THE ACCOUNTABILITY FRAMEWORK
CORE PRINCIPLES

APRIL 2023
The Accountability Framework was created through a consultative process with a wide range of stakeholders including companies, NGOs, and government, and following applicable good practices for multi-stakeholder initiatives. It represents the consensus of the entire Accountability Framework initiative (AFi) Coalition, whose members as of the date of this publication include:

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Version
The version of this document (published in April 2023) was developed in accordance with the AFi’s Policy on Revisions to the Accountability Framework and supersedes any prior document versions. For an explanation of changes, please click here.

Legal disclaimer
This work product is intended to be advisory only and is not intended to serve as a legal opinion or legal advice on the matters treated. The reader is encouraged to engage counsel to the extent required.
Overview

Context and purpose

Agriculture and forestry are currently major contributors to deforestation, biodiversity loss, climate change, and human rights abuses. Yet they also support the livelihoods of hundreds of millions of people. When managed responsibly, these sectors can furnish the raw materials that the world needs while protecting ecosystems and reducing poverty.

The Accountability Framework initiative (AFi) is a collaborative effort to help companies and other stakeholders achieve this critical transformation towards eliminating negative impacts of agriculture and forestry while fostering positive impacts. It does so by offering the Accountability Framework as a practical roadmap for setting goals, taking action, and assessing progress towards ethical supply chains: that is, supply chains that are protective of natural ecosystems and human rights. The AFi’s diverse coalition of environmental and human rights organisations – together with other partners – supports the implementation of this roadmap for commodity production and trade worldwide.

The Accountability Framework is designed to help users effectively address the growing number mandates and requirements for company action on deforestation and conversion, human rights, climate, nature, and related topics. It is grounded in international laws and norms, and it integrates best practices and expectations of commodity buyers, investors, regulatory instruments, and civil society into a single resource for effective action.

The Accountability Framework was first launched in 2019. The present version, published in April 2023, provides updates and improves clarity for selected elements based on user feedback and new developments related to ethical supply chains.
Vision

The AFi Coalition envisions a world where forests and other natural ecosystems are conserved for their many values, where human rights are universally respected, where responsible production and trade are the norm, where gender equality is achieved, and where local people and communities are included in decision-making and thrive while serving as effective stewards of the land. Many others have articulated a similar vision and joined together to amplify it in global pledges and targets, including the UN Sustainable Development Goals, UN Guiding Principles on Business and Human Rights, Glasgow Leaders’ Declaration on Forests and Land Use, and Science Based Targets for emission reductions in line with the UNFCCC Paris Agreement.

To achieve this vision requires transforming how agricultural and forestry commodities are produced and traded. This includes establishing a “new normal” of ethical supply chains that de-couple commodity production from deforestation and ecosystem destruction while ensuring that supply chains fully respect the rights of Indigenous Peoples, local communities, and workers. Ethical supply chain initiatives must not take place in isolation, but in synergy with governments and others working to halt deforestation and improve land governance, reform public policies and incentives, and shift consumption patterns to respect the Earth’s finite resources. Through this multi-pronged approach, supply chain initiatives help to end deforestation and natural ecosystem conversion at landscape scales while contributing to greenhouse gas emissions reductions and net-zero targets. They support equitable rural development and the wellbeing of smallholders, workers, and communities. And they are not undermined by the leakage of negative impacts to other locations, commodity sectors, or ecosystem types.

The AFi advances this vision by helping companies, financial institutions, industry and multi-stakeholder initiatives, reporting and assessment systems, governments, and civil society to achieve ethical supply chains worldwide. The AFi website provides more information on how each of these groups may apply the Accountability Framework and the positive impacts achieved by doing so.
The Accountability Framework is composed of Core Principles, Operational Guidance, and Definitions:

- The Core Principles (this document) provide a high-level framework for setting strong supply chain goals, taking action for effective implementation, and credibly assessing and demonstrating progress.
- The Operational Guidance provides additional detail on how to apply and fulfill the Core Principles.
- Definitions support the Core Principles and Operational Guidance by providing clear and common references for key terms and concepts.

The Framework’s twelve Core Principles guide companies in how to establish and implement ethical supply chains across seven different action areas, as shown in the graphic below.
The Accountability Framework applies to all companies involved in production, sourcing, or financing of agricultural or forestry commodities. While most of the Core Principles apply to all companies, the way in which certain elements are applied may differ according to a company’s role in the supply chain. Applicability notes are included in each section of the document to help users make these determinations. The supply chain roles referenced in these notes are:

- **Companies that own, control, or manage commodity production or primary processing:** Generally, these actors hold primary responsibility for implementing 'on-the-ground' functions, such as land acquisition; land management; ensuring respect for the rights of Indigenous Peoples, local communities, and workers; remedy of environmental and human rights harms; and monitoring of production and processing operations.

- **Companies that source material from producers or suppliers:** Generally, these actors hold primary responsibility for supply chain management functions, such as supply chain mapping and traceability; responsible procurement policies and practices; supply chain monitoring; and providing support and incentives to drive improvement across their supply base and sourcing areas.

Companies that play multiple roles in the supply chain should address all elements that are relevant to any role that they play. The applicability notes are a general guideline. Ultimately, each company is responsible for determining the actions it must take to achieve and demonstrate ethical supply chains.

The AFI website provides a full suite of resources for company personnel and other users to apply the Accountability Framework, access documents and tools, and find individualised support. The website also explains how the Framework may be used together with other initiatives and tools to implement ethical supply chains. Get started by visiting these pages:

- Overview of how companies can apply the Framework
- Overview of how other types of organisations can apply the Framework
- Download the full Accountability Framework
- Assess your company’s existing policies and practices against the Framework
- Access the AFI’s how-to guides for company action
- Learn more about the AFI
- Contact us to get individualised support
The Accountability Framework Core Principles

Set goals

Clear goals, commitments, and policies provide the foundation for effective company action to achieve ethical supply chains. Goals refer to the intended performance levels of a supply chain and outcomes on the ground related to the protection of forests and other natural ecosystems, human rights, and other environmental and social values. Company commitments and policies formalise these intentions into specific, time-bound sets of actions and results.

Core Principles 1-3 guide companies at all stages of the supply chain to set strong goals, commitments, and policies related to deforestation, natural ecosystem conversion, and human rights. Core Principles 1-3 apply to all companies.

Companies may also wish to include elements from Core Principles 4-12 in their commitments or policies to indicate their intent to follow good practices in implementation, monitoring, and disclosure. For additional information on applying Core Principles 1-3, see the AFi website section on setting goals.
Forests and other natural ecosystems – such as natural savannas, grasslands, peatlands, and wetlands – are critical for carbon storage, biodiversity protection, water supply, mitigation of natural hazards, adaptation to climate change, and sustaining the well-being of Indigenous Peoples and local communities. Core Principle 1 addresses the protection of these natural ecosystems in the context of agricultural and forestry supply chains. Companies may align with this Core Principle by either: i) specifying a commitment to no-deforestation (Core Principle 1.1) along with a commitment to protect other natural ecosystems; or ii) adopting a comprehensive commitment to no-conversion of all natural ecosystems (Core Principle 1.2).

### No-deforestation supply chains and protection of forests

The company commits to eliminating deforestation from its operations, supply chains, and financial investments.

No-deforestation (deforestation-free) signifies that natural forests are not converted to agriculture, tree plantations, livestock production, or other land uses, and that natural forests are not subject to severe or sustained degradation. As part of its no-deforestation approach:

1.1.1 The company commits to taking appropriate measures to foster long-term protection of natural forests in and around its operations and supply base, including through responsible supply chain management (Core Principle 6), site establishment (Core Principle 7), land management (Core Principle 8), and action in supply chain origins (Core Principle 10).

1.1.2 The company commits to conduct or support restoration and/or compensation to remedy deforestation and any associated human rights abuses in its operations or supply chains in violation of its commitments or other obligations (Core Principle 9).

1.1.3 To facilitate monitoring and provide clear signals to suppliers, each commitment specifies a cutoff date, after which production units associated with deforestation are deemed non-compliant. Selection of cutoff dates follows Section 2 of the Operational Guidance on Cutoff Dates.

### No-conversion supply chains and protection of all natural ecosystems

The company commits to eliminating the conversion of all natural ecosystems from its operations, supply chains, and financial investments.

No-conversion (conversion-free) signifies that natural ecosystems are not converted to agriculture, tree plantations, intensive livestock production, or other land uses, and that natural ecosystems are not subject to severe or sustained degradation. As part of its no-conversion approach:
1.2.1 The company commits to taking appropriate measures to foster long-term protection of natural ecosystems in and around its operations and supply base, including through responsible supply chain management (Core Principle 6), site establishment (Core Principle 7), land management (Core Principle 8), and action in supply chain origins (Core Principle 10).

1.2.2 The company commits to conduct or support restoration and/or compensation to remedy natural ecosystem conversion and any associated human rights abuses in its operations or supply chains in violation of its commitments or other obligations (Core Principle 9).

1.2.3 To facilitate monitoring and provide clear signals to suppliers, each commitment specifies a cutoff date, after which any production units associated with conversion are deemed non-compliant. Selection of cutoff dates follows Section 2 of the Operational Guidance on Cutoff Dates.

Additional detail related to Core Principle 1 is available in the following Operational Guidance:

- Applying the Definitions Related to Deforestation and Conversion
- Cutoff Dates
Respect for human rights

Company responsibility to respect internationally-recognised human rights is well established in both legal and voluntary instruments and is a core element of ethical supply chains. This includes the rights of people involved in producing and processing commodities, as well as the rights and autonomy of the individuals, peoples, and communities whose lands, livelihoods, or ways of life may be affected by commodity production. Core Principle 2.1 addresses companies’ obligations to respect internationally-recognised human rights overall. Specific requirements are also provided regarding the rights of Indigenous Peoples and local communities (Core Principle 2.2) and workers’ rights (Core Principle 2.3) because of the particular risk of negative impacts to these rights in agricultural and forestry supply chains.

The AFi's Principles and guidance on human rights are in line with the UN Guiding Principles on Business and Human Rights (UNGPs) and the wider body of international human rights law on which the UNGPs draw. Consistent with the UNGPs, companies should respond to actual or potential human rights impacts in their operations, supply chains, and financial investments based on their connection to those impacts, and whether they caused, contributed to, or are linked to those impacts.

Respect for all human rights

The company commits to respecting internationally-recognised human rights.

This includes the rights of Indigenous Peoples, local communities, workers, and others who may be affected by company activities. As part of its approach to respecting all human rights, the company commits to:

2.1.1 Respect the rights set out in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights) and other applicable law of the country of production.

2.1.2 Conduct business consistent with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

2.1.3 Actively engage affected rightsholders and respect their rights to meaningful and effective participation in decision-making about matters that may affect them.

2.1.4 Identify and assess actual and potential human rights impacts in company operations, supply chains, and financial investments.

2.1.5 Prevent and avoid causing or contributing to adverse impacts to human rights; prevent and mitigate adverse human rights impacts linked to operations and supply chains.

2.1.6 Provide for or cooperate in providing remediation through mutually agreed procedures where adverse human rights impacts occur in company operations, supply chains, or financial investments.
Respect for the rights of Indigenous Peoples and local communities

The company commits to respecting the rights of Indigenous Peoples and local communities in their operations, supply chains, and financial investments.

This includes, among others, rights to land, culture, self-determination, self-governance, a healthy environment, non-discrimination, and full and effective participation in the decisions that affect them. As part of its approach to respecting the rights of Indigenous Peoples and local communities, the company commits to:

2.2.1 Carry out operations consistent with international human rights instruments for Indigenous Peoples and local communities.¹

2.2.2 Identify and respect Indigenous Peoples’ and local communities’ formal and customary rights to lands, territories, and resources in the context of any company activity. This includes rights to own, occupy, use, and administer these lands, territories, and resources.

2.2.3 Ensure that, prior to any activity that may affect Indigenous Peoples’ or local communities’ rights, lands, resources, territories, livelihoods, or food security, their free, prior, and informed consent (FPIC) is secured. This is done in a culturally-appropriate manner, in accordance with the traditions, norms, and values of these peoples and communities, and through the representatives and institutions they choose. If FPIC is provided, the outcome of this process is documented in an FPIC agreement that includes measures to avoid or minimise impacts and to provide just and equitable compensation and benefit sharing.

2.2.4 Take measures to provide for or cooperate in remediation through mutually agreed procedures in cases where adverse impacts to the lands, territories, or resources of Indigenous Peoples or local communities occurred in company operations, supply chains, or financial investments.

¹These include the instruments listed in Core Principle 2.1 as well as the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), ILO Convention 169, the Convention on the Elimination of all Forms of Racial Discrimination (CERD), and the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), as well as any other applicable law.
Respect for workers’ rights

The company commits to respecting the rights of workers in their operations, supply chains, and financial investments, and to conduct business consistent with the ILO Declaration on the Fundamental Principles and Rights at Work and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

The company specifically commits to respect the following provisions for all workers, including employees, contractors, and temporary, seasonal, part-time, and other workers throughout all levels of the supply chain. These commitments are specified in accordance with the Operational Guidance on Workers’ Rights for each element:

2.3.1 No child labour.
2.3.2 No forced or compulsory labour.
2.3.3 Freedom of association and collective bargaining.
2.3.4 No discrimination.
2.3.5 No abusive practices or undue disciplinary procedures.
2.3.6 Legal and decent working hours.
2.3.7 Safe and healthy workplaces.
2.3.8 Living wages and fair benefits for workers.
2.3.9 Living income for smallholders and other individual producers.
2.3.10 Responsible recruitment.

Additional detail related to Core Principle 2 is available in the following Operational Guidance:

- Respecting the Rights of Indigenous Peoples and Local Communities
- Free, Prior, and Informed Consent
- Workers’ Rights
BOX 1. COMMITMENTS AND TARGETS ON OTHER TOPICS

In addition to deforestation, conversion, and human rights abuses, agriculture and forestry are associated with other important environmental and social impacts. Companies are encouraged to set commitments and targets to address other sustainability issues that are relevant to their business, including:

• Commitments to improved agricultural practices, such as increasing production efficiency and reducing pesticide use and toxicity.

• Human rights and livelihoods commitments beyond the scope of the Accountability Framework, for instance to foster gender equity and improve community livelihoods.

• Climate targets, including science-based targets to reduce land sector greenhouse gas emissions, such as those developed by the Science Based Targets initiative.

• Commitments to protect and restore nature, such as conserving biodiversity, responsibly managing water resources, supporting landscape restoration, and other targets such as those put forward by the Science Based Targets Network.

Companies setting commitments and targets on any of these issues should apply or participate in other credible standards, partnerships, and initiatives focused on these topics.

BOX 2. THE AFI’S APPROACH TO SMALLHOLDER INCLUSION IN ETHICAL SUPPLY CHAINS

Smallholders constitute a major portion of the supply base for many agricultural and forestry commodities. Inclusion of these producers in ethical supply chains is essential to help support producer livelihoods, increase productivity, avoid displacement of social and environmental impacts, and ensure stable commodity supplies.

Companies should therefore take measures to foster smallholder inclusion, support improvements in smallholder productivity and livelihoods, and provide resources to assist smallholders in meeting ethical supply chain requirements. These expectations are reflected throughout this document, including in Core Principles 2, 3, 5, 6, and 10. The Operational Guidance on Smallholder Inclusion in Ethical Supply Chains provides further detail on how to manage supply chains to facilitate smallholder inclusion. This includes smallholder-appropriate guidelines for traceability, supplier engagement and support, and assessment and retention of non-compliant suppliers.
The ways in which a company specifies its goals and commitments can strongly affect the success of its efforts to achieve ethical supply chains. Commitments that are sufficiently broad, clearly defined, and time-bound enable a company to convey its intentions to address social and environmental impacts, drive effective action, and facilitate monitoring and accountability.

**Scope**

Commitments apply broadly across the company to address social and environmental risks that may arise as a result of the company’s operations, supply chains, and financial investments related to agricultural and forestry commodities.

3.1.1 Commitments apply to all business units defined to be part of the corporate group.

3.1.2 Commitments apply to all segments of the company for which agricultural and forestry commodities may pose environmental or social risks; their scope is not limited to specific commodities, supply chains, or sourcing origins.

3.1.3 If commitments do not apply to the entire business related to these commodities, then they clearly specify the products, operations, and financial transactions that are included in and excluded from the scope. The defined scope is justified by a credible risk analysis demonstrating that the excluded portions are not subject to environmental or social risks.

**Verifiable actions and time-bound targets**

Commitments include publicly stated time-bound targets and milestones that reflect the urgency of addressing the subject environmental and social issues. These targets and milestones are specific, quantitative, and can be objectively evaluated and verified.

3.2.1 For each aspect of its commitments, the company publicly specifies time-bound and geographically-specific targets and milestones.

3.2.2 Company commitments to halt deforestation and conversion specify a target date for fulfilling those commitments. Target dates are as ambitious as possible, while also recognising differing capacities for implementation and the importance of emphasising inclusion (especially of smallholders) to achieve scale and ensure lasting change. Company target dates reference and align with applicable broader goals, targets, or sector-wide commitments, except that if the company has already set earlier target dates, these earlier dates are retained.

3.2.3 Company commitments related to human rights recognise the obligation to fully respect human rights at all times. Where certain human rights may require progressive realisation, the company identifies these circumstances and specifies time-bound milestones for the implementation, monitoring, and full respect for these rights.
3.2.4 If implementation will be phased across different product groups, business segments, or levels of suppliers (e.g., direct and indirect), a time-bound implementation schedule is specified per segment. This sequencing prioritises areas for which adverse environmental and social impacts are likely to be the most significant. Prioritisation may also consider where there is the greatest potential for positive impact.

3.2.5 Stated targets, milestones, and associated indicators and metrics are specific enough so that progress and claims can be objectively assessed, both internally (within the company and its supply-base) and by external parties.

3.2.6 Targets, milestones, and indicators are reviewed periodically with relevant stakeholders and revised if necessary (but not weakened) so that they continue to define meaningful progress trajectories in the present context. In the case that time-bound targets or milestones are not being or have not been met, the company should continue to reference such targets, work expeditiously to fulfil them, and monitor and report progress as specified in Core Principles 11 and 12.

Terminology and definitions

Commitments reference and apply common terminology and definitions.

3.3.1 Commitments reference and utilise the common definitions of the Accountability Framework and, where applicable, contextualised definitions that are aligned with the Framework.

3.3.2 These common definitions are applied in all relevant aspects of business and supply chain management, such as supplier contracts and oversight, procurement, monitoring, and reporting.

3.4 Relationship between company commitments and applicable law

In addition to their voluntary commitments, companies comply with applicable law. Where there are discrepancies between voluntary commitments, applicable law, and instruments related to internationally-recognised human rights, the highest standard is the reference point for fulfilling company obligations around ethical supply chains.

Additional detail related to Core Principle 3 is available in the following documents:

- Terms and Definitions
- Operational Guidance on the Relationship Between Voluntary Commitments and Applicable Law
Establish company systems

Translating supply chain goals into practice requires that companies embed these goals into their business operations and decision-making. Company management systems (Core Principle 4) help provide the oversight, capacity, incentives, and processes to do so. For additional information on applying Core Principle 4, see the AFI website section on establishing management systems.
Companies establish systems that effectively promote and facilitate implementation of commitments. This Principle applies to all companies.

4.1 The company has senior leadership responsibility and accountability to stand behind its commitments, including at CEO and/or board-level.

4.2 Commitments are embedded into decision-making processes, systems, and performance metrics of core business units (e.g., procurement), agents, affiliates, and subsidiaries at all applicable levels of the company. This includes dedication of relevant personnel as well as efforts to raise awareness and build capacity through company policies, incentives, manuals, and training initiatives.

4.3 The company has effective systems to avoid financing site acquisition, land clearance, land development, or infrastructure that contribute to deforestation, conversion, or human rights violations.

4.4 The company operates an effective operational-level grievance mechanism(s), following the Effectiveness Criteria of the UN Guiding Principles on Business and Human Rights, for rightsholders and other stakeholders to raise complaints and access remedy in cases where environmental or social harms have occurred. The company assesses existing state and non-state grievance mechanisms and supports efforts to strengthen and facilitate access to these as necessary to help identify and resolve grievances within their operations and supply chains.

4.5 The company implements stakeholder engagement processes to provide relevant information to stakeholders and afford opportunities for input and engagement related to fulfillment of the company’s supply chain commitments.

Additional detail related to Core Principle 4 is available in the following Topic Summary:

- Company Management Systems
Companies that source commodities need to understand the origins of materials in their supply chains, take measures to manage environmental and social impacts of their supply chains, and engage with their suppliers to improve performance or achieve compliance. These topics are addressed in Core Principles 5 and 6. For additional information on applying Core Principles 5 and 6, see the AFI website section on managing supply chains.
Companies know the origins and compliance status of materials in their supply chains. This Principle applies to companies that source material from producers or suppliers.

5.1 The company conducts sufficient supply chain mapping or traceability to assess compliance with company commitments and other obligations at the supply base level. For supplies that are not compliant, assessments identify the extent and nature of non-compliances that must be resolved.

• Primary processors and first intermediary traders know the origin of raw materials to the level of the production unit.

• Buyers downstream of the first intermediary (e.g., manufacturers and retailers) trace supplies upstream until they are able to ascertain compliance status at the supply base level. This requirement is met in accordance with the traceability options presented in Section 2 of the Operational Guidance on Supply Chain Management.

• If traceability to these levels is not initially available, then it is progressively improved to these levels over a predefined timeline. These efforts prioritise the riskiest settings and provide support for traceability improvements for smallholders and others who may require assistance to avoid their exclusion from supply chains.

5.2 If the company uses risk assessments – for instance to prioritise efforts towards improving traceability, monitoring, and compliance – then these assessments follow good practices for credibility, transparency, and accurate risk characterisations as detailed in Section 3 of the Operational Guidance on Supply Chain Management.

Additional detail related to Core Principle 5 is available in the following Operational Guidance:

• Supply Chain Management
Managing for supply chain compliance

Companies manage their supply chains to proactively address deforestation, conversion, and human rights abuses, identify non-compliance, and resolve any such issues expeditiously and effectively. This Principle applies to companies that source material from producers or suppliers. It requires buyers to engage their suppliers to ensure the fulfilment of the buyer’s commitments and other obligations at the supply-base level in accordance with Core Principles 7, 8, and 9.

6.1 The buyer engages its suppliers to communicate the following requirements, ensure that they are fulfilled, and support their implementation where needed:

- materials offered for purchase are produced, sourced, and controlled in accordance with the buyer’s commitments and obligations related to deforestation, conversion, and human rights; and

- suppliers have policies, systems, and processes in place that cover their entire business and supply base to ensure compliant production and sourcing, conduct adequate monitoring, and furnish information on compliance and performance to the buyer.

6.2 The buyer has systems in place to screen new suppliers for compliance prior to purchasing, manage compliance of volumes purchased on spot markets or otherwise outside of long-term supplier relationships, and take appropriate action with respect to non-compliant volumes (see Core Principle 6.5).

6.3 The buyer engages its direct suppliers to monitor their adherence to the requirements stated in Core Principle 6.1 and to support and strengthen their capacity to fulfill commitments and achieve ethical supply chains. If the buyer purchases directly from producers or producer groups, support prioritises engagement with smallholders and others who may require more assistance to avoid their exclusion from supply chains.

6.4 To the extent that a buyer lacks control or influence over its indirect suppliers, it engages its direct suppliers to institute effective incentives, support mechanisms, and purchase control systems to maximise compliance and avoid severe or persistent non-compliance in its indirect supply base.

6.5 The buyer, with engagement of its suppliers, manages non-compliance to resolve such issues expeditiously without enabling or promoting further non-compliance. Depending on the severity of the non-compliance – as well as the supplier’s degree of culpability for it and the supplier’s commitment and capabilities to move towards compliance – suspension or exclusion of the supplier may be warranted. When non-compliant suppliers are retained or suspended, the buyer engages them to develop, implement, and monitor an ambitious and time-bound implementation plan to achieve compliance, including any necessary remediation. Practices related to purchasing from and engagement of suppliers that produce or sell non-compliant materials are in line with Sections 4 and 5 of the Operational Guidance on Supply Chain Management.

Additional detail on Core Principle 6 is available in the following Operational Guidance:

- Supply Chain Management
**ACTION AREA**

**Manage production**

Ethical supply chains begin with practices on the ground, where commodities are produced and processed. This includes responsible site establishment (Core Principle 7), responsible management of production and primary processing operations (Core Principle 8), and remediation and restoration when needed (Core Principle 9). Companies that own or manage farms, plantations, forests, and primary processing operations play a lead role in implementing these practices. Downstream companies play an important role in supporting, incentivising, and ensuring responsible practice throughout their supply chains. For additional information on applying Core Principles 7-9, see the AFI website section on managing production.
Companies conduct or support responsible practices in land acquisition, land-use planning, and site development, commensurate with their roles in the supply chain. These actions are critical to help fulfill commitments related to forests and other natural ecosystems (Core Principle 1) and respect for land rights (Core Principle 2.2). Companies seeking to develop or acquire interests in land – and those that support or finance such activities – are most directly responsible for applying these practices. Commodity buyers should ensure that these practices are applied by their suppliers.

7.1 Prior to any land or infrastructure development or any significant change in land management or land designation (e.g., company acquisition of interests in land or natural resources, or the development of forest harvest plans), the company conducts or supports an integrated and participatory assessment and land-use planning process, as follows.

- The assessment follows a sequential analysis and decision process, beginning with initial due diligence, followed by impact assessment, and proceeding only if indicated by the outcomes of these initial steps.

- In the case of ongoing land conflicts, the company ceases efforts to acquire or gain control of land or resources related to these conflicts until they are addressed through a mutually-agreed negotiation process consistent with applicable law.

- Assessment and planning processes use recognized and technically-sound approaches, such as those described in the Operational Guidance on Respecting the Rights of Indigenous Peoples and Local Communities. Through these processes, the company identifies the conservation and community values of land, assesses land tenure, evaluate the potential impacts of the proposed activities, and design plans to minimize negative impacts and mitigate unavoidable impacts. These processes consider social and environmental aspects together and in relation to one another, are conducted in a transparent manner, and actively provide for the participation of potentially affected Indigenous Peoples and local communities as well as other stakeholders.

- Where activities may affect Indigenous Peoples’ and local communities’ rights, land, resources, territories, livelihoods, and food security, the free, prior, and informed consent (FPIC) of these groups is sought as part of the integrated land-use planning process. Activities do not proceed unless and until FPIC is secured, and any plans or site establishment activities are based on the negotiated outcomes of the FPIC and land-use planning processes.
7.2 In contexts where commitments to eliminate deforestation or conversion may conflict with the self-determined land-use plans or intentions of Indigenous Peoples or local communities with rights over such lands, companies follow the Operational Guidance on Respecting the Rights of Indigenous Peoples and Local Communities to determine if and how they can fulfil applicable commitments in the given context.

7.3 As a result of the land assessment and planning process – and prior to initiating any activities – effective mechanisms are put in place to foster the long-term protection and management of any areas of importance for conservation or Indigenous Peoples or local communities. These mechanisms are documented in writing, agreed upon by the involved parties, and specify the roles and obligations of the company, affected peoples and communities, and other relevant entities in the landscape.

7.4 A company that develops or acquires interests in land fulfils the elements of this Principle across the entire company (which is defined to include corporate groups). The buyer requires each supplier to fulfil the elements of this Principle across its entire company.

7.5 A company that acquires production or primary processing operations, or interests in lands or resources, assumes the environmental and social obligations associated with those assets. This includes obligations related to conservation, land management, human rights, remediation, and restoration.

Additional detail related to Core Principle 7 is available in the following Operational Guidance:

- Respecting the Rights of Indigenous Peoples and Local Communities
- Free, Prior, and Informed Consent
- Supply Chain Management (Section 6)
Site management and long-term protection

Companies conduct or support responsible management of production and primary processing sites commensurate with their roles in the supply chain. This includes protecting each site's conservation and cultural values and fully respecting the rights of Indigenous Peoples, local communities, and workers. These actions are critical to help fulfil commitments related to forests and other natural ecosystems (Core Principle 1), respect for land rights (Core Principle 2.2), and respect for workers’ rights (Core Principle 2.3). Companies that own, control, or manage commodity production or primary processing operations are most directly responsible for applying this Principle. Companies that source from producers or suppliers should ensure that these practices are applied by their suppliers in line with Core Principle 8.4.

8.1 The company conducts or supports management activities necessary to ensure long-term protection of the above-mentioned values and rights on production units, primary processing operations, and adjacent areas. If mechanisms for management, monitoring, and long-term protection were defined as part of the site establishment process, these are implemented and adapted as needed to remain effective. If such mechanisms were not defined, the company develops management and monitoring plans to ensure effective long-term protection of these values and rights.

8.2 The company effectively implements its obligations to respect workers’ rights, as specified in Core Principle 2.3. This includes measures to assess risk, detect adverse impacts, take precautions, and remedy harms specifically with respect to migrant workers, other vulnerable workers, child labour, recruitment practices, and dangerous work tasks.

8.3 In the case of ongoing conflict or negative social or environmental impacts associated with the company’s prior actions or site management practices, the company takes steps to address and remedy such harms, consistent with Core Principle 9.

8.4 The company ensures that its direct and indirect suppliers that own or manage land are fulfilling the preceding elements or following a time-bound plan to do so. This may require the buyer to support effective site management and long-term protection through financial, technical, or other effective means.

Additional detail related to Core Principle 8 is available in the following Operational Guidance:

- Workers’ Rights
- Respecting the Rights of Indigenous Peoples and Local Communities (Section 2.3)
- Supply Chain Management
Where companies have not fulfilled their commitments, or where there have been adverse human rights or environmental impacts associated with their operations, supply chains, or financial investments, they provide for or cooperate in the remediation of such harms. This Principle applies to all companies. Roles in providing for or cooperating in remediation may differ depending on the company’s position in the supply chain and its ownership or management role(s) in the operations triggering the need for remedy.

9.1 The company provides for or cooperates in providing fair and just remedy in the case of adverse impacts to human rights. It also provides for or cooperates in providing effective environmental restoration and/or compensation commensurate with the values lost in the case of deforestation, conversion, and associated environmental impacts. The appropriate remedy and respective obligations of different supply chain actors depend on context and follow credible approaches in line with the Operational Guidance on Remediation and Access to Remedy and Operational Guidance on Environmental Restoration and Compensation.

9.2 The company does not divest its interests in land until either: i) outstanding grievances are fully resolved, or ii) obligations have been legally transferred to another party (eg, the new owner).

9.3 Where remedy is needed in relation to purchased materials, the buyer works with its suppliers to ensure that such remedy is provided, monitor progress, and provide support where needed. If suitable remedy or progress is not achieved, then the buyer acts in line with the Operational Guidance on Supply Chain Management to: i) further engage the supplier to achieve suitable remedy; and/or ii) suspend purchasing or exclude the supplier, if warranted.

Additional detail related to Core Principle 9 is available in the following Operational Guidance:

- Access to Remedy and Remediation
- Environmental Restoration and Compensation
- Supply Chain Management
Collaborate

Causes of deforestation, conversion, and human rights abuses often extend beyond the activities or influence of any one company. By collaborating with governments, local communities, and peer companies – and using their influence in positive ways – companies can co-create more effective and lasting solutions for their supply chains and beyond. These topics are addressed in Core Principle 10. For additional information on applying Core Principle 10, see the AFI website section on collaboration.
Companies collaborate with other stakeholders to address key social and environmental issues related to their businesses at the sectoral, landscape, and jurisdictional levels. Companies use their influence in an ethical and transparent manner to help protect the environment and respect human rights. This Principle applies to all companies. The relevance of and company roles in each of the collaboration mechanisms described below may differ depending on the company’s position in the supply chain, its size and reach, and the degree to which activities or sourcing are concentrated in particular areas.

10.1 The company participates in or supports multi-stakeholder landscape, jurisdictional, or sectoral efforts to improve land governance, avoid deforestation and conversion, and respect human rights.

10.2 The company takes measures to support improved compliance and performance for commodities in its supply chain at the sourcing area level. This may include working individually or in collaboration with peer companies and other actors to engage suppliers and other land users that are not currently in the company’s supply chain to communicate requirements for responsible production and land use and to provide incentives and support to meet these requirements.

10.3 If the company operates in, or sources from, contexts with social or environmental risk or weak governance, it remains engaged in these settings, with a focus on using its influence to address such risks. In these situations, the company seeks opportunities to work with peers sourcing from the same area, third-party certifiers, governments, NGOs, and other stakeholders to implement collaborative efforts to strengthen governance and promote implementation of improved practices and wider compliance.

10.4 The company works with governments and other stakeholders to promote the publication of maps (e.g., land-use zoning and concession areas) and other relevant information (e.g., locations and trade volumes of silos or refineries) that can help accelerate implementation of sustainable practices and initiatives, facilitate monitoring, and foster transparency.

10.5 The company participates in industry and sector initiatives to create collective or aligned goals, commitments, standards, coordinated implementation processes, monitoring systems, or other measures to increase effectiveness, expand scale, and minimise leakage related to ethical supply chains.

10.6 Company-supported advocacy and governmental engagement at all levels is consistent with the company’s commitments, applicable law, and elements of the Accountability Framework. This includes advocacy related to human rights, land designations, regulations and licenses affecting commodity production and trade, and land and labour laws. The company publicly discloses all political contributions and campaign expenditures at all jurisdictional levels.

Additional detail related to Core Principle 10 is available in the following Operational Guidance:

- Achieving Commitments through Collaboration
Monitor and verify

Monitoring systems allow companies to track performance of their operations and suppliers relative to their supply chain goals and other market, legal, or regulatory obligations. Core Principle 11 outlines good practices for monitoring and verification at the level of production units, suppliers, and sourcing areas. For additional information on applying Core Principle 11, see the AFI website section on monitoring and verification.
Companies conduct regular monitoring to assess compliance and progress towards eliminating deforestation, conversion, and human rights abuses in their operations, supply chains, and financial investments. Monitoring follows credible and consistent methods for assessing social, environmental, and land-use actions and outcomes. Compliance and progress are validated through verification processes that are credible, rigorous, and independent. This Principle applies to all companies, with roles and approaches differing based on position in the supply chain.

**11.1** Monitoring assesses compliance of production units and primary processing sites in the company’s operations and supply chains relative to the goals, commitments, and obligations of the company and its buyers. If full compliance has not yet been reached, it also assesses progress towards compliance, for instance as measured by quantitative performance levels and/or implementation of improvement plans.

- The producer or primary processor monitors its operations and furnishes information on compliance and progress to its buyers.
- The buyer monitors production units and primary processing sites either directly or via credible monitoring mechanisms of its suppliers, service providers, or third parties.
- When a company is not able to trace its supplies back to production units of origin, the company conducts monitoring at the sourcing area level while working to progressively improve supply chain mapping or traceability in accordance with Core Principle 5.1.

**11.2** Monitoring by a buyer also assesses the policies, systems, processes, and capabilities of its suppliers to achieve compliance, conduct monitoring across the supplier’s entire supply base, and furnish adequate information on compliance and performance to the buyer.

**11.3** Monitoring is based on clearly-defined metrics against which compliance or performance may be assessed. These metrics are based on common definitions (Core Principle 3.3) where appropriate.

**11.4** Monitoring methodologies use recognised and technically-sound approaches (eg, land cover change analysis based on satellite imagery, field observations, document review, stakeholder and rightsholder engagement, interviews with affected people or groups, community-based monitoring, and other effective techniques) to ensure the credibility and comparability of observations and findings across different contexts.

**11.5** Monitoring processes incorporate relevant information and perspectives from local stakeholders and rightsholders to assess risks and performance levels. Effective mechanisms are established to facilitate the sharing of such information in a manner that protects the confidentiality and safety of persons providing information.
11.6 Verification follows good practices for sampling and audit intensity; methods for detecting risks, harms, and non-compliance with commitments; competence and independence of the assessment team; stakeholder and rightsholder participation; and transparency regarding the verification scope, metrics, process, and results.

11.7 Independent, third-party verification is conducted to the extent necessary to validate compliance and performance levels and provide the requisite level of independent assurance to substantiate communications and claims.

11.8 Verification reports (or summaries thereof) are made publicly available.

11.9 The company utilises the results of monitoring and verification processes to help inform learning, decision-making, and continuous improvement.

Additional detail related to Core Principle 11 is available in the following Operational Guidance:

- Monitoring and Verification
Report progress

Reporting enables companies to communicate clearly about the environmental and social performance of their operations, supply chains, and financial investments. Doing so fulfils stakeholder expectations for transparency and helps companies to be recognised for progress. Core Principle 12 outlines good practices for the content and form of reporting and claims related to deforestation, conversion, and human rights issues. For additional information on applying Core Principle 12, see the AFI website section on reporting progress.
Companies publicly report performance and progress related to the elimination of deforestation, conversion, and human rights abuses from company operations, supply chains, and financial investments. Company claims regarding performance or progress are backed by credible verification (Core Principle 11). This Principle applies to all companies. The scope of reporting may differ based on position in the supply chain.

12.1 At least once a year, the company reports on performance and progress related to the elimination of deforestation, conversion, and human rights abuses in its operations, supply chains, and financial investments. Reports include information on:

- exposure and risk related to deforestation, conversion, and human rights abuses;
- company policies, management systems, and implementation actions;
- supply chain traceability and control; and
- performance and outcomes at the supply-base level, including levels of compliance with policies and commitments.

12.2 These regular public reports use appropriate metrics and indicators aligned with credible reporting methodologies and common definitions. Reports specify monitoring methodologies, data sources, and whether and how the information has been verified. Reports are made freely available in formats and languages that are accessible to stakeholders. The company provides opportunities for public comment on reported information.

12.3 In addition to regular public reports on environmental and social performance, the company publicly discloses information on its suppliers and supply origins, including the nature and status of non-compliances and grievances. The nature of this information is appropriate to the context and the company’s role in the supply chain, as further elaborated in Section 3 of the Operational Guidance on Reporting, Disclosure, and Claims.

12.4 Communications about progress or performance are substantiated by public reporting on implementation actions and outcomes. Claims regarding the achievement of specific outcomes or performance thresholds (eg, no-deforestation or no child labour) are substantiated by verification consistent with Core Principle 11.

Additional detail related to Core Principle 12 is available in the following Operational Guidance:

- Reporting, Disclosure, and Claims