A STUDY ON THE IMPLEMENTATION OF GRIEVANCE MECHANISMS

A review of practice across Rainforest Alliance Certified farms and groups

Response

April 2023

RAINFOREST ALLIANCE

ABOUT THIS RESPONSE

In 2022, the Rainforest Alliance commissioned a study to review the current situation of grievance mechanisms in farms and groups participating in the Rainforest Alliance Certification Program. The study was carried out by Ergon Associates Ltd., who received a broad mandate to design the study and sampling framework, and to collect data from a sample of certificate holders.

In accordance with the ISEAL Impacts Code of Good Practice, we disclose the terms of reference and the final report of this study alongside this response. The purpose of this response is to share with stakeholders why the study was commissioned, summarize key findings, and explain how we use it to improve our policies and interventions.

WHY A STUDY ON GRIEVANCE MECHANISMS?

The Rainforest Alliance commissioned this study to gain a better understanding of how this specific element of the Rainforest Alliance 2020 Sustainable Agriculture Standard is being implemented by farm and group certificate holders. This need arose as the 2020 standard raised the bar for grievance mechanisms compared to the previous Rainforest Alliance and UTZ standards, to align with evolving international norms and expectations. We needed to understand if, and how, certificate holders are adapting existing grievance mechanisms to align with the new standard, and how the Rainforest Alliance and other parties can support them to make grievance mechanisms more effective. Third party research and our own monitoring and assurance data have indicated that grievance mechanisms in many sectors often fall short in terms of being accessible, predictable and providing access to remedy. Understanding actual practices, gaps within the Standard, and finding pathways for improvement were the main motivations for undertaking this study.

Research objectives

1. Characterize and benchmark the current set up and functioning of grievance mechanisms across a range of certified farms and groups.
2. Identify the main barriers and challenges to implementing grievance mechanisms according to the requirements and guidance of the Rainforest Alliance 2020 Sustainable Agriculture Standard.
3. Identify (emergent) good practices and improvement pathways.
4. Estimate the level of effort and costs of implementing effective grievance mechanisms.

Research questions

1. What are the prevailing practices regarding grievance mechanisms across a range of certificate holders under our Farm Requirements (both individual farms and groups)?
2. What are the main challenges to implementing, using, and auditing grievance mechanisms?
3. What (emergent) good practices and improvement pathways can be observed regarding implementing grievance mechanisms?
4. What is the level of effort and what are cost-effective ways of implementing grievance mechanisms in a few typical scenarios?

MAIN FINDINGS

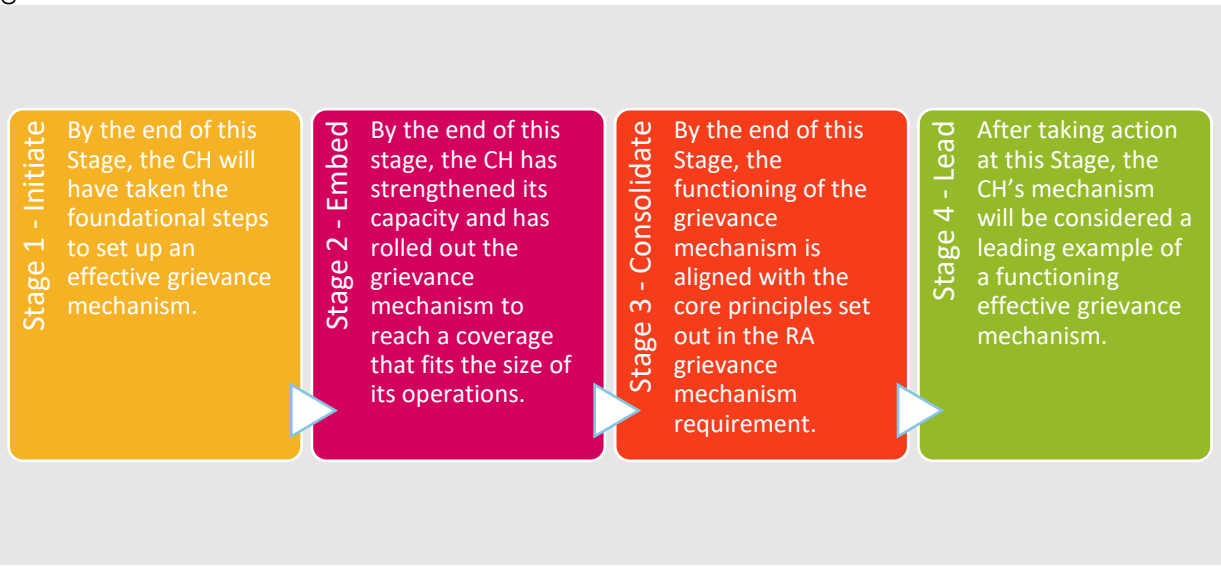
The research was carried out by Ergon Associates Ltd. Their findings are based on a literature review and contextual analysis for a sample of countries, an e-survey sent to a stratified sample of 700 certificate holders, eight in-depth case studies of a purposeful sample of good

practices identified through the survey, and internal consultations with staff of the Rainforest Alliance. The survey was sent to certificate holders in 11 countries who produce coffee, banana, tea, hazelnuts, flowers, and cocoa. Of these, 125 certificate holders responded in full (17.8%). Additionally, a few certification bodies in the selected countries were interviewed to gather the perspective of auditors on how grievance mechanisms are currently being verified.

The findings are indicative and not representative of the population of certified farms and groups. The geographical sample was biased towards Latin America and Africa. Responses to the e-survey are based on self-reporting and may reflect a positive bias. Eight case studies were purposefully selected to analyze examples of good practices.

Maturity framework

Based on the responses to the survey, Ergon developed a maturity framework and classified the respondents into one of four categories, according to the maturity level of their grievance mechanism.



Prevailing practices

- There is a gap between the perceived and actual performance of grievance mechanisms. While most certificate holders have grievance mechanisms at an *early stage of maturity,* most of them are of the opinion that their grievance mechanisms are "working well". Having analyzed their answers to specific questions (the survey questions are listed in the annex of the report), many grievance mechanisms fall short in terms of being accessible, trusted, transparent and providing access to remedy. These are agreed-upon effectiveness criteria according to the United Nations Guiding Principles on Business and Human Rights. In line with Ergon's analysis, our own audit data from 2021and 2022 also indicate that inadequate grievance mechanisms are the most common type of non-conformity found by Certification Bodies performing audits of the Rainforest Alliance Standard.
- On individually certified farms, issues related to working conditions are the most reported type of complaints, whereas certified groups receive more complaints about commercial issues, such as payments and premiums.
- Many certificate holders are taking steps to strengthen their grievance mechanisms by improving accessibility and awareness of them among workers.

Main challenges

- Many certificate holders are not receiving any complaints via their grievance mechanisms. This can be due to a lack of trust, a lack of awareness, or a lack of submission channels.

- Group certificate holders are having difficulties implementing a Grievance Committee as required by the Rainforest Alliance 2020 Standard, alongside a mandatory Gender Committee and an Assess-and-Address committee.
- Individual certificate holders report not receiving complaints from surrounding communities and facing challenges in investigating and responding to anonymous complaints.
- Effective engagement with trade unions in the design and implementation of employer-led grievance mechanisms is complex and can—if not done carefully—undermine existing trade union complaint handling processes.

Emergent good practices

- Bringing grievance mechanisms up to standard works well when there is commitment of senior management, and adequate staffing and resourcing.
- Some certificate holders are actively remediating negative human rights impacts, although such remediation is not necessarily the outcome of grievances having been submitted via the grievance mechanism.
- Other good practices included:
    - Adapting the requirements to the local context and aligning with existing grievance mechanisms
    - Increasing the number of submission channels to improve accessibility
    - Appointing and training more staff to handle complaints
    - Raising awareness and building capacity to enable users to make complaints
    - Recording complaints and monitoring cases in a centralized system
    - Increasing the independence of grievance mechanisms

Each of these actions, whether individually or combined, tends to increase the effectiveness of a grievance mechanism.

Cost and level of effort

The research was not able to quantify the costs and level of effort of grievance mechanisms. Staff capacity and systems to handle grievances are often embedded in overall operations, making it difficult to measure the time and costs of handling grievances. Moreover, farms are reluctant to share the breakdown of such operational costs as it may impact their competitive advantage in the market. Despite a lack of quantitative data, it is clear that an effective grievance mechanism requires qualified staff in proportion to the size of the operations, as well as investments in building the awareness and capacity of users and grievance handlers, and the commitment and resources to remediate.

Recommendations to the Rainforest Alliance

1. Support certificate holders to make grievance mechanisms more effective by:
    - Sharing the findings of this research
    - Sharing good practices
    - Providing training to certificate holders and auditors
    - Engaging buyers in discussions about grievance mechanisms
    - Engaging with certificate holders to improve cost-transparency

2. Continue to monitor the implementation of grievance mechanisms, referencing the maturity framework.

3. Carry out a follow up study that compares audit findings against new survey data.

RESPONSE

The Rainforest Alliance welcomes the findings of this report. We acknowledge that the grievance mechanisms in many Rainforest Alliance certified farms and groups have shortcomings that undermine their effectiveness, as is highlighted in the report. We can see that the identified shortcomings have different causes, some of which the Rainforest Alliance can address directly, while others require a combination of efforts together with partners.

In general, we are confident that the requirements, guidance, and remediation protocol of the Rainforest Alliance Standard are clear and aligned. We are not asking the impossible from certified farms and groups. But, at the same time, we acknowledge the inherent limitation of a standard that is designed to be applied in different situations by different types of certificate holders. As a global standard, the Rainforest Alliance tries to strike a balance between being detailed and prescriptive on one hand and being generic on the other hand. More detail can result in requirements becoming irrelevant or non-applicable, while a lack of detail creates interpretation and implementation problems, resulting in policy-practice gaps.

We acknowledge that effective grievance mechanisms need management commitment, staffing and resourcing, and that implementation is primarily a responsibility of certificate holders. We regret that this study was not able to quantify these costs and investments, which we expected could help make the business case for investing in grievance mechanisms. Rather than trying to quantify the costs of grievance mechanisms—which will vary according to the local situation—we believe they should be treated as business costs, factored into prices, and shared with the value chain. Buyers also stand to benefit from the improved social and human rights compliance of their suppliers and should share in these costs. This is in line with our approach to shared responsibility.

Feedback from our stakeholders, including the conclusions of this report, have led us to undertake efforts towards improving grievance mechanisms. You can see the result of this process below.

Clarify standard language and requirements

The Rainforest Alliance's latest version (1.3) of the Sustainable Agriculture Standard considers the feedback and lessons learned from the use of versions 1.1 (published in 2020) and 1.2 (published in 2021). The Grievance Mechanism requirement in version 1.3 is equally as robust as the previous versions in terms of alignment with international norms, but the language has been simplified for clarity.

The previous version of our standard required certificate holders to implement a dedicated grievance committee, an assess-and-address committee, and a gender committee, with each including worker and management representation. For smaller certificate holders in particular, this proved to be a burden: each committee had its own mandate and members, while they also had to refer cases and collaborate. Version 1.3 allows for the establishment of a single committee for the three functions—as long as its members are qualified in human rights, gender, and grievance resolution. This reduces operational costs and training needs and allows the certificate holder to focus their capacity-building efforts on a smaller number of people.

Improve guidance materials

The Rainforest Alliance will use findings from this study to make improvements to our Guidance E: Grievance Mechanisms.

The Rainforest Alliance will develop a more robust collection of materials designed to raise awareness of the availability of grievance mechanisms on Rainforest Alliance Certified farms and encourage their use. These will be developed in a gender-sensitive manner, considering the communication needs of different target populations, and—like all Rainforest Alliance materials—can be adapted to various local contexts.

In particular, we will continue our work to ensure that employers and trade union representatives—where present on Rainforest Alliance Certified farms—understand that employer-led grievance mechanisms should never substitute or undermine existing trade union-led grievance processes.

Develop training and coaching curricula

Building upon learnings from this study and two years of implementation, we have created an in-depth curriculum on grievance mechanisms to enable intensive training for certificate holders. The training package includes two days of training presentations, case studies, exercises, and tests. This training curriculum and its associated materials are now available to certificate holders, Rainforest Alliance trainers and any interested party. We have plans in place to adapt and deliver this training package in several countries and sectors.

In addition, we will adapt this training curriculum to be used by certification bodies that perform audits of the Rainforest Alliance standard, to enhance auditors' abilities to evaluate the implementation of grievance mechanisms on Rainforest Alliance Certified farms.