



Food and Agriculture  
Organization of the  
United Nations

# Responsible investments in agriculture and food systems

A practical  
handbook for  
parliamentarians  
and parliamentary  
advisors



**IISD**

International Institute for  
Sustainable Development



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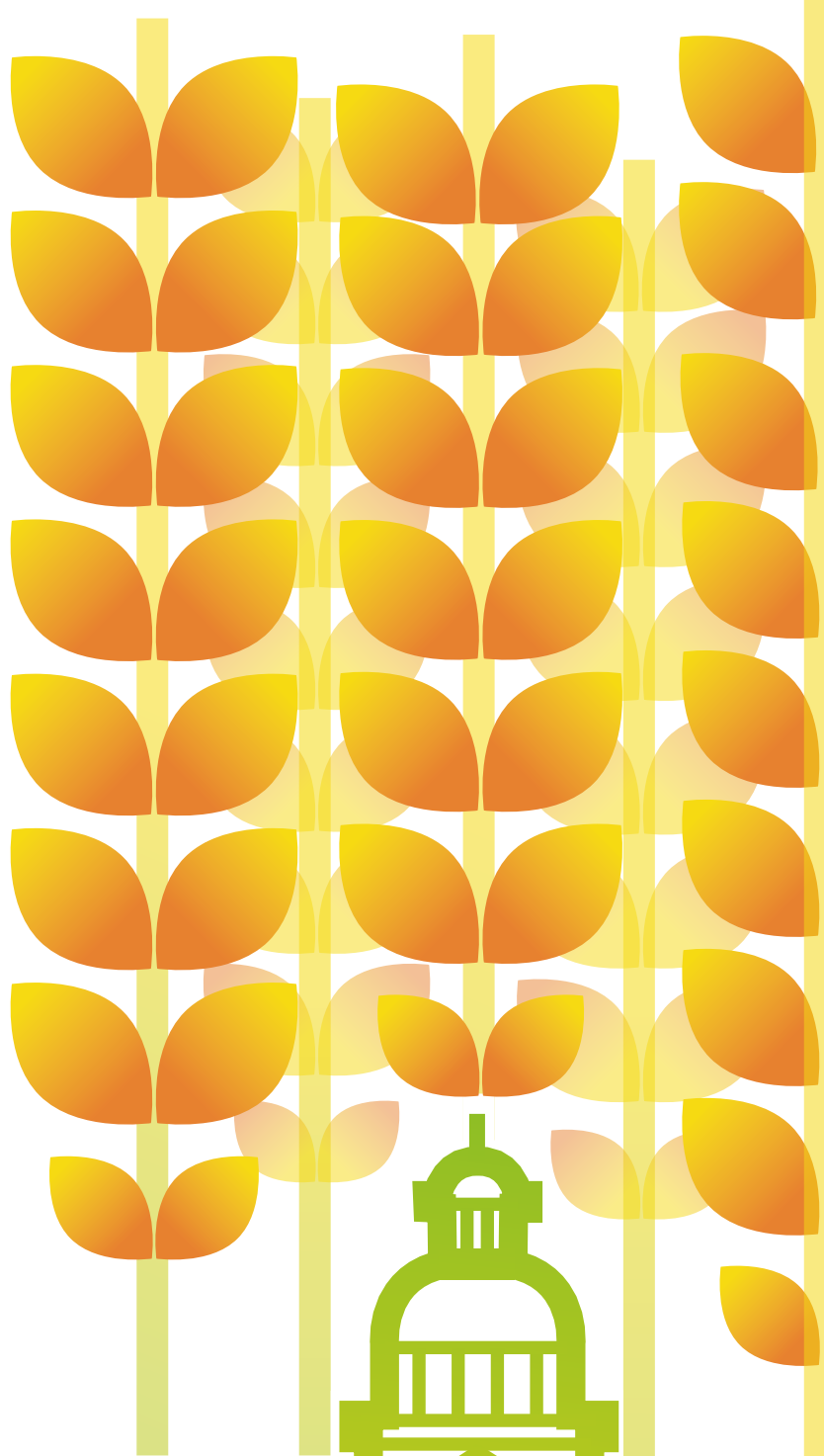
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# Foreword

Six years ago, the Committee on World Food Security (CFS-RAI Principles) took the landmark step of approving the *Principles for Responsible Investment in Agriculture and Food Systems* (CFS-RAI Principles). Developed by governments, private sector and civil society organizations through an inclusive, multi-stakeholder process, the CFS-RAI Principles have since become the benchmark on how to design and implement agricultural investments responsibly, so that they can make a significant contribution towards sustainable development.

These principles have been designed to help guide the actions of all stakeholders engaged in agriculture and food systems. Importantly, they are adaptable to local and regional contexts, taking into consideration the varying needs of the actors involved, particularly those of the smallholders. Their uptake is vital for ensuring that agricultural investments can create opportunities for decent work for all agricultural and food workers, eradicate poverty, foster social and gender equality, empower youth, and promote social participation and inclusiveness. These are not lofty goals: their achievement will have tangible benefits for societies, the environment and national and global economies.

At the time when the CFS-RAI Principles were developed, the world's governments were one year away from endorsing Agenda 2030 and the Sustainable Development Goals (SDGs). Today, it is clear that meeting the SDGs requires a significant increase in investments in agriculture and rural development, and that public investments and investment promotion policies are essential to facilitate and guide such investments towards sustainability.

The situation was already precarious before the COVID-19 pandemic – but now risks becoming dire. Disasters and subsequent recovery efforts often exacerbate social inequalities and hamper sustainable development paths; the current health crisis is no exception. The sweeping measures that were vital to containing the global pandemic in its first wave have also had the painful downside of deepening inequalities in societies, and there is a real fear that reduced agricultural investment could lead to a race to the bottom in any country seeking to attract investment for their farm sectors.

As all internationally agreed standards and principles, the real test for the CFS-RAI Principles lies in determining how they can become a reality worldwide for those they aim to serve – especially during times of crisis, as well as beyond. The CFS-RAI Principles need to be incorporated into the national legislation and regulations of every country, as well as into corporate social responsibility policies and individual contracts covering all types of investment along agricultural value chains and food systems.

To take the CFS-RAI Principles to the next level, transparent and stable policies, legal frameworks and incentives at country and regional levels are essential. These can only be enabled if “change agents” across the world are aware of the importance of responsible investments. The role of parliamentarians is fundamental, as they are in charge of adopting proactive domestic legislation and approving budget allocations, as well as of ensuring governments’ accountability for the effective implementation of commitments, taking into account the contexts and specific needs of constituents.

This handbook, bringing together FAO’s and the IISD’s long-time experience in working with parliaments in different regions of the world, is an invaluable tool for informing and inspiring parliamentarians and their advisors to advance along the road of positioning the CFS-RAI Principles on the public agenda, in the legislative drafting process, for the approval of budgets and the oversight of policies. It provides tools for action, outlines the kind of policy responses required, ensures coherence, participation and sustainability, and provides examples of efforts already underway in applying responsible investment in agriculture in diverse countries, reflecting the relevance of working jointly with other stakeholders.

To make it as useful as possible, the handbook focuses on the main interests indicated by more than 25 Members of Parliament (MPs) and parliamentary advisors from different regions. It was also reviewed by MPs and advisors who generously shared their perspectives, knowledge and experience.

The COVID-19 pandemic has provided the world with a harsh wake-up call on the need to tackle all manner of inequalities. As we navigate this new chapter, frameworks like the CFS-RAI Principles can make a tangible difference in ensuring that our efforts to develop fairer economies and societies are not in vain. These are times of compromise and cooperation, and MPs are a bridge between the people and governments; it is their task to create the conditions and demand results.



We hope this handbook provides a useful contribution in supporting the uptake of these principles, by inspiring further conversation and action on the value of responsible agricultural investment for the much-needed transformation to more sustainable food systems.

**Richard Florizone**

President and CEO International  
Institute for Sustainable  
Development (IISD)

A handwritten signature in blue ink that reads "Richard Florizone". The signature is fluid and cursive, with the first name clearly legible and the last name written in a more stylized, connected script.

**Elizabeth A. Bechdol**

Deputy Director-General  
Food and Agriculture Organization  
of the United Nations (FAO)

A handwritten signature in blue ink that reads "Elizabeth Bechdol". The signature is elegant and cursive, with the first name clearly legible and the last name written in a more stylized, connected script.



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# Abbreviations and acronyms

CFS	Committee on World Food Security
CFS-RAI PRINCIPLES	Principles for Responsible Investments in Agriculture and Food Systems
EUR	Euro
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IISD	International Institute for Sustainable Development
ILO	International Labour Organization
IPU	Inter-Parliamentary Union
OECD	Organization for Economic Cooperation and Development
PARLATINO	Latin American and Caribbean Parliament
RAI	Responsible investment in agriculture and food systems
RIA	Regulatory impact assessment
SDGs	Sustainable Development Goals
UN	United Nations
USD	United States Dollar
WFP	World Food Programme
WHO	World Health Organization

# Preliminary definitions

The word “parliamentarians” in this handbook refers to members of a parliament, democratically elected and representatives of the citizens and / or voters. Parliamentarians can have different names according to the structure of the State of each country, for example, deputies or senators.

The figure of “advisors” includes all those people who support the legislative work of parliamentarians. These can be categorised as direct advisors, within the same work team or cabinet; or indirect, such as those belonging to a thematic commission, Parliamentary Front, Parliamentary Library or another entity with similar characteristics.



# Executive summary

This practical handbook is directed to members of parliament and parliamentary advisors, who are considered “change agents”. It provides a comprehensive and systematic overview of the role that parliamentarians can play in the creation of reliable, coherent and transparent “enabling environments” in the range of areas related to investment in agriculture and food systems.

The handbook does so, not through a catalogue of prescriptions, but through guidance notes, examples of good practices and very practical indications. It does not aim to provide a blueprint to be implemented by each parliament but rather it sets out key stages of processes and mechanisms for MPs and advisors to consider while promoting responsible investment in agriculture and food systems.

Part 1 of the handbook presents the *Principles for Responsible Investment in Agriculture and Food Systems* and explains:

- *why* there is urgent need to enhance responsible investment in agriculture and food systems: high levels of malnutrition and poverty (exacerbated by the impact of the COVID-19 pandemic), population growth and urbanization, increasing demand for more resource intensive diets, climate change and its severe impacts;
- *what* is responsible investment in agriculture and food systems: “Responsible investment in agriculture and food systems contributes to sustainable development by generating positive socio-economic and environmental impacts, enhancing food security and nutrition. It requires progressively respecting, protecting and fulfilling human rights”;
- and *how* can it contribute to the achievement of the Sustainable Development Goals (SDGs) and national development plans - scaling up support to small scale farmers, engaging and empowering youth, closing the gender gap and improving access to infrastructure, public services and agricultural finance, and, in general, investing in the sustainable production of safe and nutritious food while contributing to improving inclusion in the food system, prioritizing vulnerable populations and adopting a human rights-based approach to food security, in line with the SDGs spirit of addressing inequalities and ensuring that no one is left behind.

In Part 2, through specific Guidance notes, parliamentarians and advisors are guided through concrete actions they can implement in their countries to improve and increase investments, actions such as: executing a national policy, legislative, and institutional frameworks assessment; ensuring consistency in the legal and policy framework; advocating to reform existing laws and/or adopt new laws; ensuring adequate financing for the implementation of laws related to responsible investments in agriculture and food systems and ensuring effective parliamentary oversight are detailed throughout.

In addition to their essential role for the enactment of legislation and adoption of budgets, and of ensuring accountability of governments for the effective implementation of commitments, parliamentarians and parliamentary advisors are custodians of their country's plans for sustainable development and have a strategic responsibility to raise awareness of citizens on issues of paramount importance.

To support parliamentarians and advisors in creating effective partnerships with other stakeholders, such as other parliamentarians, the private sector, the civil society and academia, Part 3 provides tailored key messages that can be used ad hoc in meetings, conferences and in other kinds of communications such as reports, press releases and social media. It includes useful explanations on how data and country-level statistics can support advocacy and communication activities.

A checklist of actions that parliamentarians can undertake to establish the right conditions to increase the quantity and quality of agricultural investments is contained in Annex 1.

To further strengthen parliaments' capacities, Annex 2 features some examples of laws that are relevant for responsible investment in agriculture and food systems from various countries. It shows challenges and successes, while indicating their impact and potential contribution to the SDGs.

Finally, short case studies of real agricultural investments are found in Annex 3, which demonstrate that investing responsibly in the sector is not only possible, but also beneficial on many levels.



# Short stories from Members of Parliament from different regions



## **Hon. Flora Perdomo, Member of the House of Representatives of Colombia, and Member of the Parliamentary Front against Hunger**

During my political and personal path, I have seen from close the difficulties faced by the most vulnerable populations and family farmers, especially those of the Municipality of Campoalegre, in the Huila Department that I represent, in marketing their products, obtaining credit and living with dignity from agriculture. That is why, as a member of the Parliamentary Front of Colombia, I have promoted the Law of Public Purchases from Family Farming. This law, which incorporates and advocates for responsible investment in agriculture, will contribute to improving the living conditions of the rural population in my country. To this end, I will work tirelessly to ensure that this law is effectively implemented and enforced.



## **Hon. Allan Chiyembekeza, Member of the National Assembly of Malawi**

I gained insight on the challenge of making investments responsible when I heard first-hand accounts of vulnerable communities who had been negatively affected by investments, including those who had been dispossessed of their lands. After that, I was determined to ensure that vulnerable populations were heard so that they could benefit from all kinds of land investments. We initiated a continental campaign with my parliamentary counterparts at the Pan African Parliament and subsequently made clear recommendations to the African Union Commission to develop a code of conduct to make all investments in Africa equitable, and responsible, and thus ensure countries and communities benefit. As an outcome, the Guidelines on Large scale land-based investment were adopted.



**Hon. María Soraya Rodríguez Ramos, Member of the European Parliament (Spain) and Member of the European Parliamentary Alliance against Hunger and Malnutrition**

In 2012 I visited the biggest refugee camp in the world, the Dadaab camp in Kenya, at the border with Somalia. At that time, the most severe drought in more than 60 years and famine had devastated large areas of the Horn of Africa.

There are only 80 Km between this camp and Somalia, 80 Km that refugees traverse with no food, nor water.

I remember a mother that had just arrived at the camp with her children. One of them was severely malnourished. It was impossible to calculate his age. I had never seen such acute malnutrition so close, and it was a devastating image.

All the efforts made by the doctors at the Doctors without Borders Field Hospital were useless. When they took his small body away, no sign was perceived in the bed he had occupied. Not a single wrinkle in the sheet, not a shadow of his presence.

At that moment I understood how hunger annuls you before killing you. How it makes its victims invisible and societies insensitive to this enormous tragedy. I realized that hunger is not an issue of food production but of respect and protection of rights. Hunger is a flagrant violation of human rights.

Hunger can be avoided, just as much as all the deaths of children devoured by malnutrition are avoidable before the gaze of infinite pain of a mother. Recognizing that hunger is avoidable is terrifying but also encouraging. Hunger is not a natural disaster. It is avoidable and its solution also passes through our hands. As citizens and responsible parliamentarians, we need to actively and jointly promote a fairer world in which hunger has no place.

## Part I:

# Overview

### **Understanding the need for enhanced responsible investments in agriculture and food systems to achieve the Sustainable Development Goals**

Hunger and malnutrition have been on the rise globally since 2015, returning to levels last seen nearly 10 years ago. At the time of writing this handbook (2020), more than 820 million or one in nine people do not get enough food to eat (FAO, IFAD, UNICEF, WFP and WHO, 2019). The COVID-19 pandemic, and the consequent border closures, quarantines, and market, food supply chain and trade disruptions, is having adverse effects on the global economy including agriculture and food systems (FAO, 2020a). This is expected to severely exacerbate the situation, hitting the most vulnerable the hardest. The number of people that are acutely food insecure – currently estimated at 135 million people (FSIN, 2020) – could double (WFP, 2020). Likewise, poverty rates are expected to

increase. In comparison to pre-COVID-19 projections for 2019, the number of people living in extreme poverty, i.e. on less than USD 1.90 a day, currently 736 million people, equivalent to 10 percent of the global population, could increase by more than 100 million over the next two years (World Bank, 2020a). At the same time, overweight and obesity continue to increase in all regions (FAO, IFAD, UNICEF, WFP and WHO, 2019), with staggering human and economic costs for all countries. In light of the current pandemic, this development is even more worrisome as people with non-communicable diseases, which are closely linked to overweight and obesity (WHO, 2020a), appear to have a higher risk of severe courses of a COVID-19 disease and are, thus, more vulnerable (WHO, 2020b).

## BOX 1

Recent trends and evidence clearly indicate that business as usual is not good enough! There are less than 10 years left to end poverty, hunger and all forms of malnutrition in order to meet Sustainable Development Goal 1 (to “end poverty in all its forms everywhere”) and 2 (to “end hunger, achieve food security and improved nutrition and promote sustainable agriculture”), to which all United Nations Member States have committed in 2015. The challenge is enormous. We need to act now!

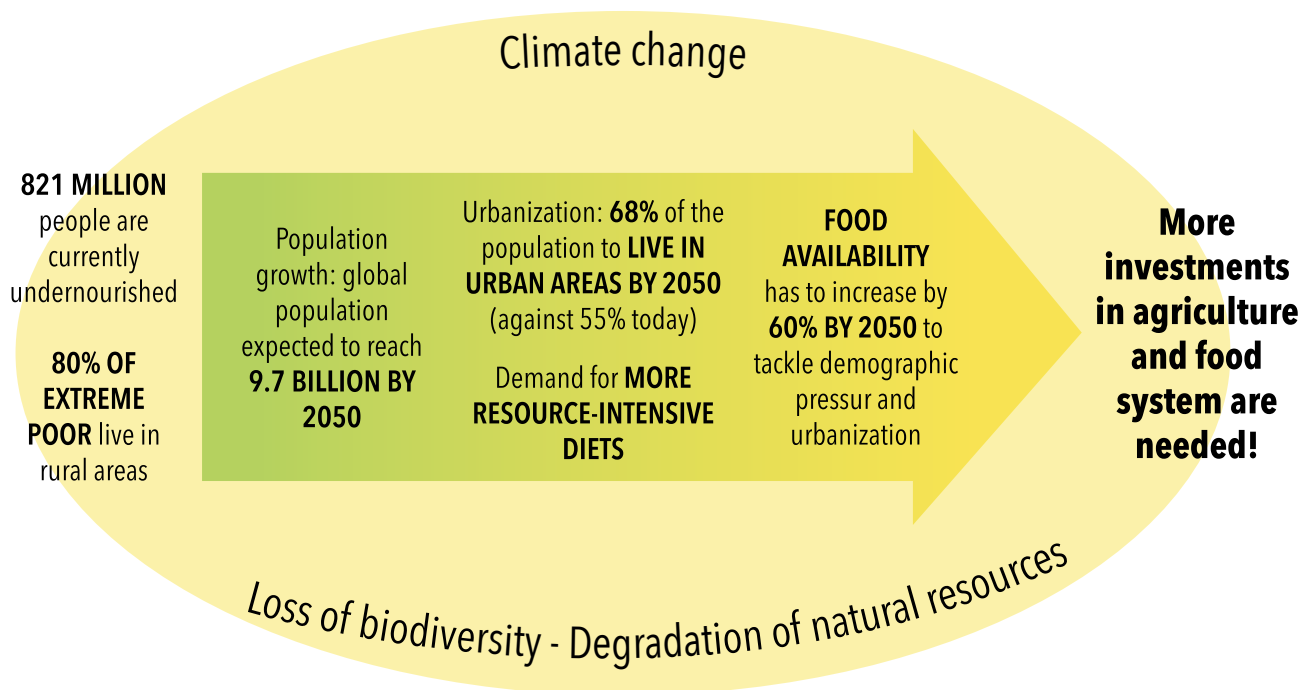
This unprecedented global health and humanitarian crisis adds up to the effects of other crises and emergency events. There is alarming evidence that important tipping points related to the average global temperature and the global average sea level may already have passed, leading to irreversible changes in major ecosystems and the planetary climate system (UN, 2020). Man-made greenhouse gas emissions are now higher than ever. They are extremely likely to have been the dominant cause of the observed warming since the mid-20th century (IPCC, 2014). Continued emission of greenhouse gases will lead to further warming and cause long-lasting changes in all components of the climate system,

increasing the likelihood of severe, pervasive and irreversible impacts for people and ecosystems. Climate change is expected to reduce crop yields, aquaculture, livestock production and food quality in many regions of the world, particularly in certain vulnerable regions. Climate change impacts such as extreme weather events, spreading pests and diseases, loss of biodiversity, degradation of natural resources including water scarcity are jeopardizing food security and nutrition and leading to forced migration (FAO, 2018a).

Without drastic action today, adapting to these impacts in the future will be more difficult and costly (UN, 2020).

Additionally, the world population is projected to grow to 9.7 billion people by 2050 (UN, 2019), with an increase in the demand for both food and feed. Urbanization will continue at an accelerated pace, and about 70 percent of the world’s population will live in cities (FAO, 2009), compared to the 55 percent registered in 2018 (UN, 2018a). This, along with rising incomes, is driving a transition of consumption patterns to more resource-intensive diets. For instance, an increased consumption of animal-based foods, the production of which requires more land and water than plant-based foods, is increasing negative impacts on the environment (World Resources Institute, 2016).

**Figure 1** - Main reasons behind the need to increase investment in agriculture and food systems



Source: Figure elaborated by the authors of this publication, 2020.

Investing in agriculture and rural areas is three times more effective at reducing poverty than investing in other industries (FAO, 2017). In low income countries, agriculture currently provides employment to around 60 percent of their population (World Bank, 2020b), thus, most of the people living in these countries derive their livelihoods from this sector.

At the same time, poverty is mainly concentrated in rural areas (UN, 2018b, FAO, 2018b). Therefore, achieving *the 2030 Agenda for Sustainable Development* (Sustainable Development Goals Knowledge Platform, 2020), particularly SDG 1 and 2, will hinge on tapping rural areas' potential for economic growth. Investment

in agriculture and food systems requires scaling up, first of all, the support to small scale farmers and addressing constraints such as access to infrastructure, public services and agricultural finance to enable viable livelihoods, reduce risks and increase their resilience (FAO, 2018b), and, more in general, support to investment in sustainable food strategies (such as, for example, the European Union Farm to Fork Strategy) (European Commission, 2020a).

Scaling up would also contribute to revitalizing an agricultural sector currently defined by an ageing labour force and ensure that the increased demand for food is met. Between 2015 and 2030, the population of people aged 15-24

years should rise by about 100 million, to 1.3 billion globally (UN, 2015). If these generations can make a living out of agriculture, which includes entrepreneurs or employees, they could be a driving force for development. They can contribute to ensuring food security and nutrition, minimise youth unemployment, make food production more sustainable and reduce forced migration. Similarly, closing the gender gap in agricultural investments would also generate significant gains. If women had the same access to productive resources as men, they could increase yields on their farms by 20 to 30 percent, raising total agricultural output in developing countries by 2.5 to 4 percent, thus reducing the number of hungry people in the world by 12 to 17 percent (FAO, 2011).

Yet, the current level of investment in the agriculture and food systems sector is insufficient to eradicate poverty and hunger, especially in rural areas. Globally, less than 10 percent of government expenditure is dedicated to agriculture and in the past three decades the share of agriculture in total foreign direct investment and credits, at global levels, has been below 5 percent. Looking ahead, the expected global recession due to the COVID-19 pandemic is likely to negatively affect and deter decisions on both public and private investment.

## BOX 2 - KEY MESSAGE!



The Food and Agriculture Organization of the United Nations (FAO) estimates that additional annual investments of USD 265 billion are needed to achieve the first two Sustainable Development Goals (SDGs) - ending poverty and hunger. Of these investments, USD 140 billion must focus on agriculture and rural development to feed an additional two billion people by 2050 (FAO, IFAD and WFP, 2015).

Boosting agricultural production through increased investment, however, would not be enough to achieve food security and improved nutrition, especially if we consider that an estimated one-third of all food produced in the world is lost or wasted (FAO, 2020b).

There is a need to change the paradigm and realise that agricultural investments should not only strive to increase the *sustainable production of safe and nutritious food*,<sup>1</sup> but should also be *directed to other parts of the food system*. These parts include the entire food supply chain, from food production, to storage, processing, transportation,

<sup>1</sup>These are two of the five normative dimensions to ensure the realization of the right to food.

marketing and retail (for example, investments in improved storage and transportation could contribute to reduce food loss). To improve nutritional and health outcomes and establish sustainable food systems, investments should also target food environments through food and nutrition education.<sup>2</sup> This is needed to influence consumer behaviours and diets (HLPE, 2017), and to improve access and inclusion in the food system.

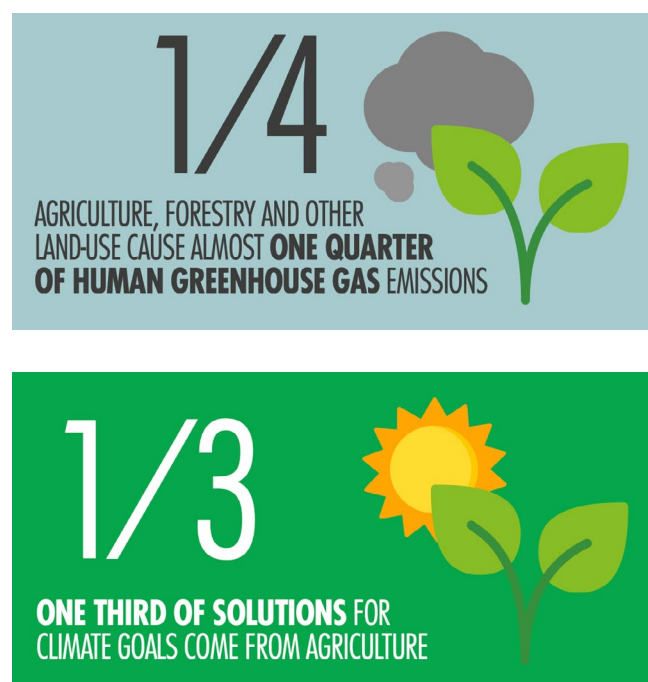
In the context of the COVID-19 pandemic, as income and job losses are affecting informal agricultural workers, especially women, youth, indigenous peoples, and migrant workers (FAO, 2020c; ILO, 2020), it is important to prioritise those vulnerable populations who are the hardest hit. To do this, create decent employment opportunities and adopt a *human-rights based approach* to food security (FAO, 2005)(in line with the SDGs framework and the spirit of addressing inequalities) to ensure that no one is left behind. The implementation of overarching principles such as consultation and participation, transparency and accountability is pivotal to this process.

Additionally, we must acknowledge that agriculture (in a broad definition that includes fisheries,

forestry and livestock) and food systems, are major drivers of climate change. However, they can be part of the solution if the sector undergoes a *structural transformation* that will reduce emissions, draw down carbon and boost climate resilience and adaptation (FAO, 2020d and FAO, 2019a).

This transformation includes the scaling up of technology use and innovation, supporting the conservation of biodiversity and genetic resources and the integration of traditional and scientific knowledge.

**Figure 2** - Agriculture as a challenge and a solution for climate change



Source: FAO, 2019.

<sup>2</sup>Food and nutrition education consist of a variety of strategies (including information sharing, empowerment, educational activities, etc.) that can be implemented at different levels, aimed at helping people to achieve long-lasting improvements in their diets and eating behaviors.

The COVID-19 pandemic has highlighted the complexity, fragility and interconnectedness of our global food systems. As a result, this need to change the way agricultural investments are made, towards an environmentally, socially and economically sustainable development, has become even more evident.

In sum, to ensure that investments in agriculture and food systems lead to beneficial outcomes it is critical to guarantee that they are responsible and directed towards achieving social, economic, cultural and environmental benefits, while minimizing negative impacts. If neglected, there are significant risks that contribute to failed investments hindering sustainable development. Examples of adverse impacts are food insecurity (e.g. the shifting production to non-food crops), environmental damage that contributes to climate change, (such as severe deforestation in the Amazon (BBC NEWS, 2020)), and violation of human rights (e.g. forced evictions in violation of the right to adequate housing) (Cordes, 2018).

## **The Committee on World Food Security Principles for Responsible Investment in Agriculture and Food Systems and other instruments guiding and promoting agricultural investments**

### **BOX 3**

#### **What is responsible investment in agriculture and food systems (RAI)?**

Responsible investment in agriculture and food systems contributes to sustainable development by generating positive socio-economic and environmental impacts, enhancing food security and nutrition. It requires progressively respecting, protecting and fulfilling human rights, including the right to adequate food, and relevant human rights obligations under international law.

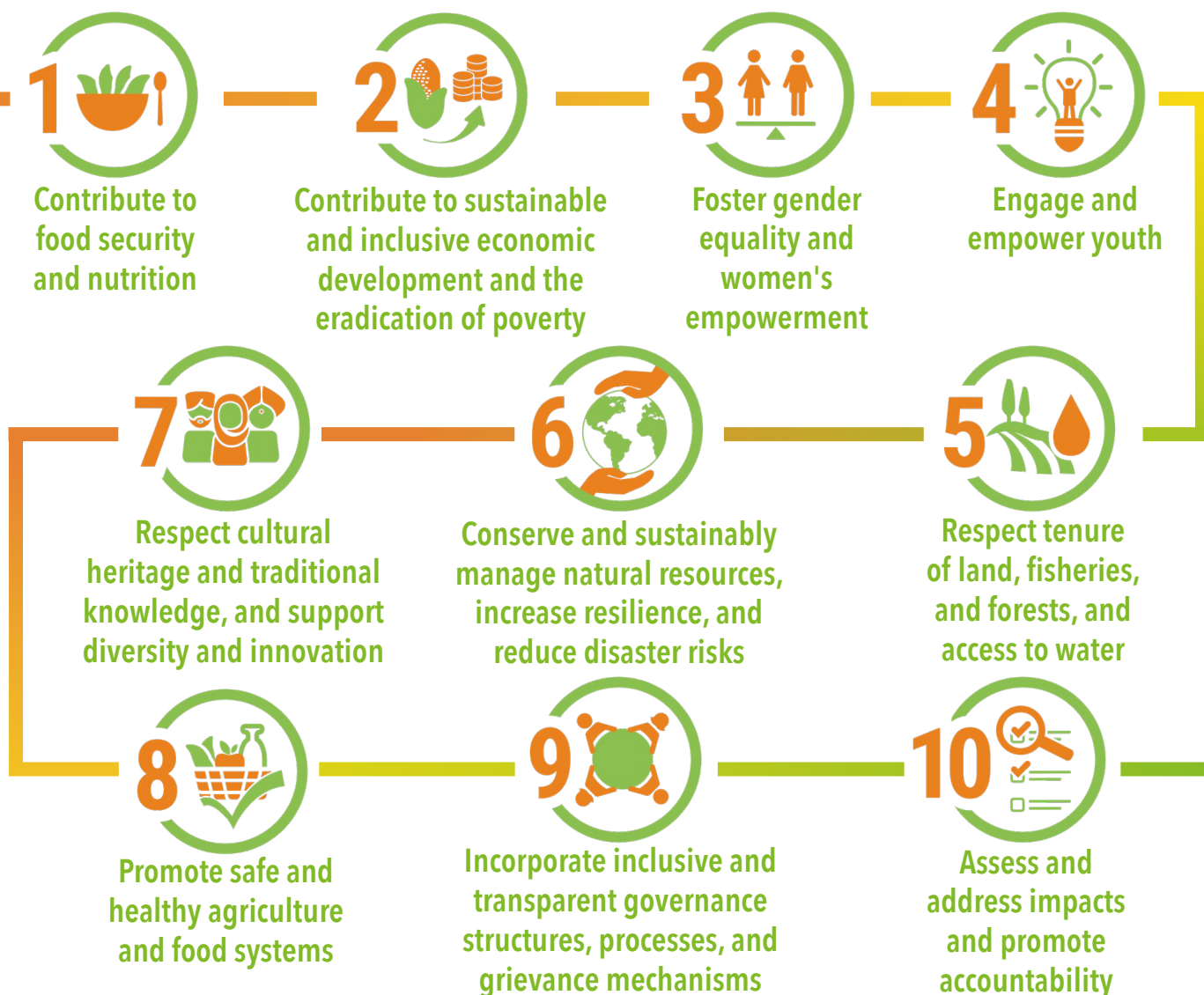
The achievement of these objectives is contingent upon the incorporation of responsible investment principles into business plans and practices, which includes an inclusive and meaningful multi-stakeholder engagement throughout the investment life cycle.



This definition comes from the “*Principles for Responsible Investment in Agriculture and Food Systems*” (known as the CFS-RAI Principles) adopted in 2014 by the *Committee on World Food Security*. Through an inclusive multi-stakeholder negotiation process 126 Members (125 countries and the European Union) (FAO, 2020e), the private sector, civil society organizations, UN agencies and academia were able to discuss what responsible investment constitutes.

The CFS-RAI Principles build on two earlier instruments adopted by the CFS-RAI Principles: the *Voluntary Guidelines to support the progressive realization of the right to adequate food in the context of national food security* (“Right to Food Guidelines”, 2004) and the *Voluntary guidelines on the responsible governance of tenure of land, fisheries and forests in the context of national food security* (“VGGT”, 2012) (FAO, 2012).

**Figure 3** - The 10 Principles for Responsible Investment in Agriculture and Food Systems



Source: FAO, 2014.

The CFS-RAI Principles have a broad scope, covering all kinds of investments in agricultural value chains and food systems, and encompassing all stakeholders that are involved in, benefit from, or are affected by agricultural investments. They provide a holistic framework that is aligned with the sustainability issues pursued by the SDGs.

The kind of investments identified by the CFS-RAI Principles bring employment, enhance sustainable livelihoods, reduce poverty, foster gender equality and provide opportunities for the youth. Moreover, they aim at supporting communities' resilience against future crises and disasters.

The CFS-RAI Principles have been included in the development of a practical guidance on responsible business conduct for enterprises operating in the agricultural sector, the *OECD-FAO Guidance for Responsible Agricultural Supply Chains* (OECD and FAO, 2016).

They have also been adapted by the Association of Southeast Asian Nations (ASEAN) to incorporate and reflect the diverse regional circumstances in the *ASEAN Guidelines on Promoting Responsible Investment in Food, Agriculture and Forestry* (ATWGARD, 2018), adopted in October 2018.

The following list is of other regional instruments which promote better agricultural investments:

- The African Union Member States adopted the *Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods* (AU and NEPAD, 2014) in 2014 to address Africa's agricultural challenges, thus unlock inclusive economic growth, benefit smallholder farmers, boost food production and end hunger. They also adopted the *Guiding Principles on Large Scale Land Based Investments in Africa* to ensure that investments in land benefit Member States and key stakeholders (African Union et al., 2014).
- The Organization of American States (OAS) adopted the *Declaration of Cochabamba on Food Security with Sovereignty in the Americas* (OAS, 2012) in 2012. The member states recognised the pivotal importance of increasing and improving investment in food research and production to achieve food and nutrition security for all, and declared their readiness to move forward with public policies on promoting public-private investment in the agriculture sector, with gives particular attention given to smallholders.
- The *Framework Law on the Right to Food and Food Sovereignty* (FAO and AMEXCID, 2018) adopted by the Latin

American and Caribbean Parliament (PARLATINO) in 2012 promotes “investment towards a sustainable and competitive food farming national structure that contributes to improving life conditions of the population, particularly rural families where there are more problems related to lack of food security”.

- Along the same lines, the *Regulatory Framework for food security with nutritional quality and respect for food sovereignty policies of the Member States of the Andean Parliament*, approved in 2017 (Parlamento Andino, 2017), promotes investment to promote sustainable agricultural production, prioritizing support for small-scale producers.
- The *Declaration of the Global Parliamentary Summit against Hunger and Malnutrition*, adopted by consensus in 2018 by parliamentarians from more than 60 countries, and representatives of PARLATINO, the Mercosur Parliament (PARLASUR), the European Parliament, the Inter-Parliamentary Union, among others, highlights the need to "create an enabling environment for responsible investments in the food systems (FAO, 2018c)."
- More recently, in August 2020, FAO and PARLATINO adopted a *Joint Declaration on increasing*

*responsible investment in agriculture and food systems in the face of the COVID-19 crisis, based on the CFS-RAI Principles. (Parlatino and FAO, 2020)*

- The European Union’s *External Investment Plan* adopted in 2017 (European Commission, 2020b), and specifically the *European Fund for Sustainable Development*, which focus on boosting investment in partner countries in Africa and the European Neighbourhood to increase sustainable development, are fully aligned with internationally agreed guidelines as the CFS-RAI Principles (EU, 2017).
- Finally, the *European Green Deal and its Investment Plan, EU Biodiversity Strategy for 2030 and ‘From Farm to Fork’ Strategy* (EU, 2019) promote and support sustainable investments, including in agriculture.

**\* Several national laws that are relevant for responsible investment in agriculture and food systems have been adopted in various countries (see Annex 2 of this handbook).**

## Parliamentarians as key stakeholders to promote responsible investments in agriculture and food systems

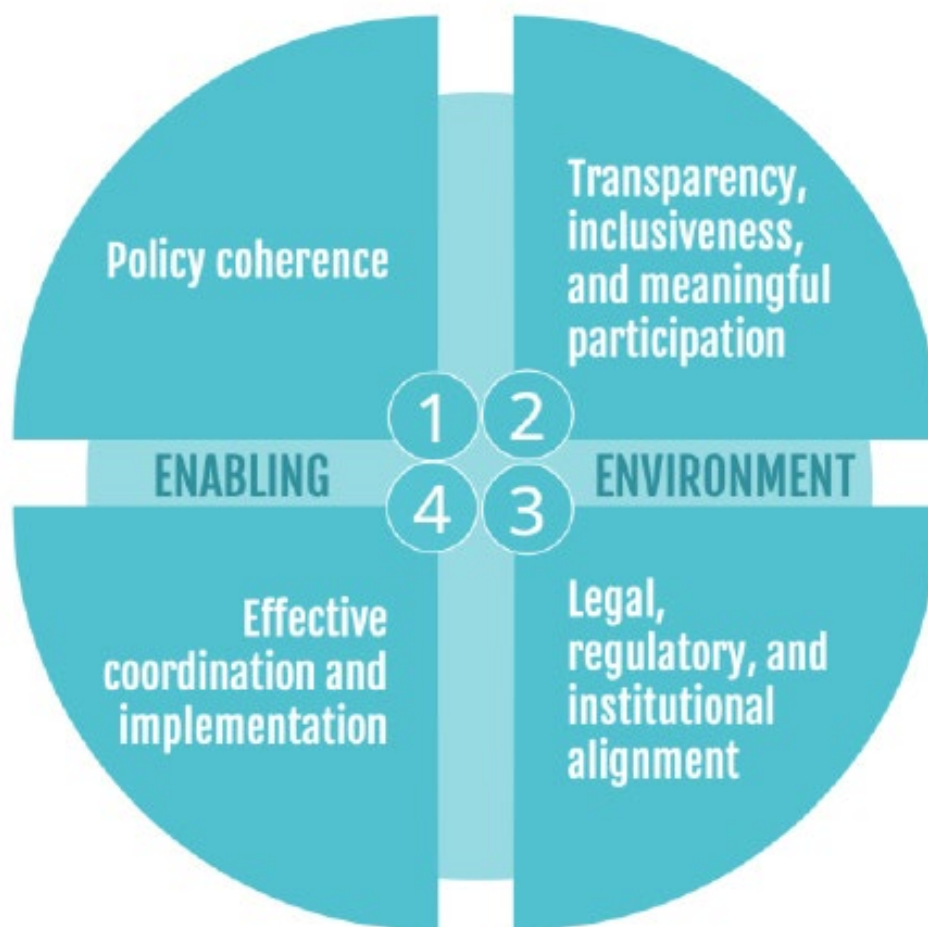
The 2030 Agenda recognises the “essential role of national parliaments through their enactment of legislation and adoption of budgets and their role in ensuring accountability for the effective implementation of commitments” (UN, 2015). Parliamentarians and parliamentary advisors are custodians of their country’s commitments to sustainable development. They transform these commitments into legislative instruments and long-term state policies. As elected representatives, parliamentarians have a direct relationship to the citizens of their country more than any other state official (UNDP, 2017).

As explained in the previous section, responsible investments in agriculture and food systems can make fundamental contributions to the achievement of sustainable development. Since the CFS-RAI Principles and other instruments mentioned are voluntary and non-binding, they require transformation into domestic frameworks through the work of the members of parliament and parliamentary advisors to promote real change at the national level.

This means strengthening the enabling environment for responsible investment in agriculture and food systems, i.e. putting in place the right conditions to increase the quantity and quality of agricultural investments. A national enabling environment for responsible investment in agriculture is shaped by the policies, laws, regulations, monitoring mechanisms, incentives and institutions of the country and should have the following characteristics:

- Policy coherence.
- Transparency, inclusiveness, and meaningful participation by all relevant stakeholders in the development, establishment and implementation of the enabling environment.
- Alignment of the legal, regulatory and institutional frameworks of the country with the CFS-RAI Principles.
- Effective institutional coordination and implementation.

**Figure 4** - Enabling environment for responsible investment in agriculture and food systems



Source: FAO, 2019.

## Part II:

# Taking action

### What is the role of parliamentarians in promoting responsible investments in agriculture and food systems at the country level?

The functions of parliamentarians and advisors differ from country to country, but they can all have a major role in driving responsible investment in agriculture and food systems in their countries and at the regional and global level. The importance of these latter spheres (regional and global) are duly recognised and valued, but for the purposes of this handbook we will focus on the tasks that parliamentarians and advisors can perform at the national level and in coherence with their four democratic functions (Inter-Parliamentary Union and UNESCO, 2004).

#### Main democratic functions of parliamentarians:



Law-making;

Oversight;



Budgeting;

Representation.



The parliamentarians' strategic position is fundamental to promote the enhancement of *public* investments into the agricultural sector, especially in rural areas, for the provision of public goods and services, including infrastructure, energy, research and development. They can also set up conditions to increase *private* investments, made by smallholders, by medium-sized enterprises and by larger scale agribusiness investors, and

ensure that well-defined safeguards are installed to protect legitimate interests and prevent damages to the environment and communities. Finally, they can enact actions that enhance responsible and complementary investments, and thus contribute to sustainable development (for example, blended finance)(OECD, 2018).

Members of parliament and advisors also play a major role in promoting public awareness about the challenges and opportunities related to responsible investment in agriculture and food systems. They must also ensure that investments benefit the communities and don't jeopardise vulnerable groups.

#### BOX 4

Call to action: as a parliamentarian, you can actively support responsible investments in agriculture and food systems, thereby enhancing your country's role in line with the 2030 Agenda for Sustainable Development.

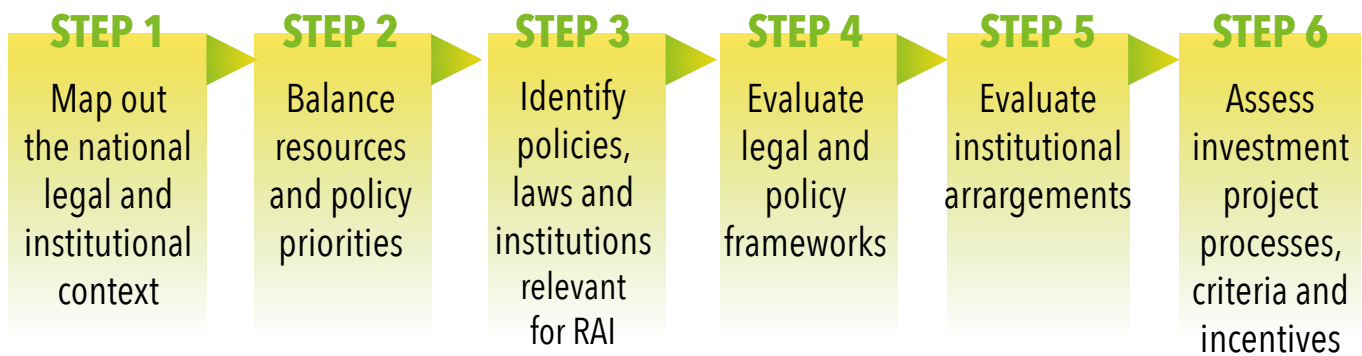
This handbook provides guidance on five concrete actions parliamentarians can undertake to enhance responsible investments in agriculture and food systems in their country or region. Although there are many others available (see Parliamentary action checklist in Annex 1),

these five actions were selected and developed based on a survey conducted by FAO in 2019 where parliamentarians and advisors of several countries indicated their main interests.

#### **Guidance note 1. How to assess national policy, legislative, and institutional frameworks for responsible investments in agriculture and food systems (FAO, 2019b)**

To begin installing improvements and reforms, this assessment will help identify gaps or overlaps in laws, policies, and institutions that govern investment in agriculture and food systems. Ideally, such an evaluation should be undertaken by a multi-stakeholder team, which can be independent or linked to a thematic committee within the parliament. It should include a wide range of voices, diverse in their expertise, interests, and sector (private, public and civil society), and ensuring meaningful representation of women, youth and indigenous peoples, and should comprise the following steps.

**Figure 5** - The 6 steps to assess national frameworks for RAI



Source: Figure elaborated by the authors of this publication, 2020.



**STEP 1**  
**Map out the legal and institutional context of the country**

The first step would be a mapping exercise that supports the assessment. The exercise would go beyond mapping written laws and policies by also looking also at legal traditions; *how* laws are enacted, interpreted and enforced; how the courts work; and the role of customary rules and practices. It also includes reviewing the country's constitution or bill of rights if available. A constitution may protect human rights that can be impacted by agricultural investments, and establish principles related to economic, social and environmental sustainability, land rights, indigenous peoples' rights and gender equality. This should include a gender context analysis to understand what are the specific gender norms and values that are guiding the customary rules and practices. It may also provide checks and balances to

enhance accountability, such as procedural rights to consultation, participation, and access to justice. These elements, and the extent to which they function in practice, are a crucial part of the legal and institutional context. A country's international investment contracts and treaties also need to be mapped, as they could allow foreign investors to undermine the domestic legal framework or bypass domestic dispute settlement processes.



**STEP 2**  
**Balancing resources and policy priorities**

It is important to identify the resources available for the evaluation, including time, money, staff and their capacity. Where resources are limited, it might be necessary to identify policy priorities and focus the assessment on improving one or two areas that could be relatively low cost, simple to implement, and high impact. For example, this could involve



measures such as investor screening or strengthening the capacity of communities to negotiate fair and balanced contracts. For instance, very often rural women's capacities will need to be strengthened in order to ensure their meaningful participation in consultation and negotiation processes. Pursuing shorter term, discrete policy goals can be combined with a longer-term vision for strengthening the overall governance framework and improving institutional capacity.



### STEP 3

#### Identifying policies, laws and institutions that are relevant to agricultural investments

The process can start by carrying out a desk review to identify all the policies and laws related to investment in agriculture and food systems that need to be assessed. These could include:

- Constitution;
- legislation, such as acts or statutes;
- subsidiary instruments, such as ministerial regulations, decrees, bylaws, and orders;
- policy documents, guidelines, strategies, and visions;
- international instruments ratified by the country.

It is important for the evaluators to understand the hierarchy in

which these instruments operate, along with how these instruments interact with one another. It will also be important to take an intersectoral approach, looking at laws and policies:

- related to agriculture, such as a forestry law, health law, food safety laws, trade law, food policies;
- governing natural resources, like environmental, water or land law, including land registration agrarian reform and land act;
- governing investment and corporate activity, such as an investment code, as well as laws relating to labour, credit, taxation and finance;
- on women's property and inheritance rights, including, where relevant, customary laws, which in some cases hinder women's capacity to participate and benefit from agricultural investment;
- and general laws that impact the oversight and enforcement of the above, such as the civil and criminal laws and laws giving authority to local governments.

A 'map' of key institutions can be created to show which administrative, technical, and judicial bodies are responsible for implementing the legal and policy frameworks and their component parts. This map may

include national, regional, and local government ministries; departments and agencies; courts and other dispute settlement bodies; and other bodies as appropriate. A “one-stop shop” staffed with an inclusive pool of local expertise may also be helpful, depending on the prevailing local context and considering local languages, local traditions and knowledge.



#### **STEP 4** **Evaluate the legal and policy framework**

When it comes to evaluating laws and policies identified under the previous step, the below questions can be a useful guide:

1. Is the law or policy operational on its own or does it need implementing or enabling regulations or other flanking measures? Are there enough funds allocated for its implementation, and is there a mechanism in place to monitor the use of such resources?
2. Does a specific law or policy cover all key topics in enough detail, or are there gaps apparent from the outset? The text of the CFS-RAI Principles can provide a useful benchmark.
3. Does the law or policy create regulatory obstacles to responsible investment in agriculture and food systems? These obstacles can be direct, such as outright prohibitions in the law, or indirect, such as bureaucratic ‘red tape’ with regard to how the law is applied, issues of coherence and consistency or simply poor drafting that create confusion or lack of clarity when applied in practice.
4. Are the legal rights contained in the law supported by effective and non-discriminatory oversight, enforcement and grievance mechanisms, so that rights holders can act if their rights are violated in the context of an agricultural investment?
5. Is the law or policy grounded on human rights principles and does it promote a human-rights based approach to development?
6. Does the policy and legal framework guarantee the rights of women and consider women’s needs in areas pertaining to agricultural investment (i.e. civil, labour, land rights?).<sup>3</sup>

It is important to note that a critical overarching question is whether a specific law or policy is implemented or enforced the way it is drafted on paper. However, answering this question may need more than a desk-based review,

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<sup>3</sup>The SDG 5.a.2 indicator and the FAO Legal Assessment Tool for gender-equitable land tenure allows to identify the extent to which the legal framework guarantee legal women’s land rights and allow to identify areas where reform is needed.

and instead, include consultation of stakeholders. If a consultation was not performed during the law-making process, a post-factum consultation should be undertaken to seek submissions from or evaluations by the ‘users’ or beneficiaries of the law or policy. These could include farmers, including small-scale producers, community members or investors, as well as the authority or agency responsible for implementation.



**STEP 5**  
**Evaluate the institutional arrangements**

In evaluating the effectiveness of the institutional arrangements mapped under step 4, the following questions may be considered:

1. Are the mandates and functional roles of the institutions clear, transparent, and coordinated? Is there overlap and duplication? Or are there gaps where functions have ‘fallen through the cracks’ and left unaddressed?
2. Do institutions involve and provide access to stakeholders in a way that is fair and transparent?
3. Do institutions have the necessary authority, human and financial resources, knowledge, and tools they need to do their job?
4. Are there opportunities for devolving or delegating

authority from the central to the local level?

5. Do institutions involve local communities or other actors, including rural women, in oversight, monitoring, and evaluation?
6. Is there a specialised oversight mechanism in place for ensuring accountability and monitoring the implications of agricultural investments have on the different groups involved, with particular attention to the most marginalised or vulnerable?



**STEP 6**  
**Assessing investment project processes, criteria, and incentives**

Large-scale private sector projects are a particularly risky type of investment in agriculture for governments, communities, as well as the environment. For instance, they can jeopardise communities’ livelihoods and food security and nutrition by impairing their access to land or have adverse environmental affects due to deforestation or other harmful practices. Therefore, a review of processes, criteria, and incentives related to large-scale private investment is important. It should include investment promotion, fiscal incentives, investment registration, screening, approval, as well as participatory ex-ante

and ex-post impact assessments. This review could determine whether these processes encourage private investment to support food security and nutrition and promote economic, social, and environmental sustainability, as well as gender equality or do they allow private investment to weaken or undermine them.

In sum, undertaking this type of assessment before developing a new policy, law, or institution can help ensure a coherent and consistent legal, policy, and institutional framework for responsible investments in agriculture and food systems. Further direction for parliamentarians in ensuring consistency in the legal and policy framework for responsible investment in agriculture is provided in the following guidance note.

## **Guidance note 2.** **How to ensure consistency in the legal and policy framework to effectively promote responsible investments in agriculture**

There are different types of inconsistencies that can occur within the legal and policy framework:

1. Domestic laws, regulations, and policies can be drafted in a way that is inconsistent, making it difficult or impossible for actors to comply with all of them at the same time.

2. Laws, regulations, and policies can be implemented or enforced inconsistently.
3. Legal instruments such as international investment contracts or investment treaties can conflict with or undermine domestic laws and judicial processes.

The steps outlined in Guidance note 1 may help to identify these types of inconsistencies. Constituents, industry groups, and civil society organizations may also play a role in bringing such inconsistencies to the attention of their parliamentary representatives.

### **Inconsistent drafting**

Laws and policies relating to responsible investment in agriculture cut across a range of sectors. This can result in laws that are inconsistent or incoherent ‘on paper’, or even conflicting, resulting in confusion for the citizens and enforcement authorities. Parliamentarians are in position to guard against this type of inconsistency, including by:

1. Requiring laws to be presented to the parliament with a ‘regulatory impact assessment’ (RIA), which considers the law’s impact on those regulated by it, and whether the law’s purpose and functions are already achieved in another law, regulation, or policy. An RIA template could also include a

methodology for checking the proposed law's consistency with existing laws.

2. Using both parliamentary support staff and advisors to provide an opinion and to conduct inclusive consultations with the academia, think tanks, NGOs and other relevant stakeholders reviewing the proposed legal instrument's consistency with existing laws.
3. Engaging a legislative drafting service to help ensure the harmony of draft laws that are submitted. The service could be within the parliament, such as the General Secretariat or external agencies like the Attorney General's office, or other government offices with knowledge of the national legal system as a whole, such as the Ministry of Justice, a law reform Commission, gender or human rights Commission, or equivalent body.
4. Ensuring availability of all laws and regulations in their most up-to-date form, organised clearly and accessibly, so that sectoral policymakers can easily view laws from other sectors before starting the process of drafting a new law or policy.

## **Inconsistent enforcement**

In many cases, a more persistent and challenging issue is the inconsistent implementation or enforcement of laws and policies that are, on paper, well-drafted, coherent, and comprehensive. There could be more than one government institution implementing the same law or policy in different ways, creating a variation of the written law. Or there may be weak enforcement so that the application of a law is not consistent with how it is written. The following mechanisms can be considered to address this type of inconsistency:

1. The establishment of cross-sectoral working groups on responsible investment in agriculture. These would include human rights commissions and ombudspersons, to meet and harmonise understanding, coordinate implementation and enforcement activities, and periodically monitor and report to the parliament on their activities. In the case of existing national sustainable investment platforms, the working group should be created in coordination with those.
2. Ensuring there are enough mechanisms for constituents to give feedback on the application and enforcement of laws and for communities to support monitoring of local investment projects that can feed into enforcement activities.

3. Requiring laws to be submitted to the parliament with an implementation strategy, and implementing rules and regulations (IRRs) to ensure that enforcement, monitoring, and reporting mechanisms have been thoroughly investigated.
4. Ensuring enough resourcing for enforcement and implementation activities, by approving the allocation of resources for the implementation of new and existing laws. (an example of this is Law 30355: Promotion and Development of Family Farming in Perú, explained in Annex 2 of this handbook.)
5. Ensuring that the required regulations and necessary administrative procedures for the enforcement of laws and policies are established.
6. Identifying social, cultural and economic factors that hinder the enforcement of laws.
7. Ensuring a wide dissemination of the laws throughout the entire country so that local institutions are cognisant of the national legal framework and that people are aware of their rights. It is also essential to ensure that local and national institutions have the capacities to implement the laws.

## **International contracts and treaties undermining domestic laws**

Inconsistency can occur when agricultural investment contracts with foreign investors, or international investment treaties, allow foreign investors to challenge or disregard domestic laws or bypass local courts. Contracts that include 'stabilisation' clauses allow investors to avoid compliance with new regulations. Contracts can include fiscal incentives more generous than what is provided under the general tax law. Contracts and treaties can provide for international arbitration as a dispute settlement mechanism, rather than domestic or regional courts, to protect foreign investors especially in jurisdictions where the rule of law is not well developed, such as in some transitional countries. This practice can be highly problematic and can serve to undermine further the development of functioning court systems; moreover, these proceedings can be very expensive and unpredictable, and decisions can only be appealed on very narrow grounds. Investment treaties often contain broad protections for foreign investors, which can be used to challenge and undermine local laws.

Parliamentarians can help ensure that agricultural investment contracts and international investment treaties are consistent

with, and do not undermine the domestic legal system, by:

1. Mandating the participation of agriculture sector officials or experts in international investment treaty negotiations, so that new treaties which undermine the country's strategies for responsible investment in agriculture are not signed.
2. Where parliamentary approval is required for treaty ratification (as is the case in many countries), closely review the text, and if necessary, seek submissions or advice on the risks that this treaty poses in terms of policy space for responsible investment in agriculture.
3. Requiring parliamentary approval of agricultural investment contracts over a certain value or involving the lease of land over a certain size, thereby not approving contracts that provide incentives that are inconsistent with the domestic law or that contain broad stabilization clauses. To avoid creating excessive burdens, the thresholds for value and land size should be set high enough and addressed in regulations or other subordinate legislation, which is easy to change as necessary. An example of this can be found in the Law on Investment Promotion No. 14/ NA of Lao PDR (see Annex 2 of this handbook).

### **Guidance note 3. How to advocate to reform existing laws and/or adopt new laws to promote responsible investments in agriculture and food systems**

While the entire handbook aims at supporting parliamentarians and advisors in their advocacy efforts to promote responsible investments in agriculture and food systems, this guidance note will specifically highlight how different parts of the handbook can be used to advocate to reform existing laws or to promote the adoption of new laws. If, after having assessed the national framework and acknowledged the need to propose a new law, or amend an existing law (learn how to assess your national legislative framework in Guidance note 1), perhaps due to an inconsistency in the legal framework (see Guidance note 1 and 2), individual members of the parliament can act as a “Parliamentary Champions” and will need to convince others of these needs.

As a first step, invite members of parliament, including those from other parties (See more guidance on how to strengthen parliament networks in Part 3 of this handbook) and join forces with different stakeholders, such as development partners, civil society organizations, academia, or the private sector to form a collaboration that will assist in

putting together a text for a bill (Find some tips on how to approach and communicate effectively with the different sectors in part 3 of this handbook). It is important to identify those who could possibly block legislative initiatives.

This helps parliamentarians and advisors know what forces they are up against and what alliances they should strengthen. (see, for example, the extensive consultations carried out in Chile prior to the adoption of Act 20 606 regarding Food Composition and Food Advertising in Annex 2 of this handbook).

In order to push for desired reforms, successful stories from other countries could be presented, including examples of legislation related to the draft that is being proposed and case studies of specific investments (see Annex 2 and 3 of this handbook).

Fundamental in this process will be to collect and present specific relevant data on the concerned country (See some practical tips on where to find useful data and how to use it in your interventions in part 3 of this handbook) and highlight how the proposed reform could improve the situation. Easily understandable summaries of the bills or amendments that are proposed should be prepared, indicating why they are needed, while highlighting their main points.

## BOX 5

Don't forget to raise awareness through traditional (for instance, through the radio) media and social media, and disseminate your message to a large audience, thereby promoting public engagement in the debates around a bill. Keep in mind that communication is a powerful tool to increase support for your cause! (You can use some of the key messages listed in Part 3 of this handbook).

## **Guidance note 4. How to ensure adequate financing for the implementation of laws related to responsible investments in agriculture and food systems**

### **Parliamentary analysis of the development vision and the financial needs**

Parliamentarians will need to fully understand their country's national and strategic development vision relating to its agricultural sector as well as its financial needs in order to be able to better advocate for sufficient financing. This information can be obtained primarily from national and agricultural development plans, as approved by parliament or government programs.



In agricultural development plans, parliamentarians should be able to identify the type of agricultural investments needed to attract possible sources of revenue, such as donor funds, blended finance and agricultural investment funds. Plans should also include a strategy on how public funds can be used to protect, reduce the risk of, and stimulate and leverage private investments.<sup>4</sup> The plans should also consider how to harness information technology in the sector, and how to access international funds, such as the *Green Climate Fund* (GCF) or the *Global Environment Facility* (GEF)<sup>5</sup> for projects in support of climate-smart agriculture. Parliaments should also review the legislative framework that is available for public-private partnerships and research the potential impacts of price controls, direct and indirect agricultural subsidies, difficulties in capital repatriation for foreign investors. After which, if deemed appropriate, parliamentarians should advocate for more market-based approaches that may attract investors. With regard to analysing development assistance, the parliament should require that it be used effectively, reported on and that there is effective coordination

amongst all actors to avoid duplication.

Spending agencies, such as investment authorities, may be in competition with other agencies for government resources. Part of a parliamentarian's analysis should include an audit and ask these questions. Have resources, which have been previously allocated, been efficiently and effectively utilised by such agencies? Have there been no wastages, for example excessive costs associated with investment promotion activities? Government quarterly or year-end reports, as well as audit reports, can provide this information. Members of parliaments should also engage in the formulation of national development plans and sector plans ensuring that there is a common vision for the development of the country. These sector plans must stress the importance of agriculture and agricultural investments, as well as its related priorities and needs. This could lead to allocation of higher budgetary spending limits for the sector and implementation of laws thereunder.

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<sup>4</sup>For example in Mexico, due to increasing occurrences of natural disasters, the Government adopted the Component for the Attention of Natural Disasters (CADENA) program. Under this program the Government buys at the beginning of each financial year weather index insurance for small holder farmers from insurance companies so that in the event of a natural disaster eligible farmers receive cash pay outs from the insurance company. Through this initiative there has been an increase in private insurance companies willing to sell to small holders.

<sup>5</sup>The GEF and the GCF are the most prominent funds dedicated to tackle environmental challenges globally. The GCF is specifically focused in reducing greenhouse gas emissions and enhancing the response to climate change. Both funds mobilise and channel climate finance in support to developing countries, including helping them transition to more sustainable and resilient agriculture.

## Consideration of amendment to the budget

Where a parliament deems that the budget is not aligned with national development plans, or government has not allocated sufficient funds to the agricultural sector, or to the provision of public goods that can stimulate agricultural investment, it can exercise its amendment powers, if provided for by the constitution and laws of the country.

The ability of parliament to make amends to a budget is strengthened when (Krafchik W. and Wehner J., 1998):

- the law provides for such powers of amendment;
- committees have the right to suggest amendments to the house;
- there is sufficient committee time for budget scrutiny;
- a coordination committee can combine finance and other specialised input;
- committees have access to enough independent research capacity and to detailed, timely and sector specific information.

In the budget, consideration should be given to the allocation of contingency funds for unforeseen circumstances, such as disasters and natural calamities.

Contingency funds should not be excessive in size, they need to be clearly accounted for and decisions about their use should be transparent. Additionally, it is best practice for parliaments to undertake a gender audit and ensure that enough funds have been allocated towards cross-cutting issues like mainstreaming gender and empowering women in the sector.

## Consider enabling implementing agencies to raise funds from charging fees

Effective monitoring and evaluation of agricultural investments can pose a challenge to a government due to limited resources.

Parliamentary approval allowing a government agency, such as an investment authority, to charge investor fees and set aside a percentage of the revenues generated, or to establish special funds for financing outside the limitations of the annual budget framework, can help ensure that the agency has sufficient funds for implementation of a law. Staffing, training, capital expenditures, running costs, effective monitoring of outcomes and related policy development all require funds to develop policies, plans and programs to realise the objectives of the law, including for creating adequate enforcement and grievance mechanisms to address any violations.

## Seal up loopholes in which revenue may be lost

Governments often grant tax incentives to investors in the hope of attracting investments, but these tax exemptions often do not result in increased investments (Tanzi V. and Zee H., 2001). Proliferation of incentives is principally a result of international tax competition which regional coordination can help mitigate. Taxation of agricultural investments, including of agricultural multi-national enterprises, can boost revenues. Where sufficient revenues are generated, more will be available for financing public goods and government functions. The role of parliament includes the scrutiny and authorization of revenues. If investors benefit from incentives, such as tax exemptions or tax holidays, parliamentarians may advocate for inclusion of CFS-RAI Principles compliance in order to qualify for such incentives. If the tax burden appears too low in relation to the country's revenue needs, parliamentarians may consider questioning the executive and advocate reforms to tax and investment legislation. Identifying any loopholes in tax and other financial legislation that may leave room for corruption, lack of transparency and accountability, tax avoidance and evasion, or unnecessarily high transaction costs and inefficiencies in the tax administration system, can render the system more effective.

## Guidance note 5. How to ensure effective parliamentary oversight to monitor implementation of laws and regulations related to responsible investments in agriculture and food systems

Parliamentary oversight is one of the four main democratic functions of most parliamentarians and one of the core components of their mandate.

The realization of responsible investment in agriculture and food systems requires a strong legal framework that can only be effective if the laws and regulations that are passed are adequately implemented and monitored.

### What can parliaments do?

The goal of monitoring laws on responsible investment in agriculture and food systems is to determine the effectiveness of the laws, policies, and regulations pertaining to this area and to determine if amendments or reforms are needed. Effective oversight requires a combination of a strong mandate, adequate parliamentary resources and the use of adequate tools and processes.

While the oversight authority of the parliament derives from the Constitution, the scope of its powers depends on the

national political systems, which greatly influence the extent of parliamentary control. To ensure effective oversight, a parliament needs the legal power and capability to develop oversight mechanisms.

- **Reinforce permanent committees' oversight role:** the permanent or standing committees' mandate includes overseeing the implementation of policy and legislation. Each standing committee shall monitor the implementation of the texts for which it is responsible. They do so in submitting *parliamentary questions* to the executive, either in written or oral form. This can be done with or without debate. The committees can require the executive to report to them on the implementation of a specific legislation. In some countries there is a procedure of "interpellation" where a minister or government official is formally requested to explain some act or policy that is under his/her responsibility to the parliament. Each house of parliament is required to make rules for regulating its procedure and conduct of business; the parliament can thus diversify their control by creating specific procedures to enhance and achieve effectiveness. For example, on its Rule and

Procedure, the French National Assembly stipulates that the rapporteur of a law or another parliamentarian that the committee designates shall present to that same committee a report on the implementation of the law within six months of the law's entry into force.

- **Create special commissions or long-term mechanisms for monitoring,** which should be independent of other governmental bodies (for instance, academia, independent researchers and lawyers) and adequately funded to carry out this function. These commissions should define metrics and indicators and carry out regular reviews on the implementation of laws related to investments in agriculture and food systems, and report back to the parliament.
- **Use or create a post-legislative scrutiny system:** this practice is used to monitor the implementation of legislation, ensuring laws benefit constituents and evaluate if it has achieved the intended outcomes. It can be used as an instrument for internal oversight or over the executive, as well as a mechanism to improve the quality of new legislation and policies. Often carried out by parliamentary committees, it can be considered as an inquiry by a

selected parliamentary portfolio committee into how a new law has worked in practice since entering into force. This practice reveals the shortcomings and advantages of a law or a regulation and can help with the design of new regulations or changes to the existing ones. It can be extended to constituency work as well. Parliamentarians have an obligation to monitor and audit implementation through, inter alia, engaging with citizens directly. They should not merely work with citizens; they should also ensure such engagements do meaningfully empower citizens to the extent that citizens can independently engage on such matters.

- **Strengthen internal capacity:**

The growing demands for information and expertise require the capability of parliaments to develop oversight mechanisms and to ensure that parliament has sufficient resources and well-trained professional staff to accomplish its duties. Parliamentary autonomy in terms of budget and budget allocation is imperative when assisting a parliament to strengthen its administrative capacity, through improvements in its organization, management and human resources. Strengthening parliamentarians' and advisors' knowledge and

skills through targeted training is important, especially because responsible investment in agriculture and food systems is a cross-cutting issue that implicates and involves land rights, environmental and social sustainability issues, and other core concerns. Without prepared professionals with the ability to deliver and the knowledge to act, it is impossible for any legislative measure to have an impact. Parliamentarians can decide to collaborate and seek expertise from external partners and obtain information and data that does not come from the executive. Direct empowerment of the parliamentarians is equally important and must be an integral component of effective oversight.

- **Actively promote gathering of information and statistical data related to the implementation of a law, and ensure adequate consideration of results and recommendations.** This includes sponsoring or funding studies on the impact of specific legislation, but also giving a platform to reports prepared by other actors, carefully reading their recommendations and organizing multi-sectoral roundtables to discuss them. The following considerations should be kept in mind when monitoring the implementation of specific legislation:

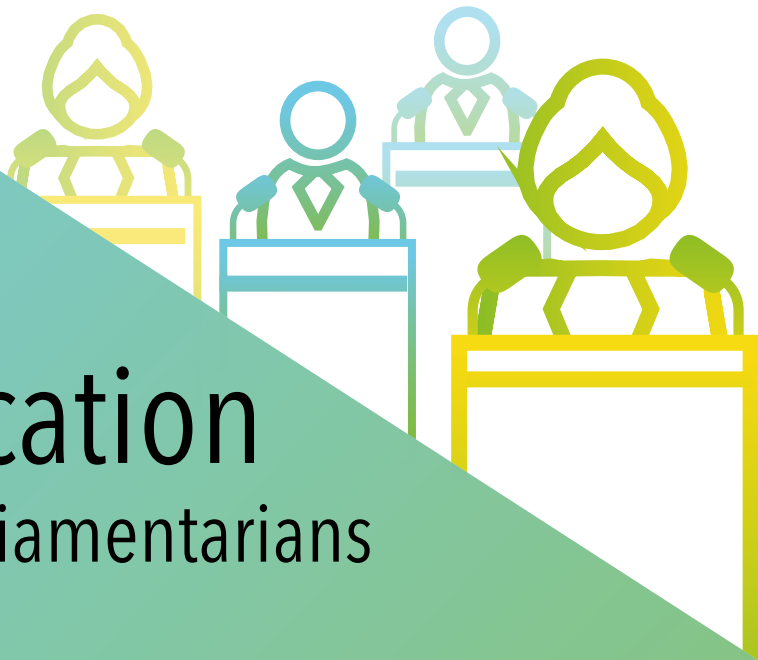
- a. Clearly define the goal of the study, framing a specific research question,
- b. specify scope and context,
- c. undertake some background research,
- d. consider the periodic reports on human rights (and shadow reports) for the concerned country,
- e. consider the country's reports on relevant SDG indicators,
- f. define methodology for collecting information (statistical disaggregated-by sex, age and ethnicity-data collection- focus groups, surveys- qualitative and quantitative-, on-site observations, media monitoring, interviews),
- g. involve ministry or national statistics office in the process, asking for data at regular intervals.



## Part III:

# Advocacy and communication

## tips for parliamentarians



**How to increase effective communication and collaboration with specific stakeholders in your country to promote an enabling environment for responsible investments in agriculture and food systems**

### **3.1. Communicating the need for enhanced responsible investment in agriculture and food systems**

As seen in the previous chapters, enhancing responsible investment in agriculture requires engagement and action by a wide range of actors. Lack of awareness, and gaps in both capacities and information are recognised as major barriers currently impeding responsible investment. As such, in order to engage actors in scaling up their commitment, it is imperative to increase understanding of the benefits of responsible agricultural investment among all stakeholders.

Policy makers and government officials will need to understand how responsible investment

contributes to achieving national development strategies. Civil society, NGOs and small-scale producers will want to know how investments will correspond to the needs of their constituencies, such as decent employment, including for women and youth; food security and nutrition; and sustainable livelihoods more broadly. Private sector entities will be fully engaged when they understand how responsible investments will create business opportunities, enhance the sustainability of existing businesses and/or align with reputation management objectives.

Effective communication with these different stakeholders is essential in order to raise the case for responsible investment in agriculture, maximise advocacy and build consciousness at all

levels. This chapter aims to provide guidance on how to communicate the need for enhanced responsible investment in agriculture in the context of the SDGs. Section 3.2 provides useful ideas on how you can use data and retrieve country-level statistics for your advocacy and communication activities. Section 3.3 provides key messages segmented by key target audiences.

### 3.2. Using data for advocacy and informed decision-making

#### Why is more investment needed?

Responsible investment in agriculture and food systems can have numerous benefits, including enhanced food security and improved nutrition, sustainable and inclusive economic development, poverty reduction and mitigation or removal of greenhouse gas emissions. A sound analysis of the specific national context, based on credible data and statistics, will allow decision makers to focus on one or several of these expected positive impacts, adding particular value to an advocacy strategy.

As a starting point, the following socio-economic indicators should be looked at to illustrate why more responsible investment is needed in a country: food security indicators (including the prevalence of chronic hunger and malnutrition); poverty indicators; gender-related indicators

and decent work related indicators (including unemployment rates disaggregated by age and sex), and the working poverty ratio (percentage of employed living below USD 1.90 PPP).

#### BOX 6

##### Get the data (regularly updated, disaggregated by country and years):

Employment related data:  
<https://ilostat.ilo.org/data/>

Food insecurity and malnutrition:  
<http://www.fao.org/publications/sofi/en/>

Poverty (relative and absolute):  
<https://data.worldbank.org/topic/poverty>

Gender and Land Rights:  
<http://www.fao.org/gender-landrights-database/en/>

Social Institutions and gender Index:  
<https://www.genderindex.org/>

According to the findings, a sample narrative could be: “In our country, more than xx million people still live in extreme poverty and xx million people are still hungry. At the same time, xx percent are unemployed. This number is xx times as high for youth. For these reasons, we need to take urgent actions to increase investments that will create decent job opportunities and enhance access to safe and nutritious food.”



## How much additional investment in agriculture and food systems is needed?

Once the challenges that additional agricultural investment have been identified, the amount of investment that would be needed should be defined to underline the urgency and validity of the specific claim.

Refer to the investment gap identified by FAO, IFAD and WFP and the investment needed to achieve SDGs 1 and 2. Beyond the global estimate (an additional annual USD 265 billion investments are needed of which USD 140 billion should target agriculture), the publication *Achieving Zero Hunger* also provides data by countries and regions (FAO, IFAD and WFP, 2015).

The contribution of agriculture to the Gross Domestic Product (GDP) can also be used when compared with the share of agricultural investments in total investments. Economists refer to this ratio as the “agricultural orientation index” for commercial credits and Foreign Direct Investment (FDI). In many developing countries, the index is below 0.5 points (FAO, 2018d), which indicates that the contribution of agriculture to the GDP is relatively high, whereas investments in the agricultural sector constitute only a small share of overall investment volumes.

The graphic below illustrates the obvious investment gap

in low-income countries. It is similar, though with less extreme discrepancies, in low-middle income countries. Whereas agriculture is by far the main provider of employment opportunities (62 percent) in low-income countries, it contributes only 25 percent to the GDP. At the same time, less than 5 percent of all investments targets the agricultural sector. Given that most jobs are informal and that the working poverty rate for youth is close to 70 percent (ILO, 2017), additional responsible investments will be crucial to leverage the potential of the agricultural sector to create decent jobs and drive sustainable economic development.

### BOX 7

#### Get the data (regularly updated information disaggregated by country and years):

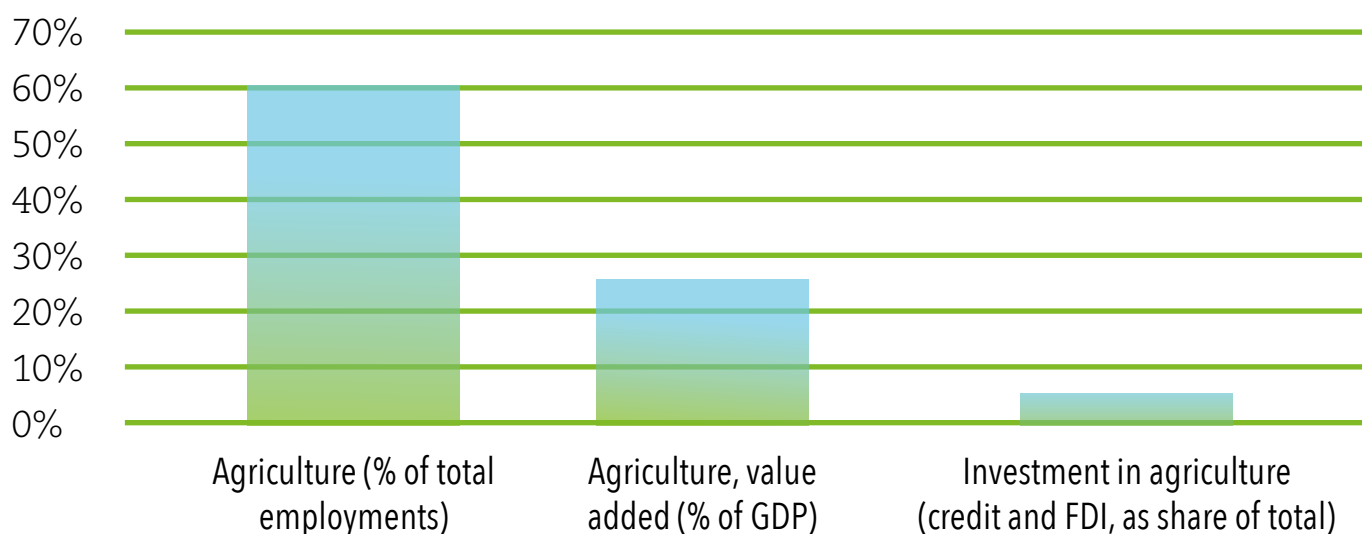
Agriculture, value added, and total GDP: <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS>

Credit and FDI (agriculture and all sectors combined): <http://www.fao.org/faostat/en/#data>

## What are the business opportunities?

The private sector can play a pivotal role in the structural transformation that agriculture

**Figure 6** - Share of agriculture in total employment, GDP and commercial credit in low income countries



Sources: FAOSTAT, ILOSTAT, World Bank Development Indicators, 2017.

requires. In particular, investing in clean and efficient technologies to increase yields while minimizing environmental impacts, including by diversifying food production. Also, the private sector can ensure that technology expands rapidly and creates value and decent jobs in agri-food supply chains.

Data that identifies opportunities for businesses should be highlighted, in addition to the analysis on the need for additional responsible investments. One obvious opportunity at the macro-level would be to review current or expected economic or demographic growth rates at country or regional level. These are often related to urbanization and shifting consumption patterns, which will lead to increased demand for agricultural goods. At another level, current and expected price trends of major agricultural goods may

indicate more sub-sector specific investment opportunities in specific commodities.

Investment in midstream segments (processing, wholesale, logistics) that often involve many micro, small and medium enterprises, can contribute significantly to adding value to primary production. This would also contribute to State's objectives, such as job creation and generating mutually beneficial rural-urban linkages.

As indicated in the *Global Opportunity Report 2018*, "There is increased demand for transparency and supply chain information, which is reflected in the growth of eco-labels. Voluntary sustainability standards are no longer confined to niche markets. Sustainable agricultural products with internationally recognised standards are growing at a higher pace than

conventional product markets” (DNVGL, 2018). One kind of data that can be used to better understand this trend is the volume and value of sales of certified products (some of the most famous certifying bodies are: Fair Trade International, Global Gap, Forest Stewardship Council). Businesses that adopt sustainable practices such as those indicated in the “Farm to fork” strategy, included in the EU’s Green Deal (European Commission, 2020c), will enjoy additional opportunities.

Highlighting these opportunities in addition to the importance of taking a pro-active approach to address supply chain risks to prevent operational, reputational and financial risks, customer pressures and media exposure can enhance communication and engagement with the private sector (OECD and FAO, 2019).

#### BOX 8

##### **Useful datasets with regularly updated information disaggregated by country and years:**

Agricultural market prospects:

<http://www.agri-outlook.org/>

Demographic projections:

<https://population.un.org/wpp/Graphs/Probabilistic/900>

Economic growth prospects:

<https://www.worldbank.org/en/publication/global-economic-prospects>

### 3.3. Key messages: communicating the importance of responsible agricultural investment to your target audiences

As noted above, it is important that parliamentarians tailor their key messages to the needs and interests of their target audience. In this line, below are several messages that can serve as guidance to foster dialogue with other parliamentarians, the private sector, civil society, academia and research centres.

#### 1. Within parliaments (platforms, alliances)

The experience of *Parliamentary Alliances on Food Security and Nutrition* (FAO, 2020f) shows the major role parliamentarians have, within their parliaments, to leverage concrete action against hunger and malnutrition. More than 40 Parliamentary Alliances have been created worldwide. Within these, and connected to these, strong networks of parliamentary advisors, and more than 30 laws have been developed and adopted. Some of these alliances focus on specific aspects of agricultural investments, such as the Economic Community of West African States (*ECOWAS*) *Network of Parliamentarians on Gender Equality and Agriculture Investment and Food Security*, which aims at fostering inclusive and gender equitable agricultural

investment that is conducive to food and nutrition security and poverty reduction (IISD, 2019). Building awareness of these platforms and leveraging them among members is critical for responsible investment in agriculture. Underlining the linkages between RAI and the right to food can serve as an entry point in those countries where there is already widespread buy-in of the latter.

## Key messages

**Responsible investment in agriculture and food systems is an important means of mitigating the adverse socio-economic effects of the COVID-19 pandemic, strategically supporting recovery, and facilitating response and preparation for future shocks.**

- Responsible investment prioritises people's food security and nutrition and helps to increase the resilience of communities against future crises and disasters.
- Responsible investment supports the protection of both formal and informal workers in supply chains and helps keep food supply chains alive/active during crises.
- Responsible investment promotes inclusive agri-food chains and resilient local, national and regional food systems that can endure the ongoing as well as future crises.

**Responsible investment in agriculture is one of the most effective strategies for reducing hunger and poverty.**

- FAO estimates that additional annual investments of USD 265 billion are needed globally to achieve the first two Sustainable Development Goals - ending poverty and hunger. Of these, USD 140 billion must focus on agriculture.
- Responsible investment addresses the needs of communities, farmers, investors and other stakeholders. It also addresses development challenges such as climate change, gender equality, health and welfare, job creation, youth engagement, and access to water, among others.

**Responsible investment is essential to increase food production in circumstances of climate change and degraded natural resources.**

- Increasing investment in agriculture is needed to build market infrastructures and improve public goods, which will help raise productivity and rural incomes.
- Investment is needed to address the increasing demand for food, especially demand from urban residents. It is predicted that 70 percent of the world's population will live in cities by 2050.

- Investing in smallholder women and men is an important way to improve food security and nutrition for the poorest, as well as food production for local and global markets.
- Responsible investment can help transform our current food production system by fostering new approaches to sustainably manage forests, oceans, water, land and soils – and by promoting methods to extract greater agricultural yield with fewer inputs.



### **Responsible investment contributes to closing the generation gap in agriculture.**

- Rising average age of farmers and few viable opportunities for younger generations to replace ageing farmers, is resulting in a "generation gap" in the food and agriculture sector.
- Young agri-entrepreneurs could create thriving businesses and tackle the challenge of feeding a growing population by increasing their access to new technologies and techniques, especially in rural areas. This access will harness their innovative potential and allow them to take advantage of new opportunities in emerging value chains.
- Agribusinesses in developing countries are growing, representing an invaluable and

untapped potential to address the youth unemployment challenge (FAO, 2019c).

- The reduction of youth unemployment through the promotion of decent work opportunities in rural areas is an effective way of addressing the causes of forced migration and displacement.



### **Responsible investment is critical to closing the gender gap in agriculture and food systems.**

- Women make an indispensable contribution to agriculture, but encounter constraints to their capacity to invest, and access and benefit from investments made by other stakeholders. This can lead to poor human development outcomes, as women play an important role in investing proceeds from agriculture into their family's education, health and nutrition.
- A gender-sensitive approach to investing in smallholder farming can improve outcomes in many interrelated areas: farm productivity, farmer livelihoods, adoption of technology, resilience of supply chains and cost efficiency of agricultural investments.
- Empowering women farmers to develop their potential and participate in decision making

in households, communities and organizations strengthens the capacity of farming households and producer organizations to respond to uncertainty and challenges, such as the impact of climate change and commodity price fluctuations.



### **Responsible investment in agriculture contributes to the realization of the right to food.**

- Investment (both private and public) in agriculture and food systems is crucial for increasing productivity levels in the sector and creating economic and social benefits. When negotiated with affected communities and coherent with national food security and rural development strategies, investment contributes to the achievement of the right to food, a legally binding principle recognised in the International Covenant of Social and Economic and Cultural Rights (ICESCR).
- Responsible investment in agriculture means creating new jobs and fostering decent work. This, in turn, means people have increased power to buy adequate food.
- The Right to Food Guidelines adopted in 2004 base the achievement of food and nutrition security on human rights principles and set the framework for the development of the CFS-RAI Principles.



### **Parliamentarians can advocate for new laws or reforms of existing legal frameworks related to responsible investment under the framework of the SDGs.**

- Countries have committed to achieving the SDGs by 2030: laws and regulations that enable responsible investment would bring numerous benefits with regard to achieving national development strategies.
- Parliamentarians can undertake concrete actions for the materialization of responsible investment in agriculture, such as the exchange of existing legislation based on or connected to the CFS-RAI Principles.

## **2. The private sector**

Engagement with the private sector may focus on the win-win situation that responsible investment in agriculture creates. It lets companies be an active part of the change by allowing them to seize on business opportunities which also benefit local communities. Furthermore, blended finance, which combines public and private funds, is increasingly utilized to simultaneously achieve development goals and profits.

## Key messages



**Now is the optimal time for private sector investment in agriculture, as growing population rates, urbanization and economic growth are increasing market demand for produce and will necessitate expanded trade of agricultural commodities.**

- In order to feed a world population of 9.1 billion people in 2050, overall food production will need to increase by about 70 percent.
- Food production in developing countries will need to almost double by 2050. For example, it is estimated that annual cereal production will have to grow by almost one billion tonnes.
- Increased responsible investments in rural areas can lead to higher incomes, which, in the long term, will increase market demand, thus creating new market opportunities for the agri-food sector.



**The shift towards a more sustainable agricultural sector can increase both profits and brand loyalty.**

- Reducing food loss enables private sector food suppliers to increase profit margins.
- Both individual consumers in their own consumption choices and countries in their importing

policies are increasingly demanding transparency in supply chains and products that contribute to sustainable development. (For example, 72 percent of millennials in the UK are willing to pay more for sustainable products (Nielsen, 2020), and one-third of consumers are now buying brands based on their social and environmental impact). An estimated EUR 966 billion opportunity exists for brands that make their sustainability credentials clear (Unilever, 2017).



**Responsible investments in agriculture and food systems tend to be more successful. This is because addressing the social and environmental impacts of investments can help maximise gains and minimise risks for enterprises and investors.**

- Managing environmental, social and governance (ESG) issues through due diligence processes and responsible business conduct (RBC) is central to maintaining a long-term 'social license' to operate (UN, 2011). In this way, enterprises help create stronger brands, build trust with consumers and suppliers, save long-term costs, spur innovation in the agri-food sector and contribute to sustainable development.

- The emergence of the middle classes in developing countries should lead to a significant increase in demand for higher quality, more diverse, and healthy food, that is produced in a responsible way.
- Addressing gender issues and investing in women along the value chain has shown to enhance productivity, sustainability, and the security and quality of supply, while also generating higher incomes and increased access to empowerment opportunities for women.
- Empowering women and youth, which are central to responsible investment, benefits private companies on all levels. The marginalization of women and youth leads to poor adoption of new crops, technologies and practices and persistent low productivity.
- Meaningful consultations with women and men from communities are fundamental for responsible agricultural investment. These help to contribute to their financial success and sustainability.

### 3. Civil society

The participation of civil society in legislative processes (including implementation,

monitoring and evaluation) related to investments in agriculture and food systems is crucial. By establishing inclusive and transparent governance structures, processes, decision making and grievance mechanisms in the sector, all contribute to achieving sustainable development. The CFS-RAI Principles encourage States to consult all relevant stakeholders, especially the most vulnerable, to assess the efficiency of laws, policies and regulations and measure (and address) the impacts of investments. The key messages below can support in encouraging the civil society's engagement.

#### Key messages



**The promotion of responsible investment in agriculture includes recognising that the empowerment of smallholders and family farmers is a key strategy to improve food security and nutrition.**

- In developing countries, farmers, most of whom are small-scale family farmers, are the largest investors in agriculture. As such, policies and programmes should focus on strengthening the capacities of small-scale producers and family farmers both to invest and to benefit from investments.
- Promoting responsible agricultural investment includes supporting investments (both public and private) in and



with small-scale producers and family farmers (men and women), and recognising the role played by indigenous peoples and local communities;

- In relation to all aspects of investments, communities, indigenous peoples, the most vulnerable, and those working in agriculture and food systems are encouraged to actively engage and communicate with parliamentarians;
- To be truly responsible, investments must integrate mechanisms to ensure that those directly or indirectly affected by investments, participate in decision-making processes in an active, free, effective, meaningful and informed manner. This includes consultations with indigenous peoples in accordance with their right to free, prior and informed consent (UN, 2007).



**Responsible investment in agriculture can help achieve other internationally recognised standards and commitments, including:**

- The Universal Declaration of Human Rights;
- The International Labour Organization (ILO) Declaration on the Fundamental Principles and Rights at Work;

- The Voluntary Guidelines on the Progressive Realization of the Right to Adequate Food;
- The United Nations Declaration on the Rights of Indigenous Peoples;
- The Guiding Principles on Business and Human Rights;
- The Voluntary Guidelines on the Responsible Governance of Tenure of land, fisheries and forests in the context of national food security;
- The Convention on the Elimination of All Forms of Discrimination against Women;
- The Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication;
- Responsible investments in agriculture can help achieve the United Nations Decade of Family Farming (UNDFP 2019 -2028) (FAO, 2019), and directly contribute to the fifth pillar of the Global Action plan of the UNDFP: improve socio-economic inclusion, resilience and well-being of family farmers, rural households and communities (FAO and IFAD, 2019).



**Investing responsibly in agriculture contributes to reducing rural poverty and creates decent jobs for youth.**

- Considering that four out of five poor people in the world live in rural areas (FAO, 2019d), additional investments in these areas are crucial to achieving SDG 1: “End Poverty in all its forms.” This includes investing in farmers’ capacities, addressing infrastructure and public services, expanding the use of technologies, and ensuring that business models benefit communities and respect community members’ rights.
- Between 2015 and 2030, the number of people between the ages of 15 and 24 is expected to rise by about 100 million. Enhancing investment in rural areas is crucial to providing this young generation with decent working opportunities in the agri-food sector. In turn, this enables youth to contribute to inclusive development in rural areas, improves food security and nutrition and reduces forced migration.



**Responsible investment in agriculture fosters gender equality and women’s empowerment.**

- By promoting gender-sensitive policies and legal frameworks that ensure fair treatment, such

as eliminating discriminatory practices, recognizing equal rights and access to resources such as land, and ensuring women participate in decision-making and consultations.

**4. Academia and research centres**

Academia and research centres can help all stakeholders understand the scope and relevance of enhancing responsible investment in agriculture. They have the fundamental responsibility to cultivate and expand knowledge, disseminate accurate data, develop analytical capabilities and communicate the value of the CFS-RAI Principles.

**Key messages**



**Integrating the CFS-RAI Principles in the policies and curricula of academic centres will allow better investments in agriculture in the future and:**

- Raise awareness among the younger generations about the wide spectrum of social, economic and environmental global challenges that could be addressed by enhancing responsible investment in agriculture.
- Facilitate academic and vocational training to increase smallholders’ capacities to engage in agriculture.

- Contribute to increase women's participation in agricultural related institutions and technical professions. Work to change the mind set of future generations to transform gender relations in the wider society.



**It is essential to promote research, knowledge and innovation to identify and monitor the impacts of responsible investment in agriculture and to provide analysis to support policy reform.**

- Research findings on the impacts of RAI are essential to scale up advocacy and inform a policy debate based on evidence. Academia and research centres can promote and develop analysis, studies, indicators and other tools that serve to measure and monitor the contributions of RAI to sustainable development.
- Disaggregated data on sex, age and ethnicity and analysis are essential for inclusive policy decisions.



**Partnerships between parliamentarians and academia can contribute to the translation of research findings into consolidated legal frameworks to achieve the 2030 Agenda.**

- The establishment of networks between universities, research centres and lawmakers can expand knowledge, stimulate collaboration and contribute to position RAI at the top of the political agenda. The “Observatory on the Right to Food” in Latin America and the Caribbean is a good example of these kind of networks. It gathers over 70 universities, 17 countries and has conducted over 100 studies on the right to food (ODA ALC, 2020).

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# Annexes:

## Annex 1

### Parliamentary action checklist<sup>6</sup>

#### Promote and support the incorporation of the CFS-RAI Principles into the domestic legal framework:

- ✓ Influence the legislative agenda of your country or region, by participating in parliamentary debates or in the work of thematic committees to increase understanding of the role of enhanced agricultural investments to achieve the SDGs. It is very important to carefully review all of the different committees that can be related to RAI, as the word “investment” may not be in their name;<sup>7</sup>
- ✓ Assess and participate in reviews of national legislative, regulatory and institutional frameworks to identify changes needed to enhance responsible investments in agriculture and food systems (Specific guidance on this action can be found in the Guidance note 1 of this handbook).
- ✓ Ensure consistency and coherence among laws, regulations and policies related to investments in agriculture and food systems (Specific guidance on this action can be found in the Guidance note 2 of this handbook).
- ✓ Advocate to change existing laws and/or to adopt new laws to promote responsible investment in agriculture and food systems (Additional guidance on this action can be found in the Guidance note 3 of this handbook).
- ✓ Translate the CFS-RAI Principles and the SDGs into enforceable national laws that respond to and align with existing country-specific development priorities (Inter-Parliamentary Union, 2016a and 2016b).
- ✓ Create a robust regulatory and legal framework for environmental and social

<sup>6</sup>The actions are listed to give an idea of the broad role that members of parliament can adopt, but are not exhaustive, and may vary depending on the country context.

<sup>7</sup>For example, in the Parliament of Ghana, among the Committees that could be related to RAI are: Food, Agriculture and Cocoa Affairs; Lands and Forestry; Environment, Science and Technology; Business Committee, Employment, Social Welfare and State Enterprises; Local government and rural development; Youth, Sports and Culture.

impact assessments (ESIAs)<sup>8</sup> for larger scale agricultural investment projects, including establishing an institution in charge of the assessment, if not present in your country.

- ✓ Generate an enabling environment for the development of the agriculture sector, promoting availability of and access to financial services particularly for small-scale producers through agriculture banks and microfinance.
- ✓ Support laws which contain clear, effective and evidence-based incentives for responsible investment in agriculture and food systems, from foreign and domestic investors of all sizes. Remember: agriculture is often seen as a high-risk sector, so investors need encouragement!
- ✓ Support measures that protect the rights of and promote investments by and for small producers, women, youth, indigenous peoples and people in the most vulnerable situations. This includes effective and meaningful consultation and the adoption of specific measures for their successful engagement as business partners within their own development process (for instance, as part of the response

to COVID-19, some governments have approved financial packages for farmers).

### **As part of parliamentary oversight:**

- ✓ Approve budget allocation and/or ensure an adequate budget is assigned for the implementation of laws related to responsible investments in agriculture, for instance in connection with funds allocated to the achievement of the SDGs (Specific guidance on this action can be found in the Guidance note 3 in Part 2 of this handbook).
- ✓ Follow-up and monitor implementation of laws, regulations and government spending for responsible investment in agriculture (Specific guidance on this action can be found in the Guidance note 4 in Part 2 of this handbook).
- ✓ Ensure that policies, protocols and institutions proposed and/or announced by the government are in line with the CFS-RAI Principles and are implemented and hold the government accountable for its use of public funds.

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<sup>8</sup>An ESIA allows to identify, evaluate and manage the environmental and social risks and impacts of an investment project.

- ✓ Generate mechanisms of transparency and open the negotiation processes of investment contracts. Check whether potential investments are responsible and aligned with other nationally defined objectives and priorities. Seek to make governments accountable for the negotiation and conclusion of agriculture and food system investment contracts and for the adoption of measures that the State should take to remove any incompatibility that is found between social, economic, cultural and political human rights, gender, environmental rights, and existing or prospective investment agreements.
- ✓ Ensure that investors in the country respect environmental obligations and human rights, including gender equality, throughout their operations. Request companies and financial institutions to submit their business plans addressing social and environmental matters in line with the SDGs. Conduct due diligence and define incentives for those who publicly report on the related processes and results.<sup>9</sup>
- ✓ Ensure the government establishes appropriate regulation of the conduct of investors including appropriate

channels for complaints, protection for whistleblowers. Act as whistle-blower when necessary.

- ✓ Monitor the response of different actors to laws and regulations on RAI, including banks and financial institutions, private companies, producers' associations and cooperatives, CSO and women's groups.

### **Promote cooperation and coordination:**

- ✓ Consider forming or joining a parliamentary alliance, such as a Parliamentary Front against Hunger (Parliamentary Front against Hunger, 2020) to promote RAI or put RAI on the agenda of existing parliamentary committees or forums.
- ✓ Seek to raise awareness among other parliamentarians and their constituencies and promote capacity-development activities on relevant regional and international instruments.
- ✓ Consider forming partnerships and alliances within the country: with civil society and farmers' organizations, academia, NGOs and consumers' organizations, if not already part of regional parliamentary alliances. Hold regular consultations and

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<sup>9</sup>The UN Guiding Principles for Business and Human Rights can be useful, as they are a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operation.

promote knowledge exchange with these stakeholders.

- ✓ Encourage coordination across different institutions to promote responsible investment in agriculture and food systems.
- ✓ Look to South-South and triangular cooperation, to learn from the experience of other parliaments. Share your country's best practices.
- ✓ Promote the strengthening of human and organizational capacities of institutions working on RAI at the national level, starting with a sound capacity needs assessment related to different principles of the CFS-RAI Principles.

### **Contribute to generating and sharing information:**

- ✓ Seek action to improve disaggregated data collection on different types of investment and their impact (including sex, age and ethnicity disaggregated data).
- ✓ Support efforts to disseminate the CFS-RAI Principles and related legislative and policy framework as widely as possible.

- ✓ Make extensive use of the media to communicate the work you are doing to increase awareness of RAI to the citizens of your country. Consider public awareness raising campaigns on specific topics (Part 3 of this handbook contains advocacy and communications tips).
- ✓ Support the mainstreaming of transparency principles throughout the legal framework for RAI, including, for example, publishing investment contracts and Environmental and Social Impact Assessments (ESIAs).

# Annexes:

## Annex 2

### Examples of legislation that promotes responsible investments in agriculture and food systems at national level

Legal frameworks that promote RAI can be enabled if parliamentarians worldwide are aware of the critical role that responsible investments play towards the achievement of the SDGs. This section presents five short examples of existing national

legislation related to responsible investment in agriculture and food systems in Asia, Africa and Latin America. It shows their alignment to the CFS-RAI Principles and their potential contribution to the SDGs.

### Examples of national legislation that includes specific provisions promoting responsible investments in agriculture and food systems

## EXAMPLE 1

#### Investment Code for the agro-sylvo-pastoral, fisheries and wildlife segments. Burkina Faso

(Loi n° 017-2018/AN du 17 mai 2018 portant code des investissements agro-sylvo-pastoral halieutique et faunique au Burkina Faso)



**Date of approval of the Law:**  
19 June 2018



**Burkina Faso**

**CFS-RAI Principles:**



**SDGs:**



#### Context

The Code aims at promoting productive investments in livestock, fisheries, forestry

and fauna management. It pursues the development of a resilient and productive rural sector, while reinforcing a market-oriented



approach based on the principles of sustainable development. The law establishes an enabling environment and creates incentives to boost investment.

The Code provides a clear and consensual definition of agricultural enterprises, facilitates the formalization and monitoring of agricultural enterprises, and enables agri-entrepreneurs to have the legal means to justify their status to customs and tax authorities to effectively benefit from incentive advantages.

### Specific provisions on RAI

- In line with **CFS-RAI Principle 3 “Foster gender equality and women’s empowerment”**, **Principle 4 “Engage and empower youth”** and **Principle 5 “Respect tenure of land, fisheries, and forests, and access to water”**, the law makes an explicit effort to protect and support smallholders and disadvantaged groups. As such, Article 21 stipulates that *“the State or local authorities, in accordance with the provisions of the legislation in force, shall organize special programs for individual or collective allocation of rural land-use on their respective rural managed land for the benefit of disadvantaged groups of rural producers, such as small*

*producers, women, young people and stockbreeders”*.<sup>10</sup> Likewise, Article 18 says *“no agro-sylvo-pastoral, fish and fauna family farm may be seized as a result of legal action without a prior conciliation procedure.”*

- **CFS-RAI Principle 6 “Conserve and sustainably manage natural resources, increase resilience, and reduce disaster risks”**. The title III of the law oversees the promotion of environmental protection and innovation. As such, companies making new investments in areas with a difficult climate or with insufficiently exploited agro-sylvo-pastoral, fishery and fauna resources, *“and operating in the field of environmental protection using innovative technologies and or techniques, in particular for conservation production and or small-scale or semi-industrial processing”*<sup>11</sup> according to Article 34 of the law, are granted additional advantages. Those include an extension of 2 years of operating benefits as well as an exemption of seven years from income tax on income from movable securities and seven-year exemption from tax on capital goods. Chapter III of the law defines the different preferential regimes as well as the eligibility criteria for these regimes, which are granted by a joint order

<sup>10</sup>Unofficial translation

<sup>11</sup>Unofficial translation

of the Ministers of Industry and Finance after an approval by the National Investment Commission.

- In line with **CFS-RAI Principle 2 “Contribute to sustainable and inclusive economic development”**, the law encourages local employment generation (Article 28) by offering fiscal incentives such as customs duties and tax exemptions based on the projected investment and its impact on job creation and, to a lesser extent, in terms of export of an important part of their production.
- Paragraph 36 of the CFS-RAI Principles recommends States to promote an enabling institutional, legal and policy environment, for which the foundation is “coherence, consistency, and predictability among policies, laws, and regulations in the range of areas related to agriculture and food systems”. Several articles of the Agricultural Investment Code make specific and repeated references to the applicability of Burkina Faso’s existing laws and regulations, such as Article 6 that indicates that “investments in the agro-sylvo-pastoral, fisheries and fauna sectors are made freely subject to compliance with the provisions of the laws and regulations in force in Burkina Faso”. These references are to

ensure that all agricultural investors will be subject to the country’s legal framework and avoid the risk that the code could be seen or used as a vehicle to allow agricultural investors to bypass other areas of law.



### Target beneficiaries

The revised law applies to local and international investors. The law aims at improving the living conditions of *disadvantaged groups of rural producers, such as small producers, women, young people and stockbreeders (art 21)*.<sup>12</sup>



### Results and Impact

- The law provides clarity and coherence for investors while strengthening the existing legal and regulatory system governing issues such as land, labour rights, environmental protections, and tax obligations.
- The law promotes modern production and processing techniques and seeks to create decent jobs by reducing youth and female unemployment.



### Success factors

The development of a sectoral investment code emerged from the need to create favourable conditions for attracting more *agricultural* investment, as the law establishing the General Investment Code does not take sufficient account of the agricultural component.

<sup>12</sup>Unofficial translation

The law creates a stimulus for the development of agro-sylvo-pastoral, fishing and fauna activities contributing to the economic and social development of the country.

### Constraints

Several provisions of the law require the development of decrees to make detailed provisions on the implementation of the Code. As these implementation decrees have not yet been adopted, this can impair the impact of the Code.

### Related resources

- Burkina Faso adopts a New Agricultural Investment Code: How does it contribute to sustainable development?, at: <https://www.iisd.org/articles/burkina-faso-agricultural-investment-code>
- Only in French:
  - Loi n° 017-2018/AN du 17 mai 2018 portant code des investissements agro-sylvo-pastoral halieutique et faunique au Burkina-faso <http://extwprlegs1.fao.org/docs/pdf/BKF180804.pdf>.
  - Projet de loi portant Code des investissements agro-sylvo-pastoral, halieutique et faunique (CIASPHF) au Burkina Faso: Note technique sur le CIASPHF <https://www.pndes2020.com/pdf/code-investissements.pdf>
  - Plan national de développement économique et social [http://cns.bf/IMG/pdf/pndes\\_2016-2020-4.pdf](http://cns.bf/IMG/pdf/pndes_2016-2020-4.pdf)

## EXAMPLE 2

### Law that establishes gender equity criteria in the allocation of vacant lands, rural household, productive projects. Colombia

(Ley N. 1900 por medio de la cual se establecen criterios de equidad de géneros en la adjudicación de las tierras baldías, vivienda rural, proyectos productivos - Colombia)



**Date of approval of the Law:**  
18 June 2018



**Colombia**

**CFS-RAI Principles:**



**SDGs:**



### Context

The Peace Agreement between the Colombian Government and the Revolutionary

Armed Forces of Colombia (FARC) establishes in Point 1, the Comprehensive Rural Reform

(*Reforma Rural Integral*), and includes gender equality and gender focus, as well as the regularisation of property, among its principles for implementation.

In this context, Law 1900 was adopted in 2018, seeking to promote gender equity in the allocation of national vacant land, in the allocation of rural housing, the distribution of resources for the encouragement of productive projects for the promotion of rural activity, as well as establishing mechanisms that guarantee their real and effective application in order to eradicate any form of gender discrimination. It also stipulates that the Board of Directors of the National Land Agency will prioritise rural women for access to land, formalization, adjudication of national vacant lots and allocation of resources for productive projects, by assigning scores within the methodology that currently is determined by the competent authority, granting double the score for each classification variable to those rural households where a woman resides as head.

### **Specific provisions on RAI**

The law is directly related to CFS-RAI Principles 3 and 5 and consequently to Principle 2. Key words of the Law that are related to the CFS-RAI Principles are: inclusion, access to land, equity, rural women, agricultural activities.

- **CFS-RAI Principle 3 “Foster gender equality and women’s empowerment”**

The law is aligned with measures i) and iii) of CFS-RAI Principle 3 by “applying the differential gender approach in the annual allocation of resources for productive projects by the different funds, plans and programs (...) to guarantee the majority and progressive access of rural women in the resources destined to rural productive projects ”(Art. 8).

- **CFS-RAI Principle 5 “Respect tenure of land, fisheries, and forests, and access to water”**

Women's access to land allocation is the main objective of the law.

- **CFS-RAI Principle 2 “Contribute to sustainable and inclusive economic development and the eradication of poverty”**

The beneficiaries of the law are women "in conditions of poverty and marginality" (Art. 5).

### **Implementation**

- The Board of Directors of the National Land Agency will prioritise rural women for access to land, formalization, allocation of national vacant lots and allocation of resources for productive projects (Art. 2). In its implementation, the law establishes that the Government will develop a program to

support orientation and training so that beneficiary women can make efficient use of the resources they currently access and of the newly assigned wastelands, in order to promote their productive projects (Art. 9).

- Access to these programs will be free and must be guaranteed to all women beneficiaries of the law (Art. 9).
- The law modifies previous provisions to introduce the differential gender approach in access to subsidies and aid for rural development.
- To support monitoring of compliance with the law, the Senate Committee of the Colombian Parliamentary Front against Hunger has requested a report from the national government.



### Target beneficiaries

- Rural women over 16 years of age, who are not landowners, who are in conditions of poverty and marginality, and who derive from rural activity at least 50 percent of their income.
- Priority will be given to those who have children.
- Spouses or permanent companions of rural women, over the age of 16, who are heads of the family and share responsibilities for their minor

children or other relatives if they look after them.

- Female-headed households will be prioritised.



### Results and Impact

The law seeks the following results:

- Empowerment of landless peasant women linked to agricultural and rural activities.
- Access to productive resources for rural women for greater equity and rural well-being.
- Use of national wastelands for their productive aptitude and the promotion of agricultural activity. For the 2019-2022 period, the Land Agency established the goal of 12,142 women to benefit from the access and land formalization processes. In December 2019, some 6 375 women have already benefited from the law, (i.e. 53 percent of the goal established for the entire period and 254 percent of the goal for the year 2019). The National Land Agency anticipates an increase in applications, attributed in part, to this law and has strengthened the Application Registration system.



### Success factors

The law seeks to alleviate the problem of access to land in Colombia, recognised as one of the

triggering factors of the guerrillas and conflicts suffered in the country.

### Constraints

The exploitation of the land, according to its specific inclination, is a limitation for its adjudication. The law states that the wasteland will not be awarded until the settler adopts a gradual reconversion plan that guarantees sustainable exploitation respecting the areas dedicated to protective plant conservation or forest use.

### Related resources

Only in Spanish:

- FAOLEX Database: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC191541/>
- Congreso de la República de Colombia. Proyectos de Ley: <http://leyes.senado.gov.co/proyectos/index.php/proyectos-ley/periodo-legislativo-2014-2018/2016-2017/article/6>
- Management Report of the National Land Agency: <http://www.agenciadetierras.gov.co/wp-content/uploads/2020/02/Informedegestion2019.pdf>

## EXAMPLE 3

### Amended Law on Investment Promotion No. 14/Na. Lao Pdr



**Date of approval of the Law:** revised 17 November 2016



**Lao People's Democratic Republic**

#### CFS-RAI Principles:



#### SDGs:



### Context

The amended Law on Investment Promotion aims at creating a more unified process to facilitate domestic and foreign investments in Laos, both public and private, by introducing a number of substantive changes in order to align with international standards and good practices.

### Specific provisions on RAI

The law echoes the CFS-RAI Principles<sup>1</sup> focus on the need to promote greater integration of social, environmental and economic elements as necessary for the achievement of the SDGs. Article 5 of the 2016 investment promotion law applies the key principles governing investment

promotion within the country including those that it should “be in line with the direction, policy, strategy, national socio-economic development plan, development plan for relevant sector, region and socioeconomic growth in each period of time, to improve living conditions of people in compliance with laws and regulations”.<sup>13</sup>

- **CFS-RAI Principle 5 “Respect tenure of land, fisheries, and forests, and access to water”** and the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT), particularly chapter 12 on investment are reflected in several provisions of the revised law;
- **CFS-RAI Principle 6 “Conserve and sustainably manage natural resources, increase resilience, and reduce disaster risks”**. Article 5 of the investment promotion law defines a principle to protect natural resources in “*compliance with the policy of green growth and sustainability.*” In the same vein, Article 74 of the law defines stronger environmental obligations for investors (e.g. 1. *Strictly comply with environmental obligations, promote the green development and growth, give importance to the protection of environment as*

*per laws and regulations and 3. Fulfil environmental obligations according to international treaties and agreements to which Lao PDR is a party*) and encourages more responsible agricultural investment.

Additionally, Article 9 of the law provides incentives, such as, tax exemptions for environmentally friendly businesses, which include: “2. *Clean, toxic-free agriculture, planting seed production, animal breeding, industrial plantation, forestry development, protection of environment and biodiversity, activities promoting rural development and poverty reduction; 3. Environmental-friendly agricultural processing industry.*”.

- **CFS-RAI Principle 10 “Assess and address impacts and promote accountability”**. The law, in its Article 44.6 on “*Application and documentation for investment*” requires an environmental, social and natural impact assessment prior to receiving any concession, and similarly, for those who want to set up a special economic zone, a social-environmental impact assessment is required (Art. 59.6).
- Effective investment promotion and facilitation is not only about promoting a country as an investment destination and

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<sup>13</sup>As per unofficial translation of the Law.

making it easy for investors to establish or expand their existing investments. It is also about ensuring that these investments create linkages with domestic companies and contribute to skills transfer and job creation. The law provides an exhaustive list of sectors prioritised by the government due to their important roles in national economic development, social progress or sustainable development. It gives benefits and incentives to each sector in accordance with the location in which they set up their activities.

## Implementation

An implementing Decree on the Establishment and Operation of the Investment Promotion and Management Committee was adopted in January 2018. It provides further clarification on the establishment and operations of the Investment Promotion and Management Committee created by the law.

The Committee's role does not end once investment approval has been granted. Succeeding approvals will be required during the course of the investment and throughout the existence of the legal entity conducting the business activity in the country if any modifications to the initial investment/project are contemplated, such as transfer of shares; changes to the objectives of the company; or use of the

concession/investment rights as a guarantee. The Committee also has the authority to suspend or cancel licenses granted to investors if requirements are not met.

The budget to run the Committee is directly linked to the Ministry of Planning and Investment's budget, while the budget of each Provincial Committee is linked to each province's Department of Investment Promotion.

## Target beneficiaries

The revised law applies to domestic and international investors regardless of their nationality.

The law explicitly encourages investors to contribute to employment of Lao workers, especially women and ethnic people, with a focus on labour skills development. It provides clear social obligations for the investor (Art. 72).

## Results and Impact

The law introduces several substantive changes in order to align with international standards and good practices. It provides greater clarity for investors on their rights and incentives, as well as the timeframe for processing business applications. It contributes to improve the investment climate. One important change introduced by this law is that it gives specific powers to the National



Assembly (Art. 49)<sup>14</sup> by requiring parliamentary approval of agricultural investment contracts over a certain value or involving the lease of land over a certain size. The National Assembly also has a special oversight role on the terms of land concessions and specific investments in case these have an adverse impact on nature, the environment, or society.

The law also formalises an established practice in Laos whereby the National Assembly considers and provides final approval of special tax and other incentives (Article 19)<sup>15</sup> to be granted to projects that are not eligible for the standard investment incentives.

## Success factors

Many countries expect foreign direct investment in the agricultural sector to generate employment, boost productivity and hasten agricultural transformation, while at the same time increasing government revenues. Instead, many countries experience limited return to local economies, negative impacts on smallholder farming systems and conflicts over land and natural resources.

In Lao PDR, the government considered several measures to limit the negative impacts of large-scale land acquisitions and better regulate agro-industrial investments while still providing opportunities for commercial agriculture. This

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### <sup>14</sup>Article 49 (New) Approval powers of the National Assembly

The National Assembly has the power to approve investments in:

1. State equity participation for a value of more than twenty billion Kip in a public-private partnership;
2. Construction project of a nuclear power plant;
3. Casino business and casino gambling business;
4. Extension of concession term of a special economic zone;
5. Business involving the conversion of a national reserved forest and protected forest;
6. Business having serious impact on environment, nature and society, for instance, a diversion of a natural water flow, a resettlement of five hundred families or more, a concession of land of ten thousand hectares or more and other projects as specified in relevant laws;
7. Projects requiring special incentives.

Projects or subject matters not covered above shall comply with applicable laws and regulations of relevant sector authorities.

The Provincial Assemblies consider approving investment in projects of local level according to their jurisdiction as set out in relevant laws.

### <sup>15</sup>Article 19 (Amended) Other Supporting Incentives. Investors receive other supporting incentives as follows:

1. be considered for Government's commendation in different forms as deemed appropriate for investors who have fulfilled their tax obligations in a timely manner, contributed to the development of community, society, and focus on solving environmental issues, development of Lao labour skills as certified by relevant government agencies and local authorities;
2. receive facilitation for obtaining a residence permit and a multi-entry business visa for foreign investors according to the term of investment.  
Foreign investors and their family, foreign technical staff and experts will be facilitated for their entry-exit of Lao PDR and their request for multiple-entry visa for the maximum of five years per time.
3. If any additional special incentives are deemed needed in the certain sector or the zone, the Government shall propose to the Standing Committee of the National Assembly or to the National Assembly for consideration and approval.

The Government shall set rules on the implementation of other investment supporting incentives for investors.

included a moratorium on large land concessions for agriculture. However, the government still recognises that private investment can play a key role in achieving sustainable development. Thus, investment promotion and facilitation measures can be a powerful means to attract investment and maximise its contribution to development.

### Related resources

- FAOLEX Database <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC170810>
- Law on Investment Promotion Law No. 14/NA retrieve from: <https://investmentpolicy.unctad.org/investment-laws/laws/177/lao-people-s-democratic-republic-investment-law>
- OECD Investment Policy Reviews: Lao PDR, OECD Investment Policy Reviews, OECD Publishing, Paris, [https://www.oecd-ilibrary.org/finance-and-investment/oecd-investment-policy-reviews-lao-pdr-2017\\_9789264276055-en](https://www.oecd-ilibrary.org/finance-and-investment/oecd-investment-policy-reviews-lao-pdr-2017_9789264276055-en)
- Lao Legal Update: Lao Government makes significant reforms to investment Promotion Law, <http://www.dfdl.com/resources/legal-and-tax-updates/lao-legal-update-lao-government-makes-significant-reforms-to-investment-promotion-law/>
- Lao Peoples Democratic Republic: Laos establishes Investment Promotion and Management Committee, <https://www.mondaq.com/Government-Public-Sector/695938/Laos-Establishes-Investment-Promotion-And-Management-Committee>

## **Examples of laws and regulations on investment in agriculture that have been enacted as a result of well-structured participatory processes.**

Promoting responsible investment in agriculture and food systems is the collective responsibility of all stakeholders. The CFS-RAI Principles encourage 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 (See Principle 9 and paragraph 31 of the CFS-RAI Principles).

# EXAMPLE 1

## Act 20,606 regarding Food Composition and Food Advertising. Chile

(Ley 20.606 “Sobre composición nutricional de los alimentos y su publicidad”)



**Date of approval: 6 June 2012.**  
**Entry into force: 27 June 2016,**  
**after approval of its Regulation**



**Chile**

### CFS-RAI Principles:



### SDGs:



### Context

- The law seeks to improve the health of consumers and respond to the public health concerns of the epidemic of overweight and obesity in the country through better information regarding the food they purchase including warning on potential harmful effects on health and nutrition. It consists of four parts:
  - a. Mandatory front of package (FOP) warning labels on food with critical content in salt, fats, sugar and calories.
  - b. Ban on advertising of food with FOP warning labels aimed at children under 14 years of age.
  - c. Ban on the sale of unhealthy foods in schools.
  - d. Education on healthy diets.

### Specific provisions on RAI

- **CFS-RAI Principle 8 “Promote safe and healthy agriculture and food systems”**. The results pursued by the Law are aligned with measures v and vi:
  - v. *Increase awareness, knowledge and communication of sound information on the quality and safety of food, nutrition and public health problems...;*
  - vi. *Allow for improvement of consumers’ choice, by promoting the availability of safe, nutritious, diverse and culturally acceptable food.*

In Articles 1, 2, 3 and 5 of the law, the responsibility of food manufacturers, producers, distributors and importers is expressed in compliance with the law, especially with regard to nutritional information and composition of food.

- **CFS-RAI Principle 10 “Assess and address impacts and promote accountability”**

The process of defining the law included evaluations of the repercussions on the different actors in the value-chain (in line with measure i) and were considered in the design of the law (measure iii)

- i. applying mechanisms that allow independent and transparent assessments of the potential impact on all stakeholder groups...;
- iii. determining measures to prevent and address possible negative repercussions...;

### **Implementation**

- The entity responsible for the implementation of the law is the Ministry of Health of Chile (MINSAL by its acronym in Spanish), through the Food Sanitary Regulation (RSA).
- The MINSAL, through its 15 decentralised offices, oversees the surveillance process on possible breaches of the law by doing inspections at sales points and monitoring the implementation of the labels. Labelling costs are borne by private companies.
- MINSAL has collaboration agreements with, among others: National Television Council (advertising monitoring),

National Consumer Service (citizen complaints), Ministry of Education (non-compliance in educational establishments).

- MINSAL has an Information, Claims and Suggestions Office (OIRS) accessible in person and electronically.

### **Target beneficiaries**

- The law has universal coverage in its nutrition information and warning component, as it is addressed to all consumers.
- Population under 14 years of age, with respect to the prohibition of advertising and sale of unhealthy foods in schools.

### **Consultations process**

- Discussion phase of the law in the Congress: public hearings in the Health Commissions of the Chamber of Senators and the Chamber of Deputies, in addition to some mixed Commissions of both houses, with the participation of:
  - *Technical advice from the World Health Organization, FAO, the University of Chile, the Catholic University*
  - Industrial and food distribution sector
- Design and implementation phase of the regulation by MINSAL:
  - Citizen dialogues in all regions of the country:

37 dialogues with 3 369 attendees.

- For Public Health Managers: 21 schools for public officials in 14 regions of the country with 1500 participants.
- For social leaders: 29 schools in the 15 regions of the country, with 1 900 participants.
- Virtual consultation, open for 60 days, during which 3 000 observations, suggestions and comments were received, and were then systematised, answered and considered in the final draft of the regulation.

## Results and Impact

- In the design and location of the warning labels on the critical content of calories, saturated fats, sodium or sugars, the comments received through the virtual consultation with civil society were considered. It was agreed to avoid negative messages and favour visibility. Regarding the actual text, the label says “HIGH IN” (instead of “Excess in”); as for the shape, it consists of a black octagon (instead of a red circle or other less visible colours); location-wise, the stamp is at the front of the package of the product. Children were involved in the consultations to ensure the clarity and meaningfulness of the icons (this is an example of Human Rights Based Approach in practice).



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- In the application of restrictions to minors under the age of 14, the comments received during the online consultation were also considered and it was agreed to restrict advertising on those programs and web pages that specifically target children under 14 or that capture 20 percent or more of audience of children under such age.
- Regarding the sale restrictions in schools, the recommendations of the World Health Organization and the applicable international legislation in other countries such as Australia, the United Kingdom, Spain, Uruguay, South Korea or some states of the United States were considered.
- Many companies made investments to modify critical ingredients contained in their

products. As of July 2019, out of 5 000 products, 17.7 percent had been reformulated. An example is the dairy company SOPROLE, which reformulated 100 percent of its products to avoid having to include warning labels on them.

- The law has had an important impact at the regional and global levels, mainly through the visibility generated by the Parliamentary Fronts Against Hunger in Latin America and the Caribbean. As a result of the above, and specifically from exchanges of experiences within the region and the work carried out by Senator Guido Girardi, co-author of the law and Coordinator of the FPH Chile, and with the support of FAO, Mexico, Peru and Uruguay, all have approved regulations on food labelling. Colombia, Guatemala, Honduras and Paraguay are discussing the adoption of said legislation in their respective national contexts, under the leadership of their national Fronts and with the support of FAO.
- As a result of the above, in terms of dissemination and impact, FAO gave the Jacques Diouf Award (2019) to this group of parliamentarian champions, recognizing the law as a “significant contribution to the improvement of global food security”.

### **Success factors**

- Although the parliamentary discussion and listening process lasted several years, (the records of the health commissions of both chambers, recorded that 19 participatory sessions were held between March 2007 and April 2012) the requests to reduce the key elements of the law by different sectors were not successful.
- Other key aspects were a strong urgency among the authorities and parliamentarians to find a solution to problems related to overweight and obesity in the population and to address the epidemiological situation in the country. This, coupled with the political will of the authorities, including the Ministry of Health and some parliamentarians, to advance the legislative process and enact the law. A key component was the support that the law had from both the academia and international organizations, which provided support throughout the process, mainly providing scientific evidence to justify the approval of the law.

### **Constraints**

- Low participation from consumers organizations was the main limitation faced:
  - In the parliamentary discussion for the design of the law, a consumer organization was present

only in one of the sessions, as verified in the 19 minutes recording.

- In the consultations for the drafting of the Regulation, only one consumer organization (CONADECUS), which does not have a high degree of representation in many regions of the country, was involved.



### Related resources

- Approval of a New Food Act in Chile: Process Summary. <http://www.fao.org/3/a-i7692e.pdf>
- An evaluation of Chile's Law of Food Labelling and Advertising on sugar-sweetened beverage purchases from 2015 to 2017: A before-and-after study <https://journals.plos.org/plosmedicine/article?id=10.1371/journal.pmed.1003015>
- Jacques Diouf award for 2019: Group of parliamentarians in Chile for spearheading the Law on Food Labelling and Advertising. <http://www.fao.org/fao-awards/conference-awards/jacques-diouf/en/>
- The Chilean food labelling law: Conference held at FAO headquarters on the role of parliamentary fronts in improving global nutrition: <http://www.fao.org/3/CA1962B/ca1962b.pdf>

Only in Spanish:

- FAOLEX Database. <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC114209/>
- Ley 20.606 sobre composición nutricional de los alimentos y su publicidad en Chile. <https://www.bcn.cl/leyfacil/recurso/etiquetado-de-alimentos>
- Evaluación de la ley 20.606 sobre composición nutricional de los alimentos y su pu-blicidad en Chile [https://www.minsal.cl/wp-content/uploads/2019/08/EVALUACION-LEY-DE-ALIMENTOS\\_julio-2019\\_02.pdf](https://www.minsal.cl/wp-content/uploads/2019/08/EVALUACION-LEY-DE-ALIMENTOS_julio-2019_02.pdf)
- Consolidado de respuestas a observaciones recibidas durante consulta pública nacional e internacional sobre propuesta de modificación del decreto supremo n° 977/96, reglamento sanitario de los alimentos, del ministerio de salud de Chile <https://www.minsal.cl/wp-content/uploads/2015/08/CONSOLIDADO-DE-RESPUESTAS-A-OBSERVACIONES-RECIBIDAS-DURANTE-CONSULTA-P%C3%9ABLICA.pdf>

# EXAMPLE 2

## Agricultural Land Law. Mali

(LOI N°2017- 001/ DU 11 AVRIL 2017 portant sur le foncier agricole)



**Date of approval of the law:**  
31 March 2017



**Mali**

### CFS-RAI Principles:



### SDGs:



### Context

In most developing countries, investments in agriculture occur in settings with weak land tenure governance and where the prevalence of poverty is high. Security of land tenure is a key condition to preserving social cohesion, reducing household vulnerability and increasing investments by private companies and smallholders alike. Conversely, uncertainty related to land tenure may discourage investment through fear of conflict and eviction. This law states the conditions of access to agricultural land which includes provisions to safeguard individual and collective customary rights. It also includes decentralised rural land commissions to manage land conflicts, which creates an enabling environment with a clear and consistent regulatory framework governing tenure rights. The law contributes to improving tenure security in Mali for individual land rights, collective rights of family

farms and agricultural enterprise. The law was developed following a national participatory process with intensive consultation processes and a strengthened dialogue mechanism that involved different stakeholders in the formulation of the law.

### 👥 Specific provisions on RAI

The Law was inspired by *the Framework and Guidelines on Land Policies in Africa* and the *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT)*. Regardless of the type of tenure right, rules and procedures regarding the rights and their transfer to other parties are clearly defined in the regulatory framework (Chapter 3, Chapter 4 and Chapter 5).

*However, at least 15 percent of state or territorial collectively land-use planning shall be allocated to*



women and young people's groups and associations located in the area concerned.<sup>16</sup>

The law creates an innovative and/or proactive approach to advancing women's and youth tenure rights that operationalises CFS-RAI Principle 3 on fostering gender equality and women's empowerment and Principle 4 on engaging and empowering youth. *Its Article 13 creates a measure designed specifically to support women and youth groups whereby they are allocated at least 15 percent of land developed by the State.*<sup>17</sup> This is significant progress toward enabling women and youth in Mali to legally own land and enjoy the economic benefits of the agricultural sector, to which they make a major contribution.

## Implementation

The platform mentioned below (see “Consultations process”) provides the basis for collaborative monitoring efforts aimed at tracking developments of all policies related to agricultural land law.

Meanwhile, the law establishes the National Farmland Observatory (Observatoire national du Foncier Agricole) (Article 43) will document land issues and monitor the implementation of the law and land management practices in rural areas. The Observatory will regularly publish information on the evolution of the farmland situation in the country, the

current best practices and alert the government on potential risks.

## Target beneficiaries

Target beneficiaries are different categories of farmers and agri-entrepreneurs, with a specific focus on women and youth (Article 13).

## Consultations process

In November 2019, the government agreed with farmers' organizations to establish a multi-actor platform, as part of the land law reform process, to implement the VGGT Guidelines. The platform was co-chaired by the Ministry of Agriculture and the Ministry of Housing and Urban Planning. The vice-presidency and the secretariat were hosted by the national farmers' umbrella organization (Coordination nationale des organisations paysannes – CNOP) which meets once a year. The bulk of the work was performed by a working group called the Land Governance Guidelines Consultation Framework that is composed by CMAT (Convergence Malienne contre l'Accaparement des Terres) and involves technical staff from relevant ministries and departments as well as researchers. It provides a space for more operational work along the lines of action and priorities as defined by the high-level platform.

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<sup>16</sup>Unofficial translation

<sup>17</sup>Unofficial translation

The Consultation Framework organized several seminars (allowing for a collective learning process, which laid the basis to discuss proposals) and field visits, in order to jointly analyse existing problems concerning tenure governance and develop proposals for possible solutions. It organized several awareness raising workshops within the country. The Platform developed an “advocacy document” for the agricultural land law and organized field missions to enable the members of the “Consultation Framework” to collect direct information on tenure issues and land conflicts. These enabled members of the platform to directly discuss land issues with the affected communities, so that their voices could shape and influence the final agricultural land law.

The Consultation Framework met regularly and after the adoption of the Agricultural Land Law. It organized awareness raising workshops designed to obtain stakeholder views on the draft decrees implementing the law. These decrees were then adopted by the Council of Ministers on 14 March 2018.

Members of the platform included state officials, social movements and peasant organizations, representatives of affected communities, parliamentarians, academics/researchers, the national FAO office, NGOs and some national private sector associations.

An important aspect was the participation in the platform of members of parliament. Noting the absence of parliamentarians from discussion at the onset, the secretariat of the Platform approached the Rural Development and Environment Commission and the Legal Commission of the National Assembly. First, it provided crucial information informing parliamentarians about the platform’s key issues and to comply with the main propositions put forward to amend the draft submitted by the government. From there, parliamentarians participated actively in the process and provided advice to different CSOs, including the non-platform-members, to come up with a harmonised position on the law. In the end, this common position was found and used by parliamentarians to support the proposed amendments during the adoption of the law at the National Assembly in March 2017. Women and youth were represented in the platform (the federations of rural women and youth are members of the farmers organizations hosting the secretariat) and could thus ensure that their interests were safeguarded in the process.

## **Results and Impact**

The benefits of this type of multi stakeholder platform are complex. First, it can enhance meaningful participation by creating a space that involves all stakeholders. It

can reach smallholder farmers, who are often unaware of the laws and policies that govern access to the land and resources they rely on for their livelihoods. Second, it can enhance transparency and citizens' capacities to influence policy and participate in decision-making in agriculture and natural resource management, particularly on land issues.

### **Success factors**

Building on the national experience of participatory processes used in the preparation of the agricultural orientation law of 2006 and the agricultural land policy of 2014, the Government of Mali supported participative processes to catalyse public engagement on land reform. The inclusiveness and participatory character of the governance mechanism translated into strong political support and cohesion from all stakeholders. The platform became a concrete space for putting forward proposals towards improving land governance in Mali. It was instrumental in ensuring the success of the policy dialogue and in creating a common understanding of tenure insecurity issues and for deliberations related to the agricultural land law.

### **Constraints**

The process required significant financial and logistical resources. Despite these constraints, such dialogue spaces contributed to a structural and long-term

engagement among stakeholders and enhanced a sense of ownership, created linkages between different governance levels and improved policy formulation.

### **Related resources**

- Policy dialogue spaces and multi-actor platforms in the context of tenure governance. A civil society perspective on experiences and criteria to advance human rights-based governance of tenure, Philip Seufert, FIAN, November 2017: [https://www.fian.org/fileadmin/media/publications\\_2018/Reports\\_and\\_guidelines/WP\\_PolicyDialogueSpaces-TenureGovernance\\_final\\_EN.pdf](https://www.fian.org/fileadmin/media/publications_2018/Reports_and_guidelines/WP_PolicyDialogueSpaces-TenureGovernance_final_EN.pdf)
- Safeguarding land tenure rights in the context of agricultural investment, FAO, 2015: <http://www.fao.org/3/a-i4998e.pdf>
- Historic New Law Secures Land for Malian Farmers, Mohamed Coulibaly, IISD, 2018 retrieve from: <https://www.iisd.org/blog/historic-new-law-secures-land-malian-farmers>

Only in French

- FAOLEX Database: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC165599/>

### **Interviews:**

Mohamed Coulibaly, "UN-Habitat"  
Hon. Haidara Aichata Cissé,  
Member of Parliament, Mali

## Example of national legislation with an adequate budget allocated for its implementation

# EXAMPLE

### Law 30355: Promotion and Development of Family Farming. Peru

(Ley de promoción y desarrollo de la agricultura familiar)



Date of approval of the Law: 4 November 2015



Peru

#### CFS-RAI Principles:



#### SDGs:



#### Context

The law establishes the responsibilities of the State in the Promotion and Development of Family Farming and recognises its important role in: the production of nutritious and healthy food; protection of biodiversity; the sustainable use of natural resources; the local economy; the generation of employment in the communities (Art. 1 of the Law)

#### Specific provisions on RAI

- The law is directly related to **CFS-RAI Principle 2 "Contribute to sustainable and inclusive economic development and the eradication of poverty"**
  - vi. supporting the *implementation of policies* and measures aimed at equipping stake-holders, especially small-scale producers - including

family farmers, both men and women - and their organizations, as well as increasing the capacity of these stakeholders, and promoting their access to resources and supplies as appropriate;

The purpose of this law is to improve the quality of life of families that depend on family farming, reduce rural poverty and guide the action of the competent agencies at different levels of government with a multisectoral and intergovernmental approach for the sustainable development of family farming (Art. 2).

The Act is also related to CFS-RAI **Principle 1 "Contribute to food**

**security and nutrition and Principle 6 Conserve and sustainably manage natural resources, increase resilience, and reduce disaster risks"**, as it promotes family farming, recognizing its role in achieving food security and conserving agrobiodiversity and sustainably managing natural resources.

## **Implementation**

- The vision and objectives of the law are in accordance with the Family Farming National Strategy (ENAF by its acronym in Spanish) 2015 to 2021.
- The application of the Law is achieved through the implementation of its Regulation (DS n° 15-2016-MINAGRI) and the National Plan for the Promotion and Development of Family Farming. The preparation of a technical report containing the Plan is one of the functions of the Multisectoral Commission and must include the responsibilities, the deadlines and the corresponding financing forecast for its implementation (Art. 4 of the Regulation).
- Funding for the implementation of the Law has different sources:
  - Official credit and insurance programs designed exclusively for family farming production units (Art. 19 and 20 of the Regulation).
  - Productive projects in

favour of Family Farming are financed and executed by local governments. For this, local governments allocate up to 10 percent of their budget and implement the Local Committees for Resource Allocation (CLAR for its acronym in Spanish). The CLARs are made up of representatives of public and private institutions, and civil society and are chaired by the Mayor. They make their decisions in line with the MINAGRI directives that are reflected in the Family Farming National Strategy and in the Plan that develops the Strategy (Art. 21 of the Regulations).

- The monitoring of the activities included in the law is executed by the Multisectoral Commission. They must prepare an annual progress report using the indicators and goals included in the Family Farming National Strategy, 2015 to 2021 fulfilling. The report is then presented through the Ministry of Agriculture to the Council of Ministers and is published on institutional portals (Art. 14 of the Regulations).

## **Target beneficiaries**

- The beneficiaries of the law are men and women belonging to a family nucleus in a rural territory who practice family farming, and the members of

these families (Art. 3 of the Law and art 3 of the Regulations).

- This includes (Art. 4 of the Law and Art. 7 of the Regulations)
  - Family subsistence agriculture: oriented to self-consumption and with little availability of resources and limited income, so its members offer their labour in other activities.
  - Intermediate family farming that depends on its own production for self-consumption and for sale which allows it to satisfy the basic requirements of family members but is not sufficient for the development of a productive unit.
  - Consolidated family farming: the family has access to resources that allow to expand the productive unit and implement the value of production.

## **Results and Impact**

- The Multisectoral Commission issued a technical report with the National Plan for Family Farming (PLANAF by its acronym in Spanish) 2019 to 2021, which was approved by the Minagri in November 2019 (DS 007-2019-MINAGRI).

- The PLANAF is the instrument for the implementation of the law and has the general objective of improving the income of family farmers in a sustainable manner, for which it establishes a projected budget of 10 707 million Soles (around USD 3 205 million) for the period 2019 to 2021 (Annex 2 of the PLANAF, DS 007-2019-MINAGRI).
- The Progress Report from 2016 to 2018 carried out within the framework of the United Nations Decade for Family Farming<sup>18</sup> echoes the publication of the Law, its Regulation and Strategy and the creation of the Multisectoral Commission as object of this document.

## **Success factors**

- The Law was proposed by Congressman M. Julca Jara, former national coordinator of the Parliamentary Front Against Hunger of Peru and First Vice President of the Congress of the Republic (2015), in coordination with other congressmen, agrarian organizations and with the support of entities of private international cooperation, taking advantage of the favourable international environment derived from the Proclamation of 2014 as the International Year of Family

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<sup>18</sup>The UN Decade of Family Farming 2019-2028 aims to shed new light on what it means to be a family farmer in a rapidly changing world and highlights more than ever before the important role they play in eradicating hunger and shaping our future of food.

Farming by the UN Assembly. The declaration of the Decade of Family Agriculture 2019-2028 by the UN represents an additional impetus to achieve the purposes of the law. FAO (Regional Office for Latin America and the Caribbean and Representation in Peru) provided technical support in the elaboration of this law.

- Other milestones that contributed to generating the favourable environment for the discussion and approval of this law, were the Declaration on Family Farming of the Latin American and Caribbean Parliament (PARLATINO), as well as the celebration of the Sixth Forum of the Parliamentary Front Against Hunger in Latin America and the Caribbean (FPH ALC), executed in November 2015, in Lima, Peru. The commitment of the Congress of Peru, with the realization of this Forum, was a key element for the approval of the law.
- The articulation of the law with other components of public policies - the Regulation that develops the law, the Family Farming National Strategy and the National Action Plan for the implementation of the strategy – allows for the effective implementation of the law and the coherence of the interventions.

## Constraints

The Law indicates that its scope covers the national, regional and local public sector. But it does not specify the requirements; this is done in the Regulation that states that national, regional and local governments "*that exercise competences, attributions and functions directly related to family farming, are obliged to incorporate in their plans the actions aimed at compliance with the Law*" (Art. 11 of the regulation) and that "The regional governments approve their respective regional Family Farming strategies in accordance with the ENAF, the Law and the Regulation" (Art. 15). However, the fact that the establishment of sanctions is not considered, together with the fact that the regulation does not indicate the minimum percentage of budgetary resources that local governments should allocate to finance projects, results in a very high margin of discretion in the different regions.

## Related resources

Only in Spanish:

- FAOLEX Database: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC150664/>
- Vargas Casas, L. A. (2018). La agricultura familiar en el Perú, ¿qué está en juego? Una mirada desde la cooperación internacional privada.

- Conveagro, 2018. Ley de Promoción y Desarrollo de la Agricultura Familiar (n° 30355) y su Reglamento
- Decreto Supremo que aprueba el Reglamento de la Ley N. 30355, Ley de Promoción y Desarrollo de la Agricultura Familiar, y crea la Comisión Multisectorial de Promoción y Desarrollo de la Agricultura Familiar. <https://busquedas.elperuano.pe/normaslegales/decreto-supremo-que-aprueba-el-reglamento-de-la-ley-n-30355-decreto-supremo-n-015-2016-minagri-1408438-2/>
- Informe de los avances en agricultura familiar en el marco del Decenio de las Naciones Unidas para la Agricultura Familiar. <http://coprofam.org/wp-content/uploads/2019/10/3-Informe-avances-de-poli%CC%81ticas-para-CCM-octubre-2019.pdf>
- Proyecto de Ley: Ley Marco para la Promoción y Desarrollo Sostenible de la Agricultura Familiar. [http://www2.congreso.gob.pe/Sicr/TraDocEstProc/Contdoc02\\_2011\\_2.nsf/](http://www2.congreso.gob.pe/Sicr/TraDocEstProc/Contdoc02_2011_2.nsf/)
- Perú: Ley para la Promoción de la Agricultura Familiar espera aprobación del Ejecutivo: <https://www.servindi.org/actualidad/141595>
- Congreso de la República. Ley N. 30354: <http://www.leyes.congreso.gob.pe/Documentos/Leyes/30355.pdf>
- VI Foro Perú 2015: Representantes del Frente Parlamentario visitan Presidente de Congreso Peruano: <http://parlamentarioscontraelhambre.org/noticias/vi-foro-peru-2015-representantes-del-frente-parlamentario-visitan-presidente-de-congreso-peruano-2/>
- Foro parlamentario trazará nuevas metas contra el hambre: <http://www.ipsnoticias.net/2015/11/foro-parlamentario-trazara-nuevas-metas-contra-el-hambre/>
- Declaración sobre agricultura familiar Parlatino. Documento de trabajo <http://parlamentarioscontraelhambre.org/file/frentes/parlatino/declaracion-agricultura-familiar.pdf>
- VI Foro del Frente Parlamentario Contra el Hambre: <http://parlamentarioscontraelhambre.org/eventos/vi-foro-fph/>



# Annexes:

## Annex 3

### Short case studies of good practices of responsible investments in agriculture and food systems

#### Case study 1

Increasing the resilience and economic development of small-scale producers from indigenous communities through the production and marketing of their own seeds, by integrating scientific and traditional knowledge. Mexico



#### Geographical coverage

Mexico, region of Valles Altos



#### Stakeholders

- Researchers from the College of Postgraduates of Mexico.
- Small-scale producers of maize from indigenous communities from the Puebla Valley.



#### Context

The importance of seeds lies in that they constitute the first link of the food chain. In terms of seed security, a farmer is resilient insofar as he/she can resist crisis situations or adverse factors. This resilience is manifested in terms of availability, access, quality and varietal

#### CFS-RAI Principles:



#### SDGs:



aptitude of seeds. In the Central Valles Altos of Mexico, producers use native corn; and while this corn fulfils the conditions of availability and accessibility, it lacks varietal quality and aptitude since it is a low yielding corn, coupled with the problem of storage. The

alternative of buying certified commercial seeds of higher quality and varietal aptitude does not meet the condition of accessibility by small producers due to its price. Furthermore, these seeds are marketed by a small number of large companies, resulting in farmers' dependence and increased vulnerability, as well as varietal poverty with the consequent loss of biodiversity.

### **Investment project**

In response to the challenges posed, a group of researchers from the College of Postgraduates of Mexico obtained hybrid maize HS-2, with a high productive potential. For its transfer, an investment of USD 1.2 million pesos (about USD 54 000) was made by the federal government in 2015 to plant an area of 800 ha, including the purchase of seed, supplies and precision planters. To further expand the HS-2 planted area and sow 10 ha of seed production and 1 500 ha of commercial sowing, an amount of USD 6.9 million Mexican pesos (about USD 314 000) would be required. The beneficiaries would contribute 20 percent of the total investment. In order to facilitate their participation, this investment would be executed in an organized, collective and flexible manner, and would consider different possibilities such as access to credit, agreement to accept deferred payment, etc. The project would be carried out by establishing both seed production

lots with family businesses and school modules with the participation of producers and business organizations.

### **Target beneficiaries**

The beneficiaries are small-scale producers of maize from indigenous communities with low incomes, who practice rainfed agriculture. These producers come from the Puebla Valley, the area in which the Puebla Campus Graduate School is involved. The College organized events to disseminate information and promote the project with a call to all producers in the area. After the sessions, demonstration plots were established with the collaboration of those producers who showed interest. This subsequently produced a snowball effect as interest grew from more producers to a total of 400 owners of the 800 hectares. These beneficiaries have been grouped into 12 producer associations and have been participating in commercial planting of the seed since 2015.

### **Linkages with the CFS-RAI Principles and success factors**

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

Increasing yields improved farmers' ability to produce food for themselves and others and increased their incomes.

## **Principle 2. Contribute to sustainable and inclusive economic development and the eradication of poverty**

Maize producers increased their income by increasing their yields and by marketing their own seeds, thus accessing new opportunities more equitably.

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

The Investment Project made use of local genetic resources by recognizing the roles that both indigenous peoples and local communities play.

Utilization of HS-2 seed was made possible by integrating scientific and traditional knowledge by combining agroecological approaches with sustainable intensification and increasing the resilience of agriculture. Seed improvement is a measure of adaptation to climate change.

### **Results and Impact**

- Availability of seeds at an affordable price for small-scale producers.
- Income generation for small-scale producers from the sale of HS-2 hybrid seeds.
- In 2015, 800 ha pertaining to 400 producers were planted. In the following four years, between 350 and 400 producers have acquired seeds to plant between

660 and 800 hectares. For the next four years, 85 percent of the 400 producers who participated in the pilot project continued to purchase the seeds. The work of the producers, as well as the interest and openness shown to produce the seeds, is an indicator of the degree of satisfaction.

- With the 800-ha project, production increased 3.3 times (from 2.7 to 9t / ha of corn grain) in 25 communities. Based on this experience, the area would be expanded to 1 500 hectares (a dimension that is conditioned by the physical capacity of family businesses where lots will be assigned to plant 10 hectares of seeds), thereby obtaining certified commercial seed for 1 500 hectares.
- The increase in productivity results in a benefit / cost ratio of 1.80, that is, for each peso invested, an additional 0.80 pesos are generated.
- Disease tolerance of the hybrid variety is an instrument for integrated pest management, pest health and environmental protection.

### **Sustainability**

- The reproduction of seeds directly by the small-scale producers has an impact on self-sufficiency and is a factor for resilience.

- The participation of small-scale producers in the process and their training empowers producers to be able to deal with the changing and complex reality of agricultural activity.



### Related resources

Only in Spanish:

- Maíz Híbrido HS-2  
<http://revista-agroproductividad.org/index.php/agroproductividad/article/view/894/757>

- La Universidad: Motor de Transformación de la Sociedad <https://digital.cic.gba.gov.ar/bitstream/handle/11746/7058/Carzola%20De%20Giusti%20La%20universidad%20motor%20de%20transformaci%C3%B3n%20de%20la%20sociedad%20PDFA.pdf?sequence=1&isAllowed=y>

## Case study 2

Obtaining high quality palm oil by adopting social and environmentally responsible production methods while contributing to inclusive development of the local community. Sierra Leone



### Geographical coverage

Makpele Chiefdom, Southern Province, Sierra Leone



### Stakeholders

- Investor: Natural Habitats Sierra Leone (NHSL)
- Stakeholders involved: Local community in Makpele Chiefdom, para-legal support organization Namati, CSO Solidaridad, WOFHRAD-SL, Green Scenery, Ministry of Lands and FAO Sierra Leone.

### CFS-RAI Principles:



### SDGs:



### Context

NHSL inherited a master lease covering the entire chiefdom of Makpele (30 700 hectares of land) from an earlier company.

But there were serious disputes in the local community, which was not adequately consulted at the signing of the land deal. NHSL

has strong aspirations to produce organic and RSPO (Roundtable on Sustainable Palm Oil) certified crude palm oil. For the company to meet these standards and to comply with the National Land Policy (NLP) it was important to engage in consultations with the community. Moreover, the NLP stipulates that an investor must not acquire more than 5 000 hectares of land at a time for large projects. Consequently, the company decided to surrender the entire lease and - through engagement and consultation with the local communities - started a process to get free, prior and informed consent (FPIC) from landowners and ensure more transparency on new leasing arrangements.

### **Investment project**

The investment, started in 2014, was a land-based investment for a green field large scale oil palm plantation by a private Dutch company, whose goal was to contribute to sustainable, inclusive and transparent development. To help solve the land conflict, a consortium was formed between NHSL, the international NGO Solidaridad, national NGOs such as NAMATI, WOFHRAD-SL and Green Scenery to act as neutral convener, with support from FAO Sierra Leone, under a project funded by the LEGEND Challenge Fund, set up by the UK Department for International Development (DFID). During 2015, the initial plantation area was cleared and

planted, which provided a crucial source of jobs needed for income during Ebola time. In 2016, the Legend project officially began and the NHSL has since been engaged in implementation of the project activities alongside its investment objective, testing and applying the Analytical Framework for Due Diligence in Responsible Land-Based Agricultural Investments. This tool helps investors identify, understand and address risks related to land-based investments.

Because the issue of land rights for the smallholders who supply the company was considered a key operational risk, land tenure training and participatory mapping were carried out.

### **Target beneficiaries**

- The direct beneficiaries of this investment were landowning families, who have two self-formed representative groups, MILA - Makpele Individual Land Owners Association (an association of farmers who agreed to lease their land to the company) and MAKLOUA - Makpele Land Owners and Users Association (an association of farmers who refused to lease their land to the company).
- Other direct beneficiaries were the local chiefdom authorities, including the Paramount Chief - Chiefdom leader of the Makpele Chiefdom and associated section chiefs.

- Indirect beneficiaries of the investment were those traditionally marginalised groups including Women groups - Collective of women from different chiefdom sections and Youth representatives. These beneficiaries were, targeted as direct beneficiaries of the Legend project to ensure that they were not left out of the investment process and associated activities. Some 6 500 beneficiaries received Land Tenure Training across 7 chiefdoms in 3 districts; 3 900 were female and 2 600 were male.

### Consultation process/ methodology

When NHSL became involved in Makpele Chiefdom, it realised that the land acquisition done by the previous company only involved consultations with chiefdom and governmental authorities; the lack of consultation with affected beneficiaries was leading to a clear division within community groups. NHSL decided to take advantage of the recent adoption of Sierra Leone’s NLP, inspired by the Voluntary Guidelines for Responsible Governance of Tenure of Land, Fisheries and Forests in the context of national food security (VGGT, also recalled in Principle 5 of the CFS-RAI). The key step was to follow a participatory approach, through the establishment of a Multi-stakeholder Platform (MSP) to facilitate dialogue between stakeholders (the motto of the

Platform was “open talk”, indicating the platform was characterised by open, inclusive and transparent dialogue, which resulted in a healthy relationship between NHSL and local stakeholders). The platform included state actors from the provincial and district level, civil society, traditional authorities, farmers, religious leaders, landowners, land users, women groups, youths and representative from the office of National Security. It was a neutral convener of groups to facilitate communication and sharing of information and has proven instrumental in resolving disagreement over land issues, involving stakeholders who initially were not consulted, such as women and youth. The numerous consultations held at the community level provided a neutral space to explain the NLP and best practices for land governance, which built capacity within the communities’ members.

All affected stakeholders were also involved in the mapping exercise carried out on landowning families’ land, which included neighbouring landowners who share the boundary.

### Linkages with the CFS-RAI Principles and success factors

The project involved a range of interventions, linked to different CFS-RAI Principles, such as, for example:

- **Principle 9. Incorporate inclusive and transparent governance structures, processes and grievance mechanism.**

The investment was carried out through stakeholder consultations, and support to farmers to organise themselves, accompanied by training on land governance and land rights in the local dialect. This enabled a participatory land mapping. Agreements were made also between farmers within the same community to set boundaries and help avoid disputes in the future.

- **Principle 3. Foster Gender Equality and Women's Empowerment**

Gender Sensitive Land Tenure trainings were coupled with targeted engagement of chieftdom authorities and gender education for local families. These contributed to the advancement of women's equal tenure rights, because although support for women's ownership and inheritance of land is clearly defined within the National Land Policy, culturally this was not accepted. At the same time, by mobilising men and women to tap into their local resources together (e.g. by growing cassava, rice and peanuts) the status of women within their families improved.

An essential tool for sustainable empowerment of women within the communities was the promotion of the community savings groups in a structured way, with trainings on income generation opportunities for women.

## Results and impact

- The original 30 700 hectares of land leased by NHSL has been reduced to 2 320. Each hectare leased has the full support of the landowning families and strictly follows Sierra Leone's NLP.
- In 2019, 216 hectares of oil palm plantation were established and outgrowing planting for local communities began. The leased site has had a new planting procedure approved by the RSPO and will proceed for certification from the EU organic regulation in 2021.
- Increased stakeholder awareness of consultation steps needed to agree on land acquisition (including the creation of a step-by-step land acquisition process poster comprehensible for all stakeholders).
- Some 1997 smallholders obtained their own land right documentation and farm maps. Local customs and beliefs regarding roles and rights of women improved as a result of gender specific interventions (e.g. Gender Sensitive Land Tenure Training).

- Sixty-eight landowners signed agreements, of which 35 percent was signed by women.
- To stress the importance of maintaining farm land for personal crop production, during the mapping exercise NHSL made it a strict requirement that no family should lease 100 percent of their land, keeping at least 30 percent of land in reserve for future food or agricultural ventures. As a result, many landowning families actively chose to lease less land and maintain more land for food production.
- Inclusion of formerly excluded chieftom members, such as women and youth, into decision making structure.
- Legend project activities have helped improve local livelihoods and provided extension services in the production of rice, cassava and groundnuts. More than 6 500 individual beneficiaries across seven chiefdoms in three districts.

### **Constraints /challenges**

- Tensions between the community and the company were running high, mainly because of the way the previous lease had been signed. The local communities did not trust NHSL, and quite a few landowners were unwilling to lease their land. By surrendering

the old lease, NHSL demonstrated its commitment to engage with the communities in a meaningful dialogue.

- When speaking with communities about land rights, food security concerns were immediately raised, and it was felt as the greater priority. Therefore, in addition to other activities, Solidaridad supported farmers to organize into farmer groups and provided training in good agronomic practices for production of certain staple foods, including development of food crop demonstration plots.

### **Sustainability**

- The sustainability of this investment is linked to local and global palm oil markets. To ensure economic sustainability, the commercial operation sought to have high margin opportunities and meet key demand issues. They did this by ensuring a product of high quality with recognition, through adherence to strict standards, for its social and environmentally responsible production methods, audited by independent third-party certification bodies.
- The investment allowed the tangible benefits to be felt by local communities over a long timeframe, thus contributing to their own sustainable development journey, as



manifested in the extensive consultation process. For instance, by including training for the community to apply good agronomic practices for production of certain staple foods, the main pressing needs in food security were addressed.

- Through the Sierra Leone *Investment and Export Promotion Agency* (SLIEPA), there is an ongoing process to test the applicability of a draft *Agribusiness Investment Approval Process* (AIAP) with investors in the country. The goal is to guide and advise investors on how to proceed when taking steps in land-based investments and ensure that investments are responsible, accountable and comply with certain national and international guidelines, principles, laws and policies related to agricultural investment. The testing of the AIAP builds on lessons learnt through the implementation of this case project and will help prevent the closing of land deals without proper consultation of all affected stakeholders (through FPIC).

### **Related resources**

- The LEGEND Project: Accomplishments & Lessons <https://www.plantingnaturals.com/the-legend-project-accomplishments-lessons/>
- Solidaridad: Applying the VGGT to the responsible development of a large-scale oil palm plantation in Sierra Leone <https://landportal.org/partners/legend/project/solidaridad>
- Protecting Community Rights to Land in Sierra Leone <https://www.solidaridadnetwork.org/news/protecting-community-rights-to-land-in-sierra-leone>
- Non-profits and business team up for land governance in Sierra Leone <https://ecdpm.org/great-insights/civil-society-business-same-direction/non-profits-business-land-governance-sierra-leone/>
- Solidaridad resolves land dispute in Makpele Chiefdom <http://slconcordtimes.com/solidaridad-resolves-land-dispute-in-makpele-chiefdom/>
- Solidaridad - The LEGEND Project: Accomplishments and Lessons <https://landportal.org/library/resources/solidaridad-legend-project-accomplishments-and-lessons>
- Analytical Framework for Land-Based Investments in African Agriculture <https://www.land-links.org/global-policy/analytical-framework/>

# Case study 3

Inclusive rural development: investing in capacity development to empower women and promote sustainable management of alpaca's wool in the highlands. Peru

 **Geographical coverage**  
Peru, Puno Province

 **Stakeholders**

- Women Association (CMA)
- Polytechnic University of Madrid (UPM)

**CFS-RAI Principles:**



**SDGs:**



## Context

The Coordinator of Aymara Women (CMA) is an association of artisans composed of women of the Aymara ethnic group from communities living in poverty and who carry out their activities at more than 3 800 meters above sea level in the Peruvian highlands.

The CMA is concerned with defending women's rights, leadership training, food security, health, etc. The geo-climatic conditions where they live are extremely tricky for agriculture. An activity that can help them improve their income is crafts, using alpaca wool. Alpaca is a domestic camelid from the Peruvian highlands whose wool has traditionally been used to

make knitwear, mainly ponchos and blankets. Despite their great skill in weaving these garments, the artisans needed to improve both the design of new garments and their management skills in order to market them.

## Investment project

In 2007, the CMA started a project with the Polytechnic University of Madrid (UPM) in which they received USD 250 000 of public funding to carry out technical capacity development workshops on clothing, quality control, post-production activities, as well as management and teamwork.



## Target beneficiaries

Direct beneficiaries of the project are about 300 women artisans, who are members of the CMA and their families from 22 districts of the Province of Puno, Peru, located on the shores of Lake Titicaca.



## Linkages with the CFS-RAI Principles and success factors

### Principle 1: Contribute to Food Security and Nutrition

The artisans use the income generated by the sales of their products to finance their agricultural activities, buying seeds, fertilisers, renting agricultural machinery, improving their capacity to produce food in the area that they dedicate to self-consumption. This indirectly helps improve the food security of their families.

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

The beneficiaries have increased their income through the greater marketing of their handicrafts, helping to combat poverty, giving an alternative to the artisans who have exported their products to different countries.

### Principle 3: Foster gender equality and women's empowerment

Investing with a women's association, the project has prioritised women's empowerment and enabled the women to become

leaders in their own development process.

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

The artisanal activity of the CMA helps preserve the environment by using alpaca fibre, whose grazing prevents desertification of the highlands. The fabric of garments does not generate much waste, and this is reused in the manufacture of recycled products.

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

The CMA bases its success on respecting the traditions and customs of the Aymara culture, combining the Andean worldview with the modernization of its processes and the enhancement of its products.



## Results and impact

- Each dollar invested has generated 3 dollars for the beneficiaries. The income of the beneficiaries has increased by 30 percent, and this has allowed the women to invest in agricultural activities and thus improve their families' food security.
- The women have been trained as leaders and an organization chart and teamwork methodology have been established.

- The products have been diversified in clothes for women, men, children, babies and household items.
- The CMA has turned professional and they market their products through their website.
- Garments have been marketed in nine countries.
- The diversification of the activity has gone beyond the expected results and is offering the clothing service to third parties to produce their own designs.
- The satisfaction of the artisans is reflected in the growing membership of the CMA and in the periodic surveys that are carried out internally to improve the processes.
- The CMA is gradually assuming the investment's operating expenses, increasing the level of self-sufficiency.

### **Related resources**

Only in Spanish:

- Quienes somos: Coordinadora de mujeres aymaras <https://mujeresaymaras.com/es/>
- Mujeres aymaras de Puno participarán en Feria Perú Moda 2019. <https://www.tvperu.gob.pe/noticias/regionales/mujeres-aymaras-de-puno-participaran-en-feria-peru-moda-2019>

### **Sustainability**

- The professionalism of the CMA has been compatible with respect for the customs and idiosyncrasy of the artisans.
- The CMA started its activities as a legal entity since 2008. As the CMA continues its activities, its members are increasingly in charge of it, learning and conducting different business activities according to what they need.

# Case study 4

## Application of the CFS-RAI Principles as a framework for risk mitigation in a dairy investment. Sri Lanka



**Geographical coverage**  
Sri Lanka



### Stakeholders

- Joint venture between:
  - Sunshine Holdings/Watawala Plantation Limited and
  - Singapore based investors
- Local community (1 000 tea-pickers and their families)



### Context

Established as a joint venture with a Sri Lankan conglomerate (Sunshine Holdings), and a Singapore based asset manager, Watawala Dairy Limited (WDL) was the first large scale dairy (>2 000 animals) to be built in Sri Lanka with modern milking facilities.



### Investment project

- The objective of the investment was to develop a new dairy production asset in a dairy deficit country.
- The investment consisted of the acquisition of a 500 hectare tea estate that provides a home to more than 1 000 tea-pickers and their families living on the estate and using the land to build the

### CFS-RAI Principles:



### SDGs:



dairy production site (~ 14 ha) as well as converting some of the marginal producing tea estate (~160ha) into grass forage for the cows, with the remaining land to continue culti-vating tea.

- As such, the investors had to not only absorbed the responsibility of the livelihood of the estate residents, but also ensured that social factors did not disrupt their financial objectives.



### Target beneficiaries

- Direct: Shareholders of the company – i.e. Sunshine and the Singapore investor.
- Indirect: Local community within the tea estate, as well as the community from the local estates (> 2 000 households).

## **Linkages with the CFS-RAI Principles and success factors**

To mitigate potential risks identified in the investment, specifically the existence of a community with an economic dependency on the tea estate, the investors used the CFS-RAI Principles to provide a framework to manage and assess its activities from initial project planning.

The investment drew upon several CFS-RAI Principles, for example:

- **Principle 2: Contribute to sustainable and inclusive economic development and the eradication of poverty**  
demand for a skilled workforce for the new dairy project required skills and training initiatives to re-train tea-pickers, (i.e. operating the automated dairy parlour, feed management systems, animal husbandry, agricultural machinery operations), such skills demand higher wages and therefore increased household incomes on the estate.
  - WDL decided to convert unused land in the estate into areas for growing fodder grass suitable for the dairy. With the introduction of this initiative, more than 100 perennial jobs were created to employ the local community for the planting, upkeep and harvesting of the plantations.
- Moreover, existing employed estate workers, having completed their regular estate work in the morning, were also given the opportunity to earn additional income by working the afternoon shifts for grass planting.
- **Principle 5: Respect tenure of land, fisheries and forests and access to water**
  - A consultation and education process were undertaken with the estate workers living on the tea estate to involve them in the planning of the development of the dairy project.
- **Principle 10: Assess and address impacts and promote accountability**
  - Robust reporting and tracking methodology were instituted, with a strict process to monitor and measure impacts, including engaging independent parties in the assessments.
  - Post-closing of the investment, the company immediately undertook a detailed environmental and social due diligence on the estate, which included a baseline assessment of the estate to outline key performance indicators and risks metrics related to the operations in relation to sustainability.

- Through this assessment, several initiatives were developed, including an outgrower program and the creation of a clean water supply source for the community. (See section on “result and impacts” for details).

## Consultations process

- During the planning phase of the project, both Sunshine and the investors undertook discussions with consultants and government advisors to formulate a masterplan for the development of WDL and to consult and communicate the plan with the local community.
- Advisors included local and national ministries with responsibility for agriculture, trade, the tea industry and investment as well as private sector advisors both sourced locally and from abroad.
- These discussions solidified the investors’ commitment to the vision of protecting and uplifting the opportunities for the local community.
- To cement this commitment, the shared vision from both parties was documented on the investment agreement, which included a requirement for annual sustainability reports to be delivered within 90 days from finalisation of the audited financial statements.

- Information sharing days and events, as well as feedback sessions on the development of the project were organized with the community.

## Results and impact

- Household incomes on the estate were increased thanks to the creation of skilled jobs and related training.
- The estimated 15 percent local unemployment rate was curtailed.
- Creation of a clean water supply source for the community. Traditionally, water supplied to WDL estates’ households had been provided through pipes which diverted water from highland streams. Due to the lack of reliable storage catchments for water, the local community faced water supply issues for household use during the dry season in February and March. During this period, water rationing programs had to also be undertaken to ensure that an adequate water supply be carried several hundreds of meters from other sources. Thanks to the project, two interlinked dams (12 000m<sup>3</sup> and 60 000 m<sup>3</sup>) were constructed at the estate to store water for delayed consumption. To date, the water storage has been successful by supplying the continuous needs of both WDL and the locals throughout the year especially in the dry season.

- Additionally, a carbon filter unit was also established to enable passage of water that is sanitary.

### **Constraints**

- Hiring an independent consultant was costly in relation to the initial profitability of the business and relative investment size; especially with the company in its developmental phase.
- The costs for monitoring and reporting were also high, with the team having to spend additional time tracking and monitoring the initiatives to ensure transparency.
- As the areas that were converted to grow fodder grass suitable for the dairy were mostly mountainous with an undulating terrain, WDL had to make a significant financial investment to clear and level 150 ha for planting.

### **Sustainability**

- Although the investment was initiated primarily to achieve financial returns, the business incorporated sustainable practices as a core risk mitigation strategy for regulatory, operational and social risks.

- The shareholders employed an Environmental, Social and Governance consultant with experience in verifying compliance of projects to international sustainability standards.
- Accordingly, the joint venture was successful in blending perspectives to derive mutual benefits between both financial/corporate investors as well as its intention of incorporating sustainable practices into the business.
- Buying from stakeholders, including the local community, and a shared vision for sustainable development made the business successful.
- The project has become a showcase dairy project in Asia and its demonstration has been important for the industry. Industry visitors from across South and South-East Asia continue to visit the project to learn from its operational and community model.



# Case study 5

Mobilizing private investment for the promotion of entrepreneurship projects through public funding: pilot project in a deprived rural community. Argentina



## Geographical coverage

Punta Indio, Province of Buenos Aires, Argentina



## Stakeholders

- Spanish Agency for International Development Cooperation (AECID)
- National University of La Plata, Argentina (UNLP)
- Municipality of Punta Indio, Argentina
- Inhabitants of Punta Indio, including small-scale entrepreneurs



## Context

In Argentina, the current agricultural production system, which is derived from intensive agriculture, does not address the real problems of the rural world: depopulation, lack of investment in basic services, loss of trades, and the risk of the disappearance of rural towns. This sets up a complex social and economic panorama with an uncertain future, which justifies the need for policies and projects aimed at reversing this process. To this end, a strategy for the formulation and subsequent execution of rural development projects was carried out - adapting a plan based on Social Learning, involving the population, and incorporating elements of the European Union's LEADER Program.

## CFS-RAI Principles:



## SDGs:



## Investment project

The pilot project's objective was twofold: capacity development and the mobilization of private investment for the promotion of entrepreneurship projects linked to the environment, local production and tourism heritage, complementary to rural development.

The project received public funding from the Spanish Agency for International Development Cooperation (50 percent), from the National University of La Plata (UNLP) (25 percent) and from the Municipality of Punta Indio (25 percent) for a total of EUR 15 000. The amount was used to design the strategy, promote activities and co-finance the ventures developed by:

- Holding workshops on governance and thematic workshops on the specific ventures identified by the UNLP.
- Purchasing supplies and assigning spaces by the Municipality of Punta Indio for the start-up and development of private ventures. Some tourist projects were also carried out by the Municipality of Punta Indio stemming from the ideas that emerged. Public financing provided by the three institutions mentioned above accounted for 40 percent and achieved a private mobilization of EUR 22 500 (60 percent), for a total of EUR 37 500. With this total amount, the projects described in the "results and impact" section were implemented.

### **Target beneficiaries**

The direct beneficiaries were 40 young people, both men and women with entrepreneurial interest and vocation. Indirect beneficiaries were the 660 inhabitants of Punta Indio.

### **Linkages with the CFS-RAI Principles and success factors**

The projects that were generated had a holistic approach in relation to the 10 CFS-RAI Principles. But particularly in:

- **Principle 2: Contribute to sustainable and inclusive economic development and**

**the eradication of poverty:** The design and application of a joint strategy with the community sought solutions in the short, medium and long term.

- **Principle 3: Foster gender equality and women's empowerment and Principle 4: Engage and empower youth**  
The participation of young people and women, who played an active role in the proposals for development, was promoted and ensured in the workshops, since the intervention was aimed at supporting them.
- **Principle 7: Respect cultural heritage and traditional knowledge, and support diversity and innovation**  
History and traditions were recognised as a strength and were used as guidelines for identifying entrepreneurial activities. As an example, the pottery work made by indigenous communities for 1 000 years was recovered.
- **Principle 9: Incorporate inclusive and transparent governance structures, processes and grievance mechanisms**  
A Local Action Group was formed, by applying the Working With People methodology (professional practice that connects knowledge and action incorporating the technical-business, ethical-social and political-contextual

components). The Group oversaw the sharing of pertinent information for the investment in an inclusive, equitable, accessible and transparent way in all the phases of the generated projects.

## Results and impact

- Creation of the Punta Indio Local Action Group, a civil entity that promotes and coordinates development in the locality and helps by institutionalizing the development process.
- Execution of 12 projects defined in the strategy:
  - production of aromatic plants, mushrooms, apiculture, organic horticulture, native plants, vermicomposting;
  - production of clay crafts, hand-woven (undertaken and financed by the beneficiaries with the support of the Verónica City Council for the purchase of supplies and the transfer of spaces);
  - tourist projects: Interpretation Center and thematic museum;
  - elaboration of a zonal map of historical sites and agenda of annual activities to provide guided visits for tourist purposes (undertaken and financed by the Veronica City Council).

- Diversification of local production: agricultural projects as an alternative to monoculture, tourism projects and projects for the use and preservation of natural resources and the enhancement of native fauna and flora.
- Community satisfaction emerged through some surveys.

## Sustainability

- The continuity of the strategy included different lines of action and stages with the focus on tourism development, but since there is no provincial or national regulation in Argentina that contemplates this type of initiative, it is not possible, unfortunately, to speak of sustainability with regards to the strategy as a whole.
- The work team that developed the strategy promoted a Law that reached parliamentary status in the Chamber of Deputies of the Province of Buenos Aires as: "LEADER Program (Relations between Actions for the development of the sustainable rural economy) of the Province of Buenos Aires". At the moment it is in the Chamber of Senators of the province of Buenos Aires for its future approval, which shows the importance of the activity carried out.

- Sustainability is evidenced because, even though the tourism projects undertaken by the Municipality of Punta Indio have not had continuity, due to the efforts of the entrepreneurs themselves, private investment projects continue to be active and successful:
  - The mushrooms produced are sold to supermarkets and restaurants in the region.
  - Products from the beekeeping activity are sold in the local market and in bulk for export. Organic horticultural production has expanded with other entrepreneurs.
  - The native plant nursery continues and has provided the municipality with plants for reforestation plans.
  - The vermicomposting producer sells indigenous plants to the nursery, which uses them as input.
  - Clay craft produces antiques (recreating ancient items used by communities 1 000 years ago) that are sold as souvenirs.



## Related resources

- Developing Competencies for Rural Development Project Management through Local Action Groups: The Punta Indio (Argentina) Experience [https://www.researchgate.net/publication/316621718\\_Developing\\_Competencies\\_for\\_Rural\\_Development\\_Project\\_Management\\_through\\_Local\\_Action\\_Groups\\_The\\_Punta\\_Indio\\_Argentina\\_Experience](https://www.researchgate.net/publication/316621718_Developing_Competencies_for_Rural_Development_Project_Management_through_Local_Action_Groups_The_Punta_Indio_Argentina_Experience)

Only in Spanish:

- European Network for Rural Development: LEADER/CLLD [https://enrd.ec.europa.eu/leader-clld\\_es](https://enrd.ec.europa.eu/leader-clld_es)
- El desarrollo rural en Argentina evolución y propuesta de un modelo de intervención para las comunidades rurales despobladas de la región pampeana <https://dialnet.unirioja.es/servlet/tesis?codigo=185426>
- Desarrollo rural en territorios rurales con problemas de espoblamiento: marco conceptual y análisis del caso de Punta Del Indio, Argentina: [https://www.aepro.com/files/congresos/2010/madridciip10\\_2033\\_2045.2881.pdf](https://www.aepro.com/files/congresos/2010/madridciip10_2033_2045.2881.pdf)



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