

ABSTRACT - Delivering Transformation: The Status and Prospects of Emerging Tools to Leverage
Commodity Supply Chains to Support Community Land Tenure

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The world is better equipped than ever to leverage the power of the private sector to support secure local land tenure. Geospatial and analytical tools, like [Global Forest Watch](#) and [LandMark](#), provide unprecedented access to new datasets and a real-time look at the impacts and risks faced by companies or investors doing business in the rural developing world. At the same time, communities and Indigenous Peoples have more capacity than ever to organize to advocate and realize their rights to land and forests.¹ Though increased transparency, data, and connectivity have enhanced the capacity of local communities to secure their rights to land, it is also revealing that conflict over land between local peoples and the private sector is widespread and ongoing.²

Corporate and investor awareness of the risks posed by operating or investing in areas where local tenure is unclear or insecure is becoming more widespread. Commitments and pledges made over the past several years, like the New York Declaration on Forests, indicate understanding by some in the private sector that land tenure represents a material risk in itself, as well as a hindrance to achieving other commitments to reduce deforestation and respect human rights.

However, commitments are being made by multinational companies which operate upstream of the local and regional firms that make up the bulk of most commodity supply chains.³ There are relatively few entry points for engaging the local companies that, in many emerging markets, have access to more land than their multinational counterparts. In reality, the complexities of addressing land tenure issues at the operational and investment level have largely limited private sector and CSO efforts to shift operations and investments to respect local rights.

Some individual companies and investors have demonstrated progress, but one-off examples and case studies will not provide sufficient basis to support collective action by a critical mass of private sector organizations to transform supply-chains and sectors. Unless the development world is able to demonstrate rapid, concrete results, companies and investors may revert to the 'status quo' of land acquisition and operations.

This presentation will provide an update on the status, progress, and next steps of the Interlaken Group and the IAN Risk Platform, two of the leading efforts to create 'pre-competitive' networks and practical

¹ Rights and Resources Initiative. 2016. Closing the Gap: Strategies and scale needed to secure rights and save forests. Available at: <http://rightsandresources.org/wp-content/uploads/RRI-2016-Annual-Review.pdf>

² Thomson Reuters Foundation. 2016. India to see 'big conflicts' over forest land despite law: activist. Available at: <http://news.trust.org/item/20161004114659-k3inj/>

³ Forest Trends. 2016. Supply Change: Tracking Corporate Commitments to Deforestation Free Supply Chains. Available at: http://forest-trends.org/releases/p/supply_change_2016

tools to transform the supply chains of companies and investors in land-based sectors to support secure community land tenure.

The Interlaken Group is the leading multi-stakeholder platform for engaging companies and investors to respect local rights. It is composed of a critical mass of progressive companies and investors, development finance institutions (DFIs), and CSOs, and includes leaders from Nestlé, Stora Enso, Coca-Cola, Unilever, Olam, Rabobank, Bonsucro, TMP Systems, CDC, Oxfam, Global Witness, ERM, The Forest Trust, Landesa, Forest Peoples Programme, Omidyar Network, Rainforest Alliance, and DFID. It is co-chaired by the IFC and RRI. By mobilizing many companies simultaneously rather than one or two at a time, the Interlaken Group is demonstrating the possibility of creating change at the speed and scale necessary to capitalize on commitments, as well as political and social demands for quick results and impacts.

The purpose of the Group is to expand and leverage private sector action to secure community land rights. Private sector and CSO members work together to develop, adopt and disseminate new tools and advance new “pre-competitive” mechanisms to accelerate private sector learning on responsible land rights practices. In 2015, the Interlaken Group launched the [Land and Forest Rights Guide](#), which provides operational guidance for senior-level and operational teams at leading companies to align their operations with the FAO’s Voluntary Guidelines on the Responsible Governance of Tenure (VGGT). In 2016, the Interlaken Group collaborated to produce guidance describing corporate and investor responsibilities related to legacy land issues.⁴ Both tools are being piloted by Interlaken Group members and others in multiple contexts around the developing world.

TMP Systems’ IAN products draw on geospatial data to help investors identify and manage tenure risk, enhance environmental, social and governance (ESG) diligence and engage local people in land and natural resource deals. The IAN Risk platform is a web-based, interactive map that provides quantitative indicators of tenure risk at the project site of interest to companies or investors, or where companies are operating. The platform is designed to provide investors and companies with a quick and easy means of assessing tenure risk alongside other ESG risks in their portfolio. The IAN Diligence toolkits describe sector-specific due diligence processes to help investors and companies identify, avoid or address tenure risk for each of the agribusiness, forestry, mining, infrastructure (roads and rails) and hydro energy sectors.

IAN Risk and IAN Diligence are linked, together taking investors from initial project risk assessment through operation and windup. They explain which questions the investor needs to answer to assess, manage or avoid tenure risk. The IAN Risk platform is being piloted by institutional investors, DFIs, and companies operating or investing in land-based sectors in sub-Saharan Africa.

⁴ “Legacy land issues are defined here as an enduring grievance with affected communities or historic land occupants related to the terms and processes by which land was previously acquired and subsequently used by a company and which has been left unresolved, in part or in full, by the predecessor or existing project developer.” (Forthcoming) Rights and Resources Initiative for the Interlaken Group. 2016. Guidance for Legacy Land Issues. Washington, DC: 4.

The Interlaken Group is now operationalizing the substantial political and reputational capital of IG members, and practical application of the IAN Risk Platform, to accelerate the implementation of land rights commitments by domestic and regional companies and investors. In 2016 the IG launched a new phase to: 1) accelerate the adoption of recommended practices by companies and investors in field operations in priority countries – and sharing lessons from those initiatives; 2) aggressively promote the VGGT guidance and related tools; and 3) expand membership, outreach and collaboration with relevant organizations and initiatives. RRI and the Interlaken are initiating work in Cameroon and Kenya in early 2017, and appraising other countries, including Cambodia, Colombia, and Liberia, where strategic opportunities for major impact have been identified. The IAN Risk Platform will be applied in these country contexts to respond to demands from local companies for data, risk assessment, and due diligence approaches. It is also being recalibrated to respond to demands from DFIs who are beginning to implement commitments that their shareholders have made to the VGGT.