A TRUSTED VOICE FOR WORKERS ON FISHING VESSELS

Accessing Effective Grievance Mechanisms

March 2021

CONTENTS

+ Who We Are: ELEVATE's Background and Expertise
+ What Are Grievance Mechanisms? Key definitions and international instruments
+ How Do Grievance Mechanisms Work?
+ Evaluating the Effectiveness of Grievance Mechanisms
+ Grievance Procedure for the Fishing Industry
+ Roadmap to Design and Implementation
+ Questions and Discussion

WHO WE ARE: ELEVATE'S BACKGROUND AND EXPERTISE

ELEVATE MISSION DESIGN TO INCENTIVIZE PROGRAM EFFECTIVENESS

OUR PURPOSE AND MISSION: Sustainability and Supply Chain Risk Assessment and Management

We believe in sustainable, balanced and inclusive economic growth. We believe in an economic model that collectively activates business and other stakeholders to improve people's lives and preserve the planet. This requires a commitment to transparency, visibility and the thoughtful management of risk and performance. It requires a commitment to business driven sustainability.

To achieve this purpose:

We engage, we innovate, we inspire, we ELEVATE …

Our ambition is that ELEVATE services and analytics will value and be used by **all stakeholders** in the value chain to accelerate sustainability and sustainable procurement effectiveness and impact. This includes:

- Brands / retailers
- Vendors / suppliers
- Factories / farms
- Workers

Unlocking the shared value and incentives for each group will achieve business driven sustainability at scale, motivate consistency in application and encourage integration within day-to-day business practice.

ELEVATE | CONFIDENTIAL

WE BUILD SUSTAINABLE PROCUREMENT PROGRAMS

Our portfolio of products and services structured around 4 delivery verticals in a continuous improvement cycle …

- Program Trend Reports
- Supply Chain Risk Landscapes
  - Geographic Insight
  - Product Insight
- Online Segmentation
- Worker Engagement

ANALYTICS

ASSESSMENT

- Social Compliance
- Environmental Compliance
- Supply Chain Security
- Building, Fire, Electrical
- Unauthorized Subcontract.
- Foreign Migrant Workers
- CAP Management
- ** ELEVATE Responsible Sourcing Assessment is explicitly designed to achieve our purpose and is the centerpiece of our product portfolio

- Outsourcing
  - Li & Fung
  - Other clients o/s
- Industry Programs
  - Alliance
  - Nirapon
  - IDH etc.
- Client Programs (MCSR)

PROGRAMS

CONSULTING

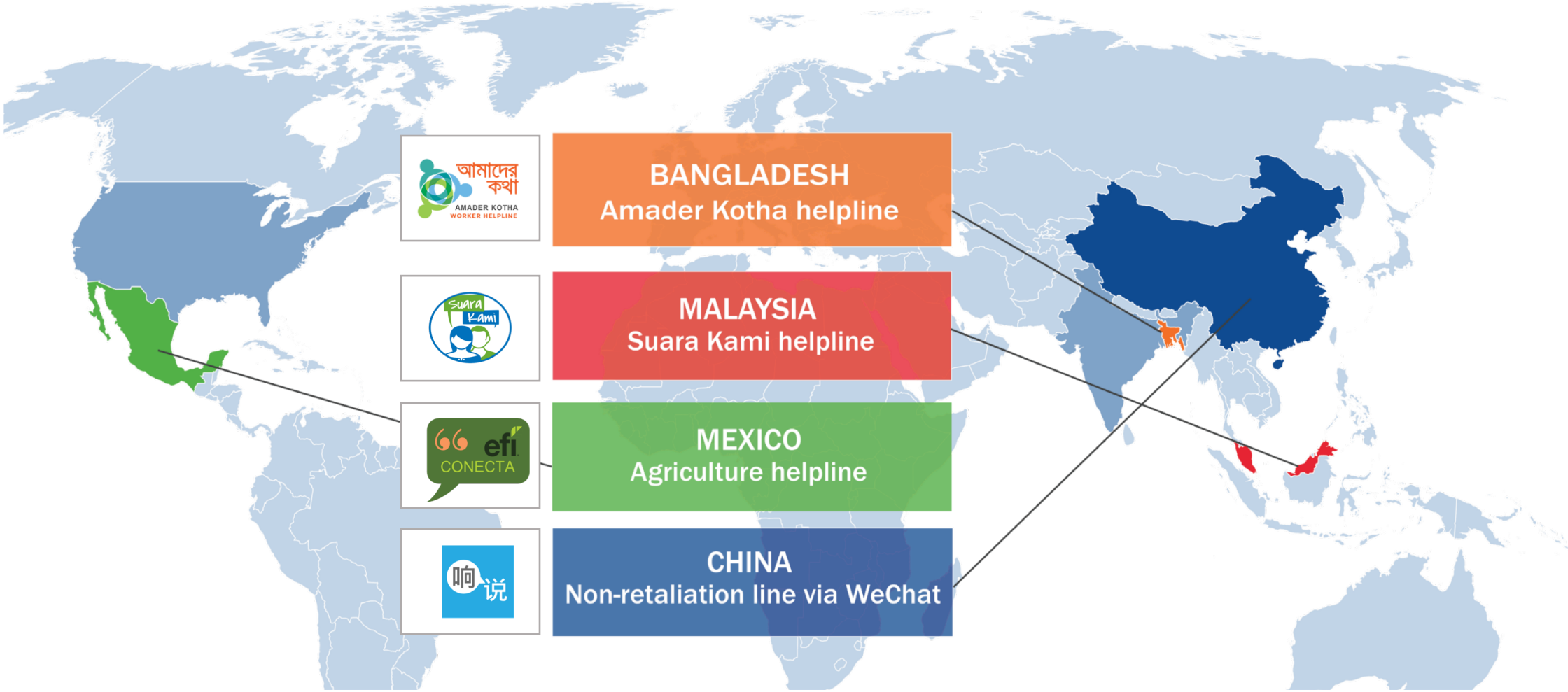
Sustainability Consulting
- Sustainability Strategy
- Supply Chain Segmentation
- Supplier Ownership
- Transparency and Disclosure

- Capacity Building:
  - In-Factory Consulting
  - Worker Engagement
  - Training and eLearning

ELEVATE | CONFIDENTIAL

ELEVATE'S EXPERIENCE WITH GRIEVANCE MECHANISMS

ELEVATE operates some of the most successful country-based helplines / grievance mechanisms in our industry



WHAT ARE GRIEVANCE MECHANISMS?

KEY DEFINITIONS AND INTERNATIONAL INSTRUMENTS

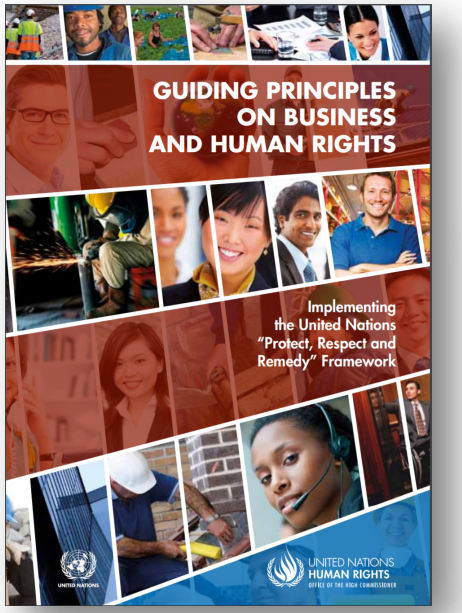
A grievance mechanism (GM) is a procedure through which a grievance – any issue, problem, complaint or challenge faced by a worker – can be voiced, evaluated, investigated and responded to in order to support access to remedy.

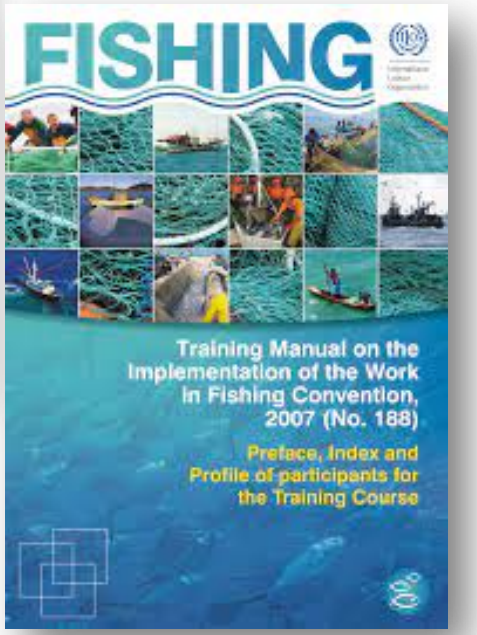
A grievance mechanism can only serve its purpose if the people it is intended to serve know about it, trust it and are able to use it.

– UN Guiding Principle 31

Each Member shall require that ships that fly have on-board procedures for the fair, effective and expeditious handling of seafarer complaints alleging breaches of the requirements of this Convention (including seafarers' rights).

– ILO Maritime Labor Convention (2006) Regulation 5.1.5





RESPONSIBILITIES UNDER THE 'PROTECT, RESPECT, AND REMEDY' FRAMEWORK

Human Rights – Three Pillars of the UN Guiding Principles

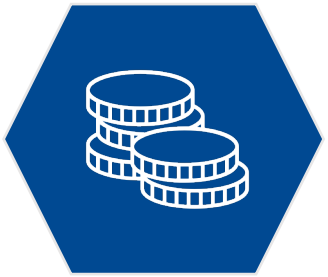
	PROTECT	RESPECT	REMEDY
Who?	STATE / GOVERNMENTS *Duty to protect*	CORPORATE / EMPLOYERS *Responsibility to respect*	VICTIMS *Access to effective remedy*
How?	+ Policies + Regulation + Legislation + Adjudication	+ Acting with due diligence + Addressing adverse impacts	+ Judicial remedies + State and non-state judicial remedies

Interrelated and Interconnected

THE NEED FOR EFFECTIVE GRIEVANCE MECHANISMS

Grievance mechanisms can help provide remedy where a company or group has caused or contributed to a negative impact; they can also be important early warning systems and can provide critical information for broader human rights due diligence processes

For Workers | **For Employers**



Access to Remedy

- Grievance mechanisms can support the provision of remedy where a company (or employer) causes or contributes to negative impacts. Workers can seek remedy related to:
  - Health and safety
  - Labor issues
  - Company policies
  - Etc.

Build trust and improve labor relations

- Grievance mechanisms can serve to **channel conflict** into an institutionalized mechanisms for peaceful resolution.
- They can facilitate communication between workers and supervisors regarding problems that arise.

Early warning to red-flag issues

- Grievance channels begin as a **communication channel** that all parties can trust, helping workers to anonymously report concerns and employers (management) to identify and **resolve issues early** on before they escalate into bigger problems.

Bottom-up intelligence for continuous monitoring

- Companies accepting multiple audit schemes need additional **sources of intelligence** directly from workers for continuous monitoring ahead of NGO campaigns or exposés.

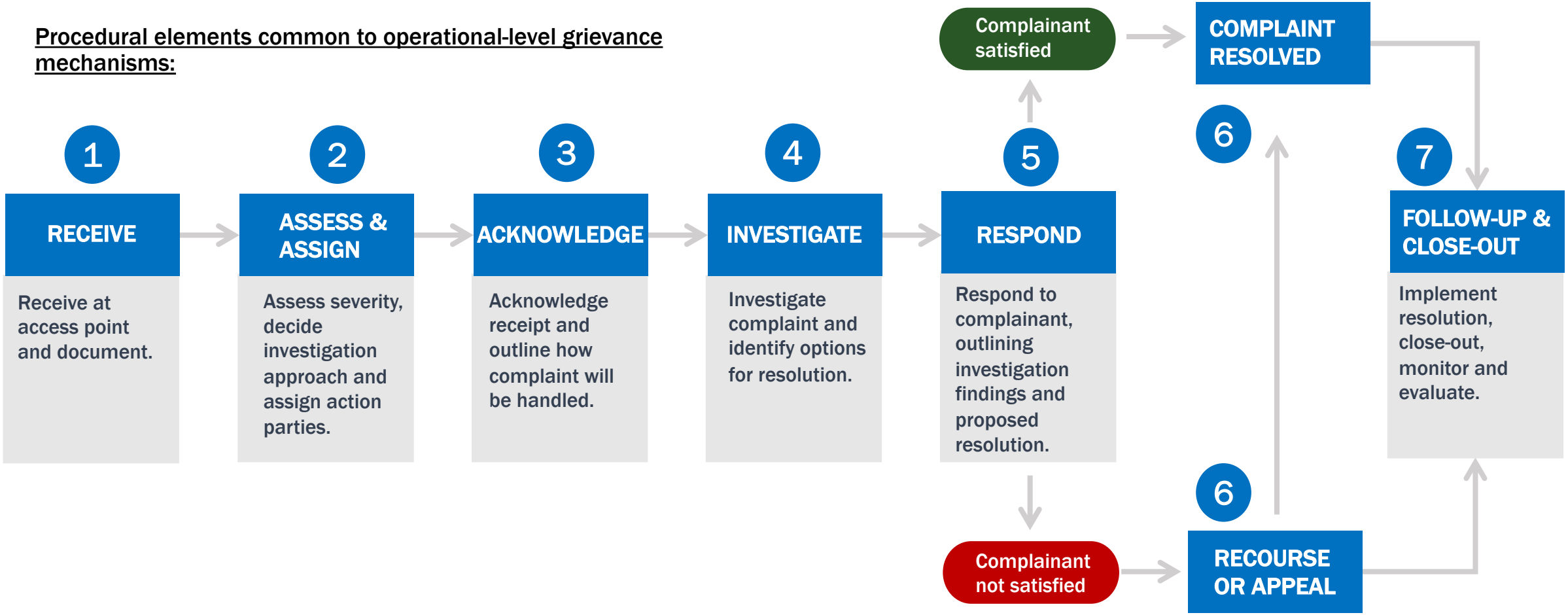
ELEVATE | CONFIDENTIAL

HOW DO GRIEVANCE MECHANISMS WORK?

7 KEY STEPS OF A TYPICAL GRIEVANCE MECHANISM

An effective grievance mechanisms is codified in a set of steps and activities that are easy to follow and understand. The exact process of receiving, investigating and resolving grievances may differ from company to company and location to location.

Procedural elements common to operational-level grievance mechanisms:



WHAT TYPES OF GRIEVANCE MECHANISMS EXIST?

Grievance mechanisms are processes for receiving, evaluating, and resolving workers' complaints. These may pertain to a company's behavior to its employees, or its effects on the surrounding community.

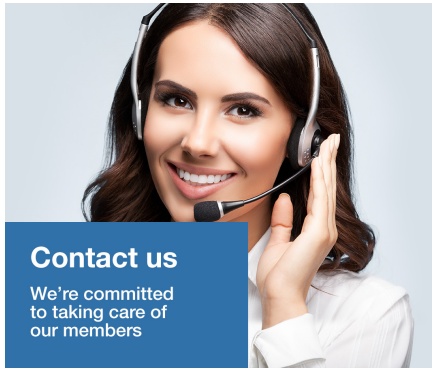
Hotlines/Helplines & Whistle Blowing Procedures

Country-wide Helpline (e.g.: Bangladesh)

আমাদের কথা
AMADER KOTHA
WORKER HELPLINE

Seafood Industry Hotline (e.g.: United Kingdom)

SEAFISH
the authority on seafood



Company's complaints / hotlines (e.g.; Costco)

COSTCO WHOLESALE

Operational-level grievance mechanisms & Complaint's procedure ("persons of trust")

Membership-organization (e.g.: Thailand)

MIGRANT WORKER RIGHTS NETWORK

Suggestion / Complaint boxes

Office of the ombudsman / Complaint's office (e.g.: Cerrejon Colombia)

Hablemos Aashajawaa
Oficina de Quejas

EVALUATING THE EFFECTIVENESS OF GRIEVANCE MECHANISMS

ARE GRIEVANCE MECHANISMS EFFECTIVE?

Do current and planned grievance mechanisms align with the effectiveness criteria for grievance mechanisms?

Legitimacy

+ Building trust from the stakeholder groups for whose use they are intended and being accountable for the fair conduct of grievances.
+ For example, by partnering with local trusted entities with multi-lingual capabilities to communicate effectively.

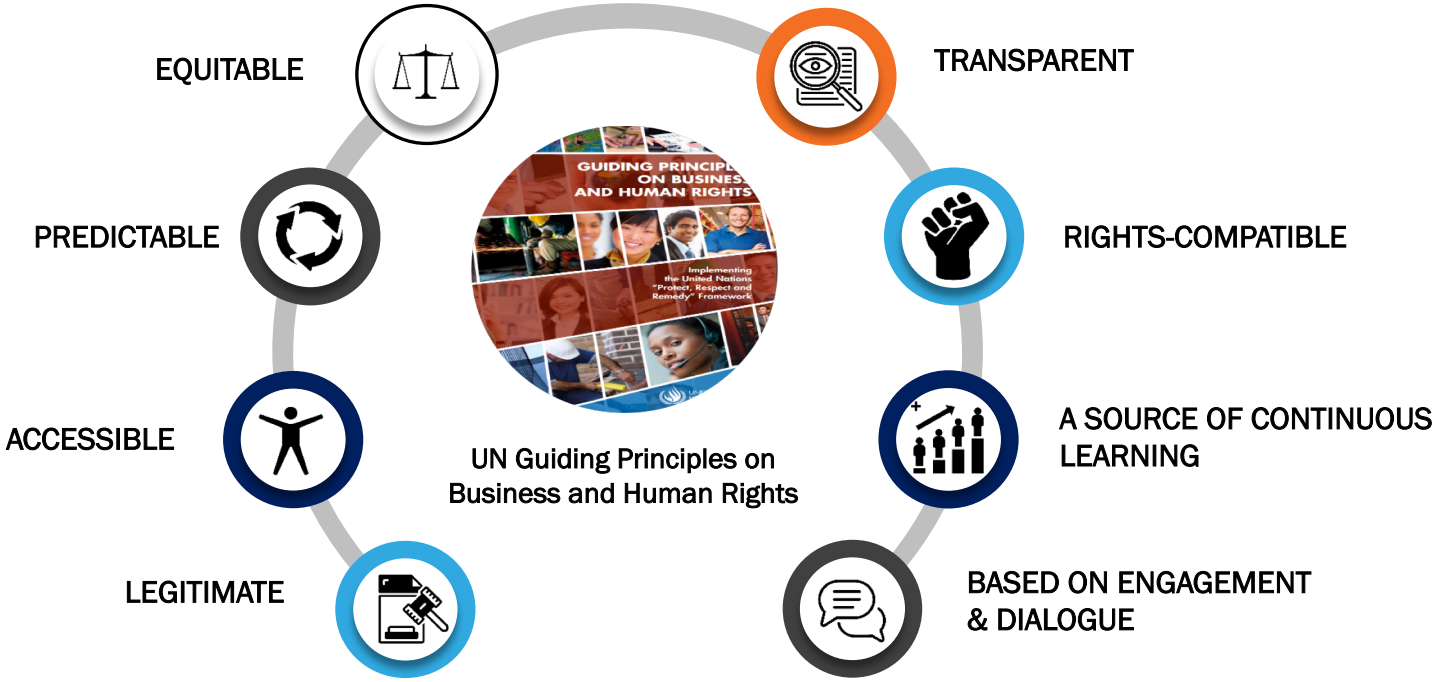
Accessibility

+ Increasing awareness and providing adequate assistance for those who may face barriers to access.
+ For example, identifying worker preferences and demographic factors (e.g.: literacy rates, access to technology, languages spoken) to deploy a set of communication channels / tools that best meets workers' needs.

Equitable / Rights-Compatible

+ Ensuring that outcomes and remedies accord with internationally-recognized human rights and workers have reasonable access to sources of information to engage in a grievance process.
+ For example, providing training and awareness raising to workers in their local languages, as well as promotional materials (stickers, posters, cards).

8 Criteria for Effective Grievance Mechanisms



ELEMENTS OF GOOD PRACTICE

1 TRUST

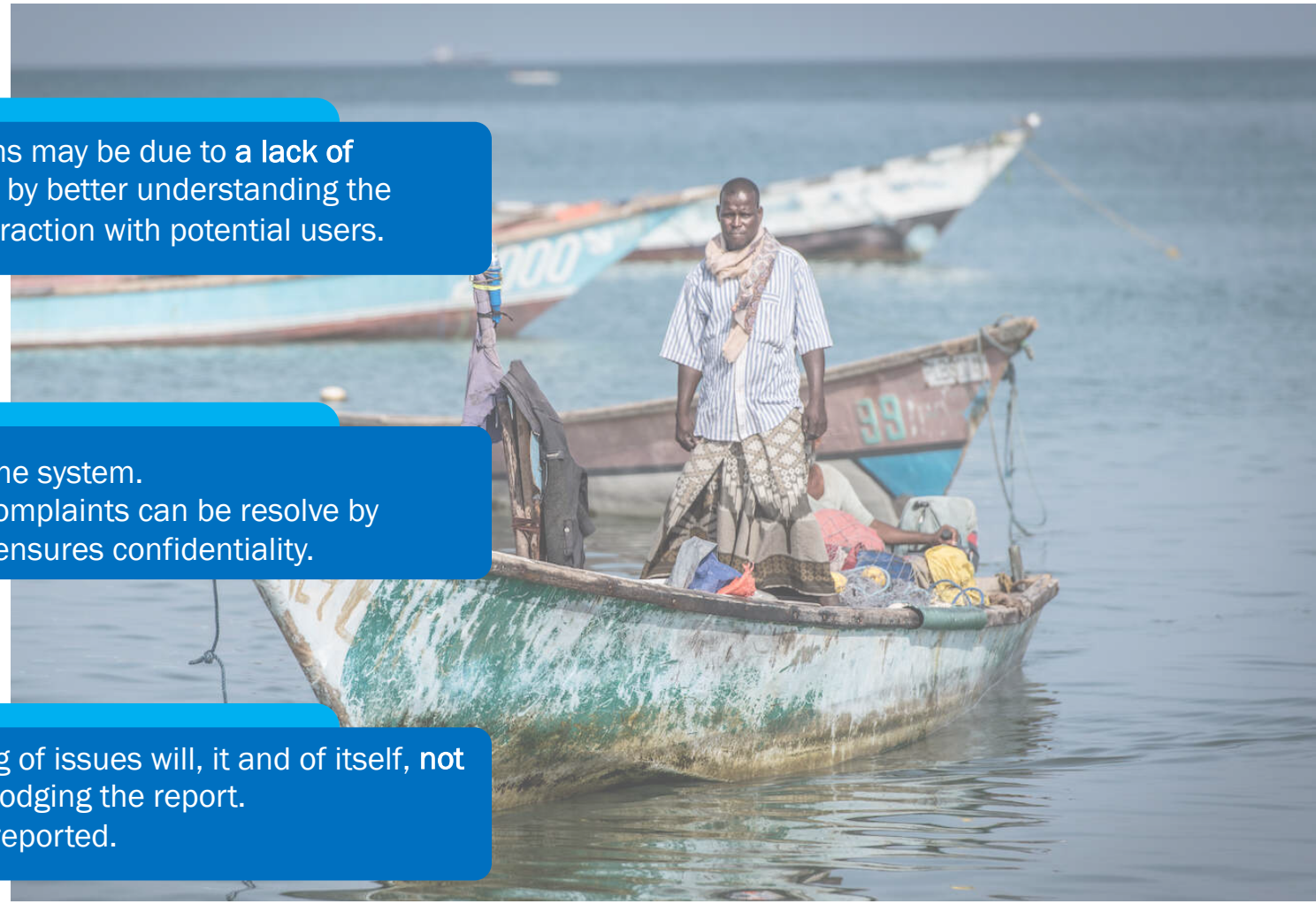
Low frequency in the use of a mechanisms may be due to **a lack of awareness and trust**; it can be countered by better understanding the sources of distrust and by increasing interaction with potential users.

2 ANONYNIMITY

- Must be guaranteed to build trust in the system.
- Difficulties arising from anonymous complaints can be resolve by **engaging a trusted third-party,** which ensures confidentiality.

3 NON-RETALIATION

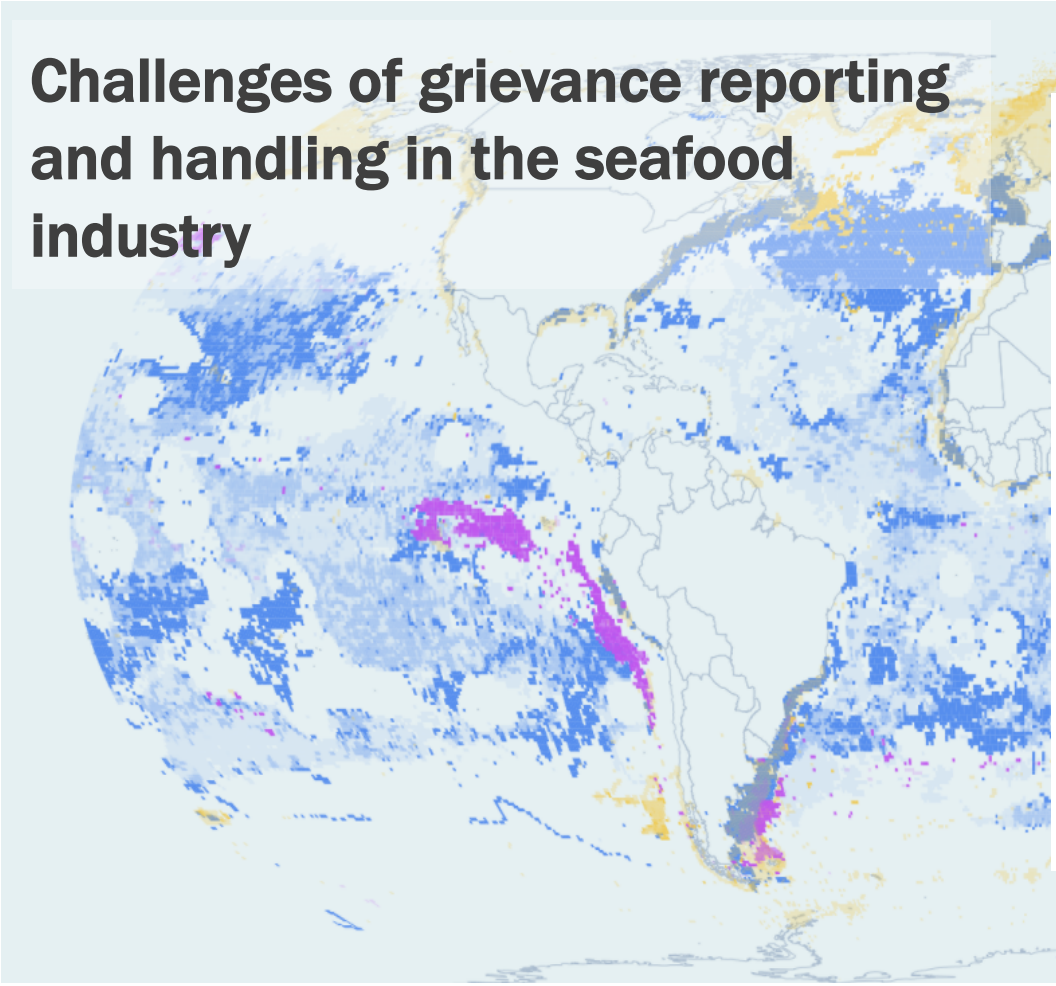
- Confidence by users that the reporting of issues will, it and of itself, **not lead to sanctions** against the person lodging the report.
- Be explicit about what issues can be reported.



GRIEVANCE PROCEDURE FOR FISHERIES

COMPLEXITY OF FISHING SUPPLY CHAINS

There are around 4.6 million fishing vessels in the world with an estimated 27 million people who work in capture fishing (ILO). The mobility of workers and the hidden conditions at sea contribute to the fishing industry's social complexity to identify and address grievances



Challenges of grievance reporting and handling in the seafood industry

- **Often-remote locations** of vishing vessels
- Low understanding of who the employer is for fisheries
- **Limited time in port** and corresponding limited access to land-based authorities or mechanisms
- **Low-literacy**, especially among migrant workers who do not speak the local or native languages
- Lack of telephone, internet access or other **reliable means of communication**
- The cost associated with effective grievance mechanisms.

ELEVATE | CONFIDENTIAL

COMPLAINTS ONBOARD A VESSEL

There must be a procedure in place on board your ship enabling you to make a complaint about breaches your human and labor rights. It must be handled fairly, effectively, and promptly.

Pre-departure | Onboard | Offshore

Ensure there is a procedure in place on board your ship

Try to resolve problems (locally) at the lowest possible level first.

At all times you have the right to be accompanied by a representative or a fellow seafarer

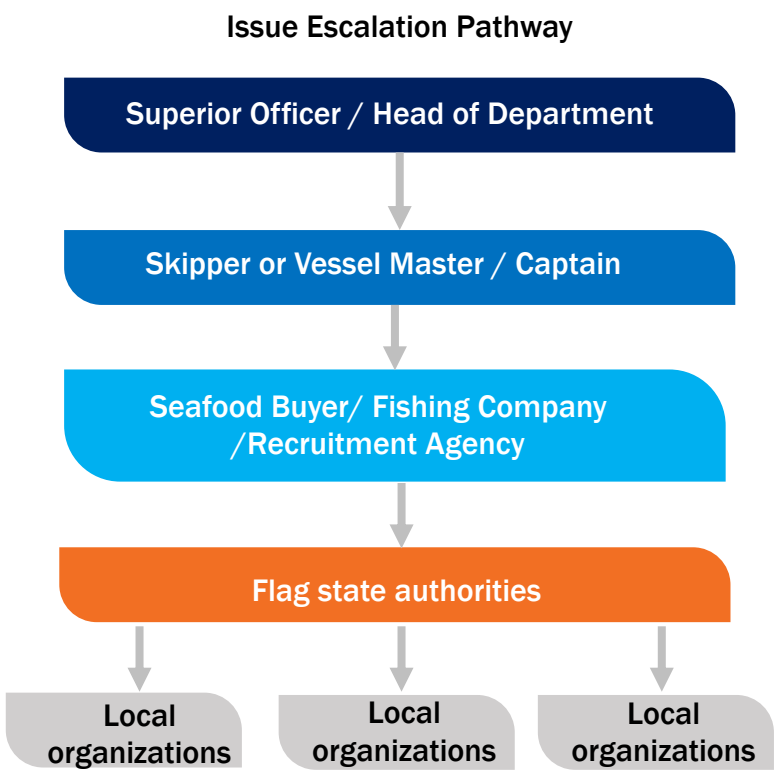
Under NO circumstances an you be victimized for making a complaint

If the complaint cannot be resolved onboard, you should refer the matter ashore.

ELEVATE | CONFIDENTIAL

ROLES AND RESPONSIBILITIES (ONBOARD)

Crew should be provided with transparent, fair, and confidential procedures that result in a swift, unbiased, and fair resolution of difficulties that may arise of their working relationship.



Crew Responsibilities:

- The complaint is received by the person in charge (onboard)
- The complaint should be submitted in writing. If the reporting crew member is illiterate, steps should be taken to develop a written record of the concern.
- The person in charge shall investigate the complaint or grievance.
- If not possible for this person to resolve it, then it should be escalated to the captain.
- If a solution is achieved, then the outcome should be recorded and communicated to all of the parties involved.

Port State Responsibilities:

- Port state control inspectors are responsible for investigating concerns / grievances made about the working / living conditions on board by a seafarer.
- The inspector should bring the concerns to the attention of the master and give him/her a deadline to fix them.
- In cases of egregious breaches, the ship can be detained until the problems have been rectified.

ELEVATE | CONFIDENTIAL

COMPLAINTS ON-SHORE

If a complaint cannot be resolved on board, the matter should be referred ashore to the company and /or relevant union. Seafarers also have the right to access shore-based facilities and services to secure their health and well-being.

Access to shore-based welfare facilities

Port State Responsibilities

- Port inspector undertakes investigation to check if on-board procedures were followed
- Port inspector tries to resolve concerns at ship-board level.
- If the problem is successfully resolved, the seafarer is informed of actions taken and the decision(s) are recorded.

Non-Urgent Grievances:

- Inspector notified the flag state and required a corrective plan of action.
- The flag state is responsible for setting a prescribed deadline for resolving the grievance.
- If the problem is not resolved, the grievance is escalated to the Director General of the ILO Seafarer/ and Shipowners organization.

Urgent Grievances:

- Urgent grievances include hazardous conditions on board and serious / repeated breaches of the convention.
- Inspector has the right to detain the ship until the grievance(s) are resolved, or until there is an adequate plan for rectification.
- If the problem is not resolved, the grievance is escalated to the Director General of the ILO Seafarer/ and Shipowners organization.

ELEVATE | CONFIDENTIAL

THE ROLE OF THIRD PARTIES

Third parties can serve as facilitators, access points for the mechanism, technical experts, co-investigators, mediators, appeal assessors or oversight panel members. Some companies / employers have also engaged third parties to provide independent monitoring of the grievance mechanism on a regular basis

Trade Union or Work Councils

Trade unions have an interest in establishing grievance mechanisms in order to prevent violations from occurring, to prevent issues from escalating, and to ensure that when violations do occur, workers have access to remedies.

Membership-based organizations or religious groups

Member-based organizations can provide support to reduce labor and human rights violations by raising awareness, promoting access to justice and negotiation processes with employers, and officials, and promoting wide policy change.

Local NGOs / Worker Networks

Representation through unions may not be feasible in countries that do not allow for trade unions and different representative systems are required. Local, trusted NGOs may be best positioned to investigate and support with grievance remediation.

State agencies (e.g: local ombudsman)

States that sign up to the ILO Maritime Convention may have responsibilities on three accounts:

(i) Flag state
(ii) Port State
(iii) State from which the seafarer comes.

ELEVATE | CONFIDENTIAL

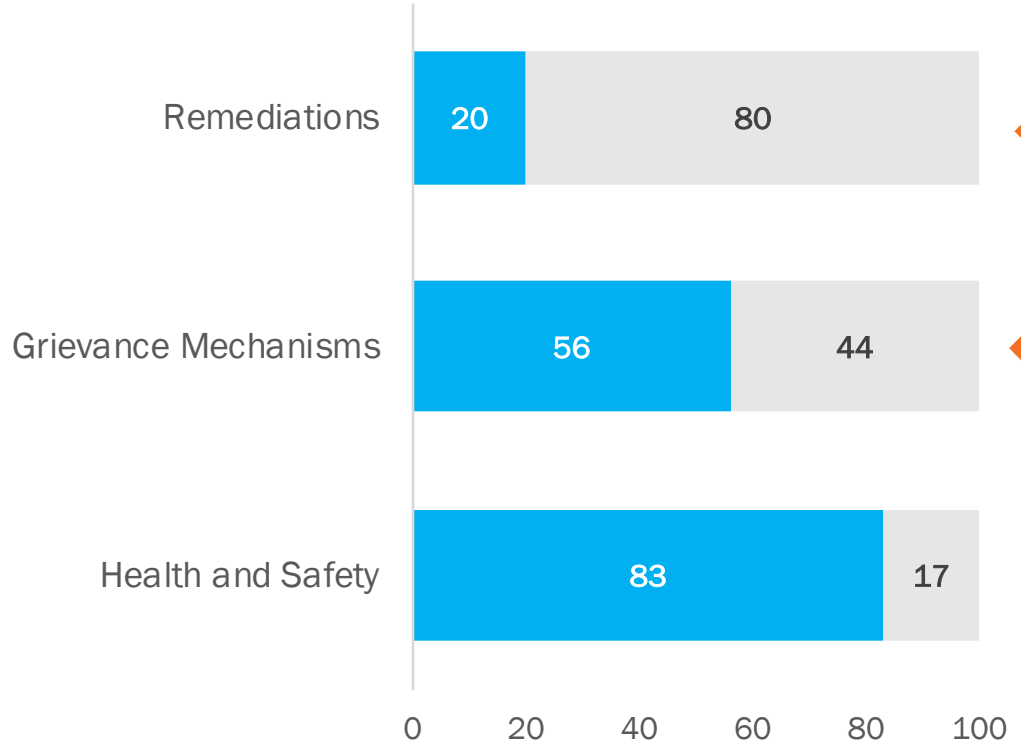
ROADMAP TO DESIGN AND IMPLEMENTATION

SEAFOOD COMPANIES STEPPING UP ON HUMAN RIGHTS COMMITMENTS

According to the Seafood Stewardship Index, 22 of the 30 seafood companies in scope have human rights commitments in place. However, they must turn their commitments into procedures.

Companies with Human Rights Commitments

Implementation via Corporate Procedures



Best performing companies

- Charoen Pokphand Foods
- Thai Union Group

Source: https://seafood.worldbenchmarkingalliance.org/key-findings/key-finding-03/

ELEVATE | CONFIDENTIAL

PHASES TO DESIGN AND LAUNCH A GRIEVANCE CHANNEL

Form Design Team and Engage Stakeholders

- Form a cross functional team
- Define scope, time frames for escalation and issue resolution
- Outline roles and responsibilities between company representatives and
- Engage internal and external stakeholders.
- External stakeholders will vary depending on the environment but could include community groups, civil society, NGOs, traditional leaders, local government, etc.

Assess Risk

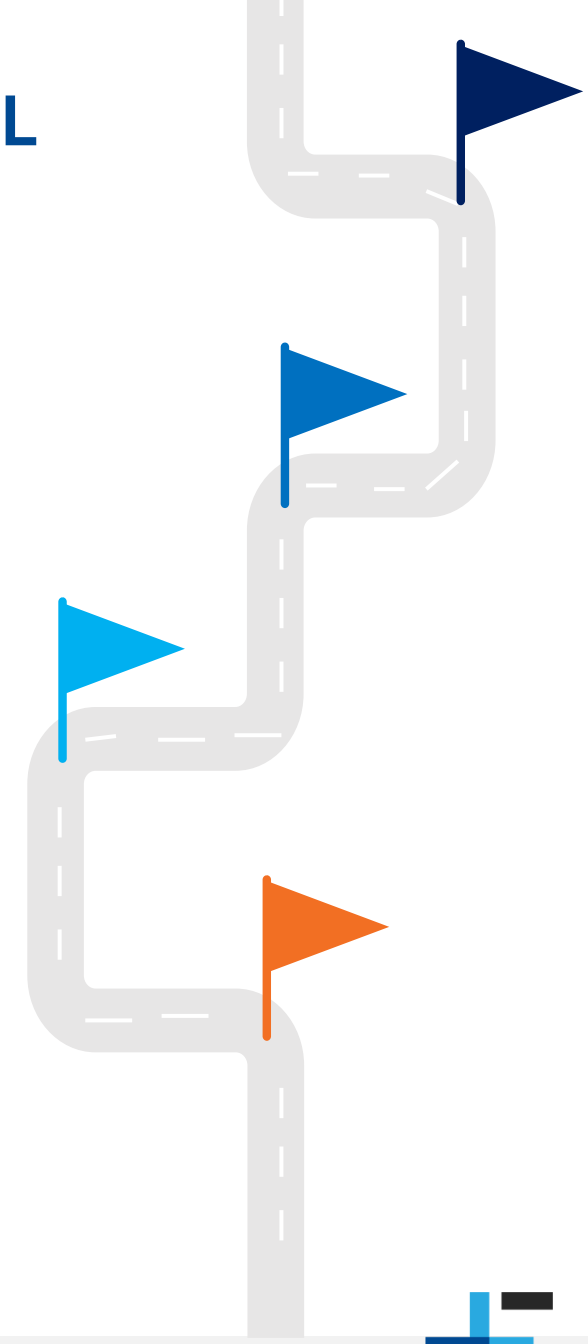
- Assess affected communities and impacts, for example the nature and frequency of expected complaints.
- Assess possible grievances
- Assess implications for design and resourcing, for example the footprint of the operations, impacts, the size and make-up of affected communities.

Design and implement

- Understand existing approaches to grievances, for example formal or informal systems in place
- Design the mechanisms making sure multiple access points based on preferences and needs
- Access points should be culturally appropriate and take account of all potential users, including marginalized or vulnerable groups.
- Prior to launch, it is important to train staff and contractors and verify that access points are fully functional,
- The launch is an important opportunity to build credibility and demonstrate the company's commitment to addressing complaints.

Review and Improve

- Driving continuous improvement through a process of learning from complaints is key
- Companies should monitor both quantitative and qualitative indicators, such as the number and type of complaints received, response times, and feedback.



ELEVATE | CONFIDENTIAL

CASE STUDY - THAILAND

Digital traceability pilot program in Thailand aimed at increasing transparency and visibility in fishing supply chains, as well as providing workers with access to technology and connectivity to allow them to communicate back to land and bring them a voice at sea

Caption: A fisherman uses his mobile phone on a fishing vessel in the south of Thailand. Photo credit: Thai Union

"The program seeks to improve efficiency of traceability records validated by fishery managers, as well as bring WORKER VOICE to fisherman at sea to support fair and legal labor"

– Thai Union Press Release

CASE STUDY – TOOLS FOR WORKER VOICE

There are a number of communications and technology-based mechanisms that focus on worker voice to enable seafarers to connect with families, and peers while at sea.

CASE STUDY – LATIN AMERICA

Company-led (Peru)

Training on artisanal fishing methods and introduction to a complaints-based procedure for locally affected communities around PERU LNG operations.

PERU LNG

FONDEPES
Fondo Nacional de Desarrollo Pesquero

Government-led (Costa Rica)

World Bank to Provide Costa Rica US$75.1 Million to Fund the Sustainable Management of Fisheries over a period of six years

Incopesca
Instituto Costarricense de Pesca y Acuicultura

THE WORLD BANK

RECOMMENDED ACTIONS AND NEXT STEPS

STRATEGIES FOR ENHANCING TRUST – WHERE TO START

Start by conducting activities to improve communication and effectiveness of grievance handling and remediation

Activities could include:

- Robust worker training on their human and labor rights
- Engage third-parties that are trusted in the communities to deliver the trainings
- Familiarize yourself with existing grievance handling processes, including through trade unions and courts, as well as traditional ways of handling complaints
- Familiarize yourself with the type(s) of grievance(s) / challenges most common among target users.
- Identify potential access points / channels or tools for target users that would be most suited to your communities.
- Increase interaction between management and workers by trust-building activities and social dialogue.

ELEVATE