



POI withdrawal of support for RSPO (Roundtable on sustainable palm oil)

12 September 2016

KEY MESSAGES

- POI are withdrawing support for the RSPO as an organisation and have ceased to actively promote RSPO certified palm oil to consumers.
- POI had previously supported the use of RSPO Certified Sustainable Palm Oil (CSPO) by industry brands based on assurances that RSPO certification was the solution to ensuring and regulating supply chain transparency for sustainable palm oil.
- However, POI have lost confidence in the ability of RSPO's leadership to manage its certification system to effectively regulate the supply of sustainable palm oil due to repeated systemic and governance failures.
- POI will continue to deliver an evidence-based advocacy and provide factual product information on the status of palm oil used in products based on data available on the RSPO certification database.
- POI do not endorse a total boycott of palm oil and believe its production can be regulated and conflict-free, despite the failings of RSPO.
- POI support palm oil supply that is completely ethical, traceable and verified by trusted on-the-ground grassroots NGOs, and are working on a solution for reliable and transparent supply chains.

BACKGROUND

Since 2013, POI have supported the use of RSPO Certified Sustainable Palm Oil (CSPO) by industry brands based on assurances that RSPO certification is the solution to ensuring and regulating supply chain transparency for sustainable palm oil.

POI are an independent organisation and the only NGO in the sector holding brands directly to account regarding their sustainable palm oil claims and statements to consumers, filling a gap that the RSPO has not met. Through its extensive consumer grassroots influence via social media, app and industry engagement strategies, POI have played a significant role in the adoption of RSPO certified palm oil in Australia.

Apart from evidence of personal conflict of interests on the RSPO Complaints Panel, which includes beneficiaries of the palm oil industry, POI are also gravely concerned by the growing catalogue of evidence of RSPO's repeated systemic and governance failures which undermine RSPO's credibility as a reputable self-governing palm oil industry watchdog, including:

- *June 2014* – A [Finnwatch report](#) reveals migrant labour exploitation contravening RSPO social criteria and legal minimum wage conditions on IOI plantations in Malaysia, with many observed conditions considered indicators for forced labour by the International Labour Organisation (ILO).
- *November 2015* - The Environmental Investigation Agency (EIA) releases a [damning report](#) exposing critical flaws in the RSPO's supply chain certification system, including weaknesses in oversight, control failures, fraudulent behaviour, conflicts of interest and unskilled personnel.

- *November 2015* – Rainforest Action Network release statements citing the RSPO’s failure to address [forced labor and human trafficking](#) on RSPO member plantations, as well as [RSPO’s certification](#) of palm oil linked to forest fires, deforestation and gross violations of human and workers’ rights across the globe.
- *March 25 2016* - the RSPO [suspends the certification](#) of palm oil giant IOI Group over breaches of RSPO principles by IOI’s subsidiaries following [complaints](#) of illegal land-clearing and fraudulent activities lodged by environmental consultancy and RSPO member Aidenvironment.
- *June 2016* - PanEco Foundation, which heads the highly regarded Sumatran Orangutan Conservation Programme, releases [a statement resigning their RSPO membership](#) over RSPO’s ongoing inaction and failure to rein in an industry tainted by environmental destruction and human rights abuses.
- *August 2016* - the RSPO lifts their earlier March 2016 suspension of the IOI Group following a [joint report](#) by IOI Group and Aidenvironment on the progress regarding the Ketapang complaint. This reinstatement demonstrates a lack of will by RSPO’s leadership to enforce rules and consequences, and comes despite a [letter](#) (to which POI was signatory) from an international coalition of 22 NGOs urging industry and brands to boycott IOI.
- *September 2016* – A [report](#) by NGO Mighty written in partnership with Aidenvironment and other NGOs identifies major RSPO members IOI, Wilmar and Musim Mas as buyers of palm oil produced by Korindo, a Korean conglomerate found to have logged and burned massive tracts of pristine rainforest in Indonesian Papua and North Maluku. It is a significant failing of RSPO that it allows members to procure palm oil from suppliers which do not comply with RSPO sustainability standards, thereby contaminating the supply chain with ‘conflict’ palm oil.

OUR POSITION

POI respect the principles and underlying intent of a certification system for sustainable palm oil supply.

However, given current circumstances, POI cannot in good faith and conscience continue to support the RSPO and have withdrawn support for the RSPO, pending demonstrated commitments by RSPO to improve the management of its certification system and provide evidence of complete accountability and transparency in its supply chains.

POI have ceased actively promoting and recommending any brand using RSPO certified palm oil to consumers.

POI will continue to deliver an evidence-based advocacy and provide factual product information on the status of palm oil used in products based on data available on the RSPO certification database. While exercising duty of care at all times, POI hold no responsibility for the accuracy of data published by the RSPO.

POI do not endorse a total boycott of palm oil and believe its production can be regulated and conflict-free, despite the failings of RSPO.

POI support palm oil supply that is completely ethical, traceable and verified by trusted on-the-ground grassroots NGOs, and are working on a solution for reliable and transparent supply chains.