

Webinar Summary: Effectiveness of Multi-Stakeholder Initiatives in the Agricultural Sector - Lessons for SRP?

6 July, 14.00-15.00h (Bangkok time)

Webinar objective

Multi-stakeholder initiatives (MSIs) in the agricultural sector emerged in the 1980s and are credited with shaping business practices across a number of high-profile and critical supply chains. However, their effectiveness in driving change has since been questioned, and the evidence base for tangible improvements across key social and environmental impact areas remains relatively weak.

This webinar was convened by SRP to share key findings and recommendations of an Oxfam-commissioned study of the effectiveness of MSIs in the agricultural sector, including the Sustainable Rice Platform (SRP), one of four MSIs covered by the review. (The others are the Roundtable on Sustainable Palm Oil (RSPO), Aquaculture Stewardship Council (ASC) and the Asian Seafood Improvement Collaborative (ASIC). The report was co-authored by Jan Willem Molenaar and Sjaak Heuvels.

The review of MSIs was commissioned by Oxfam within the context of its GRAISEA¹ initiative and is entitled: 'An assessment of overall effectiveness of agricultural multistakeholder initiatives with specific attention to smallholder inclusiveness, and recommendations for improvement²'.

Speakers:

- Jan Willem Molenaar (Aidenvironment)
- Madeline Brassler (Oxfam)
- Nguyet Minh Le (Oxfam)

Opening Remarks: Wyn Ellis (SRP Executive Director)

Closing Remarks: Matthias Bickel (GIZ and Chair of the SRP Board)

Moderator: Roong Tepkaew (SRP Secretariat)

Participants: 20 attendees; with 56% representing CSOs/NGOs/Unions, 13% governmental organizations and 13% research institutions.

¹ Gender transformative and responsible agribusiness investments in South East Asia (GRAISEA)

² Full report available at <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621185/rr-agricultural-multi-stakeholder-initiatives-311220-en.pdf?sequence=1&isAllowed=y>

Summary of the webinar

Welcoming remarks

Wyn Ellis (SRP Executive Director) contextualized the theme of the webinar. With MSIs in the agricultural sector emerging in the 1980s, voluntary standards have since played an increasingly prominent role in shaping supply chains across a range of high-profile commodities. However, some of these schemes have become seen as focused on implementing best practices and somewhat less on monitoring their impacts.

This leads to the key question investigated in the Oxfam-commissioned report: How effective are MSIs as a mechanism to drive change in issues such as social equity, smallholder inclusiveness and environmental conservation in their respective supply chains?

Report abstract

The report is divided into two parts. Part A focuses on how MSI influencing targets are able to include and create benefits for small-scale producers. The targets are the Roundtable on Sustainable Palm Oil (RSPO), **Sustainable Rice Platform (SRP)**, Aquaculture Stewardship Council (ASC) and the Asian Seafood Improvement Collaborative (ASIC). Part A ends with seven recommendations for MSIs to become more inclusive towards small-scale producers. Part B discusses current and potential roles of MSIs in general, beyond the four current GRAISEA targets, focusing on several key topics relevant to GRAISEA and Oxfam: **Human Rights Due Diligence (HRDD), Gender equality and women's empowerment, Fair pricing and trading practices, Purpose-before-profit Business models, Assurance models, Digital Solutions, Landscape approaches, Sector Governance, Proliferation of Standards and Voluntary vs Mandatory Standards**). The report concludes with recommendations for MSIs to engage on these topics and for Oxfam/GRAISEA to support such engagement.

1. What can Multi-Stakeholder Initiatives do to become more impactful?" (Jan Willem Molenaar, Aidenvironment, and report co-author)

Key findings of the review were presented, noting that these views are those of the authors and do not necessarily represent Oxfam's positions. The presentation focused on three topics: Human Rights Due Diligence (HRDD), Fair pricing and trading practices; and Sector governance.

• Human Rights Due Diligence (HRDD)

- HRDD are increasingly incorporated into regulatory frameworks, and protection of human rights is increasingly prioritized in the design of voluntary standards. However, the focus is still overwhelmingly on producers, with little emphasis on other value chain actors, where HRDD is generally weakly embedded and implemented within existing processes.
- MSIs could play a greater influencing role in driving the incorporation of HRDD within existing processes, through knowledge sharing, development of additional analytical and evaluation tools, and public policy advocacy.

- **Fair pricing and trading practices**

- Many MSIs have developed voluntary standards for producers. However, the level of resources invested by supply chain actors in driving adoption of sustainable farming practices is highly dependent on the respective trading relationships with buyers.
- In many cases standards are overwhelmingly producer-focused; the key role played by downstream supply chain actors in incentivizing change is often overlooked, partly because companies are reluctant to discuss their trading practices.
- More emphasis is needed on living incomes and living wages, and MSIs can play a very important role in this regard, e. g. by adopting requirements on risk- and cost-sharing, price-setting, trading practices and influencing public policies on price-setting, supply management, trade policies as well as knowledge development and sharing.

- **Sector governance**

- To drive impactful change, it is important to focus beyond “islands of success” (individual supply chains that do well, but that operate in a generally lower performing environment. Beyond enhancing governance within MSIs it is important to foster an enabling operating environment at sector level. This will require coordination among actors to ensure alignment of the policy and regulatory landscape as well as investment and incentive structures.

During the Q&A session, the convening role of SRP in aligning stakeholder interests around common goals was discussed. Clearly, MSIs offer a space for open discussion and constructive dialogue across stakeholder groups, with the aim of formulating common long-term goals and identifying approaches to achieving them at sectoral level. For SRP, this engagement will be important to ensure buy-in and legitimacy. SRP’s strategy should strive to accommodate a wider range of needs and interests espoused by both members and other stakeholders; this will be crucial as a process for building trust. It was noted that SRP has prioritized the inclusion of civil society actors within the membership, and also the adoption of a consultative process in developing SRP tools that can be widely endorsed across the stakeholder spectrum.

2. Rice Smallholder Inclusion at SRP: A Matter of Equality (Madeleine Brassier, Oxfam Novib)

Despite a quadrupling of rice exports between 1989 and 2017, prices have fallen, and farmers receive only a small fraction of the retail price. Retailers need to take responsibility to drive equity in their value chains, including establishment of sustainable sourcing policies for rice. Smallholders need to be seen and treated fairly as key value chain partners.

Building on earlier recommendations presented by Jan Willem Molenaar, a number of additional recommendations for SRP were presented as follows:

- Become a platform where innovative, purpose- rather than profit-driven business models are co-created and piloted
- Develop tools for women and men farmers

- Stop supporting old-school exploitative business models
- Encourage long-term relations/contracts/partnerships
- Establish inclusive governance (currently there is no representation of smallholders within SRP)
- Develop smallholder inclusion strategy, e.g. through National Chapters to foster inclusion of smallholder groups
- Robust monitoring and learning system (already working on this, linked to SRP Performance Indicators)

Limited capacity and resources should not absolve SRP from these responsibilities.

The subsequent Q&A/discussion session discussed the importance of demonstrating economic benefits of sustainable rice farming in order to foster smallholder inclusion in SRP supply chains. More evidence is needed to better understand how sustainability standards such as the SRP Standard can contribute to improving economic outcomes for smallholders, whether through higher returns, lower risks or savings in production costs. Further work is needed in order to establish and articulate this business case for smallholders, including women smallholders.

Madeleine Brassier noted that though standards play an important role, they are themselves insufficient to address the issues facing rice smallholders. Collaboration among actors throughout value chains is needed to engage with and incentivize smallholders. Strengthening of smallholder organizations will be key and smallholders need to be made visible.

Closing remarks

(Matthias Bickel, GIZ)

Though MSIs should not be regarded as 'silver bullets'. They offer value in terms of identifying the interests of diverse stakeholder groups and offering a forum for dialogue and alignment among them. It is vital therefore that MSIs bring the 'right' actors to the table and articulate issues and interests transparently so that solutions can be found.

SRP's vision can be reached if multiple actors work together to raise issues and develop solutions, including civil society, research institutions, governments, and private sector value chain actors.