

NGOs and big business: Too close for comfort?

Posted by [Brendan May](#) [1] on Nov 14, 2011

Campaigners can wield great power by working with rather than against the companies they want to influence. But they must always stay in control, says Brendan May

This issue's feature on WWF explores the fine line NGOs must tread when engaging with big companies. WWF is not alone in finding itself attacked by those who believe the conservation movement is at risk of "selling out" to the extent that it will no longer be effective.

Big global NGOs are particularly vulnerable here, as Conservation International discovered when one of its admittedly junior representatives was taped being rather too cosy with journalists posing as executives from an arms firm.

As with so many things, much of the debate boils down to money. It isn't engagement per se that bothers critics, it's the financial transaction that can come with it. Not to mention the apparent endorsement that can be "bought", often in exchange for little fundamental change in business practices.

This is one of the strongest arguments for independent certification programmes. Although many dissenters of eco-labels refuse to accept it, you cannot buy a Rainforest Alliance or Marine Stewardship Council logo, because certification is an arm's length assessment process, with practice measured against robust standards. The NGO has no say in the outcome, maddening though that can be.

Yet even certification systems must be careful not to be seen to be piecemeal, allowing a logo on one product line while the rest of a business carries on pillaging as usual.

Can NGOs ever be effective engagers of business without taking the corporate shilling? The Greenpeace experience suggests they can. Some of the most significant sectoral changes have come about through Greenpeace campaigns. Soy and cattle in the Amazon, tuna companies raising their game and palm oil progress in south-east Asia are but a few. And some of the loudest and most valuable endorsements have come from Greenpeace. Never in exchange for cash, but in exchange for visible progress.

Some NGOs settle for less, participating in tokenistic projects. Others act like public relations firms – the more money you pay the more time and the more senior the person you get handling your "account". This won't do.

Transparent objectives

In order to be a business consultancy, you either have to be transparent about the fact you're out to make money – nothing wrong with that – or you have to set very clear boundaries about what you will and won't do. Many business consultancies themselves do this, so why not NGOs?

To be effective, transparent and credible, a possible blueprint a big NGO might consider to govern its corporate relationships could be as follows.

- **Any engagement on a product or issue must be part of a bigger process of systemic change across the whole company.** It's fine to start small, but there needs to be a long-term commitment to better performance in the round, including the abandonment of unsustainable business practices, whether relating to products, investments, services or lobbying activities.
- **The NGO must be able to walk away at any point and have clear and**

published criteria for doing so. Otherwise their credibility has no foundation. We don't hear enough stories about NGOs walking away.

- **The NGO, as well as the company, must report regularly on progress,** citing real and measurable achievements, as well as failures.
- **The NGO should identify no-go sectors.** If there are none, it should explain why.
- **The NGO must be fully transparent about the decision-making process governing decisions on which companies it will engage.** It should publish its decisions and the reasoning behind them. It should also publish decisions to refuse a corporate engagement. There must not be any perception that working with one company in a sector is an "exclusive" arrangement that bars an NGO from working with competitors.
- **There must be full transparency on financial agreements between NGOs and companies.** This is the only way to combat the shroud of cynicism and doubt that endangers big NGOs' reputations. How much money was given, what was it for, and how was it spent?
- **Partnerships must come with clear conditions.** Recently, Sky TV ran green washing advertisements for Asia Pulp & Paper while promoting a partnership on rainforest conservation with WWF. Either the ads or the partnership should have gone.

Collaboration between NGOs and business is critical in the effort to tackle the planetary crisis. Engagement is essential, not least because government is so fundamentally useless on so much of the sustainability agenda. But increasingly vocal questions about how engagement happens are risking a return to old debates about whether to engage at all. It's up to the NGOs who choose to work with business to stop that happening.

Brendan May is founder of The Robertsbridge Group, UK chairman of the Rainforest Alliance and a contributing editor to Ethical Corporation.

Links:

[1] <http://www.ethicalcorp.com/users/brendan-may>