



**\*Principles for Responsible Investment in Agriculture and Food Systems\***

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## **\*Introduction\***

### **\*Background and Rationale\***

1. \*Responsible investment in agriculture and food systems is essential for enhancing food security and nutrition and supporting the progressive realization of the right to adequate food in the context of national food security. Responsible investment is a significant contribution to enhancing sustainable livelihoods, in particular for smallholders, and members of marginalized and vulnerable groups, creating decent work for all agricultural and food workers eradicating poverty, fostering social and gender equality, eliminating the worst forms of child labour, promoting social participation and inclusiveness, increasing economic growth, and therefore achieving sustainable development\*.
2. \*Agriculture and food systems encompass the entire range of activities involved in the production, processing, marketing, retail, consumption, and disposal of goods that originate from agriculture, including food and non-food products, livestock, pastoralism, fisheries including aquaculture, and forestry; and the inputs needed and the outputs generated at each of these steps. Food systems also involve a wide range of stakeholders, people and institutions, as well as the socio-political, economic, technological and natural environment in which these activities take place.\*
3. \*Addressing the four dimensions of food security and nutrition - availability, access, stability, and utilization – requires a significant increase in responsible investment in agriculture and food systems. Responsible investment in agriculture and food systems refers to the creation of productive assets and capital formation, which may comprise physical, human or intangible capital, oriented to support the realisation of food security, nutrition and sustainable development, including increased production and productivity, in accordance with the Principles outlined in this document. Responsible investment in agriculture and food systems requires respecting, protecting, and promoting human rights, including the progressive realization of the right to adequate food in the context of national food security, in line with the Universal Declaration of Human Rights and other relevant international human rights instruments. Responsible investment can be supplied by a wide range of stakeholders.\*
4. \*Given the vital role of smallholders, including those that are family farmers, - women and men - in investing in agriculture and food systems, it is particularly important that their capacity to invest be strengthened and secured. Responsible investment includes priority investments in, by, and with smallholders including those that are small-scale producers and processors, pastoralists, artisans, fishers, communities closely dependant on forests, indigenous peoples, and agricultural workers. To strengthen and secure smallholders' own investments, it is also necessary to engage with and promote responsible investment by other stakeholders in accordance with the following Principles.\*
5. \*Farmers should be recognized as key contributors to food security and nutrition and as major investors in the agricultural sector, in particular taking into account those family farms that invest their own capital and labour in their agricultural activity.\*

6. \*Investing in agriculture and food systems can produce multiplier effects for complementary sectors, such as the service or manufacturing industries; thus further contributing to food security and nutrition, and overall economic development. Without accompanying investment in public goods and services, such as infrastructure or a reinforced capacity for the local government to deliver public services, many investments in agriculture and food systems would not be possible. However, the viability of investments in agriculture and food systems is also dependent on well-functioning ecosystems and sustainable use of natural resources. At the same time, the value of safety and health in generating productive agriculture and food systems is important and investing successfully means taking a holistic approach in terms of human, animal, environmental and overall public health. Responsible investment entails respect for gender equality, age, and non-discrimination and requires reliable, coherent and transparent law and regulations.\*
7. \*The Principles for Responsible Investment in Agriculture and Food Systems prepared by CFS provide added value through a multi-stakeholder, holistic, and consensus-driven approach which fosters global ownership and application. The Principles take into account existing guiding frameworks such as the Principles for Responsible Agricultural Investment that respects rights, livelihoods, and resources (PRAI) developed by FAO, IFAD, United Nations Conference on Trade and Development (UNCTAD), the World Bank and build on the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) and the Voluntary Guidelines on the Progressive Realization of the Right to Adequate Food in the Context of National Food Security.\*
8. \*The Principles were developed by an Open Ended Working Group over the course of October 2012 – October 2014. They are based on an inclusive process of consultations that occurred from November 2013 – March 2014. Regional consultations and workshops were held in Africa, Europe and Central Asia, North America, Asia and the Pacific, Latin America and the Caribbean, and the Near East. The Principles also include feedback received through an electronic consultation. Consultations included governments, UN agencies, civil society and non-governmental organizations, international agricultural research institutions, private sector associations and private philanthropic foundations, international and regional financial institutions.\*
9. [The Principles were endorsed by the CFS at its .....Session on .....]

### **\*Objective\***

10. \*The objective of the Principles is to promote responsible investment in agriculture and food systems that contribute to food security and nutrition, thus supporting the progressive realization of the right to adequate food in the context of national food security.\*

### **\*Purpose\***

11. \*This document seeks to:
  - i. \*Address the core elements of what makes investment in agriculture and food systems responsible;\*
  - ii. \*Identify who the key stakeholders are, and their respective roles and responsibilities with respect to responsible investment in agriculture and food systems;\*
  - iii. \*Serve as a framework to guide the actions of all stakeholders engaged in agriculture and food systems by defining Principles which can promote much needed responsible investment, enhance livelihoods, and guard against and mitigate risks to food security and nutrition.\*

### **\*Nature and Scope\***

12. \*The Principles are voluntary and non-binding.\*
13. \*The Principles should be interpreted and applied consistently with existing obligations under national and international law, with due regard to voluntary commitments under applicable regional and international instruments. Nothing in the Principles should be read as limiting or undermining any legal obligations to which a State may be subject under international law.\*
14. \*The Principles should be interpreted and applied in accordance with national legal systems and their institutions.\*
15. \*The Principles are global in scope and have been developed to be universally applicable, acknowledging the particular role and needs of smallholders worldwide, in combination with other stakeholders, in addressing food security and nutrition. They are designed to be applicable to all sectors and all stages of agriculture and food systems through the appropriate means and specific roles of the stakeholders involved, which vary depending on the nature, structure, and type of investment, as well as the national context.\*

### **\*Intended Users\***

16. \*The Principles address stakeholders involved in, benefitting from, and affected by investments in agriculture and food systems. Primary users of the Principles include:
  - i. \*States;\*
  - ii. \*Inter-governmental and Regional Organizations;\*
  - iii. \*Financing Institutions, Donors, Foundations and Funds;\*
  - iv. \*Research Organizations, Universities, and Extension Organizations;\*
  - v. \*Smallholders and their Organizations;\*
  - vi. \*Business Enterprises including Farmers;\*
  - vii. \*Civil Society Organizations;\*
  - viii. \*Workers and their Organizations;\*
  - ix. \*Communities;\*
  - x. \*Consumer Organizations.\*

## **\*The Principles\***

17. \*The Principles illustrate the integrated multi-faceted nature of food security and nutrition. Each of the Principles contributes to food security and nutrition, and in total they describe responsible investment in agriculture and food systems. The Principles are complementary but not every Principle may be relevant for every investment. The text below each Principle sets out the actions by which each Principle can be accomplished. In some cases, all of the actions may be necessary to achieve a Principle, while in others they may not, depending on the specific context. The actions to achieve a Principle should be determined by each stakeholder in line with their roles and responsibilities as set out in this document.\*

## **\*Conceptual Framework\***

18. \*Food security exists when all people, at all times, have physical, economic and social access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life. The four key dimensions of food security are availability, access, utilization and stability. The nutritional dimension is integral to the concept of food security.\*

19. \*A)The Principles are based on the following documents as the foundation for responsible investment in agriculture and food systems:

- i. *Universal Declaration of Human Rights* - Adopted by the UN General Assembly on 10 December 1948 and human rights treaties which are binding for the respective State Parties;
- ii. *International Labour Organization Declaration (ILO) on the Fundamental Principles and Rights at Work* – Adopted by the International Labour Conference in June 1998;
- iii. *Voluntary Guidelines on the Progressive Realization of the Right to Adequate Food in the Context of National Food Security* – Adopted by FAO in 2004;
- iv. *United Nations Declaration on the Rights of Indigenous Peoples* – Adopted by the United Nations General Assembly on 7 September 2007;
- v. *Guiding Principles on Business and Human Rights* – Endorsed by the UN Human Rights Council in June 2011 and the ten Principles of the UN Global Compact in 2000;
- vi. *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security* – Adopted by the CFS in May 2012;
- vii. *Voluntary Guidelines for Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication* –Endorsed by the Committee on Fisheries at its 31<sup>st</sup> Session in June 2014;
- viii. *Global Strategic Framework for Food Security and Nutrition(GSF)* of the CFS
- ix. *Rio Declaration on Environment and Development*, proclaimed by the UN Conference on Environment and Development in June 1992; and
- x. The Outcome document on the UN Conference on Sustainable Development *The Future We Want* adopted UNCSO in June 2012.\*

B)\*The following documents, which are only binding for their respective Parties, are also relevant for the Principles:

- i. International Treaty on Plant Genetic Resources for Food and Agriculture;
- ii. UN Framework Convention on Climate Change (UNFCCC);
- iii. Convention Against Corruption;
- iv. Relevant Multilateral WTO Agreements.\*

20. \*Overarching values for the implementation of the Principles are consistent with the Principles of implementation from the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security: human dignity, non-discrimination, equity and justice, gender equality, holistic and sustainable approach,

consultation and participation, the rule of law, transparency, accountability, and continuous improvement. Responsible investment should respect and not infringe on the human rights of others and address adverse human rights impacts. It should safeguard against dispossession of legitimate tenure rights and environmental damage.\*

**\*Principle 1: Contribute to food security and nutrition\***

21. \*Responsible investment in agriculture and food systems supports States' obligations regarding the progressive realization of the right to adequate food in the context of national food security, and all intended users' responsibility to respect human rights. Responsible investment in agriculture and food systems contributes to food security and nutrition, particularly for the most vulnerable, at the household, local, national, regional, or global level and to eradicating poverty through:\*
- i. \*Increasing sustainable production and productivity of safe, nutritious, diverse, and culturally acceptable food and reducing food loss and waste;\*
  - ii. \*Improving income and reducing poverty, including through participation in agriculture and food systems and/or through improving the ability to produce food for oneself and others;\*
  - iii. \*Enhancing the fairness, transparency, efficiency, and functioning of markets, in particular taking into account the interests of smallholders, improving related infrastructure, and increasing the resilience of agriculture and food systems;\*
  - iv. \*Enhancing food utilization through access to clean water, sanitation, energy, technology, childcare, healthcare, and access to education, including on how to prepare, provide, and maintain safe and nutritious food.\*

**\*Principle 2: Contribute to sustainable and inclusive economic development and the eradication of poverty\***

22. \*Responsible investment in agriculture and food systems contributes to sustainable and inclusive economic development and poverty eradication by:\*
- i. \*Respecting the fundamental principles and rights at work, especially those of agricultural and food workers, as defined in the ILO core conventions;\*
  - ii. \*Supporting the effective implementation of other international labour standards, where applicable, giving particular attention to standards relevant to the agri-food sector and the elimination of the Worst Forms of Child Labour;\*
  - iii. \*Creating new jobs and fostering decent work through improved working conditions, occupational safety and health, adequate living wages, and/or training for career advancement;\*
  - iv. \*Improving income, generating shared value through enforceable and fair contracts, fostering entrepreneurship and equal access to market opportunities both on-farm and for upstream and downstream stakeholders;\*
  - v. \*Contributing to rural development, improving social protection coverage and the provision of public goods and services such as research, health, education, capacity development, finance, infrastructure, market functioning, and fostering rural institutions;\*
  - vi. \*Supporting the implementation of policies and actions aimed at empowering and improving human resource capacity for stakeholders, particularly for smallholders, including those that are family farmers, women and men, and their organizations, and promoting their access to resources and inputs, as appropriate;\*
  - vii. \*Promoting greater coordination, cooperation, and partnerships to maximize synergies to improve livelihoods; \*
  - viii. \*Promoting sustainable patterns of consumption and production to achieve sustainable development.\*

**\*Principle 3: Foster gender equality and women's empowerment\***

23. \*Responsible investment in agriculture and food systems fosters gender equality and women's empowerment by:\*
- i. \*Ensuring that all people are treated fairly, recognizing their respective situations, needs, constraints, and the vital role played by women;\*
  - ii. \*Eliminating all measures and practices that discriminate or violate rights on the basis of gender;\*
  - iii. \*Advancing women's equal tenure rights, and their equal access to and control over productive land, natural resources, inputs, productive tools; and promoting access to extension, advisory, and financial services, education, training, markets, and information;\*
  - iv. \*Adopting innovative and/or proactive approaches, measures, and processes to enhance women's meaningful participation in partnerships, decision-making, leadership roles, and the equitable sharing of benefits.\*

**\*Principle 4: Engage and empower youth\***

24. \*Responsible investment in agriculture and food systems engages and empowers youth by:\*
- i. \*Advancing their access to productive land, natural resources, inputs, productive tools, extension, advisory, and financial services, education, training, markets, information, and inclusion in decision-making;\*
  - ii. \*Providing appropriate training, education, and mentorship programs for youth to increase their capacity and/or access to decent work and entrepreneurship opportunities, and foster their contribution to local development;\*
  - iii. \*Promoting development and access to innovation and new technologies, combined with traditional knowledge, to attract and enable youth to be drivers of improvement in agriculture and food systems.\*

**\*Principle 5: Respect tenure of land, fisheries, forests and access to water\***

25. \*Responsible investment in agriculture and food systems respects legitimate tenure rights to land, fisheries, and forests, as well as existing and potential water uses in line with:\*
- i. \*The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security, in particular, but not limited to, Chapter 12.\*
  - ii. \*The Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication.\*

**\*Principle 6: Conserve and sustainably manage natural resources, increase resilience, and reduce disaster risks\***

26. \*Responsible investment in agriculture and food systems conserves, and sustainably manages natural resources, increases resilience, and reduces disaster risks by:\*
- i. \*Preventing, minimising, and remedying, as appropriate, negative impacts on air, land, soil, water, forests, and biodiversity\*;
  - ii. \*Supporting and conserving biodiversity and genetic resources, including local genetic resources, and contributing to the restoration of ecosystem functions and services, and in this regard, recognizing the role played by indigenous peoples and local communities.\*
  - iii. \*Reducing waste and losses in production and post-harvest operations, and enhancing the efficiency of production, the sustainability of consumption, and the productive use of waste and/or by-products; \*
  - iv. \*Increasing resilience of agriculture and food systems, the supporting habitats, and related livelihoods, particularly for smallholders, to the effects of climate change through adaptation measures;\*
  - v. \*Taking measures, as appropriate, to reduce and/or remove greenhouse gas emissions;\*



- vi. \*Integrating traditional and scientific knowledge with best practices and technologies through different approaches, including agro-ecological approaches and sustainable intensification, among others.\*

**\*Principle 7: Respect cultural heritage and traditional knowledge, and support diversity and innovation\***

27. \*Responsible investment in agriculture and food systems respects cultural heritage and traditional knowledge, and supports diversity, including genetic diversity, and innovation by:\*

  - i. \*Respecting cultural heritage sites and systems, including traditional knowledge, skills, and practices; and recognizing the role of indigenous peoples and local communities in agriculture and food systems;\*
  - ii. \*Recognizing the contributions of farmers, especially smallholders in all regions of the world, particularly those in centers of origin and diversity, in conserving, improving, and making available genetic resources, including seeds; and, subject to national law and in accordance with applicable international treaties, respecting their rights, to save, use, exchange, and sell these resources, and recognizing the interests of breeders;\*
  - iii. \*Promoting fair and equitable sharing of benefits arising from the utilization, including commercial, of genetic resources for food and agriculture, on mutually agreed terms, in accordance with international treaties, where applicable for parties to such treaties. This should be done within applicable systems of access to genetic resources for food and agriculture, while respecting the rights of indigenous peoples and local communities under national law;\*
  - iv. \*Promoting the application and use of locally adapted and innovative technologies and practices, agricultural and food sciences, research and development, as well as the transfer of technology as mutually agreed, including for smallholders.\*

**\*Principle 8: Promote safe and healthy agriculture and food systems\***

28. \*Responsible investment in agriculture and food systems promotes safety and health through:\*

  - i. \*Promoting safety, quality, and the nutritional value of food and agricultural products;\*
  - ii. \*Supporting animal health and welfare, and plant health, to sustainably increase productivity, product quality, and safety;\*
  - iii. \*Improving the management of agricultural inputs and outputs, to enhance the efficiency of production and minimize potential threats to the environment and to plant, animal, and human health, including occupational hazards;\*
  - iv. \*Managing and reducing risks to public health across agriculture and food systems, including strengthening science based strategies and programmes for the control of food safety, with supporting infrastructure and resources;\*
  - v. \*Enhancing awareness, knowledge, and communication, related to evidence based information on food quality, safety, nutrition, and public health issues, leading to strengthened capacity along the entire agriculture and food system, particularly for smallholders;\*
  - vi. \*Enabling consumer choice by promoting the availability of and access to food that is safe, nutritious, diverse and culturally acceptable, which in the context of this document is understood as food that corresponds to individual and collective consumer demand and preferences, in line with national and international law as applicable.\*

**\*Principle 9: Incorporate inclusive and transparent governance structures, processes, and grievance mechanisms \***

29. \*Responsible investment in agriculture and food systems should abide by national legislation and public policies, and incorporate inclusive and transparent governance structures, processes, decision-making, and grievance mechanisms, accessible to all, through:\*

  - i. \*Respecting the rule and application of law free of corruption;\*



- ii. \*Sharing of information relevant to the investment, in accordance with applicable law, in an inclusive, equitable, accessible, and transparent manner at all stages of the investment cycle;\*
- iii. \*Engaging with and seeking the support of those who could be directly affected by investment decisions prior to decisions being taken and responding to their contributions, taking into account existing power imbalances, in order to achieve active, free, effective, meaningful and informed participation of individuals and groups in associated decision-making processes in line with the Voluntary Guidelines on the Responsible Governance of Tenure;\*
- iv. [Effective and meaningful consultation with indigenous peoples, through their 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 understanding of individual States;]
- v. \*Promoting access to transparent and effective mediation, grievance, and dispute resolution mechanisms, particularly for the most vulnerable and marginalized;\*
- vi. \*Taking steps to respect human rights and legitimate tenure rights, during and after conflict, to achieve free, effective, meaningful, and informed participation in decision-making processes associated with investments in agriculture and food systems with all parties affected by the investments, including farmers, consistent with applicable international law, including human rights law and international humanitarian law, and in accordance with the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security.\*

**\*Principle 10: Assess and address impacts and promote accountability\***

30. \*Responsible investment in agriculture and food systems includes mechanisms to assess and address economic, social, environmental, and cultural impacts, considering smallholders, gender, and age, among other factors, and respects human rights, and promotes accountability of each actor to all relevant stakeholders, especially the most vulnerable by:\*
- i. \*Applying mechanisms that provide for independent and transparent assessments of potential impacts involving all relevant stakeholder groups, in particular the most vulnerable;\*
  - ii. \*Defining baseline data and indicators for monitoring and to measure impacts;\*
  - iii. \*Identifying measures to prevent and address potential negative impacts, including the option of not proceeding with the investment;\*
  - iv. \*Regularly assessing changes and communicating results to stakeholders;\*
  - v. \*Implementing appropriate and effective remedial and/or compensatory actions in the case of negative impacts or non-compliance with national law or contractual obligations.\*

## **\*Roles and Responsibilities of Stakeholders\***

31. \*Promoting responsible investment in agriculture and food systems that contribute to food security and nutrition and which support the progressive realization of the right to adequate food in the context of national food security is the collective responsibility of all stakeholders. These Principles should be promoted, supported and utilized by all stakeholders according to their respective individual or collective needs, mandates, abilities, and relevant national contexts.\*

### **\*States\***

32. \*States have the primary responsibility for achieving food security and nutrition, fulfilling their obligations under international instruments relevant to the progressive realization of the right to adequate food in the context of national food security; and respecting, protecting and fulfilling the human rights of all individuals. States should set out clearly the expectation that investors domiciled in their territory and/or jurisdiction respect human rights throughout their operations.\*
33. \*States should ensure, to the extent possible, that actions related to responsible investment in agriculture and food systems both at home and abroad, are consistent with their existing obligations under national and international law, and international agreements related to trade and investment, with due regard to voluntary commitments under applicable regional and international instruments. States should maintain adequate domestic policy space to meet their human rights obligations when pursuing business-related policy objectives with other States or business enterprises, for instance through investment treaties or contracts, in line with the Guiding Principles on Business and Human Rights.\*
34. \*States should not apply the Principles in a manner that may create or disguise barriers to trade, or promote protectionist interests, or in a way which imposes their own policies on other nations.\*
35. \*States should apply the Principles as part of their overall efforts to address food security and nutrition within their own territory. States are encouraged to develop stable and long-term national food security and nutrition strategies, including, as appropriate, social protection strategies and systems, such as social protection floors and safety-nets, to protect the most vulnerable including agricultural and food workers.\*
36. \*States play a unique role in fostering an enabling environment for responsible investment in agriculture and food systems, in accordance with their national and regional development strategies as appropriate, given their specific function in the areas of legislation, policy, public administration, and provision of public goods. States are encouraged to promote an enabling policy, legal, regulatory, and institutional environment, including appropriate safeguards where necessary, to foster responsible investment that treats all investors fairly and equitably, taking into consideration the specific needs and interests of smallholders. The foundation for an enabling environment is coherence, consistency, and predictability among policies, laws, and regulations in the range of areas related to agriculture and food systems. Coherence and consistency can be further strengthened by multi and inter-sectorial planning and coordination. Policy coherence, related to both domestic and foreign transactions and all types of stakeholders can be addressed through:\*
- i. \*Applying the Principles through the development or adaptation of transparent and stable policies, laws and regulations, including through monitoring and accountability mechanisms, as appropriate;
  - ii. Promoting the meaningful participation of relevant stakeholders in agricultural and food system investment policies and/or policy-making, including by establishing inclusive and equitable multi-stakeholder and multi-sectoral platforms;

- iii. Promoting coordination and support at different levels of government;
  - iv. Promoting non-discriminatory access to information, services, incentives, resources, and relevant government bodies;
  - v. Impartial judicial and administrative bodies and legally binding mechanisms for non-discriminatory, gender sensitive, fair, equitable, effective, accessible, affordable, timely, and transparent resolution of disputes;
  - vi. Undertaking due diligence within national jurisdiction.\*
37. \*States should take measures to address all agriculture and food system workers' labour rights, in line with applicable international labour standards and in social dialogue with their respective organizations and employers, when formulating and applying labour laws. States should seek to establish policy, legal, and institutional frameworks that promote gender equality to enable women and men to participate in and benefit from investment opportunities.\*
38. \*States have a key role in providing public goods and services necessary for responsible investment in agriculture and food systems, including infrastructure, energy, environmental protection, research and development, education, health, nutrition, and childcare services, among others, especially in rural areas. They are encouraged to ensure inclusive and non-discriminatory access to these services.\*
39. \*States have a key role in enabling, supporting and complementing investments by smallholders - including those that are family farmers –and empowering them to invest responsibly, through:\*
- i. \*Addressing the needs and constraints of smallholders, both women and men, in a gender sensitive manner in policies, laws and regulations, and strategies to address capacity development through improved access to inputs, advisory and financial services including insurance, education, extension, training, and infrastructure;\*
  - ii. \*Promoting access to inputs and technologies that improve the safety, quality, sustainability, and diversity of smallholder production, as appropriate;\*
  - iii. \*Facilitating smallholders' access to public services and the benefits from public policies and programs, by creating smallholder registries, as appropriate, at the national or regional level;\*
  - iv. \*Encouraging market access and participation by smallholders by simplifying administrative procedures and striving to prevent unfair practices;\*
  - v. \*Supporting the development of markets for rural economies.\*
40. \*States have a key role in:\*
- i. \*Improving access to education, training and capacity development for small and medium enterprises, cooperatives, associations, and farmer and producer organizations to enable them to enter into agreements and engage with other market actors;\*
  - ii. \*Promoting innovative technologies and practices, including smallholders' own innovations, such as through awareness raising and technical assistance, farmer to farmer skills sharing, as well as the transfer of technology as mutually agreed among individuals, local, national, or international parties;\*
  - iii. \*Fostering transparent and inclusive business models and partnerships, including public private partnerships, to promote sustainable development.\*
41. \*States are encouraged to apply their procurement policies and outreach strategies in line with the Principles, and support smallholders, including those that are family farmers and small businesses, in accessing and participating in tenders. In this context, States may, where appropriate, consider sourcing locally in accordance with multi-lateral or bi-lateral international agreements as applicable to the parties to those agreements.\*

42. \*Where States own, control, or substantially support business enterprises, they should seek to ensure that their conduct is consistent with the Principles.\*
43. \*States are encouraged, in consultation with all relevant stakeholders, especially the most vulnerable, and as appropriate with national human rights institutions, to establish monitoring, assessment, and reporting systems in order to:
- i. Measure the impacts of investment in agriculture and food systems and address negative impacts;
  - ii. Assess the efficiency and effectiveness of laws, policies, and regulations and address any gaps related to the Principles;
  - iii. Provide clear guidance to stakeholders on monitoring and reporting procedures.\*

#### **\*Intergovernmental and Regional Organizations\***

44. \*Inter-governmental and regional organizations have a key role to play in promoting responsible investment in agriculture and food systems. In doing so, they are encouraged to integrate the Principles in their own policies, frameworks with member States, programs, research, outreach activities, technical assistance, and capacity building. They should take appropriate measures so that their support to investors does not lead to violations of human and legitimate tenure rights. Inter-governmental and regional organizations are encouraged to support the CFS to serve as a platform for sharing of experiences related to responsible agricultural investment.\*

#### **\*Financing Institutions, Donors, Foundations, and Funds\***

45. \*All financing institutions and other funding entities are encouraged to apply the Principles when formulating their policies for loans and grants, articulation of country investment portfolios and co-financing with other partners. They should take appropriate measures so that their support to investors does not lead to violations of human and legitimate tenure rights, and is in line with the Principles. The provision of finance allows these institutions a unique leveraging position where they can communicate with a broad range of stakeholders about their roles, responsibilities, and actions to facilitate implementation of the Principles. Financial institutions are encouraged to develop innovative financial mechanisms and insurance tools in support of investment in agriculture, especially appropriate solutions for smallholders, including those that are family farmers, that consider a long-term development perspective.\*

#### **\*Research Organizations, Universities, and Extension Organizations\***

46. \*Research organizations, universities, academia, agricultural training centres, extension organizations and/or programmes should emphasize the integration of the Principles in their own policies, facilitate knowledge, exchange and skills development, and address the innovation needed to increase smallholders' contributions to food security and nutrition. This can comprise a range of roles including identifying impacts, testing of field practices, technology and business models, and advising the government on policy reform or investors on practices related with agriculture and food systems. In support of food security and nutrition, research organizations and academics are encouraged to undertake participatory research that contributes to sustainable production and consumption systems.\*

#### **\*Smallholders and their Organizations\***

47. \*Smallholders, including those that are family farmers, women and men, are the main investors in their own agriculture and play a vital role in diversified, including sustainable, food systems. Smallholders and their organisations should apply the Principles, with particular attention to promoting gender equality and the empowerment of women and youth, by:

- i. Increasing productivity and income, adding more value in their operations and using natural resources sustainably and efficiently, where applicable;
  - ii. Strengthening their resilience;
  - iii. Managing risks, relevant to their context and circumstances, to maximize positive, and avoid negative impacts on food security and nutrition;
  - iv. Participating in policy, programme, and monitoring processes at all levels;
  - v. Complying with national laws and regulations and acting with due diligence to avoid infringing on human rights.\*
48. \*Smallholders, including those that are family farmers, and their organisations should strengthen the capacity of those they represent to invest responsibly through improved access to inputs, extension, advisory, and financial services, education, training, and access to markets.\*
49. \*Farmers can be smallholders or business enterprises and they should follow the roles and responsibilities defined under this and or the following section.\*

### **\*Business Enterprises including Farmers\***

50. \*Business Enterprises involved in agriculture and food systems should apply the Principles with a focus on mitigating and managing risks to maximize positive and avoid negative impacts on food security and nutrition, relevant to their context and circumstances. Business enterprises have a responsibility to comply with national laws and regulations and any applicable international law, and act with due diligence to avoid infringing on human rights.\*
51. \*Business enterprises involved in agriculture and food systems, are encouraged to inform and communicate with other stakeholders, conduct due diligence before engaging in new arrangements, conduct equitable and transparent transactions, and support efforts to track the supply chain. Business enterprises should respect legitimate tenure rights in line with the Voluntary Guidelines on the Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security, and may use a range of inclusive business models. Processors, retailers, distributors, input suppliers, and marketers are encouraged to inform and educate consumers about the sustainability of products and services and respect national safety and consumer protection regulations. Enterprises involved in the marketing of food products are encouraged to promote the consumption of food which is balanced, safe, nutritious, diverse, and culturally acceptable, which in the context of this document is understood as food that corresponds to individual and collective consumer demand and preferences, in line with national and international law as applicable.\*
52. \*Farmers can be smallholders or business enterprises and they should follow the roles and responsibilities defined under this and or the previous section.\*

### **\*Civil Society Organizations\***

53. \*Civil society organizations involved in agriculture and food systems should apply the Principles and are encouraged to integrate them in their own policies and programmes. They are also encouraged to advocate for the appropriate use of the Principles, serve as drivers for transparency and accountability, and assist with building capacity with the aim of contributing to food security and nutrition. Civil society organizations are also encouraged to collaborate with other stakeholders at all stages of investments to use the Principles, as well as to monitor and assess the impacts of responsible investment on agriculture and food systems.\*

### **\*Workers and their Organizations\***

54. \*The role of workers in agriculture and food systems is vital. Workers and their organizations play a key role in promoting and implementing decent work, thereby contributing to efforts towards sustainable and inclusive economic development. They also have a crucial role in engaging in social dialogue with all other stakeholders to promote the application of the

Principles in investments in agriculture and food systems, and in promoting the integration of the Principles in national laws and policies.\*

**\*Communities\***

55. \*Communities, indigenous peoples, those directly affected by investments, the most vulnerable, and those working in agriculture and food systems are encouraged to actively engage and communicate with the other stakeholders in all aspects and stages of investments to promote awareness of and respect for their rights as outlined in the Principles.\*

**\*Consumer organizations\***

56. \*Consumer organizations can contribute to the application of the Principles by informing and educating consumers about these Principles and encouraging investment that respects these Principles.\*

**\*Shared Roles\***

57. \*All stakeholders are encouraged to support, among their constituencies at local, national, regional and global levels, the dissemination of the Principles for responsible investment in agriculture and food systems.\*
58. \*All stakeholders have a role in improving data and information collection, management, and distribution, including improving collection of gender disaggregated data. Science and evidence based analysis and data, with supporting capacity and infrastructure for analysis are integral for targeted interventions encouraging sustainability in agriculture and food systems and contributing to food security and nutrition.\*
59. \*All stakeholders entering into agreements or contracts have to adhere to applicable laws and mutually agreed terms and conditions. Contracts should, using clear, coherent and transparent language and documentation, define the rights and duties of all parties and any mutually agreed terms for renegotiation and cancellation. Contracts should balance the interests of contracting parties, be based on their mutual benefit and be developed in line with the Principles. While negotiating with smallholders, contracting parties are asked to give special consideration to the situation and needs of smallholders. Contracting parties are invited to consider the UN principles for responsible contracts.\*
60. \*All stakeholders have a role in promoting gender equality and the economic empowerment of women to support their access to productive resources and to the benefits from agricultural investments.\*
61. \*All stakeholders should play their role in resilience building and coordinate their efforts, in order to prevent or respond to shocks, disasters, crises, including protracted crises, and conflicts. They are encouraged to support the most vulnerable, protect existing investments, and promote targeted investment in food security and nutrition, in line with the Principles and States' obligations regarding the progressive realization of the right to adequate food in the context of national food security.\*
62. \*The Committee on World Food Security should promote the dissemination and use of the Principles, and include them in its ongoing work on monitoring, relying as much as possible on existing mechanisms. CFS should provide a forum where all relevant stakeholders can learn from each other's experiences in applying the Principles, and assess the continued relevance, effectiveness and impact of the Principles for food security and nutrition.\*