companies along agricultural and seafood supply chains operating in Myanmar, the Philippines, Thailand and Viet Nam are taking part in the OECD Pilot on Responsible Agricultural Supply Chains in Southeast Asia (SEA Pilot). This activity, which falls under the EU-ILO-OECD Responsible Supply Chains in Asia Programme, aims to promote understanding and uptake of supply chain due diligence recommendations of the OECD-FAO Guidance for Responsible Agricultural Supply Chains (OECD-FAO Guidance) and facilitate a community of learning among these 23 pilot participants.

They represent a very diverse group of agribusiness companies operating across the supply chain and countries, with 91% of them involved in cross-border trade. This diversity in size, focus, and scope of operations across agricultural supply chains provides valuable insight into the challenges and opportunities for promoting responsible business conduct (RBC) in the region.

PILOT PARTICIPANTS OPERATE AT ALL STAGES OF AGRICULTURAL VALUE CHAIN

Pilot participants include input suppliers, producers, food & beverage manufacturers, distributors, retailers and investors. Many of them are operating in multiple stages of their value chain and some participants have activities along the entire value chain. 70% of companies are involved in processing and manufacturing, and 61% in trade and distribution.
Pilot participants cover multiple commodity chains, such as banana, coconut, livestock, pineapple, rice, seafood (tuna, pangasius, etc.), sugar and tobacco, among others.

Pilot participants by commodity

74% of pilot participants have global focus and others are active in the Asia regional markets. All are export oriented and keen to learn how to meet international expectations on responsible agricultural supply chains. As such, the OECD-FAO Guidance, in particular the 5-step framework for risk-based due diligence, is a valuable and practical tool for these companies.

A baseline survey was rolled out in September 2019 and shared with agribusiness companies in the region beyond the pilot participants. The survey analysis will provide an understanding of current due diligence practices and capture broader RBC trends and challenges in the region. Aggregated findings will be presented in a report to be released in early 2020.

The OECD will organise up to 4 learning webinars in 2020 with a focus on RBC risks and technical aspect of due diligence to address gaps in pilot participants’ understanding of the OECD-FAO Guidance recommendations.

For more information, please see planned activities and benefits to companies.

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