



Roundtable on Sustainable Palm Oil

# COMPLAINTS PANEL MEETING MINUTES

20 Jan 2015 | 3.30pm – 5.30pm | Meeting No. 1/2015

Meeting location: *RSPO Secretariat Office, 37<sup>th</sup> Floor, Menara UOA, Bangsar, Kuala Lumpur, Malaysia*

## GENERAL MEETING AGENDA

### List of Complaint Panel members

Melizel Asuncion (Verite), Henry Barlow (Affiliate Member), Michelle Desilets (Orangutan Land Trust), Matthias Diemer (WWF Switzerland), Bambang Dwilaksono (First Resources), Marieke Leegwater (Solidaridad), Sabarinah Marzuky (Sime Darby), John Payne (Borneo Rhino Alliance), Nina Roth (UBS AG), Olivier Tichit (Sipef).

### 3.30pm-4pm

1. Opening Remarks by Chairperson
2. To confirm and adopt the minutes of the 16 December 2014 Complaints Panel Meeting
3. New Complaint(s)
4. Monthly Update: List of Complaints
5. Any other matter

### Group 1: 4pm-4.30pm

1. PT Ladang Sawit Mas
2. PT Nabatindo Karya Utama /PT Andalan Sukses Makmur
3. PT Hati Prima Agro
4. Genting Plantation Bhd
5. PT Limpah Sejahtera
6. PT Borneo Surya Mining Jaya

### Group 2: 4.30pm-5pm

7. PT Sisirau
8. PT Sumber Hasil Prima / PT Sinar Sawit Andalan
9. PT Permata Hijau Pasaman 1

### Group 3: 5.00-5.30pm

10. PT London Sumatra
11. Golden Veroleum Liberia
12. PT Kartika Prima Cipta

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## Agenda item

### 1. Opening Remarks by Chairperson

The Chairman welcomed all present and stated that this is the first Complaints Panel (CP) meeting for the year 2015. He further added that the Complaints System Revamp is a major activity that will be implemented this year.

### 2. Minutes of the meeting of 16 December 2014

The minutes of the meeting were adopted by the members unanimously.

### 3. New Complaint(s)

No new complaints have been received since 16 December 2014.

### 4. Monthly Update: List of Complaints: as of 20 January 2015

Categories :	Cases Closed		Cases Open
Case closed (Box H):	22	Complaint received (Box A):	3
Case closed for monitoring (Box G):	9	Complaint categorized (Box B):	2
Unresolved case (Box Q):	1	Panel Convened (Box C):	0
		Complaint legitimate (Box D):	2
		Reviewing response (Box E):	3
		Action Plan (Box F):	7
<b>Sub - total</b>	<b>32</b>		<b>17</b>
<b>Total:</b>			<b>49</b>

At this meeting, a total of 12 complaint cases were deliberated upon.

A total of 3 complaint cases have been referred to the Dispute Settlement Facility earlier.

A total of 5 complaint cases have been referred to the Compensation Panel.

### 5. Any other matters for the Complaints Panel

#### 5.1 Update on Complaints System Review

- i. New format of Complaints Panel Meeting minutes has been developed by Head of Impacts.
- ii. Budget for Complaints System Revamp has been proposed in the internal 2015/2016 RSPO Impacts Roadmap.
- iii. Final Report of the Independent Review on Complaints System Revamp has been shared on RSPO website accessible at web-link <http://www.rspo.org/news-and-events/announcements/a-review-of-complaints-system-of-the-rspo-final-report> on 5 January 2015.

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- iv. The internal 2015/2016 Work Plan for the implementation of the Complaints System Revamp is to be developed by Head of Impacts for implementation and be made available to all CP members.
- v. The second Advisory Group meeting is scheduled for 22 January 2015 but was later cancelled due to a lack of quorum.
- vi. All revised Complaints Systems documents to be circulated to CP members before being put up for public consultation.
- vii. The revised Complaints System Flowchart is to be available at the next CP meeting.

## 5.2 Golden Veroleum Liberia complaints and the RSPO Report

- i. A revised report has been sent to all the stakeholders on 8 January 2015.
- ii. A separate sub-Complaints Panel is to be convened for the deliberation of the GVL complaint. CP members agreed that the meeting on GVL complaint shall be deliberated on 26 February 2015 and the Secretariat shall prepare a 'discussion paper'.
- iii. CCP also said that a Standard Operating Procedure (SOP) for future visits by RSPO Secretariat on complaints matters must be put in place to address acknowledged weaknesses.

## 5.3 "Eye of the Forest" report\*

- i. RSPO accepted an investigative report from Eyes on the Forest (EoF) entitled "Tiger in Your Tank : [http://www.eyesontheforest.org/docs/EoF%20\(04Sep14\)%20Tiger%20in%20your%20tank%20EN.pdf](http://www.eyesontheforest.org/docs/EoF%20(04Sep14)%20Tiger%20in%20your%20tank%20EN.pdf)
- ii. The RSPO Secretariat have received responses from Sipef, Tribakti Sarimas, Cargill, GAR and Wilmar. Reminder has been sent to Asian Agri and PT Salim Ivomas Pratama (Indofood Agri) on 3 December 2014 but no reply has been received.

\*this is not a complaint case.

## 5.4 Dates for the next CP meeting

- i. The upcoming CP meeting dates for the 1<sup>st</sup> and 2<sup>nd</sup> Quarter of 2015 are as follows:

Feb	Mar	Apr	May	June
17/02/2015	17/03/2015	15/04/2015	26/05/2015	18/06/2015

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## DELIBERATION OF COMPLAINTS

Complaint 1	
Member Organization	PT Ladang Sawit Mas (LSM) – (a subsidiary of Bumitama Agri Ltd.)
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Yayasan IARI, Friends of Borneo
Date filed	8 April 2013
Nature of complaint	Complaint by Friends of Borneo that PT Ladang Sawit Mas is clearing orangutan habitat and is not complying with the RSPO guidelines.
Status	Box G – Closed for monitoring
Decision /Justification	The case has been closed for monitoring Bumitama has submitted four (4) progress update reports and the Complainant, Friends of Borneo is satisfied with the report. Bumitama must continue to implement the agreed Action Plan.

Complaint 2	
Member Organization	PT Nabatindo Karya Utama/PT Andalan Sukses Makmur- (subsidiaries of Bumitama Agri Ltd.)
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Centre for Orangutan Protection (COP)/HUTAN/JATAN
Date filed	10 March 2013
Nature of complaint	The company is alleged to have breached Principle 5: Environmental responsibility and conservation of natural resources and biodiversity and Principle 7: Responsible development of new plantings, in the development of the land within the concession.
Status	Box G – Closed for monitoring
Decision /Justification	Bumitama has clarified the matters raised by COP and HUTAN/JATAN during RT12 in November 2014 and will continue to implement the Action Plan. Both the cases have been closed for monitoring (24 July 2014). The sixth progress report was submitted by Bumitama on 15 January 2015.

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	The CP will continue to monitor for the remaining 3 months, ending April 2015.
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Complaint 3	
Member Organization	PT Hati Prima Agro (a subsidiary of Bumitama Agri Ltd.)
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Sawit Watch
Date filed	01 July 2012
Nature of complaint	Principle 2 RSPO P&C – Compliance with applicable laws and regulations. Operating a palm oil plantation without the requisite permits.
Status	Box F - Action plan
Decision/Justification	Bumitama have halted all development and have entered into a lease agreement with the new owners, who have the requisite Ijin Lokasi (Location Permit).  Complainants, Sawit Watch, have not responded to the latest developments.  Closure can be considered upon the receipt and review of the reply from Sawit Watch.

Complaint 4	
Member Organization	Genting Plantation Bhd (GPB)
Membership category	Oil Palm Grower
Country	Malaysia
Complainant	Borneo Rhino Alliance (BORA)
Date filed	27 February 2013
Nature of complaint	<ol style="list-style-type: none"> <li>1. Despite being a member of RSPO, GPB has not complied with the RSPO New Planting Procedures.</li> <li>2. Annual report clearly shows expansion in land area planted, but no NPP notification has been submitted to the RSPO during the period.</li> <li>3. No commitment to full certification on a time bound plan</li> </ol>
Status	Box F – Action Plan
Decision/Justification	The first progress report was submitted to the RSPO Secretariat on 12 December 2014, published on the RSPO website and shared with BORA. The RSPO Secretariat to await the

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	<p>response from BORA and satisfactory review of the progress of the implementation of the Action Plan.</p> <p>The CP will continue to monitor for the remaining 9 months, ending September 2015.</p>
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Complaint 5	
Member Organization	PT Limpah Sejahtera (a subsidiary of / First Resources Ltd (FR) )
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Yayasan International Animal Rescue Indonesia (YIARI)
Date filed	6 May 2010
Nature of complaint	<p>Violation of RSPO P&amp;C 5.2 and P&amp;C 7.3.</p> <p>The company is alleged to have breached Principle 5: Environmental responsibility and conservation of natural resources and biodiversity (C5.2) and Principle 7: Responsible development of new plantings (C7.3).</p> <p>The company is alleged to have destroyed Orangutan habitats and did not carry out an HCV assessment before development of the plantation.</p>
Status	Box F - Action Plan
Decision/Justification	<p>Once WRI has submitted its final compensation review report, FR shall then submit their Compensation Proposal.</p> <p>The outcome of the report shall be shared with YIARI and their suggestions solicited prior to any implementation of the action plan.</p>

Complaint 6	
Member Organization	PT Borneo Surya Mining Jaya (a subsidiary of First Resources Ltd (FR))
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Environmental Investigation Agency (EIA), Aliansi Masyarakat Adat Nusantara (AMAN) and the community of Muara Tae.
Date filed	16 October 2012
Nature of complaint	<p>Violation of RSPO New Planting Procedures under Principle 7 of the RSPO P&amp;C.</p> <p>The Muara Tae community alleged that FR did not carry out proper FPIC procedure in acquiring their customary land area. There is overlapping claims by Muara Tae and Muara</p>

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	Ponak communities over the same land. Also, HCV forest were not properly identified nor set aside for conservation.
Status	Box F - Action Plan
Decision/Justification	The Secretariat will update the CP after the 5 Feb 2015 meeting at Samarinda, Indonesia and confirm if the community of Muara Tae is agreeable to the resolution as suggested during the 11 December 2014 meeting held at Balikpapan, Indonesia.

Complaint 7	
Member Organization	PT. Sisirau
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Sumatran Orangutan Society (SOS)
Date filed	29/10/2012
Nature of complaint	<ol style="list-style-type: none"> <li>1. Clearing of HCV land containing Orangutan habitats</li> <li>2. Failing to stop work after the discovery of Orangutans</li> <li>3. Breach of New Planting Procedures</li> </ol>
Status	Box P – Appeal to Board of Governors
Decision/Justification	<p>PT. Sisirau, was suspended as a RSPO member on 26 November 2014 for failure to submit a Land Use Change Analysis and Compensation proposal on time in accordance with the CP decision of 14 April 2014.</p> <p>The CP agreed that since the member has appealed, the final decision is with the RSPO Board of Governors and the CP shall await the decision of the Board of Governors.</p>

Complaint 8	
Member Organization	PT Sumber Hasil Prima/ PT Sinar Sawit Andalan; a member of PT Agro Bukit (a subsidiary of Goodhope Holdings)
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Friends of Borneo
Date filed	21 April 2013

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Nature of complaint	The member is alleged to have breached Principle 1 on sharing of information and Principle 2 on compliance with national legislation. And also failing to comply with Principle 5 on preservation of HCV forest and Principle 7 on New Planting Procedure.
Status	Box F – Action Plan
Decision/Justification	In view of the fact that the parties have ‘engaged’, the complainant is satisfied with the progress made by the member in addressing the complaints.  The CP agrees that this complaint be closed for monitoring and the member shall provide a quarterly progress report for a period of 12 months. The complaint shall be closed at the end of the 12 months periods (end January 2016) upon satisfactory review by the CP.

Complaint 9	
Member Organization	PT. Permata Hijau Pasaman 1 (PT. PHP 1) (a subsidiary of Wilmar International Ltd.)
Membership Category	Palm Oil Processors and/or Traders
Country	Indonesia
Date filed	30 October 2014
Nature of Complaint	S.H Gampo Alam, <i>Pucuk Adat Nagari Kapa</i> (indigenous leader of Nagari Kapa) as well as Head of <i>Kerapatan Adat Nagari Kapa</i> (KAN – a village/nagari-level customary institution in Minangkabau which maintains and preserves the Minangkabau customs and culture).  Supported by Forest People Programme (FPP) and HuMa (Association for Community and Ecology-Based Law Reform)
Complaint	<ol style="list-style-type: none"> <li>1. Complainant seeks clarity of the extent of PT. PHP 1’s nucleus estate in Nagari Kapa.</li> <li>2. Complainant rejects PT. PHP 1’s application to the National Land Agency for a Hak Guna Usaha (HGU) certificate over the customary (<i>ulayat</i>) land of Nagari Kapa.</li> <li>3. Violation of RSPO Principles &amp; Criteria 6.2 – community did not participate in decision making on the areas to set aside as HCV areas.</li> <li>4. Complainant seeks clarification: to whom will the land be reverted at the end of the HGU period?</li> </ol>
Status	Box C – Complaints Panel convened
Decision / Justification	The RSPO Secretariat facilitated a meeting between the member and the community on 19 November 2014. Both parties have committed to seeking an amicable solution by getting clarification from the authorities i.e. the Head of District (Bupati) and the National Land Agency (BPN). The CP agreed that the parties should be allowed to engage and develop avenues for resolution. The RSPO Secretariat to observe the development and report at the next CP meeting.



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Complaint 10	
Member Organization	PT PP London Sumatera (a subsidiary of Indofood Agri Ltd.)
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Community of Desa Pergulaan via Sawit Watch
Date filed	7 April 2009
Nature of complaint	<p>The following points were raised by the community of Desa Pergulaan :</p> <ol style="list-style-type: none"> <li>1. Legality of the extension of the concession and demands for return of land totaling 165.6 ha.</li> <li>2. The status of the law suit filed by 5 of the residents which is ‘out-of-time’ (compensation paid in 1971).</li> <li>3. The legality of the security drain to prevent access.</li> <li>4. Prohibiting cattle herding in the plantation.</li> <li>5. The non-employment of residents of Desa Pergulaan in the plantation.</li> <li>6. Failure by Lonsum to carry out Corporate Social Responsibility programs as promised.</li> <li>7. No complaint letters have been addressed to Lonsum directly.</li> <li>8. Status of residents on the Police ‘Wanted List’.</li> </ol>
Status	Box E – Reviewing response
Decision/Justification	<p>Member has been slow to take action despite several announcements since July 2014.</p> <p>The RSPO Secretariat to write a letter with an ultimatum to Lonsum to present a clear Action Plan with timelines on the implementation of the resolution actions, failing which sanctions will be considered including suspension.</p>

Complaint 11	
Member Organization	Golden Veroleum Liberia (GVL)
Membership category	Oil Palm Grower
Country	Liberia, Africa
Complainant	<p>Local communities in towns and villages identified within the proposed Golden Veroleum project, which according to the Environmental and Social Impact Assessment (ESIA) covers about thirty three thousand hectares (33,000 ha) of land located in Greenville, Butaw and Kpanyan Districts of Sinoe County, Republic of Liberia encompassing several towns and villages, including: Plusunnie, Pynes Town, Kilo Town, Dejila, Solo Village, Bukrah,</p>

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	<p>Saklaboh, Bloh, Pluoh, Farley town, Soweh, Jaryenneh, Tuoh, Teah Town, Klay Tow, Butaw Compound, Otis Village</p> <p>Represented by Alfred Brownell of Green Advocates (GA), Kulu United Development Association (KUDA), Save My Future Foundation (SAMFU), Forest People Programme (FPP), Social Entrepreneurs for Sustainable Development (SesDev).</p>
Date filed	<ol style="list-style-type: none"> <li>1. Green Advocates – 3 October 2012</li> <li>2. Forest People Programme – 26 July 2013</li> <li>3. Sustainable Development Institute/SesDev Liberia - 2 October 2013</li> <li>4. Joint statement by FPP, SAMFU, SDI and GA – 1 November 2013</li> <li>5. Kulu United Development Association (KUDA) - 14 November 2013</li> <li>6. Sustainable Development Institute(SDI) and Social Entrepreneurs for Sustainable Development(SesDev) Liberia – 21 November 2013</li> <li>7. Social Entrepreneurs for Sustainable Development (SeSDev) - 7 February 2014</li> <li>8. On behalf of KUDA by Green Advocates - 17 February 2014</li> <li>9. Green Advocates on behalf of the GBlebo clan - 7 March 2014</li> </ol>
Nature of complaint	<p>Violation of the RSPO Principles and Criteria and New Plantings Procedure by:</p> <ol style="list-style-type: none"> <li>1) Not providing public notification for a 30 day period consistent with the New Planting Procedures,</li> <li>2) By commencing land preparation for new planting and infrastructure development prior to the expiry of the minimum 30-days consultation period.</li> <li>3) By not conducting a comprehensive and participatory independent social and environmental impact assessment(s) of the area concerned and incorporating the results into relevant action plans (see RSPO criteria 5.1, 6.1, 7.1 &amp; 7.4) including the identification of: (a) all primary forest, (b) any area required to maintain or enhance one or more High Conservation Values (HCVs), and (d) local peoples' land.</li> <li>4) Grabbing lands without respecting local customary rights and without the free, prior and informed consent (FPIC) of the customary land owners as represented through representative organizations of their choice (RSPO C2.2, C2.3, C7.5 and C7.6)</li> <li>5) Forcibly evicting the people from their lands (RSPO C7.5 and C7.6)</li> </ol>
Status	<p>Box G – Monitoring progress of action plan for Complaint 1 by Green Advocates</p> <p>Box C – Panel convened for Complaint 2 through 9</p>
Decision/ Justification	<p>The RSPO Secretariat team prepared a report and shared with all stakeholders on 30 September 2014. A revised report was prepared taking into consideration the feedback received and shared with all stakeholders on 8 January 2015.</p> <p>A sub-Complaints Panel will be convened on 26 February 2015 to deliberate on the complaints.</p>

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	<p>The RSPO Secretariat shall prepare a ‘discussion paper’ for the 26 February 2015 meeting. * Note – see general meeting agenda 5.2 above.</p>
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Complaint 12	
Member Organization	PT Kartika Prima Cipta (PT. KPC) (a subsidiary of Golden Agri Resources Ltd: GAR)
Membership category	Oil Palm Grower
Country	Indonesia
Complainant	Forest People Programme (FPP) and Transformasi untuk Keadilan (TUK) Indonesia
Date filed	14 October 2014
Nature of complaint	<p>Points raised :</p> <ol style="list-style-type: none"> <li>1. PT. KPC is in persistent violation of the RSPO P&amp;C pertaining to HCV assessment, the recognition of customary land rights and free, prior, and informed consent (FPIC). Lack of FPIC of the local Dayak and Malay people during the acquisition of the land.</li> <li>2. Land was acquired without a land tenure study and participatory mapping.</li> <li>3. Late HCV assessment which was done by Institute Pertanian Bogor, final consultation was on May 2014.</li> <li>4. Dissatisfaction among smallholders and resentment because of reduced land set aside for plasma compared to HCV areas.</li> <li>5. Land has been set aside as HCS area that made no provision for customary land uses and tenure and local peoples’ livelihood.</li> <li>6. GAR as the parent company of all 18 subsidiaries listed is acting in violation of the New Planting Procedures (NPP) by submitting information which it knows is false. No HGU exits in 16 of the 18 concessions where NPP was submitted.</li> <li>7. The assessors who have endorsed GAR’s HCV assessment, ESIA’s and social engagement actions, are in violation of their responsibility to provide impartial assessment of company compliance with RSPO P&amp;C.</li> </ol>
Status	Box C – Complaints Panel convened
Decision/Justification	<p>The CP agreed that more time be given to the parties to work out an amicable action plan towards resolution.</p> <p>The RSPO Secretariat to monitor and update the CP at the next meeting.</p>