



► Case study – GREPALMA sustainability strategy

Background

In Latin America, balancing economic growth with sustainable development remains a significant challenge, particularly in agriculture, a key economic sector for many countries in the region. As global demand for sustainable products grows, industries across Latin America are adapting to meet higher sustainability standards.ⁱ Amid these shifts, Guatemala is emerging as a leader in sustainable agricultural production, particularly in palm oil, cane sugar, coffee, and other food crops. However, the country is highly vulnerable to the impacts of climate change. According to the World Bank, Guatemala ranks ninth worldwide in climate risk due to factors such as deforestation, overexploitation of water resources, and land degradation, all of which threaten agricultural productivity.ⁱⁱ Despite these challenges, Guatemala stands out as the first producer of sustainably certified palm oil in Latin America, demonstrating its potential to balance economic development with environmental responsibility. Notably, Guatemala is the sixth-largest producer of palm oil globally and the third-largest exporter by volume.ⁱⁱⁱ Through the adoption of good agricultural practices, the sector achieves an impressive average yield of 5.86 metric tons of crude palm oil per hectare - significantly higher than the global average of 3.76 metric tons per hectare.^{iv} This efficiency underscores the importance of sustainability-driven strategies that enhance productivity while protecting natural resources.

As environmental risks intensify and international regulatory pressure on sustainable practices increases, the urgency to strengthen ESG frameworks across the sector becomes ever more pressing. To support this transition, [GREPALMA](#), the Guatemalan Palm Growers' Association (Gremial de Palmicultores de Guatemala), has taken a proactive role in advancing sustainability in the palm oil industry. By promoting ESG best practices, increasing awareness among producers, and strengthening compliance with international norms and standards, GREPALMA is helping to position Guatemala as a leader in sustainable palm oil production, ensuring long-term economic resilience while safeguarding the environment.

Overview

Founded in 2008, GREPALMA is the sectoral association that represents 80% of palm oil producers in Guatemala, including small, medium, and large producers. Committed to promoting sustainable palm oil production, GREPALMA plays a key role in driving both economic growth and environmental responsibility within the sector. Sustainability has become a core strategic element across all aspects of the organization's operations, encompassing the economic, environmental, and social dimensions from a human rights perspective. This commitment is reflected in the adoption of international standards, strengthening sector governance, and implementing tools that ensure regulatory compliance and traceability, guaranteeing responsible and resilient growth of the palm oil agroindustry in Guatemala.^v

Environmental sustainability

To guide its efforts, GREPALMA introduced its [Environmental and Climate Change Policy](#) in 2018, a comprehensive framework designed to support the sustainable development of palm oil production in Guatemala, with eight strategic axes, including studies on carbon footprint, biodiversity, and water management.^{vi} Together with this, GREPALMA and its members formally signed the [Zero Deforestation Voluntary Commitment Statement](#) in 2019, ensuring that palm oil production does not contribute to deforestation.^{vii} To translate these commitments into action, GREPALMA has implemented key initiatives to monitor, promote, and strengthen sustainable palm oil production in Guatemala. Key activities include:

- **Satellite monitoring for the sustainable development of palm oil production in Guatemala:** Between 2020 and 2021, GREPALMA, in collaboration with SATELLIGENCE, conducted a satellite study, monitoring 37,770 km² of Guatemalan territory to assess deforestation trends from 1989 to 2020. The study revealed that oil palm plantations covered about 180,000 hectares, accounting for 1.7% of Guatemala's arable land. Of this, only 16,000 hectares were linked to deforestation, representing just 0.7% of the country's total deforestation over the past 30 years. Therefore, over 90% of the plantations in Guatemala are established on low-carbon land, unlike many other palm oil-producing countries. This highlights Guatemala's commitment to sustainable practices, with minimal deforestation linked to the palm oil industry.^{viii}
- **National monitoring system for sustainable palm oil:** Building on the results of the satellite study, GREPALMA launched the National Monitoring System for the Sustainable Development of Palm Oil in 2021. This service provides an ongoing satellite monitoring of GREPALMA member plantations to ensure a deforestation-free supply chain. Currently, approximately 11,900 hectares of forest within GREPALMA member farms are under active conservation management.^{ix}

- **Sustainability studies:** Together with providing tailored services, GREPALMA is committed to conducting comprehensive sustainability studies, such as carbon footprint assessments, biodiversity evaluations, and water usage analyses. These studies help palm oil producers better understand their environmental impact and develop strategies to minimize emissions, preserve ecosystems, and optimize resource use. Key studies like Carbon Footprint Assessment for Palm Oil Production, [Biodiversity in Palm Oil Plantations](#), and [Soil Sustainability Index in Palm Oil Plantations](#) are essential for guiding producers towards more sustainable practices and supporting their transition to responsible production systems.^x The biodiversity study, for example, identified key indicator species that reflect effective environmental management practices, including reduced pesticide use and the conservation of undergrowth. A total of 1,687 flora and fauna records were documented, of which 724 were new findings, which were incorporated into the National Biodiversity Information System (SNIBgt), strengthening the country's biodiversity database. These findings show that, despite the myths, oil palm can coexist with wildlife when good practices are implemented. GREPALMA's commitment to sustainability is also reflected in the conservation of ecosystems within the plantations, promoting the responsible use of agrochemicals, the protection of habitats and the preservation of biodiversity. Thus, GREPALMA not only generates knowledge, but also turns it into concrete actions that reinforce its leadership in sustainability, guaranteeing that producers adopt a responsible and environmentally friendly production model.
- **Calculation of the water footprint:** As part of this approach, in 2024 GREPALMA began calculating the water footprint of the palm oil sector in partnership with the Private Institute for Climate Change Research (ICC). This study will facilitate the efficient management of water in plantations and processing plants, guaranteeing a responsible and sustainable use of this key resource.
- **Biodiversity Conservation:** Furthermore, GREPALMA has followed up on its biodiversity studies by implementing nurseries of nectar-producing species in three producing regions of the country. These plants contribute to the conservation of pollinators and the natural biological control of pests, reducing the need for agrochemicals and strengthening biodiversity in the plantations. The importance of these actions has been recognised in a recent publication by the [International Union for Conservation of Nature \(IUCN\)](#), the national committee of the Netherlands, which highlights the efforts of the Guatemalan palm oil sector in the protection and regeneration of ecosystems.
- **Environmental and sustainability training:** As part of its commitment to capacity building, GREPALMA offered specialized training on environmental sustainability topics. This included webinars and workshops focusing on water management, certifications, and comprehensive water efficiency. These initiatives engaged over 240 participants and promoted the adoption of sustainable farming practices for palm oil producers.^{xi}

Human rights and responsible business conduct

In addition to its environmental initiatives, GREPALMA is deeply committed to advancing social responsibility within the palm oil sector, recognizing that sustainable development requires addressing the social dimension in agricultural production. In 2014, GREPALMA joined the Business and Human Rights efforts of the organized business sector in Guatemala, aligning with the Institutional Business Policy on Human Rights of the Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (CACIF) and the 2018 Policy of Respect for Human Rights of the Cámara del Agro. In 2014, GREPALMA joined the Business and Human Rights efforts of Guatemala's organized business sector, aligning with the Institutional Business Policy on Human Rights of the Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (CACIF) and the 2018 Policy of Respect for Human Rights of the Cámara del Agro. As part of this commitment, three GREPALMA member companies participated in a program to integrate human rights into business practices in the palm oil sector, supported by the International Labour Organization (ILO), the Cámara del Agro, and GREPALMA. This initiative strengthened companies' capacity to implement due diligence processes, helping them identify, prevent, and mitigate actual and potential human rights risks affecting workers and communities in their areas of influence. Building on these efforts, in August 2020, GREPALMA and its members published their [Human Rights Respect Policy](#), making the palm oil sector the first agricultural sector in Guatemala to formally adopt a human rights policy. This policy aims to raise awareness, build capacities, and establish due diligence processes within the palm oil sector, fostering responsible business practices, stakeholder dialogue, and compliance with international human rights standards.^{xii} Key initiatives in this area include:

- **Capacity building and training:** GREPALMA regularly organises events on labour and human rights, human rights, including labour rights and occupational health and safety. In 2022, GREPALMA also launched a project to estimate prevailing wages in the Guatemalan palm oil sector, assessing 17 certification units and developing a template for companies to estimate prevailing wages, which were found to exceed the legally established minimum wage in Guatemala. Since 2022, GREPALMA, in collaboration with the Earthworm Foundation, strengthened corporate social responsibility through field visits and training, addressing conflict resolution and health and safety in communities. Since 2023, GREPALMA has supported companies in aligning with international due diligence standards, improving their human rights policies, grievance mechanisms, and working conditions.^{xiii}
- **Sustainability with a view to Legal Compliance:** In 2024, GREPALMA developed a strategic approach to strengthen the governance and sustainability of the palm oil sector, aligning it with international standards and ensuring its competitiveness in global markets. As part of this effort, the Legal Compliance Matrix was implemented, a tool that allows companies to identify and comply with national and international regulations on environmental, labour, fiscal and human rights issues, promoting transparency and social responsibility within the industry.

- **Guide to Compliance with the European Deforestation Regulation (EUDR):** Based on this matrix, GREPALMA produced the Guide to Compliance with the European Deforestation Regulation (EUDR), which offers guidelines to guarantee traceability, satellite monitoring and due diligence in the palm oil supply chain. This guide allows companies to demonstrate the legal and sustainable origin of their production, ensuring continued access to the European market. The combination of these tools has turned regulatory compliance into a competitive advantage for the sector, consolidating Guatemala as a benchmark in responsible palm oil production and positioning GREPALMA as a model of governance and sustainability that can be replicated in other agro-industrial industries.
- **Labour policy of GREPALMA and its partners:** In 2024, with the support of the International Labour Organization (ILO), GREPALMA developed and validated the association's Labour Policy, a framework that establishes minimum working conditions and guarantees respect for the five fundamental ILO rights: freedom of association and collective bargaining, the elimination of forced labour, the eradication of child labour, non-discrimination in employment and the promotion of safe and decent working conditions.

Results

GREPALMA's efforts have generated significant and measurable outcomes across environmental, economic, and social dimensions, reinforcing its leadership within the palm oil sector. Environmentally, the association has successfully maintained zero deforestation on member farms, underscoring its unwavering commitment to environmental protection. Economically, GREPALMA's initiatives have bolstered the competitiveness and resilience of the palm oil industry, positioning Guatemala as the first Latin American country to produce sustainably certified palm oil, with yields far exceeding the global average. On the social front, GREPALMA's commitment to human and labour rights is evident in its extensive capacity-building efforts, including more than 13 training sessions on human and labour rights, reaching more than 700 participants. In addition, GREPALMA has led key projects in areas such as environmental impact, human and labour rights, and governance, demonstrating its ability to address the multidimensional challenges of the sector. In addition, the association has fostered over 110 inter-institutional relationships and established eight strategic partnerships with key stakeholders. These efforts are further strengthened through active participation in seven sustainability-focused working groups, emphasizing GREPALMA's continued commitment to advancing a responsible and sustainable palm oil sector in Guatemala.

Key takeaways

- **Scientific data and technology have been pivotal in distinguishing Guatemala's palm oil sector.** Through rigorous research, including satellite monitoring and deforestation impact studies, GREPALMA provided credible evidence that countered previous misinformation, enhancing its position as a reliable advocate for the industry. However, a key challenge remains in expanding the reach of this evidence to a broader audience. Maximizing outreach and strengthening the dissemination of this information is critical to increase the impact of these efforts.
- **A multi-stakeholder approach is key to achieving long-term sustainability in the palm oil sector.** GREPALMA's collaboration with local and international partners, including universities and government bodies, has been fundamental in driving positive change. This collaborative model not only boosts the sector's credibility but also ensures that sustainability practices are effectively implemented and widely recognized. Nonetheless, a challenge persists in selecting the right partners for research and innovation. Ensuring that collaborators meet high academic and professional standards is essential for maintaining credibility and ensuring reliable, evidence-based outcomes.
- **The long-term strategic vision has been a key pillar in the journey toward sustainability in the palm oil sector in Guatemala.** Since 2015, this long-term vision has guided efforts to position the industry as a benchmark for responsibility and sustainability, transforming this process into a model of change over the course of a decade. It is important to highlight that GREPALMA has implemented its sustainability strategy in a systematic and cross-cutting manner, integrating it into all areas of the association's work.
- **Starting sustainability initiatives**, no matter how small, is an essential first step. As GREPALMA emphasizes, these initial efforts provide significant benefits for all. For the EBMO, it strengthens its voice and negotiating power with institutions, improving its ability to advocate for members. For businesses, it offers the opportunity to align with global standards, enhancing reputation and ensuring long-term viability. However, sustainability efforts are time- and resource-intensive, requiring sustained engagement with decision-makers through one-on-one meetings and events. This slow, demanding process requires continuous dedication to ensure key stakeholders receive first-hand information. Despite these efforts, GREPALMA underscores the broader value of sustainability, as emphasized by Marjorie Bosque, Executive Director: *"La sostenibilidad es un compromiso que beneficia a todos: fortalece al gremio, impulsa a las empresas y aporta al desarrollo del país que aspiramos a construir"* which translates as *"Sustainability is a commitment that benefits everyone: it strengthens the EBMO, boosts businesses, and contributes to the development of the country we aspire to build."*

ⁱ World Economic Forum, *Latin America is Moving Towards a Sustainable Economy: These Are the Challenges and Opportunities*, January 2024, <https://www.weforum.org/stories/2024/01/latin-america-is-moving-towards-a-sustainable-economy-these-are-the-challenges-and-opportunities/>, (accessed February 2025).

ⁱⁱ World Bank, *Climate Risk Country Profile: Guatemala*, <https://climateknowledgeportal.worldbank.org/country/guatemala>, (accessed February 2025).

ⁱⁱⁱ GREPALMA, *Socio-Economic Statistics of the Palm Oil Agro-Industry in Guatemala – Year 2023*, https://www.grepalma.org/wp-content/uploads/2024/05/Ficha-socioeconomici%CC%80mica-2023_ingles.pdf, (accessed February 2025).

^{iv} GREPALMA, *Development for Guatemala*, <https://www.grepalma.org/en/development-for-guatemala/>, (accessed February 2025).

^v GREPALMA, *Nosotros*, <https://www.grepalma.org/nosotros/>, (accessed February 2025).

^{vi} GREPALMA, *Política Ambiental*, 2018, <https://www.grepalma.org/wp-content/uploads/2018/09/Politica-Ambiental-COMPLETA-14-08-2018-.pdf>, (accessed February 2025).

^{vii} GREPALMA, *Zero deforestation voluntary commitment*, 2019, https://www.grepalma.org/wp-content/uploads/2022/05/Advancing-in-the-Zero-Deforestation-Voluntary-Commitment_compressed.pdf, (accessed February 2025).

^{viii} GREPALMA, *Zero deforestation voluntary commitment*, 2019, https://www.grepalma.org/wp-content/uploads/2022/05/Advancing-in-the-Zero-Deforestation-Voluntary-Commitment_compressed.pdf, (accessed February 2025).

^{ix} GREPALMA, *Zero deforestation voluntary commitment*, 2019, https://www.grepalma.org/wp-content/uploads/2022/05/Advancing-in-the-Zero-Deforestation-Voluntary-Commitment_compressed.pdf, (accessed February 2025).

^x GREPALMA, *Aportes a la producción sostenible de aceite de palma en Guatemala*, 2023, <https://www.grepalma.org/wp-content/uploads/2024/10/Comunicacion-sobre-Involucramiento-GREPALMA-2022-2023.pdf>, (accessed February 2025).

^{xi} GREPALMA, *Aportes a la producción sostenible de aceite de palma en Guatemala*, 2023, <https://www.grepalma.org/wp-content/uploads/2024/10/Comunicacion-sobre-Involucramiento-GREPALMA-2022-2023.pdf>, (accessed February 2025).

^{xii} GREPALMA, *Política de Respeto a los Derechos Humanos de GREPALMA y sus Socios*, <https://www.grepalma.org/wp-content/uploads/2020/08/Politica-de-Respeto-a-los-Derechos-Humanos-de-GREPALMA-y-sus-Socios.pdf>, (accessed February 2025).

^{xiii} GREPALMA, *Aportes a la producción sostenible de aceite de palma en Guatemala*, 2023, <https://www.grepalma.org/wp-content/uploads/2024/10/Comunicacion-sobre-Involucramiento-GREPALMA-2022-2023.pdf>, (accessed February 2025).

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