Resolution GA23-2e

PROPOSED RESOLUTION TO BE ADOPTED AT
THE 23RD GENERAL ASSEMBLY (GA23) OF RSPO MEMBERS
4 NOV 2026

TITLE: COMMISSIONING OF AN INDEPENDENT REVIEW[1] OF THE *prisma* PROGRAMME AND RELATED EXPENDITURES

SUBMITTED BY: Pemangkin Research Sdn Bhd, HUTAN Kinabatangan Orang-utan Conservation Programme, KOPERASI PRODUSEN TANJUNG SEHATI LESTARI, BC INITIATIVE SDN. BHD., Humana Child Aid Society, Sabah, SABAH ENVIRONMENTAL PROTECTION ASSOCIATION (SEPA), Yayasan Lembaga Penelitian Kaleka Indonesia (Kaleka), Forest Peoples Programme, Yayasan FORTASBI Indonesia, Solidaridad, Perkumpulan Petani Mitra Harapan, KOPERASI PRODUSEN USAHA DAGANG LESTARI, Perkumpulan Petani Berkah Mandah Lestari

Background

RSPO members have collectively invested substantial resources in the development and implementation of *prisma*. While recognising the best efforts of the Secretariat in launching and managing *prisma*, the reported costs of developing and implementing *prisma* however has substantially exceeded original allocated budgets and implementation timelines.

There are concerns that due to these unexpected financial, organisational resource and timeline overruns, some RSPO's core functions and strategic priorities like the IMO programme and support for smallholders have been negatively impacted. As well, there are member concerns that *prisma* presently remains a platform for credit transactions. It fails to build support or encourage long-term relationship connectivity between certified smallholders and buyers. There are also concerns regarding rising costs, operational challenges, functionality, user experience, implementation delays, member benefits and the overall effectiveness of the *prisma* platform.

Members have a legitimate interest in understanding whether these investments in *prisma* and associated processes, have delivered their intended value. However, members presently lack substantive information about whether project governance has been effective, whether *prisma* meets its planned objectives, and whether the allocation of financial and organisational resources has appropriately balanced strategic digital transformation priorities with the continued delivery of RSPO's core mission to its members. Members are also concerned about the lack of communications about *prisma* developments.

Furthermore, there are concerns that the trade policies of a leading palm oil producing country may have a consequential impact upon the future viability of *prisma* and thus the RSPO.

An independent review of *prisma* therefore will therefore contribute learnings to ensure that future strategic digital initiatives assist the Secretariat and the Board of Governors to plan and manage any unexpected financial and organisational challenges, and government policies that may ultimately impact the RSPO’s core mission. A review would also assist the Secretariat to stay within

[1] ‘Independent review’ means the review will be on the *prisma* governance process and not on compliance. This will include expertise independently sourced and will be answerable to a committee determined by the BoG.

a resource threshold determined by the Board and the needs of the RSPO Membership. Also, in cases when such thresholds are exceeded, this review will ensure that these initiatives be subject to enhanced and transparent reporting to membership, including regular progress updates on expenditure, project milestones, risks and anticipated benefits.

Proposed Resolution

The RSPO General Assembly hereby resolves that the Board of Governors commission an independent review to undertake a comprehensive evaluation of the governance issues in the development and implementation of the *prisma* programme.

The Terms of Reference of this Review are to:

- detail the financial costs incurred in the development, implementation, maintenance and enhancement of *prisma*;
- audit the approved budgets compared against actual expenditure, including explanations for material variances;
- examine the robustness of the procurement, governance and project management processes applied throughout the project;
- examine the circumstances surrounding the contract award, dispute, contract termination, arbitration/payout settlement and legal costs incurred with the original *prisma* IT vendor, and the subsequent appointment of a new vendor;
- analyse the operational performance and effectiveness of *prisma* against its original objectives and approved business case;
- appraise the design and impact of *prisma* in meeting smallholder needs, sNGO/eNGO and Grower interests;
- evaluate the allocation of organisational, financial and human resources to *prisma*, including an assessment of its impact on the delivery of RSPO's core programmes and services;
- consider the feasibility of granting members greater accessibility and transparency to *prisma*, especially for non-confidential, non-proprietary, and commercially non-sensitive information (i.e. all commercially confidential, proprietary and sensitive data sets and transactions within *prisma* are EXCLUDED); and
- appraise the risks to *prisma*'s future in view of emerging government policy by a leading palm oil producing country to manage all domestic and international trade of palm oil as its strategic interests.

The Report of this independent review of *prisma* should ideally contain but not be limited to the following information, namely:

- findings on project governance, expenditure and implementation;
- challenges faced and lessons learned;
- actionable recommendations to improve governance, quality assurance, financial oversight and project management for future strategic initiatives;
- actionable recommendations to improve accountability, transparency and communication of decision-making about *prisma* and future strategic initiatives with members;
- recommendations on measures to ensure that future investments do not adversely affect the funding and delivery of RSPO's core mission and member services;
- recommendations about access to, and improving the responsiveness of, the *prisma* platform to Smallholders; sNGO/eNGOs and Grower concerns;
- recommendations to mitigate risks to the *prisma* platform from government policies; and
- where required, responses from the Board on any specific findings of the Review.

Potential Benefits

This resolution seeks to strengthen organisational governance, reinforce transparency and accountability. It needs to ensure that lessons from this significant investment inform future decision-making and improved communications with members.

This review would also pinpoint sources of technical design and workflow bottlenecks in *prisma* to deliver a practical roadmap for functional improvements, connectivity between smallholders and buyers, and user experience.

Additionally, lessons from this review would equip RSPO with actionable strategies to align digital assets with our fast-changing global markets and emerging national regulatory policies regarding the palm oil trade and traceability.

Potential Risks & Mitigation

This independent review will entail the allocation of some financial and Secretariat resources from the 2026/27 budget to ensure the success of its work. There is therefore a risk that this review would divert further RSPO financial and organisational resources that could be allocated to core priorities. However, since *prisma* is now a central component of RSPO, we think the review will promote membership understanding of *prisma*'s centrality and support for the Secretariat and Board of Governors in managing an improved *prisma*.

We are also confident that the costs involved in undertaking this review are not large and can easily be made available from *prisma*'s revised trading fees.

Proposed Committee/Working Group/Task Force in overseeing the Resolution

This resolution requires that the independent review be delegated for implementation to the Board of Governors of the RSPO. Expertise shall be independently sourced and the review will be answerable to a committee determined by the BoG.

The General Assembly also mandates the Board of Governors and the Secretariat to provide full support and cooperation to the independent review by allowing unrestricted access to relevant financial records, project documentation, contracts, governance decisions, management reports, user feedbacks, and staff persons (current and former) overseeing *prisma*, subject to appropriate confidentiality obligations, to ensure the independent reviewer has all the relevant resources reasonably required to complete the review.

This independent review report is to be submitted to the BoG no later than 60 days before the 24th RSPO General Assembly in 2027.

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