

Land Rights and the Role of Business

20 October 2015 at 10 am EDT



United Nations Global Compact

Agenda

1. Welcome Remarks

- Shubha Chandra, *UN Global Compact*

2. Responsible Investments in Land: An Overview

- Darryl Vhugen, *twentyfifty*

3. Land Rights and the Role of Business: A NGO Perspective

- Lukasz Czerwinski, *Landesa*

4. The Coca-Cola Company's experience on Land Rights

- Genevieve Taft, *The Coca-Cola Company*

5. Q&A

6. Resources and Closing Remarks

- Alexandra Tarazi and Shubha Chandra, *UN Global Compact*

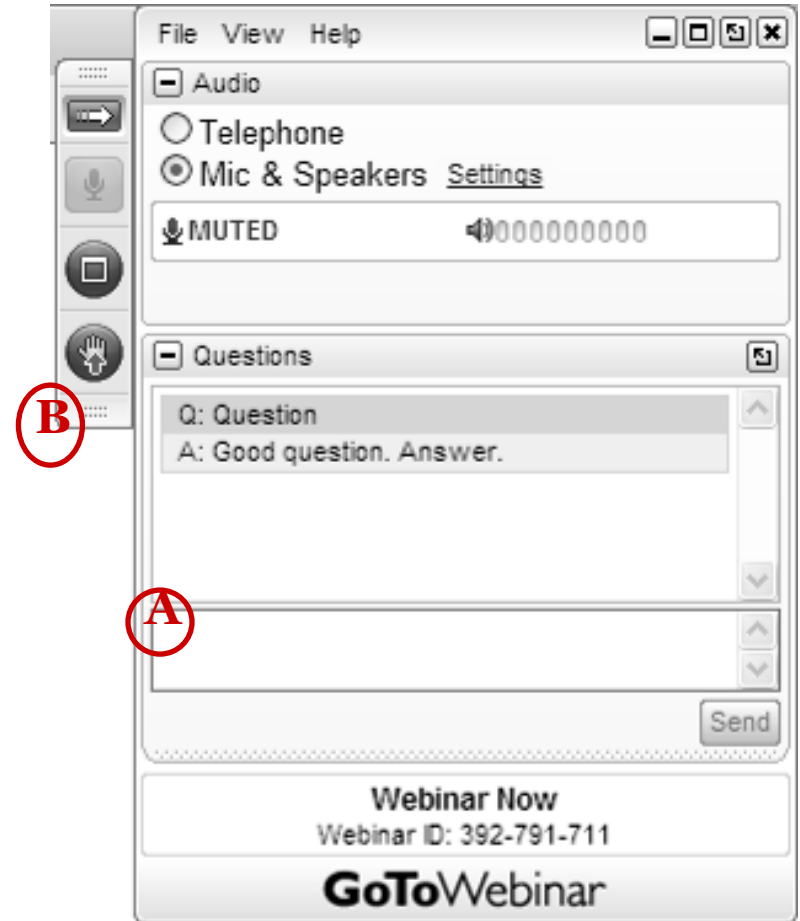


Questions

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Q&A: We will be taking questions on content at the end, but you can send them to us throughout the webinar by using the Questions pane (A). **Please specify to whom the question should be directed.**

Example: *Question for John Doe: What are land rights?*



UNITED NATIONS GLOBAL COMPACT

8,000+

Business participants

4,000+

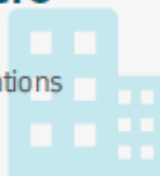
Non-business participants

28,000+

Disclosure reports submitted

Stakeholders

Business
Industry Associations
Investors
Civil Society
Labour
Academia
Government



Global Network

Europe

Latin America

North America

Asia & Oceania

Africa

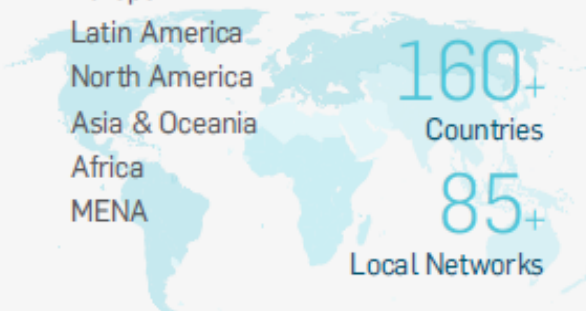
MENA

160+

Countries

85+

Local Networks



Platforms & Programmes

- Human Rights & Labour
- Women's Empowerment Principles
- Children's Rights and Business Principles
- Child Labour Platform
- Caring for Climate
- CEO Water Mandate
- Food + Agriculture Business Principles
- Anti-Corruption
- Business for Peace
- Business for the Rule of Law
- Business and Education
- Supply Chain Sustainability
- Global Compact LEAD



Business Partnership Hubs

- Water
- Climate and Energy
- Social Enterprise
- Anti-Corruption Collective Action
- UN-Business Partnership



Sister Initiatives

- Global Compact Cities Programme
- Principles for Responsible Investment (PRI)
- Principles for Responsible Management Education (PRME)
- Sustainable Stock Exchanges (SSE)



Relationship between the UN Global Compact's Principles and the Guiding Principles

HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2 make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4 the elimination of all forms of forced and compulsory labour;
Principle 5 the effective abolition of child labour; and
Principle 6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
Principle 8 undertake initiatives to promote greater environmental responsibility; and
Principle 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The same minimum requirement to **RESPECT** human rights as in the Guiding Principles

Voluntary opportunity to also **SUPPORT** human rights through:

- core business
- strategic social investment / philanthropy
- public policy advocacy
- partnerships / other forms of collective action

UN Sustainable Development Goals



United Nations Global Compact

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Responsible Investments in Land-An Overview



Darryl Vhugen
twentyfifty

Responsible Investments in Land-Background

- ❖ Huge recent demand for land in emerging markets.
- ❖ Land is often cheap, operating expenses in some developing countries are low and governments are eager.
- ❖ But there are substantial risks, especially in settings where land rights are often weak, unclear and poorly governed.
- ❖ Land is profoundly linked to livelihoods, culture, social structures and norms and access to food, water and shelter. Can have great cultural significance.
- ❖ Local people who have been displaced and impoverished can undermine the project. Costs can be very high.
- ❖ Increasingly, shareholders, financiers, customers (throughout the value chain) demand responsible investment practices.
- ❖ This goes beyond corporate social responsibility. Respecting land rights is essential to effective risk management and long term financial success.

Respecting Land Rights

- ❖ Private sector actors increasingly aware and committing to action.
- ❖ Evolving situation, similar to what has happened previously with other social issues such as human rights, labor rights, the environment.
- ❖ Best practices:
 - ❖ Purely private projects that require involuntary displacement should be avoided.
 - ❖ Understand existing land rights situation; recognize rights. Cannot always rely on government information.
 - ❖ Conduct assessment of adverse impacts to rights holders and related business impacts to the project. Look for mitigating measures.
 - ❖ Consult and negotiate meaningfully with the local community. Collaborate and seek consent.
 - ❖ Establish grievance mechanisms and help settle disputes.
- ❖ Wherever possible, invest in the people not just in the land. Make them your partner.

The Bottom Line

- No universally recognized human right to land but land acquisitions expose businesses to significant risks of violating human rights to food and adequate housing, especially where governments take land and evict the inhabitants.
- Investments that undermine the security of local people by displacing them or depriving them of livelihoods are unlikely to be profitable over the long term.
- They also create enormous reputational risk throughout the value chain.
- Corporate land policies and supply chain procurement practices should reflect a commitment to respecting land rights.
- “Land purchases which ignore the interests of local communities and the local landscapes are both morally wrong and commercially short-sighted.” Mark Bowman, Managing Director, SAB Miller.

Publicly Available Useful Resources

- ❖ Voluntary Guidelines on the Responsible Governance of Tenure of land, fisheries and forests in the context of national food security. (FAO; Committee on World Food Security <http://www.fao.org/docrep/016/i2801e/i2801e.pdf>)
- ❖ Responsible Governance of Tenure: A Technical Guide for Investors. (FAO-to be released shortly)
- ❖ Responsible Land-Based Investment. A Practical Guide for the Private Sector. (USAID <http://usaidlandtenure.net/sites/default/files/USAID%20-%20Responsible%20Land-Based%20Investment,%20A%20Practical%20Guide%20for%20the%20Private%20Sector%20%20-%20Draft%20for%20Consultation.pdf>)
- ❖ Analytical Guide for Investors Under the New Alliance: Due Diligence and Risk Management for Land-Based Investments in Agriculture. (<https://community.growafrica.com/sites/default/files/Analytical-framework-for-investors-under-the%20new-alliance%20%287%29.pdf>)
- ❖ Respecting Land and Forest Rights: A Guide for Companies. (The Interlaken Group: <http://www.rightsandresources.org/publication/respecting-land-and-forest-rights-a-guide-for-companies/>)
- ❖ Global Capital, Local Concessions: A Data-Driven Examination of Land Tenure Risk and Industrial Concessions in Emerging Market Economies. (The Munden Project. 2013.) http://www.rightsandresources.org/documents/files/doc_6301.pdf.
- ❖ Twentyfifty India land rights Q & A. http://twentyfifty.co.uk/cmsAdmin/uploads/webinar-questionnaire_001.pdf

Thank you

Darryl Vhugen
twentyfifty expert
Independent land tenure consultant
Darryl.vhugen@twentyfifty.co.uk
vhugen@msn.com
+1.206.306.3902

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October 20, 2015

Land Rights and the Role of Business: An NGO Perspective

Lukasz Czerwinski

Landesa and its commitment to strengthening socially responsible investments in land

Landesa

Mission is to secure land rights for the world's poorest people.

Center for Women's Land Rights ensures that women have secure rights to land.

Corporate Engagement:

Help investors meet their commitments to socially responsible land investments and/or compliance with standards like the VGGT, RAI, and AU Guiding Principles.

Corporate engagement approach



Landesa's perspective on the universe of guides for socially responsible investments

While there are numerous well intentioned guides for socially responsible investments, they have proven insufficient for a variety of reasons:

- **Lack of clear implementation guidance (i.e. VGGT, AU Guiding Principles, etc.):** Many of the available mandates do not provide practical guidance on how to operationalize the standards, particularly with an acknowledgement of financial and other capacity restraints.
- **Absence of gender and community-level considerations:** Many of the standards are agnostic on the issue of gender and remain silent on community-level challenges, resulting in a lack of equal treatment of women and other vulnerable community members.
- **Insufficient government capacity to meet governance responsibilities:** Many governments lack the capacity to fulfill the governance responsibilities assigned to them by the VGGT and other international or regional guidelines. This isn't surprising because some governments lack the capacity to even meet the land-related governance obligations called for by their own existing laws and policies.

Incentivizing companies to integrate land rights protections throughout their business operations and supply chains

Threshold Issues:

- Many corporations lack the insights and expertise to navigate the less than ideal land governance vacuum when attempting to meet their commitments or comply with principles like the VGGT.
- Lack of governance infrastructure, social support systems, education, etc. in communities limit their ability to negotiate equitably with a corporation.
- The effect that intra-household issues have on a company's ability to ensure that women are equal beneficiaries.
- Corporate land rights policies or commitments are sometimes seen as optional CSR initiatives.

Challenging
but critical
journey

NGOs have
an
important
role to play

*Improved land rights
protections for women
and men*

*Strengthened
governance frameworks*

*Reduced land-related
risk for corporations*



Thank You

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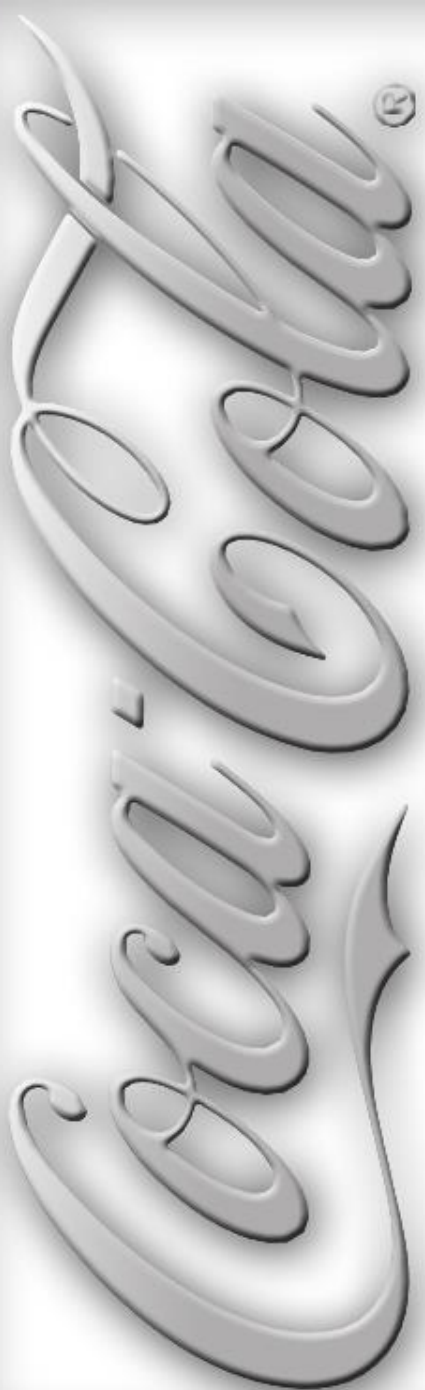
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UN Global Compact Land Rights Webinar

***The Coca-Cola Company's
experience on Land Rights***

**Genevieve Taft
October 20, 2015**

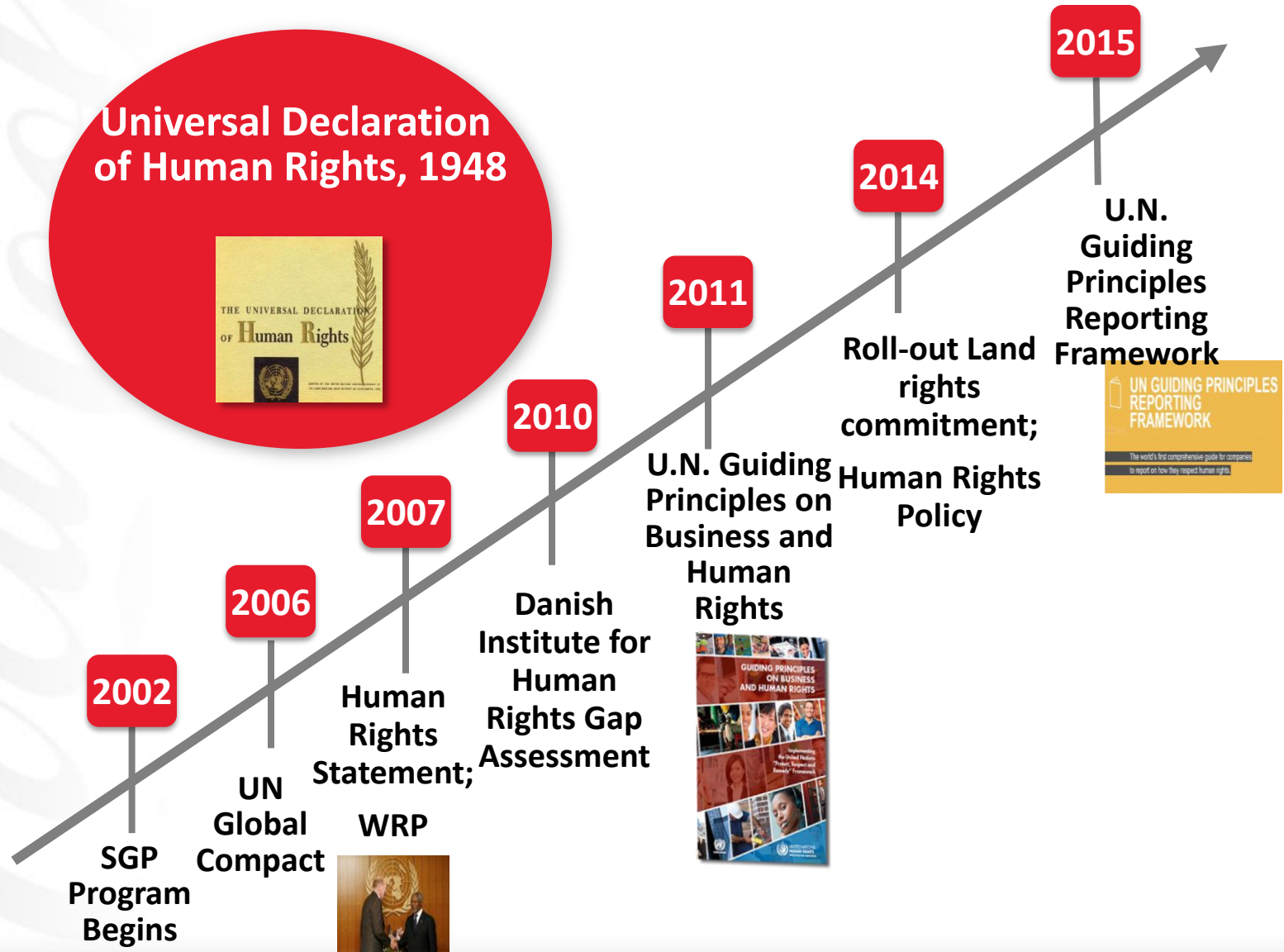
Who we are



- World's **largest** beverage company
- Operating in **200+ countries**
- **No. 1** provider of sparkling beverages, ready-to-drink coffee and juices and juice drinks
- **3,500+** beverages globally; **500+** brands
- Nearly **25%** of our portfolio is low- and no-calorie
- Nearly **275** bottling partners
- **900+** Manufacturing Plants
- **700,000** system employees
- Reach more than **20 million business outlets** where are products are sold



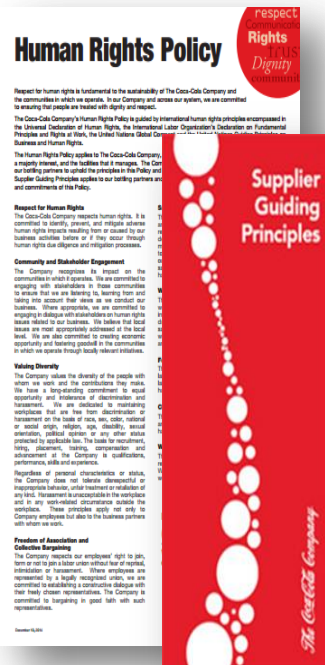
Human Rights Journey



Human & Workplace Rights

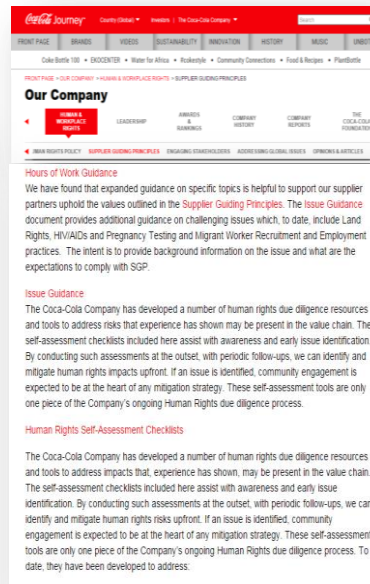
Defining what we stand for

- Human Rights Policy
- Supplier Guiding Principles



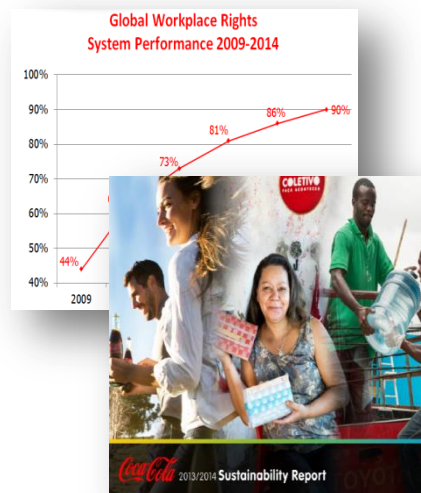
Communicating what we stand for

- Online training
- Journey website resources
- Supplier trainings



Measuring our progress

- Quarterly scorecard
- Annual sustainability report
- Board commitments



Supplier Guiding Principles & Human Rights Policy

HRP/SGP based upon:

- UN Global Compact
- Universal Declaration of Human Rights
- ILO's Declaration on Fundamental Principles and Rights at work



HRP/SGP Elements:

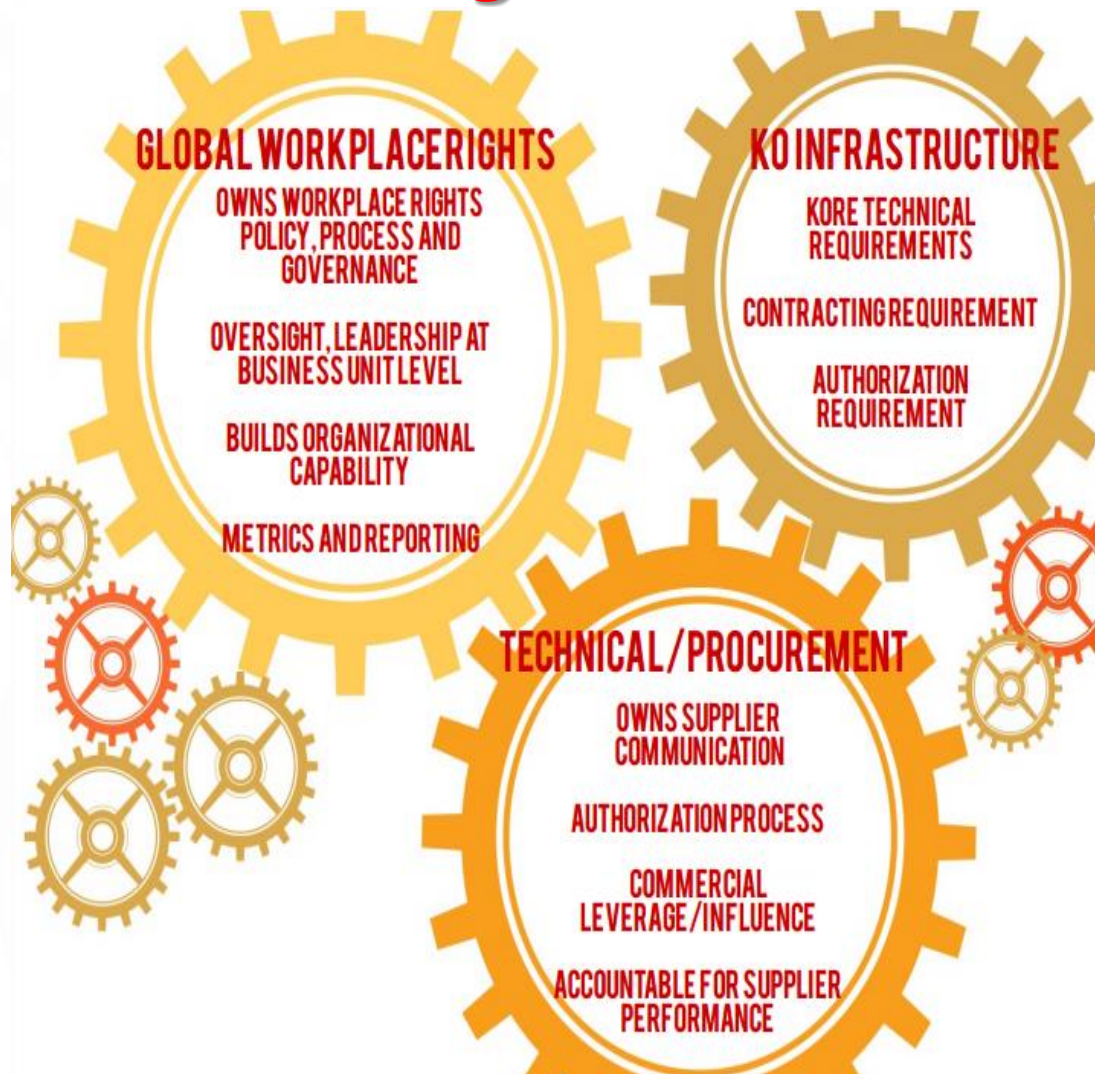
- Laws and Regulations
- Child Labor
- Forced Labor
- Abuse of Labor
- Freedom of Association and Collective Bargaining
- Discrimination
- Wages and Benefits
- Work Hours & Overtime
- Health & Safety
- Environment
- Business Integrity
- Grievance Procedure and Remedy
- Management Systems
- Demonstration of Compliance
- Stakeholder Engagement (WRP)
- Land Rights

TCCC Commitment on Land Rights and Sugar – November 2013

- ✓ Conduct third-party due diligence studies beginning in Colombia, Guatemala, El Salvador, Honduras, Brazil, India, and Mexico
- ✓ Convene stakeholder dialogues
- ✓ Within three years, disclose all sourcing countries for cane sugar and publish the names of all direct cane sugar suppliers.
- ✓ Commit to zero tolerance for illegal land
- ✓ Join Roundtable on Sustainable Palm Oil (RSPO).
- ✓ Increase peer, supplier, trader and cross-sector platform engagement



TCCC Land Rights Commitments



Respecting human rights is fundamental to the way we conduct our business

Country Human Rights Due Diligence Studies

- Focused on risks in our sugar supply chain in the areas of:
 - Child Labor
 - Forced Labor
 - Land Rights
- The work is to be completed before 2020 and will cover our sugar supply chains in:
 - Countries listed on the US TVPRA for child and forced labor in sugar
 - Our top 16 Sourcing Countries
 - Countries where the Coca-Cola system has equity in the sugar industry
- 28 countries identified (Initial studies: Colombia and Guatemala published in March 2015)
- The output serves as a baseline for action plans
- Studies are posted on Coca-Cola Journey



Methodology



Stakeholders

Interviews across government, civil society and the private sector



Desk Research

Extensive document research



Mills

Field visits to mills

Supply Chain:

Field visits to sampled farms

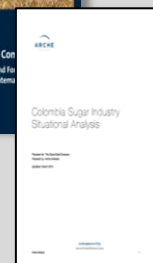


Publish & Ongoing Stakeholder Dialogue

Engage stakeholders in results

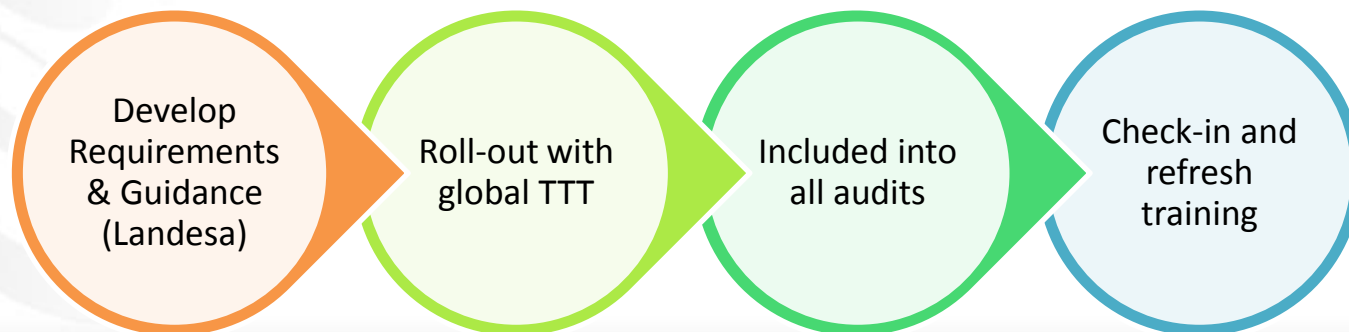
Workers

On-site workers interviewed



Audit Protocol

- Demonstrate compliance with applicable laws
 - Documents related to ownership or leasing of land
 - Demonstrate compensation to owner/lessor
- Demonstrate grievances are being constructively engaged in good faith.
 - Dispute resolution mechanism
- Be able to demonstrate community buy in (adherence to FPIC)
- Adopt written policy
- Demonstrate consideration for alternatives to land acquisition



Training and Awareness Raising

- Internal awareness raising
- Audit firm training
- Peer company engagement through AIM-PROGRESS



J1: AP Module Click here to return to JIC-portal		
Policy statement that expresses commitment to respect human rights?	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	Observations:
Risk assessments are conducted to evaluate policy and procedure effectiveness	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	
H: Facility has a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks.	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	
Are business conduct		
Are there communication and protection taken?		
AIM-PROGRESS PROGRAM FOR RESPONSIBLE SOURCING		
Is a senior manager in an appropriate function assigned to address adverse impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	Observations:
Are there internal decision making budget allocations and oversight available to address adverse human rights impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	Observations:
Does organization communicate on human rights performance?	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	Observations:
I: Does the facility have policies and procedures on how to deal with confidential information ensuring it is stored with limited access?	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe findings:	Observations:
Grievance mechanisms		
Does organization provide a grievance mechanism? (e.g., help lines or whistle blowing mechanism)	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, who has access to it: <input type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers	

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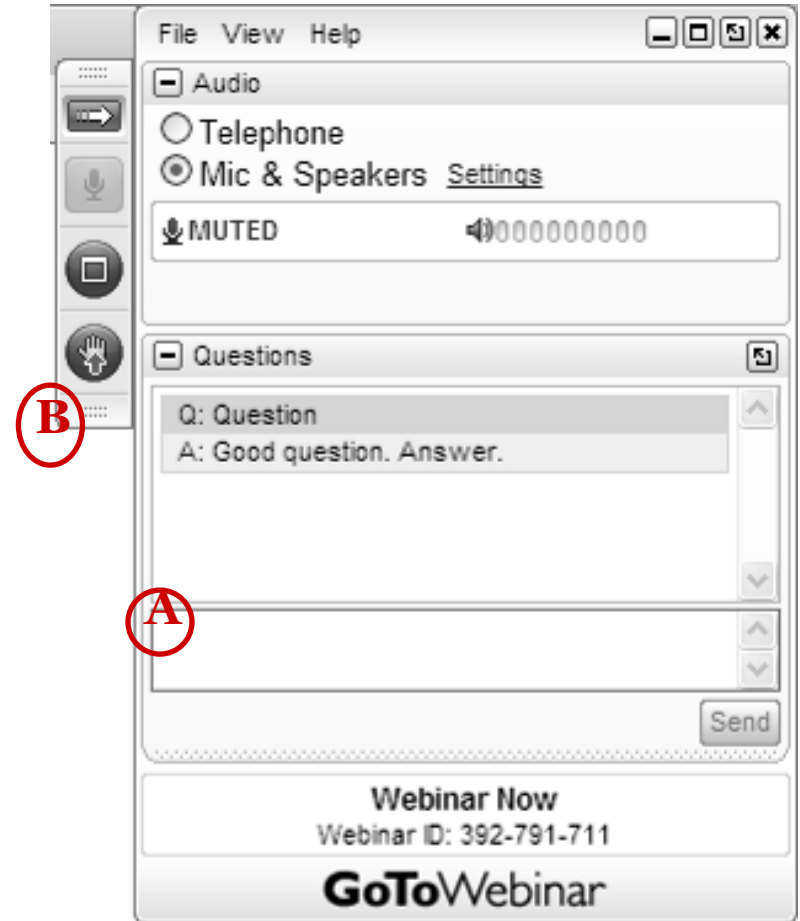


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Example: *Question for John Doe: What is Human Trafficking?*



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Resources

- [Poverty Footprint Tool](#) (Oxfam/UN Global Compact)
- [Indigenous People's Rights and the Role of Free, Prior and Informed Consent](#) (UN Global Compact/Shift)
- [Advancing Responsible Business Practices in Land, Construction, Real Estate Use and Investment](#) (UN Global Compact/RICS)



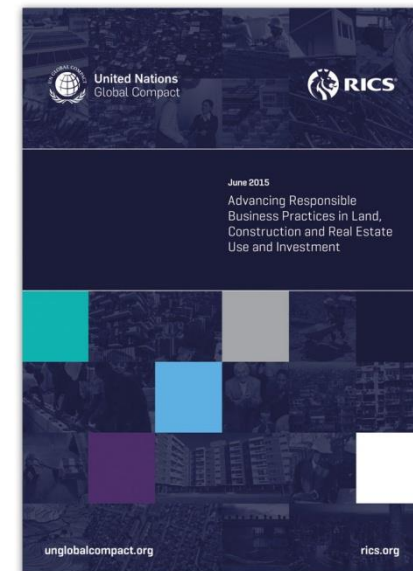


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‘Advancing Responsible Business Practices in Land, Construction, Real Estate Use and Investment’

A UN Global Compact/RICS resource to advance responsible business practice throughout the land construction and real estate lifecycle



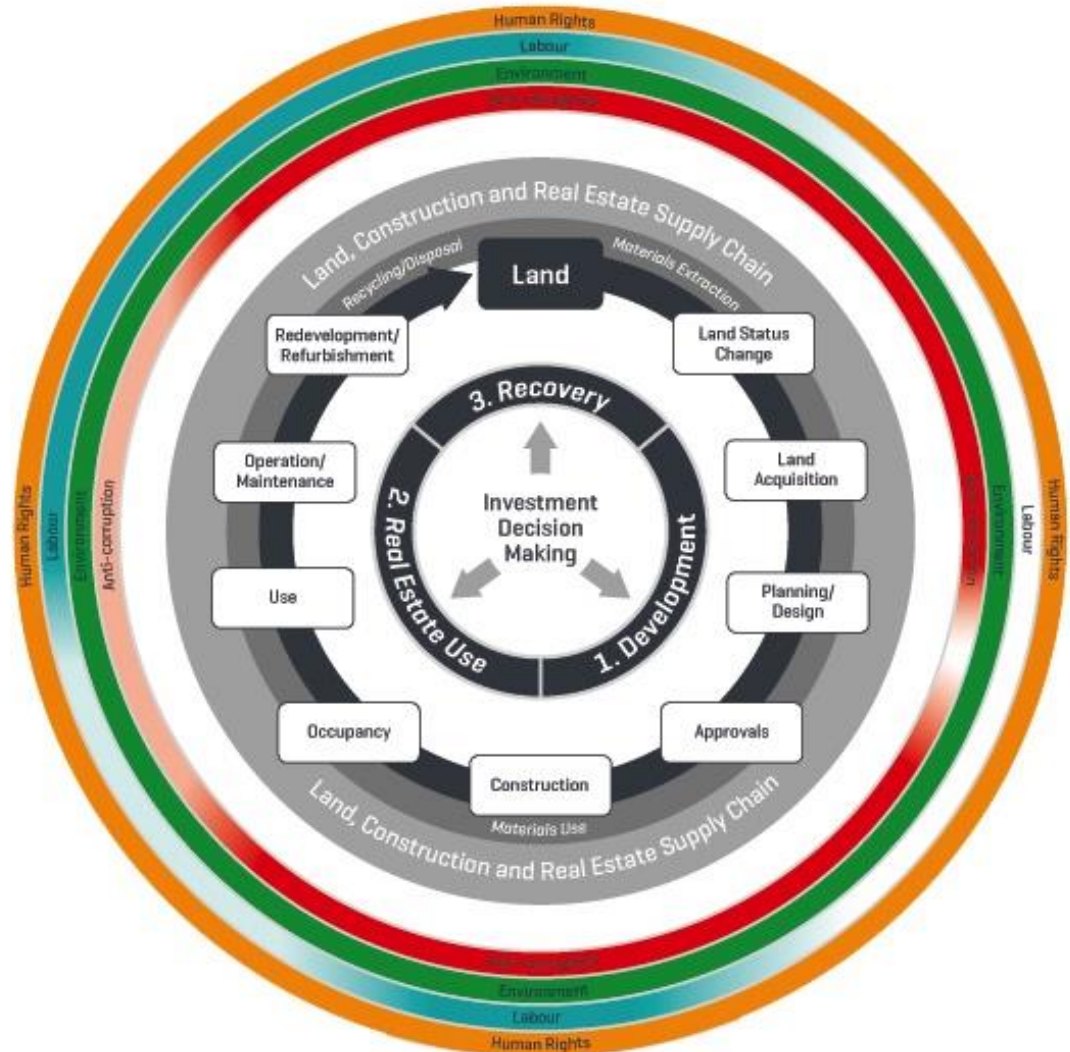


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The sector's life cycle has significance for all four of the UN Global Compact issue areas:

- Human rights
- Labour
- Environment
- Anti-corruption





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Full-length document: key elements

**Stakeholder
Relevance
Map**

**Life Cycle
Issue Heat Map**

**Action Items
&
Specific Actions**

**Benefits
&
Opportunities**

**Good Practice
Examples**

**UN
Resources
&
Tools**

Issue Glossary

**Key Building
Blocks of a
Responsible
Business Strategy**



Issue prioritisation per phase

Development

- Land governance
- Transparency and anti-corruption
- Respecting workers' rights
- Environmental stewardship
- Quality of planning, design and construction

Real Estate Use

- Transparency and disclosure
- Environmental stewardship
- Treatment of tenants and communities
- Health, safety and wellbeing of building occupants
- Decent work & human rights within the value chain

Recovery

- Strategic site-use re-evaluation
- Refurbishment and retrofitting
- Waste management, resource conservation, recycling
- Brownfield regeneration
- Land recovery and rehabilitation of site



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Development Phase and Real Estate Use Phase

1. Land governance:

Acquisition

- impact of land prices on development decisions, costs and affordability
- establishing land ownership (tenure)
- effect of inadequate land use management on communities

Indigenous peoples

- need for effective engagement and consultation
- risk of forced displacement and resettlement away from traditional lands
- potential for negative economic, social and environmental impacts

Right to housing or adequate living conditions

- assessing the potential impacts on existing settlements
- achieving balanced land agreements
- protecting human rights

5. Land recovery and rehabilitation of site:

Compulsory acquisition

- potential of significant disruption with social and economic costs

Invasive/introduced species

- risk of damage and threat to native plant communities, wider biodiversity and in extreme cases, public health

Soil contamination and public health issues

- contamination of soil from previous use or general dilapidation
- need for specialist expertise to isolate and remove contaminants

Health and safety

- health and safety is often ignored with sometimes fatal results



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RICS®

Download a copy of
**‘Advancing Responsible Business Practices in
Land, Construction and Real Estate Use and
Investment’:**

www.rics.org/responsiblebusiness

or www.unglobalcompact.org

... and submit a good practice case study

Thank you!

- **Shubha Chandra, Manager, Human Rights, Legal & Policy, UN Global Compact** chandra@unglobalcompact.org
- **Darryl Vhugen, Land Tenure Investment and Policy Consultant,** darryl.vhugen@twentyfifty.co.uk

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