

**6 April 2017**

## **RSPO Complaints Panel's Decision on Plantaciones de Pucallpa**

The RSPO Complaints Panel has found Plantaciones de Pucallpa (PdP) (Peru) to be in breach of RSPO Code and Conduct and RSPO Principles and Criteria (RSPO P & C) during its membership period from 14 October 2013 to 12 October 2016.

In the midst of an active Complaints deliberation, Plantaciones de Pucallpa withdrew its membership on 12 October 2016, stating it has *“divested all of its palm oil estates, land, related activities and equipment and has no involvement in the palm oil industry”*.

The Complaints Panel, in accordance to Paragraph 1.3 (c) of the RSPO Complaints System, which clearly stipulates that one of the objectives of said system is to protect the integrity of RSPO, proceeded with its investigation and deliberated on whether Plantaciones de Pucallpa was in breach of its obligations whilst it was an RSPO member.

An independent investigation was conducted to verify the allegations against Plantaciones de Pucallpa and to determine if Plantaciones de Pucallpa had cleared forest for its plantation, prior and post to becoming an RSPO member, and if said land included primary forests.

The following conclusions are drawn from the investigation report on Plantaciones de Pucallpa's Land Use Change Analysis (February 2017):

- 1) Plantaciones de Pucallpa cleared approximately 4489 hectares prior to becoming an RSPO member. Most of this area was forested (and most of the forest was primary forest). However, on 15 August 2014, Plantaciones de Pucallpa declared zero non-compliant land clearing.
- 2) Between 2014 – 2016, Plantaciones de Pucallpa continued to clear at least 1237 hectares of land, of which 423 hectares is considered primary forest, without submitting a New Planting Procedure.

Thus, the RSPO Complaints Panel finds that there are clear evidence that compensation liability would have been incurred. The RSPO Complaints Panel also finds the above violations as clearly contravening RSPO P&C 7.3. It is also a breach of the RSPO Code of Conduct 2.1 and 2.3 on transparency in reporting and the commitment of members to open and transparent engagement with interested parties, and actively seeking resolution of conflict.

The Complaints Panel also notes that these findings and decision are of moral and persuasive value only, and cannot be enforced in light of Plantaciones de Pucallpa's resignation as a RSPO member.

Yours sincerely,



**Oi Soo Chin**

Impacts and Evaluation Director

*On behalf of RSPO Complaints Panel*