

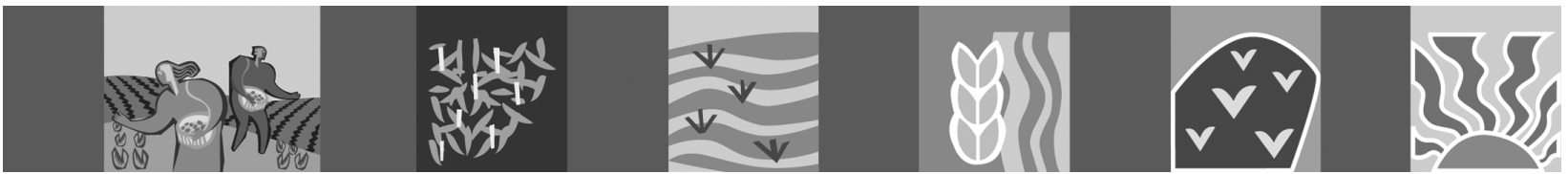
Recommended principles on responsible agricultural investments (rai)

Agriculture in the Philippines, as in many Asian countries, experienced a decline of investments from the 1980s until the early 2000s. This phenomenon, compounded by distorted policies and low public spending, resulted in low productivity and made the sector uncompetitive. The high incidence of poverty, particularly rural poverty, is attributed to this occurrence. Agricultural land also became vulnerable to other commercial interests such as tourism, settlements, and industrialization.

The recent increasing global demand for food and bio-fuel, however, has reinstated agriculture in the economic agenda. Investments are back and on the rise despite constitutional and policy constraints. This is further bolstered by the nation's commitment to ASEAN Economic Integration by 2015 that will open up the nation's economy to regional competition including that of agriculture.

Unfortunately, reports on expanding private agricultural investments have not been received well by some sectors. Obscure negotiations, non-compliance with existing policies, and overlapping jurisdictions of agencies threaten the tenure security and rights of farmers, fishers, and indigenous communities. This sounds an alarm, as agriculture is not simply a business proposition but carries with it a significant social agenda for national development.

Prepared by Roel R. Ravanera in behalf of the Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC) for the Philippine Development Forum – Working Group on Sustainable Rural Development (PDF-SRD), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and the Food and Agriculture Organization (FAO).



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It is recommended that the Philippine government institute the necessary regulatory systems and mechanisms to govern land investments, recognizing that rural farming and fishing communities are diverse. Moreover, there is a need for affected farmers and fishers to be empowered and given the necessary support.

While crafting specific policies and programs would have to take a number of factors into consideration, a set of principles can be agreed upon as a guide and reference. These seven principles outlined below are based on regional and national consultations participated in by various stakeholders. These also take into consideration relevant documents such as the Committee on World Food Security’s (CFS) Voluntary Guidelines on the Governance of Tenure (VGGT), the World Bank’s Principles on Responsible Agricultural Investments (RAI), zero draft of the on-going CFS process, civil society case studies on large-scale land acquisitions, assessment of the status of Philippine agriculture, and land-related laws of the Philippines. The rai are not to be confused with the World Bank’s RAI. This brief articulates Philippine civil society groups’ recommendations to the ongoing rai processes facilitated by CFS.

This article is intended to recommend a set of principles for rai as a collective input to various stakeholders in the Philippines to the CFS-initiated global consultation.¹

¹ As of the time of printing of this publication, the first session of the CFS (Rome, Italy; 15 October 2014) adopted

Principle 1

Responsible agricultural investment has the free, prior, and informed consent (FPIC) of communities that will be affected by investments.

Concerned individuals and communities give their free, prior, and informed consent to any proposed investment. To realize this, mandated government agencies require investors to provide sufficient and accurate information (including market information). Investment proposals are subjected to consultations through appropriate mechanisms, such as the Fisheries and Aquatic Resources Management Councils and other similar bodies.

Prior to any agreement, investment contracts are directly negotiated with farmers/landowners/communities under the supervision of the mandated government agency. These agreements are then signed by all parties and made publicly accessible.

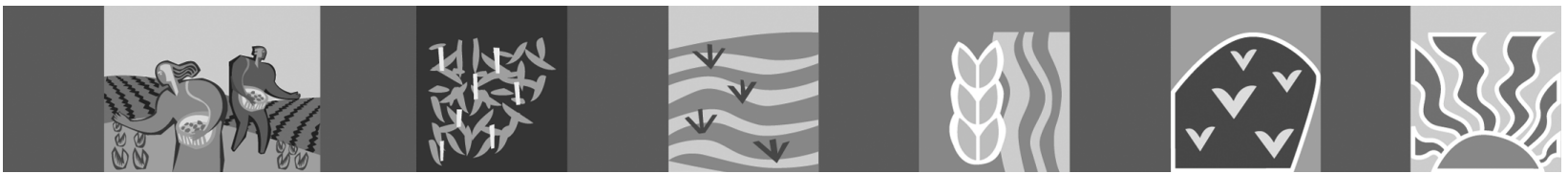
In support of these processes, government agencies including local government units apply the necessary regulations, clear standard procedures, and reliable record systems in a consistent manner free from political influence. They ensure that investments have an unquestionably positive impact on the community and that the benefits and risks are properly shared.

Principle 2

responsible agricultural investment upholds land tenure security and respects human rights.

Investment agreements do not in any way diminish the tenure status and security of the farmers, their spouses, family members, and other

the Principles for Responsible Investment in Agriculture and Food Systems.



“Investment agreements do not in any way diminish the tenure status and security of the rightful owners of the land.”

rightful owners of the land. Arrangements and mechanisms such as joint ventures, management contracts, and marketing agreements are monitored and regularly reviewed to avoid farmers unknowingly surrendering these rights via legal documents.

Investments, particularly in project implementation, do not infringe on the community members’ basic human rights. They adhere to international treaties and to national government regulations and laws. Child labor is avoided and male and female workers are treated in a fair and non-discriminatory manner.

Principle 3
responsible agricultural investment settles disputes in a fair, effective, and timely manner.

Conflicts, whenever they arise, are addressed transparently, expeditiously, fairly, and in a non-discriminatory manner. This presupposes that justice grievance mechanisms to settle disputes are present, equally accessible (preferably done at the local level), and affordable to all individuals or groups potentially affected by agricultural investments.

A mechanism is in place that systematically monitors compliance with resolutions or agreements reached by contending parties. Government provides the necessary support to farmers, fishers, and indigenous communities to ensure that they are properly represented.

Principle 4
responsible agricultural investment uses natural resources sustainably, contributing to climate change mitigation and adaptation.

Agricultural investments should promote sustainable agriculture practices and efficiency of the food system along the goals of the Philippine Organic Agriculture Act. Positive impacts on the environment are considered and strengthened, while negative impacts are mitigated.

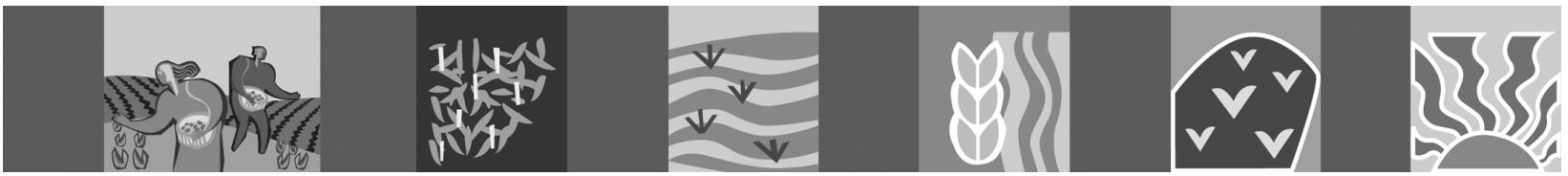
Environmental policies and systems such as environmental impact assessments are strictly complied with to determine potential positive and negative impacts. Investors and government agencies recognize the varied impacts of climate change and institute provisions for risk-sharing and social protection. Multi-stakeholder monitoring for compliance is encouraged and instituted.

The resilience of agriculture, food systems, and related livelihoods in the face of short- and long-term effects of climate change is increased through mitigation and adaptation measures.

The People’s Survival Fund Law (RA 10174) has prioritization criteria in place for adaptation interventions.

Principle 5
responsible agricultural investment respects women, cultural heritage, landscapes, traditional knowledge, and customary laws.

Responsible agricultural investment recognizes the vulnerability of women and other disadvantaged groups, and establishes the necessary precautionary measures to protect their rights and interests.



Agricultural investments respect the diverse rural lifestyles and landscapes, acknowledging their long-term economic, social, and environmental benefits. In particular, investments value and support traditional knowledge, the preservation of endemic flora and fauna, and cultural heritage with respect to local food systems. Also, religious sites are safeguarded.

This is consistent with the VGGT provision which states that “In the case of indigenous peoples and their communities, States should ensure that all actions are consistent with their existing obligations under national and international law, and with due regard to voluntary commitments under applicable regional and international instruments, including as appropriate from the International Labour Organization Convention (ILO No. 169) concerning Indigenous and Tribal Peoples in Independent Countries and the United Nations Declaration on the Rights of Indigenous Peoples”.

Principle 6
responsible agricultural investment improves the livelihood of men and women, and safeguards people’s food security and nutrition.

Subsistence farmers and small-scale producers, many of whom are women, constitute the backbone of Philippine agriculture that ensures the country’s food security. In turn, the land provides them with employment, a means of livelihood, and a habitat for a decent and contented community life. Agricultural investments serve to improve their livelihoods and create jobs consistent with the policy framework of inclusive growth.

Agricultural investments enhance the productive capacities of smallholder farmers and producers. This is achieved by strengthening value

generation at different stages in the agriculture and food systems, improving access to markets, and satisfying the community’s nutritional needs. Research is carried out to support these initiatives.

Overall, agricultural investments contribute to and strengthen national food security and nutrition.

Principle 7
Complementary policies and programs support responsible agricultural investment.

The objective of enhancing food security and nutrition is consistently addressed and is not undermined by other policies and regulations, particularly those covering governance of resources. Investment policies such as those implemented by the Department of Trade and Industry-Board of Investments (DTI-BOI), the Philippine Economic Zone Authority (PEZA), and local government units (LGUs) are attuned with the proposed rai principles. Congruent policies, such as the Comprehensive Land Use Plan and the Philippine Organic Agriculture Act, are promoted and incentives are provided for good practices.

Relevant public-sector institutions at the national and local levels are well informed, provided with the necessary training and resources, and act in a coordinated manner to create synergy and avoid conflicting measures. All relevant services are accessible, with special attention and priority given to the vulnerable groups.

A substantial number of laws exist to ensure responsible agricultural investments. An effective monitoring mechanism is instituted to ensure that these laws are complied with and implemented. ■