

Resolution 6f

Proposed Resolution to be adopted at the 12th General Assembly of the
Roundtable on Sustainable Palm Oil (RSPO)

19th of November 2015

TITLE: RESOLUTION FOR A COMPREHENSIVE SMALLHOLDER STRATEGY

Submitted By: Oxfam

Co-signed By: Ahold, Both ENDS, Goodhope Asia Holdings, Marks & Spencer plc, Mondelez, Rabobank, SIPEF, Solidaridad, Unilever, Zoological Society of London.

Background:

In its mission to transform the palm oil sector towards sustainable practices, RSPO has always been aware of the opportunities as well as the risks that such changes were bringing to host communities and the oil palm smallholders in these communities. There has always been an understanding – derived from experiences in other commodity sectors – that certification is not necessarily synonymous to social benefits and that certification may not bring sufficient incentives for smallholders. Subsequently, RSPO has expanded to become more than its standard and has developed other interventions than certification alone.

RSPO has among other things, been establishing structures (Smallholder Working Group, Smallholder Support Fund, Dispute Settlement Facility), regulations (group certification, verification scope as “mill and supply base”, grace period for scheme smallholders) and other approaches (supply sheds, jurisdictional pilots, FPIC guidance) in support of host communities and smallholders.

However, all these positive efforts so far seem to have resulted mainly in technically preventing the exclusion of smallholders from the RSPO systems but in most cases not in a pro-active outreach to and inclusion of smallholders in the transition and growth strategies. Moreover, most approaches have not acknowledged the diversity in regions and in smallholder types, nor the complexities of their gender, family and community relations.

With the focus on the newly emerging “no deforestation” commitments and associated emphasis on traceability there is another threat (and criticism) that smallholders might get excluded rather than benefit from the transformation efforts, e.g. because of their locations on peat land or lack of proof of legality of their production lands.

Luckily, the new commitments also refer frequently to “no exploitation”. The definition and implementation of these commitments, however, as yet have received only modest attention. Again, the attention has focussed on the exclusion of worst practices and not much on the potential positive development benefits to smallholders as well as to sustainable sector growth that the new commitments can bring, e.g. in participatory reviewing existing arrangements and business relations

between smallholders and mills. One particular avenue that has often been referred to but has been given little specific attention is the improvement of land efficiency of the sector by investments in replanting and optimised smallholder productivity, with wins for climate, people and business.

We, therefore, propose the RSPO undertakes a concerted effort to evaluate the contribution of smallholders to the environmental and social challenges of the palm oil sector, the current and potential contribution to solutions and transformations in the palm oil sector, their broader development needs with the necessary enabling environment and incentives, and the role that the mills, the market, the local authorities and the RSPO could play to support.

We hope and expect the resolution will assist RSPO and RSPO members to take a more urgent and forward-looking approach to smallholders, in order to convincingly justify the private sector's claims to inclusivity and contribution to social development.

THIS RESOLUTION PROPOSES:

THAT the RSPO develops within one year a comprehensive strategy and a subsequent action plan that mobilises the full potential of smallholders to both contribute to as well as to benefit from sector transformations, with positive impacts for the environment and host communities.

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