider and outsider roles with MSIs and through these roles brought stakeholders together to address issues, provided space for the "voiceless", and led critical and constructive dialogue with the initiatives featured in this paper. Oxfam's specific activities have included: contributing to best practice in governance and process; providing technical expertise; advocating for a rights-based approach; commissioning research; putting forth propositions; providing critiques and advice on standards; and creating mechanisms for marginalized voices to be heard. These roles have been executed with the intent to:

- Include labor and community issues, land, resource and human rights on the agenda of MSIs, pushing for a rights-based approach, and providing best practice technical expertise in these areas.

- Ensure that smallholder interests and voices are included in MSIs and that standards are right-sized to their needs.

- Encourage the viewpoints of opposing groups and providing opportunities for marginalized groups to participate in the shaping of an MSI and implementation of standards.

- Build in accountability of stakeholders and members and propose mechanisms so that accountability and transparency are a part of everyday practice within MSIs.

- Put what are often considered taboo subjects such as living wage and land grabs on the agenda of the private sector.

- Call for access to remedy through grievance mechanisms and measures that facilitate dispute settlement.

These roles and activities have been largely successful; however they have required significant resources. These resources include expenses such as: paying for dedicated staff time (which goes to direct engagement, coalition-building, and research activities); travel expenses; and

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creating and executing campaigns. At a minimum at least half the work time of a full-time staff member is needed. The ideal level of support would be a project team with more dedicated time and budget. There are also other indirect time investments to consider such as the time needed to bring in a wide spectrum of stakeholder views (partners and allies), and time to negotiate and eventually build consensus with those that might actively oppose Oxfam's strategies and tactics. Oxfam also needs to invest in measuring and evaluating its impact and reporting back to donors about participation in MSIs in order to prove value for money.

Despite the successes of the initiatives in terms of uptake, and the fact that they are seen to have legitimate stakeholder processes, it is still hard to be able to capture their impact. The following impact questions arise:

- How have these initiatives impacted poverty and social justice issues?
- Has there been enough inclusion of smallholders and community stakeholders, or are they still marginalized and unable to meet the standards, participate in governance decisions and/or pay for certification?
- Are these initiatives too dependent on standards and certification and need to employ other mechanisms to create change?
- Are the MSI voluntary standards more effective in the long term than other forms of regulation?
- Are they really a necessary additional strategy for Oxfam to use in achieving its objectives?
- How does the rate of investment return compare to the success rates of other Oxfam strategies?

There is a need to examine these questions more closely and invest in terms of measuring the true impact of multi-stakeholder initiatives on marginalized communities, and even more investment needed in understanding if stakeholders are more empowered through a rights-based approach as a result of these mechanisms.

In terms of impact, there is also a question of attribution for Oxfam. The following questions linger: "What would have happened if Oxfam hadn't played the role it did?". For instance, if Oxfam hadn't engaged with RSPO, would the Code of Conduct exist? Would smallholders be included to the extent they are today? Would the 4C have a logo on pack? Would the ASC have included ESIAs in their standard? There is no counterfactual that can be established for this line of thinking, but these are questions that merit further debate.

There is also no counterfactual to answer the question as to whether or not Oxfam was the "right" social NGO. Would other NGOs have executed the role better and more effectively? Did Oxfam take a place that would have been better served by a Southern NGO? Would other NGOs have had the resources and the negotiation and research skills to ensure that the standards and supporting mechanisms are as robust as they are today?

The evidence suggests that when Oxfam has taken an insider role, it has brought credibility and legitimacy to the MSI. However, affiliation with MSIs creates a certain degree of brand risk for Oxfam. This risk enhances the need for other Oxfam affiliates to engage their allies in an outsider approach to create scrutiny and accountability.

There is no one-fits-all answer. It seems however evident that MSIs have potential leverage for change and that therefore an engagement analysis should include the potential of a combination of insider and outsider roles. As indicated in each specific situation choices should be made, depending on a variety of parameters listed below.

Box 3: Decision-making Parameters

The following are considerations for Oxfam for current and future engagement with MSIs intended to help frame *if*, **why** and **how** to engage.

Based on the journey thus far, there are four key parameters for evaluation of MSI opportunities.

Theory of Change

- What is Oxfam's theory of change for the sector, issue, geography and/or constituency?

- Would an MSI that engages the private sector address that theory of change? What is the role of government now or in the future in relation to the MSI and Oxfam's theory of change?

- What are the key performance indicators and evaluation criteria for working towards success and what type of impact measurement would be necessary?

- How likely would Oxfam be able to fundraise and allocate resources to the MSI?

Legitimacy

- Is there a legitimate convener that can create the governance structure and create a credible and inclusive initiative that fosters trust, embraces a rights-based approach and attracts the actors that need to participate?

- Should Oxfam step into the role of (co-)convener to create that legitimacy in the absence of a suitable party?

- Is there more legitimacy in working with a niche initiative whose impact will be deeper but not have the breadth of impact, or with a mainstream initiative that may have a lower bar or attract actors that are seen as laggards?

Role

- Should Oxfam play an insider role or outsider role or both and what are the risks and opportunities with the roles?

- Is Oxfam better equipped to engage at the level of technical advisory (content) or governance (process)?

- What is Oxfam tangibly offering the MSI and how will Oxfam benefit from its participation?

Risk Management

- How would other affiliates, strategic partners, and allies react to engagement and what can Oxfam do to mitigate internal tensions and alienating key allies?

- How will Oxfam communicate its engagement?

- What would be the preconditions and factors by which Oxfam would enter and exit?

LEARNING AND CONSIDERATIONS FOR THE FUTURE

The following are recommendations that Oxfam could consider in any future approaches to MSI engagement.

Plan and Evaluate the Theory of Change

Create the case for engagement and investment

In order for Oxfam to understand its intended impact, a clear theory of change for engagement with a given MSI needs to be developed. In addition Oxfam should develop performance targets to be able to measure impact over time. A counterfactual scenario of what would have happened if Oxfam had not engaged would also be telling to assess the critical path to impact and Oxfam's contribution. Exit strategies (such as a transition strategy to other NGOs) developed at the start of the engagement would also be a helpful tool for thinking strategically about the engagement, duration, and potential opportunities and limitations.

When Oxfam engages with an MSI, the mindset should be for a long-term engagement. Based on the experiences to date, a three-year time frame is a realistic minimum projection of commitment, with a dedicated contact that can leverage internal resources within the Oxfam network. Oxfam needs to ensure that funders and internal stakeholders see the value of the investment in the MSI.

Prove the Impact

There is evidence to show that when Oxfam has engaged with MSIs, it has raised the profile of the issues poverty, social justice, human rights, rights to resources, and smallholder inclusion within the initiative. The MSIs have reacted to Oxfam's advocacy and addressed these issues in standards, access to certification, and supporting mechanisms such as grievance and complaints panels. However the question of whether Oxfam has "moved the needle" significantly for the most marginalized populations in terms of rights, poverty alleviation and access to fair and equitable markets has yet to be proven. More monitoring, evaluation and impact measurement needs to be considered in future engagements.

Apply decision-making frameworks and a midterm analysis tool for engagement

Oxfam needs to strategically use existing due diligence and decision-making frameworks for MSIs that will help determine where its role has the largest added value, either as an insider or outsider or both. Due diligence also evaluates brand risk in balance with the opportunities presented. It will need to use these tools with allies and critics as well as continuously evaluate not only the initiative's impact but also Oxfam's role in shaping that impact. Oxfam has existing guidelines, so applying them on a regular basis and socializing the learning is of key importance.

Complement MSI Engagement with Other Interventions

Continue to take a holistic approach

MSIs are still niche in terms of their uptake when considering global production and consumption levels. The terms of trade are still the same for the majority of smallholders and as sustainable markets mainstream, premiums may diminish over time. MSIs are not a silver bullet, and thus Oxfam's work with MSIs needs to continue to be complemented with advocacy, campaigns, individual company engagement, and pressure on both production and consumption economy governments.

Continue to use Southern Engagement Principles and actively communicate with NGOs and allies

Oxfam's communication with other NGOs and stakeholder groups is critical to ensure its roles and actions do not stand in the way of direct representation of affected stakeholders (which may not have the brand or clout of Oxfam but have a clear rationale to partake). Oxfam needs to ensure its own stakeholders are informed, positions are clear, and insider and outsider tactics are understood. Wherever possible, Oxfam should aspire to create consensus amongst the NGO community and civil society.

Use multiple levers of change to engage government

There is evidence to suggest that MSIs have helped to motivate policy makers to take action; however, the reaction of governments has not yet been sufficient or "game changing". The cases of successful MSIs seem to indicate if the MSI leads, the government will follow and endorse the MSI approach and/or certification. The absence of government regulation and intervention seems to persist, and thus these types of initiatives need to continue to break ground for governments to find the impetus to engage and embrace sustainable production and trade and/or develop their own policies. However, more needs to be done directly to engage governments.

Ensure Mandate, Accountability and Learning

Ensure legitimacy and integrity of the MSI

Oxfam has selected MSIs to engage with that, while having some level of external criticism, are seen to be legitimate in terms of their governance structures and stakeholder engagement processes. This legitimacy and integrity has helped Oxfam reach a level of confidence to engage, especially at an authoritative level within the governance structures in order to associate the Oxfam brand with the initiative. It is important that tests of legitimacy and due diligence are conducted upfront and throughout the evolution of the initiative to ensure that Oxfam only engages with those MSIs that continuously demonstrate integrity and transparency. Oxfam needs to consider exit strategies and communications should the legitimacy and transparency of an MSI be seriously questioned, as the Oxfam brand is more important than the MSI.

Embrace flexibility with more strategy and analysis

Oxfam has been quite reactive and less strategic about its engagements through its "learning by doing" approach, often having to modify its role or position "on the fly". All the MSIs were joined nearly from day one, and all of them were an experience of learning by doing for all actors involved. There was very little experience at the time to tap into. This is understandable as these

initiatives are often young and dynamic, and there is a political tightrope that Oxfam constantly needs to navigate internally and with external stakeholders when engaging closely with the private sector. However, if the case for engagement and investment is strong, it will be easier to be more flexible and have the ability to mobilize further resources based on intended impacts as the MSI is shaped and demands shift.

Leverage the Expertise and Learning Coming from MSIs to benefit Oxfam and the broader network

The Oxfam Novib private sector engagement team is learning from MSIs. This learning includes: negotiation and consensus building; designing standards, certification systems and assurance methods; private sector strategies; sector knowledge; production and trade of a given commodity, and supply chain dynamics. This learning needs to be institutionalized within Oxfam Novib and shared with other Oxfam affiliates, NGOs and allies.

EPILOGUE

This paper is a culmination of interviews with Oxfam Novib and Oxfam affiliate staff members engaged in private sector engagement and multi-stakeholder collaborations. The author also had access to internal documents that Oxfam Novib has compiled over the years - particularly those by Henk Peters and by Johan Verburg - to help frame and learn from experiences as well as confidential third-party assessments commissioned by Oxfam Novib. The author also relied heavily on a published study entitled: "Friendly Outsider or Critical Insider? An Action Research Account of Oxfam's Private Sector Engagement" by Luli Pesqueira Fernandez, who had insider access to the Oxfam Novib Private Sector engagement team and their work from 2010 to 2013.

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