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RESPONSIBLE BUSINESS CONDUCT QUARTERLY

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► HEADLINES

AGRICULTURE MINISTERS COMMIT TO MAKING AGRIFOOD SUPPLY CHAINS SUSTAINABLE, WITH REFERENCE TO THE OECD-FAO GUIDANCE FOR RESPONSIBLE AGRICULTURAL SUPPLY CHAINS

In January, the Global Forum for Food and Agriculture (GFFA) was held, which addressed food systems transformation and global crises. The GFFA culminated in 64 Agricultural Ministers adopting a final **communiqué** highlighting the importance of sustainability in agrifood supply chains, including through the use of the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The GFFA is an international conference addressing issues of vital importance for global agricultural and food policies, held annually in Berlin during the International Green Week (IGW) and hosted by the Federal Ministry of Food and Agriculture (BMEL).

21 January 2023: gffa-berlin.de

OECD MEMBER COUNTRIES, THE EUROPEAN UNION AND ADHERENTS TO THE OECD DECLARATION ON INTERNATIONAL INVESTMENT AND MULTINATIONAL ENTERPRISES SIGN DECLARATION ON RESPONSIBLE BUSINESS CONDUCT IN THE GLOBAL ECONOMY

The first OECD-FAO Advisory Group (AG) on Responsible Agricultural Supply Chains meeting of 2023 took place within the margins of the **10th OECD Global Forum on Responsible Business Conduct (RBC)**, the OECD's flagship event to promote RBC, including the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The RBC Forum adopted a *Declaration on Promoting and Enabling RBC in the Global Economy*, where ministers and government delegates pledged commitment to enhancing RBC in government, business and trade and including in the context of "building resilient and sustainable agriculture and food systems." FAO joined OECD colleagues at the RBC Forum to advance its partnership with the OECD on RBC and global agricultural supply chains.

15 February 2023: oecd.org

► HEADLINES

LATEST REPORTS ON DEFORESTATION RELEASED BY GLOBAL CANOPY AS PART OF ITS FOREST 500 BENCHMARK

In February, Global Canopy released the findings of its 2023 [Forest 500](#) benchmark, which tracks the policies and performance on deforestation of 350 companies and 150 financial institutions. The report highlights that 40% of the companies surveyed have yet to make a policy commitment on deforestation. Other findings illustrate that only 41 out of 150 companies surveyed have free, prior and informed consent (FPIC) policies related to at least one high risk commodity. The report also states that few companies consider human rights concerns in the context of their deforestation policies or impacts. To address these challenges, the assessment introduces practical recommendations for companies and financial institutions concerning responsible sourcing and suggestions on how to meet target dates for forest conversion by 2025.

20 February 2023: globalcanopy.org

CHINA TO INTRODUCE MANDATORY ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DISCLOSURES FOR PUBLICLY LISTED FIRMS

In its efforts to reach climate neutrality, China has begun to formalise the mandatory introduction of ESG criteria among its enterprises, in a move towards shifting to a low-carbon economy. Regulators in China are collaborating with advisory bodies and ratings agencies to establish a framework for mandatory ESG-related disclosures for domestic enterprises listed on the stock exchange. Companies may be expected to comply with this as early as the end of the year, according to Bloomberg.

22 February 2023: bloomberg.com

► HEADLINES

BNP PARIBAS SUED BY BRAZILIAN NGOS OVER LINK TO DEFORESTATION IN THE AMAZON

Human and environmental rights groups, led by Brazilian NGO *Comissão Pastoral da Terra* and the French NGO *Notre Affaire À Tous* have filed a lawsuit against BNP Paribas, the largest bank in the Eurozone. The lawsuit was filed in Paris in February and responds to allegations that BNP Paribas was not introducing sufficient consideration for deforestation impacts caused in the supply chains of its investee companies, before agreeing to finance.

27 February 2023: [reuters.com](https://www.reuters.com)

VANUATU'S BID FOR INTERNATIONAL CLIMATE JUSTICE RULING REACHES BACKING OF 105 GOVERNMENTS

A draft UN resolution proposed by the government of Vanuatu on climate impacts and government obligations has received backing from a total of 105 nations. In November 2022, Vanuatu requested an advisory opinion from the International Court of Justice (ICJ) on the legal obligation of governments in terms of climate action and the consequences of harm related to climate impacts. In particular, the resolution asks the ICJ to provide its assessment on the harm experienced by small island developing states (SIDS). While the ICJ advisory opinion will be non-binding, it is a critical development in international law and development in clarifying and defining the obligations of states and their commitments to climate risk and the environment.

02 March 2023: [france24.com](https://www.france24.com)

► SPOTLIGHT ON FAO'S RESPONSIBLE GLOBAL VALUE CHAINS PROGRAMME

FAO AND OECD HOLD MEETING OF ADVISORY GROUP ON RESPONSIBLE AGRICULTURAL SUPPLY CHAINS IN PARIS

On 16 February 2023, FAO, in partnership with the OECD, held a meeting of their joint Advisory Group (AG) on responsible agricultural supply chains in Paris, welcoming over 25 of its members in person and another 35 virtually. The AG seeks to facilitate dialogue on policy and action concerning responsible sourcing in the agricultural sector, with each meeting introducing a technical discussion topic related to the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The discussion area of this AG meeting was "Technology and innovation in addressing environmental and social risks in agricultural supply chains." presented by AG Member Mr. Matija Žulj, Chief Executive Officer of the agri-tech firm, **AGRIVI**. Further information about the AG and the OECD-FAO Guidance can be found [here](#).



► EVENTS AND WEBINARS

FAO TRADE TALKS ON RESPONSIBLE SOURCING WITH GENEVA-BASED TRADE COMMUNITY



On 15 March, FAO's Markets and Trade Division and its Liaison Office in Geneva launched a **Trade Talks** discussion on responsible sourcing, trade and sustainability requirements and agricultural supply chains. The event discussed the market integration of SMEs and cooperatives into global value chains (GVCs) according to FAO's report on **Agricultural cooperatives, responsible sourcing and risk-based due diligence**. The event welcomed trade and sustainability experts from the FAO, the World Business Council on Sustainable Development (WBCSD), the Netherlands, the Sustainable Trade Initiative (IDH), International Cooperative Alliance (ICA), the Association of Banana Exporters of Ecuador (AEBE) and the World Trade Organization (WTO).

FAO JOINS THE OECD AND THE NETHERLANDS IN A WEBINAR FOR DUTCH BUSINESSES ON AGRICULTURAL SUPPLY CHAINS AND RESPONSIBLE SOURCING

On 23 March, FAO joined an event for Dutch agricultural enterprises and their suppliers organized jointly by the Permanent Representatives of the Kingdom of the Netherlands in both Rome and Paris. FAO presented its advisory services and approach to RBC in working with governments, businesses and other stakeholders to reduce adverse developmental impacts in upstream sourcing in agricultural supply chains, particularly in low and middle-income economies.

► PUBLICATIONS AND RESOURCES



FAO Releases Gap Analysis Tool to Strengthen Due Diligence and Alignment with the OECD-FAO Guidance

FAO's [Responsible Fruit Project](#), focused on promoting responsible sourcing in the avocado and pineapple sectors, has launched a gap analysis tool to help companies and producer organizations to identify strengths and weaknesses of voluntary sustainability standards and corporate policies to manage sustainability risks. The tool helps clarify practical internal business processes, assessing internal policies and standards compared with the recommendations of the [OECD-FAO Guidance for Responsible Agricultural Supply Chains](#). It also helps businesses prioritize actions and introduce practical suggestions to implementing risk-based due diligence. The gap analysis tool is available for download in [English](#) and [Spanish](#).



FAO webpage on the OECD-FAO Advisory Group on Responsible Agricultural Supply Chains

As part of its work stream on Responsible Business Conduct (RBC) in agriculture, FAO's Markets and Trade Division (EST) launched a webpage introducing the [OECD-FAO Advisory Group on Responsible Agricultural Supply Chains](#). The OECD-FAO Advisory Group is a multi-stakeholder consultation body designed to facilitate dialogue and policy on responsible sourcing in the agricultural sector according to the risk framework of the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The OECD-FAO Advisory group is currently chaired by the **Netherlands** and co-chaired by the **International Finance Corporation (IFC)**, the **World Resources Institute (WRI)** and the **World Business Council on Sustainable Development (WBCSD)**. Its current membership includes over 50 organizations from government, business, civil society and others.

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[Responsible Global Value Chains](#)

[OECD-FAO Guidance for Responsible Agricultural Supply Chains](#)

[Responsible Business Conduct \(RBC\) in Agriculture](#)

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