

International guidance instruments for RESPONSIBLE AGRICULTURAL INVESTMENT

Jesper Karlsson
FAO



ISSUES OF INTEREST FOR PARTICIPANTS:

Policy design

Smallholder finance

CSR at the core of business and beyond charity

WATER

Custom regulations

Consultation

TRANSPARENCY

Find business partners

Linkages between mega, medium and small investors

Good governance

Out-grower schemes suitable for Tanzania

Land acquisition processes

enabling environment

Support to small-scale producer groups

The need for predictable and transparent policies

Taxes

Price setting mechanisms

What motivates companies to invest in Tanzania?

Risk sharing

Public Private Partnership Irrigation Policy

Go beyond policy-making and focus on implementation, dialogue and overcoming bottlenecks

Land rights

Guidance & Instruments

Specifically on tenure rights:

- AU Land Policy Framework & Guidelines
- FAO Voluntary guidelines on the governance of tenure (VGGT)

Broader initiatives that promote responsible agricultural investment:

- Principles for Responsible Agricultural Investment that Respect Rights, Livelihoods and Resources (PRAI)
- CFS Principles for Responsible Investment in Agriculture and Food Systems (CFS-RAI)
- FAO-OECD Guidance for Responsible Agricultural Supply Chains, currently being developed

Emerging international standards for responsible investment in agriculture

Similar core elements:

- Respect and secure **legitimate tenure rights**, whether written or oral, formal or informal, statutory or customary (AU and VGGT)
- **Strengthen food security**
- **Enhance transparency and accountability**
- **Respect the rule of law**
- **Consultation and participation**
- **Social and environmental sustainability**

Principles for Responsible Agricultural Investment THAT RESPECT RIGHTS, LIVELIHOODS AND RESOURCES (PRAI)

Key elements

1. Respect of tenure rights
2. Do not jeopardize but rather strengthen food security
3. Governance framework ensures transparency and accountability
4. Consult & involve stakeholders
5. Investors must respect laws and ensure durable shared value
6. Generate positive social impacts
7. Ensure environmental sustainability



Principles for responsible investment

IN AGRICULTURE AND FOOD SYSTEMS (CFS RAI)

- 1 Contribute to food security and nutrition
- 2 Contribute to sustainable and inclusive development and the eradication of poverty
- 3 Foster gender equality and women's empowerment
- 4 Engage and empower youth
- 5 Respect tenure of land, fisheries, and forests, and access to water
- 6 Conserve and sustainably manage natural resources, increase resilience, and reduce disaster risks
- 7 Respect cultural heritage and traditional knowledge, and support diversity and innovation
- 8 Promote safe and healthy agriculture and food systems
- 9 Incorporate inclusive and transparent governance structures, processes, and grievance mechanisms
- 10 Assess and address impacts and promote accountability

How can principles be operationalized in Tanzania?

- Respect of land rights?
- Improving the enabling environment for investment?
- Consultation with local communities?
- Inclusive business models?
- Partnerships between stakeholders?
- SAGCOT?

Inclusive national discussions are needed to turn principles into action

Thank you!

Asante sana!

