

01 Guidance for peat grievances

This document 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 public to demonstrate how it approaches these issues. The long form of this guidance will not be published – but is referenced in places throughout this document, and these references have been left in to demonstrate where more information is available. If you are interested please send a request to receive the more detailed information to info@proforest.net

1. Introduction

Many companies all along the palm oil supply chain have made commitments to no peatland development as part of their responsible palm production and sourcing commitments and policies.



The guidance is primarily developed for growers or mills as a first point of contact, but corrective actions ultimately need to be carried out where peat degradation happened whether by mills, plantations they own or/and plantations of outgrowers or smallholder farms that they source from.



What is meant by a grievance?

A grievance, in the context of the palm oil sector, may be defined as a complaint or allegation of a practice that may go against international standards, company policies or industry best-practices. It usually relates to a company's responsibilities to respect the rights of their employees and neighbouring communities as well as protect the surrounding environment. When individuals, communities, civil society organisations, media and even government agencies identify specific harms that they wish a company to address, they may be termed 'concerns', 'complaints' or 'grievances' or given a different name. They may be raised directly with the company through a formal communication that enters directly into a company's grievance mechanism, or they may arise through informal communication and/or be put forward by proxy through a third party (e.g. by an NGO in a public report).

In the palm oil sector, grievances are usually raised around the production practices of oil palm and therefore fall under the responsibility of the grower or mill. However, grievances at production level may also be raised to downstream companies who source palm oil, in which case they may raise these grievances to those suppliers concerned and routinely follow up to check on progress in resolving them. This also applies to grievances raised against mills concerning the practices of their third-party suppliers (e.g. traders/collectors, outgrowers and independent smallholders).

If left unresolved, grievances can antagonise stakeholders, attract widespread attention, cause damage to a company's reputation as well as that of their buyers, and, in some cases, result in business losses or failure.

2. What are peatlands?

Peatlands are one of the significant natural ecosystems that occur in the regions where oil palm is being developed. Peatlands are one of the most important global stores of carbon and their degradation leads to large-scale emission of Greenhouse Gasses (GHG) driving global climate change.

Peat is a soil with cumulative organic layer(s) comprising more than half of the upper 80cm or 100cm of the soil surface containing 35% or more of organic matter or 18% or more organic carbon¹. Note that for management of existing plantations in Malaysia and Indonesia a narrower definition has been used, based on national regulations – namely soil with an organic layer of more than 50% in the top 100cm containing more than 65% organic matter.

The potential grievances related to peatlands discussed in this document concern all peatland areas in the plantations including smallholder outgrower plantations, independent or other scheme plantations as well as adjacent landscapes. These lands include those controlled directly (i.e. a company's own plantations or indirectly (e.g. areas owned or utilised by suppliers to the mill).

¹ In RSPO P&C 2018

3. Addressing peat grievances

This section walks through the six steps which will help define the actions to resolve the peatland-related grievance that occur at the company's plantations or other plantations that supply to the company's mill. The supplier that has received a peat degradation grievance is the 'grievance holder' and s/he is expected to take actions, as presented in the figure below. They should be considered as a generic outline to a process that should be agreed with relevant stakeholders, in a **transparent, consultative and efficient** manner.

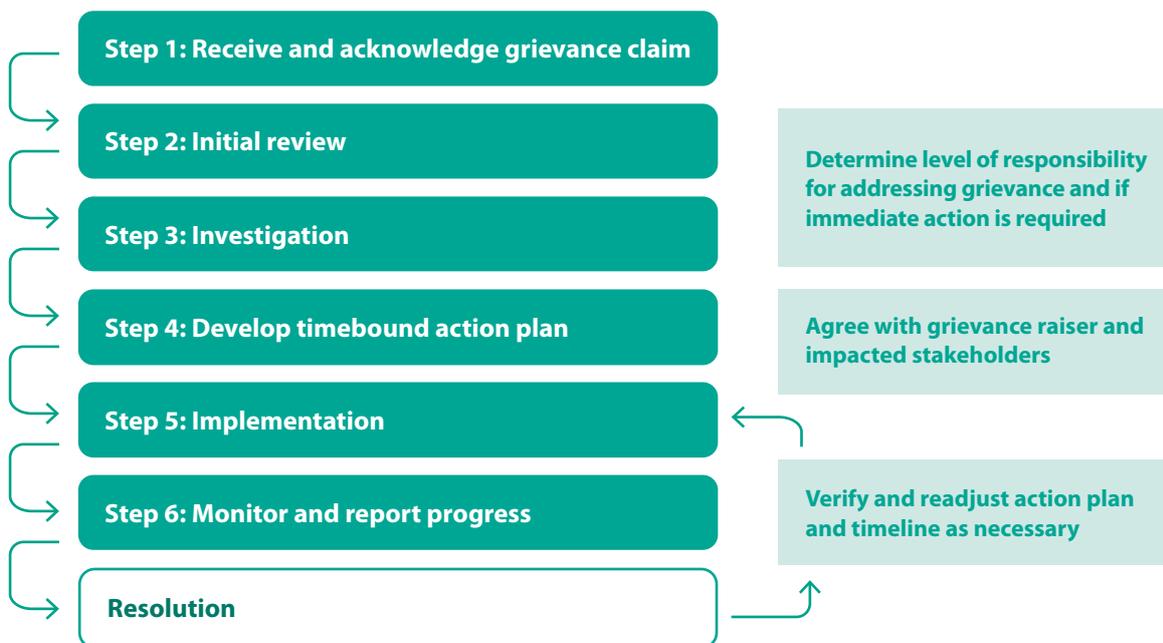


Figure 1: Addressing peat grievances step by step

For further details, please refer to the grievance series [Introduction document](#).

3.1 Step 1: Verify the location of the grievance in relation to the distribution of peat soils

On receipt of a grievance claim, the grievance is to be assigned to a member of staff who will then be responsible for investigating and, if necessary, resolving the grievance claim, as well as communicating with the grievance raiser at necessary points in the process. Usually this is a senior member of management, but depending on your organisational structure, this may be a specific grievance manager, or a general manager who is part of a grievance panel. For peat grievances, it may be worth selecting someone from your sustainability or environmental team that has more technical knowledge of peat management and ecology.

The first step is to verify the location of the grievance in relation to the distribution of peat soils. If it is not known if the grievance location is on peat soil – the best option is to seek expert advice. Alternatively, the company can take soil samples from the site and send them to an expert or an appropriate laboratory for testing.



Identifying Peat

RSPO has adopted (for the purpose of identifying peatlands) the common definition of 'Histosol' (organic soils) as soils with cumulative organic layer(s) comprising more than half of the upper 80cm or 100cm of the soil surface containing 35% or more of organic matter (35% or more Loss on Ignition) or 18% or more organic carbon (FAO 1998, 2006/7; USDA 2014; IUSS 1930).

In certain countries, Histosols have been further sub-classified into different sub types. In Malaysia, Histosols are subdivided into muck and peat soil.

Malaysia – Peat is defined as soils with an organic layer of more than 50cm in the top 100cm of soil containing more than 65% of organic matter (more than 65% Loss on Ignition) or 35% or more organic carbon (Leamy and Panton 1966, Paramanathan 2016, drawing on IUSS 1930).

Indonesia – Peat is defined as soils with an organic layer of more than 50cm in the top 100cm of soil containing more than 65% of organic matter.

See the more detailed guidance to help on the location verification process and to understand better the Peatland Ecosystem.

3.2 Step 2: Document and confirm the related policy and standards of mills and plantations as well as national regulations

The assessment, management and resolution of grievances must be documented appropriately. Agreed resolutions of grievances arising from the formal procedure may be recorded and signed by all parties.

Documentation should:

- ✓ Describe clearly and concisely the process
- ✓ Describe clearly and concisely the grounds on which decisions have been made
- ✓ Include regular monitoring results and updates
- ✓ Be dated and signed by relevant parties

It is important to understand the government regulations (related to peatlands) that apply to the plantations as well as policies within the supply chain (such as RSPO certification requirements or NDPE policies) and their dates of effectiveness. In some cases, new government regulations may have been approved but they may not yet be fully implemented. Companies should maintain a register of related regulations, their state of implementation and document how they relate to the plantation. Similarly, companies may have their own policies and rules in relation to peatland use or protection (e.g. Standard Operating Procedures for peatland management or policies on whether or not to develop new plantations on peatland).

Table 1 presents scenarios related to validation of a grievance related to new clearance of peatland within the company's plantation or supply chain (Steps 1 & 2).

Table 1: Scenarios related to validation of a grievance related to new clearance of peatland within the company's plantation or supply chain

Possible scenarios that may apply to a grievance related to peatland clearance:		
Scenario	Validity	Remarks
A. The area being cleared for plantation is not on peat soil.	No	
B. The area being cleared may or may not be on peat but is outside the company's plantation boundary and is being cleared by a third party.	No	
C. The area being cleared is on peat and is within the plantation boundary but was undertaken before the introduction of any policy or regulation against the clearing of peat.	Partial	But did not violate company policy or regulations
D. The area being cleared is on peat and is within the plantation boundary and was undertaken after the introduction of a policy or regulation against the clearing of peat but the company had permission from the government to go ahead with the clearing.	Partial	But did not violate company policy or regulations
E. The area being cleared may or may not be on peat and is outside the company's plantation boundary but is being cleared by the company.	Uncertain	Needs to be assessed further
F. The area being cleared is on peat and is within the plantation boundary and was undertaken after the introduction of a policy or regulation against the clearing of peat but the company did not have permission of the government (if required) to go ahead with the clearing.	Yes	Needs to be assessed further
G. The area being cleared is on peat but is outside the company's plantation boundary but is within the plantation of a supplier to the company.	Yes	More information needs to be gathered on the supplier's situation/policy
H. There is insufficient evidence or expertise to judge if the claim is valid or not.	Uncertain	The grievance needs to be accepted and further investigation undertaken
I. The grievance (eg claim of land clearing in peatland area without approval) was valid – but the issue has already been reviewed and resolved with authorities and other stakeholders.	Initially yes but now no	The grievance is valid but it has already been resolved

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The result of the categorisation of the grievance needs to be documented and the grievance raiser informed. In the case of A,D and I the grievance can be closed (unless there is an objection from those who raised the grievance). In the case E to H the grievance needs to be accepted and further investigated and resolved.

3.3 Step 3: Investigate grievance in detail by carrying out peatland assessment and management review

For any grievance related to peatland it is necessary to undertake an investigation to document and assess the issues concerned and the root causes of the problems if any. For example, if the issue is a fire burning in a peatland zoned for protection – what is the source of the fire (e.g. deliberate burning for land clearing or hunting, accidental fires related to discarded cigarettes). The root causes may be over-drainage of the area making it vulnerable to fire; lack of demarcation of the boundary or regular monitoring; or ongoing land disputes. Identifying both the direct cause and the root cause is critical to enable the development of an action plan.

In this step, a risk assessment also could be helpful by providing a framework in which to investigate potential grievances. For further details about risk assessment, please refer to the grievance series [detailed document](#).

3.4 Step 4: Agree on corrective actions within the company or with relevant supply chain partners

To address the grievances, companies need to optimise their practices by implementing effective corrective action. Validation of data and solid evidence tracking is a critical component of action management, so the company or supplier can ensure the grievance is resolved in a good manner.

The purpose of an action plan is to clarify the actions needed to address the grievance, formulating a timeline for specific tasks need to be completed and determine what resources are required. An action plan should include all the action steps that are needed to address the grievance and bring the situation back into conformity with policies or regulations. The plan should be complete, clear, and current. The action plan should be based on the assessments undertaken and outcomes of the dialogues organised and refer to the risk assessment. Table 2 lists common management issues related to peatlands and indication solutions. Table 3 shows a sample of an Action Plan for addressing peat grievances.

Table 2: Management issues and indicative solutions for peatlands

Common Management issues or grievances in peat	Indicative solutions
Deforestation in areas to be maintained with forest cover	Halt any land and forest clearance. Initiate rehabilitation measures by facilitating natural regeneration. Alternatively establish forest tree nursery and plant degraded areas with indigenous species.
Clearance and drainage of peatlands in areas zoned for protection	Halt any further clearance or drainage. Immediately block any drains to prevent further drainage and reduce fire risk. Undertake regular patrols to prevent fire. Facilitate natural regeneration of peatland forest by maintaining near natural water levels and encourage or supplement natural regeneration with planting of indigenous peat swamp forest pioneer species.

Fires and open burning in peatlands	Immediate action to stop any open burning activities and extinguish any remaining fires. Assess root causes of fire and take measures to reduce fire risk (e.g. raise water levels, resolve any conflicts with communities etc.). Undertake regular patrols.
Subsidence and flooding	Determine root cause of flooding – (e.g. blocked drainage, heavy rainfall event, land subsidence etc.). Enhance water management systems.
Non-compliance with government regulations related to peatlands	Immediately take measures to stop non-compliance actions or adjust management approaches to bring into compliance. Meet with government stakeholders concerned and develop measures to address non-compliance. Provide briefing to staff, contractors and other stakeholders on government regulations to enhance future compliance.

Table 3: Sample of an Action Plan for addressing peat grievances.

Possible Grievances	Exposure	Progress Indicators		
		Initial Stage (1-2 months)	Intermediate Stage (additional 3 months)	Continuation Stage (additional 9-24 months)
Development on Peat	High	<p>Stop further clearance and drainage.</p> <p>Secure cleared site and place signs to stop further clearance or drainage.</p> <p>Reassess landscape and conservation areas.</p> <p>Satellite and photo documentation.</p> <p>Review of policies and regulations.</p> <p>Official correspondence to external parties in relation to verified grievance.</p> <p>Set up a process and system for data collection, update and analysis.</p>	<p>Block drains to restore natural water levels.</p> <p>Fire prevention.</p> <p>Discussion with grievance maker and stakeholders.</p> <p>Demarcate and isolate sensitive areas.</p> <p>Assessment and species selection for rehabilitation.</p> <p>Establishment of nursery for forest seedlings.</p>	<p>Peatland rehabilitation.</p> <p>Fire prevention.</p> <p>Rehabilitation action or compensation through offsite conservation measure.</p> <p>Continuous Improvement, Review Action Plan, Policies and Procedure if necessary.</p> <p>Monitoring and reporting.</p>

3.5 Step 5: Monitor and report on the implementation of the corrective actions

Monitoring and reporting of the implementation progress are the basis for continuous improvement in a peatland grievance. Monitoring provides an important check on the accuracy of the inputs and predictions from the analyses used to set out the action plan. It is also necessary to ensure that the plan is being implemented as intended and changes made are aligning with predetermined targets.

Good approaches on the corrective action process are:

- ✓ Document all actions taken
- ✓ Communicate the updates or process improvements following a corrective action
- ✓ Have a system to file and trace related documents

3.6 Step 6: Determine commitment of suppliers to make improvements and monitor progress and make follow up actions when suppliers are unable to show progress

Transparent communication and close collaboration with suppliers are a central part of the implementation of follow-up actions (e.g. provide support and assistance, if possible). The supplier is responsible for the implementation of individual follow-up actions within the time limit. Documents must be updated and handed in, as required in the action plan. Documentation and evidence must be collected for each follow up action implemented.

3.7 Timeline for addressing peat grievances

The resolution of such grievances will at times involve long processes between 3-24 months or longer depending on the nature, location and complexity of the grievance. It is important that grievances are addressed in a timely manner in order to demonstrate the effectiveness of the grievance owner to handle the grievance. Figure 2 shows an indicative peat grievance resolution process and its timeline for the grievance owner to handle grievances.

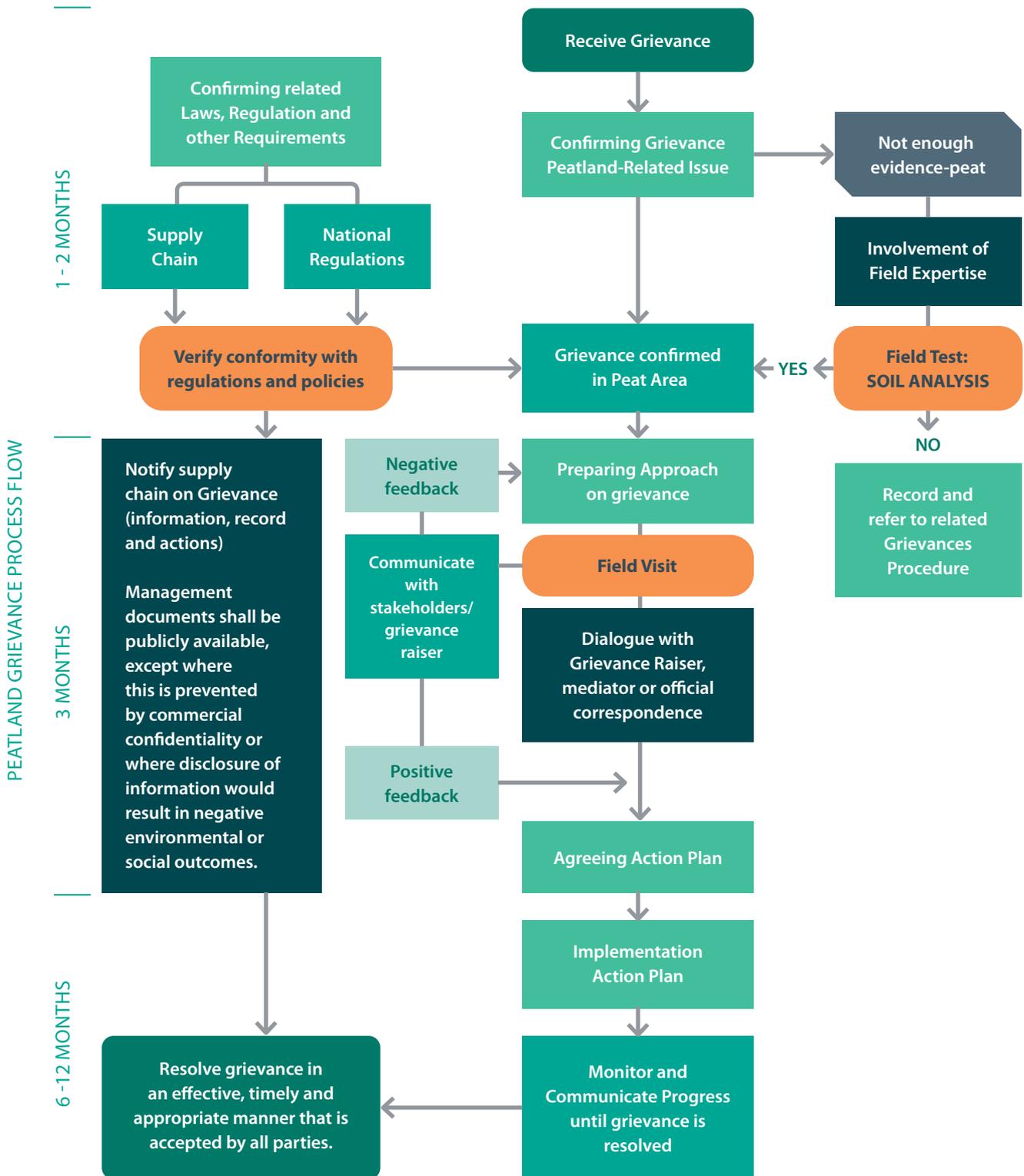


Figure 2: Indicative peat grievance resolution process and its timeframe

4. Avoiding repetition of non-compliance

Clear policies and procedures will enhance the sustainability of peatland management and significantly reduce the risk of grievances being made. Such policies will also help determine the validity of the grievance and enable an action plan to be put in place as appropriate.

Policies and procedures should be well communicated to suppliers and stakeholders.

Example policies or procedures to address peatland issues include:

1. No new development on peat
2. Conservation of remaining peatlands within the concession area.
3. Application of best management practices for all existing planting on peat
4. Collaborative fire prevention with adjacent communities and stakeholders

The box below highlights the main Best Management Practices on peat.

BMPs for Oil Palm Cultivation on Peat include

1. **Water Management – Water retention and water level monitoring and maintenance.**
2. **Fertiliser and Nutrient Management –There are specific nutrient requirements in peat different to mineral soils.**
3. **Ground cover management – Maintaining good ground cover is important to minimise degradation and subsidence of the peat soil. Herbicides should be used sparingly and only for planting circles and harvesting paths.**
4. **Minimising subsidence and addressing leaning palms – Carry out soil mounding to minimise root desiccation and promote new root development.**
5. **Replanting – Drainability assessments should be undertaken prior to replanting to determine long term viability and avoidance of flooding and saline intrusion.**