

UN Global Compact Communication on Engagement

ACDI/VOCA | 2020-2021

Submitted June 23, 2022



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LETTER OF COMMITMENT

June 23, 2022

H.E. António Guterres Secretary-General United Nations New York, NY 10017 USA

Dear Mr. Secretary-General,

I am pleased to confirm that ACDI/VOCA supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption. With this communication, we express our intent to implement those principles.

ACDI/VOCA is, and will remain, committed to making the UN Global Compact and its principles part of the strategy, culture, and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. ACDI/VOCA will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Engagement (CoE) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact CoE policy. This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours, wa M. Megret CFO



DESCRIPTION OF ACTIONS

HUMAN RIGHTS

As a a trusted implementing partner for the U.S. Government, ACDI/VOCA responds to non-USG official development assistance (ODA) and host country government opportunities to foster broad-based economic growth, raise living standards, and create vibrant communities.

We support and respect the protection of human rights by prioritizing **diversity, equity, and inclusion** in our core values, collaboration with other partners, policies, and deliberate integration of gender and social inclusion in our work.

DEI and our core values. DEI activities are a natural extension of our core values. RESPECT is

one of the core values that defines us as an organization: "We promote diversity, transparency, and collaboration because we recognize the dignity, contributions, and interests of others, both inside and outside our organization."

Our established cross-functional, employee resource group, AdVocate, is at the forefront of framing

ACDI/VOCA's DEI approach.

Results of our efforts underway through AdVocate include ongoing reviews of corporate policiesto ensure DEI compliance, the development of DEI training and mentorship programs, and updates to talent acquisition practices updated to ensure DEI in hiring.

Conducted since 2011, and updated regularly to incorporate new findings, ACDI/VOCA's **Gender Basics training** introduces staff to our organizational values and approaches to Equity and Inclusion. It is an important part of how we build our staff capacity and inclusive culture in both programming and operations.

ACDI/VOCA Organizational Commitments to Safety and Inclusion*

ACDI/VOCA is committed to creating and maintaining a <u>culture of safety and inclusion</u> for all based on shared ownership and responsibility across the organization, regardless of position or title.

CULTURE OF SAFETY: ACDI/VOCA employees trust and respect one another, cultivating an environment of transparency and accountability where all may speak freely, contribute fully, and thrive without fear of physical, psychological, or emotional harm, retribution, or judgement.

CULTURE OF INCLUSION: ACDI/VOCA employees experience a sense of belonging and community where we are free to be our authentic selves and share an appreciation for the contributions of every individual, embracing differences in culture, race, gender, and ability consistent with ACDI/VOCA's Core Values.

*Adopted in December 2021 as part of corporate DEI program





We've signed the Pledge for Racial and Ethnic Equity creedinaction.org

Collaboration with partners. ACDI/VOCA was one of initial lead organizations and first endorsers of the **Coalition for Racial and Ethnic Equity in Development (CREED)** Pledge for Racial and Ethnic Equity in Development. CEO Sylvia J. Megret and Jenn Williamson, Vice President, Gender and Social Inclusion sit on CREED's Core Team and Sr. Director of Communications, Meg Weaver has led communications efforts.

Policies. ACDI/VOCA'S **Gender Equality and Social Inclusion (GESI) Policy** (established in 2012 and most recently updated in 2021) confirms and communicates the organization's commitment to gender equality and social

inclusion as essential to our mission, vision, programs, and operations. It establishes principles and actions for ensuring that gender equality and social inclusion are addressed consistently in our work and organizational culture, and it and describes the ways we will hold ourselves accountable to these commitments. The policy includes an accountability matrix with indicators designed to allow us to check our progress in meeting our policy commitments.

The ACDI/VOCA **Child Safeguarding Policy** is designed to create and maintain an environment that protects children from abuse, exploitation, or neglect by proactively developing mandatory child protection procedures to prevent and respond to abuse, exploitation, or neglect of children involved in any way within ACDI/VOCA projects. Every ACDI/VOCA project is required to develop local procedures to ensure compliance with host country laws, U.S. laws, and international standards, whichever gives greater protection. ACDI/VOCA conducts child-safe screening procedures when hiring ACDI/VOCA personnel, particularly personnel whose work brings them into direct contact with children.

Organizational learning and improvement. Our GESI Policy Learning Report was

developed to help measure and support organizational learning focused on how well we are meeting the GESI goals and commitments laid out in our policy as well as identifying areas for improvement. The report found that the majority of our projects have, or are in the process of developing, indicators to track progress toward gender equality, women's empowerment, and/or social inclusion. Additionally, a majority of projects have learning questions focused specifically on gender and social inclusion, the responses to which often result in the development programs that improve gender equity and women's empowerment, as well as address previously unidentified risks and consequences.

PROJECT WORK SUPPORTING HUMAN RIGHTS THROUGH GENDER AND SOCIAL INCLUSION

INEQUITIES AND INCLUSION IN FOOD SYSTEMS

As a leading market systems practitioner, ACDI/VOCA addresses issues of food security, economic prosperity, and social inclusion through locally driven market solutions.

Women are key contributors to food systems, playing an important role in food production,

Women contribute at least 40% of labor for crop production in developing regions, but only 10-20% of women own agricultural land.



processing, marketing, and distribution in food value chains. However, gender inequalities in access to and control over agricultural land, inputs, and finance as well as participation and leadership in key groups limit their capacity to fully contribute to and benefit from food system growth.

ACDI/VOCA's **GenderFirst toolkit** offers a valuable approach to assessing gender and youth specific barriers and opportunities in food systems, designing interventions to address these barriers, and avoiding harm. Across our projects, we seek to

- improve access to inputs and time-saving technologies to improve productivity of women and youth food systems actors
- improve access to finance, business development skills, and other skills to enable women- and youth-owned food systems entrepreneurs to thrive
- promote positive social and gender norms to increase women's decision-making power as well as equitable control over income and access to nutritious foods.

In Bangladesh, the USAID-funded **Feed the Future Rice and Diversified Crops Activity** used a gender inclusive business case and gender-focused facilitation approach to urge private sector companies to employ women in crop input and advisory service distribution models. This led to improved access to yield-boosting inputs and increased access to crop output supply models for women farmers, leading to increased incomes and food security.

INDIGINOUS RIGHTS, MIGRANT RIGHTS, AND RECONCILIATION

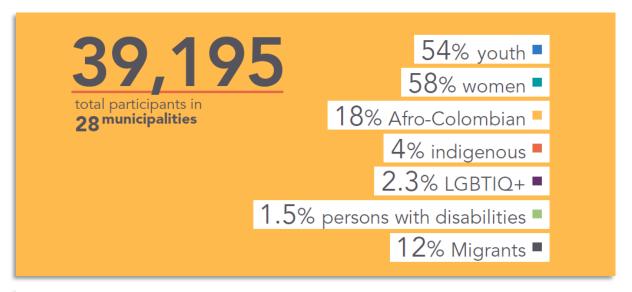
ACDI/VOCA's work on **Emergency Response in Colombia (ERIC)**, a program funded by USAID's Bureau of Humanitatian Assistance, supported the binational Wayuu indigenous community. In recent years, migration and internal displacement led to informal settlements such as La Esperanza, a former illegal garbage dump where 9,178 people now reside in more than 1,675 households. Sixty percent of ERIC's participants had migrated from Venezuela. Through small group workshops, personalized technical assistance, and individual psychosocial support, participating members of 958 hourseholds cultivated home gardens, healthy habits, and dreams for their futures.

Fundación ACDI/VOCA LA (FAVLA), a nonprofit affiliate of ACDI/VOCA has reached more than 13,000 people in 30 municipalities across Colombia, from the capital Bogotá to remote communities in the Guajira desert and many others in between. The foundation provides innovative solutions for governments and companies to strengthen social and economic inclusion in Latin America with a view to reducing poverty and inequality. Working alongside public and private partners, FAVLA is helping to transform the lives of vulnerable population groups through projects that add social value and boost inclusion in line with the Sustainable Development Goals. Initiatives include employment programs, community engagement, facilitating public-private partnerships, and mobilizing development through corporate volunteering activities.

ACDI/VOCA's team on the USAID-funded **Program of Alliances for Reconciliation (PAR)** promoted reconciliation after half a century of armed conflict in Colombia, bringing together actors from all corners of society and transforming mentalities marked by war, intolerance, and



fear. The ACDI/VOCA team supported inclusive and lasting peace for the Colombian people during PAR implementation, aiming to ensure that Colombians are better prepared to come to terms with the past, strengthen communities' capacity to mitigate conflicts, and actively embrace and advance reconciliation. The results of this effort are presented in the following infographic.

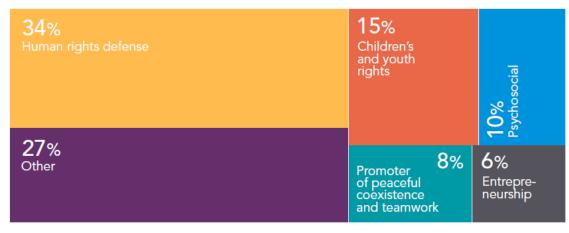


PAR participants were compelled to ACT and LEAD



initiatives

TYPES OF LEADERSHIP SKILLS STRENGTHENED:





LABOR

Our commitment to a diverse and inclusive workforce is supported by employment policies and strengthened by U.S. regulations that require organizations to recruit, hire, train, and promote staff without discrimination.

ACDI/VOCA is firmly committed to providing equal opportunity in all aspects of employment without regard to race, age, gender or gender identity, sexual orientation, marital status, political affiliation, national origin, veteran status, religion, or disability.

Policies. ACDI/VOCA's Hiring Polcy seeks to ensure that personnel programs and actions, including compensation, benefits, transfers, layoffs, re-hires, training, tuition assistance, and social and recreational programs are administered in line with our core values as well as US regulations.

ACDI/VOCA complies with the Immigration Reform and Control Act of 1986 and is committed to employing individuals at our Washington, DC Home Office and other U.S. locations who are authorized to work in the U.S. regardless of their nation of origin.

Via our Harrassment Free Workplace Policy, ACDI/VOCA is committed to providing a working environment for all employees that is free from sexual and other forms of harassment. ACDI/VOCA expects that all interactions among staff, board members, beneficiaries, clients, donors, subcontractors, vendors, or staff from these organizations will be business-like and free of bias, prejudice, and harassment. ACDI/VOCA policies support the core principles of H.R. 1268 (109th) Sec 2110 and the Inter-Agency Standing Committee (IASC) Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises. This policy was developed in conjunction with the U.S. Equal Opportunity Employment Commission (EEOC) guidelines.

PROJECT WORK SUPPORTING FAIR AND PRODUCTIVE LABOR

YOUTH LABOR

In Kyrgyzstan, the USAID-funded **Agro Horizon** project provided financial support to young entrepreneurs to set up a dried nut processing facility that led to a significant scaling up of their activities, growth in sales and the creation of additional job opportunities for youth beyond production-level of the food supply chains.

"Youth deserve a second chance and are committed to change" was one of the central messages coming from the launch of the **Labor Inclusion Guide** for youth have been through the Sistema de Responsabilidad Penal para Adolescentes (System of Criminal Responsibility for Adolescents, SRPA). The guide was developed by **Program of Alliances for**

In developing countries, **57%** of youth (15 to 19 years old) are employed in agriculture. Yet, they have fewer assets and limited access to formal and informal finance.



Reconciliation (PAR) and Corporación Reconciliación Colombia through as a response to the barriers young ex-offenders face as they attempt to reintegrate into society after transitioning out of the criminal justice system. It sets out recommendations for public, private, and civil society organizations to increase their capacities and more generate employability options for these groups.

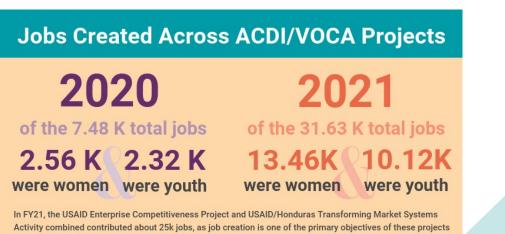
LABOR MIGRATION

In Kyrgyztan, external labor migration has progressively increased over the past few years. The Kyrgyz State Migration Service reported in 2017 that 700,000 Kyrgyz citizens were migrant workers. This especially affects younger populations, since 60 percent of these migrants are between ages 15 and 29. To combat this, ACDI/VOCA is implementing the USAID Enterprise Competitiveness Project, which supports Kyrgyzstani enterprises in creating local jobs. The technical support ACDI/VOCA provided introduced modern management practices and labor standards for employees of local clothing companies who chose to hire locals—focusing explicitly on vulnerable and low-income persons—and teach them skills, transforming them into competitive workers with safe, reliable jobs and living standards. They adopted special social-working conditions including regular meals, special financial assistance, and a dormitory for employees.

With the support of **Transforming Market Systems (TMS)** Activity the Honduran Ministry of Labor's Temporary Work Abroad Program (PTTE) has seen excellent results and has emerged as an effective way to provide legal job opportunities and a better life for Hondurans, as well as reduce illegal migration attempts. TMS has initiated facilitation and coordination with the GOH's PTTE and the US Embassy in Honduras to assist the interview, passport, and visa process, as well as the travel of potential candidates so that they can be employed in open positions at U.S. companies.

FUNDING GENDER EQUITABLE LABOR AND MANAGEMENT

AV Ventures Ghana (AVVG), is one of ACDI/VOCA affiliate AV Ventures' pilot funds. The fund is a \$3.6 million evergreen (permanent capital) blended finance vehicle which prioritizes investments in women-owned or managed firms, firms with high prevalence of women in their supply chains, firms producing goods or services to improve women's livelihoods, and firms with demonstrated commitment to gender equitable labor and management practices. AVVG investments have created 100+ new jobs; linked 1000+ smallholder farmers in the poultry value chain increasing incomes by 20%; and linked 100+ micro entrepreneurs (40% women) to capital.





ENVIRONMENT

ACDI/VOCA is committed to action to protect the environment by promoting and supporting the adoption of sustainable market and food systems.

We undertake initiatives to promote greater **environmental responsibility** and encourage the development and diffusion of **environmentally friendly technologies**.

In partnership with the **UN Convention to Combat Desertification**, ACDI/VOCA contributes to the **Great Green Wall Initiative**'s goal of restoring 100 million hectares of degraded Sahelian land by 2030. These actions and others like them play an important role in delivering one-third of the climate mitigation needed by 2030 to keep global temperatures below two degrees Celsius.

Under three USAID-funded programs, ACDI/VOCA is boosting productivity while conserving forests, deepening drought resilience, reclaiming degraded land, and restoring watersheds.

- The Forest Incomes for Environmental Sustainability (FIFES) Activity in Liberia helped communities secure the rights, governance structures, viable businesses, and partnerships needed to sustainably manage and benefit from forest resources. This included conserving the biodiversity of 11 community forests, increasing the productivity of forest-product value chains, and developing enterprises to provide income for farmers.
- The Victory Against Malnutrition Plus (ViMPlus) Activity in Burkina Faso embedded conservation agriculture principles into its trainings on production techniques for cowpea and sorghum to combat the state of degradation of the soil in the Centre Nord Region. These trainings covered production techniques requiring minimal tilling of the soil, which is beneficial for both the environment and farmers alike.
- The Feed the Future Kenya Livestock Market Systems (LMS) Activity in Kenya helped farmers impacted by severe drought which destroyed pastures and grazelands, with livestock mortality at 1,437,632 in 15 affected counties. The LMS Activity supported local businesses in securing capital to to provide adequate, nutritious, accessible, and affordable livestock feeds to pastoralists in the North Eastern Province.

We also commissioned and contributed to, a 25-page **study on the feasibility of developing carbon credit projects** in conjunction with our ODA projects, which is currently being analyzed and a report created. The purpose of the study is to increase our understanding of how carbon projects work, and to help us decide how we might address climate mitigation through crediting projects. We are sharing the report and results with others to compound learning and action.



ANTI-CORRUPTION

ACDI/VOCA works to identify and prevent all forms of corruption, including bribery and extortion, as an integral part of our mission. We do this by maintaining and implementing multi-faceted Ethics Policies.

ACDI/VOCA is committed to the **highest standards of ethical and legal conduct** to protect all individuals from viloations of their human rights.

Policies and Systems. The ACDI/VOCA **Anti-Corruption Policy** prohibits all forms of corruption, even in the absence of local corruption laws. It prohibits all corrupt or improper methods to influence decisions in order to induce or reward improper performance of any activity connected with our business. This Policy specifically addresses the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Anti-Bribery Act 2010 ("UKBA"), and the False Claims Act ("FCA"). The Policy also requires our employees to comply with conflict of interest policies and local anti-corruption laws in foreign jurisdictions where we work.

ACDI/VOCA encourages reporting all alleged violations of our policies as promptly and in as much detail as possible using the **Ethics Reporting System of Record** which is available to the general public. The system allows anyone who has internet access anywhere in the world to report alleged violations and allows optional choices for complete anonymity through a pinbased reporting system. It allows complaints to be made through traditional computer interface, through electronic attachments (documents, pictures, audio files), or any combination. The system accommodates translations from a native language to English and has capability for two-way translation into multiple additional languages as needed.

Under our Whistlblower Policy, ACDI/VOCA requires all ACDI/VOCA Group employees (affiliates, headquarters and field, expatriate and local) to report any information they reasonably believe in good faith violates ACDI/VOCA policies, and/or any relevant laws or regulations. We require the same of all of our implementing partners, subawardees, grantees, contractors, vendors and any of their employees and strongly encourage our donors, institutional partners as well as beneficiaries of our projects as well as anyone we interact with to do the same. To help secure and maintain workplace integrity, any individual who reports any suspected violations oflaws or ACDI/VOCA policies shall be protected from and against any and all forms of organizational retaliation for having made or attempted to make a report to the maximum extent possible.



COMMITMENT TO THE FUTURE

ACDI/VOCA is not only committed to the tenets of the UN Global Compact, we are prepared to continue to take effective action in service of our misson to achieve better lives for people and communities by increasing economic prosperity and social inclusion. Outlined in ACDI/VOCA's recent 2022-2024 strategy document, the organization's strategic focus aligns with six of the Sustainable Development Goals (SDGs) set out by the United Nations.

Historically, our work in cooperative and agricultural development has its foundations in SDGs 1, 2, and 8 but has evolved – and continues to evolve – to include SDGs 5, 10, and 13, as our systems approach takes into consideration the interaction, intersection, and impact each of these has on a community as a whole. Our contributions to the SDGs will only increase as we approach 2030, as illustrated below.



Our impact and our performance against the SDGs will be presented using Life of Project results and we will measure and report out on the increasingly positive impact of our work through project-level trend lines demonstrating increased and impactful change year-on-year.

Enhancements planned for our Learning Evaluation & Analysis Platform (LEAP) system will enable aggregation of project data for use in multi-faceted analysis and reporting of corporate data for a variety of external and internal stakeholders. Project data will be displayed on the external website, promoted on social media, and included in the Annual Report to illustrate our global reach and impact, particularly for women and youth. ACDI/VOCA's achievements will be linked to the United Nations SDGs.

Additionally, our internal impact measures through 2030 include promoting and sustaining a culture and reputation that is grounded in equity and leverages diversity and inclusion in all that we do.