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Taking a Smart-Mix Approach to Action on Human Rights

Key Points

1. The Smart-Mix Approach is designed to help companies address salient human rights issues that are structural and systemic in nature in priority origins. It identifies a context-appropriate Smart-Mix of actions, both within and beyond the supply chain, to engage suppliers and support collaboration with a wide range of stakeholders, including governments, civil society organisations, and industry peers, to tackle the deeper drivers and root causes of these issues.
2. This approach allows companies to collaborate on risk identification, co-finance solutions and accelerate implementation, allowing for more effective resource deployment and greater impact at scale through coordinated action.
3. Drawing from the United Nations Guiding Principles on Business and Human rights (UNGPs) and the Organisation for Economic Cooperation and Development (OECD) Guidance, the Smart-Mix Approach is complementary to, and should be embedded into, a company's overall Human Rights Due Diligence (HRDD) processes. See [Proforest's Briefing Note on Human Rights Due Diligence](#).



What is a Smart-Mix Approach and why is it important?

This Briefing Note aims to support downstream and large midstream companies in the agricultural and forestry sectors to implement meaningful Human Rights Due Diligence (HRDD) by prioritising origins and human rights issues using a risk-based process.

What is a Smart-Mix Approach?

A **Smart-Mix** Approach refers to the appropriate mix of actions taken by a company to address the root causes of a known salient human rights issue in a particular geography. The collection of actions involves **within supply chain actions** (e.g. supplier engagement on Human Rights Due Diligence (HRDD) or supplier level projects) and **beyond supply chain actions** (e.g. engagement with governments, landscape/jurisdictional initiatives, collaboration with peer companies). Note that beyond supply chain actions may also be referred to as collective, collaborative or at scale actions.

The Smart-Mix Approach to taking action on human rights sits within a company’s broader HRDD strategy. As Figure 1 illustrates, the Smart-Mix is reserved for the highest-risk origins, which could be an entire country or a specific region within a country, and aims to address the issues identified as most salient. Alongside the Smart-Mix Approach, companies can deploy other tools to mitigate human rights risks depending on the risk level.

For example, lower risk origins may simply require traceability data collection, while companies may choose to mitigate risks in medium risk origins by procuring certified volumes and conducting regular supplier engagement. The greater the risk, the more actions a company should take. In this way, the company’s interventions are appropriate, cumulative and proportionate to the level of risk to people.

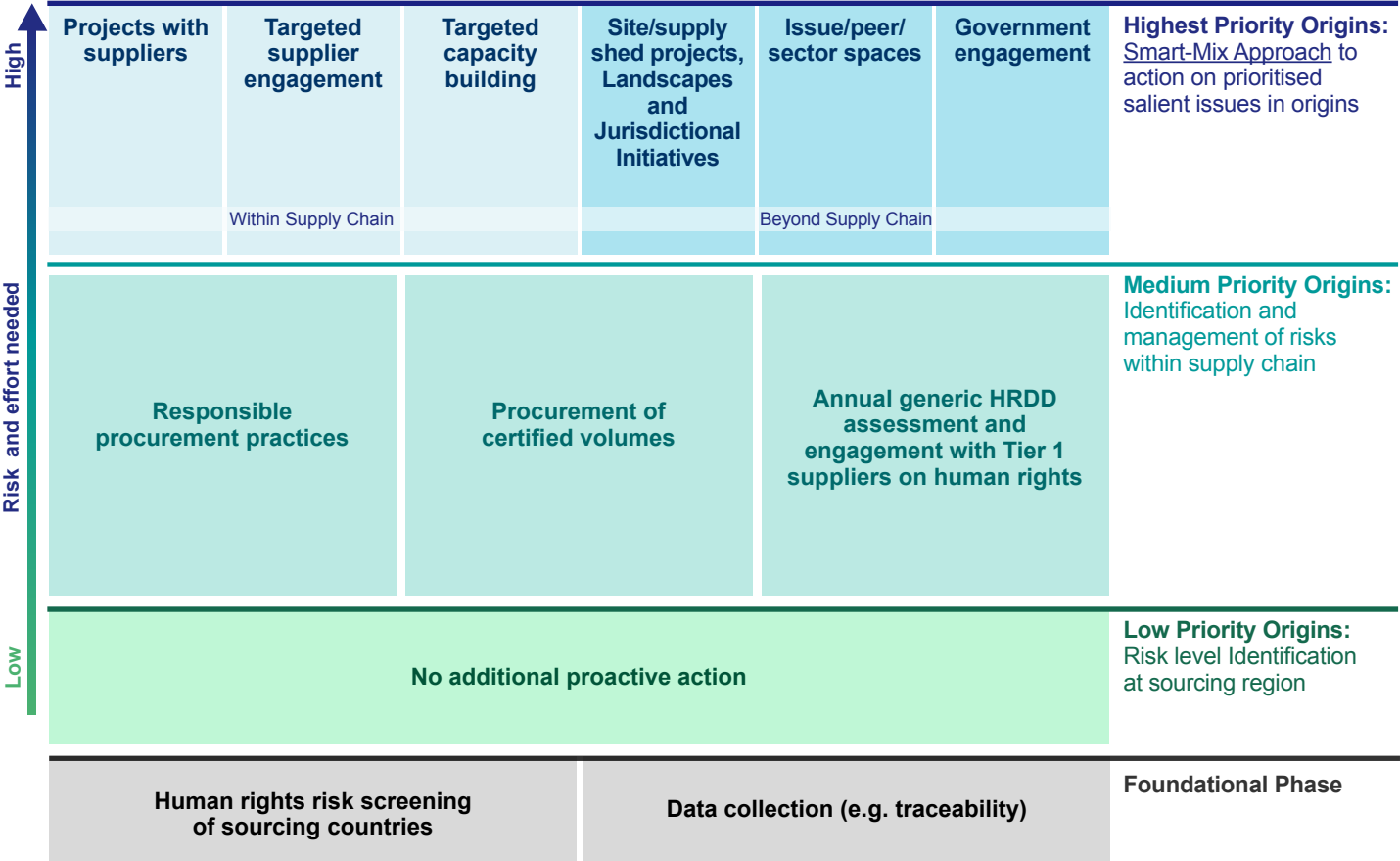


Figure 1: Framework for Action on Human Rights in Agricultural Supply Chains

Why is a Smart-Mix Approach important?

Agricultural and forestry commodities continue to be linked to numerous and serious human rights issues, prompting growing demands on companies to take meaningful action. These expectations are driven by voluntary commitments, regulatory requirements, and pressure from consumers and civil society, and are increasingly focused not just on identifying risks, but on demonstrating the effectiveness of responses. Yet many of the most pressing sustainability issues, from human rights to climate impacts, are deeply systemic and cannot be addressed by individual actors alone.

The Smart-Mix Approach offers a practical pathway: it enables companies to first understand the root causes of the identified salient risks in prioritised origins and develop coordinated, context-specific responses in collaboration with relevant and affected stakeholders. By moving beyond surface-level indicators and tackling the underlying drivers, companies can maximise the effectiveness and durability of their interventions and consequently use their resources more efficiently and strategically.

Where credible assessments already exist, the approach encourages alignment and collaboration to avoid duplication and accelerate progress. In an era of increasing scrutiny and complexity, having the right tools to guide action and monitor outcomes is essential for delivering credible, lasting change.

Developing a Smart-Mix Approach

A Smart-Mix Approach is made up of a series of steps, summarised in Figure 2.

- 1: Prioritise & Select Highest Risk Origins**
Prioritising sourcing origins (e.g. a country or sub-national region) based on risk allows companies to concentrate their efforts where they matter most. By identifying the highest-risk sourcing origins for agricultural and forestry commodities, companies gain a clear, strategic view of the level of effort needed, ensuring that resources are directed efficiently and effectively.
- 2 & 3: Conduct Risk Assessment, Select Priority Human Rights Issue & Understand the Issue's Root Causes**
With priority origins identified, companies can develop a more nuanced understanding of the most salient human rights risks in each context. This reveals not only what the issues are, but also the underlying root causes, providing the insight needed to design targeted, credible responses that address the deep drivers of harm and design effective solutions.

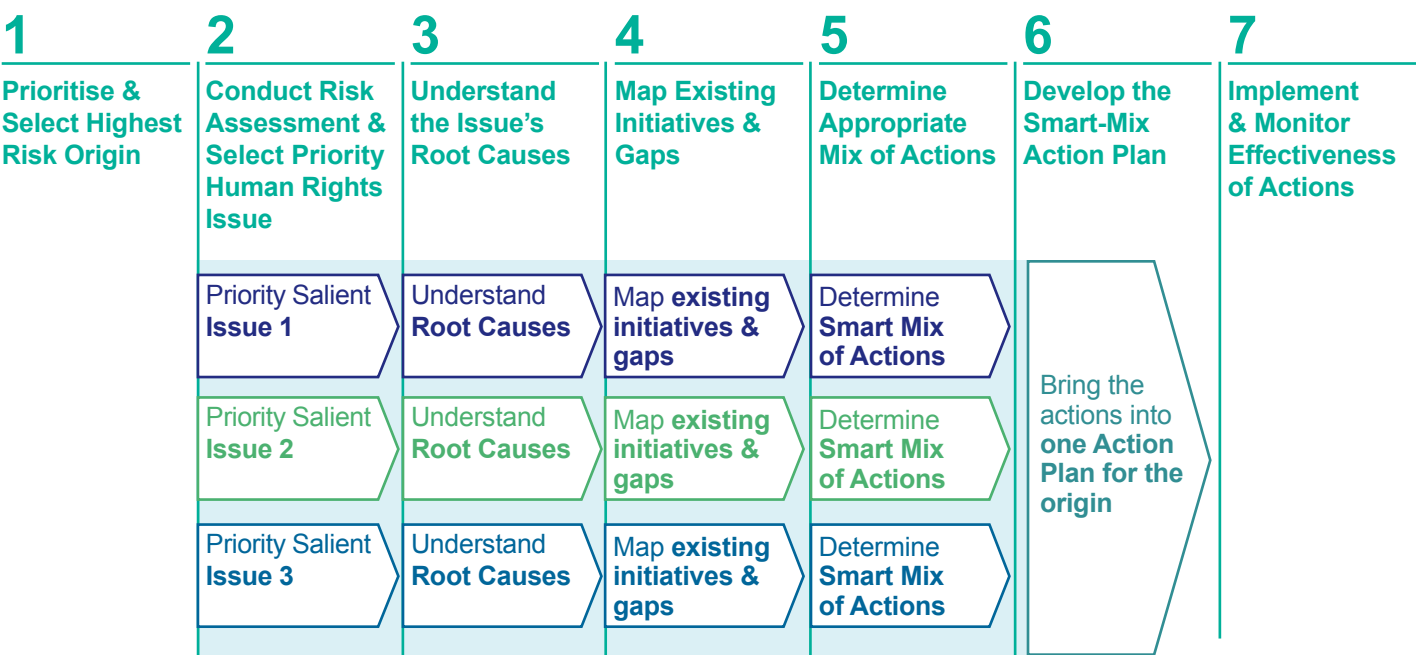


Figure 2: Steps for Implementing the Smart-Mix Approach

4: Map Existing Initiatives & Gaps

Mapping existing initiatives and gaps within each origin helps companies uncover opportunities to align and build on existing efforts by other actors. This step highlights where current supply chain practices are working, where they fall short, and where additional collaboration with peers, civil society, and governments can accelerate progress. It ensures that actions are not only well-informed, but also more efficient and impactful through strategic partnerships.

5: Determine the Appropriate Smart-Mix of Actions

This step empowers companies to design a response that is both deliberate and effective. By focusing efforts on the root causes of human rights risks, companies can address gaps in their approach, strengthen existing interventions or add new actions as needed. The result is a tailored Smart-Mix of actions, both within and beyond the supply chain, that maximises the potential for meaningful change (see Case Study 1.)

- **Within the supply chain**, companies gain the opportunity to strengthen their own procurement and supply management practices, as well as the human rights performance and management systems of their suppliers. This can contribute to more resilient supply chains and better human rights outcomes on the ground. Engagement with suppliers as part of the Smart-Mix should focus on the specific salient issues identified in the assessment, as opposed to generic engagement on a wide range of sustainability topics which a company might implement in a medium priority origin.
- **Beyond the supply chain**, companies can amplify their impact by engaging with other actors (e.g. governments, civil society, and industry peers) to address systemic issues, as investing solely in business-to-business actions is not sufficient to drive systemic change. This collaborative approach helps build credibility, share responsibility, and accelerate progress.

Case Study 1: Developing the Colombia Indigenous Peoples and Local Community (IP&LC) Smart-Mix of Actions & Land Rights Action Plan

In Colombia, the risks to IP&LC land rights (such as land grabbing, exploitation and conflict) stem from a complex interplay of historical conflict, gaps in corporate systems and processes, limited and inconsistent government intervention, weak rule of law, and a lack of reliable data to inform action.

To address these challenges, Proforest, together with partners Landesa and Colombia Rural, undertook a comprehensive assessment to map existing initiatives, identify opportunities, and uncover critical gaps. This process informed the development of the Smart-Mix Approach, resulting in a country action plan that combined both within and beyond supply chain measures to prevent and mitigate IP&LC land rights abuses.

Within the supply chain, efforts focused on strengthening the implementation of land rights systems, building supplier capacity, and improving company–community communication mechanisms. These measures aim to ensure that suppliers were better equipped to respect and support IP&LC land rights across operations.

Beyond the supply chain, actions targeted systemic root causes, such as the lack of formal land tenure. This includes engagement with government entities to support improvements in land rights data and land formalisation processes.

A central part of this work has been direct engagement with IP&LC communities, which provided invaluable insights into both the impacts experienced and potential pathways for solutions. At the same time, it highlighted the importance of carefully navigating the expectations of companies and rights holders, acknowledging the differing roles and responsibilities, while driving actions to address the issues.

6: Develop the Smart-Mix Action Plan

Developing a Smart-Mix Action Plan turns understanding into actions. This step provides companies with a clear, structured roadmap for implementation, defining what needs to happen, who is responsible, and how success will be measured.

The outcome is a shared vision among all stakeholders (e.g. suppliers, implementing partners, civil society organisations, peer companies, and local governments) around the behaviours that need to change, and the steps required to drive that change. With clearly defined roles, timelines, and resources, companies can move forward knowing that their efforts are shared, coordinated, and grounded in a deep understanding of the issues. The development of the action plan marks the end of the beginning. The real work lies in the successful implementation of the agreed actions.

7: Implement and Monitor Effectiveness of the Actions

Implementation and monitoring go hand in hand to ensure that planned actions lead to meaningful change. This step provides the evidence needed to demonstrate progress to stakeholders, meet reporting expectations, and most importantly, ensure that interventions are addressing the root causes of risks. Monitoring begins well before implementation. A clear articulation of intent is fundamental and should be captured in the action plan as the desired change or outcome for each action or set of actions.

By collecting and analysing both qualitative and quantitative data, companies gain a clearer picture of what's working, what's not, and where adjustments are needed. This continuous feedback loop supports smarter decision-making, more efficient use of resources, and stronger, more credible outcomes over time. Ultimately, it helps companies to show that their efforts are contributing to real, systemic change for people on the ground.

Taking Action Across Multiple Commodities

Salient human rights risks, and their underlying root causes, are often embedded in sourcing and production practices that cut across multiple commodities. The Smart-Mix approach can be applied within a single commodity or across multiple commodities. For it to be effective in a multi-commodity context, the selection of salient issues should be guided by two key criteria: the relevance of the issue across multiple commodities, and the presence of common underlying drivers within the same geography. By moving beyond commodity-specific silos, companies can deploy resources more strategically, enhance internal alignment, and generate broader momentum for meaningful, company-wide action (see Case Study 2.)

Challenges, Opportunities and Looking Forward

Challenges

Implementing a Smart-Mix Approach requires significant investment in time, expertise, coordination, and critically, financial resources. Because of this, it is best suited for priority origins where the potential for impact justifies the level of effort. Even within these high-risk contexts, companies may need to further prioritise which origins and salient human rights issues to address, based on a combination of risk severity, origin strategic importance, and internal capacity. Key challenges include:

- **Scale and Resourcing:** The scale at which a Smart-Mix Approach can be applied is directly tied to a company's available resources. Most companies will not have the capacity to implement Smart-Mix plans across all high-priority origins simultaneously. Strategic decisions must be made about where to focus efforts, and how to sequence implementation over time.

Case Study 2: Opportunities to Identify Common Risks and Take Action Across Commodities in Mexico

Mexico was identified by a large downstream company as a high-risk origin for palm oil, sugar, cocoa, coffee and fresh milk. Recognising the potential for overlapping human rights challenges, a Smart-Mix Approach was applied with the aim of identifying salient issues that could be addressed across multiple commodities.

The first step involved mapping sourcing locations to understand where commodities overlapped geographically. This geographic focus enabled a targeted root cause analysis, which revealed that forced labour and child labour were salient risks across a subset of the commodities. Importantly, these risks were linked to common deeper drivers, such as informal labour arrangements, limited access to education, and weak enforcement of labour protections, providing a basis for coordinated action.

By focusing on shared root causes, the approach created opportunities to address systemic risks more efficiently. This enabled the company to consolidate efforts and resources across commodity teams, aligning investment and actions around a single, cross-cutting issue rather than addressing each supply chain in isolation.

Prioritising issues and geographies required strong traceability and volume mapping, as well as internal alignment on where joint action would be most impactful. Cross-commodity coordination demanded open dialogue about trade-offs and clear criteria for selecting common priorities.

This case highlights how, when rooted in shared challenges and systemic analysis, a cross-commodity Smart-Mix Approach can unlock synergies and support more strategic, aligned responses to salient human rights risks.

- **Commitment to Fund Actions:** A Smart-Mix is only as effective as the company's willingness to invest in the actions it identifies. This includes funding both internal changes (e.g. adjustments to procurement practice, supplier capacity building) and external collaborations (e.g. landscape initiatives, government engagement). Without dedicated funding, even well-designed plans can achieve limited impact.
- **Internal Alignment:** Effective implementation requires coordination across multiple departments: procurement, sustainability, legal, and beyond. Ensuring shared understanding and commitment to the Smart-Mix Approach is essential to embed it into business processes and decision-making.
- **Stakeholder Buy-in:** Securing the commitment of strategic stakeholders (e.g. peer companies, suppliers, industry associations, local governments) presents a valuable opportunity to enhance the effective

implementation of a Smart-Mix of actions. While some stakeholders may initially face structural, capacity, or contextual barriers to meaningful participation, many demonstrate a genuine interest in contributing to change. Others may require clearer incentives or relevance to fully engage. Unlocking this potential calls for tailored strategies that not only address these barriers but also cultivate motivation, build trust, and foster collaboration among all actors expected to play a role in implementation.

Opportunities

The Smart-Mix Approach offers a transformative opportunity to shift from fragmented, siloed efforts to coordinated, systemic action to address shared risks. By focusing on shared salient issues and their root causes, including impacts due to climate change, it enables companies to build more resilient, rights-respecting supply chains. Key opportunities include:

- **Collaboration for Greater Impact:** When companies source from the same regions and face similar human rights risks, working together can significantly enhance the effectiveness of their efforts. Sharing a common understanding of the salient risks and their root cause analyses and, most importantly, joining efforts to address those issues can reduce duplication, lower costs, and lead to more coherent and impactful interventions on the ground.
- **Cross-Thematic Action:** Climate change, forest and biodiversity loss, water scarcity, threats to livelihoods and human rights are deeply interconnected. The Smart-Mix Approach enables companies to break down silos and design integrated responses that support building resilient communities, workers and producers.
- **Cross-Commodity Coordination:** In many high-risk geographies, companies source multiple commodities that are affected by similar systemic issues. The Smart-Mix Approach enables companies to identify these shared root causes and design joint responses that cut across supply chains. This not only improves efficiency but also supports a more integrated and strategic approach to addressing human rights issues at production.
- **Supporting Compliance and Leadership:** Smart-Mix action plans provide a structured and evidence-based approach to meeting the requirements of emerging mandatory human rights due diligence regulations, as well as aligning with leading voluntary frameworks. By acting on identified root causes, companies not only mitigate legal and reputational risks, but also contribute to meaningful impact on the ground, and ultimately to sectoral change of practice.

Looking Forward

As companies continue to develop resilient supply chain strategies, the Smart-Mix Approach should be central to identify and mitigate human rights abuses, including impacts due to climate change. Supply chains marked by labour exploitation or environmental degradation cannot be resilient. For example, drought or land degradation may result in migration and heightened risks of exploitation and forced labour for subsistence farming communities. By identifying and tackling these root causes, the Smart-Mix Approach can help find solutions to build the resilience of the most affected populations.

The extent to which companies embed outcome and impact thinking in the design phase of the Smart-Mix is critical, as this enables companies to track progress not just in process, but also in impacts for workers and communities.

The Smart-Mix Approach can support wider national climate and development agendas, such as Just Transition, inclusive rural development, and climate adaptation. Aligning with national strategies and global frameworks (e.g., SDGs, UNGPs, the Paris Agreement) strengthens coherence and long-term impact.

Ultimately, a Smart-Mix is an evolving strategy. Its success depends on continuous learning, adaptive management, and a commitment to tackling the deeper drivers of harm, especially where human rights, livelihoods, climate, and environmental issues intersect