



**THE ASEAN GUIDELINES ON PROMOTING RESPONSIBLE INVESTMENT IN
FOOD, AGRICULTURE AND FORESTRY**

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1. BACKGROUND

As the demand for food increases due to a growing population, rising incomes, and urbanization in ASEAN, agriculture will continue to attract foreign and domestic investment, particularly in developing regions. Increased investment in food, agriculture¹ and forestry in the ASEAN region is needed to help achieve food and nutrition security, to improve food safety, and to create economic growth and opportunities.

Attracting investment that contributes to food security and economic growth, while at the same time conserving the environment, is in practice very complex, requiring smart and effective government intervention. For example, it is insufficient to boost food output without consideration of its nutritional content, disruption of rural or indigenous communities, or impact on the climate and the environment. Agriculture for instance, especially livestock farming, is a significant contributor to greenhouse gas emissions, but can also play a role in reducing or counteracting those emissions. Similarly, the practice of sustainable forestry management is often absent.

Investment in food, agriculture and forestry (FAF) needs to be responsible and sustainable, and specifically directed towards the achievement of social, economic and environmental benefits, while minimizing negative impacts. The ultimate responsibility for achieving such an outcome rests with governments and policymakers, but investors and civil society also play a key role. For instance, there are high commercial and reputational risks to investors who fail to achieve the delicate balance between financial returns and delivering social benefits.

In September 2017, the ASEAN Ministers on Agriculture and Forestry (AMAF) agreed to develop the ASEAN Guidelines on Promoting Responsible Investment in Food, Agriculture and Forestry (the “Guidelines”) at their 39th annual meeting. The Guidelines are grounded in the Committee on World Food Security, Principles for Responsible Agriculture and Food Systems (CFS-RAI) and reflect the specificities and characteristics of ASEAN Member States (AMS).

The Guidelines are part of a broad range of initiatives aimed at ensuring that investments in agriculture meet global standards and promote responsible and sustainable investment (annex table 1). In addition, ASEAN has already begun a systematic process to adhere to global standards, for example with the adoption of the Vision & Strategic Plan for Food, Agriculture & Forestry (2016); the related four Strategic Plans of Action for FAF; the Regional Guidelines on Food Security & Nutrition Policy (2017), and PPP Regional Framework for Technology Development in FAF (2017).

Established in 1967, ASEAN has today grown to a membership of 10 States, comprising the entire territorial expanse of South East Asia. ASEAN’s average per capita income of over \$11,000 puts it at the top end of upper-middle-income economies in the World Bank’s 2017 classification; and while the range of average incomes between AMS is very wide, Cambodia – the poorest – is considered to be in the lower-middle-income group (annex table 2). The life expectancy at birth of ASEAN Member States’ populations – both men and women – are among the highest in the world, reflecting the level of development of the region. ASEAN is also today highly urbanized (54 per cent of the people in ASEAN’s most populous country, Indonesia, live and work in urban areas) and with rising per capita incomes, and thereby a large and significant middle class. Nevertheless, hunger remains a challenge. The number of people in East and South East Asia who are severely food insecure rose from 48 million people in 2015 to 71 million people in 2016 (FAO, 2017).

¹ Agriculture includes crops, livestock and fisheries

Agriculture remains important as a share of the gross domestic product (GDP) in Cambodia, Lao PDR, Myanmar and Viet Nam (the 'CLMV' countries) and Indonesia and the Philippines (because of the sheer size of their populations working in agriculture; many of whom will be youth even as late as 2015) (annex table 2). But at the same time there is a diminishing share of the population that depends on agriculture and forestry for employment (annex figure 1). How responsible investment guidelines in FAF are interpreted will reflect the distinctive characteristics of various AMS and the role and importance of agriculture to people's livelihoods.

Although ASEAN's population growth is slowing, the region's population will still grow from 643 million people in 2017 to nearly 800 million in 2050. This will make it one of the most populous regions in the world, with consequent issues vis-à-vis food security. These will be amplified over succeeding decades by climate change considerations because it is an archipelagic region – with vast coastlines and countless small islands; it also sits physically between the Indian Ocean and the Pacific, which are forecast to see ever more turbulent climatic events, such as cyclones. Investment in agriculture and forestry needs to take such risks into account. At the same time, with the exception of Brunei and Singapore, all AMS are rich in agricultural land and are already major agricultural exporters. Responsible and sustainable use of such wealth should be of prime consideration for AMS. In terms of climate change, while the region must pay heed to likely dangers and risks, the scale and diversity of its agricultural and forest wealth can be an asset, if well managed, in combatting GHG emissions and protecting endangered environments, fauna and flora.

Unlike any other developing regions, with the partial exception of Latin America, ASEAN is home to a very large number of major agribusinesses and forestry companies – including some of the world's largest multinational enterprises (MNEs) (annex table 3). Some of them, such as Sime Darby (Malaysia) and San Miguel (Philippines) trace their roots to the 19th century; others such as Olam (Singapore) and PT Bakrie Sumatera Plantations (Indonesia) were established in recent years. Many are active internationally; and most are significant investors in other AMS. Indeed, for ASEAN as a whole, 80 per cent of all foreign direct investment (FDI) in agriculture and forestry is from other ASEAN Member States (Annex figure 2). While the guidelines will apply to most AMS as FDI host countries, they also need to reflect ASEAN's unique situation among developing regions as both a source and host of FDI in agriculture and forestry; a number of AMS should consider complementary guidelines on responsible investment for their MNEs operating in other ASEAN economies (as well as non-ASEAN locations).

Cambodia, Indonesia, Lao PDR and the Philippines (and, to a lesser extent, Viet Nam) are especially dependent on other ASEAN economies for FDI in agriculture and forestry (annex figure 2). To some degree, this reflects the home bases of larger ASEAN MNEs in agriculture and forestry (Malaysia, Singapore, Philippines and Thailand) versus where they invest in the region (annex table 4). But the situation is more complex; for example, many Vietnamese and Indonesian small and medium-sized enterprises (SMEs) in agriculture and forestry – and, indeed from other AMS – are investing in their neighbors (sometimes 'informally').

Because ASEAN is a large, economically vibrant community, the impact of any sector – including agriculture and forestry – must be viewed through the prism of local, regional and global supply and value chains (Mirza et al 2017¹). Such value chains – including those linking rural and urban communities with the supply of processed foods through a chain stretching from production through storage, logistics, manufacturing, warehousing, and retail to consumers – are central to both food and nutrition security and the role of agriculture and forestry as engines for growth and development. For instance, the export of crops to international markets generates incomes for smallholder farmers and others that can be used to purchase food, to pay for education or as capital investments in new businesses. By the

same token, there is also the risk that prices of local produce may rise as a result of high demand in international markets.

The Guidelines embrace the centrality of supply and value chains, including through fair pricing of produce sold by farmers; supporting the improvement of quality and safety standards across the chain; and recognizes that investment does not have to directly contribute to food production to meet the objectives of food security. Supply and value chains in agriculture and forestry also mean that the key investors and investments are not necessarily in farming or plantations per se (they could even be based overseas). A manufacturer can contract smallholders to supply crops and forest products for its processing facilities, requiring guidelines to address contract farming in its various forms. Investors, companies and smallholders along value chains are all stakeholders in ensuring responsible investment in agriculture and forestry (chapter 6).

The impacts of large-scale investments are different to those of small- and medium-scale investments, and therefore the responsibilities of investors in the Guidelines are commensurate with size and potential degree of impact. For example, the investments made by smallholders are large as a share of total agricultural spending in many ASEAN countries, but most of this spending occurs within households and is primarily for subsistence purposes. On the other hand, in the case of Malaysia, large agriculture and forestry enterprises represent about a quarter of all enterprises in the industry and have extremely large investments. Large companies are also prevalent in other ASEAN countries, such as in Thailand, Viet Nam, Philippines, Indonesia and Singapore (annex table 5).

Importantly, smallholder farmers and SMEs likely constitute the majority of investments in agriculture and forestry in AMS, but the size of each project is far smaller than those by large companies. The guidelines recognize this disparity, especially because 'equal treatment' effectively places a burden on resource-constrained farmers and SMEs. At the same time, the Guidelines consider the nature of the impacts by different stakeholders; and recognize that small does not automatically equate with resource-constrained: digital and bio technologies, among others, are facilitating the establishment of cutting edge small and micro-enterprises. The Guidelines therefore ensure that, while smallholder farmers and SMEs' are fully responsible in their agricultural investments, how they meet their obligations is commensurate with the resource-constraints they face; noting that at the same time food safety should not be jeopardized nor the environment endangered. Governments, larger firms and others can develop support mechanisms to assist smallholder farmers and SMEs in meeting the necessary standards.

Ultimately, while guidelines on responsible investment are essential, it is important to attract investment in the first place. ASEAN Member States have been very successful in boosting investment in manufacturing and services by attracting overseas investors and encouraging domestic enterprises. However, their performance in terms of agriculture and forestry has been less satisfactory in both absolute and per capita terms (annex figure 3). It is essential to raise investment in FAF sectors to achieve sustainable economic development. The Guidelines can help boost investment and promote longer-term rewards and incentives that will improve investment decision-making and the quality of investments.

2. OBJECTIVES AND ORIENTATION

The primary purpose of the Guidelines is to promote investment in food, agriculture and forestry in the ASEAN region that contributes to regional economic development, food and nutrition security, food safety and equitable benefits, as well as the sustainable use of natural resources. Other objectives include:

- Establishing favorable conditions to attract responsible investment in FAF sectors through a clear policy and regulatory framework nationally and a more coherent approach across ASEAN; clarity of roles for the various agencies and institutions involved; and a well-designed system of institutions and processes for investment promotion, screening, monitoring etc.
- Considering all stakeholders in responsible investment in FAF as part of an ecosystem, which needs to be carefully nurtured. Investment promotion may be one goal, but the interests of other stakeholders, including local and indigenous communities, smallholders and vulnerable or marginalized groups, cannot be secondary. Consequently, striking a balance between interests – including strengthening the capacities of other stakeholders, contractually requiring investors to meet their obligations and creating instruments and tools to further cooperation – supports the primary purpose of the Guidelines.
- For ASEAN as a whole, creating a framework to guide AMS, large and small investors, and other actors in the development of responsible and sustainable agricultural investment and value chains in the region.
- Ultimately, creating a set of interests, which serves as a reference for decisions, behaviors and actions over the mid- to long- term.

The Guidelines are voluntary in nature and do not conflict with existing national laws and regulations or with binding international treaties. Nor do they replace the need for improved legal and policy frameworks at the national level. Indeed, a stronger and more equitable regulatory environment at the national level is the best guarantee to achieve social, economic and environmental benefits from investment.

3. SCOPE & DEFINITIONS

The ASEAN Guidelines on Promoting Responsible Investment in Food, Agriculture and Forestry are primarily aimed at the public sector in ASEAN, including governments and subsidiary agencies and institutions in each AMS and supranational organizations such as the ASEAN Secretariat and other pertinent regional bodies (chapter 5). They are also aimed at other stakeholders, including the private sector, civil society, communities, development partners and others (chapter 6). They should be seen as a living document, aiming at the highest national, regional and international standards with respect to responsible investment. They are also attuned to relevant United Nations Sustainable Development Goals (SDGs), including ‘No poverty’ (goal 1 to end poverty in all forms and dimensions by 2030), ‘Zero hunger’ (goal 2 to be achieved by the same date), ‘Gender equality’ (goal 5, ending all forms of discrimination against women and girls) and ‘Climate Action’ (goal 13). Recognising the importance of national, regional and global value chains in FAF activity, the Guidelines also seek to leverage voluntary sustainability standards.

The guidelines draw upon major existing principles and guidelines, in particular the Committee on World Food Security’s Principles for Responsible Investment in Agriculture and Food Systems (CFS-RAI), the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Forests and Fisheries (VGGT), as well as AMS regional experience and international best practice (annex table 1). The Guidelines are in line with the ASEAN Integrated Food Security Framework and Strategic Plan of Action on Food Security in the ASEAN Region (AIFS SPA-FS), which aims to ensure long-term food security and nutrition in the region. They are also in line with existing policies, laws and international commitments.

The guidelines set out policy and institutional options that serve as references for AMS in their efforts to ensure responsible investment in FAF but are not intended to be a full or binding statement on responsible investment in FAF.

For the purposes of the guidelines, the following definitions and terminology apply:

- **Agriculture and forestry.** ASEAN considers agriculture as comprising three sub-sectors: crops, livestock and fisheries. Forestry is treated as a separate sector (unlike the FAO which includes forestry in its definition of agriculture). The guidelines thus also apply to livestock and fisheries, recognizing the specificities of these two subsectors.
- **Host and home country:** Where an investment is international, the economy in which an investment occurs is the 'host country'; nearly all AMS are FAF host countries. The economy in which the investor is based is the 'home country'. Several AMS are home countries by this definition. Moreover, a few AMS are simultaneously significant recipients and sources of investment. Given significant levels of intra-ASEAN FDI some elements of the guidelines will be relevant only to specific sub-groups.
- **Indigenous peoples.** While there is no formal international definition of indigenous peoples, they are generally recognized to comprise: 'tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations'. Moreover, they also include, 'peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.' (ILO Convention 169, 'UNDRIP'). The United Nations Permanent Forum on Indigenous Peoples has, in addition, stressed a strong link to territories and surrounding natural resources. In some AMS, indigenous peoples are referred to as 'ethnic groups'.
- **Investor:** An investor is a company which implements a commercial project. Investors can be public or private, domestic or foreign, large or small.
- **Involuntary resettlement.** Involuntary resettlement refers both to physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) as a result of project-related land acquisition and/or restrictions on land use. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in physical or economic displacement." (IFC Performance Standard 5.) In some circumstances pertaining to indigenous and local communities, involuntary resettlement can also encompass cultural and spiritual displacement.
- **Private sector:** The private sector includes smallholder farmers, small and medium-sized enterprises (SMEs), and larger companies.

4. RESPONSIBLE INVESTMENT IN FOOD, AGRICULTURE & FORESTRY (FAF) AND ITS CHALLENGES

Investment in FAF is one of the most critical ways for ASEAN countries to provide employment and livelihoods, reduce poverty and improve food and nutrition security. Responsible investment requires both the public and private sectors. Public investment from AMS is vital to provide public goods like agricultural research, rural infrastructure and extension services, and create an enabling environment for a strong private sector (Wieck et al, 2014). Private investments in FAF can increase export revenues, boost productivity, generate employment, and provide access to new technologies, capital and markets (Karlsson, 2014; Picard, et. al, 2017). The Guidelines focus on addressing the challenges from private sector investment. The private sector spans smallholder farmers, SMEs, and large private investors and includes both domestic and foreign sources of investment (Mirza, et al. 2014.ⁱⁱ).

There are a number of risks associated with private sector investment, particularly foreign investment. Development benefits are not automatic and in Southeast Asia involve ‘a complex web of interests and struggles’ (Mirza et al, 2014; Shohibuddin et al, 2016)ⁱⁱⁱ. When done badly, private sector investment can exacerbate existing inequalities, undermine the livelihoods of smallholder farmers and those of indigenous peoples, and deplete land, water, soils, forests and other natural resources (Karlsson, 2014; Picard. et al, 2017^{iv}). But when done well, and integrated with the local economy, increased investment can help generate employment and promote economic development (Karlsson, 2014; Picard. et al, 2017^v). All stakeholders have a role to play in ensuring positive outcomes, and each faces a unique yet interlocking set of risks and challenges.

Investment in FAF creates challenges for AMS in six key areas: (1) food security, (2) land rights, (3) jobs & livelihoods, (4) environment, (5) technical and institutional capacity, and (6) project failure, with issues of gender equality, women’s empowerment and youth engagement present across all areas.

4.1. Food security

Investment in FAF can bring positive outcomes for food security, including nutrition. Investments, particularly by farmers and the government, which improve farm productivity, can increase the affordability and availability of food on the market (Liu, 2014^{vi}). Large-scale agribusiness investments that integrate smallholder farmers as outgrowers have had positive outcomes for food security, through higher incomes. (Mirza et al, 2014). Additionally, the improvements in reliability of supply chains has led to more stable food security for urban populations which generally do not grow their own food. Indeed, large-scale investments can be important for urban food security, particularly in those AMS where the amount of arable land is declining under pressures from industrial and residential land use, and in the context of rapid population growth. The challenge is to ensure that urban food security does not come at the cost of rural food security.

When done badly, investment in FAF can pose substantial risks for indigenous peoples’ and local communities’ food security. Where land is used for non-food crops, or to produce food mainly for export, this can pose a challenge to local food security (UNCTAD, FAO & IFAD, 2010^{vii}) particularly in predominantly rural AMS. While investments can increase production in a country, they may divert food from local communities where it is most needed (Mirza et al, 2014). Displacement and resettlement can disrupt communities’ ability to grow their own food and access traditional and indigenous food sources, as well as grazing land and other livelihood resources that are important for food security.

Additional challenges arise where foreign investments in FAF are linked to the food security strategy of the home country. These challenges can be offset by a boost to farmers' incomes from export crops, which can be used to purchase food locally. Malaysia and Thailand for example have invested heavily in other AMS, especially Viet Nam and the Philippines, to supply their home markets (Fiedler & Iafrate, 2016). Foreign investment in FAF may allow home states to gain more control over production for domestic markets and reduce the cost of those products by cutting out middlemen. It may also source sufficient amounts of industrial crops, such as wood, rubber and biofuels, for domestic industries (Schönweger & Üllenberg, 2009).

4.2. Land rights

The most common risk from large-scale private sector investments is land disputes that adversely affect all stakeholders, with a particularly negative impact for local communities (Fiedler & Iafrate, 2016).^{viii} Land disputes were the most prominent negative impact arising from 10 large agribusiness investments in AMS² (Mirza et al, 2014). Involuntary resettlement can cause households to lose access to their land entirely, and the demarcation of project sites can cut off indigenous peoples and local communities' access to natural resources, water, and foraged food sources. UN treaty bodies monitoring the impacts of large-scale land acquisitions in four AMS found particularly negative impacts on populations vulnerable to discrimination and marginalisation; indigenous groups, women, children, rural communities, and smallholder farmers (Golay, 2015).^{ix} Land disputes and insecurity of tenure adversely affect investors as well, in some cases incentivising behaviour that compounds the negative impacts on local communities. In the context of forestry concessions, a host state policy environment which undermines security of tenure is cited as, at best, a disincentive for the investors to invest in more sustainable production methods, and at worst an incentive to 'cut and run' before losing the concession (Chan, 2016; Schönweger & Üllenberg, 2009).

Negative impacts from land loss and disputes are more severe in countries that are predominantly rural and where land rights are often informal (Liu, 2014; Sylvester & Phaopongsavath 2017^x). Land titling and informality are complex in post-conflict countries where there has been loss of formal land records and widespread displacement (Chan, 2016)^{xi}. Land mapping and titling to improve security of land tenure and minimize disputes is especially important (Mirza et al, 2015). Insufficient consultation, a lack of transparency and disclosure, and a failure to properly involve all affected community members in planning and decision-making have been found in land investments in some AMS (Zhan, et al. 2015.^{xii}) Indigenous and ancestral lands are particularly vulnerable (Tagliarino, 2016).^{xiii} Case studies of FAF investments in AMS have found confusion caused by overlapping responsibilities at different levels of government (Mekong Regional Land Governance Programme, 2016),^{xiv} as well as a lack of transparency and a sense of unpredictability for investors with regards to land acquisition procedures (Sylvester & Phaopongsavath, 2017).

Improved transparency and better governance are emerging to counter the negative impacts. Some AMS are moving towards greater transparency in large-scale FAF investments, with Malaysia publishing environmental and social impact assessments on the Department of Environment website (Zhan et al, 2015). Case studies in Laos and Cambodia found that increasing land scarcity, investor competition, and the learning processes of stakeholders at different policy levels is leading to more inclusive investments (Messerli, et al. 2015.)^{xv} There is also a growing trend towards use of technology, such as satellite imagery and drone photography to monitor investment-related activities. Yet there remain

² Cambodia, Vietnam, Indonesia, Malaysia and Lao PDR

improvements to be made in terms of transparency, anti-corruption measures and good governance in respect of investment in FAF in some AMS.

4.3. Jobs & livelihoods

Jobs and livelihood creation is one of the most important benefits from large-scale agribusiness investment in FAF. 10 large-scale agribusiness investments in five AMS found job creation was the benefit most frequently cited, and the projects directly employed around 7,000 people (Mirza et al, 2014). Many of these jobs paid wages that were higher than the local job market. Importantly, job creation was not linked to the size of land but rather to the type of business model. Investments where processing facilities are built create more jobs per hectare (Zhan et al, 2015).

But not all jobs are stable and well paying, nor are they equitably distributed between men and women. A significant gender gap exists in the agribusiness investments studied in the ASEAN region. Only around one-third of jobs went to women, and these jobs were more likely to be casual, temporary, or seasonal (Zhan et al, 2015). The sustainability of jobs is also questionable; in several case studies, the number of jobs created decreased over time and was lower than what the investor had initially promised (FAO, 2012). For foreign investors, managerial positions tended to be held by expats or people from outside the local community (Liu, 2014). In some cases, labouring jobs on rubber plantations were given to migrant labourers from outside the local area who were seen as more efficient, leading to tensions with the local community (Gironde & Senties Portilla^{xvi}, 2015; Schönweger & Üllenberg, 2009).

Contract farming schemes can improve livelihoods while leaving farmers in control of their land, but once again the benefits are not equitably distributed between men and women. Business models that involve smallholders as business partners can minimize the risks and maximize the benefits of FAF investments, creating income opportunities and enhancing food security. For example, 11 large-scale agribusiness investors in AMS contracted with over 30,000 outgrowers in more inclusive business models (Mirza et al, 2014). These investments were well received because the presence of a reliable buyer for local farmers produce contributed positively to increasing rural incomes. Outgrowers generally thought they received better prices for produce as well as useful training and technical support from the investor. On the other hand, selecting the largest farmers for contracts can lead to increased inequality and tension in communities. In many cases gender outcomes are dismal; less than 5 percent of outgrowers were women (Mirza et al, 2014; Smaller et. al, 2015^{xvii}). In addition, power asymmetries between the producers and buyers persist, there is an unequal distribution of risks, and producers often have weaker bargaining power.

Furthermore, **with contract farming opportunities come risks for farmers, especially for some key ASEAN crops.** The price volatility of traded industrial crops can make contract farming households vulnerable to price crashes, like the 2012 drop in rubber prices (Sylvester & Phaophongsavath 2017). Such crops have long lags between planting and harvest, so farmers bear the risk of events like fire, disease, and weather, wiping out stocks before they mature (Schönweger & Üllenberg, 2009). Unclear pricing, quality assessment, and processing delays can also disadvantage farmers. Some key ASEAN crops – rubber, sugar, and palm oil—must be processed quickly after harvest, putting the farmer at the mercy of the investor making timely pickups and having sufficient storage and processing capacity (Zhan et al, 2015). Meanwhile women do most of the work under farming contracts, but they are usually signed by the male head of household (Daley, 2013^{xviii}), and contracted crops can displace food crops which are grown by women to feed the household (Vermeulen & Cotula 2010^{xix}; Eaton & Shepherd 2001.^{xx}). Contract farming as a concept can nevertheless be improved further, including in terms of various levels of engagement, ‘co-investment’ and ‘risk sharing’.

If stronger engagement is promoted, issues such as gender employment can potentially be addressed.

4.4. Climate change and the environment

Climate change impacts and associated natural disasters and shocks are global and local, immediate and long term; they affect all sectors, including FAF; and they respect no border or human agency. Responsible investment in FAF to help mitigate their impact, and adapt to it, requires unprecedented, collaborative action on the part of governments and policymakers (local, regional and international), investors (domestic and foreign), communities and other stakeholders.

FAF investments can damage the local environment through the over-exploitation of natural resources. Logging and clearing forests to convert it for agricultural use is a major cause of land and water degradation, biodiversity loss, and carbon emissions. The value of the timber for immediate sale within the region is often high, attracting investors who then fail to further develop the land after clearing it, compounding losses to the local community (Zhan et al, 2015; Chan, 2016).

Despite the negative impacts on the environment, there is insufficient attention to the effective management of land, forests and fisheries. Market premiums for organic and other certified products are driving investments in sustainable production practices. The effort and cost to manage soil fertility, forests and fisheries for the long term is a key consideration. Large-scale commercial production of one or two crops can be chemicals intensive, contributing to land and water degradation and biodiversity loss through chemical drift, aerial spraying and water contamination (Mirza et al, 2014). And it is not limited to large operations (ADB, 2014)^{xxi}. One investor in Cambodia has established a model farm compliant with International Foundation for Organic Agriculture and with Indian Organic Certification Agency requirements, which uses no agrochemicals or chemical fertilisers, manual weeding and minimal tillage (Mirza et al, 2014). However, certification can be expensive for small holders and SMEs, the price premiums paid not substantial enough to provide sufficient incentives, and corporations, not the small producer, can capture the major share of the value.

4.5. Technical and institutional capacity

One of the key measures governments can take to identify and mitigate the risks outlined above is to screen investors and their investment proposals. **Yet the process for screening and selecting investors in some AMS has been found to be hasty and superficial.** This is in part because comprehensive financial and technical screening requires specialised expertise (including negotiation skills vis-à-vis investors), human resources and coordination amongst various government agencies, which may be lacking in some AMS. Agencies responsible for screening may also be put under political pressure and the influence of patronage dynamics to 'get the deal done'. This can especially be an issue when the screening is not transparent or inclusive (does not involve relevant stakeholders). Additionally, governments may emphasise attracting investment, but a balance between attraction and effective screening must be struck.

Monitoring the implementation of FAF investment projects to ensure their compliance with the terms of the investment contract and local laws is also a key challenge for host countries. Inadequate monitoring can mean the government misses early warning signs of a failing investment needing remedial action or sanction, or fails to pick up on unapproved changes, such as planting a different crop or alterations to the business plan (World Bank/UNCTAD). **Government monitoring is often insufficient** to properly assess the investor's compliance with its contractual and legal obligations. Oversight of investment

activities is often focused on productivity targets, with limited monitoring of an investment's socioeconomic and environmental impacts (Mirza et al, 2014). Overlapping powers between government departments can also result in monitoring obligations 'falling between the cracks' (Chan, 2016). Continuous and effective oversight of investment projects is resource-intensive and may be under-prioritised by governments (ADB, 2014).

4.6. Project failure and investor-state contracts

'It is a complicated business to make large-scale agricultural investments a success, especially in a developing country context' (Mirza et. al, 2015, p.17), yet financial and operational success is essential if FAF investments are to achieve positive development outcomes. Further, FAF investments tend to take a long time to become cash flow positive compared to other sectors. Typically, the more successful investors are experienced, well financed and with a clear understanding of their targeted market. Nevertheless, project failure can be lose-lose-lose for the local community, investor and host country. The guidelines help to address this risk. A significant proportion of ASEAN investments in the study cited above were unprofitable or behind schedule because of operational and financial challenges like difficulties accessing finance and working capital, poor roads limiting market access and other infrastructural deficits, human resources issues, and technical feasibility issues like unsuitable soils (Mirza et al, 2015). Reputational risk for private investors perceived to be involved in 'land grabs' is growing, as global supply chains become increasingly transparent including for key ASEAN commodities such as palm oil, timber, sugar, rubber and maize (Dwyer, Polack & So, 2015)^{xxii}.

Where resettlement takes place it is vital that the right to free, prior and informed consent (FPIC) is upheld. This allows communities to give or withhold consent to a project that may affect them or their territory. Currently, the right pertains to indigenous peoples and is recognized in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

Properly enforced domestic laws are the best way for governments to help realise the positive impacts of FAF investment, but in practice, **contracts between a state and an investor, known as investor-state contracts, play a major role in AMS**. This is especially so in developing countries where the necessary domestic laws may not be in place or may not be sufficiently detailed (Smaller, 2014), or where there is insufficient capacity to monitor and enforce compliance with the laws that are in place. Host states may lack the legal expertise and negotiating capacity to ensure they enter into contracts of sufficient depth and quality to protect the interests of the government, local community and investor. A particularly problematic clause often sought by foreign investors is a 'stabilization' provision, which freezes the domestic laws at the time the contract is signed for that particular investor (Smaller, 2014). Such a clause may exempt the investor from the application of new laws, or may require the government to compensation the investor for financial losses arising from the application of new laws. This could include new environmental measures and increases to the minimum wage (Smaller, 2014).

Finally, in many cases grievance mechanisms for local communities are lacking in large-scale investments and communities are unaware of how to raise concerns or seek redress. In addition, in the early stages of an investment, investors should be watchful for unresolved grievances, which they may inherit from 'legacy issues' (Interlaken Group 2017, CDC and DEG 2016).^{xxiii} Such issues may be inherited from, for example, a past owner of the land or operation; political conflict leading to displacement; or inadequate consultation processes or perceived compensation in the investor's own land acquisition procedures. Investor grievance mechanisms are important tools that allow the investor to receive and resolve concerns and

grievances by local communities on social and environmental issues and by employees on workplace issues (Smaller, 2014).

5. ASEAN GUIDELINES FOR RESPONSIBLE INVESTMENT IN FOOD, AGRICULTURE AND FORESTRY

The ASEAN Guidelines for Responsible Investment in Food, Agriculture and Forestry are inspired by and grounded in the Committee on World Food Security's Principles for Responsible Investment in Agriculture and Food Systems (CFS-RAI). The guidelines are a tool to support the implementation of the CFS-RAI in ASEAN. They are addressed to AMS governments (including subsidiary agencies, central and regional) and adapted to the specific challenges facing ASEAN that are identified in chapter 4, with an emphasis in most areas on the large-scale private investment projects that generate many of the most significant negative impacts of FAF investment described above. However, there are key roles and responsibilities for stakeholders outside of government and large-scale private actors, which are set out in chapter 6. The Guidelines are voluntary in nature.

Guideline 1: Contribute to food security, food safety and better nutrition

- Responsible investment in FAF in ASEAN contributes to food security, food safety, and better nutrition by:
 - Recognising and respecting the right of all ASEAN citizens to have access to sufficient, safe, diverse, culturally acceptable, appealing and affordable and nutritious food, and to be free from hunger.
 - Supporting AMS' commitments to achieving sustainable development goal 2 (SDG2), and contributing to the objectives and goals of the ASEAN Regional Guidelines on Food Security & Nutrition Policy, and the ASEAN Integrated Food Security Framework and Strategic Plan of Action 2015 – 2020.
 - Helping to secure a sustainable supply of sufficient, affordable, safe and nutritious food for growing ASEAN populations in rural and urban areas, at a regional, national, and household level through increased and diversified production, purchases through increased income, as well as improvement of access to and distribution of existing food stocks.
 - Recognising and respecting the right of farmers to seed diversity.
- To achieve this, AMS may consider:
 - Providing a safe, enabling environment for responsible investment in food and nutrition security.
 - Developing a coherent national FAF sector plan incorporating a strategy to achieve food security, food safety and better nutrition.
 - Supporting food fortification programmes, including through partnerships with the private sector, to help enhance nutrition security.
 - Developing innovative rural financing mechanisms, including public-private partnerships (PPPs), to improve access to markets and expand rural infrastructure in food insecure areas, particularly roads, transport, energy, irrigation, and storage networks needed to increase food production and purchasing power.
 - Monitoring the impact of investment on food and nutrition security, and food safety and diversity.

Guideline 2: Contribute to equitable, sustainable and inclusive economic development and the eradication of poverty

- Responsible investment in FAF in ASEAN contributes to equitable, sustainable, inclusive, culturally respectful, and appropriate economic development and the eradication of poverty by:
 - Helping to achieve equitable, sustainable and inclusive growth in a manner that reduces poverty, ensures gender equality and women’s empowerment, and lessens inequality within and between AMS, in pursuit of the first goal of the Vision and Strategic Plan for ASEAN Cooperation in FAF.
 - Creating decent, safe, and sustainable jobs and livelihoods, particularly for those in rural areas, with adequate compensation and incomes, equity in wages and benefit packages among men and women,, decent working conditions, and opportunities for training and up-skilling.
 - Encouraging innovation and the diffusion of new and sustainable technologies that enhance resource efficiency, productivity and produce quality, in support of guideline 7, including through coordination, cooperation and partnerships between small and large producers.
 - Assisting cooperatives, smallholder farmers, forest harvesters, small scale forest enterprises and other SMEs to improve quality and standards (including standards compliance), and to support those who wish to transform into viable, competitive commercial enterprises.
 - Sharing value through balanced, enforceable commitments from both the investor and the country where the investment is located.
 - Supporting fairer and more transparent contracts between buyers and producers of agricultural commodities that redress power asymmetries, including through a stable, conducive regulatory environment, as well as drawing on or aligning with existing voluntary standards in this space.
 - Respecting and promoting existing culturally empowering and sustainable forest livelihoods.

- To achieve this, AMS may consider:
 - Inserting specific, measurable commitments into investor-state contracts, and encouraging business development and training programs to facilitate engagement of local businesses.
 - Exploring alternatives to large-scale land concessions, and encouraging investors to commit to equitable and inclusive contract farming and outgrower schemes allowing small farmers to stay on their land, where appropriate for the investor, the project and local conditions. Contract farming schemes should ideally benefit the whole community and not just the wealthiest individual farmers.
 - Introducing a community engagement strategy in investor-state contracts, including a community development agreement, in line with the Free Prior Informed Consent (FPIC) principle and the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security (VGGT), CFS-RAI and the UN Office of the High Commissioner for Human Rights Principles for Responsible Contracting (Ruggie, 2011^{xxiv}). In the case indigenous peoples, introducing a FPIC agreement, in line with the United Nations Declarations on the Rights of Indigenous Peoples and FAO’s FPIC manual.
 - Drawing on existing guidance documents (such as the UNIDROIT-FAO-IFAD Legal Guide to Contract Farming 2015; and the Model Agreement for Responsible Contract Farming, forthcoming 2018^{xxv}) to develop fair contracts with outgrowers, and work with farmers, cooperatives and farmers organizations to enhance awareness of contractual rights and obligations.

- Involving cooperatives and representative organizations of small-scale food producers and consumers in investment related policy and decision-making fora.
- Developing strategies to ensure the inclusion of women and marginalized groups in investment projects and outgrower schemes, taking into due account existing power imbalances.
- Allocating public funds to support smallholder farmers, cooperatives, forest harvesters and SMEs, through long term programmes and instruments such as microfinance, rural credit, and market linkage and small enterprise development programmes, especially in poor and marginalized communities.

Guideline 3: Foster equality, engagement, and empowerment for women, young people, indigenous peoples and marginalised groups.

- Responsible investment in FAF in ASEAN contributes to gender equality, youth engagement and empowerment by:
 - Strengthening equitable access to opportunities for, and promoting and protecting the human rights of women, youth, children, older persons, persons with disabilities, migrant workers, ethnic minority groups, indigenous peoples and vulnerable and marginalized groups, in line with the ASEAN Socio-Cultural Community Blueprint 2025.
 - Acknowledging the enormous contribution of women to the FAF sector, as well as the critical importance of the FAF sector in ASEAN effectively harnessing the youth, and attracting more young people into an increasingly ageing sector.
 - Recognizing the central role of the FAF sector in promoting inclusive business models to help ensure access to employment and entrepreneurship.
 - Increasing women's, young people's, indigenous peoples' and other marginalized people's equitable access to land, natural resources, inputs, services (extension, advisory, and financial), education, training, markets, and information, and strengthening women's land rights;
 - Integrating gender issues and women's empowerment into sustainable agriculture, fishery and forestry practices, to address women's, indigenous peoples' and other groups' increased vulnerability to the socio-economic impacts of natural disasters and climate change, in alignment with the ASEAN Vision and Strategic Plan for ASEAN Cooperation in FAF.
 - Ensuring women's, young people's, indigenous peoples' and other marginalized people's meaningful participation in decision-making, leadership roles, and partnerships.
- To achieve this, AMS may consider:
 - Improving women's access to education and legal redress mechanisms, and women's ability to collectively mobilize and claim political rights. In some cases, this role might involve improving legal systems but more often it relates to enforcing existing laws.
 - Recruiting more woman extension officers and training all extension officers to provide gender-sensitive support to small holders and SMEs.
 - Facilitating partnerships and networks amongst civil society organizations, farmers' groups, indigenous peoples' groups and women's cooperatives to support women's economic empowerment.
 - Promoting the youth's participation in the FAF sector through policies that facilitate their meaningful access to resources, markets, and opportunities, including:

- Establishing FAF educational and training institutions, including on-farm and technical, and including entrepreneurship in agriculture curriculums.
 - Supporting investors that seek to integrate youth into decision-making processes.
 - Supporting producer groups representing women, youths and indigenous peoples to enhance their advocacy and bargaining power.
- Developing programs to change youth's perception of the FAF sector and encourage more young people to choose FAF career paths.
 - Requiring investors to establish a youth engagement strategy as part of their business plan, including internships and scholarships.
 - Promoting the use of ICT in FAF such as mobile phones, internet services, apps and social media, to both improve access to information, and attract young people to be the next generation of farmers.
 - Supporting the establishment of youth savings groups within the community and/or encourage community savings groups to incorporate young people.
 - Recognizing the unique role and influence of women in respect of family and community level food security and nutrition, and supporting women to translate investments in FAF into positive nutritional and food security outcomes for their family and the communities they live in.

Guideline 4: Respect tenure of land, fisheries, and forests, and access to water

- Responsible investment in FAF in ASEAN respects tenure of land, fisheries, and forests, and access to water by:
 - Respecting all legitimate tenure right holders of land, fisheries and forests, including customary rights holders, in line with the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT), and the Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication, and in the case of indigenous peoples the UN Declaration on the Rights of Indigenous Peoples.
 - Recognizing the rights of indigenous peoples and local communities to free, prior and informed consent (FPIC) to any investments in their customary lands and forests and ensuring that FPIC is obtained.
 - Assessing the social impacts on all legitimate tenure rights holders, including by establishing a baseline of social conditions existing prior to any investment activities and assessing the impact on people living on or around the proposed project site, with particular attention given to indigenous peoples and local communities.
 - Avoiding displacement and resettlement of all legitimate tenure rights holders in line with applicable AMS laws, the VGGT, UN Office of the High Commissioner for Human Rights Basic Principles and Guidelines on Development-Based Evictions and IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement.
- To achieve this, AMS may consider:
 - Strengthening land laws and land use policies, as well as administrative capacity and systems at local levels to identify, record, and where appropriate, formalize land rights, recognizing that secure land tenure regimes can support responsible investment.
 - Facilitating collective, communal and individual land titling and other forms of protection of tenure rights in a way that recognizes a broad range of conceptions of land ownership and access, and that is truly accessible to poor

- communities and marginalized groups, learning from past experiences with individual titling programmes, particularly for the rural poor.
- Raising awareness among communities of their legitimate tenure rights, including:
 - Building capacity of local communities to engage with investors, including participating in negotiations.
 - Developing simple and effective processes through which concerns, grievances and infringements about land rights or communal resources can be raised and addressed (vis-à-vis all groups, including investors).
 - Conducting joint awareness raising activities amongst AMS at all levels of government regarding the VGGT and other relevant principles and guidelines, and discouraging investment promotion practices that undermine security of tenure. Ensuring that where resettlement is deemed unavoidable, it should be minimized and appropriate measures to mitigate adverse impacts on displaced persons and host communities should be carefully planned and implemented. A resettlement plan should be put in place based on the results of the social impact assessment, and having regard to the UN Office of the High Commissioner for Human Rights Basic Principles and Guidelines on Development-Based Evictions and IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement. The resettlement plan should be agreed by concerned communities under the FPIC process and should include opportunities for on-farm and off-farm employment and skills training for project affected peoples.
 - Maintaining a fair and transparent system of identifying land rights in a way that safeguards legitimate tenure rights holders and conservation areas, including through the use of technology such as global position system (GPS) technology or satellite data, where appropriate.

Guideline 5: Conserve and sustainably manage natural resources, in particular ASEAN's forests

- Responsible investment in FAF in ASEAN contributes to the conservation and sustainable management of natural resources, in particular ASEAN's wealth of forest resources, by:
 - Preventing, minimizing, and remedying negative impacts on air, land, soil, both inland and offshore water resources, forests, wetlands, habitats and biodiversity, with regard to the specific needs of sensitive areas and protected sites.
 - Supporting sustainable forest management practices, including community forestry management, as well as fire prevention and transboundary haze control. This should recognise the economic, social, cultural and ecological value of ASEAN's forests and their contribution to biodiversity and the carbon cycle. It should also respect the unique role of forests as providing a range of important ecosystem services such as food security, energy security and medicinal needs. This is in line with the Vision and Strategic Plan for ASEAN Cooperation in FAF and the Strategic Plan of Action for ASEAN Cooperation on Forestry (2016 – 2025).
 - Balancing economic objectives and the need to increase production with conservation objectives and the needs of local communities and indigenous peoples, to develop better sustainable resource management systems to support and conserve biodiversity and genetic resources.

- Supporting sustainable sourcing and environmental and social certification, harnessing and demonstrating the increasing demand, particularly amongst ASEAN's growing middle class, for sustainably produced FAF products.
- Minimizing pre- and post-harvest loss and waste, increasing production efficiency, and the productive use of waste and by-products, including by investment in transport and storage infrastructure, partnerships for technological diffusion and research.
- Encouraging sustainable consumption by incentivizing planning for reducing waste generation, using more environmentally friendly packaging, and lengthening product life cycles.
- Putting in place robust institutions and systems of governance and natural resource planning and management, with ample space for participation of local communities and indigenous peoples in decision-making, and ensuring that responsible investment in FAF affirms and strengthens these institutions and systems of governance, and does not undermine them.
- To achieve this, AMS may consider:
 - Ensuring comprehensive natural resource management systems, based on existing resource management laws, as well as indigenous peoples' and local community's good practices and knowledge, to govern development of infrastructure, access and use, including:
 - Establishing the principles of managing water as a scarce economic resource to achieve efficient and equitable use, and to ensure the conservation and protection of water resources.
 - Ensuring water access in line with human rights obligations and development commitments, with the government retaining primary responsibility for the delivery of water and sanitation for its population, and not relying solely on private investors to provide public services.
 - Developing national forest plans that explicitly address investment as it relates to and impacts on key forestry issues such as conservation, invasive species, illegal logging, fires, and wildlife.
 - Supporting forest management decentralization and devolution processes.
 - Where necessary, using specific regulations to govern sensitive and critical areas and protected sites.
 - Providing for inter-ministerial coordination, standard setting, planning and monitoring, between the relevant Ministries such as agriculture, forestry, environment and water.
 - Promoting alternative livelihoods in forested areas through community-integrated knowledge transfer activities, as well as supporting communities in the planting of crops and use of other agronomic practices which help to prevent soil erosion and other land degradation.

Guideline 6: Support the generation and diffusion of sustainable and appropriate technologies and practices for resource efficient, productive and safe FAF systems

- Responsible investment in FAF in ASEAN supports the generation and diffusion of sustainable technologies and practices for resource efficient, productive and safe FAF systems by:
 - Investing in the necessary R&D infrastructure, human capacity, and the fostering of a 'lab to field' ethos for both the generation and diffusion of technology throughout FAF value chains, including better aligning foreign technologies with local needs and constraints.

- Adopting and supporting policy, regulatory and institutional arrangements that drive the development, commercialization and distribution of technologies, in furtherance of the Vision and Strategic Plan for ASEAN Cooperation in FAF. And concurrently giving consideration to technologies that enhance productivity, improve efficiency in the sustainable management and use of raw materials, natural resources, energy, and waste.
 - Promoting collaboration and coordination amongst AMS for R&D, including making the most of existing ASEAN structures for knowledge sharing, and leveraging private sector investment in innovation through strategic PPPs, in line with the ASEAN Public-Private Partnership Regional Framework for Technology Development in the FAF Sectors.
 - Supporting private sector partnerships and the use of inclusive business models to encourage technology transfer from large private investors to smallholder and SMEs.
 - Strengthening forums for information exchange, innovation and knowledge sharing between and amongst the private sector, scientists, research institutes, farmers and other key stakeholders.
 - Recognizing the importance and contribution of traditional knowledge and technologies to foster resource efficient, productive and safe FAF systems, and ensuring that collective intellectual property rights arising from such traditional knowledge and technologies are recognized and supported.
- To achieve this, AMS may consider:
 - Developing skills and recruiting personnel skilled in the commercialization of technology and PPP development in FAF.
 - Supporting the creation and adoption of new technologies by establishing national and regional systems of innovation, involving government, NGOs, the private sector and smallholder representatives.
 - Funding or subsidizing the initial procurement of new technologies for small holders and SMEs, to reduce their initial cost and catalyze technological progress in the country. Focusing, in particular, on appropriate technologies to assist small holders and SMEs improve productivity and product quality, comply with international market standards, and increase competitiveness.
 - Developing the capacity to screen and select investments that introduce sustainable technologies to contribute to the country's growth and sustainable development.
 - Seconding skilled government officers to an industry body to provide enterprise- or crop-specific technical support to smallholders.
 - Linking agricultural research institutions and NGOs involved in technology development and dissemination with larger investors to leverage the efforts of all parties for the benefit of smallholders.
 - Creating an enabling environment for public-private partnerships in knowledge transfer, agricultural technology generation and human resource development.
 - Providing effective legal and policy frameworks for intellectual property rights, including efficient regulatory approvals for new technologies, products and processes so the newest technology and innovation can be readily adopted.

Guideline 7: Increase resilience to, and contribute to the mitigation of and adaptation to climate change, natural disasters, and other shocks

- Responsible investment in FAF in ASEAN increases resilience to, and contributes to the mitigation of and adaptation to climate change, natural disasters, and other shocks by:

- Recognizing that FAF sectors have immense potential to contribute to climate change adaptation and mitigation measures. This includes through carbon sinks, reforestation, and conservation of natural forests, amongst other linkages. In so doing, responsible investment in FAF supports the ASEAN Multi-Sectoral Framework on Climate Change: Agriculture and Forestry Towards Food Security.
- Developing, testing and scaling up climate adaptation measures and effective, efficient and affordable strategies for climate resilience, complementing the ASEAN Regional Guidelines for Promoting Climate Smart Agriculture Practices.
- Encouraging the development of financial risk protection products for small holders and SMEs in respect of natural disasters and climate change, including through strategic PPPs, in line with the ASEAN Socio-Cultural Community Blueprint 2025.
- Recognizing, respecting and promoting indigenous and traditional knowledge and practices in sustainable crop management measures, natural resource management and other methods of climate change adaptation in FAF.
- Acknowledging and responding to the heightened vulnerability of women, youth, children, older persons, persons with disabilities, migrant workers, ethnic minority groups and other vulnerable and marginalized groups including those living in at-risk areas.
- To achieve this, AMS may consider:
 - Increasing public funds for research and extension services to support climate change mitigation and adaptation, including through:
 - Increasing investments for mitigation and adaptation technologies, including the development of climate resilient varieties.
 - Building capacity of government official, small holders, SMEs and local communities to disseminate and apply high-quality research through shared ASEAN experiences.
 - Developing legal and policy frameworks to harness the private sector to find diverse and innovative insurance products and services that consider the risks arising from the increased frequency of droughts, floods and other extreme weather-related events, with a particular focus on the role of ICT given that over 90 per cent of the global top 100 ICT companies are present in ASEAN.
 - Identifying specific areas of action required in respect of climate change measures and encouraging investors to pay sufficient attention to them.

Guideline 8: Respect the rule of law and incorporate inclusive and transparent governance structures, processes and grievance mechanisms

- Responsible investment in FAF in ASEAN should respect the rule of law and incorporate inclusive and transparent governance structures, processes and grievance mechanisms by:
 - Abiding by national laws in letter and in spirit;
 - Refraining from engaging in corrupt practices and bribery;
 - Proactively sharing information relevant to an investment, in an inclusive, accessible, and transparent manner at all stages of the investment cycle, to level the playing field between investors and affected communities, mitigate potential conflicts, and facilitate monitoring of investment projects and their compliance with contractual and community agreements;
 - Promoting access to transparent and effective mediation, grievance, and dispute resolution mechanisms, including respecting traditional and customary governance and grievance mechanisms and customary law processes for dispute resolution, particularly for vulnerable and marginalized groups, indigenous peoples and local communities.

- Taking actions to address any legacy issues, for instance through an early-stage grievance mechanism, review of past contracts, environmental and social impact assessments (including cultural impact considerations) or an independent land assessment in post-conflict situations.
- Consulting meaningfully and responsively with groups and individuals affected by investment decisions, with due regard to power asymmetries, to ensure their active, free, effective, genuine and informed participation in those decisions. This includes seeking consent from indigenous peoples and local communities, as per their right to free, prior and informed consent throughout the investment period. This principle recognizes that consultation processes should be differentiated according to the size of the investment;
- Promoting a policy, legal, regulatory, and institutional environment, that treats all FAF investors fairly and equitably, and that is transparent, coherent, consistent, and predictable.
- To achieve this principle, AMS may consider:
 - Establishing guidelines for the periodic reporting and disclosure of information, including:
 - Publishing details of prospective investors (name, registered office, and contact), information about the bidding and screening process, as well as details of potential projects such as the incentives on offer.
 - Ensuring the above documents and information are accurate, published early, and kept up-to-date throughout the life cycle of the investment project.
 - Making disclosed information accessible to all stakeholders, taking into consideration their diversity and levels of understanding, for instance by developing simple summaries in local languages.
 - Ensuring that the relevant information, documents and grievance issues pertaining to an existing investment (or parcel of land where no past investment has occurred) are made available to a future investor.
 - Ensuring consistency of reporting standards between small and large investors, to aid in the comparison of reported information.
 - Strengthening access for local communities and indigenous peoples to pro bono legal services and legal aid.
 - Providing guidance for investors on good practices and processes for conducting community consultations and negotiations, monitoring investors to ensure that they engage and negotiate meaningfully with affected communities, including overseeing the use of grievance redress mechanisms, and ensuring that barriers to the effective participation of affected communities are addressed.
 - Ensuring access to effective, affordable remedies through the courts or other legitimate non-judicial process, where a grievance redress mechanism is unable to resolve a grievance.
 - Supporting an enabling policy, legal, regulatory, and institutional environment for FAF investors, including by:
 - Enabling the meaningful participation of stakeholders in FAF investment policy-making, and providing opportunities for feedback and dialogue on the implementation of laws and policies.
 - Improving coordination and communication between different levels of government;
 - Promoting equal access to information, services, incentives, resources, and government bodies, and non-discriminatory enforcement of laws and regulations in accordance with national laws;

Guideline 9: Assess and address impacts and promote accountability

- Responsible investment in FAF in ASEAN includes mechanisms to assess and address economic, social, environmental, and cultural impacts, and promotes accountability, particularly in respect of vulnerable and marginalized groups, indigenous peoples and local communities, by:
 - Requiring and conducting independent and transparent impact assessments involving all relevant stakeholder groups, in particular the most vulnerable and marginalized.
 - Defining baseline data and indicators for monitoring and impact measurement, with input from the local community and indigenous peoples.
 - Effectively screening investors and investment projects to ensure that the investor and the project align with national development priorities and the needs of communities, and accord with ASEAN FAF responsible investment principles.
 - Identifying impact mitigation measures to address negative impacts, including the option of not proceeding with an investment, and ensuring effective, ongoing implementation of those measures.
 - Ensuring that these assessments are publicly available and accessible.
 - Regularly assessing changes and communicating results to stakeholders.
 - Implementing appropriate and effective remedies and/or compensation for negative impacts, and breach of national laws or contractual obligations.
- To achieve this, AMS may consider:
 - Strengthening the implementation and enforcement of relevant impact assessment regulations pertaining to FAF investments.
 - Strengthening the integration of the results of impact assessments into management plans.
 - Ensuring ongoing monitoring and periodic reviews of impacts by relevant agencies and encouraging the cooperation of other stakeholders in monitoring activities, such as local communities, civil society, private sector organisations, and making the results of monitoring activities publicly available.
 - Putting in place effective and efficient screening processes for large-scale investors

Guideline 10: Strengthen regional approaches to responsible investment in FAF in ASEAN

- Regional approaches to responsible investment in FAF in ASEAN are strengthened through:
 - Promoting harmonization of FAF standards, regulations and approaches while allowing flexibility according to individual AMS levels of development
 - Preventing the ‘race to the bottom’ that undermines responsible investment in FAF and instead promoting a ‘race to the top’ by providing incentives for socially and environmentally responsible business practices.
 - Collaborating on capacity building activities and regional initiatives and networks to share information and raise regional standards.
- To achieve this, AMS may consider:
 - Developing shared approaches to FAF investment promotion and facilitation, sharing information on investments requiring cross-ASEAN financing and expertise, discouraging ‘race to the bottom’ investment promotion practices and encouraging a ‘race to the top’ in investment promotion practices.

- Promoting intra-regional assistance, experience sharing and capacity building on issues related to responsible investment in FAF to strengthen AMS governments' capacity on legal, policy and implementation issues.
- Building upon and upholding existing international good practices and standards mentioned in these Guidelines, for example the principles of Free, Prior and Informed Consent (FPIC), IFC Performance Standards, FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT), and UN Guiding Principles for Business and Human Rights.
- Promoting bilateral cooperation between home and host countries to jointly monitor the performances of FDI in FAF and harmonize regulations to ensure the principles of these guidelines are maximized in existing and future FDI.

6. ROLES AND RESPONSIBILITIES OF OTHER STAKEHOLDERS

Although the Guidelines are primarily addressed to AMS as host states, there are crucial roles and responsibilities for all FAF stakeholders, particularly agribusinesses and large-scale investors, but also smallholders, cooperatives, farmers, forest producers, small scale forest enterprises, SMEs, communities, civil society, financial institutions and home states. Ultimately, all stakeholders should strive to follow these guidelines, in accordance with their respective abilities and needs, and as appropriate in the context of each individual AMS.

6.1. Agribusinesses and large-scale investors in FAF, including foreign investors

- Ensure that investments support local food availability and diversity, including by:
 - Assessing and mitigating a project's impact on local food security and nutrition during the feasibility and impact assessment phase, particularly those most likely to be food insecure, including women, youth, indigenous peoples and local communities, indigenous groups, and pastoralists.
 - Discussing and documenting food security and nutrition implications during local community consultations.
 - Providing decent, stable and well-paying jobs, and paying fair prices to out-growers, to enable the purchase of quality, diverse, safe and nutritious food.
- Contribute to inclusive equitable, sustainable and inclusive economic development by:
 - Assisting local businesses to acquire the necessary knowledge and technology, on mutually agreed terms, to meet the higher quality and performance standards of the investor.
 - Helping nurture local entrepreneurship, for instance by supporting employees to establish businesses.
 - Where possible, taking measures to lessen negative impacts of pricing policies and marketing on small holders and local businesses.
- Support women's inclusion in decision-making, meaningful employment and economic empowerment by:
 - Actively promoting women's participation in all facets of community engagement, consultations
 - Building a diverse talent pipeline at all levels of the organization, and particularly at senior manager/director levels.
 - Adopting employment practices such as anti-discrimination and harassment policies and training.
- Assist youth in developing the skills needed to integrate into the FAF sector, including:
 - Offering fast-tracked training, internships, and mentoring opportunities.

- Providing scholarships and loan schemes.
- Targeting youth for participation in outgrower programs.
- Supporting youth entrepreneurship in FAF.
- Undertake partnerships with civil society organizations that work on youth empowerment or that support youth engagement in local development.
- Respect local communities' tenure of land, fisheries, and forests by:
 - Understanding the local context, applicable land tenure system and processes, before entering into negotiations directly with the local legitimate tenure rights holders, including through local land committees dealing with different aspects of land management in the community.
 - Taking all possible measures to prevent the displacement and resettlement of legitimate tenure rights holders, and where unavoidable, ensuring that any resettlement is done in accordance with the principles of international best practice referred to above.
 - Ensuring the active, free, effective and meaningful consent of communities on any decision related to land, water and other natural resources, building in adequate time for addressing questions and concerns prior to a decision being made.
 - Where the government has already "prepared" the land parcel, or where taking over an existing land lease, undertaking a retrospective review of procedures to make certain that international standards were met.
- Respect local communities' access to water by:
 - Highlighting potential impacts on local water access and quality in representative and inclusive local community consultations, taking into account the views and needs of marginalized groups.
 - Conducting environmental and social impact assessments to assesses the impact of the project on social and environmental water availability, and developing a management plans to mitigate the negative impacts identified in accordance with national regulations and international best practice.
 - Ensuring a sustainable net positive effect on community water access, especially in large projects.
- Support the generation and diffusion of sustainable technologies and practices by:
 - Understanding smallholders' and SMEs' barriers to improved technology, and developing strategies to mitigate them, considering issues of food security, storage and road infrastructure, skills and education levels, and financial resources.
 - Recognizing that a longer period may be necessary in vulnerable communities before the benefits of technology and returns on investment become apparent and putting in place strategies for financial risk management.
 - Involving representatives of communities, small holders and SMEs in technology decision-making processes early on, to ensure technologies are appropriate and well adapted for local needs.
 - Investing in strong after-sales technical support and product stewardship programmes to ensure proper use of new technologies, and to prolong the useful life of biological technologies like improved seeds.
 - Training well-known local producers and SMEs, or establishing field schools, to demonstrate the application and results of the technology and help it spread.
 - Incentivizing technology use and reducing risks of failure by providing services to support adoption, such as financing, tech-support, and access to markets for increased outputs.

- Investing in local research and development activities, and building the capacity of local employees to develop and use new technologies.
- Play a role in increasing resilience, mitigation and adaptation to climate change, natural disasters, and other shocks, including by:
 - Supporting research, including by participating in PPPs.
 - Using national, regional, and international (in the case of ASEAN's many FAF multinationals) networks to help introduce, disperse and scale-up the use of best practice crops, technologies, and methods at all stages in the value chain.
 - Working with local communities, small holders and SMEs to encourage and support their adoption and effective use of climate-smart mitigation and adaptation practices.
 - Avoiding FAF business practices that negatively contribute to climate change.
- Promote meaningful community engagement and accountability, by:
 - Understanding the local community context, by mapping the demographic profile, any marginalized and indigenous people, power dynamics, livelihood sources, and key stakeholders.
 - Establishing effective communication, transparency, and trust with communities early in the investment process, including through use of a documented community engagement strategy.
 - Actively disclosing all relevant, non-commercially sensitive information in a way that is understandable to communities, in accordance with national laws and international best practice.
 - Training staff to deal respectfully and with appropriate cultural sensitivity with community members.
 - Putting in place a grievance resolution mechanism that:
 - Is designed in consultation with users so it is relevant and appropriate
 - Is well publicized, with clear, sequential and transparent procedures, including a fast-track process to quickly resolve high-priority complaints.
 - Does not purport to substitute for—nor obstruct—judicial and administrative remedies, such as mediation or arbitration
 - Is regularly evaluated against objective indicators
- Effectively assess, address and monitor investment project impacts by:
 - Assessing likely environmental and social impacts at the planning stage, ensuring the management of these impacts is built into the project design, costing and implementation, and if necessary, abandoning the project where negative impacts are too significant.
 - Treating environmental and social impact assessments and management plans as dynamic tools to regularly monitor environmental and social performance throughout operations, including assessment of previously identified risks as well as new risks.
 - Using a management information system to provide appropriate, up-to-date information required by a monitoring agency or advocacy group, and to manage communications from affected communities.
 - Using technology in monitoring and recording, such as remote-sensing systems, GPS, and GIS.
 - Monitoring accidents, injuries, and the general health of workers, and implementing mitigation and corrective actions and preventive policies and procedures.
 - Using independent third parties and certification bodies to ensure compliance with good international practice.

- Contribute to strengthening regional approaches to responsible investment in FAF in ASEAN, including by:
 - Joining regional and global FAF organizations, which pledge to comply with generally accepted principles of sustainability, such as the Global Agribusiness Alliance or Sustainable Rice Platform.
 - Being cognizant of the externalities arising from their investments in one AMS that may impact on neighboring AMS and support regional mitigation measures should this be anticipated.

6.2. Small holders and SMEs

- Small holders and SMEs can help support the implementation of the Guidelines by:
 - Participating in opportunities and forums for information, technology and knowledge exchange, including sharing local and traditional practices in sustainable crop management measures and other methods of climate change adaptation in FAF.
 - Proactively engaging with investor-led business development and training programs designed to support local businesses to engage meaningfully and productively with the investment project.
 - Creating and maintaining strong and inclusive producer's cooperatives and SME networks to collectively and effectively represent the interests of small holders and SMEs in government and investor decision-making processes regarding FAF investments.
 - Considering the above recommendations to larger investors and applying them to the highest degree possible, especially in support of communities and vulnerable groups, noting that SMEs are significant investors in FAF, including cross-border investments.

6.3. Communities

- Communities can help support the implementation of the Guidelines by:
 - Establishing a representative body to engage with investors, including a cross-section of the community so all voices can be heard; for example, traditional and administrative authorities, directly affected community members, vulnerable groups (e.g. women and youth), and migrant workers.
 - Using representative bodies to engage in activities that promote awareness of and respect for the rights of all groups within the community.
 - Putting in place a memorandum of understanding with investors on how the relationship and engagement between the parties will be conducted, including establishing protocols for communications (for example, use of community notice boards, localized meetings, radio, and newsletters).
 - Holding community forums to which important decisions can be referred and at which general information can be provided about investment decisions.
 - Participating in available training and capacity development programs designed to support local populations to engage meaningfully and positively with the investment project, including by participating effectively in negotiations, and seeking support from NGOs and independent advisory groups where needed.
 - Taking an active role in consultations, ensuring the voices of marginalized groups within the community can be heard, so that the full cross section of community interests, concerns and questions are taken into consideration in investment decisions and social and environmental impact assessment and planning.

- Participating in knowledge sharing processes regarding indigenous and traditional practices in sustainable crop management measures and other methods of climate change adaptation in FAF.
- Taking part in community-based monitoring of investment projects, where appropriate.

6.4. Civil society

- Civil society groups can help support the implementation of the Guidelines by:
 - Considering how the guidelines can be reflected in and operationalized by their own workstreams and programmes.
 - Assisting states to implement aspects of the guidelines, such those related to equitable, sustainable and inclusive economic development, accountability, respecting land and natural resource tenure and the rule of law. To be able to carry out its roles and responsibilities effectively and to support the implementation of the guidelines, civil society requires ample civic space to be able to operate freely and effectively in all AMS.
 - Partnering with other stakeholders, including agribusinesses and communities, to support ‘on the ground’ implementation of these guidelines, for example, helping communities to understand and apply the content of the guidelines, and advising agribusinesses on topics such as local dynamics and socially inclusive community consultations, as well as conducting robust monitoring and assessment of investment projects.
 - Using the guidelines to strengthen and legitimize their own campaigning, education and advocacy activities around investment in FAF in ASEAN, and in turn advocating for the implementation by the Guidelines by other stakeholders.
 - Supporting community groups and producers’ cooperatives with specialized training and capacity development programmes on their rights, local laws and regulations, as well as negotiation skills, to enable them to engage more effectively in investment decision making, for instance through support in practical skills such as understanding negotiation processes and legal documents, minute taking, public speaking, organizing socially inclusive meetings, community-based monitoring and preparing position statements.

6.5. Financial sector actors

- Financial sector actors can help support the implementation of the Guidelines by:
 - Developing insurance and other financial products, which take into account risks from climate change and natural disasters and incentivize mitigation activities, and products that are adapted to the needs of smallholders.
 - Using innovative financial technologies to efficiently determine credit worthiness, deliver funds, and generally increase access to finance.
 - Funding FAF investment projects that adopt the principles of responsible investment embodied in these Guidelines, including requiring comprehensive and rigorous human rights due diligence for investment project affecting indigenous peoples, local communities and other marginalized groups.

6.6. Home countries

- Home states of AMS investors can help support the Guidelines by:
 - Respecting and recognizing the right to food of host country populations when devising food security strategies based on outward investment to export food from host states.
 - Building partnerships to promote investment that is sustainable and provide appropriate and responsible incentives.
 - Coordinating with host states to implement investment projects, in accordance with the laws and regulations of the home state, and the principles of the UNCTAD Investment Policy Framework for Sustainable Development (2015).

Giving effect to the principles of these guidelines by regulating the business activities of outward investors, including through extra-territorial application of domestic laws.

ANNEXES

Annex Table 1. Key overarching principles or guidelines for responsible agricultural investment specific to agriculture, food, and land.

Name	Organization	Purpose, structure, and coverage
Committee on World Food Security, Principles for Responsible Agriculture and Food Systems (CFS -RAI)	CFS (2014)	<ul style="list-style-type: none"> Approved by the 41st Session of the UN General Assembly on 15 October 2014. Address all types of investment in agriculture and food systems—public, private, large, small—and in the production and processing spheres.
IFC Performance Standards on Environmental and Social Sustainability (IFC-PS)	IFC (2012)	<ul style="list-style-type: none"> Clients required to apply the Performance Standards to manage environmental and social risks and impacts so that development opportunities are enhanced. Taken on board by the Equator Principles and thereby adopted by a large number of lending institutions.
Food and Agriculture Business Principles (UN FAB)	UN Global Compact (2014)	<ul style="list-style-type: none"> Voluntary to embrace the principles and report annually on progress. Based on 16 factors: yield and productivity, workers' rights, optimal use of soil and water, land use and rights, women and gender equality, climate change, waste management, biodiversity, institutions and infrastructure, protection of children, energy efficiency, health and nutrition, animal and marine welfare, supply chains and trade, small-scale farmers and co-ops; and value chain financing.
OECD-FAO Guidance for Responsible Agricultural Supply Chains	OECD-FAO (2016)	<ul style="list-style-type: none"> Guidance on responsible behavior by investors in supply chains. Covers a broad range of themes from land tenure and social responsibility to food security and governance processes.
Responsible Land-Based Investment:	USAID (2014)	<ul style="list-style-type: none"> Recommendations for best practices related to due diligence and structuring of land-based investments.

Practical Guide for the Private Sector		<ul style="list-style-type: none"> Organized in five steps to follow the life cycle of an investment, from the initial stage of due diligence and assessments, to pre-project community engagement, to contract negotiation, project operations, and post-project closeout.
Principles for Responsible Agriculture Investment that Respects Rights, Livelihoods and Resources (PRAI)	UNCTAD, FAO, IFAD, and World Bank (2010)	<ul style="list-style-type: none"> Expected benefit: application of the principles to agricultural investments will reduce the degree of negative externalities and raise the likelihood of positive impacts.
Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security (VGGT)	FAO (2012)	<ul style="list-style-type: none"> Voluntary guidelines to support the progressive realization of the right to adequate food in the context of national food security (Voluntary Guidelines on the Right to Food). Principles and internationally accepted standards of responsible practices for the use and control of land, fisheries, and forests.

Source: UNCTAD and World Bank.

Annex Table 2. ASEAN: Population and income data and estimates, various years

Member State	Pop., mid-2017 (millions)	GNI per capita PPP (international \$) 2016	Life expectancy at birth (years)		Urban pop. (per cent of population) (2016)	Agriculture as a percentage of GDP (2015)	Pop., mid-2050 (millions)	Pop. age 15–24, mid-2050 (millions)
			Men	Women				
Brunei Darussalam	0.4	83,250	75	79	77	1.1	0.5	0.1
Cambodia	15.9	3,510	66	71	21	28.2	21.8	3.2
Indonesia	264.0	11,220	67	71	54	14.0	321.6	44.2
Lao PDR	7.0	5,920	65	68	40	24.8	9.3	1.3
Malaysia	31.6	26,900	73	77	75	8.6	41.7	5.3
Myanmar	53.4	5,070	64	69	35	26.7	62.4	8.6
Philippines	105.0	9,400	66	73	45	10.3	151.4	23.9
Singapore	5.7	85,050	81	85	100	0.0	6.5	0.6
Thailand	66.1	16,070	72	79	49	9.1	62.6	6.0
Viet Nam	93.7	6,050	71	76	33	18.9	108.2	12.4
ASEAN	642.8	11,376	68	73	48	[na]	786.0	105.6

Source: Population Reference Bureau (prb.org) and ADB.

Annex Table 3. Selected top ASEAN MNEs in agriculture by total assets, 2016

(\$ millions)

Company	Home country	Total MNE assets (\$ millions)	Presence (number of countries in which present)		Number of principal subsidiaries in ASEAN)	ASEAN Member States in which present (excluding home economy)
			Foreign (non-ASEAN)	ASEAN		
Olam International Ltd	Singapore	16,200	50	5	12	Malaysia, Indonesia, Viet Nam, Lao PDR, Thailand
Felda Global Ventures Holdings Bhd	Malaysia	4,687	15	5	10	Indonesia, Cambodia, Lao PDR, Singapore, Thailand
Kuala Lumpur Kepong Bhd	Malaysia	4,423	33	4	74	Indonesia, Singapore, Lao PDR, Viet Nam
IOI Corp Bhd	Malaysia	4,364	15	2	42	Indonesia, Singapore
Boustead Holdings Bhd	Malaysia	3,997	32	9	60	Indonesia, Singapore, Thailand, Lao PDR, Brunei Darussalam,

						Philippines, Cambodia, Myanmar, Viet Nam
Selat (Pte) Ltd	Singapore	3,006	27	8	358	Malaysia, Thailand, Indonesia, Viet Nam, Philippines, Brunei Darussalam, Cambodia, Myanmar,
Indofood Agri Resources Ltd	Singapore	2,716	6	2	49	Indonesia, Philippines
Hap Seng Consolidated bhd	Malaysia	2,613	6	4	35	Singapore, Thailand, Viet Nam, Indonesia
Japfa Ltd	Singapore	2,525	8	3	33	Indonesia, Vietnam, Myanmar
PT Astra Agro Lestari	Indonesia	1,803	1	1	1	Singapore
Genting Plantations Bhd	Malaysia	1,751	6	2	34	Singapore, Indonesia
PT Eagle High Plantation	Indonesia	1,209	1	1	2	Singapore
PT Bakrie Sumatera Plantations	Indonesia	1,094	5	1	1	Singapore
TSH Resources Bhd	Malaysia	782	9	2	18	Indonesia, Singapore
Kluang Rubber Co Bhd	Malaysia	278	26	6	113	Singapore, Thailand, Indonesia, Viet Nam, Brunei Darussalam, Myanmar

Source: ASEAN Secretariat, based on data extracted from Bureau van Dijk's Orbis database.

Note: 1. This table provides an "order of magnitude" insight on key ASEAN MNEs, not a ranking per se. Total MNE assets are a firm's global consolidated total assets. However, firms' shares of assets overseas differ (such data are scarce for many ASEAN MNEs). Some MNEs do not provide sufficient details about their assets. Companies with complex structures, e.g. those with a holding company, do not appear separately from their major subsidiary companies, where the latter are companies in their own right. There are several issues concerning prospective MNEs owned by States; e.g. many are not listed and do not provide financial data, while others are not primarily engaged in FDI. Thus, State-owned enterprises that operate subsidiaries overseas are included, but not sovereign wealth funds

because their overseas investments are primarily portfolio in nature. The asset numbers mainly reflect the scale of these top MNEs' investments in ASEAN, but they should not be used as a basis for a definitive ranking; and the potential scale and significance of excluded MNEs for the reasons given should be borne in mind.

2. The industry type indicated for each MNE in this table is that assigned to the parent company by ORBIS; local subsidiaries might be involved in different industries and activities.

Annex Table 4. Foreign subsidiaries in and from selected ASEAN Member States, 2016

	Number of firms from this AMS with foreign subsidiaries	Number of firms from other ASEAN countries in this AMS.	Number of non-ASEAN firms in this AMS
INDONESIA	4	-	7
MALAYSIA	51	10	8
PHILIPPINES	-	-	4
SINGAPORE	4	-	5
THAILAND	4	6	18
VIETNAM	2	4	7

Source: Bureau van Dijk's Orbis database

Annex Table 5. Breakdown of ASEAN firms in agricultures, forestry and fishing by AMS and size, 2016

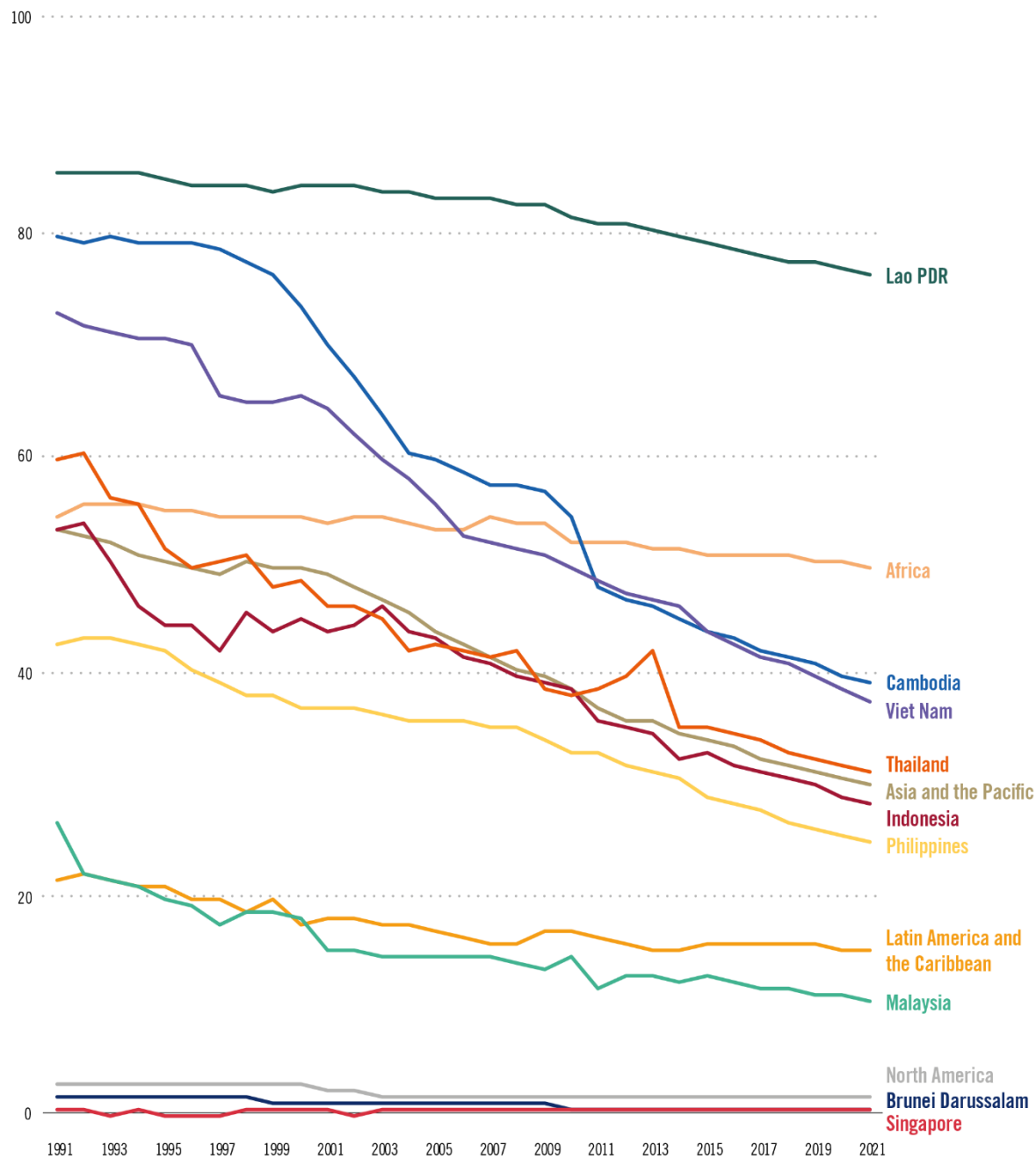
	Total Number of firms (in database)	Number of firms with data on assets	Small firms (up to \$3 million)	Medium firms (up to \$15 million)	Large firms (above \$15 million)
CAMBODIA	21	-	-	-	-
INDONESIA	1076	34	1	2	31
LAO PDR	1572	-	-	-	-
MALAYSIA	1263	1147	618	261	268
MYANMAR	28	-	-	-	-
PHILIPPINES	1087	709	578	95	36
SINGAPORE	14	7	1	0	6
THAILAND	5117	4986	4517	350	119
VIET NAM	4580	3808	3401	283	124

Source: Bureau van Dijk's Orbis database.

Note: Formally established and registered firms captured by the BvD Orbis Database. Based on Malaysian government numbers, the database captures information on only 10-15 per cent of all enterprises in agriculture and forestry. This share might be less for other AMS, especially CLMV. Moreover, only a subset of these provide data on their assets (and other indicators). Data on Brunei are not available.

Annex Figure 1.

ASEAN: share of population earning an agricultural livelihood, 1991–2021
(Estimated)

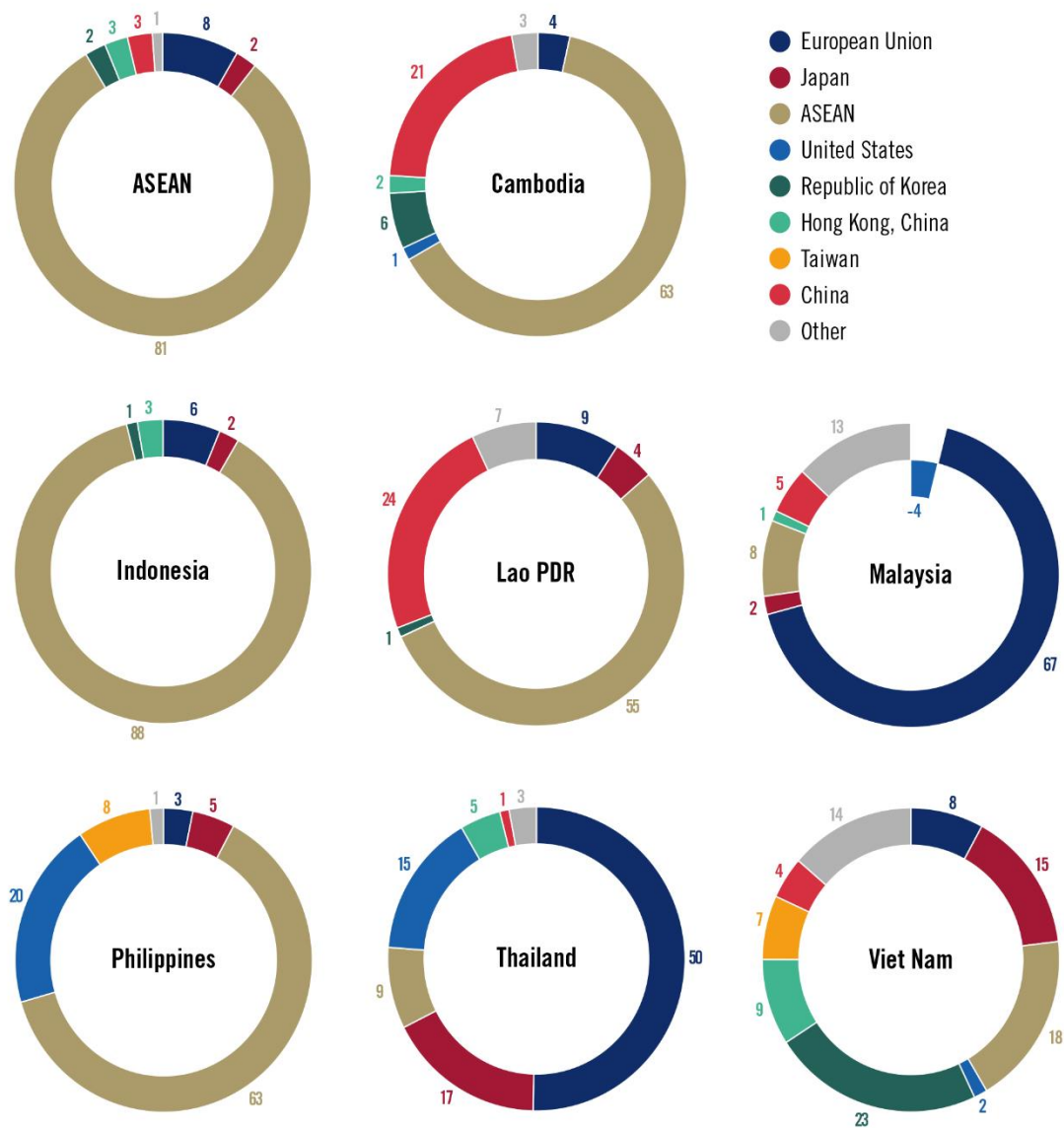


Source: ILOSTAT.

Note: Data for Myanmar on the same basis are not available.

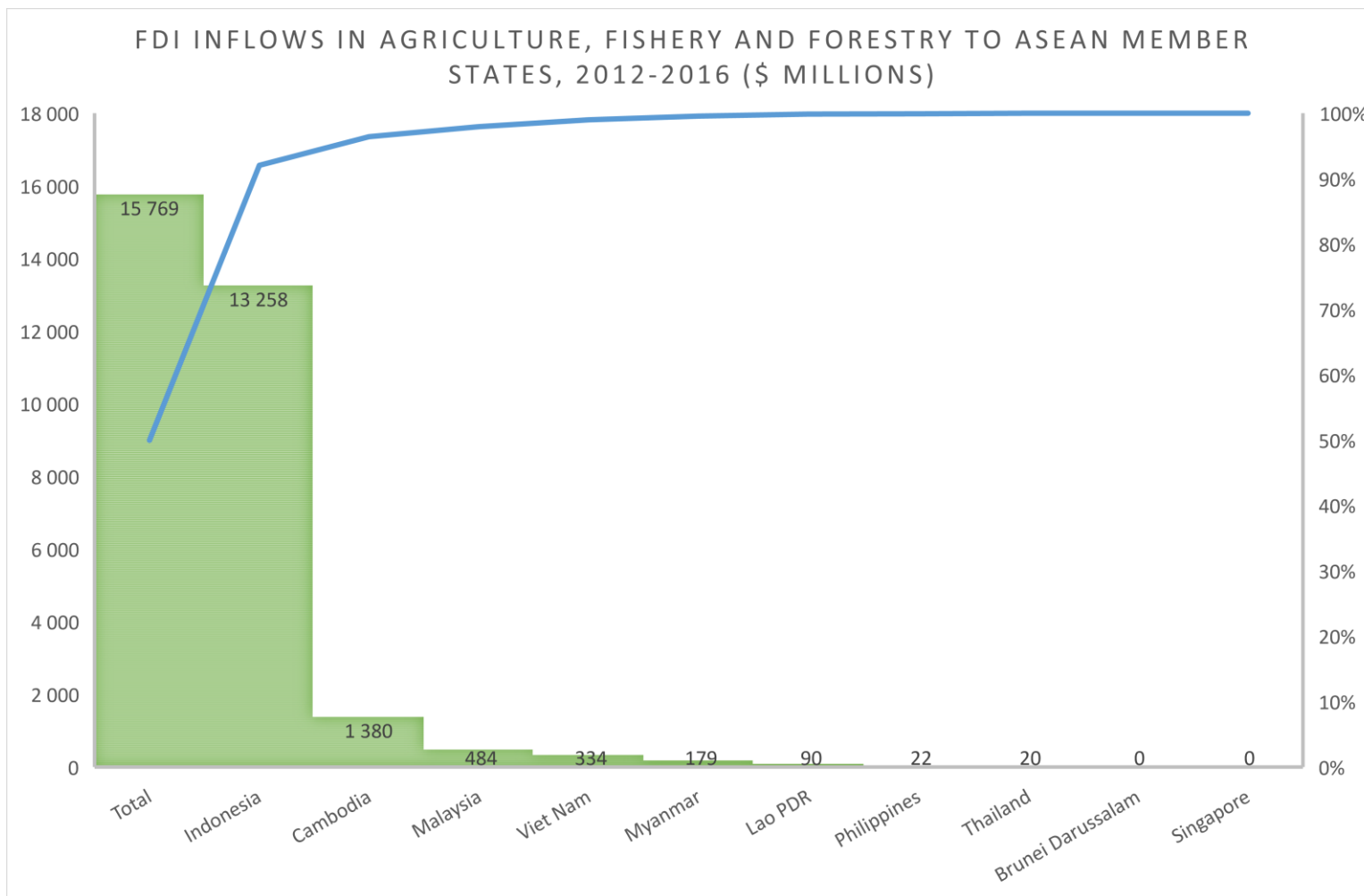
Annex Figure 2.

ASEAN: agriculture, forestry, and fishing FDI inflows by source economy, 2010–2016 (Per cent of total)



Source: ASEAN Secretariat.

Annex Figure 3.



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