

# PROCEDURE FOR THE APPLICATION OF GAIN'S PRINCIPLES OF ENGAGEMENT



FEBRUARY 2019



## WHO DO WE WORK WITH, AND WHAT CRITERIA DO WE USE TO DECIDE THIS?

Building alliances between public and private actors is fundamental for the successful implementation of GAIN's strategy. Transforming food systems requires engaging with all participants in that system, including governments - at national, regional and local levels - as well as donor governments; international organisations; private sector companies (multinationals through to SMEs); associations of producers, regulators and consumers; non-profit organisations, foundations and other civil society actors; and academic and development policy communities, among others.

In all of these engagements, GAIN strives to ensure that we are serving our purpose of advancing nutrition outcomes by improving the consumption of nutrition and safe food for all people.

GAIN has developed a set of Principles to guide our engagement with all partners. These set out who we will engage with and the standards of conduct we expect, and will hold ourselves accountable to, in those engagements.

GAIN has adopted a principled and pragmatic approach: we talk to all, but we only cooperate actively (receive funding from or work in formal partnership) with institutions who conform with our Principles for Engagement and pass a diligence assessment derived from these Principles.

## HOW WE APPLY THE PRINCIPLES

Given the number and diversity of GAIN's hundreds of relationships, we maintain a simple due diligence approach for engagements. In this process, we focus on the values and reputational aspects of the partnership. We assess potential partners against the criteria of exclusion listed in the Principles; the alignment of stated values with our mission; and assessment of their external reputation. Additional criteria may be appropriate to add in particular country contexts, which will be taken into account. Where a particular issue is flagged during the assessment, a more in-depth due diligence review can be undertaken before a final decision on engagement is made by the Strategic Management Team, and if necessary, the GAIN Board.

To make this manageable we draw on other appropriate mechanisms to establish the standing of a partner. GAIN is a participant in the UN Global Compact; we pursue our mission with partners in accordance with the ten UN Global Compact principles<sup>1</sup> and expect partners who are also signatories to do likewise. We look to existing registers and monitors of ethical and responsible practice in nutrition and other relevant sectors.

GAIN undertakes reasonable efforts to ensure that it is not linked with any activities or organisation listed in the UN Security Council and/or EU sanctions lists, and expects partners to do likewise.

We recognise there are other elements of risk in partnerships beyond values and reputations. We will look to establish that good corporate governance is practiced as regulated by national legislations or by market institutions (e.g. on anti-corruption). For potential funding relationships, our Development Office undertakes additional review to assess the alignment of the donor's agenda with our strategy and status. Our project design includes a risk assessment which identifies and monitors reputational and operational risks in engagements at a project level. For all sub-contracted organisations, an anti-terrorism check is undertaken, and due diligence assessment of financial and technical capabilities of the organisation or individual to fulfil their obligations to GAIN is an essential step in our procurement procedure. Adherence to our principles will be embedded in our contract terms.

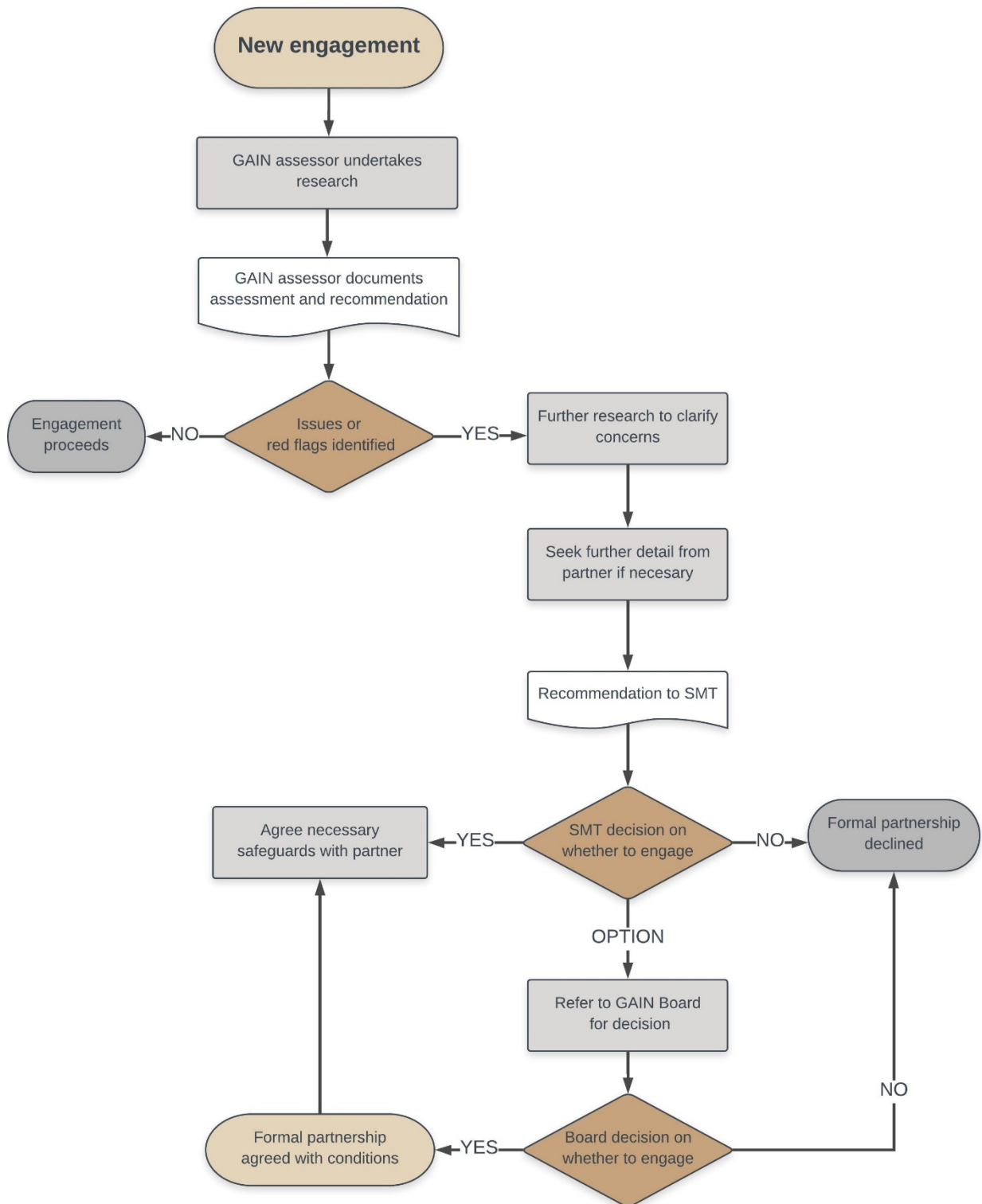
Our overall approach is to promote engagement and inclusion, and to expand the number and quality of public-private partnerships to tackle malnutrition. We operate at all times with the principles of transparency and accountability in mind, and the need to serve the interest of those fellow human beings who are most affected by the consequences of malnutrition.

The following process shows our due diligence assessment approach. An initial review should be undertaken at the early stages of discussion of an engagement and can be completed quickly. Should further review be required, this will be undertaken as quickly as possible.

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<sup>1</sup> The Ten Principles cover adherence to human rights and international labour standards, safeguarding the environment and combatting corruption. See: <https://www.unglobalcompact.org/what-is-gc/mission/principles>

See assessment form below.



## DUE DILIGENCE ASSESSMENT TO BE CARRIED OUT BY GAIN ASSESSOR

Prepared by:	Job title:	Date:
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Summary of results of the GAIN internal review

<b>Organisation full legal name, registration number, and country of incorporation</b>	
<b>Summary of GAIN's internal review:</b> summarise findings including positive attributes, negative attributes and red flags	
<b>Anti-terrorism check:</b> state whether complete and report findings	
<b>Assessor's recommendations:</b> e.g. disengage, continue	

<b>Research</b>	
<b>Organisation type:</b>	
<b>Organisation's stated mission:</b>	
<b>List subsidiaries or other entities with which the organisation is formally affiliated (including major investments):</b>	
<b>List main products/markets/outputs:</b>	
<b>Organisation's source of funds:</b>	

<b>Registers: is the organisation listed in (with ranking where relevant):</b> <b>UN Global Compact</b> <b>ATNI</b> <b>IBFAN Breaking the Rules</b> <b>Relevant sector standards associations</b> <b>SUN Business Network</b> <b>Nutrition for Growth</b> <b>Ethical Trading Initiative</b>	<b>UN Global Compact –</b> <b>ATNI -</b> <b>IBFAN –</b> <b>SBN –</b> <b>N4G –</b> <b>ETI -</b> <b>WBCSD –</b> <b>Other -</b>
<b>Other notable information:</b> e.g. other significant partnerships in similar sector, philanthropy or sponsorship track record, board membership, news reports of good or bad conduct.	
<b>Briefly list the research sources used:</b>	

**SCREENING QUESTIONNAIRE**

<b>Does the organisation have a mission which is aligned with GAIN's?</b>	
<b>Does the company, subsidiary or other entity in which the company is a shareholder or have an investment interest in, engaged in the production of the following:</b>	
<ul style="list-style-type: none"> <li>• Armaments, weapons, other military equipment, including replica equipment targeted at children</li> </ul>	
<ul style="list-style-type: none"> <li>• Tobacco</li> </ul>	
<ul style="list-style-type: none"> <li>• Pornography</li> </ul>	
<b>Does the company extract natural resources in a harmful way?</b> For example, extraction results in the forcible ejection of people from land or environmental contamination (these are just examples and do not constitute an exhaustive list).	
<b>Does the company engage in child labour in contravention to international standards?</b> For example, the International Labour Organisation's Standards including Convention No.182 on the Worst Forms of Child Labour.	
<b>Has the company violated the International Code of Marketing of Breast Milk Substitutes in the last 5 years?</b>	