

## Ghana NI of Scheme Smallholder Guidance\_version 2 September 2010

The Ghana NI of Scheme Smallholder Guidance was finalized on the 17<sup>th</sup> of August 2010 and can be found here. This text needs to be revised after future field tests.

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### Principle 1: Commitment to transparency.

#### Criterion 1.1:

##### Scheme SH guidance:

*Scheme managers must ensure that participant smallholders are provided copies of:*

- *Contracts between scheme managers and smallholders (criterion 1.2);*
- *Up-to-date records of debts and repayments, charges and fees (criterion 6.10).*

*Scheme managers must have database of land titles/smallholders' user rights.*

*=> For outgrower schemes, the individual farmer must proof that he is entitled to the land before he can join the scheme. The scheme manager has copies of the land title/smallholder's user rights.*

*=> For smallholder schemes, the scheme manager has a copy of the land title covering the concession available for smallholders.*

*Scheme manager must ensure that copies of following documents are available at vantage points (e.g. through association representatives, in office of extension staff):*

- *Training materials in IPM and safe use of agro-chemicals (criterion 4.6);*
- *Health and safety plan (criterion 4.7);*
- *Plans and impacts assessments relating to environmental and social impacts (criteria 5.1, 6.1, 7.1, 7.3)*
- *Pollution prevention plans (criterion 5.6);*
- *Details of complaints and grievances (criterion 6.3);*
- *Negotiation procedures (criterion 6.4);*
- *Procedure for calculating prices, and for grading, FFB (criterion 6.10);*
- *Continuous improvement plan (criterion 8.1).*

*Brief summaries of the documents mentioned above can be made available to all participant smallholders.*

#### Criterion 1.2

Scheme SH guidance:

*Scheme managers have shared and explained management plans to smallholders and/or their cooperatives, including documents summarising complaints and grievance procedures and land acquisition processes. Smallholders have contracts from the scheme managers.*

## **Principle 2: Compliance with applicable laws and regulations**

### **Criterion 2.1**

Scheme SH guidance:

*Scheme managers must ensure that their organized smallholders are aware of and comply with relevant legal requirements. This would require provision of information (e.g. up-to-date list and summary) regarding relevant legal requirements to participant smallholders or their appointed representatives and the extension staff.*

### **Criterion 2.2**

Scheme SH guidance:

*Scheme managers have maps or other documents showing land allocations for scheme smallholders and can show these lands are not claimed or contested by third parties with legitimate claims.*

### **Criterion 2.3**

Scheme SH guidance:

*Scheme managers can show that lands acquired for smallholders do not diminish legal or customary rights. Where others' customary or legally owned lands have been taken-over there is documentary proof of transfer of rights (e.g. sale) and of payment or provision of agreed compensation.*

## **Principle 3: Commitment to long-term economic and financial viability**

### **Criterion 3.1**

Scheme SH guidance:

*Scheme managers have a documented management plan for scheme smallholders (minimum 3 years), the plan is shared with them in appropriate languages.*

## **Principle 4: Use of appropriate best practices by growers and millers**

### **Criterion 4.1**

Scheme SH guidance:

*Scheme managers should ensure that Standard Operating Procedures for smallholder schemes, which are developed with participation of smallholders, are available and there should be evidence of education/training of scheme smallholders to ensure that working practices are consistent with the procedures. Scheme managers must do the monitoring of farmers activities on a regular basis.*

### **Criterion 4.2**

Scheme SH guidance:

*Scheme managers can show that land is prepared for smallholdings in a way that soil fertility is maintained, that they have carried out trainings with scheme smallholders to explain best practices (see criterion 4.8) and that they can monitor and verify effective implementation. Evidence of effective implementation can be: packing of fronds, establishment of cover crop, zero burning.*

*Scheme smallholders should be able to demonstrate that they have an understanding of the techniques required to maintain soil fertility and that they are being implemented (e.g. checking soil types, slopes, buffer zones).*

*The use of covers crops is recommended however early intercropping of certain crops should be accepted as specified by the scheme manager.*

*In regard to leaf sampling, farmers may request analysis, done by the processor, at their own expense.*

### **Criterion 4.3**

Scheme SH guidance:

*Scheme managers can show that lands prepared for smallholdings have been chosen so as to minimise and control soil erosion and soil degradation in accordance with the indicators. Scheme managers should be able to demonstrate that their participant smallholders have an understanding of the techniques required to manage their soils and that they are being implemented. Techniques may be: the use of cover crops and lemon grass (a deep rooting plant) and/or arrangements of fronds across the slope to avoid soil degradation.*

#### **Criterion 4.4**

*Scheme SH guidance:*

*Scheme managers can show they have chosen and prepared lands allocated for smallholdings so as to maintain the quality and availability of surface and ground water have carried out trainings with scheme smallholders to explain best practices (and see criterion 4.8) and can monitor, manage and verify effective implementation by smallholders. Buffer zone areas along rivers/streams have to be chosen in compliance with the National Buffer Zone Policy.*

#### **Criterion 4.5**

*Scheme SH guidance:*

*Scheme managers should provide regular training to scheme smallholders in IPM techniques (incorporating cultural, biological, mechanical or physical methods – see criterion 4.8) to minimise use of chemicals and provide appropriate assistance for application of agro-chemicals.*

*Due to problems in the accuracy of measurement, monitoring of pesticide toxicity is not applicable to smallholders.*

#### **Criterion 4.6**

*Scheme SH guidance:*

*Scheme managers will provide regular training to scheme smallholders on agrochemical use (see criterion 4.8), especially on how:*

- Chemicals should only be applied in accordance with product label.*
- Appropriate safety equipment can be acquired and used (or provided by nucleus estates).*
- All precautions attached to the products should be properly observed, applied and understood.*
- Chemicals should be securely and safely stored. All chemical containers must be properly disposed of and not use for other purposes (and see criterion 5.3).*
- Pesticides should be applied by proven methods that minimise risk and impacts.*

- *Proper disposal of waste material, according to procedures that are fully understood by workers and managers. (Also see criterion 5.3 on waste disposal).*
- *The pesticide register of the Environmental Protection Agency should be made available to the farmers (e.g. by posting it at the collection centers).*

*Scheme manager's records will also show:*

- *Justification of all chemical use.*
- *List of all agro-chemicals used.*
- *Records of pesticides supplied to smallholders.*
- *Documentary evidence that use of chemicals categorised as World Health Organisation Type IA or IB, or listed in the Stockholm or Rotterdam Conventions, and paraquat is eliminated.*
- *Evidence of CPO residue testing, as required by the supply chain.*
- *Annual health screening for all smallholders using or handling agrochemicals categorised as World Health Organisation Type IA or IB, or listed in the Stockholm or Rotterdam Conventions, and paraquat.*
- *No chemical spraying by pregnant women or children.*

#### **Criterion 4.7**

*Scheme SH guidance:*

*Scheme managers will conduct a risk assessment for their schemes and as an outcome develop a work related health and safety plan for scheme smallholders and their families which is managed, implemented and monitored. There are records of regular meetings between the responsible person and smallholders where concerns about health, safety and welfare are discussed. Accident and emergency procedures should exist and instructions should be clearly explained to all smallholders (and see criterion 4.8) and provided in written form to all smallholders in appropriate languages. For example, booklets and posters can be used that are posted at the collection centres or that are distributed during extension meetings. Scheme managers should ensure that smallholders understand and implement health and safety procedures. The Health and Safety Plan must include at minimum issues such as HIV, Malaria and Health & Safety on the Plantation/Farms.*

#### **Criterion 4.8**

*Scheme SH guidance:*

*Scheme managers should provide a formal training and awareness raising programme that includes regular assessment of training needs, documentation of the programme and records of the training should be provided to each scheme smallholder on a regularly basis, e.g. during extension meetings. This training includes how to fulfil their tasks and responsibilities in accordance with documented procedures, and in compliance with the requirements of the RSPO principles, criteria and guidance for smallholders. Training and awareness rising should also be*

*provided through extension services and through smallholders' organisations such as cooperatives or community institutions. Training methods must be effective utilising adult education methods. It is recommended that scheme smallholders are trained in record keeping.*

*Training should cover:*

- The relevance of the RSPO standard;*
- Legal compliance (see criterion 2.1);*
- Operating procedures (see criterion 4.1);*
- Soil and water management (see criterion 4.2 & 4.4);*
- Integrated Pest Management (see criterion 4.5);*
- Agrochemical use (see criterion 4.6);*
- Occupational health and safety (see criterion 4.7);*
- Use of fire and relevant regulations (see criterion 5.5.).*

## **Principle 5: Environmental responsibility and conservation of natural resources and biodiversity**

### **Criterion 5.1**

*Scheme SH guidance:*

*Scheme managers must undertake and document an impact assessment, developed with the participation of smallholders, that includes all the scheme smallholdings and sets out appropriate management planning and operational procedures for each impact identified which requires changes in current practice. They have a timetable for the implementation of required actions, which are monitored to demonstrate continuous improvement. Impact assessments will include consideration of:*

- Buildings and maintenance of roads to service smallholdings and provide access to mills.*
- Implement drainage or irrigation systems.*
- Replanting or expansion of smallholders.*
- Clearing of remaining natural vegetation and the need to avoid the use of fire (see 5.5).*

### **Criterion 5.2**

*Scheme SH guidance:*

*Scheme managers will compile information about the status of these aspects for scheme smallholdings, as well as the associated mill and directly managed estate (if any). This information should be provided to scheme smallholders and should cover:*

- Presence of protected areas that could be significantly affected by smallholdings.*

- Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered species that could be significantly affected by smallholdings.

- Identification of high conservation value habitats, such as rare and threatened ecosystems, that could be significantly affected by smallholdings.

If rare, threatened or endangered species, or high conservation value habitats, are present, appropriate measures for management planning and operations will include:

- Ensuring that any legal requirements relating to the protection of the species are met.

- Avoiding damage to and deterioration of applicable habitats.

- Controlling any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.

### **Criterion 5.3**

#### Scheme SH guidance:

Scheme managers must develop and implement a plan for the management and disposal of waste from smallholdings including the safe disposal of pesticide containers. This waste management and disposal plan should include measures for:

- Identifying and monitoring sources of waste and pollution from smallholders and mills which process their FFB.

- Improving the efficiency of resource utilization and recycling potential wastes as nutrients or converting them into value-added products (e.g. through animal feeding programmes). EFB will be brought back to the field of smallholders, due to the distance the EFB are not being brought to outgrower farms; in addition the EFB can be composted.

- Appropriate disposal of hazardous chemicals and their containers. Surplus chemical containers should be disposed of or cleaned in an environmentally and socially responsible way (e.g. returned to the vendor or cleaned using a triple rinse method), such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to.

### **Criterion 5.4**

#### Scheme SH guidance:

Scheme managers should develop provisions for improving the efficiency of energy use by scheme smallholders. This provision may not apply to scheme smallholders who only use manual labour to care for and harvest FFB.

### **Criterion 5.5**

Scheme SH guidance:

*Scheme managers will carry out training and provide extension support to scheme smallholders to ensure smallholder awareness and that fire is not used except in accordance with ASEAN guidelines or other regional best practice (see criterion 4.8).*

### **Criterion 5.6**

Scheme SH guidance:

*Scheme managers must include an assessment of all polluting activities of scheme smallholdings in their overall plans for pollution and emissions abatement. Significant pollutants and emissions from scheme smallholdings must be identified and plans to reduce them implemented. The assessment results and plans should be part of the impact assessment (criterion 5.1). Possible pollutants and emissions could be: smoke (gas), chemicals...*

## **Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.**

### **Criterion 6.1**

Scheme SH guidance:

*Scheme managers must be able to demonstrate that scheme smallholdings participated in the development of impact assessments for smallholder schemes. Scheme managers must provide:*

- A documented social impact assessment.*
- Evidence that the assessment has been done with the participation of scheme smallholders. Participation in this context means that scheme smallholders are able to express their views through their own representative institutions during the identification of impacts, reviewing findings and plans for mitigation, and monitoring the success of implemented plans.*
- A timetable with responsibilities for mitigation and monitoring, reviewed and updated as necessary, in those cases where the assessment has concluded that changes should be made to current practices*

*The involvement of independent experts should be sought where this is considered necessary to ensure that all impacts (both positive and negative) are identified.*

### **Criterion 6.2**

Scheme SH guidance:

*Scheme managers must have documentary evidence that they have clear, implemented procedures for regular communications and consultations with scheme smallholders, including:*

- A nominated manager responsible for these issues.*
- Maintenance of a list of scheme smallholders, records of all communications and records of actions taken in response to input from scheme smallholders.*

*Communication and consultations should make use of existing local mechanisms and languages.*

**Criterion 6.3**

Scheme SH guidance:

*Scheme managers have a documented system to resolve disputes concerning scheme smallholdings in an effective, timely and appropriate manner. Documents exist of both the process by which a dispute was resolved and the outcome showing the process was open to any affected parties.*

*These dispute resolution mechanisms should be established through open and consensual agreements with smallholders. In case a dispute can not be resolved between the affected parties, an intermediate person who will be chosen by the affected parties, may be invited.*

**Criterion 6.4**

Scheme SH guidance:

*Smallholder schemes are located within the concession for which compensation should be paid according to the three indicators of Criterion 6.4.*

*Outgrower contracts are signed upon proof of land title or tenancy agreement. Therefore, no compensation payments are to be made.*

*This criterion should be considered in conjunction with criterion 2.3 and the associated guidance.*

**Criterion 6.5**

Scheme SH guidance:

*Scheme managers must ensure that workers employed to service smallholders enjoy the same rights, conditions and protections as estate and mill employees in accordance to RSPO P&C.*

#### **Criterion 6.6**

*Scheme SH guidance:*

*Scheme managers must respect the right of scheme smallholders to form and represent themselves through their own representative associations and/or trade unions and accept them as parties to participatory processes, consultations, communications and negotiations in the management of the scheme.*

#### **Criterion 6.7**

*Scheme SH guidance:*

*Scheme managers will train scheme smallholders in the national and ratified international legal requirements for avoiding use of child labour.*

*Light work (reference to Childrens Act, Act 560, 1998) by children on family smallholdings within the scheme is only acceptable under adult supervision and when not interfering with education programmes and if permitted by national and ratified international laws.*

#### **Criterion 6.8**

*Scheme SH guidance:*

*Scheme managers must ensure that there is no discrimination in the recruitment and employment of workers employed to service smallholders. Scheme managers will not allocate smallholdings or recruit smallholders in a discriminatory way, except where local communities have negotiated to be provided smallholdings in accepting the establishment of schemes on their lands.*

*Scheme managers must ensure that women, indigenous people and minorities participate in negotiating processes.*

#### **Criterion 6.9**

*Scheme SH guidance:*

*Scheme managers must ensure that this provision applies to personnel employed to service smallholders, as well as those working in mills and estates as well as smallholders and those they employ.*

### **Criterion 6.10**

*Scheme SH guidance:*

*Scheme managers must ensure that:*

- Current and past prices paid for FFB are publicly available.*
- Fair and transparent pricing mechanisms must be established.*
- Pricing mechanisms for FFB and inputs/services are documented (where these are under the control of the mill or plantation).*
- Evidence is available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal, transparent and in appropriate languages and all costs, fees and levies are explained and agreed in advance.*
- Agreed payments are made in a timely manner.*
- Debt repayment schemes are fair and fully transparent.*
- Where smallholders pay relevant service fee, those services must be delivered in a timely manner (e.g. road maintenance, transport, research, pest & disease management).*
- Renegotiations over second plantings or extensions are commenced with an adequate lead in time.*

*Transactions with scheme smallholders should deal fairly with issues such as the role of middle men, transport and storage of FFB, quality and grading, and inputs from family labour.*

*Smallholders must have access to the grievance procedure under criterion 6.3, if they consider that they are not receiving a faire price for FFB, whether or not middle men are involved.*

*If mills require smallholders to change practices to meet RSPO criteria, consideration must be given to the costs of such changes, and the means of meeting these costs.*

### **Criterion 6.11**

*Scheme SH guidance:*

*This criterion is not applicable at the generic level but could be considered by National Interpretations. However, scheme managers are encouraged to facilitate the identification of local sustainable development needs. Contributions to local sustainable development should be based on the results of consultation with local communities and should be entered into on a free will basis. See also criterion 6.2.*

*Such consultation should be based on the principles of transparency, openness and participation, and should encourage communities to identify their own priorities and needs, including the different needs of men and women. Funds should where possible be used in ways that are sustainable, productive, build community capacity and ownership, do not create dependency and seek to achieve long-term, quality of life improvements for local communities.*

## **Principle 7: Responsible development of new plantings.**

### **Criterion 7.1**

#### *Scheme SH guidance:*

*Where the proposed new plantings include schemes for smallholders, scheme managers should ensure that local communities, indigenous people and perspective smallholders participate actively in impacts assessments. In addition to the consideration outlined in the RSPO P&C such assessments must include participatory consideration of:*

- Land use planning and land allocations to smallholders and arrangements regarding land acquisition.*
  - Identification and mitigation of environmental impact, road building and road maintenance.*
  - Debt provisions and payments, FFB pricing procedures, transport and grading.*
  - Conservation Values (see criterion 7.3) that could be negatively affected.*
  - Assessment of potential effects on adjacent natural ecosystems of planned smallholding developments, including whether development or expansion will increase pressures on nearby natural ecosystems.*
  - Identification of watercourses and assessment of potential effects on hydrology by planned smallholding developments. Measures should be planned and implemented to maintain the quantity and quality of water resources.*
  - Baseline soil surveys and topographic information, including the identification of marginal and fragile soils, areas prone to erosion and slopes unsuitable for planting.*
  - Analysis of type of land to be used (forest, degraded forest, cleared land).*
  - Analysis of land ownership and user rights.*
  - Analysis of current land use patterns.*
  - Assessment of potential social impact on surrounding communities of a plantation and associated smallholdings, including an analysis of differential effect on women versus men, ethnic communities, migrant versus long-term residents.*
- Plans and field operations should be developed and implemented with the participation of smallholders to incorporate the results of the assessment.*

*National Interpretations should consider setting a minimum threshold of the size of plantings, e.g. 40 ha above which a SIEA is required and should consider listing unacceptable negative social impacts (e.g. displacement, loss of food security of local people etc.) in the national context.*

## **Criterion 7.2**

### Scheme SH guidance:

*Scheme managers must ensure that they apply the same procedures required for mills and new estates to all associated smallholder schemes. Information on soils may be collected and provided by the scheme management or the mill that purchases the scheme's FFB.*

## **Criterion 7.3**

### Scheme SH guidance:

*Scheme managers must ensure that this criterion is applied to scheme smallholdings.*

## **Criterion 7.4**

### Scheme SH guidance:

*Scheme managers must ensure that no lands are allocated to scheme smallholders on steep terrain and/or marginal and fragile soils. Where limited planting is proposed it must be fully justified and must not push people into poverty, and must be done in accordance with the indicators.*

*National Interpretations should consider including specific controls and thresholds such as slope limits, listing soil types that on which planting should be avoided, the proportion of plantation area that can include marginal/fragile soils, and/or definitions of 'extensive', 'marginal', and 'fragile'. Marginal and degraded lands suitable for restoration should be distinguished from fragile lands that need to be avoided.*

## **Criterion 7.5**

### Scheme SH guidance:

*This criterion must be considered with criterion 2.2, 2.3, 6.4, and 7.6. Scheme managers must ensure that they first identify local owners of any and all lands for proposed scheme smallholdings. Scheme managers must provide:*

- Maps showing extent of recognised customary rights (criteria 2.3, 7.5 and 7.6).*
- Copies of negotiated agreements detailing process of consent (criteria 2.3, 7.5 and 7.6).*

*Where lands are encumbered by legal or customary rights the scheme manager must demonstrate that these rights are understood and are not being threatened or reduced. This criterion should*

*be considered in conjunction with criteria 6.4 and 7.6. Where customary rights areas are unclear these are best established through participatory mapping exercises involving affected and neighbouring communities.*

*This criterion allows for sales and negotiated agreements to compensate other users for lost benefit, and/or relinquished rights.*

*Negotiated agreements to acquire lands for scheme smallholdings should be non-coercive and entered into voluntarily, carried out prior to new investments or operations and based on an open sharing of all relevant information in appropriate forms and languages, including assessments of impacts, proposed benefit sharing and legal arrangements.*

*Communities must be permitted to seek legal counsel if they so choose. Communities must be represented through institutions or representatives of their own choosing, operating transparently and in open communication with other community members. Adequate time must be given for customary decision-making and iterative negotiation allowed for, where requested. Negotiated agreements should be binding on all parties and enforceable in the courts.*

*Scheme managers have maps or other documents showing land allocations for scheme smallholders and can show these lands are not claimed or contested by third parties with legitimate claims.*

*Scheme managers can show that lands acquired for smallholders do not diminish legal or customary rights. Where others' customary or legally owned lands have been taken-over there is documentary proof of transfer of rights (e.g. sale) and of payment or provision of agreed compensation.*

## **Criterion 7.6**

*Scheme SH guidance:*

*See criterion 7.5 above.*

*This is not applicable for the farmlands in Outgrower Schemes as during initial land inspection, each land has to be covered by a land title or a tenancy agreement between the applicant and the landowner.*

## **Criterion 7.7**

*Scheme SH guidance:*

*Scheme managers must ensure that no fire is used to establish new plantings.*

*Fire should be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimising the risk of severe pest and disease outbreaks during the preparation of new plantings, and with evidence that fire-use is carefully controlled.*

*National Interpretation should identify any specific situations where such use of fire may be acceptable, for example through reference to “Guidelines for the implementation of the ASEAN policy on zero burning”, or comparable guidelines in other locations.*

## **Principle 8: Commitment to continuous improvement in key areas of activity.**

### **Criterion 8.1**

#### *Scheme SH guidance:*

*Scheme managers must develop an action plan for continual improvement, in a participatory manner with smallholders, based on a consideration of the main social and environmental impacts and opportunities of the smallholdings, and should include a range of indicators covered by these principles and criteria.*

## Ghana NI of Independent Smallholder Guidance\_version 2 September 2010

The Ghana NI of Independent Smallholder Guidance started on the 17<sup>th</sup> of August 2010 and was finalized on the 31<sup>st</sup> of August 2010. The text can be found here, but needs to be revised after future field tests.

Note: The Final Generic Guidance for Independent Smallholders (26 August 2010) was used during the Third Meeting, while the draft version (15<sup>th</sup> of March 2010) was used in the Second Meeting. Therefore, the work done in the Second Meeting (1.1 – 4.5) was also cross-checked and corrected accordingly hereafter.

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### Principle 1: Commitment to transparency.

#### Criterion 1.1:

##### Independent SH guidance:

*Group managers must provide documents showing compliance with Section 2.1 of the RSPO Standard for Group Certification as well as a continuous improvement plan (criterion 8.1). Group managers ensure that each participant smallholder is provided a copy of the agreements between them and the group (criterion 1.2) and up-to-date records of sales and prices of their produce (criterion 6.10).*

*Group managers should also provide all group members with simplified training materials in a language understood by the group members on:*

- IPM and safe use of agro-chemical use (criterion 4.6)*
- Health and safety plan (criterion 4.7)*
- Plans and impact assessments relating to environmental and social impacts (criteria 5.1, 6.1, 7.1, 7.3)*
- Pollution prevention plans (criterion 5.6)*
- Details of complaints and grievance procedures (criterion 6.3)*
- Procedures for pricing and grading members FFB (criterion 6.10)*

*Official versions are kept centralized at group manager level for reference and all group members are made aware of this. Training shall be identified and provided where appropriate in relation to these documents (criterion 4.8).*

#### Criterion 1.2

##### Independent SH guidance:

*Group managers must also have shared and explained the relevant RSPO standard for Sustainable Oil Palm Production as set out in this document or in an approved national interpretation to group members. Group smallholders have agreements with the group managers.*

*Group Manager must provide a copy of the agreement (mutually agreed) to each smallholder in the group.*

*Group Management Documentation is made available to group members by the group manager upon request.*

*Additional management documents (e.g.related to marketing, pricing, purchasing of inputs etc.) should be made available for all group members.*

## **Principle 2: Compliance with applicable laws and regulations**

### **Criterion 2.1**

*Independent SH guidance:*

*Group managers must hold an up-to-date list of applicable laws, which is known to be available for reference by group members. Through periodic assessments, group managers must ensure smallholders can show evidence of compliance with all relevant legal requirements including acquisition or holding of lands. Group smallholders should be aware of and understand the intent of applicable laws and regulations. ~~More detailed guidance must be given in the national interpretations.~~*

*For example, environmental laws, land title registration laws, labour laws.*

### **Criterion 2.2**

*Independent SH guidance:*

*Group managers have maps or other documents showing the lands held by group smallholders and can show these lands are not claimed or contested by third parties with legitimate claims. ~~National interpretations must identify what kinds of documents are needed to show compliance.~~*

*Documents include: Land Title or Tenancy Agreement. Often, these documents are accompanied by a “Customary Transfer” document. The later document is sent to the Court Registrar.*

*If a person does not have the Land Title document, nor a Tenancy Agreement, he/she has the possibility to swear possession of land before the Commission of Oaths. The outcome is a document called “Affidavit”.*

### Criterion 2.3

Independent SH guidance:

Group managers can show that lands acquired for group smallholders do not diminish legal or customary rights of other users. Where others' customary or legally owned lands have been taken-over there is documentary proof of transfer of rights (e.g. sale) and of payment or provision of agreed compensation.

Documents include: Land Title or Tenancy Agreement. Often, these documents are accompanied by a "Customary Transfer" document. The later document is sent to the Court Registrar.

If a person does not have the Land Title document, nor a Tenancy Agreement, he/she has the possibility to swear possession of land before the Commission of Oaths. The outcome is a document called "Affidavit".

### Principle 3: Commitment to long-term economic and financial viability

#### Criterion 3.1

Independent SH guidance: Group managers have a documented annual business plan which shows economic benefits for the group (and set out expansion plans – see criterion 7.1). This plan is shared with the group members in an appropriate format.<sup>1</sup>

### Principle 4: Use of appropriate best practices by growers and millers

#### Criterion 4.1

Independent SH guidance:

Group managers can show how they document, monitor and manage the implementation of best practices by group smallholders in accordance from the internal assessment of members from Group Managers. Group managers can show that awareness raising took place to address the non-compliant smallholders and these smallholders were included in the continuous improvement plan. Three years will be given for smallholders to comply with this non conformance. ~~should ensure that group smallholders can show evidence of compliance. More detailed guidance should be given in the national interpretation.~~ Training should be provided under criterion 4.8.

<sup>1</sup> Who will pay for competent person to develop business plan ? Suggestions: 1) mills buying FFB; 2) support NGOs; 3) support government agencies?

The Internal Control System manual should include practices, details on monitoring and documentation of monitoring.

#### **Criterion 4.2**

Independent SH guidance: Group managers can show that they have carried out trainings with group smallholders to explain best practices to maintain soil fertility (see criterion 4.8) and monitor and verify effective implementation.

When fertilizer is being used, records should be kept.

The establishment of cover crops should be promoted.<sup>2</sup>

Nutrient strategy should include packing of palm fronds along the contours in the farm.

#### **Criterion 4.3**

Independent SH guidance:

Group managers can show that they have carried out trainings with group smallholders to explain best practices to minimise and control the erosion and degradation of soils (see criterion 4.8) and monitor and verify effective implementation.

Examples of practices that show compliance are the packing of palm fronds along the contours, the establishment of cover crops and zero-burning.

#### **Criterion 4.4**

Independent SH guidance: Group managers shall ensure that group members are maintaining riparian buffer zones and not contributing to water quality degradation. This is monitored and overseen by the Group manager. Where existing smallholdings are already established in riparian buffer zones, these areas should be restored with natural vegetation at replanting.

Examples of practices that show compliance are:

- 10 m buffer zone along small streams (National Buffer Zone Policy)

- avoiding washing of fertilizer bags and pesticide containers in streams

- discouraging illegal logging of economic trees along streams

#### **Criterion 4.5**

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<sup>2</sup> However establishment of cover crops is in conflict with early intercropping of food crops.

Independent SH guidance:

Group managers should provide regular training to group smallholders in IPM techniques (incorporating cultural, biological, mechanical and physical methods – see criterion 4.8) to minimise use of chemicals and provide appropriate assistance for application. ~~More detailed guidance should be given in the national interpretations.~~

Training should include farm sanitation, Good Agricultural Practices and scout before pesticide application.

## Criterion 4.6

Independent SH guidance:

Group managers will provide regular training to group smallholders on agro-chemical use (see criterion 4.8), especially on:

- How chemicals should only be applied in accordance with the product label
- Appropriate safety equipment can be acquired and used

Note: How can group members be provided with safety equipment:

- could be available at Group Manager office for hiring.
- could be available at Group Manager office for purchasing.
- establishing a treatment team consisting of group members or external persons (e.g. from cocoa spraying programs). If the latter are contracted, the Group Manager must proof that they are properly trained.

- All precautions attached to the products should be properly understood, applied and observed ~~observed, applied and understood~~
- The dangers of use of chemicals categorised as World Health Organisation Type IA and IB, or listed by the Stockholm or Rotterdam Conventions, and paraquat
- Chemicals should be securely and safely stored. All chemical containers must be properly disposed of and not used for other purposes (see criterion 5.3)

Note: Education on the re-use of empty pesticide containers and fertilizer bags will be highly necessary.

- Pesticides should be applied by proven methods that minimise risk and impacts
- Proper disposal of waste material, according to procedures that are fully understood by workers and managers (also see criterion 5.3 on waste disposal)
- There should be no chemical spraying by pregnant women or children, and children should not have access to the field during spraying activities.-

Group managers records will also show:

- List of all agrochemicals used by group members
- Documentary evidence that use of chemicals categorised as World Health Organisation (Type IA and IB) or listed by Stockholm or Rotterdam Conventions, and paraquat is ~~reduced and/or eliminated~~ and alternatives identified where possible by the group manager in accordance with the dangers identified of these chemicals.
- ~~They have assessed the options for regular health screening Annual health screening~~ for all group smallholders and workers they employ (if any) using or handling agro-chemicals categorised as ~~World Health Organisation Type IA or IB, or listed by Stockholm or Rotterdam Conventions, and paraquat.~~

#### Criterion 4.7

##### Independent SH guidance:

~~Group managers provide training in health and safety and accident and emergency procedures to occupants of group smallholdings (and see criterion 4.8). More detailed guidance should be given in the national interpretations.~~

~~The Group Manager will identify the risk related to the group smallholdings and will address them in awareness training for the smallholders (and see 4.8). Major risks only will be addressed through emergency procedures.~~

~~The Group should develop an occupational health and safety policy. The Group should have simplified safety operational procedures and should measure indicators related to major risks indentified.~~

#### Criterion 4.8

##### Independent SH guidance:

Group managers should raise awareness on relevant issues and identify training needs and provided to smallholders where needed. Areas for assessment of training include:

- The functioning of groups and the responsibilities of group members (including sanctions).
- The Group Management Documentation (i.e. Code of Practice)
- The relevance of RSPO standard
- Legal compliance (see criterion 2.1)
- Operating procedures (see criterion 4.1)
- Soil and water management (see criterion 4.2, 4.3 & 4.4)
- Integrated Pest Management (see criterion 4.5)
- Agrochemical use (see criterion 4.6)
- Occupational health and safety (see criterion 4.7)
- Use of fire and relevant regulations (see criterion 5.5)

## **Principle 5: Environmental responsibility and conservation of natural resources and biodiversity**

### **Criterion 5.1**

#### Independent SH guidance:

Group managers must undertake and document ~~an~~ simplified<sup>3</sup> impact assessment, developed with the participation of smallholders and local communities, that includes all the group smallholdings and sets out appropriate actions to address each impact identified when:

- Replanting or expanding smallholdings
- Clearing remaining natural vegetation and the need to avoid the use of fire (see criterion 5.5)

### **Criterion 5.2**

#### Independent SH guidance:

Group managers will compile information about the status of critical aspects as listed in National Interpretations within the area of group smallholdings. This information should be provided to group smallholders and should cover:

- Presence of protected areas that could be significantly affected by smallholdings
- Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered species, that could be significantly affected by the smallholdings.

- Identification of high conservation value habitats, such as rare and threatened ecosystems, that could be significantly affected by the smallholdings.

If rare, threatened or endangered species, or high conservation value habitats, are present, appropriate protection measures must be adopted by group managers in accordance with the NI and the relevant laws.

### **Criterion 5.3**

Independent SH guidance: Group managers shall ensure that group members are made aware of the need to identify all waste and dispose it off in a responsible manner. ~~have identified all waste and are disposing these in a responsible manner.~~ This is monitored and overseen by the Group manager. There should be appropriate disposal of hazardous chemicals and their containers. Surplus chemical containers should be disposed of in such that there is no risk of contamination

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<sup>3</sup> RSPO must come out with a clear definition of a simplified impact assessment.

of water sources or human health. The disposal instructions on manufacturer's labels should be adhered to.

It is advised that Group Manager should buy chemicals from major suppliers who agree to take back the empty containers. Only as a second option, disposal by means of appropriate incineration will be tolerated.

It is advised that the Group Manager keeps records of the chemical applications that are being carried out by Group Members.

#### **Criterion 5.4**

Independent SH guidance:

*This criterion is not applicable to group smallholders.*

#### **Criterion 5.5**

Independent SH guidance:

*Group managers shall ensure that group members are not utilizing fire in operations. This is monitored ~~and overseen~~ by the Group manager.*

#### **Criterion 5.6**

Independent SH guidance:

*This criterion is not applicable to group smallholders.*

### **Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.**

#### **Criterion 6.1**

Independent SH guidance:

*Group managers must be able to demonstrate that group smallholders participated in the development of a simplified<sup>4</sup> impact assessment for their group holdings. Group managers must provide:*

*-A documented simplified social impact assessment.*

*-Evidence that the assessment has been done with participation of group smallholders, local communities and stakeholders.*

*- A timetable with responsibilities for mitigation and monitoring, reviewed and updated as necessary, in those cases where the assessment has concluded that changes should be made to current practices.*

## **Criterion 6.2**

*Independent SH guidance:*

*Group managers must have documentary evidence that they have clear, implemented procedures for regular communications with, and assessments of, group smallholders in line with the requirements of the RSPO Standard for Group Certification and liaise with local communities.*

## **Criterion 6.3**

*Independent SH guidance:*

*Group managers have a documented system to resolve disputes concerning group smallholdings in an effective, timely and appropriate manner. Documents exist of both the process by which a dispute was resolved and the outcome showing the process was open to any affected parties. These dispute resolution mechanisms should be established through open and consensual agreements with smallholders. In addition, the dispute resolution mechanisms must be consistent with the national laws.<sup>5</sup>*

## **Criterion 6.4**

*Independent SH guidance:*

*Group managers must be able to show that group members have acquired land by legal or accepted customary means. This includes:*

*- Establishment of a procedure for identifying legal and customary rights and a procedure for identifying people entitled to compensation.*

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<sup>4</sup> RSPO must come out with a clear definition of a simplified impact assessment.

<sup>5</sup> ARD ?

- A procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented.

*These procedures should take into account gender differences in the power to claim rights, ownership and access to land; differences in transmigrants and long-established communities and; differences in ethnic group's proof of legal versus communal ownership of land. Compensation should be in line with fair market value or replacement cost.*

*This criterion should be considered in conjunction with Criterion 2.3 and the associated guidance. ~~National Interpretations should provide additional guidance.~~*

### **Criterion 6.5**

Independent SH guidance:

*Group managers must ensure that workers employed to service smallholders enjoy rights, conditions and protections stipulated in the respective National Interpretations.*

### **Criterion 6.6**

Independent SH guidance:

*This criterion is not applicable to individual smallholders.*

### **Criterion 6.7**

Independent SH guidance:

*Group managers will train group smallholders in the national and ratified international legal requirements for avoiding the use of child labour.*

*Light work<sup>6</sup> (reference to Childrens Act, Act 560, 1998) by children on family smallholdings within the scheme is only acceptable under adult supervision and when not interfering with education programmes and if permitted by national and ratified international laws.*

*~~Work by children on family smallholdings is only acceptable under adult supervision and when not interfering with education programmes and if permitted by national and ratified international laws.~~*

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<sup>6</sup> Cross-check if « light work » is clearly defined in Childrens Act, 560, 1998. If not than following must be included: "...not interfering with the child's physical and mental development".

~~(Reference to Childrens Act, 560, 1998)~~

### **Criterion 6.8**

Independent SH guidance:

*Group managers must provide training to group members about the need to avoid discrimination in the recruitment of employment of workers employed by, or to assist, smallholders.*

### **Criterion 6.9**

Independent SH guidance:

*Group managers must provide training to group members about the need to prevent sexual harassment and the abuse of women among both smallholders and any workers employed by them.*

### **Criterion 6.10**

Independent SH guidance:

*Group managers must ensure that*

- Current and past prices paid for FFB are freely available to the group members and other parties.*
- Fair and transparent mechanisms must be established to pay members and other parties for their FFB.*
- Agreed payments are made in a timely manner.*

*Transactions with group smallholders should deal fairly with issues such as the role of middle men, transport and storage of FFB, quality and grading, and inputs from family labour.*

*Smallholders must have access to grievance procedure under criterion 6.3, if they consider that they are not receiving a fair price for FFB, whether or not middle men are involved*

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### **Criterion 6.11**

Independent SH guidance:

*This criterion is not applicable to group smallholders.*

## **Principle 7: Responsible development of new plantings.**

### **Criterion 7.1**

#### Independent SH guidance:

Where groups plan to expand their aggregate holdings by more than 500 hectares in any one year, group managers should ensure that local communities, indigenous peoples and prospective smallholders participate actively in impacts assessments. In addition to considerations outlined in the RSPO P&C such assessments must include participatory consideration of:

- Land use planning and land allocations to smallholders and arrangements regarding land acquisition.
- Identification and mitigation of environmental impact, road building and road maintenance.
- Conservation Values (see criterion 7.3) that could be negatively affected.
- Assessment of potential effects on adjacent natural ecosystems of planned smallholding developments, including whether developments or expansion will increase pressure on nearby natural ecosystems.
- Identification of watercourses and assessment of potential effects on hydrology by planned smallholding developments. Measures should be planned and implemented to maintain quantity and quality of water resources.
- Baseline soil surveys and topographic information, including identification of marginal and fragile soils, areas prone to erosion and slopes unsuitable for planting, where such data already exist.
- Analysis of type of land to be used (forest, degraded forest, cleared lands).
- Analysis of land ownership and user rights.
- Analysis of current land use patterns.
- Assessment of potential social impact on surrounding communities of a plantation and associated smallholdings, including an analysis of differential effect on women, versus men, ethnic communities, migrant versus long-term residents.

Where groups plan to expand their aggregate holdings by less than 500 hectares in any one year, group managers should carry out a simplified<sup>7</sup> social and environmental impact assessment which assesses HCVs, identifies suitable lands and other rightsholders.

### **Criterion 7.2**

#### Independent SH guidance:

Where groups plan to expand their aggregate by more than 500 hectares in any one year, group managers must ensure that these requirements are applied to all group members planning to expand their holdings or acquire new ones. ~~National Interpretation should include detail on peat depth.~~

<sup>7</sup> RSPO must come out with a clear definition of a simplified impact assessment.

*Where groups plan to expand their aggregate by less than 500 hectares, in any one year, only simplified<sup>8</sup> soil survey is required (see criterion 7.1).*

### **Criterion 7.3**

*Independent SH guidance:*

*Group managers must ensure that this criterion is applied to group smallholdings.*

*This criterion also applies to independent smallholders who later seek to become members of smallholder groups seeking certification.*

### **Criterion 7.4**

*Independent SH guidance:*

*Where groups plan to expand their aggregate holdings by more than 500 hectares in any one year, group managers must ensure that no new lands are acquired by existing group members on steep terrain and/or on marginal and fragile soils.*

### **Criterion 7.5**

*Independent SH guidance:*

*This criterion must be considered with criteria 2.2, 2.3, 6.4 & 7.6. Group managers must ensure that members first identify local owners of any and all lands for the expansion or acquisition of new group smallholdings.*

*General guidance:*

*Where lands are encumbered by legal or customary rights, the group manager must demonstrate that these rights are understood by group members and are not being threatened or reduced. This criterion should be considered in conjunction with criteria 6.4 and 7.6.*

*This criterion allows for sales and negotiated agreements to compensate other users for lost benefits and/or relinquished rights. Negotiated agreements to acquire lands for group smallholdings should be non-coercive and entered into voluntarily, carried out prior to new investments or operations and based on an open sharing of all relevant information in appropriate forms and languages, including assessments of impacts, proposed benefit sharing and legal arrangements. Those selling or leasing lands must be permitted to seek legal counsel if they so choose. Communities selling or leasing lands must be represented through institutions or*

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<sup>8</sup> RSPO must come out with a clear definition of a simplified soil survey.

*representatives of their own choosing, operating transparently and in open communication with other community members. Adequate time must be given for customary decision-making and iterative negotiations allowed for, where requested. Negotiated agreements should be binding on all parties and enforceable in the courts.*

*Group managers have maps or other documents showing the land holdings of group smallholders and can show these lands are not claimed or contested by third parties with legitimate claims.*

*Group managers can show that lands acquired for smallholders do not diminish legal or customary rights. Where others' customary or legally owned lands have been taken-over there is proof of transfer of rights (e.g. sale or lease) and of payment or provision of agreed compensation.*

#### **Criterion 7.6**

*Independent SH guidance:*

*See criterion 7.5 above.*

#### **Criterion 7.7**

*Independent SH guidance:*

*Group managers must ensure that no fire is used to establish new plantings.*

*Fire should be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimising the risk of severe pest and disease outbreaks during the preparation of new plantings, and with evidence that fire-use is carefully controlled.*

### **Principle 8: Commitment to continuous improvement in key areas of activity.**

#### **Criterion 8.1**

*Independent SH guidance:*

*Group managers must develop an action plan for continual improvement, developed in a participatory manner with group smallholders, based on a consideration of the main social and environmental impacts and opportunities of the smallholdings, and should include a range of indicators covered by these principles and criteria.*