

Good causes: Building capacity is still the challenge

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Coffee growers in the Chiapas region of Mexico are doing very nicely from the new dialogue between global corporations and international non-governmental organisations.

Eight years ago, Starbucks, the Seattle-based chain of coffee stores, bought a mere 76,000 pounds of their Shade Grown coffee. Last year, the company's purchases totalled 1.6m pounds.

The key to the upsurge in their sales is a nine-year collaboration between Conservation International, a US charity committed to preserving biodiversity, and Starbucks, now one of the world's biggest coffee purveyors.

The company and the charity began working together in 1998 with the aim of sustaining traditional planters who harvest their coffee in a sensitive forest environment.

From a conservation perspective, preserving the trees benefits the planet, and reduces the amount of water needed to grow the coffee. Consumers benefit from a beverage with a distinctive flavour that they can drink with a clear conscience.

The pioneering project, since copied in other regions by the partners, set about supporting local cooperatives that underpinned the livelihoods of several hundred farmers via cheap finance and technical information.

Thanks to their combined endeavours, Starbucks now has a distinctive product that appeals to conservation-minded consumers, farmers have seen a substantial uplift in their incomes, and the project has grown to support 700 farmers growing coffee across 2,000 hectares.

Around the world, collaborations between companies involved in coffee production and marketing and charities committed to conservation have multiplied to an extraordinary degree.

The NGOs have created widespread consumer awareness of the consequences of unfettered commercial coffee production. That awareness has triggered a willingness to pay more, if necessary, for coffee produced in sustainable ways that reward farmers fairly, whilst the interaction of charities with leading brands has produced guidelines and standards that companies seek to maintain.

Though sustainable coffee production is still far from universal, it is a good illustration of the sea change in NGO attitudes to corporate partnerships identified by Dax Lovegrove, head of Business and Industry Relations at WWF, the leading British-based international conservation group.

"NGOs generally are much more cooperative these days towards working with companies," he says. "I think a lot of NGOs these days accept that they are not going to tackle and overcome enormous issues without the support of businesses."

In part, that is because international companies have substantial resources and expertise. Besides its collaboration, Starbucks has provided a \$2.5m loan to CI's Verde Ventures Fund, which in turn helps finance small businesses working in CI priority areas.

But the overwhelming attraction for NGOs of partnering with leading international corporations is neither money nor expertise, but the hope of getting NGO ideas taken up within business.

WWF's Mr Lovegrove sees this as beneficial to both parties. "I think businesses have tended to move away from philanthropy to become much more committed to partnerships, and I think the partnerships have more depth to them these days," he says. "We are always trying to improve the business practices of our partners."

A good example is the partnership between WWF and HSBC, the international banking group. Renewing their partnership for five years, the bank committed \$100m to help protect major rivers, including the Yangtze in China and the Thames in London, from the impact of climate change, and make some of the world's major cities cleaner and greener.

But it also agreed to let the charity help reformulate its lending policies. So as a result of their work together, HSBC has drawn up its Responsible Lending Policies to help the bank avoid lending to projects that damage the environment or communities.

Fish stocks are another area that have benefited from NGO-corporate collaboration. Conservation International has worked with McDonald's, the fast-food company, on sustainable sourcing of food, including fish, for its restaurants. WWF has done similar work on fisheries management with food manufacturer Unilever in the past, and more recently with retailer Marks & Spencer.

Concerns over climate change and the environment are one of the biggest cornerstones of corporate and NGO collaboration. But human welfare, especially of children, also attracts attention. In Mexico, Fundación del Empresariado Chihuahuense has developed partnerships with groups including pharmaceuticals group Pfizer and Mexican retailer Soriana for its healthcare, education and capacity-building projects.

Heartbeat Centre for Community Development, a South African NGO, has attracted insurance group Old Mutual, financial adviser Deloitte, and mining group Anglo Gold, among others, to back its programmes to help the disadvantaged. Many NGOs would really like to shape their partners' supply chains as a way of spreading best-practice in food production, for example. With some brave exceptions, projects of that ilk struggle to win corporate backing.

Partnerships also become harder as you get closer to the detail. So, for example in forestry, company-smallholder partnerships could deliver big benefits but have received little attention, says the London-based Institute for International Development. Further capacity building – helping people acquire the knowledge to take better decisions or be more productive – also attracts little favour, though the benefits are increasingly recognized in developing countries.

Today's corporate partners like to be seen cuddling trees and protecting polar bears. For many, less tangible causes remain a marketing challenge too far.

Case study: mothers2mothers

When Dr Mitch Besser left his profitable San Diego birthing clinic to help the authorities in Cape Town expand the use of antiretroviral therapy for people with HIV, he quickly identified a vital missing link.

Even where the testing equipment and medicines in South Africa's overstretched health system were available, many HIV-positive pregnant women were failing to adopt the simple procedures that sharply reduce the risk of transmitting the virus to their children.

A single dose of a drug to the mother just before birth and to the child just afterwards – coupled with a ban on breast-feeding – has all but eliminated HIV transmission where applied. But stigma, ignorance and fear deter many women from taking advantage of such programmes, which are standard in the west and offered in many parts of Africa.

The organisation that Dr Besser founded in 2001, mothers2mothers (m2m), is designed to fill the gap. It recruits HIV-positive "mentor mothers" to help counsel and advise their peers, helping to overcome pregnant women's reluctance to take part and, in turn, helping tackle a significant barrier to reducing the impact of Aids.

A recent analysis by the Population Council in the US monitored a high degree of contact between mentors and other HIV-positive mothers where m2m programmes existed, and showed that those they trained reported a far greater propensity to take the necessary drugs, use baby formula and experience better self-esteem.

Alongside the power of the concept itself, a key to success has been the range of corporate partnerships m2m has cultivated, which has helped it grow into an organisation with an annual budget of \$2.6m. It has 400 mentors in 90 sites across South Africa and 10 in Lesotho, with operations set to open by the end of this year in Kenya, Rwanda and Swaziland.

Ideas and expertise were as important as money. These included capacity- building via advisers from Pfizer's Fellows programme; volunteer and logistical support from Johnson & Johnson in expanding to other regions; work with communications groups to spread the message via Soul City, a local televised soap opera; and an agreement with US fashion company Kenneth Cole to sell beaded work made by the women in its US shoe shops.

"Corporations get approached by hundreds of organisations all the time which often have very nebulous, undefined goals or no game plans," says David Torres, m2m's director of special projects. "Critical to our success was that we decided early on to stick to a narrow specialism, with a model that is easily replicable and scaleable. If we had tried to tackle every aspect of HIV, we would still be in one clinic."

He stresses that the organisation was able to recruit most of its senior managers from a business background. That includes Mr Torres, who spent 22 years as an investment banker with JP Morgan in the UK. "That meant we could present a value proposition to companies in their own language."

"It's extremely important for an early-stage, resource-stretched NGO to avail itself of help, in order to be able to present accurate books to gain credibility," he says.

The ultimate public health evaluation of m2m has yet to be done, which would be a more complex and costly study to assess the overall impact of its programme on reducing HIV prevalence in the areas where it operates.

But Mr Torres is confident that the model is delivering powerful results: m2m is now registered as a charity in both the US and the UK, and he says the organisation will be expanding rapidly. "Within three to four years, we will be operating in 30 countries."

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