***Insert Company Name***

Delete this box and insert company logo

**Supply Chain Management Plan**

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2. *Insert company name where indicated (“[insert company name]”)*
3. *Consider the guidance / follow the instructions given in the instruction boxes*
4. *Delete the instruction boxes throughout when the document is completed, including this box*
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|  |
| --- |
| *Instruction Box – Delete when complete*General Instructions for Customisation and Compliance |
| This document provides a template, with instructions, from which your company can develop a supply chain management plan (SCMP). ASCMP should be developed and implemented to serve as a process for integrating environmental and social (E&S) considerations in the procurement of goods and services (namely sustainable procurement). Sustainable procurement practices will allow your company to procure goods and services in a way that achieves value for money while generating benefits to society, the environment and the economy and reducing E&S risks in the supply chain.Examples of some of the most significant E&S risks in the supply chain for agro-commodities include:* Child labour, e.g. work that deprives children of their childhood their potential and their dignity, and that is harmful to their physical and mental development;
* Forced labour, which according to the International Labour Organisation (ILO) Forced Labour Convention, 1930 (No. 29), is defined as "all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily. For example, this can include supply chain workers forced to work long hours, supply chain workers exposed to harmful activities (such as working with machines and machetes), and extenuating jobs;
* Significant safety issues related to supply chain workers, e.g. exposure to hazardous agrochemicals, crushing and use of unsafe equipment, noise, heavy loads, extreme temperatures, road incidents, and limited access to personal protective equipment (PPE); and Significant conversion of critical and/or natural habitat.

The SCMP shall be designed to ensure materials and agro-commodities are sourced from suppliers in accordance with local laws and regulations and international standards, such as the International Finance Corporations (IFC) Performance Standards (PS) (2012). There is no fixed format for a SCMP, and companies should determine the most appropriate format according to the nature of their supply chain and the risks identified. It is important to assign clear internal responsibilities and procedures for monitoring, updating, and implementing the SCMP.There are two essential factors that together can be used to assess the risks in an agro-commodity supply chain:* Commodity-level risk factors: Some commodities are more likely to carry negative E&S risks than others, because of the type of cultivation and harvesting or the type of land on which farms and plantations are typically established, for example. They may be associated with specific countries where known impacts occur. It may also be that the stakeholder profile (e.g., consumer demands, campaigns by nongovernmental organizations (NGOs)) has drawn attention to these risks.
* Country-level risk factors: Some countries have a higher risk of negative E&S impacts, for reasons such as weak E&S regulations and legislation and their respective enforcement, social incentives and risks in-country (e.g., deforestation, human rights, corruption), and the profile and structure of the supply base (large estates, smallholders, etc.).
* Additional risk factors that companies should consider are the volumes they purchase, complexity of the supply chain, degree of information sharing in the supply chain and the extent of E&S risk management in the supply chain.

Tools such as the IFC's Global Map of Environmental and Social Risks in Agro-Commodity Production (GMAP)[[1]](#footnote-2) can be used to assist in identifying the levels of risk associated with the various agribusiness activities specific to your Company.Suppliers with certifications according to recognized standards (Global GAP, FairTrade, etc.) should be favoured.Key components under the SCMP are:* Evaluation and selection of suppliers – Provides details on the pre-qualification and supplier selection process and requirements, particularly for labour management such as procedures in place, past litigation, and health and safety risks;
* Monitoring and reporting – Periodic monitoring and checking of suppliers’ E&S performance and reporting as required; and
* Training – Minimum training and awareness requirements to ensure effective implementation of the SCMP.

It is recognised at the time of development and implementation of your Company’s SCMP there will be existing ongoing contracts, as such the retrospective application of the IFC Performance Standard 2’s requirements on supply chain may not be possible. Existing requirements, including compliance with host-country Applicable Law will be enforced which will likely manage a number of key risks. However, for new contracts there will be requirements inserted in these to align with the requirements of the SCMP. Below is a list of useful resources to consider when drafting your environmental or H&S management procedure:* [Assessing and Managing Environmental and Social Risks in an Agro-Commodity Supply Chain (2013)](https://www.ifc.org/en/insights-reports/2013/publications-handbook-agrosupplychains)
* [Organisation for Economic Co-operation and Development- guidelines for supply chain due diligence](https://mneguidelines.oecd.org/rbc-agriculture-supply-chains.htm)
* [IFC Performance Standards on E&S Sustainability (2012)](https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standards-en.pdf)
* [IFC General Environmental, Health and Safety (EHS) Guidelines (2007)](https://www.ifc.org/content/dam/ifc/doc/2000/2007-general-ehs-guidelines-en.pdf)
* [IFC EHS Guidelines for Annual Crop Production (2016)](https://www.ifc.org/content/dam/ifc/doc/mgrt/annual-crop-production-ehs-guidelines-2016-final.pdf)
* [IFC EHS Guidelines for Food and Beverage Processing (2016)](https://www.ifc.org/content/dam/ifc/doc/2010/2016-annual-crop-production-ehs-guidelines-en.pdf)
* [IFC EHS Guidelines for Perennial Crop Production (2015)](https://www.ifc.org/content/dam/ifc/doc/mgrt/final-perennial-crop-production-november-2015.pdf)
* [IFC ESMS Toolkit and Case Studies – Crop Production](https://documents1.worldbank.org/curated/en/414331491570397072/pdf/114083-WP-IFC-ESMS-Toolkit-Crop-Production-PUBLIC.pdf)
* [IFC ESMS Implementation Handbook – General (2015)](https://www.ifc.org/content/dam/ifc/doc/mgrt/esms-handbook-general-v21.pdf)
* [ESMS Self-Assessment and Improvement Guide](https://www.ifc.org/content/dam/ifc/doc/2010/esms-self-assessment-en.xlsx)
* [BII Sector Profiles](file:///C%3A/Users/Liaan.Van-der-Spuy/Downloads/%E2%80%A2%09British%20International%20Investment%20%28BII%29%20%E2%80%93%20Fund%20E%26S%20Management%20Systems) including [Agriculture and Aquaculture](https://toolkit.bii.co.uk/sector-profiles/agriculture-and-aquaculture/), [Food and Beverages](https://toolkit.bii.co.uk/sector-profiles/food-and-beverages/) and [Forestry and Plantations](https://toolkit.bii.co.uk/sector-profiles/forestry-and-plantations/)
 |

# Purpose and Scope

|  |
| --- |
| *Instruction Box – Delete when complete** *Describe the purpose of the SCMP, is to provide a process for integrating environmental and social (E&S) considerations in the procurement of goods and services to allow your company to procure goods and services in a way that achieves value for money while generating benefits to society, the environment and the economy and reducing supply chain risks.*
* *Insert text indicating the extent of the application of the SCMP. For example, “This SCMP applies to all suppliers and contractors engaged by [insert company name] for goods and services, including raw materials, equipment, maintenance, and other operational needs”.*
 |

*[Company X insert text below]*

xxx

# Objectives

|  |
| --- |
| *Instruction Box – Delete when complete** *Define the objectives of the SCMP and what it aims to achieve.*
* *For example, you could state the following:*
	+ *To establish a clear framework for the selection, evaluation, and management of suppliers and contractors, including measures for mitigating E&S risks and impacts identified in the supply chain;*
	+ *To ensure suppliers and contractors meet the company's standards for quality, reliability, and ethical conduct; and*
	+ *To promote sustainable and environmentally friendly practices.*
 |

*[Company X insert text below]*

xxx

# Legal and International Requirements

## National Laws and Regulations

|  |
| --- |
| *Instruction Box – Delete when complete** *Review country and local legislation relating to human rights, forced labour, child labour, non-discrimination, OHS in the workplace, etc. and incorporate as may be required into this section.*
 |

The Plan has been developed to conform to the following national laws and regulations:

* *[List all relevant national laws and regulations]*

## International Standards and Guidelines

|  |
| --- |
| *Instruction Box – Delete when complete** *List all relevant international standards and guidelines relating to human rights, forced labour, child labour, non-discrimination, OHS in the workplace, etc. and delete any below that are not applicable.*
 |

The Plan has been developed to conform to the following international standards and guidelines:

* International Finance Corporations (IFC) Performance Standards (PS) (2012). The most salient PS related to supply chain management is listed below:
	+ Performance Standard 2 – Where there is a high risk of child labour or forced labour in the primary supply chain, the client will identify those risks and if child labour or forced labour cases are identified, the client will take appropriate steps to remedy them. The client will monitor its primary supply chain on an ongoing basis in order to identify any significant changes in its supply chain and if new risks or incidents of child and/or forced labour are identified, the client will take appropriate steps to remedy them. Additionally, where there is a high risk of significant safety issues related to supply chain workers, the client will introduce procedures and mitigation measures to ensure that primary suppliers within the supply chain are taking steps to prevent or to correct life-threatening situations. The ability of the client to fully address these risks will depend upon the client’s level of management control or influence over its primary suppliers. Where remedy is not possible, the client will shift the project’s primary supply chain over time to suppliers that can demonstrate that they are complying with this Performance Standard.
	+ Performance Standard 6 – While PS6 does not specifically focus on supply chains in the same way it focuses on direct project activities, its principles can be applied to supply chain management. Specifically, companies are encouraged to ensure that their supply chains respect biodiversity, contribute to sustainable resource management, and avoid activities that harm ecosystems or lead to the unsustainable use of natural resources.
* IFC General Environmental, Health and Safety (EHS) Guidelines (2007);
* International Labour Organisation (ILO) Core Conventions on Forced Labour, Child Labour, Discrimination, Basic Terms and Conditions of Employment and Working Hours;
* United Nations (UN) Guiding Principles on Business and Human Rights;
* UN Women’s Empowerment Principles;
* ISO 9001:2015 – Quality Management System;
* Ethical Trading Initiative (ETI) Base Code; and
* International Bill of Human Rights.

# Other Relevant References

|  |
| --- |
| *Instruction Box – Delete when complete** *List all relevant documents which are referred to in this document and / or which supported the drafting of this document.*
* *Modify/delete/add to the list as required.*
 |

This SCMP should be read together with the following documents:

* [insert company name] Supply Chain Policy;
* [insert company name] xxx Procedure; and
* etc

# Definitions

|  |
| --- |
| *Instruction Box – Delete when complete** *Include a list of definitions of terms used in this SCMP.*
 |

| **Term** | **Definition** |
| --- | --- |
| Supplier | A person or organization that provides something needed such as a product or service |
| Supply Chain | The network of all the individuals, organizations, resources, activities and technology involved in the creation and sale of a product. A supply chain encompasses everything from the delivery of source materials from the supplier to the manufacturer through to its eventual delivery to the end user |
| Supply Chain Mapping | The process of documenting (“mapping”) information across companies, suppliers, and individuals who are involved in the company’s supply chain in order to offer visibility, identify areas for improvement or efficiency, reduce the risk of interruption, and remain competitive. |

# Abbreviations and Acronyms

|  |
| --- |
| *Instruction Box – Delete when complete** *Include a list of abbreviations and acronyms which are referred to in this SCMP.*
 |

|  |  |
| --- | --- |
| **Abbreviations and Acronyms** | **Definition** |
| EHS | Environmental, health and safety |
| E&S | Environmental and social |
| ESG | Environmental, social and governance |
| IFC | International Finance Corporation |
| ILO | International Labour Organisation |
| PS | Performance Standard |
| UN | United Nations |

# Supply Chain Management Process

## Supply Chain Mapping and Classification

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *Instruction Box – Delete when complete** *Describe the process for gathering and documenting information on your supply chain, for example, supplier name, supplier location, products supplied, initial contract start date, contract end date, and value of contract (refer to* ***Annex A*** *for a* ***Supply Chain Mapping – Database template****). Supply Chain Mapping can be a visual diagram, a written description or both. The most common way of gathering this information is through a questionnaire (refer to* ***Annex B***  *for a* ***Supply Chain Mapping – information request template****).*
* *Describe the process for classifying your primary suppliers (“direct” or “Tier 1” suppliers). First tier suppliers should be mapped based on the impact on the company’s activities, classified as major, moderate or minor as follows:*
	+ *Major: 15% or more of company spend;*
	+ *Moderate: 5% up to 15% of company spend; and*
	+ *Minor: <5% of company spend.*

*While 1st tier suppliers will be prioritised, where 2nd Tier Suppliers (i.e. those that supply goods or services 1st tier) are known to be a major supplier to the 1st tier, the 2nd tier supplier may on discretion be assessed for E&S risks that could have an impact on your company.** *The priority and level of assessment conducted should be aligned to the supplier classification. Below is an example*

|  |  |  |
| --- | --- | --- |
| Classification | Level of Assessment | Frequency |
| Major first tier suppliersModerate First tier suppliers that have been identified to be of high risk  | Detailed AssessmentConducted by desktop, interviews and/or site visits | 3 years |
| Moderate first tier suppliers | Desktop Screening | 5 years |
| Minor first tier suppliers | No assessment required, but can be included in the programme at the Company’s discretion. | - |

 |

*[Company X insert text below]*

xxx

## Risk Assessments

|  |
| --- |
| *Procedure Guidance – Delete when complete** *Describe the process for assessing the E&S management and performance aspects of each supplier. As a minimum, the risk assessment process should obtain information on the following:*
	+ *EHS and social management systems;*
	+ *EHS and social policies;*
	+ *EHS and social procedures and programmes;*
	+ *Labour / HR policies;*
	+ *EHS and social performance;*
	+ *Incident and Injury records;*
	+ *Legal violations;*
	+ *Biodiversity impacts;*
	+ *Permits and licences;*
	+ *Training programmes;*
	+ *Product or company certifications (e.g. ISO 14001 and ISO 45001 certification); and*
	+ *Members of or involvement in trade or sector organisations e.g. ICMM member, UN Global Compact)*
* *Describe the approach for assessing supply chain risks with your moderate suppliers. For example, 1) Conduct screening of public media sources, as well as review of company website for E&S polices and reports and 2) if the potential for high risks are identified, submit a Supplier Questionnaire to gain clarification, and if needed conduct remote interviews or site visits as per detailed assessment*
* *Describe the approach for assessing supply chain risks with respect to your major suppliers. For example, 1) conduct screening of public media sources, as well as review of company website for E&S polices and reports, 2) submit a Supplier Questionnaire to obtain information on E&S management practices and performance and 3) conduct in depth remote interviews and/or site visits to supplier facilities.*
* *Describe the process for conducting site visits, where there is potential for significant E&S risks.*
* *This section should state who is responsible for conducting the assessments, for example, internal or external resources.*
* *Refer to* ***Annex C*** *for* ***Guidance on Conducting Risk Assessments****.*
 |

*[Company X insert text below]*

xxx

## Risk Evaluation and Action

|  |
| --- |
| *Instruction Box – Delete when complete** *Describe appropriate follow-up actions for moderate to significant risks or impacts identified through the risk assessment process, based on the level of risk or impact. For example, this could include the following:*
	+ *Monitor: Periodically audit the supplier. This may include periodic reviews of suppliers' activities, including reviewing incident/accident reports, and E&S performance trends. You may wish to include the following evaluation criteria: quality of goods/services, reliability, responsiveness, and adherence to sustainability practices.*
	+ *Mitigate: Where your company is able to leverage its influence to prevent or mitigate these impacts: engage with the supplier to obtain assurance that suitable action will be taken where areas of significant concern or high risk have been identified. This may include developing corrective action plans for the supplier to address the areas of concern;*
	+ *Terminate: Terminating the relationship with the supplier if the risk or impact is determined to be significant and either:*
		- *Cannot be sufficiently mitigated, or*
		- *Where your company has limited influence on the supplier to implement necessary action.*
* *For new suppliers, after contract award, your company may need to carry out an additional documentation review, particularly in cases where certain documents, such as certifications or systems under development, are pending.*
 |

*[Company X insert text below]*

xxx

## Supplier Contractual Requirements

|  |
| --- |
| *Instruction Box – Delete when complete** *Describe the types of contractual E&S clauses that should be included in your company’s supplier contracts. The E&S clauses should align with your company policies. The following are examples of the types of E&S clauses you may wish to add to your supplier contracts:*
	+ *Positive Covenants: measures or actions to be taken by the supplier;*
	+ *Negative Covenants: actions that the supplier will refrain from undertaking; and*
	+ *Events of Default: An event that entitles your company to cancel a transaction and/or terminate a contract.*
* *Refer to* ***Annex D*** *for* ***Examples of E&S Clauses****.*
 |

*[Company X insert text below]*

xxx

# Training and Awareness

|  |
| --- |
| *Instruction Box – Delete when complete** *Specify training that is provided to employees and contractors on the requirements of the SCMP, including risk mitigation measures.*
 |

*[Company X insert text below]*

xxx

# Review and Continuous Improvement

|  |
| --- |
| *Instruction Box – Delete when complete** *Include measures for regular monitoring of the effectiveness of the SCMP.*
* *State the frequency of the review and update of the SCMP to ensure that it reflects and caters for any emerging supply chain risk and human rights issues and/or that it aligns with changes in regulations.*
 |

*[Company X insert text below]*

xxx

# Roles and Responsibilities

|  |
| --- |
| *Instruction Box – Delete when complete** *Provide the names and positions of the personnel that are responsible for different aspects of SCMP in your company.*
* *Give a brief description of the roles and responsibilities of each identified person.*
 |

The key roles and responsibilities for the implementation of this Plan are described in **Table 10‑1**.

**Table 10‑1: Key Roles and Responsibilities**

| **Role** | **Responsibility** |
| --- | --- |
| **Head of Procurement** | * The Head of Procurement has overall responsibility for ensuring this procedure is applied for each project. Specific tasks, such as arranging for supply chain questionnaires to be conducted by prospective suppliers, conducting public media screenings of prospective suppliers, etc. may be delegated to an appropriately trained and competent person within [insert company name] (e.g., procurement team members) or to an external service provider.
* The specific responsibilities include:
* Ensuring the implementation of this Procedure;
* Communicating this procedure to the relevant stakeholders;
* Conducting public media screenings of prospective suppliers;
* Administering supply chain questionnaires to prospective suppliers; and
* In conjunction with relevant management and legal counsel, develop clauses for supplier contracts relating to supply chain risk.
 |
| **Environmental, Social and Governance (ESG) Manager / Sustainability Manager** | * The [Environmental, Social and Governance (ESG) Manager / Sustainability Manager] has the overall responsibility for ensuring the integration of ESG considerations within the supply chain management process of [insert company name].
* The specific responsibilities include:
* Supporting the Head of Procurement in conducting supply chain assessments to assess suppliers performance and reputation, helping to identify potential risks and opportunities, and reporting to top management on supply chain risks.
* In collaboration with procurement, making determinations on corrective actions for suppliers or, when necessary, amending the contracts with additional E&S clauses, or recommending the termination of contracts with suppliers not meeting ESG standards;
* Collaborating with procurement legal counsel to develop contractual clauses for supplier contracts that address supply chain risk, ensuring that ESG considerations are integrated into any new supplier agreements; and
* Organizing and facilitating training sessions on supply chain risk management for relevant employees as appropriate, promoting awareness, and building capacity within the organization to manage ESG-related issues effectively.
 |

# Annex A: Examples of Potential Risks Associated with Supple Chains

|  |  |
| --- | --- |
| **Risk Category** | **Risks and Potential Impacts** |
| Environment  | * Loss of biodiversity due to land preparation
* Sourcing of raw materials, such as timber, palm oil, soy, paper, or minerals, can lead to deforestation and the destruction of critical habitats
* Supply chains that rely on fossil fuels, deforestation, or industrial agriculture contribute to climate change, which can alter ecosystems and the species that depend on them.
* Impacts and/or conflicts on water resources (irrigation system, water storage infrastructure)
* Genetically modified organisms
* Pollution from pesticides or other chemicals
* Deforestation and soil erosion, loss of fertility for land preparation
* Supply chains involving the transportation of goods and materials (e.g., live plants, animals, wood products, ballast water from ships) can inadvertently introduce non-native species into new environment.
 |
| Occupational Health and Safety  | * History of work-related injury or death
* Excessive working hours, lack of proper rest periods, or poor shift management practices in the supply chain can lead to worker fatigue, which increases the likelihood of accidents and injuries.
* Health risks associated with pesticide and fertilizer misuse
* The transportation of goods throughout the supply chain can expose workers to occupational hazards, such as road accidents, exposure to dangerous goods, or injury during loading/unloading operations.
 |
| Employment and Working Conditions  | * Wages and working hours (low-skilled and underpaid labour including seasonal work, hiring of migrants, etc.)
* Child labour (especially on smallholder family plantations)
* Discrimination (especially against women)
 |
| Communities’ Health and Safety  | * Population displacement
* Conflicts over land use
* Unrecognized indigenous populations
* Road safety with increased road traffic to transport crops or workforce
 |

# Annex B: Supply Chain Mapping Templates

The table below provides a template that can be used as a starting point for basic supply chain mapping.

**Template 1 – Supply Chain Mapping**

| **Supplier Name** | **Supplier location** | **Products supplied** | **Initial contract start date** | **Contract end date**  | **Value of contract** |
| --- | --- | --- | --- | --- | --- |
| [Xxx] |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

The table below provides a template that can be used to gather additional information from suppliers about their own suppliers and supply chains as part of an enhanced supply chain mapping for specific goods or materials.

**Template 2 – Questionnaire for Enhanced Supply Chain Mapping**

| **Question** | **Answer** |
| --- | --- |
| What are the principal constituent components / raw materials in <Product>? |  |
| Does the supplier track the origin of raw materials and finished goods? How does the supplier ensure transparency in sourcing? |  |
| What is the name and location of the supplier of these components and raw materials? |  |
| Are there any critical or single-source suppliers? If so, what is the risk mitigation plan if there are disruptions with these suppliers? |  |
| Are any parts of the production process for <Product> subcontracted to other suppliers? If so, what are the names and locations of these suppliers? |  |

# Annex C: Guidance on Conducting Risk Assessments including Templates

**A: Screening Assessment**

* Screen public media sources for any E&S risks related to suppliers. Examples of relevant search terms include “human rights”, “child labour”, “forced labour”, “environment”, “accident”, “sexual harassment”, “worker safety”, “corruption”, etc.
* Review company website for E&S policies & commitments, E&S management and performance information, and annual and sustainability reports
* Also include a screening on how the suppliers are managing environmental and social, occupational health and safety, and human rights requirements with their own suppliers to identify 2nd Tier risks.
* Refer to the table below for a template to document the screening of public media sources.

**Template 3 – Questionnaire for Enhanced Supply Chain Mapping**

|  |  |
| --- | --- |
| **Public Media Source Screening** | **Results** |
| Supplier’s information: Name of the supplier: Supplier’s address: Type of products to be supplied: |  |
| **Search #1** Public media source (e.g., internet):  Search criteria (e.g., Google search on [Supplier name + Country name + “human rights]): | E.g., “no hits” or summary of key results |
| **Search #2** |  |
| **Search #3** |  |
| **Search #4** |  |
| **Search #5** |  |
| **Search #6** |  |
| **Search #7** |  |
| **Search #8** |  |
| **Search #9** |  |
| **Search #10** |  |
| **Conclusion** |

**B: Questionnaire**

* Require suppliers to complete a supply chain risk assessment questionnaire. See Annex B for a representative questionnaire (not exhaustive list of topics).
* If the screening of public media sources or the supply chain risk assessment questionnaire identify points that may require further clarification, your company will conduct the necessary activity (e.g., request additional documentation, conduct interviews of relevant supplier management staff, etc.) to obtain the required level of assurance.

**Template 4 – Supply Chain Risk Assessment Questionnaire**

| **Supply Chain Risk Assessment**  | **Yes** | **No** | **N/A** |
| --- | --- | --- | --- |
| Name of company:Company address:Number of permanent staff:Number of temporary/casual staff: |
| Does the company have any formal systems to manage environment and/or health & safety risk? If yes, please provide details.    | **☐** | **☐** | **☐** |
| Does the company have an environmental policy in place?If yes, please provide a copy.    | **☐** | **☐** | **☐** |
| Are biodiversity considerations included in the company’s overall sustainability or environmental policies? If so, how does the company ensure that raw materials (e.g., timber, palm oil, soy, minerals) are sourced sustainably, without harming biodiversity-rich areas?    | **☐** | **☐** | **☐** |
| Does the company have a policy on zero deforestation. If so, how does the company ensure that land use for agriculture, or infrastructure development does not contribute to deforestation or habitat degradation?    | **☐** | **☐** | **☐** |
| Does the company have any formal environmental procedures in place (e.g. management of biohazards/chemical/fuel spills, Greenhouse Gas policies/procedures etc.)? If yes, please provide copies.    | **☐** | **☐** | **☐** |
| Does your company record environmental incidents? If yes, please provide the reporting template and/or evidence of any incidents recorded in the past year.    | **☐** | **☐** | **☐** |
| Does the company have any formal labour / HR policies/procedures in place? If yes, please provide details below. Please provide copies of any labour / HR policies / procedures.    | **☐** | **☐** | **☐** |
| Are there mechanisms in place which will allow local communities, or other stakeholders, to raise any grievances or concerns related to your activities, services or products? | **☐** | **☐** | **☐** |
| Are all personnel (including your suppliers) who provide security and security related services trained on the ethical use of force (i.e. the Voluntary Principles of Human Rights)? | **☐** | **☐** | **☐** |
| Does the company have any processes in place to address the risk of sexual and gender-based violence and harassment (SGBVH) in the workplace?If yes, please provide details below. If the company has a policy/procedure that addresses SGBVH, please provide a copy.    | **☐** | **☐** | **☐** |
| In the past year, has the company had any issues relating to SGBVH? If so, please provide details and how the issue was resolved.    | **☐** | **☐** | **☐** |
| Is the company a member of the United Nations Global Compact? | **☐** | **☐** | **☐** |

**C: Desktop Interviews and/or Site visits.**

* Conduct a detailed interview, and/or site visit to assess the operations to identify and understand the nature of significant E&S risks, the potential consequences and likelihood of the risks; systems and measures in place / to be developed to manage the risks; roles and responsibilities with regards to risk management; and the risk implied by existing and future business relationships.
* An Interview and Site Visit Protocol shall be developed, and a report prepared.

# Annex D: Examples of E&S Clauses

The following examples of E&S Clauses can be added to the Terms and Conditions of your procurement contracts:

|  |  |
| --- | --- |
| Examples of Positive Covenants | Examples of Negative Covenants |
| * The Supplier shall operate its assets and undertake its activities in compliance with the Government of [specify country] and local requirements, and with all international conventions and agreements ratified by the abovementioned Government. In addition, the Supplier is required to consider implementing international guidelines that promote sustainable sourcing and supply (including but not limited to ISO 20400, the IFC Performance Standards, the World Bank EHS Guidelines, the International Labour Organisation’s (ILO’s) Declaration on Fundamental Principles and Rights at Work[[2]](#footnote-3);
* The Supplier is required to respect all internationally recognized human rights, understood as the International Bill of Human Rights[[3]](#footnote-4) and the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW);
* The Supplier is required to respect the United Nations (UN) Guiding Principles on Business and Human Rights, and the UN Women’s Empowerment Principles;
* The Supplier shall comply with all applicable laws, regulations, and international standards concerning biodiversity protection, including but not limited to the Convention on Biological Diversity (CBD) and the UN Sustainable Development Goals (SDGs) related to life on land and water. The Supplier will also ensure that all subcontractors and other third parties involved in the supply chain adhere to these requirements;
* The Supplier commits to ensuring that its operations, including all activities related to the sourcing, production, and transportation of goods under this contract, shall not result in the destruction, degradation, or fragmentation of natural habitats. The Supplier shall take all reasonable measures to avoid harm to biodiversity and shall uphold any applicable national and international laws and regulations related to biodiversity conservation;
* The Supplier is required to provide information related to product origin and composition;
* The Supplier is required to consider developing and making publicly available their environmental and/or sustainability policy; and
* The Supplier is required to demonstrate compliance to industry clean energy and sustainability standards and principles, such as circular economy and cradle to cradle design.
 | * The Supplier will refrain from carrying out any operations in contravention of laws, rules or regulations of the Government of [specify country] and local requirements;
* The Supplier will refrain from contravening international conventions and agreements ratified by the Government of [specify country]; and
* The Supplier will refrain from carrying out any unethical business practices, such as forced labour, child labour, unsafe labour conditions, discriminatory work environment, corruption and bribery, etc;
* The Supplier shall not engage in, support, or facilitate the illegal trade or exploitation of endangered species, whether plant or animal, in violation of national or international conservation laws or regulations. The Supplier shall not source products, raw materials, or goods that are derived from illegal wildlife exploitation or habitats that threaten endangered species; and
* The Supplier shall not use, or allow the use of, harmful chemicals, pesticides, or other substances in its operations, production processes, or the cultivation of raw materials that may lead to the contamination or degradation of ecosystems, soil, water, or air quality. The Supplier shall not use substances that are known to pose a significant risk to biodiversity, including chemicals that are toxic to wildlife or degrade natural habitat.
 |

1. Tool is accessible through this link : [Global Map of Environmental and Social Risks in Agro-Commodity Production (GMAP) (ifc.org)](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/gmap) [↑](#footnote-ref-2)
2. This covers the 8 fundamental conventions identified by the ILO Governing Body and which are: Freedom of Association and Protection of the Right to Organise Convention (1948, No. 87); Right to Organise and Collective Bargaining Convention (1949, No. 98); the Forced Labour Convention (1930, No 29); Abolition of Forced Labour Convention (1957, No. 105); Minimum Age Convention (1973, No. 138); Worst Forms of Child Labour Convention (1999, No. 182); the Equal Remuneration Convention (1951, No. 100); and the Discrimination (Employment and Occupation) Convention (1958, No. 111). [↑](#footnote-ref-3)
3. This consists of the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (ICCPR, 1966), and the International Covenant on Economic, Social and Cultural Rights (ICESCR, 1966). [↑](#footnote-ref-4)