TRADE, DEVELOPMENT & THE ENVIRONMENT HUB

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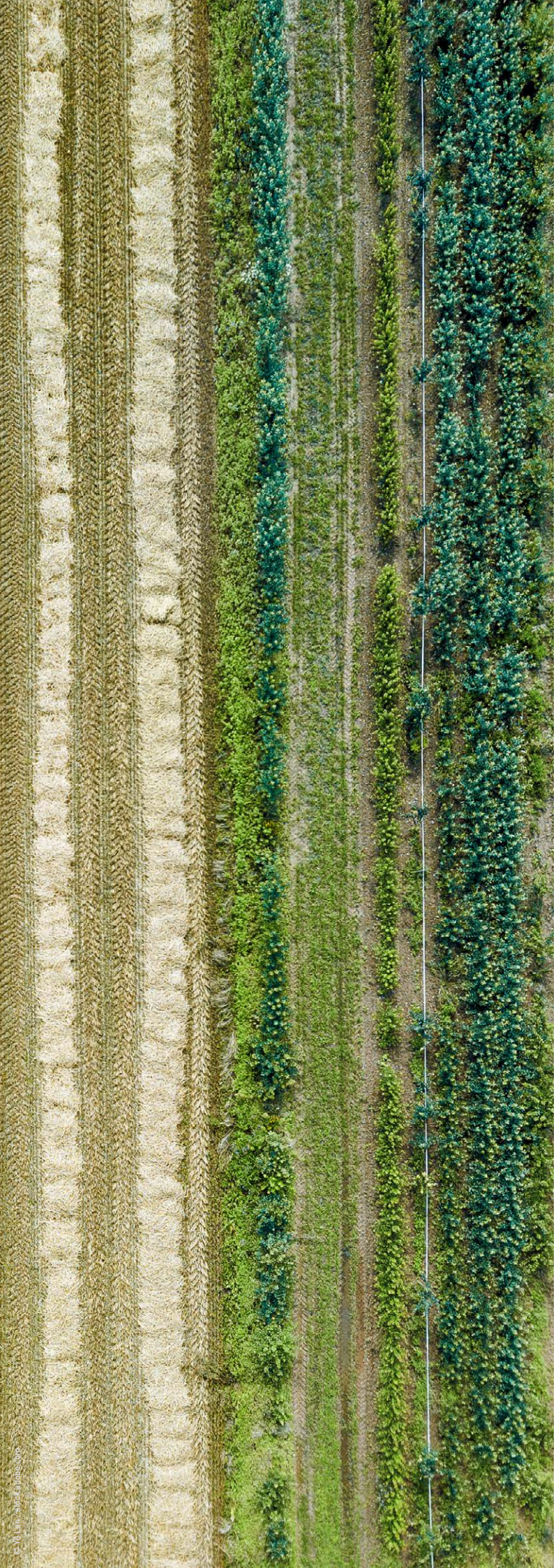
INCLUSIVE FOOD SYSTEMS

BUSINESS APPROACHES TO HUMAN RIGHTS AND SOCIAL RESPONSIBILITY IN SUPPLY CHAINS



CITATION AND ACKNOWLEDGEMENTS

This brief examines the need to effectively address social impacts of agrifood supply chains, recognizing the interconnectedness with environmental concerns, and to adopt a more ambitious human rights-based approach. It underscores the importance of addressing systemic issues beyond immediate supply chain concerns and suggests that opportunities lie in adopting a landscape approach and forging partnerships to effect meaningful change in regions. This draws on the extensive research carried out by the TRADE Hub project and provides information in an action-oriented and solution-focused format for the business audience.

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CONTENTS

GLOSSARY

CERTIFICATION PROGRAMMES/SCHEMES

Certificates are proof that can be used as a sign of compliance with the requirements of a standard. (UNCTAD 2022). Some standards exist independently of a certification scheme and can be implemented as part of a company's sustainability strategy, even without pursuing formal certification. Certification programmes that include elements of social responsibility are e.g. that of Fairtrade and Rainforest Alliance, or as a commodity-specific example, e.g. 4C (The Common Code for the Coffee Community).

DUE DILIGENCE

Due diligence refers to a set of processes and actions taken by businesses to identify, prevent, mitigate, and account for potential adverse impacts on people, the environment, and society that may be associated with their operations, products, services, or business relationships. In comparison to responsible sourcing policies, due diligence is a comprehensive process that includes responsible sourcing as one component but extends to other areas of business conduct (OECD 2018).

ESG

An acronym for Environmental, Social and Governance. "*ESG is a framework that helps stakeholders understand how an organization is managing risks and opportunities related to environmental, social, and governance criteria. ESG takes the holistic view that sustainability extends beyond just environmental issues.*" (CFI 2024).

HUMAN RIGHTS-BASED APPROACHES (HRBAS)

There are several descriptions of HRBAs, but particularly in the context of environmental and social sustainability, HRBAs refer to policies, governance and management that do not violate human rights but instead actively seek ways to support and promote human rights in the design and implementation of actions related to the environment (Human Rights in Biodiversity Working Group 2022).

LANDSCAPE APPROACH

A landscape approach (or jurisdictional or integrated landscape approach) is a framework for inclusive and multisectoral land use management and territorial development. It can include stakeholders from local or state government, smallholders, producers, other businesses, and civil society. The boundaries of an area considered can be geographical or administrative. (IDH 2021).

REGENERATIVE AGRICULTURE

There is no one, official definition, but Gosnell et al. (2019) defined regenerative agriculture as "an alternative form of food and fibre production" the focus of which is on "*enhancing and restoring holistic, regenerative, resilient systems supported by functional ecosystem processes and healthy, organic soils capable of producing a full suite of ecosystem services, among them soil carbon sequestration and improved soil water retention*".

RESPONSIBLE SOURCING POLICY

"*A responsible sourcing policy is a set of guidelines that a company uses to ensure that its products are sourced from vendors that adhere to certain standards. These standards can include environmental, social, and governance criteria.*" (Oboloo 2024).

RIGHTS HOLDERS VS. STAKEHOLDERS

Rights holders are individuals or groups, such as women, children or Indigenous Peoples, that possess internationally recognized human rights and whose human rights are personally affected by an action, project or decision. Stakeholder is a broader term for actors, such as authorities or businesses, that have an interest or concern in a particular topic, project or decision and can either affect or be affected by its activities or outcomes (Lovera 2016).

GLOSSARY (CONTINUED)

SUPPLIER CODE OF CONDUCT

Offers specific guidelines and expectations for supplier behaviour.

SUPPLY CHAIN VS. VALUE CHAIN

The system and resources required to move a product or service from supplier to customer. The term should not be mixed up with another similar term, value chain. Value chain is a more complex concept that refers to how value is added to the product or service and the actors involved in the chain, particularly for end-use customers (CISL 2024).

SUSTAINABILITY STANDARD

Sustainability standard typically refers to a set of guidelines, criteria or specifications that define what is considered sustainable in various aspects of agricultural production and supply chain management. Examples of mandatory standards include national standards such as the Indonesian Sustainable Palm Oil standard (ISPO), which is a requirement for all palm oil producers in Indonesia. International standards like ILO standards and OECD Guidelines are not legally binding on companies but impose obligations on governments, which in turn regulate the activities of businesses.

TRACEABILITY

"*Traceability is the ability to follow a product or its components through stages of the supply chain* --" Traceability should not be confused with transparency, which is used to refer to information about a company's supplier network, or to the sharing of information about company activities in a broader sense (Accountability Framework 2019a).

TRADE HUB, THE TRADE HUB PROJECT

The UK Research and Innovation's Global Challenges Research Fund is funding the UK Research and Innovation, Global Challenges Research Fund, Trade, Development and the Environment Hub (TRADE Hub), led by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC).

VERTICAL INTEGRATION

Vertical integration is a business strategy in which the company itself controls the supply chain and several stages of the production process, including production, purchase, transport, and marketing of its products. In this way, it eliminates or reduces dependencies on third parties (FAO 2014; Messina 2022).

VOLUNTARY SUSTAINABILITY STANDARDS (VSS)

VSS define a set of social, economic and/or environmental requirements that operators can voluntarily comply with to make their production and processing practices more sustainable (UNCTAD 2022). Voluntary standards can have an international scope or a regional or commodity focus (The International Institute for Sustainable Development 2024). NGO-driven and industry-driven VSS schemes sometimes compete in the same markets. Voluntary standards can include positive incentives, such as price premiums, or sanctions (in moratoria that aim to stop an activity for an agreed period) on suppliers (Lambin et al. 2018).

1. INTRODUCTION: INCORPORATING HUMAN RIGHTS AND SOCIAL CONSIDERATIONS IN NATURE-RELATED STRATEGIES FOR SUSTAINABLE AGRIFOOD SUPPLY CHAINS

THE CURRENT FOOD SYSTEM HAS TWOFOLD IMPLICATIONS FOR PEOPLE

Global production and trade of agricultural commodities play a key role in meeting global food demand and achieving food security. A major focus in the field of sustainable development is on meeting worldwide food needs while remaining within the limits of what the planet can tolerate. Optimizing yields while mitigating negative impacts on ecosystems is the main challenge. Unfortunately, this approach often overlooks human well-being and human rights within production landscapes. While international trade has increased the generation of benefits, these are often not equitably distributed (UNEP 2021). Poverty rates remain especially high among smallholder producers in the Global South and human rights abuses have been documented in many commodity supply chains. Trade-offs between environmental sustainability, food security and human well-being are a perennial issue (Schaafsma et al. 2023).

For a long time, many companies have been working to strengthen their sourcing policies, make their supply chains more transparent and invest in certified supplies. These efforts aim to address the impacts that business actions have on people and the environment, while also mitigating supply chain risks to the company. Despite these initiatives, significant challenges persist in preventing sustainability issues within global agricultural supply chains, particularly among suppliers in regions of the Global South (Dauvergne and Lister 2012; Dauvergne 2018; Osterblom et al. 2022). While progress has been made, there are concerns that current corporate initiatives may be insufficient to fully tackle the scale and complexity of the environmental, social and human rights issues (Lambin et al. 2014; Stauffer 2022).

SUPPLY CHAIN SUSTAINABILITY AND HUMAN RIGHTS ARE A MATTER OF LEGAL COMPLIANCE

In today's world, the need for supply chain traceability and due diligence (see glossary) exercised throughout supply chains is becoming a legislative matter. It is increasingly recognized by legislative interventions such as the European Union's Corporate Sustainability Reporting Directive (CSRD), the EU Deforestation Regulation (EUDR) and the EU Corporate Sustainability Due Diligence Directive (CSDDD) (LRQA 2024). The regulations impose human rights and environmental reporting and due diligence obligations on companies where they place products onto a market.

Companies must also comply with local laws in the sourcing regions and the countries where they operate. Irrespective of the standard of human rights protection in the country of operation, international human rights standards make clear that companies have a responsibility to respect human rights throughout their operations. The content and scope of human rights are a matter of international law (OHCHR 2011).

VOLUNTARY SCHEMES CAN COMPLEMENT LEGAL REQUIREMENTS

While comprehensive legislation and enforcement of environmental and social standards are still evolving in many regions, companies' own responsible sourcing policies (see glossary) can provide additional assurances regarding issues such as working conditions. This is particularly valuable in countries where labour laws are inadequate or insufficiently enforced (Ecovadis n.d.). Stakeholder expectations for environmental reporting have increased greatly in recent years, coupled with demands for higher standards of responsible business practices. A plethora of voluntary sustainability standards (see glossary) and guidance have emerged to help agrifood businesses navigate this space. These have been reviewed in another recent UNEP-WCMC (2024a) business brief.

Voluntary target-setting and disclosure initiatives such as the Global Reporting Initiative (GRI), the Taskforces on Climate Disclosure (TCFD) and Nature-related Financial Disclosure (TNFD),

the Science Based Targets Initiative (SBTi) and the Science Based Targets Network (SBTN) are becoming familiar to agrifood businesses. Many companies are already developing their sustainability objectives in line with these frameworks. However, current reporting initiatives focus mostly on environmental questions, with limited coverage of how the over-exploitation of natural resources and loss of ecosystem services affect rights-holders (see glossary). The emerging stakeholder engagement guidelines included in, for example, TNFD and SBTN, have started to address this gap. The launch of the Taskforce on Inequality and Social-related Financial Disclosures (TISFD) in September 2024 may help drive this agenda forward (TISFD n.d.).

SUSTAINABLE DEVELOPMENT REQUIRES A COMPREHENSIVE, INTEGRATED APPROACH

As corporate responsibility practices evolve, there is growing recognition of the need for a comprehensive human rights approach. This approach would consider not only the rights of workers and suppliers but also the broader human rights implications for all individuals involved in and affected by global supply chains. The concept of adverse human rights impacts in business refers to actions that, while not necessarily considered direct human rights violations, may still result in unintended negative outcomes for people (Birchall 2019). Such unintended negative outcomes could include effects on the livelihoods and living conditions of local communities in sourcing landscapes.

A sustainable food system cannot be achieved without taking both people and nature into account. Environmental objectives alone are unlikely to be effective if they do not take social issues and human rights into account due to the link between poverty, social inequities and environmental degradation (Burki et al. 2021). Incorporating social considerations and human rights into a company's environmental policy can be seen as both fair to producers and beneficial for developing a more comprehensive corporate responsibility strategy. This approach may enhance the credibility and effectiveness of a company's overall sustainability efforts.

THE BUSINESS CASE FOR SOCIAL PERFORMANCE IS STRONG

Effective environmental and social performance helps mitigate business risks and builds opportunities. The risks include operational risks in terms of supply chain disruptions but also risks related to legal liabilities and reputational damage (UNEP-WCMC 2022). Operators that place human well-being at the centre of their policies and respect and promote human rights can profile themselves as market leaders in sustainability and enhance their competitive advantage. Profiling as a responsible company can generate positive publicity, build brand loyalty and attract and retain talent. Therefore, the business case for investing in social performance relates to risk mitigation and opportunities such as improved stakeholder relations that can lead to economic benefits in the long term (Cote 2021).

ABOUT THIS PAPER

This paper aims to increase understanding of the risks and opportunities for businesses with agrifood supply chains associated with human rights and social issues.

Section 2 discusses the concept of human rights in corporate sustainability and the obligations around it. Section 3 provides an overview of recent research on the social impacts of agricultural production (conducted under the TRADE Hub project, see glossary). Section 4 provides guidance, examples and resources for social risk mapping, assessment and impact mitigation. Section 5 presents interventions businesses can take in their supply chains to improve sustainability and an overview of landscape-level action and multi-stakeholder approaches as suggested best practices to enable lasting benefits to people, nature and the business (Sayer et al. 2013).

The four key recommendations, that are discussed in more detail in Section 6 of this brief, are presented in the summary Figure 1 below.

FIGURE 1. THE FOUR KEY RECOMMENDATIONS OF THIS BUSINESS BRIEF SUMMARISED.

HUMAN RIGHTS AND WELL-BEING INTERNALIZED

Pursue a holistic understanding of human rights and human well-being and actively support human rights in supply chain actions

SOCIAL CONSIDERATIONS INTEGRATED IN NATURE STRATEGIES

Adopt an integrated approach that considers both social and environmental sustainability

ROBUST RISK MANAGEMENT PROCESSES

Work with suppliers to ensure that risk identification and management processes are in place

ENGAGE IN LANDSCAPE-LEVEL ACTION

Invest in multi-stakeholder landscape-level action beyond immediate supply chains

2. HUMAN RIGHTS AND CORPORATE SUSTAINABILITY

RESPECTING HUMAN RIGHTS IS INCREASINGLY SEEN AS A FUNDAMENTAL RESPONSIBILITY OF BUSINESSES

As businesses increasingly recognize the influence of their operations over stakeholders and their responsibilities and roles in broader societal issues, the topic of human rights emerges as a central concern. However, many businesses are not adopting genuinely human rights-based approaches (see glossary). For instance, of the 350 agrifood sector companies surveyed by Nature Benchmark in 2023, only 12% have pledged to respect the human right to water and sanitation, which is crucial to people's well-being and dignity. At the same time, only 2% of them have committed to respecting local communities' environmental rights (World Benchmarking Alliance 2023).

Human rights are a matter of international law, and states have the duty to protect them, while businesses have a responsibility to respect them. This is articulated in international standards including the UN Guiding Principles on Business and Human Rights (OHCHR 2011). The responsibility to respect human rights includes all affected rights holders such as producers, suppliers and workers. Businesses are responsible for ensuring that human rights abuses do not occur in their supply chains. A way in which businesses can do this is by having procedures and processes in place to make sure they can effectively identify, mitigate, and remedy adverse human rights impacts.

THE RIGHT TO A CLEAN, HEALTHY AND SUSTAINABLE ENVIRONMENT EXPLICITLY LINKS ENVIRONMENTAL IMPACTS AND HUMAN RIGHTS

In addition to human rights articulated in the International Bill of Rights, other recognized human rights are relevant to business supply chain operations, including the Right to a Clean, Healthy and Sustainable Environment (RCHSE).

The RCHSE is closely related to a just ecological transition that seeks to avoid trade-offs between livelihoods of Indigenous Peoples and local communities and environmental sustainability (ILO 2022). Recognition of the RCHSE by the UN General Assembly on 28 July 2022 signals a clear direction of travel towards the convergence of human rights principles and environmental sustainability (Shavin 2022). Therefore, businesses, having a vested interest in the sustainability of their supply chains, need to recognize the interconnectedness of both spaces.

Examples of negative impacts of agricultural production and trade on human rights include:

- Displacement of local communities by commodity production. Issues around security of tenure and land rights are common in agrifood supply chains (ILC, FAO and GLTN 2021).
- Declining ecosystem service provision associated with business activity (e.g., forest loss or pollution of water sources). This has direct human rights implications for businesses since healthy ecosystems and biodiversity are components of the RCHSE (OHCHR, UNEP and UNDP 2023). Reduction in ecosystem services may further affect the full enjoyment of other rights.
- Even well-meaning corporate nature strategies, such as biodiversity offset projects, can have human rights implications if local communities are excluded from consultations, negotiations and decisions on the form and level of offset conservation areas (Hubert and Campbell 2023).

THE "*SOCIAL*" IN ESG MUST REFLECT HUMAN RIGHTS

The environmental, social and governance (ESG, see glossary) principles are a well-known framework for businesses and financial institutions that helps stakeholders understand how an organization is managing risks and opportunities related to the three pillars of sustainability (CFI 2024).

ESG approaches may be expected to inherently include human rights considerations because they refer to social sustainability. However, according to a report by the United Nations Working Group on Business and Human Rights (2024), ESG approaches lack coherent definitions which poses a risk of greenwashing and human

rights-washing. ESG approaches can be used both to manage risks to people and the planet and to enhance positive impacts. The primary objective of ESG approaches has been to demonstrate the risk-free nature of an activity to investors rather than to ensure avoiding human rights impacts. ESG approaches can support both businesses and financial institutions in their efforts to respect human rights, but this requires the integration of human rights considerations into all the criteria. The UN Human Rights Council recommends that corporate ESG approaches are aligned with the Guiding Principles on Business and Human Rights (the UNGPs). World Business Council for Sustainable Development (WBCSD) has published an agrifood guidance on human rights that explains the UNGPs.

The "*Social*" in ESG is a broader concept than human rights. For example, in the GRI reporting framework, standards GRI401-419 are connected to social topics (GRI 2024). However, there are standards for occupational health and safety, training and local communities that are not necessarily based on human rights. Beyond the responsibility to respect human rights, a company can of course engage in further initiatives to strengthen its sustainability profile. These may include actions to improve the well-being of employees and to increase social impact, for example through charitable and community development programmes.

Sections 4 and 5 of this brief elaborate on the frameworks, tools and methods that can support business action regarding human rights and the social aspects of ESG.

3. WHAT RESEARCH SAYS: THE MOST IMPORTANT SOCIAL ASPECTS TO BE CONSIDERED

INCREASING PRODUCERS' INCOMES IS IMPORTANT, BUT THERE IS MORE TO WELL-BEING THAN THAT

Significant imbalances and social inequalities persist in global agrifood supply chains. Despite the value created from agricultural commodities, smallholder producers often suffer from poverty, low standard of living and direct human rights violations such as expropriation of lands, displacement and modern slavery (Schaafsma et al. 2023). This particularly impacts human rights realization for women and Indigenous Peoples. Many impact studies focus solely on income as a measure of well-being, ignoring that well-being is multifaceted and that higher income does not necessarily equate to higher overall well-being. Well-being is nuanced, comprising many factors where higher income does not necessarily equate to higher well-being (Schaafsma et al. 2023).

In this section, based on the research under the TRADE Hub project, we provide an overview of the most relevant social issues that an agrifood company should consider in its procurement. We present a view of well-being that can help companies gain a more comprehensive understanding of social impacts and the factors that shape them in different communities. The section highlights the need to use a comprehensive approach to human well-being and the crucial role of gender and other demographic characteristics in both impacts and supply chain interventions.

MULTIDIMENSIONAL WELL-BEING OFFERS A PATH TO UNDERSTANDING SOCIAL IMPACTS HOLISTICALLY

The multidimensional well-being framework by Schleicher et al. (2017) and Schaafsma et al. (2023) is an approach to bring a more holistic view of human well-being beyond income. According to the multidimensional well-being framework, social impacts can be classified into different outcomes. Table 1 below summarises the outcomes and provides examples for each.

Multidimensional well-being can be more challenging to measure than simple indicators such as farmer income. Other aspects of well-being such as impacts on freedom of choice and cultural value are among those that are rarely measured, but often negatively affected by production of traded agricultural commodities. Examples of impacts on cultural values include the disappearance of indigenous crops or effects on culturally important landscape features (Schaafsma et al. 2023). Box 1 introduces a TRADE Hub case study of the impacts of soy expansion in Brazil that demonstrates how multidimensional well-being goes beyond economic benefits for farmers.

TABLE 1. MULTIDIMENSIONAL WELL-BEING FACTORS. ADAPTED FROM SCHAAFSMA ET AL. 2023, P. 141.

MULTIDIMENSIONAL WELL-BEING OUTCOMES	DESCRIPTION AND EXAMPLES
Food/nutrition	Ability to provide for your personal and household's nutritional needs.
Health (physical)	Feeling strong and well, able-bodied, and having the ability to maintain your health (e.g., acquiring medication or access to a doctor).
Education	The ability to obtain schooling one wants personally, send children to school, and have the required materials.
Living standards	Adequate shelter, means of transportation, mobile phones, farming equipment.
Social relations	The ability to have meaningful relationships with family and friends, to have cohesion and respect within families, communities, and external actors.
Security, safety from other people	Safety and confidence in the future, peace, and harmony – free from harm inflicted by other people.
Living in safety from risk inflicted by nature, and in a clean, healthy environment	The ability to live in safety from extensive harm or psychological stress created by exposure to climate and environmental risk.
Cultural value	The freedom to conduct traditional cultural, tribal, and religious practices, and spiritual values, including those attached to nature.
Freedom of choice and action	The ability to live in freedom to carry out and perform functions that one values. The ability to live a life one wants, having a sense of control and agency over it.

BOX 1. SOY PRODUCTION IN BRAZIL AND THE IMPORTANCE OF CONSIDERING MULTIDIMENSIONAL WELL-BEING

A TRADE Hub study on the impacts of soy production in Brazil (Dreoni, Matthews and Schaafsma 2022) demonstrates the need to consider other aspects of social well-being than just direct increased income and farmer living standards. The study showcases that soy production has brought well-being to the farmers in terms of nutrition, living standards and income. However, other factors of multidimensional well-being, including health, cultural value, freedom of choice, sense of security, social relations, and even the Human Development Index (HDI), are negatively affected. In this context, negative impacts are mostly explained by land-use changes and concentration of land tenure brought about by the arrival of large-scale soy production in Brazil (Da Silva et al. 2021; Favareto et al. 2022). This has resulted in violent land appropriation, displacement of smallholders, indigenous people and traditional communities, and unequal distribution of income.

The research by Dreoni, Matthews and Schaafsma (2022) also demonstrates that the impacts of soy production on ecosystem services are mostly negative due to deforestation, land use change and agricultural intensification. Intensive production systems tend to lower biodiversity and carbon stocks as a trade-off for higher yields. This has also been shown in cocoa and palm oil production (Ayompe, Schaafsma and Egoh 2021; Dreoni, Schaafsma and Matthews 2021). All these impacts on the provision of ecosystem services have indirect social impacts on local communities. There is therefore a strong link between the ecosystem and social impacts.

GENDER EQUALITY AND WOMEN'S EMPOWERMENT MUST BE CONSIDERED WHEN PLANNING SUPPLY CHAIN ACTION

A TRADE Hub case study in Box 2 highlights how social aspects of a supply chain affect women and men in different ways in farming communities and why gender (in)equality must be considered within supply chain interventions.

Generally, women have less access to land, credit and training, less involvement in supply chain activities and their farms are less productive across commodities (Collett and Gale 2009; Fletschner 2009; SIDA and OECD 2009; Fletschner and Kenney 2014; World Bank 2014; Doss 2018; Watts et al. 2021). The outcomes can be as nuanced as the study case on Yunnan's rubber livelihoods above, or as explicit as the case of coffee production in Tanzania: TRADE Hub research found that women earn 44% less than men simply based on their gender (Kangile et al. 2021). In developing countries, the succession of land and agricultural properties has followed a hereditary pattern in which the beneficiary is the male child. Women have been responsible for acquiring wealth by other means, including marriage. In Brazil, for instance, the participation of women in soy production is around only 11-14% (Favareto 2021).

In conclusion, given historical and social inequalities, men and women are affected differently by the production and sourcing of agricultural commodities. Generally speaking, women tend to experience fewer benefits from the production and trade of agricultural commodities compared to men.

DEMOGRAPHIC ANALYSIS REVEALS DIFFERENTIAL SOCIAL IMPACTS FACED BY DIFFERENT GROUPS

Analysis of demographic characteristics (including gender) can provide information regarding the differential social impacts that take place in sourcing landscapes. The social and power relations in communities determine who has access to resources and who benefits from the sourcing landscapes. Looking at demographic characteristics can help to understand the different roles, responsibilities, benefits and challenges faced by different groups in local communities and design supply chain interventions with higher impact. A case study in Indonesia's palm oil landscape provides an insightful example (Box 3).

BOX 2. THE GENDERED IMPACTS OF THE RUBBER PRICE COLLAPSE IN YUNNAN, CHINA

For decades, local farmers in the Yunnan province of China, where most of the national rubber is produced, have enjoyed increased incomes thanks to the central role of the rubber trade in reducing poverty in the province (Yufang, Sujakhu and Smith 2022). However, in 2011, rubber prices started falling rapidly due to an increased production and a decrease in demand for it as a primary raw material for tyres. The price itself also became more volatile. This had consequences for the whole region, as the local development model relied heavily on rubber to lift people out of poverty and to generate government revenue for investments in infrastructure (Yufang 2021).

Between 2011 and 2020 rubber producers in Yunnan became increasingly worried about their livelihoods after their primary source of income was affected (Yufang, Sujakhu and Smith 2022). Given that after the price collapse the commodity market never recovered, most of the producers had to find other sources of income, including diversifying to cash crops and becoming off-farm labourers for other crops. This is where gender inequalities due to differences in roles and power came to the fore: Men usually wield greater decision-making authority in household-farm businesses and community leadership roles than women due to their more frequent interactions with the external world. Men also have greater flexibility in choosing jobs. Women have care responsibilities in the home and less time and opportunities for employment outside the household. They also tend to be paid lower wages than men. As a result, when rubber prices collapsed, women had to prioritize providing the family with a basic living standard. They could not invest in new cash crops or seek work outside the home as men could. While the causal mechanism in the rubber setting was the fall of rubber prices, previously established gender dynamics shaped the outcome.

BOX 3. DEMOGRAPHIC DIVERSITY AMONG INDONESIAN PALM OIL SMALLHOLDERS AND ITS IMPLICATIONS

In Indonesia's palm oil sector, smallholder producers constitute 41% of the national production (Andrianto and Komarudin 2022). TRADE Hub research analyzed the producers' demographics and found six types of smallholders: migrant farmers, early adopters, migrant workers, local elite, entrepreneurs, and subsistence farmers. The groups differ in terms of origin, ethnicity, land tenure and access mechanisms, plot sizes, access to education, access to credit and government grants, or the type of ecosystem in which their crops are located and how much deforestation this implies.

Demographic factors can heavily impact how smallholders carry out their labour. This also determines their vulnerability to external shocks (e.g., subsistence farmers have no capacity to diversify crops, while migrant farmers do) and their land tenure conditions, which are an enabling factor for access to credit (Watts et al. 2021).

This section showcased the value of a multidimensional well-being approach to make visible the nuances of supply chains' social impacts and human rights considerations. While the main themes of social impacts are quite clear at the top level, the weight of the different aspects depends very much on the context (i.e. commodity, region, or demographics.). It is therefore important for a company to get to know local conditions as risks and solutions vary case by case. The next section goes into more detail on risk mapping and assessment.

4. UNDERSTANDING SOCIAL AND HUMAN RIGHTS IMPACTS

A MODEL FOR SOCIAL IMPACT MANAGEMENT PRACTICES

Figure 2 illustrates the different elements of strategy and management practices to address social impacts and adopt a human rights-based approach in supply chains and beyond. The figure takes its inspiration and applies the model of biodiversity management in purchasing and supply chain management put forth by Salmi et al. (2023). The same principles have been applied and adapted to develop a model for social sustainability.

Social impact management practices can take place at the level of the organizational strategy and internal policies, in interaction with suppliers and with stakeholders beyond the supply chain.

Sections 4 and 5 discuss many of the practices presented in Figure 2, starting from compliance with law and the mapping, assessing and reporting of social and human rights-related risks (Section 4). After that we take a look into the practices that a business can take in relation with its suppliers and other stakeholder groups, including local communities in the sourcing regions (Section 5).

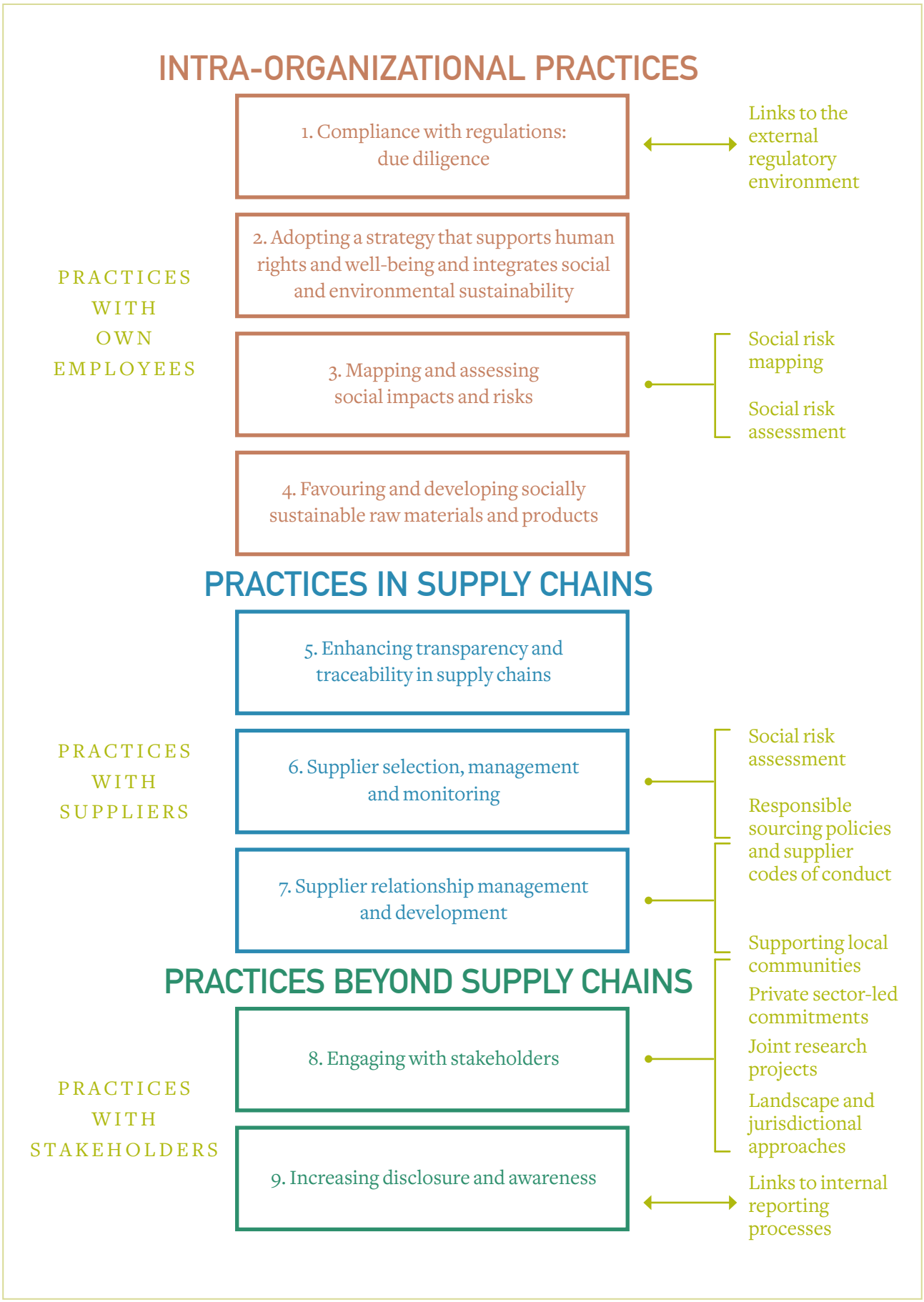
4.1. COMPLIANCE WITH REGULATIONS AND DUE DILIGENCE

Compliance with regulations is the foundation of corporate (social) responsibility, like all activities. It involves meeting mandatory requirements at several levels, for example at regional (e.g. EU) level, in the company's home country and sourcing countries. In developed countries, human rights are typically incorporated in law (such as human rights law and aspects of criminal law, social protection and labour law). Globally, it is not always the case that human rights are protected in and enforceable through national legislation or are respected at the national level. In keeping with their human rights responsibilities, companies operating in the United Nations member states should uniformly be accountable for human rights abuses, regardless of the protection of human rights in national legislation (Čertanec 2019). The importance of respect for human rights in the context of ESG is discussed in Section 2 of this brief.

In May 2024, the European Council formally adopted the Corporate Sustainability Due Diligence Directive (CSDDD) (Council of Europe 2024). The Directive requires companies to

FIGURE 2. INSPIRED BY THE WORK OF SALMI ET AL. (2023).

A model of practices for the management of human rights and social impacts. The model consists of practices within the organization, in the supply chain and with stakeholders beyond the supply chains.



establish and implement a risk-based system to monitor, prevent or remedy human rights or environmental damage. The scope covers activities from upstream production to distribution, transport and storage. The Directive applies to companies with more than 1,000 employees and a turnover of more than €450 million. The Directive will apply with a transitional period of 3-5 years, depending on the size of the company. Civil society has welcomed the agreement but criticized loopholes and the last-minute changes to the deal. The new agreement includes some concessions compared to the deal reached in December 2023, particularly regarding the number of companies the directive will cover and the scope of the applicable supply chain (Business & Human Rights Resource Centre 2024).

Some businesses have actively advocated for mandatory human rights due diligence legislation at the EU level (WBCSD 2020, Nordic Business Network for Human Rights 2021). While waiting for mandatory corporate due diligence, leading businesses have started to implement voluntary due diligence policies and processes.

4.2. RISK MAPPING TO FOCUS EFFORTS

Risk mapping is a good starting point for identifying in which countries and for which issues the social risks associated with procurement are highest (The Social Hotspots Database 2022). It will also help assess how likely it is that the risk occurs, and which areas and problems need to be addressed with the greatest urgency (Proforest 2019).

Increasing traceability and mapping real supply chains should be a priority, but supply chain data are often incomplete and difficult to obtain. In this case, companies have to take risk mapping approaches that make informed assumptions about likely origins and work with country-level data (Proforest 2019). Geographical information on social issues is much scarcer than data on environmental data. However, there are several online platforms and tools that work at the country level. Appendix 1 of this report lists resources, tools and service providers for social risk assessment.

A weakness of the current tools is that the data are often limited to the country level. While risk mapping can identify potential risks to different well-being factors at a high level (see the multidimensional well-being framework in Section 3), their significance depends largely on the context. Context includes factors such as region, commodity, societal environment and demographics. There may be significant differences even within a single state as the following example on soy social risk mapping in the Brazilian Cerrado shows (Box 4).

BOX 4. SOCIAL RISK REGISTER AS AN EXAMPLE METRIC

Social risk assessment methods associated with commodity production are also a subject of recent academic literature. Under the TRADE Hub project, a social risk register methodology was developed (Hilber 2022, Hilber 2023). It is a spatial methodology assessing risks associated with soybean production in the Cerrado region in Brazil. The method combines spatial data (maps) on the intensity of soy production with selected indicators of well-being (poverty, inequality, health, education, land conflicts) at a municipal level.

The results of a social risk analysis can be used to produce a map of social risks, illustrating the areas where high soy production is encountered with low levels of social welfare. Data on these indicators were collected from public sources – meaning that they reflected the well-being of entire communities, not only of the soy producers. While it does not provide evidence of causality between soy production and social risk, identifying co-occurrence patterns helps prioritize areas of high risk for further analysis and action.

According to the methodology developer, the Social Risk Register is a test of concept, and it could be further improved. However, this type of approach could be adopted by companies to identify areas of potential social risk relative to production output within a sourcing country. The methodology supports landscape-level thinking as it measures social risks at the level of livelihoods, not only in the direct supply chain. The landscape-level approach and responsibility are what is more and more required from agrifood businesses these days (See Section 5.2).

4.3. FROM RISK MAPPING TO SOCIAL RISK ASSESSMENT AND DISCLOSURE

Once the potential prevalence of social problems in different parts of the supply chain has been mapped at a high level, social risk assessment aims to evaluate the severity and likelihood of the risks at a more granular level. With that, a company can begin to prioritize efforts in the extensive supply chains, develop measures to determine the actual occurrence of negative impacts and take corrective action.

There is no single way to conduct a social risk assessment. For a company that wants to get started with its social risk assessment, Proforest's (2019) *Using social risk assessment in approaches to responsible sourcing of agricultural commodities* is a helpful guide and it has been cited several times in this section. Successful risk assessment approaches often combine quantitative and qualitative methods, including literature review, national-level datasets and indices, expert interviews, supplier surveys, and site assessment visits (Proforest 2019).

The scope of topics included in different risk assessment approaches varies. Not all risk assessment approaches consider all aspects of social and human rights (see Box 5).

MEASURING AND MONITORING SOCIAL IMPACTS - OR REPORTING ON RISK MANAGEMENT PRACTICES?

A company that has identified risk themes and regions and is moving to monitoring the impacts can seek support from one of the global initiatives that provide a framework for social issues. The Sustainable Development Goals (SDGs) provide a framework with targets and indicators that can be applied in a business context. The United Nations Global Compact and their SDG Compass guide companies in contributing to the SDGs. The leading sustainability standards organizations such as the Sustainability Accounting Standards Board (SASB) and GRI also have sets of standards for social sustainability.

Social impact assessment differs from greenhouse gas emissions calculation. Unlike environmental reporting that emphasizes quantitative data, social reporting frameworks prioritize robust processes and safeguards in place rather than measured impacts. The widely adopted GRI standards, for instance, cover social topics like labour rights and indigenous peoples' rights, with indicators focused on practices rather than outcome metrics (GRI 2024). While many indicators require quantification, the indicators are generally practice-based rather than outcome-based ("*Percentage of operations with implemented local community engagement, such as social impact assessments, local community development programmes*") (GRI 2016, p. 8). This approach acknowledges the inherent complexity and context-specific nature of social and human rights issues, where quantitative data alone may not capture nuances and potential impacts adequately.

BOX 5. NOT ALL RISK ASSESSMENT APPROACHES CONSIDER ALL ASPECTS OF SOCIAL AND HUMAN RIGHTS

Avoidance of extreme human rights violations such as forced and child labour is probably listed in all social risk assessment approaches. Some approaches, however, mainly cover topics related to direct employees and suppliers, such as health and safety, wages and working hours (see for example the Global Social Compliance Programme (GSCP) Reference Code). Other approaches include human rights issues at the level of local communities, for example relate to land tenure (see Proforest: Using social risk assessment in approaches to responsible sourcing of agricultural commodities).

Of the two examples given above, Proforest has taken a rights-based approach. It refers to the rights of the local communities to a healthy environment and food security whereas the GSCP aligns itself with international labour standards. Both Proforest and GSCP seem to omit considerations of cultural values. Both approaches include the option to commit to specific issues or focus solely on the performance of direct suppliers, which may not encompass a holistic view. This shows that combining different approaches of social impacts, well-being and human rights is not straightforward, but the aim should be towards holistic approaches.

Many private sector initiatives focusing on the environment have also tried to integrate social impacts, but the methodologies are still underdeveloped compared to, for example, for those for climate. TNFD requires disclosure on human rights policies that relate to nature issues. Moving forward, it aims to achieve alignment among disclosure initiatives that vary in focus but include aspects of social performance (TNFD 2021-2024). Similar to the well-known climate and nature task forces TCFD and TNFD, there is also the Task Force on Inequality and Social-related Financial Disclosures (TISFD) which will be launched in September 2024. TISFD is a "*global initiative to develop recommendations that enable businesses and investors to effectively identify, assess, and report on their inequality and social-related risks, opportunities, and impacts*" (TISFD n.d.). Additionally, many initiatives focus on specific social topics, such as racial inequality (Race Forward), women's and human rights (CREA) or labour rights (Workforce Disclosure Initiative).

5. MANAGING SOCIAL IMPACTS IN SUPPLY CHAINS AND BEYOND

TAKING ACTION ON THE IDENTIFIED SOCIAL AND HUMAN RIGHTS RISKS AND IMPACTS

As we learned in Section 4, companies can use risk mapping and assessment as a first step to identify problem areas and prioritize management actions to address the most urgent issues. Effective planning of corrective actions requires an understanding of the root causes, which can only be achieved through local knowledge and fieldwork. Section 5 will go into more detail on practices to prevent and mitigate potential negative impacts on human rights and social well-being. Section 4 focused mainly on internal processes (see Section 4, Figure 2), while this section will look at activities with suppliers and other stakeholders. We first look at activities within supply chains (Section 5.1) and then beyond supply chains (5.2).

5.1. INTERVENTIONS IN SUPPLY CHAINS – IT'S ALL ABOUT SUPPLIER RELATIONSHIP MANAGEMENT

Interventions in own supply chains are essential for managing social risks and moving towards a human rights-based approach. Supply chain interventions should be complemented by collaborative actions with other stakeholders in the production landscapes and across supply chains (Section 5.2).

SUPPLY CHAIN TRACEABILITY

Compliance with international human rights standards and social responsibility guidelines in sourcing is most likely an important aspect of managing reputational risks to most downstream companies. Nevertheless, a typical food manufacturing company has numerous suppliers across many countries. As a result, resources for the social impacts work are limited and focusing efforts is needed. Even if responsibilities extend across all supply chains, there is a need to apply greater scrutiny to those with greater risks of negative social impacts and human rights abuses.

Improving traceability often serves as an important first step in identifying social risks in supply chains. In practice, this can mean tracing raw materials to their country and region of origin, not just to Tier 1 suppliers. In Box 6, there are real-world examples of how businesses are working on supply chain traceability.

VOLUNTARY STANDARDS AND CERTIFICATIONS

Compliance with legislation is necessary, but not sufficient to meet a company's supply chain commitments. Voluntary standards are a means to ensure the ambition level is high enough and go beyond addressing negative impacts and towards promoting human rights and improving well-being. "*The highest standard should be the standard that is more likely, if properly implemented, to avoid adverse impacts to human rights and destruction or degradation of the environment*" (Accountability Framework 2019b).

The TRADE Hub project has produced a comprehensive report on sustainability standards for agriculture (UNEP and ITC 2023). It concludes that while voluntary sustainability standards have improved some aspects of social sustainability, their effectiveness depends largely on their adaptation to the economic and political context in which they operate and whether this context is favourable.

ISEAL has developed Codes of Good Practice to support creating effective and credible sustainability systems. The ITC Standards Map is a useful tool for anyone who seeks to navigate the landscape of sustainability standards. It was developed by the International Trade Centre of the United Nations. It allows the user to filter and compare standards and certification schemes (see glossary) across several criteria.

BOX 6. BUSINESSES ARE USING DIFFERENT TOOLS TO INCREASE TRACEABILITY IN THEIR SUPPLY CHAINS.

Lidl GB have published their tier 1 suppliers of meat and poultry, bakery products, coffee, tea and confectionery. For selected products, such as tea and bananas, Lidl has also disclosed all partners in the supply chain, until the producer.

Neste has published a map of the palm fatty acid distillate (PFAD) refineries and plantations it sources from. The company uses the traceability data to implement its human rights due diligence process.

Nature-based Insights, Tesco and Global Canopy have shared an example of mapping their palm oil supply chain using Trase Earth's Supply Chains data tool. The example was made for the context of nature risks, but the palm oil industry in Indonesia is known for associated human rights violations (Mei et al. 2022). This example demonstrates that the same traceability tools can be used for environmental and social risks.

IBM Food Trust and HARA are examples of market-based blockchain tools for supply chain traceability (UNEP and ITC 2023). More information on practical traceability solutions can be found in the Traceability webinar series by WWF and the TRADE Hub project.

RESPONSIBLE SOURCING POLICIES AND SUPPLIER CODES OF CONDUCT

A company's position in the supply chain determines how much control it has over the respect or violation of human rights at the production level. Upstream companies that produce or buy directly from producers have more influence on the ground and can more easily implement direct measures. Downstream companies are further away from production and may find it more appropriate to set requirements for the upstream suppliers and reward those that comply with the requirements (Proforest n.d.). One strategy that, for example, the world's largest banana traders are using to increase their ownership of the supply chain, is vertical integration (see glossary) (FAO 2014).

Companies sourcing agricultural commodities often have established internal policies for ethical sourcing. Some publicly available examples of responsible sourcing policy documents are those of Unilever and Nestlé. Both documents refer to the UN Guiding Principles on Business and Human Rights (UNGPs) and the International Bill of Human Rights. They discuss human rights, first and foremost from the labour rights perspective (e.g., working hours, fair wages, health and safety and freedom of association). Land rights of communities, including Indigenous Peoples, are also covered. The responsible sourcing policies include sections on environmental impacts, but the topic is not discussed in the context of people, human rights or the Right to a Clean, Healthy and Sustainable Environment of the affected communities.

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In addition to establishing policies and codes of conduct, businesses should assess and review supplier risks regularly, set individual improvement plans with them and audit and monitor progress. Providing support in reaching the set goals in the form of awareness raising and training is an essential part of successful supplier engagement (Proforest 2022).

REWARDING GOOD PERFORMANCE BY PRODUCERS

All of the above-mentioned good procurement practices can improve supply chain sustainability, but there are significant costs, financial risks and technical challenges in implementing them. Therefore, sustainable sourcing policies can only be applied if they are combined with adequate financial incentives, investments and technical assistance to support and reward sustainable producers (UNEP-WCMC 2022). Bringing farmers into the centre of change is essential for success, as they are the key actors. However, the responsibility cannot be passed on to farmers alone, as many of the challenges to success are independent of farmers themselves (Innovation Forum 2023).

Environmental impacts of commodity production can negatively affect the well-being of producer communities, for example through the degradation of ecosystem services (Emidi et al. 2024). More sustainable or regenerative agricultural practices (see glossary) are by definition those that support maintaining a healthy soil that provides ecosystem services such as water filtration, retention and carbon sequestration (Gosnell et al. 2019). Preserving ecosystem services of a landscape is connected to the well-being of the producer communities through for example food security. Many major food and agri companies have a sustainable farming or regenerative agriculture programme. For example, Nestlé's framework also includes the component of just transition: the company offers investment support and technical assistance to farmers and pays premiums for goods produced following their principles (Nestlé 2024).

5.2. LANDSCAPE-LEVEL ACTION – ADDRESSING COMPLEX CHALLENGES IN PARTNERSHIPS

Working in direct supply chains is important (Section 5.1) but will not be enough to enable the systemic shift that is required to create long-lasting benefits for entire landscapes and communities. As the power of a single actor is limited, businesses also need to work together with other supply chain actors, competitors and the public sector to find solutions of scale (UNEP-WCMC 2024b).

SUPPORTING LOCAL COMMUNITIES

Many businesses have launched social development projects with producer communities. Many of these have a particular focus on vulnerable groups such as women, children, racial and ethnic groups, people with disabilities or LGBTQI+ communities. Social development can include for example building schools (Cargill), supporting girls' and women's education, job training and entrepreneurship (L'OCCITAINE) or investing in suppliers that owned and managed by people from under-represented communities (Unilever).

Corporations engage in a wide range of corporate citizenship activities through philanthropy, volunteer programmes, foundations and partnerships (Cargill 2024). However, the challenge for even these positive initiatives can be that a single company has limited capacity and power to seek solutions to problems that have their roots in society and the economy. This calls for multi-stakeholder partnerships that support change in the production region. There are examples of this taking place, as outlined in the following paragraphs.

COLLECTIVE ACTION BY COMPANIES – PRIVATE SECTOR-LED COMMITMENTS AND INITIATIVES

Sometimes assessment of social risk can show that a certain issue is widespread and common to many sourcing countries and/or commodities. A pre-competitive initiative between companies working in the same sector can be a powerful tool to centralize efforts and provide the necessary leverage to bring about change (Lambin et al. 2018; Proforest 2019). According to Ospina (2024), "*pre-competitive collaboration involves two or more companies operating within the same industry, coming together to address a shared problem or pain point that doesn't impact direct business competition or contribute to unfair advantage*". Currently, many private sector-led initiatives are built around ending deforestation, but they acknowledge the need for a holistic approach that also considers other topics such as climate and human rights (see Box 7).

LANDSCAPE AND JURISDICTIONAL APPROACHES – MULTI-STAKEHOLDER PARTNERSHIPS

A landscape approach (see glossary) is a common term for action that goes beyond direct supply chain impacts to landscape level actions. What differentiates a landscape approach from most private sector-led community engagement initiatives is the depth of the multi-stakeholder aspect. A landscape approach recognizes that sourcing regions are part of wider ecosystems and that achieving sustainable solutions requires a holistic perspective. The idea is to work together with other stakeholders to address the underlying causes of several complex issues across the jurisdiction with each other. This holistic approach takes into account environmental, social and economic factors (Idle 2023; Proforest 2024).

A jurisdictional approach (see glossary) is a form of a landscape approach in which one or several governmental bodies are involved. Alignment of public and private sector policies is often needed to address the issue of the lack of incentives and commitment to change. They often trace back to insufficient and incoherent legal frameworks and financial reward structures (Lambin et al. 2018). One example is the issue of land tenure. In many countries, if a producer lacks an official land title, they cannot access loans that they would need to invest in new equipment to increase yields and sustainability. An individual company cannot address the root cause, but collaboration with the local government is needed (The Consumer Goods Forum 2022).

Landscape-level interventions are gaining more awareness as businesses are looking into ways to work collaboratively on complex issues beyond individual supply chains. The Jurisdictional Approaches Resources Hub by the Tropical Forest Alliance is a great collection of publications related to landscape and jurisdictional approaches. Organizations active in the field include Proforest, ISEAL Alliance, IDH, CDP and many others. There is also an increasing number of platforms that bring together agri-businesses with multi-stakeholder initiatives in production areas. Many of the recent sustainable supply chain guidelines and frameworks highlight elements of collaboration for landscapes, including the Accountability Framework and the Responsible Sourcing Toolkits by Proforest.

A recently published TRADE Hub business brief delves deeper into explaining the landscape approach and provides more resources (UNEP-WCMC 2024b).

BOX 7. GLOBAL INDUSTRY INITIATIVES DRIVING SUSTAINABLE SUPPLY CHAINS.

The Consumer Goods Forum (CGF) is an organization that brings consumer goods retailers and manufacturers together globally. Their Sustainable Supply Chain Initiative (SSCI) supports businesses in supply chain due diligence by benchmarking credible third-party audit and certification schemes. SSCI includes topics of extreme human rights abuse, such as forced and child labour, and workers' rights topics such as health and safety, wages, and working hours. The Forest Positive Coalition promotes sector-wide transformation throughout the supply chain and across sectors to end deforestation. Their approach also includes a strong aspect of social sustainability and human rights.

The World Business Council for Sustainable Development (WBCSD) is a global, CEO-led organization of over 225 businesses working together to accelerate the transition to a sustainable world. The WBCSD Soft Commodities Forum (SCF) is a collaboration between six trade businesses aiming to stop soy-driven deforestation in the Cerrado area in Brazil. They work in partnership with producers, downstream companies, civil society, and governments balancing the demands of environmental sustainability and farmers' livelihoods.

6. CONCLUSIONS AND FUTURE DIRECTIONS: RECOMMENDATIONS FOR BUSINESSES

There are gaps in current private sector approaches and strategies to address deeper systemic problems that perpetuate social impacts. The responsibility of companies extends to driving change of entire production areas, beyond issues that directly fall under their operations at sourcing sites. "*While there is a shared responsibility among all actors who are deriving benefit from the production and trade of commodities, perhaps the onus lies with the biggest beneficiaries of trade, both nations and commercial actors.*" (UNEP-WCMC 2022, p. 3)

RECOMMENDATIONS FOR BUSINESSES:

1. Pursue a holistic understanding of human rights and human well-being and strive for a right-based approach

- Internalise the legal nature of human rights and the obligation to respect them.
- Apply a multidimensional well-being approach to understand the negative and positive impacts of your operations on affected rightsholders - beyond the easily quantifiable economic factors.
- Put people at the core of an integrated sustainability strategy. Instead of implementing a no-harm policy only, actively seeking ways to promote human rights in the design and implementation of supply chain actions.
- Bring in considerations around gender equality and women's empowerment to overcome perennial gender gaps in supply chain interventions.

2. Adopt an integrated approach that considers both social and environmental sustainability

- Consider the indirect social impacts of nature-related business strategies on communities that depend on ecosystem services that are degraded by agricultural production.
- Adopt sustainability and sourcing strategies that acknowledge the interlinkages and possible trade-offs between the social and environmental aspects of sustainability.
- Integrate social impact management into the core operations of the business, rather than treating it as a separate endeavour.

3. Ensure that risk identification and management processes are in place

- Work with suppliers to increase supply chain traceability.
- Conduct social impact risk mapping to effectively deploy resources and further social risk assessments starting from the highest risk sourcing locations.
- Engage suppliers to manage social risks and maximise opportunities to improve human well-being.
- Adopt robust accountability mechanisms and track progress using appropriate KPIs that address the different and diverse aspects of well-being.

4. Invest in landscape-level action beyond immediate supply chains to address systemic issues

- Provide support, incentives and benefits not only to producers, but also to local communities as a whole.
- Engage in landscape-level action through collective and landscape initiatives. Foster multi-stakeholder partnerships between businesses, the public sector and civil society to tackle root causes of social issues and to drive system-level innovation and change.
- Advocate for policies that actively participate in shaping the socioeconomic infrastructure and regulatory landscape.

In essence, striving for improved well-being of supply chain actors in producer regions means transcending the limitations of current approaches and recognizing that social sustainability goes beyond immediate supply chain concerns. It requires addressing systemic issues, embracing innovative solutions, and collaborating across sectors to bring about meaningful and lasting change for the benefit of workers, communities, and the broader society connected to agrifood supply chains.

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ANNEX 1 - FULL LIST OF ALL GUIDELINES INCLUDED IN THE REVIEW

Table A1 lists some non-commercial and commercial resources, tools and service providers that help companies with assessing social performance and managing social and human rights impacts.

TABLE A1. RESOURCES, TOOLS AND SERVICE PROVIDERS FOR SOCIAL RISK MAPPING AND RISK ASSESSMENT.

RESOURCE OR TOOL	SUMMARY	SPECIFIC TO AGRIFOOD SUPPLY CHAINS
FREE OF CHARGE		
Human rights risk assessment (HRRA)	Human Rights Risk Assessment (HRRA) is a process of identifying risks to human rights, as opposed to assessing impacts on human rights. HRRA is well-suited for companies that have large supply chains or large investment portfolios, which require them to take a tiered approach to human rights due diligence, prioritizing the highest-risk operations before addressing lower-risk clients or contractors.	
World Benchmarking Alliance Social Benchmark	The WBA publishes the Social Benchmark, an assessment of 2,000 large and influential companies, in July 2024. The WBA Social Transformation Framework consists of 12 high-level societal expectations that include topics such as paying workers a living wage and carrying out human rights due diligence.	
Forest 500	The Forest 500 assessment examines the five hundred most influential companies in the forest risk supply chain and financial institutions from the perspective of the risks associated with deforestation, conversion of ecosystems and related human rights violations. The companies are assessed based on the publicly available information on the strength and implementation of their commitments.	
SPOTT (ZLS)	A free online platform publishing transparency assessments of palm oil, tropical forestry, and natural rubber producers, processors and traders. Companies are assessed based on their public disclosure regarding their organization, policies, and practices related to ESG issues, social questions included.	X
Fairtrade Risk Map	A risk map designed to support companies in assessing their human rights and environmental risks. It covers banana, cocoa, coffee, cotton, honey, wine grape and carbon credits, but will be expanded to other Fairtrade commodities.	X
Rainforest Alliance	Child labour and forced labour sector risk maps for banana, cocoa, coffee, hazelnut and tea.	X
Land Use Finance Impact Hub	A collection of tools and guidance that help companies harmonise environmental and social impact monitoring for sustainable land use finance	X
IRIS+	A guidance and data system for measuring, managing, and optimizing impact, managed by the Global Impact Investing Network. It is aimed for investors who seek to maximize the positive and minimize their negative societal and environmental effects.	
Human Rights Impact Assessment (HRIA)	Guidance and practical tools for conducting, commissioning, reviewing and monitoring human rights impact assessments of business projects.	
Human Rights Screening Tool	The Human Rights Screening Tool, sponsored by The Nature Conservancy, provides a process that helps field teams identify project risks from a human rights-based perspective and prioritize the risks for further attention. It is the first step of the human rights due diligence process.	
COMMERCIAL		
LandScale	An initiative by Rainforest Alliance and Conservation International that provides a practical yet robust system for assessing landscape sustainability performance.	X
AtSource	A sustainability management system found by the Olam Group. The dashboard contains social and environmental data and over 350 metrics on ten different topics as a "one-stop-shop" for all the data needed for sustainability commitments.	X
Supply Change	A platform for supplier and buyers where buyers can find trusted social suppliers and create a social procurement process. Suppliers can engage motivated buyers and find new opportunities.	X
SupplyShift	A cloud-based software that connects buyers and suppliers in a unified platform that claims to enable responsible sourcing and sharpen risk detection. Includes a Human Rights Compliance Assessment.	X
Verisk Maplecroft	A global risk intelligence company that provides unparalleled data and insights into sustainability, resilience and ESG issues.	
TSC Commodity Mapping Tool	A tool designed to help visualize and communicate the most likely risks in product supply chains. TSC member companies can use the tool to understand, prioritize and manage risks in their supply chains even if they don't know exactly where their commodities are coming from.	X
Social Hotspots Database	A country-level risk mapping tool that provides social risk information on 30 sub-categories and 132 underlying social indicators for 57 sectors worldwide.	

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