

Solidaridad

LESSONS LEARNED

PALM OIL LABOUR BUILDER ASSESSMENT PROJECT (PALM LAB)



Palm oil is the world's most popular vegetable oil, accounting for more than 30 percent of global vegetable oil consumption.

Within the palm oil supply chain, the main ICSR risks can be identified at farm level. In Colombia, around 80% of the producing population is made up of small farmers. At the moment 78% of the total production is not compliant with one of the Voluntary Sustainability Standards (RSPO, ISCC and Organic). For the vast majority of smallholders, compliance with Voluntary Sustainability Standards is now out of reach, and mid-size independent growers are not very willing to adopt these standards until now, due to a lack of knowledge, related costs and complexity of their implementation. The low adoption of voluntary sustainability standards is creating risks in the international supply chains of companies. Labour issues can be considered as the priority. Despite progress

in recent years, current labour conditions or lack thereof, form the major ICSR risks in the palm oil sector. Informal contracts, insufficient health & safety conditions and irregular working hours are common practices among rural workers.

In this publication, we share the main results and lessons learned from the implementation of the Palm Oil Labour Assessment Builder Project (Palm Lab), funded by the Netherlands Enterprise Agency (RVO). The main objective of this project was aimed at building a more inclusive palm oil value chain among Colombia's small producers, processors and the international market through the development and implementation of a data-driven step-by-step tool, which allows farmers and processors to plan, monitor and verify the adoption of labour practices as defined by voluntary sustainability standards and corporate policies.

PARTNER ENGAGEMENT



- ✓ The results could only be achieved because the main project allies, Aceites S.A. and El Roble S.A.S., demonstrated interest in learning and improving compliance with labour and Corporate Social Responsibility (CSR) requirements, particularly those related to EU regulations. Training sessions conducted for producers on social issues and legal compliance significantly increased awareness of labour conditions. This increased their understanding and paved the way for personalized strategies to address specific challenges.

Involving strategic partners in the sector (Aceites, El Roble, Fedepalma, ILO) was crucial to ensure the success of planned activities and the sustainability of project outcomes beyond its completion, potentially for scaling-up activities. Aligning individual efforts ensured a unified and complementary approach to achieving project goals.

TAILOR-MADE AND INNOVATIVE APPROACH



- ✓ By delving into the realities of producers and their working conditions, the project could develop personalized strategies, tailored to stakeholders' needs, along with capacity-building for extractors and producers, leveraging technical support and digital tools created to monitor labour conditions, communicate transparently with workers, and demonstrate progress in social compliance through verifiable data.
- ✓ The project provided step-by-step tools and strategies that facilitated better adoption and understanding of social practices among producers.
- ✓ The primary success of the project lay in the strong collaborative efforts in on-the-ground activities, facilitating the successful achievement of project outcomes. The project was pioneering in introducing innovative tools in the field and ensured partner commitment to improving labour conditions and gender issues in the sector.

CREATING MORE AWARENESS



- ✓ Participation in the Gender Analysis pilot and the implementation of gender-focused training programs, incorporating indicators for equitable participation of men and women, sparked interest among partners in creating work plans aimed at practicing inclusive technical assistance methodologies.
- ✓ Raising awareness about respect for human rights and introducing practices to ensure labour rights of workers in medium and small producers' plantations were pivotal in reducing Social Compliance Risks (CSR), specifically those associated with child labour and forced labour.
- ✓ The project also raised awareness among workers and worker unions about the use of transparent communication mechanisms, such as the grievance and complaint system being implemented. Ensuring the prohibition of retaliation and fostering trust in communication channels will facilitate more reliable direct dialogue between employers and workers.