



Year 2 Action Plan Monitoring Report

Reforestadora de Palmas del Petén SA (REPSA)

October 2018

Table of Contents

Disclaimer.....	3
Introduction	4
Summary of Monitoring Findings.....	5
Progress summaries and recommendations for specific Action Plan tasks	5
Appendix 1: Monitoring Visit Agenda.....	46
Appendix 2: Increase in permanent agricultural workers at REPSA	49
Appendix 3 Figures and photos	50

Disclaimer

This report was compiled by The Forest Trust (TFT) for the sole use of the Company that requested the assessment. This report may not be relied upon or quoted by any other party without written agreement from TFT. TFT exercised due care in preparing this report, but has not independently verified information provided by others. No other warranty, express or implied is made in relation to the conduct of the review and contents of this report. Therefore, TFT assumes no liability for any loss resulting from errors, omissions or misrepresentations made by others. The use of this report by unauthorized third parties without written authorization from TFT shall be at their own risk, and TFT accepts no duty of care to any such third party.

Any findings, opinions, or recommendations stated within this report are based on the circumstances and facts as existed at the time TFT performed the work. Any changes in such circumstances and facts upon which this report is based may adversely affect any findings, opinions, or recommendations contained in this report. No part of this report may be copied or duplicated without the expressed written permission of the Company and TFT.

Introduction

This monitoring report was developed on behalf of a TFT member company that sourced from Reforestadora de Palmas del Peten SA (REPSA) and/or REPSA's corporate partners of Grupo HAME. The report is based primarily on a field visit by TFT to REPSA that sought to obtain a firsthand understanding of REPSA's progress in executing the first 15 months of REPSA's 18-month (July 2017 – December 2018) [Year 2 Action Plan](#). The Action Plan was developed by REPSA and includes inputs received from representatives of local communities in the Petén and national and international NGOs. The Year 2 Action Plan follows the implementation of a previous Action Plan which covered a 12-month period (May 2016 – April 2017). TFT's [report](#) on the previous Action Plan was published in June 2017.

A few notes regarding the scope of REPSA's Action Plan and this report:

- The Action Plan was developed with input and ideas from a range of REPSA's stakeholders. However, the Action Plan may not address the concerns and requests of all stakeholders.
- The report is not intended to replace community or civil society verification of progress. The success of this and future Action Plans will be determined primarily by the perceptions of local communities and stakeholders about progress. Stakeholder involvement in future monitoring processes will be critical for building a mutual understanding of success.
- The completion of individual Action Plan activities is not necessarily an end to the process of engagement and continuous improvement on the topic of concern.
- The report summarizes many of the steps REPSA has taken to implement the Action Plan, but is not intended as a comprehensive accounting of overall progress towards policy compliance. In other words, the current action plan is not a comprehensive roadmap for addressing root social and environmental challenges or addressing past grievances.

Action Plan structure

The Year 2 Action Plan is structured in a log frame comprised of 21 activities organized under four principal outcomes:

1. Transparency and Stakeholder Engagement: the company is transparent with workers and stakeholders about its institutional policies, corporate values, plans, operations and grievances.
2. Human Rights and Working Conditions: Human rights are respected and promoted.
3. Environmental Management: The natural resources for the production of palm oil are managed responsibly by the company, based on best practices for the reduction/mitigation of possible impacts to the natural environment (water, soil and air).
4. Contribution to Local Development: the company contributes to the generation of local development.

Monitoring visit scope and objectives

The monitoring field visit sought to confirm progress of key activities in the Action Plan, understand the internal corporate context of its implementation, and identify opportunities for continuing implementation of pending activities and additional improvement. The intention of this report is thus to document and support the company’s pursuit of continuous improvement as it begins the last quarter of the Action Plan.

The monitoring visit was carried out by TFT from October 1 – 5, 2018. The TFT visit to REPSA included meetings with REPSA managers in Guatemala City, meetings with REPSA staff and workers at the mill and plantation offices, site visits to installations on REPSA’s plantations, including worker housing, and meetings with local communities and an independent supplier of fresh fruit bunches (FFB).

The report is comprised of tables for each monitored task which include summaries of progress and recommendations for improving the quality or timely implementation of the activities.

Summary of Monitoring Findings

The company's progress can be divided roughly into three categories: 1) activities that have been completed, 2) activities that are in progress or ongoing implementation, and 3) activities that the company has not commenced or progress has been very limited. In some cases, TFT was unable to determine the progress of a specific task (sub-activity) and thus the appraisal was classified as "inconclusive".

Over the last 15 months of the Action Plan, REPSA made progress on activities under each of the four principal outcomes. These activities include:

- The restructuring and enhancement of REPSA's Training Unit under the Human Resources Department to better organize and supervise most training activities for mill and plantation managers and workers.
- The successful redesign, launch and active management of an improved grievance mechanism.
- Strengthened engagement of local, national and international stakeholders and greater transparency on company plans and policies.
- New opportunities for community participation in company monitoring and planning.
- Successful programs for the reduction of solid waste.
- Completion of most remodeling projects at the worker housing sites with improvements to infrastructure, hygiene systems, and water treatment.

Key remaining challenges center around optimizing activities for greater impact, through better planning and prioritization of training and other activities, monitoring and evaluation in key departments, and more robust and meaningful participation of community, civil society, and NGO stakeholders in REPSA's efforts to improve practices. The company has an opportunity to design and facilitate meaningful opportunities for meaningful dialogue with civil society on controversial issues, and improved stakeholder participation in verifying improved practices around labor and environmental management. TFT's evaluation of REPSA's progress should not be viewed as a replacement for community and/or civil society validation and monitoring of progress.

Progress summaries and recommendations for specific Action Plan tasks

The status of activities and recommendations for improved implementation are presented in summary tables for each activity monitored. Given the limited time left in the timeframe of the current action plan, some of the recommendations should be taken into consideration in the planning and execution of a subsequent Action Plan and related company activities. The tables are grouped according to the four overarching outcomes of the Action Plan.

Each summary includes the following information:

- Task number and definition according to the Action Plan;
- Brief status description of the progress (Completed, Implementation ongoing, Pending, or Inconclusive);
- Observations and findings regarding the implementation of the activity; and
- Recommendations for improving the quality and execution of the activity.

1.1 - STANDARDIZE INTERNAL AND EXTERNAL SOCIALIZATION PROCESSES OF INSTITUTIONAL POLICIES AND CORPORATE VALUES.

Task 1.1.1. Structure an Internal Training Unit within the Human Resources

Department responsible for the communication with and training of workers.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The Training Unit – previously was managed by the Community Relations Department – was transferred to the Human Resources Department in mid-2018 where it was restructured and upgraded. The Unit is currently has 4 staff: An analyst/coordinator and three trainers. It is supervised by the head of human resources. The Unit is coordinating trainings with other REPSA departments, including Occupational Health and Safety (SSO), Community Relations, and Agriculture.
- The staff of the Training Unit are responsible for the Induction training given to new hires as well as training sessions on corporate policies, certifications, fundamental rights, and company ethics, vision and values. Most of the technical trainings are given by outside service providers, such as [INTECAP](#), or technical company staff. The Unit's team is currently focused on training the field supervisors to train field workers on key policy topics.
- Previously, the Community Relations team was responsible for the training of the field workers on policies, focusing on directly training the field-team supervisors (*caporales*) through five-minute lectures (*microcharlas*) at the beginning of the work day.

Recommendations:

- See recommendations below for Task 1.1.2.

Task 1.1.2. Design a training methodology appropriate for the target audience.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff.

Observations and findings:

- The Training Unit was established mid-2018. Opportunities exist to further analyze and identify appropriate training methods for different target audiences. The current training materials rely predominantly on written materials and reading supported by verbal explanations over other forms of teaching/learning. For example, the material of the new policy training consists entirely of slides with text. Training objectives will be better

served if alternative methods and materials are developed that take into consideration workers with limited literacy or learning styles other than verbal/written.

- The monitoring and evaluation of the training methods is a capacity and practice that the Training Unit has yet to formally develop and structure. A practical planning, monitoring and evaluation system is needed in the Training Unit for the continuous improvement of training methods and materials.
- The Training Unit is beginning to look at how to evaluate its training methods and materials, and it has ideas for how to begin evaluating the daily 5-minute training sessions (*microcharlas*) on technical topics which are given by field supervisors (*caporales*).
- The Training Unit collects data on the number of workers trained, but data is not collected on individual workers' training. With more robust data about workers, the Training Unit can identify gaps and ensure all workers have received updated versions of the trainings they need. This data can also be used to tailor training plans for key management staff and those who are responsible for replicating training in their respective departments.

Recommendations:

- Review the logical sequence of training activities to optimize impact.
- Develop a simple and functional system for the evaluation of the training methods, materials, and sessions. Consult with INTECAP or other organizations with similar expertise to explore receiving expert guidance on how to evaluate the training program and specific sessions. Evaluate both the comprehension of the training and the application of knowledge and skills acquired. Consider the specific recommendations provided to the company by the [Consensus Building Institute \(CBI\)](#) and TFT in the context of Task 2.3.6 (below) regarding the evaluation of future PPVI trainings.
- Evaluate teaching skills and methods of the Training Unit and provide training for the Training Unit and its principal collaborators across the company. The Training Unit's training plan should include activities for the evaluation and strengthening of the teaching skills and approaches of the trainers, including the members of the Training Unit and other frontline trainers in the field (e.g. *caporales*). Consult with INTECAP and other leading service providers regarding courses on teaching/training methods.
- Develop a database for registering and tracking the training and evaluation results for individual workers by name.
- Modify the Diagnostic of Training Needs (DNC) to include the specific training needs on policies and other key areas of knowledge in addition to the technical training needs now covered by the DNCs. This may lead to defining different policy training needs based on different management level, and responsibilities, literacy levels, etc.

Task 1.1.3. Develop training material on key policy and corporate values, according to the methodology designed

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews of company staff.

Observations and findings:

- The Training Unit has not prioritized training topics or needs. It explained that "there are no priorities".
- The Training Unit has developed and provides an Induction Training to all new REPSA workers and staff. It covers a wide range of topics, including key policies (human rights, labor, and socio-environmental), corporate values, rights and benefits of workers, social

security resources, payment of benefits and compensation, company norms, grievance mechanism and RSPO and ISCC certification regimes.

- The Induction Training covers policies and other complex topics only superficially. The training is based on a 50-slide PowerPoint presentation that lasts 45 minutes. Some slides cover multiple policies. For example, information on topics such as the company's Policy of Freedom of Association receive only one line of text on one slide that is dedicated to five different policies.
- The Training Unit has designed a separate training presentation on corporate policies in order to deepen and reinforce comprehension of the company policies that are presented during the induction training. The 40-minute training will cover the 10 policies: Freedom of Association, No Discrimination, Equal Opportunity, Prevention of Sexual Harassment, Prevention of Violence and Intimidation, Forced Labor, Protection of Reproductive Rights, Social and Environmental Responsibility, Child Labor, and Labor. This training will be given by the Unit to "administrators, area supervisors, the head of the plantation, trainers, and Community Relations" on November 26, 2018. The information about policies continues to be superficial. For example the Policy on Freedom of Association is covered with one slide.
- The Unit explained that it is working on more graphic presentations and videos, but the training materials shared with TFT are largely text based PowerPoint presentations. For example, the new training on policies is an entirely text-based presentation only available in Spanish. These types of materials are not appropriate for all internal audiences, such as workers who have limited literacy or require other forms of teaching (visual, kinesthetic, etc.). The Unit currently does not have data about literacy levels of staff and workers.

Recommendations:

- Undertake a prioritization of the training modules and the corresponding materials that require development. The prioritization should consider department priorities, strategic priorities such as stakeholder priorities, and other criteria. Coordinate the analysis and definition of priorities with other departments, including Community Relations, Occupational Health and Safety, Environmental Management, Sustainability, and Corporate Affairs.
- Top priorities should include the development of specific methods, materials, and a training plans for training the large body of field workers at the mills and plantations on important topics such as the Policy to Prohibit Violence and Intimidation (PPVI) and Fundamental Rights of workers. Providing training on Fundamental Rights of workers was a key recommendation that NGOs made when they were consulted about the Action Plan.
- Redesign the training plan according to the prioritization.
- Provide more explanatory information in the Induction and policy trainings about the concepts involved in each policy and examples of policy compliance and in-compliances. Consider separate trainings on specific policies and concepts.
- Reduce the reliance on text in the training materials, taking into consideration workers who have limited literacy or who would benefit from other forms of teaching (visual, kinesthetic, etc.). Take advantage of the training materials and methods used previously by the Community Relations Department in their training of workers.
- Collect data about literacy levels of workers, and consider addressing cases of illiteracy as a training priority. Where text-based slides are used as a preferred material, ensure that versions are available in Q'eqchí.

- As recommended by CBI and TFT following the April workshop, the company should develop a training plan for the PPVI (Task 2.3.6 below). Training on the PPVI should be considered in the framework of a strategic training plan for company policies and values.
- The development of materials on the PPVI should take into consideration the key messages and recommendations for PPVI training that were identified during the April 2018 workshops on the PPVI that were led by CBI and TFT. These messages and other findings that were summarized in the April workshop report. Once materials are developed, the company should take advantage of the offer by CBI and TFT staff to review and provide feedback on any training materials.

1.2 - MAKE THE SUSTAINABILITY ACTION PLAN ACCOUNTABILITY PROCESSES AND THEIR EXECUTION TRANSPARENT.

Task 1.2.1. Submit the draft of the new Sustainability Action Plan and invite stakeholders to provide comments and contributions.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff.

Observations and findings:

- In August 2017, the company organized in three [workshops](#) in which it presented the draft Action Plan to a range of public institutions, local government (Municipality of Sayaxche), news organizations, sectors, and communities. Representatives from at least 25 communities participated, including over 40 members of Community Development Councils (COCODES), 80 members of community-level women's groups (*promotoras*), approximately 40 teachers and over two-dozen religious leaders. The report from Acción Ciudadana (the Guatemalan affiliate and national chapter of Transparency International) noted that the company's broad and systematic consultation and collaborative construction of the Action Plan with stakeholders was novel for the palm oil sector.
- Comments and suggested changes received at the three events were registered and taken into consideration in the finalization of the Action Plan.
- Some community members interviewed by TFT noted that they had not heard about these events or the information shared by REPSA with their community leaders. Some community members also noted that meetings organized by the company to disseminate information to company leaders, such as the meetings about the draft Action Plan, often take place at sites located a great distances from the community, making it difficult for many local people to attend.

Recommendations:

- Review and evaluate the logistics and location of the events used to disseminate the Action Plan in order to understand how to ensure that maximum community participation in these events is encouraged and facilitated.

Task 1.2.2. Submit the draft of the new Sustainability Action Plan and invite NGOs to provide comments and contributions.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff and NGOs

Observations and findings:

- The draft plan was shared with several national and international NGOs through a series of in-person meetings in which the plan was discussed and feedback was requested. No environmental organizations were consulted.
- REPSA had mixed-success in these meetings. Several NGOs, with whom REPSA had a history of dialogue, provided feedback openly. Several others, with whom REPSA had not engaged previously and/or regularly, wanted to talk about past grievances before discussing the details of the Action Plan. In some cases, more regular dialogue has ensued. In others, REPSA has yet to deepen engagement.

Recommendations:

- Continue the practice of stakeholder consultation and participation with future Action Planning. Broaden the number and type of NGOs consulted, and include environmental/conservation NGOs.
- See discussion and recommendations under Task 1.4.1 (below)

Task 1.2.3. Analyze and incorporate stakeholders' input to the new Sustainability**Action Plan.**

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- Comments and suggested changes were received, registered and taken into consideration in the finalization of the Action Plan.

Recommendations:

- In future consultation processes, inform stakeholder groups how their inputs were considering and how they were incorporated into the plan.

Task 1.2.4. Publish final version of Sustainability Action Plan in the website.

Appraisal: Completed

Type of verification: Review of REPSA website.

Observations and findings:

- The plan was published on the REPSA [website](#).

Recommendations:

- None

Task 1.2.5. Publish periodic reports on Action Plan progress: quarterly progress reports

Appraisal: Implementation ongoing

Type of verification: Review of reports published on REPSA website.

Observations and findings:

- Three public updates were published on REPSA's progress on Action Plan implementation that cover:
 - [July-October 2017](#),
 - [November-February 2018](#), and
 - [March-June 2018](#)
- In addition to the publication of the progress reports, REPSA has organized events in February and August of 2018 to disseminate information about the implementation of the

Action Plan. Representatives from 27 local communities attended the February events and representatives from two dozen communities attended the ones held in August.

Recommendations:

- None

Task 1.2.6. Publish final report on Action Plan implementation.

Observations and findings:

- The final report should be published following the end of the Action Plan's timeframe.

Task 1.2.7. Socialize new policies generated by the company and updates / modifications to existing policies with local stakeholders.

Appraisal: Implementation ongoing

Type of verification: Review of documentation

Observations and findings:

- The company has produced a new umbrella corporate sustainability policy at the Grupo HAME level (parent company of REPSA). It plans to disseminate the new Policy for Sustainable Production in events with local stakeholder groups in November 2018.

Recommendations:

- Evaluate the company's recent experiences in disseminating its policies and plans, identifying lessons and opportunities for more effective communication and dialogue with stakeholders around this new policy.
- Utilize the stakeholder mapping and matrix of strategic contacts in designing the outreach and dissemination of the new policy.

Task 1.2.8. Publish report on implementation of responsible production of palm oil policy (share with clients, stakeholders and through the REPSA website).

Appraisal: Pending

Type of verification: Interviews with company staff

Observations and findings:

- The report will be published following the launch of the new policy.

Recommendations:

- Evaluate past processes for disseminating reports on the implementation of the Action Plans of years 1 and 2 in order to identify lessons and opportunities for more effective communication and dialogue around these updates.

1.3 - SYSTEMATIZE THE COMPLAINTS MECHANISM TO IMPROVE ATTENTION AND RESOLUTION OF COMPLAINTS AND QUESTIONS.

Task 1.3.1. Evaluate the effectiveness of the grievance mechanism to identify opportunities for improvement.

Appraisal: Completed

Type of verification: Interviews with company staff

Observations and findings:

- In collaboration with TFT, the company reviewed and evaluated the grievance mechanism that existed at the beginning of the Action Plan period. TFT and ASLO carried out interviews with REPSA workers and local communities to obtain feedback and understand perceptions regarding the existing grievance mechanism. These consultations sought to identify community concerns about the mechanism and specific improvements in the mechanism that would increase its acceptance and credibility, and thus its use by local stakeholders. The results of these focus group meetings and conversations were shared with the company while respecting the confidentiality of the interviewees.
- The company compiled the feedback it received from different stakeholders about the grievance mechanism.

Recommendations:

- None

Task 1.3.2 Re-design the grievance mechanism procedure for attending labor, community and public complaints.

Appraisal: Completed

Type of verification: Review of documentation and interviews with staff, workers, and community members.

Observations and findings:

- The grievance mechanism was redesigned with expert external support, and a grievance manager position was created and filled. This position was designed to build trust with workers and ensure timely follow-up with all complaints. This manager reports directly to the Sub-Director of Agriculture, a new position that oversees all local operations. The management structure of the mechanism was designed with the goal of separating grievance management from local management in order to ensure the independence of the grievance process and any potential conflicts of interest.
- Descriptions of the mechanism are included on the company [website](#).
- One of the new channels is a toll-free hotline number to eliminate costs of using the mechanism and thus facilitate use by workers and stakeholders.
- The use of the Qawa Manu persona to disseminate the mechanism appears to be an effective measure for increasing the recognition of the tool among workers and communities.

Recommendations:

- Continuously evaluate the mechanism and implement improvements to its design and operation accordingly.

Task 1.3.3. Socialize the new grievance mechanism procedure with stakeholders and invite them to give their observations and suggestions.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with staff, workers, and community members.

Observations and findings:

- The grievance mechanism was introduced in workshops with local communities and with workers. The company informed TFT that approximately 600 persons in 27 communities received information about the mechanism.
- In the dissemination of the mechanism to local communities, the Community Relations team used a variety of teaching methods, including the sociodrama role-playing method, to teach communities about the mechanism.
- The internal dissemination of information about the mechanism at principal sites on the plantations and mills is not standardized. Some sites lack posted information (e.g. banners) regarding the new grievance mechanism. For example, the storage area and the two worker housing sites visited by TFT lacked updated information about the mechanism. Only the old banners with the outdated information (e.g. pay toll phone line) were posted.
- Workers and community members interviewed by TFT demonstrated a partial understanding of the grievance mechanism. For example, some workers interviewed believe that it is only for use by workers and not for use by community members. Some community members were not familiar with how to communicate a grievance. Community members interviewed likewise associate the grievance mechanism with labor issues, and do not naturally see the mechanism as a channel for social/community issues. The reasons for this perception are not clear.

Recommendations:

- Evaluate community and worker understanding and familiarity with the mechanism, and develop corrective measures to address gaps in knowledge, misunderstandings, or concerns about use of the mechanism.
- Replace outdated information about the grievance mechanism at all company locations, and ensure that all principal worker sites, such as storage areas and worker housing have information posted in Spanish and Q'eqchí about the grievance mechanism and the channels available to present grievances.
- Emphasize to workers that the grievance mechanism is for workers as well as communities or any other stakeholder of the company.
- Reinforce training and dissemination of the grievance mechanism with workers and communities.

Task 1.3.4. Create an action plan to implement the new grievance mechanism procedure.

Appraisal: Completed

Type of verification: Review of documentation

Observations and findings:

- The company developed a 6-month work plan comprised of two dozen activities.

Recommendations:

- None

Task 1.3.5. Implement the new grievance mechanism procedure.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The mechanism is functioning. Grievances – both anonymous and non-anonymous – are being received, processed, and resolved. The company reports that workers' confidence in the mechanism has grown as they have seen some of their complaints resolved.
- The documentation of the mechanism is being reviewed by ASLO quarterly.
- The TFT monitoring visit did not closely review or evaluate the operation of the mechanism given that an extensive technical audit of the mechanism will be undertaken by an external consultant contracted by TFT in early 2019 to assess its operation. The audit will evaluate how well workers and communities understand the mechanism and their perceptions about its use.
- The new grievance mechanism was implemented and documented on the company [website](#). The website includes monthly reports on "performance indicators" that register the number and type of grievance that the system has resolved ("closed") or that remain open.
- An external audit of the mechanism's operation is planned for early 2019. The audit will evaluate the effectiveness of the mechanism and the effectiveness of the company's outreach and communication about the mechanism. A third-party institution will be invited to join the audit.
- Evaluations of the current mechanism should consider that the gender implications of (1) the personification of the mechanism as a man ("Qawa Manu" or "Don Manuel") and (2) the exclusive public management of the mechanism by a man. These aspects of the mechanism may hinder the full acceptance and use of the mechanism by girls and women, especially in cases where grievances involve sensitive issues, such as sexual harassment or assault, which can be especially difficult for victims to discuss with men. In general, local women may be reluctant to speak with men. According to the Community Relations team, *machismo*/sexism is a powerful and prevalent phenomenon in local communities that affects the freedom of local women to participate in activities and interact with society, and especially with men. For example, they noted that some local women are not allowed to participate in training events because their husbands do not wish for them to speak with or come into contact with men. Furthermore, at least one woman community member told TFT that she had "some fear" about using the grievance mechanism, although she did not specify the reason for her fear.
- The current manager of the grievance mechanism has received three death threats. The company believes that the threats are related to his role as manager of the mechanism. He received one threat soon after addressing a specific grievance. TFT was told that the company's security team is managing the case and has advised the grievance manager about special precautions he should take in order to avoid unnecessary risks. The company has not reported these threats to national authorities.

Recommendations:

- Include a Q'eqchi' version of the information about the grievance mechanism on the company website.
- Draw upon available external and internal expertise in gender and culture to analyze the mechanism from a gender perspective. Involve a gender specialist in evaluating the potential implications of its current personification and operation. In doing so, explore (1) diversifying the personification of the mechanism beyond Qawa Manu (e.g. adding a

female person, such as Qana' Manuela) and (2) diversifying the mechanism's management staff (by adding a female mechanism manager to the team) with the objective of facilitating broader acceptance and free usage of the mechanism by women from the local communities and the company workforce.

- Review the grievance mechanism's performance indicators to ensure that they are useful for driving improvement and evaluating the effectiveness of the mechanism. In doing so, review best practice for evaluation of grievance mechanisms.
- Analyze options for reducing and mitigating risks for the manager(s) of the grievance mechanism and ensure that all past and future threats are reported to State law enforcement authorities.
- Ensure that the PPVI is fully and transparently applied in the case of any known threat or act of violence, such as the threats received by the grievance manager. Doing otherwise will erode the credibility of the corporate commitment.
- Use the threats made against the grievance manager as a 'teaching moment' to reinforce the PPVI across the workforce, all service providers, and other third-parties covered by the policy.
- Consider hiring a second grievance manager (ideally a woman to address gender topic described above) to avoid all public pressure from falling on one individual.

Task 1.3.6. Create an integrated sustainability section (dashboard) on the company's website.

Appraisal: Implementation ongoing

Type of verification: Review of documentation

Observations and findings:

- The REPSA website contains reports on the handling of public grievances and statistical information about local community and labor grievances.

Recommendations:

- Review the publicly reported monthly grievance mechanism indicators and consider including additional indicators such as the number of cases that have been resolved within the designated timeframe, the number of cases which have been appealed and the number of cases per category (e.g. health and safety, working hours/wages, environment, etc.). If/when REPSA makes structural changes based on grievance mechanism results, these could also be summarized in order to demonstrate how the mechanism is being used as a tool for continuous improvement.

Task 1.3.7. On a regular basis, feed the sustainability section to strengthen it with information of interest to stakeholders.

Not monitored / evaluated

Task 1.3.8. Publish a report on complaints of public interest, directly addressing the statements of the Open Letter to NGOs of April 17, 2017.

Appraisal: Completed

Type of verification: Review of the company website

Observations and findings:

- The grievance mechanism [webpage](#) includes a link to a report entitled “Grievance log” that includes information about these specific claims/complaints. It was most recently updated September 6, 2018.

Recommendations:

- None

Task 1.3.9. Periodically update the grievance list according to the status of each case.

Appraisal: Implementation ongoing

Type of verification: Review of documentation

Observations and findings:

- REPSA has published updates of its log of public grievances on its [website](#).

Recommendations:

- Include links to previous grievance log updates in addition to the most recent version.

Task 1.3.10. Re-structure the strategy to address not-yet-resolved past grievances.

Appraisal: Complete

Type of verification: Document review, interviews with REPSA staff

Observations and findings:

- In late 2017 and early 2018, REPSA began their first systematic investigations into two past grievances (the 2016 allegations of intimidation and the 2015 kidnapping of three CONDEG representatives).
- A summary of REPSA’s findings can be found on their public [grievance log](#).
- In early 2018, REPSA drafted an internal plan for addressing the Río La Pasión grievance based on recommendations from the 2017 [CBI-TFT Scoping Report & Addendum](#) (see observations on Task 2.3.6). This includes key milestones for building trust with stakeholders and creating the conditions necessary for multi-stakeholder dialogue. REPSA has shared this internal plan with one NGO stakeholder.

Recommendations:

- Incorporate lessons learned from grievance investigations into the current system for grievance management to ensure that any future grievance is duly acknowledged and investigated and solutions are mutually-acceptable solutions are sought in a timely fashion.

Task 1.3.11. Implement the action plan to address past grievances.

Appraisal: Implementation ongoing

Type of verification: Document review, interviews with REPSA staff, interviews with stakeholder groups

Observations and findings:

- REPSA has taken some corrective actions based on findings from their internal investigation of past grievances. These include updates to their Policy to Prevent Violence and Intimidation (see observations on Task 2.3.4), changes in policies related to REPSA’s

support of community participation in local events, commitments to additional trainings on human rights, and commitments to disseminate relevant Policy commitments to suppliers, vendors, etc.

- REPSA's grievance resolution processes with stakeholders are currently confidential. If/when resolution is achieved, REPSA is committed to reporting publicly on the process/outcome.
- REPSA has not yet shared their internal plan for addressing the Río La Pasión grievance with relevant stakeholder groups and no mutually agreed upon Roadmap has been created.

Recommendations:

- Follow-up on corrective action commitments and report on their implementation.
- If/when a grievance is resolved, update the grievance log to include a description of the process(es) and outcome. The stakeholder(s) in question should be consulted to ensure this description adequately captures the situation.
- Continue implementing the internal plan for addressing the Río La Pasión grievance. Periodically reach out to relevant stakeholders to invite input on the plan. When stakeholders are willing to participate, co-create a roadmap for multi-stakeholder dialogue to address the Río La Pasión grievance.

1.4 - STRENGTHEN STRATEGIC ENGAGEMENT AND COMMUNICATION WITH STAKEHOLDERS.

Task 1.4.1. Review and update stakeholders mapping.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- A stakeholder mapping exercise was completed by the company with support from the Advisory for Social License to Operate (ASLO).
- REPSA managers are familiar with the stakeholder mapping document and have copies.
- The stakeholder map is not regularly used or referenced to guide or monitor engagement.

Recommendations:

- Use the stakeholder mapping matrix to guide and inform the plans and activities of different departments in the company, thus ensuring that opportunities for strengthening stakeholder engagement are acted upon. For example, the stakeholder mapping can be used as one of the criteria for identifying and prioritizing invitations under the program of public visits to the plantations and mills and for the participatory monitoring of environmental conditions (air, water, biodiversity, etc.). Likewise, as noted above, the stakeholder mapping should be used in designing the dissemination of the new corporate policy on sustainable production.
- Utilize the stakeholder mapping – along with the Roadmap for Multi-stakeholder Dialogue (Tasks 1.4.4 and 1.4.5) - to update and guide implementation of the company's broader stakeholder engagement strategy.

- Periodically update stakeholder mapping

Task 1.4.2. Assess the current status of the company's stakeholder engagement.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff.

Observations and findings:

- The analysis of the company's stakeholder engagement was part of the assessment of REPSA's social management system carried out by ASLO in coordination with TFT. The resulting document was the "Assessment and recommendations for the Integrated Social Management System".

Recommendations:

- Consider this a task that should be repeated and revisited with some frequency along with and in conjunction with stakeholder mapping exercises.

Task 1.4.3. Create an action plan to implement stakeholder engagement strategy.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff.

Observations and findings:

- A work plan for implementing an engagement strategy has not been developed. The stakeholder mapping provides fundamental elements for developing a time-bound plan that allows monitoring. The Roadmap for Multi-sector Dialogue is also a key input for such an implementation plan.

Recommendations:

- Develop a work plan with a set timeline, measurable tasks and outputs that allows for monitoring of progress. Use the rich information of the stakeholder mapping as key inputs for this plan. Ensure that the activities are incorporated in the plans of relevant departments and managers.
- Socialize the plan with relevant stakeholders to ensure mutually agreed timelines and activities.

Task 1.4.4. Identify opportunities for dialogue to promote stakeholders participation in a multi-sectorial process focused on addressing development issues (based on the recommendations of the CBI and TFT study).

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- In pursuit of dialogue, the company has identified and sought opportunities to engage with national and international NGOs and government institutions.
- A notable opportunity for dialogue was the company's participation in a [public panel discussion](#) with NGOs that was organized and moderated by the Coordinadora de ONG y Cooperativas de Guatemala (Congcoop) in July 2018.

Recommendations:

- The company has developed a brief 'internal Roadmap' document that provides guiding principles for the company to follow as it works with other stakeholders on co-creating an actionable Roadmap that multiple stakeholders can use and reference.
- Consultations have yet to be carried out with local and national stakeholders to develop a roadmap with individual and/or collective actions needed to advance multisector dialogue.
- The company should clarify to stakeholders and the public that addressing the 2015 pollution event in the Rio La Pasion and the advancing watershed management are key aspects of a multi-stakeholder process.
- Systematically develop ideas for engagements, formal and informal, with stakeholders on issues that interest multiple stakeholders.
- Use the Roadmap for Multi-stakeholder Dialogue as a guide for identifying new opportunities.

Task 1.4.5. In consultation with local and national stakeholders, develop a roadmap for a multi-sectorial dialogue.

Appraisal: Pending

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- None

Recommendations:

- Use the existing internal roadmap as a source of guiding principles for building trust and undertaking discussions with local and national stakeholders about a shared roadmap that would describe or define concrete steps towards multi-stakeholder dialogue.

Task 1.4.6. Re-design the 2016 social impact assessments (SIA).

Appraisal: Implementation ongoing

Type of verification: Review of documentation

Observations and findings:

- This activity seeks to address gaps in the assessment of social impacts. Previously, the REPSA's social impact studies consisted of a minor section of their environmental impact studies (EIS) presented to the Ministry of the Environment and Natural Resources (MARN). The social impact studies were largely based on community perceptions of social impact rather than on a systematic review of impact and available data. They also didn't include a systematic review of historical or cumulative impacts of REPSA's entire operations, but rather they analyzed impacts in separate plantation areas according to the EISs presented to MARN.
- In June and July of 2018, the company developed terms of reference (TORs) for new social impact studies which identifies the scope and principal products of the studies. The company consulted with several stakeholder groups to refine and improve the TORs.

- The specific design of the methodology of the social impact assessments is expected to be part of the winning bid for the consultancy which is planned to be determined in October 2018.

Recommendations:

- Closely monitor the process of developing the social impact studies to ensure that all objectives in the terms of reference are fulfilled.

Task 1.4.7. Conduct social impact studies based on the new methodology.

Appraisal: Pending

Type of verification: Review of documentation

Observations and findings:

- The process for selecting a consultant to carry out the social impact assessments is delayed. According to the TORs developed by the company, the social impact studies are now expected to commence in November 2018 and be completed in March 2019.

Recommendations:

- Share information with the public about the plans and schedule for the social impact studies and their progress.

Task 1.4.8. Re-define social investment based on the results of the new Social Impact Assessments.

Appraisal: Pending

Type of verification: Review of documentation

Observations and findings:

- This task is delayed and is expected to take place in the second quarter of 2019. The timeline specified in the TORs of the social impact studies for the completion social impact studies extends into the second quarter of 2019.

Recommendations:

- None

1.5 - EXECUTE COMMITMENTS ACQUIRED THROUGH COOPERATION AGREEMENTS AND STRATEGIC ALLIANCES.

Task 1.5.1. Carry out actions established in the Governance Pact of Sayaxché, and commitments adopted by the company through cooperation agreements with the Municipality of Sayaxché, the Association of Friends of Development and Peace, and the Social Progress Institute.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff and the Mayor of Sayaxche. *The monitoring visit did not review the compliance of the company with the*

different agreements and commitments listed in this task. The observations and findings below relate specifically to the Governance Pact.

Observations and findings:

- The company is working with the municipal government of Sayaxche to invigorate collaboration between the actors involved in the Governance Pact of Sayaxche, a 2014 agreement that was established between the Municipality of Sayaxche, palm oil companies operating in the region, and community leaders as a framework for planning and cooperation on local development challenges.
- As part of this effort to reinvigorate and Governance Pact, REPSA has been promoting the establishment of a new public hospital in Sayaxche that would address a lack of health services in the region. Over the past year, REPSA has coordinated with the Guatemalan Social Security Institute (IGSS), municipal authorities, other agricultural companies, and local communities to advance planning for the new hospital. REPSA has expanded stakeholder participation on this project by inviting the NGO National Council of Displaced Guatemalans (Consejo Nacional de Desplazados de Guatemala - [CONDEG](#)) to join meetings and contribute to the effort.
- The Governance Pact lacks formal/systematic participation of some key actors and sectors with a stake in the development and conservation of Sayaxche, such as civil society groups and NGOs.
- The company supports the idea of creating a watershed committee for the La Pasion River under the auspices of the Governance Pact. This committee could bring together different actors to carry out projects related to development and conservation in the La Pasion River watershed. The concept of a watershed committee is inspired by the experience of other Grupo HAME companies and stakeholders in southern Guatemala with such committees. A meeting was scheduled for early October in which REPSA planned to share with other palm oil companies in the Petén its experience with watershed committees in southern Guatemala. The committee has potential to bring together and build trust and partnership between diverse actors through landscape-level land use and conservation planning as well as site specific conservation and development projects.

Recommendations:

- Promote broader participation of civil society organizations and interests in the Pact.
- Ensure that the watershed committee is open to participation of NGOs, communities, and conservation interests.
- Transparently report on the activities and fulfillment of the agreements as permitted.

1.6 - IMPLEMENT A COMPLIANCE SYSTEM

Task 1.6.1. Perform an assessment to identify gaps.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff and consultants.

Observations and findings:

- In February 2018, Grupo HAME (parent company of REPSA) signed a cooperation agreement with the [Acción Ciudadana](#) that includes anticorruption training for Grupo HAME's managers and assistance to Grupo HAME in its process of closing gaps in its compliance system. Acción Ciudadana is an affiliate organization and the [national chapter](#) of Transparency International.
- Following the guidance of Acción Ciudadana, Grupo HAME hired the law firm [Benites, Vargas y Ugaz](#) and the [Cybertrust](#) company to produce an evaluation of Grupo HAME's internal capacity and systems for preventing the company from undertaking bribery, money laundering, or finance of terrorism. The study sought to evaluate Grupo HAME's internal governance, risk management, internal communications, and the operation of system for preventing illegal activity by the company. The company provided TFT with a copy of a May 2018 presentation from the consulting companies summarizing a "preliminary diagnostic" of these four elements.
- The company and the consultants informed TFT that evaluation involved consultation with company managers and leaders at the operational level in the agricultural operations, including REPSA.

Recommendations¹:

- Broadly and transparently share the company's evaluation study, the Action Plan (under task 1.6.2), and information about the implementation of the Action Plan with national and international stakeholders, including NGOs and companies with expertise in combatting corruption issues. These stakeholders should be aware of these efforts and have the opportunity to provide informed feedback and recommendations to the company regarding countering corruption risks in the Guatemalan context.
- Ensure that the assessment and the resulting Action Plan (task 1.6.2) fully take into consideration the specific contexts and risks associated with REPSA and its corporate and field operations.

Task 1.6.2. Design an Action Plan to close gaps.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff and consultants.

Observations and findings:

- Grupo HAME (parent company of REPSA) has worked with [Intedya](#) to develop an Action Plan for Grupo HAME to achieve ISO 37001 certification (for anti-bribery management). Intedya is a consulting company that focuses on auditing and building management capacity in companies.

¹ TFT's expertise in anti-corruption and bribery issues is limited, and the company should seek further input from stakeholders and subject-matter experts on how to improve its efforts to counter bribery and illegal activity.

- The Action Plan is focused on developing anti-bribery systems and protocols, and it does not specifically address other forms of corruption or illegal corporate behavior, such as money laundering.
- The company and Intedya explained that the anti-bribery system being developed with Intedya is being applied to the entire Grupo HAME corporate group, including field operations such as REPSA.

Recommendations:

- See recommendations under 1.6.1.

Task 1.6.3. Implement the Action Plan to close gaps.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff and consultants.

Observations and findings:

- The Action Plan includes 10 phases and was scheduled to commence in August 2018 and continue into September 2019. The second phase of the plan focuses on analyzing the context of Grupo HAME and developing its anti-bribery system, and this phase was scheduled to commence around the time of the TFT visit.
- Intedya is advising Grupo HAME in the implementation of this Action Plan and the company's efforts in preparation for ISO 37001 certification, and Intedya issued REPSA a certificate stating the company had started preparing for ISO 37001 certification.

Recommendations:

- See recommendations under 1.6.1

2.1 - CREATE AND IMPLEMENT A HUMAN RIGHTS POLICY, WITH A SECURITY CHAPTER ALIGNED WITH THE VOLUNTARY PRINCIPLES OF SECURITY AND HUMAN RIGHTS (VPSHR).

Task 2.1.1. Prepare a draft of the Policy through an external consultancy (ABHR).

Appraisal: Completed

Type of verification: Review of documentation

Observations and findings:

- Grupo HAME prepared a draft corporate Policy on Responsible and Sustainable Production with a chapter on Human Rights and references to human rights in their labor commitments. The draft policy also includes a section on commitments related to security practices which includes a stated alignment with the Voluntary Principles on Security and Human Rights (VPSHR).
- The company used as reference a study produced in September 2017 by Advocacy for Business and Human Rights (ABHR) on the human rights impacts of Grupo HAME.
- The company plans to share the policy with diverse stakeholder groups in the fourth quarter of 2018.

Recommendations:

- Strengthen the Policy with regards to Free Prior and Informed Consent (FPIC). TFT recommends that the company commits to recognizing and respecting the customary and individual rights; ensuring the rights of indigenous and local communities to grant or deny Free, Prior and Informed Consent (FPIC) to operations where legal, customary or communal rights exist. This includes respect of the right to grant or deny FPIC in relation to the operations that impact access to or management of customary resources.

Task 2.1.2. Internally and externally socialize the policy draft to receive input and validation

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The entire draft of the Human Rights Policy was not shared externally.
- The section of the draft Human Rights Policy related to the Prohibition of Violence and Intimidation was shared with the Human Rights Ombudsman (Procuraduría de Derechos Humanos – PDH) as per Task 2.3.4 (below).
- The dissemination of the final version of the new policy with internal and external audiences is scheduled for November 2018.

Recommendations:

- Record the perceptions, suggestions, and concerns of external stakeholders about the Human Rights Policy during the dissemination of the corporate sustainability policy in November. Use such feedback in future revisions of the policy.

Task 2.1.3. Monitor the implementation of the Human Rights Policy.

Appraisal: Pending

Type of verification: Interviews with company staff

Observations and findings:

- The company plans to develop a plan for the implementation of the Human Rights policy in early 2019.

Recommendations:

- Develop and implement a formal monitoring plan that is based on and built upon the implementation plan for the Human Rights Policy. The implementation plan is slated to be developed in early 2019.

2.2 - WITHIN THE FRAMEWORK OF HUMAN RIGHTS, DEVELOP SECURITY STANDARDS AND PROCEDURES ALIGNED WITH INTERNATIONALLY ACCEPTED STANDARDS AND PRINCIPLES.**Task 2.2.1. Develop a training workshop to strengthen skills of managers and heads of areas and enhance protocols on risk evaluation.**

Not monitored / evaluated

Task 2.2.2. Develop a training workshop to review and validate the risk assessment matrix developed in the previous workshop (2.2.1), and address the expectations listed in the VPSHR with managers and heads of areas.

Not monitored / evaluated

Task 2.2.3. Develop a Security Management Plan based on the risks identified and aligned to the VPSHR.

Appraisal: Inconclusive

Type of verification: Interviews with company staff

Observations and findings:

- The company informed TFT that the Security Management Plan was completed. TFT did not reviewed the Security Management Plan to evaluate its alignment with the Voluntary Principles on Security and Human Rights (VPSHR). The company explained that the Plan was based on a risk assessment carried out by Robert McFetridge, an expert on the VPSHR, and accordingly the plan, "prioritizes respect of human rights no matter the contingency; respect for life and non-intimidation by any means prevail".
- The company's Action Plan and its public reports on the Action Plan's implementation mention the company's alignment with the VPSHR, but the company has not made a formal commitment to the VPSHR and it is not a participant in the VPSHR. Participation in the VPSHR has a number of internal and external reporting requirements that Corporate Participants must strive to implement. These roles and responsibilities are not part of the company's activities under the Action Plan.

Recommendations:

- Report publicly on the specific ways that the Security Management Plan has incorporated the VPSHR. Do so without compromising the company's confidential security information.
- Clarify to stakeholders that the company is not currently a participant in the VPSHR.
- Consider making a formal commitment to the VPSHR.
- Carry out a systematic evaluation of how neighbors, local communities, service providers, workers, and others perceive the security forces and their actions.

Task 2.2.4. Based on the Security Management Plan and the Human Rights Policy, review and adapt the contents and methodology of the security guards training.

Appraisal: Inconclusive

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company explained that the Security Management Plan requires security personnel to receive ongoing training on the VPSHR, but it is not clear if/how the training of the guards was reviewed and adapted in light of the Human Rights Policy.
- The ALCORSA company is responsible for training the guards on technical security issues, strategies, and tactics, whereas the Human Resources Department is responsible for training security personnel on the company's policies, including the Human Rights Policy and the PPVI.
- The security guards have received training on the "Pyramid of the Use of Force", also known as the Use of Force Continuum, and on corporate Ethics and Values. The company

explained that the “Pyramid” training and the development and posting of a printed copy the “Reaction Pyramid” at each security post are ways that the Human Rights has been incorporated in their training.

- The company’s security team explained that more emphasis is now placed on cordial communication, sharing of information and respect towards visitors to the plantations and mills. They also explained that the guards are not armed when receiving visitors, and they are also trained to disarm themselves and deescalate in confrontational situations such as protests or invasions of company property.

Recommendations:

- Invite the Guatemalan government’s Human Rights Ombudsman (Procuraduría de Derechos Humanos – PDH) to review the training materials and methods.
- Report transparently to stakeholders on the specific ways the training of the security guards was adapted in light of the Human Rights Policy.
- Ensure that the training on Human Rights Policy given by the Human Resources Department is also provided to ALCORSA managers, so that the same human rights policy expectations are being shared across the company and its security service provider.

Task 2.2.5. Implement training for guards based on the Security Management Plan (re-adjusted contents and methodology, task 2.2.4) and the Human Rights Policy.

Appraisal: Inconclusive

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company’s third public report on the implementation of the Action Plan explained that the company’s Training Unit would be providing its security guards with training on human rights. However, no human rights trainings were included in the Training Plan and its annexes (timelines - *cronogramas*) for 2018.
- The company carried out trainings in 2018 for its security guards on “Corporate Ethics and Values” and the “Pyramid of the Use of Force”, also known as the Use of Force Continuum. These trainings were led by trainers whose expertise and professional and academic credentials appear not to include human rights. According to their resumes, the trainers have professional backgrounds in a variety of areas, including military logistics and weaponry, private security, education, psychology.

Recommendations:

- Ensure that the security guards receive robust training on human rights and security.
- Invite the PDH to observe training sessions related to human rights.

Task 2.2.6. Share with Public Security the relevant expectations of the VPSHR and the Human Rights Policy (Security Chapter).

Appraisal: Pending

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company plans to share the security and human rights commitments of its new corporate sustainability policy with the relevant public security forces in November.

Recommendations:

- Clarify the expectations of the VPSHR to the public security forces and explain to them

what the VPSHR imply for the company's security practices and its respect for human rights.

- Document the communication of the Human Rights Policy and its relationship with the VPSHR to the public security forces and include this in public reporting to stakeholders.
- Clarify to stakeholders how the company's commitment to the VPSHR relates to the company's relationship with public security forces.

2.3 - VERIFY PROGRESS ON RESPECT AND PROTECTION OF HUMAN RIGHTS THROUGH REGULAR MONITORING.

Task 2.3.1. Perform an external assessment to identify gaps on respect and protection of human rights, and risks and impacts of the company's approach to human rights.

Appraisal: Complete

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company commissioned a study on the human rights impacts of Grupo HAME that was produced in September 2017 by Advocacy for Business and Human Rights (ABHR).
- The report includes a list of measures that REPSA could implement with the goal of promoting human rights, but it is not clear what specific risks these measures are meant to address and how salient these risks are for REPSA in particular. The recommended actions also lack prioritization, so it is not clear in what order they should be implemented and if any or all should be addressed urgently or gradually.

Recommendations:

- Work with ABHR or another human rights expert to understand/document specific risks and prioritize actions for addressing human rights protection.
- Incorporate these actions into the 2019 Sustainability Action Plan.

Task 2.3.2. Socialize the results and recommendations of the human rights external assessment with managers and heads of area of REPSA.

Appraisal: Completed

Type of verification: Review of documentation

Observations and findings:

- REPSA reported that the results and recommendations of the study by Advocacy for Business and Human Rights (ABHR) were shared with and discussed by the company's managers of Community Relations, Environment, Security and Corporate Affairs team discussed.

Recommendations:

- None

Task 2.3.3. Carry out capacity building workshops on Human Rights issues for managers and area heads, based on the recommendations of the external assessment.

Appraisal: Pending

Type of verification: Review of documentation

Observations and findings:

- This activity will be undertaken in coordination with the launching of the new corporate sustainability policy.

Recommendations:

- To build transparency and stakeholder engagement on Human Rights, consider inviting external stakeholders and experts, such as the Human Rights Ombudsman (Procuraduría de Derechos Humanos – PDH), to review and provide input on training materials and methods.

Task 2.3.4. Validate the Policy to Prevent Violence and Intimidation with an external entity with expertise in the field of human rights.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- A draft of the PPVI was shared with representatives of the Guatemalan government's Human Rights Ombudsman (Procuraduría de Derechos Humanos – PDH) and a meeting was held with the PDH to discuss the PPVI and receive comments and suggestions in February.
- REPSA reported that the PDH's suggestions were incorporated into the updated PPV in Suggestions were provided by the PDH for improving the PPVI.

Recommendations:

- None

Task 2.3.5. Review the methodology and materials designed by the consultant for the training workshop for staff in charge of implementing the policy.

Appraisal: Completed

Type of verification: Review of documentation

Observations and findings:

- The company reviewed the methodology and materials developed by the Consensus Building Institute (CBI) and TFT.

Recommendations:

- None

Task 2.3.6. Carry out training workshops (3 days) to strengthen the abilities of the staff in charge of implementing the policy (with special emphasis on the promotion of tolerance towards organizations and people who criticize the company.).

Appraisal: Completed

Type of verification: Review of documentation; Interviews with TFT staff present at the PPVI training.

Observations and findings:

- The workshop was carried out in April 16-18, 2018 in Guatemala City and Sayaxche by the Consensus Building Institute (CBI) and TFT. The workshop objectives were:
 - Ensure a thorough understanding of the PPVI and the policy's connection to the central values of the company;
 - Identify how to implement the policy, emphasizing the basic capacities and materials needed for the implementation by the Community Relations and Corporate Affairs departments;
 - Explore how to strengthen the implementation of the PPVI in conjunction with other support systems such as the grievance mechanism and the Code of Ethics
- Workshop participants from REPSA collectively developed key messages about the PPVI that could be transmitted to field supervisors and workers. Support materials for the training of field teams and workers were identified and suggested for development.
- CBI and TFT observed that dynamic workshop activities drove the uptake of the course materials:
 - Unpacking what is meant by 'violence and intimidation' in the context of REPSA's operations;
 - Taking stock of the company's evolution in the past 10 years, with respect to its external environment, and the development of its internal management and response systems;
 - Conducting a SWOT analysis of the PPVI, with the intention of better understanding what works now, and what will need strengthening going forward; and
 - Exploring how to adopt and integrate violence and intimidation prevention mindset that creates shared value for all stakeholders"
- No specific trainings on the PPVI have followed the April workshop. A rapid overview of the PPVI is provided during the induction training.
- The follow-up training of REPSA trainers on the PPVI is scheduled for November 26th. Ten-minute training sessions on the PPVI are scheduled for field workers on November 16th.

Recommendations:

- Ensure that the future training sessions for field workers on the PPVI include special emphasis on promoting tolerance of local organizations/individuals critical of the company.
- Prior to the November training of trainers on the PPVI, the company should develop support materials that field supervisors (*caporales*) can use when training field workers about the Policy to Prohibit Violence and Intimidation. In developing the training and the support materials for field teams, the company should take into consideration the literacy levels of field workers, different forms of learning, and develop alternative and complementary (non-text based) teaching methods and materials.
- Review the sequence of the training for trainers and those for field staff scheduled for November.
- Ensure that specific workers' participation in trainings on the PPVI is registered in the database of training in order to track which trainings have been received by specific workers.

Task 2.3.7. Define the contents and methodology to train workers on their fundamental rights.

Appraisal: Pending

Type of verification: Review of documentation

Observations and findings:

- The company reports that the training material specifically focused on the Fundamental Rights of workers is being developed. These materials were not reviewed by TFT.

Recommendations:

- Develop a robust training for workers on their fundamental rights that explicitly informs all workers of their rights to organize unions and collectively bargain without negative consequences. Seek input from outside experts on labor rights.
- Develop appropriate training methods and materials that include alternatives to reading and explanations.

Task 2.3.8. Train workers on their fundamental rights, based on the content and methodology designed.

Appraisal: Pending

Type of verification: Review of documentation

Observations and findings:

- Specific training of workers on their Fundamental Rights is pending.
- Workers received a brief introduction to these rights as a part of the induction training.
- The current Training Plan of the Training Unit does not include a specific training on Fundamental Rights of workers.

Recommendations:

- Ensure that the training on Fundamental Rights is included in the training plans and schedules in the Training Plan of the Training Unit.
- Following the trainings, evaluate worker comprehension of Fundamental Rights and the effectiveness of the teaching methods and materials.
- Ensure that specific workers' participation in trainings on Fundamental Rights is registered in the database of training in order to track which trainings have been received by specific workers.

2.4 - PROMOTE DIGNIFIED AND RESPECTFUL CONDITIONS FOR WORKERS TO ENSURE ACCESS TO SAFE AND HYGIENIC FACILITIES IN ACCORDANCE WITH BEST INDUSTRY PRACTICES.

Task 2.4.1. Complete the renovation of all workers' housing sites to standardize living space in all dormitories (3.8 m² per worker).

Appraisal: Completed

Type of verification: Site visit and interviews with company staff

Observations and findings:

- Measurements of several randomly selected worker dormitories at the two worker housing sites visited by TFT showed that they now provide 3.8m² of more floor space per worker.

Recommendations:

- None

Task 2.4.2. Refurbish damaged infrastructure in housing sites.

Appraisal: Implementation ongoing

Type of verification: Site visits and interviews with company staff

Observations and findings:

POTABLE WATER FOR SHOWERS AND SINKS FOR PERSONAL HYGIENE

- TFT observed that the installation of water filtration systems that provide potable water to showers, bathrooms, laundry facilities and other points at housing and offices had been completed.

RENOVATION AND/OR CONSTRUCTION OF WORKER DORMITORIES

- The monitoring visit to two of the nine housing sites confirmed that renovation work on the new dormitories was largely, but not totally, completed.
- Old lockers require refurbishing to provide secure lockers for workers. At both sites visited, many sets of old bunks in the older structures had not been refurbished. Where lockers are provided, workers are generally not using locks. This could suggest that workers trust one another.
- The only locking system on most dormitory doors is a padlock on the outside of the door, which allows it to be locked and unlocked only from the outside. Because such an arrangement could be used to restrict workers' freedom of movement, labor experts generally consider it to be an indicator of potential forced labor situations.
- Some holes were observed in mosquito screens on doors on older housing structures.
- The use of mosquito tents on worker beds was observed to be more frequent in these older structures than the new buildings. This may indicate that the older buildings have less effective mosquito protection/netting.

LAVATORIES

- Bilingual signage and visual instructions about good hygiene practices have been installed at key locations (sinks and toilet areas).
- Soap dispensers have been installed at the lavatory sites to facilitate personal hygiene.
- Toilet paper is provided at the lavatories.

Recommendations:

- Review [ILO Housing Standards](#) to ensure that all standards are met.
- Involve the company's Occupational Health and Safety Department and/or the new company doctor in reviewing housing conditions, management, and plans for remodeling and improving the hygiene and safety of the dormitories.
- Improve the collection of data on each case of worker illness/absenteeism to include registering the worker's housing location, and the name of their home community in the case of local workers. This will allow the company's Occupational Health and Safety Department (including the company doctor) to potentially identify health problems at housing sites or communities and plan potential interventions.
- The doctor and the OHS team should utilize historical and future medical data on cases of stomach and intestinal illnesses to monitor and document the impact and effectiveness of the water purification systems, hygiene systems and practice and other factors at the housing sites. This can be used to demonstrate the improvements achieved in worker welfare as well as productivity gains for the company from these systems.
- Consider the provision of mosquito nets at no cost to all workers at the housing sites. Alternatively, the company could purchase nets at wholesale prices and offer these 'at cost' to workers. As noted in [the final 2017 Action Plan report](#), the Occupational Health and Safety Department team cited mosquito-borne illnesses such as dengue fever, Zika, and the chikungunya virus as one of the three main types of illnesses that affect the worker's health and impacts absenteeism.

- Mend mosquito screens on doors where holes exist.
- Consider providing mosquito nets for beds to workers free of charge or purchase mosquito nets wholesale and provide them at a discounted 'at-cost' price to workers.
- Inform workers during induction at housing sites that they may bring and use locks to secure their belongings.

Task 2.4.3. Implement program to monitor the maintenance of hygienic conditions in housing sites.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The Occupational Health and Safety team carried out the evaluations.

Recommendations:

- Involve the company's medical doctor in reviewing the criteria and design of the evaluation of hygiene.

Task 2.4.4. Evaluate vital spaces [living quarters at housing sites] on a regular basis to ensure 3.8 square meters per worker.

Appraisal: Implementation ongoing

Type of verification: Site visits, review of documentation, and interviews with company staff

Observations and findings:

- The company is monitoring and managing levels of occupancy at the housing sites to ensure that each worker has at least 3.8 m² of space in the dormitories. The company carries out quarterly monitoring of the worker housing sites. This includes measuring the total area of the dormitories and dividing this figure by the total number of persons at the housing site.

Recommendations:

- Post maximum occupancy signs in each dormitory based on their floor measurements.

Task 2.4.5. Supervise the water purification system operation to guarantee access and supply of drinking water for all workers in the workplace.

Appraisal: Implementation ongoing

Type of verification: Site visits, review of documentation, and interviews with company staff

Observations and findings:

- The water purification systems are being maintained and supervised daily by specially trained REPSA technicians.
- Inspections by the Health and Safety team of agriculture workers' use of personal protection equipment now check to ensure that workers carry a gallon container for water (Appendix 3).

Recommendations:

- None

Task 2.4.6. Periodically monitor the quality of water for human consumption.

Appraisal: Implementation ongoing

Type of verification: Site visits, review of documentation, and interviews with company staff

Observations and findings:

- Water quality is regularly tested by at least three different external laboratories. TFT reviewed the three most recent reports from these laboratories.

Recommendations:

- None

Task 2.4.7. Finalize the installation of biometric systems to record work entry time of the company's operational workers.

Appraisal: Implementation ongoing

Type of verification: Site visits, review of documentation, and interviews with company staff

Observations and findings:

- The REPSA Human Resources team has implemented a biometric system to register/measure the arrival and departure of plantation workers at the worker storage areas. This is being used to register the arrival time / attendance of workers.
- The biometric system is not being used to log the departure time of field workers, largely because workers depart from many different locations across the plantations at the end of their workday.
- The field supervisors do register on paper the departure time and location of each field worker each day.

Recommendations:

- Pilot and evaluate the use of portable hand-held systems for registering the time and location of each field workers and uploading this data to a central database in the Human Resources department. This could replace or complement the paper registry that the field supervisors currently use. This is to ensure compliance of the 60-hour weekly maximum and minimum wage requirements of costumer policies and ILO standards. This data could also provide information that is useful for optimizing the movement and logistics of field teams.

Task 2.4.8. Evaluate periodically internal and external transportation services to verify coverage and quality of workers' transportation.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company evaluates external transportation services, and each bus is evaluated on 22 different criteria every 8-9 weeks by REPSA inspectors. The inspectors follow a protocol for identifying incomliances and informing service providers of gaps and setting deadlines for corrective measures.
- TFT reviewed recent bus inspection reports, communications sent by REPSA to transport companies informing them of incomliances, and one case of a cancelled contract resulting from failures in meeting required standards and improvements.

Recommendations:

- Workers should be informed of safety standards and encouraged to use the grievance mechanism channels to report any shortcomings or concerns about the transportation service and its safety.

3.1 - PROTECT AND RESTORE KEY CONSERVATION VALUES TO RECOVER BIOLOGICAL DIVERSITY.

Task 3.1.1. Register the Tamarindo conservation area within the system of private natural reserves.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The registration planned for February 2018 is pending. On October 1st, 2018, the company submitted a request to the National Council of Protected Areas (CONAP) for review and approval of the management plan for the Tamarindo under the PROBOSQUE program of the National Institute of Forests (INAB)

Recommendations:

- Publish on the company website news and evidence of the registration of the Tamarindo Reserve in the national system of private natural reserves.

Task 3.1.2. Establish a biological diversity monitoring mechanism in REPSA's conservation areas.

Appraisal: Pending

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- In December 2017, REPSA requested and received a proposal from a private environmental consultant for a project that would increase ecological connectivity between its natural reserve areas. Subsequently, in August 2018, REPSA requested and received a proposal for studying howler monkeys and bat species that use the Tamarindo and Guadalupe reserve areas. Additionally, the company described an ongoing series of reserve monitoring visits conducted by a professional biologist every six months.
- The proposals do not represent a mechanism for monitoring biological diversity, but are starting points for establishing a system.

Recommendations:

- Share information with stakeholders about the monitoring system, protocol and results.
- Involve local communities and conservation stakeholders in the monitoring process.
- Establish biological monitoring of reforested areas in riparian and roadside areas.
- Work with independent palm growers/suppliers to establish similar monitoring practices in their respective forest fragments and reserves.

Task 3.1.3. Implement forest management plan of riparian zones according to best practices and legal requirements.

Appraisal: Implementation ongoing

Type of verification: Site visits, review of documentation, and interviews with company staff

Observations and findings:

- The company has a plan for managing 213 ha of riparian areas on its plantations. TFT observed riparian areas where the company had not only reforested with native species but also removed existing oil palms.
- The company informed TFT that the riparian management practices that it pioneered at REPSA in the context of the first Action Plan have been replicated across Grupo HAME's other palm oil and banana operations in southern Guatemala. Furthermore, REPSA explained that based on the company's riparian management, the Ministry of the Environment and Natural Resources (MARN) has selected it to be a technical partner in the nationwide dissemination of best practices across multiple sectors.

Recommendations:

- Publish a map of the company plantations and landholdings in Sayaxche that shows all of the reforested areas (riparian, roadside, and community perimeters).

3.2 - RESPONSIBLE MANAGEMENT OF WATER RESOURCES.

Task 3.2.1. Execute the plans contained in the Wastewater Technical Studies for residential Wastewater Treatment Plants (WWTP).

Not monitored / evaluated

Task 3.2.2. Conduct four efficiency monitoring of PTARs exercises, two internal and two external.

Appraisal: Completed

Type of verification: Review of documentation

Observations and findings:

- Two external laboratories performed water testing at the ponds (entrance point and interior of the ponds) at both mills (REPSA I and II) and of treated palm oil mill effluent at the points of application of liquid fertilizer. These tests were performed at these three sites at each mill in November 2017, April 2018 and July 2018.

Recommendations:

- Publish results of water testing on the REPSA website.

Task 3.2.3. Implement a wastewater management program for the oil extraction process in the Wastewater Treatment Systems (STAR) and reuse of the treated water in the palm plantations.

Not monitored / evaluated

Task 3.2.4. Record, monitor and conduct efficiency and quality analysis of water treated in STAR

Not monitored / evaluated

Task 3.2.5. Check the efficiency of the wastewater treatment systems (STAR AND WWTP).

Not monitored / evaluated

Task 3.2.6. Develop a participatory program with local communities and other stakeholders for monitoring water quality of surface water bodies adjacent to REPSA's operation.

Appraisal: Completed

Type of verification: Review of documentation and interviews with company staff and communities members

Observations and findings:

- A program for the participatory monitoring of water quality at sites in and around the plantations and mill was established. It includes a schedule of monthly activities from January to December 2018.
- Invitations to participate in the monitoring activities were channeled through the municipal government of Sayaxche (COMUDE).
- Participation in the monitoring was limited. A small number of local and national institutions were involved, but no communities participated.

Recommendations:

- Consider expanding monitoring program in order to provide mutually credible, watershed-level results (as per the recommendation in the Scoping Addendum). By broadening participation to include community members and leaders and local civil society organizations, the company could take advantage of an opportunity to build trust in local communities, increase transparency, and strengthen relationships with local stakeholders. By involving children, women, school teachers, and others from the communities in a participatory and educational monitoring activities, the company can address multiple strategic goals and community requests, including support for environmental education activities in the communities.
- Organize the monitoring schedule and itinerary of monitoring sites in order to facilitate the participation of community members in the monitoring of those sites which are closest to their communities.
- Provide logistical support, including transportation, to facilitate community participation in the monitoring activities.
- Involve the company's Community Relations team to ensure good coordination and the participation of bilingual staff who may be needed to support communication during the monitoring.
- Broaden the channels through which potential participants are invited. Consider directly inviting community groups through the COCODES and other community groups in addition to recruiting participant through the COMUDE.

Task 3.2.7. Execute the water quality participatory monitoring program. (1 in the last two-month period)

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff and community members.

Observations and findings:

- The company carried out the first participatory monitoring of water bodies and wastewater in April 2018. The laboratory results were shared with the COMUDE in May 2018. The second participatory monitoring of water is planned for October 2018.
- See observations and findings for Task 3.2.6.

Recommendations:

- See recommendations under 3.2.6

Task 3.2.8. Communicate the periodic results of STARs operational efficiency to stakeholders, including designs, studies and corresponding permits.

Not monitored / evaluated

3.3 - ESTABLISH THE STRATEGY TO COMMUNICATE TO GOVERNMENT INSTITUTIONS AND STAKEHOLDERS ABOUT THE IMPLEMENTATION OF ENVIRONMENTAL MANAGEMENT PLANS CONTAINED IN THE ENVIRONMENTAL INSTRUMENTS.

Task 3.3.1. Comply with the administrative requirements of the 8 environmental instruments of the company (6 agricultural and 2 industrial) before MARN and CONAP.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company reported that it is implementing a range of protection and mitigation measures. TFT reviewed detailed monitoring reports for the implementation of the environmental measures of the Environmental Management Plans (PGAs) and the environmental 'resolutions' of MARN for the two palm oil mills (REPSA I and II) and the three plantation areas with approved environmental plans ("instruments"). The company reports 100% progress on 39 of the 41 activities in the PGAs for the mills. The activities that the company reports as completed include monitoring and evaluation measures, maintenance, and infrastructure projects related to water, atmospheric, and soil management and conditions. They include installation of meters to measure water usage, monitoring of emissions, evaluation of systems for covering the POME ponds, and installation of equipment for measuring water conditions in the La Pasion River. The two pending activities are the completion of the installation of geomembranes under the treatment ponds (which is partially completed) and an external audit of the OHS Plan. The company reports that it has completed all of the environmental measures required under the PGAs and environmental resolutions for the three plantation areas (Central, Tucan,

and Argentina/Guadalupe). Each plan is comprised of more than 80 activities related to air, water, and soil resource management.

Recommendations:

- Address the expectations of CONAP and MARN for a transparent and participatory process by looking for opportunities to involve local and national stakeholders in the implementation of the projects and mitigation measures identified in the environmental management plans.
- Review and identify opportunities to broaden social participation and support for the mitigation measures of the environmental instruments.
- Share detailed information with stakeholders about the progress on the implementation plans related to the environmental instruments, and invite stakeholders to jointly verify their implementation.

Task 3.3.2. Implement environmental management plans in accordance with the environmental resolutions of the approval.

Not monitored / evaluated

Task 3.3.3. Structure the Visits Scheme for presenting to communities and other stakeholders the Good Environmental Practices in agricultural areas and mills.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff and community members

Observations and findings:

- The mill has been hosting representatives from local communities (including COCODE leaders, groups of women leaders, and school groups) to visit the plantations and mills, including treatment of palm oil mill effluent.
- Some key groups in local communities, including children in the town of Champerico, have not been invited to visit the operations.

Recommendations:

- Review and revise the prioritization of invitees. Take into consideration the stakeholder mapping tool and the Roadmap in this prioritization process.
- Invite school children and other key target audiences in local communities, such as Champerico, which are in close proximity to the company and the La Pasion River.
- Inform children and spouses of workers about safety practices, use of PPE, the health benefits of hydration etc. so that they can help reinforce good practices through conversations with workers in their families.

Task 3.3.4. Implement the schedule of visits for communities and other stakeholders.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff and community members

Observations and findings:

- The company has been carrying out a series of visits for local groups, institutions, and students. Community members interviewed by TFT viewed the experience of seeing the mill and plantations positively and considered them to be informative.
- The planning and prioritization of the visits is principally planned by the Environmental Management team and without the full participation of other relevant departments, such as Community Relations.
- Some key local groups have not been invited to participate in the visits. These include school children in some towns close to the company operations.

Recommendations:

- Ensure that all relevant company departments are informed of the program of visits and that each consults their respective stakeholder mapping tool and stakeholder engagement priorities as part of the joint planning process.
- Establish a digital database for registering and analyzing the participation of communities and specific community members in order to identify coverage gaps and plan invitations.

3.4 - RESPONSIBLE HANDLING OF WASTE AND SOLID WASTE AND AGROCHEMICALS USE.

Task 3.4.1. Implement the Waste and Solid Waste Comprehensive Management Plan in each area of the operation.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- REPSA has a Solid Waste Management Plan that it is implementing across the plantations and facilities.
- REPSA has created and implemented a system for registering all solid waste produced in each area of operation.
- The company has implemented measures to reduce solid waste. Notable reductions include the elimination of the use of disposable plastic plates at the housing sites. This eliminates approximately 8,000 disposable plates from the solid waste stream daily.
- The company plans to implement a new plan that will focus on achieving “zero waste.”
- The company is further reducing solid waste from its housing sites and other installations by implementing a system for composting organic waste and producing compost that it will use to reduce fertilizer use on one of its plantations. The goal is to process 30,000 lbs of organic waste every 4-5 weeks.

Recommendations:

- Measure and document the reduction in solid waste at the housing sites. Calculate the savings from reduced spending on waste disposal and the purchase of disposable plates and other materials.

Task 3.4.2. Twice a year evaluate the operational efficiency of the plan, focused on Reduction, Reuse and Recycling criteria.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company reported that since 2016 it has reduced its volume of solid waste by 30%. TFT reviewed the company's report from the second semester of 2018 in which it reported quantities of solid waste under six categories (e.g. plastic, ferrous metals, aluminum, cardboard, etc.) for the past three quarters.

Recommendations:

- See recommendation above for 3.4.1

Task 3.4.3. Perform review of use of chemicals in the agricultural production operation by defining the points of efficiency for reducing synthetic products use

Not monitored / evaluated

Task 3.4.4. Every six months, update the list of chemicals allowed in the palm farming operation.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff.

Observations and findings:

- The company shared the March 2018 version of the "List of Phytosanitary Products in Use". The September 2018 list was not available.
- The title of the document refers to chemicals "in use". The title does not clearly explain that the list is of products that are "authorized" to be used by REPSA and its suppliers.

Recommendations:

- Edit the title of the document to clarify that the list is of the phytosanitary products "authorized" for use by REPSA.
- Clarify on the document whether it also applies to independent FFB suppliers.

Task 3.4.5. Carry out a training and awareness program for responsible use of chemicals with company's application teams.

Not monitored / evaluated

Task 3.4.6. Carry out a training and awareness program for responsible use of chemicals with company's external fruit providers.

Appraisal: Implementation ongoing

Type of verification: Site visit to third-party plantation and interviews with company staff

Observations and findings:

- The company is implementing a series of training visits to third-party producers which include sessions on the responsible use of chemicals.

Recommendations:

- None

Task 3.4.7. Communicate the list of products allowed in the palm plantations (internal and with external fruit suppliers) to ensure third-party plantations do not use prohibited products.

Appraisal: Implementation ongoing

Type of verification: Site visit to third-party plantation and interviews with company staff

Observations and findings:

- This activity is part of the plan of visits and training sessions at third-party suppliers.
- TFT visited one third-party supplier who possessed the latest list of permitted products.

Recommendations:

- None

Task 3.4.8. Perform quarterly inspections in internal warehouses and those of external suppliers of fruit to check the chemicals stocks and the records of use and application of chemicals controls.

Appraisal: Implementation ongoing

Type of verification: Review of documentation, interviews with REPSA staff and an independent producer of FFB.

Observations and findings:

- TFT visited one independent producer who described visits by REPSA's inspection teams. REPSA shared copies of letters and inspection reports detailing findings and corrective actions, and timeframes for compliance.

Recommendations:

- None

3.5 - REDUCE GREENHOUSE GASES, ODORS AND PARTICULATE MATERIALS EMISSIONS IN THE PALM OIL OPERATION.

Task 3.5.1. Prepare the Carbon Footprint for the quantification of Greenhouse Gas emissions and update the emissions reduction plan.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The company has measured its greenhouse gas footprint for 2017-2018, and has identified measures for reducing greenhouse gas emissions from agricultural and industrial processes. The document does not include a plan with a schedule of specific activities and results and clearly assigned responsibilities. .

Recommendations:

- Produce air emissions mitigation plans for particulate matter and other relevant contaminants that potentially affect local air quality and public health. The company has

measured particulate matter (PM10, PM2.5), nitrogen dioxide, and sulfur dioxides, but plans for reducing these contaminants is pending.

Task 3.5.2. Perform at least two annual air quality monitorings in the mills and the communities of El Pato and La Torre.

Appraisal: Implementation ongoing

Type of verification: Review of documentation and interviews with company staff

Observations and findings:

- The air monitoring was established in response to community complaints around the El Pato and La Torre communities.
- The infrequent (twice yearly) monitoring of air quality means that the scientific data is very limited for adequately monitoring and assessing the influence of the company mill and operations on local air quality.
- The wind direction during the last sampling period carried any emissions from the two mills away from the communities, and therefore the data provided no relevant information for the objectives of the monitoring.

Recommendations:

- Carry out more frequent air monitoring in El Pato and La Torre, and consider installing continuous monitoring stations in the towns.
- Involve communities in monitoring and reporting on their air quality. Consider a participatory program of monitoring and the sharing of results. One option to consider is the adaptation and use of a '[smell app](#)' that allows locals to report and track air quality with their mobile phones.
- Review meteorological data from the weather stations at the REPSA I and II mills to analyze wind directions during the year. This data could influence the redesign of the sampling in order to ensure that sampling is taking place when winds carry emissions from the mill and ponds towards the communities.

3.6 - PROMOTE GOOD AGRICULTURAL, ENVIRONMENTAL AND SOCIAL PRACTICES IN THIRD-PARTY PLANTATIONS.

Task 3.6.1. Integrate the communication and advisory implementation team to third parties on topics of good Agricultural and Socio-Environmental practices.

Not monitored / evaluated

Task 3.6.2. Structure the work plan for training third-party producers of RFF [FFB - fresh fruit bunches] sustainable production practices.

Appraisal: Completed

Type of verification: Site visit, review of documentation and interviews with company staff and a third-party producer.

Observations and findings:

- The company has a program of visits and trainings for third-party suppliers of fresh fruit bunches (FFB) throughout the year.
- The independent producer visited by TFT has received visits and training that allowed him to make improvements to his selection and use of proper Personal Protection Equipment (PPE) as the design of the company storage facility. A visit to REPSA to observe the use of helmets in harvesting FFB was planned for the near future.

Recommendations:

- None

4.1 - STRENGTHEN COMMUNITY LEADERS' CAPACITIES IN THE AREA OF INFLUENCE.

Task 4.1.1. Implement a leadership course for COCODES, young people, agricultural promoters and health facilitators.

Not monitored / evaluated

4.2 - IMPLEMENT COMPREHENSIVE AND INCLUSIVE HUMAN DEVELOPMENT TRAINING PROGRAMS.

Task 4.2.1. Train health promoters on the rational use and disinfection methods of water for consumption.

Not monitored / evaluated

Task 4.2.2. Implement plans for lot and Housing Management.

Not monitored / evaluated

4.3 - SUPPORT THE MINISTRY OF EDUCATION IN THE IMPLEMENTATION OF COMPREHENSIVE SCHOOLS.

Task 4.3.1. Donate food to schools to support nutritional project (450 students benefitted).

Not monitored / evaluated

4.4 - CONTINUE INVESTING IN EDUCATION, WATER, AND SANITATION INFRASTRUCTURE PROJECTS.

Task 4.4.1. Carry out water and sanitation projects in neighboring communities

Not monitored / evaluated

Task 4.4.2. Carry out health infrastructure projects with neighboring communities.

Not monitored / evaluated

Task 4.4.3. Carry out schools circulation projects to contribute to the safety of students in neighboring communities' schools.

Not monitored / evaluated

Task 4.4.4. Carry out classroom construction projects to provide dignified facilities for the teaching-learning process in neighboring communities.

Not monitored / evaluated

4.5 - INCREASE THE NUMBER OF PERMANENT JOBS TO CONTRIBUTE TO GENERATE EMPLOYMENT AMONG THE SAYAXCHÉ LOCAL POPULATION.

Task 4.5.1. Design the methodology for developing the employment plan.

Appraisal: Complete

Type of verification: Interviews with company staff

Observations and findings:

- REPSA has been working with TFT & ASLO to develop a plan for local employment. In July 2018, TFT & ASLO interviewed NGO stakeholders and local communities to gather perceptions about REPSA's local recruitment and employment practices. Based on these interviews and interviews with REPSA staff about current policies/practices, TFT & ASLO prepared a document with recommendations for restructuring REPSA's system for recruiting and hiring local workers. Note that one of these recommendations is to design and carrying out this census.

Recommendations:

- None

Task 4.5.2. Implement a methodology for designing the Hiring Plan (perspectives of stakeholders and analysis of results).

Appraisal: Implementation ongoing

Type of verification: Interviews with company staff

Observations and findings:

- REPSA has drafted a procedure for local recruitment based on these recommendations and is now in the revision process.

- Currently, REPSA has 2,093 permanent employees, the vast majority of which are hired from local communities. This represents an 24% increase over the 2016 figure that was reported in TFT's last monitoring visit in May 2017 (Appendix 2)

Recommendations:

- Finalize the procedure for local recruitment and create an overarching plan to guide REPSA's employment practices. Socialize these documents with stakeholders.
- Regularly monitor employment data related to permanent and temporary contracts to ensure that all workers whose jobs are permanent in nature have permanent contracts.

Task 4.5.3. Implement the Hiring Plan (dissemination and implementation of the recommendations).

Appraisal: Pending

Type of verification: Interviews with company staff

Observations and findings:

- None

Recommendations:

- Use the local employment plan described in 4.5.2 to guide implementation of this activity.

Appendix 1: Monitoring Visit Agenda

Visit Itinerary - Guatemala

AGENDA Visita de monitoreo Plan de Acción (2017-2018) de REPSA 1-5 octubre 2018

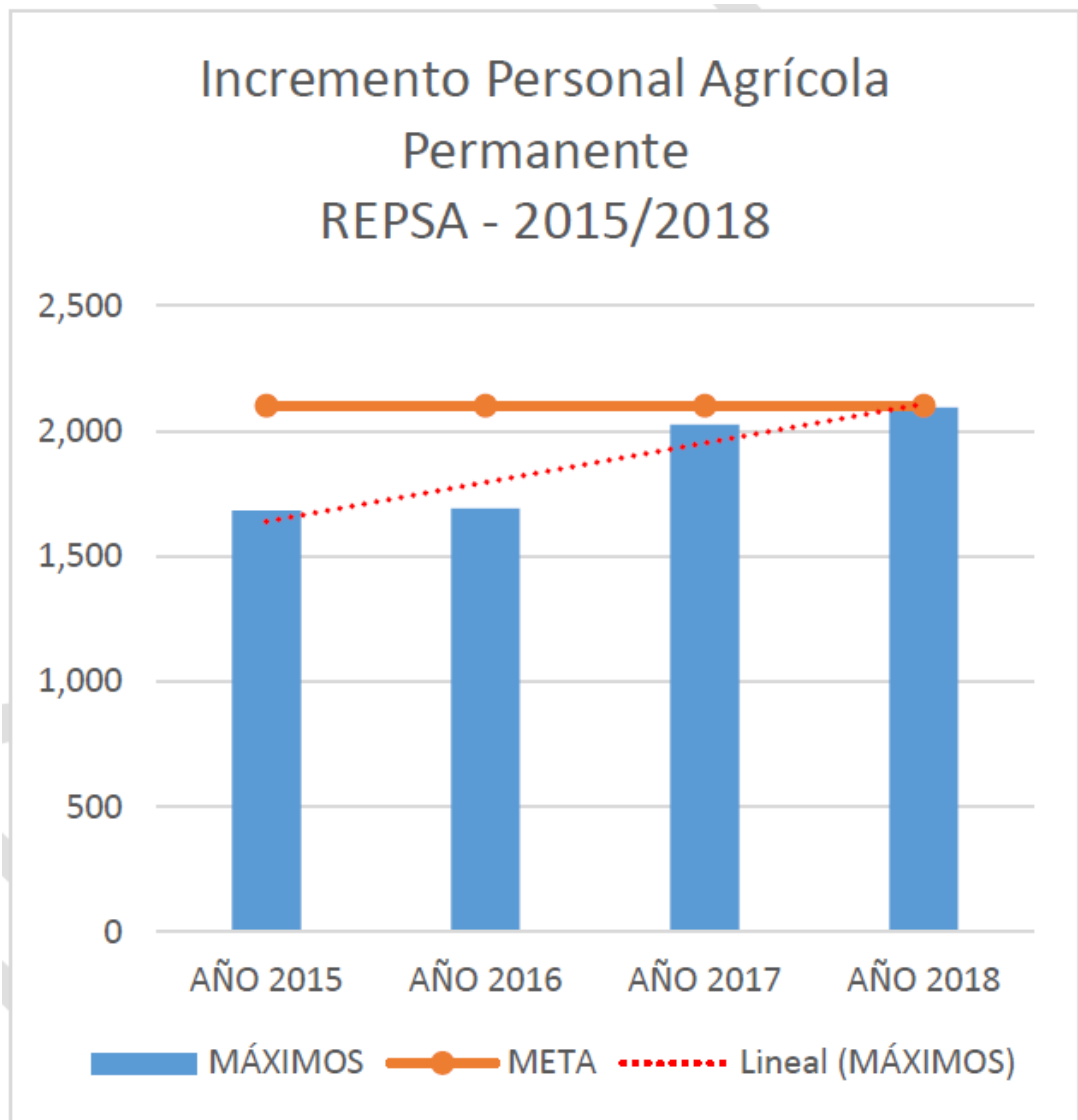
Sábado 30/09/2018 Llegada del equipo de TFT a Ciudad de Guatemala.

Fecha	Hora	Actividad	Participantes (Grupo HAME / REPSA)
Lunes 01/10/2018	7:00 – 7:30 am	Reunión de inicio	Sostenibilidad
	9:00 – 10:00 am	Reunión corporativo	Recursos Humanos
	10:15 – 11:15 am	Reunión corporativo	Seguridad
	11:30 am – 12:30 pm	Reunión corporativo	Relaciones Institucionales
	12:30 – 2:00 pm	Almuerzo	
	2:00 – 3:00 pm	Reunión corporativo	Relaciones Comunitaria
	3:15 – 4:15 pm	Reunión corporativo	Certificaciones y Gestión Ambiental
	7:30 pm	Vuelo a Flores, Petén	
Martes 02/10/2018	6:00 am	Salida de Flores a Sayaxché	
	9:00 – 09:15 am	Reunión de inicio REPSA	Gerencia Agrícola Gerencia Administrativa
	09:15 – 10:15 am	Visita a campamento o bodega	Campamentos Saneamiento ambiental Bodega
	10:15 – 11:00 am	Reunión REPSA	Unidad de Capacitación Recursos Humanos

	11:00 am – 12:00 pm	Capacitación sobre <i>Uso y manejo de extintores</i> a personal de bodegas y encargados de campamentos	Salud y Seguridad Ocupacional (SSO)
	12:00 – 1:00 pm	Almuerzo	
	1:15 – 2:15 pm	(comodín)	
	2:15 – 3:15 pm	Reunión REPSA	Salud y Seguridad Ocupacional
	3:15 – 4:15 pm	Reunión REPSA	Recursos Humanos Gerencia Administrativa
Miércoles 03/10/2018	6:00 am	Salida del hotel hacia Tamarindo	
	7:45 – 9:00 am	Visita a área de conservación zona reforestada (Tamarindo)	Gestión Ambiental, Área Agrícola
	10:00 am – 12:00 pm	Visita proveedores de RFF	Gestión Ambiental, Área Agrícola
	10:00 am	Reunión Alcalde Sayaxché	
	12:30 – 1:30 pm	Almuerzo	
	1:30 – 2:30 pm	Visita a campamento o bodega	Campamento Saneamiento ambiental Bodega
	2:30 – 4:00 pm	Reunión REPSA	Gestión Ambiental
	4:00 – 5:00 pm	Reunión REPSA	Administración de Quejas y Consultas
Jueves 04/10/2018	6:30 – 07:00 am	Desayuno hotel Villa Aqua Azul	Relaciones Comunitarias
	7:00 am	Salida hacia Champerico	
	8:30 – 10:30 am	Visita Champerico (grupo A de área de influencia)	Relaciones Comunitarias
	11:00 am – 12:30 pm	Reunión	Relaciones Comunitarias
	12:30 – 1:30 pm	Almuerzo en ECA	
	1:30 – 3:30 pm	Visita a COCODE La Torre (grupo A de área de influencia)	Relaciones Comunitarias
	3:45 pm	Regreso a Flores, Petén	

Viernes 05/10/2018	7:30 – 8:30 am	Sistema de Compliance: ISO 37001	Sostenibilidad, Desarrollo Organizacional, Relaciones Institucionales INTEDYA
	8:45 – 9:15 am	Conclusiones preliminares	Sostenibilidad
	9:15 – 10:00 am	Queja 5882 (Bono 14), CONDEG	Recursos Humanos
	10:00 – 11:00 am	Reunión de cierre Gerencias Corporativas	Recursos Humanos, Seguridad, Gestión Ambiental y Certificaciones, Relaciones Institucionales, Relaciones Comunitarias,

Appendix 2: Increase in permanent agricultural workers at REPSA



Graph 1. Increase in permanent agricultural workers from 2015 to 2018 (source REPSA Human Resources Department).

Appendix 3: Figures and photographs



Figures 1 and 2. The company's training materials on their Policy of Freedom of Association. The slide from the Induction Training (left), and the slide from the new training on policies (right).



Figure 3. New bilingual and graphic signage about personal hygiene and new soap dispensers at REPSA worker housing (Source: TFT).



Figure 6. Gardens producing fresh produce for worker housing sites, constructed with recycled materials from REPSA's program for reducing solid waste (Source: TFT).



Figure 7. Locking mechanisms on dormitory doors that require upgrading (Source: TFT).



Figure 8. Insecure Locker under bunkbed at worker housing (Source: TFT).



Figure 9. Upgraded water purification systems at REPSA worker housing sites (Source: TFT).



Figure 10. Biometric station for registering the arrival of workers at agricultural storage site (Source: TFT).




Figure 11. Cleared oil palm and reforestation of native trees in riparian buffer area (Source: TFT).



Figure 12. REPSA's 53-hectare Tamarindo nature preserve (Source: TFT).

Figure 13. Personal protection equipment inspections now check for field workers' use of a personal water container (1 gallon) to prevent dehydration and associated health impacts.

	FORMATO INSPECCIÓN Y ENTREGA DE EQUIPO DE PROTECCIÓN PERSONAL CÓDIGO: GSSOS-F-206	SISTEMA DE GESTIÓN DE SOSTENIBILIDAD
Fecha de emisión: 26/09/2014	No. de edición: 01	Fecha de edición: 26/09/2014

Entrega: <input type="checkbox"/>	Inspección: <input checked="" type="checkbox"/>	Fecha: 31/08/2018
Entregado o Inspeccionado Por: [Redacted]		Actividad ó Labor: Corte de Fruta
Responsable: [Redacted]		Finca / Taller /Bodega /Extractor: Camelia 2008

ENTREGA E INSPECCION DE EQUIPO DE PROTECCION PERSONAL

No	Nombre del Colaborador	Casco Industrial	Protección Auditiva	Zapatos Industrial	Casco para Motocicleta	Botas de Hule	Guantes de Cuero Reforzado	Cinturón Lumbar	Gabacha o vinil	Gabacha PVC	Lentes Claro	Respirador	Filtros para Respirador	Sombrero	Overol Kit-AZR Completo	Chaleco Refl. / Salv.	Carena P/Soldar	Carena P/Pulir o Radiante	Lentes Pluotógena	Mangas p/Soldar	Calor para agua	Guante de Nitrilo M/Larga	Guantes piel de cerdo	Guantes Neopreno	Firma del Colaborador
1	[Redacted]	✓						✓												✓					[Signature]
2	[Redacted]	✓						✓												✓					[Signature]
3	[Redacted]	✓						✓												✓					[Signature]
4	[Redacted]	✓						✓												✓					[Signature]
5	[Redacted]	✓						✓												✓					[Signature]
6	[Redacted]	✓						✓												✓					[Signature]
7	[Redacted]	✓						✓												✓					[Redacted]
8																									
9																									
10																									

CRITERIO DE ACEPTACIÓN

✓ BUENO

X MALO

--- NO APLICA

OBSERVACIONES:

[Redacted]

Responsable: [Redacted]

Supervisor SSO: [Signature]

Fecha: 31/08/18