

Resolution GA15-6d

Proposed Resolution to be adopted at the 15th General Assembly of the
Roundtable on Sustainable Palm Oil (RSPO)

15th November 2018

Title: DISCOURAGING RSPO MEMBERS SUBJECT TO COMPLAINTS FROM AVOIDING THEIR
OBLIGATIONS BY DIVESTMENT OR WITHDRAWING THEIR MEMBERSHIP

Submitted By: Forest Peoples Programme

Supported by: Global Environment Centre, Solidaridad, WWF-International and Social
Entrepreneurs for Sustainable Development.

Background:

The credibility of the RSPO certification system, as a mechanism to transform the sustainability of palm oil production, depends on the implementation and enforcement of its standards.

RSPO members are required by the Members Code of Conduct to promote this transformation and demonstrate their sincerity by reporting on their efforts in their Annual Communications of Progress in line with time-bound targets that they set themselves.

Prior to certifying any operations, auditors are required to check that other operations majority-owned by the same corporate group are not in egregious violation of the RSPO standards (thereby discouraging conglomerates from 'greenwashing' their reputations by submitting model operations for certification while tolerating serious violations by other subsidiaries).

RSPO also provides various mechanisms to encourage operators to meet the RSPO standard including the functioning of a Complaints Panel to which third parties have recourse when other efforts to get operators to comply with the RSPO standard have proven ineffective.

We note with alarm the tendency of some companies to avoid their obligations under the RSPO by suspending their membership or by divesting from controversial operations, rather than by heeding the requirements of the Complaints Panel and the certification standard.

This behavior is very damaging to the credibility of RSPO and deprives impacted communities of mechanisms of accountability and remedy.

Potential Benefit/Risk:

There are risks that these stipulations might prompt fewer companies to join the RSPO and/or might encourage some companies to leave before complaints are filed against them.

The benefits are that the remaining members will be showing they are genuinely committed to compliance with the RSPO standard and to reform their operations where they are found to be non-compliant. The RSPO will gain credibility for its commitment to enforce its own standards.

THIS RESOLUTION PROPOSES:

- 1) To ask members not to divest from operations, nor to withdraw such operations from the RSPO, when these operations are subject to unresolved complaints at the Complaints Panel. Instead members are asked to redouble their efforts to bring these operations into compliance with the RSPO P&C in line with the requirements of the Complaints Panel.**

- 2) To mandate the Board of Governors to set up an inclusive sub-committee (and resource the Secretariat to support it), while being mindful of competition laws and other legal constraints, to urgently develop:**
 - **Proposed incentives and procedures that would discourage divestment or self-suspension of operations subject to complaints;**
 - **a proposal for graduated sanctions on any RSPO members, which act in violation of this requirement, both to be submitted for adoption by the Board of Governors.**

- 3) To propose amendments to the RSPO Members Code of Conduct accordingly for adoption at the next General Assembly of Members in 2019.**

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