



Inclusive Green Growth Guiding Tool for **SMALL-SCALE PROCESSORS**



TABLE OF CONTENTS

| | |
|--|----|
| SECTION ONE: INTRODUCTION | 3 |
| Purpose | 3 |
| Context and Relevance | 3 |
| Structure..... | 4 |
| Stakeholders' Engagement | 4 |
| SECTION TWO: IMPLEMENTATION | 5 |
| Review of the IGG tool..... | 5 |
| SECTION THREE: CHARACTERISTICS OF SMALL-SCALE PROCESSORS | 6 |
| Requirements for Small Scale Processors | 6 |
| Partner Details | 12 |
| General Information | 12 |
| How to Rate an Investment Using the Tool | 13 |
| Scoring Reference..... | 13 |
| SECTION FOUR: ASSESSMENT GUIDING QUESTIONS | 14 |
| Compliance with Inclusivity Principle (30 points)..... | 15 |
| Labour and Employment Policy | 15 |
| Gender Equality and Non-Discrimination policy..... | 15 |
| Land tenure, Social Linkage and Conflict Management With Local Community | 16 |
| Business Linkages with Local Producers and Suppliers..... | 18 |
| Business Sustainability Principle (30 Points) | 18 |
| Ownership and Management of the Organization/Investments | 18 |
| Operational Procedures..... | 19 |
| Compliance with Financial Laws and Regulations | 20 |
| Certification by Regulatory Authorities | 21 |
| Occupational Health and Safety | 22 |
| Environmental Sustainability Principle (40 points) | 22 |
| Environmental Planning and Management | 22 |
| Cleaner Production and Efficient use of Resources | 23 |
| Waste Management | 24 |
| Climate Adaptation, Mitigation and Nature-Based Solutions..... | 25 |
| ANNEX: FORMS AND SCORING | 27 |
| 1. Comments | 27 |
| 2. Scoring of the Assessment..... | 27 |
| 3. Form to be Filled in for Annual Submission to SAGCOT Centre | 28 |

LIST OF ABBREVIATIONS

| | |
|---------|---|
| ACRP: | Agriculture Climate Resilience Plan |
| AIDS: | Acquired Immunodeficiency Syndrome |
| CSR: | Corporate Social Responsibility |
| EIA: | Environmental Impact Assessment |
| EMA: | Environmental Management Act |
| EMP: | Environmental Management Plan |
| GHG: | Greenhouse Gas |
| GRG: | Green Reference Group |
| HIV: | Human Immunodeficiency Virus |
| IGG: | Inclusive Green Growth |
| IUCN: | International Union for Conservation of Nature |
| NAPA: | National Adaptation Programme of Action |
| NSGRP: | National Strategy for Growth and Reduction of Poverty |
| OSHA: | Occupational Safety and Health Authority |
| PPE: | Personal Protective Equipment |
| SAGCOT: | Southern Agricultural Growth Corridor of Tanzania |
| SCL: | SAGCOT Centre Limited |
| SDGs: | Sustainable Development Goals |
| SE4ALL: | Sustainable Energy for All |
| TBS: | Tanzania Bureau of Standards |
| TMDA: | Tanzania Medicines and Medical Devices Authority |
| TPHPA: | Tanzania Plant Health and Pesticides Authority |
| TNC: | The Nature Conservancy |
| UNFCCC: | United Nations Framework Convention on Climate Change |
| WWF: | World Wide Fund for Nature |

SECTION ONE

Introduction

The Inclusive Green Growth (IGG) tool has been developed as part of the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) initiative, designed to help SAGCOT’s existing and potential investors to better understand, comply with, and adhere to Tanzania national laws and regulation as well as to improve implementation more broadly of sustainable economic, environmental, and social practices. SAGCOT is a public-private partnership initiative with the objective of transforming agriculture in Tanzania’s Southern corridor to enhance food security and ensure improved livelihoods for smallholder farmers and communities in a sustainable manner. IGG is a central operating principle of the SAGCOT Initiative as laid out in SAGCOT’s Green print and within the responsibilities and commitments of its key partnership principles.

Purpose

This document sets out the Inclusive Green Growth (IGG) tool component requirements for **Small-Scale Processors** of the SAGCOT partnership.

Context and Relevance

The IGG tool aims to galvanize economic growth, environmental sustainability and social inclusiveness through commercial agricultural activity, supporting SAGCOT’s strategic objectives and vision. This tool has been formulated with the view to promote responsible investment in a sustainable manner that contributes to food security, supports local communities, reduces conflict, build resilience against climate change, and strengthen networks to address system-level challenges. It is primarily meant to be used as a self-assessment tool.

To ensure consistency and synergies with other processes, the IGG tool is tailored to contribute to the realization of the goals set out under relevant International and national policies, strategies and other development frameworks that include: Tanzania Development Vision 2025; Five Year Development Plan (2021/22-2025/26); National Agriculture Policy (2013); National Investment Promotion Policy (1996); National Environmental Policy (2021); Climate Change Strategy (2021-2026); Nationally Determined Contributions 2021; and Climate Smart Agriculture Guideline (2017).

At the international level, the IGG tool takes into consideration key development frameworks such as United Nations Agenda 2030 for Sustainable Development Goals (SDGs); United Nations

Framework Convention on Climate Change (UNFCCC); Multilateral Environmental Agreements; and Africa Union Agenda 2063 (The Africa We Want).

Structure

The IGG tool is comprised of two components: (1) a main section consisting of a checklist that assesses legal requirement compliance and good practice alignment, and (2) a detailed annex of specific regulatory requirements by institution along with processing times, costs, validity, required documents to be submitted, penalties for non-conformity, and agency contact details.

The main section is divided into three key thematic areas, namely inclusivity and social sustainability, sustainable business, and environmental sustainability. Each thematic area contains a number of compliance and good practice categories, each which contain, first, a series of questions for users to reflect upon and evidence, and second, a scoring table with detailed conditions. Each user should reflect on their individual situation to select the appropriate scoring category and justify and evidence why they believe they fall within that scoring category.

Stakeholders' Engagement

The Inclusive Green Growth (IGG) tool has been developed and revised by SAGCOT partners through a participatory process. Key participants have included technical partners from relevant Government Ministries, Departments and Agencies, The Nature Conservancy (TNC), World Wide Fund for Nature (WWF), International Union for Conservation of Nature (IUCN), and CARE International in Tanzania; small, medium and large-scale producers as well as agro-processors. The SAGCOT Green Reference Group (GRG) co-chaired by the Vice President's Office and Private Sector has been instrumental in this process, both at the national and cluster levels. Multiple initial versions were revised and rolled out with SAGCOT partners as well as selected outside companies to increase inclusivity and raise awareness. A multistakeholder IGG Task Force was formed to support awareness raising, initial completion of the IGG tool with investors, and initial recommendations for improving sustainability practice.

Revision of the IGG tool for the current version was also a participatory process that involved feedback and comments from users, the technical partners who supported development of the previous version as well as other stakeholders. The Green Reference Groups at the cluster level spearheaded feedback into this process. Current and past users were interviewed on their use of the tool to better understand what aspects worked well and what needed improvement. A small selected group of users were selected to test the revised versions. A summary of their feedback to the previous version can be found in the Annex E of the updated Greenprint 2023.

SECTION TWO

Implementation

The checklist for the guiding tool has been developed in conjunction with an Excel-based version to facilitate the assessment process. Targeting existing investors, the tool enables users to evaluate their own practices.

- **Assessments** – SAGCOT partners are expected to conduct annual self-assessments using the checklist, develop IGG workplans, and annual compare results against their annual IGG workplans.
- **Reporting** – Partners will submit their annual assessment reports to SAGCOT by 31st December annually.
- SAGCOT will undertake random sampling of partner reports to review evidence and justification, both to confirm appropriate scoring and to identify priorities for support and improvement. Visits may be conducted with partners for more in-depth discussion and assessment.
- SAGCOT will compile a summary IGG assessment report (based on received reports) to be shared with partners. No individual partner report or related information will be shared to a third party by SAGCOT without prior consent of the partner. When a synthesized assessment report is needed for public use, SAGCOT communication policy will be applied without infringing individual partner's rights to confidentiality.

Review of the IGG tool

- The IGG tool will be regularly revised and that revision should involve key stakeholders
- SAGCOT Centre Ltd, or a representative of SAGCOT Centre Ltd., will collate ideas for revision of the tool from existing users, partners, assessment reports and other interested stakeholders.
- The tool will be revised based on stakeholders' input.
- The revised version of the tool will be tested among users, and a representative group of key stakeholders will review and provide comments.
- A revised version will then be circulated to GRG members for feedback for development of a final draft.

SECTION THREE

Characteristics of Small-Scale Processors

Small-scale processor organizations operate generally with the following key characteristics:

- Use hired & family labour
- Relatively low capital investment up to TZS 50 million
- Predominantly low use of technology
- Relatively low processing capacity

Requirements for Small Scale Processors

| Inclusivity Principle | |
|--|--|
| Core Requirements | Applicable Laws |
| <u>Equal Opportunity and Non-Discrimination:</u> Employment scheme shall be non-discriminatory in line with Tanzania’s applicable non-discriminatory laws. | <ul style="list-style-type: none"> - Tanzania Employment and Labour Relations Act No. 6 of 2004 - Guidelines for Services for People with Disabilities (in Kiswahili) of 2004 - HIV/AIDS Act, 2008 - Law of Persons with Disabilities Act (2010) - Employment Guidelines (in Kiswahili) (2011) - HIV/AIDS Act, 2008 - National Strategy for Gender Equality of 2005 - National Strategy for Growth and Reduction of Poverty 2005-2010 and 2010-2015 (NSGRP I and II) |
| <u>Labour and Employment Laws:</u> Processors shall abide to employment policies of Tanzania. | <ul style="list-style-type: none"> - Guidelines on Auditing of Human Resources (in Kiswahili) (2009) - Employment Guidelines (in Kiswahili) (2011) - Tanzania Employment and Labour Relations Act No. 6 of 2004 |
| <u>Social Security Statutory Requirement:</u> Processor should comply statutory payment to the government_ | <ul style="list-style-type: none"> - National Social Security Fund Act, 1997 - Workers Compensation Act (Cap 263 Revised Edition of 2015) |
| <u>Child Labour:</u> Processors shall refrain from the use of child or forced labour | <ul style="list-style-type: none"> - National Employment Policy & Labour Laws - Law of the Child Act No. 21, 2009 |

| | |
|--|--|
| <p><u><i>Business Linkage with Local Community:</i></u> Processors shall foster business linkages with local communities.</p> | <ul style="list-style-type: none"> - The Public Private Partnership (Amendment) Act, (Cap. 103) (2014) |
| <p><u><i>Support to Small Producers:</i></u></p> <p>Processors shall endeavour to provide technical support to raw-materials suppliers as appropriate.</p> <p>Processors shall facilitate access to sustainable markets.</p> | <ul style="list-style-type: none"> - SAGCOT IGG Principles - SAGCOT Partnership Principles - Financial leasing Act, 2008 - The Banking and Financial Institutions-Act-2006 - Cooperatives Act, 2013 |
| <p><u><i>Shared Value Investment:</i></u> Processors to demonstrate capacity building to local communities to improve social welfare.</p> | <ul style="list-style-type: none"> - SAGCOT IGG Principles |
| <p><u><i>Capacity Building:</i></u> Processors shall engage in capacity building of small-scale producers so as to ensure quality value chains.</p> | <ul style="list-style-type: none"> - SAGCOT IGG Principles |
| <p><u><i>Local Content Guidelines:</i></u> Processors shall foster good relations with communities and create business linkage with small scale producers as appropriate.</p> | <ul style="list-style-type: none"> - Local Content Policy, 2015 (Oil and Gas) |

| Business Sustainability Principle | |
|---|---|
| Core Requirements | Applicable laws |
| <p><u><i>Good Governance:</i></u> Processors shall endeavour to demonstrate high level of good governance including transparency, accountability and integrity with stakeholders and partners as appropriate.</p> | <ul style="list-style-type: none"> - The Finance Act,2018 (Tax provisions) - The Business Names (Registration) Act, Cap. 213 (2015) |

| | |
|--|--|
| <p><u>Legal Status:</u> Processors shall be legally registered business entity in accordance with applicable laws.</p> | <ul style="list-style-type: none"> - Tanzania Investment Act 1997 (Amendment) Act 2022. - The Business Laws (Miscellaneous Amendments) Act, No. 3 (2012). - The Business Activities Registration Act, 2017. - Companies Act, 2002. CAP 212. |
| <p><u>Management Structure:</u> Processors shall have some form of management structure that could be informal or formal as provided by the applicable laws.</p> | <ul style="list-style-type: none"> - The Business Laws (Miscellaneous Amendments) Act, No. 3 (2012) - The Business Names (Registration) Act, Cap. 213 (2015) - Companies Act, 2002 cap 212 |
| <p><u>Ownership:</u> Could be a sole proprietor, cooperative, partnership or a company limited by shares.</p> | <ul style="list-style-type: none"> - The Business Names (Registration) Act, Cap. 213 (2015) - Cooperative Act, 2009 |
| <p><u>Operational Procedures:</u> Processors shall put in place appropriate operational procedures to guide day-to-day operations of the investment.</p> | <ul style="list-style-type: none"> - Standards Act ,2009(TBS) - The Finance Act, (Tax provisions) - Industrial and Consumer Chemicals (Management and Control) Act, No.3 (2003) - The Employment and Labour Relations Act, No. 6 (2004) - Occupational Health and Safety Act no.5 of 2003 - Tanzania Food and Cosmetics Act,2003 |
| <p><u>Compliance with Financial Laws and Regulations:</u> Processors shall comply with applicable financial rules and regulations.</p> | <ul style="list-style-type: none"> - Tanzania Investment Act 1997 (Amendment) Act 2022. - The Business Laws (Miscellaneous Amendments) Act, No. 3 (2012) - The Business Names (Registration) Act, Cap. 213 (2015) - The Finance Act, 2019 (Tax provisions) |
| <p><u>Certification by Regulatory Authorities:</u> Processors shall adhere to requirements of Regulatory Authorities (TMDA, TBS etc)</p> | <ul style="list-style-type: none"> - The Tanzania Food, Drugs and Cosmetics Act, 2003. - Standards Act 2009 - Business Licensing Act, 1972 (Amended 2018) - OHS Act, 2003. - EMA 2004. - Standard Act 2009. |

Environmental Sustainability Principle

| Core Requirements | Applicable Laws |
|--|--|
| <p><u>Environmental Management Practices:</u> Processors shall have environmental management plan and apply it as appropriate</p> | <ul style="list-style-type: none"> - National Environmental policy of 2021 - EMA (2004) and subsequent regulations - Forestry Act, 2002 - Water Resources Management Act (2009) - Local by-laws. - Land Use Planning Act, 2007. - Village Land Act, No. 4, 1999 - Tanzania Investment Act 1997 (Amendment) Act 2022. |
| <p><u>Occupational Health and Safety:</u> Processors shall adhere to Occupational Health and Safety Regulatory requirements.</p> | <ul style="list-style-type: none"> - OHS Act, 2003 - EMA, 2004 and subsequent Regulations - Fire and rescue force act 2007 - Workers Compensation Act 2015 |
| <p><u>Cleaner Production and Efficiency in Use of Resources:</u> Processors are knowledgeable and apply cleaner production and efficient resource use technologies.</p> | <ul style="list-style-type: none"> - The Tanzania Food, Drugs and Cosmetics Act, 2003 - EMA (2004) - EIA and Audit Regulations (2005) - Biosafety Regulations (2008) - Water Resources Management Act (2009) - Water Quality Standards (2007) and respective local by-laws. |
| <p><u>Waste Management:</u> Processors are aware and knowledgeable on appropriate waste management practices to avoid environmental pollution and health related problems to the neighbouring community.</p> | <ul style="list-style-type: none"> - National Environmental policy of 2021 - Environmental Management Act, 2004 and subsequent Regulations, - Water Resources Management Act, 2009. - Local by-laws |
| <p><u>Conservation of Water Resources:</u> Processors shall endeavour to conserve water sources and water resources including the use of efficient technologies and practices.</p> | <ul style="list-style-type: none"> - National Environmental policy of 2021 - Environmental Management Act, 2004 and subsequent regulations. - Water Resources Management Act, 2009 - Local by-laws. - National Irrigation Act, 2013 |
| <p><u>Pollution Control (Water, Air, Noise and Soil):</u> Processors shall endeavour to manage all types of pollution that might emanate from processing activities.</p> | <ul style="list-style-type: none"> - National Environmental policy of 2021 - Environmental Management Act, 2004 and subsequent regulations - Water Resources Management Act, 2009 - Water Supply and Sanitation Act, 2009 |

| | |
|--|--|
| <p><u><i>Adoption and Application of Technologies:</i></u></p> <p>Adherence to Climate smart technologies and use of Nature based Solutions:</p> <p>These technologies include: soil health management practices, Conservation of natural resource or ecosystem management; Use of environmentally friendly equipment and Use of reliable weather information.</p> | <ul style="list-style-type: none"> - National Climate Smart Agriculture guideline 2017. - Tanzania Plant Health and Pesticides Authority (TPHPA) Act No. 04, 2020. - Environmental Management Act, 2004 and subsequent regulations. - Water Resources Management Act, 2009. - Forestry Act, 2002. - Water Resources Management Act (2009). - Local by-laws. - Land Use Planning Act, 2007. |
| <p><u><i>Climate Adaptation and Mitigation:</i></u></p> <p>Investment shall adhere to climate smart practices. These practices include:</p> <p>Conservation of natural resource or ecosystem management; Use of environmentally friendly equipment; and Use of reliable weather information.</p> | <ul style="list-style-type: none"> - National Climate Smart Agriculture guideline 2017. - Nationally Determined Contributions 2021 - National Adaptation Programme of Action (NAPA) 2007 - Tanzania Agriculture Climate Resilience Plan (ACRP), 2014 |

*The listed laws and examples above are just some of available laws, regulations and practices.

Highlights of IGG good practice for small scale processors

Mainstreaming sustainability: Promote sustainability in business culture to address profits, people, and the planet, managing long-term social and environmental risks as well as reducing negative environmental and social impacts.

Integrating IGG Process into Business: Conduct annual IGG self-assessment, developing an annual IGG workplan with clear and measurable targets for the year to promote continual improvement. Produce annual summarized progress report on implementation of the previous year's workplan and inform SAGCOT.

Vulnerable People and Non-Discrimination: Beyond promotion of employment policies that do not discriminate based on gender or disabilities, practice non-discrimination of other vulnerable groups too, including those disadvantaged who do not yet have legal protection such as persons who are HIV+.

Adoption of Technologies: Promote technologies that efficiently use water and other resources.

Use of environmentally Friendly Energy Sources: Processors utilizes energy sources that have minimal impacts to the environment

Access to Finance: Processors through linkages to various SAGCOT Partners, are able to access financial support.

Insurance Facilities: Processors subscribe to insurance schemes to cover the enterprise from price fluctuations and disasters

Infrastructures Development: Processors to link Development Partners (Donors and government) to improve infrastructures used by small scale producers.

Voluntary Certification Schemes: Processors shall voluntarily endeavour to register for ecological labelling schemes to ensure quality products for premium markets and environmental sustainability.

Capacity Building: Processors build capacity of employees and producers on entrepreneurship, marketing, and value addition skills (as feasible)

Partner Details

| | |
|--|--|
| <i>Organization name</i> | |
| <i>Investment Type/Ownership</i> | |
| <i>Area of operation (Region)</i> | |
| <i>Headquarter</i> | |
| <i>City/District/Municipality/Town</i> | |
| <i>Village/Street/Ward/Division</i> | |
| <i>Name Contact Person 1</i> | |
| <i>Title</i> | |
| <i>Mobile phone</i> | |
| <i>E-Mail address</i> | |
| <i>Name Contact Person 2</i> | |
| <i>Title:</i> | |
| <i>Mobile phone:</i> | |
| <i>E-Mail address:</i> | |

General Information

| Num | Question | Response |
|------------|---|-----------------|
| 1 | What is the total number of employees? | |
| 1.1 | How many are Male? | |
| 1.2 | How many are Female? | |
| 1.3 | How many are youth? (defined as “young men and women from the age group of 18 to 35”) | |
| 1.4 | How many are Disabled? | |
| 2 | How many seasonal/temporary workers do you hire? | |
| 3 | How many of your employees have formal contracts? (Total number) | |
| 3.1 | How many are Male? | |

| | | |
|-----|---|--|
| 3.2 | How many are Female? | |
| 3.3 | How many Youth (18 to 35years of age) | |
| 3.4 | If employees do not have formal contracts, explain why. | |
| 4 | If you work with outgrowers/suppliers, roughly how many do you engage with? (total) | |
| 4.1 | How many are Male? | |
| 4.2 | How many are Female? | |
| 4.3 | How many youths (18 to 35years of age)? | |
| 4.4 | What are your key challenges related to contract farming? | |
| 5 | What is the land ownership status of your investment? | |
| 6 | How often do the authorities visit your investment? | |
| 7 | What are the key challenges in complying with the requirements of your licenses? | |

How to rate an investment using the tool

- Provide brief justification to explain your scoring.
- If your situation falls between categories, select the category it most corresponds to and explain why you picked that scoring category.

Scoring reference

Scores range from very poor to Exceeding with very poor being the lowest level of achievement in that category while Exceeding is the highest and considered best practice.

- **Very Poor.** No awareness or actions taken. Requires substantial and urgent improvement action.
- **Poor.** Minimal action or awareness. Requires improvement action.
- **Fair.** Limited action or awareness. Minimum conditions. Some improvement should be undertaken, though less urgent.
- **Good.** Generally considered good practice; follows basic standards; while no improvement may be necessary, better practice is often desired. Companies can strive for more in order to become more sustainable and more resilient investments.
- **Exceeding.** Best IGG practice. This is the optimal IGG condition and criteria that is considered most aligned with national and international best practice.

Please indicate the designated score for each criterion in the bracket to show the level of compliance.

SECTION FOUR

Assessment Checklist

1. Form to be filled in for annual submission to SAGCOT Centre

Disclosure Statement

All information provided to SAGCOT as part of the assessment process will be treated as confidential and shall be used for the intended purposes only.

Consent Form for IGG submission and assessment.

Assessments that are shared with SAGCOT will be treated anonymously and confidential data will not be shared. But SAGCOT will contact participating firms for annual updates.

Name of Investment:

Name of focal person.....

Position / Title

I have conducted the SAGCOT Inclusive Green Growth tool assessment to the best of my/our ability and knowledge (myself, my investment team). We believe all information provided and statements made to be true. I agree willingly to participate in this assessment, whose objective has been well-explained and understood.

I agree that the information gathered in this assessment may YES NO (please circle) be shared anonymously in summary reports.

I agree that an assigned IGG Assessor on behalf of SAGCOT may visit or discuss further the results of my/our assessment YES NO (please circle)

Signature.....

Date.....

Name and signature of IGG assessor:

Compliance with Inclusivity Principle (30 points)

Labour and Employment Policy

1. What proportion of your employees have formal contracts?
2. Do you pay for their statutory deductions?
3. Do you have internal mechanisms to support employment of women and disadvantaged people?

| Very Poor | Poor | Fair | Good | Exceeding |
|--------------|--|---|---|--|
| No contracts | No formal contracts. No statutory deductions paid. | Most employees have formal contracts. Some statutory deductions paid. | All employees have formal contracts. Statutory deductions are paid. | All employees have formal contracts. Statutory deductions are paid. Internal mechanisms in place to support employment of women, disadvantaged people and people with disabilities. |

Gender Equality and Non-Discrimination policy

1. Does the organization have a non-discrimination policy particularly one that addresses prevention of sexual harassment, exploitation, and abuse based on gender (i.e., PSHEA policy)? What about non-discrimination policy for age, religion or tribe?
2. Are the workers/suppliers aware of the policy?
3. Are you an equal opportunity employer?
4. How do you ensure equal employment opportunities?
5. Is there a clearly laid-out procedure that ensures that all workers/suppliers are fairly treated and that members treat their workers fairly?
6. Is there a clear understanding on sexual harassment among staff/workers/suppliers in the organization?

| Very Poor | Poor | Fair | Good | Exceeding |
|---|--|---|---|--|
| No non-discrimination policy; no procedures for fair treatment of employees or regarding sexual harassment. | Informal non-discrimination treatment although no policy in place that addresses gender, age, religion, tribe. | Non-discrimination policy that does not address all categories of gender, age, religion, tribe. Procedures may not be clear. Staff/ workers may not be fully aware of policy. | Non-discrimination policy that addresses all categories, and workers aware of the policy. Fair treatment procedures in place, though maybe not well known. Equal opportunity employer. Understanding on sexual harassment though more training may be needed. | Non-discrimination policy that addresses all categories, and workers and suppliers aware of the policy. Fair treatment procedures in place, clear and understood. Equal opportunity employer. Clear understanding on sexual harassment with regular awareness raising/trainings on all of the above. |

RESOURCES:

- Gender – guide to integrating gender into agricultural value chains; developed by USAID https://agrilinks.org/sites/default/files/resource/files/gender_agriculture_value_chain_guide.pdf.
- Gender - gender mainstreaming reference guide for agricultural and rural development https://www.jica.go.jp/Resource/english/our_work/thematic_issues/gender/c8h0vm0000f3jmj6att/gender_mainstreaming_07.pdf

Land tenure, Social linkage and Conflict Management with local community

Food systems are complex, and the same action may span environmental, social, and economic impacts with different consequences to different stakeholders at different scales.

1. How do you foster good relations and resolve challenges within your organization and with surrounding communities?
2. How do you resolve disputes within your organization and with communities? How do you resolve land tenure challenges around your investment (if any)?
3. Are there any functional dispute management, conflict resolution, and/or grievance mechanisms in place? Do feedback channels exist for employees, suppliers and communities?
4. Are employees and/or communities aware of the mechanisms and their procedures?
5. Have you considered potential impacts of your actions on other stakeholders, sectors, downstream water users, other value chain actors? How?

6. How are you communicating with other actors across the value chain and/or landscape? E.g., up and downstream of the value/supply chain and up and downstream in the catchment.

| Very Poor | Poor | Fair | Good | Exceeding |
|--|---|--|---|---|
| <p>No dispute management / conflict resolution / grievance / feedback mechanism. No consideration of organization's impact on others. No engagement with other stakeholders unless essential for business.</p> | <p>No dispute management / conflict resolution / grievance mechanism. Possible feedback opportunities exist. Limited awareness. Limited consideration of organization's impact on others. Limited engagement with other stakeholders unless directly related to business.</p> | <p>No Dispute management / conflict resolution / grievance mechanisms in place. Feedback opportunities exist. Some awareness among employees or communities. Irregular communication with other actors across the value chain and/or landscape unless directly related to business. Active community engagement.</p> | <p>Dispute management / conflict resolution / grievance mechanisms in place. Feedback mechanism too. Awareness among employees and communities, though more may be needed to clarify procedures. Consideration of investment impact on others and regular communication with related actors across the value chain and/or landscape. Community engagement considering vulnerable populations.</p> | <p>Dispute management / conflict resolution / grievance mechanisms in place and well-functioning. Feedback mechanism too. Good awareness among employees and communities. Consideration of the investment's broader impacts. Regular communication with other actors across the value chain and/or landscape. Regular active participation in platforms, multi-stakeholder workshops, or similar initiatives on common issues/ challenges. Exchanges on trade-off related challenges.</p> |

RESOURCES

- Building capacity of communities to engage with you in this community capacity assessment: <https://ripllandesa.s3.us-west-2.amazonaws.com/supporting+materials/IGB+SR+6++Community+Capacity+Assessment.docx>
- Grievance mechanism checklist can be found here: <https://ripllandesa.s3.us-west-2.amazonaws.com/supporting+materials/GGB+SR+10++Grievance+Mechanism+Checklist.docx>

- United Nations Guiding Principles on dispute resolution: Guiding principles on Business and Human Rights. 2011. https://www.ohchr.org/sites/default/files/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

Business linkages with local producers and suppliers

1. Are written agreements or contracts in place with small suppliers that outline the terms of the arrangement?
2. Are clear pricing mechanisms and payment modalities in place?
3. Do you encourage participation by Women-led small suppliers? How?
4. Do you conduct capacity building training to producers?

| Very Poor | Poor | Fair | Good | Exceeding |
|---|------|--|---|--|
| No evidence of fair pricing, no clear agreements. | N/A | Can provide evidence of fair pricing from financial records, some written agreements in place with suppliers, but not for all. | Written agreements in place with all suppliers with clear and fair pricing and payment terms. | Written agreements in place with all suppliers with clear and fair pricing and payment terms. Evidence of encouraging participation by women-led small suppliers. Evidence of capacity building provided to small suppliers. |

Ownership and Management of the organization/investments

1. Is the investee organization legally registered? (if not explain)
2. Does the investment have a formal management structure?
3. Do regular management meetings take place and are decisions recorded?

| Very Poor | Poor | Fair | Good | Exceeding |
|--|--|---|---|-----------|
| Not legally registered; no formal mgmt. structure. | Organization is legally registered; no formal mgmt. structure. | Legally registered; Formal management structure exists. | Legally registered; Formal management structure exists. Regular management meetings take place and decisions are documented | N/A |

RESOURCES:

- OECD/FAO (2016), OECD-FAO Guidance for Responsible Agricultural Supply Chains, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264251052-en>

Operational procedures

1. Does the investment have operational manuals and policies? Examples are listed below but not all may be relevant to the investment or a small processor.
 - Financial and Internal Controls Policy (including procurement)
 - Asset Register
 - Due diligence on sub-contractors and staff
 - Anti-bribery/corruption (including management of conflicts of interests)
 - Risk Management
 - Whistleblowing
 - Health and safety
 - Duty of Care/Security
 - Environmental Policy
 - Quality assurance

Please make a note of all manuals and polices in place.

| Very Poor | Poor | Fair | Good | Exceeding |
|--|---|---|---|---|
| No written manuals or operational polices. | Some documented financial and operational controls and an asset register, but not regularly maintained. | At least a financial controls policy, asset register, health and safety policy are maintained and followed. | All policies and manuals relevant to the investment are in place and maintained including an environmental policy. Most staff are aware of policies relating to them and the training is infrequent/rare. | All policies and manuals relevant to the investment are in place and maintained including an environmental policy and can be based on current best practice. Staff are trained regularly (at least yearly) on those relevant to their role. |

Compliance with financial laws and regulations

1. Does the investment undertake annual audits as per the laws of Tanzania and file financial reports to the authorities?
2. Do you have a financial policy?
3. Do you keep financial records?
4. Do you communicate audited financial reports to members and stakeholders? Note frequency

| Very Poor | Poor | Fair | Good | Exceeding |
|---|--|--|---|-----------|
| Not keeping financial records and no guiding policy in place. | Financial records are maintained and filed with the authorities, and a basic policy is adhered to, but improvements required. Incomplete audit history. Record-keeping not systematic. | Financial records are maintained and filed with the authorities; A clear financial policy may exist though may not be well-known. Regular external audits take place. Systematic record-keeping. | Financial records are maintained and filed with the authorities, and a clear financial policy is adhered to, updated regularly, and is well-known and understood by staff. Regular external audits take place. Systematic record-keeping. Clear regular communications to members of organization's finances. | N/A |

Certification by regulatory authorities

1. Are you aware of the certification or regulatory authorities governing your investment? (Mention)
2. Are you certified with the appropriate food certification authority for supply to food retailers? If so, (Mention)
3. Are you regularly assessed by certification/regulatory authorities. How often?
4. Are there any disputes to resolve of improvements that need to be made in order to remain certified? (Explain)

| Very Poor | Poor | Fair | Good | Exceeding |
|--|--|---|--|-----------|
| No knowledge of which regulatory authorities govern the investment OR No contact or certification with regulatory authorities. | Aware of relevant authorities but not yet registered or certified (e.g. because quality or management improvements are required before-hand, or disputes need to be resolved). | Aware of relevant authorities and registration is in progress, no disputes or quality issues. | Certified/Registered with relevant authorities, no disputes or quality issues. Regular contact/communication with authorities. | N/A |

Occupational Health and Safety

1. Does the investment have an occupational health and safety policy?
2. Does the investment have an occupational health and safety policy in line with OSHA requirements?
3. Are workers regularly trained on the occupational health and safety issues?
4. Do workers use appropriate Personal Protective Equipment (PPE)?
5. Does the investment have a First Aid Kit and Certified First Aider?
6. Are safety signs placed in areas with significant risk to health and safety of workers and the public?
7. Are workers trained in fire-fighting?
8. Do you have an emergency response plan?
9. Is there an area designated as an emergency assembly point?

| Very Poor | Poor | Fair | Good | Exceeding |
|---|---|--|---|---|
| No occupational health and safety policy. | Limited occupational health and safety policies; not clear about OSHA requirements. | Occupational health and safety policy in place, although not in line with or not clear about OSHA requirements. PPE sometimes used. Basic emergency response plan. | Occupational health and safety policy in line with OSHA requirements. Regular trainings of workers. PPE used. | Occupational health and safety policy in line with OSHA requirements. Regular trainings of workers. PPE used. Good signage of health & safety issues. Emergency response plan in place with regular drills. First aid and fire-fighting skills on-site. |

Environmental Sustainability Principle (40 points)

Environmental Planning and Management

1. Is your investment registered with NEMC?
2. Do you have Environmental Management Plan (EMP)?
3. Do you regularly carry out Environmental Audits? How often?

| Very Poor | Poor | Fair | Good | Exceeding |
|---|---|---|---|---|
| Investment not registered with NEMC. No EMP, no Environmental Audits. | Investment not registered with NEMC. No EMP, though some environmental protection actions may be taken. | Investment registered with NEMC. Environmental Management Plan (EMP) completed. May have some challenges with implementation. Irregular or no environmental audits. | Investment registered with NEMC. EMP completed and being implemented. At least 1 environmental audit completed or planned to be completed 1 year after EMP. Focal point identified for environmental management issues. | Investment registered with NEMC. EMP completed and being implemented. Regular annual environmental audits conducted. Organization goes beyond legal requirements to implement good/best practice. Focal point identified for environmental management issues; capacity building on EM mainstreamed into organization; learning culture in place including engagement in peer-to-peer networks and other knowledge-sharing platforms. |

Cleaner production and efficient use of resources

1. What measures do you take to increase efficiency and/or to conserve resources? In particular:
 - What measures do you take to conserve energy?
 - What measures do you take to conserve water?
2. Do you use any renewable energy sources (e.g., biogas, solar) or other low carbon technologies that will contribute to climate mitigation?
3. What do you do to avoid or minimize environmental pollution?

| Very Poor | Poor | Fair | Good | Exceeding |
|---|---|--|---|---|
| No measures taken for efficient use of resources including water and energy. No effort to minimize environmental pollution. | Very limited efficiency or pollution-reduction actions taken. | Some measures taken to increase efficiency of water or energy. Only minimal pollution reduction actions taken. Not consistently or systematically monitored. | Measures taken to efficiently use water and energy, and to reduce pollution impacts on ground/surface water, air, soil, noise. At least some monitoring taking place. | Measures taken to efficiently use water and energy. Regularly monitored and adaptive management actions taken. Organization has commitment to efficient use of resources, consistently reaching out to learn and seek new solutions. |

RESOURCES:

- OECD-FAO Guidance for Responsible Agricultural Supply Chains. 2016. OECD Publishing. Paris. <https://mneguidelines.oecd.org/oecd-fao-guidance.pdf>

Waste management

1. Do you have a waste management plan?
2. Are staff/workers aware of, understand and implement the plan?
3. How do you store and dispose waste?
4. Do you reduce/minimize waste? How?
5. Do you re-use waste? How?
6. Do you recycle waste? How?

| Very Poor | Poor | Fair | Good | Exceeding |
|--|---|--|--|---|
| <p>No waste management plan</p> <p>No attempt to reduce/minimize waste; no re-use of waste; no recycling of waste.</p> | <p>No waste management plan</p> <p>Limited efforts to either reduce, reuse, or recycle waste.</p> | <p>Very basic waste management plan</p> <p>Organization sometimes reduces, reuses, and/or recycles waste, but not consistently (for umbrella organizations, not among most members).</p> | <p>Waste management plan that addresses minimizing, reusing, recycling waste.</p> <p>Organization / most members reduce, reuse, and recycle waste.</p> <p>For membership organizations: some effort at awareness creation).</p> | <p>Good Waste management plan that addresses minimizing, reusing, recycling waste.</p> <p>Organizations/ members consistently and systematically reduce, reuse, and recycle waste. Partners actively sought to close by-product loop. Policy in place and consistent improvement.</p> <p>For membership organizations: provide support to members in awareness creation and implementation – e.g., supporting development of waste receptacles).</p> |

Climate Adaptation, Mitigation and Nature-based Solutions

1. Do you have access to and use reliable weather information? How?
2. Do you understand the likely challenges related to climate change? How vulnerable is your investment to climate changes?
3. Are you familiar with climate smart agricultural practices/technologies? Do you implement any? (Mention).

4. Do you consider low carbon technologies in your energy use (e.g., biogas, solar) or transport decisions?
5. BONUS (+1) Basic level of understanding of Nature-based Solutions (NbS) and have considered them for implementation.
6. OR BONUS (+2) Good understanding of Nature-based Solutions (NbS) and currently under implementation

| Very Poor | Poor | Fair | Good | Exceeding |
|-------------------------------------|---|---|---|--|
| No access to reliable weather info. | No access to reliable weather info. Interest in climate smart agriculture, but not yet implementing. Need more info/ knowledge/ capacity. | Access to some weather info. Unclear reliability. Familiar with some climate smart agricultural practices but experiencing challenges implementing. | Access to reliable weather info. Implement some climate smart agricultural practices. Try to use low carbon technologies if practical. Interested in Nature-based Solutions opportunities. | Access to reliable weather info. Implement an array of climate smart agricultural practices. Using low carbon technologies where feasible for energy and in consideration of transport options. BONUS: (+1 or +2) (+1) basic understanding of Nature-based Solutions (+2) good understanding of NbS and under implementation. |

RESOURCES:

- FAO. 2017. Climate smart agriculture sourcebook. <https://www.fao.org/climate-smart-agriculture-sourcebook/en/>

ANNEX:

Forms and Scoring

1. Comments
2. Scoring of the Assessment

Note: Use excel for actual scores

| Section | Compliance and Good Practice Criteria | Points/ Weight |
|--------------------|--|----------------|
| | INCLUSIVITY/SOCIAL SUSTAINABILITY PRINCIPLE | |
| | Labour and employment policy | 10 |
| | Gender equality and Non-discrimination | 6 |
| | Land Tenure, Social linkage and conflict management with local communities | 10 |
| | Business linkages with local producers and suppliers | 4 |
| | SUBTOTAL | 30 |
| | BUSINESS SUSTAINABILITY PRINCIPLE | |
| | Ownership and Management of the organization/investments | 5 |
| | Operational Procedures | 8 |
| | Compliance with financial laws and regulations | 5 |
| | Certification by regulatory authorities | 5 |
| | Occupational Health and Safety | 7 |
| | SUBTOTAL | 30 |
| | ENVIRONMENTAL MANAGEMENT PRINCIPLE | |
| | Environmental Planning and Management | 10 |
| | Cleaner production and efficient use of resources | 10 |
| | Waste management | 10 |
| | Climate Adaptation, Mitigation and Nature-based Solutions | 10 |
| | SUBTOTAL | 40 |
| Total Score | | |

| S.No | Compliance criteria | Total Points | TOTAL Point Scored | Score (%) |
|------|---|--------------|--------------------|-----------|
| 1 | Inclusivity and Social Sustainability Principle | | | |
| 2 | Business Sustainability Principle | | | |
| 3 | Environmental Sustainability Principle | | | |

Key Table

| | | | | |
|-------------------------------|-------------------------|----------------------------|-------------------------|-------------------------------|
| Very Poor Below 20% | Poor (20-39%) | Average (40-59%) | Good (60-79%) | Very Good (80-100%) |
|-------------------------------|-------------------------|----------------------------|-------------------------|-------------------------------|

