

STATEMENT OF PRINCIPLES AND RECOMMENDED PRACTICES FOR SUSTAINABLE AND EQUITABLE FOOD PRODUCTION



INTERFAITH
CENTER ON
CORPORATE
RESPONSIBILITY

About these Principles

These principles are an articulation of our positions on corporate responsibility regarding access to food, along with our recommended best practices. We welcome affirmation of these principles and practices by all stakeholders.

Interfaith Center on Corporate Responsibility
Working Group on Food
November, 2012



ABOUT ICCR

Currently celebrating its 41st year, ICCR is the pioneer coalition of active shareholders who view the management of their investments as a catalyst for change. Its 300 member organizations with over \$100 billion in assets have an enduring record of corporate engagement that has demonstrated influence on policies promoting justice and sustainability in the world.

475 Riverside Drive, Suite 1842
New York, NY 10115
(212) 870-2295
www.iccr.org

“And God said, “Behold, I have given you every plant yielding seed that is on the face of all the earth, and every tree with seed in its fruit. You shall have them for food.”

Genesis 1:29

“How can we remain silent when even food has become the object of speculation or is linked to a market that, without any regulation and deprived of moral principles, appears linked solely to an objective of profit?”

Pope Benedict XVI, 2011

“The right to adequate food is realized when every man, woman and child, alone and in community with others, has physical and economic access at all times to adequate food or means for its procurement.”

Committee on Economic, Social and Cultural Rights in its General Comment 12 of 1999

“Without sustenance, there is no Torah. Without Torah, there is no sustenance.”

Pirke Avot 3:21

“When one’s food is pure, one’s body becomes pure.”

Chandogya Upanishad 7.26.2

“The Great Spirit is in all things, he is in the air we breathe. The Great Spirit is our Father, but the Earth is our Mother. She nourishes us. That which we put into the ground she returns to us.”

Big Thunder (Bedagi) Wabanaki Algonquin

“He who eats his fill while his neighbor goes without food is not a true believer.”

The Prophet Muhammad

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The Bread of Life

Food has always played a central role in the world's cultures and faith traditions. In religious life the spiritual dimensions of food are manifest in rituals such as food offerings, sharing, fasts, taboos and dietary practices. Examples of the sacredness of food from the world's major religions are the Christian sharing of the Eucharist in Holy Communion, the month-long Muslim fast of Ramadan, Jewish Passover and Kosher practices and Prasad offerings in the Hindu faith. The cultural dimensions of food are embodied in the harvest festivals, thanksgiving feasts and countless food ceremonies and traditions that mark rites of passage and milestones for people across the globe.

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The Current Food Crisis

There is an urgent need for a food system that will sustain the world's people both now and for future generations. It is widely cited that agricultural production will need to increase 70% to feed the global population of 9 billion expected by 2050. Moreover, as a result of unfair trade, production and distribution practices, today's food system fails to provide equitable access to nutrition for nearly one in seven people. Increased demand for biofuels and speculative investments in land are artificially inflating the price of vital natural resources and concentrating them in the hands of multinational corporations and hedge funds. The global economic crisis has driven millions around the world into poverty.

We see evidence of the unrest caused by rising food prices in land and water conflicts that are surfacing with increased regularity not only in developing countries, but in wealthier countries long thought immune to the threat of food insecurity. The situation is exacerbated by the impact of climate change, which has produced increased flooding, more frequent and enduring droughts and pollution. How businesses respond to these growing pressures on our world's food supply will determine whether hunger and poverty are eradicated or soar to new heights.

Corporate and Investor Impact on Global Food Systems

Given the fragility of the current food system, it is incumbent on all companies in the food supply chain (producers, processors and distributors) as well as investors, to ensure that their policies and practices do not further contribute to the growing crisis but instead advance innovative solutions that will help create a more sustainable food system.

"Agroecology" or sustainable production that minimizes environmental and social impacts will preserve both the planet's resources and the loyalty of consumers who are increasingly demanding sustainably produced foods.

a) Sustainability:

The industrialization of agriculture, intended to help feed the earth's growing population, has had unintended environmental and social consequences. Food operations powered by fossil fuels to produce and ship foods around the world, the overuse of artificial fertilizers and pesticides and the enormous quantities of animal waste and other "externalities" are fouling the soil, air and water. Food-related companies that commit to "agroecology" or sustainable production that minimizes environmental and social impacts will preserve both the planet's resources and the loyalty of consumers who are increasingly demanding sustainably produced foods.

b) Food Safety:

For the past two decades there has been mounting public concern around the potential risks to human health from genetically modified organisms (GMOs) and food animals raised with the routine use of antibiotics. Investors and companies should take measures to protect health based on the precautionary principle while seeking more complete scientific data and research. That is, until such time as they are proven safe, both GMOs and the non-therapeutic use of antibiotics in animal agriculture should be avoided. Moreover, to avoid liability companies should support comprehensive labeling of ingredients, enforce product traceability from conception to consumption, ensure the responsible and judicious use of antibiotics, and monitor food safety risks throughout all stages of food processing.

c) Labor:

Integral to the sustainability of our food system is the health and prosperity of its workforce, yet the agricultural and food production sectors have a long history of egregious human rights violations. This includes human trafficking and modern day slavery and the denial of collective bargaining rights. Failure to adequately support employees in these sectors may lower worker productivity and result in labor strikes or work stoppages that adversely impact business. Companies that guarantee employees a living wage and respect internationally recognized workers' rights to freedom of association and collective bargaining will benefit from reduced turnover and increased productivity.





“Ensuring the right to food requires the possibility either to feed oneself directly from productive land or other natural resources, or to purchase food. This implies ensuring that food is available, accessible and adequate. Availability relates to there being sufficient food on the market to meet the needs. Accessibility requires both physical and economic access: physical accessibility means that food should be accessible to all people, including the physically vulnerable such as children, older persons or persons with disabilities; economic accessibility means that food must be affordable without compromising other basic needs such as education fees, medical care or housing. Adequacy requires that food satisfy dietary needs (factoring a person’s age, living conditions, health, occupation, sex, etc), be safe for human consumption, free of adverse substances and culturally acceptable. Participation of food-insecure groups in the design and implementation of the policies that most affect them is also a key dimension of the right to food.”

Special Rapporteur Olivier de Schutter - “Agroecology and the Right to Food”

http://www.srfood.org/images/stories/pdf/officialreports/20110308_a-hrc-16-49_agroecology_en.pdf

Companies should develop access to nutrition strategies that will address both global hunger (often referred to as under-nutrition) and the growing obesity epidemic, particularly childhood obesity.

d) Access to Nutrition and the Obesity Epidemic:

Consumers, and public health and government officials are increasingly alarmed about the public health risks associated with obesity which is particularly acute in emerging markets and, increasingly, among young people. All parties are calling for dietary guidelines that encourage reduced consumption of overly processed foods and foods high in calories, fat, sugar and sodium. Further, the introduction of new taxes in many developed markets on sugar-sweetened beverages and new regulations on the marketing, labeling, and packaging of food are forcing companies to re-assess their product portfolios. Companies that offer healthy, nutrient rich foods will avoid the inevitable reputational, regulatory and litigation risks associated with “junk foods”. Moreover, as consumer demand builds for healthier alternatives and growth in these segments continues to outpace the category, long-term investors will be attracted to those companies best able to capitalize on these emerging market trends.

e) Market Speculation:

As the planet’s natural resources grow scarcer, wealthier grain-importing nations and multinational food and agricultural companies are buying huge tracts of land overseas to grow food for their constituents back home. Moreover, institutional and private investors looking for safer returns in today’s precarious markets are hedging with food commodities causing even further price volatility with the potential to place millions at risk of famine. Judicious investments in commodities markets and land will ensure that already food-insecure communities aren’t further imperiled by speculative economic activity.

These are just a few of the issues companies and investors need to consider as they work to ameliorate the current food crisis and to build a sustainable food system that ensures the human right to food for generations to come.



Principles and Recommended Practices

1. **Sustainability:** Respect the universal right to healthy, nutritious and safe food with food production that is environmentally and socially sustainable and that will safeguard our planet's resources for future generations.

Recommended Practices:

- Respect and protect the human right to food and water in all operations including business planning, public policy positions/support and public-private partnerships.
- Conduct regular impact assessments of the food security implications of company land and water use along the value chain.
- Formalize policies regarding land and water use in relation to marginalized rural communities and the potential impacts to their food security.
- Minimize, monitor, and measure water consumption, wastewater discharges and impacts on groundwater in all business operations and supply chains.
- Participate in disclosure initiatives (for example: Carbon Disclosure Project; CDP Water Disclosure, Forest Footprint Disclosure, Roundtable on Sustainable Palm Oil, etc.).
- Implement animal welfare guidelines that support humane conditions and avoid close confinement and large-scale, geographically-intensive livestock operations.
- Increase farmers' preparedness and resilience in the face of more frequent and extreme weather events by assessing risk and vulnerability and developing and sharing strategies for more efficient use of natural resources.

2. **Food Safety:** Protect consumers' right to safe food.

Recommended Practices:

- Develop internal controls for food safety, monitor food safety risks throughout all stages of food production and processing; facilitate a dialogue involving workers, growers and purchasers around how to improve production processes to reduce risks.
- Minimize, monitor, and measure use of herbicides/pesticides.
- Develop internal controls related to potential adverse impacts on public health (particularly, unknown allergenic effects) and the environment from genetically modified organisms (GMOs).
- Implement animal raising practices that do not require routine administration of antibiotics to prevent and control disease, particularly antimicrobial resistance.



- Respect consumers “right to know” with clear labeling on food ingredients and nutritional information.

3. **Labor:** Respect and protect workers’ rights throughout the food supply chain.

Recommended Practices:

- Adopt a policy on human rights and labor in accordance with the United Nations Guiding Principles on Business and Human Rights and the International Labor Organization’s Declaration on the Fundamental Principles and Rights at Work with accessible, confidential grievance mechanisms available to workers.
- Adopt, implement and verify a code of conduct that guarantees workers the right to a living wage and the right to organize and bargain collectively, and protects against retaliation for organizing.
- Address the health and safety risks facing workers in the food supply chain.
- Implement measures to prevent labor recruiters from trafficking workers into slavery.
- Support anti-discrimination policies (gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin) and protect migrant workers.
- Participate in multi-stakeholder initiatives and global partnerships to address and prevent entrenched labor issues such as child labor and forced labor.
- Bridge the gap between corporate responsibility and human resources and integrate ethics into supply chain management.
- Incentivize compliant suppliers with more favorable contracts and terms.

4. **Access to Nutrition and Obesity:** Develop access to nutrition strategies that will address both global hunger (often referred to as under-nutrition) and the growing obesity epidemic, particularly childhood obesity.

Recommended Practices:

- Implement product development and reformulation, pricing and distribution strategies that recognize specific regional and community needs.
- Ensure all marketing programs, particularly those targeting children, support responsible nutrition and, at minimum, adhere to WHO Recommendations for Marketing Food to Children.
- Be transparent in public reporting of nutrition policies, practices and performance on an ongoing basis integrating a clear narrative about how addressing nutrition issues is benefitting business and consumers.

- Participate in the Access to Nutrition Index (ATNI) www.accesstonutrition.org.
- Be transparent about how the company's nutrition strategy integrates the dual burden of under-nutrition and obesity in key emerging markets.

5. **Responsible Investment:** Support impact investing in food-producing solutions that help mitigate the risk of famine and build sustainable food systems.

Recommended Practices:

- Limit speculative investments in food commodities markets.
- Implement a moratorium on large-scale foreign land purchases.
- Support investments in sustainable farming/production.
- Invest in the productivity, resilience and sustainability of small-scale producers, particularly women, who produce much of the world's food.

We call upon companies, investor organizations, faith-based communities, and organizations working on food security to publicly endorse these principles and to fully implement these recommended practices in their operations and investment guidelines. Further, we expect companies and investors to publicly support government policies that are consistent with these principles and practices.

