

Agricultural Commodities that Respect Land Rights and Food Security

How to include land and food security criteria
in commodity standards?

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(based on results of projects financed by SDC-CH in 2010-2012)

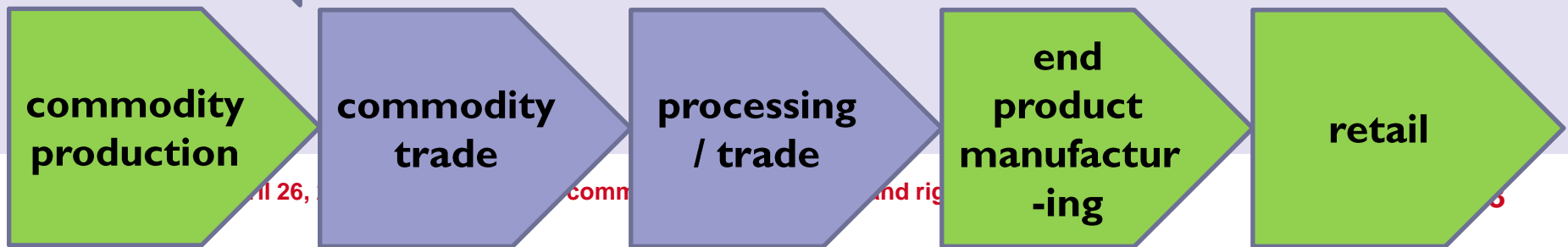
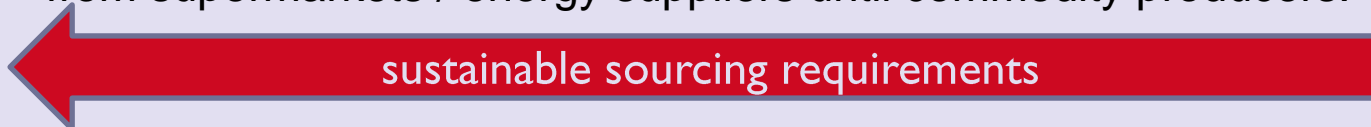
Three Questions

1. Can the application of sustainable commodity standards, such as FSC, RSPO, Bonsucro, RTRS, ... contribute to strengthening land-related rights of communities living in the areas where investment in commodity crops is taking place?
2. To what extent does the present application of these standards already show positive effects on land rights?
3. What should be done to improve the sustainable commodity standard systems to improve their performance related to land rights?



Companies in the supply chain are responsible

- Private sector responsibility for human rights
 - Ruggie’s three pillars: pillar 2 and 3
 - The State’s duty to protect ...
 - The corporate responsibility to respect ...
 - Create effective remedies
 - land rights / food security are human rights (→ BLIHR, 2009)
- Private sector responsibilities for land rights
 - investors / operators
 - (→ RAI, voluntary guidelines, etc.)
 - supply chain players (my focus here):
 - from supermarkets / energy suppliers until commodity producers.



Sustainable commodity standards do contain criteria on land rights

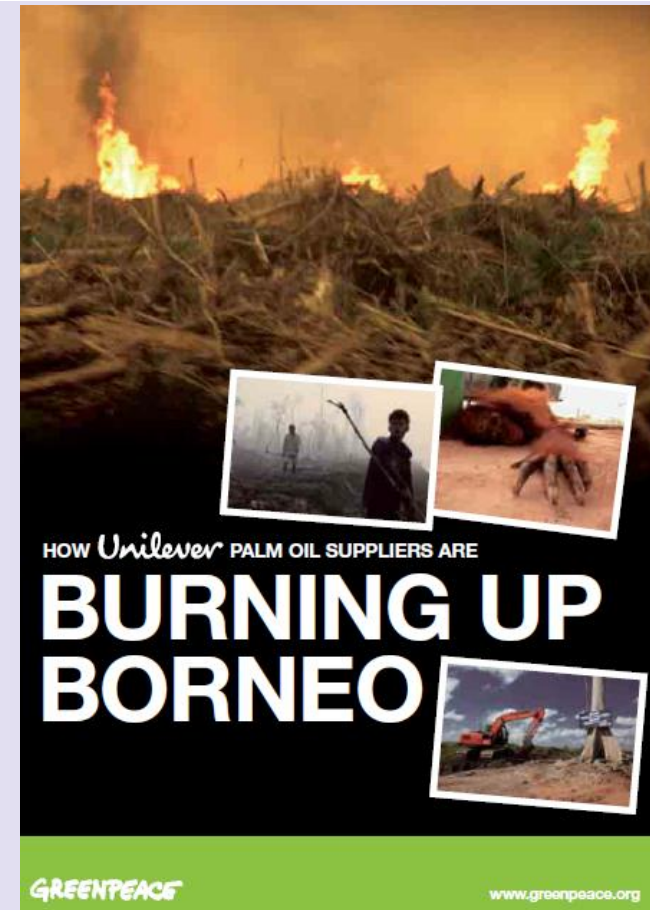


- Multi-stakeholder commodity standards
 - original focus: ecology
 - increasing focus on human rights issues, inclusion of social NGOs, social criteria
- Land-use Issues included in most standards:
 - land use rights / responsibilities
 - indigenous people
 - food security (not common yet: e.g. RSB)
- Applying FSC, RSPO, RTRS, Bonsucro etc. criteria will (in principle) strengthen land-related rights, *but do they really?*



Case I: RSPO and Palm Oil land conflicts (Indonesia, Malaysia)

- In 2010 FoE and Grassroots reported serious violations of RSPO criteria by IOI in Indonesia and Malaysia
 - RSPO Code of Conduct 2.3 (transparent engagement)
 - RSPO 4.2.4a on non-certified holdings
- Grievance Procedure was the result
- Mediation to produce results in 2012
- IOI's all new certifications on hold (2012)



Case 2: FSC and Forest Plantation land conflicts (Uganda)

- 2005: NFC company acquired 50 year licence for plantations
 - timber production
 - CDM carbon credits
- Investments a.o. by HSBC and IFC
- FSC certification
 - at early stage (required by investors)
 - granted despite land-related issues
- 2011 Oxfam Report
 - “20,000 people evicted”, “breach of FSC criteria”
 - Investigation by FSC / Certifying body SGS: “no breach”
 - IFC takes issue seriously
 - complaint filed by Ugandan communities with CAO
- The situation today
 - CAO has started mediation process
 - FSC and IFC waiting for outcome of CAO procedure

LAND AND POWER

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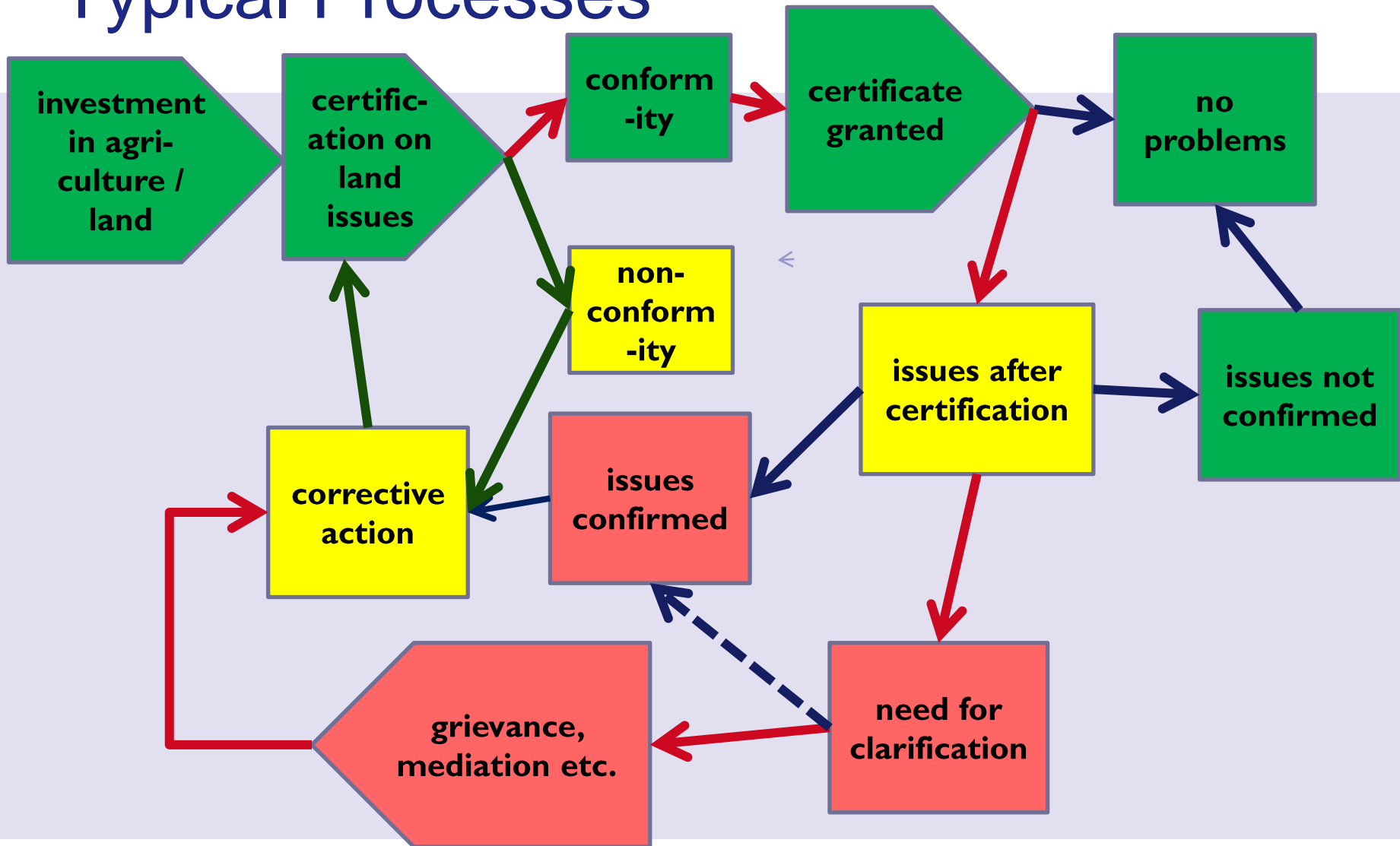


Miralvalle, Polochic Valley, Guatemala, 15 March 2011. The community was evicted, their houses and crops destroyed. Copyright photo: Archive Fundación Guillermo Tonello.

Commodity Standards do have Impacts on the Ground

- Land issues become prominent (long) after rather than during certification
 - not only because of deficiencies in certification but also because of the communities' fear to openly defend their rights.
 - This creates considerable risks to certified companies
- Access to remedies strengthens the positive impact of standards/certification systems
 - they may (temporarily) fill in the gap in public governance
 - but their success may create unmanageable demand for mediation

Typical Processes



Impact of Sustainable Commodity Standards should be Improved

1. Learn from success and failure in existing grievance mechanisms
 - commodity roundtables
 - CAO, etc.
2. Build up partnerships between multi-stakeholder standard initiatives and governments on
 - transparency in land transactions;
 - public and non-judicial procedures for dealing with land claims.
3. Share land-related principles and criteria among
 - commodity standards,
 - financial investment standards.
4. Be practical
 - Focus on practical implementation, not principles;
 - Seek cooperation, but allow for variety.