

## **Resolution GA14-6h**

Proposed Resolution to be adopted at the 14th General Assembly of the Roundtable on Sustainable Palm Oil (RSPO)

30<sup>th</sup> November 2017

**TITLE:** RELOCATION OF THE RSPO SECRETARIAT OFFICE TO JAKARTA, INDONESIA

**Submitted by:** First Resources Ltd, PT Sampoerna Agro Tbk, Bumitama Agri Ltd, Cargill, Golden Agri-Resources Ltd, PT Inti Indosawit Subur

### **Background:**

Indonesia is the world's largest producer of palm oil, contributing to 53% of global production. The country also produces the majority of certified sustainable palm oil, contributing to 57% of Fresh Fruit Bunches certified by the RSPO.

Indonesia is the only country with significant new areas for palm oil development. As of August 2017, 45% of new HCV assessments in HCV RN website are from Indonesia.

With the current scale of palm oil production and its future projected growth, it is by international convention that the headquarters of the international governing organization be located in the country with the biggest stake.

Proportionately, Indonesia is the producing country with the most exposure too and therefore there is a need of support in dealing with new planting procedures (NPP), biodiversity, remediation & compensation for grower companies and smallholders.

Although RSPO is currently headquartered in Kuala Lumpur, Malaysia, however, Indonesia has a distinct advantage with its freedom of the press and its democracy and potentially other anti-corruption practices indicates improvement to the RSPO organisation's visibility upon relocation.

In addition, there is a larger number of members from Indonesia as compared to Malaysia with a bigger potential growth in members, and therefore require the urgency to bring the benefit of increased accessibility to its members.

### **Potential Benefits:**

World's leading sustainable palm oil organisation will be housed where the largest proportion of growers – both plantation companies and smallholders – are located.

Prospect for increased membership through growth in Indonesian grower uptake of the certification standards.

Closer and better working arrangements in terms of dealing with the majority of issues that continue to be major challenges in the industry – biodiversity etc.

**Potential Risk:**

Loss of existing staff (could be ameliorated through phased transition/3 year time frame)

Perception of “ownership” of the standard by Indonesia; concerns about Indonesian commitment to higher sustainability standards, fear of producers gaining “upper hand” in decision making.

**THIS RESOLUTION PROPOSES:**

**That to enhance the credibility and effectiveness of the world’s premier organization related to sustainable palm oil production the RSPO Secretariat Office should be relocated to Jakarta, Indonesia. That the relocation shall be completed within 3 years from the adoption date of this resolution.**

**Contact Information:**

Agus Purnomo : apurnomo@goldenagri.com.sg

Fadhil Hasan : Fadhil.Hasan@asianagri.com