Briefings for Business No 4

International Edition

Oxfam Poverty Footprint

Understanding Business Contribution to Development

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Oxfam International

Letter from the Director of Oxfam International

Oxfam is well aware of the extraordinary potential of business to positively influence the lives of poor people.

Economic and social development provides vibrant markets that support business growth. Businesses need to be part of this development, actively creating new opportunities and bringing benefits to all levels of the economies in which they thrive.

When it works well, economic development benefits both business and society. Yet it is not always easy for companies to see their role in development, or to understand how their operations affect people, communities, and society at large. Understanding the links between business and development highlights dynamic opportunities for enlightened businesses to make a positive difference to their operations and the people whom they affect.

That is why we have developed the innovative Poverty Footprint Methodology. Building on a study that Oxfam undertook with Unilever Indonesia in 2004–05 and on subsequent studies with domestic and multinational companies, Oxfam's Poverty Footprint Methodology helps companies to comprehensively understand how they affect the people in their value chains and the communities and countries where they operate.

The Oxfam Poverty Footprint Methodology is part of a collaborative programme between Oxfam Novib, Oxfam America, and Oxfam GB (henceforth referred to as 'Oxfam') that has included the development of the Methodology and support materials and the undertaking of studies with select companies. This Briefing for Business offers insights into how business can work with governments and organisations such as Oxfam to combat poverty. It is the result of our extensive experience of working with businesses – small and large – all over the developing world. We hope you will find it useful, and that our Poverty Footprint can help you to do business better.

Oxfam International

Why analyse business impacts on society?

Know the effects of your business, improve your long-term viability

Oxfam knows it is important to understand how business is affecting society. Companies across the world are increasingly concerned about the impacts that their businesses have on societies in their home countries as well as abroad. For many companies operating in developing countries, impacts on society are related to effects on development and poverty reduction, and in turn play an important role in determining the success of the business itself.

Companies need to ensure that their business is viable in the long run. Long-term company growth and profitability are intrinsically linked to the prosperity of the people who comprise and influence markets. Development creates increasingly vibrant and reliable markets for raw materials, labour, products, and services, and this has considerable knock-on benefits for business. These markets are growing significantly in developing countries, offering attractive cost efficiencies, revenue growth, and the potential for innovative product development. Companies need to be part of development in order to build new business opportunities, to ensure that society benefits, and to strengthen their long-term strategies.

Corporate investments are under increased scrutiny in terms of their returns to shareholders as well as society. Understanding the economic, social, and environmental effects of a company's investment enables it to make better-informed decisions and robustly manage risks relating to resource allocation, deployment of capital, and securing returns on investment in a manner that fosters good global corporate citizenship. Investing in employees' skills, livelihoods, health and well-being, and security helps to alleviate poverty – and it also builds an effective workforce, reduces inefficiencies, and promotes long-term commitment to a company's operations.

Companies are obliged to ensure that they contribute towards society. Across the world, the current financial crisis is focusing the attention of investors, insurers, and governments on corporate governance and on increasing transparency and reporting. Most governments mandate companies to operate in such a way as not to harm society and the environment.[1] In the UK, the Companies Act (2006) stipulates the duties of company directors, including having regard for and reporting on the company's impacts on communities and the environment.[2] In the United States, the Securities and Exchange Commission recently voted on measures intended to better inform and empower investors to improve corporate governance and help restore investor confidence[3], while in South Africa, the King II Report and the draft King III Code will make corporate sustainability reporting mandatory by 2010.[4] Increasingly, companies need to know and understand their effects on society in order to meet their legal obligations.

A company's business model can be improved by understanding its economic and social effects and by building corporate responsibility into core business functions. The business world increasingly understands the need to invest in sustainability. But while corporate reporting on environmental performance has made great strides, many companies struggle to understand the effects of their operations on society, to know what they should focus on, and learn how they can measure improvements. To truly integrate corporate responsibility as a strategic priority that identifies new business opportunities and mitigates otherwise unknown risks, a company must understand its effects on people – from employees, suppliers, and distributors to its customers and the communities and countries affected by its operations. There is, therefore, a need for robust and transparent measurement and learning tools to provide businesses with this knowledge.

'Understanding the economic, social and environmental impacts of a company's activities is critical to forming innovative strategies that meet the demands of today's rapidly changing world with brands and services that improve people's lives in a sustainable and equitable way. The challenge for companies lies in measuring the impacts of these strategies not just in terms of financial performance, but in how they benefit society'.

Paul Polman, CEO, Unilever

What is a Poverty Footprint?

Putting people at the centre, demonstrating a commitment to action, and learning together

The Oxfam Poverty Footprint Methodology combines local assessments of livelihood impacts, value chain analysis, and an assessment of economic contributions into one comprehensive approach.

The method of assessing a company's impact on society needs to be flexible, to reflect the perspectives of people living in dynamic and changing contexts, and it needs to be relevant to the company.

Oxfam has developed a methodology that fits these needs. It is based on our decades-long experience of working in development and with business and it has been tried with a number of companies. This Briefing for Business summarises how a business can benefit from analysing its impact on society, outlines the Poverty Footprint Methodology, and describes how a Poverty Footprint Study is conducted.

What is a Poverty Footprint and who can use it?

Oxfam developed the Poverty Footprint Methodology for companies to assess and understand their effects on society and on people living in poverty. The outputs of a Poverty Footprint assessment can help a business improve its operations and ensure a positive effect on those living in poverty. It can help to generate opportunities for innovative business solutions, for example in supply chain management in the face of risks posed by climate change.

The Oxfam Poverty Footprint Methodology combines local assessments of livelihood impacts, value chain analysis, and an assessment of economic contributions into one comprehensive approach.[6] It is unique for its people-centric approach to assessing and understanding corporate impacts. It examines the issues that are important to people affected by the company, and in all research and analysis processes centres on people (workers, producers, suppliers, distributors, local communities, and country-wide impacts).

The Oxfam methodology stipulates that Poverty Footprint Studies be carried out by independent research teams supported by the company and by an NGO such as Oxfam with development expertise. It is also robust, allowing companies to tailor a study by focusing on a particular area of research, such as its core activities in a single country.

Conducting a Poverty Footprint Study provides participating companies with a comprehensive report, presenting the qualitative and quantitative findings of the study, which can be used to guide business decisions and form the evidence base for change within the company towards good corporate citizenship. The report, developed with the support of the participating company, articulates a series of tailored improvements, which might range from suggestions for new policies and practices to ideas for the development of new product lines targeted at low-income markets.

The Oxfam Poverty Footprint is suited to larger companies with global or national operations that wish to analyse their economic and social performance in one or more countries and to improve upon it. It allows for lessons in the countries of study to be scaled more broadly through the company's operations in other countries, and ultimately offers the potential to drive global improvements for the company.

'We must ensure that capital markets integrate the full costs of environmental and social factors in business strategies, risk management and public disclosure. Achieving this will ensure companies are rewarded for strong sustainable performance' [5]

CERES

What will my company gain from doing a Poverty Footprint Study?

First and foremost, conducting a Poverty Footprint Study improves a company's knowledge and understanding of its effects on society, some of its business risks, and some present opportunities. A study helps to inform decisions about a company's allocation of resources, supports reporting to shareholders and other transparency reporting requirements, and facilitates the development of new strategies for the business.

Second, by conducting a study, a company commits to involving its employees in a 'learning journey' through the research process. Due to the collaborative approach of a Poverty Footprint Study, employees gain first-hand experience of understanding the effects of business decision-making, processes, policies, and practices on people. A Poverty Footprint Study also provides evidence-based findings for a company to guide its own decision-making as well as for reporting on its activities to external stakeholders.

'Understanding a company's effects on society can have business benefits – including lower costs and higher profit margins.'

Mark Lewis,
Clean Conscience Cotton

Conducting a Poverty Footprint Study can lead to a fundamental shift in the way in which a business operates and affects development. For each company that takes part, a study will produce the following results:

- Greater corporate accountability and transparency about the role of the company in fostering sustainable development and enabling it to provide evidence of its contribution to poverty alleviation.
- Improvements to business models that result in poverty reduction by enhancing positive effects on society and mitigating negative effects.
- Joint organisational learning through a research process that involves a range of stakeholders in both the research and the analysis of the findings.

'The future of business depends on the sustainable, responsible sourcing of the factors of production. Labour, of course, is one key aspect of this. It is only sensible that businesses are mindful of the livelihoods of those people who live on the land, are involved in the production, processing, and trading of the materials they need. Otherwise the future of business itself is surely unsustainable. Measuring the effects of a company's operations on poverty and development provides an important place to start. But if "sustainable development" is to become a movement that effectively and efficiently joins business to development the key will be in the interpretation of the data generated, and realising the uses to which it can be put. In order to have a positive impact, the analysis has to build the "business case for development" based on practical, holistic solutions that positively contribute to the totality of the system concerned – livelihoods, the environment, and commerce.'

Dr Graham Clewer, Director of Ethical and Community Trade, The Body Shop

What does a Poverty Footprint examine?

Every company is different, so each Poverty Footprint is unique

Poverty Footprint Studies examine the business models that drive a company's effects on society

A Poverty Footprint examines five key areas where companies interact with five dimensions of poverty to assess the effects of the company on people's lives. It also looks at the way in which these effects relate back to the company.

Research areas

The research is organised around five main 'Research Areas' that group the ways in which companies interact with and affect poverty and development.

Value chains: how a company's value chain and its procurement, manufacturing, and distribution policies and/or practices influence the ability of poor people to access good-quality employment, earn a living wage or sustain a business, and participate in the market.

Macro-economy: how a company's economic contributions, including distribution of profits, shareholder dividends, taxes, and employment, affect the standard of living of poor people, or the balance of payments, in countries of operation.

Institutions and policy: how the company's actions regarding social institutions and policy affect the well-being of people living in developing countries. It considers the effects of lobbying, direct investment, and procurement and distribution practices in relation to the development of institutions (such as producer organisations, unions, cross-sectoral learning labs, social networks, women's groups) and policies that focus on trade, finance, education, and health.

Social implications of environmental practices: how a company's environmental practices affect the livelihoods and health of poor people, their ability to access natural resources, and their risk of being affected by a natural disaster. The resilience of the value chain to environmental shocks is considered.

Product development and marketing: how a company's products and services and its marketing strategy influence the cultural practices of indigenous and local communities (including gender impacts), affect their health and well-being, and shape their ability to obtain essential goods and services.

Diagram
The five research areas of a Poverty Footprint Study

The research area of 'value chain analysis' is expanded with the example of Lèt Agogo Dairy Company in Haiti. Value chain analysis is one part of a Poverty Footprint Study.

Business drivers

There is a well-acknowledged circular relationship between the societal impacts of business and business performance. An important part of every Poverty Footprint Study is analysing the 'business effects' and using this analysis to identify risks and opportunities, as well as to make recommendations that are based on a sound business case. Poverty Footprint Studies examine the business models that drive a company's effects on society and identify new opportunities for positive change. It does this by looking at (for example) growth, profits, and return on investment; employee motivation, retention, and productivity; risk management; innovation and new opportunities; competitive advantage; as well as costs.

Poverty Footprint compared with other processes

A Poverty Footprint is different from a value chain analysis. Poverty Footprint Studies add the relevant context to assessing economic and social impacts e.g. national policies that frame business operations. The Poverty Footprint approach is comprehensive in its approach, with value chains forming just one component of a multi-pronged assessment.

Value chain analysis forms part of a Poverty Footprint analysis of a sample of products sold by a company. The diagram here illustrates how a value chain analysis and a Poverty Footprint relate to each other.

A Poverty Footprint is also different from audit or certification processes, which focus on compliance with codes of conduct. While compliance is examined during a study, it is the strategic business principles underscoring compliance that are the focus, combined with a broader assessment on the way the company is impacting on people living in poverty. This includes but goes beyond the rights included in codes of conduct.

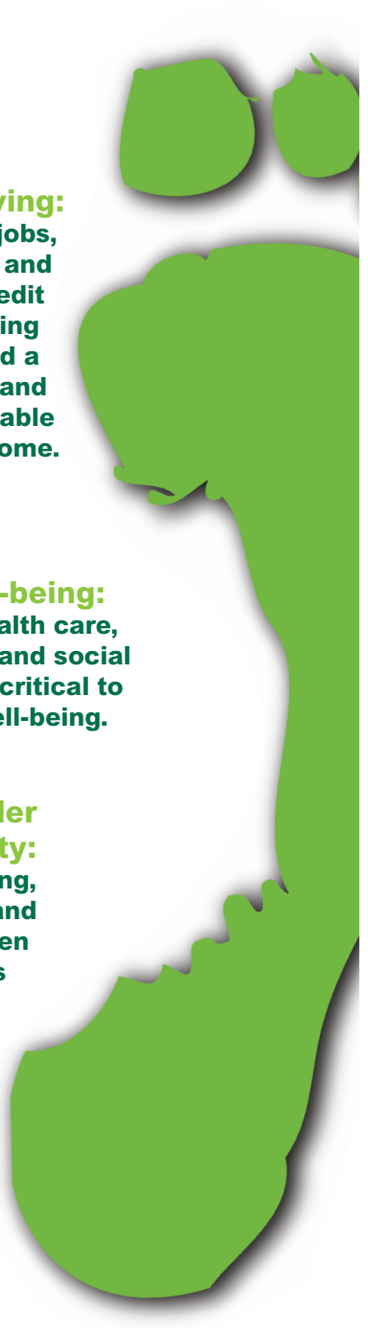
What does a Poverty Footprint Study reveal?

People are at the centre of every Poverty Footprint Study

Dimensions of poverty

In a Poverty Footprint, a company's operations are analysed in terms of five critical factors that are important for poverty alleviation: standard of living; health and well-being; diversity and gender equality; empowerment; and stability and security.

The examples on this page describe research that placed people at the centre of the analysis. The conclusions that emerged from the research enabled all parties to understand more clearly what factors were contributing to the development of their business opportunities, and what factors were increasing their risks.



Standard of living:
access to jobs, training, research and development, and credit and markets, ensuring an adequate living and a sustained livelihood, and a predictable and stable income.

Health and well-being:
access to health care, education, and social services that are critical to general well-being.

Diversity and gender equality:
equal access to jobs, training, advancement, benefits, and other rights for women and minorities, as well as opportunities to maintain cultural identity.

Background to the Poverty Footprint – a holistic study of Unilever Indonesia

Oxfam's work with Unilever Indonesia in 2004–05 set the stage for analysing the effects of business on development.[7] Together we analysed the macro-economic effects of the company's investment policies, the employment supported by its operations, and its impacts on low-income consumers in the market place. The research also looked in detail at the value chain – from supply to distribution – for the Unilever Indonesia product, Kecap Bango, a type of savory sauce.

The research included field research with soya bean and sugar farmers and traders, factory workers and management, people living in villages that were the focus of Unilever's philanthropic activities, communities where advertisements were located, distributors of the product (drivers and petty traders), and some government officials.

The study produced some surprising findings and helped Unilever Indonesia to gain new insights into its business. For example, the company discovered that almost twice as many people are involved in the distribution of Kecap Bango as are engaged in its production, and that the number of people working part-time was much higher than previously assumed. Other findings pointed towards the need to improve employee conditions for sub-contracted staff.

After completing the Unilever study, and through completing studies with several other companies, Oxfam adapted the methodology to create its Poverty Footprint Methodology, suitable for broader application.

Social analysis in practice – an example from India

The Indian company Harian Kissan Bazaar (HKB) engaged in a short study with Oxfam to assess the effects of its operations on development. Company staff took part in designing the study and setting the parameters for the questionnaire. When the researchers asked about the relevance of women to the company's operations, staff did not understand the roles that women played in their supply chains or markets. After some initial questioning of customers, it turned out that women formed more than 70 per cent of the consumer and client population using HKB's products. The company staff then changed the parameters of the study, did follow-up work to improve their understanding of their operations relative to women, and engaged more directly with women consumers. Critically, these staff members now had a greater immediate understanding of their company and the society in which it operated. At the same time, they bought into the project without the company needing to do any internal PR. As the organisational development expert Professor Peter Senge has noted, learning journeys such as this one enable innovation and insight to emerge, fostering co-learning and the co-creation of solutions.

Case study – Clear Conscience Cotton

Work by other organisations has informed our methodology. For example, Clear Conscience Cotton Limited ('3C')[8] has developed and tested a service for textile brands wishing to develop 'pro-poor' sustainable supply chains. The feasibility and cost-effectiveness of the approach was piloted through a study in India with a major brand.

3C worked with the brand and three of its suppliers to identify potential improvements that could both deliver economic benefits and address the social and environmental issues of greatest concern to stakeholders across the supply chain. 3C asked workers and community members to identify and articulate their needs and problems. At the same time it evaluated the most significant impacts of the supply chain on poor communities. The process pulled together existing information from the brand, the suppliers, public bodies, and non-government organisations (NGOs).

Stability and security: **access to resources that help people to endure shocks to their livelihood: personal disasters (such as job loss or sickness), weather-related disasters, and wars, crime, and violence.**

The study's findings helped to develop a deeper understanding of business risks, constraints on managers, and the potential development impact of the complete life cycle of the product. By involving a cross-section of those in the extended supply chain, it also improved communication between them, a pre-requisite for effective action.

Empowerment: **access to opportunities to participate in and to influence decisions that directly affect the lives of people in developing countries.**

The project resulted in the development of a joint Sustainability Improvement Plan for the brand, its employees and suppliers, local communities, and NGOs. The Plan revealed the following facts:

(1) Costs could be reduced by:

- sharing knowledge and improving communication
- encouraging joined-up thinking across the supply chain (about materials, waste, downtime, etc.)
- increasing worker and management skills and motivation, leading to gains in efficiency and productivity
- reducing staff turnover
- reducing audit and compliance management.

(2) Margins could be improved by:

- inspiring and empowering managers to deliver a shared vision
- reducing the risk of damage to the brand (and those of suppliers)
- engaging with consumers to generate increased loyalty and attract new customers.

3C also advised the brand on how to set up partnerships with reliable local NGOs, and how to support small suppliers through the implementation of the Sustainability Improvement Plan.

What does a Poverty Footprint involve?

The Oxfam Poverty Footprint Methodology provides a six-phase process to plan and to carry out a study (see Table). It is designed on a modular basis, so that one aspect of the research can be completed before work starts on another area. The Methodology provides guidance on overall resource requirements and on setting up and managing research teams. The process can last from three months to two years, depending on the size and type of company.

Stages of a Poverty Footprint study	
Phase 0: Pre-study preparation and project management	
Objective:	Set out project scope, terms of reference, roles and responsibilities, timing and resources. Agree on objectives of the study.
Outcomes:	Agreement to proceed with Poverty Footprint; project plan, schedule and budget determined.
Phase 1: Project Initiation	
Objective:	Prioritise and confirm the scope of the study and obtain buy-in from internal stakeholders.
Outcomes:	Mutual understanding and trust built; boundaries of the study set; background research conducted; stakeholder mapping completed.
Phase 2: Study design	
Objective:	Draw up research and analysis methods for the study.
Outcomes:	Research plans, methods, questions and schedules confirmed.
Phase 3: Primary research and data analysis	
Objective:	Conduct research and carry out primary analysis.
Outcomes:	Preliminary research report based on field work studies.
Phase 4: Study outputs	
Objective:	Publish and communicate research findings.
Outcomes:	Research report published; recommendations presented to company; commitment made to follow up on recommendations.
Phase 5: Implementation of recommendations, monitoring and follow-up	
Objective:	Use Poverty Footprint findings to inspire corporate responsibility activities and stimulate change within the company.
Outcomes:	Changes made to the business model; new opportunities and initiatives developed; company's positive effect on society increases.

Oxfam is particularly well placed to fulfil the requirements laid out by the Poverty Footprint Methodology due to its:

- global presence
- convening abilities thanks to relationships with local actors in different countries
- research expertise globally
- extensive knowledge of issues confronting people living in poverty
- experience in combining local programmes with global policy forums.

What does the Poverty Footprint offer?

The Oxfam Poverty Footprint Methodology provides a systematic way to carry out a study that can be characterised by the following parameters.

Strengths

It is people-centred.

If business activity is to be good for communities as well as the company, any analysis must consider both.

This means using research methods – such as the Poverty Footprint – that involve company employees and those who manufacture or supply inputs, distribute the company's goods or services, supply raw materials, and provide various services to the company. Suppliers and employees, and people who are not directly connected to the business but who live in the wider community are also included.

It shows a commitment to action.

Launching a Poverty Footprint Study should be a public commitment, demonstrating that the company wants to take action towards defining and fostering sustainable communities, in turn creating a more sustainable business.

When management and employees understand that the study has senior management support and is intended to lead to continuous improvement, they are more likely to participate fully and openly in a study. Public reporting of the study and its findings will demonstrate to stakeholders that the company is serious about improving its social impacts and adds to the company's transparency efforts. This does not mean disclosing confidential or sensitive information about the company, but demonstrates that, through a process of negotiation, agreement has been reached on key learning points.

It involves collaboration and joint learning.

Engaging with stakeholders enables deep insights and creative conclusions.

A company that involves its employees and other stakeholders directly in the process of studying the business and its effects (including data collection and analysis) is more likely to identify opportunities and implement positive change than one that hands over the conduct of a study to a third party and waits for a final report. The process of conducting a Poverty Footprint Study requires all participants to work together to interpret the data, to identify where problems and opportunities lie, and to find practical solutions.

It provides a comprehensive data set.

A Poverty Footprint Study generates both quantitative data and qualitative information, and analyses the formal and informal effects of company operations.

Using different research methods, including many qualitative and participatory approaches, allows the research team to examine the dynamic nature of development. Evaluating a comprehensive range of indicators of human well-being – rather than, for example, only measuring the number of jobs created – enables companies to make changes that benefit them and the communities whom they affect.

Parameters

It takes time and resources.

Compared with other studies, a Poverty Footprint takes time and requires dedicated resources and the support and time of the company's senior leadership. It takes a few months to compile all the information that is published in a sustainability report. There are methods for completing value chain analyses in around ten days; economic snapshots provide ready data and can be compiled even more quickly. But none of these offers the depth of research, the comprehensive range of findings, or the rigour of analysis that a Poverty Footprint can provide.

Once a relationship of trust has been developed between the company and research partners, the most time-consuming component of a Poverty Footprint Study is discussing and agreeing on the scope of the study. After that, with the systematic application of the Oxfam Poverty Footprint Methodology, it can take up to six months to conduct research and analysis and to publish the findings.

It means making a commitment to actions.

It can sometimes be challenging for a company to sign up in advance to taking some form of action before that action or change is clearly defined. Companies that take on Poverty Footprint Studies must be committed upfront to contributing to societal improvements at all levels of their operations. Otherwise, the research might risk finding easy solutions or superficial changes that in the long term do not create the intended value. Shortcuts that serve one purpose – such as timely completion – may come at a cost, such as failing to discover the risks of a particular activity.

It is not a tool for comparison or benchmarking.

The Poverty Footprint is done on a case-by-case basis. It only allows *ad hoc* comparison with other studies; it does not aim to make systematic comparisons. The studies contribute towards a company's continuous improvement and are not intended to serve as benchmarks or impact assessments that rank one company against another.

Conclusion

Business needs to understand its operating context

Companies can use the Poverty Footprint to identify and to improve their impacts on society – and to identify opportunities for their own business.

Organisations that are flexible, adaptive, and productive will excel in conditions of rapid change and uncertainty. Business growth requires a company to identify trends, to understand how it operates today and how it might operate within those forward trends, and to develop a coherent organisation-wide approach to investment. To do this, it needs to know how to measure, monitor, evaluate, and manage its activities in both the short term and the long term.

The Oxfam Poverty Footprint Methodology advances the ability of companies and other stakeholders to understand how their operations affect people, and to learn how to integrate sustainability into their core business. It offers a people-centred analysis that supports positive change, collaborative thinking, and comprehensive understanding of the effects of companies on development. Companies can use the Poverty Footprint to identify and to improve their impacts on society – and to identify opportunities for their own business.

Professor Peter Senge writes in his recent book: 'Fortunately, more and more people are beginning to sense that the mounting sustainability crises are interconnected – symptoms of a larger global system that is out of balance. As soon as people understand this, their view of the problems shifts. They start to see the extraordinary opportunities for innovation that can occur when we abandon fearful, reactive mentalities. They start to realize the deep problems we face today are not a result of bad luck or a greedy few. They are the result of a way of thinking whose time has passed.'[9]

In this current period of major change and uncertainty, companies need to be adaptive, and they need employees to engage with them and to use their creativity to address the new challenges in innovative ways. Poverty Footprints can lead to the kind of deeper understanding of issues and the realisation of opportunities that can lead to better business and a better world.

Oxfam is currently holding an on-line consultation on the Poverty Footprint Methodology, where you can review the Methodology and provide your comments.

Oxfam intends to publish the Poverty Footprint Methodology via its website in early 2010, providing companies with comprehensive information about how a study is designed and conducted, and how results are analysed and communicated. The website will also provide useful links and tools for carrying out research and analysis, as well as examples of study materials that have been developed and used during other Poverty Footprint Studies.

If you would like further information about Poverty Footprinting, or are interested in participating in the consultation, please contact:
Lysiane van der Knaap lysiane.vanderknaap@oxfaminternational.org

Endnotes

1 http://knol.google.com/k/osman-masahudu-gunu/the-impact-of-government-regulations-on/1kietb77pgwru/18#, last accessed 15 October 2009.

2 Companies Act (2006), Sections 172 and 417. http://www.opsi.gov.uk/acts/acts2006/ukpga_20060046_en_1

3 SEC Press Release of July 1, 2009, available at http://www.sec.gov/news/press/2009/2009-147.htm. Last accessed 18 October, 2009).

4 Institute of Directors in Southern Africa. King Code of Governance for South Africa 2009. http://african.ipapercms.dk/IOD/KINGIII/kingiicode/ last accessed 15 October 2009.

5 CERES (US national network of investors, environmental organizations and other public interest groups working with companies and investors to address sustainability challenges such as global climate change), quote available at http://www.ceres.org/2020mainflash800 (see 20:20 vision, 1st pillar, Ensure Honest Accounting), quote last accessed 13 October 2009

6 ODI, DFID, BAA event (April 2009); 'ODI Framework for Impact Assessment' document, April 2009. The Overseas Development Institute (ODI) recently described four main types of impact assessment that can generate valuable information about impacts on poverty and development:

1. Local Assessment: livelihood effects and stakeholder views of a firm or initiative

2. Value-Chain Analysis: enterprise and poverty effects of the entire value chain

3. Economic Contribution: multiplier effect of a business in the national economy

4. Reporting against Fixed Indicators: company performance reporting against a 'scorecard' of indicators.

The ODI draft employs the term 'Value-Chain Footprinting'. As Oxfam's work spans local assessment, value chain analysis, and economic contribution, we prefer the term 'value chain analysis'.

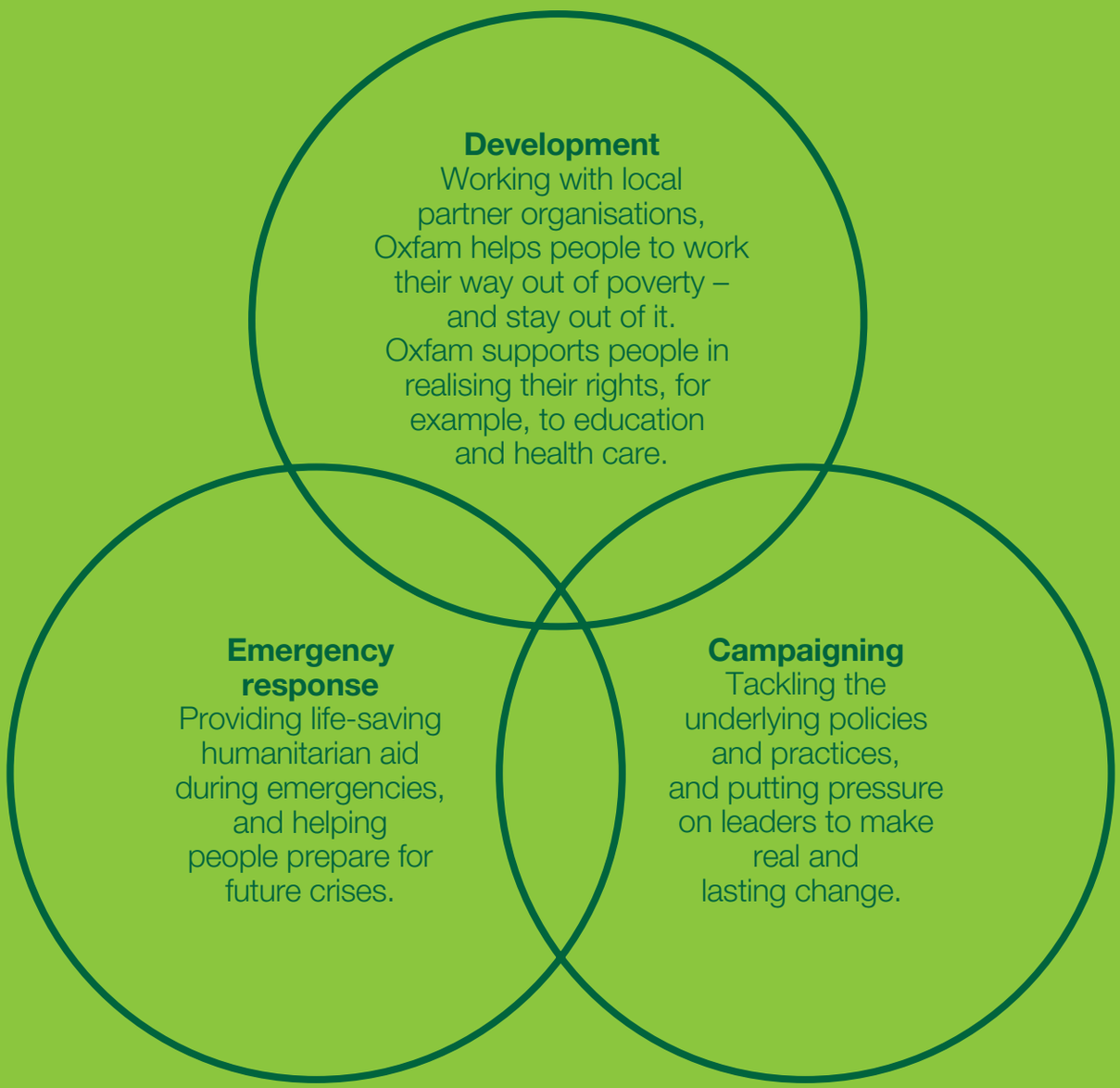
7 Jason Clay (2005) 'Exploring the Links Between International Business and Poverty Reduction: A Case Study of Unilever in Indonesia.' Oxfam GB, Novib Oxfam Netherlands, and Unilever (2005).

8 3C was set up in September 2006, with support from Oxfam and Twin.

9 Peter Senge, Bryan Smith, Nina Kruschwitz, Joe Laur, and Sara Schley (2008) The Necessary Revolution. New York, Doubleday.

About Oxfam International

Oxfam International is a confederation of 14 affiliates working together in over 100 countries to find lasting solutions to poverty and injustice.



This paper is published by Oxfam International in the 'Briefings for Business' series, which aims to help develop the debate on the role of the private sector in poverty reduction by offering ideas and insights into topical poverty issues and what they mean for business.

For Oxfam's 'Briefings for Business', please see:
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© Oxfam International November 2009
Published by Oxfam International, Oxfam International Secretariat, Suite 20, 266 Banbury Road, Oxford OX2 7DL, United Kingdom.

Online ISBN: 978-1-84814-100-1

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