

COMPLAINTS, DISPUTES, GRIEVANCES AND RESOLUTION

Introduction

This procedure seeks to find a consensus between SFM and a complaining party. Complaints, disputes, or grievances relating to groups, individuals, processes, practices and principles may arise during the course of SFM's operations.

All complaints, disputes, and grievances will be dealt with according to this Procedure, documented using the Incident and Evaluation Report form to fully record each stage of the dispute and recorded in the Corrective and Preventative Action Register (CPAR).

An early decision needs to be made by management as to whether this is a complaint/dispute that relates to the Forest Stewardship Council's Principles and Criteria. If so, the certifier needs to be informed per section 11.0 of this procedure below. If the dispute is between the local community and the forest managers and concerns land rights, forestry operations that prejudice the future enjoyment of such rights by the community will be halted until the dispute is resolved.

Definitions

Certifier	A key contact of the Certification Body
Culturally Appropriate	Means/approaches for outreach to target groups that are in harmony with the customs, values, sensitivities, and ways of life of the target audience.
Issue/Complaint	Notification made by a party to the business that they have suffered some form of offence, detriment, impairment or loss as a result of business activity and/or employee or contractor behaviour.
Dispute	A complaint that has not been accepted as valid by one party or the other and has escalated into disagreement between the parties.

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Grievance	A complaint and/or dispute that has escalated to the point where it requires third party intervention or adjudication to help resolve it.
Consultation	A two-way discussion that provides information and seeks response on an actual or proposed event, activity or process.
Engagement	Beyond consultation, the active exchange of information, the active listening to concerns and suggestions and the active consideration of ways to mutually accommodate these, including potential responsive changes to processes or management activities.
Substantial Magnitude	A complaint, grievance or dispute that involves one or more of the following 1) it affects legal or customary rights of Indigenous Peoples and local communities, 2) the negative impact of management activities is of such a scale that it cannot be reversed or mitigated, and 3) acts of intimidation, physical violence, and/or destruction of property against forest workers and/or stakeholders.
Substantial Duration	A complaint, grievance or dispute that continues for more than 6 months after receiving the complaint with consideration to existing court proceedings and timelines.

Stages in the Process

The following should be recorded in detail for each complaint, grievance or dispute:

1. Identify how the complaint came to our attention

Stakeholders may submit complaints by making contact direct with SFM or via a third party e.g. Forest Practices Authority (FPA), Local Government, Certification Body etc. These agencies may be an interested or affected party, may have notified SFM of the issue, or may act as a proxy for the affected party.

2. Identify what the complaint is about

SFM will acknowledge receipt of complaints, disputes, grievances within five working days from receiving notification.

An SFM representative will undertake an investigation by confirming details of the complainant, the nature of the complaint and establishing the events leading up to the complaint being made.

In the case a complaint is received by an agency such as the FPA, Local Government, Certification Body etc, either direct or as a proxy for an affected party, SFM will participate in the investigative process to seek resolution to the complaint.

3. Meet with the parties and attempt to resolve the complaint

Where possible, the SFM representative should communicate directly with the complainant, to confirm details of the complaint and an opportunity to participate in open dialogue as to options to resolve. In most cases a phone call or meeting may resolve the complaint.

SFM will always attempt to resolve complaints, disputes and grievances via culturally appropriate consultation with the affected stakeholders.

4. Refer the complaint to the right person or body if it is not SFM's issue

Complaints may mistakenly be made to SFM. In such instances they should be referred to the proper body and a record kept using the Incident Reporting and Evaluation Report and recorded in the Corrective and Preventative Action Register (CPAR).

5. Resolve complaints, disputes, grievances at the lowest possible level

Complaints, disputes and grievances related to the impacts of SFM management activities must be responded to promptly, and all reasonable steps are undertaken to resolve them.

In all cases complaints, grievances and disputes should be resolved at the lowest possible level, preferably by discussions between the parties. Failure to do this may escalate the issue to become a dispute.

8. Record Participation and Non-Participation

The SFM representative will record all communication with the complainant and any other stakeholder involved in the investigation process including nominated proxy.

If the complainant refuses to participate in the process, then SFM should make every attempt to engage them. If this is not successful there must be a record of non-participation made.

9. Respect Natural Justice

In any complaint, grievance or dispute, SFM will respect the principles of natural justice, i.e. the right of both parties in a dispute to be heard and listened to. SFM will respond to all complaints and allow the complainant to respond in turn.

10. Refer Unresolved Disputes and Grievances to Management

If this stage is reached, in the first instance the matter needs to be discussed with SFM Senior Management who will decide the next step.

If the dispute or grievance relates to a forest operation and is deemed of substantial magnitude, substantial duration, or involving a significant number of interests, the operation will cease until the issue has been resolved.

11. Advise the Certifier

For any disputes related to any issue under the Responsible Wood and FSC Principles and Criteria the certifier needs to be informed at the beginning of the dispute. At the next audit the certifier must be advised of the resolution or current status of the dispute.

Disputes or grievances that SFM deem to be frivolous or vexatious will be dealt with as per any other dispute or grievance but the certifier must be advised by SFM of the background in such cases.

Any apparent conflict of interest from any party making the complaint or attempts to extract commercial or other leverage must be declared in the advice to the certifier for their consideration.

Note that a certifier consider that a complainant is expected to have made a reasonable attempt to raise or resolve the dispute with the forest manager either directly or via a proxy, e.g. by speaking or writing to the forest manger, before escalating it to a complaint to the certifier.

12. Ongoing dispute resolution process

For intractable or long-standing disputes SFM will explore other avenues to find resolution -

➤ **Negotiations**

Negotiation should ALWAYS be tried first.

At its most basic, negotiation is an informal bargaining process. It takes place directly between the people in dispute but can be assisted by others e.g. lawyers or advocates. The people involved in the dispute shall communicate directly to try and reach an agreement. Communication may be written or spoken and may take some time. Effective negotiators know that it is hard to reach an agreement unless everyone feels they get some benefit (a 'win-win' situation).

Negotiation is a good first step for almost any type of dispute. However, if negotiation fails, other more formal types of resolution may be appropriate.

➤ **Mediation**

Mediation is a process in which a neutral person (the mediator) helps people to negotiate with each other and resolve their dispute.

Mediation is confidential, and can only work if:

- Everyone is prepared to work towards a resolution.
- Everyone involved in the dispute comes together for a face-to-face meeting.
- The mediator runs the process and the people in dispute decide what they want to talk about
- The mediator helps identify issues and possible options.
- The people in dispute work out a solution with the help of the mediator.
- Mediators don't impose a decision.

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Mediation can be used when individuals in the process have a clear conflict with one another.

➤ **Facilitation**

Facilitation is like mediation but is used for groups that are in conflict. A neutral person (the facilitator) helps the people involved negotiate with one another and come to some agreement.

The process involves:

- Everyone involved comes to one, or several meetings, run by the facilitator.
- The facilitator helps to identify problems to be solved and tasks to be accomplished.
- Facilitators don't impose a decision.
- The people at the meeting make a group decision on actions and outcomes.

Facilitation can be used to avoid a dispute by providing a forum for different points of view to be discussed.

13. Resolution

Once SFM and the complainant have reached an agreed course of action to address the complaint, SFM will provide these details in writing to the complainant. The complaint will then be closed out, the Incident and Evaluation Report Form finalised and recorded in the Corrective and Preventative Action Register (CPAR).

14. Review

All complaints, disputes and grievances will be reviewed as part of the annual SFM Forest Management System review. Insight from investigation into complaints, disputes and grievance may identify areas of improvement in processes and mitigation measures.