



Reference framework for development partnerships in the agri-food sector

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Introduction

With its ONE WORLD – No Hunger initiative, the German Federal Ministry for Economic Cooperation and Development (BMZ) has made the fight against hunger and malnutrition one of its key concerns. The special initiative is aimed at overcoming hunger and malnutrition. At the same time, it is crucial to work together with developing countries to create conditions that will allow future generations of a growing global population to properly feed themselves.

This can only be achieved if all players in society, including the private sector, are involved in the efforts. The need for investment in a sustainable agricultural and food industry that will meet the needs of the future is such that it cannot be met through public funds alone. That is why BMZ is also using its funds to leverage private funds for investment. This is subject to the condition that these investments contribute to furthering the development objectives of environmental sustainability, food and nutrition security and poverty reduction. Resource-efficient and climate-friendly farming methods that contribute to fighting hunger and malnutrition have a key role to play in the agricultural sector ([BMZ Strategy Paper on Promoting Sustainable Agriculture, 2013](#) in German). The German Government gears its development work to the Sustainable Development Goals (SDGs) of the 2030 [Agenda](#), the [Paris Declaration on Aid Effectiveness](#), the [G20 Climate and Energy Action Plan for Growth](#) and the international human rights instruments of the United Nations ([BMZ Strategy Paper on Human Rights in German Development Policy, 2011](#)), and seeks to systematically mainstream human rights in German development policy ([BMZ Guidelines on Incorporating Human Rights Standards and Principles, 2013](#)), for instance, by means of the [National Action Plan on Business and Human Rights](#).

The following document provides a reference framework for all projects supported by BMZ undertaken in the format of (integrated) development partnerships with the private sector focusing on agriculture and/or the food sector. The criteria defined below complement the applicable internationally agreed standards as well as the rules, regulations and safeguards of our German implementing agencies [GIZ](#), [DEG](#) and [sequa](#). All of their relevant rules and regulations are binding for projects carried out under this framework.

As part of cooperation with the private sector in agriculture, BMZ supports projects that contribute to the achievement of the SDGs and to the goals of food and nutrition security and poverty reduction either through an increase in income and employment of the rural poor, an increased availability of staple food on the local market or improved management of natural resources. International environmental and social guidelines, such as the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests ([VGGT](#)) and the Principles for Responsible Investment in Agriculture and Food Systems ([RAI Principles](#)), and human rights, such as those set out in the [UN Guiding Principles on Business and Human Rights](#) and the German [National Action Plan on Business and Human Rights \(2016\)](#), must be observed for activities in the agricultural sector. BMZ is committed to ensuring that all investments supported using official development assistance (ODA), hence also all projects under this framework, comply with these guidelines and binding international standards, and that the rules and regulations of its implementing agencies are consistent with these guidelines and standards.

Technical reference framework for development partnerships in the agri-food sector

The following technical reference framework must be observed if the following topics are addressed in projects run in cooperation with the private sector in the agri-food sector:

1. Sustainable production and processing

Support will only be provided for projects that are ecologically, socially and economically sustainable and adopt a human rights-based approach. The sustainable management of natural resources is promoted, especially via the application of sustainable agricultural practices, which keeps water and soil pollution to a minimum and aims to maintain or even improve soil fertility.

2. Food and nutrition security

Projects contribute to local food and nutrition security and promote the production and consumption of healthy and nutritious foods. Projects which adversely affect food security cannot be supported.

3. Food safety and consumer protection

Foodstuffs used and produced are safe and comply with international and national standards. Agricultural products and food processing procedures comply with internationally

accepted food safety standards ([Codex Alimentarius](#)). Good agricultural manufacturing and hygiene practices are followed.

4. Empowerment of farmers and their organisations

Projects enable farmers and their organisations to make their own, independent decisions in regard to their agricultural production techniques as well as with regard to food consumption. Projects recognise the relevance of gender aspects and fully integrate them into planning and implementation processes with a view to recognising and strengthening the key role of women in the growing, manufacture and processing of food.

5. Workers' rights

Projects support and fully respect International Labour Organization (ILO) core labour standards, including freedom of association, the right to collective bargaining, the elimination of forced and compulsory labour, the abolition of child labour and the elimination of discrimination in the workplace.

6. Freedom of choice

Farmers involved in projects have freedom of choice with regard to the selection of inputs for agricultural production, e.g. fertilisers, seeds, etc. Project partners advise farmers in a fair and transparent manner and do not give recommendations that are limited to the use of their own products.

7. Use and protection of genetic resources/Access to improved crop varieties

Projects which aim to improve access for smallholder farmers to improved crop varieties ensure that conditions are in place so that farmers can benefit from the use of these varieties. All activities consider the conservation and sustainable use of genetic resources for food and agriculture. Project activities acknowledge the important role of benefit sharing and the right to the preservation of traditional knowledge (especially that of indigenous peoples). Projects respect the right of smallholder farmers to on-farm/non-commercial seed reproduction, storage, use, exchange and sale, and, if appropriate, protection of intellectual property.

Hybrid seeds should only be used if they are an integral part of an agricultural management system which meets the needs of the farmers and which is adapted to the local environment. Projects which use hybrid seeds have to ensure that smallholder farmers in particular are aware that hybrid seeds are not suitable for traditional systems of on-farm seed reproduction. Projects do not promote the use of genetically modified seeds.

8. Agrochemical products

Projects promote the adoption of sustainable crop protection strategies which follow the principles of integrated pest management (IPM). Project partners commit to follow the FAO/WHO [International Code of Conduct on Pesticide Management](#) and, as a minimum standard, [IFC Performance Standard 3](#) concerning pesticide use and management, taking account of national recommendations and research results. For the procurement of pesticides, the rules and regulations of the German implementing agencies apply.

9. Fertilisers

Fertilisers are promoted and applied under consideration of the local climate and soil conditions and specific needs for agricultural crops to reach a balanced nutrient management system, aimed at maintaining long-term soil fertility. Organic fertilisers and methods of nutrient recycling are preferred options (where applicable and economically feasible).

10. Climate change challenges

Projects support the adoption of climate change adaptation measures. Innovative methods and practices that reduce greenhouse gas emissions in agricultural production and food processing are promoted.

11. Human rights

Participating companies are expected to observe corporate due diligence in respecting human rights in accordance with the UN Guiding Principles on Business and Human Rights. To this end, it is recommended that they establish a human rights risk management system in accordance with the [OECD Due Diligence Guidance](#). The respective duties of human rights due diligence should be arranged and implemented (in regard to company size, sector, operational environment in a supply or value chain with international connections) in a manner that sees them properly integrated into existing company processes without creating an excessive bureaucratic burden.