

## Scoping Addendum:

### *STRATEGIC INSIGHTS & RECOMMENDATIONS FOR ONGOING STAKEHOLDER ENGAGEMENT & JOINT PROBLEM-SOLVING AROUND THE REPSA/SAYAXCHÉ CONFLICT*

*Consensus Building Institute (CBI) – The Forest Trust (TFT)  
May 2017*

In February/March 2017, CBI-TFT completed two additional trips to Guatemala City & Sayaxché as follow-up to our Scoping Report. This work, carried out in November 2016, explored the potential for a participatory problem-solving approach to key challenges in the palm sector in the municipality of Sayaxché, Guatemala.

These additional trips were designed to:

- 1) Share the draft Scoping Report findings with stakeholders and receive feedback;
- 2) Deepen stakeholder engagement, in particular with the private sector and Sayaxché communities; and
- 3) Help clarify strategic next steps for moving forward with dialogue and potential joint problem solving among diverse actors.

**Broadly, interviewees felt that our initial Scoping Report accurately summarized the range of stakeholder perspectives about REPSA and palm oil in Sayaxché. Some organizations we spoke with also sought a clearer connection to the regional history of human rights abuses and specific steps for addressing those.** While we did not intend to document the full history of the region, the CBI-TFT team clearly recognizes the need for opening legitimate dialogue space for addressing both past grievances as well as envisioning potential next steps. Furthermore, given the contentious track record of this conflict and further recent allegations against REPSA<sup>1</sup>, the polarized viewpoints and issues at hand are unlikely to be addressed meaningfully – nor peace and prosperity for the Sayaxche region achieved – without a sustained effort to shift approaches to problem-solving.

Overall, **recent conversations with key actors point to meaningful, albeit tenuous, aperture for enhanced stakeholder engagement and regional dialogue;** assuming that path is jointly shape by all actors.

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<sup>1</sup> We refer specifically to the April 18, 2017 open letter from regional and international NGOs requesting that buyers divest from REPSA in light of alleged human rights violations from 2016. The CBI-TFT team believes that the open letter presents an important opportunity for stakeholders (NGOs, communities, REPSA, buyers) to design a process for joint fact finding that will generate mutually credible information.

Specifically, the CBI-TFT team believes a **successful step-wise journey will likely depend on five areas of interrelated action**:

- ✓ **Understanding and acknowledging** past impacts in order to effectively design the individual and collective steps needed in the region;
- ✓ **Timely follow-through** on key components of REPSA’s current [action plan](#) (social and environmental);
- ✓ **Strengthening ongoing REPSA leadership** on sector-wide issues of social & environmental responsibility;
- ✓ **Building private sector alignment** on key issues of regional concern in order to facilitate **collective action**; and
- ✓ An ongoing commitment to **participatory problem solving** and inclusive incorporation of stakeholder voices.

To be clear, REPSA cannot solve all the regional issues at hand on its own, nor is this their responsibility. However, the company is fully capable of fulfilling its respective economic, social and environmental responsibilities while also helping convene others toward collective action and impact.

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The remainder of this document details a) thematic insights from recent stakeholder consultations, and b) a synthesis of TFT-CBI design considerations for the next phase of this work, assuming stakeholder interest and will to co-create the path ahead.

## KEY STAKEHOLDER ISSUES & THEMES

### *Understanding & engaging diverse views*

- Follow-up meetings in February and March with stakeholders in Guatemala City and Sayaxché further reinforced the importance of recognizing the *diversity* of civil society and community views with respect to palm operations in Sayaxché. The **community experience of palm industry impacts (positive or negative) on community livelihoods is highly varied**. Community interviews reveal a complex mix of deep concerns regarding industry impact on social wellbeing, water quality/quantity, forest resources, etc., while also expressing clear appreciation for the role the industry plays per regional economic benefits<sup>2</sup>. **Views regarding REPSA’s recent improvements (e.g. labor, buffer**

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<sup>2</sup> It’s important to note that the CBI-TFT team has spoken with a relatively small number of communities in the Sayaxché region. While we believe we have captured key dynamics at play, we cannot speak for all communities.

zone restoration, development of a grievance mechanism) often link to the degree they directly benefit from the industry itself.

- **Recent efforts by REPSA to enhance operational transparency and information sharing, while nascent, are recognized by a number of community leaders and workers.** Where communication efforts have not reached communities, significant uncertainty, anxiousness, and strong interest remain per understanding how new policies and operations work (e.g. employment practices, waste management, water quality, security etc.).
- Where unattended, **the CBI-TFT team believes information gaps (real or perceived) will persist as drivers of rumor and fear, thus undermining present and future problem solving.** We believe it is critical to address these information gaps in a participatory manner to build credibility within communities, as well as model transparent and informed progress with external stakeholders.

### *Understanding & acknowledging the past in order to move forward*

- It's important to recognize that **several key civil-society stakeholders may not be able to constructively engage with REPSA and/or other companies on key issues (present or future), without meaningful acknowledgement of past harms.** To be clear, acknowledgement does not require a faultfinding endeavor, but rather represents a key aspect of reciprocity in which recognizing the severity of past harms (regardless of blame) is a critical step for opening space for legitimate dialogue moving forward.
- For some, understanding the past also includes recognizing the contribution the palm sector has made to local employment, regional infrastructure, etc.
- Suggestions for meaningful acknowledgement include bilateral meetings to discuss the issues at hand, followed by public statements & actions of some kind. According to interviewees, this could involve strategic contributions to improving watershed health/resilience including monitor water quality, reforesting riparian buffer zones, and monitoring/restoring river species, among other ideas.
- **Overall, this kind of acknowledgement, as demonstrated through conversations and actions, is a crucial step for providing assurance to civil society and communities that REPSA will follow-through on its commitments.** Furthermore, it can help shape the tone of future shared stewardship approaches involving companies, communities, and local government.

### *Strengthening REPSA leadership – a cultural shift*

- As noted above, **REPSA has an opportunity to lead on regional (if not national) sustainability issues,** which will require ongoing shifts in the norms of corporate culture.
- Specifically, REPSA can move to articulate its ongoing learning process – i.e. identify successes, failures and areas where there is necessity for additional shifts in practice.
- Furthermore, the story of transformation in Sayaxché will necessitate ‘co-creation’ through jointly defining the key issues – both those common to operators in the regions, and priority concerns from the full range of stakeholders.

- **None of this will be possible without creating and monitoring baseline information** about socio-environmental impacts of the palm industry, with particular attention to four key issues – 1) human rights protection, 2) grievance management, 3) water quality management, and 4) deforestation threats.<sup>3</sup>

### *Building toward collective action*

- The CBI-TFT team sees substantial transformative opportunity at hand for the Guatemalan palm industry as a whole, beginning with REPSA and its neighbors from the departments of the Petén and Alta Verapaz. This requires significant alignment from palm oil buyers and collective private-public-civil society sector action. Such an endeavor cannot be the sole responsibility of any one actor.
- **That said, collective action should not displace or weaken REPSA’s follow-through on their respective responsibilities.** However, REPSA can amplify sector-wide learning and become a model for precompetitive social & environmental best practice.
- **To be clear, the barriers to constructive engagement are real and should be tested.** A difficult culture shift may be required for both industry and civil society actors to ultimately and effectively problem solve together.
- Nonetheless, **the Sayaxché region appears to a unique context to pilot this transformation** given REPSA’s recent measurable and action-oriented leadership, and the likelihood that **international attention/pressure will not dissipate in the absence of systemic change.**

### *Designing for resilience*

- It’s important to recognize that none of the above is easy, nor is it completely new. It was tried once before in Sayaxché through the *Pacto de Gobernabilidad* (signed in 2014), which outlined an integrated development plan for the region with differentiated responsibility for various private sector actors. **The Pacto fell short, despite best of intentions, because of weak accountability and the lack of a structure for follow-through on commitments.** The shock of the contamination of the La Pasión River in 2015, especially the June 6<sup>th</sup> event, and the national transitions of State power contributed to a breakdown in implementing the *Pacto*. Resilient design includes adaptive planning, stepwise efforts, participatory evaluation of progress, etc.
- **Although tensions in Sayaxché have diffused since the height of conflict,** further shocks (contamination, violence, etc.) can be expected in a context of weak governance and poor alignment among operations in a shared watershed.
- Still, via REPSA’s own community engagement efforts and the CBI-TFT scoping/follow-up process, some **communities are starting to sense what it could mean to achieve respectful and appropriate corporate-community relations.**

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<sup>3</sup> The [Social Progress Index](#) (IPS for its Spanish initials), a non-profit interviewed by CBI-TFT in March, offers one opportunity to generate baseline information.

- Therefore, It appears to be **the right time to double down on building necessary industry and buyer alignment**, and ideally involving the government, in order to improve conditions in the Sayaxché along 5 cross-cutting key issue areas:
  - ✓ Strengthening local human rights frameworks
  - ✓ Ensuring work policies that meet legal requirements, international norms, and respect human rights
  - ✓ Protecting and monitoring the environment and resource use (water especially key)
  - ✓ Implementing meaningful systems for processing and addressing worker/community grievances
  - ✓ Supporting inclusive development in the region

## NEXT STEPS TOWARD CREATING A COLLECTIVE ACTION APPROACH

**Follow-up engagements with stakeholders reaffirmed the potential for participatory approach for imaging the road ahead, while emphasizing the complexity of the task.** As noted by a stakeholder: *“El futuro es promisorio, pero requiere el compromiso de todos.”*<sup>4</sup>

CBI-TFT’s fundamental understanding remains that stakeholders are increasingly frustrated with a) gaps in information, consultation, and collective action; and b) the scarcity of mutually credible information upon which to build collective analysis and future steps.

Our preliminary recommendations from the December 2016 Scoping Report (recounted below in brief), remain consistent, and respond directly to current dynamics. That is, there is a fundamental need to:

- ***Expand participatory stakeholder assessment to establish a clearer baseline for collaborative engagement potential;***
- ***Clarify good faith actions that could guide a meaningful shift in regional stakeholder dynamics;***
- ***Enhance capacity for stakeholder engagement: for local companies (including REPSA), key communities & civil society groups, and local government.***
- ***Support sector wide palm oil industry reform, centered on human rights protection.***

In this context, the CBI-TFT team believes that careful joint design of next-steps is now essential for achieving short-term results while building towards long-term solutions. These include:

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<sup>4</sup> Translation: *“The future is promissory, but requires the commitment of everyone.”*

- ❖ **Broadening consultation across public, private, and civil society actors per how to jointly shape a transformative, collective action approach** that is real and specific to the issues that matter to everyone. (This is cannot be an industry-only designed effort.)
- ❖ **Addressing shared watershed challenges** (via REPSA leadership) as an early step towards shifting regional stakeholder dynamics. These could include participatory water quality monitoring and supporting restoration of riverine buffer zones and other areas of high conservation value.
- ❖ **Identifying immediate and pressing capacity gaps** in private-public-civil society sectors; and providing training where useful/necessary to support effective problem solving.
- ❖ **Continuing strategic, and aligned engagement** from both buyers and NGOs to ensure REPSA accountability for its own issues, paired with exploration of systemic collaborative industry action;
- ❖ Ongoing technical and procedural **support of REPSA's change process** to enable a leadership role rooted in lessons learned.
- ❖ **Convening key actors (including palm companies, civil society groups, local government)** in the region to communicate the value proposition (and business case) for collective action and joint learning with respect to sector transformation; with priority on enhanced transparency, verification, and information sharing across jointly identified key concerns.
- ❖ And finally, **co-creating a joint action plan that is time-bound**, aims at measurable advance on each issue, and is coherent with ongoing fulfillment of each actor's commitments.

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In closing, it's important to recognize that the above approach is time sensitive and progress must be stepwise, consistently visible, and measurable. Therefore, per timeline, we think the overall approach can be further co-developed through May-June bilateral /multi-actor consultations, with consolidation of a technical roadmap on key issues taking form in June-July.

We look forward to further socializing this vision in the weeks ahead, and jointly imagining how to advance a transparent, informed, and participatory roadmap that ensures human rights protection and sustainable palm operations in the region.

#### **THE CBI-TFT SCOPING TEAM**

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**ACTORS FROM THE FOLLOWING GROUPS WERE INTERVIEWED\*** (listed in alphabetical order)  
**in November 2016 and/or February-March 2017**

ActionAid  
 Barrio el Pescador  
 Bolivia el Colorado  
 Casco Urbano  
 Caserío Champerico  
 Caserío Flor de la Selva  
 Caserío Santa Marta  
 CentraRSE  
 Centro de Estudios Conservacionistas de la Universidad de San Carlos de Guatemala (CECON)  
 Comisión Presidencial contra la discriminación y el racismo (CODISRA)  
 Consejo Nacional de Desplazados de Guatemala (CONDEG)  
 Coordinación Nacional Para la Reducción de Desastres (CONRED)  
 Department of Petén  
 Embassy of Canada to Guatemala  
 Embassy of the United States to Guatemala  
 Friends of the Earth (FOE) United States  
 Gremial de Palmicultores de Guatemala (Grepalma)  
 Instituto de Progreso Social  
 International Finance Corporation (IFC), part of the World Bank Group  
 Municipality of Sayaxché  
 Oxfam  
 Proforest  
 Reforestadora del Petén (REPSA) and Grupo Hame leadership  
 Vice Presidency of Guatemala (from 2015)

\*Please note that the opinions, interpretations and conclusions expressed in this document are a synthesis and do not necessarily reflect the individual views of each stakeholder.