

## 12th July 2021

The Roundtable on Sustainable Palm Oil (RSPO) is a not-for-profit, international membership organisation that unites stakeholders from the seven sectors of the palm oil industry to develop and implement global standards for sustainable palm oil production. There are systems in place to ensure that RSPO certified members abide by the standards. These include third-party certification, a system of accreditation for certification bodies, an open and transparent grievance mechanism, supply chain certification to end users, and traceability provided via the PalmTrace system. RSPO is also always working to improve its systems.

To ensure that the rights of workers and local communities are addressed effectively, RSPO continues to monitor the basis of qualitative and quantitative indicators, as required by the UN Guiding Principles on Business and Human Rights. RSPO relies on information from the audit reports of the certified growers which includes information on the performance on human rights, any grievances, stakeholder feedback and other compliances towards the RSPO Principles and Criteria (P&C). RSPO and its members recognise, support and commit to following the United Nations Universal Declaration of Human Rights and the International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work. In line with ISEAL Alliance best practices, the RSPO P&C are reviewed every five years, a process that involves all stakeholder groups and public consultations including civil society. Each revision of the P&C aims to improve the relevance and effectiveness of the standard for RSPO members.

Over the past year, the RSPO has made steady progress on the restructuring and resourcing of its global assurance system and the establishment of the Assurance Standing Committee (ASC). A comprehensive gap analysis has already yielded many areas for systemic improvement and the ASC is in the process of prioritising and resourcing these system-wide enhancements. To adequately address the capacity challenges that exist both within the RSPO Secretariat and in the wider audit ecosystem, especially in developing countries in Asia, Africa, and Latin America, the Board of Governors and the ASC are working as swiftly as possible to review the long-term direction of the organisation, its staffing levels and the resources required to meet the expectations of all stakeholders and civil society.

The RSPO has a detailed list of requirements in regard to Free, Prior and Informed Consent (FPIC) under Principle 4 of 2018 RSPO P&C. We acknowledge that multiple factors on the ground need to be considered across Malaysia, Indonesia, West Africa and Latin America in which our certified members primarily conduct their business operations. While RSPO accepts that gaps do exist, we are determined to close them through concerted efforts, roundtable discussions and collective action steps with our stakeholders. The RSPO is currently revising the 2015 FPIC Guidance to make it more practical, and to include case studies so that it will be easier for members to implement and monitor on the ground. In the next revision of the P&C, we will also explore ways to not just raise the standards and requirements of FPIC but to simultaneously ensure that there is clarity in the process and effective assurance.

Despite the challenges, we believe that RSPO certification, with its accredited independent third-party auditing, offers the best global system for surveillance of the agricultural sector where regulatory governance is still developing. The RSPO Secretariat remains committed to transparency and accountability, and determined in its vision to make sustainable palm oil the norm.