



Free, prior and informed consent (FPIC)

**A guide to setting robust policy commitments
in soft commodity supply chains**

Thematic Guide No.4





What is Free, Prior & Informed Consent?

This guide is designed to help companies set robust and credible FPIC commitments. It is relevant whether you are a producer, processor, trader or buyer of products in soft commodity sectors, including timber & pulp, palm oil and rubber.

- Soft commodity production and processing may have significant impacts on the rights and livelihoods of **indigenous peoples and local communities (IPLC)** as many communities using or occupying land may rely on it for their most basic needs, including food, shelter, medicine and cultural heritage.
- **‘Adverse impacts’ may disenfranchise or marginalise IPLC groups** to an extent that they may be forced to engage in non-sustainable livelihoods or compete for vital resources.
- Setting a clear **free, prior and informed consent (FPIC) policy** is a vital step for organisations to demonstrate that they commit to avoiding adverse impacts on IPLC groups.
- FPIC principles are protected by international human rights standards that state, ‘all peoples have the **right to self-determination**’.
- As communities often lack legal title to land, it is essential that companies engage with communities through an FPIC process to **identify customary rightsholders**.
- An FPIC policy commits an organisation to engage with these rightsholders in an **inclusive and fair negotiation process** and “in good faith ... with a view to agreement” (UN-REDD, 2012).
- Robust FPIC commitments should also form part of wider commitments to **respect people and human rights**.

The SPOTT project assesses soft commodity companies on their public disclosure of FPIC policies. For details of all the companies we assess go to www.spott.org/.





What is Free, Prior & Informed Consent?

FPIC frameworks guide informative and consultative processes to ensure that potentially affected communities give meaningful consent or are able to reject planned activities which affect their lands or livelihoods.

What are the components of FPIC?

- **Free**, means without coercion, intimidation, manipulation, threat or bribery.
- **Prior**, indicates that consent has been sought in advance, before any project activities have been authorised or commenced, and that the time requirements of the indigenous community's consultation/consensus processes have been respected.
- **Informed**, means that information is provided in a language and form that are easily understood by the community, covering the nature, scope, purpose, duration and locality of the project or activity. This should include economic, social, cultural and environmental impacts.
- **Consent**, confers the right of indigenous peoples and local communities to give or withhold their consent to any decision that will impact their lands, territories, resources, and livelihoods.

[\(Conservation International, 2013\)](#)

Why adhere to FPIC principles?

- The right to FPIC is included under **international instruments** such as the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the International Labour Organization Convention 169 (ILO 169), the Convention on Biological Diversity (CBD) and many national laws.
- Applying FPIC principles in forestry and agriculture production is a requirement under leading **sustainability schemes** including FSC, RSPO and GPSNR.
- A case study by WWF, FMO and CDC Group found that an initial cost of US\$30,000 in community engagement represented a **return on investment of 880%**, as it served to avoid community disputes similar to those which had previously cost the company US\$ 15 million ([Levin et al., 2012](#)).

For more details on how to apply an FPIC process in your operations, see [UN-REDD \(2013\)](#) and [RSPO \(2015\)](#).



Create your FPIC Policy



Prepare your Free, Prior & Informed Consent Policy to demonstrate your commitment to and respect of indigenous and local communities rights.



Define the scope of your policy, applying it at the group level of your company, including any and all subsidiaries, joint ventures, affiliates and related entities and to operations in all countries.



Apply your FPIC commitment to all your suppliers, including those you source from directly and indirectly. Suppliers should be required to also apply the commitment at the group level.



Clearly define terms 'Free', 'Prior', 'Informed' and 'Consent'. For example, your policy should ensure that rightsholders are able to give or withhold their consent to any activity that is subject to the FPIC process.

Ensure your policy is clearly linked to a publicly available **FPIC procedure**, which outlines how you will operationalise your policy commitment. This should be culturally appropriate and should follow credible recognised methodologies such as:



- UN-REDD (2012) Guidelines on Free, Prior and Informed Consent
- RSPO (2015) Free, Prior and Informed Consent for RSPO Members
- FAO (2015) Free, Prior and Informed Consent Manual, or
- FSC (2012) Guidelines for the Implementation of the Right to Free, Prior and Informed Consent



Publish your FPIC policy and procedure on your website with a clear date of publication.



Develop a clear, time-bound **monitoring and implementation plan** in line with the FPIC Guidance for RSPO Members (2015). This will help ensure your FPIC policy is applied consistently and coherently across all operations and support continual improvement.



Developed by ZSL (Zoological Society of London), SPOTT is a free, online platform supporting sustainable commodity production and trade. By tracking transparency, SPOTT incentivises the implementation of corporate best practice.

SPOTT assesses commodity producers, processors and traders on their public disclosure regarding their organisation, policies and practices related to environmental, social and governance (ESG) issues. Investors, buyers and other key influencers can use SPOTT assessments to inform stakeholder engagement, manage ESG risk, and increase transparency across multiple industries.

Find more SPOTT Thematic Guides for soft commodity sectors here:

- Thematic Guide No.5: Gender
- Thematic Guide No.6: Labour rights

Find all our reports at www.spott.org/reports

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