

Fair, Green and Global Alliance
Annual Report 2016

COLOPHON

Fair, Green and Global Annual Report 2016

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List of abbreviations

AA	ActionAid	LDN	Land Degradation Neutrality
ACHPR	African Commission on Human and Peoples' Rights	LLMIC	Low and Lower-Middle Income Country
ADSB	Atradius Dutch State Business		
AfDB	African Development Bank	MCD	Mutual Capacity Development
AIPP	Asian Indigenous Peoples Pact	MEP	Member of European Parliament
ASEAN	Association of Southeast Asian Nations	MFA	Ministry of Foreign Affairs
		MICI	Independent Consultation and Investigation
BIT	Bilateral Investment Treaty		Mechanism
BMZ	German Federal Ministry of Economic Cooperation	MML	Model Mining Law
	and Development	MSD	Multi-Stakeholder Dialogue
CCC	Clean Clothes Campaign	NCICD	National Capital Integrated Coastal Development
CETA	Comprehensive Economic and Trade Agreement	NCP	National Contact Point
CS0	Civil Society Organisation	NGO	Non-Governmental Organisation
DRC	Democratic Republic of Congo	OECD	Organisation for Economic Cooperation and
DSO/MO	Civil Society Division		Development
		0Psur	Observatorio Petroleo Sur
EC	European Commission		
ECA	Export Credit Agency	PENGON	Palestinian Environmental NGO Network
ECCHR	European Center for Constitutional and Human Rights	PILER	Pakistan Institute of Labour Education and Research
(E)HRD EKN	(Environmental and) Human Rights Defender Export Credits Guarantee Board	RCEP	Regional Comprehensive Economic Partnership
EU	European Union	SOM0	Stichting Onderzoek Multinationale Ondernemingen
EUROLAT	Euro-Latin American Parliamentary Assembly		
		TNC	Transnational Corporation
FGG Alliance	e Fair, Green and Global Alliance	TNI	Transnational Institute
FM0	The Netherlands Development Finance Company	ToC	Theory of Change
FoE	Friends of the Earth	TTIP	Transatlantic Trade & Investment Partnership
FoEE	Friends of the Earth Europe		
FoEI	Friends of the Earth International	UN	United Nations
FPP	Forest Peoples Programme	UNCCD	United Nations Convention to Combat Desertification
FPIC	Free, Prior and Informed Consent	UNGP	United Nations Guiding Principles
FTA	Free Trade Agreement		
GCF	Green Climate Fund	VGGTs	Voluntary Guidelines on the Responsible Governance of Tenure
IANRA	International Alliance on Natural Resources in Africa		
ICS	Investment Court System		
IDB	Inter-American Development Bank		
IFC	International Finance Corporation		
ILO	International Labour Organisation		
ISDS	Investor-State Dispute Settlement		

INTRODUCTION

The Fair, Green and Global (FGG) programme involves nearly 300 civil society organisations worldwide and key national, regional and international networks and their members, including those hosted or represented by FGG Alliance members –ActionAid, Both ENDS, Clean Clothes Campaign, Milieudefensie / Friends of the Earth Netherlands, SOMO and the Transnational Institute. The FGG Alliance is a Strategic Partner of the Dutch Ministry of Foreign Affairs within its 'Dialogue and Dissent' policy framework. The framework focuses on strengthening the capacity of civil society organisations (CSOs) in low and lower-middle income countries (LLMICs) to effectively voice their views and to hold policymakers and companies to account.

This report presents the main results achieved in 2016, the first year of the FGG Alliance's second programme aiming to contribute to more socially just, inclusive and environmentally sustainable societies. FGG specifically focuses on three 'Theories of Change' (ToCs) - improving corporate conduct (1), trade and investment (2), and financial and tax systems (2). As our IATI upload presents our results in detail, we present a more analytical view on these results in the following chapters. Per ToC, we briefly go into the context of the programme in 2016, followed by a 'bird's eye view' of the results – by presenting both the quantitative numbers of outcomes achieved as well as some main lines of work in the past year. We also present two specific cases of achievements in 2016 per ToC. Finally, we reflect on the collaboration with partner organisations, the partnership with the Ministry of Foreign Affairs, and the collaboration between the Alliance members.

1. THEORY OF CHANGE 1: IMPROVED CORPORATE CONDUCT

1.1. CONTEXT

In 2016, we have seen a further shrinking of civic space, which is often directly related to corporate conduct. Across the world, in both democratic and non-democratic states, many -often female- environmental and human rights defenders ((E)HRDs) and social justice organisations face an increasingly repressive and securitised environment as well as unprecedented attacks on their legitimacy and security. From the assassination of Berta Cáceres to Bangladesh's new Voluntary Activities Regulation Act, individual and collective social justice activities are facing a global pushback from governments, corporations and the far right. Whilst there is an increased visibility of activists and recognition of the threats to their security, in many countries the discourse seems to subtly tilt towards a toleration of violence in the context of economic development.

At the same time, the need for collective action on sustainability and enforcement of binding regulation to protect human rights is clearly gaining momentum: we see a changed discourse with examples of new legislation in several EU countries for example on child labour and protection of human rights. We also see an

increase in the number and quality of voluntary sustainability measures, such as the Dutch sector covenants. Still, past experience shows that these measures do not suffice to counter the human rights violations in value chains and the threats faced by many CSOs around the world.

A third observation on the context of corporate conduct in 2016 is that the power of large corporations continues to grow. One indication is the tendency towards monopolisation of markets seen in the (intended) mergers of mega-corporations (for example in the agrichemicals and seeds market: Bayer & Monsanto, Syngenta & ChemChina, and Dow & DuPont). Such companies are accumulating enormous power over agricultural systems, and therefore our food systems. Another indication is the extent to which corporate lobbying is shaping public policy. There has been growing concern about this in the Netherlands - among parliamentarians as well as in the media, extending to the general public. Transparency and regulation in respect of lobbying is still limited at EU level, and does not yet exist in the Netherlands while it is crucial for civic actors in LLMICs, where multinationals are drivers of investments and land grabs, to have insight into this. Several FGG members have joined forces with other CSOs to establish LobbyWatchNL, which will monitor and expose corporate lobbying in the Netherlands, with a view to building an evidence base to support greater transparency and regulation.

1.2. A BIRD'S EYE VIEW ON PROGRESS IN TOC1

PROGRESS ON THE INDICATORS FOR TOC1

As 2016 was the first year of the programme, and target setting was done in the first half of the year, we set the targets for the first two years (2016/2017) – it is important to take this into account when comparing the results reported in IATI to the targets. In 2016, all results related to corporate conduct outcomes were on or above (the midway) target, except for one related to policy change of companies (outcome 1Eb). However, such policy changes are long-term results that we are working on, and internal reflection showed that these results are indeed likely to be achieved in the coming year. At the same time, results in terms of improving the enabling environment (outcome 1Aa), strengthening capacities (outcome 1B), and setting agendas (outcome 1D) were all higher than aimed for.

In 2016, the FGG Alliance and partners contributed actively to 12 mechanisms being put in place or improved by governments that guarantee access for civil society to democratic decision-making processes related to corporate conduct. In addition, the push for adoption of grievance mechanisms is starting to bear fruits; with nine such mechanisms put in place or improved. For example, in

Zambia and Zimbabwe, four grievance mechanisms related to mining corporations were installed due to pressure of ActionAid and its partners. The European Parliament improved its Code of Conduct (making it easier to address cases of conflict of interests of MEPs with side jobs with companies or trade associations involved in EU lobbying) after years of lobby on the issue by FoEE. And both the German and Danish NCPs formally agreed to improve their policies after engagements with SOMO. Meanwhile, the FGG Alliance helped to strengthen the capacities of 144 CSOs in LLMICs so that they were able to better lobby and advocate for responsible corporate conduct based on increased skills, knowledge or network contacts. Eight alternative, participatory initiatives and models related to corporate conduct were developed or gained momentum, such as the Model Mining Legislation in Africa; a proposal for a national multi-stakeholder land rights committee in Mozambique, developed by CSOs, that was discussed with government; and a proposal for inclusion of safeguard provisions on Freedom of Association in the Bangladesh Accord II.

In 2016, FGG contributed to a total of 56 policy proposals being put on the agenda of various decision-makers both in governments and in the private sector, as well as that of social movements, scholars, and journalists, and thereby entering the public domain. These concerned for example concrete proposals for how to implement the Voluntary Guidelines on the Responsible Governance of Tenure (VGGTs); proposals for improvement on social and environmental impacts in infrastructure investments; and a proposal for improvement of the mandatory lobby register at EU level. Policy changes have also been effected thanks, at least in part, to FGG engagements: 22 mechanisms, policies and regulations were improved or introduced by national, regional and international government bodies to encourage more sustainable company practices and which improve mechanisms of accountability in respect of human rights and environmental impacts, as well as provision of adequate remedy to victims of adverse impacts. There were three outcomes in terms of companies improving their policies: two when the sector covenants for Garments and Finance were signed, and one garment company in Myanmar that refined its audit methodology. Some real change in practice is discerned in seven instances where governments took active steps to identify, prevent and mitigate adverse social, gender and environmental impacts of corporate activities, while 16 companies took similar concrete steps themselves.

1.2.1. UN TREATY ON TNCS AND HUMAN RIGHTS

EU and member states participated in the UN Binding Treaty negotiations.

The process concerning negotiations within the UN to develop a treaty that would set binding rules for transnational corporations to respect and protect human rights, has been identified as a crucial development to effectively improve corporate conduct by many FGG partner organisations. In response, the Alliance has put efforts both into capacity development as well as joint lobby. In 2016, the FGG Alliance actively supported participation by Southern partner organisations in the negotiations around the UN Treaty on Business and Human Rights process, both at international and national level, amongst others in the Philippines, Indonesia, Mozambique, Bolivia, El Salvador and Guatemala. In October, a 'Week of Peoples Mobilisation' took place at the UN Human Rights Commission in Geneva, supported by FGG, where CSOs could participate in the UN proceedings. Mostly female representatives from partner organisations shared their testimonies during the official UN meeting and the FGG Alliance made a legal submission to put forward concrete recommendations on what a future treaty could look like. Following concerted pressure by FGG partner organisations from around the world, with support of FGG members, the EU and its member states began to engage within the UN Inter-Governmental Working Group discussions.

1.2.2. SECTOR SPECIFIC ANALYSES OF PROGRESS

Sector guidance for companies is gaining ground.

- **Garment:** In 2016, CCC and SOMO have focused strongly on mutual capacity development in the garment sector, with the aim of jointly learning and developing expertise, for example by learning lessons from the compensation in the Rana Plaza and Tazreen cases, and Urgent Appeals. Noteworthy is the building of coalitions of CCC members, specifically in South Asia and East Asia regions, to jointly identify priorities and develop strategies. Combined with the establishment of a Working International Group system, with Country Focal Points for Bangladesh, Cambodia and Indonesia, this development has allowed all organisations in the network to participate and work together more effectively. As a result of these joint efforts, seven Urgent Appeals cases proved successful (ranging from signing of agreements on fair compensation, to reinstatement of dismissed workers, to the EU embassy intervening on severe violations and to companies taking action) and both the Rana Plaza and Tazreen compensation proceedings were completed. The compensation process for the Ali Enterprises tragedy was finally started in 2016 (see box I).
- Land and agriculture: In 2016, Southern CSOs together with ActionAid, Both ENDS and TNI collaborated on amplifying the voice of local communities in various policy processes relating to amongst others better uptake of the VGGTs (e.g. in the UNCCD conceptualisation of Land Degradation Neutrality (LDN) and the related LDN Fund, as well as in the Kenyan community land bill), the concept of Free, Prior, Informed Consent (FPIC) (e.g. for local groups in Nicaragua, who then brought a case

to the Inter-American Commission for Human Rights), and sustainable agriculture and land use. As a result of continuous lobby and advocacy efforts by partner organisations with FGG support, steps were taken to address land rights concerns, particularly in Bagamoyo, Tanzania, where the government decided to shelve the project; in Kenya, where leases were not renewed to Dominion Farm; and in Cambodia, where CSOs and affected communities engaged directly with the government to protect their land rights, resulting in government issuing (investigative) action by the government and targeted companies. Specific attention has been paid to gender in relation to land and agriculture. A key event in 2016 was the Women2Kilimanjaro initiative, supported by ActionAid, where African women's groups stood up as strong advocates and jointly developed a charter of demands for women's land rights, including the promotion of FPIC and the uptake of VGGTs. As a result, several African governments have pledged their support for the rural women and promised to implement the charter. Additionally, FGG members were active participants of the Multi-Stakeholder Dialoque (MSD) on land governance in the Netherlands, through the NGO representation by Both ENDS' seat in the MSD's Organising Committee and including the inputs from partners in Asia (AIPP), Haiti (AA), India (AA) and globally from FPP in amongst others the FPIC workshops and the development of a compensation protocol.

■ Minerals and extractives & electronics: In partnership with the International Alliance on Natural Resources in Africa (IANRA) and communities from ten African countries, ActionAid contributed to the finalisation of the Model Mining Law which protects and safeguards community rights (see box II). Regarding mining for electronics, SOMO collaborated with three partner organisations in the DRC to examine the impact of cobalt mining in the DRC. The resulting report, Cobalt blues: Environmental pollution and human rights violations in Katanga's copper and cobalt mines, shows that the problems of cobalt mining, including air and water pollution and forced evictions, are both serious and structural. The report was released during a Roundtable Meeting on Responsible Mining for Electronics, co-organised by SOMO and Milieudefensie, where the issue of responsible mining was firmly put on the agenda of companies and policymakers alike. A number of companies subsequently committed to revisiting their due diligence policies for sourcing cobalt. By the end of 2016, companies started several new initiatives, such as the Responsible Cobalt Initiative and the Responsible Raw Materials Initiative, both addressing cobalt in the supply chain. Regular interactions on the adverse impact of mining on women took place between ActionAid, the Dutch Ministry of Foreign Affairs, and with mining and utility companies, amongst others through covenants participation and through the multi-stakeholder mission to coal-mines and communities in South Africa, organised by ActionAid. These interactions resulted in improved understanding, among the Ministry and companies, of gender-specific risks in the supply chain, and how to address these. In turn the Ministry took the initiative to organise a Women and Mining workshop and related working group.

1.2.3. GRIEVANCES AND REMEDY

The need for access to remedy is on the agenda of development hanks

With and in support of partner organisations, the FGG Alliance has actively advocated for increasing civic space, while also calling for the protection of (E)HRDs. Research by SOMO and Both ENDS, amongst others, reveals that most development banks do not require borrowers to tell project-affected people that a complaint mechanism exists, thus impeding the mechanism's accessibility and effectiveness from the outset. Through awareness-raising activities about the existence and workings of complaint mechanisms, including training with partner organisations in making use of relevant international instruments on business and human rights, several complaints were filed. This resulted, in 2016, in the decision of the International Finance Corporation (IFC) to divest from a dangerous mining project in Colombia.

BOX I: ALI ENTERPRISES COMPENSATION ARRANGEMENT

On September 11, 2012 the Ali Enterprises factory in Pakistan exploded into flames, claiming the lives of 254 workers, and seriously injuring another 55. Workers were trapped in the building, behind barred windows and locked exit doors. Some workers managed to escape merely by jumping from fourth-floor windows which were considered too high to require bars. German retailer KiK Textilien was the only known buyer sourcing from the factory. On December 21, 2012, KiK signed an agreement with PILER, a CCC partner and labour NGO in Pakistan, to pay immediate relief to survivors and families of deceased workers and to enter into negotiation for long-term compensation. KiK paid 1 million USD as immediate relief to a fund managed and disbursed by the Sindh High Court established commission, but refused to enter into negotiation for long-term compensation for around 4 years.

In 2016, CCC -together with partners in Pakistan, Global Unions (IndustriALL Global and UNI Global) and ECCHRintensified the pressure on KiK. Early in the year, CCC organised a 'Lessons Learned Meeting' to share knowledge, experience and strategies, based on the lessons learned from Rana Plaza, Tazreen and other compensation cases. Combined strategising with southern partners led to a more targeted campaign including lobby of German and Dutch governments, pressure on the German Textile Alliance and lobby within the ILO. The result was a visible improvement in the capacity of Pakistani partners to collaborate with each other and with partners in the region -sharing knowledge, strategising together and developing collective lobby and advocacy actions. For instance, through the Asia Living Wage Conference organised by the Dutch MFA and German Federal Ministry of Economic Cooperation and Development (BMZ), the network members could highlight the Ali case and encourage both Ministries to engage in diplomacy to resolve this case. The actors successfully persuaded the Pakistani government to set up a compensation process.

As a result of the joint efforts with Global Unions and Pakistan partners, KiK agreed to enter into negotiation and, on the eve of the fourth anniversary in September 2016, finally signed an agreement to pay an additional US\$5.15 million to fund loss of income, medical and allied care, and rehabilitation costs to the injured survivors and dependents of those killed in the disaster. The ILO convened this process and took the lead at the request of the German BMZ.

This arrangement sets a new precedent in compensation payment and companies' supply chain responsibility. At the same time the Ali case exposed the failure of corporate social auditing on fire and building safety in Pakistan to prevent such tragedies. The Ali Arrangement payments will take the form of a pension system, administered by Pakistani governmental institutions and thereby have the additional potential of contributing to the future development of Pakistani social security systems.

BOX II: MODEL MINING LEGISLATION – A MINING COMMUNITIES' PERSPECTIVE

Since July 2013, ActionAid has partnered with IANRA to develop an African "mining legislation from below"; the Model Mining Law (MML), which was launched in 2016 in Olkaria, a mining-affected community in Kenya. To ensure usefulness of the MML for local and national human rights activists that advocate and lobby for more legislative reforms in the Extractives Industry sector, IANRA undertook action research and organised multi-stakeholder consultations in Angola, DRC, Kenya, South Africa and Zimbabwe on the (gendered) impacts of industrial mining on human rights and the related legal and policy gaps in these five countries. This culminated into a case study synthesis report that highlights the main human rights problems identified in the case studies. Key principles were drawn from these for the peoples' advocacy document: 'First Principles - towards an African People centred Model Legislation.' In 2016, FGG contributed to the development and dissemination of a Legal & Policy Guide, as well as an Advocacy & Gender Mainstreaming Guide. These tools have been used as part of a capacity development programme aimed at mutually strengthening the capacity of IANRA members and communities, which provided the case studies on, for example, inclusive policy making, advocacy planning, and how to establish an inclusive multi-stakeholder dialogue on good governance in the extractives sector. In 2016, FGG also contributed to upscaling the advocacy capacity development work aimed at national domestication of the

MML in Ghana, Liberia, Sierra Leone, Uganda and Zambia.

Towards the end of 2016, it became clear that in several African countries new national legislation and policies on mineral resource exploitation were in the making that better safeguard communities' rights. The MML project received important support from continental policy-making bodies such as African Minerals Development Centre of the United Nations Economic Commission for Africa, which is tasked with facilitating implementation of the African Mining Visions, as well as the ACHPR Working Group on Extractive Industries, Environment and Human Rights Violations, which considers the MML as an important alternative framework for community development on mineral resources.

By means of working in a network setting -which is mostly comprised of African members (South-South capacity development)- IANRA members have gained knowledge, and lobby and advocacy skills, and strengthened their contact base in terms of solidarity and expertise. Members and communities mutually exchanged knowledge and skills, and received training on doing participatory action research, policy advocacy content, continental and international human rights frameworks, for example on how to understand and apply the concept of FPIC in an African setting- as well as legislative policy advocacy skills and gender mainstreaming. As an IANRA member, ActionAid Netherlands strengthened its understanding of critical community rights issues, their policy priorities, and the importance of promoting continental and/or national African human rights mechanisms before promoting international mechanisms. At operational level ActionAid learnt how to better coordinate action research, facilitate multi-stakeholder dialogue and develop a results framework for advocacy networks.

2.THEORY OF CHANGE 2: IMPROVED TRADE AND INVESTMENT

2.1. CONTEXT

Trade and investment were hot topics in 2016, both in the political as well as public domain globally. Building on the Europe-wide TTIP campaign, a CETA campaign in 2016 brought hundreds of thousands of people out on the streets. Public pressure led to some first steps towards reform, albeit cosmetic, of the investment protection clause ISDS, when the EU proposed to replace it by the Investment Court System (ICS), and consequently when first steps were taken to establish a Multilateral Investment Court. In the Netherlands, Minister Ploumen called for a reset of the trade agenda. But although unpopular agreements such as CETA may have been delayed by the public controversy, they are still on the cards, and trade and investment negotiations based on the same contested principles continue unabated between the EU and numerous countries, presenting many dangers for protection standards and the environment.

A second important development that impacted the global trade debate was the election of Trump as president of the United States and the rise of the far right in parts of Europe -proposing nationalist and protectionist trade policies. Reducing the debate to a choice between pro-free trade proponents and protectionist nationalists narrowed the space for a discourse on alternative trade policies, as proposed by the FGG Alliance and its partners. This presents a major challenge for 2017 and the years to come.

In the South, for example in India and Indonesia, new model Investment Treaties have been developed, restricting the use of ISDS and guaranteeing more policy space for the government. At the same time, the 'old' ISDS is still very much alive in new free trade agreements, such as the Regional Comprehensive Economic Partnership (RCEP) in Asia. In 2016, more ISDS cases than ever were filed.

The FGG Alliance includes its work on climate and energy policies in the scope of this ToC, as these are generally directly linked to trade and investment policies. In this realm, with the Paris declaration in hand, the divestment movement has clearly gained momentum internationally in 2016, with more people taking to the streets to push for concerted action to curb climate change and stop fossil fuel investments. At the same time, protection of natural resources is deteriorating with extraction and agribusiness still accelerating worldwide at unprecedented speed.

2.2. A BIRD'S EYE VIEW ON PROGRESS IN TOC 2

PROGRESS ON THE INDICATORS FOR TOC 2

In 2016, all results related to trade and investment were on or above their midway (2016-2017) target, except that there are no results reported yet in terms of grievance mechanisms introduced or improved by governments for communities negatively affected by trade and investment (outcome 2Aa). The target for this outcome for 2016-2017 was set at three, and it is considered likely that this still will be achieved in the current year. On the other hand, the results for mechanisms that guarantee access for civil society to decision-making processes (outcome 2Aa), agenda setting (outcome 2D) and policy change (outcome 2E) were significantly higher than aimed for.

In the first year of the FGG-2 programme, six mechanisms were put in place or improved by governments that guarantee access for civil society to democratic decision-making processes related to trade and investment, in part as a result of engagements by the FGG Alliance. The Dutch MFA announced a 'Breed Handelsberaad,' which seeks active consultations with civil society and the corporate sector on trade policy. Also, under pressure from the FGG Alliance,

amongst others, the EU made public some key negotiating documents and held debriefings following negotiation rounds with the Philippines and Indonesia. Governments of both countries, under pressure from FGG partner organisations and their allies, have opened channels of consultation on these FTAs with domestic CSOs partners.

The FGG Alliance and partners strengthened the capacities of 46 CSOs in LLMICs which as a result took initiatives that demonstrated they were able to better lobby and advocate for improved policies related to trade and investment. Nine alternative approaches to the current trade and investment regime were developed, piloted and/or promoted with CSOs in LLMICs. These related to alternative climate and energy policies; natural resource management and land governance; and trade and investment negotiations.

FGG contributed to a total of 24 proposals for improvement to policies related to trade and investment being discussed by national, regional and international government bodies and/or by private policy makers, in academia, public agenda, media and social movements. There were also policy changes due to FGG engagements: 13 mechanisms, policies and/or regulations were improved or introduced by national, regional and international government bodies related to improving policy coherence between development and trade and investment policies in LLMICs. One instance of a change in practice was identified in 2016: namely, the termination of the bilateral investment treaty (BIT) signed between the Netherlands and India in 1995.

2.2.1. TRADE POLICY AND INVESTMENT PROTECTION

Partner capacities to problematize current trade policies and

engage with relevant decision-makers strengthened. Southern FGG partner organisations have highlighted the problems with ISDS for over a decade. To support them to voice their concerns about trade and investment agreements, FGG partner organisations and members organised various mutual capacity development activities in 2016. These included national and regional trainings in the South for campaigners and communities, such as the ISDS training in the Philippines in November 2016 (see box III); and the training on trade and investment as part of the FoE Asia Pacific School of Sustainability in November-December 2016, as well as the participation of partner organisations from the Philippines and Indonesia in lobby meetings in Brussels during EU-Philippines and EU-Indonesia negotiations. This mutual capacity development resulted in more open and diverse debates on investment protection, particularly in South-East Asia and Europe. A concrete result of FGG members' advocacy was the European Commission's own questioning of the inclusion of traditional ISDS in the TTIP, CETA, and EU-Vietnam agreements and the emerging discussion on the reform of the mechanism.

FGG partner organisations in Asia called upon the support of FGG members to address the Regional Comprehensive Economic Partnership (RCEP). Workshops on RCEP have been held in Myanmar, resulting in the creation of a Myanmar network on trade and investment treaties, and in Malaysia, leading to a joint regional strategy and week of action on RCEP. General knowledge on the technicalities of trade and investment agreements has massively increased. CSOs have become a much more relevant discussion partner in these technical processes, e.g. in Uganda, the Philippines and Indonesia, where CSOs are now invited by policy makers to meet and discuss such policy issues also on the more technical level.

In addition, FGG partner organisations in several countries have been advocating for their governments to end current BITs. Several meetings were organised by partner organisations with support of Both ENDS, SOMO and TNI to reach out to relevant policy makers within Southern governments, and to facilitate an exchange of views with civil society. These engagements have likely contributed to several governments questioning and some terminating BITs, such as Indonesia and South-Africa.

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2.2.2. RESET AGENDA

FGG members providing inputs and Southern perspectives in reforms of the Dutch trade policy.

The trade debate in the Netherlands is highly politicised, with many CSOs being active on the issue. The Dutch Minister for Foreign Trade and Development Cooperation, Minister Ploumen, has indicated she wants to reset EU trade and investment policy. The FGG Alliance has contributed to this RESET agenda through its continued efforts to demonstrate the effects of current trade policy on developing countries and by proposing alternatives. Part of the RESET agenda is the 'Breed Handelsberaad', in which Both ENDS, Milieudefensie and SOMO, together with public and private sector stakeholders, are involved and have contributed their views and expertise on negotiations around new EU trade agreements.

2.2.3. CLIMATE & ENERGY

FGG partner organisations pushing for more future-oriented national and international climate and energy policies.

Strengthening the capacities of communities and partner organisations around climate and energy has been an important focus in 2016. This has involved community visits in Honduras and Nigeria to raise awareness about the risks of destructive energy

projects and people's rights. Trainings organised by a Palestinian CSO network, with support from the FGG Alliance, strengthened the ability of its members to lobby and advocate for the promotion of renewable energies in Palestine and increased the technical capacities of isolated communities to run and maintain solar projects (see box IV). Noteworthy is the high number of women involved in these capacity development activities. FoEE and the Argentinian CSO OPSur built and mobilised a network of Latin American CSOs to influence policy making on shale gas on the continent. They successfully informed the EuroLat Parliament about the environmental and social impacts of shale gas exploitation, leading to a resolution by the Parliament published mid-2016 that acknowledges the impacts of shale gas and calls upon governments to stop relying on and subsidizing fossil fuels. Finally, the Climate Act proposed by Dutch political parties and gaining support in 2016 was based on prior work of, and recent inputs from, Milieudefensie. It would present a positive step towards Dutch compliance with the Paris agreements, combating climate change impacts that are mostly felt in LLMICs.

In 2016, the FGG Alliance also developed work on the interface between climate, energy and public funding – more specifically in the field of renewable energy funded and/or supported with public funds. Framed by the complementary concepts of Just Transition (Milieudefensie) and Energy Democracy (TNI), a solid international network to work collaboratively and practically on the transformation of (local) energy systems has been developed. It includes the 100-member strong Trade Unions for Energy Democracy. Drawing on the success of the international water network, it is focused on documenting successful cases of public-community cooperation on establishing and upscaling socially-owned renewable energy.

2.2.4. FOOD SECURITY

FGG members and partners actively engage Dutch government on policy coherence for development and food security.

Through contributions to the Ready for Change report on policy coherence, food security, climate resilient sustainable agriculture positions (developed with colleagues around the world (especially in LLMICs)), and SDGs, ActionAid and partners contributed to agenda setting, parliamentary motions and additional commitments from the Dutch government to monitor policy coherence related to food security policies better. In a policy brief the Minister made commitments on increased monitoring. In Mozambique capacity development work on community participatory & empowering research skills on land investments and agriculture in the country, resulted in related agenda setting meetings with Mozambican government. Also, FGG's recommendations for revising the EU-RED biofuel strategy with more emphasis on ILUC and phasing out food based biofuels contributed to improvements in the original proposal of the EU, as well as the Dutch policy proposal yet to be adopted.

BOX III STRENGTHENING CSO CAPACITY ON INVESTMENT PROTECTION FRAMEWORKS IN ASIA

In November 2016 an ISDS argumentation training for CSOs was held in Manila. It was jointly organised by Focus on the Global South, Indonesia for Global Justice, Paung Ku, TNI and FoEI. 45 representatives from Asian CSOs drawn from six countries attended. Participants received a practical lobby and advocacy training on investment protection, so as to undertake lobby/advocacy on the issue in their own countries.

The workshop was explicitly organised as a mutual capacity development exercise. Together, CSOs from Asia and Europe developed the objectives and content. Facilitators ensured the active sharing of knowledge and experiences, crossfertilisation of ideas and enrichment of everyone attending. The groups exchanged information about advocacy strategies and the impact of investment regimes on particular sectors and issues, including food, labour rights, health, taxes, intellectual property rights and environmental protection. European participants contributed vital information and analysis of the EU's new ICS. The workshop's interactive format, which involved role playing and argumentation practice, prepared participants to directly articulate a robust case against ISDS to policymakers. It also built their confidence to take part in debates about ISDS and to communicate with the media. Finally, participants developed national and regional level advocacy and campaign plans, and consolidated the EU-ASEAN FTA campaign network.

All participants reported improved knowledge and dialogue skills on the issue. For example, one participant reported being able to directly use the knowledge gained during the December 2016 round of talks in Indonesia on RCEP, which involves ten ASEAN member states, and 6 other countries in the region. She was able to confidently engage on ISDS with trade officials and speak to the media on the issue. Twelve CSOs in Indonesia organised public events and advocacy around the RCEP talks, and were able to explain in clear, accessible language what investment protection means for ordinary people - its impact on living wages, land distribution, access to free, accessible medicines, public healthcare and education. This was reflected in media coverage of CSO arguments. Similarly, immediately after the training, the Myanmar CSO delegation (representing some 550 organisations) was able to participate meaningfully in a consultation with EU trade negotiators in December 2016 on the Myanmar-EU Investment Protection Agreement.

BOX IV CAPACITY DEVELOPMENT TO PROMOTE CLEAN ENERGY FRIENDLY POLICIES AND FOR ENERGY AUTONOMY IN PALESTINE.

PENGON is a network of Palestinian environmental organisations and FoEI member. Through the FGG funding received in 2016, PENGON strengthened the capacity of Palestinian civil society organisations to promote clean energy friendly policies with decision-makers, while building communities' capacities for energy autonomy. This was done through:

- Advocacy trainings attended by 17 PENGON member organisations. The objective was to build capacities of members to advocate their views on renewable energies. Participants contributed to the preparation of PENGON's position paper on the issue. The trainings lead to improved knowledge and campaigns skills. 70% of the participants were women.
- Technical trainings targeting five, largely poor communities that are beneficiaries of solar projects. The focus was on building their practical knowledge to autonomously operate and maintain the solar units so as to increase energy independence. 30% of the participants were women. PENGON built up from the problems encountered to anticipate in its lobby work on potential future problems for other projects.
- Preparation work by the PENGON team together with environmental specialists, and in cooperation with the Ministry of Energy on a Pre-Master Plan on Solar Energy in Production in Palestine. It was discussed with other Ministries, private sector (such as electricity companies), NGOs, donors through several meetings and workshops (during which additional recommendations were brought in). During this project PENGON also organised a meeting with Ms Subha Ghannam, policy officer in the Representation of the Netherlands to the Palestinian Authority and they discussed the project activities and the pre-master plan.

PENGON's advocacy to scale up renewable energies in order to change the energy mix has been successful. The 2015 Palestinian energy law has been improved through promoting changes in the government conditions for private actors keen on investing in the sector. The government adopted the solar energy pre-masterplan devised by PENGON in 2016.

3. THEORY OF CHANGE 3: IMPROVED FINANCIAL AND TAX SYSTEMS

3.1. CONTEXT

The 2008 financial crisis brought about a strong public call for regulation of the financial sector. Some steps in that direction have been taken. In 2016, however, with the economy recovering, voices pleading for deregulation are gaining ground again, in parallel with the increase in power of the financial sector. Factors that play a role in this increase in power are, amongst others, increasing financialisation (as a response to a slowing down of the real economy); increasing influence of the private sector in the public sector; and revolving doors between banks and public institutions. Within a quickly changing political context, specifically the rise of right-wing politics, CSO influence on reform or regulation is getting limited. Also in several Southern countries, civil society faces tax policies that negatively affect development. An example concerns the fluctuations in the prices of oil, minerals and metal: in Zambia, civil society engaged the government and parliamentarians to advocate for higher mineral royalty taxes. However, when copper prices fell, the government decided to enact low tax rates, to ensure the sustainability of the mines, at the cost of revenue raising for development.

At the same time, sustainable finance, lobby influence of large corporations and responsible disengagement feature increasingly high on political and public agendas in the Netherlands and abroad. Tax is another currently highly debated issue, with the Panama Papers and the framing of the Netherlands as tax heaven being the most visible catalysers. Major consequences include the EU ruling that Apple owes Ireland €13 billion of unpaid taxes; and that the Netherlands should recover up to €30 million back from Starbucks due to unjustified favourable tax treatments.

3.2. A BIRD'S EYE VIEW ON PROGRESS IN TOC3

PROGRESS ON THE INDICATORS FOR TOC3

In 2016, all results related to financial and tax systems outcomes were on or above target, except for results in terms of grievance mechanisms adopted by financial institutions (outcome 3Ab). On the other hand, the results for agenda setting (outcome 3D) and practice change (outcome 3F) were higher than aimed for.

Seven mechanisms were put in place or improved by governments and/or financial institutions and developments banks that guarantee access for civil society to (democratic) decision-making processes related to finance, tax and spending, in part as a result of engagements by the FGG Alliance. We also contributed directly to two grievance mechanisms being adopted or improved by financial

institutions: FMO published its reviewed policy of the Independent Complaint Mechanism to which the FGG Alliance gave inputs, and IDB's MICI had a consultation process on the creation of an external stakeholder advisory board, which is an official channel for civil society to provide input on the functioning of the mechanism and was a recommendation from a report published by SOMO and its international partners.

The FGG Alliance and partners strengthened the capacities of 36 CSOs and communities in LLMICs that lobby and advocate for improved financial, tax and spending policies, based on increased skills, knowledge or network contacts. Ten alternative proposals to financial and tax and spending policies were developed, piloted, and promoted with CSOs in LLMICs.

21 proposals for improvement of financial, tax and spending policies were discussed with private and public policy makers, and/or in academic, public, media and social movement arenas. In seven instances, actual measures were taken by national, regional and international government bodies to ensure financial, tax and spending policies advance socially just and sustainable development in LLMICs. Furthermore, six policies were improved or introduced by public financial institutions and private actors on accountability, transparency and safeguards, or investment policies adopted that advance socially just and sustainable development in LLMICs.

Two mechanisms for improved financial, tax and spending policies were implemented and enforced by national, regional and international government bodies. In two instances, concrete steps were taken by public financial institutions, prevent and mitigate adverse impacts of their investments. The first was that FMO announced it would pull out of the Agua Zarca hydro project in Honduras. Secondly, IFC divested from Eco Oro in Colombia in December 2016, after years of pressure in which FGG organisations played a lead role.

3.2.1. RESPONSIBLE DISENGAGEMENT

FGG is increasingly assessing concrete proposals for responsible disengagement.

In relation to improved tax and financial systems, CSO involvement through the FGG programme has logged some significant achievements in 2016 (see box V and VI). In the course of 2016, access improved for civil society to engagements with development banks, such as FMO and AfDB. Following the appalling murders of human rights defenders in Honduras, most notoriously that of Berta Cáceres, FMO – as a major public investor in the Agua Zarca project – came under fire for failure to observe due diligence and to respond to the concerns of the affected communities. The public outcry over the case, which FGG members helped to publicise, opened space for engagement with FMO about responsible

disengagement and raised awareness more broadly within Dutch Ministries and allied financial institutions about the need for better due diligence in respect of such investments in large infrastructure projects. In follow-up of another long standing case, Addax Sierra Leone, ActionAid facilitated dialogue between Sierra Leone partners, FMO and the MFA on the importance of ensuring that community concerns were addressed also after FMO's decision to pull out. As this is not currently covered by the grievance mechanism, recommendations were made to improve liabilities and access to justice also after divestment.

3.2.2. TAX-ENHANCED TRANSPARENCY, REVENUE RAISING & PROGRESSIVE SPENDING

Successful lobby and advocacy for public participation in decision-making on tax.

Extensive collaboration and mutual capacity development took place around tax in several countries, e.g. in the form of a joint position paper (ActionAid Uganda with partner organisations) with recommendations towards the Ugandan government for renegotiating the Uganda-Netherlands Double Taxation Agreement. Also a training was held with CSOs, on tax justice concepts in Zambia, with a specific effort to ensure meaningful participation of women. This was combined with national and international level lobby and advocacy, mainly aimed at public participation in decision-making processes around planning and budgeting, and ensuring that the government generates more tax revenues especially from the mining industry. Politicians and other influential decision-makers took part in advocacy events organised by ActionAid Zambia and partners. The Ugandan Ministry of Finance, Planning and Economic Development (Tax Policy Department) also expressed interest in some of the CSO concerns and promised to take them into consideration – this promise materialised in early 2017. The FGG Alliance's work on tax justice in the Netherlands has contributed to positive change as well, which directly and indirectly affects partner organisations and communities in LLMICs: two motions were adopted by the Dutch Parliament calling on the government to support full and public country-by-country reporting within the EU. The measure was one of the key recommendations made by SOMO, ActionAid and other tax justice allies in an open letter to EC President Claude Juncker and Vice President Frans Timmermans, as it would allow civic actors in LLMICs to monitor the taxation of companies and engage with their governments based on these insights.

An exciting new focus for FGG members and its partners is to look ahead to the use to which public funds derived from (improved) tax systems could be put. In 2016, the spotlight was shone on the myriad of public water utilities, which are being taken back under public control, not only in respect of (local) state ownership but also as regards community and worker involvement in the democratisation of management. Together with FoE Nigeria, TNI got behind the campaign in Lagos to assert community control over the public water utility undertaking joint research about the problem as well as developing a feasible roadmap for an alternative way to improve public water access and efficiency. This resulted

in improved direct engagement between local CSOs and their city government. Meanwhile, after years of TNI support for similar efforts of local CSO partners in Jakarta, the residents of Jakarta won a citizen lawsuit against water privatisation. However, the water service is yet to be returned to the public management as the court's ruling is being challenged by the defendants, which include the city government, the central government, and the private water operators. The FGG Alliance has supported the citizen lawsuit process from the beginning until the recent moves to defend the win in the Supreme Court.

3.2.3. CLIMATE FINANCE

Small steps in the direction of better access of most affected communities to climate finance decision-making and funding. There is some discernible progress, albeit still limited, in the extent to which the Green Climate Fund (GCF) has opened up to CSOs and grassroots organisations. Advocacy aimed at getting the GCF to guarantee access for these grassroots organisations has been combined with mutual capacity development activities with partner organisations, Both ENDS and networks, notably in Indonesia, Micronesia and Chile (with an outreach to several Latin American countries). The mutual capacity development has focused on strengthening lobby and advocacy skills to influence decision-making processes in the GCF; direct engagement with decision-makers (by supporting several CSOs from LLMICs to attend and participate in the GCF board meetings); and working alongside the GCF CSO group to improve GCF policies. Meanwhile, the knowledge and understanding of FGG members of local realities and the context of climate finance has improved considerably through the joint work with local partners. Additionally, together with two partner organisations, a CSO guide for engagement with the GCF was written, which is currently widely used by civic actors in LLMICs. However, access of CSOs, grassroots and communities to GCF decision-making and funding remains limited. In addition to these challenges, the policy changes made under the Trump administration are not expected to be in favour of climate action and climate finance, and the influence on the GCF developments might be severe and rather negative. These developments are closely monitored by the FGG partners and Alliance members.

BOX V. PRECEDENT SETTING NCP COMPLAINT AGAINST ATRADIUS DECLARED ELIGIBLE

FGG organisations have for years been monitoring the Dutch government led Export Credit Agency (ECA) Atradius Dutch State Business (ADSB). In 2012, Both ENDS started engaging with local organisations in Pernambuco, Brazil to launch a fact-finding mission at the site of the Port of Suape. The aim was a review of the implementation of the CSR policies applicable to two export credit insurance policies issued for two large-scale dredging projects by the Dutch dredging company Van Oord. This review concluded that both ADSB

and Van Oord did not properly take the local social and environmental impacts of the project into account. The project subsequently led to the forced displacement of 60 families and the loss of livelihood of a much larger group of fisherfolk (men and women) due to the destruction of coral reefs and mangroves. Both ENDS and the local counterparts then brought together local communities, women's rights groups, fisherfolk and national Brazilian NGOs which established themselves as the Fórum Suape Espaço Socioambiental. After repeated, but failed attempts to get the involved companies to assume responsibility, Both ENDS and Forum Suape, with the advice of SOMO, filed a formal complaint at the National Contact Point (NCP) for OECD guidelines in Brazil and in the Netherlands against both Van Oord and ADSB which were found to be eligible. The complaint against Van Oord was handled by the NCP in Brazil and the complaint against ADSB by the NCP in the Netherlands.

This was the first time that a NCP declared eligible a complaint against an ECA, setting a precedent which opens possibilities to submit similar NCP complaints about ECAs underwriting contentious projects. In November 2016 the Dutch NCP published its final statement in the case ruling that ADSB indeed should have made a greater effort to ensure compliance; that they remain responsible for observing CSR standards also after providing the credit insurance; and that they need to ensure that there is a process for a fair and correct processing of any complaints, by establishing a complaints procedure with a clear time frame. As a result ADSB is now held to have a more proactive engagement with the local stakeholders before approving projects and is now working on a public information disclosure policy applicable to all its operations, including those in LLMICs. Fórum Suape, Both ENDS and other partners in Brazil are delighted with this ruling. The recognition of the legality of the case will support their continued efforts to defend the rights of the local communities and struggle for a fair compensation for the affected people.

BOX VI SUSTAINABLE FINANCE ON THE EC FINANCIAL REGULATION AGENDA

Private financial players such as banks and investment funds can have an important role in the transition towards a carbon free energy and economy, as well as socially and environmentally sustainable friendly companies and societies. Most loans and financial investments, however, are financing un-sustainable companies and practices, jeopardising commitments made in Paris to tackle climate change (2015) and commitments made on the UN SDGs. SOMO and FoEE, amongst others, argue that sustainable finance will not be achieved by voluntary measures by the financial industry

only, but that binding regulation is needed. For years NGOs have had little success to have this message being heard by financial regulators.

One of the main aims of the engagement of FGG members and other CSOs with policymakers, on which extensive research, policy analysis and recommendations, and advocacy has been done, is to ensure that sustainable objectives become part of EU financial sector regulation. In 2016, SOMO closely monitored and distributed information about EU and G20 discussions about green finance and sustainable finance. Based on that information, SOMO gave advice to the EU NGO network Regulate Finance (of which FoEE is an active member) to advocate sustainable finance at the EU level. SOMO also contributed to the international meeting (Berlin, December 2016) of the international NGO Finance Network to advocate sustainable finance towards the G20 Ministers of Finance. At this conference, SOMO's FGG partner organisations Madhyam (India) and Third World Network Africa made contributions on how finance should promote sustainable development.

In part due to this NGO advocacy, the EC has now placed sustainable finance officially on its financial regulation agenda for the first time. SOMO has been invited, and accepted, as a member of the High Level Expert Group on Sustainable Finance (started in January 2017). The FGG work, therefore, has visibly raised awareness among policy makers that the financial sector needs to be aligned with social and environmental policy objectives, and that NGOs should have an important role to this end.

4. REFLECTION ON COLLABORATION AND PARTNERING

4.1. COLLABORATION WITH PARTNER ORGANISATIONS

The collaboration with more than 300 civic actors worldwide is central to the FGG Alliance and programme. For FGG Alliance members, this collaboration greatly contributes to an understanding of the local context and local manifestations of global problems. Our partners in LLMICs are civic actors that are able to articulate the problems faced locally, and together we are able to intervene at different leverage points, act in complementarity, and jointly address multi-facetted global challenges. In this process, all involved learn and develop their capacities to better lobby and advocate. A qualitative reflection on mutual capacity development results of the programme in 2016 -by undertaking and analysing 32 'partner talks' (see annex I for the full report) - provides insights into the ways both FGG partner organisations and members themselves have strengthened a number of specific lobby and advocacy capacities in 2016, as well as an analysis of the results these increased capacities have already led to.

It reveals that mutual capacity development has improved CSOs' access to decision-makers and decision-making processes, not least through FGG members bringing them on board in international decision-making processes and/or open international points of leverage for engagement. Furthermore, CSOs report they have become better at representing their constituencies, increasing their 'support base', and mobilising a wider constituency. Their knowledge, as well as research capacity has improved and at the same time, FGG members have enhanced their knowledge on local realities through mutual capacity development with their partners. CSOs also report that their leverage has increased. Collaboration in the FGG Alliance provides them with a stronger voice in the international community to explain locally-faced problems, while FGG members can address the international dimensions of the locally/nationally-experienced issues. Through the FGG programme, and the international solidarity it is able to generate in the context of advocacy against shrinking space for CSO operations, including rights to protest, CSOs feel they have gained some protection. The successes of the programme have also led to an increased acknowledgement of the legitimacy and credibility of CSOs (and FGG members): as a result of their strengthened capacities, they were better able to speak with a collective voice and are increasingly credited as knowledgeable organisations to be taken seriously by decision-makers - both at home and internationally. At the same time, they report that their leverage is enhanced by the complementary support and actions of FGG Alliance members. They have experienced enhanced and expanded linkages and networks, which provide them with access to specific expertise and knowledge-sharing, as well as link them better to the international community which enables more concerted and coordinated collective action, and also provides them with the support of a movement of global solidarity that comes with this community. It is these strengthened capacities that have generated the results on all FGG's outcome areas, especially with respect to an enabling environment and agenda setting.

"The FGG member we collaborate with links us to international researchers and has given us a chance to share our case studies on water pollution and community participation (particularly youth involvement) in integrated water resource management at an EFC meeting in 2016. While at national level, FGG helps us to establish contacts with the Dutch embassy and national NGOs; it also brings us in touch with our government to share our concern/issues on endocrine disrupting chemicals (EDC) and health. These activities helped us to widen our network and engage in and develop partnerships with other organisations for lobby and advocacy around EDC pollution."

Representative of CSO from Indonesia

4.2. PARTNERSHIP WITH THE MINISTRY OF FOREIGN AFFAIRS

The relationship with the Ministry of Foreign Affairs is much appreciated. Communication with our counterparts at DSO/MO goes smoothly; account management from the side of the Ministry is considered strong; and dialogue and dissent are put into practice in a constructive manner. An area still to be improved is the relationship with embassies, where capacity seems to be limited to get acquainted with the FGG Strategic Partnership, while the global character of the FGG programme makes it difficult for Alliance members and partner organisations to respond adequately to all embassy requests. However, in 2016 FGG partner organisations have taken part in meetings or workshops at Dutch embassies in around ten countries and these events were felt to be useful. This engagement will receive more attention in the coming years.

The partnership between the Ministry and the FGG Alliance can be illustrated by two examples: on the one hand the National Capital Integrated Coastal Development (NCICD) project -a flood protection and land development plan for Jakarta Bay, Indonesia, in which Dutch engineering firms are involved, with support of the Dutch Embassy; and for which Both ENDS, SOMO and TNI support organisations that represent people whose livelihoods are directly affected by the project. And on the other hand the expert meetings organised in November and December 2016. For the NCICD project, partner organisations in Jakarta, Indonesia, requested support from FGG to their struggle against NCICD and water privatisation, also through lobby and advocacy towards the Dutch government. The NCICD project presents a clear case of FGG's dissent towards the Ministry. The FGG Alliance has pointed out how the Export Credits Guarantee Board (EKN) in Jakarta has been accommodating Dutch business interests without including the due consideration regarding the formal procedures to assess social and environmental consequences of the planned infrastructural project. This has led to discussions at various levels, not the least between the Ambassador, the FGG representative and FGG contact at the Ministry where it has become clear that supporting Dutch business interests abroad can be diametrically opposed to the support of local CSOs concerned with social and environmental issues.

Meanwhile, the dialogue between the Alliance and the Ministry has clearly intensified in 2016 as compared to the previous programme. Besides the annual formal Strategic Dialogue there is very regular contact between many staff members of the six FGG members, their partner organisations (among others a meeting was held at the Ministry with the FGG Advisory Group consisting of six representatives of partner organisations), and staff of not only DSO/MO but many other departments. Dialogue was furthered between the Ministry and FGG through a series of six expert meetings that took place in the last months of 2016. These concerned (1) the garment sector in India; (2) mutual capacity development; (3) tax; (4) food and agriculture; (5) trade

and investment treaties; and (6) a UN Treaty on TNCs and human rights. For each of these meetings, relevant experts from both the Ministry's side and FGG were brought together, with as main aim to understand each other's aims and priorities, and to seek alignment where possible. These expert meetings were perceived as an excellent opportunity to get acquainted and to shape the strategic partnership on matters of content. The FGG Alliance will make an effort to follow-up on these meetings, and, where possible and necessary, organise additional expert meetings, in close cooperation with their counterparts at the Ministry.

For FGG members, the partnership with the Ministry also provides space for mutual capacity development. From conversations between staff at the Ministry and FGG Alliance on trade and investment, this mutual strengthening of capacities is evident (see separate report on MCD for information on these effects especially in the dialogue between the strategic partners around trade issues).

4.3. COLLABORATION WITHIN THE FGG ALLIANCE

The FGG Alliance has grown significantly in terms of staff and budget with the start of the new programme in January 2016. This has widened our scope and potential, whilst at the same time it creates challenges in terms of coherence and alignment. In 2016 a lot of efforts have gone into discovering the best ways to organise this new enhanced team and different layers involved, whilst in the process of organising the baseline studies and starting up the new programme.

A main challenge remains ensuring that meetings held focus on the content of people's work in order to foster synergies. An important change within the programme in this regard is the decision to organise internal collaboration, alignment and reflection according to seven clusters, instead of 17 dossiers, 8 themes or 3 ToCs. These clusters are (1) consumer goods (i.e. garment, electronics, pharmaceuticals); (2) binding regulation; (3) grievances and remedy (including public banks); (4) trade and investment; (5) land and water rights; (6) climate and energy; and (7) financial and tax systems (including private banks). It is felt that these thematic and 'ToC-crossing' clusters bring together the right people for content discussions (whereas the original 8 themes did not sufficiently do so), and therewith foster mutual inspiration and alignment. This revision of the internal structure has no implications for the monitoring of and reporting about the programme.

The FGG Alliance identified several topics as focus for its learning agenda. In 2016, the focus was on gender, and on the communication flows with the Ministry. On the latter, see section above. On gender, a working group with colleagues from the six FGG members was established. In November, this working group took part in a workshop on gender, with the aim of creating a common understanding of gender, and developing concrete plans

for strengthening gender in the FGG programme. The need was identified to start with internal (FGG-level) capacity development, for which the initial workshop formed the basis, and for which further events (a 'gender roadshow' –gender workshops at the six Alliance members) were planned for 2017. Also plans were made for an FGG-wide gender workshop during the FGG Annual Meeting 2017, and gender analyses on a selected number of dossiers, also to be carried out in 2017.

CONCLUSION

2016 was the first year of FGG collaboration under its Strategic Partnership with the Ministry of Foreign Affairs - and the sixth year of collaboration between the six Alliance members. Building upon the longstanding relationships between FGG members as well as with partner organisations, significant results were achieved in terms of mutual capacity development and joint advocacy. In our work with partner organisations, all results are more or less on target. However, challenges remain huge in the context of corporate conduct, trade and investment, and financial and tax systems, and constant changes force us to continuously fine-tune our strategies and interventions - not only in the Netherlands, where the new government is currently being formed, bringing along a multitude of new members of parliament, but also, and often more urgently, in the restricted and at times severely threatening circumstances of partner organisations around the world. Sustained lobby and advocacy, with and in support of partner organisations, is deemed necessary to gain and maintain civic access to decision-making processes, and contribute to policies and practices that are in favour of just development, especially in LLMICs.

We look forward to continue our Strategic Partnership with the Ministry in coming years, to jointly support civic actors in LLMICs in their lobby and advocacy, and learn together how best to make changes towards more socially just, inclusive and environmentally sustainable societies.