



co-operation for sustainability

some notes about my work

Reinier de Man

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- background
 - MSc in chemistry
 - PhD in political science
 - *the politics of energy forecasting*
- career
 - 1978 – 1989 Universities
 - Delft / Rotterdam / Leiden
 - 1987 – present consultant
 - environmental strategy
 - supply chain management
 - stakeholder processes





different project types

- A. dealing with complex political controversies (Netherlands, Germany)
- B. business cooperation in the supply chain
- C. multi-stakeholder agreement on minimum standards in the supply chain



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A. dealing with complex controversies



'K4'-projects

- projects with German colleague Reinhard Ueberhorst
- method:
 - K4 = kooperative Konzeptualisierung komplexer Kontroversen
 - elaborate 'Diskursanalyse' = basis for discussion/negotiation process
- projects
 - discussions on nuclear safety requirements
 - discussions on future of chemical industry



nuclear safety philosophies

- stakeholders
 - nuclear community
 - designer of fast breeder reactor, Wolf Haefele
 - NGO – research
 - others
- our question:
 - “describe the properties of a nuclear reactor that you could accept”



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B. business cooperation in the supply chain



business co-operation in the supply chain: examples

- cotton chain
- paper chain
 - OPTI project
 - social responsibility
- value chain analysis with Unilever



business co-operation in the supply chain

example 1
cotton chain optimisation at Otto
Versand

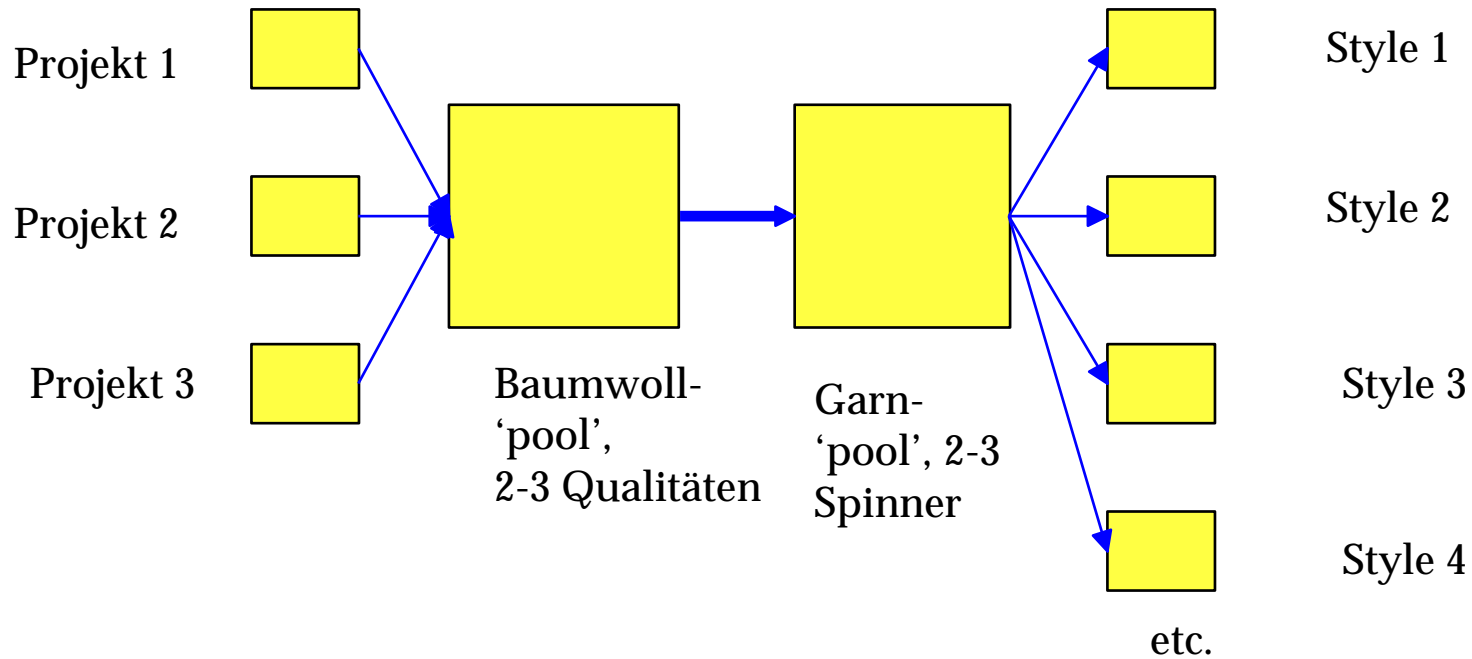
Optimale Strategie

KBA-
Projekte
1500 ha

Baumwolle
1400 t

Garne
1100 t

Konfektion
1000 t





business co-operation in the supply chain

example 2
newspapers that know their trees

'newspapers that know their trees'



Newspapers that Know Their Trees



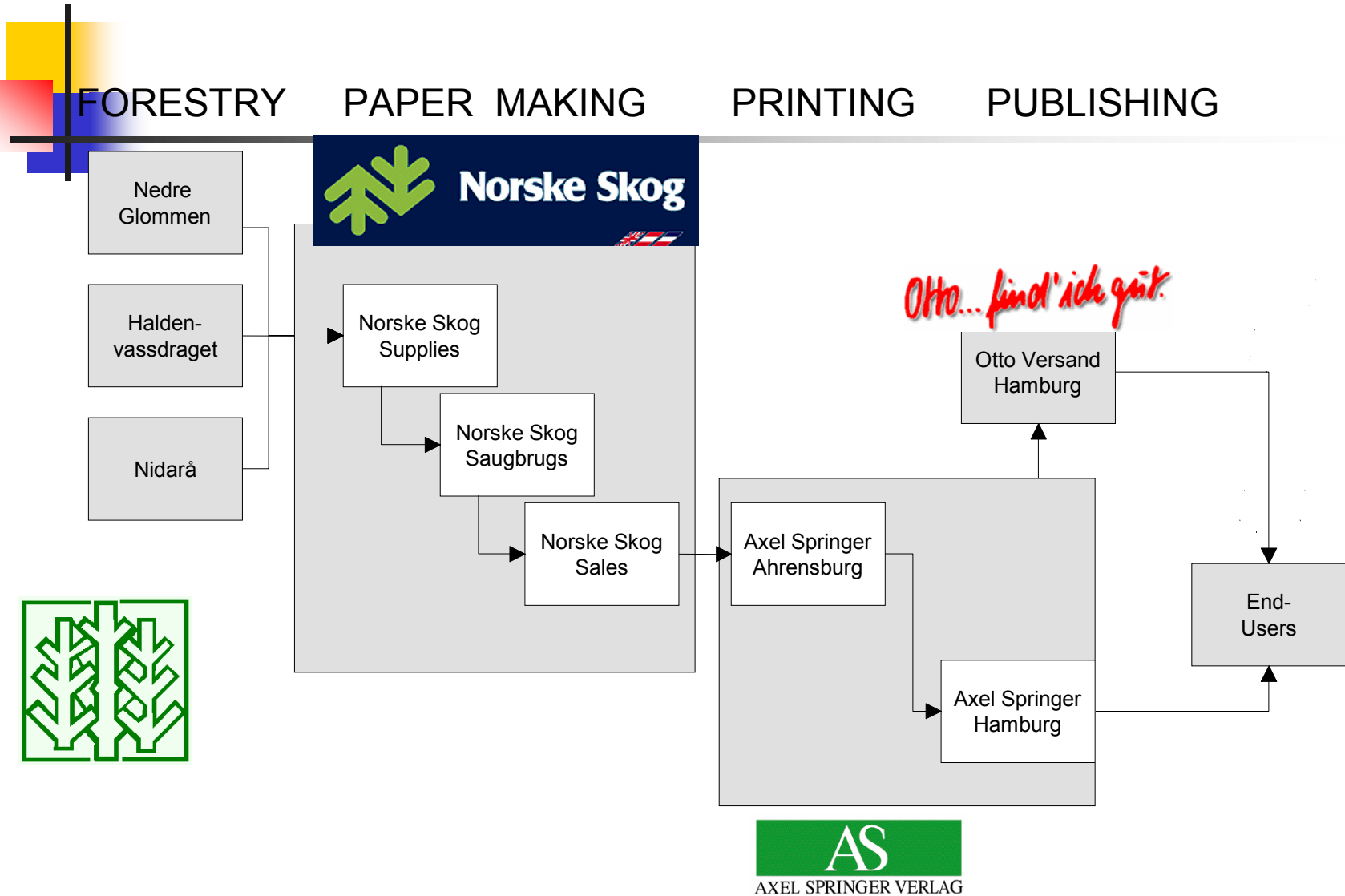
Lead: Axel Springer Verlag AG.

Web: www.asv.de

Main Partners: Otto Versand, Norske Skog, UPM-Kymmene, 8900 Norwegian Forest Owners, WWF, Greenpeace Russia

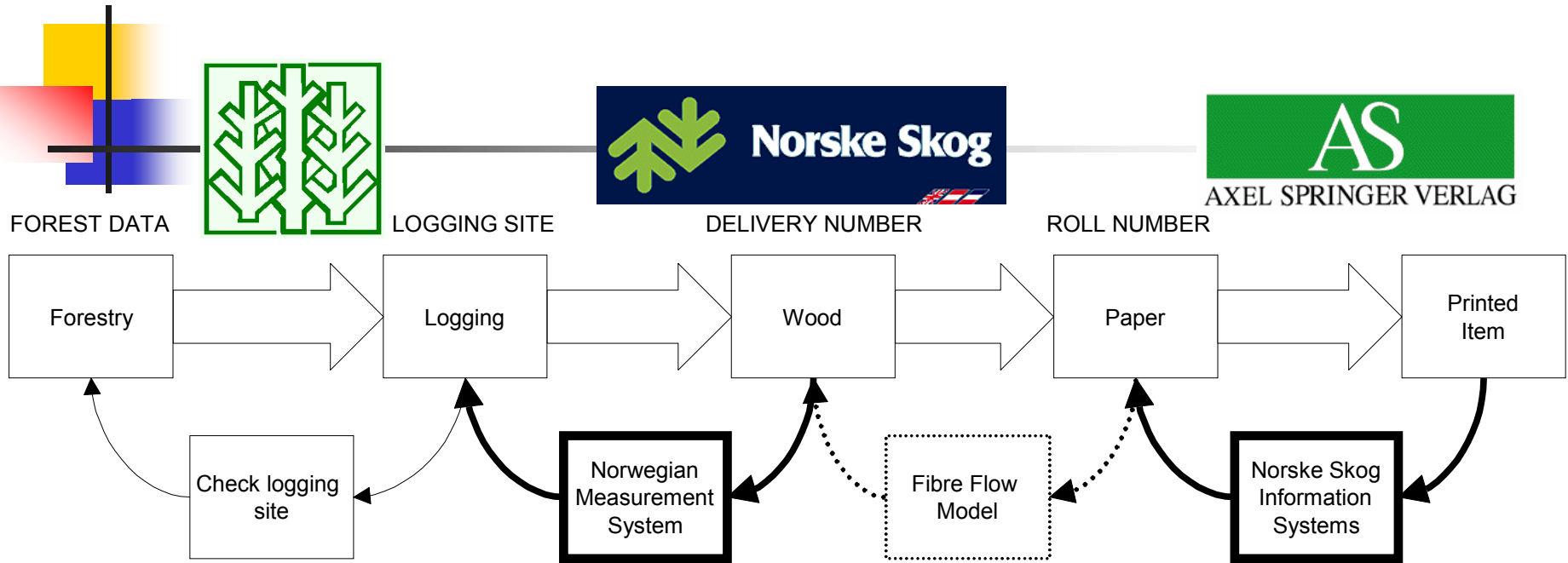


Paper: OPTI (1)



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Paper: OPTI (2)



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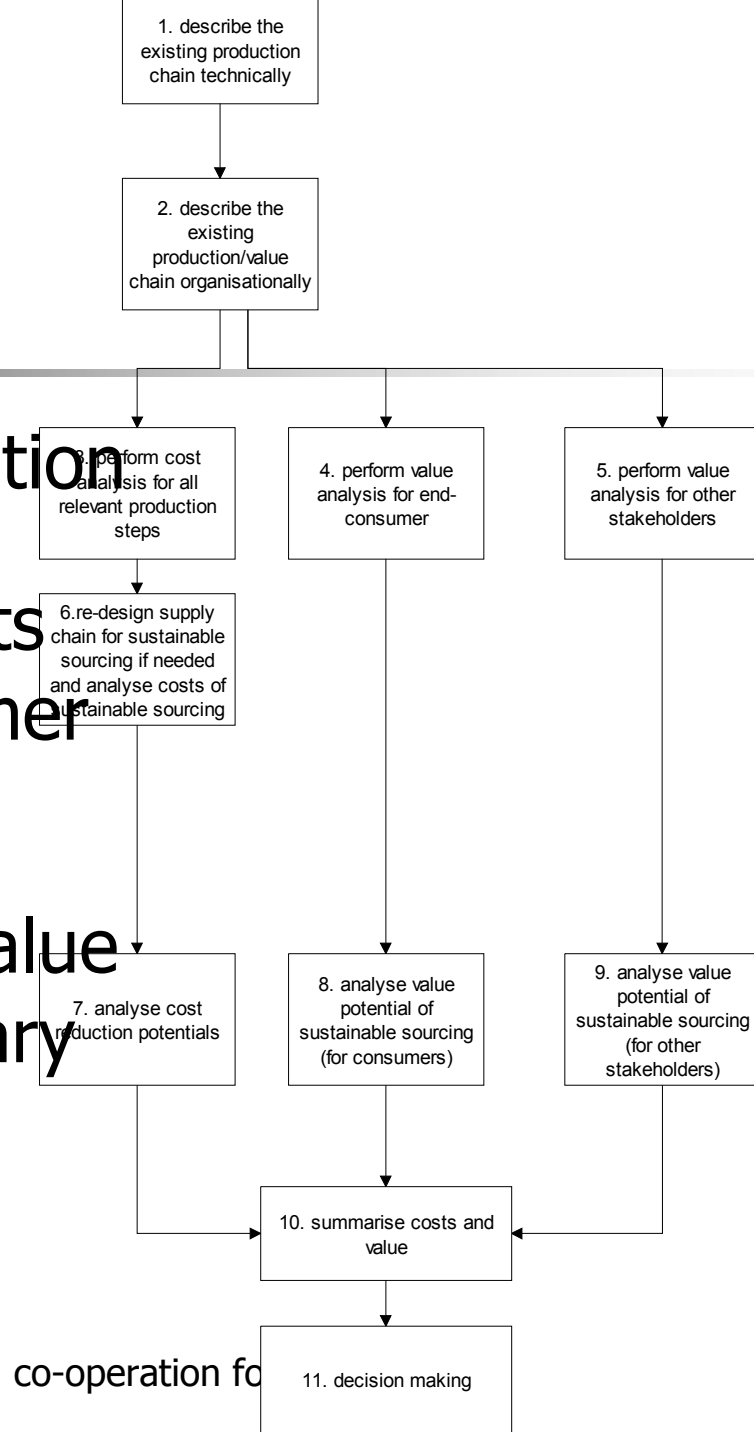


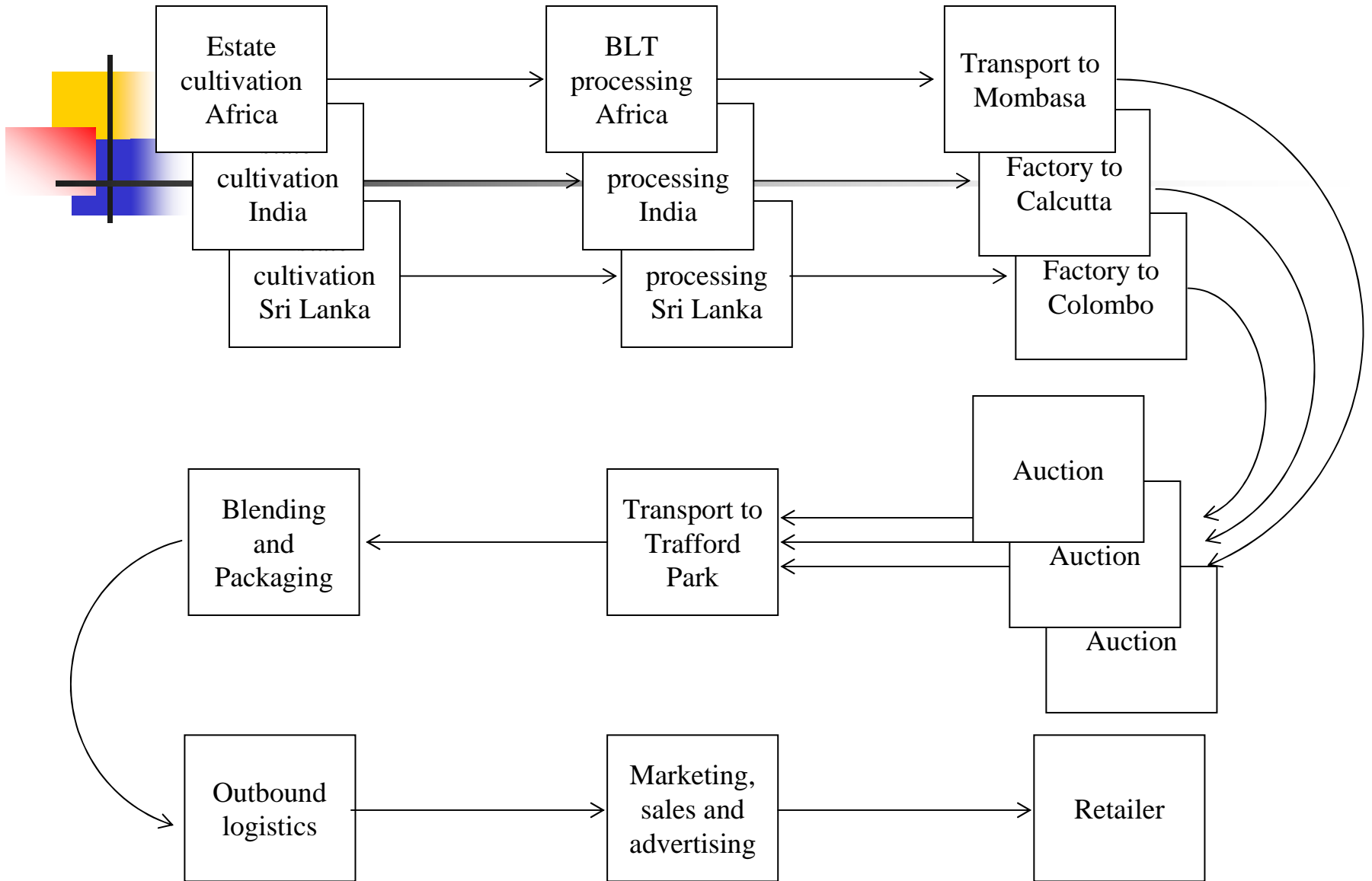
business co-operation in the supply chain

example 3
sustainable value chain analysis
for tea, peas, tomatoes etc.

Steps

- 1, 2 = description of the chain
- 3, 6, 7 = costs
- 4, 8 = consumer value
- 5, 9 = stakeholder value
- 10, 11 summary and decision making





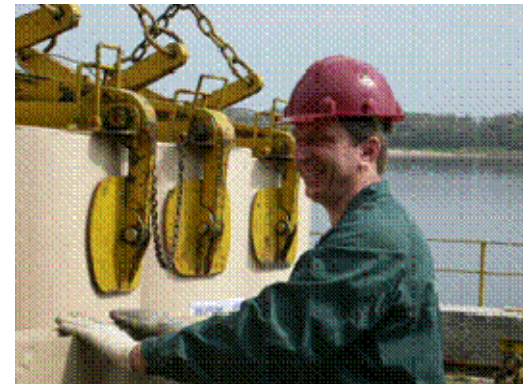
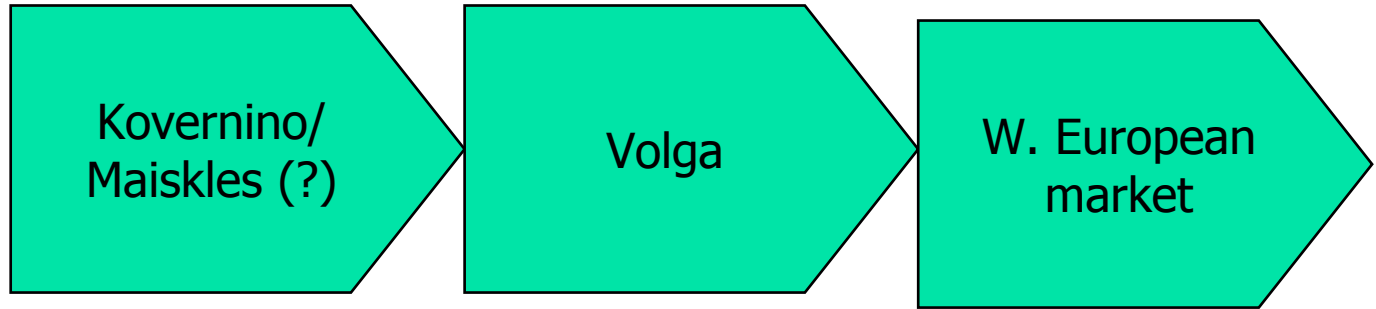
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business co-operation in the supply chain

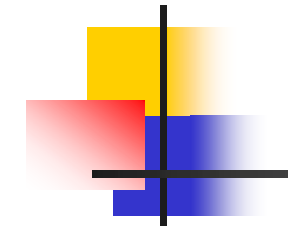
example 3 CSR in the Russian timber supply chain

Labour safety Kovernino – Volga - ...



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ТИХВИНСКИЙ КЛПХ



leased forest

leased forest

leased forest

ТИХВИНСКИЙ
КЛПХ
'Tikhvin'

Russian
customers

other
export

sawmill

Stora Enso
Imatra

Stora Enso
Anjala

Stora Enso
Summa

additional
publisher?

Axel Springer
Hamburg

EU customer

....

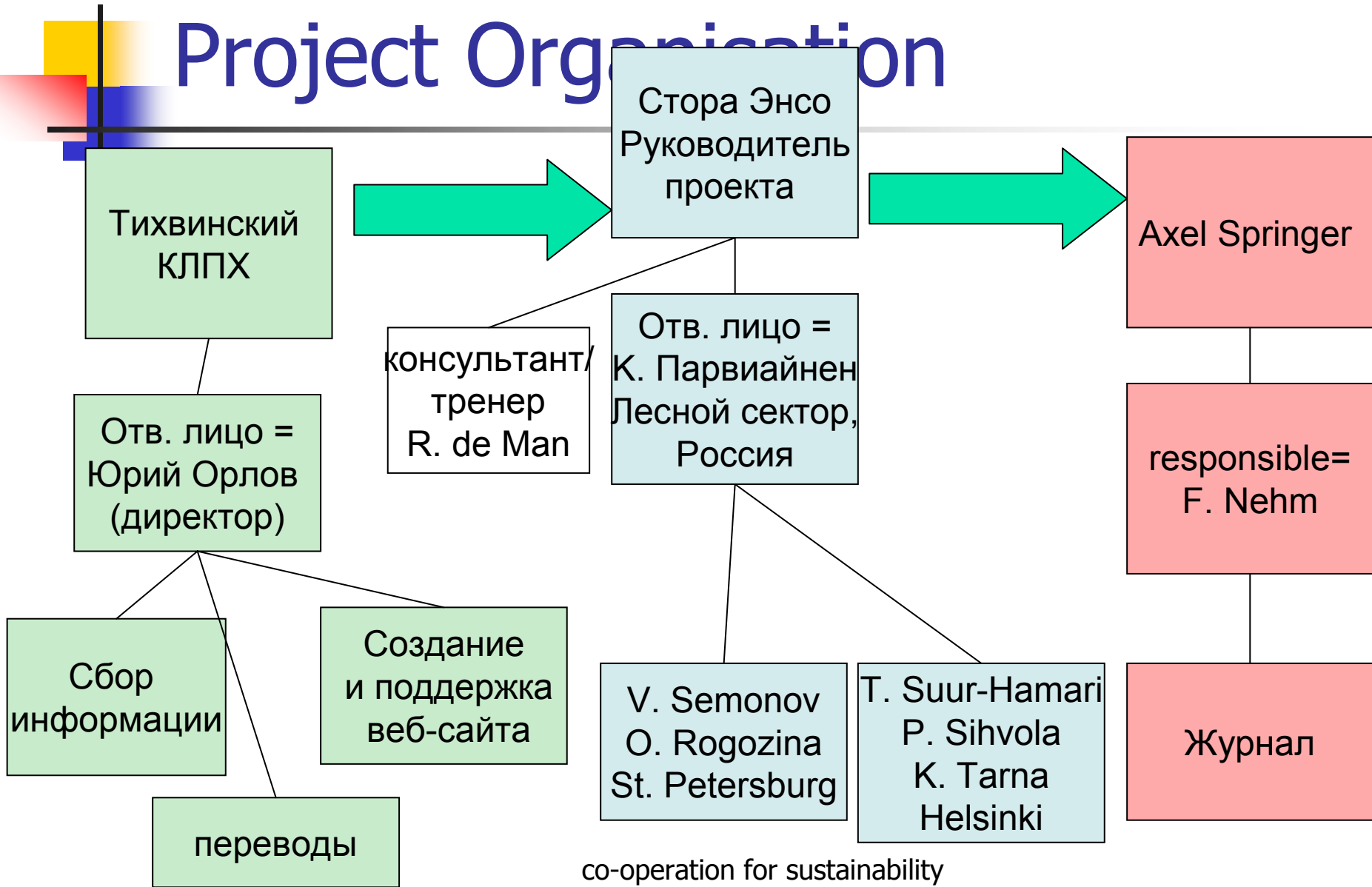
Hörzu

Bild a.S.

other

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Project Organisation



Priorities at the first stage

Preliminary SE ranking

- Business practice
 - **Illegal logging**
 - Corruption/bribery in general
- Community involvement
 - **Significance of Tikhvin for local community (welfare generation)**
 - Minimising the negative impacts of operations on local communities
- Labour issues
 - **Health and Safety**
 - Working hours
 - Remuneration
 - (Diversity)



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C. multi-stakeholder agreement in the supply chain



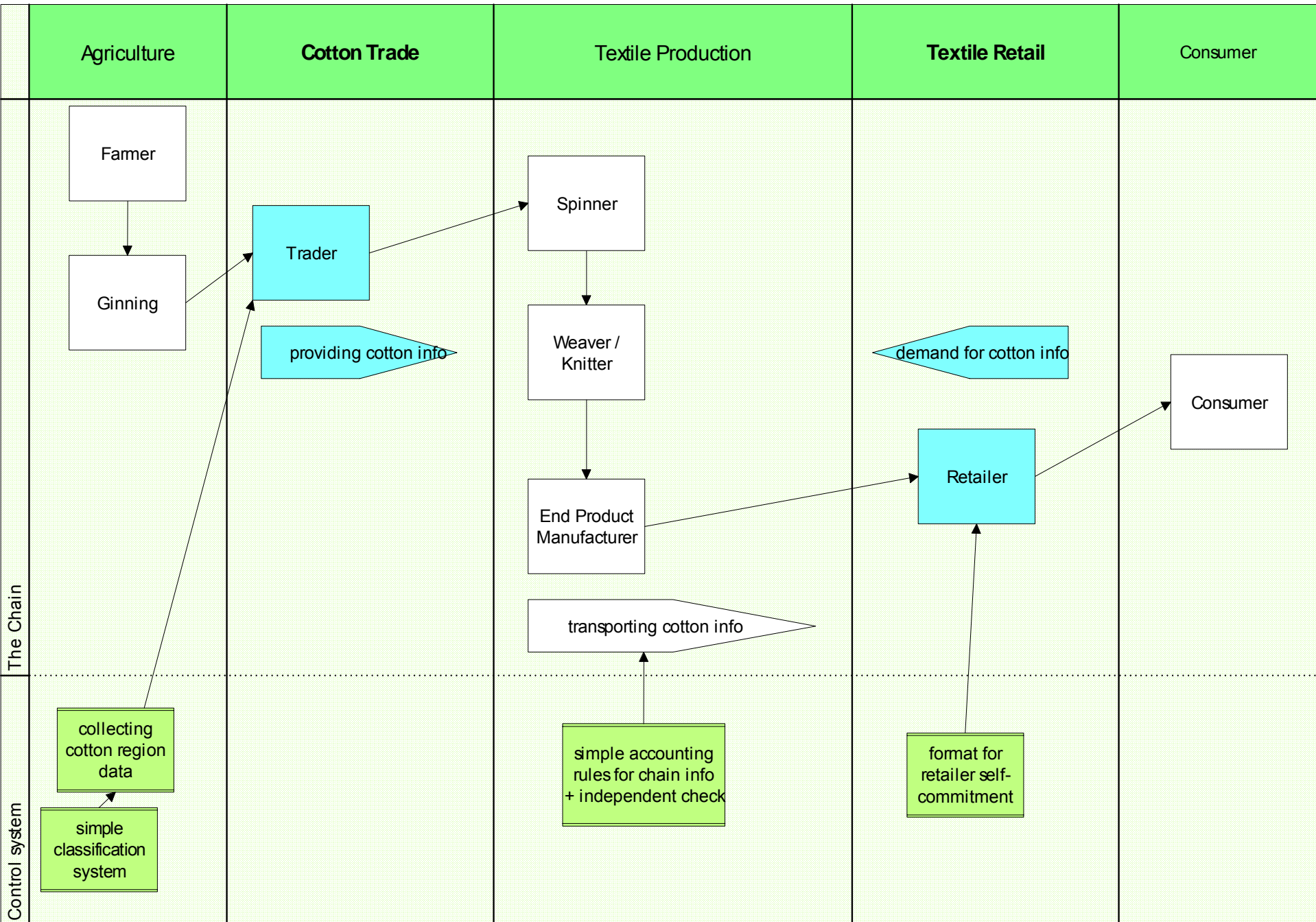
Examples

- freshwater & cotton (with WWF): no tangible results
- roundtable on sustainable palm oil (WWF & private sector)
- Finnish forestry & the German market (FFIF)
- in planning
 - roundtable on soya (first planning phase)
 - roundtable on PGM (first planning phase, with Milieukontakt Oost Europa)
 - Russian forestry / timber ... (with WRI/GFW?)



multi-stakeholder agreement in the supply chain

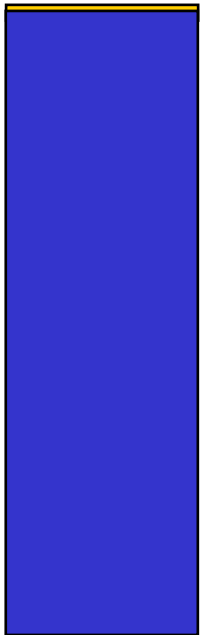
example 1
freshwater, cotton, textiles



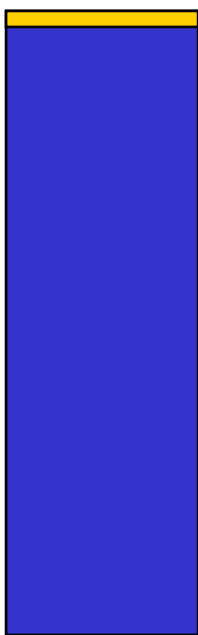
Maximise Improvement

Symbolic Improvement

0,06%
organic

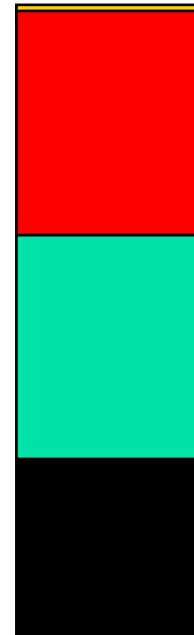


0,6%
organic



Substantial Improvement

A



B

C

D



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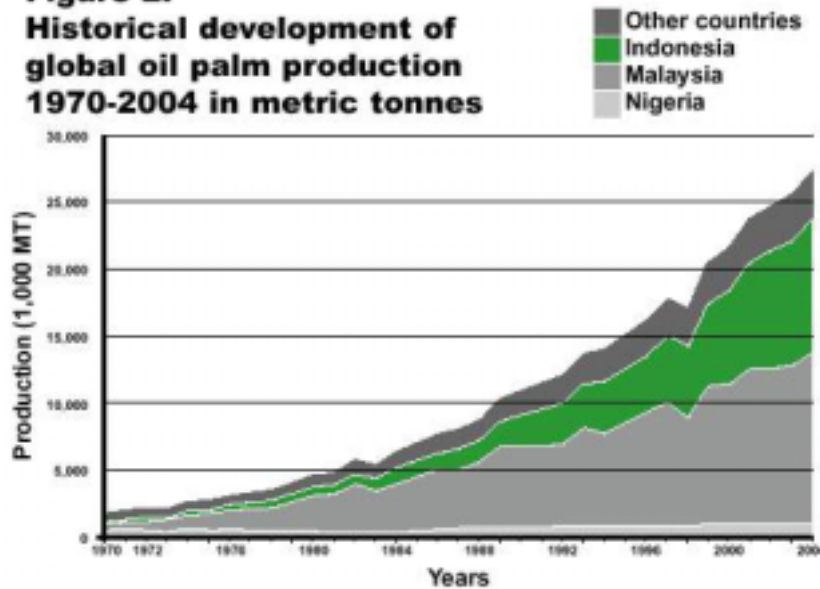
multi-stakeholder agreement in the supply chain

example 2

Roundtable on
sustainable palm oil

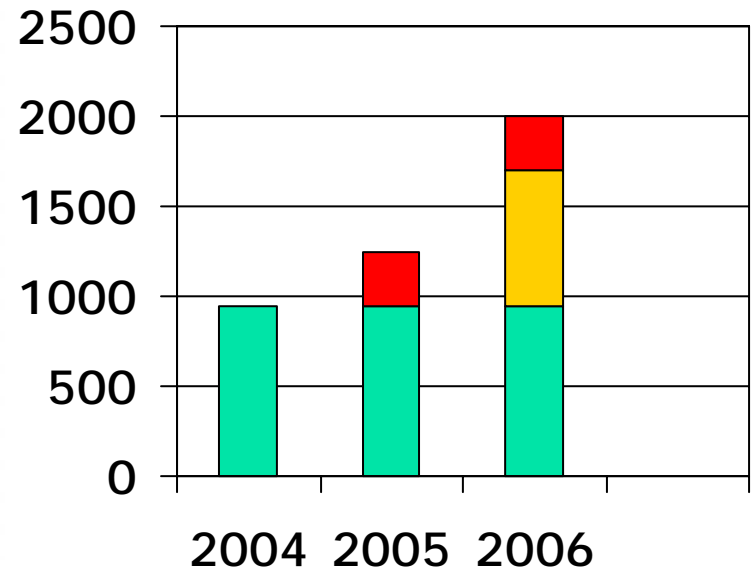
Palm Oil – a growth scenario

Figure 2:
Historical development of
global oil palm production
1970-2004 in metric tonnes

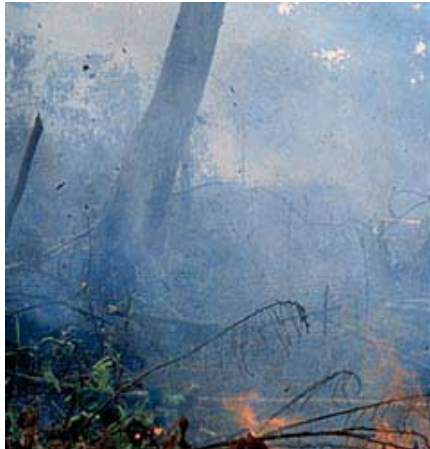


Source: Greasy palms: European buyers of Indonesian palm oil

Rotterdam PO capacity (1000 t/y)

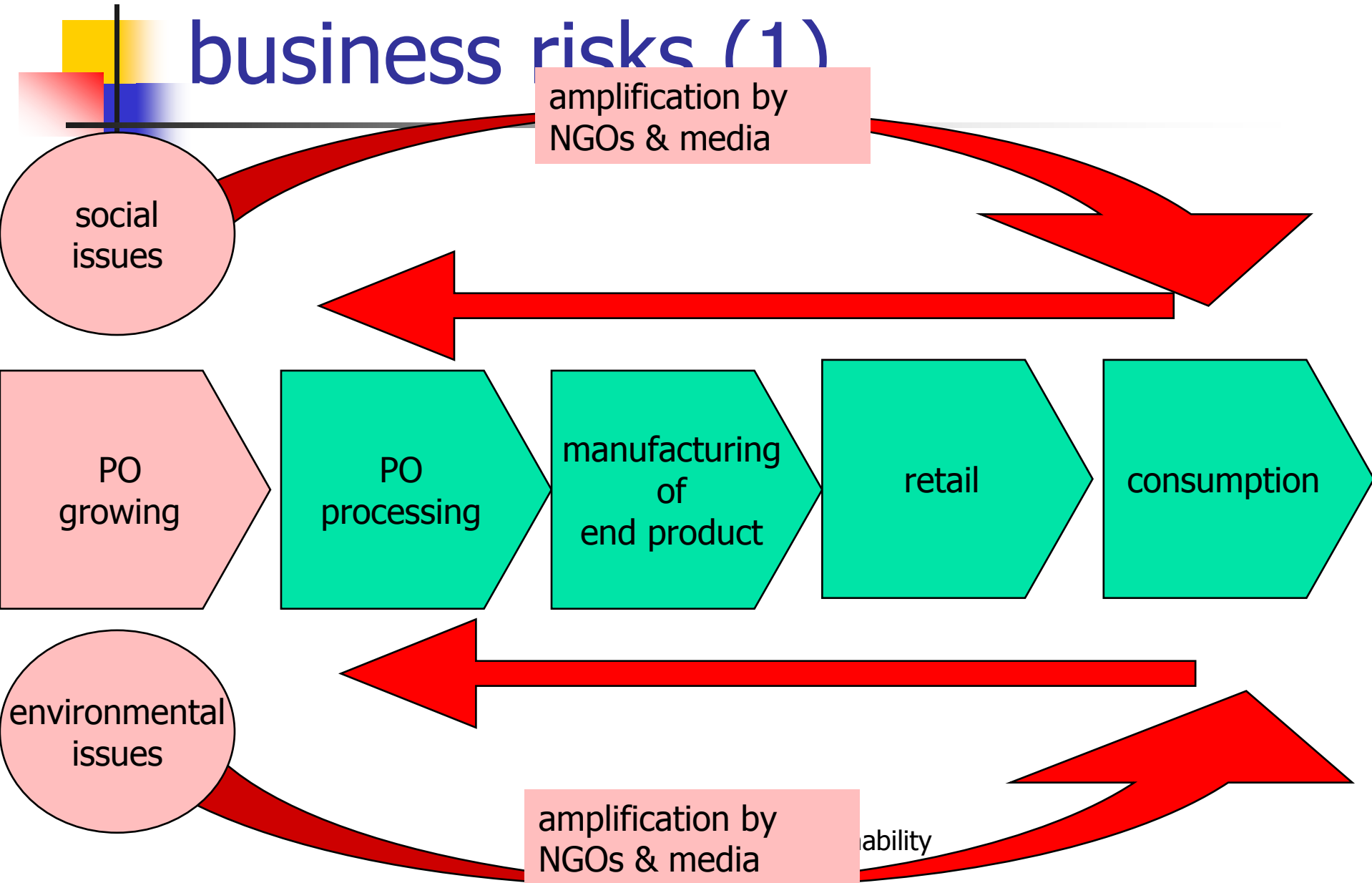


Palm oil – issues raised

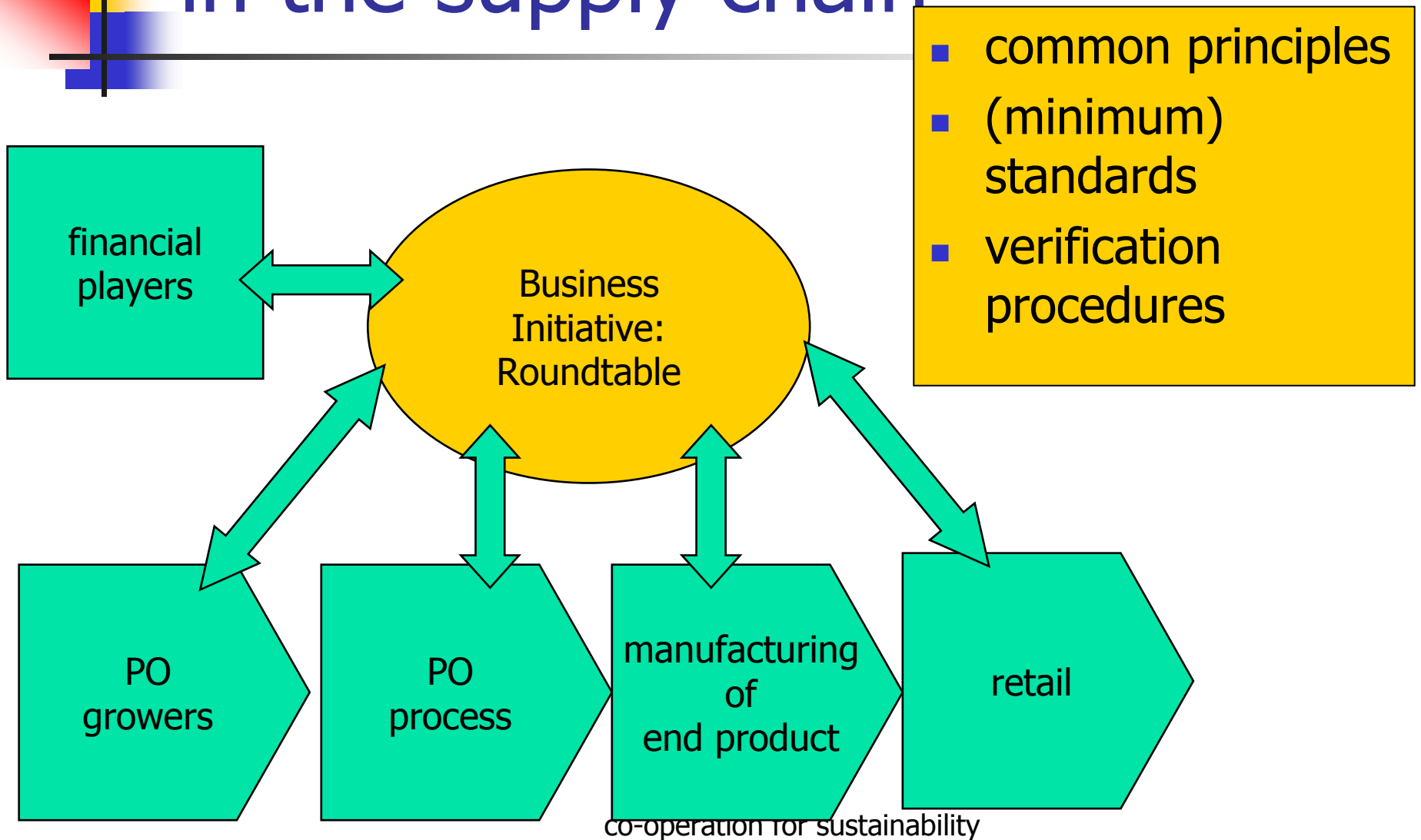


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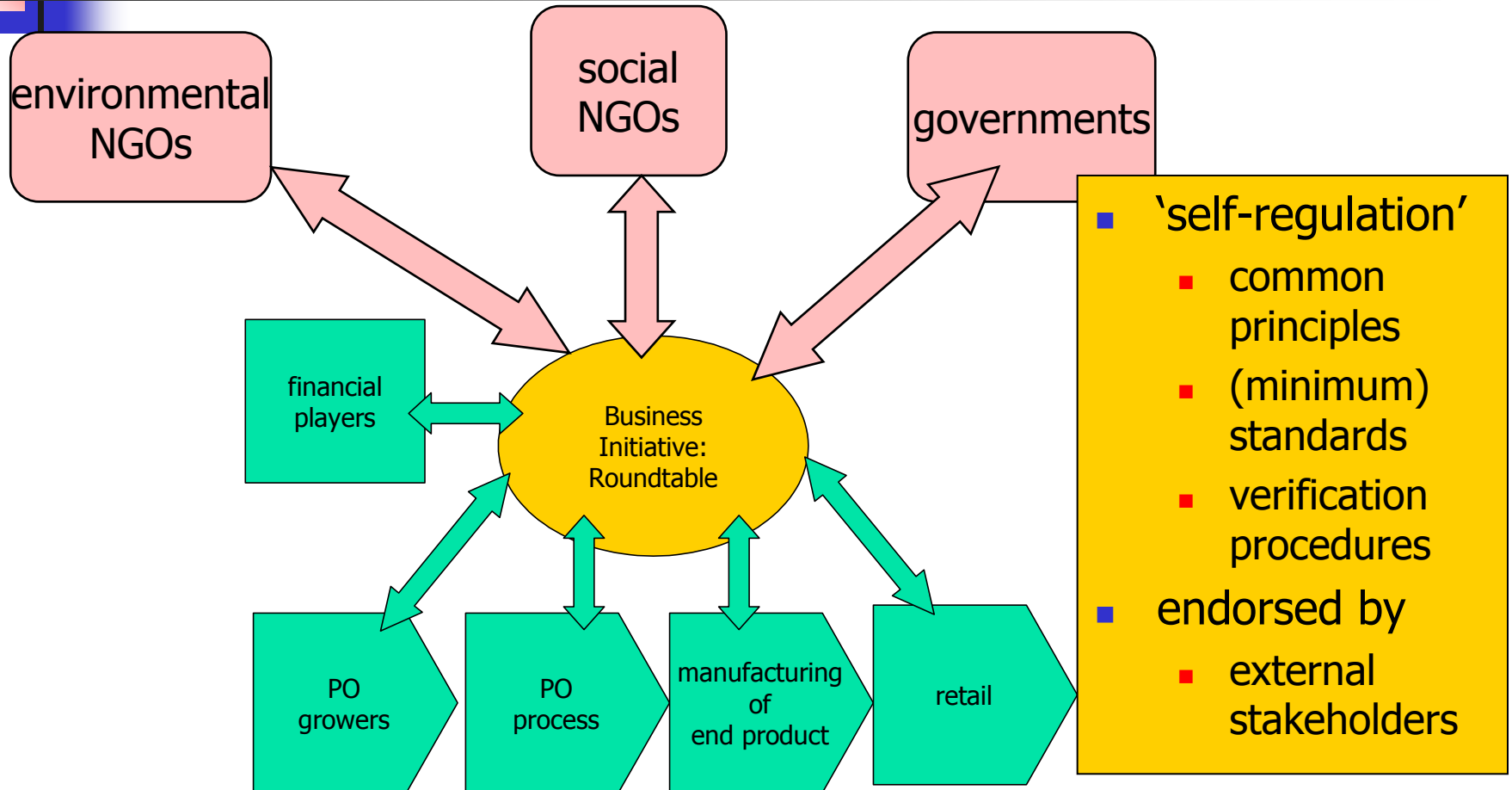
Palm oil chain – business risks (1)



Cooperation, step 1 in the supply chain



Cooperation, step 2 with external stakeholders



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multi-stakeholder agreement in the supply chain

example 3
Soya (in planning)

Next issue

Soya

- Soya issue is similar to PO issue:
 - large scale agriculture competing with
 - natural ecosystems, forests
 - traditional forms of land-use
 - soya expansion is creating
 - environmental conflicts
 - social conflicts
 - conflicts are a business risk for all players involved



Roundtable on sustainable soya?

- Roundtable can be useful
 - for cooperation in the supply chain
 - structured dialogue with relevant stakeholders
- Lessons learnt from palm oil roundtable
 - establish business cooperation in the chain first
 - before engaging in difficult stakeholder dialogue!
- Players in the soya chain should take the lead



multi-stakeholder agreement in the supply chain

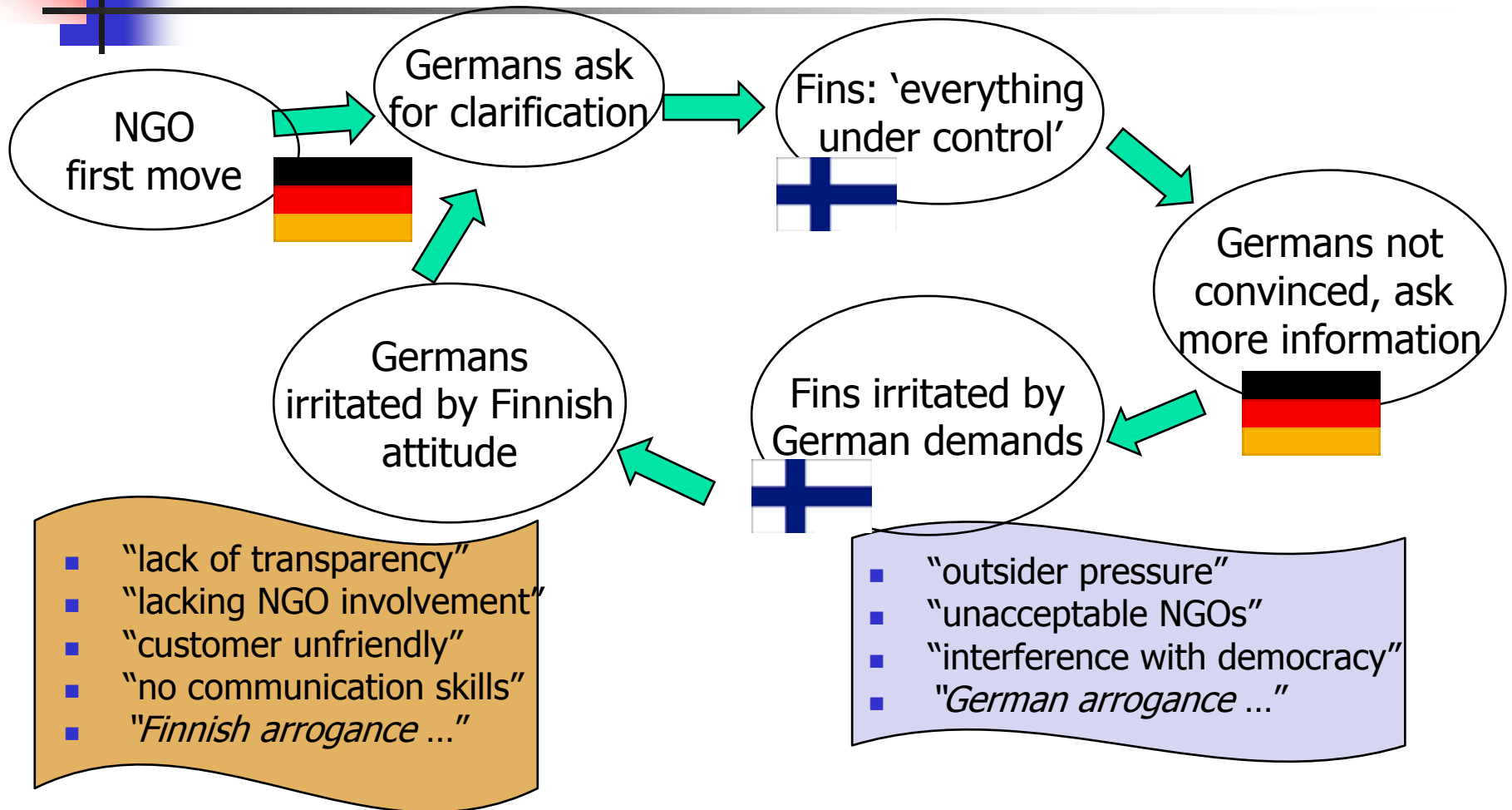
example 4
Finnish forestry and the German
market



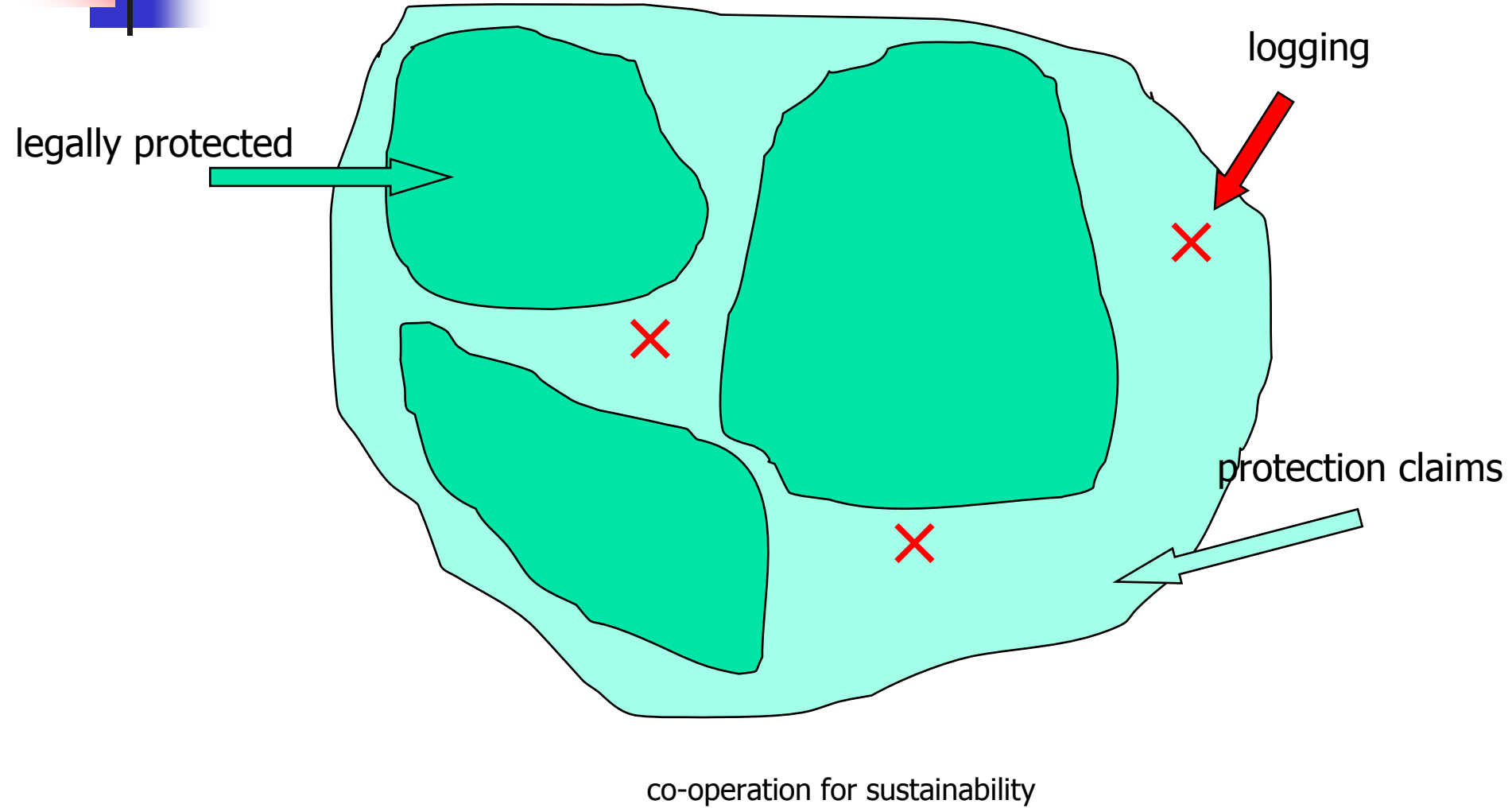
the stakeholder study

- Objective of this study
 - "... a fair analysis of the present stakeholder discussion, the arguments and data used, the existing conflicts and the underlying interests. ... It will show in detail how the conflicts and problems developed over time, what mechanisms ... were responsible and how a similar development can be avoided in future cases."
- A courageous step
 - FFIF and the paper companies show a high level of self-confidence and a clear willingness to change.

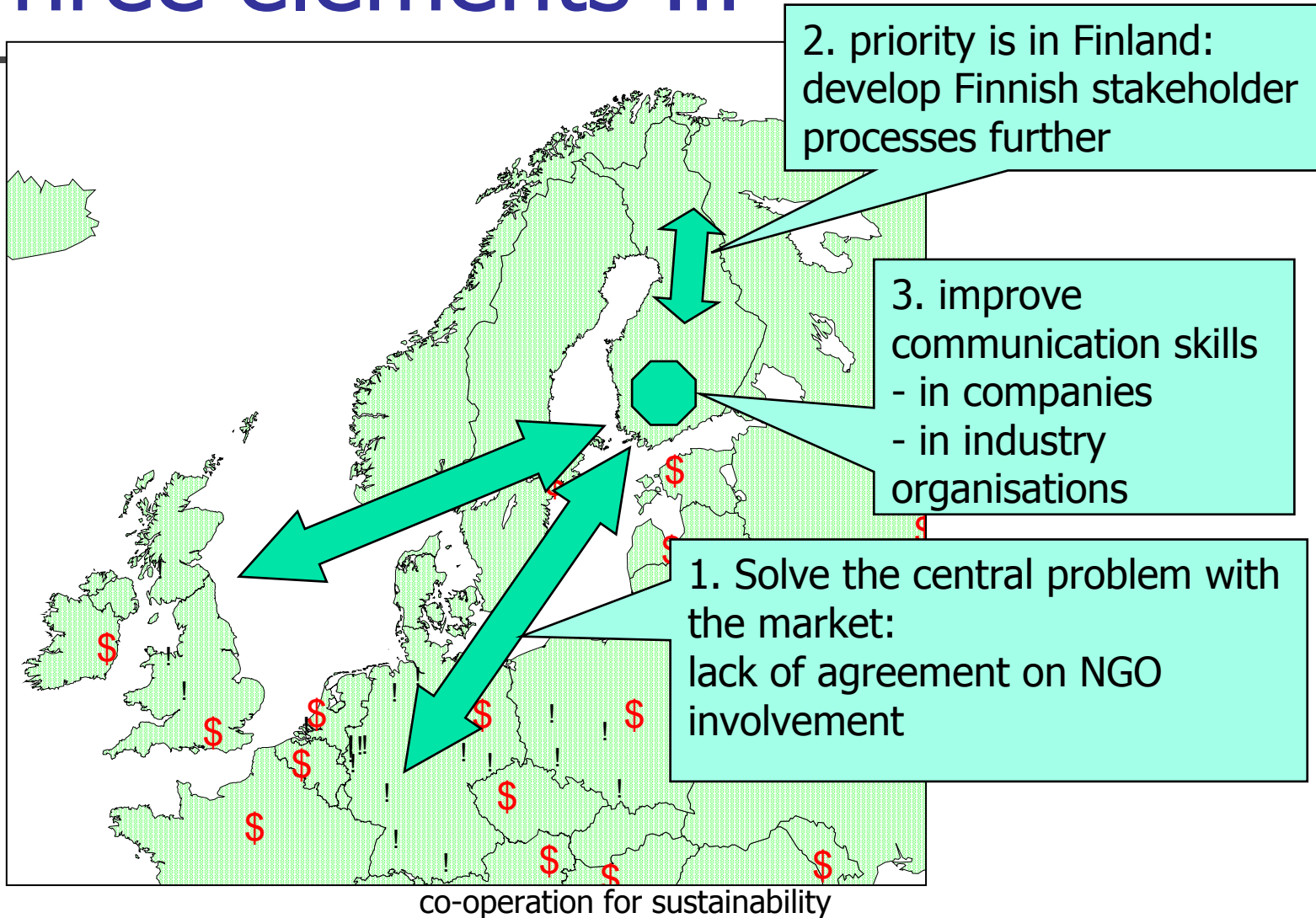
a simple pattern



OGF logging? (1)



Three elements ...

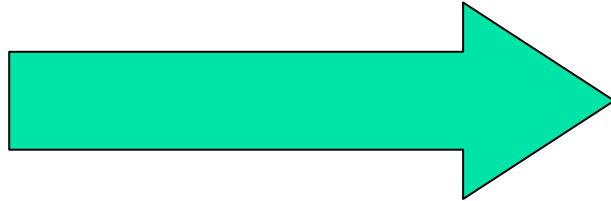




multi-stakeholder agreement in the supply chain

example 5
clean cars – dirty metals

the clean car - dirty metal connection



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Partnerships [1]: for what?

- create sustainable supply base for metals
- create sustainable business for all partners in the supply chain
 - economically attractive
 - socially attractive
 - environmentally attractive
- protect & restore unique eco-systems, biodiversity
 - forests
 - freshwater, sea



Partnerships [2]: who?

- private actors
 - automobile industry
 - catalytic converter producers, recyclers
 - PGM producers
 - financial institutions
- NGOs
 - environmental NGOs
 - Russia
 - international
 - social NGOs
- Government institutions
 - Nordic countries
 - Western Europe
 - Russia