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## Guidance on grievance management

This document series was commissioned by Cargill and written by Proforest as part of Proforest's work with Cargill on grievances, and how to address grievances with its suppliers. It was designed to guide internal processes, but Cargill decided to make the short guidance papers public to demonstrate how it approaches these issues. The long forms of the guidance will not be published – but are referenced in places throughout this document, and these references have been left in to demonstrate where more information is available within Cargill for decision making purposes.

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### An introduction to the series

A grievance is a claim of social and/or environmental harm arising from your production or processing operations. It may relate to responsibilities to your employees and neighbouring communities and to protect the environment, conservation values and human rights.

If left unresolved, grievances can attract widespread attention and damage your company's reputation. Grievances also pose a reputational risk to commodity buyers, who may routinely follow up with suppliers to check on progress in resolving them. Equally, resolving grievances in a timely, transparent and meaningful way can help to establish your reputation as a trusted supplier.

A systematic process to initially assess, verify and resolve grievances ensures that all parties are clear on expectations of process and timeline. Cargill has developed guidance to address grievances for specific topics, including claims on harm related to:

1. Plantings on peat
2. Deforestation
3. Payment below minimum wage
4. Child labour
5. Forced labour
6. Land tenure and rights

This topic-specific series includes guidance on grievance management to help companies efficiently and transparently address claims of social and/or environmental harm in their direct operations. **This series introduction provides a high-level overview of the grievance management process, and a summary of expectations on addressing grievances and communicating on progress.**

## Grievance guidance series

This grievance guidance series provides practical and action-oriented information on how to verify grievances, identify root causes, develop action plans to address them and minimise risk of future grievances.

This series also provides advice on the information that grievance holders are expected to provide to suppliers that want to monitor and understand progress made in the process of responding to a grievance(s), including suggestions for timelines of practical remediation. This is because buyers are likely to make purchasing decisions relative to whether progress is made in remediating the grievance.

Throughout this guidance series, the term **grievance raiser** refers to the party or actor that has communicated the grievance to Cargill, the grievance-holder or any other party.

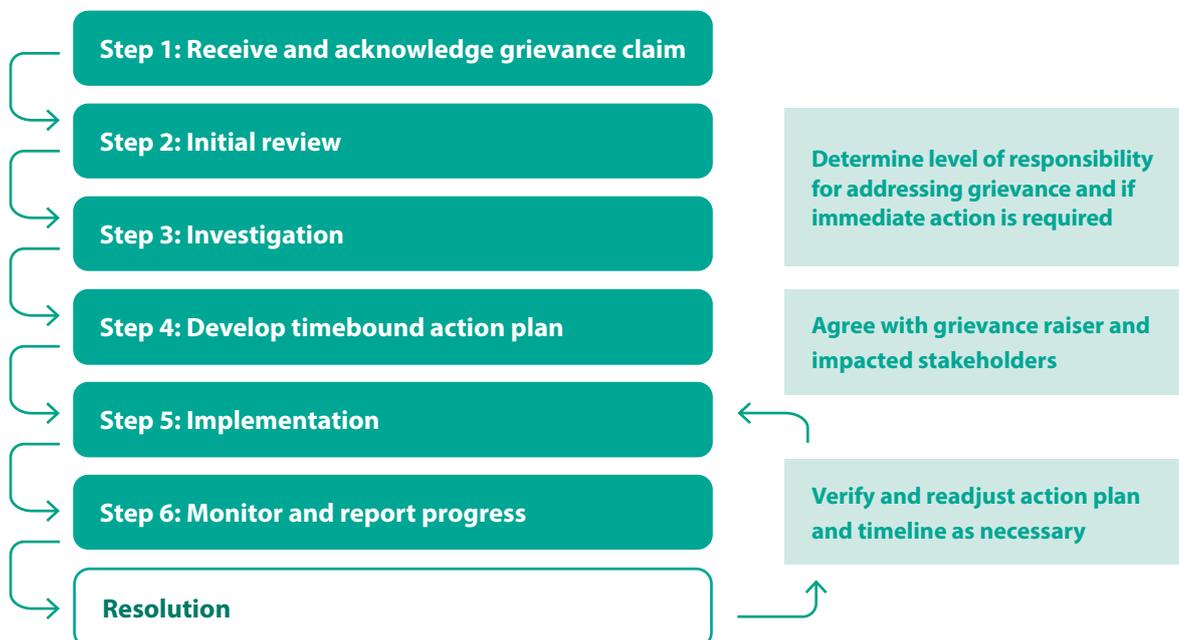
The term **grievance holder** is used to refer to the supplier against whom the grievance has been raised. In most cases, this will be a plantation company/owner, but it could also be the owner of a mill.

The term **affected parties** refers to the actual individual or group that has been affected by the activities outlined in a grievance. These parties can be the grievance raiser themselves but can be different if another entity raised the grievance on their behalf.

Any grievances in the supply base of a mill may be linked to buyer's supply chain, and so the mill has responsibility for investigating to establish the actor whose actions have generated the **grievance** (e.g. the plantation owner or small independent grower that caused the grievance) or risk buyers suspending purchases from the mill. Note that the mill may decide to support their supplier in resolving the grievance.

## Addressing a grievance claim in your operations

The following phases should be taken as a generic outline to a process that should be agreed with relevant stakeholders, in a **transparent, consultative and efficient** manner. The exact steps to be followed and recommended timelines will depend on the nature and severity of the grievance, more details of which can be found in the topic-specific guidance in the series.



## Step 1: Receive and acknowledge grievance claim

**Receive grievance claim and assign responsible person:** On receipt of a potential grievance in your operations and/or supply base, the first step is to assign the grievance to a member of staff who will then be responsible for investigating and if necessary resolving the claim, as well as communicating with the grievance raiser at necessary points in the process. Usually this is someone you appoint specifically to address and coordinate the claim raised, but depending on your organisational structure, this may be a specific grievance manager, or a general manager who is part of a grievance panel.

### Transparency and communication:

Successful resolution of a grievance requires consistent and constructive engagement with the grievance raiser and affected parties throughout the process of addressing the claim.

Equally, because grievances pose a reputational risk to commodity buyers, it is in your interest to **routinely communicate progress and resolution process of the grievance to your customers.**

**Communicate with grievance raiser:** Once the grievance has been assigned, the responsible person needs to contact the grievance raiser to acknowledge receipt of the grievance, and inform them:

- a) That the company (grievance holder) will now conduct an initial review of the grievance and the link with company operations, and
- b) of a date for completion of this initial review, at which time the company will share its conclusions.

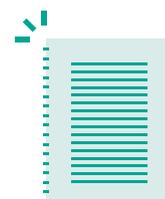
## Step 2: Initial review

### Assess whether the claim is related to your operations:

Having acknowledged receipt of the grievance, it is then necessary to conduct an initial assessment to assess the grievance and possible links to the company's operations to assess the validity of the grievance. This is done by gathering further information and starting a "case file" of information.

This means collecting enough information to assess whether the claim and issue raised can indeed be linked to your operations or third-party supply base. This will allow you to determine if there is already sufficient evidence to demonstrate whether the grievance was related to your operations or your supply base, or is outside the responsibility of your company. If you can collect adequate evidence to prove the claim is not linked to your or your third-party supply base operations, then you can reject the claim as a grievance against your company.

**It is recommended that this assessment takes no longer than 2 weeks.**



**Refer to the topic guidance for more information on key aspects to review and tools to use.**

**Communicate the results of the initial review to the grievance raiser:** The next step is to inform the grievance raiser of the outcome of the initial review.

If the claim is not considered linked to the company's operations, then the evidence for refuting the claim will need to be shared with the grievance raiser. In these cases, a buyer might also request access to this information, and undertake their own investigation to better understand the case.

If the claim is provisionally accepted, the grievance raiser should be informed of:

1. The **findings** from the initial assessment,
2. The immediate **next step**, which is usually to plan for a full investigation into the grievance (if the initial review suggests this to be necessary), and
3. **Timelines** to complete the full investigation and to engage with the grievance raiser.

It is helpful to share with the grievance raiser the general steps in the whole grievance process so they are aware of the process and to manage expectations, but it is not recommended to prescribe the exact steps because these should be discussed and ideally agreed collaboratively with the grievance raiser and affected parties (especially for steps 4 onwards for resolution of the grievance).

**Expectations for addressing a grievance in your supply base:** a company is considered to be implicated in a grievance when the issue relates to their direct operations and/or in their supply base (including from third-party supply, in the case of a mill).

This means that while your company may not be directly responsible for causing a grievance, external stakeholders consider that your company has a responsibility to decide on a) continuing to source from the grievance holder, and/or b) engaging the grievance holder in the remediation process.

## Step 3: Investigation

Having provisionally accepted the grievance claim and informed the grievance raiser, the next step may be to plan and execute an in-depth investigation and review of the grievance. This means assessing the details of **where** and **when** the grievance occurred, the **attribution of responsibilities** (which may be shared across several entities, sometimes both within and outside the company), and ultimately trying to understand **why** the grievance occurred (i.e. the root cause). This usually involves desktop and field verification, as well as consultation with the grievance raiser and affected parties, including those with expert knowledge in the subject area.

This phase should consist of:

1. Internal investigation
2. Present results and discuss with grievance raiser and affected parties
3. In-depth investigation of root causes



**Refer to the topic guidance for more information on guiding questions and consultation options to guide your investigation.**

**Escalating high-risk situations:** At the stage of the initial review or in-depth investigation a high-risk situation may be revealed which poses immediate danger to workers, surrounding communities or the environment. In these cases, immediate action is required by the company to ensure that these risks are mitigated in the short-term and addressed in the long-term.

## Step 4: Develop timebound action plan

At the end of the investigation, there should be a clear picture of how the grievance arose. The next step is to develop a plan of corrective actions, with the main objective being to remediate any harm and avoid any recurrences.

The action plan must be developed in collaboration with any affected parties and other relevant stakeholders, which may include the grievance raiser and experts in the topic. In some cases, the grievance holder and raiser will need to discuss and agree at what stage sufficient progress in implementation has been made to allow the grievance to be considered closed. It may be necessary to get approval of the plan from any affected parties, relevant authorities and the grievance raiser before proceeding.

Action plans may well include a review and revision of company policies and procedures to minimise the risk of similar grievances arising in the future. This involves a range of measures that cover the company's direct operations as well as for monitoring and engaging with suppliers. This might include:

1. Review and revise company policies and standard operating procedures.
2. Conduct a risk assessment of potential future risk.
3. Establish or strengthen grievance procedures.
4. Develop or review supplier management systems.
5. Explore options for collaboration.

## Step 5: Implementation

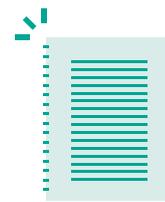
Having finalised the action plan and incorporated stakeholder feedback, the plan then needs to be implemented. This means translating the action plan into a schedule of resources and personnel to be deployed, allocating of roles and responsibilities for implementation, setting out expected results within an overall timeframe and putting in place provisions for monitoring.

It is important that an overall responsible/lead manager is appointed. Because this is still part of the grievance resolution process, the responsible persons will need to keep communicating progress with the grievance manager on a regular basis.

## Step 6: Monitor and report progress

Once the action plan implementation is underway, the next step is to monitor and report on progress against the agreed milestones, outcomes and progress indicators set out the plan. Progress should then be reported to the grievance raiser on a regular basis and where appropriate, it is recommended to invite the grievance raiser or a third party to visit at intervals as part of the monitoring and verifying progress.

Once a plan for remediation has been successfully executed the grievance may be considered closed. However, this does not mean that activities and monitoring stops. Effective monitoring systems and procedures should be part of all companies' procedures and need to cover everything from operations to conservation areas and any community use areas. In the medium term, a process of reflection and learning on grievance management will enable continuous improvement in a company's environmental and social performance.



**Refer to topic guidance options for remediation (including restoration and rehabilitation) and compensation, and on the types of evaluations and commitments to include.**