Public Summary by Milieudefensie of internal research report: "SCS Global Service's consultation for SOCFIN companies' RSPO certification: Research for documenting the consultation process in Nigeria, A case of Okomu Oil Palm Company PLC (OOPC), December 2020"

May 2021

The Milieudefensie-commissioned research was conducted from December 2020 to January 2021. It documented the RSPO consultation process for OOPC in Nigeria. The researcher analysed documents and conducted interviews and focus-group discussions with representatives from affected communities, including traditional leadership, from 12 villages and 6 native Okomu communities.¹ The researcher also interviewed community-based organisations and other civil society actors. On 7th January 2020, OOPC was awarded RSPO certification by SCS Global Services (SCS) and its licence was renewed in April 2021 (Certificate number: SCS-RSPOPC-000121).²

Analysis of research findings against RSPO-PRO-T01-002 V2.0 ENG (2017)³: RSPO certification systems for principles and criteria:

ON PUBLIC ANNOUNCEMENTS (ARTICLE 4.6.1)

1. Did SCS Global Services (SCS) respect requirements for the timing of the announcement and invitations to stakeholders, the selection of stakeholders, appropriate means, format and language?

Several communities in Ovia South West say they have received formal invitations to RSPO audit meetings, but were not informed about the agenda in detail. Relevant stakeholders such as women and youth representatives say they could not make it at the announced time because of their schedules. Most community respondents stated they only got verbal invitations to RSPO meetings at short notice and found it difficult to prepare well as a result. Some said they struggled in sessions where no translation to local languages was provided. The Okomu native communities (Okomu community, Makilolo, Oweike, Agbede, IK Village and Ijawgbene) claimed they were excluded from the audit process. The perception from traditional leaders was that they were not involved because of ongoing discussions with the company: "all we have been asking was for OOPC to fulfil its corporate social responsibility, to stop evicting our people from their ancestral land and burning down houses, and to stop locking the gate to the only access road to the communities."

There is also confusion amongst communities involved in RSPO processes, about which communities should have been invited for the certification audit. This arises due to the fact that only the Okomu main estate is certified (9,383 hectares). Extensions 1 and 2 and Agripalm (around 15,000 hectares) are not certified, even though these areas are listed to supply palm fruit to the OOPC mill.⁴

ON STAKEHOLDER CONSULTATION (ARTICLE 4.6.3, 4.6.5)

2. Did SCS consult all relevant stakeholders and identify all relevant information to assess compliance? Did it include all information in the public summary report?

SCS noted the prominent community concern over the company's decision to close gates and prevent access to plantation roads in the public summary report. Communities made several appeals to the company to solve this, but SCS notes there were no complaints reported and does not include an assessment if this concern is a potential human rights violation (freedom of movement). Riverine communities such as Okomu, Oweike, Ijawgbene and Makilolo note a decline in fishing yield, potentially due to pollution. Women say they cannot fish at will, because military personnel have taken over or blocked parts of the river and reportedly seize fish nets or arrest fisherwomen. This deprives women of opportunities to sustain their livelihoods. Those issues are not included in the public summary report and potentially not included to assess compliance.

3. Did SCS provide a safe space for stakeholders, guaranteeing confidentiality where needed, and facilitate comments from stakeholders?

Village members say that in November 2020, ahead of the auditor's visit in Nigeria, OOPC human resources staff visited them to ask them to inform the incoming team that "the company has been doing a lot for them." One community member told the research team he did not want to share negative comments for fear of conflict with the company. According to the Gbelebu community, the RSPO meetings took place on company premises.

¹ The certification audit took place in November 2019, and because of the larger timespan between the audit and the interviews, the study provided less detail compared with Cameroon, Sierra Leone and Ivory Coast.

² <u>https://rspo.org/certification/search-for-certified-growers</u> ('Socfin' in search field for the audit report and certificate).

³ The audits took place in November 2019, long before the new version of the Standard for Certification Systems was approved in November 2020.

⁴ SCS, 23 March 2021, RSPO Principles and Criteria Surveillance ASA 1, Public Summary Report, Okomu Oil Palm Company.

Several interviewees from the native Okomu villages in Nigeria mentioned the presence of military in the area and company barricades. Women reported on military seizing their fish nets and fear arrest. According to the SCS public summary report (page 71), OOPC has done a survey after claims of harassment and human rights violations by security personnel. And found no issue. Also during the RSPO consultation communities did not report on any human rights issues and SCS scored criterion 4.1. positively. However, SCS cannot rely on company lead surveys and a short and limited consultation session to assess human rights, if there is fear of retaliation and speaking out. Communities also complain about a barrister (F.A. Osifo) to whom they had to give power of attorney and who they feel still acts in the interest of the company.

ON LAND DISPUTES (ARTICLE 4.6.4)

4. Did SCS review whether oil palm operations have been established in areas which were previously owned by other users and/or are subject to customary rights of local communities and indigenous peoples? Did it consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements?

On the one hand, SCS describes the court case on the Okomu Extension in the public summary report, but at the same time it writes that there are no land disputes based on its stakeholder consultations. Were communities engaged in the court case consulted? Why was conformity established with criterion 4.8 when a land dispute case is in court?

In 2015, the Edo State Government issued a revocation order for 13,750 hectares of land in Owan and Okomu Forest Reserves. The order is not even clearly mentioned in the SCS public summary report and therefore important information and consultation are not included in SCS assessments.

Several communities, including Gbelebu, Oke, Odiguetue, Umokpe and Ekpan, complained about the process for signing the FPIC document around 2016, which did not allow enough time for proper consultations. Community representatives stated, "We only learned the content when we had signed the documents" and "Now we do not know what we signed." And when communities questioned the land acquisition process, the company reportedly replied that the Federal and State Government that owned the land gave it to them, so there was not much need for the communities to be consulted. A proper assessment should include these concerns, but SCS does not.

ON ASSESMENT TEAM COMPOSITION REQUIREMENTS (ARTICLE 3.8)

5. *Does the audit team have skills and expertise to address all of the requirements of the RSPO P&C?* According to the SCS public summary report, the audit team is well qualified with regard to natural resource management, corporate aspects and the environment. However, it appears to lack strong social and human rights expertise. This is a gap found more often in RSPO audit teams, despite the fact that such expertise is needed to understand and assess complex social issues.⁵

Analysis against RSPO-PRO-T01-002 V3 ENG (2020): RSPO certification systems for principles and criteria. ON CERTIFICATION PROCESS REQUIREMENTS (ARTICLE 5.1, 5.4, 5.5)

6. Do RSPO and SCS respect requirements for the sampling approach and certification of multiple management units?

Socfin is required to certify all its management units according to an RSPO-approved time-bound plan at least 5 years after becoming a member (unless RSPO decides otherwise⁶). Any uncertified management units from sister companies or other entities under Socfin control have to be audited by SCS in the course of the certification process. SCS needs to establish if minimum requirements are met regarding deforestation, land conflicts, labour disputes and legal non-compliance. SCS needs to go beyond company self-declarations to assess this and engage stakeholders where applicable. The certification process can be concluded only once the minimum requirements are met. For the following reasons, Milieudefensie cannot agree with SCS's assessment in the course of the OOPC certification that such requirements have been met.

Firstly, how can the OOPC estates, which are centrally controlled by OOPC and are part of the supply base of the OOPC mill, be seen as separate management units? This goes against RSPO's own rules and definition: "unit of certification, which is the mill and its supply base." It is also unclear why the supplier Agripalm is not included in the time-bound plan for RSPO certification. Confusingly SCS also labels the extensions as new acquisitions, which would require certification within three years. However, the latest addition (extension 2) took place in 2016, three years before SCS granted the certification for the main estate. Extension 1 and the main estate straddle

⁵ Milieudefensie, March 2021, Palm Oil Certification: not 'Out of the Woods', https://en.milieudefensie.nl/news/palm-oil-certification-not-out-of-the-woods.pdf

⁶ Socfindo, the Indonesian branch from Socfin certified all its plantations by 2015, and membership has run since 2004. RSPO decided to give Socfin another 5 years for certification of all other plantations after it became a group member in 2019. In our view this is a very lenient approach to the 5-year deadline. See https://www.rspo.org/members/8070 for membership data.

the Okomu national park, and the impacts on forests and conservation values should be assessed at that larger level.⁷ But SCS notes that the land use change assessment (LUCA) for the extension estates have not yet been approved. Yet still it approved OOPC compliance with forest and biodiversity criteria.

Multiple unresolved land disputes are documented in the uncertified Socfin plantations⁸: for example, in Sierra Leone, a government technical committee confirmed injustices and abuses over land, and recommended a review, a recommendation that has not received follow-up since 2019. Protests from local communities and landowners have been violently repressed.⁹ Even on the OOPC plantations, the communities from one extension area are in court, fighting for their land rights, as SCS notes in its public summary audit report. In Ivory Coast, villages have, in the past, been relocated without FPIC or compensation and recent expansions or delimitations continue to cause conflict.¹⁰ In Cameroon, land disputes remain unresolved,¹¹ journalists unveiled critical labour issues on Socapalm plantations¹² and deforestation and forest degradation was recorded.¹³ The SCS audit report does include non-conformities on the Brabanta and Socapalm Edea plantations regarding new plantings and assessments on conservation and carbon stock as well as mapping of customary rights, compensation and land use change. However, because the companies have a plan to resolve this, it is accepted. SCS concludes with OOPC certification and the public summary audit report does not include reference to any of the publicly documented critical concerns regarding the non-certified plantations.

Other certification processes of Socfin companies conducted by SCS (and another certifying body for Agripalma in São Tomé) seem to have been undertaken using a sampling approach. According to the RSPO standard for certification systems, the certification body can take a sampling approach for the audit when there are more than four estates (article 5.7). However, "estate" is not defined in the glossary of the RSPO standard. Therefore, we refer to the Socfin time-bound plan for RSPO certification from 16 July 2020, which lists that the following companies only have one estate. A sampling approach should not be applicable:

- Agripalma in São Tomé has one palm oil mill and estate consisting of two titles, namely 409 and 410.¹⁴ Title 410, where deforestation has been reported, is not included in the certification.¹⁵ Even if the RSPO were to allow the two titles under Agripalma to be treated as two separate management units which is unlikely because both are under Agripalma control and Agripalma has one palm oil mill it would still have to take the deforestation in title 410 into account, as this is a minimum requirement under article 5.5 for uncertified units.
- SOGB has one palm oil mill and estate, but SCS audited one land title in this estate.¹⁶
- Safacam has one palm oil mill and estate, but SCS audited one out of the four land titles.¹⁷

Conclusion:

Milieudefensie finds that several articles in the RSPO Standard on Certification Systems for Principles and Criteria on stakeholder consultation and the certification process were not met by SCS during the OOPC certification. The OOPC certification should be cancelled and SCS and RSPO need to be held accountable.

⁷ Okomu map kml file, https://www.socfin.com/en/locations/okomu

⁸ Milieudefensie, March 2021, Palm Oil Certification: not 'Out of the Woods', page 22, <u>https://en.milieudefensie.nl/news/palm-oil-certification-not-out-of-the-woods.pdf</u>

⁹ https://www.fian.be/Landgrabbing-by-SOCFIN-in-Sierra-Leone-documentation?lang=en

¹⁰ ReAct May 2019, Développement Insoutenable, https://www.projet-react.org/fr/rapport-de-developpement-insoutenable/

¹¹ Letters from Synaparcam to Safacam from August 2018, March 2019, July and October 2020 & 2011 Framework agreement between Ndonga and Safacam & December 2012 meeting report village – Safacam & Group interviews with four villages affected by Safacam in December 2020.

¹² https://www.rtbf.be/info/dossier/investigation/detail_belfius-huile-de-palme-mineurs-exploites-et-pollution-dans-un-fondsdurable?id=10493768

¹³ Greenpeace reported twice in 2016 on Socfin deforestation and degradation in Cameroon:

https://storage.googleapis.com/planet4-africa-stateless/2018/10/763a57cf-763a57cf-brief-liberia-cameroun-version-finale.pdf
In a communication to a civil society stakeholder from March 2021, the certifying body speaks about 'partial certification', something that does not formally exist under RSPO as far as we are aware. It mentions the titles are separate management units, which is not in line with the Socfin Time-Bound Plan for RSPO certification included in Annex 1 in the SCS public summary report for OOPC and goes against the RSPO definition of management units.

¹⁵ Uniterre, 2 March 2021, press release: L'huile de palme de Bio Suisse est-elle durable ? & Greenpeace France, 2016, Menaces sur les forêts Africaines, page 20, https://www.greenpeace.org/static/planet4-africa-stateless/2018/10/19f048a0-19f048a0rapport_bollore-socfin_menaces-forêts_greenpeace-france.pdf

¹⁶ SCS, March 2021, public summary report for SOGB, page 7: "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."

¹⁷ SCS, 2020, public summary report Safacam, 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. TF 151 will be subsequently certified in 2021."