



FSS
FOOD SECURITY
STANDARD



meo
CARBON SOLUTIONS

November 17th, 2021

HUMAN RIGHTS IN AGRICULTURAL VALUE CHAINS

Moving from Risk to Impact



la mundo sostenible para todos los generaciones



WELCOME

SPEAKERS

- **Michael von Luehrte (4C Services)**
 - Marcelo Burity (Nestlé)
- Katia Masias Bröcker (Meo Carbon Solutions/FSS) & Lisa Heinemann (Welthungerhilfe/FSS)
- Alejandra Rueda (Nes Naturaleza)

Moderation: Prof. Dr. Gernot Klepper, IfW Kiel



Human rights in Agricultural value chains

From Risk to Impact: Implementing HRDD in agricultural production in the Global South

Michael von Luehrte – 4C Advisory Board Member



17th of November 2021

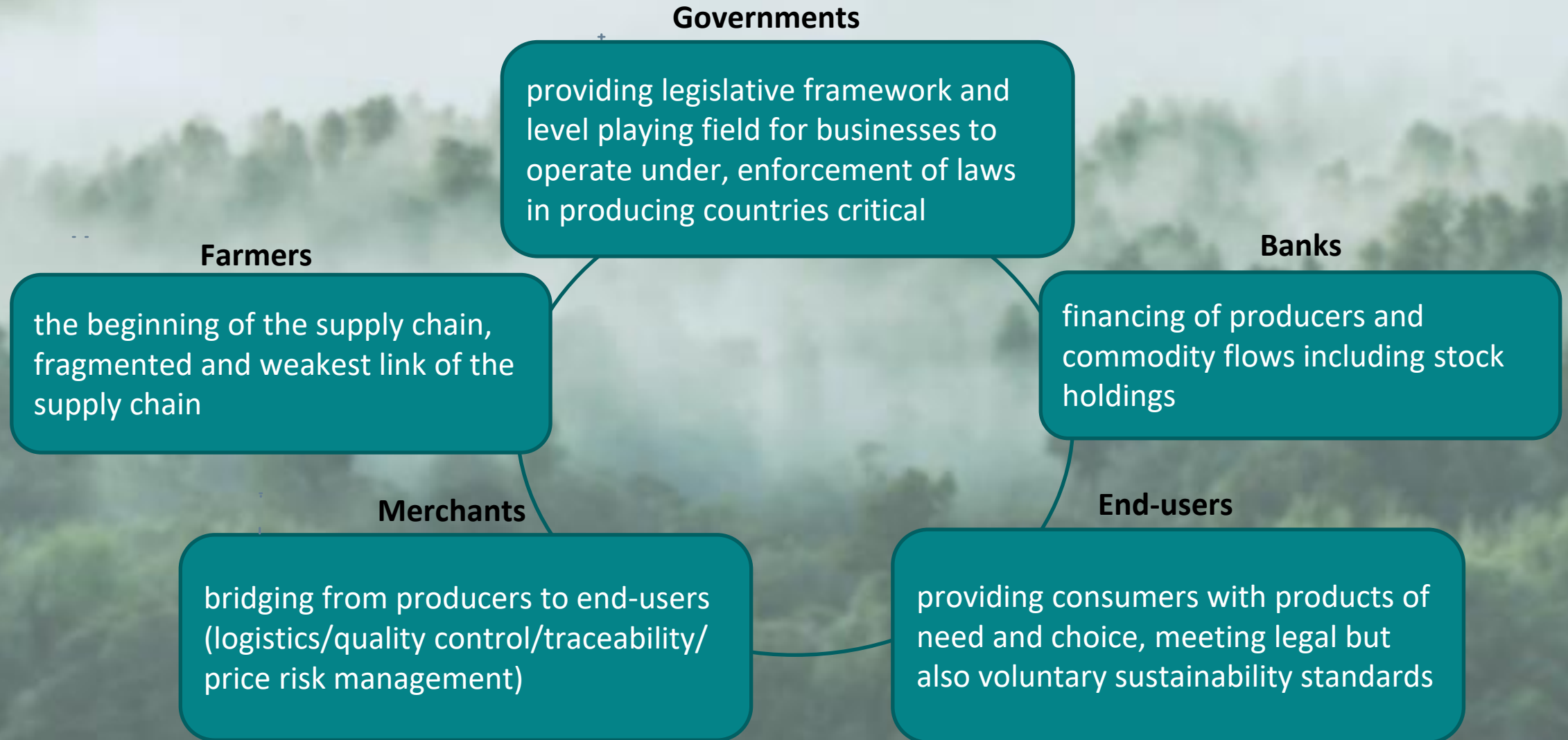
Legislative Advances in Europe in Switzerland and the EU

Human Rights – forced
and child labour

De-forestation

Environmental Impact

All public and private stakeholders need to work together to drive continuous improvement



The global framework UNGPs and SDGs – what needs to happen for implementation?

- Clear legislative rules with realistic targets and timeline for implementation
 - Alignment with producing countries / dialogue and reinforcement of labor laws
 - Education / Orientation of producers
 - Financial incentives for producers / **economics are driving change**
- Living income / human rights / education are interlinked



The status of HRDD legislative implementation – still too much fragmentation and open questions...



- Swiss Commodity Sector Directive addressed HRDD already in 2019
- The RBI counterproposal of the parliament is being detailed and concretized by the government in the ordinance
- Due Diligence for large corporations with risky operations (conflict minerals or child labor) enter into force in 2022, mandatory in 2023, first reporting to be published in 2024 (verification by an independent expert)
- Non-financial reporting will also be expanded to climate/environmental impact indicators
- The Swiss government aims at concrete improvements, avoid greenwashing and seeks a collaborative approach with the private sector including ppp to drive on the ground change



- Supply Chain Law was voted on in July 2021 with tighter DD requirements and responsibilities across the entire supply chains
- Implementation details not clear yet – new government will have to define
- Proposed legislation goes further than the EU DD legislation

The status of HRDD legislative implementation – still too much fragmentation and open questions...



- Due Diligence Legislation under discussion – should be finalized in early 2022
- Private sector is totally supportive for a level playing field
- Initial timeline for implementation of reporting requirements for large corporations is like the Swiss timeline

Obstacles:

- EU Commission is moving slowly due to constant push back from the EU Parliament (political impasse)
- New German government can and will influence direction of the DD legislation, alignment to German Law is required for harmonized EU law
- Outcome of Glasgow COP26 meeting might add to tighter reporting requirements
- Deforestation directive is essentially ready for implementation – first draft should be circulated on Nov 17 !
- However, DD requires independent 3rd party verification at all levels and aspects of the supply chain
- **4C is perfectly equipped to support companies but also the public sector to monitor respective on the ground data using modern technologies like satellite imagery for land use change**

Some final thoughts

- Will the high energy prices derail some of the ambitions of the Green Deal?
- The high energy prices are impacting fertilizer prices (plus 400%) and lead subsequently to lower agricultural production and food security !
- The European legislative efforts are an important step – but need to be brought also into the context of China, India and the US being the largest commodity importers and economies
- Producing country governments need to step up legislative adjustments and controls for HR – this is a long-term process. We can not mandate change from Europe and need to convince governments about the benefits
- HRDD is closely linked to the wellbeing and economic situation of producers!
- Without producers no products to trade/transport/process and consume!



Contribute to a sustainable and climate-friendly future with 4C!

Do you have any
questions?

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Voluntary Sustainability Schemes and Due Diligence

	Conventional Coffee	➔	Responsibly Sourced Coffee
Transparency and Traceability	To seller/shipper/coop-mill		Traceable to the group of farms where it was grown
Sustainability Standard	N/A		Produced in accordance with sustainability standards
Independent Assessment	N/A		Verified or certified by independent third parties

Responsibly Sourced Coffee: Know where coffee came from and how it was grown



A fundamental step towards Due Diligence

Vulnerabilities	Mitigation
<ul style="list-style-type: none"> • Level of assurance, not a guarantee • A “picture” at the moment of the audit, of the sample of visited farms 	<ul style="list-style-type: none"> • More frequent checks = when it matters • Risk-adjusting sample = where it matters

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The Food Security Standard (FSS)

Realizing the Right to Food in Global Value Chains

Katia Masias Bröcker

Lisa Heinemann

FSS-Team

17th November 2021

With support from

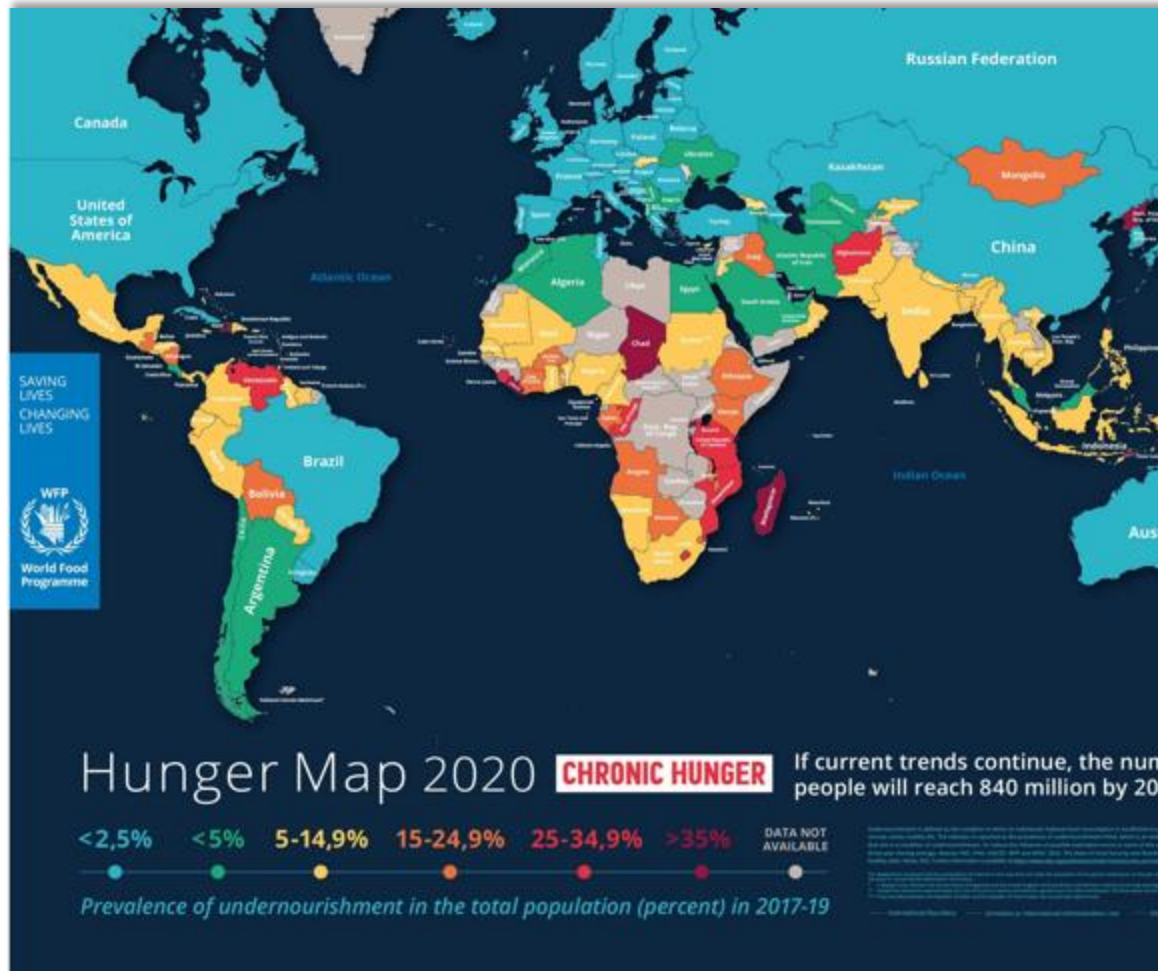


by decision of the
German Bundestag



Fachagentur Nachwachsende Rohstoffe e.V.

Food Security is a Human Right



The Universal Declaration of Human Rights (10 Dec. 1948), Article 25 (1):

THE UNIVERSAL DECLARATION OF Human Rights

Recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world.

Whereas disregard and contempt for human rights have resulted in the atrocities which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the human people;

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law;

Whereas it is essential to promote the development of friendly relations among nations;

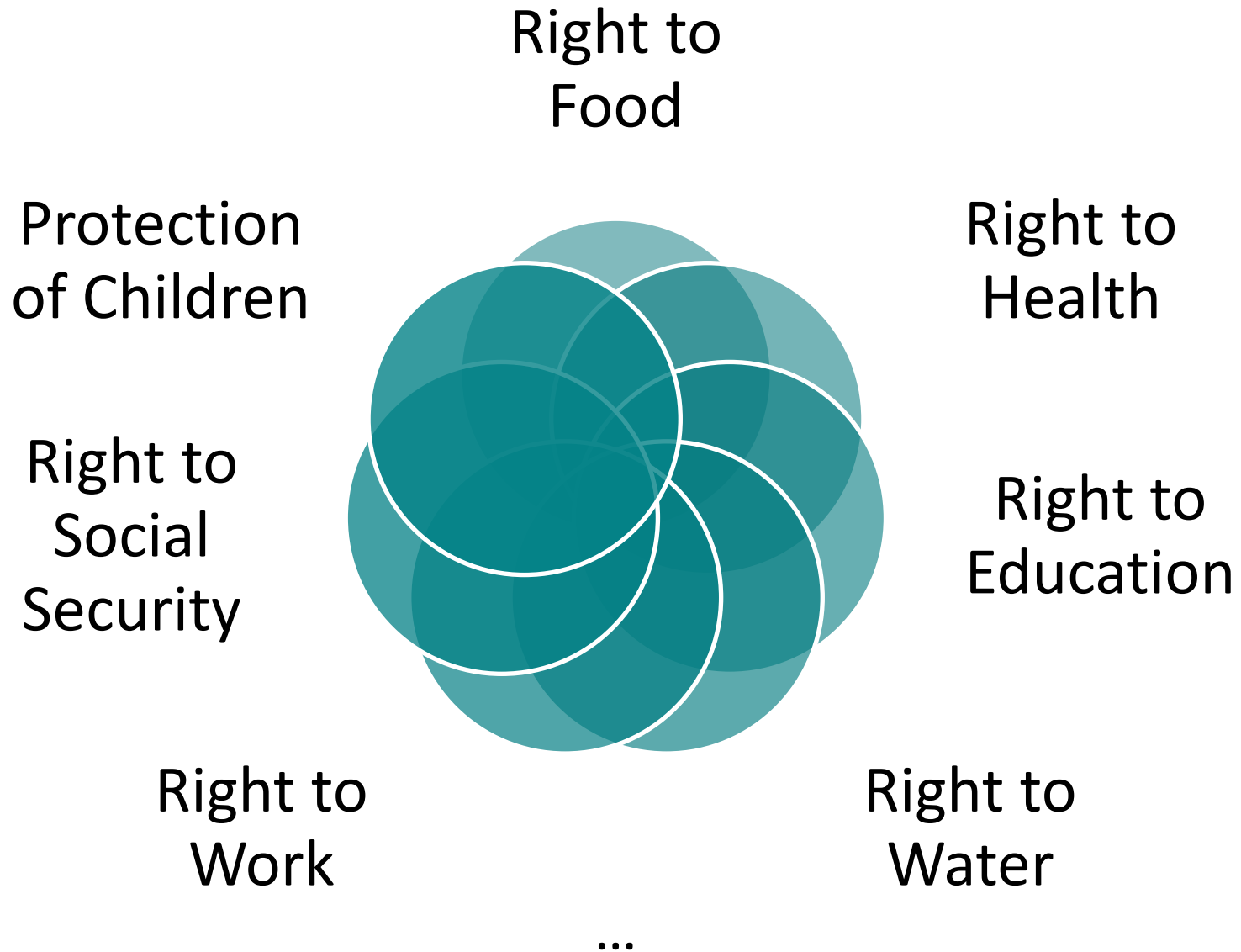
Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom;

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms;

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge;

Whereas the Universal Declaration of Human Rights is a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of nations under their jurisdiction;

“Everyone has the **right** to a standard of living adequate for the health and well-being of himself and of his family, including **food**, clothing, housing, medical care and necessary social services...”



Mutual dependencies with Right to Food

What is the Food Security Standard (FSS)?

- ✓ **Joint initiative currently lead by Welthungerhilfe and Meo.** It is also supported by the German government with food security being on of its priority topics.
- ✓ FSS ensures the food security of farmers, workers and encompasses the situation of nearby communities.
- ✓ The FSS enables companies to fulfil farmers' and farm workers' right to food and thereby to practice social responsibility from the very first point in the supply chain.



Implementation and verification within the framework of existing sustainability standards

Food Security Standard

- Criteria and Indicators
- Food security assessment tools
- Checklist and handbook for auditors



Existing sustainability standards



Right to food respected in agricultural production

Integrating food security in sustainability standards

Examples of early adopters

- ✓ **4C FSS Add-on** was finalized and recognized by FSS. Now it is available for producer groups interested in becoming the first to apply. 4C is **the only coffee certification system** that has integrated FSS so far.
- ✓ **ISCC FSS Add-On** is recognized by FSS. The Add-on was successfully integrated into two regular **ISCC audits at sugar cane plantations** in Latin America.



FSS in Human Rights Due Diligence Management

Moving from Risk to Impact



2. | Access to Water

2/2 Questions

High Risk



2.1 | Water Scarcity

Identify the audit country and region on the map

[> GO TO PAGE](#)

Enter the **corresponding classification regarding water scarcity** into the field of data entry.

- ☐ little or no scarcity
- ☐ approaching physical scarcity
- ☐ physical scarcity
- ☒ economic scarcity
- ☐ not estimated

High Risk

Water resources are scarce and/or hard to access. There is a high risk of water not being sufficiently available on site.

Food Security Quick Assessment Tool

→ Actual food security situation

FSS-QAT questionnaire for external stakeholders

Name of the interviewee: _____
 Function/role (e.g. school teacher, village head, etc.): _____
 Organization/employer (if individual is representing this entity): _____
 Location (area, community) represented: _____
 Date of interview: _____ (dd/mm/yyyy) Oral consent to interview given: ☐ Yes ☐ No

Please make sure that you ask as much as possible about the communities/villages in the area of influence – including potentially resettled communities!

Please ask the questions below:	Please mark the answer with a <input checked="" type="checkbox"/>
1. Are you representing/talking about one or several communities?	<input type="checkbox"/> One <input type="checkbox"/> Several
2. What is <i>roughly</i> the number of people (households, workers, patients,...) you are representing/talking about?	_____ Number of households/farmers/workers/pupils/ etc.
3. Are you or members of your family engaged in any activities with the operational unit?	<input type="checkbox"/> Yes <input type="checkbox"/> No → If yes please list activities or relationship:
4. Do people in this area/community still grow their own food (at least partially)? If not, why not?	<input type="checkbox"/> Yes <input type="checkbox"/> No → Please list why not
5. Was the local food production affected by unusual, extreme weather events in the last 12 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Is there all year round enough food available at <i>decent</i> prices for purchase <i>nearby</i> (market, village shop, neighbours,...)?	<input type="checkbox"/> Yes, readily available <input type="checkbox"/> Somewhat available or at high prices <input type="checkbox"/> Not always available or at <u>very</u> high prices

Full Pre-Audit Assessment | FSS Checklist

→ Identification of gaps and pathways to full certification

Criteria	Indicators
4. Ensure market access and contribute to local development	
4.1 Local value creation must be supported.	4.1.1 Measures to support local value creation and close income gaps in the area of influence of the operation shall be identified in a consultation process with relevant stakeholders and implemented.
4.2 Access to markets for local communities must not be reduced.	4.2.1 The time and effort required for local communities to access food markets must not be negatively influenced by the farm's operations.
5. Safeguard long-term farm profitability and fair business conducts	
5.1 The operation shall be economically viable in the long term.	5.1.1 A business or management plan shall be available, implemented, and regularly reviewed and updated, and shall include plans and measures to support the long-term economic viability of the operation.
5.2 Fair, legal and transparent arrangements shall be implemented with all contract/smallholder farmers and service providers.	5.2.1 Written contracts/agreements formulated in a language understood by all parties shall be in place and co-signed copies shall be made available to all parties. In the case of group contractual arrangements (e.g. cooperatives), all members shall have a copy. Agreement/contracts shall clearly define: – price/quality parameters, – exit arrangements, and – compensation measures in the event of farm/group manager bankruptcy.
	5.2.2 The prices paid to contract farmers/smallholders must be fair. In the case of smallholders, the prices shall be based on living income estimates, when they are available for the region. If no living income estimates are available, prices shall be set following the FAO Guiding Principles for Responsible Contract Farming.
	5.2.3 Agreed-upon payments to farmers/smallholders shall be made in a transparent and timely manner.

3. Prevent & Mitigate Certification incl. FSS

- Rights-based approach
- Training and awareness raising
- Participation & dialogue
- Local development

TO IMPACT...

4. Monitor Certification incl. FSS

- Monitor food security
- Complaints mechanism
- Documentation
- Third-party verification
- Audit reports



Why to include the FSS into certification



- Companies have to respect all human rights
- The Right to Food is interlinked with other human rights
- Sustainability certification is
 - an important tool to support corporate HRDD
 - an entry point for further engagement
- FSS Add-On
 - complements existing certification by strengthening human rights criteria related to food security
 - provides tools for continuous improvement and impact measurement to address food security
 - supports to increase supply chain resilience and mitigate reputational risks
- Holistic sustainability management is a competitive advantage

Let's go for it!



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Due diligence in Agricultural Value Chains

ALEJANDRA RUEDA-ZARATE
NES NATURALEZA
11/10/2021

CONTENT



GENERAL CONTEXT

ACTING NOW

A GLANCE TO THE FUTURE

NES NATURALEZA



3
CONTINENTS

+15
COUNTRIES

+30
COMPANIES
CERTIFIED

+ 40
COMPANIES
TRAINED ON
SUSTAINABILITY

+ 4000
SMALLHOLDERS TRAINED



Sustainable Agriculture

3 Ps



PEOPLE

BUSINESS
RELATIONSHIPS



PLANET

OPERATING
CONTEXT



PROFIT

BUSINESS
ACTIVITY

Sustainable Food System



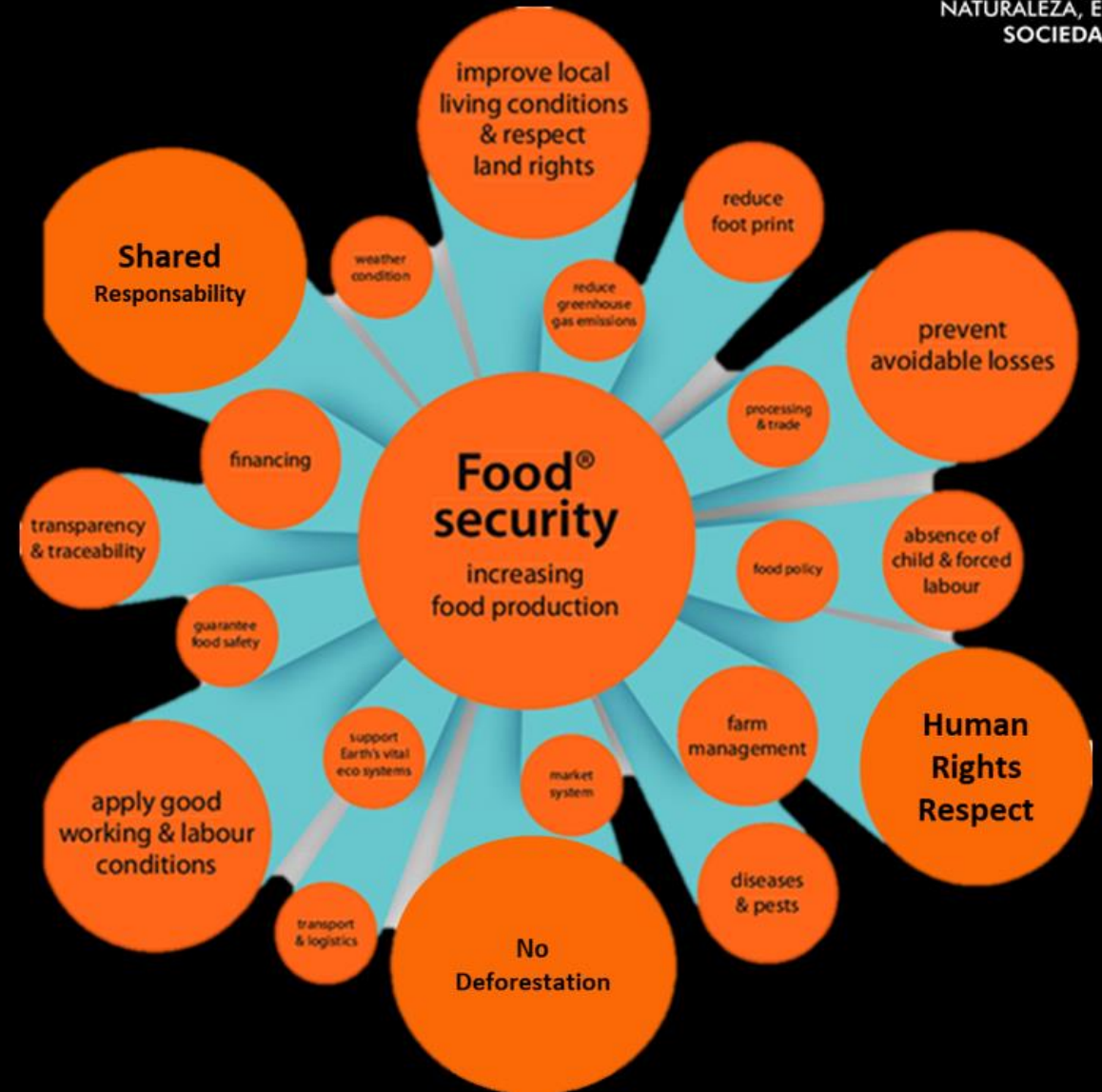
Sustainable
expansion



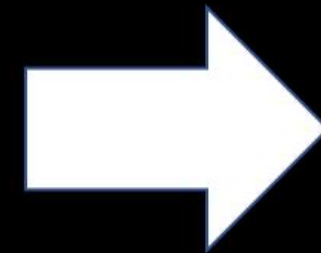
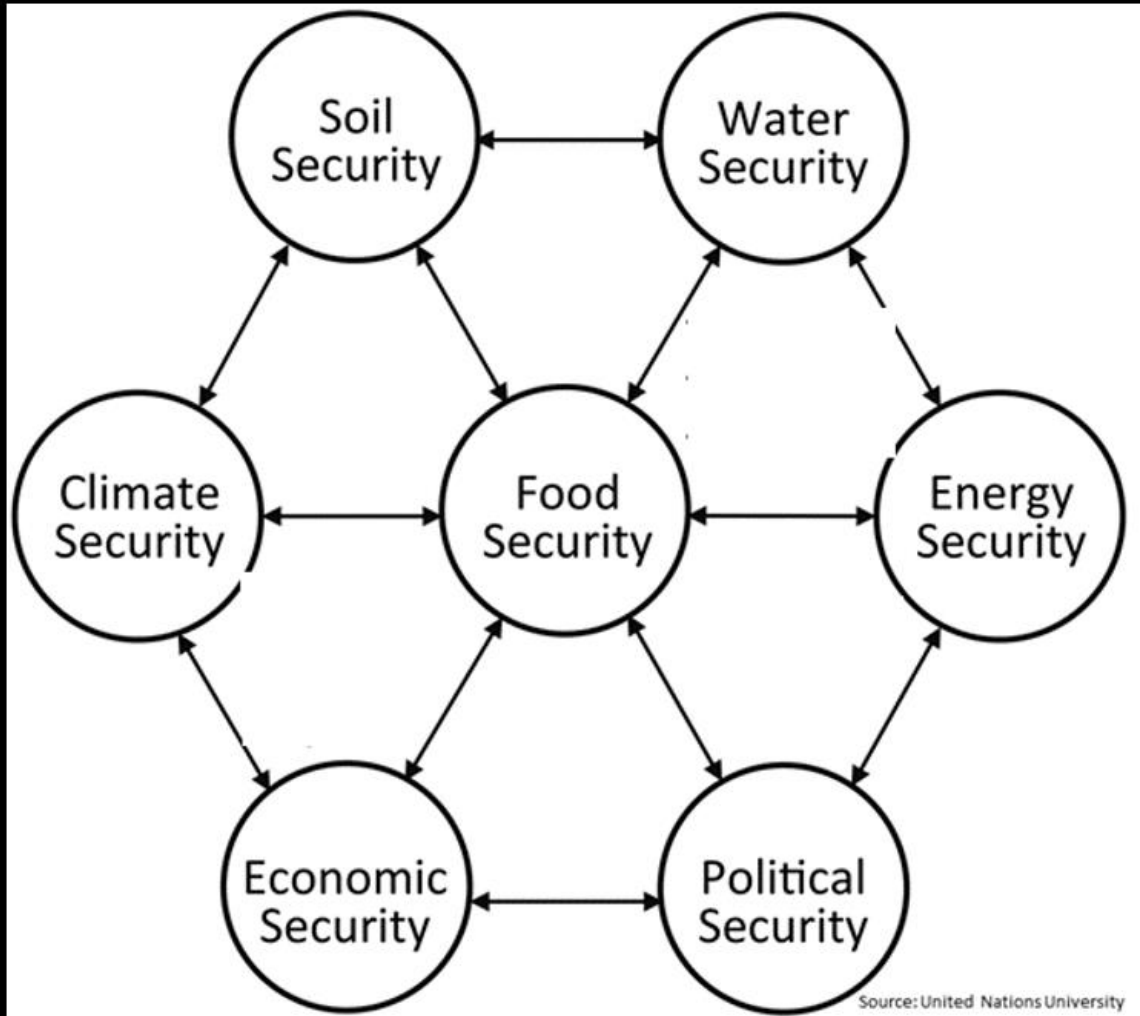
Inclusive
business



Certification
& Traceability



Main drivers of a sustainable food system



ACTING NOW

Model of Shared responsibility



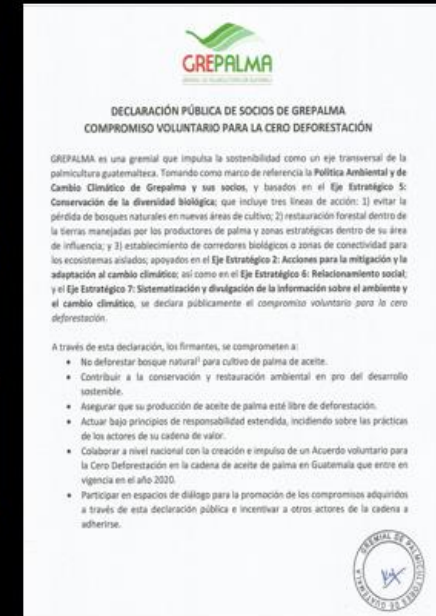
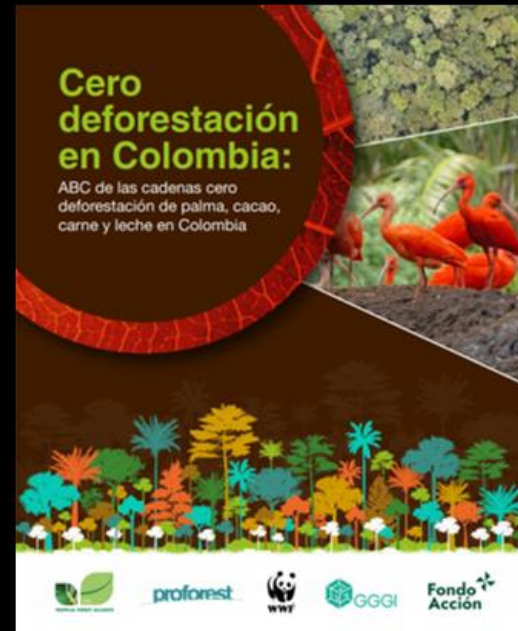
Zero deforestation commitments Latam oil palm agroindustry



Colombia commits to zero deforestation in prioritize supply chains since 2017 and ratified 2020



Honduran palm oil sector commits to deforestation-free supply chain



Sustainability Training Programs

WISSH >>

Empowering Smallholders

WISSCo >>

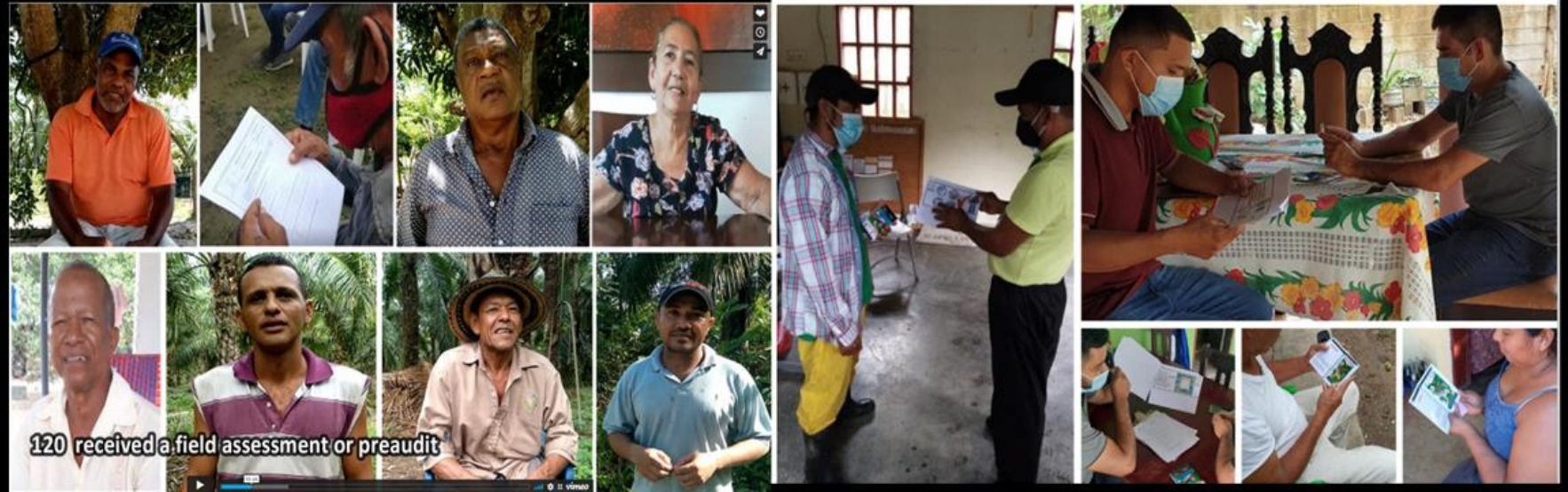
Empowering Small Growers

WISSCo >>>2

Empowering Smallholders

olenex
Specialists in Edible Oils

wilmar



Oil Palm Adaptive Landscapes (2015-2021)



Project Consortium:



SHAREDRESPONSIBILITY

Friends of Palm from LATAM.

7
COUNTRIES
WITH
78 LEADERS

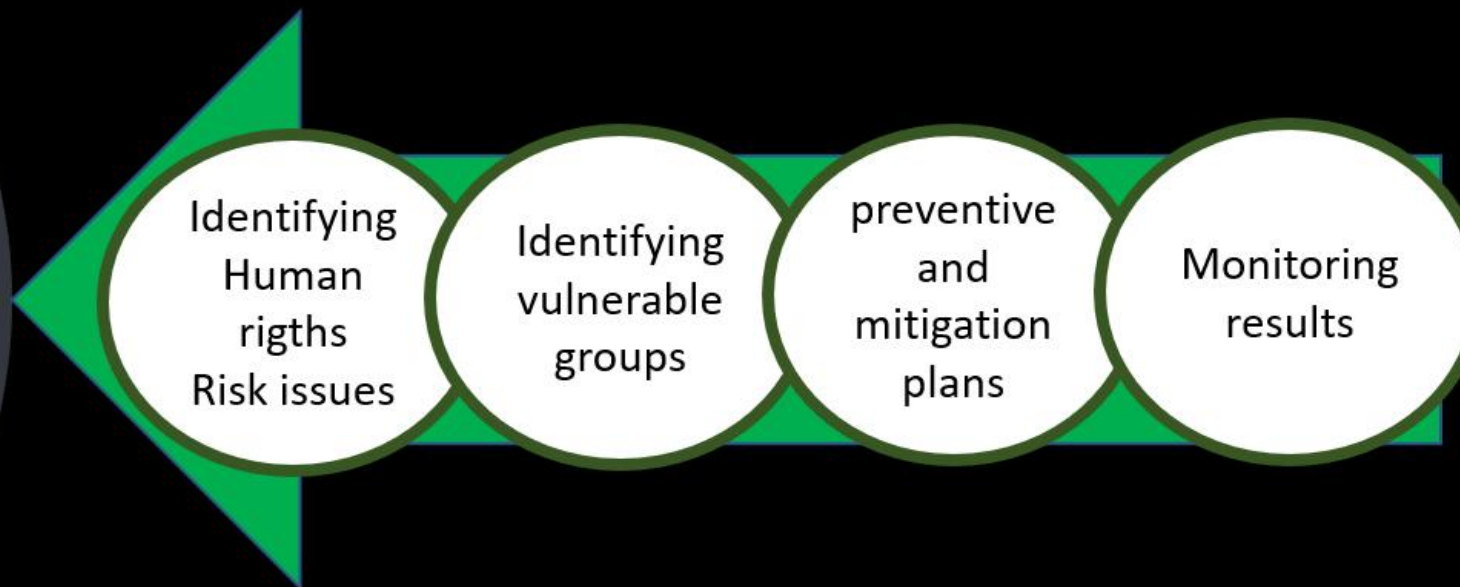
WISSMA >>

Wilmar Supports Sustainable Management



A GLANCE TO THE FUTURE

Human Rights Due Dilligence



Benefits to the supply chain



Trustable Supply chain Integration



RELIABLE SUPPLY CHAINS

THANK YOU!

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**“They did not know it
was impossible so they
did it”
— Mark Twain**



**THANK YOU
FOR YOUR
ATTENTION!**