

Complaints to the RSPO

Extracted from the [Complaint by Friends of the Earth to the Dutch National Contact Point of the OECD](#) June 2014

In total, five complaints have been filed against Bumitama with the RSPO.

1. 2 July 2012: A complaint was filed by Sawit Watch against **PT Hati Prima Agro (HPA)** (a subsidiary of Bumitama Agri Ltd.) on the legality of PT HPA. After several court cases, the Administrative High Court decided that the revocation of location permit should be revoked. The Indonesian Ministry of Forestry has appealed against this decision and the case is still in court. Sawit Watch did not participate in the court case, but has continued to raise the issue of legality of PT HPA with the RSPO. For more information see: http://www.rspo.org/en/status_of_complaint&cpid=23 02 Jul2012.

Four months after this complaint was filed, in November 2012, Rabobank extended a loan to Bumitama with a total value of € 17.38million. At the time, the complaint had not been concluded.

2. 11 March 2013: A complaint was filed by the Centre for Orang Utan Protection against **PT Nabatinduo Karya Utama** (a subsidiary of Bumitama Agri Ltd.). The company is alleged to have breached Principle 5 of the RSPO standards: Environmental responsibility and conservation of natural resources and biodiversity; and Principle 7: Responsible development of new plantings. The company is also accused of clearing High Conservation Value (HCV) forest, which provides habitat for various endemic animals including orang utans. The case has not been resolved. For more information see: http://www.rspo.org/en/status_of_complaint&cpid=32 11 March 2013
3. 8 April 2013: A complaint was filed by International Animal Rescue and Friends of Borneo against **PT Ladang Sawit Mas (LSM)** (a subsidiary of Bumitama Agri Ltd.). LSM is alleged to have breached Principle 5: Environmental responsibility and conservation of natural resources and biodiversity; and Principle 7: Responsible development of new plantings by clearing HCV forest and endangering the lives of orang utans found there. The case has not been resolved yet. See for more info: http://www.rspo.org/en/status_of_complaint&cpid=31. 08 April 2013

In May 2013, despite the three complaints filed against Bumitama, Rabobank agreed to provide a loan of € 15.28 mln.

4. 19 September 2013: Friends of Borneo/Friends of the National Parks Foundation, Indonesia/ Siesfund, Australia filed a complaint against **PT Andalan Sukses Makmur** (a subsidiary of Bumitama Agri Ltd.), alleging that the company had cleared HCV forest and planted palm oil in **Tanjung Puting National Park**, in violation of Indonesian national law. According to the complaint, they have also planted in coastal reserve areas and on riparian land, both of which are prohibited under Indonesian law. Mediation is

still ongoing. For more information see:

http://www.rspo.org/en/status_of_complaint&cpid=40. 19 September 2013

5. The latest complaint was filed on 29 April 2014, by Friends of Borneo and concerns the connections between RSPO member Bumitama and **PT Gemilang Makmur Subur GY/(GMS)**. The GY plantation has been managed by Bumitama since 1 November 2011. PT GMS does not have a forestland release permit, an environmental permit or a valid location permit for the land and plantations previously developed by PT GY Plantation. Yet, Bumitama produces and sells 'Fresh Fruit Bunches' (FFB) from this land, in violation of several Indonesian laws. Bumitama is also contaminating the RSPO certified chain of custody with an illegal product. The complaint has not yet been posted on the RSPO website.

Friends of the Earth alerted Rabobank to the problems with Bumitama on 18 October 2013. On 6 November 2013, a sustainability manager responded: 'I cannot endorse the loan value estimates provided by FoE nor confirm their veracity. The loan to Bumitama is a syndicated loan provided by a syndicate of financial institutions. Rabobank is not the lead arranger of this loan.'

Since then, Rabobank has repeatedly told Friends of the Earth that they were engaging with Bumitama and are following the course of the RSPO complaint procedure against Bumitama closely in order to decide their next steps.

Friends of the Earth has repeatedly asked Rabobank for information on their timeline for engagement with Bumitama, as well as for information on meetings, content of the meetings and concrete action points, but Rabobank has simply referred to RSPO procedures and refused to disclose concrete information on their engagement with Bumitama or provide a concrete timetable.

None of the above mentioned complaints has been resolved so far.