

Oxfam Novib and sustainable supply chains

Presentation by Gine Zwart
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What is Oxfam?

Oxfam is a confederation of 13 like-minded organisations, all working on poverty issues based on a rights based approach.

- Oxfam GB
- Oxfam America
- Oxfam Canada
- Oxfam Novib (Netherlands)
- Oxfam Spain (Intermom)
- Oxfam Australia (Community Aid Aboard)
- Oxfam in Belgium (3 organisations)
- Oxfam Hong Kong
- Oxfam Germany
- Oxfam Ireland
- Oxfam Quebec
- Oxfam New Zealand
- Oxfam France

Ready to join:

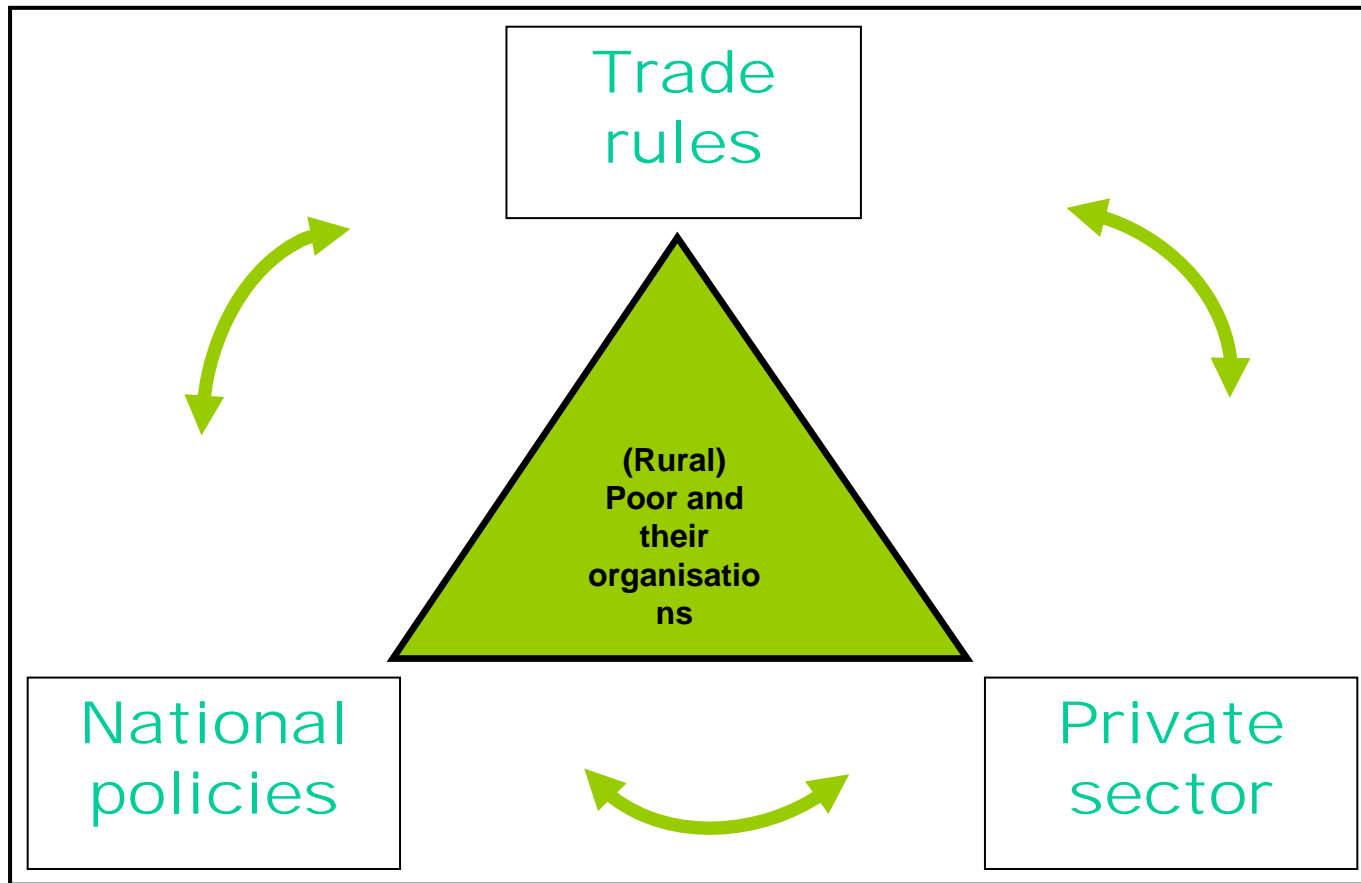
- Oxfam Japan
- Oxfam Mexico
- Oxfam India

What is Oxfam?

- Oxfam international secretariat in Oxford, UK
- Lobby offices in Washington; New York; Brussels and Geneva
- Shared budget of around 400 million Euros annually
- Around 3 000 partner organisations
- In over 100 countries worldwide

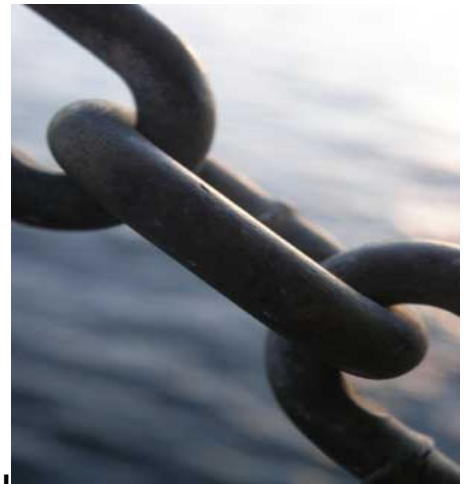
Oxfam's aim to ensure poverty reduction

Focus on the poor, trade rules, national policies, and private sector;
holistic and complementary approach



Lot of work in various value chains, based on:

- Chain is as strong as its **STRONGEST** link;
Multi Stakeholder Initiatives (MSIs)
- Support the weakest link
Producer-organisations; small producers; workers;
unions etc
- Support example setting
Niche/Fair Trade initiatives as examples of how high ethical standards
can work
- Oxfam is also a multinational power.....
Has a brand/name to share (and to lose)



<http://www.youtube.com/watch?v=3X3saJU8f4>

Oxfam and sustainable rural livelihoods

- Numerous partners working on sustainable rural livelihoods issues related to small farmers, agricultural workers, trade rules, micro finance, human rights, child labour and rural enterprises
- Aim for people to be able to exercise their “*right to a sustainable livelihood*”

Oxfam's partners working on cocoa

Bolivia:	CIPCA	(OxNo)
	El Ceibo	(Ox Belgium)
Nicaragua:	ADDAC	(OxNo)
Dominican republic:	CONACADO	(Ox Belgium)
Ghana:	Kuapa Kokoo	(Ox Belgium; OxUK)
Nigeria:	Fadu	(OxNo)
Cote d'Ivoire:	COOPEK	(Ox Belgium)
	Kavokiva	(Ox Belgium)

Plus a number of human rights organisations working on human rights in general and child labour in particular (Cote d'Ivoire and Burkina Fasso)

Oxfam's partners working on cocoa

- Knowledge exchange between 10 cocoa producer organisations from 7 countries in Latam (2007)
- Together exported a value of US\$ 25 million (2006)
- Added value in niche/origin cocoa gives in Latam
- Give assistance to ensure niche requirements can be met (fair trade; organic, etc.)

- FADU (Nigeria): reaches half a million farmers with micro finance; farmers federated in Fadu Community Associations (FCAs) with membership between 1000 and 2000. Model based on compulsory savings in groups.
- Group formation at local *and* national level important

Common issues at farmers level:

- Sale of surplus at give away prices due to poverty, immediate cash needs lack of economic volumes and sufficient added value to negotiate fair prices
- Lower income means less to invest
- Employment of children
- Least investments means lack of access to appropriate tools to expand productivity
- Price negotiator not price taker
- Failure of current supply management models to address world poverty and unfair trade that favours the rich and penalize the poor

Common issues at farmers level

Cocoa also known as a

“Lazy man’s crop”

But maybe it is a

“Wise woman’s investment”



Successful experiences at farmers' level include:

- Holistic approach: sustainable rural livelihoods (is more than agriculture or child labour alone)
- Farmers owners/custodians of their land and labour which is source of wealth and life not reason to be poor
- Farmer empowerment to assume ownership retain ownership as long a possible along the chain
- Access markets also for value added products
- NGO support

Successful experiences at farmers' level

- Groups; cooperatives; producer organisations:
 - Benefit from economies of scale
 - Volumes for bargaining power
 - Peer pressure
 - Skills and knowledge sharing; good agricultural practices
 - Need to be have various reasons for organisation form
 - However not a solution to everything
 - Remains to be a MEANS towards an end

Successful experiences at farmers' level

Often useful to be able to report that:

*“our activities in country x have linked
y thousand farmers to markets,
leading to per capita income increase
of those farmers of
z hundred dollars per year”*

However essential to know this,..

Measurement of achievement in this way promotes:

- Short-term time horizon
- An obligation to achieve measurable “success”
- Overriding the need for sustainable long term development
- Free hand-outs, inputs, transport etc.
- Selection of beneficiaries becomes like a lottery

Worldwide trends

- Markets increasingly demand
 - food safety
 - traceability
 - certification
 - sustainability
 - no human rights abuses (child labour)
 - certification
 - Competition among certification schemes
 - Initial emphasis on governmental regulation, now more self regulation and voluntary initiatives; emergence of MSIs
 - MSIs, examples in palm oil: RSPO; textile; coffee: 4 Cs: Common Code for Coffee Community
 - Producer Organisations seen as a solution for many of the above
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Ways forward

- Poverty alleviation efforts need to be sector specific and minimum standards adopted by the whole sector
- Initiatives should deliver; codes of conduct needed
- Standards: are they designed to benefit farmers and their workers or purely to avoid reputational risk?
- Up scaling
- Ownership further up the chain
- Needs investment: also in the beginning of the chain
- Innovative farmers' institution development fund and knowledge sharing
- High level of commitment; innovation; creativity and determination thinking outside of the box taking risks

Ways forward

- Learn from other MSIs: develop a 5Cs?

A **C**ommon **C**ode for **CoCoa** **C**ommunity?

Thank you

www.oxfamnovib.nl

www.oxfam.com

www.maketradefair.com