

# THE CONFLICT PREVENTION PLATFORM (CPP):

## An Alternative Dispute Mechanism for Migrants

In a labor-intensive sector such as palm oil, disputes and conflicts between workers and employers, often arise due to various factors, such as unchecked management practices, gaps in management systems and lack of effective grievance mechanisms, weak law enforcement, workers' inability to formally organize and advocate for themselves, and workers' immigration and employment status which often preclude them from accessing formal protections and support. Disputes between workers and their employers can be related to wages and benefits, living conditions, workplace harassment, health and safety concerns, discriminatory practices and inhumane treatment, involvement of child labor, land grabbing and, in worst cases, forced labor and trafficking. Traditional dispute resolution methods are typically characterized by long and bureaucratic procedures, and require resources and representation which workers, especially migrants, have no access to. Such is the case in the Malaysia palm oil sector, particularly in Sabah, whose workforce is predominantly composed of migrants from Indonesia and Philippines, many of whom are undocumented or possess insufficient documentation, recruited through unregulated channels, exposed to unethical recruitment practices, and employed under precarious arrangements.

The Conflict Prevention Platform (CPP), which uses a free cross-platform messaging service, emerged as a response to challenges faced by migrant workers in reporting and addressing workplace issues. It stemmed from the need identified by a group of labour and community rights advocates in the regions of Malaysia (Peninsula Malaysia, Sabah and Sarawak) to bridge gaps in addressing disputes involving indigenous and local communities, and workers within the palm oil sector in Malaysia but mainly from Sabah. Originally established and piloted in 2020 to address disputes on the ground, CPP evolved in Sabah, into a multifaceted platform that now provides a safe space for workers to interact and support each other, seek assistance from advocates and union representatives, and engage on many other matters other than those requiring conflict resolution.<sup>1</sup>

At present, CPP functions as a grievance and alternative dispute mechanism, and open forum, able to facilitate safe and constructive engagement with both workers and the palm oil companies and employers. However, it is also facing some challenges that prevent it from extending its reach further. This brief describes the work that the CPP has done so far, the challenges that the handlers – all volunteers, individuals and local organizations – are facing, and the support needed for them to continue providing critical services particularly to migrant workers who have no other means of accessing such support.

The information shared in this brief came from the group of volunteer organizations and individuals that established and are currently managing the CPP.

<sup>1</sup> CPP has been split due to different pathways to the CPP-Labour Task Force and the CPP-IPLC task force and complaints and queries from migrants continued to increase.



# BACK GROUND

As with other types of alternative dispute mechanisms, the CPP offered an alternative approach to traditional litigation and formal legal proceedings for resolving conflicts. In fact, the CPP has prevented cases from being escalated by stepping in early to facilitate negotiation between and among parties. They also provided a platform for parties to negotiate and reach mutually acceptable solutions.

The CPP came into being after the conduct of the RSPO Malaysian Outreach Program, which was outsourced to the local organization, Sabah Environmental Protection Association (SEPA) in 2019, who eventually tapped Bio Community Initiative (BCI) and Civica to carry out the program. The Outreach Program initiative by the RSPO was aimed at raising the communities' and workers' awareness of RSPO mechanisms available to them. It was also a way for the RSPO to likewise understand the issues faced by stakeholders affected by RSPO members and RSPO-certified units' operations. BCI documented various workplace issues related to pay and living conditions, harassment and abuse, health and safety, discrimination, child labor; conflicts involving land rights and community rights; as well as indications of forced labor, and other concerns related to the documentation status and conditions of migrant workers, particularly in Sabah.

Among the forced labor risk indicators documented by BCI pertained to deceptive recruitment and debt bondage, which often trap migrant workers in exploitative situations, leading to underpayment of wages for extended periods, and their inability to leave the job without facing some form of penalty.

BCI also noted that many of these issues were neither being reported by certification bodies and auditors, nor registered in company grievance logs. Many workers shared about barriers they faced in accessing management-provided grievance and complaint systems. These findings pointed to BCI and Sabah Plantation Industry Employees Union (SPIEU) a clear need for an alternative mechanism. Being themselves worker- and community-advocates, after the outreach project, a workers' network support group was established. Komunitas Sahabat – Tenaga Kerja Indonesia (KS-TKI) by the worker reps that attended the RSPO Train the Trainer, under the RSPO Malaysian Outreach Program decided to make available to the workers they encountered during the Outreach a chat group on a free cross-platform messaging service, so they could continue to advise them. This informal chat proved to be popular among the workers, and it eventually became a key component of the conflict prevention platform, or the CPP, which, apart from receiving complaints/concerns/requests for support through the group chat, now includes a process for follow-through, support in mediation and negotiation, and capacity building for workers and in some cases, company management themselves.





## The Pilot Phase

The CPP was officially piloted in late 2020 until April 2021, with the support of the RSPO, and during this phase, it was able to receive and deal with various cases, including concerns around land and customary rights. In one case, a community sought assistance from the CPP regarding the loss of their customary lands unknowingly by an RSPO member. Another case involved a community whose land was negatively impacted by activities outside a grower's boundary lines. The CPP facilitated engagement between the affected parties.

Another case where the role of CPP was very crucial was when Indonesian migrant workers faced non-payment of wages by re-planting contractors. It was the Indonesian consulate in Tawau that sought the advice and help of the CPP. They had not been paid for approximately nine months. CPP and the Consulate engaged the management of the company and supported the workers, which resulted in the immediate payment of the workers' wages. It also prevented the escalation of the case to the RSPO Complaints System, which would have made the case public and potentially result in the company's expulsion from the RSPO.

Another case that came through the CPP chat group involved a migrant worker who sustained severe injuries while working, however, the company refused to pay him while he was on medical leave and even threatened to terminate his contract. With CPP's guidance, the worker and his fellow workers organized themselves, and collectively engaged with management, in a peaceful and constructive manner. This direct dialogue resulted in the worker not being terminated, back pay being issued, and a formal commitment from management ensuring coverage of all medical expenses.

When the pilot program ended and the financial support of the RSPO ended as well, the CPP continued to receive and handle cases primarily through the work of its volunteers of around six people from BCI, SPIEU, and other experienced individuals. It has continued to

receive reports from workers of both RSPO and increasingly from non-RSPO member companies alike. Workers seem to trust the platform as it provides them immediate support and legal via SPIEU and practical advice on how to address the situations. It also empowers workers to advocate for themselves, with the information and guidance provided to them on specific cases and issues, as well as through raising awareness of workers' rights.

Some of the sample cases involving workplace issues that were documented and resolved through the CPP include:

- *Worker Blinded After Workplace Accident.* Worker was denied SOCSO and proper medical treatment due to the company's failure to submit the medical report to the proper channel. Worker's pay was also withheld.
- *Worker fatality, but no compensation.* Worker paralyzed after a workplace accident and eventually died due to the injuries. Company withheld payment, passport, personal documents, and didn't compensate the deceased's family. As a result, the family was unable to return home.
- *"Ghost" workers.* A practice involving the hiring undocumented workers, and payment for their work is recorded and collected under the name of documented workers who are no longer employed in the company. The managers and supervisors pocket a significant portion of the amount intended for the workers and pay the

so-called “ghost workers” very low. The workers subjected to these practices took to the CPP, and they were assisted by the CPP in demanding from the companies their full wages.

- *Paralyzed Worker.* Worker was stuck in a plantation after being paralyzed for over ten years due to a work accident. CPP facilitated the process of repatriation.
- *Exploitative prices for basic goods.* “We are forced to pay high prices for essentials”. This was the report by workers, who were not allowed to leave the plantations during the pandemic and were forced to purchase food sold by upper management or resident shops owned by management. Items were sold at extremely inflated prices and workers were not allowed to buy from shops in a neighboring estate that sell items at much lower prices. CPP responded by providing a platform for discussion between the workers representative and the management.
- *Undocumented workers’ health woes.* A female undocumented worker who gave birth in a hospital and suffered from severe mastitis, sought treatment from a private clinic but her health didn’t improve. She and her husband paid for all the bills because the company refused to pay due to her illegal status. CPP supported by providing advice.
- *Unfair demotion.* A mandor was demoted for being ‘mouthy’. His place was taken by a family member of the assistant manager who fired him. CPP supported by investigating and the case was eventually handled by SPIEU.

In these cases, a common factor was that workers could not engage with middle-management, and therefore the CPP- Labour Task Force, was very much needed to engage higher-level management based at headquarters. The management at that level are more receptive and are more committed to resolving workers issues for RSPO Members. The organizations handling the platform has also realized that a different pathway is needed for non-RSPO members as the Complaints Mechanism of the MPOCC, which oversees the mandatory certification scheme for Malaysia palm oil, to date, is still non-functioning.

The CPP saw a significant rise in the uptake of the platform after the pilot phase, and most of the reports related to wages, which the CPP attributes to the heightened awareness among stakeholders of issues and of the platform.

These cases and the active use by workers of the CPP underscore the CPP's critical role in addressing migrant worker issues within the palm oil industry. By facilitating dialogue, leveraging industry standards, capacitating workers, and monitoring processes, the CPP acts as a vital mechanism for resolving conflicts and safeguarding the rights of workers.

## CHALLENGES

Given the structure of the CPP, and the fact that it runs purely on a voluntary status, it faces certain challenges that hinder its scalability and reach. The CPP became an effective platform where RSPO members proactively engage to address issues on the ground moving towards a more sustainable workforce. However, challenges around lack of human resources continue to limit its potential to reach more workers.

The CPP has relied on a modest team of volunteers, predominantly comprising union members, a local organization in Sabah, and a few dedicated individuals. Currently, with no funding from the RSPO or any institution, the CPP has no fixed source of financial support. Despite resource constraints, after the pilot, between 2022 and 2023, there were 18 labour related cases received and resolved by the CPP, and innumerable requests for information, advice, and guidance responded to by CPP volunteers, and sometimes by more experienced workers themselves, through the dynamic communication platform.

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Because of the widely diverse types of cases that the CPP receives, the length of time that a case is managed can also vary hugely. Some cases may be resolved in just one phone call, while there are cases that can take up to two years, or more to resolve. The CPP, when needed, also assists the workers in bringing cases to the Labor Office, and volunteers sometimes spend a huge amount of time and resources to help follow these cases through.

Many cases also involve several preliminary steps, including community meetings to obtain consent and gather information, as well as continuous engagement between companies and affected communities. These processes necessitate careful

planning and coordination, which comes with the time-consuming nature of case handling.

Further, the CPP volunteers noted that there are significant disparities between issues experienced by workers in RSPO-certified compared to non-certified member companies. The CPP has more leverage with RSPO members, which means cases involving non-members tend to be more challenging to resolve.

Strengthening the CPP's capacity to take on more cases and leverage the trust that the workers and communities have in it will require staff/human resources, financial support, so that it can be sustained and possibly replicated in other areas.



# Recommendation to the RSPO, MSPO, Industry Associations: Support the CPP

In Malaysia, where union presence in plantations is limited (compared to countries like Indonesia) platforms like the CPP assume greater significance. An advantage of the CPP was that it facilitated the issues, and created awareness on both sides, and due to the CPP, SPIEU has been invited by RSPO member-companies to raise awareness and unionize the workers in their facilities, which is a huge positive step for workers. And as the palm oil industry faces increasing scrutiny, with more and more legislative requirements coming into place, such as the CSDDD and the EU Mandatory HRDD, requiring companies to demonstrate commitment to human rights protection and promotion, there are more than one compelling reason to further strengthen mechanisms like the CPP that effectively promote workers' rights and help address disputes.

To ensure the sustainability of CPP's operations and broaden its impact, it is essential for the mechanism to receive adequate financial support, more volunteers to staff the platform, and for the mechanism to be replicated in various other areas where there are many migrant workers who face barriers to accessing formal grievance and dispute mechanisms.

The RSPO and its members from various stakeholder groups would benefit from supporting the CPP with funding and other resources. As a leading body in the global palm oil sector, the RSPO is well-equipped to provide financial assistance and strategic guidance to the CPP. By investing in the CPP, the RSPO can showcase its dedication to upholding ethical labor practices within the industry. This partnership will not only benefit workers and communities but also enhance the credibility and effectiveness of RSPO's sustainability endeavors.

The MSPO, which is Malaysia's mandatory sustainability certification platform, would also benefit from the existence of a CPP in areas where companies that are not RSPO-certified operate. These companies, which tend to be smaller, and have less resources, could collectively use the services of an outsourced and alternative grievance platform like the CPP.

Industry associations such as the CGF, which is composed of some of the biggest consumers and buyers of palm oil, should also support worker-driven mechanisms, rather than just relying on the audit and certification system to ensure their supply bases are not tainted with exploitation. By supporting the CPP, the CGF has the opportunity to provide direct support to workers in segments of their supply chains where human rights risks are most pronounced.