



CFS Open Ended Working Group on principles for responsible agricultural investments which enhance food security and nutrition

## **Consultancy output 2:**

### **Comparative analysis of selected instruments on responsible investment: similarities, differences and gaps**

29 January 2013

## Table of Contents

Summary of main findings .....	4
Responsible Investment: a comparison of the main standards .....	5
1. Human rights .....	5
General standards .....	5
1.1.1 Respect for human rights .....	5
1.1.2 Consultation of human rights holders .....	6
1.1.3 Provision of information .....	8
1.1.4 Equitable benefit-sharing .....	10
1.1.5 Grievance mechanisms .....	13
Right to Food .....	16
1.2.1 Food availability .....	16
1.2.2 Access to Food .....	18
1.2.3 Food adequacy .....	18
Labour rights .....	19
1.3.1 Labour rights .....	19
1.3.2 Working conditions .....	23
Right to health .....	25
2. Tenure .....	27
2.1 Respect for tenure rights .....	27
2.2 Identification of tenure holders .....	28
2.3 Consultation with tenure right holders .....	29
2.4 Fairness and transparency in land acquisitions .....	32
2.5 Displacement of local populations .....	34
2.6 Compensation .....	35
3. Sustainable use of natural resources .....	38
3.1 Environmental impact assessment .....	38
3.2 Environmental management .....	40
3.3 Environmental performance .....	42
4. Economic issues .....	47
4.1 Anti-bribery .....	47
4.2 Anti-competition .....	48
4.3 Taxes .....	48
5. Technology and innovation .....	48

## Introduction

With the growth in world population and changes in income levels and life-styles, world demand for food is set to increase steadily. More investment in agriculture is vital particularly for developing countries. At the same time, the upward trend in food prices in recent years has made agriculture an attractive sector for investment. As agricultural investments take place in developing countries, the need has emerged for globally agreed guidelines or principles to ensure investments in agriculture are carried out in a responsible manner that does not impact negatively on people, their livelihoods and natural resources.

The 37<sup>th</sup> Session of the Committee on World Food Security (CFS) in October 2011, decided to support “an inclusive consultation process within CFS for the development and the broader ownership of principles for responsible agricultural investment that enhance food security and nutrition”. This consultation process should take into account existing frameworks, such as the *principles for responsible agricultural investment that respects rights, livelihoods and resources* (RAI) developed by FAO, IFAD, UNCTAD and the World Bank and the Voluntary Guidelines on Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) endorsed by the CFS in May 2012. The CFS established an Open-ended Working Group (OEWG rai) to prepare terms of reference for the inclusive consultation process to develop and ensure broad ownership of principles for responsible agricultural investment that enhance food security and nutrition (rai).

The 39<sup>th</sup> Session of the CFS in October 2012 approved the terms of reference prepared by the OEWG rai for the consultation process, with a view to submitting the rai principles for endorsement by the CFS at its 41<sup>st</sup> session in October 2014. According to the terms of reference, the principles will be intended for all stakeholders that are involved in, benefit from or are affected by agricultural investment. They will be non-binding; they will be interpreted and applied consistently with existing obligations under international and national law, and with due regard to voluntary commitments under regional and international instruments. They will apply to all types of investment (foreign and domestic; public and private; small, medium or large-scale) in agricultural value chains and food systems, including by, for and with smallholder producers and including investments in agricultural research, extension and technology transfer.

### ***Purpose of document***

This is the second outcome of a consultancy supporting the inclusive consultation process on rai. It offers a comparative analysis of international initiatives that provide guidance on responsible investment, selected among those identified in the first consultancy outcome (‘Summary of international initiatives that provide guidance on responsible investment: key characteristics’, 9 November 2012) with a view to identifying similarities, differences and gaps. The document selects and compares relevant extracts from the international initiatives, differentiating between the following main addressees: 1) governments; and 2) investors. It should be noted that the terms of reference for the rai also include as intended users: intergovernmental organizations; civil society; research organizations; donors and foundations. The selected international instruments on responsible investment that have received intergovernmental backing, however, virtually never address or otherwise refer to these users. A gap in this regard is therefore worth highlighting from the outset.

**GAP: No instrument on responsible agricultural investment that has received intergovernmental backing addresses (systematically or significantly) intergovernmental organizations, civil society, research organizations, donors and foundations.**

### ***Justification for the selection of instruments***

The following documents that were included in the first consultancy outcome (‘Summary of international initiatives that provide guidance on responsible investment: key characteristics’, 9 November 2012) have not been considered useful for the specific purposes of the present document, for the following reasons:

- Framework and Guidelines on Land Policy in Africa: A framework to strengthen land rights, enhance productivity and secure livelihoods: this instrument only addresses the role of host states in developing land policy, without any reference to questions of investment. It does not therefore directly contribute to better understanding of the respective responsibilities of governments and investors in the agricultural sector;
- UN-backed Principles for Responsible Investment: this instrument does not contain substantive principles of responsible investment, besides a reference to environmental, social, and corporate governance issues. It does not therefore directly contribute to better understanding of the respective responsibilities of governments and investors in the agricultural sector;
- Santiago Principles: this instrument is only concerned with the governance and accountability of Sovereign Wealth Funds. It does not therefore directly contribute to better understanding of the respective responsibilities of governments and investors in the agricultural sector;
- Extractive Industries Transparency Initiative: this instrument does not contain substantive principles of responsible investment, besides its focus on transparency in the use of revenue from extractive industries. It does not therefore directly contribute to better understanding of the respective responsibilities of governments and investors in the agricultural sector.

**Note on terminology:** This report uses the term ‘**standard**’ to indicate the type of conduct that is identified as a benchmark against which one can evaluate or critically appraise certain behavior of States or investors in light of expectations shared by the international community or certain groups of stakeholders. These standards are included in the international instruments on responsible investment analyzed in the first report. The term ‘standard’ does not imply that the benchmark has legal force: this depends on the nature of the international instrument that contains it (the question of legal nature of the international instruments on responsible investment was discussed in the first report).

## Summary of main findings

Due to the great number of international instruments on responsible investment, and to the growing number of instruments specifically dealing with agricultural investment, the vast majority of issues included in the terms of reference (TORs) of the rai are already addressed (to varying extents) under one or more international instruments. This is why the present comparison of selected instruments on responsible investment mostly identifies ‘**differences**’ among relevant standards. This is the result of a significant degree of convergence among international standards of responsible investment, which has accelerated following intergovernmental support for the UN Framework on Business and Human Rights. Nonetheless, the differences identified in this report still point to the need for a comprehensive and clear instrument that includes:

- The highest standards of conduct generally accepted for States and investors on the issues included in the rai TORs (such as ‘free prior informed consent’ and ‘benefit-sharing’);
- Standards that are specifically targeted to the agricultural sector; and
- Standards that systematically take into account the situation of smallholder farmers and tenure right holders.

Among the differences, there are certain issues included in the rai TORs that are only addressed in few instruments or to a very limited extent. In these instances, a new instrument could **further elaborate** on:

- Gender;
- Health;
- Technology transfer; and
- Competition.

Finally, there are few **gaps**:

- Investors’ responsibility with respect to fair and transparent land acquisitions and to taxation;
- Access to productive agricultural resources;
- Functioning of markets;
- Improved access to markets by smallholders (except as part of benefit-sharing); and
- The role of intergovernmental organizations, civil society, research organizations, donors and foundations.

# Responsible Investment: a comparison of the main standards

## 1. Human rights

### General standards

1.1.1 Respect for human rights		
Governments	<p><b>UN Framework on Business and Human Rights (Guiding Principles 1-3):</b> States must protect against human rights abuse within their territory and/or jurisdiction by third parties, including business enterprises. This requires taking appropriate steps to prevent, investigate, punish and redress such abuse through effective policies, legislation, regulations and adjudication.</p> <p>States should set out clearly the expectation that all business enterprises domiciled in their territory and/or jurisdiction respect human rights throughout their operations. In meeting their duty to protect, States should: (a) Enforce laws that are aimed at, or have the effect of, requiring business enterprises to respect human rights, and periodically to assess the adequacy of such laws and address any gaps;</p> <p>(b) Ensure that other laws and policies governing the creation and ongoing operation of business enterprises, such as corporate law, do not constrain but enable business respect for human rights;</p> <p>(c) Provide effective guidance to business enterprises on how to respect human rights throughout their operations;</p> <p><b>VGGT (para. 3.2):</b> Where transnational corporations are involved, their home States have roles to play in assisting both those corporations and host States to ensure that businesses are not involved in abuse of human rights and legitimate tenure rights. States should take additional steps to protect against abuses of human rights and legitimate tenure rights by business enterprises that are owned or controlled by the State, or that receive substantial support and service from State agencies.</p>	<p><b>Commonality:</b> key role of the state to adopt and implement measures to ensure that investors do not violate human rights</p> <p><b>Difference:</b> specification of necessary measures (policy, law, monitoring, adjudication and support) to ensure respect of human rights by companies</p> <p><b>Difference:</b> VGGT refers to both human rights and tenure rights (see section 2 below)</p>
Investors	<p><b>UN Framework on Business and Human Rights (Guiding Principles 13 and 17):</b> The responsibility to respect human rights requires that business enterprises: (a) Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; (b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts. In order to identify, prevent, mitigate and account for how they address their adverse human rights impacts, business enterprises should carry out human rights due diligence. The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed.</p> <p><b>VGGT (para. 3.2):</b> Business enterprises have a responsibility to respect human rights and legitimate tenure rights. They should act with due diligence to avoid infringing on the human rights and legitimate tenure rights of others. They should include appropriate risk management systems to prevent and address adverse impacts on human rights and legitimate tenure rights... Business enterprises should identify and assess any actual or potential impacts on human rights and legitimate tenure rights in which they may be involved.</p>	<p><b>Commonality:</b> business responsibility to respect human rights (no harm and due diligence, as well as prevention, mitigation and remediation)</p> <ul style="list-style-type: none"> <li>• assessing actual and potential human rights impacts</li> <li>• integrating and acting upon the findings</li> <li>• tracking responses</li> <li>• communicating how impacts are addressed</li> </ul> <p><b>Difference:</b> VGGT refers to both human rights and tenure rights (see section 2 below)</p>

	<p><b>OECD Guidelines</b> (paras. II.2 and IV): Companies should respect the internationally recognised human rights of those affected by their activities... Enterprises should, within the framework of internationally recognised human rights and of the international human rights obligations of the countries in which they operate as well as relevant domestic laws and regulations:</p> <ul style="list-style-type: none"> <li>• Respect human rights, which means they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved;</li> <li>• Within the context of their own activities, avoid causing or contributing to adverse human rights impacts and address such impacts when they occur;</li> <li>• Seek ways to prevent or mitigate adverse human rights impacts that are directly linked to their business operations, products or services by a business relationship, even if they do not contribute to those impacts;</li> <li>• Have a policy commitment to respect human rights;</li> <li>• Carry out human rights due diligence as appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts;</li> <li>• Provide for or cooperate through legitimate processes in the remediation of adverse human rights impacts where they identify that they have caused or contributed to these impacts.</li> </ul> <p>Human rights due diligence entails assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses as well as communicating how impacts are addressed. Human rights due diligence can be included within broader enterprise risk management systems provided that it goes beyond simply identifying and managing material risks to the enterprise itself to include the risks to rights-holders. It is an on-going exercise, recognising that human rights risks may change over time as the enterprise's operations and operating context evolve.</p> <p><b>UN Global Compact</b> (Principles 1-2): Businesses should support and respect the protection of internationally proclaimed human rights, and make sure that they are not complicit in human rights abuses.</p> <p><b>UNDRIP Business Reference Guide</b> (pp. 14 and 18): adopt and implement an indigenous peoples' rights policy, committing the business to respect and support indigenous peoples' rights; conduct due diligence and impact assessments to identify actual or potential impacts on indigenous peoples or their rights</p> <p><b>Principles for responsible state-investor contracts</b> (Principle 2): Management of potential adverse human rights impacts</p> <p><b>Principles for Responsible Investment in Farmland</b> (Principle 2): We will respect human rights in our farmland investment. We will require investment managers and operators acting on our behalf to do the same and to avoid complicity in human rights abuses. We will require investment managers and operators to identify relevant human rights risks and impacts of a planned investment and to implement mitigation and management measures to address them appropriately. Depending on the location and nature of the investment, we expect investment managers and operators to explicitly implement policies to respect rights such as those relating to indigenous peoples, vulnerable groups, unique cultural systems and values, local food security, labour and any other relevant rights in the scope of their risk assessment and mitigation measures.</p>	<p>below)</p> <p><b>Difference:</b> Only Principles for Responsible Investment in Farmland refer specifically to indigenous peoples, vulnerable groups, unique cultural systems and values, local food security, and labour</p>
<p><b>1.1.2 Consultation of human rights holders</b></p>		
<p>Governments</p>	<p><b>VGGT (para. 9.9):</b> States ... should hold good faith consultation with indigenous peoples before initiating any project or</p>	<p><b>Commonality:</b> role of States in identification</p>

	<p>before adopting and implementing legislative or administrative measures affecting the resources for which the communities hold rights. Such projects should be based on an effective and meaningful consultation with indigenous peoples, through their own representative institutions in order to obtain their free, prior and informed consent under the United Nations Declaration of Rights of Indigenous Peoples and with due regard for particular positions and understandings of individual States.</p> <p><b>IFC Performance Standard 7</b> (para. 8): Where stakeholder engagement is the responsibility of the host government, the client will collaborate with the responsible government agency, to the extent permitted by the agency, to achieve outcomes that are consistent with the objectives of this Performance Standard. In addition, where government capacity is limited, the client will play an active role during the stakeholder engagement planning, implementation, and monitoring. If the process conducted by the government does not meet the relevant requirements of this Performance Standard, the client will conduct a complementary process and, where appropriate, identify supplemental actions.</p>	<p>of human right holders and in consultations between investors and human right holders</p> <p><b>Difference:</b> VGGT refers to prior informed consent</p> <p><b>Difference:</b> IFC considers expressly shortcomings in government action on consultation</p>
Investors	<p><b>VGGT (para. 9.9):</b> ...other parties should hold good faith consultation with indigenous peoples before initiating any project ...affecting the resources for which the communities hold rights. Such projects should be based on an effective and meaningful consultation with indigenous peoples, through their own representative institutions in order to obtain their free, prior and informed consent under the United Nations Declaration of Rights of Indigenous Peoples and with due regard for particular positions and understandings of individual States. Consultation and decision-making processes should be organized without intimidation and be conducted in a climate of trust.</p> <p><b>UNDRIP Business Reference Guide</b> (pp. 22 and 24): consult with indigenous peoples in relation to matters that may affect them or their rights; obtain and maintain free, prior informed consent from indigenous peoples where appropriate</p> <p><b>IFC Performance Standard 7</b> (para. 8): The client will identify, through an environmental and social risks and impacts assessment process, all communities of Indigenous Peoples within the project area of influence who may be affected by the project, as well as the nature and degree of the expected direct and indirect economic, social, cultural (including cultural heritage), and environmental impacts on them</p> <p>Effective consultation is a two-way process that should:</p> <ul style="list-style-type: none"> <li>(i) begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise;</li> <li>(ii) be based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information which is in a culturally appropriate local language(s) and format and is understandable to Affected Communities;</li> <li>(iii) focus inclusive engagement on those directly affected as opposed to those not directly affected;</li> <li>(iv) be free of external manipulation, interference, coercion, or intimidation;</li> <li>(v) enable meaningful participation, where applicable;</li> <li>(vi) be documented.</li> </ul> <p>The client will tailor its consultation process to the language preferences of the Affected Communities, their decision-making process, and the needs of disadvantaged or vulnerable groups. If clients have already engaged in such a process, they will provide adequate documented evidence of such engagement... The consultation process should (i) capture both men's and women's views, if necessary through separate forums or engagements, and (ii) reflect men's and women's different concerns and priorities about impacts, mitigation mechanisms, and benefits, where appropriate.</p>	<p><b>Commonality:</b> investors' responsibility to consult with human rights holders and other stakeholders</p> <p><b>Difference:</b> instruments vary in defining the investors' responsibility to <u>consult</u>:</p> <ul style="list-style-type: none"> <li>• human rights holders</li> <li>• specifically indigenous peoples</li> <li>• only directly affected communities</li> <li>• relevant/interested stakeholders</li> <li>• particular attention to disadvantaged and vulnerable</li> <li>• experts</li> </ul> <p><b>Difference:</b> standards of <u>consultation</u> vary</p> <ul style="list-style-type: none"> <li>• Formal/ documented</li> <li>• Early and ongoing</li> <li>• Effective, meaningful and inclusive</li> <li>• No intimidation/ climate of trust</li> <li>• Transparent</li> <li>• Culturally appropriate</li> </ul> <p>[all these may be captured by the expression 'free, prior informed consent']</p> <ul style="list-style-type: none"> <li>• Gender-sensitive</li> </ul> <p><b>Note</b> link with environmental impact assessment (section 3.1 below)</p>

	<p><b>CBD Akwé Kon Guidelines</b> (para. 13 and 57): A formal process to identify the indigenous and local community members, experts and organisations, and relevant stakeholders should be engaged, including local and open consultations. Once all parties have been identified, it is appropriate that a committee representative of the parties be formally established and its mandate defined to advise on the impact assessment processes, particularly in relation to screening and scoping phases, and for the establishment of any environmental management and monitoring plan, as well as cultural and social contingency plans. In establishing this committee, special consideration should be given to ensuring the adequate representation of indigenous and local communities...In any assessment procedure, subject to national legislation consistent with international obligations, Governments, their agencies ... should take into account the rights of indigenous and local communities over lands and waters traditionally occupied or used by them and the associated biological diversity.</p> <p><b>IHRB Guidelines</b> (II.6): Stakeholders should be defined in the broadest sense, to include those affected by the project – those who will have to move; those who might stay but may have to give up rights to their land; and those who may be affected by the project but who do not live near the area</p> <p><b>Contract Farming Principles:</b> open dialogue</p> <p><b>Principles for responsible state-investor contracts</b> (Principle 7): Community engagement</p> <p><b>Sustainable Palm Oil Principles</b> (Criterion 6.2): There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p> <p><b>Responsible Soy Production Standards</b> (3.1): channels are available for communication and dialogue with the local community on topics related to the activities of the soy farming operation and its impacts.</p> <p><b>Equator Principles</b> (Principle 10): The borrower will take account of and document the process and results of the stakeholder consultation, including any actions agreed resulting from the consultation process. For projects with adverse environmental and social impacts, disclosure should occur early in the assessment process, and in any event before the project construction comments, and on an ongoing basis.</p> <p><b>Responsible Investor’s Guide to Commodities</b> (para. 6.2): prior to a transaction, require investment managers and operators to identify relevant labour and human rights risks and impacts of a planned investment. Develop and implement best practice mitigation and management measures to address social risks appropriately. Consult with the local community to identify risks and problem areas. Continue communications with communities throughout the life of the investment and formalize processes to take account of their feedback.</p>	
<b>1.1.3 Provision of information</b>		
Governments	<p><b>UN Framework on Business and Human Rights (Guiding Principle 3):</b> In meeting their duty to protect, States should: ...(d) Encourage, and where appropriate require, business enterprises to communicate how they address their human rights impacts.</p>	<p><b>Gap:</b> need to clarify the role of States in ensuring the provision of information on agricultural investment (in particular, need to clarify which information should be required to be disclosed by law)</p>



		<p><b>Gap:</b> while this standard specifically address human rights holders, it is also relevant for tenure rights holders (see section 2 below)</p>
Investors	<p><b>UN Framework on Business and Human Rights (Guiding Principle 21):</b> In order to account for how they address their human rights impacts, business enterprises should be prepared to communicate this externally, particularly when concerns are raised by or on behalf of affected stakeholders. Business enterprises whose operations or operating contexts pose risks of severe human rights impacts should report formally on how they address them. In all instances, communications should:... (b) Provide information that is sufficient to evaluate the adequacy of an enterprise’s response to the particular human rights impact involved;</p> <p><b>VGGT (para. 12.10-12):</b> When investments involving large-scale transactions of tenure, including acquisitions and partnership agreements, are being considered...contracting parties should provide comprehensive information to ensure that all relevant persons are engaged and informed... Professionals who provide services to States, investors and holders of tenure rights should undertake due diligence to the best of their ability when providing their services, irrespective of whether it is specifically requested.</p> <p><b>OECD Guidelines (paras. III.1-3, IV.2.a, VIII.2 &amp; 85):</b> Enterprises should ensure that timely and accurate information is disclosed on all material matters regarding their activities, structure, financial situation, performance, ownership and governance. This information should be disclosed for the enterprise as a whole, and, where appropriate, along business lines or geographic areas. Disclosure policies of enterprises should be tailored to the nature, size and location of the enterprise, with due regard taken of costs, business confidentiality and other competitive concerns. Disclosure policies of enterprises should include, but not be limited to, material information on: foreseeable risk factors; issues regarding workers and other stakeholders; and governance structures and policies, in particular, the content of any corporate governance code or policy and its implementation process. Enterprises are encouraged to communicate additional information that could include: statements of business conduct, performance in relation to these statements and codes; information on internal audit, risk management and legal compliance systems; information on relationships with workers and other stakeholders... Companies should provide the public and workers with adequate, measureable and verifiable (where applicable) and timely information on the potential environment, health and safety impacts of the activities of the enterprise, which could include reporting on progress in improving environmental performance... Companies should provide accurate, verifiable and clear information that is sufficient to enable consumers to make informed decisions, including information on the prices and, where appropriate, content, safe use, environmental attributes, maintenance, storage and disposal of goods and services. Where feasible this information should be provided in a manner that facilitates consumers’ ability to compare products... Given consumers’ growing interest in environmental issues and sustainable consumption, information should be provided, as appropriate, on the environmental attributes of products. This could include information on the energy efficiency and the degree of recyclability of products and, in the case of food products, information on agricultural practices</p> <p><b>IFC Performance Standard 1 (para. 29):</b> The client will provide Affected Communities with access to relevant information on: (i) the purpose, nature, and scale of the project; (ii) the duration of proposed project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures; (iv) the envisaged stakeholder engagement process; and (v) the grievance mechanism</p> <p><b>CBD Akwé Kon Guidelines (para. 10-11):</b> The proponent of a development proposal should engage in a process of</p>	<p><b>Commonality:</b> investors’ responsibility to disclose information to ensure informed consultations (see section 1.1.2 above)</p> <p><b>Difference:</b> standards vary in relation to:</p> <ul style="list-style-type: none"> <li>• <b>Object of disclosure:</b> responses to human rights risks and impacts; all material matters regarding their activities, structure, financial situation, performance, ownership and governance; environmental attributes of products, energy efficiency, recyclability, on agricultural practices; proposed development; people and sites likely to be affected; relevant legal requirements; number of jobs to be created; compensation policy; possibility to return land; environmental management plans; greenhouse gas emission monitoring</li> <li>• <b>Modality:</b> adequate, measureable, verifiable, timely, clear, accessible</li> <li>• <b>Form:</b> online, all normal means of notification, means to reach remote or illiterate groups; use of local languages</li> </ul> <p><b>Gap:</b> clear definition of investors’ responsibility in ensuring the provision of information on agricultural investment (in particular, need to clarify which information should be disclosed by investors in the agricultural sector)</p> <p><b>Different beneficiaries:</b></p> <ul style="list-style-type: none"> <li>Affected stakeholders</li> <li>Workers</li> <li>The public</li> <li>Consumers</li> <li>Local communities</li> </ul>

	<p>notification of intention to carry out a development. Such notification should use all normal public means of notification (print, electronic and personal media, including newspapers, radio, television, mailings, village/town meetings, etc.), take into account the situation of remote or isolated and largely non-literate communities, and ensure that such notification and consultation take place in the language(s) of the communities and region that will be affected. Such notification should clearly identify the proponent, contain a brief summary of the proposal, the sites and communities likely to be affected, anticipated impacts (if any) on the conservation and sustainable use of biological diversity, as well as possible cultural and social impacts, arrangements for public consultation, contact details, key dates in the life of the project, including those regarding impact assessment procedures, and identify obligations under national and subnational laws as well subregional, regional and international agreements... The development proposal and impact assessment should be made available to organisations representing affected indigenous and local communities and relevant stakeholders for the purposes of public scrutiny and consultation. It should include all details relevant to the proposal</p> <p><b>IHRB Guidelines</b> (paras. I.1 and II.5): Companies should: provide realistic estimates of the time needed to conduct such a survey; share information about the number of jobs the project might create and how these will be filled; explain whether recruitment will take place locally; clarify the kind of products that will be sourced locally as a result of involvement in this context; and be clear about the policies to be put in place to compensate those who might suffer economic losses, including relocation.... Companies should make information about investment projects accessible to local communities in local languages and formats that are understandable...Companies should also provide clear information about the number of people that will be recruited and the levels at which they will be recruited, as well as the criteria for employment...Companies should provide clear policies regarding awarding contracts and the quality standards that will apply... Companies should make compensation policies transparent in the event of pollution or any accident. Communities should also be informed if land will be returned upon completion of business operations, and in what condition, and after how many years, as well as the steps that will be taken to remediate the land</p> <p><b>Contract Farming Principles:</b> disclosure; transparency in price determination; transparency and fairness in clauses related to quality; transparency and fairness in clauses related to input supply and use</p> <p><b>Principles for responsible state-investor contracts</b> (Principle 10): Transparency/disclosure of contract terms</p> <p><b>Equator Principles</b> (Principle 10): the borrower will disclose the assessment documentation and environmental management plan online... [In certain circumstances] the borrower will publicly report greenhouse gas emissions levels during the operation phase of the project emitting over 100,000 tonnes of CO2 equivalent annually.</p> <p><b>Sustainable Palm Oil Principles</b> (Criteria 1.1-1.2): provide adequate information to other stakeholders on environmental, social and legal issues in appropriate language and forms to allow for effective participation in decision-making. Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes</p> <p><b>Recommended Guidelines for Responsible Land Investments:</b> commit to regular public reporting in local languages</p>	
<b>1.1.4 Equitable benefit-sharing</b>		
Governments	<b>VGGT</b> (para 12.1): States should promote and support responsible investments in land, fisheries and forests that	<b>Difference:</b> Not all instruments refer to

	<p>support broader social, economic and environmental objectives under a variety of farming systems.</p> <p><b>PRAI</b> (p. 16 and 18): relevant social issues and risks, as well as strategies to mitigate these and increase social benefits, are identified during project preparation and adequately addressed by government and investors; (ii) the interests of vulnerable groups and women are considered explicitly; and (iii) generation of local employment, transfer of technology, and direct or indirect (e.g. via taxes) provision of local public goods is part of project design...Benefit-sharing arrangements that maximize social development, however, are best when decided jointly by local communities, investors, and local governments</p> <p><b>CBD Addis Ababa Guidelines</b> (Practical Principle 12, operational guidelines): Adopt policies and regulations that ensure that indigenous and local communities and local stakeholders who are engaged in the management of a resource for sustainable use receive an equitable share of any benefits derived from that use; ensure that national policies and regulation for sustainable use recognize and account for non-monetary values of natural resources; consider ways to bring uncontrolled use of biological resources into a legal and sustainable use framework, including promoting alternative non-consumptive uses of these resources; ensure that an equitable share of the benefits remain with the local people in those cases where foreign investment is involved.</p>	<p>'benefit-sharing', but they generally foresee that the state will ensure that investment provides benefits to stakeholders or at least contributes to sustainable development</p> <p><b>Difference:</b> some standards specifically address human rights holders, while others also tenure rights holders</p> <p><b>Gap:</b> clear role for the state in ensuring that agricultural investors share benefits of economic and non-economic nature with local stakeholders (particularly human rights and tenure right holders)</p>
Investors	<p><b>VGGT</b> (paras. 12.4 and 12.6): Responsible investments...should strive to further contribute to policy objectives, such as poverty eradication; food security and sustainable use of land, fisheries and forests; support local communities; contribute to rural development; promote and secure local food production systems; enhance social and economic sustainable development; create employment; diversify livelihoods; provide benefits to the country and its people, including the poor and most vulnerable; and comply with national laws and international core labour standards as well as, when applicable, obligations related to standards of the International Labour Organisation... States should consider promoting a range of production and investment models that do not result in the large-scale transfer of tenure rights to investors, and should encourage partnerships with local tenure right holders.</p> <p><b>PRAI: Principle 5:</b> <i>Investors ensure that projects respect the rule of law, reflect industry best practice, are viable economically, and result in durable shared value...</i>Investors...should be expected to...strive not only to increase shareholder value but also to generate significant and tangible benefits for the project area, affected communities, and host country. [...]</p> <p><b>Principle 6:</b> <i>Investments generate desirable social and distributional impacts and do not increase vulnerability.</i> Benefits from investments should be shared in a way that does not unfairly benefit specific groups, but that fosters equitable, sustainable social development. To make sure that this happens, individuals materially affected by the investment - whether directly or indirectly - should be involved in making decisions about investment arrangements and need to be adequately and fairly compensated for possible losses. This requires a common understanding among stakeholders of the cultural context, gender issues, sources of vulnerability, potential for conflict, and livelihood and food security strategies. Specific, culturally appropriate solutions, for instance, need to be in place for vulnerable individuals (including, but not limited to, cultural and ethnic minorities, women, and sharecroppers) as well as the poor, who could be negatively affected by an investment. Mechanisms that promote fair sharing of benefits, creation of local jobs, technology transfer, and improvements in local infrastructure should also be emphasised to increase the welfare of all stakeholders... Ensuring social sustainability requires the sharing of social benefits arising from investments among all stakeholders. Such benefit sharing is usually decided by the investor, who benefits from arrangements that improve its relationship with local communities. Benefit-sharing arrangements that maximise social development, however, are best</p>	<p><b>Differences:</b> Not all instruments refer to 'benefit-sharing', but many foresee that investment provides benefits to stakeholders or at least contributes to sustainable development</p> <p><b>Different types of benefits</b> to be shared:</p> <ul style="list-style-type: none"> <li>• revenue</li> <li>• improvement of local infrastructure</li> <li>• local employment</li> <li>• technology transfer</li> <li>• local public goods</li> <li>• promotion of local food production systems</li> <li>• diversification of livelihoods</li> <li>• access to credit</li> <li>• payments for environmental services</li> <li>• access to markets</li> <li>• involvement in management of natural resources</li> <li>• provision of equity ownership to community</li> <li>• creation of trust funds</li> </ul>

when decided jointly by local communities, investors, and local governments. These arrangements should include enforceable provisions for including communities in decisions surrounding local development, and for including infrastructure and other benefits in the development plans of local governments. Ideally, partnerships between local communities, governments and investors should agree on an optimally balanced sharing of benefits that is acceptable by all.

**UNDRIP Business Reference Guide** (pp. 76-77): observe standards of transparency in benefit-sharing with indigenous peoples. Do not provide financial or other benefits to indigenous peoples in exchange for investment rights without first acquiring free, prior informed consent. Base payments or benefit-sharing arrangements on regular, annual reviews of activity and profitability....develop investment agreements that contribute to the fullest extent possible to reinforcing local employment and provide access to a living wage for indigenous peoples affected. Such agreements may also include opportunities for the establishment of local indigenous businesses that contract with or supply the business.

**Large-scale Land Acquisitions Principles** (Principle 4): The local population should benefit from the revenues generated by the investment agreement. Investment contracts should prioritise the development needs of the local population and seek to achieve solutions which represent an adequate balance between the interests of all parties. Depending on the circumstances, arrangements under which the foreign investor provides access to credit and improved technologies for contract farming, against the possibility to buy at predefined prices a portion of the crops produced, may be preferable to long-term leases of land or land purchases.

**CBD Akwé Kon Guidelines** (paras. 46-47): Proposed developments on sacred sites and on lands and waters traditionally occupied or used by indigenous and local communities should ensure that tangible benefits accrue to such communities, such as payment for environmental services, job creation within safe and hazard-free working environments, viable revenue from the levying of appropriate fees, access to markets, and diversification of income-generating (economic) opportunities for small and medium-sized businesses. In accordance with national legislation or relevant national regulations, indigenous and local communities should be involved in the financial auditing processes of the developments in which they participate to ensure that the resources invested are used effectively. Developments that particularly involve changes to traditional practices for food production, or involve the introduction of commercial cultivation and harvesting of a particular wild species (e.g. to supply market demands for particular herbs, spices, medicinal plants, fish, fur or leather) may lead to pressures to restructure traditional systems of land tenure or expropriate land, and to pressures on the sustainable use of biological diversity, in order to accommodate new scales of production. The ramifications of these kinds of changes can be far-reaching and need to be properly assessed, taking into account the value systems of indigenous and local communities.

**CBD Addis Ababa Guidelines** (Practical Principle 12, operational guidelines): Involve local stakeholders, including indigenous and local communities, in the management of any natural resource and provide those involved with equitable compensation for their efforts, taking into account monetary and non-monetary benefits.

**IFC Performance Standard 7** (paras. 18-20): The client and the Affected Communities of Indigenous Peoples will identify mitigation measures in alignment with the mitigation hierarchy described in Performance Standard 1 as well as opportunities for culturally appropriate and sustainable development benefits. The client will ensure the timely and equitable delivery of agreed measures to the Affected Communities of Indigenous Peoples. The determination, delivery, and distribution of compensation and other benefit-sharing measures to the Affected Communities of Indigenous Peoples will take account of the laws, institutions, and customs of these communities as well as their level of interaction

**Different** indications as to the mechanism for sharing benefits

- culturally appropriate
- timely and equitable delivery
- taking account of laws of local communities
- need for sanctions

**Different** beneficiaries:

- Affected stakeholders
- Workers
- Local communities
- The vulnerable
- Indigenous peoples
- Note also uneven reference as to whether benefit-sharing concerns communities and/or the host government

**Difference:** only PRAI spells out inclusive process for deciding on benefit-sharing

	<p>with mainstream society... Where compensation occurs on a collective basis, mechanisms that promote the effective delivery and distribution of compensation to all eligible members of the group will be defined and implemented... Identified opportunities should aim to address the goals and preferences of the Indigenous Peoples including improving their standard of living and livelihoods in a culturally appropriate manner, and to foster the long-term sustainability of the natural resources on which they depend.</p> <p><b>IHRB Guidelines</b> (para. II.19): Companies should create structures that provide ongoing income stream to communities. Communities which have been displaced and lived previously in areas where natural resources for commercial exploitation have been found are often offered royalty or other forms of compensation. Companies should explore alternatives, including creating trust funds which provide income through annuity in perpetuity to those displaced and their future generations, as is being done in some countries and jurisdictions. Where laws permit it, companies can provide equity ownership to the community, so that the community gains from the investment in the long term</p> <p><b>Sustainable Palm Oil Principles</b> (Criterion 6.11): growers and millers contribute to local sustainable development wherever appropriate.</p> <p><b>Biofuels Sustainability Standards</b> (criterion 2.a): In regions of poverty, biofuel operations shall contribute to the social and economic development of local, rural and indigenous peoples and communities.</p> <p><b>Responsible soy production standards</b> (para. 3.4): fair opportunities for employment and provision of goods and services are given to the local population</p> <p><b>Responsible Investor's Guide to Commodities</b> (p. 24): Support measures aimed at improving the livelihoods of local populations</p>	
<p><b>1.1.5 Grievance mechanisms</b></p>		
<p>Governments</p>	<p><b>VGGT</b> (paras. 4.9 and 3.1): States should provide access through impartial and competent judicial and administrative bodies to timely, affordable and effective means of resolving disputes over tenure rights, including alternative means of resolving such disputes, and should provide effective remedies, which may include a right of appeal, as appropriate. Such remedies should be promptly enforced and may include restitution, indemnity, compensation and reparation. States should strive to ensure that vulnerable and marginalized persons have access to such means, in line with paragraphs 6.6 and 21.6. States should ensure that any person whose human rights are violated in the context of tenure has access to such means of dispute resolution and remedies ... States should provide access to justice to deal with infringements of legitimate tenure rights. They should provide effective and accessible means to everyone, through judicial authorities or other approaches, to resolve disputes over tenure rights; and to provide affordable and prompt enforcement of outcomes.</p> <p><b>PRAI</b> (p 2): independent avenues for resolving disputes or grievances.</p> <p><b>UN Framework on Business and Human Rights</b> (Guiding Principles 26-27): States should take appropriate steps to ensure the effectiveness of domestic judicial mechanisms when addressing business-related human rights abuses, including considering ways to reduce legal, practical and other relevant barriers that could lead to</p>	<p><b>Commonality:</b> role of states in providing access to effective, impartial and accessible judicial or administrative bodies to resolve disputes</p> <p><b>Difference:</b> some standards specifically address human rights holders, others also tenure rights holders, and other specifically affected indigenous and local communities</p>

	<p>a denial of access to remedy. States should provide effective and appropriate non-judicial grievance mechanisms, alongside judicial mechanisms, as part of a comprehensive State-based system for the remedy of business-related human rights abuse.</p> <p><b>CBD Akwé Kon Guidelines</b> (para. 22): Parties, if they have not already done so, should seek to ensure the full participation of affected indigenous and local communities, in accordance with national legislation, in the decision-making process for of any development proposal, including the review and appeal process, taking into account methods of mediation and dispute resolution, which may include customary methods</p>	
Investors	<p><b>VGGT</b> (paras. 3.2 and 12.14): Business enterprises should provide for and cooperate in non-judicial mechanisms to provide remedy, including effective operational-level grievance mechanisms, where appropriate, where they have caused or contributed to adverse impacts on human rights and legitimate tenure rights.... States and affected parties should contribute to the effective monitoring of the implementation and impacts of agreements involving large-scale transactions in tenure rights, including acquisitions and partnership agreements.</p> <p><b>PRAI</b> (Principle 1): Existing use or ownership rights to land, whether statutory or customary, primary or secondary, formal or informal, group or individual, should be respected. This requires... independent avenues for resolving disputes or grievances.</p> <p><b>UN Framework on Business and Human Rights (Guiding Principle 29)</b>: business enterprises should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted.</p> <p><b>OECD Guidelines</b> (paras. IV.46 and VIII.3): Enterprises should have processes in place to enable remediation. Some situations require co-operation with judicial or State-based non-judicial mechanisms. In others, operational-level grievance mechanisms for those potentially impacted by enterprises' activities can be an effective means of providing for such processes when they meet the core criteria of: legitimacy, accessibility, predictability, equitability, compatibility with the OECD Guidelines and transparency, and are based on dialogue and engagement with a view to seeking agreed solutions. Such mechanisms can be administered by an enterprise alone or in collaboration with other stakeholders and can be a source of continuous learning. Operational-level grievance mechanisms should not be used to undermine the role of trade unions in addressing labour-related disputes, nor should such mechanisms preclude access to judicial or non-judicial grievance mechanisms, including the National Contact Points under the OECD Guidelines.... Companies should provide consumers with access to fair, easy to use, timely and effective non-judicial dispute resolution and redress mechanisms, without unnecessary cost or burden.</p> <p><b>UNDRIP Business Reference Guide</b> (pp. 29 and 31): establish or cooperate with an effective and culturally appropriate grievance mechanism; monitor and report on the business' performance in relation to indigenous peoples' rights</p> <p><b>CBD Akwé Kon Guidelines</b> (para. 63): In order to manage any disputes that may arise in relation to a development proposal and in the ensuing impact assessment processes, dispute resolution means or mechanisms should be available or be established.</p>	<p><b>Commonality:</b> need for operational-level grievance mechanism in addition to administrative and judicial mechanisms</p> <p><b>Different</b> types of operational-level mechanisms</p> <ul style="list-style-type: none"> <li>• run by investor</li> <li>• based on collaboration with stakeholders</li> <li>• independent</li> </ul> <p><b>Different</b> functions</p> <ul style="list-style-type: none"> <li>• dispute prevention</li> <li>• resolution</li> <li>• redress</li> <li>• follow-up</li> </ul> <p><b>Different</b> characteristics</p> <ul style="list-style-type: none"> <li>• effective</li> <li>• legitimate</li> <li>• accessible /no costs</li> <li>• scaled to risks and impacts</li> <li>• predictable/consistent</li> <li>• equitable/ fair</li> <li>• transparent</li> <li>• easy to use</li> <li>• timely</li> <li>• understandable</li> </ul>

	<p><b>ILO MNE Declaration</b> (paras. 58-59): Multinational as well as national enterprises should respect the right of the workers whom they employ to have all their grievances processed in a manner consistent with the following provision: any worker who, acting individually or jointly with other workers, considers that he has grounds for a grievance should have the right to submit such grievance without suffering any prejudice whatsoever as a result, and to have such grievance examined pursuant to an appropriate procedure. This is particularly important whenever the multinational enterprises operate in countries which do not abide by the principles of ILO Conventions pertaining to freedom of association, to the right to organize and bargain collectively, to discrimination, to child labour and to forced labour. Multinational as well as national enterprises jointly with the representatives and organizations of the workers whom they employ should seek to establish voluntary conciliation machinery, appropriate to national conditions, which may include provisions for voluntary arbitration, to assist in the prevention and settlement of industrial disputes between employers and workers. The voluntary conciliation machinery should include equal representation of employers and workers.</p> <p><b>IFC Performance Standard 1</b> (para. 35): Where there are Affected Communities, the client will establish a grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the client's environmental and social performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project and have Affected Communities as its primary user. It should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. The client will inform the Affected Communities about the mechanism in the course of the stakeholder engagement process.</p> <p><b>IFC Good Practice Note:</b> Grievance mechanisms should be based on the principles of proportionality, cultural appropriateness, accessibility, transparency and accountability, and appropriate protection. The following steps can be taken to operationalise them: publicising grievance management procedures, receiving and keeping track of grievances, reviewing and investigating grievances, developing resolution options and preparing a response, and monitoring, reporting, and evaluating a grievance mechanism.</p> <p><b>Contract Farming Principles:</b> clear terms to settle disputes</p> <p><b>Principles for responsible state-investor contracts</b> (Principle 9): Grievance mechanisms for non-contractual harms to third parties</p> <p><b>IHRB Guidelines</b> (Principle 3): Grievance mechanisms are developed to ensure that any concern, complaint, or dispute is handled effectively, immediately, and in a consistent way, so that it does not escalate into a situation that could create a human rights crisis. While companies should be accountable to such mechanisms, grievance procedures of this nature are not meant to be a substitute for legal alternatives when the human rights abuse is grave and requires legal remedies.</p> <p><b>Sustainable Palm Oil Principles</b> (Criterion 6.3): There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented by all parties.</p> <p><b>Responsible Soy Production Standards</b> (para. 3.3): A mechanism for resolving complaints and grievances is</p>	<ul style="list-style-type: none"> <li>• consultative</li> <li>• culturally appropriate</li> <li>• accountable</li> <li>• without retribution</li> <li>• no substitute for/impediment to legal alternatives</li> </ul> <p><b>Different</b> beneficiaries</p> <ul style="list-style-type: none"> <li>• human rights holders</li> <li>• tenure right holders</li> <li>• only directly affected communities</li> <li>• workers</li> <li>• consumers</li> <li>• local communities</li> <li>• relevant stakeholders</li> </ul>
--	---	---

	<p>implemented and available to local communities and traditional land users.</p> <p><b>Recommended Guidelines for Responsible Land Investments:</b> community grievances should be heard by third-party independent sources comprised of local and international experts on human rights, and redressed in accordance with national law and international standards.</p> <p><b>Equator Principles</b> (Principle 6): the borrower will establish a grievance mechanism designed to receive and facilitate resolution of concerns and grievances about the project’s environmental and social performance. The mechanism should be scaled to the risks and impacts of the project and have affected communities as its primary users. It will seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate, readily accessible, at no costs and without retribution to the party that originated the issue. The mechanism should not impede access to judicial or administrative remedies.</p> <p><b>WWF 2050 Criteria:</b> dispute resolution processes and instances are fully transparent.</p>	
--	---	--

## Right to Food

<b>1.2.1 Food availability</b>		
<p>Governments</p>	<p><b>PRAI</b> (p. 6): policy-makers should make provisions for the local or directly affected populations certain such that: (i) equivalent access to food is assured; (ii) opportunities for outgrower involvement and off-farm employment are expanded to protect livelihoods and raise incomes; (iii) dietary preferences are taken into account if the mix of products grown may change; and (iv) strategies to reduce potential instability of supply are adopted. Moreover, whenever the proposed project is large enough to affect food security at the national level, project design and approval should also consider these four kinds of aggregate impact.</p> <p><b>VGGT</b> (para. 12.10): When investments involving large-scale transactions of tenure rights, including acquisitions and partnership agreements, are being considered, States should strive to make provisions for different parties to conduct prior independent assessments on the potential positive and negative impacts that those investments could have on ... food security and the progressive realization of the right to adequate food</p> <p><b>Global Compact Food Sustainability Guide</b> (p.4-5): Governments have the primary responsibility to address the impacts of the food crisis and to ensure a conducive environment for sustainable responses to increase the availability and access to food. Key actions include; ensuring food assistance to the poor and other vulnerable groups; strengthening safety nets to reduce vulnerability of these groups to current and future crises; addressing trade, taxation and other policy distortions that artificially raise food prices and/or undermine local food production and marketing incentives; ensuring a stable macroeconomic environment to avoid the ‘inflation tax’ on the poor and to provide a stable climate for investments by the poor and non-poor in agriculture and related activities; targeting public investments financed from own budget and ODA to strengthen rural infrastructure and markets, education and health and appropriate agricultural research and extension services; and address distortions of the ‘rural investment climate’, including</p>	<p><b>Commonality:</b> primary role of State to ensure the realization of the right to food in its four dimensions</p> <p><b>Different</b> standards of conduct:</p> <ul style="list-style-type: none"> <li>• Assessment of impacts of agricultural investments on the 4 dimensions of the right to food</li> <li>• Ensuring equivalent access to food</li> <li>• Expanding opportunities for outgrower involvement and off-farm employment</li> <li>• account for dietary preferences if the mix of products grown may change</li> <li>• strategies to reduce potential instability of supply</li> <li>• addressing distortions that artificially raise food prices and/or undermine local food production and marketing incentives are addressed</li> </ul>



	excessive regulations and local corruption.	
Investors	<p><b>VGGT</b> (paras. 12.1 &amp; 12.12, 12.4): Non-state actors should acknowledge that responsible public and private investments are essential to improve food security... Investments should not contribute to food insecurity and environmental degradation. [Responsible investments] should strive to further contribute to policy objectives, such as poverty eradication; food security ...; support local communities; contribute to rural development; promote and secure local food production systems; enhance social and economic sustainable development; create employment; diversify livelihoods; provide benefits to the country and its people, including the poor and most vulnerable;...</p> <p><b>PRAI</b> (2.2): <i>Investments do not jeopardise food security but rather strengthen it...</i> first clarify the concerns of different stakeholder groups upfront, then to identify competing objectives and evaluate alternative strategies for meeting them, next to assess potential interventions and associated impacts, and lastly to prioritise and adopt risk mitigation measures. One example of the latter might be a call option written into investment agreements which can prevent exit of unacceptably large food volumes from the country when specific market conditions occur. If this due diligence and collaborative planning is carried out well, then the potential for using large-scale agro-investment as a force to actually improve food security is quite good...First, major agro-enterprise investments should be consistent with national agricultural policies in general, and with national food policy in particular. Secondly, concerns about negative impacts on food security should be allayed as far as possible through adjustments in design. For example, if diversion of productive crop land away from food production is seen as an issue, remediation measures to adopt might include reclaiming degraded lands, choosing land that has not been previously been used for agriculture yet is not environmentally sensitive, or compensating by improving the productivity on other food producing areas through soil amendments, better technology or intensification... Vulnerability to weather-related shocks is another important determinant of local food security and seasonal malnutrition, especially in remote rural areas. While it is unrealistic to expect investors to make either of those topics their primary concern, slight modifications in project design can have a major impact on improved risk-coping ability and nutrition by local populations, often at little extra cost to investors. For example, the investors might be encouraged to set up community storage programmes that reduce post-harvest losses and price volatility. It is important to note that food security does not necessarily mean food self-sufficiency.</p> <p><b>Large-scale Land Acquisitions Principles</b> (Principle 8): In order to ensure that they will not result in increased food insecurity for the local population, particularly as the result of increased dependence on international markets or food aid in a context of higher prices for agricultural commodities, investment agreements should include a clause providing that a certain minimum percentage of the crops produced shall be sold on local markets, and that this percentage may increase, in proportions to be agreed in advance, if the prices of food commodities on international markets reach certain levels.</p> <p><b>UN Global Compact on Food Sustainability:</b> Companies should build local milling, production and distribution capacity to increase the supply of safe and more nutritious food. They should analyse supply chains to determine ways of mitigating the effects of the high price of food on local economies</p> <p><b>Biofuels Sustainability Standards</b> (Principle 6): biofuel operations shall ensure the human right to adequate food and improve food security in food insecure regions. Biofuel operators shall assess risks to food security in the region and locality and shall mitigate any negative impacts that result from their operations. In food-insecure regions, operators shall enhance the local food security of directly affected stakeholders.</p>	<p><b>Commonality:</b> investors should not contribute to food insecurity</p> <p><b>Difference:</b> only some standards provide for investors to actively contribute to food security</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• include impacts on right to food in environmental impact assessments (section 3.1 below)</li> <li>• collaborative planning with stakeholders and determination of mitigation measures</li> <li>• Consistency with government's investment policies broad development strategies and food security goals</li> <li>• Adjustments in investment design</li> <li>• investment agreement clause providing that a certain minimum percentage of the crops produced shall be sold on local markets, and that this percentage may increase, in proportions to be agreed in advance, if the prices of food commodities on international markets reach certain levels</li> <li>• build local capacity to increase the supply to safe and more nutritious food</li> </ul> <p><b>Note</b> link with benefit-sharing (section 1.1.4 above and environmental impact assessment (section 1.3 below)</p>

	<b>Recommended Guidelines for Responsible Land Investments:</b> conduct comprehensive social and environmental impact assessments prior to making investments in order to thoroughly understand the potential impacts on the local right to food and make these assessments accessible to the public	
<b>1.2.2 Access to Food</b>		
Governments	<p><b>PRAI</b> (p. 6): policy-makers should make provisions for the local or directly affected populations certain such that equivalent access to food is assured.</p> <p><b>Global Compact Food Sustainability Guide</b> (p.4-5): Governments have the primary responsibility to address the impacts of the food crisis and to ensure a conducive environment for sustainable responses to increase ... access to food.</p>	<b>Commonality:</b> primary role of State to ensure access to food
Investors	<p><b>PRAI</b> (Principle 2): <i>Investments do not jeopardise food security but rather strengthen it.</i> Project design should consider aggregate impacts of investment on access to food... Attention should be given to improving people's ability to purchase food by making inputs and technology more available so that yields rise, by creating a better local market, or by better linking them to more profitable distant markets, or by generating downstream employment in packing sheds, processing operations, or ancillary services such as handling, transport or marketing.</p> <p><b>Large-scale Land Acquisitions Principles</b> (para. 18): In the absence of employment opportunities in other sectors, investors are encouraged to prefer labour-intensive farming options providing a living wage to the local population.</p> <p><b>UN Global Compact on Food Sustainability</b> (suggested actions in Section 2 on agricultural inputs and infrastructure and in Section 3 on financial mechanisms and risk management instruments): Input manufacturers, sellers and related associations could contribute to the design, training and support for smallholder input supply schemes. Large-scale food and cash crop buyers could promote producer organisations and provide inputs and training with cost recovered via group liability and contract buying of produce, which reduces transaction costs for the companies and smallholders... In the absence of well-developed credit markets, companies could consider extending financing to smallholder suppliers based on their ability to assess farmers' credit risk. They could also explore the systematic development of inclusive financial instruments for agriculture that deepen markets and allow for efficient financial intermediation and risk management.</p> <p><b>WWF 2050 criteria:</b> If the bioenergy crop is being grown in food-insecure areas, appropriate mitigation measures have been taken to ensure net increases in local food access.</p>	<p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• making technology available</li> <li>• supporting local markets</li> <li>• generating employment / preferring labour-intensive farming options</li> <li>• adopting mitigation measures to ensure net increases in local food access</li> <li>• supporting smallholder input supply schemes</li> </ul>
<b>1.2.3 Food adequacy</b>		
Governments	<b>PRAI</b> (p. 6): policy-makers should make provisions for the local or directly affected populations certain such that... dietary preferences are taken into account if the mix of products grown may change.	<b>Commonality:</b> primary role of State to ensure food adequacy
Investors	<b>PRAI</b> (2.2): <i>Investments do not jeopardise food security but rather strengthen it....</i> major agro-enterprise investments should be consistent with national agricultural policies in general, and with national food policy in particular.	<b>Commonality:</b> investors should be consistent with States' efforts related to food adequacy

## Labour rights

1.3.1 Labour rights		
Governments	<p><b>ILO MNE Declaration</b> (paras. 9, 12-13, 21, 23-24, 28-29, 37, 46, 48 and 56): Governments of States which have not yet ratified Conventions Nos. 29, 87, 98, 100, 105, 111, 122, 138 and 182 are urged to do so and in any event to apply, to the greatest extent possible, through their national policies, the principles embodied therein and in Recommendations Nos. 35, 90, 111, 119, 122, 146, 169, 189 and 190....governments should declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment. All governments should pursue policies designed to promote equality of opportunity and treatment in employment, with a view to eliminating any discrimination based on race, colour, sex, religion, political opinion, national extraction or social origin</p> <p>Governments should never require or encourage multinational enterprises to discriminate on any of the grounds mentioned in paragraph 21, and continuing guidance from governments, where appropriate, on the avoidance of such discrimination in employment is encouraged. Governments should carefully study the impact of multinational enterprises on employment in different industrial sectors. Governments, as well as multinational enterprises themselves, in all countries should take suitable measures to deal with the employment and labour market impacts of the operations of multinational enterprises.</p> <p>Governments, in cooperation with multinational as well as national enterprises, should provide some form of income protection for workers whose employment has been terminated.</p> <p>Governments, in cooperation with all the parties concerned, should develop national policies for vocational training and guidance, closely linked with employment. This is the framework within which multinational enterprises should pursue their training policies.</p> <p>Where governments of host countries offer special incentives to attract foreign investment, these incentives should not include any limitation of the workers' freedom of association or the right to organize and bargain collectively.</p> <p>Governments should not restrict the entry of representatives of employers' and workers' organizations who come from other countries at the invitation of the local or national organizations concerned for the purpose of consultation on matters of mutual concern, solely on the grounds that they seek entry in that capacity.</p> <p>Governments should supply to the representatives of workers' organizations on request, where law and practice so permit, information on the industries in which the enterprise operates, which would help in laying down objective criteria in the collective bargaining process. In this context, multinational as well as national enterprises should respond constructively to requests by governments for relevant information on their operations.</p> <p><b>Large-scale Land Acquisitions Principles</b> (Principle 11): Waged agricultural workers should be provided with adequate protection and their fundamental human and labour rights should be stipulated in legislation and enforced in practice, consistent with the applicable ILO instruments. Increasing protection of this category of workers would contribute to enhancing their ability, and that of their families, to procure access to sufficient and adequate food.</p>	<p><b>Commonalities:</b> role of governments to ensure respect for prohibitions of discrimination, child labour, forced labour, hindrances to collective bargaining and participation in unions. This include:</p> <ul style="list-style-type: none"> <li>• Appropriate policies and laws</li> <li>• Appropriate incentives to investors</li> <li>• Support to representatives of employers' and workers' organizations</li> <li>• Protection of income for workers whose employment has been terminated</li> <li>• Supply of information to lay down objective criteria for collective bargaining process</li> <li>• Training programmes</li> </ul>
Investors	<p><b>VGGT</b> (para. 12.4): [Responsible investments] should comply with national laws and international core labour standards as well as, when applicable, obligations related to standards of the International Labour Organization</p>	<p><b>Commonalities:</b> prohibitions of discrimination, child labour, forced labour, hindrances to collective bargaining and</p>

	<p><b>PRAI</b> (para. 5.2.1): Investors should respect worker rights. ILO Declaration on Fundamental Principles and Rights at Work provides useful Guide for agricultural workers. Core topics include: Freedom of Association and Collective Bargaining (ILO Conventions 87 and 98); Elimination of Forced and Compulsory Labour (ILO Conventions 29 and 105); Elimination of Discrimination in Respect of Employment and Occupation (ILO Conventions 100 and 111); and Abolition of Child Labour (ILO Conventions 138 and 182).</p> <p><b>OECD Guidelines</b> (paras. II.9, V.1-3, V.6-8): Companies should refrain from discriminatory or disciplinary action against workers who make bona fide reports to management or, as appropriate to the competent public authorities, on practices that contravene the law, the OECD Guidelines, or the enterprise's policies... Within the framework of applicable law, regulations and prevailing labour relations and employment practices and applicable international labour standards, enterprises should:</p> <ul style="list-style-type: none"> <li>• Respect the right of workers employed by the multinational enterprise to establish or join trade unions and representative organisations of their own choosing;</li> <li>• Respect the right of workers employed by the multinational enterprise to have trade unions and representative organisations of their own choosing recognised for the purpose of collective bargaining, and engage in constructive negotiations, either individually or through employers' associations, with such representatives with a view to reaching agreements on terms and conditions of employment;</li> <li>• Contribute to the effective abolition of child labour, and take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency;</li> <li>• Contribute to the elimination of all forms of forced or compulsory labour and take adequate steps to ensure that forced or compulsory labour does not exist in their operations;</li> <li>• Be guided throughout their operations by the principle of equality of opportunity and treatment in employment and not discriminate against their workers with respect to employment or occupation on such grounds as race, colour, sex, religion, political opinion, national extraction or social origin, or other status, unless selectivity concerning worker characteristics furthers established governmental policies which specifically promote greater equality of employment opportunity or relates to the inherent requirements of a job;</li> <li>• Provide such facilities to workers' representatives as may be necessary to assist in the development of effective collective agreements;</li> <li>• Provide information to workers' representatives which is needed for meaningful negotiations on conditions of employment;</li> <li>• Provide information to workers and their representatives which enables them to obtain a true and fair view of the performance of the entity or, where appropriate, the enterprise as a whole;</li> <li>• Promote consultation and co-operation between employers and workers and their representatives on matters of mutual concern.</li> <li>• In considering changes in their operations which would have major employment effects, in particular in the case of the closure of an entity involving collective lay-offs or dismissals, provide reasonable notice of such changes to representatives of the workers in their employment and their organisations, and, where appropriate, to the relevant governmental authorities, and co-operate with the worker representatives and appropriate governmental authorities so as to mitigate to the maximum extent practicable adverse effects;</li> <li>• In the context of bona fide negotiations with workers' representatives on conditions of employment, or while workers are exercising a right to organise, not threaten to transfer the whole or part of an operating unit from the country concerned nor transfer workers from the component entities in other countries in order to influence unfairly</li> </ul>	<p>participation in unions</p> <p><b>Differences:</b></p> <ul style="list-style-type: none"> <li>• Few standards also require investors to provide reasonable notice and consult on changes in their operations which would have major employment effects, in particular in the case of the closure of an entity involving collective lay-offs or dismissals</li> <li>• few standards ask investors to share relevant information with workers</li> <li>• not all standards prohibit harassment of workers</li> </ul>
--	---	---

those negotiations or to hinder the exercise of a right to organise;

- Enable authorised representatives of the workers in their employment to negotiate on collective bargaining or labour-management relations issues and allow the parties to consult on matters of mutual concern with representatives of management who are authorised to take decisions on these matters.

**UN Global Compact** (Principles 3-6): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

**ILO MNE Declaration** (paras. 21, 36, 41, 44, 47, 51-56): Multinational enterprises should be guided by [the] general principle [of equality of opportunity and treatment] throughout their operations without prejudice to the measures envisaged in paragraph 18 or to government policies designed to correct historical patterns of discrimination and thereby to extend equality of opportunity and treatment in employment. Multinational enterprises should accordingly make qualifications, skill and experience the basis for the recruitment, placement, training and advancement of their staff at all levels...Multinational enterprises, as well as national enterprises, should respect the minimum age for admission to employment or work in order to secure the effective abolition of child labour and should take immediate and effective measures within their own competence to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency...Multinational enterprises should observe standards of industrial relations not less favourable than those observed by comparable employers in the country concerned...Where appropriate, in the local circumstances, multinational enterprises should support representative employers' organizations...Representatives of the workers in multinational enterprises should not be hindered from meeting for consultation and exchange of views among themselves, provided that the functioning of the operations of the enterprise and the normal procedures which govern relationships with representatives of the workers and their organizations are not thereby prejudiced... Multinational enterprises, as well as national enterprises, should provide workers' representatives with such facilities as may be necessary to assist in the development of effective collective agreements. Multinational enterprises should enable duly authorized representatives of the workers in their employment in each of the countries in which they operate to conduct negotiations with representatives of management who are authorized to take decisions on the matters under negotiation. Multinational enterprises, in the context of bona fide negotiations with the workers' representatives on conditions of employment, or while workers are exercising the right to organize, should not threaten to utilize a capacity to transfer the whole or part of an operating unit from the country concerned in order to influence unfairly those negotiations or to hinder the exercise of the right to organize; nor should they transfer workers from affiliates in foreign countries with a view to undermining bona fide negotiations with the workers' representatives or the workers' exercise of their right to organize. Collective agreements should include provisions for the settlement of disputes arising over their interpretation and application and for ensuring mutually respected rights and responsibilities. Multinational enterprises should provide workers' representatives with information required for meaningful negotiations with the entity involved and, where this accords with local law and practices, should also provide information to enable them to obtain a true and fair view of the performance of the entity or, where appropriate, of the enterprise as a whole. In multinational as well as in national enterprises, systems devised by mutual agreement between employers and workers and their representatives should provide, in accordance with national law and practice, for regular consultation on matters of mutual concern. Such consultation should not be a substitute for collective bargaining. In considering changes in operations (including those resulting from mergers, take-overs or transfers of production) which would have major employment effects, multinational enterprises should provide reasonable notice of such changes to the appropriate government authorities and representatives of the workers in their employment and their organizations so that the implications may be examined jointly in order to mitigate adverse effects to the greatest possible extent. This is particularly important in the case of the closure of an entity involving collective lay-offs or dismissals. Arbitrary dismissal procedures should be avoided.

**IFC Performance Standard 2** (paras. 13, 15, 21, 22, 27): Where national law substantially restricts workers' organisations, the client will not restrict workers from developing alternative mechanisms to express their grievances and protect their rights regarding working conditions and terms of employment. The client should not seek to influence or control these mechanisms... The client will not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements... The client will not employ children in any manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development... The client will not employ forced labor, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty.... The client will monitor its primary supply chain on an ongoing basis in order to identify any significant changes in its supply chain and if new risks or incidents of child and/or forced labor are identified, the client will take appropriate steps to remedy them.

**Principles for Responsible Investment in Farmland** (Principle 2): We will respect labour rights in our farmland investment. We will require investment managers and operators acting on our behalf to do the same and to avoid complicity in human rights abuses. We will require investment managers and operators to identify relevant labour rights risks and impacts of a planned investment and to implement mitigation and management measures to address them appropriately.

**Sustainable Palm Oil Principles** (Criteria 6.6-6.8): The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel. Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with educational programs. Children are not exposed to hazardous working conditions. Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age is prohibited. [similar to **Biofuels Sustainability Standards** (criteria 4.a, 4.c, 4.d), which also include prohibition of slave labour or forced labour (criteria 4.b)]

**Responsible Soy Production Standards** (paras. 2.1-2 and 2.4-5): child labour, force labour, discrimination and harassment are not engaged or supported. Workers are adequately informed and trained for their tasks and are aware of their rights and duties. A safe and healthy workplace is provided for all workers. There is freedom of association and the right to collective bargaining for all workers.

**Bonsucro Standards** (para. 2.1): to comply with ILO labour conventions governing child labour, force labour, discrimination and freedom of association and the right to collective bargaining.

**WWF 2050 Criteria:** management is aware of and complies with local labour legislation and the ILO core labour standards; actively manages labour issues (child labour, forced or bonded labour, freedom of association, discrimination and gender equity, living wage, use of contractors to avoid social benefits, health and safety) and actively monitors compliance in its operations.

	<p><b>Fair trade</b> (small procedures); You must not discriminate on the basis of race, colour, sex, sexual orientation, disability, marital status, age, HIV/AIDS status, religion, political opinion, membership of unions or other workers' representative bodies, national extraction or social origin in recruitment, promotion, access to training, remuneration, allocation of work, termination of employment, retirement or other activities. You must not engage in, support, or tolerate the use of corporal punishment, or mental or physical coercion or verbal abuse. You must not engage in, support, or tolerate behaviour, including gestures, language, and physical contact, that is sexually intimidating, abusive or exploitative. [Also standards on freedom of discrimination, freedom of labour, child labour and child protection, freedom of association and collective bargaining, conditions of employment]</p>	
--	--	--

### 1.3.2 Working conditions

Governments	<p><b>ILO MNE Declaration:</b> Governments of home countries should promote good social practice in accordance with this Declaration of Principles, having regard to the social and labour law, regulations and practices in host countries as well as to relevant international standards. Both host and home country governments should be prepared to have consultations with each other, whenever the need arises, on the initiative of either.</p> <p>Governments should ensure that both multinational and national enterprises provide adequate safety and health standards for their employees.</p>	<p><b>Commonality:</b> states' duty to promote good practice and adequate health and safety standards for workers</p>
Investors	<p><b>OECD Guidelines</b> (para. V.4-5): Companies should:</p> <ul style="list-style-type: none"> <li>• Observe standards of employment and industrial relations not less favourable than those observed by comparable employers in the host country;</li> <li>• When multinational enterprises operate in developing countries, where comparable employers may not exist, provide the best possible wages, benefits and conditions of work, within the framework of government policies. These should be related to the economic position of the enterprise, but should be at least adequate to satisfy the basic needs of the workers and their families;</li> <li>• Take adequate steps to ensure occupational health and safety in their operations;</li> <li>• In their operations, to the greatest extent practicable, employ local workers and provide training with a view to improving skill levels, in co-operation with worker representatives and, where appropriate, relevant governmental authorities.</li> </ul> <p><b>PRAI</b> (p. 14): Investors should protect occupational safety and health at each and every step in the supply chain. National policies and regulations provide the foundation, but competitive forces often drive firms farther.</p> <p><b>ILO MNE Declaration</b> (paras. 16-18, 25-27, 30-34 and 38-40): Multinational enterprises, particularly when operating in developing countries, should endeavour to increase employment opportunities and standards, taking into account the employment policies and objectives of the governments, as well as security of employment and the long-term development of the enterprise. Before starting operations, multinational enterprises should, wherever appropriate, consult the competent authorities and the national employers' and workers' organizations in order to keep their manpower plans, as far as practicable, in harmony with national social development policies. Such consultation, as in the case of national enterprises, should continue between the multinational enterprises and all parties concerned, including the workers' organizations. Multinational enterprises should give priority to the employment, occupational development, promotion and advancement of nationals of the host country at all levels in cooperation, as appropriate, with representatives of the workers employed by them or of the organizations of these workers and governmental authorities... Multinational enterprises equally with national enterprises, through active manpower planning, should</p>	<p><b>Commonality:</b> investors' responsibility to ensure workers' health and safety</p> <p><b>Different</b> standards on wages and other working conditions</p> <ul style="list-style-type: none"> <li>• Endeavour to increase working conditions in developing countries</li> <li>• Ensure conditions no less favourable than comparable employers in the host country</li> <li>• Ensure conditions at least adequate to satisfy basic needs of workers and their families</li> <li>• Hold consultation with government and workers' organizations</li> <li>• Provide training</li> <li>• Promote security of employment</li> </ul>

endeavour to provide stable employment for their employees and should observe freely negotiated obligations concerning employment stability and social security. In view of the flexibility which multinational enterprises may have, they should strive to assume a leading role in promoting security of employment, particularly in countries where the discontinuation of operations is likely to accentuate long-term unemployment. In their operations, multinational enterprises should ensure that relevant training is provided for all levels of their employees in the host country, as appropriate, to meet the needs of the enterprise as well as the development policies of the country. Such training should, to the extent possible, develop generally useful skills and promote career opportunities. This responsibility should be carried out, where appropriate, in cooperation with the authorities of the country, employers' and workers' organizations and the competent local, national or international institutions...Multinational enterprises operating in developing countries should participate, along with national enterprises, in programmes, including special funds, encouraged by host governments and supported by employers' and workers' organizations. These programmes should have the aim of encouraging skill formation and development as well as providing vocational guidance, and should be jointly administered by the parties which support them. Wherever practicable, multinational enterprises should make the services of skilled resource personnel available to help in training programmes organized by governments as part of a contribution to national development. Multinational enterprises, with the cooperation of governments and to the extent consistent with the efficient operation of the enterprise, should afford opportunities within the enterprise as a whole to broaden the experience of local management in suitable fields such as industrial relations. Wages, benefits and conditions of work offered by multinational enterprises should be not less favourable to the workers than those offered by comparable employers in the country concerned. When multinational enterprises operate in developing countries, where comparable employers may not exist, they should provide the best possible wages, benefits and conditions of work, within the framework of government policies. These should be related to the economic position of the enterprise, but should be at least adequate to satisfy basic needs of the workers and their families. Where they provide workers with basic amenities such as housing, medical care or food, these amenities should be of a good standard. Multinational enterprises should maintain the highest standards of safety and health, in conformity with national requirements, bearing in mind their relevant experience within the enterprise as a whole, including any knowledge of special hazards. They should also make available to the representatives of the workers in the enterprise, and upon request, to the competent authorities and the workers' and employers' organizations in all countries in which they operate, information on the safety and health standards relevant to their local operations, which they observe in other countries. In particular, they should make known to those concerned any special hazards and related protective measures associated with new products and processes. They, like comparable domestic enterprises, should be expected to play a leading role in the examination of causes of industrial safety and health hazards and in the application of resulting improvements within the enterprise as a whole. Multinational enterprises should cooperate in the work of international organizations concerned with the preparation and adoption of international safety and health standards. In accordance with national practice, multinational enterprises should cooperate fully with the competent safety and health authorities, the representatives of the workers and their organizations, and established safety and health organizations. Where appropriate, matters relating to safety and health should be incorporated in agreements with the representatives of the workers and their organizations.

**IFC Performance Standard 2** (paras. 23 and 28): In a manner consistent with good international industry practice... the client will address areas that include the (i) identification of potential hazards to workers, particularly those that may be life-threatening; (ii) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (iii) training of workers; (iv) documentation and reporting of occupational accidents, diseases, and incidents; and (v) emergency prevention, preparedness, and response arrangements... If there is a high risk of significant safety issues related to supply chain workers, the client will introduce procedures and mitigation measures to ensure that primary suppliers within the supply chain are taking steps to prevent or to correct life-



	<p>threatening situations.</p> <p><b>Sustainable Palm Oil Principles</b> (Criterion 6.5, 4.7 and 6.9): Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages. An occupational health and safety plan is documented, effectively communicated and implemented. A policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights is developed and applied.</p> <p><b>Responsible Soy Production Standards</b> (para. 2.3-5): A safe and healthy workplace is provided for all workers. [same as <b>Bonsucro Standards</b>, 2.3] Remuneration at least equal to national legislation and sector agreement is received by all workers directly or indirectly employed on the farm.</p> <p><b>Biofuels Sustainability Standards</b> (criterion 4.f): conditions of occupational safety and health for workers shall follow internationally-recognized standards</p> <p><b>WWF 2050 Criteria:</b> applicable operational health and safety protocols are followed, which can include: adequate training, accident reduction programs, formal documentation and grievance procedures, and if applicable personal protective equipment provisions and hazardous substance monitoring and testing</p> <p><b>Fairtrade:</b> you must implement measures to ensure that all people, including members and workers, wear appropriate personal protective equipment when handling pesticides or hazardous chemicals. You must improve health and safety conditions.</p> <p><b>Bonsucro Standards</b> (para. 2.4-5): to provide employees and workers (including migrant, seasonal and other contract labour) with at least the national minimum wage. To provide clear, equitable and comprehensive contracts.</p> <p><b>Fair trade</b> (small procedures para. 3.2.26): you must make work processes, workplaces, machinery and equipment on your production site safe.</p>	
--	--	--

**Right to health**

Governments		
Investors	<p><b>OECD Guidelines</b> (VIII.1, 6 &amp; 7): Companies should ensure that the goods and services they provide meet all agreed or legally required standards for consumer health and safety, including those pertaining to health warnings and safety information... They should co-operate fully with public authorities to ... prevent serious threats to public health and safety or to the environment deriving from the consumption, use or disposal of their goods and services.</p>	<p><b>Gap:</b> no clear and common standard of conduct for investors to contribute to the realization of (or at least respect) the right to health</p>

	<p><b>PRAI</b> (para. 5.2.1): Proper practice in primary agriculture, agro-processing, and manufacture of derived goods includes due diligence by actors all along the supply chain to protect human life, health, and welfare...Investors in agri-food enterprises should adhere to best practices in food safety. For products derived from agriculture as well for manufactured food products, they should adhere to global food safety regulations and related codes.</p> <p><b>UNDRIP Business reference guide</b> (p. 69): ensure that the business activities do not negatively impact indigenous peoples' health.</p> <p><b>IFC Performance Standard 4:</b> The client will:</p> <ul style="list-style-type: none"> <li>• Evaluate the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and establish preventive and control measures consistent with good international industry practice;</li> <li>• Identify risks and impacts and propose mitigation measures that are commensurate with their nature and magnitude. These measures will favour the avoidance of risks and impacts over minimisation;</li> <li>• Design, construct, operate, and decommission the structural elements or components of the project..., taking into consideration safety risks to third parties or Affected Communities;</li> <li>• Avoid or minimise the potential for community exposure to hazardous materials and substances that may be released by the project;</li> <li>• Where there is a potential for the public (including workers and their families) to be exposed to hazards, particularly those that may be life-threatening, exercise special care to avoid or minimise their exposure by modifying, substituting, or eliminating the condition or material causing the potential hazards;</li> <li>• Where hazardous materials are part of existing project infrastructure or components, exercise special care when conducting decommissioning activities in order to avoid exposure to the community;</li> <li>• Exercise commercially reasonable efforts to control the safety of deliveries of hazardous materials, and of transportation and disposal of hazardous wastes, and implement measures to avoid or control community exposure to pesticides;</li> <li>• Avoid or minimise the potential for community exposure to water-borne, water-based, water-related, and vector-borne diseases, and communicable diseases that could result from project activities, taking into consideration differentiated exposure to and higher sensitivity of vulnerable groups;</li> <li>• Assist and collaborate with the Affected Communities, local government agencies, and other relevant parties, in their preparations to respond effectively to emergency situations, especially when their participation and collaboration are necessary to respond to such emergency situations;</li> <li>• If local government agencies have little or no capacity to respond effectively, play an active role in preparing for and responding to emergencies associated with the project;</li> <li>• Document its emergency preparedness and response activities, resources, and responsibilities, and will disclose appropriate information to Affected Communities, relevant government agencies, or other relevant parties.</li> </ul> <p><b>CBD Akwé: Kon Guidelines</b> (para. 50): In the impact assessment process, the health and safety aspects of the proposed development should be scrutinised. Safety aspects should include risks such as physical injury during construction, and health risks resulting from various forms of pollution, sexual exploitation, social disturbance, disruption to habitats of medicinal species, and use of chemicals, such as pesticides. Foreign workers should be screened for any infectious diseases for which local populations may have no immunity or for which there is no</p>	<p><b>Different</b> standards of conduct:</p> <ul style="list-style-type: none"> <li>• Hazardous materials</li> <li>• Pollution</li> <li>• Products</li> <li>• Infectious diseases</li> <li>• Food safety</li> <li>• Emergencies</li> </ul> <p><b>Different</b> beneficiaries</p> <ul style="list-style-type: none"> <li>• Consumers</li> <li>• The public</li> <li>• Affected communities</li> </ul>
--	--	---

	evidence of infection within their communities.	
--	---	--

**2. Tenure**

<b>2.1 Respect for tenure rights</b>		
Governments	<p><b>VGGT</b> (para. 3.1): States should recognize and respect all legitimate tenure right holders and their rights. They should take reasonable measures to identify, record and respect legitimate tenure right holders and their rights, whether formally recorded or not; to refrain from infringement of tenure rights of others; and to meet the duties associated with tenure rights</p> <p><b>PRAI</b> (p. 3): land-related rights are recognized and demarcated; (b) that procedures for transferring such rights are clearly defined and applied in a transparent manner; and (c) that expropriation, in kind rather than in cash, is strictly limited to situations that affect the public interest rather than routinely applied to transfer of land to private investors.</p>	<p><b>Commonality:</b> duty of states to recognise and ensure respect of tenure rights</p> <ul style="list-style-type: none"> <li>• documentation</li> <li>• clear definition and application of procedures for their transfer</li> </ul>
Investors	<p><b>PRAI</b> (Principle 1): Existing rights to land and associated natural resources are recognised and respected.</p> <p><b>VGGT</b> (para. 3.2 &amp; 12.4): Business enterprises have a responsibility to respect human rights and legitimate tenure rights. They should act with due diligence to avoid infringing on the human rights and legitimate tenure rights of others. They should include appropriate risk management systems to prevent and address adverse impacts on human rights and legitimate tenure rights... Business enterprises should identify and assess any actual or potential impacts on human rights and legitimate tenure rights in which they may be involved... Responsible investments should do no harm, safeguard against dispossession of legitimate tenure right holders and environmental damage, and should respect human rights. Such investments should be made working in partnership with relevant levels of government and local holders of tenure rights to land, fisheries and forests, respecting their legitimate tenure rights.</p> <p><b>CBD Akwé Kon Guidelines</b> (paras. 57 and 60): In any assessment procedure, subject to national legislation consistent with international obligations, ... development proponents should take into account the rights of indigenous and local communities over lands and waters traditionally occupied or used by them and the associated biological diversity... In all circumstances related to the proposed development, the customary laws and intellectual property rights of the indigenous and local communities with respect to their traditional knowledge, innovations and practices, should be respected.</p> <p><b>UNDRIP Business Reference Guide</b> (p. 76): keep updated records of lands or resources of indigenous peoples that have been granted legal recognition of protection by states where business is conducted. Seek to understand and respect indigenous peoples' communal land ownership systems where they exist.</p> <p><b>Principles for Responsible Investment in Farmland</b> (Principle 3): We will respect the existing use of and ownership rights to land and other resources and we will require investment managers and operators acting on our behalf to do the same.</p> <p><b>Sustainable Palm Oil Principles</b> (Criterion 2.2): The right to use the land can be demonstrated and is not legitimately</p>	<p><b>Commonality:</b> responsibility of investors to recognise and respect tenure rights</p> <p><b>Different standards of conduct:</b></p> <ul style="list-style-type: none"> <li>• due diligence</li> <li>• inclusion in impact assessment</li> <li>• negotiations with indigenous peoples based on free, prior and informed consent</li> <li>• respect for customary laws of indigenous and local communities</li> </ul>

	<p>contested by local communities with demonstrable rights</p> <p><b>Biofuels Sustainability Standards</b> (criterion 9.a and principle 12): Biofuel operations shall respect the existing water rights of local and indigenous communities, and land rights and land use rights</p> <p><b>Responsible Soy Production</b> (para. 3.2): In areas with traditional land users, conflicting land uses are avoided or resolved.</p> <p><b>Bonsucro Standards</b> (para. 1.2): To demonstrate clear title to land in accordance with national practice and law. The right to use the land can be demonstrated and is not legitimately contested by local communities with demonstrable rights.</p> <p><b>WWF 2050 Criteria:</b> The rights of local people are respected, which can be assessed by: demonstrated and non-contested rights to utilize land and recognition and respect for other legal and customary rights; negotiations with indigenous peoples based on free, prior and informed consent; as well as other potential measures. Issues of gender representation, representation of traditionally marginalized groups, health and clean water, resource diversion and scarcity, ecosystem services,</p>	
<b>2.2 Identification of tenure holders</b>		
Governments	<p><b>PRAI</b> (p. 2): the identification of all rights holders; (ii) legal recognition of all rights and uses, together with options for their demarcation and registration or recording</p> <p><b>VGGT</b> (para. 4.4 and 12.10): Based on an examination of tenure rights in line with national law, States should provide legal recognition for legitimate tenure rights not currently protected by law. Policies and laws that ensure tenure rights should be non-discriminatory and gender sensitive. Consistent with the principles of consultation and participation of these Guidelines, States should define through widely publicized rules the categories of rights that are considered legitimate. All forms of tenure should provide all persons with a degree of tenure security which guarantees legal protection against forced evictions that are inconsistent with States' existing obligations under national and international law, and against harassment and other threats</p> <p>States should ensure that existing legitimate tenure rights and claims, including those of customary and informal tenure, are systematically and impartially identified, as well as the rights and livelihoods of other people affected by the investment, such as small-scale producers. This process should be conducted through consultation with all affected parties</p> <p><b>CBD Akwé Kon Guidelines</b> (para. 18): Early identification by the State and affected indigenous and local communities and, as circumstances warrant, provision of necessary human, financial, technical and legal resources, particularly to those indigenous and local communities, to support indigenous and local expertise, will facilitate effective indigenous and local community participation in the impact assessment process.</p> <p><b>Biofuels Sustainability Standards</b> (criterion 12.a): existing land rights and land use rights, both formal and informal, shall be assessed, documented and established. The right to use land for biofuel operations shall be established only</p>	<p><b>Commonality:</b> duty of states to ensure legal recognition and protection of tenure rights</p> <p><b>Different</b> standards of conduct:</p> <ul style="list-style-type: none"> <li>• policies and laws to ensure non-discrimination and gender sensitivity</li> <li>• consultation with affected parties</li> <li>• provision of support and resources to tenure right holders</li> </ul>

	when these rights are determined.	
Investors	<p><b>PRAI</b> (Principle 1): Existing use or ownership rights to land, whether statutory or customary, primary or secondary, formal or informal, group or individual, should be respected. This requires the identification of all rights holders.</p> <p><b>IFC Performance Standards 7</b> (para. 14) <b>and 5</b> (paras. 12 &amp; 17): If the client proposes to locate a project on, or commercially develop natural resources on lands traditionally owned by, or under the customary use of, Indigenous Peoples, and adverse impacts can be expected, the client will...identify and review all property interests and traditional resource uses prior to purchasing or leasing land; assess and document the Affected Communities of Indigenous Peoples' resource use without prejudicing any Indigenous Peoples' land claim - the assessment of land and natural resource use should be gender inclusive and specifically consider women's role in the management and use of these resources; and ensure that Affected Communities of Indigenous Peoples are informed of their land rights under national law, including any national law recognising customary use rights... Where involuntary resettlement is unavoidable, either as a result of a negotiated settlement or expropriation, a census will be carried out to collect appropriate socio-economic baseline data to identify the persons who will be displaced by the project, determine who will be eligible for compensation and assistance... Displaced persons may be classified as persons (i) who have formal legal rights to the land or assets they occupy or use; (ii) who do not have formal legal rights to land or assets, but have a claim to land that is recognised or recognisable under national law; or (iii) who have no recognisable legal right or claim to the land or assets they occupy or use. The census will establish the status of the displaced persons.</p> <p><b>IHRB Guidelines</b> (para. II.3): Companies should make every effort to identify the legal owners of any land being considered for acquisition. Contractually, they will be required to acquire the land from those who own it. In areas where legal titling does not exist or where there may be disputes over ownership, companies should seek out suitable alternative forms of evidence of customary ownership... Companies should take particular care to identify women-run or women-owned households and property and treat them as equals... In areas of armed conflict and economic deprivation, companies should ensure that everyone is treated equally, and follow the higher standard... The principle that should guide corporate conduct is of protecting the vulnerable: people who have worked on the land, do not have the legal title, and are not occupying it forcibly should be treated such that they are not discriminated against and their human rights are protected when compared with those who have legal title.</p>	<p><b>Commonality:</b> investors' responsibility to identify tenure right holders</p> <p><b>Difference:</b> only the IFC Standards providing more detail (inclusive and gender-sensitive assessment of all interests and uses of land)</p> <p><b>Different</b> beneficiaries:</p> <ul style="list-style-type: none"> <li>• all tenure right holders</li> <li>• affected communities</li> <li>• the vulnerable</li> </ul>
<b>2.3 Consultation with tenure right holders</b>		
Governments	<p><b>PRAI</b> (p. 2 and 10): negotiation with land holders/users, based on informed and free choice, in order to identify the types of rights to be transferred and modalities for doing so; (iv) fair and prompt payment for all acquired rights... definitional and procedural requirements in terms of who represents land holders and what is a quorum for local attendance need to be clarified; (ii) the content of agreements reached in such consultations (e.g. by providing model agreements/contracts) should be documented and signed off by all parties; and (iii) methods for enforcement and sanctions for non-compliance should be specified.</p> <p><b>VGGT</b> (para. 4.10): States should welcome and facilitate the participation of users of land, fisheries and forests in order to be fully involved in a participatory process of tenure governance, inter alia, formulation and implementation of policy and law and decisions on territorial development, as appropriate to the roles of State and non-state actors, and in line with national law and legislation.</p>	<p><b>Commonality:</b> role of States in ensuring consultations with tenure right holders in the consideration of development proposals and possible transfer of rights</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• clear procedural requirements</li> <li>• documented agreement</li> <li>• inclusion of customary methods of mediation and dispute resolution</li> <li>• prior informed consent</li> </ul>

	<p><b>CBD Akwé Kon Guidelines</b> (paras. 10 and 22): ...the responsible Government authority should engage in a process of notification and public consultation of intention to carry out a development. Parties, if they have not already done so, should seek to ensure the full participation of affected indigenous and local communities, in accordance with national legislation, in the decision-making process for any development proposal, including the review and appeal process, taking into account methods of mediation and dispute resolution, which may include customary methods</p> <p><b>Large-scale Land Acquisitions Principles</b> (Principle 10): States shall consult and cooperate in good faith with indigenous peoples concerned in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploration of mineral, water or other resources.</p>	<ul style="list-style-type: none"> <li>• sanctions</li> </ul> <p><b>Note</b> overlap with consultation with human rights holders (section 1.2. above)</p>
Investors	<p><b>OECD Guidelines</b> (paras. II.14 &amp; 25, VI.2.b): Companies should engage with relevant stakeholders in order to provide meaningful opportunities for their views to be taken into account in relation to planning and decision making for projects or other activities that may significantly impact local communities... Stakeholder engagement involves interactive processes of engagement with relevant stakeholders, through, for example, meetings, hearings or consultation proceedings. Effective stakeholder engagement is characterised by two-way communication and depends on the good faith of the participants on both sides. This engagement can be particularly helpful in the planning and decision-making concerning projects or other activities involving, for example, the intensive use of land or water, which could significantly affect local communities... Enterprises should engage in adequate and timely communication and consultation with the communities directly affected by the environmental, health and safety policies of the enterprise and by their implementation.</p> <p><b>PRAI</b> (Principles 1 and 4): All those materially affected are consulted, and agreements from consultations are recorded and enforced... Although consultation of materially affected stakeholders on a case by case basis in the context of specific projects is a prerequisite for successful investment outcomes, such consultation should not be a one-time event but instead involve ongoing interaction with community representatives, as well as local governments... Local communities should be included in investment decisions when these decisions affect their property, livelihoods, culture, or relationships between groups. If it is to have meaning, the consultative process should allow communities to turn down investors if they so desire... It is also important to ensure that vulnerable populations, including cultural and ethnic minorities, and in some cultures women and youth, are consulted in ways that allow them to truly express their opinion by selecting appropriate venues and languages for communication. Furthermore, because vulnerable populations are often affected differently than other populations, if investment projects are to avoid social risks, mechanisms to consult these populations should be included in project plans.</p> <p><b>VGGT</b> (paras. 9.9, 3B.6, 9.10, 12.7, 12.9 and 12.11): Other parties should hold good faith consultation with indigenous peoples before initiating any project...affecting the resources for which the communities hold rights. Such projects should be based on an effective and meaningful consultation with indigenous peoples, through their own representative institutions in order to obtain their free, prior and informed consent under the United Nations Declaration of Rights of Indigenous Peoples and with due regard for particular positions and understandings of individual States. Consultation and decision-making processes should be organised without intimidation and be conducted in a climate of trust...prior to decisions being taken, and responding to their contributions; taking into consideration existing power imbalances between different parties and ensuring active, free, effective, meaningful and informed participation of individuals and</p>	<p><b>Commonality:</b> investors' responsibility to consult</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• iterative/ongoing process of engagement</li> <li>• adequate and timely communication</li> <li>• good faith</li> <li>• transparent</li> <li>• effective and meaningful/ open and fair</li> <li>• tailored to the language preferences of the communities, their decision-making processes and the needs of disadvantaged and vulnerable groups</li> <li>• without intimidation and be conducted in a climate of trust</li> <li>• consensus-driven outcome</li> <li>• possibility for consulted communities to say no</li> <li>• full and fair consideration of communities' views</li> </ul> <p>[all the above can be captured by reference to 'free prior informed consent']</p> <ul style="list-style-type: none"> <li>• documented agreement</li> <li>• reasonable verification of community representatives</li> </ul>

groups in associated decision-making processes... Non-state actors should strive, where necessary, together with representative institutions of affected communities and in cooperation with affected communities, to provide technical and legal assistance to affected communities to participate in the development of tenure policies, laws and projects in non-discriminatory and gender-sensitive ways...

**Large-scale Land Acquisitions Principles** (Principles 1-2): The negotiations leading to investment agreements should be conducted in a fully transparent manner, and with the participation of the local communities whose access to land and other productive resources may be affected as a result of the investment agreement... In general, any shifts in land use can only take place with the free, prior and informed consent of the local communities concerned. This is particularly important for indigenous communities, in view of the discrimination and marginalisation to which they have historically been subjected.

**IFC Performance Standard 1** (paras. 26-27 and 30-33): Clients should identify the range of stakeholders that may be interested in their actions and consider how external communications might facilitate a dialogue with all stakeholders... The client will develop and implement a Stakeholder Engagement Plan that is scaled to the project risks and impacts and development stage, and be tailored to the characteristics and interests of the Affected Communities. Where applicable, the Stakeholder Engagement Plan will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. When the stakeholder engagement process depends substantially on community representatives, the client will make every reasonable effort to verify that such persons do in fact represent the views of Affected Communities and that they can be relied upon to faithfully communicate the results of consultations to their constituents...

**CBD Akwé Kon Guidelines** (paras. 11 and 14-17): Notification and public consultation of the proposed development should allow for sufficient time to allow the affected indigenous or local community to prepare its response. An opportunity to present its response should be allowed for full and fair consideration by the proponent... Affected indigenous and local communities should be invited to participate or anybody appointed to advise on the screening and scoping phases or should be consulted on an impact assessment process for a development proposal, and should be involved in the establishment of the terms of reference for the conduct of the impact assessments, subject to national legislation. The screening and scoping phases should also take into account any community development plans and any mechanisms for strategic environmental assessment that have been formulated by an affected community. In addition, the full and effective participation and involvement of affected indigenous and local communities should contemplate using participatory models of community engagement during the conduct of the impact assessments, including in decision-making. The proponent should also provide regular feedback to the affected community throughout all stages of the impact assessment and development processes... Local experts should be identified and their expertise recognised and engaged at the earliest opportunity. The proponent and members of the affected indigenous or local community should establish a process by which community views and concerns can be properly recorded, as community members may not be in a position to attend public meetings because of, for example, remoteness of the community, or poor health. While written statements may be preferred, the views of the community members could also be recorded on video or audio tape, or any other appropriate way, subject to the consent of communities.

**IHRB Guidelines** (paras. I.3, II.6-9, II.16): Companies should ensure that open and fair consultation processes relating to land acquisition initiatives are conducted in all cases... Consultations undertaken by companies should not only mean conversations with local governments and traditional chiefs. It also includes consulting those marginalised in such a discourse because of their status, including women, minorities (religion, language, or ethnicity), disability, sexual orientation, age, and so on. In addition companies should: pay particular attention to women; consult without armed

- provision of technical and legal assistance

**Different** beneficiaries:

- tenure right holders
- land users
- relevant stakeholders
- communities directly affected
- indigenous peoples
- special attention to the vulnerable
- special attention to smallholder farmers

	<p>guards; consult communities early and often; and continue to consult communities throughout the operations of the project... Companies should not use state force to seek consent.</p> <p><b>Principles for Responsible Investment in Farmland</b> (Principle 3): Investment managers and operators acting on our behalf will be required to implement processes for land acquisitions and related investments that ensure accountability and engagement with relevant stakeholders. For investments with potential significant adverse impacts on affected communities, the investment managers are expected to implement processes to ensure their free prior and informed consultation and facilitate their informed participation as a means to establish whether a project has adequately incorporated affected communities concerns.</p> <p><b>Sustainable Palm Oil Principles</b> (Criteria 2.3 and 6.10): Use of land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free prior informed consent. Growers and mills deal fairly and transparently with smallholder and other local businesses</p> <p><b>Biofuels Sustainability Standards</b> (criterion 2.b): Free prior and informed consent shall form the basis for the process to be followed during all stakeholder consultation, which shall be gender sensitive and result in consensus-driven negotiated agreements.</p> <p><b>Bonsucro Standards</b> (para. 5.8): to ensure active engagement and transparent, consultative and participatory processes with all relevant stakeholders.</p> <p><b>Recommended Guidelines for Responsible Land Investments:</b> consult all stakeholders beforehand and for the duration of the investment to ensure that communities have decision-making power around the allocation of land and natural resources.</p> <p><b>Equator Principles</b> (Principle 5): effective stakeholder engagement as an ongoing process in a structured and culturally appropriate manner with affected communities and where appropriate other stakeholders. The borrower will tailor its consultation process to the language preferences of the communities, their decision-making processes and the needs of disadvantaged and vulnerable groups. This process should be free from external manipulation, interference, coercion and intimidation...projects with adverse impacts on indigenous peoples will require their free prior informed consent.</p> <p><b>WWF 2050 Criteria:</b> potential impacts on livelihoods and small holders are considered and structured into consultation. Engagement [is] fully transparent.</p>	
<p><b>2.4 Fairness and transparency in land acquisitions</b></p>		
<p>Governments</p>	<p><b>PRAI (p. 3 and 8):</b> procedures for transferring such rights are clearly defined and applied in a transparent manner...ensuring that all relevant information, including land potential and availability, core elements of prospective investments, and resource flows or tax revenues, be publicly available; (ii) helping institutions that handle investment selection, land transfers and incentives to follow principles of good governance, develop the capacity to operate efficiently and transparently, and be regularly audited; and (iii) making sure that an independent system to monitor progress towards a better investment climate is in place</p>	<p><b>Commonality:</b> states' duty to establish clear procedures for land acquisitions and to apply them in a transparent manner</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• need to define 'large-scale' land transaction and establish safeguards to</li> </ul>



	<p><b>VGGT</b> (para. 12.3, 12.15-16): All forms of transactions in tenure rights as a result of investments in land, fisheries and forests should be done transparently in line with relevant national sectoral policies and be consistent with the objectives of social and economic growth and sustainable human development focusing on smallholders... States should, with appropriate consultation and participation, provide transparent rules on the scale, scope and nature of allowable transactions in tenure rights and should define what constitutes large-scale transactions in tenure rights in their national context. States should provide safeguards to protect legitimate tenure rights, human rights, livelihoods, food security and the environment from risks that could arise from large-scale transactions in tenure rights. Such safeguards could include introducing ceilings on permissible land transactions and regulating how transfers exceeding a certain scale should be approved, such as by parliamentary approval. States should consider promoting a range of production and investment models that do not result in the large-scale transfer of tenure rights to investors, and should encourage partnerships with local tenure right holders.</p> <p><b>Agricultural Investment strengthening family farming and sustainable food systems in Africa:</b> to give priority to agricultural investments that support the infrastructure and input requirements of sustainable family farming; to secure agricultural investments to improve the effectiveness, capacities and capabilities of farmers' organisations and networks, including their ability of farmers to self-organize, for example in cooperatives that have social, economic, welfare and equity principles</p>	<p>protect legitimate tenure rights, human rights, livelihoods, food security and the environment from risks</p> <ul style="list-style-type: none"> <li>• promotion of production and investment models that do not result in the large-scale transfer of tenure rights to investors</li> <li>• encouragement of partnerships with local tenure right holders</li> <li>• priority to investment supporting sustainable family farming and smallholder farmers</li> <li>• publication of information</li> <li>• good governance in relevant institutions</li> <li>• independent monitoring</li> </ul>
Investors	<p><b>UNDRIP Business Reference Guide</b> (p. 45): actively seek alternative approaches to the project that do not require the removal or relocation of indigenous peoples... Only proceed with removal or relocation of indigenous peoples as a last resort. If removal or relocation is considered unavoidable, obtain their free, prior informed consent (including in relation to the act of removal or relocation, the terms and pace of the relocation and the compensation to be awarded to affected parties).</p> <p><b>CBD Akwé Kon Guidelines</b> (§ 44): In the conduct of baseline studies, the following areas should be addressed: housing and human settlements, including involuntary resettlement, expulsion of indigenous peoples from lands and involuntary sedentarisation of mobile peoples.</p> <p><b>Principles for Responsible Investment in Farmland</b> (Principle 3): Investment managers and operators acting on our behalf will be required to implement processes for land acquisitions and related investments that are culturally appropriate and transparent, are monitored.</p> <p><b>IHRB Guidelines</b> (I.1, II.4, II.15, II.21): Companies should be open and transparent about their motives and intentions when surveying a particular plot of land. Early in the process of considering any land acquisition, they should clarify their plans and intentions to the communities that live and/or work there, or use that land... Companies should avoid acquiring large plots in the adjacent area if projects under consideration do not require it, unless there are legitimate safety or security considerations that make such an arrangement necessary</p> <p><b>Biofuels Sustainability Standards</b> (criterion 12.b): Free prior informed consent shall form the basis of all negotiated agreements for any compensation, acquisition or voluntary relinquishment of rights by land owners or owners of biofuel operations</p> <p><b>Recommended Guidelines for Responsible Land Investments:</b> investors should be open and transparent about their</p>	<p><b>Gap:</b> no corresponding standard for investors, that has received intergovernmental support, to ensure fair and transparent land acquisitions</p> <p><b>Differences:</b></p> <ul style="list-style-type: none"> <li>• including in impact assessment risks of involuntary resettlement, expulsion or involuntary sedentarisation of mobile peoples</li> <li>• conducting culturally appropriate, transparent and monitored processes for land acquisition</li> <li>• avoiding acquisition of large plots of land if not required by investment or if host country with poor track record in rule of law and corruption</li> <li>• free prior informed consent for any compensation, acquisition or voluntary relinquishment of rights</li> <li>• Avoiding transfer of land rights (including land under customary tenure) away from small-scale food</li> </ul>

	<p>motives and intentions when surveying land for acquisitions...and should abstain from large-scale leases and purchases in countries with a poor track record in rule of law, transparency and systems to combat corruption. Implement policies to safeguard the rights of the disadvantaged, particularly women, and ensure the social sustainability of land investments through formal, regular consultation with local government and community leaders. Avoid transfer of land rights (including land under customary tenure) away from small-scale food producers, and engage smallholders by structuring mutually beneficial contracts</p>	<p>producers</p> <ul style="list-style-type: none"> <li>engaging smallholders by structuring mutually beneficial contracts</li> </ul>
<p><b>2.5 Displacement of local populations</b></p>		
<p>Governments</p>	<p><b>PRAI (6.2.1):</b> Governments need to ensure that contracts with investors and government policies require adequate consideration of the rights of those that may be displaced by investment. Expropriation should only be used as a last resort, and only if justified by the strict public interest. In all other cases, individuals directly and indirectly affected should agree to investment arrangements before these can be implemented.</p> <p><b>VGGT (paras. 3.1, 4.5, 16.1, 16.7-9):</b> States should safeguard legitimate tenure rights against threats and infringements. They should protect tenure right holders against the arbitrary loss of their tenure rights, including forced evictions that are inconsistent with their existing obligations under national and international law...States should protect legitimate tenure rights, and ensure that people are not arbitrarily evicted and that their legitimate tenure rights are not otherwise extinguished or infringed...Subject to their national law and legislation and in accordance with national context, States should expropriate only where rights to land, fisheries or forests are required for a public purpose...Where expropriations will result in evictions that are considered to be justified for a public purpose, States should conduct the evictions and treat all affected parties in a manner consistent with their relevant obligations to respect, protect, and fulfil human rights...States should explore feasible alternatives which avoid, or at least minimize, the need to resort to evictions that result in depriving people from their productive resources...Evictions and relocations should not result in individuals being rendered homeless or vulnerable to the violation of human rights.</p> <p><b>Large-scale Land Acquisitions Principles (Principle 2):</b> Forced evictions should only be allowed to occur in the most exceptional circumstances. They are only allowable under international law when they are in accordance with the locally applicable legislation, when they are justified as necessary for the general welfare, and when they are accompanied by adequate compensation and alternative resettlement or access to productive land.</p>	<p><b>Commonality:</b> states' duty to ensure that people are not arbitrarily evicted and that their legitimate tenure rights are not otherwise extinguished or infringed (including expropriation or displacement only as a last resort)</p> <p><b>Different justification:</b></p> <ul style="list-style-type: none"> <li>Strict public interest</li> <li>public purpose</li> <li>necessary for general welfare</li> <li>most exceptional circumstances</li> </ul> <p><b>Different standards of conduct</b></p> <ul style="list-style-type: none"> <li>ensure agreement by individuals directly or indirectly affected</li> <li>ensure adequate compensation and alternative resettlement or access to productive land</li> <li>ensure equal treatment</li> <li>ensure that no-one is rendered homeless or vulnerable to human rights violations</li> </ul>
<p>Investors</p>	<p><b>IFC Performance Standards 5 (para. 8) and 7 (para. 15):</b> The client will consider feasible alternative project designs to avoid or minimise physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable...The client will consider feasible alternative project designs to avoid the relocation of indigenous people from communally held lands and natural resources subject to traditional ownership or under customary use. If such relocation is unavoidable the client will not proceed with the project unless free prior informed consent has been obtained. Where feasible, the relocated indigenous people should be able to return to their traditional or customary lands, should the cause of their relocation cease to exist.</p> <p><b>CBD Akwé Kon Guidelines (§ 44):</b> In the conduct of baseline studies, the following areas should be addressed: housing and human settlements, including involuntary resettlement, expulsion of indigenous peoples from lands and</p>	<p><b>Commonality:</b> investors' responsibility to avoid displacement unless unavoidable</p> <p><b>Different standards of conduct</b></p> <ul style="list-style-type: none"> <li>consider feasible alternatives</li> <li>pay attention to impacts on the poor and vulnerable</li> <li>prior informed consent before proceeding</li> </ul>

	<p>involuntary sedentarisation of mobile peoples.</p> <p><b>IHRB Guidelines</b> (I.1, II.4, II.15, II.21): Companies should avoid the use of armed forces for land clearance. Companies should follow the highest international standards and provide alternative accommodation to those who agree to relocate.</p> <p><b>Recommended Guidelines for Responsible Land Investments:</b> investors must avoid and discourage land investment deals that involve displacement and resettlements of local communities, especially deals in which large areas of land are involved.</p>	<p>with unavoidable relocation</p> <ul style="list-style-type: none"> <li>• need to provide alternative accommodation for relocated communities</li> <li>• avoid use of armed forces for land clearance</li> <li>• consider possibility to return land</li> <li>• include in environmental impact assessment</li> </ul>
<b>2.6 Compensation</b>		
Governments	<p><b>PRAI (p 2):</b> fair and prompt payment for all acquired rights</p> <p><b>VGGT</b> (para. 3.1, 16.3 and 16.5): States should provide prompt, just compensation where tenure rights are taken for public purposes...States should ensure a fair valuation and prompt compensation in accordance with national law...Where the land, fisheries and forests are not needed due to changes of plans, States should give the original right holders the first opportunity to re-acquire these resources</p>	<p><b>Commonality:</b> states' duty to ensure fair/just and prompt compensation</p> <p><b>Difference:</b> more detailed standards of conduct in the VGGT</p> <ul style="list-style-type: none"> <li>• ensure fair valuation</li> <li>• give original right holders the first opportunity to re-acquire resources</li> </ul>
Investors	<p><b>PRAI</b> (6.2.1): arrangements should have the aim of ensuring that those losing land rights, especially those holding informal or secondary rights (e.g. pastoralists, women, tenants, and indigenous peoples) should receive fair compensation that would allow them to maintain or improve their previous livelihoods and standard of living. Compensation and resettlement plans should be accompanied by clear public information campaigns that state rights and responsibilities of different actors, minimising the risks of misunderstandings leading to social conflict, allowing affected individuals to hold other actors accountable, and decreasing longer term costs to investors and governments.</p> <p><b>UNDRIP Business Reference Guide</b> (p. 77): provide compensation and restitution for damages inflicted upon the land and resources of indigenous peoples and the rehabilitation of degraded environments caused by existing or historic activities that did not obtain FPIC.</p> <p><b>IFC Performance Standard 5</b> (paras. 9-10, 19, 12, 27-28): When displacement cannot be avoided, the client will offer displaced communities and persons compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods... Compensation standards will be transparent and applied consistently to all communities and persons affected by the displacement. Where livelihoods of displaced persons are land-based, or where land is collectively owned, the client will, where feasible, offer the displaced land-based compensation. The client will take possession of acquired land and related assets only after compensation has been made available and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons in addition to compensation. The client will also provide opportunities to displaced communities and persons to derive appropriate development benefits from the project... Decision-making processes related to resettlement and livelihood restoration should include options and alternatives, where applicable. Disclosure of relevant information and participation of Affected Communities and persons will continue during the planning, implementation, monitoring, and evaluation of compensation payments, livelihood restoration activities, and resettlement... In the case of</p>	<p><b>Commonality:</b> investors' responsibility to ensure fair/just and prompt compensation of land rights, to maintain or improve standards of living and livelihoods</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• Provide clear public information</li> <li>• Transparent and consistent application of compensation standards</li> <li>• Give preference to land-based compensation</li> <li>• Give also opportunities to displaced communities to derive appropriate development benefits from the project</li> <li>• Allow continued access to resources</li> <li>• Prior informed consent</li> <li>• Documented and transparent process</li> <li>• Monitoring</li> </ul>

physical displacement, the client will develop a Resettlement Action Plan that...will be designed to mitigate the negative impacts of displacement; identify development opportunities; develop a resettlement budget and schedule; and establish the entitlements of all categories of affected persons (including host communities). The client will establish procedures to monitor and evaluate the implementation of a Resettlement Action Plan or Livelihood Restoration Plan and take corrective action as necessary.

Economically displaced persons who face loss of assets or access to assets will be compensated for such loss at full replacement cost.

- In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment;
- In cases affecting persons with legal rights or claims to land which are recognised or recognisable under national law, replacement property (e.g., agricultural or commercial sites) of equal or greater value will be provided, or, where appropriate, cash compensation at full replacement cost;
- Economically displaced persons who are without legally recognisable claims to land will be compensated for lost assets other than land (such as crops, irrigation infrastructure and other improvements made to the land), at full replacement cost. The client is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date for eligibility.
- Economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living:
- For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority;
- For persons whose livelihoods are natural resource-based and where project-related restrictions on access envisaged in paragraph 5 apply, implementation of measures will be made to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature rather than directly oriented towards individuals or households;
- If circumstances prevent the client from providing land or similar resources as described above, alternative income earning opportunities may be provided, such as credit facilities, training, cash, or employment opportunities. Cash compensation alone, however, is frequently insufficient to restore livelihoods.

**IFC Performance Standard 7** (paras 9 and 14): Adverse impacts on Affected Communities of Indigenous Peoples should be avoided where possible. Where alternatives have been explored and adverse impacts are unavoidable, the client will minimise, restore, and/or compensate for these impacts in a culturally appropriate manner commensurate with the nature and scale of such impacts and the vulnerability of the Affected Communities of Indigenous Peoples... If the client proposes to locate a project on, or commercially develop natural resources on lands traditionally owned by or under the customary use of, Indigenous Peoples, and adverse impacts can be expected, the client will take the following steps:

- Document efforts to avoid and otherwise minimise the area of land proposed for the project;
- Document efforts to avoid and otherwise minimise impacts on natural resources and natural areas of importance to Indigenous People;
- Identify and review all property interests and traditional resource uses prior to purchasing or leasing land;

**Difference:** only some standards (Akwé Kon Guidelines and IFC) pay specific attention to possible impact on access to biological resources for livelihoods

**Difference:** only IFC provides very specific details about compensation

- Full replacement cost
- Replacement property
- Compensation for lost assets other than land (crops, irrigation infrastructure, improvements made to the land)
- Continued access to affected resources or alternative resources with equivalent livelihoods-earning potential and accessibility
- Benefit-sharing

- Assess and document the Affected Communities of Indigenous Peoples' resource use without prejudicing any Indigenous Peoples' land claim. The assessment of land and natural resource use should be gender inclusive and specifically consider women's role in the management and use of these resources;
- Ensure that Affected Communities of Indigenous Peoples are informed of their land rights under national law, including any national law recognising customary use rights;
- Offer Affected Communities of Indigenous Peoples compensation and due process in the case of commercial development of their land and natural resources, together with culturally appropriate sustainable development opportunities, including:
  - Provide land-based compensation or compensation-in-kind in lieu of cash compensation where feasible.
  - Ensure continued access to natural resources, identifying the equivalent replacement resources, or, as a last option, providing compensation and identifying alternative livelihoods if project development results in the loss of access to and the loss of natural resources independent of project land acquisition.
  - Ensure fair and equitable sharing of benefits associated with project usage of the resources where the client intends to utilise natural resources that are central to the identity and livelihood of Affected Communities of Indigenous People and their usage thereof exacerbates livelihood risk.
  - Provide Affected Communities of Indigenous Peoples with access, usage, and transit on land it is developing subject to overriding health, safety, and security considerations.

**CBD Akwé Kon Guidelines** (§ 43): In determining the scope of a social impact assessment, the following should be considered: the possible impact on access to biological resources for livelihoods.

**IHRB Guidelines** (6-8): In developing compensation and relocation packages, companies should make sure that community practices are respected.... Rather than deciding to compensate communities in kind, companies should consult local populations, and identify local needs and practices and respect those choices, provided that the community does not undermine rights of vulnerable groups within the community when making such decisions... companies should explore alternative ways, including providing a menu of options to people, so that informed choices can be made about what they wish to do with their compensation, where and how they wish to live, and provide opportunities for those who may wish to live differently... Even after relocation, communities may need access to certain areas where companies operate. This could include a better road providing access to the market or a railway station; source of water such as a lake or a river; land for pasture; or places of religious significance. Companies should always provide access to such facilities and locations. Ideally, land needed for such uses should not be acquired, but if this is the case, companies should not prevent communities, which previously occupied the land from gaining access to these places, unless there are extenuating circumstances, such as health or safety factors

**Sustainable Palm Oil Principles** (Criteria 6.4 and 7.6): Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions...Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements

### 3. Sustainable use of natural resources

3.1 Environmental impact assessment		
Governments	<p><b>PRAI</b> (Principle 7): Investors and government need to collaborate to ensure that independent environmental impact analysis to identify potential loss of public goods, such as biodiversity or forests, is conducted prior to approval.</p> <p><b>CBD Akwé Kon Guidelines</b> (para. 35): National environmental impact assessment legislation and processes should respect existing inherent land and treaty rights as well as legally established rights of indigenous and local communities.</p>	<p><b>Commonality:</b> role of state in ensuring environmental impact assessment</p> <p><b>Difference:</b> enacting legislation or also collaborating in the conduct of assessments</p>
Investors	<p><b>VGGT</b> (para. 12.10): When investments involving large-scale transactions of tenure rights, including acquisitions and partnership agreements, are being considered, States should strive to make provisions for different parties to conduct prior independent assessments on the potential positive and negative impacts that those investments could have on the environment.</p> <p><b>OECD Guidelines</b> (paras. VI.3 and VI.67): Enterprises should assess, and address in decision-making, the foreseeable environmental, health, and safety-related impacts associated with the processes, goods and services of the enterprise over their full life cycle with a view to avoiding or, when unavoidable, mitigating them. Where these proposed activities may have significant environmental, health, or safety impacts, and where they are subject to a decision of a competent authority, prepare an appropriate environmental impact assessment...Environmental assessments made by the enterprise may contain a broad and forward-looking view of the potential impacts of an enterprise's activities and of activities of sub-contractors and suppliers, addressing relevant impacts and examining alternatives and mitigation measures to avoid or redress adverse impacts.</p> <p><b>PRAI</b> (Principle 7): Environmental impacts due to a project are quantified and measures taken to encourage sustainable resource use while minimising the risk/magnitude of negative impacts and mitigating them. Investors and government need to collaborate to ensure that independent environmental impact analysis to identify potential loss of public goods, such as biodiversity or forests, is conducted prior to approval.</p> <p><b>CBD Akwé Kon Guidelines</b> (paras. 38 and 48): traditional knowledge, innovations and practices should be considered an important and integral component of baseline studies, particularly the traditional knowledge, innovations and practices of those who have a long association with the particular area for which the development is proposed...there is a particular need to examine the potential impacts of a proposed development on women in the affected community with due regard to their role as providers of food and nurturers of family, community decision-makers and heads of households, as well as custodians of biodiversity and holders of particular elements of (gender - specific) traditional knowledge, innovations and practices.</p> <p><b>Large-scale Land Acquisitions Principles</b> (Principle 9): In order to highlight the consequences of investment on the enjoyment of the right to food, impact assessments should be conducted prior to the completion of the negotiations on ... (d) the environment, including soil depletion, the use of water resources and genetic erosion... Only through such impact assessments, which should include a participatory dimension, can it be ensured that the contracts providing for the lease or sale of land will distribute the benefits equitably between the local communities, the host State, and the investor.</p> <p><b>IFC Performance Standard 1</b> (paras. 5 and 8): The client, in coordination with other responsible government agencies</p>	<p><b>Commonality:</b> investors' responsibility to carry out environmental impact assessment (independently from legal requirements in this regard)</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• over the full life-cycle</li> <li>• Independent</li> <li>• Collaboration with public authorities</li> <li>• participatory</li> <li>• limited to project area of influence</li> <li>• inclusion of traditional knowledge</li> <li>• inclusion of gender considerations</li> </ul> <p><b>Different</b> objects of assessment</p> <ul style="list-style-type: none"> <li>• environment, health and/or safety</li> <li>• right to food</li> <li>• specific attention to soil depletion, the use of water resources and genetic erosion</li> <li>• social risks</li> <li>• ecosystem services</li> <li>• biodiversity-based livelihoods of affected communities</li> <li>• cumulative impacts</li> <li>• rare, threatened or endangered species</li> <li>• high conservation value habitats</li> <li>• greenhouse gas emissions</li> </ul>

and third parties as appropriate, will conduct a process of environmental and social assessment... Environmental and social risks and impacts will be identified in the context of the project's area of influence. This area of influence encompasses, as appropriate, the area likely to be affected by: (i) the project and the client's activities and facilities that are directly owned, operated or managed (including by contractors) and that are a component of the project; (ii) impacts from unplanned but predictable developments caused by the project that may occur later or at a different location; or (iii) indirect project impacts on biodiversity or on ecosystem services upon which Affected Communities' livelihoods are dependent. Associated facilities, which are facilities that are not funded as part of the project and that would not have been constructed or expanded if the project did not exist and without which the project would not be viable. Cumulative impacts that result from the incremental impact on areas or resources used or directly impacted by the project from other existing, planned, or reasonably defined developments at the time the risks and impacts identification process is conducted.

**Principles for Responsible Investment in Farmland** (Principle 1): We will require investment managers and operators acting on our behalf to conduct an environmental assessment identifying the relevant environmental impacts and risks of a planned investment

**Sustainable Palm Oil Principles** (Criteria 5.1-5.2): Environmental impacts are identified and plans to mitigate negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement. The status of rare, threatened or endangered species and high conservation value habitats, if any, that exist in the plantation or that could be affected by the plantation or mill management shall be identified and their conservation taken into account in management plans and operations.

**Biofuels Sustainability Standards** (criterion 2.a): Biofuels operations shall undertake an impact assessment process to assess impact and risks and ensure sustainability through the development of effective and efficient implementation, mitigation, monitoring and evaluation plans [similar to **Responsible Soy Production Standards** (4.1)]

**Bonsucro Standards** (para. 4.1-2): To assess impacts of sugarcane enterprises on biodiversity and ecosystem services. To implement measures to mitigate adverse impacts where identified.

**Equator Principles** (Principle 2): environmental and social assessment to address relevant environmental and social risks and impacts of the proposed project, which should propose measures to prevent, mitigate and manage adverse impacts in a manner relevant and appropriate to the nature and scale of the proposed project. Regardless of the location, for all projects expected to emit more than 100,000 tonnes of CO2 equivalent annually an alternative analysis will be conducted to evaluate less greenhouse gases intensive alternatives

**Responsible Investor's Guide to Commodities** (paras. 6.2 and p. 24): prior to a transaction, require investment managers and operators to conduct an environmental impact assessment identifying the relevant environmental impacts and risks for a planned investment. Assess the impact of an investment on smallholder farmers and local communities.

**WWF 2050 Criteria:** A complete assessment of water resource requirements and discharge impacts should be conducted, taking into consideration crop needs, soil water holding capacity hydrological conditions, downstream human

- specific attention to smallholder farmers and local communities
- indirect land use change

	and environmental needs and uses, and impacts that the water use and discharge will have on the watershed, community health and regional ecology, especially in water-stressed areas. The plan addresses relevant risks and includes concrete measures to protect groundwater and local water bodies... Possible unintended consequences of indirect land use change have been assessed and show that the crop generates low indirect land use change risks (agricultural/waste/byproducts, produced on degraded lands, or production is integrated with food production)	
<b>3.2 Environmental management</b>		
Governments	<p><b>PRAI</b> (p. 18): Investors and government need to collaborate to ensure that:... (ii) preference be given to reclaiming or increasing productivity on areas already used rather than clear new land; (iii) the most appropriate production system is selected to enhance the efficiency of resource utilization while preserving the future availability of current resources; (iv) good practices in agriculture, processing and manufacture are followed; (v) provision of desirable ecosystem services is encouraged; and (vi) negative impacts are addressed through regularly monitored environmental management plans and compensated where appropriate.</p> <p><b>VGGT</b> (para. 12.6): States should provide safeguards to protect ... the environment from risks that could arise from large-scale transactions in tenure rights. Such safeguards could include introducing ceilings on permissible land transactions</p> <p><b>Large-scale Land Acquisitions Principles</b> (Principle 6): Host states and investors should cooperate in identifying ways to ensure that the modes of agricultural production shall respect the environment, and shall not accelerate climate change, soil depletion and the exhaustion of freshwater reserves.</p>	<p><b>Commonality:</b> states' duty to put in place legislation and monitoring to safeguard the environment from investors' activities</p> <p><b>Different</b> standards of conduct</p> <ul style="list-style-type: none"> <li>• collaboration with investors to identify environmentally sustainable production system and to establish environmental management plans</li> <li>• specific attention to climate change, soil depletion and the exhaustion of freshwater reserves, ecosystem services</li> </ul>
Investors	<p><b>PRAI</b> (Principle 7): Investors need to collaborate with the host government to ensure that: the most appropriate production system is selected to enhance the efficiency of resource utilisation while preserving the future availability of current resources; and that negative impacts are addressed through regularly monitored environmental management plans.</p> <p><b>OECD Guidelines</b> (paras. VI.1, 4, and 5): Companies should establish and maintain a system of environmental management appropriate to the enterprise, including:</p> <ol style="list-style-type: none"> <li>a) Collection and evaluation of adequate and timely information regarding the environmental, health, and safety impacts of their activities;</li> <li>b) Establishment of measurable objectives and, where appropriate, targets for improved environmental performance and resource utilisation, including periodically reviewing the continuing relevance of these objectives. Where appropriate, targets should be consistent with relevant national policies and international environmental commitments;</li> <li>c) Regular monitoring and verification of progress toward environmental, health, and safety objectives or targets...</li> </ol> <p>Consistent with the scientific and technical understanding of the risks, where there are threats of serious damage to the environment, taking also into account human health and safety, companies should not use the lack of full scientific certainty as a reason for postponing cost-effective measures to prevent or minimise such damage... Companies should also maintain contingency plans for preventing, mitigating, and controlling serious environmental and health damage from their operations, including accidents and emergencies. They should set up mechanisms for immediate reporting to the competent authorities.</p>	<p><b>Commonality:</b> investors' responsibility to establish and maintain an environmental management system subject to ongoing monitoring</p> <p><b>Different</b> objects of the environmental management plan</p> <ul style="list-style-type: none"> <li>• health and safety impacts</li> <li>• climate change/greenhouse gas emissions</li> <li>• soil depletion</li> <li>• exhaustion of freshwater reserves</li> <li>• pest management</li> <li>• nutrient management</li> <li>• impacts on biodiversity and ecosystems services</li> <li>• pollution reduction</li> </ul>



<p><b>UN Global Compact</b> (Principles 7-8): Businesses should support a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility.</p> <p><b>UNDRIP Business Reference Guide</b> (p. 72): manage hazardous materials with extreme care....Obtain free, prior informed consent....adopt a precautionary approach to environmental issues where there are potential threats of serious or irreversible environmental impact on indigenous peoples' land, territories or resources.</p> <p><b>IFC Performance Standards 1</b> (paras. 5 and 21-22) <b>and 6</b> (para. 7): The client, in coordination with other responsible government agencies and third parties as appropriate, will establish and maintain an environmental and social management system (ESMS) appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts. The ESMS will incorporate the following elements: (i) policy; (ii) identification of risks and impacts; (iii) management programs; (iv) organisational capacity and competency; (v) emergency preparedness and response; (vi) stakeholder engagement; and (vii) monitoring and review... Where applicable, the client will also assist and collaborate with the potentially Affected Communities and the local government agencies in their preparations to respond effectively to emergency situations. If local government agencies have little or no capacity to respond effectively, the client will play an active role in preparing for and responding to emergencies associated with the project. The client will document its emergency preparedness and response activities, resources, and responsibilities, and will provide appropriate information to potentially Affected Community and relevant government agencies... The client will establish procedures to monitor and measure the effectiveness of the management program, as well as compliance with any related legal and/or contractual obligations and regulatory requirements. Where the government or another third party has the responsibility for managing specific risks and impacts and associated mitigation measures, the client will collaborate in establishing and monitoring such mitigation measures. Where appropriate, clients will consider involving representatives from Affected Communities to participate in monitoring activities... As a matter of priority, the client should seek to avoid impacts on biodiversity and ecosystem services. When avoidance of impacts is not possible, measures to minimise impacts and restore biodiversity and ecosystem services should be implemented. Given the complexity in predicting project impacts on biodiversity and ecosystem services over the long term, the client should adopt a practice of adaptive management in which the implementation of mitigation and management measures are responsive to changing conditions and to the results of monitoring throughout the project's lifecycle.</p>	<ul style="list-style-type: none"> <li>• protection of riparian areas</li> </ul> <p><b>Different</b> approaches to the environmental management plan</p> <ul style="list-style-type: none"> <li>• developed in collaboration with local authorities</li> <li>• developed and monitored with stakeholders/affected communities</li> <li>• precautionary approach</li> <li>• emergency/contingency planning</li> </ul>
<p><b>Principles for Responsible Investment in Farmland</b> (Principle 1): Based on [the] environmental assessment, investment managers and operators will be expected to implement mitigation and management measures relevant and appropriate to the nature and scale of the proposed investment</p> <p><b>Sustainable Palm Oil Principles</b> (Criteria 5.1 and 5.6): Environmental impacts are identified and plans to mitigate negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p> <p><b>Bonsucro Standards</b> (3.1, 5.7 and 6.1): to monitor production and process efficiency, to measure the impacts of production and processing so that improvements are made over time. To monitor global warming emissions with a view to minimizing climate change impacts. For greenfield expansion or new sugarcane projects, to ensure transparent, consultative and participatory processes that address cumulative and induced effects via an environmental and social impact assessment. To monitor global warming emissions with a view to minimizing climate change impacts.</p>	

	<p><b>Equator Principles</b> (Principle 3): an environmental and social management plan will be prepared to address issues raised in the assessment and incorporate actions required to comply with applicable standards.</p> <p><b>Responsible Investor's Guide to Commodities</b> (6.2): develop and implement a best practice environmental management plan for every asset purchased.</p> <p><b>WWF 2050 Criteria:</b> An integrated pest management plan is developed and implemented, ideally incorporating biological controls, appropriate rates of pre-emergent and post-emergent applications and appropriate altering of active ingredients. A soil management plan is developed and implemented with a focus on soil productivity, including retention of soil biomass levels, soil structure, salinity, pH, and carbon sequestration. The plan can outline crop and geographically appropriate practices such as no-till, only planting on suitable slopes, use of cover crops, crop rotation, tree hedges, and contour planting. The plan should also include adequate protection of riparian areas. A nutrient management plan focused on optimal uptake and minimal loss of nutrients has been developed and is implemented. The plan can include: soil and foliage testing (regularly and especially prior fertilizer applications), use of variable rate technologies for fertilizer application, crop rotation, and use of cover crops and filter strips.</p>	
<b>3.3 Environmental performance</b>		
Governments	<p><b>PRAI</b> (Principle 7): Investors and government need to collaborate to ensure that: preference be given to reclaiming or increasing productivity on areas already used rather than clear new land; good practices in agriculture, processing and manufacture are followed; and provision of desirable ecosystem services is encouraged.</p> <p><b>CBD Addis Ababa Guidelines</b> (Practical Principles 1-3): Supportive policies, laws, and institutions are in place at all levels of governance and there are effective linkages between these levels; Recognizing the need for a governing framework consistent with international, national laws, local users of biodiversity components should be sufficiently empowered and supported by rights to be responsible and accountable for use of the resources concerned.</p> <p><b>Agricultural Investment strengthening family farming and sustainable food systems in Africa:</b> to redirect agricultural investments towards more agroecological, biodiverse and resilient models of production supported by participatory research, development and extension systems under farmers' control</p>	<p><b>Commonality:</b> state's duty to put in place laws, policies, institutions and support to direct investment towards:</p> <ul style="list-style-type: none"> <li>• reclaiming or increasing productivity of land areas</li> <li>• good agricultural practices</li> <li>• provision of ecosystem services</li> </ul>
Investors	<p><b>OECD Guidelines</b> (paras. VI, VI.6): Enterprises should, within the framework of laws, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives, and standards, take due account of the need to protect the environment, public health and safety, and generally to conduct their activities in a manner contributing to the wider goal of sustainable development... Companies should continually seek to improve corporate environmental performance at the level of the enterprise and, where appropriate, of its supply chain, by encouraging such activities as...exploring and assessing ways of improving the environmental performance of the enterprise over the longer term, for instance by developing strategies for emission reduction, efficient resource utilisation and recycling, substitution or reduction of use of toxic substances, or strategies on biodiversity.</p> <p><b>PRAI</b> (Principle 7): Investors and government need to collaborate to ensure that: preference be given to reclaiming or increasing productivity on areas already used rather than clear new land; good practices in agriculture, processing and</p>	<p><b>Commonality:</b> investors' responsibility to continuously improve environmental performance</p> <p><b>Different aims:</b></p> <ul style="list-style-type: none"> <li>• emission reduction</li> <li>• efficient resource utilisation (energy, water, raw materials)</li> <li>• recycling</li> <li>• avoidance of the generation of hazardous and non-hazardous waste &amp;</li> </ul>

manufacture are followed; and provision of desirable ecosystem services is encouraged.

**IFC Performance Standard 3** (paras. 4, 6, 7, 9, 10, 12, 13, 15): During the project life-cycle, the client will consider ambient conditions and apply technically and financially feasible resource efficiency and pollution prevention principles and techniques that are best suited to avoid, or where avoidance is not possible, minimise adverse impacts on human health and the environment... The client will implement technically and financially feasible and cost effective measures for improving efficiency in its consumption of energy, water, as well as other resources and material inputs, with a focus on areas that are considered core business activities. Such measures will integrate the principles of cleaner production into product design and production processes with the objective of conserving raw materials, energy, and water. Where benchmarking data are available, the client will make a comparison to establish the relative level of efficiency... In addition, the client will consider alternatives and implement technically and financially feasible and cost-effective options to reduce project-related greenhouse gas emissions during the design and operation of the project... When the project is a potentially significant consumer of water, in addition to applying the resource efficiency requirements of this Performance Standard, the client shall adopt measures that avoid or reduce water usage so that the project's water consumption does not have significant adverse impacts on others.... The client will avoid the release of pollutants or, when avoidance is not feasible, minimise and/or control the intensity and mass flow of their release. This applies to the release of pollutants to air, water, and land due to routine, non-routine, and accidental circumstances with the potential for local, regional, and transboundary impacts. Where historical pollution such as land or ground water contamination exists, the client will seek to determine whether it is responsible for mitigation measures.... The client will avoid the generation of hazardous and non-hazardous waste materials. Where waste generation cannot be avoided, the client will reduce the generation of waste, and recover and reuse waste in a manner that is safe for human health and the environment. Where waste cannot be recovered or reused, the client will treat, destroy, or dispose of it in an environmentally sound manner that includes the appropriate control of emissions and residues resulting from the handling and processing of the waste material. When hazardous waste disposal is conducted by third parties, the client will use contractors that are reputable and legitimate enterprises licensed by the relevant government regulatory agencies and obtain chain of custody documentation to the final destination. The client should ascertain whether licensed disposal sites are being operated to acceptable standards and where they are, the client will use these sites. Where this is not the case, clients should reduce waste sent to such sites and consider alternative disposal options, including the possibility of developing their own recovery or disposal facilities at the project site.... The client will avoid or, when avoidance is not possible, minimise and control the release of hazardous materials.... When pest management activities include the use of chemical pesticides, the client will select chemical pesticides that are low in human toxicity, that are known to be effective against the target species, and that have minimal effects on non-target species and the environment. When the client selects chemical pesticides, the selection will be based upon requirements that the pesticides be packaged in safe containers, be clearly labeled for safe and proper use, and that the pesticides have been manufactured by an entity currently licensed by relevant regulatory agencies.

**IFC Performance Standard 6** (paras. 20 and 26): In circumstances where a proposed project is located within a legally protected area or an internationally recognised area, the client will implement additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the area... Where feasible, the client will locate land-based agribusiness and forestry projects on unforested land or land already converted. Clients who are engaged in such industries will manage living natural resources in a sustainable manner, through the application of industry-specific good management practices and available technologies. Where such primary production practices are codified in globally, regionally, or nationally recognised standards, the client will implement sustainable management practices to one or more relevant and credible standards as demonstrated by independent verification or certification.

safe disposal of waste

- substitution or reduction of use of toxic substances
- reclaiming or increasing productivity of land areas
- good agricultural practices
- provision of ecosystem services
- pollution prevention
- selection of agrochemicals
- respect for protected areas and high conservation value areas
- sustainable use of living resources (international certification)
- maintain or improve soil fertility
- monitor, control and minimize the spread of invasive introduced species
- monitor origin of seeds
- preference for unforested lands or lands already converted

**Principles for Responsible Investment in Farmland** (Principle 1): We will promote measures aimed at protecting the environment and contributing to the sustainability of specific crops and locations, for example by reducing soil erosion, protecting biodiversity, reducing chemical emissions, effectively managing water and mitigating climate impacts

**Sustainable Palm Oil Principles** (Criteria 4.2-4.6 and 5.3-5.5): Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield; minimize and control erosion and degradation of soils; maintain the quality and availability of surface and ground water. Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate integrated pest management techniques. Agrochemicals are used in a way that does not endanger health or the environment. Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner. Energy efficiency and the use of renewable energy is maximized. The use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations identified by regional best practices.

**Biofuels Sustainability Standards** (Principle 3 and 7-10, and criteria 11.d-e): Biofuels shall contribute to climate change mitigation by significantly reducing lifecycle greenhouse gas emissions as compared to fossil fuels

Biofuel operations shall avoid negative impacts on biodiversity, ecosystems and conservation values (buffer zones, corridors, prevent invasive species). Biofuel operations shall implement practices that seek to reverse soil degradation and/or maintain soil health. Biofuel operations shall maintain or enhance the quality and quantity of surface and ground water resources, and respect prior formal or customary water rights (water management plan, not contributing to the depletion of surface or groundwater resources beyond replenishment capacities; contribution to the enhancement of maintenance of the quality of the surface and groundwater resources). Air pollution shall be minimized along the supply chain (identification of air pollution emission sources, minimization of emissions through an air management plan; eliminate or avoid open-air burning of residues, wastes or by-products or open-air burning to clear the land).

Good practices shall be implemented for the storage, handling, use and disposal of biofuels and chemicals. Residues, wastes, and byproducts from feedstock processing and biofuel production units shall be managed such that soil, water and air physical, chemical and biological conditions are not damaged

**Responsible Soy Production Standards** (criteria 4.2-5 and 5.1-7): Pollution is minimized and production waste is managed responsibly. Efforts are made to reduce emissions and increase sequestration of greenhouse gases on the farm. Expansion of soy cultivation is responsible (ref. to high conservation value areas). On-farm biodiversity is maintained and safeguards through the preservation of native vegetation. The quality and supply of surface and ground water is maintained or improved. Natural vegetation areas around springs and along natural watercourses are maintained or re-established. Soil quality is maintained or improved and erosion is avoided by good management practices. Native environmental and health impacts of phytosanitary products are reduced by implementation of systematic, recognised integrated crop management techniques. All application of agrochemicals is documented and all handling, storage, collection and disposal of chemical waste and empty containers is monitored to ensure compliance with good practice. Agrochemicals listed in the Stockholm and Rotterdam Conventions are not used. The use of biological control agents is documented, monitored and controlled in accordance with national laws and internationally accepted scientific protocols. Systematic measures are planned and implemented to monitor, control and minimize the spread of invasive introduced species and new pests. Appropriate measures are implemented to prevent the drift of agrochemicals to neighbouring areas. Appropriate measures are implemented to allow for coexistence of different

production systems. Origin of seeds is controlled to improve production and prevent introduction of new diseases.

**Bonsucro Standards (paras. 5.2, 5.4-6 and 6.2):** to continuously improve the status of soil and water resources. To promote energy efficiency. To reduce emissions and effluents. To promote recycling of waster streams where practical. To protect land with high biodiversity value, land with high carbon stock and peatlands.

**Recommended Guidelines for Responsible Land Investments:** ensure that land investments support an environmentally sustainable agro-ecological approach by reducing soil erosion, protecting native biodiversity and effectively managing water and other existing natural resources.

**Responsible Investor's Guide to Commodities** (p. 24): Avoid investments in crops that are unsuited to local conditions. Avoid investments in land conversion plays (e.g. forestland turned to pasture or fields).

**WWF 2050 Criteria:** the area of land to be utilized does not contain and is not suspected of containing native forest or high conservation value (HCV) areas. This area has not been converted from native forest or HVC since May 2009.

Agrochemicals are properly used on site, judiciously and in targeted fashion using available expertise. There is no use of hazardous agrochemicals listed as Classification I or II in the WHO Recommended Classification of Pesticides by Hazard. Agrochemicals are prepared and applied by trained personnel and not by children or pregnant women. Potential impacts on local communities of chemical run-off and spraying are assessed and managed.

Efforts are made to reduce fossil fuel emissions on farm and increase greenhouse gas sequestration. Techniques can include soil carbon management and restoration of native vegetation.

The area of land to be utilized does not contain high carbon stocks (peat lands or forests). Efforts are made to increase carbon sequestration in the management unit. Techniques can include soil carbon management, restoration of national vegetation, and eliminating burning practices. ...a reliable methodology is used to measure and manage life-cycle greenhouse gas emissions from the use of agricultural inputs, fossil energy and waste management.

**Fairtrade:** you must not apply pesticides and other hazardous chemicals within 10 meters from ongoing human activity. A buffer zone of at least 10 meters must be kept unless there is a barrier that effectively reduces pesticide drift. Alternatively appropriate re-entry intervals can be applied so that people are not affected by pesticide drift. You must maintain a central storage area for pesticides and other hazardous chemicals that minimizes risks. You must no reuse pesticide and other hazardous chemical contains to store or transport food or water. All equipment that has been in contact with hazardous materials must be cleaned and stored properly.

You must identify land at risk of soil erosion and land that is already eroded in the fields [where you operate].

You must list sources of water used for irrigating and processing crops. You must keep informed about the situation of the water sources in your area. In case of local environmental authorities or other entities consider that your water sources are being depleted or are in a critical situation or under excessive pressure, you must engage in a dialogue with the authorities or local existing initiatives in order to identify possible ways to be involved in research or solutions finding. You must handle wastewater from central processing facilities in a manner that does not have a negative impact on water quality, soil fertility and food safety.

You must have designated areas for the storage and disposal of hazardous waste.

	<p>You must not use intentionally genetically engineered seed or planting stock. You must implemented practices to avoid genetically modified contamination in seed stocks.</p> <p>You must avoid negative impacts on protected areas and in areas with high conservation value within or outside the farm or production areas.</p> <p>You must maintain buffer zones around bodies of water and watershed recharge areas and between production areas and areas of high conservation value either protected or not. Pesticides, other hazardous chemicals and fertilizers must not be applied in buffer zones.</p> <p>You must keep records of energy consumption, take measures to use energy more efficiently and replace non-renewable sources by renewable ones as far as possible.</p>	
--	--	--

#### 4. Economic issues

4.1 Anti-bribery		
Governments	<p><b>VGGT</b> (paras 3.1 and 6.9): States should endeavour to prevent corruption in all forms, at all levels, and in all settings. States should endeavour to prevent corruption with regard to tenure rights...particularly through consultation and participation, rule of law, transparency and accountability. States should adopt and enforce anti-corruption measures including applying checks and balances, limiting the arbitrary use of power, addressing conflicts of interest and adopting clear rules and regulations. States should provide for the administrative and/or judicial review of decisions of implementing agencies. Staff working on the administration of tenure should be held accountable for their actions. They should be provided with the means of conducting their duties effectively. They should be protected against interference in their duties and from retaliation for reporting acts of corruption.</p>	<p><b>Commonality:</b> states' duty to prevent corruption through legislation, administrative/judicial review, consultation</p>
Investors	<p><b>OECD Guidelines</b> (paras. II.A.5, II.A.15, and VII): Companies should refrain from seeking or accepting exemptions not contemplated in the statutory or regulatory framework related to human rights, environmental, health, safety, labour, taxation, financial incentives, or other issue... Companies should abstain from any improper involvement in local political activities. Enterprises should not, directly or indirectly, offer, promise, give, or demand a bribe or other undue advantage to obtain or retain business or other improper advantage. Enterprises should also resist the solicitation of bribes and extortion. In particular, enterprises should:</p> <ul style="list-style-type: none"> <li>• Not offer, promise or give undue pecuniary or other advantage to public officials or the employees of business partners; not request, agree to or accept undue pecuniary or other advantage from public officials or the employees of business partners. Enterprises should not use third parties such as agents and other intermediaries, consultants, representatives, distributors, consortia, contractors and suppliers and joint venture partners for channelling undue pecuniary or other advantages to public officials, or to employees of their business partners or to their relatives or business associates;</li> <li>• Develop and adopt adequate internal controls, ethics and compliance programmes or measures for preventing and detecting bribery, developed on the basis of a risk assessment addressing the individual circumstances of an enterprise, in particular the bribery risks facing the enterprise;</li> <li>• Prohibit or discourage, in internal company controls, ethics and compliance programmes or measures, the use of small facilitation payments, which are generally illegal in the countries where they are made, and, when such payments are made, accurately record these in books and financial records;</li> <li>• Ensure, taking into account the particular bribery risks facing the enterprise, properly documented due diligence pertaining to the hiring, as well as the appropriate and regular oversight of agents, and that remuneration of agents is appropriate and for legitimate services only;</li> <li>• Enhance the transparency of their activities in the fight against bribery, bribe solicitation and extortion;</li> <li>• Not make illegal contributions to candidates for public office or to political parties or to other political organisations. Political contributions should fully comply with public disclosure requirements and should be reported to senior management.</li> </ul> <p><b>Global Compact</b> (Principle 10): Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p><b>Commonality:</b> investors' responsibility to prevent or avoid corruption</p> <p><b>Difference:</b> OECD Guidelines are the most detailed as to the standard of conduct expected from investors</p> <ul style="list-style-type: none"> <li>• Exemptions from legal requirements</li> <li>• Involvement in local politics</li> <li>• Undue advantages</li> <li>• Due diligence in hiring</li> </ul>

	<p><b>VGGT</b> (paras. 16.6, but also 6.9, 8.9, 9.12, 17.5): All parties should endeavour to prevent corruption, particularly through use of objectively assessed values, transparent and decentralised processes and services, and a right to appeal.</p> <p><b>Responsible Investor's Guide to Commodities</b> (6.2): require that operators and managers comply with local and international laws, even where they are poorly enforced, and require them to implement policies avoiding corruption in all forms, including extortion and bribery. [similar to <b>Principles for Responsible Investment in Farmland</b> (Principle 4)]</p>	
<b>4.2 Anti-competition</b>		
Governments		
Investors	<p><b>OECD Guidelines</b> (X.2-3): Enterprises should refrain from entering into or carrying out anti-competitive agreements among competitors...[and] cooperate with investigating competition authorities by, among other things and subject to applicable law and appropriate safeguards, providing responses as promptly and completely as practicable to requests for information, and considering the use of available instruments, such as waivers of confidentiality where appropriate, to promote effective and efficient co-operation among investigating authorities</p>	<p><b>Gap:</b> this issue is not addressed in any other relevant instrument</p>
<b>4.3 Taxes</b>		
Governments	<p><b>VGGT</b> (paras. 19.1-3): States have the power to raise revenue through taxation related to tenure rights so as to contribute to the achievement of their broader social, economic and environmental objectives. These objectives may include encouraging investment or preventing undesirable impacts that may arise, such as from speculation and concentration of ownership or other tenure rights...states should strive to develop policies, laws and organizations frameworks for regulating all aspects pertaining to taxation of tenure rights. Tax policies and laws should be used where appropriate to provide for effective financing for decentralized levels of government and local provision of services and infrastructure. States should administer taxes efficiently and transparently.</p>	
Investors	<p><b>OECD Guidelines</b> (XI.1-2): Enterprises should comply with both the letter and spirit of the tax laws and regulations of the countries in which they operate...[by] providing to the relevant authorities timely information that is relevant or required by law for purposes of the correct determination of taxes to be assessed in connection with their operations and conforming transfer pricing practices to the arm's length principle... Corporate boards should adopt tax risk management strategies to ensure that the financial, regulatory and reputational risks associated with taxation are fully identified and evaluated</p>	<p><b>Gap:</b> this issue is not addressed as a matter of investors' responsibility in any other relevant instrument</p>

## 5. Technology and innovation

Governments		
Investors	<p><b>OECD Guidelines</b> (IX): Enterprises should:</p>	<p><b>Different</b> standards of conduct</p>



<ul style="list-style-type: none"> <li>• Endeavour to ensure that their activities are compatible with the science and technology policies and plans of the countries in which they operate and as appropriate contribute to the development of local and national innovative capacity;</li> <li>• Adopt, where practicable in the course of their business activities, practices that permit the transfer and rapid diffusion of technologies and know-how, with due regard to the protection of intellectual property rights;</li> <li>• When appropriate, perform science and technology development work in host countries to address local market needs, as well as employ host country personnel in a science and technology capacity and encourage their training, taking into account commercial needs;</li> <li>• When granting licenses for the use of intellectual property rights or when otherwise transferring technology, do so on reasonable terms and conditions and in a manner that contributes to the long term sustainable development prospects of the host country;</li> <li>• Where relevant to commercial objectives, develop ties with local universities, public research institutions, and participate in co-operative research projects with local industry or industry associations.</li> </ul> <p><b>UN Global Compact</b> (Principle 9): Businesses should encourage the development and diffusion of environmentally friendly technologies.</p> <p><b>ILO MNE Declaration</b> (para. 19): Multinational enterprises, when investing in developing countries, should have regard to the importance of using technologies which generate employment, both directly and indirectly. To the extent permitted by the nature of the process and the conditions prevailing in the economic sector concerned, they should adapt technologies to the needs and characteristics of the host countries. They should also, where possible, take part in the development of appropriate technology in host countries.</p> <p><b>UN Global Compact on Food Sustainability</b> (suggested actions in Section 6 on the role of ICT): Businesses should:</p> <ul style="list-style-type: none"> <li>• Advocate for policy frameworks that reduce investment risks and ensure financial sustainability of ICT investments for rural development and underserved areas;</li> <li>• Explore other areas of potential ICT uses, such as access to information databases and repositories, process applications for information collection and processing that help protect the environment or biodiversity, monitor local conditions, help increase productivity or facilitate market access, and weather process monitoring;</li> <li>• Collaborate with local rural government agencies, research institutions, universities and NGOs in developing content and making information accessible to encourage localised solutions and applications;</li> <li>• Invest in the design of ICT appropriate for the use in rural areas and suited to the needs of local communities, taking into consideration local needs, culture, language and socio-economic context;</li> <li>• Partner with local government and regional agencies to invest in training and local capacity-building.</li> </ul> <p><b>Biofuels Sustainability Standards</b> (criteria 11.a-c): Information on the use of technologies in biofuel operations shall be fully available, unless limited by national law or international agreements on intellectual property. The technologies used in biofuel operations shall minimize the risk of damage to environment and people and improve environmental and/or social performance over the long term. Micro-organisms used in biofuel operations which may represent a risk to the environment and people shall be adequately contained to prevent release into the environment</p>	<ul style="list-style-type: none"> <li>• Ensure compatibility with national science and technology plans</li> <li>• Facilitate tech transfer and diffusion</li> <li>• Employ local personnel in tech development</li> <li>• Use technologies that generate employment</li> <li>• Use technologies that help protect the environment or biodiversity, help increase productivity or facilitate market access</li> <li>• Invest in technologies suited to the needs of local communities</li> <li>• Local training and capacity-building</li> <li>• Development of technologies in host countries</li> </ul>
---	--