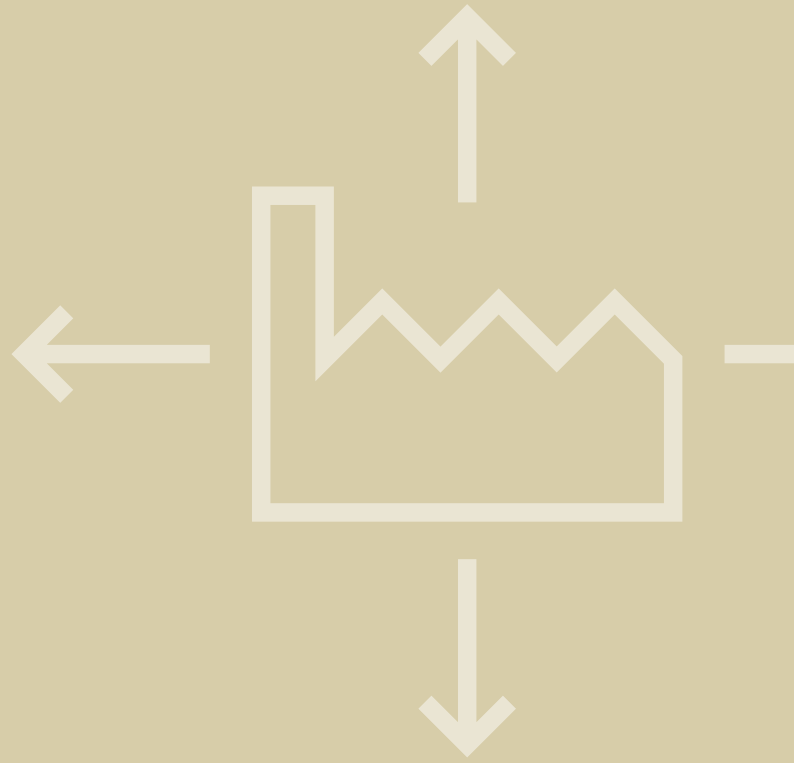




COOPERATION >



Doing Responsible Business

**A ROADMAP FOR SME'S IN THE FRUIT
AND VEGETABLE SECTOR TO IMPLEMENT**

**THE UN GUIDING PRINCIPLES ON
BUSINESS AND HUMAN RIGHTS**

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ICCO Cooperation

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Doing Responsible Business - A roadmap for SMEs in the fruit and vegetable sector to implement the UN Guiding Principles on Business & Human Rights



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Introduction

This document contains a practical roadmap for implementing the United Nations Guiding Principles on Business and Human Rights (UNGPs) for owners and managers of small and medium enterprises (SMEs) in the fruit and vegetable sector. The roadmap helps the reader to navigate through the large amount of existing guides and tools. It has been developed in close consultation with SMEs, resulting in a roadmap which is tailor-made for this sector and written in a language understandable for non-experts.

The roadmap considers all kinds of SMEs (trade only and also those involved in production or processing) and respects the geographical sourcing range (Europe, Africa, Asia and Latin America) and size (SME = ranging from < 10 to 250 employees or even more).

The UNGPs lay out the responsibility of companies worldwide to respect human rights in their entire supply chain. The international business community started to implement the UNGPs since they were endorsed in 2011. In practice, however, this is mostly done by large companies. SMEs, which make up the majority of the private sector, are often not familiar with the UNGPs or may find it difficult to translate these to their businesses. They may find it difficult to grasp human rights

implications of their business activities; issues seem too big to solve for small companies; solutions may seem to be beyond their responsibility; or these companies may perceive human rights as being mainly the responsibility of suppliers or governments.

The roadmap begins with a brief introduction on human rights in the fruit and vegetable sector and the UNGPs. We present an infographic (page 9) explaining the steps in the roadmap, followed by more detailed information of the steps including a checklist, handy tools, examples of best practices and lessons learned and further reading.

We hope you're invited by this roadmap to take the first step and bring your business to a higher level of responsibility.

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Human rights within the fruit and vegetable sector

Consumers are increasingly aware of how their purchases affect the social and environmental conditions of millions of factory and farm workers around the world. Media coverage of environmental impact, deplorable working conditions, health and safety issues, low wages in many producer countries has triggered consumers' interest in knowing where their products come from and under what conditions they are produced. Additionally, consumers, civil society organizations, governments and society in general demand that companies produce in a responsible way.

This has prompted retailers, traders and producers in general, and in the fruit and vegetable sector in particular, to discuss how to respond to these developments and what needs to be done to work towards more sustainable and more transparent supply chains.

More and more companies do not want to be responsible for negatively impacting people: whether they are workers, children, surrounding communities or their environments. Hence they have started to work on corporate social responsibility, seeking better performance in terms of people, planet and profit.

Respecting human rights, or failing to do so, carries implications in all three of these domains. For example, whether or not you have non-discrimination policies affects people working in your company. The way you treat the planet, for example how you dispose of pesticide residue, may impact local communities' right to safe drinking water. And paying a decent wage may have an impact on the profitability of your company.

Respecting human rights is very relevant for the social, environmental and economic dimensions of your business and an integral part of sustainability.

WHY YOUR COMPANY SHOULD CARE ABOUT HUMAN RIGHTS

There are many reasons (both business and ethical) why you should care about human rights in your company and your supply chain. To name a few, by caring about human rights in your company and supply chain you:

- Comply with the law, meaning national and international law and treaties.
- Satisfy external stakeholders – local communities, suppliers, civil society: human rights due diligence can help companies to engage meaningfully with their key stakeholders about their efforts to prevent and address human rights risks.
- Build sustainable relationships with suppliers and other businesses.
- Satisfy investors: respecting human rights is increasingly becoming part of the risk assessment for investors. It is seen as proof that the company is managed effectively.
- Run the business more efficiently: human rights due diligence can help companies make informed business decisions, avoid overlap and identify business opportunities.
- Manage your reputation: a legal license to operate alone is not enough. You also need a “social

license to operate” (from local communities or other stakeholders) in order to run your business without opposition or interruption.

- Manage risks: conflicts with communities and negative campaigns harm your brand and are costly.
- Satisfy internal stakeholders – employees, unions, shareholders. Many companies have formal policies (such as Supplier Codes of Conduct) and focusing on human rights can help ensure compliance with existing policies as well as increase employees’ confidence and motivation.
- Do the right thing: proactively ensuring respect for human rights is how the company wants to do responsible business, helping it align with its higher sense of purpose and “who we are”.
- Manage your responsibility when working in countries where the state is sometimes unable or unwilling to protect rights.

To help companies (and states), the United Nations developed guidelines on how business should deal with human rights: establishing where the responsibility to respect human rights in international supply chains begins and ends.

THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

The United Nations Guiding Principles (UNGPs) on Business and Human Rights were endorsed in 2011. They were developed through worldwide consultations with representatives of all types of stakeholders involved. For the first time there was broad-based agreement on the responsibility and role of different stakeholders, including businesses. Key elements of the UNGPs have been internalized by other major international and national standard-setting bodies including the OECD guidelines and ISO 26000, by business enterprises themselves, and by civil society organizations.

The guidelines are based on a framework, often also called the Ruggie framework, after Professor John Ruggie, author of the guidelines. The framework has 3 pillars. Each of these pillars contains a set of guidelines for operationalizing the framework.

- Pillar 1: State Duty to Protect
- Pillar 2: Corporate Responsibility to Respect
- Pillar 3: Access to Remedy

Key elements for businesses

For businesses, the **second pillar**, the responsibility to respect, and the **third pillar**, access to remedy, are most important. Key elements of pillars 2 and 3 are:

- **All enterprises**, from small and medium-sized enterprises through to large multinational corporations, have a responsibility to respect human rights in their **entire supply chain**, which means beyond the first-tier supplier. It is important to realize that the extent to which SMEs should be working on human rights is not determined by the size of the company but by the risks the company's operations, business relations, products and services pose to human rights.
- Apart from **labor rights**, the UNGPs also include **the rights of suppliers and communities** that might be impacted by the business activities in a company's supply chain.
- Companies are expected to carry out **human rights due diligence**: an ongoing management process that every business needs to undertake while considering the sector, size and other

contexts in which the business operates, to meet its responsibility to respect human rights. Human Rights Due Diligence consists of:

- assessing the risks of negative impact on human rights by your company;
 - integrating human rights in policies, procedures and responsibilities;
 - tracking your company's human rights implementation and performance and
 - communicating your human rights impact.
- Although, as stated on page 7 and 8, there might be business-related arguments to do human rights due diligence, it is important to realize that in this whole process you need to focus on the risks of negative impacts for people in and around your supply chain, and not, as usual in business risks assessments, on risks for your company only.
- The UNGPs challenge you to start working with your suppliers on a **process of continuous improvement** towards less negative impact on human rights. To stop working with certain suppliers is viewed only as a very last resort.

Your involvement

The UNGPs make an important distinction in the degree your company could be involved. As a company you can cause, contribute to or be linked to a negative impact on human rights. It is important to establish your degree of involvement because this determines what course of action you should take in ceasing the negative impact.

As a company, you can directly **cause** adverse human rights impacts, for example by not compensating your employees for overtime or not responding correctly to sexual harassment claims by female workers.

You can **contribute** to unfavorable working conditions or other negative human rights impacts without directly causing them yourself, for example because you demand an urgent shipment of grapes from your suppliers, forcing their employees to work excessive overtime to harvest them in time, or by not paying a fair price for produce, making it impossible for your supplier to pay a fair wage.

You could also be **linked** to negative human rights impacts, for example because somewhere in your supply chain one of your suppliers or one of the suppliers of your supplier is not following the ILO labor conventions or is polluting the lands of the surrounding community.

› ROADMAP FOR SME'S

IN THE FRUIT AND VEGETABLE SECTOR TO IMPLEMENT THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

Read the steps before starting to work on human rights within your agri-food company. All steps together form an iterative process and each company can create its own unique path.

STEP 1: ASSESS

Be aware of where your company has a negative impact on human rights.



Actions to take

- Identify salient risks
- Do a self-assessment
- Assess risks in the supply chain
- Organize human rights expertise

STEP 2: ACT

Make sure that negative impact is ceased and victims are compensated.



Actions to take

- Take adequate action
- Prevent reoccurrence
- Track and monitor
- Build relationships with suppliers
- Consider remediation
- Integrate in management system
- Build capacity and knowledge
- Address organizational culture

On the next pages the three steps are explained in more detail.

STEP 3: (BE) ACCOUNTABLE

Formalize actions in a policy and be prepared to be transparent.



Actions to take

- Formalize your action in a human rights policy
- Communicate credible information



Roadmap for SMEs

STEP 1: ASSESS

WHAT?

Your company should be aware of where in your **entire supply chain(s)** your company or one of your business relations has an **actual or potential** negative impact on the human rights of employees, other suppliers or communities.

You should look at sector, country, product and supplier level, and pay special attention to vulnerable groups like women and children.

WHY?

Only by knowing your impacts and your risks can you actively cease and mitigate activities that have a negative human rights impact. The assessment will show you where to start working to minimize negative human rights impacts; in short it gives you a strategy.

HOW?¹

ACTIONS TO TAKE:

a. Identify salient risks



b. Self-assessment



c. Assessment of risks in the supply chain:



Map of supply chain

Assessment at country and product level

Prioritize risks

Assessment at supplier level

Stakeholder engagement

Determination degree of involvement

d. Internal and/or external human rights expertise?



SUSTAINABILITY STANDARDS?

There are many international voluntary standards and company codes addressing environmental and social issues in the market. Annex 2 provides an overview of the most commonly used standards in the fruit and vegetable sector (and accepted in IDH programs) and the human rights 'covered' by these standards in their core criteria. The general conclusion is that the basic workers' rights are covered by all standards, but there are still gaps when it comes to supplier and community rights.

There are differences between the standards in the number of criteria, credibility (governance structure, audit mechanisms, recognition) and effectiveness. You can use a tool developed by the International Trade Center (ITC) in Geneva called the standards map to look at the content of a standard and compare it with other standards or company codes (www.standardmap.org).

You can have a general or a detailed look e.g. focusing on crop or country specifics, or on key issues like child labor or health and safety aspects. The information in the standards map also tells you how often audits are carried out (annually, bi-annually etc.).

Audit reports give a detailed overview of a company's performance and compliance with the respective standard or code. The reports also indicate corrective actions needed and timeframe given to do so. Therefore, using the audit reports to understand, for instance, your suppliers' performance and identify potential risks can be a useful approach to complement your assessment. Remember, audit reports are confidential and you need to ask your supplier(s) to share a copy with you.

If you make use of another voluntary standard than your supplier(s), please check the regulations regarding the frequency of the audits and decide, together with your supplier, how often an audit and re-audit is required. Take into account the administrative burden that audits involve, especially if your suppliers already work with multiple standards and audits.

¹ In step 3 we discuss involvement of your colleagues to create ownership inside your company for instance by making sure the issue is internalized by key stakeholders within your company, including discussing shared and clear ambitions and objectives. How to do this? Please check page 29 on creating a human rights policy.

a. Identify Salient Risks

It is important to start with the identification of the “salient” rights risks in your sector: ‘those risks that are most severe, whose impact is possibly irreversible and that are most likely to occur’.

The box below shows the salient human rights risks in the agro-food sector (especially fruit and vegetables) in high risk countries in general. It also indicates which groups are most vulnerable to discrimination.²

SALIENT RISKS		
Community rights <ul style="list-style-type: none">• Decent livelihoods (access to land, clean water)• Non-discrimination*	Supplier rights <ul style="list-style-type: none">• Access to productive resources (water, land, finance, seeds)• Decent price• Non-discrimination*	Workers’ rights <ul style="list-style-type: none">• Decent working conditions (wage, working hours, health and safety)• Collective bargaining, freedom of association• No forced labor, slavery• No child labor• Non-discrimination*

* Groups vulnerable to discrimination: women, children, seasonal workers, migrant workers, smallholders/farmers, indigenous people

b. Self-assessment

Based on this selection, you can start with a self-assessment to gain better insight into which negative impacts you might be causing yourself, or where potential risks lie. This self-assessment focuses on your own business operations, whether this is in Europe (generally considered a low-risk region) or another part of the world (with potential high-risk countries).

Another exercise offered by ITC’s standards map is that of a self-assessment in which you answer questions about your own daily practice and get it benchmarked (compared) with a voluntary standard or company code of your own choosing. At the end of the exercise a report is produced that only you get to see and can download showing your compliance level.



USEFUL TOOLS:

Global compact: www.globalcompactselfassessment.org

The quick scan from the Danish Institute for Human Rights:

<http://hrca2.humanrightsbusiness.org/Page-TheHrcaQuickCheck-23.aspx>

² This selection is based on the CSR Sector Risk Assessment, Food and Beverage industry (KPMG, 2014), CSR Risk Checker (MVO Nederland, 2015), the Country Fact Sheets (IDH/SIFAV, 2015) and research and experience of ICCO, Fair and Sustainable Advisory Services and other experts.

c. Assessment of risks in the supply chain

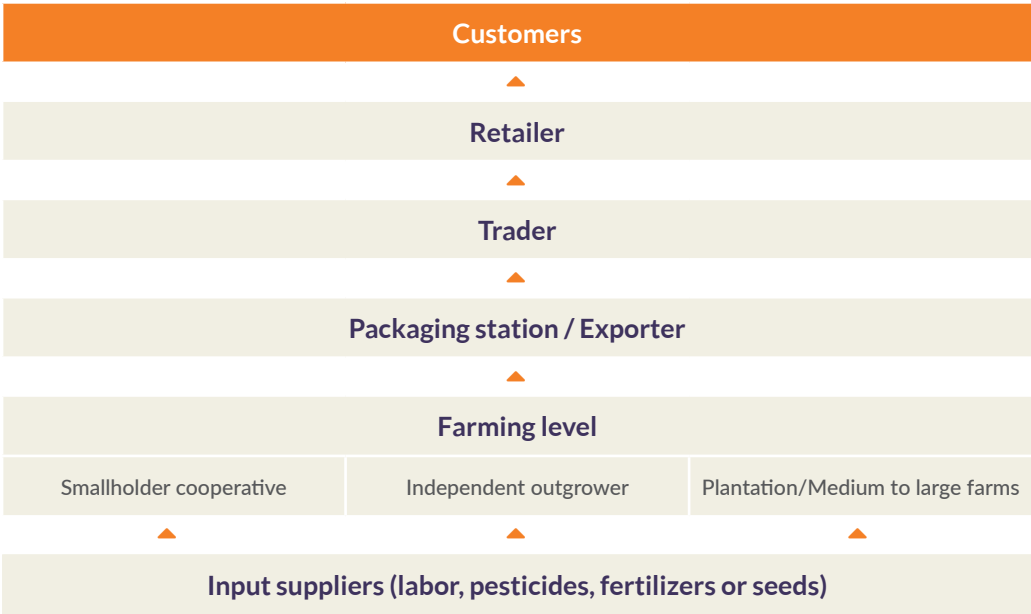
After the self-assessment, you will also want to know what the risks are in your entire supply chain. A first step towards this is mapping the supply chain for each of your products.


Mapping your supply chain

It is important that you know all your suppliers for all your products, and move beyond your first-tier suppliers to sub-suppliers and subcontractors. You should also add human rights risks at each level in your supply chain. Knowledge about the different

supply chains in your company exists in several departments, ranging from sourcing to quality control and even the unit checking the origin of each pallet. Cooperation between these departments is necessary to obtain adequate knowledge of your supply chains.

The figure below shows what a typical supply chain in the fruit and vegetable sector looks like, including stakeholders such as employees, smallholders and communities.



 **USEFUL TOOLS:** The Value Chain Mapping Exercise by the SER is a comprehensive tool that includes examples.
www.ser.nl/nl/~/_/media/894adb278220446bb91e4e0ae41ec753.ashx

Assessment at country and product level

Based on the salient risks³ identified, you further narrow down the actual and potential risks in your supply chain. We have made a very general assessment of the salient risks for developing countries to give you an idea what to look for. To make the assessment more detailed, you can narrow down

the different fruits and vegetables you source combined with the country you source these from (e.g. pineapples from Costa Rica or pineapples from South Africa). Another quick way of assessing this is taking the BSCI country risk classification as a reference.



BSCI country risk classification into high and low risk countries worldwide.
www.bsci-intl.org/resource/countries-risk-classification

The CSR Risk Check, MVO Nederland, is a free and practical online tool for identifying the risks in a specific country and for a specific product.
www.mvorisicochecker.nl/en



Risk analysis - Total Produce

As a first step towards all actual and potential risks in their supply chain, Total Produce made a matrix of all countries they source from and the major potential risk areas as mentioned in ISO 26000 (including corruption and human rights). ISO 26000 is a guideline for implementing CSR and human rights is one of the themes. The UNGPs are integrated in these guidelines.

Total Produce used different UN sources, such as the corruption index, to indicate whether a country is green (low risk), orange (medium risk) or red (high risk). This was discussed with the internal buyers who source from these countries. This way the buyers know what to discuss with their regular suppliers.

For more information on ISO 26000 please check:
www.iso.org/iso/home/standards/iso26000.htm

³ Please refer to page 12 for an explanation of “salient” risks.

Prioritize risks

After you have identified all risks, you might realize the list is quite long and there is a need to focus. By focusing on the most severe risks, combined with where you have the most leverage to make a difference, you can arrive at a prioritization of risks. This is not an easy process, and always relative. It is also a very company-specific exercise. When prioritizing, you look at the severity of the impact (how serious is the impact, how many people are affected and how difficult is it to redress the resulting negative impact?) and the chance of the negative impact happening (the likelihood). Some tips⁴:

- The outcome of your assessment might be overwhelming. It is therefore important to just get started, to take one step at a time and communicate this with external stakeholders.
- Sometimes it is useful to make “educated guesses” early on in the process, which you should then check with external stakeholders. Prioritization becomes a regular element in the assessment phase, going back and forth between prioritization and identification.
- Engage stakeholders from the start, as prioritization is a delicate process. Talking to stakeholders can contextualize risks: the severity and likelihood

of impact is different for example in conflict situations than elsewhere.

- A useful tool, which includes examples, to help you prioritize risks is the guide *Doing Business with respect for human rights*, chapter 3.3 guidance point 2.

Assessment at supplier level

Now it is time to look more closely to your own suppliers. There are several ways you can do this:

- By discussing the outcomes of the assessment with your suppliers. It is good to draw up a list of questions for your sourcing department, so they know what to ask for specifically. An example of such a list can be found in tool 1 mentioned below.
- Then you can ask your suppliers to do a self-assessment. There are several tools available for doing self-assessments; tool 2 is an interesting one for producer organizations
- If in doubt about the outcome you could ask for an external audit (with the goal of learning and improving). If your supplier is certified, you could look at the base assessments and audits done by the certifying body or the voluntary standard your supplier is using.⁵



SAI Tool: www.sa-intl.org/_data/global/files/SAI-ICCO-UNGP-Handbook.pdf

BSCI tool: www.bsci-intl.org/resource/bsci-system-2015-self-assessment-producers-20

Doing Business with Respect for Human Rights p. 51-53:

www.businessrespecthumanrights.org

Specifically on prioritizing click on guidance point 2:

www.businessrespecthumanrights.org/nl/page/344/assessing-impacts

⁴ Shift facilitated a workshop convened by the SER with 12 Dutch companies and 12 stakeholders about prioritization. The report of this workshop offers many useful insight, but it is a long read. The tips are the most relevant for SMEs (www.shiftproject.org/media/resources/docs/Shift_SERworkshop_identifyHRrisks_2014.pdf)

⁵ Please refer to page 11 for more information on how to use standards in this step

The spot market

For many companies in the fruit and vegetable sector, the spot market is part of the supply chain. If there is a high demand for a certain product, additional sourcing is done on the spot market. Also, on the spot market Global GAP is a given, so basic environmental issues are covered. But how can you incorporate social sustainability issues? Since the spot market is often used sporadically, in times of peak demand, you could decide to check whether or not the produce comes from a BSCI high-risk country⁶. Also, when you source more often from the spot market, and in high volumes, you might have some leverage to ask for more information on sustainability issues.⁷

Stakeholder engagement

Finally, if complex issues arise, if the impacts found are very severe, or if you want to verify the findings of the self-assessment and/or audit, you can consult (external) stakeholders. For example, employees of your supplier (although they might

be difficult to talk to without the supplier being present), local NGOs or trade unions, community or religious leaders or others with extensive knowledge of the local situation.

By consulting NGOs – such as ICCO Cooperation, Oxfam, ChristianAid, ActionAid or CARE – working in the area, you can find the right persons to talk to on one of your supplier visits, or they can set up engagement dialogues (with government, civil society organizations and your company (see example ASBALR-pact - Indonesia: www.icco-cooperation.org/Portals/2/Files/ASBALR-Pact%20Flyer.pdf). Such consultations do not need to take up a lot of your time but do provide essential information for your assessment.

It helps to map your stakeholders – who has influence and interest in your sector? – so you know who to talk to. This might be a project that could be done together with other companies working in the same region, or by your branch organization.



To give you some guidance here is an interesting set of questions specially designed for SMEs: <http://business-humanrights.org/sites/default/files/documents/avsi%20due%20diligence%20-%20may%202015.pdf>
See page 19 if you want guidance when doing a stakeholder consultation on human rights.

From page 34 in: A Practical Handbook on Business and Human Rights, more practical information on stakeholder dialogue and engagement.
<http://escolapau.uab.es/img/programas/derecho/guia/guai.pdf>

⁶ Please check: www.bsci-intl.org/resource/countries-risk-classification

⁷ Please refer to annex 3 for a decision tree for the spot market.

Determining degree of involvement

When **assessing** your human rights impact, it is important to establish whether your company is **causing** or **contributing** to human rights violation through its own activities or whether your company is **linked** through operations, products or services of other companies you do business with.⁸ It is important to establish your degree of involvement because this determines what course of action you should take to cease the negative impact. You can assess your degree of involvement by talking to your own suppliers, not only to learn

about what has happened, but also to assess what is feasible and “normal”. Discussing upfront with different suppliers what their working arrangements are in the peak season, what their production capacity is and how they are organized in general helps you to create a benchmark. This way you can better assess what happens at a certain supplier’s for example when you push a rush order. It is not easy to make these assessments and it requires a certain level of seniority. Cooperation between different departments such as sourcing and quality control is necessary.

d. Internal and/or external human rights expertise?

In this step, it is also important that you involve internal and external human rights experts to support you in this work. Please see the list of suggested experts in annex 1.

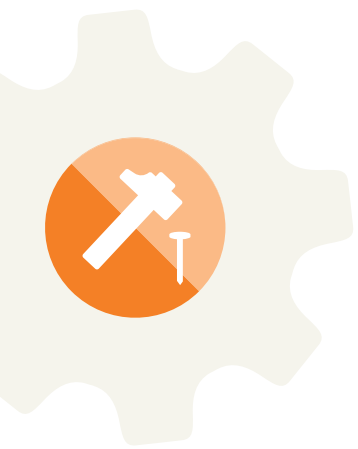
EXAMPLE: Durabilis - How to deal with multiple certification

A growing number of farmers and companies are faced with multiple certification. The burden of double work in filling out questionnaires, preparing and attending audits, including double audit costs is definitely high. It can also cause confusion among employees resulting in mistakes or omissions.

Many experience this as frustrating especially because they do not see added value in having more than one system for the same topic. Durabilis seeks the solution in translating their commitment to social compliance into all aspects of their own central system. Questionnaires and audits become mere events around that internal central system which is less confusing for involved employees. Furthermore, all deviations from the greatest common divisor can be integrated so that little by little your own internal system grows and finally covers all external systems.

Audits are often experienced as superficial and mere box ticking, which can be demotivating for employees and make it harder to deal with different requirements. Working your own system, however, helps to avoid that. Durabilis is fully aware that this is the ideal situation which they are working towards. There are times they also have to go with the flow and deal with inconsistencies, new questionnaires and double audits on an ad hoc basis. Where possible they try to combine two standards in one audit and/or convince customers to switch to more convenient systems, while their production sites focus on different standards as a function of their main market.

⁸ Please check page 8 of this guide for an explanation of the degree of involvement of companies.



Roadmap for SMEs

STEP 2: ACT

WHAT?

To prevent or deal with negative human rights impact that a company causes, contributes to, or is linked to, the company needs to take action to make sure that the negative impact ceases and victims are compensated. This might mean that a company has to change certain business practices. Sometimes ending the relationship with a certain supplier could be an adequate response to a human rights violation. It is however preferable that a company uses its leverage to co-design and co-implement a corrective action plan that limits the risk of further negative impacts, and adequately compensates for harm caused. This is called remediation and is one of the most important aspects of the UNGPs. Concluding, it is important to monitor whether or not your actions have contributed to a human rights risk decrease or whether there are other important changes you want to anticipate. Therefore, systematic and continuous monitoring of your company's human rights efforts is important.

By systematically integrating human rights into your company, you are able to respond in an appropriate way to the impact your company has **caused**, **contributed** to, or is **linked** to. It enables you to respond to dilemmas and unfore-

seen circumstances and make sure your business practices align in a consistent way with a human rights policy. Integrating human rights in daily work practices is even more important for SMEs, which do not usually have the resources to hire a specialized CSR or human rights team.

WHY?

Truly meeting your responsibility requires that you are able and willing to remediate an actual negative human rights impact when caused or contributed to by your company.

Working on your human rights performance is a continuous cycle of improvement. A good remedy system is also an indicator for your company as to where things go wrong; it helps you in tracking your performance.

Acting on human rights risks, allows you to measure your supply chain performance (and that of your suppliers) over time and identify trends, patterns, and/or systemic problems. In this chapter examples are included that will help you to adjust or correct your actions and operational systems to reduce, prevent, and remedy negative impact.

⁹ Please refer to page 6 for an explanation of when you are causing, contributing to or linked to a negative impact.

HOW?

ACTIONS TO TAKE:

- a. Take adequate action
- b. Prevent reoccurrence
- c. Tracking and monitoring
- d. Supplier relationship
- e. Remediation
- f. Integration in existing management system
 - Responsibilities
 - Decision making
 - Performance appraisal
- g. Capacity and knowledge
- h. Organizational culture

SUSTAINABILITY STANDARDS?

Where a company works with sustainability (voluntary) standards and/or certifications the outcome of audits decides further action. These actions might already be part of the corrective action, indicated in the audit report, or part of the improvement plan elaborated by the supplier. Standards often have their own remediation processes in which a company can participate or which can be used as an example for its own process, where the company does not work with a certain standard or certification.

When a company does not work with a sustainability standard, or when a salient risk¹⁰ is not addressed in the standard, the company needs to deal with the issue itself. The issue can be discussed with the supplier and with those (potentially) harmed and, in the case of a negative impact, the company and the people involved may come (together) to a solution. In these situations, local stakeholders such as NGOs and trade unions can play an important role in – informal – mediation and finding lasting solutions.

¹⁰ Please refer to page 12 for an explanation of salient risks.

a. Take adequate action

A company responsible for negative human rights impacts should take adequate action to make sure the negative impact ceases and the victims are compensated.

You could for example:

- Apologize (publically)
- Compensate (financially or otherwise) for the harm
- Ensure the negative impact cannot reoccur by adjusting work processes
- Cease certain activities entirely
- End relationship with respective supplier

What a company should do depends on the degree of involvement and of course the extent of the damage caused.

- If your company is **causing** the human rights violation you should cease your impact and be actively engaged in remediation.
- If your company **contributes** to negative human rights impacts, you are required to cease your own contribution, and you should mitigate the

impact of the third party causing it. Also, you should be actively engaged in remediation.

- Companies **linked** to human rights violations should mitigate the impact of the third party causing it.

Sometimes ending the relationship with a certain supplier could be an adequate response to a human rights violation, but it is preferable that you use your leverage to design and implement a corrective action plan limiting the risk of further negative impacts. Especially when it involves crucial business relationships in your company, this is a preferred course of action. If you do decide to end business relations, do consider the impact this decision might have on the employees of your supplier or his/her business relations.

If you and the complainer do not reach an agreement and you do not want to end the relationship, it might be necessary to involve an external mediator trusted by both parties.


b. Prevent reoccurrence

Audits can be an important instrument to monitor the performance of your own company and that of your suppliers.

Situations are, however, never static. Circumstances and risks might change and therefore regular audits are required. With an audit plan, you keep track of the different audits (frequency) at different suppliers, corrective actions and follow up. This might be very useful when you have a large number of suppliers and/or sustainability standards.

It may include the following:

- Timeline of audits, re-audits and follow up, for each supplier
- Who pays for the audits? (You, your supplier or do you split the costs?)
- Who is responsible for executing the audits?
It is advisable to hire a (local) auditor, who knows the context and culture.
- Who is responsible within your company for interpreting the audit reports, discussing outcomes with your supplier and translating these into concrete action for your own company?

 **EXAMPLE:** Both Jaguar and Nature's Pride demand from their suppliers they comply with a specific sustainability standard. To demonstrate good practice, they both comply with the same standards themselves, undergoing the same audits.

If you make use of a sustainability standard, there are regulations regarding the frequency of the audits. If you hire an independent external auditor yourself, you should decide, together with your supplier, how often an audit and re-audit is required.

How do you keep track of the developments over time? You can for example use a tier system, adjusted to the goals and indicators you have used in step 1. Based on what you have indicated as acceptable, you should decide how to respond to non-conformity. A tier system (see figure on right developed by SAI) can help you to indicate different levels of performance and follow up.

Sometimes corrective actions need to be carried out to address a problem. Your goals must be to drive improvements and focus on the root problems (why is a supplier not able to change?), have an open and constructive relationship with your suppliers,

and create incentives for improvements. Additional support or capacity building of your suppliers may be needed, for example through support to improve their management systems. See step 3 for more information. The degree of your involvement, whether you cause, contribute, or are linked to certain problems, is important here to determine your actions. Use your leverage to achieve improvements, for example through working together with other companies or through multi-stakeholder initiatives.

TIER SYSTEM
Red light - problems that must be addressed before order placed.
Yellow light - acceptable but needs improvement.
Green light - meets all requirements.




USEFUL TOOLS: Corrective action plan form + tracking (SAI/ ICCO Handbook), p. 118 + 119
www.sa-intl.org/_data/global/files/SAI-ICCO-UNGP-Handbook.pdf

c. Tracking and monitoring

Formulate clear and measurable goals (SMART) for respecting human rights in your company and supply chain and translate these into both quantitative and qualitative indicators, both for your own company and for your suppliers, which you can use to monitor performance. Additionally, you should define which level is acceptable for each indicator,

and identify how to collect data and who is responsible. You may end up with a combination of formal and informal ways of measure that will work for you company. Again, these should be translated into your systems, business practices and culture. The following paragraphs describe various methods for monitoring your company and suppliers.

 **EXAMPLE:** Buyers regularly visit the suppliers, which makes them the designated person to regularly signal and discuss human rights risks, which in turn can be used to measure the performance of your suppliers in an informal way. Do they know what they have to pay attention to, which questions to ask? And do they visit the production or processing sites? Talk to employees? Do they know how to respond to ethical dilemmas and unforeseen circumstances?

Stakeholders are a very important source of information in monitoring your performance on human rights and for designing corrective action. This can also help you to understand the root causes of

certain problems, or to identify solutions or suitable follow up. Develop procedures to regularly communicate with stakeholders.

d. Relationship with your suppliers

Make human rights a topic to discuss with suppliers during the annual producer visits or other moments of contact. In this way, the suppliers know what is expected from them to prevent negative impact or indicate possible negative impacts in an early stage. It helps when a company addresses these issues as an integral component of other discussions and criteria, such as quality management, reputation and risk management.

Good, long-term relations with your suppliers, based on trust and commitment, are very useful and important for constructively working on human rights in your supply chain. At the same time, long-time suppliers might be less open minded to these “new” issues. The commitment from both sides to advance in respecting human rights is crucial. There is a lot written about developing a more collaborative relationship with your partners. The resources below provide some additional reading on this topic.

FURTHER READING:

Page 114: SAI/ICCO Handbook: Making the development approach work
www.sa-intl.org/_data/global/files/SAI-ICCO-UNGP-Handbook.pdf

Page 14: a collaborative approach to work with suppliers:
<http://etiskhandel.no/Artikler/10078.html>

EXAMPLE: **Importance of long-term trading relationships**

As a trading company Jaguar prefers to establish long-term relationships with their suppliers. They see this as creating win-win situations. Suppliers have more security and can plan production better and it supports Jaguar in fulfilling the delivery commitments towards their clients (mostly retail). When establishing a long-term commitment Jaguar looks beyond production volumes and pricing. As social compliance is increasingly important in the market it gives them the opportunity to discuss human rights compliance and how to go about it. It also allows suppliers to ask questions and explain their current practice. In general it enables both of them to agree on improvements needed and the timeframe. It gives Jaguar the opportunity to share knowledge with the supplier, combine it with the suppliers' local knowledge and jointly invest in respecting human rights while maintaining a thriving business relationship.

e. Remediation

If you discover your company or a business you work with has a negative impact on human rights it is important to address the issue, minimize the negative impact and restore the situation. This is called remediation and is a key element of the UNGPs.

Often companies already have internal complaints mechanisms. The UNGPs talk about grievance mechanisms, which also include resolution of complaints and which should be open to all internal and external stakeholders.

Design a grievance mechanism with clear procedures

It is important to have a transparent system for receiving and dealing with complaints, and your response should be timely and adequate. To ensure this, the system should include the following steps:

1. Receive and register complaint
2. Determine person or unit responsible for follow-up
3. Investigate and meet with complainer
4. Decide on resolution, notify complainer and allow appeal
5. Implement, track implementation and collect feedback
6. Close process

FURTHER READING:

A simple explanation and examples are given by the SER:
www.ser.nl/nl/themas/imvo/mvo-risicomanagement/5-herstellen/gebeurt-er-voldoende-met-klachten.aspx

To set up your own grievance mechanism look at page 43 of the BSCI manual. It focuses on own employees but can easily be extended to local communities.
www.bsci-intl.org/sites/default/files/BSCI%20System%20Manual%20version%202.pdf

Ensure access for all relevant stakeholders

Often you already have an internal complaint mechanism for your own employees. Maybe you even have a corporate governance code. It is important that you design similar mechanisms for external stakeholders, or that you open up and adapt your current system to include external stakeholders such as suppliers and local communities. If you do not manage complaints from external stakeholders adequately, negative human rights impact can escalate, the relation with these stakeholders will deteriorate, and you risk your reputation (and incur high costs, productivity losses, etc.).

Make sure your complaint mechanism:

- is known, trusted and accessible to those involved;
- protects the complainer;
- has clear and transparent procedures, and is predictable;
- is a source of learning.

Another important aspect is that people adversely affected by your company have reasonable access to information, advice and expertise to actually be able to use the mechanism.

When engaging with your suppliers, you could discuss with them the need for solid complaint mechanisms. Often, certified suppliers already have complaint mechanisms since several different standards require this.

It is not always easy for SMEs to address the complaints of external stakeholders. At times it might be easier to sign up with a multi-stakeholder initiative in your sector. On the website of the Access Facility you can find a motivating example of a program targeting the tomato industry in the US:
<http://accessfacility.org/fair-food-program>.

EXAMPLE: Complaints procedure – Azura Group

Azura Group is a Sedex member supplier that subscribes to SMETA obligation (SEDEX Members Ethical Trading Audit). They have developed their internal rules based on respecting Moroccan law and international rules developed for example by ILO. Besides clear rules on product quality and hygiene and safety regulations there are also rules on working conditions and behavioral aspects. Women form a large part of their work force both as permanent as well as seasonal workers. Therefore they have devoted much attention to equality among the workforce.

All employees are informed and trained and the Human Resource (HR) department maintains communication with employees and the communities surrounding the company. They developed a formal complaint procedure as part of their monitoring system. HR contacts the person or community directly (within 48 hours is the agreed response time) to discuss and search for solutions / follow-up. There is a centralized record keeping system on complaints received and how they are dealt with. This allows Azura to monitor whether complaints keep coming back or if they are filed by different people. It helps them to adjust procedures and develop sanctions where needed, thus avoiding as much negative impacts as possible.

Next to the formal complaint procedure there is also an 'anonymous' system where employees can write down a complaint and put the paper anonymously in a letter box. These boxes are placed on all of their sites in discrete places. The boxes are checked on a daily basis and dealt with immediately if possible, but generally they are handled in the same way as the complaints made formally 'by known persons'.

External stakeholders can also file a complaint and all messages or persons who present themselves at the gate are directed to the HR department to make sure a complaint is handled in a appropriate way.

f. Integration in existing management systems

Ideally the work you have done so far should be integrated in your (existing) management systems, so that all business processes and procedures, departments and employees take human rights into account as a matter of course. How to do this depends on the systems and procedures you already have in place. Some examples are:

- Include (minimum) specific human rights indicators in contracts, code of conduct and other relevant documents.
- Include (minimum) criteria on human rights in the selection and monitoring systems of your suppliers.
- Adjust procedures and responsibilities (task descriptions and manuals) alike and make sure they are communicated to and known by your employees or other business partners. SMEs in particular benefit from the more informal practices already in place.
- Translate your overall commitment into goals for specific departments and adjust the recruitment strategy, performance appraisal and bonus system to them.

EXAMPLE: Bonus and other reward systems should include respect for human rights and certainly not work against them. For example: Procurement staff should not be rewarded for enforcing unrealistic deadlines from suppliers, which results in human rights abuses of the suppliers' workers.

(Source: Global Gap Guidance tool)

- Integrate human rights in decision-making, so that there is a balance between commercial, environmental, and human-rights interests.
- Allocate sufficient resources (time and budget) to implement your human rights policy. The level of the impacts, determined in step 2, determines the level and focus of resources (people, time, training) required.
- Ensure that your company (or that of your suppliers) has an effective complaints mechanism in place for employees and external stakeholders to identify potential negative human rights impact.

EXAMPLE: **Van Oers United – Developing an internal code of conduct and how to use it**

CSR and human rights have always been important for the company both in their sourcing policies as well as in small social interventions. It was seen as sound business and logical to support partners to do well.

However, 1.5 years ago they felt the need to formulate more precisely 'what do we want to achieve' and to act upon it in a more structured way. Van Oers decided to use ISO 26000 to identify hotspots and priorities on the 7 sustainability topics addressed by ISO 26000. This resulted in an updated policy and CSR strategy for the next 5 years including KPIs and a practical code of conduct.

The code is meant for their own production sites and commercial department, but also for partners they source from. It is actually part of the sourcing contracts and by signing the partners also sign up to respect the code and organize social audits.

In order to reach the current level of compliance Van Oers decided to discuss the updated policy and code of conduct with all their employees (permanent and seasonal) and their partners. Short training sessions were organized internally with each department and production site to make sure everybody understands the code, and has the opportunity to ask questions. It has not caused problems and has made the introduction of the code an open and much appreciated process.

Van Oers also discussed the code with all of their partners to inform them and achieve common understanding of its implications. So far this has not caused problems. Sourcing partners understood and respected the process, signed up for it, and are working on social audits in close coordination with Van Oers.

g. Capacity and knowledge

Integrating human rights into your company and knowing what they mean for daily business practice requires your staff to have specific knowledge and capacity. How to recognize signals of human rights violations, what are the right questions for suppliers and other stakeholders, how to perform assessments and how to interpret audit reports and translate these into action are some of the challenges.

There are many online resources available for companies, on a wide variety of human rights topics. Most voluntary standards and certification websites offer a large database of online resources, some of which are for members only. Please check BSCI, SEDEX (SMETA) and annex 2 for more suggestions.

It might be important to train staff, specifically those people who regularly interact with suppliers or clients or who manage social compliance and/or quality. See Annex 1 for organizations offering training or business support services on Human Rights and Business.

Assess the capacity and knowledge of your suppliers as well. Working together to respect human rights might require that you support your supplier by offering a training, know how or practical support. Some companies split the costs of assessments, audits and trainings. Again, a long-term relationship is helpful, so that your investment pays off.

h. Organizational culture

Taking human rights issues seriously has implications for your company's culture. It might mean that behavioral change is needed, within your company and the supply chain. Your company's culture is one of the most important drivers for integrating human rights in your business. This makes the difference between 'complying with checklists' and an attitude of responsibility and change. Let human rights

become part of your company's 'sense of being', of a broader company-wide value agenda, with a clear signal to managers, employees, suppliers and other stakeholders. Effective ways of changing an organizational culture can be achieved through involving employees from the beginning, and using clear and open communication, especially by CEO and/or senior management.

USEFUL TOOLS/ FURTHER READING:

Embedding the Corporate Social Responsibility to Respect Human Rights into your Corporate Culture, Shift, 2014. Read conclusions in executive summary, p 3-5.
www.shiftproject.org/media/resources/docs/Shift_EmbeddingUNGP_2014.pdf

EXAMPLE:

Coca Cola – Human rights day

An example to internalize human rights.

www.youtube.com/watch?v=QDuVLUOvr0&feature=youtube_gdata_player

Integration into the management systems of your company, building capacity and knowledge on doing responsible business, and changing the organizational culture are also the responsibility of the

Human Resources Department, so again you need cooperation between different departments within the organization to successfully implement these actions.



Roadmap for SMEs

STEP 3: (BE) ACCOUNTABLE

WHAT?

During the whole process, it is important for a company to be accountable for its work and impact. Formalizing your actions in a human rights policy is an important first step towards greater accountability. Also, you need to be prepared to be transparent when negative impacts do occur and communicate on the measures the company has taken to cease these impacts. It is good to be prepared for questions from (internal or external) stakeholders or pro-actively communicate about the matter in the annual report, newsletters, and/or website.

WHY?

A human rights policy enables you to demonstrate your commitment, your 'desired way of doing business', both internally (to employees, shareholders) and externally (to suppliers, customers and other

business partners and stakeholders) and helps to manage expectations. It is a starting point for creating collaboration and trust within your supply chain (specifically regarding your suppliers), which are necessary for working on human rights issues.

Communication is important because your internal and external stakeholders like to know how you are dealing with human rights risks. These stakeholders, like investors, retailers, employees, consumers but sometimes also regulators, put more and more pressure on your company to communicate about how you are respecting human rights.

Also, transparent and open communication can lead to an adjustment of your human rights policy, goals and procedures. This shows a learning culture and the ongoing nature of human rights risk management.

HOW?

ACTIONS TO TAKE:

a. Human rights policy

- Assign responsibility
- Involve senior management
- Involve crucial departments and expertise
- Use external expertise
- Formulate explicit goals

b. Communicate the right (credible) information at the right time through the right communication channels

a. Human rights policy

A human rights policy shows your company's commitment, goals, your responsibilities and expectations of others, to prevent, reduce and remedy human rights violations, within your company and your supply chain.

Contrary to what many people might think, this is not a static policy – it describes where you are now and what your intentions and vision are for the future, where you are heading – and can be updated over time. Elaborate on what your company is already (maybe even unconsciously) doing to respect human rights.

Assign responsibility

Assign one person, or one department, who will be responsible for the development and implementation of the human rights policy within your company and who acts (internal and external) as a contact point. This might be your CSR manager, procurement manager or quality manager.

Involve senior management

Involve senior management in the development and implementation of your human rights policy

to ensure their approval and commitment, align decision-making, smooth integration and make available required resources. Management (of all levels) is also crucial for integration of human rights within your company, which should start directly from the beginning. The business arguments on page 3 and 4 can be useful to convince your management.

Involve crucial departments and expertise

Involve all important departments within your company to ensure awareness, ownership and understanding. Their commitment, experience and expertise are crucial for developing and implementing your human rights policy and to ensure alignment with their (daily) work and practices. Human rights issues concern all departments, from CSR and sustainability, to quality control, business operations, sourcing/purchasing, sales, logistics, health and safety, human resources and customer relations, and more. You can initiate a 'human-rights work team' (or CSR team) with representatives of all departments, which is responsible for the development and implementation of your policy, to ensure support from the whole company.

Use external expertise

'Human rights' cover a variety of rights, themes and vulnerable groups and some of this might require expertise which is not (yet) available within your own company. In this case, you might want to consult external expertise or capacity to assist you in the whole process of implementing a human rights approach, or with specific aspects or themes. Annex 1 provides an overview of organizations, consultancies, NGOs and/or websites which can help you, to find information or support.

Formulate explicit goals

Your policy statement should include the human rights you explicitly aim to respect. According to the UNGPs, every company is responsible for respecting at least all internationally recognized human rights¹¹. However, not all are equally relevant for your company. A thorough assessment of which human rights are at risk in your supply chain is described in step 1. Besides including 'what' your goals are, a human rights policy should also describe 'how' you are planning to reach these

goals. Start by describing your ambitions and intended process, mention planned assessments, partnerships, specific certifications or standards, and the relationships you have with your suppliers and other business partners. Along the way, your human rights policy becomes more detailed and explicit and describes expectations of personnel, business units, subsidiaries, suppliers, and business partners.

The **relationship with your suppliers** is a critical issue for successfully implementing your human rights policy. Long-term relationships, built on trust and collaboration, are success factors for working on complex issues and discussing problems in a constructive way.

If you decide to use **audits and voluntary standards as an instrument** for respecting human rights in your company and supply chain, you should mention this in your human rights policy and documents.

EXAMPLE: Human rights policy – Nature's Price

Nature's Pride provides a clear statement on its website about how the company deals with sustainable and fair trade, quality, and cooperation with its suppliers. They also mention the sustainability standards they use to implement this:
www.naturespride.nl/duurzaamheid/eerlijke-handel

¹¹ As mentioned in the International Bill of Human Rights (IBHR) which also includes the rights mentioned in the 8 ILO core conventions. Global CSR, a Danish sustainable business consultancy, has extracted 48 internationally recognized human rights from the IBHR to make human rights more understandable for companies. (www.globalcsr.net)

 **EXAMPLE:** **CSR working group – Jaguar, the fresh company**

A successful approach to developing a human rights policy and especially helpful when integrating this in your daily operations, is to appoint a special team that is responsible for these tasks. Jaguar, for instance, has chosen to set up a working group, coordinated by the CSR officer and in which all departments are represented: sourcing, sales, logistics, quality control, human resources, warehouse and marketing/communication. The objective is threefold:

- **Knowledge building** Internal discussions showed that not all employees knew exactly what sustainability entails or what it means to be a CSR compliant company. The first working group sessions dealt with this issue and determined what Jaguar as a company means by CSR and how respecting human rights fits into this.
- **Create commitment** As all departments are involved in the working group not only greater understanding about what Jaguar wants to achieve was created, but certainly also commitment to make it work. You could say that the working group members have become (internal) ambassadors.
- **Continuous improvement** The working group discusses further improvements to Jaguar's work processes and trading relations, looks at efficiency gains and in general at the future of their human rights approach.

Jaguar is very positive about the working group. It has significantly increased the internal understanding of the company's sustainability goals and the different terminology used inside and outside the company. Furthermore, the working group members contribute their experience and insights to continuously improve the company's performance. Last but not least it has supported the marketing and communication department informing employees on achievements made, for instance on their environmental improvements. It makes employees proud as they know how they themselves have contributed to achieving these goals. They have also learned that creating a strong internal support base for respecting human rights is crucial for the working group to succeed.

 **USEFUL TOOLS:**

Pages 71 – 76 of the SAI/ICCO handbook contain a statement of policy clause, buyer/supplier mutual code of conduct. www.sa-intl.org/_data/global/files/SAI-ICCO-UNGP-Handbook.pdf

Pages 58 – 61 of the Global Compact Netherlands report describe building blocks and sample texts for a human rights policy. www.gcnetherlands.nl/report_business_human_rights.htm

For the whole process approach look at the practical steps indicated in the Global Compact guide: how to develop a HR policy? www.ohchr.org/Documents/Publications/DevelopHumanRightsPolicy_en.pdf

b. Communicating

To become more than just 'commitment on paper', it is important that your policy is pro-actively shared and translated into operational documents; internally with employees and departments (in employee manuals and/or quality policies) and externally with suppliers and other business partners (through codes of conduct and contracts). Your human rights policy might be a stand-alone commitment (often the case in companies taking the first steps), or it might be integrated into other policies such as a broader CSR policy (to prevent duplication and confusion).

Many companies prefer to wait before issuing a public human rights statement, until they 'are 100% sure that everything is covered'. You can however already start communicating about your commitments, goals and processes you have started (maybe even including lessons learned), as long as your communication is open, honest and transparent and you don't make any claims you can't fulfill.

It is important to communicate on your salient risks¹² as identified in step 1. Often these salient risks are also material¹³ to your company. Decide together with stakeholders what to report on

and make transparent why you communicate on certain issues and not on others.

Your communication should be:

- Honest and transparent
- Directed at stakeholders (which might mean using different ways of communication)
- Accessible
- Pro-active

It is not always possible to disclose all information. Sometimes you can endanger individuals who have shared their information on negative human rights impacts with you, or you do not want disclose certain pieces of business sensitive information to your competitors. The latter however should not become an excuse to avoid being transparent and open.

To help you decide what to communicate, a **UNGP reporting framework** was developed. This framework is used many companies including Unilever and Ericsson to draft their human rights reporting. The framework walks you easily through 31 questions. In answering these questions, you can assemble the right information, which you can then integrate for example in your annual report or use to write a separate human rights/CSR report.

¹² Please refer to page 12.

¹³ In CSR reporting you focus on the most 'material' aspects, which are those aspects on which 1) your company has the most impact and 2) which are perceived as most relevant by your stakeholders.



This link provides the condensed version of the framework UNGP Reporting Framework www.ungpreporting.org

There is also a section giving additional guidance. As a minimum requirement the Framework asks you to answer 8 questions (2 questions in Part A and 6 questions in part C) and meet 4 informational requirements under Part B. Following this allows you to improve on your reporting over time.

In general it is good to report regularly, for example through a yearly CSR report. In addition, you could also use monthly or quarterly updates to report on incidents or positive development to keep all your stakeholders updated. When faced with a severe negative human rights impact, it is important to do some immediate crisis communication.

The way in which you communicate should be appropriate to the audience you are trying to reach. If your company wants to report to stakeholders or investors, you could either integrate your HR impact in your annual report (integrated reporting) or write in a separate CSR/HR yearly report. If you want to reach local communities or your own employees, fact sheets, newsletters or dialogue/round table sessions would be more suitable.

If the risk of severe human rights impacts is high, you should always also report formally and publicly because of the higher public interest.

Make sure your information is credible. Show the stakeholders how you are doing your human rights risks management, and indicate what kind of information you are not disclosing. Dishonest claims or downplaying an issue will often turn against you. Being transparent about your dilemmas, challenges, progress, and failures is often viewed as more credible and trustworthy. Respecting human rights by carrying out proper human rights due diligence in your company is a process of continuous improvement and is never finished. Revealing what is going wrong at this moment allows you to show improvement at a later stage.

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Annex 1: Overview of resource organizations

Organization/ company:	Background
Amnesty International	International organization to advance human rights
Business and Human Rights Online Resource Centre	The website is updated hourly with news and reports about companies' human rights impacts (positive and negative) worldwide.
Centre for Research on Multinational Corporations SOMO	An independent, not-for-profit research and network organization working on social, ecological and economic issues related to sustainable development.
Fair and Sustainable Consulting	Consultancy services, specifically implementation of human rights work in producing countries and value chain development.
Human Rights @ Work	Consultancy services specifically experienced in human rights.
ICCO Cooperation	NGO, cooperation and advice, active in 44 countries and global presence with 5 regional offices.
MVO Nederland	Knowledge center for CSR for Dutch Companies.
Shift Project	Help governments, businesses and their stakeholders put the UN Guiding Principles on Business and Human Rights into practice.
Social Accountability International (SAI)	SAI advances human rights at work, driven by diverse perspectives to navigate evolving labor issues. Established sustainability Standard SA 8000 for decent work.
Sustainability Xchange	Online platform which facilitates collaboration, knowledge and resource sharing on sustainable value chains and trade. Library, directory and other services to drive sustainable value chain development.
TheRockGroup	Consultancy services, specifically implementation of human rights work in producing countries and value chain development.
United Nations Global Compact	A UN initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. It is a principle-based framework for businesses, stating ten principles in the areas of human rights, labor, the environment and anti-corruption.

Specific support	Link:
Research reports	www.amnesty.org/en
	www.business-humanrights.org
<ul style="list-style-type: none"> • Research reports on sustainability issues in multiple sectors, including: <ul style="list-style-type: none"> - Food and Agriculture - Corporate responsibility • Training on UNGP 	www.somo.nl
<ul style="list-style-type: none"> • Advice and staff training Assessments of supply chains 	www.fairandsustainable.nl
Advice and staff training	www.humanrightsatwork.nl
<ul style="list-style-type: none"> • Advice to international and local companies implementing human rights work (esp. land rights, fair pricing, local communities) • Organizing multi-stakeholder dialogues and stakeholder engagement 	www.icco-cooperation.org
<ul style="list-style-type: none"> • Tools and knowledge on CSR in general and specifically responsible supply chain management/ethical sourcing • Webinars and training (Dutch only) • Sector network: Food and Agribusiness 	www.mvonederland.nl
<p>Interesting briefings and documents on the implementation of the UNGPs. Although mainly for large, multinational companies, it shows actual discussions and trends.</p>	www.shiftproject.org/resources
<ul style="list-style-type: none"> • Training UNGPs • SA 8000 • SAI/ICCO Handbook: UNGP on Business and Human Rights: Six-Step Approach to Supply Chain Implementation 	www.sa-intl.org
	www.sustainabilityxchange.info
<ul style="list-style-type: none"> • Advice and staff training • Support in implementing human rights policies • Value chain development • Marketing advice and training 	www.therockgroup.biz
<p>Library pro vides documentation, webinars on all the 10 principles, on human rights in general or on specific human rights, such as child labor, migrant workers, and human trafficking.</p>	www.unglobalcompact.org

Annex 2: Overview of voluntary standards linked to human rights

The voluntary standards mentioned in this overview are those most commonly used in the fruit and vegetable sector. Criteria shown are also a selection of the entire list of requirements and linked to the salient risks identified for this sector. For further details please visit www.standardsmap.org

In the workers' rights section in particular we selected the criteria which are generally given the highest priority and are amongst the most salient risks. These criteria need to be complied with immediately or within relative short timeframes (1 or 2 years). We have therefore omitted more development related or further improvement requirements such as housing facilities for workers (permanent and/or seasonal) or training for employees to support their career opportunities. These requirements are of course also important, but the timeframe in which they need to be complied with varies greatly between standards from 3 years after certification and 6 years after certification.

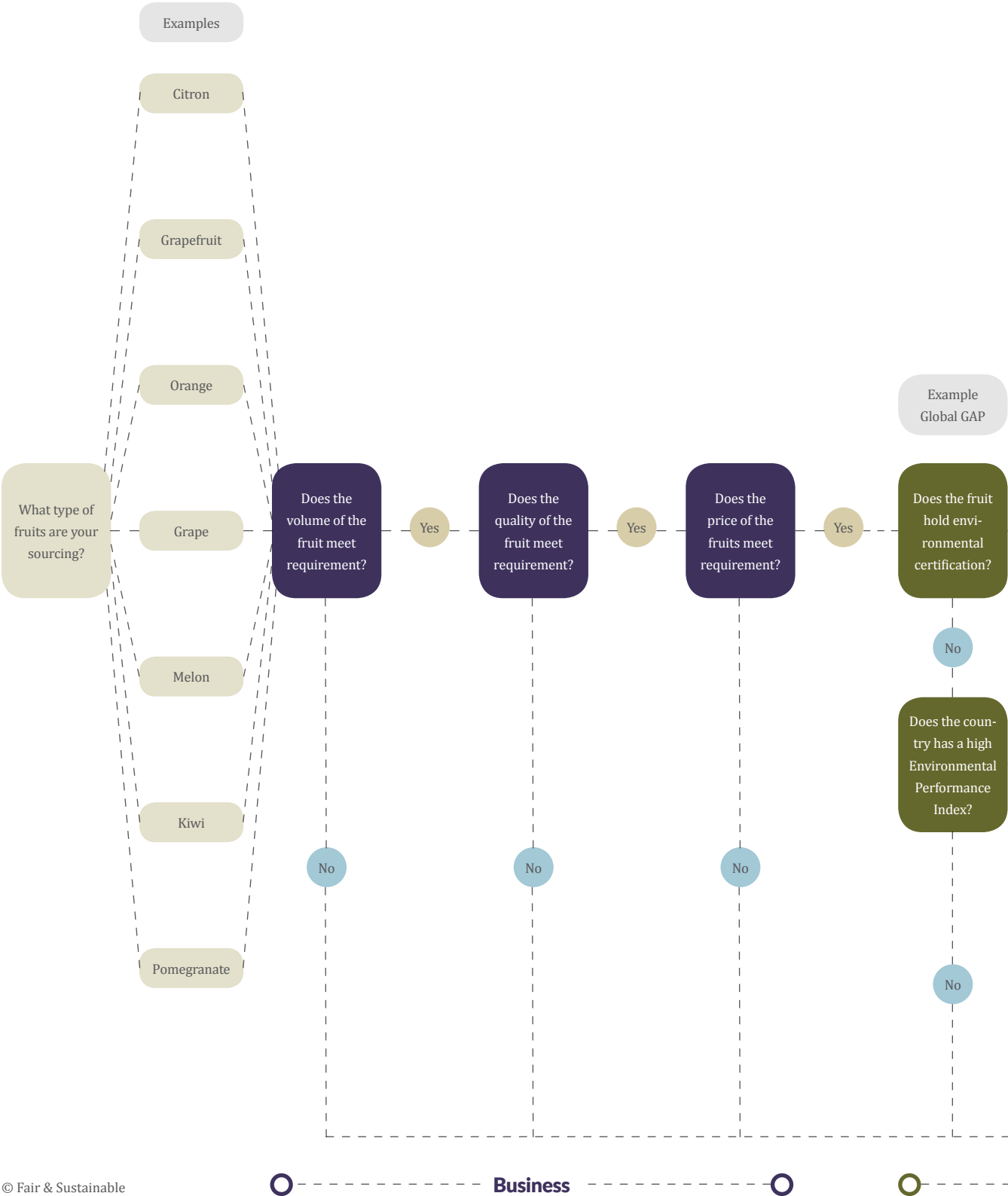
'Must have' criteria are the criteria that are best known and spoken of most (and connected to the most salient risks). The 'nice to have' criteria are relatively new requirements in the sustainability arena and are therefore seen as add-ons.

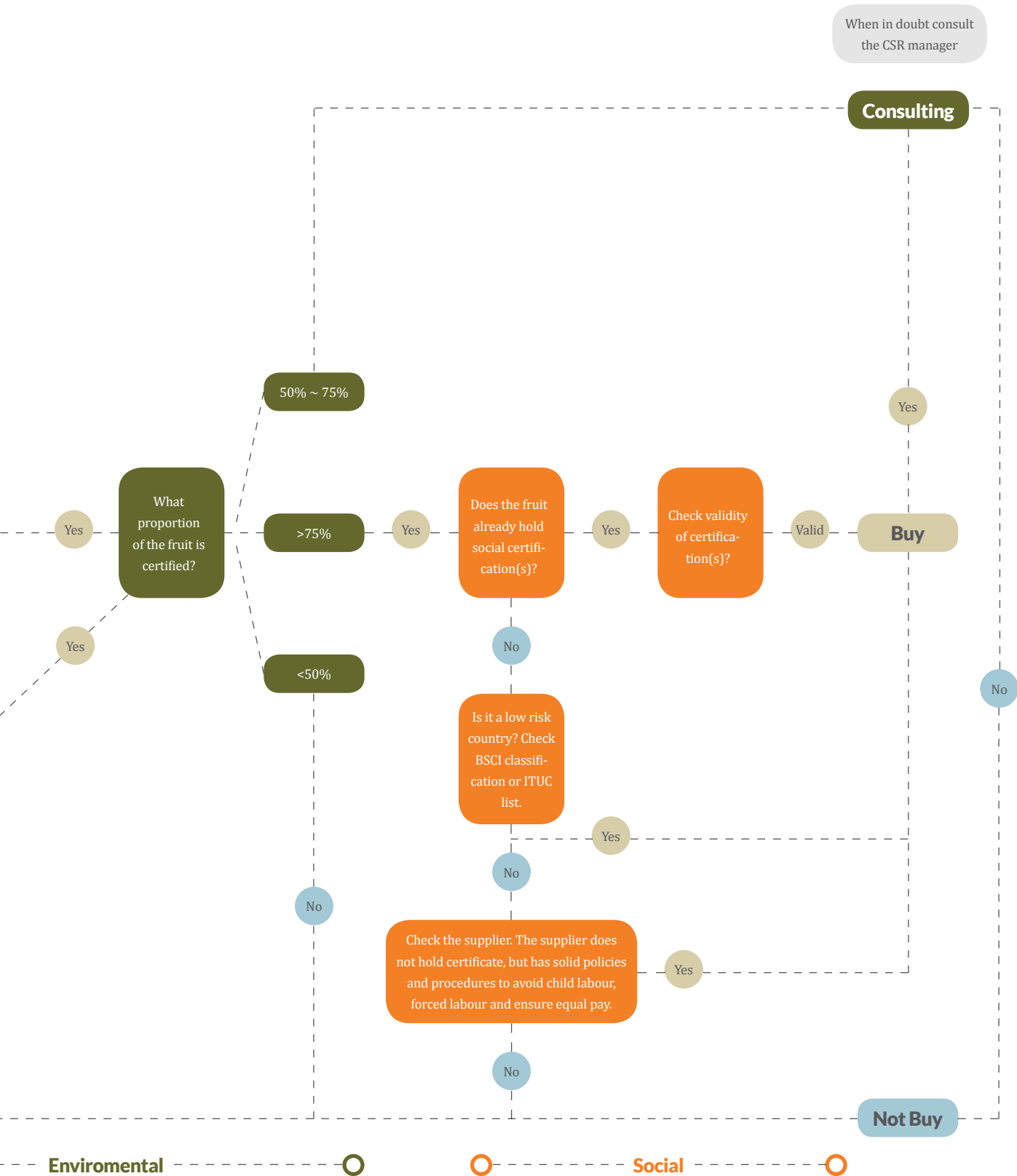
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Salient Risks	Selected Human Rights	Selected Standard Requirements
Workers' Rights		
		Compliance with international labor standards and national law:
Forced labor	Right not to be subjected to slavery, servitude or forced labor	1. Forced, bonded, indentured and prison labor = prohibited
Child labor	Right to protection from economic exploitation and the right to education (ILO)	2. Child labor = prohibited under age of 15 years
Collective bargaining and freedom of association	Right to freedom of peaceful assembly and association, Right to form and join trade unions and the Right to strike	3. Freedom of association and effective recognition of the right to collective bargaining
	Right to equality between men and women in the enjoyment of all rights	4. Discrimination, harassment and abuse = prohibited
Health and safety	Right to health, Right to life & right to just and favorable conditions of work	5. Health and safety: instructions / training, protective clothing and wash rooms
Decent wage	Right to adequate standard of living (including living wage and land)	6. Wages, benefits and terms of employment = contract, payments, wage levels
Working hours	Right to rest, leisure and paid holidays	7. Working hours = per day, per week and free time
Community rights		
	Right to adequate standard of living	Respecting Universal Declaration of Human Rights
Pollution, water usage	Right to health	Pollution monitoring
		Water resources / water use monitoring
	Right of minorities	Local communities access to livelihoods
Land acquisition	Right to adequate standard of living	Have land property rights / title deeds for production
Supplier rights		
Price negotiation, access to finance	Right to adequate standard of living	Criteria for setting up contracts with traders
		Criteria for price negotiations
		Criteria for access to finance (working capital, export finance, inputs)

SIZA	Business Social Compliance Initiative - BSCI	SAN - Rainforest Alliance	Fairtrade: FLO + IMO Fair for Life	ETI - Ethical Trade Initiative	SEDEX - SMETA
Must have					
Must have					
Must have					
Must have					
Must have					
Formal contract, payment slips, legal wage levels = must have Working towards living wage = nice to have					
Must have					
Must have					
Nice to have					
	Identify water resources and monitor water use = must have				Monitoring minimizing water use = nice to have
	Nice to have				
Must have					
	Nice to have				
Nice to have					
Nice to have					

Annex 3: Decision tree for spot market trading





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