



# LOCAL IMPACT HUB

## GENERAL POLICY

*Empowering Rights Holders | Driving Value Chain Improvements*

### Document Information

<b>Policy Type</b>	Local Impact Hub General Policy
<b>Version</b>	1.0 - 2026
<b>Legal Form</b>	Foundation (Stichting)
<b>Mandate</b>	Responsible Business Conduct (RBC) advisory & multi-stakeholder project implementation
<b>Primary Funders</b>	Government grants and institutional donors
<b>Review Cycle</b>	Annual, by the Board
<b>Approved by</b>	Governance Board, 1 January 2026

## 1. Organisational Identity

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### 1.1 Mission

Local Impact Hub supports people working in (inter)national value chains, value chain actors, and civil society organisations to identify, prevent, and address adverse human rights impacts in international value chains. We do this by providing expert advisory services and facilitating multi-stakeholder collaboration.

### 1.2 Vision

A world in which international trade and business activity reliably contributes to human dignity, fair working conditions, and sustainable livelihoods for producers and communities as much as for consumers and shareholders.

### 1.3 Strategic Positioning

We occupy a deliberately bridging role: between companies and local realities; between international regulatory frameworks and practical implementation; between rights holders and the economic actors who affect their lives. We are a credible, independent facilitator of collaboration and change.

**Our Unique Value Proposition:**

We combine deep knowledge of international RBC frameworks (UNGPs and OECD Guidelines 2023) with on-the-ground access to local value chain partners and civil society organisations. This enables us to translate global standards into actionable recommendations and context-specific improvements for rights holders and value chain actors.

## 2. Statutory Purpose

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The statutory purpose of the organisation is:

**Statutory Purpose:**

"The promotion of responsible entrepreneurship and global sustainable development, and all activities that contribute to or are conducive to this aim." This purpose is pursued by accompanying and forming collaborations with right holders, value chain actors, and initiatives that are committed to positive societal change linked to responsible business conduct.

## 3. Context and Rationale

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International value chains are under growing scrutiny. Due diligence legislation is shifting responsible business conduct from voluntary commitment to legal obligation. At the same time, enforcement and implementation capacity, particularly among SMEs and in producer countries, remains limited.

Rights holders such as workers, smallholder farmers, and local communities, often remain invisible in these processes, lacking the voice, resources, and access to participate effectively in due diligence or grievance procedures designed, in principle, to serve them.

Local Impact Hub operates in this gap: Empowering rights holders and helping value chain actors to build genuine due diligence capacity that supports local partners to engage with companies and facilitating multi-stakeholder processes that produce tangible and durable improvements for rights holders and value chain actors.

## 4. Policy Goals 2026

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*Each policy goal below is aligned with the statutory purpose and grounded in applicable international frameworks. Goals are defined concretely to enable annual evaluation.*

## **Goal 1 – Strengthen the Position of Rights Holders**

Facilitate meaningful participation of affected workers, smallholder farmers, and communities in value chain processes. This includes raising awareness of their rights, supporting local partners in conducting rights holder engagement, and contributing to accessible, culturally appropriate grievance mechanisms.

Rights holders are not passive subjects of due diligence. They are the primary source of intelligence about what is happening in value chains. Enabling their structured participation produces better outcomes for everyone.

## **Goal 2 – Strengthen Local Value Chain Partners**

Provide knowledge, methodology, tools, and network access to local value chain partners (producers, suppliers, cooperatives, local NGOs) in at least one target sector and geography, enabling them to implement the 6 steps of the OECD due diligence process. Provide companies with practical advisory services to develop and implement human rights and environmental due diligence processes aligned with the UNGPs, OECD Guidelines, and applicable legislation.

Support is concrete, sector-specific, and implementation-focused. We do not produce reports; we accompany companies through change processes.

## **Goal 3 – Facilitate Multi-Stakeholder Collaboration**

Design and manage multi-stakeholder projects that bring together rights holders and value chain actors, such as companies, local CSOs, government agencies, around shared sustainability challenges in specific value chains or geographies. Multi-stakeholder initiatives are particularly effective for systemic issues that no single actor can resolve.

All multi-stakeholder activities will have a defined scope, governance structure, and measurable outcomes from inception.

## **Goal 4 – Build and Maintain a Local Stakeholder Network**

Develop and maintain an operational network of local value chain partners, rights-holder organisations, and sector-specific experts. This network is not an end in itself; it is the operational infrastructure that makes all other goals achievable.

Network development activities include; structured relationship management with local partner organisations; participation in relevant international and local events; knowledge sharing via the organisation's digital channels; and joint project design with local partners.

## **Goal 5 – Stimulate Knowledge and Innovation**

Commission, conduct, or co-author applied research that generates practical knowledge on responsible value chains, grievance mechanisms, rights holder engagement, and mandatory due diligence implementation. Make this knowledge publicly available to raise awareness and support practitioners.

## **Goal 6 – Contribute to Improved RBC policies**

Engage constructively with policy processes nationally and internationally to promote effective, rights-holder centred mandatory due diligence legislation. Contributions will be based on evidence and grounded in the organisation's project experience.

This goal can be pursued through: written consultations on draft legislation; participation in policy forums; collaboration with peer organisations and coalitions; and where relevant, direct engagement with parliamentarians and regulators.

**Scope Boundary:**

Lobbying activities will remain secondary to project delivery and advisory work. Local Impact Hub will not act as a political campaign organisation. All advocacy positions will be published and based on verifiable evidence.

## 5. Activities

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The following activity types are the primary means through which the policy goals are pursued. All activities are executed on a project basis, funded through specific grants or service contracts.

### 5.1 Advisory Services to Companies

- Human rights and environmental due diligence scoping and materiality assessments
- Supplier engagement strategy design and facilitation
- Grievance mechanism assessment, design, or linkage
- Sustainability strategy review and improvement roadmap development
- National due diligence legislation compliance readiness assessments

### 5.2 Multi-Stakeholder Project Management

- Securing donor funding for projects
- Design and facilitation of multi-stakeholder projects
- Development of sector- or geography-specific action plans
- Co-ordination of joint monitoring and verification activities
- Reporting to institutional funders including government donors

### 5.3 Capacity Building

- Training programmes for value chain actors on due diligence concepts, rights articulation, and engagement between rights holders and value chain actors
- Workshops for company staff on embedding due diligence in procurement and supplier management
- Peer-learning sessions connecting local partners across geographies

## 5.4 Knowledge and Communication

- Applied research, briefing papers, and practical guides
- Maintenance of a public knowledge base on the organisation's website
- Publication of annual reports covering activities, outcomes, and lessons learned
- Participation in relevant conferences and policy events

## 5.5 Advocacy and Policy Engagement

- Written contributions to legislative consultations (national and EU level)
- Participation in policy coalitions and networks
- Evidence-based engagement with government and regulatory stakeholders

## 6. Theory of Change

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Our theory of change rests on a simple but evidence-grounded logic: durable improvement in human rights outcomes across value chains requires action at multiple levels simultaneously – regulatory pressure, company commitment, local partner capability, and rights-holder voice.

Level	Description	
Input	Expert advisory capacity; local partner relationships; grant funding; international networks	
Activity	Advisory services; multi-stakeholder facilitation; capacity building; research; advocacy	
Output	Improved company due diligence processes; strengthened local partner organisations; accessible grievance mechanisms; public knowledge products	
Outcome	Measurable improvements experienced by rights holder in value chains, improved human rights practices, and accountability in value chains	
Impact	Contribution to a global business environment in which human rights and economic prosperity are mutually reinforcing	

## 7. Target Groups and Stakeholders

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Target Group	Description
<b>Rights holders</b>	Workers, smallholder farmers, and communities whose livelihoods and rights are affected by international value chains. Engaged through local CSO partners and rights holder engagement processes.
<b>Local chain partners</b>	Producer organisations, cooperatives, smallholder associations, local suppliers in high-risk producing regions.
<b>Companies</b>	Companies with international value chains in high-risk sectors (e.g. mining, textiles, agriculture, etc.).
<b>Civil society organisations</b>	Local and international NGOs, trade unions, and advocacy groups with complementary mandates; key partners in multi-stakeholder projects and grievance mechanisms.
<b>Government donors</b>	Primary funders of the organisation's project portfolio. Engagement is based on structured reporting, transparent use of funds, and demonstrated results.
<b>Policymakers and regulators</b>	National and EU-level regulators developing and implementing mandatory due diligence legislation. Engaged through advocacy and evidence-sharing activities.

## 8. Governance

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### 8.1 Legal Structure

The organisation is constituted as a Foundation (Stichting) under Dutch law. As a foundation, it has no members or shareholders; it is governed entirely by its Governance Board in service of the statutory purpose.

### 8.2 Board Composition and Responsibilities

The Board consists of at least two members: a Chair and a Secretary/Treasurer. Board members are appointed for a renewable term of three years. The Board is responsible for:

- Approving and reviewing this General Policy and any material amendments
- Oversight of financial management and approval of the annual accounts
- Appointment and oversight of the Executive Director (where applicable)
- Approval of material contracts, partnerships, and strategic decisions
- Ensuring compliance with legal obligations and this General Policy

The Board meets at least twice per year. Additional meetings are called when material decisions require deliberation. Meeting minutes are maintained and archived.

### **8.3 Financial Authorisation**

All financial transactions and payments require dual authorisation: both the Treasurer and the Chair must (electronically) co-sign. No single individual can independently commit or disburse organisational funds. This two-signature rule applies without exception to all external payments.

### **8.4 Consultant Pool**

The organisation works with a pool of specialist consultants engaged on a project basis. The following financial principles govern consultant engagement:

- Consultant fees are covered 1:1 by project-specific grant allocations. The organisation does not subsidise consultant fees from general reserves
- Travel and accommodation costs related to project work are reimbursed against actual invoices and within the limits specified in the relevant project budget
- If a project requires more hours than budgeted, no additional claim may be made on the organisation's general funds. This is agreed in writing before project commencement
- All consultant engagements are formalised via a written agreement specifying scope, deliverables, fee, and timeline

## **9. Financial Management**

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### **9.1 Funding Model**

The organisation is funded primarily through government grants and institutional donor contributions. A secondary funding stream consists of service fees from companies receiving advisory support. The organisation does not seek commercial profit; all income is directed to activities aligned with the statutory purpose.

### **9.2 Financial Principles**

- The financial year runs from 1 January to 31 December
- The organisation targets a minimum operational reserve equivalent to one full year of back-office costs
- Project budgets are designed to recover back-office costs at a rate of 5% where contract terms permit
- No off-budget funds or accounts are maintained

### **9.3 Back-Office Costs**

Back-office costs are kept deliberately minimal and consist of:

- Bank charges (periodic)
- Website hosting and maintenance (periodic)

- Microsoft 365 or equivalent productivity suite (periodic)
- Annual accounts preparation (annual)

## **9.4 Reserves and Investment of Accumulated Capital**

Surplus capital accumulated beyond the one-year back-office reserve will be deployed in service of the statutory purpose, as decided by the Board based on a documented cost-benefit analysis. Priority usage of reserves include:

- Funding specialist contributions where grant budgets are insufficient but the public interest value is high
- Contributing to lobby activities to realise policies to strengthen the position of value chain rights holders
- Building and maintaining a public knowledge base on responsible business conduct

## **9.5 Continuity and Dissolution**

The organisation will consider dissolution only if all of the following conditions are simultaneously met: no active projects remain; no prospect of new grants or contributions exists within a reasonable horizon; and the costs of maintaining the legal entity exceed available reserves. This threshold is deliberately high. A temporary funding gap does not trigger dissolution review.

# **10. Communication and Transparency**

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## **10.1 External Communication**

The organisation communicates its work, positions, and results through:

- Its public website: the primary information hub, including descriptions of activities, policy positions, knowledge products, and contact information
- Social media channels: used to share updates, knowledge products, and relevant sector developments
- Annual reports: published annually and covering activities, outcomes, governance, and financial summary
- Project-specific reporting: delivered to institutional funders per grant agreement requirements

## **10.2 Transparency Commitments**

- This General Policy is publicly available on the organisation's website
- Annual reports are published no later than six months after the close of the financial year

- The organisation's statutory purpose and governance structure are publicly disclosed
- Any material change to the organisation's strategy or governance is communicated to relevant stakeholders in a timely manner

## **11. Monitoring, Evaluation, and Learning**

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### **11.1 Annual Self-Assessment**

The Board conducts an annual assessment of progress against the policy goals set out in Section 4. The assessment addresses:

- Which goals were advanced and by what concrete activities
- What measurable results were achieved, including any results that were absent or below expectation
- What was learned and what will be done differently

### **11.2 Project-Level Monitoring**

Each active project maintains a monitoring framework typically required by the funding grant agreement specifying outcomes, indicators, and reporting timelines. Project monitoring reports feed into the annual organisational self-assessment.

### **11.3 Stakeholder Feedback**

Feedback from local partners, rights holders, and company clients is systematically sought and documented. This feedback informs both project adjustments and organisational learning. The organisation maintains a basic feedback register as part of its administrative records.

### **11.4 Policy Review**

This General Policy is reviewed annually by the Board, or sooner in the event of:

- A material change in the organisation's funding, scope, or partnerships
- Significant changes in applicable international frameworks or national legislation
- An organisational integrity incident or external audit finding requiring policy response

## **12. Integrity and Safeguarding**

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The organisation operates under a separate Integrity Policy (adopted [date]) that governs anti-corruption, conflict of interest, whistleblower protection, data protection, partner due diligence, and safeguarding. The Integrity Policy is incorporated by reference into this General Policy and has equal standing.

**Core Integrity Commitment:**

An organisation that advises companies on responsible business conduct must exemplify those standards in its own operations. We do not ask of others what we do not demand of ourselves. Our Integrity Policy is publicly available on our website.

### 13. Alignment with International Frameworks

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International Framework	Relevance	Linked Policy Goals
UN Guiding Principles on Business and Human Rights (UNGPs, 2011)	Protect, Respect, Remedy framework; due diligence methodology; access to remedy	Goals 1, 2, 3, 4
OECD Guidelines for MNEs on RBC (2023 update)	Due diligence expectations across human rights, environment, labour, anti-corruption	Goals 1, 3, 6
EU Corporate Sustainability Due Diligence Directive (CSDDD, 2024)	Mandatory due diligence for EU companies; value chain scope; remedy obligation	Goals 3, 5, 6
UN Global Compact	10 principles: human rights, labour, environment, anti-corruption	All goals
ILO Core Conventions	Fundamental rights at work: forced labour, child labour, freedom of association, non-discrimination	Goals 1, 2, 3
UN Sustainable Development Goals (SDGs)	SDG 8 (Decent Work), SDG 10 (Reduced Inequalities), SDG 16 (Peace, Justice), SDG 17 (Partnerships)	All goals

**Board Approval:**

This Organisational General Policy 2026 was reviewed and approved by the Governance Board of Local Impact Hub on 1 January 2026. It supersedes any prior policy document and enters into force immediately upon approval. It will be reviewed no later than December 2026.