AMBITION 2020 MULTI-ANNUAL STRATEGIC PLAN 2016 - 2020







Solidaridad









PROPOSITION A SOLUTION ORIENTED CSO

Solidaridad strives to be an organization that understands the signs of modern times. It seeks to be a Civil Society Organization (CSO) with its own place and role in society, while simultaneously interacting with governments and markets.

A primary trend to recognize is that markets will have to play a crucial role for positive impacts on society and environment.

Markets are becoming legitimate channels for social and ecological change. On balance, changing markets is probably more effective and positive than more traditional NGO approaches. Therefore, the next generation CSOs - needs to be oriented at solutions or - even more precise - at market based solutions. Solidaridad looks at how to transform markets to make them more inclusive and sustainable. Our ambition is to influence market processes to produce more socially and ecologically desirable outcomes to help to sustain the planet for future generations.

Public-private partnerships are increasingly important for testing innovations, speeding up change and taking success to scale.



"Our network structure based on regional teams gives us boots and brains on the ground and the capacity to deliver change that matters by working with millions of farmers, miners and industrial workers. In 'Ambition 2020' Solidaridad's regional programmes are aligned with a global ambition and strategy. Think globally, act locally becomes a reality."

Mariam Dao Gabala / Ivory Coast President of the International Supervisory Board





"The modern Civil Society Organization will be a global network organization. The time for strategies based on social biases from the global North is behind us. The world is gradually, but inevitably, transforming into a multi-polar community with a dominant geopolitical shift from the West to the East. Globalization produces more shared power at the highest echelons of power, but also need countervailing power in the form of globalization processes from below."

Nico Roozen / The Netherlands Executive director Solidaridad Network



THE ISSUE OUR GLOBAL ECONOMY IS NOT SUSTAINABLE

Solidaridad is an optimistic innovator and highly inspired by sustainability initiatives across sectors, supply chains and landscapes worldwide. Nevertheless, reducing the environmental impacts of our global economy while offering chances to the poor is a growing challenge. Consumption growth currently outpaces efforts to reduce negative impacts by and large. This situation is bound to get worse as both population and consumption are expected to grow rapidly for decades to come. On top of that, global climate change poses a significant challenge.

But there are also opportunities. Farming is one of mankind's oldest endeavors, and digital technology is one of its newest. A fascinating challenge will be to bring them together, showing just how much good can come from the collaboration of both.

A clear choice for **sustainable** development is the best option for curbing the worst effects of the growing consumption and climate change.

Nowadays, rising social inequality rightfully comes to the forefront of the public debate. Increasing disparity between rich and poor creates social and political instability and threatens spending on public infrastructure and services. The majority of those living in poverty are female. Today's youth, another vulnerable group, make up one quarter of the world's population.

A clear choice for **inclusive** development is the best option for ensuring that the most vulnerable, but often most valuable, groups thrive well into the future. This is what Solidaridad seeks to achieve - sustainable and inclusive development. It includes three aspects:

- The economic aspect is related to a peoplecentred agenda of broad-based growth ending the increasing disparity between rich and poor and creating economic perspectives for women and young people. It's also about changing the reality that the children of farmers don't see farming as an attractive profession offering a living income. From the perspective of inclusiveness the creation of decent jobs is the main indicator for growth.
- 2. The ecological aspect relates to the fact that in a world with limited resources and threatened by increasing impacts of climate change, combined with a growing demand from an increasing world population, the footprint of production and consumption has to be reduced significantly. There is a great urgency to protect the fertility of soils, reduce the use of water, invest in renewable energy and produce less waste and avoid deforestation.
- 3. The **social** aspect of inclusiveness leaving no one behind is related to participation at three levels:
 - a. As a producer: addressing issues like access to economic opportunities, mainly a decent job with a living income.
 - b. As a consumer: achieving a basic standard of well-being, mainly access to healthy food, safe water, clean air, housing, energy and transport.
 - c. As a citizen: citizenship has to do with respect for human rights, gender equity, access to education and health care, and providing social protection to help people build resilience to life's uncertainties.

SOLIDARIDAD IN HISTORICAL PERSPECTIVE INNOVATIVE STRATEGIES IN THREE PHASES OF GROWTH

	1969 - 1996	1997 - 2015	2015 onwards
	CHARITY	RESULTS & IMPACT	SPEED & SCALE
TRANSFORMATION PARADIGM	Fragmented interventions	Theory of Change	Systemic change
ORGANIZATIONAL DEVELOPMENT	Dutch development cooperation	Network structure - initial stage	Network structure - mature stage
FINANCIAL STREAM	Donations	Grant investments	Blended funding with credits & equity
STRATEGY	Campaigning	Solution tested	Market based solutions
SCOPE	CSO programming	Partnerships	Community of change
ІМРАСТ	Good intentions	Measured results	Leverage in markets & politics
CHANGE AGENTS	Consumers	Sectors	Market transformation
LEARNING METHODOLOGY	Trial and error	Learning organization	Science based validation
TECHNOLOGY	Technology averse	Adapted technology	Technology as driver
COMMUNICATION	Problem centric	Story telling good practices	Results & impact
DATA	Anecdotal evidence	Facts and figures	Big data and trans- formative knowledge

Solidaridad was founded in 1969 and since then reinvented itself twice, both in proposition and structure. It started as a Dutch church linked organization, highly inspired by radical change in the Latin American churches and society in the roaring '70s of the last century.

In the 1980s, the programming shifted to a global strategy based on economic empowerment and fair trade. During this period, Solidaridad initiated the first fair trade labelling schemes in the world.

In more recent years, Solidaridad enjoyed an accelerated growth curve, transforming into a global network organization with global governance structures and management, and delegated regional programme development and implementation. In the coming years, these new network structures will move to the mature stage of growth.

In terms of strategy, Solidaridad moved from the early concept of a more traditional western organization for development cooperation into a modern global civil society organization with the ambition to achieve measurable results and impacts. By scaling and speeding up the programming, we aim to create a broader dynamic in markets and society towards more inclusive, climate resilient and sustainable development of economies.

PROGRESS TO DATE

Solidaridad remains a frontrunner in the area of sustainable economic development.

In 1988, Solidaridad was the initiator of fair trade certification of coffee and in 1996 for bananas. Since 2001, it co-founded several new certification programmes, like Utz Certified, commodity Round Tables and domestic standards. These were new concepts that follow the Solidaridad pyramid of change model and that have become the leading approach in sustainable transformation of markets.



Despite being proud of its history, Solidaridad recognizes that certification as the driver of change will come under pressure and will not bring us to the next level of mainstreaming sustainability. It is difficult to predict the future, but the era of certification seems to come to an end.

There is an urgent need for innovation overcoming the shortcomings of certification. It's simply not possible to certify farmers out of poverty, or stop deforestation by certifying relatively small market segments.

Farming is one of mankind's oldest endeavors, and digital technology is one of its newest. A fascinating challenge will be to bring them together, showing just how much good can come from the collaboration of both. Digital thinking and realizing the promise of digital will be the major game-changer and gradually replace the models of the past by offering new perspectives for continuous improvements at producer level. It makes connections possible, transfers information instantaneously, and can help build virtual communities even among widely separated and remotely located individuals and communities.

In addition, a landscape approach could increasingly replace a commodity approach and certification which is aimed mainly at international markets. Sustainable and climate resilient landscapes will produce goods for different markets. The 'labels of origin' associated with these sustainable landscapes could guarantee social and ecological standards.

Finally, good governance has to generate the leading standards offering adequate policy frameworks and law enforcement, as well as market-based regulations. Such an integral strategy is required to let sustainability go from 'niche to norm', from certification of best practices as the exemption in markets towards generic market characteristics that support inclusive and sustainable economies.

RESULT AREAS AN AMBITIOUS THEORY OF CHANGE

In a new ambitious Theory of Change as the guide towards 2020, Solidaridad defines four result areas which have to contribute to impact on the objective of sustainable and inclusive sector development and the creation of sustainable landscapes.

The four result areas are Good Practices, Robust Infrastructures, Landscape Innovation and Enabling Policy Environment. For each of these result areas concrete interventions, outputs and outcomes have been defined.

A core goal of the "good practices" result area is to provide producers with better and more efficient agricultural methods by developing, testing, implementing and disseminating scientifically validated practices. Goals for "robust infrastructure" include organizing a more optimal production structure, and improving producer access to inputs and services, credits and equity, and commercial investments in transport, storage and retail. The "landscape innovation" result area is intended to strengthen the capacity of landscape stakeholders to resolve sustainability issues and competing claims. Finally, the "enabling policy environments" result area is focused on making sustainability the norm by moving from CSO-driven voluntary standards to government-driven mandatory frameworks.

A Solidaridad Network wide capacity enhancement programme, monitoring framework and learning agenda have been developed to implement the regional programmes, measure results and impact and to build a learning organization looking for continual improvements.



SUSTAINABILITY STRATEGIES SOLUTIONS AT FIVE LEVELS

The emerging narrative of sustainable intensification, climate change, and digital technology calls for significantly increasing (smallholder) productivity in a sustainable and resilient manner. This should provide the healthy and nutritious food that meets growing demands in such a way to speed up the process of agricultural transformation.

To address these challenges, Solidaridad offers sustainability interventions at five levels. Stimulating continual improvements that are driven by farmers and entrepreneurs themselves, with special attention to disadvantaged - and at the same time high potential - groups like women and youth.

Innovations at producer level, at infrastructural level, at landscape level, at country level, and at market level have to accelerate inclusive and sustainable development. The programming aims to develop targeted and proven effective solutions brought to scale on each of these levels.



AT PRODUCER LEVEL

One way to produce more with less negative social consequences and damage to the ecosystem, is to develop, test and promote good and climate smart agricultural, mining and industrial practices.

Farmers, workers and miners have to become coowners of the interventions and need to be trained in implementing good practices. Entrepreneurial farmers and demonstration plots can help to increase the use of innovative practices.

Overcoming isolation of best practices, speeding up change, and taking success to scale is the challenge. For sure new information technologies will facilitate this process and will create completely new dynamics.

AT INFRASTRUCTURE LEVEL

Good practices can flourish and lead to real impact when they are embedded and supported by a robust infrastructure. For example, farmers need to have access to the right resources, services, credit and knowledge to be able to produce more sustainably. Farm sites, factories or mines will not be able to foster permanent improvements in their production without the following: access to land, viable size of production areas, mechanization, credits or equity or the right markets.

AT LANDSCAPE LEVEL

Climate change related challenges like watershed management, land use planning, deforestation, biodiversity and degraded land cannot be solved at producer or supply chain level. These challenges will need to be addressed at landscape level. Solidaridad aims for a convening process bringing all relevant stakeholders together including women, youth, regional governments, companies and producers. The best approach is to come to a common understanding of the main problems with the stakeholders in order to reach cooperative solutions. Solutions will need to be carefully negotiated to protect the interests of vulnerable groups, and Solidaridad will support them in that process. After piloting, the solution is then scaled up with investments from regional governments, producers, companies and impact investors.

AT COUNTRY LEVEL

Government and other official institutions have the power to make sustainability and inclusiveness the norm at all levels, whether it be at regional, country, landscape or sector level. Legislation, regulations, subsidies, policies and tax frameworks can improve producer performance. It also helps to improve the reputation of countries and commodity sectors with regards to sustainability and efforts to mitigate the impact on climate change. Solidaridad promotes and supports the participation of vulnerable groups in developing enabling policies to ensure that benefits are shared fairly among all.

AT MARKET LEVEL

Investing in inclusiveness and ecology are increasingly important for private sector players and go beyond corporate social responsibility. They do not only offer improved reputation and brand value, but also contribute to the development of local markets, improved efficiency and risk management. Market development is aimed at linking farmers to local, regional and international markets. Well functioning markets create food security for local rural communities, feed people in the megacities of the regional markets and strengthen the linkages with international markets.

FOCUS 4 ROLES IN 13 COMMODITIES

The result areas are linked to sectoral programmes in 13 commodities. The commodities mainly come from in the agricultural sectors but also in mining, including gold and industrial minerals, and the textile industry. Solidaridad has defined a network wide ambition in these global sectors and relies on the deep sectoral knowledge of its local staff at the nine Regional Expertise Centres. These commodities are:



Over the last decades, a sectoral approach in commodity programming has given a clear framework for Solidaridad's intervention strategies. This approach is no longer adequate, and certainly not suitable for foreseeable future circumstances. New developments will create new dynamics. Sustainable landscape approaches will create a cross-sectoral dynamic. Farmer interests are better served if they have access to different markets; local and regional markets with food crops and international markets with cash crops. Diversification -as a good farming practice protecting soil fertility - will lead to a broader range of products in our programmes; like rice, sorghum, maize, cassava, plantain etc.

To include 'farmer support' in commodity programmes, Solidaridad local teams offer expertise in four roles:

1. Solidaridad and its partners **develop and test** best practices for inclusive and sustainable production

- 2. By sharing these solutions, tools and policies, making them accessible to others and linking people together, communities of change are created. To reach scale and speed, Solidaridad makes use of modern technology and big data to enable producers to assess their own practices, and learn from their peers about relevant and proven best practices.
- 3. Solidaridad supports producers in developing clear business cases and investable propositions to **mobilize additional financial resources** like equity, credits and impacts investment necessary to bring business to the next level.
- 4. To bring best practices to **systemic change**, Solidaridad strengthens multi-stakeholder cooperation and strives to transform voluntary sustainability systems to mandatory frameworks supported by governments and multilateral institutions.

SCALE & SPEED DELIVERING PROOF OF CONCEPT

Over the last two decades, Solidaridad went through a radical transformation by putting results and impact in the centre of its programmes. Through its programming offering real measurable and verifiable results, Solidaridad is reaching out to more and more partners. But the urgent need for change is demanding even more. Time is running out. There are two important questions to answer: How are programmes continued after our interventions and how can we scale up our impact? The real success of a programme can only be measured by its capacity to deliver a solid proof of concept for implementing innovations more efficiently and at a larger scale. Only then, other relevant actors will crowd in.

By developing good practices for the four result areas and testing them, Solidaridad delivers proof of concept supported by knowledge, business cases, investable propositions and applicable policies in order to facilitate sectoral transformation.



In order to bring our interventions to scale, they have to be transformed into concepts of shareable and transformative knowledge and accessible technology. Clear business cases and investable propositions should mobilize equity, credits and investments. Proven policies need to support good governance and stimulate public investments.

THEMES ACCELERATING INNOVATION

LANDSCAPE INNOVATION

Growing pressure on land, water and natural resources increasingly undermines the earth's capacity to sustain us. In light of the demand for these scarce resources, the interests of more vulnerable groups in developing countries are often ignored. Solidaridad brings together smallholder producers and influential economic players to ensure that landscapes are used in a way that improves biodiversity, as well as taking into account the environment, and the social and economic interests of the people working on the land. This requires investments in research, training, promotion, monitoring, and active support from local and regional authorities.

SERVICES:

- Convening processes which enable different stakeholders to contribute
- Bridging the polarization between the green agenda and the agricultural agenda
- Generation of good practices for good governance
- Development of marketing concepts for sustainable 'origin' labelling.

CLIMATE INNOVATION

Unfortunately, climate change is already inevitable. Agriculture and associated land use changes, such as deforestation, are important sources of greenhouse gas emissions contributing to climate change. At the same time, farmers are disproportionately affected by the impacts of climate change, such as more intense droughts and floods and rising temperatures. Unfortunately, farmers don't have access to financial opportunities that support climate-smart approaches, as most instruments are focussing on large energy and forestry projects. That's why Solidaridad integrates climate-smart concepts across its entire programming, and links farmers with supportive financial sources.

SERVICES:

- Development of appropriate greenhouse gas calculators for producers and producer groups
- Integration of climate performance indicators in farmer self-assessment tools

• Development of benefit-sharing mechanisms for (farming) communities in areas where governments receive multilateral (World Bank or UN) climate funds.

IMPACT INVESTMENT

To make sustainable practices more attractive for markets and financial institutions, Solidaridad develops clear business cases and investment opportunities for investors who seek more benefits than financial return only. Solidaridad donors are encouraged by the fact that their funds help to leverage additional commercial finance.

At the producer level, Solidaridad supports farmers on improving their business case and attracting impact-driven private sector investments. To be successful, farmers need to be able to rely on a robust rural infrastructure of agricultural companies and cooperatives delivering services and products they need. Solidaridad supports the development of such an infrastructure by mitigating the business risks for these companies and cooperatives using (local) private sector investments. At landscape level, Solidaridad supports farmers and consortia of companies to develop a bankable business case for landscape level interventions like carbon reduction, water management and decreased deforestation. At country level, Solidaridad advocates for responsible finance practices among leading public and private investors, providing that investments be guided by social and environmental checks, balances and safeguards.

SERVICES:

- Linking investors to programmes,
- Development of business cases and investable proposals.

GENDER INCLUSIVITY

Solidaridad's understanding of inclusive development takes into account the needs, the participation and the contribution of men and women equally. At present, in most of the sectors we work in women are not part of the formal economy and do not or not equally benefit from it, or are even affected negatively by it. Through its current programming Solidaridad will seek to prove its '3-tier business case' of gender inclusivity:

- 1. Increased quantity of impact by tapping into the unused economic potential of women
- 2. Increased quality of impact by increasing (gender) diversity in formal economies and society.
- 3. Increased sustainability of impact by empowering women in their social impact on education of children and redistribution of wealth in communities.

Current barriers for equal participation of men and women in economies need to be addressed. Solidaridad designs and organizes projects from the perspective of gender equity. Sensitization and training of Solidaridad staff and partners is part of this approach, as is specific attention for capacity building and social and economic empowerment of women. To create an enabling environment for gender inclusivity, Solidaridad's lobbying and advocacy activities will include gender sensitive interest. Strategic partnerships, adequate funding and smart use of technology will support this process.

SERVICES:

- Generate gender sensitive programming and impact measurement
- Develop best practices for economic independence, full participation in society, equal access to education and free choice of profession for women working in agriculture and mining.

SOLIDARIDAD SUSTAINABILITY SOLUTIONS: DIGITAL 3S

Offering and developing sustainability solutions via digital technology makes it possible to address sustainability issues which were hard to solve until recently. Advances in digital technology now provide rural communities with an unprecedented opportunity to overcome isolation, improve communication, bridge knowledge gaps, and adapt. Digital tools, like smart phones, tablets and laptops, have become increasingly available and affordable. The digital infrastructure is already being put in place, so now is the time to make sure these technologies are used to support sustainability.

Solidaridad wants to lead this process, and include farmers and miners from the start, especially the poorest and most remote. In order to protect the interests of these groups, the digital applications used for technology-driven sustainability programmes will run on neutral platforms to which anyone can connect, rather than proprietary platforms for a selected few.

Solidaridad is well positioned to take on that role. Over the last five years, Solidaridad has developed the Rural Horizons tool, offering farmers a rapid critical analysis of their performance on relevant issues related to entrepreneurial farming and good agricultural practices. Farmers' actual business practices are compared with external norms like the law, which then stimulates legal compliance, meeting market requirements and sustainability standards, and the adoption of the (best) practices of neighbouring farmers in their own region.



The next step is to bring this process to a digital platform. Solidaridad has developed a technology and a suite of topic- or commodity-specific applications to collect data and offer relevant, ready-to-use solutions in local languages. The applications are designed to offer farmers sustainability solutions in a faster, cheaper, more frequent and exciting way. They can be accessed through mobile phones, tablets, laptops or computers and reach even the remotest farmers.

Through dedicated applications, farmers upload their knowledge, but also receive customized recommendations on the best practices. This allows for permanent training in a time and cost effective manner, and continual improvements. Solidaridad recognizes the power of data and sees the potential of harnessing raw data for transformative knowledge. Capturing individual data will eventually generate large amounts of data that may be fed into machine learning algorithms. Being at the forefront of these developments offers Solidaridad the opportunity to be a truly innovative knowledge organization providing scalable solutions in a speedy manner for sustainable production worldwide.

SERVICES:

- Knowledge sharing
- Easily accessible and tailored recommendations
- Extensive analyses for policy development





NETWORK STRUCTURE SHARING RESPONSIBILITIES



Solidaridad is in the process of transition from a more traditional, western organization for development cooperation, to a network organization based on local management, knowledge and expertise across the globe. Solidaridad works in around 50 countries through nine regional expertise centres located in South and South-East Asia, South America, Southern Africa, East and Central Africa, West Africa, China, Central America, North America, and Europe - each with their own specific expertise and focus.

The interconnected network places a focus on decentralized responsibility and implementation by regional teams. Local knowledge, experience and vision are guiding principles. The network's connectedness is fostered by a global vision, strategy, programming, communication and internal qualitycontrol systems. Each part of the network contributes to the brand and the reputation of the whole.

The premise of the structure is that it promotes capacity building: strengthening Solidaridad teams in the region, enabling them to take control of supervisory tasks and to manage programming themselves. The Solidaridad teams cooperate with their own local partners on the planning, implementation, communication and evaluation of programmes, and on reporting their results.

Solidaridad's new structure fits in a changing world, which becomes increasingly multi-polar world, thus ending a long period of Western dominance. The interconnected network creates an exciting dynamic of cooperation between people from different backgrounds serving the same cause. Local staff adds quality to our organization and is one of our key assets.

Strategic cooperation with a growing amount of partners and donors, both from the public and private domain, will enable Solidaridad Network to invest in more programmes, going from an annual budget of 50 million euros in 2016 to an estimated 100 million euros by 2020. Staff capacity in nine regions will increase from 420 to 650 dedicated and qualified people in total.

MORE INFORMATION

This paper offers a summary of the Multi-Annual Strategic Plan (MASP) "Ambition 2020". The full document is available on <u>www.solidaridadnetwork.org</u>.

For more information about Solidaridad, please visit our website and follow us on Twitter, LinkedIn, or Facebook.

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CHANGE THAT MATTERS

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