

# Another loophole in the RSPO certification process

## Case study on the Socfin palm oil plantation certification process

Socfin SA (Socfin) became a member of Roundtable for Sustainable Palm Oil (RSPO) in March 2019, while its Indonesian subsidiary Socfindo was already a member since December 2004.<sup>1</sup> RSPO standards clarify that: *'As a minimum, all estates and mills shall be certified within five (5) years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year time frame. Any deviations from these maximum periods requires approval by the RSPO Secretariat.'*<sup>2</sup> The 2017 RSPO membership rules required group membership for existing members and Socfin applied for membership accordingly. This requires all its African management units to be certified within 5 years after the 2019 membership date. The time-bound plan for certification of uncertified units is checked by the Certification Body and published in each audit report. Only justified changes are allowed.

Milieudefensie received concerns from communities and civil society about the Socfin certification process and started monitoring in 2020. Together with partners we filed various concerns with RSPO, Assurance Services International (ASI) and certification bodies.<sup>3</sup> In this fact sheet we explain how Socfin splits up its plantations into smaller pieces to achieve certification. As a result plantations that are directly managed by Socfin and deliver fresh fruit bunches to one and the same mill may consist of certified and uncertified parts. In some cases plantation areas with problems that are not 'certification ready' are taken out of the scope of certification by the Certification Body. Is this allowed in the RSPO system?

We first thought it was not, because the unit of certification should be the mill and its full supply base, at least for the directly managed plantations. Only smallholder or outgrower plantations in the supply base could be certified later on. But staff from the RSPO secretariat explained to us that the practice is allowed and it is in fact common practice. RSPO explains that while the unit of certification is indeed the mill and its supply base, *'the directly managed lands (or estates) shall be compliant with the P&C [Principles & Criteria] in order for a certificate to be awarded.'*<sup>4</sup> When there are parts of the plantation that are not compliant, for example because there is deforestation, social issues or pollution, the company can still receive RSPO certification on the mill and those parts of the plantation that are 'clean'. The problematic parts can be included in the time-bound plan for certification in the future, when it might become compliant eventually if issues can be solved.

For this fact sheet we have checked publicly available Socfin RSPO audit reports and time-bound plans. The most recent versions of audit reports are found [here](#). We want to understand how companies are allowed by RSPO to remove problematic parts of the plantation from the scope of certification and what area of the Socfin plantations in Africa are currently RSPO certified. This might answer questions from affected communities why Socfin is RSPO certified while their grievances have not been addressed or why they were not consulted during the audits. And might explain how Socfin can receive certification for a plantation with documented recent deforestation. We thank RSPO secretariat for reviewing an earlier version of this fact sheet in January 2023. It was instrumental for our understanding of the RSPO system.

<sup>1</sup> <https://rspo.org/members/1-0269-19-000-00/>, accessed 6 January 2023

<sup>2</sup> RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, 12 November 2020, RSPO-PRO-T01-002 V3.0 ENG, page 25 article 5.5.2

<sup>3</sup> <https://en.milieudefensie.nl/news/palm-oil-certification-not-out-of-the-woods.pdf> & [https://en.milieudefensie.nl/news/milieudefensie-reaction-to-asi-scs-socfin-rspo-complaint\\_march-2022-1.pdf](https://en.milieudefensie.nl/news/milieudefensie-reaction-to-asi-scs-socfin-rspo-complaint_march-2022-1.pdf)

<sup>4</sup> RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, 12 November 2020, RSPO-PRO-T01-002 V3.0 ENG, page 7 glossary & page 22 article 5.1 unit of certification

### FIRST TIME - BOUND PLAN AVAILABLE ONLINE

The oldest publicly available time-bound plan for Socfin Milieudéfensive could track sits in the SCS Global Services public summary report for the certification of Okomu from 7 January 2020.<sup>5</sup> Below table summarizes the undated plan:

Country	Company	Unit	Plan for certification	Certification of full supply base and mill?
Ivory Coast	SOGB	1 mill and estate	Q4 2021	Yes
Sierra Leone	SAC	1 mill and estate	Q4 2021	Yes
Cameroon	Socapalm	6 mills and estates	Q4 2021	Yes
Cameroon	Safacam	1 mill and estate	Q4 2021	Yes
Nigeria	Okomu	1 mill and main estate	Certified January 2020	No
Nigeria	Okomu	Extension 1 estate	Q4 2020	No: supplies Okomu certified mill
Nigeria	Okomu	Extension 2 estate	Q4 2021	Yes
São Tomé	Agripalma	1 mill and estate	Q4 2021	Yes
DRC	Brabanta	1 mill and estate	Q4 2021	Yes
Ghana	PSG	1 mill and estate	Q4 2021	Yes

### JULY 2020 TIME - BOUND PLAN

Certification Body SCS Global Services publishes a new version of the time-bound plan in their public audit report for Safacam, December 2020.<sup>6</sup> The plan is dated 21 July 2020. Various estates have earlier expected certification dates. Safacam has been certified, but only because it is split up in separate land titles, of which the majority is not in the scope of certification. This table shows changes we identified in the new plan:

Country	Company	Changes	Certification of full supply base and mill?
Ivory Coast	SOGB	Earlier date of certification by Q4 2020	Yes
Sierra Leone	SAC	Earlier date of certification by Q4 2020	Yes
Cameroon	Socapalm	Two of the 6 estates have earlier dates of certification by Q4 2020: Mbongo and Mbambou	Yes
Cameroon	Safacam	Audit report, page 7: 'SAFACAM has only 1 estate but only 3,992.84 was concerned by this initial certification audit from land titles TF 129, TF 180, TF 136, and Lease [Bail Ossa]. TF 151 will be subsequently be certified in 2021.'	No

### JANUARY 2021 SOGB CERTIFICATION

In January 2021 it becomes clear why SOGB is certified sooner than expected. Their audit report states that: 'SOGB has only 1 estate but only 1 land title area was concerned by this initial certification audit. It was land title N°464 about 1,999.9 ha of palm oil planted. 5,470.94 ha of palm oil planted will project to be certified in 2021 from the others land titles.' This did not happen. In the SCS Global Services annual surveillance audit report from February 2022, it is explained on page 3 that the remainder is not in the scope of the certification, but will be 'during the next surveillance audits'. Thirteen villages are directly impacted by the SOGB estate but only 5 are within the scope of the audit. SOGB has one mill and all titles are directly managed.<sup>7</sup>

<sup>5</sup> [https://www.documentcloud.org/documents/21115682-audit-report-okomu\\_2019](https://www.documentcloud.org/documents/21115682-audit-report-okomu_2019)

<sup>6</sup> SCS Global Services Report (2020) RSPO P&C initial certification audit – IC public summary report. Parent Company: SOCFIN SA, Société Africaine Forestière et Agricole du Cameroun

<sup>7</sup> SCS Global Services Report (2021) RSPO P&C initial certification audit – IC public summary report. Parent Company: SOCFIN, Société des caoutchoucs de Grand Béréby

## OCTOBER 2021 TIME - BOUND PLAN

The SAC certification report from December 2021 includes a new time-bound plan dated October 2021.<sup>8</sup> For SAC the full supply base and mill are certified. Various other Socfin estates are split up and renamed into 'management units'. This goes hand in hand with several delays and changes in the expected certification dates. These are the observed changes:

Country	Company	Change	Certification of full supply base and mill?
Cameroon	Safacam	Safacam 'titles' are now 'management units'. TF 151 and the provisional concession are not certified and are expected to be audited by Q4 2022, one year later than foreseen.	No
Nigeria	Okomu	Extension 1 and 2 will be audited by Q4 2022 which is 2 and 1 year later than in the previous time-bound plan.	No
Cameroon	Socapalm	Mbongo and Mbambou have been audited in February 2021. Edea and Dibombari were audited in September 2021. Kienke foreseen for Q4 2021 and Eseka smallholders for Q4 2023, which shows some delays.	Yes
São Tomé	Agripalma	This estate is now renamed into two 'management units' Titulo 409 (665 hectare) which was audited in January 2021 and Titulo 410 (1735 hectare) which is delayed and foreseen for Q4 2022. These titles both supply the Agripalma mill.	No
DRC	Brabanta	This estate is now divided into one mill and 5 'management units': Savannah, Lumbundji, Kanangai, Kadima and Sanga sanga. Certification is delayed to Q4 2022 for two units: Savannah and Lumbundji. All units supply the same mill according to previous plans and a 2019 Brabanta sustainability report. <sup>9</sup>	No
Ghana	PSG	This estate is now divided into 1 mill and two 'management units' Manso and Subri that are part of the same supply base. Certification delayed to 2022.	No

A prominent change is the renaming and splitting up of the Agripalma estate in São Tomé into two management units: Titulo 409 and Titulo 410. With the latter being the larger and problematic concession where deforestation has been documented.<sup>10</sup> Titulo 409 is certified in September 2022 by Certification Body Kiwa. They write 'Agripalma applies for partial certification, considering that there is a non-certified unit with respect to title 410, where the RSPO implementation process has already started, it has been included in the HCV studies, declaration of land responsibility before RSPO.' Note that partial certification does not exist anymore in the RSPO system and is replaced by the requirements for multiple management units.

The Brabanta plantation in DRC undergoes similar treatment. Certification Body BSI certifies three units (Kanangai, Kadima and Sanga sanga) in April 2022. Those deliver around 21.000 tonnage of fruits per year to the Brabanta mill. Two units (Savannah and Lumbundji), are delayed for certification, probably because they contain new land clearing for which remediation and compensation measures needs to be taken. This means a majority of 59.000 tonnage of fruits per year remains outside the scope of the certificate.

Only 958 hectares of the Cameroon Safacam plantation area were certified in December 2020, leaving 4370 hectares in TF 151 and other planted area uncertified. That area was supposed to be certified in 2021. But in the new time-bound plan of October 2021, the certification is postponed and foreseen for Q4 2022. All the

<sup>8</sup> SCS Global Services Report (2021) RSPO P&C (main assessment) public summary report – Socfin Agricultural company (SL) limited

<sup>9</sup> <https://www.socfin.com/en/locations/brabanta>

<sup>10</sup> <https://old.uniterre.ch/fr/thematiques/deforestation-intensive-pour-lhuile-de-palme-certifiee-bio-s> & Uniterre press release 2 March 2021, L'huile de palme de Bio Suisse est-elle durable ? & <https://www.greenpeace.fr/espace-presse/enquete-sur-les-investissements-du-groupe-bollere-dans-des-plantations-africaines>

Safacam palm oil goes into the same certified mill. At the time of research for this note in January 2023, there is still no sign of certification.

Socapalm Dibombari receives certification in March 2022, Edea in April 2022 and the Eséka mill in June 2021 by Certification Body BSI. BSI notes that Kienke certification is delayed with one year to Q4 2022. TUV is the Certification Body for PSG in Ghana and certifies the Manso unit in October 2022.

In November and December 2021, Socapalm Mbongo and Mbambou are certified in Cameroon. SCS Global Services for the first time finds out that there are smallholders in the supply base of Mbongo which were not included in the time – bound plan for uncertified units. This also happens to SOGB, where SCS Global finds out during an annual surveillance audit that there are outgrowers in the supply base that are not included in the time-bound plan. This lack of clarity of the supply base of the certified mill does not seem to have consequences for the certification.

### CURRENTLY UNCERTIFIED PARTS OF PLANTATIONS

The table below shows certified Socfin companies that make use of the RSPO rules that allow for partial certification of directly managed plantations in the supply base.<sup>11</sup> Oftentimes these units cannot be discerned on site and are not perceived by affected communities as different units, since they are directly managed by the same plantation company.

Country	Company	Names of 'units' that are not certified	Likely reason for exclusion parts of the estate (information from public RSPO audit reports)
Ivory Coast	SOGB	TF 465, 466, 467, also smallholders in the supply base are not included in the plan	Only 5 villages out of 13 impacted are in the scope of the certificate + almost 75% of planted land remains outside the scope. A remediation plan for land clearance is not yet ready.
Cameroon	Safacam	TF 151 and provisional concession	Over 80% of the plantation area is not in the scope of the certificate.
Nigeria	Okomu	Extension 1	Land rights conflict, case in court. Extension 1 (2099 hectares) is smaller than main estate (9383 hectares).
São Tomé	Agripalma	Titulo 410	Deforestation, LUCA <sup>12</sup> not approved. 665 hectare certified, 1735 hectare (73%) not certified.
DRC	Brabanta	Savannah and Lumbundji	The April 2022 BSI audit report identifies that new land was cleared for the two uncertified units and the LUCA is not approved. Almost 75% of sourcing volume is not certified.
Ghana	PSG	Subri	LUCA not yet ready. Around 80% of supply volume not certified.

The Socfin mills are certified under the mass – balance system. This means that buyers have no way of telling if the produce they buy comes from the certified or uncertified part of the plantation. RSPO requires mills to check that the uncertified fresh fruit bunches come from legal sources and claims in the supply chain can only be made for the volume of certified material entering the mill.

<sup>11</sup> RSPO database of certified growers, accessed in January 2023, <https://rspo.org/search-members/certified-growers/>

<sup>12</sup> The LUCA is an obligatory land use change analysis the company needs to conduct to identify remediation and compensation measures for the impact of the land clearance.

## MINIMUM CRITERIA FOR UNCERTIFIED UNITS

The Certification Body has to assess if the uncertified management units comply with minimum criteria<sup>13</sup> regarding High Conservation Values (HCV), High Carbon Stock (HCS), land disputes, labor conflicts and legality. Certification of management units or subsidiary companies will not proceed when there are non-compliances against those critical indicators.

Certification Bodies identify the following issues of compliance of Socfin with minimum criteria:

- SCS Global Services mentions the land dispute MALOA has with SAC in Sierra Leone and Brabanta in DRC, but this observation disappears from more recent audit reports.
- In the PSG audit report from October 2022, TUV Rheinland mentions the SAC land dispute again as well as the court case on community land claims in Extension 1 from Okomu in Nigeria.
- A land dispute in Cameroon that exists since 2012 in the Safacam area was noted by SCS Global Services when Safacam received its certification in December 2020, but was not mentioned afterwards.
- Unresolved land disputes are noted in the Nigeria, Okomu certification report from January 2020. The land dispute is in Extension 1. In later audit reports, it is also clarified that the dispute is in the court and there are questions around land rights in the forest reserve. In December 2021 the case is still in court but SCS Global Services concludes there are no land conflicts in uncertified concessions based on a range of desktop research.
- In January 2021, in the SOGB audit report, SCS Global Services mentions that 13 management units have potential liability for HCV/HCS conversion. In December 2021, 9 management units have this liability. In February 2022 SCS Global Services notes that 8 out of 9 management units with liabilities need to make a remediation plan. This shows the plantations have issues with previous conversion or degradation of HCV/HCS.

BSI is a Certification Body that Socfin hires for its Socapalm Edea, Dibombari and Brabanta certification processes. They do not mention court cases in Nigeria and write that '*documents shows engagements between the various management units with relevant stakeholders to ensure issues are resolved in a participatory manner.*'<sup>14</sup> Kiwa is the Certification Body for Agripalma in São Tomé and provides no information on compliance with the minimum requirements for the uncertified concessions in the public audit report.

From what is reported in public audit reports, Milieudefensie finds that the quality of the assessments of minimum criteria is failing and varies widely between Certification Bodies. The minimum criteria for uncertified management units are important, because they prevent certification of plantations or companies that engage in bad practice elsewhere, outside the scope of the certification audit. Stakeholders have send large amounts of information to Socfin's Certification Bodies over the past years, including documentation on potential non-compliance of Socfin with minimum criteria. We do not see that information reflected in the assessments.

## CONCLUSION

**Based on our scan of publicly available audit reports and time-bound plans for Socfin's plantations in Africa, Milieudefensie concludes that the RSPO process has a big loophole which affects the credibility of the RSPO. Directly managed plantation areas in the supply base that do not comply with the RSPO P&C can be left outside the scope of certification. This allows for quick and dirty certification, because problems are not solved before handing out the sustainability label. This obviously makes it easier for plantation companies to get certified, whilst they buy time to deal (or not?) with environmental or social issues in the rest of their plantation. They can start to gain benefits from their green image towards markets and financiers.**

**An RSPO certificate can be issued to companies, even if parts of the plantation do not comply with the RSPO P&C, as long as they do not violate minimum requirements for uncertified units. Certification Bodies do not properly and consistently assess compliance with minimum requirements.**

**The RPSO certificate provides access to markets and financiers with sustainability requirements. Socfin plantation companies with deforestation, pollution and social issues are allowed to receive certification. This loophole affirms that voluntary certification cannot be a proxy for due diligence on social and environmental adverse impacts.**

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<sup>13</sup> RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, 12 November 2020, RSPO-PRO-T01-002 V3.0 ENG, 5.5.3

<sup>14</sup> <https://rspo.org/search-members/certified-growers/> BSI (2021) RSPO P&C public summary report. Initial assessment. Socfin SA, Brabanta SA, Brabanta palm oil mill, page 17