



Forest Peoples  
Programme



**GREENPEACE**

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RSPO Board of Governors  
c/o Roundtable on Sustainable Palm Oil  
Unit A-37-1, Menara UOA Bangsar  
Number 5, Jalan Bangsar Utama 1  
Kuala Lumpur 59000  
Malaysia

7<sup>th</sup> April 2017

Dear RSPO Governors,

### **Summary**

The publication of the NPP notification and related documents for PT Nabire Baru (Goodhope Asia Holdings) evidences fundamental failings of the RSPO Secretariat in administering and upholding the RSPO P&C and NPP, and in implementing essential reform programs – like Resolution 6h (2105) – mandated by its members to safeguard the RSPO's future.

The Board of Governors needs to intervene both to discipline and to reform the Secretariat to ensure that it acts in accordance with its required functions, in ways that maintain trust in RSPO and its certification system.

### **Background**

#### *PT Nabire Baru's NPP*

The publication of the NPP notification for PT Nabire Baru (PT NB) in March 2017 has highlighted extensive illegal development, and ongoing non-compliance with the RSPO P&C and NPP by its member Goodhope Asia Holdings (GAH). More profoundly, it exposes the continued systemic failure of certification bodies and the RSPO Secretariat to identify poor and substandard NPPs, and to hold companies and auditors to account.

Such fundamental failings in the RSPO certification process resulted in the passage of GA12 Resolution 6h (2015). The processing of the current NPP for PT NB by the company, the Certification Body and the Secretariat functions to re-cement the problems that Resolution 6h was meant to resolve.

The Environmental Investigation Agency (EIA), the Forest Peoples Programme (FPP), Greenpeace and Pusaka have jointly submitted two sets of comments against the NPP documents for PT NB.

The second set of comments were submitted on 7 April 2017. These cover the reasons why the coalition members believe the NPP documents are incomplete, substandard, insufficient, and in places factually untrue.

This second set of comments also highlights failings by the certification body BSI in approving the NPP documents for submission to RSPO, and the subsequent failings of the RSPO Secretariat to prevent the publication of the NPP notification on its website. The comments are attached for your attention (see appendix), and call for the NPP of PT NB to be redone and re-submitted, in compliance with RSPO rules.

However, it has been confirmed that the Secretariat is already well aware of these issues. Prior to publication of the NPP, the Secretariat commissioned an internal review of the NPP, which recommended that the assessments be redone. The Secretariat has thus far refused to publish this review, which it described as 'for internal RSPO Secretariat use and decision-making process'.

On 4 April 2017, the coalition members therefore submitted provisional comments regarding the NPP notification for PT NB through the NPP comments mechanism. These provisional comments urged the RSPO Secretariat to publically acknowledge the reasons it already knew of as to why PT NB's NPP documents should not have been posted to the RSPO website for public consultation, and why it failed in posting them to the website. The coalition gave the Secretariat until April 6th to undertake this obligation. The coalition members are not aware of any public communication by the RSPO Secretariat as to why the NPP of PT NB is neither complete nor credible. We consider the Secretariat's continuing negligence to be a grievous violation of its very purpose and core function, and one that deserves a robust response from the Board of Governors.

The NGO coalition members also believe that the RSPO Secretariat's failings with regard to the NPP of PT NB/GAH are symptomatic of the failings it has displayed in the tardy implementation of GA12 Resolution 6h to ensure the quality, oversight and credibility of RSPO assessments.

GA12 Resolution 6h is a crucial mandate for reform of the RSPO. It acknowledges that poor or fraudulent field assessments, and poor or fraudulent certifications (and certification audits) are failing to identify or covering up fundamental violations of the RSPO P&C. The resolution mandates the Secretariat to develop and implement measures that remove poor performance or fraud, to ensure the quality, oversight and credibility of RSPO assessments.

To date, the RSPO Secretariat has shown no coherent plan for the implementation of Resolution 6h, while simultaneously pursuing the roll-out of policies and standards that cement many of the problems Resolution 6h was intended to resolve. The influence of groups such as Goodhope through Edi Suhardi, who sits on the Assurance Taskforce Steering Committee, must be called into question.

Without a credible response to Resolution 6h, the market cannot trust the assurances behind the RSPO brand – throwing into fundamental question the value of certification under the RSPO. Successful implementation of Resolution 6h is, therefore, crucial to the ongoing existence of RSPO as a valid contribution to supply chain sustainability.

The Board of Governors to the RSPO needs to take control of the Secretariat, to ensure it is capable of performing core functions, while safeguarding the RSPO standard and brand from members or service providers that consistently undermine it.

## **Recommendations**

*Regarding PT NB and Goodhope*

- RSPO BoG to instruct the Secretariat to publish information it holds pertinent to the incompleteness, and poor quality and factual inaccuracy of the NPP of PT NB.
- RSPO BoG to instruct the Secretariat to issue a stop work order to PT NB until new assessments have been finalised and peer reviewed, and agreement has been reached on compensation / restoration of areas illegally developed or developed in gross violation of RSPO P&C.
- RSPO BoG to instruct ASI to investigate the NPP process at PT NB, including the conduct of PT NB and Goodhope, BSI, and the RSPO Secretariat.

*Regarding Resolution 6h (2015)*

- RSPO BoG to urge Edi Suhardi to recuse himself from the Assurance Task Force Steering Committee.
- RSPO BoG to investigate failings of the RSPO Secretariat in the implementation of Resolution 6h, urge the secretariat to redouble its efforts in this reform process, and to prioritise it over and above the revision of wider RSPO core documents over the coming 1-2 years.
- RSPO BoG to issue an explicit instruction to the RSPO Secretariat to ensure that any revisions of core RSPO documents (P&C, NPP, Certification Systems, etc) over the coming year or two are predicated entirely on the findings and measures to be implemented as part of Resolution 6h, and that no core document revisions take place until Resolution 6h has been credibly implemented.

*Regarding Accountability of the RSPO Secretariat*

- RSPO BoG to establish complaints procedure catering explicitly for failings of the RSPO Secretariat.
- RSPO BoG to investigate failings by the Secretariat relating to the posting of the NPP of PT NB/Goodhope, and take appropriate measures to prevent such willful negligence to occur.
- RSPO BoG to investigate the potential undue influence on the RSPO Secretariat by GAH's Edi Suhardi, and to act accordingly if undue influence was wielded by him in relation to NPPs or certificates submitted or obtained by any of GAH's operations.

The above-mentioned NGO coalition members urge the Board to take these issues seriously. We are increasingly of the opinion that RSPO is in danger of losing the limited support it enjoys, due to the increasing evidence of the unreliability of RSPO certification. We consider the debacle surrounding the NPP at PT NB (GAH) to be symptomatic of the problems undermining the RSPO.

Yours sincerely,

Marcus Colchester  
Senior Policy Advisor  
Forest Peoples Programme

On behalf of EIA, FPP, Greenpeace and Pusaka

CC:

1. Members of the Steering Committee to the RSPO Assurance Task Force
2. Members of the Reference Panel of the RSPO Assurance Taskforce
3. HCV Resource Network

4. Accreditation Services International (ASI)
5. International Organisation for Standardisation (ISO)
6. Palm Oil Innovation Group
7. Indonesia Sustainable Palm Oil (ISPO) Secretariat
8. Malaysia Palm Oil Certification Council (MPOCC) & Malaysian Sustainable Palm Oil (MSPO) -
9. Consumer Goods Forum (CGF)
10. European Parliament Committee on Environment, Public Health and Food Safety -  
Committee Chair Adina-Ioana VĂLEAN; Vice Chair Benedek Javor; & Kateřina Konečná,  
Rapporteur on Palm oil and Deforestation of Rainforests report)
11. Directorate General for Environment, European Commission (EC)
12. The Guardian Palm Oil Debate
13. Wilmar
14. Golden Agri Resources
15. Bunge
16. ADM
17. Musim Mas
18. Cargill
19. Unilever
20. Astra Ago
21. IOI