

# Evaluation of the published policies and Standard Operating Procedures (SOPs) related to the fulfilment of the rights of Free, Prior and Informed Consent (FPIC) of Royal Golden Eagle (RGE) Group as set out in the High Carbon Stock Approach (HCSA) Social Requirements

## High level summary of findings

An evaluation has been conducted of the published policies and Standard Operating Procedures (SOPs) on the fulfilment of the rights of communities to give or withhold their Free, Prior and Informed Consent (FPIC), to any development on their lands by Royal Golden Eagle (RGE) based on a comparison of its policies and SOPs on the fulfilment of FPIC rights that were available on the date of August 12<sup>th</sup> 2020, with the High Carbon Stock Approach (HCSA) Social Requirements (SRs) and Implementation Guidance (IG).<sup>1</sup>

A key finding of the evaluation is that RGE Group does not have published policies and SOPs on Free, Prior and Informed Consent (FPIC) rights that apply to the entire Corporate Group and that set out in detail the requirements for the fulfilment of FPIC rights, in accordance with the High Carbon Stock Approach (HCSA) Social Requirements (SRs) and Implementation Guidance (IG). RGE Group does have a sustainability policy at the Corporate Group level that contains clear commitments both to respecting human rights broadly in all its operations, and specifically to respecting and fulfilling the FPIC rights of all communities that are affected by them. These commitments to FPIC rights are set out in the RGE International Sustainability Framework.<sup>2</sup> The RGE- SF does refer to being '*guided by the HCS Approach as prescribed by the HCS Approach Steering Group*' and commits to '*only develop areas that are not forested as identified in HCV and HCS assessments.*' But it does not include an explicit commitment to adhere to the High Carbon Stock Approach (HCSA) Social Requirements (SRs) and Implementation Guidance (IG) in full.

RGE Group does not have published SOPs setting out detailed instructions on how its commitments to fulfilment of FPIC will be operationalized, and the FPIC rights of affected communities fulfilled in practice. As highlighted in Matrix 2, the brief references and paragraph of detail contain little additional information about what is required for the implementation of the FPIC process and the effective fulfilment of FPIC rights.

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<sup>1</sup> High Carbon Stock Approach Social Requirements <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Social-Requirements-Apr-2020.pdf>

High Carbon Stock Approach Implementation Guidance <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Implementation-Guide-Apr-2020.pdf>

<sup>2</sup> <https://www.rgei.com/sustainability/sustainability-framework>

RGE Group publicly acknowledged subsidiaries, APRIL, Asia Symbol, Sateri, Asian Agri and Apical also have published sustainability policies that contain clear commitments both to respecting human rights broadly in its operations, and specifically to respecting and fulfilling the FPIC rights of those affected by them. These commitments are set out in these companies' respective sustainability policies.<sup>3</sup> APRIL, Asia Symbol, Sateri, Asian Agri and Apical do not have published SOPs setting out detailed instructions on how its commitments to fulfilment of FPIC will be operationalized, and the FPIC rights of affected communities fulfilled in practice. As highlighted in Matrix 2, the brief references contain little additional information about what is required for the implementation of the FPIC process and the effective fulfilment of FPIC rights. Publicly acknowledged subsidiaries, Bracell and Asia Pacific Rayon have sustainability policies with no references to FPIC rights or human rights. Affiliated company Toba Pulp Lestari has a sustainability policy with a brief reference to FPIC and human rights, whilst Superventure (aka Anugrah Superventure) does not have a published sustainability policy. RGE Group does not publicly disclose a full list of affiliates and joint ventures so it has not been possible to conduct a complete evaluation across all companies affiliated with the Corporate Group.

In order to prove that Free, Prior and Informed Consent (FPIC) processes are in place for all areas under the management and control of the Corporate Group, and begin demonstrating that the rights of affected Indigenous Peoples and local communities are being respected, especially their right to FPIC to proposed and existing developments that affect them, RGE Group must strengthen its policy that applies to the entire Corporate Group and that set out in detail the requirements for the fulfilment of Free, Prior and Informed Consent (FPIC) in accordance with the High Carbon Stock Approach (HCSA) Social Requirements (SRs) and Implementation Guidance (IG). RGE Group must also develop and publish detailed SOPs on the implementation of FPIC processes. These must cover the four tenets of FPIC, various other aspects required as part of an effective and rights respecting FPIC process (as set out in Matrix 2), and all the actions that must be taken for its implementation (as set out in Matrix 3). These strengthened policies and SOPs must then be applied in full across all landbanks and development areas of the Corporate Group, and independent verification must be undertaken to prove that FPIC rights are being fulfilled in accordance with the High Carbon Stock Approach Social Requirements and Implementation Guidance.

The policies and SOPs of all subsidiaries and affiliates must be strengthened and set out in detail the requirements for the fulfilment of FPIC rights, in accordance with the High Carbon Stock Approach (HCSA) Social Requirements (SRs) and Implementation Guidance (IG).

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<sup>3</sup> [https://www.aprilasia.com/images/pdf\\_files/april-sfmp2-3-june-2015.pdf](https://www.aprilasia.com/images/pdf_files/april-sfmp2-3-june-2015.pdf); <http://www.asiasymbol.com/en/sustainability/sustainability-policy>; <https://www.sateri.com/sustainability/sustainability-policy/>; <https://www.asianagri.com/images/pdf/2016/asian-agri-sustainability-policy-2014.pdf>; <https://www.apicalgroup.com/wp-content/uploads/2018/08/apical-sustainability-policy.pdf>

These findings in no way represent an evaluation of the extent to which RGE International and its affiliated companies are, or are not, in compliance with these requirements for the fulfilment of Free, Prior and Informed Consent (FPIC) rights, whether in their own operations or in their supply chains. Detailed evaluations of the fulfilment of the rights to FPIC by RGE International remain of paramount importance, and should be undertaken in the field by qualified social experts, with meaningful participation of affected communities. They should use full compliance with the High Carbon Stock Approach Social Requirements and Implementation Guidance as their benchmark for assessing the fulfilment of FPIC rights.

Further investigations are also needed as a matter of urgency in order to verify evidence presented by civil society organizations of ongoing violations of Indigenous Peoples’ rights in the operations of the Royal Golden Eagle Group, including those raised regarding APRIL and its third party suppliers.<sup>4</sup>

### Matrix 1 Published policies and SOPs of Royal Golden Eagle Group related to the fulfilment of FPIC rights

The first matrix sets out the published policies and policy statements and Standard Operation Procedures (SOPs) of the Royal Golden Eagle (RGE) Group or its affiliated subsidiary or company (referred to collectively as “**Corporate Group**”<sup>5</sup>), where it has been necessary to look at that level, that are related to the fulfilment of FPIC rights.<sup>6</sup>

Published policies and SOPs related to the fulfilment of FPIC rights	Yes	No	Description of policies or SOPs where these exist
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<sup>4</sup> <https://environmentalpaper.org/2019/11/new-study-reveals-asia-pacific-resources-international-limited-april-involved-in-hundreds-of-conflicts-with-local-communities-in-indonesia/>

<sup>5</sup> [Corporate Group is as defined by the Accountability Framework Initiative](https://accountability-framework.org/definitions/?definition_category=41) including those subsidiaries or companies where there is formal ownership, investments, and/or an ownership or management relationship, as well as those where there is family control, financial control, beneficial ownership and/or shared resources. [https://accountability-framework.org/definitions/?definition\\_category=41](https://accountability-framework.org/definitions/?definition_category=41)

<sup>6</sup> As the evaluation is concerned with the role in the production, processing and trade of forest risk communities by the ten Corporate Groups, only affiliated subsidiaries and companies involved in these activities have been included in it. Due to the complex nature of many Corporate Group structures and the varying levels of disclosure, some relevant companies may have been missed out.

<p>An explicit Corporate Group sustainability policy with specific commitments on the fulfilment of FPIC rights and respect for human rights<sup>7</sup></p>	<p>*</p>	<p>Royal Golden Eagle (RGE) has a Sustainability Framework for Forestry, Fibre, Pulp &amp; Paper (RGE-SF),<sup>8</sup> which includes commitments to the fulfilment of FPIC rights and human rights. Under 'Respect the Rights of Indigenous Peoples and Communities', it is stated:  <i>'RGE Companies respect the rights of indigenous peoples and rural communities and are committed to the following:</i></p> <ul style="list-style-type: none"> <li>● <b>Respect of the Universal Declaration of Human Rights</b></li> <li>● <i>Respect of the tenure rights of indigenous peoples and rural communities</i></li> <li>● <b>Respect of the rights of indigenous peoples and rural communities to give or withhold their Free, Prior and informed Consent (FPIC) to operate on lands where they hold legal, communal or customary rights.</b></li> </ul>
<p>Any sustainability policy of the Corporate Group's affiliated subsidiaries or companies which includes references to the fulfilment of FPIC rights</p>	<p>*</p>	<p>The following RGE Group publicly acknowledged subsidiaries have sustainability policies within the RGE-SF, as explicitly mandated by the overall Corporate Group policy.<sup>9</sup>  APRIL's Sustainable Forest Management Policy (APRIL-SFMP),<sup>10</sup> states explicitly: <i>'This policy incorporates the Royal Golden Eagle (RGE) Sustainability Framework.'</i> The policy repeats the same commitment to human rights and FPIC rights contained in the RGE-SF (as quoted above), and states additionally:  <b><i>'To ensure that relevant international best practices in FPIC are followed, APRIL will actively engage with stakeholders, including communities, government, customers and civil society at the local, national and international levels.'</i></b>  Asia Symbol's sustainability policy (ASYM-SP),<sup>11</sup> similarly states explicitly: <i>'Our Sustainability Policy is in line with all of the provisions of the overarching RGE Sustainability Framework.'</i> It also states that:</p>

<sup>7</sup> See Appendix on FPIC rights and international human rights instruments in the Methodology for the evaluation, found at [www.ran.org/FPICEvaluation](http://www.ran.org/FPICEvaluation)

<sup>8</sup> <https://www.rgei.com/sustainability/sustainability-framework>

<sup>9</sup> Which states: *'RGE Companies will develop their own Sustainability Policy within this overarching Sustainability Framework'*

<sup>10</sup> [https://www.aprilasia.com/images/pdf\\_files/april-sfmp2-3-june-2015.pdf](https://www.aprilasia.com/images/pdf_files/april-sfmp2-3-june-2015.pdf)

<sup>11</sup> <http://www.asiasymbol.com/en/sustainability/sustainability-policy>

		<p><b><i>'Asia Symbol respects human rights, free, prior and informed consent (FPIC) of communities.'</i></b></p> <p>Sateri's sustainability policy (Sateri-SP),<sup>12</sup> includes the same reference to the RGE-SF, and the same statement on human rights and FPIC.</p> <p><b><i>'Sateri respects human rights, free, prior and informed consent (FPIC) of communities.'</i></b></p> <p>Asian Agri's sustainability policy (ASAG-SP)<sup>13</sup> sets out the following commitments to human and FPIC rights:</p> <p><i>'We recognize <b>universal declaration of human rights</b> and promote equal rights</i></p> <p><i>We respect and recognize <b>the rights of indigenous and local communities to give or withhold their free, prior and informed consent (FPIC)</b> to the utilization of lands to which they hold legal, communal or customary. We will ensure a transparent and legal land allocation process'</i></p> <p>Apical's sustainability policy (Apical-SP) sets out exactly the same commitments on human rights and FPIC rights as Asian Agri's one does.<sup>14</sup></p> <p>Other publicly acknowledged subsidiary companies, Bracell and Asia Pacific Rayon, also have published sustainability policies, but these are very brief and contain no references to FPIC or human rights.<sup>15</sup></p> <p>Toba Pulp Lestari, a pulp company associated with the Royal Golden Eagle Group and APRIL Group, and majority owned by Sukanto Tanoto, does have a sustainability policy that contains a brief reference to <i>'Respect the rights of indigenous people and community. Implement FPIC'</i>.<sup>16</sup></p> <p>Superventure (or Anugrah Superventure), another palm oil company affiliated with the RGE Group, including via offshore companies that are connected to Sukanto Tanoto, does not have a published sustainability policy.</p>
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<sup>12</sup> <https://www.sateri.com/sustainability/sustainability-policy/>

<sup>13</sup> <https://www.asianagri.com/images/pdf/2016/asian-agri-sustainability-policy-2014.pdf>

<sup>14</sup> <https://www.apicalgroup.com/wp-content/uploads/2018/08/apical-sustainability-policy.pdf>

<sup>15</sup> <https://www.bracell.com/en/sustainability/our-commitment>, <https://www.aprayon.com/en/sustainability/sustainability-policy/>

<sup>16</sup> <https://www.tobapulp.com/wp-content/uploads/2018/05/Sustainability-Policy.pdf>

SOPs on the operationalisation of these policy commitments on the fulfilment of FPIC rights		*	RGE Group does not have published FPIC SOPs, and its affiliated companies do not have published FPIC SOPs.
Any explicit commitment by the Corporate Group and/or its affiliated subsidiaries/companies (as defined) to ensure the fulfilment of FPIC rights by any affiliated companies/subsidiaries	*		<p>As set out in 'Scope', at the start of the RGE-SF:  <i>'All provisions in this Sustainability Framework apply without exception to: <b>All Royal Golden Eagle (RGE) companies</b> in the forestry, fibre, pulp and paper sectors worldwide (henceforth: RGE Companies), including current and future companies which RGE Companies own, manage or invest regardless of stake;'</i></p> <p>APRIL Group, Asia Symbol, and Sateri do not have explicit commitments that their sustainability policies apply to affiliated companies or subsidiaries.  The APRIL-SFMP instead states:  <i>'<b>The commitments made in this document apply entirely and exclusively to APRIL, which is an independently managed company with operations in Indonesia. It also covers all current and future wood suppliers to APRIL as well as any future acquisitions or partnerships.'</b></i></p> <p>Asian Agri and Apical both explicitly commit to the application of their sustainability policies and commitments to affiliates. ASAG states:  <i>'we will ensure that <b>our suppliers comply with the above commitments</b>, local laws and regulations. We will source our supply only through networks that are transparent and traceable (defined as traceable to the plantation level). <b>This commitment will be extended to all Asian Agri companies in which we have an investment regardless of stake.'</b></i></p> <p>Apical-SP states:  <i>'Effective immediately, <b>Apical and its subsidiaries—including companies we control, manage and/or have an investment regardless of stake - shall comply with this policy.'</b></i></p>
Any explicit commitment by the Corporate Group and/or its affiliated subsidiaries/companies (as defined) to ensure the fulfilment of FPIC rights by all third party suppliers	*		<p>RGE Group explicitly commits to the application of its sustainability framework to third party suppliers, as set out in 'Scope':  <i>'All provisions in this Sustainability Framework apply without exception to: <b>All third-party fibre, wood and pulp suppliers to RGE Companies.'</b></i></p> <p>Under section 8 of the RGE-SF 'Responsible Sourcing of Pulp and Wood Chips', is further stated:  <i>'We expect that all pulp and woodchip suppliers to RGE Companies are:</i></p>

		<p><i>Obtained in a way that respects the rights of indigenous peoples and communities to give or withhold their Free, Prior and Informed Consent to operate on lands to which they hold legal, communal or customary rights'</i></p> <p>As well as the statement in the box above ('It also covers all current and future wood suppliers to APRIL as well as any future acquisitions or partnership'), APRIL-SP states: '<i>We commit to respecting human rights and environmental aspects throughout our wood supply chains.'</i></p> <p>Asian Agri and Apical make very similar statements on the application of their sustainability policies to third party suppliers, in the ASAG-SP and Apical-SP respectively, both stating: '<i>We shall not knowingly source from suppliers who are not in compliance with this policy.'</i></p> <p>Asia Symbol and Sateri set out their commitments on third party suppliers in ASYM-SP and Sateri-SP, and both also have dedicated 'Wood and Pulp Sourcing', and 'Pulp-Sourcing Policies' respectively. Both of these policies state: '<i>The commitments in our Sustainability Policy apply, without exception, to all third party.. suppliers,</i><sup>17</sup> and both refer explicitly to the requirement that suppliers respect the FPIC rights of communities. Asia Symbol's 'Wood and Pulp Sourcing Policy' also states:</p> <p><i>'Asia Symbol requests that our suppliers respect the Universal Declaration of Human Rights and acknowledge indigenous and rural communities' legal, customary or user rights to their territories, land and resources. To do so, we request that our suppliers acknowledge the right of indigenous peoples and rural communities to give or withhold their Free, Prior and Informed Consent (FPIC) before new tree plantations are developed, resolve complaints and conflicts and remediate human rights violations through a transparent and accountable grievance mechanism and mutually agreeable dispute resolution process.</i></p>
Any explicit Corporate Group stand-alone policy on human rights including FPIC rights		* RGE Group has no stand-alone policies on human rights.

<sup>17</sup> <https://www.sateri.com/sustainability/pulp-sourcing-policy/>, <http://www.asiasymbol.com/en/sustainability/wood-pulp-sourcing-policy>

<p>Membership of HCSA, entailing commitments to the fulfilment of FPIC rights in all developments, by all affiliated subsidiaries/companies, and by third party suppliers</p>	<p>*</p>	<p>RGE Group is not a member of the HCSA, and neither are subsidiaries APRIL, Asia Symbol, Sateri, or Apical, although all refer to the protection of HCS forests in their sustainability policies. Asian Agri is a member of the HCSA, although it has not submitted any assessments to the HCSA peer review process. Although RGE Group and some of its subsidiaries have no explicit commitment to the HCSA and its Social Requirements and Implementation Guidance, references to the approach in their sustainability policies suggest that the HCSA methodology is followed to a varying extent. The RGE- SF, for example, refers to being '<i>guided by the HCS Approach as prescribed by the HCS Approach Steering Group' and that it would only develop areas that are not forested as identified in HCV and HCS assessments.</i>'<sup>18</sup> Sateri's policy states that: '<i>As HCS is a new concept, introduced primarily in Indonesia, Sateri will use HCS criteria from the High Carbon Stock Approach toolkit (<a href="http://highcarbonstock.org/">http://highcarbonstock.org/</a>).</i>'<sup>19</sup></p> <p>Apical and Asian Agri policies refer to "<i>High Carbon Stock areas</i>", rather than forests.</p> <p>APRIL's sustainability policy states that: "<i>APRIL and its suppliers will follow the HCS Approach as prescribed by the HCS Approach Steering Group.</i>"<sup>20</sup> The APRIL Group has registered 3 HCSA assessments with the HCSA peer review process.<sup>21</sup></p>
<p>A commitment to the fulfilment of FPIC rights via membership of any other voluntary certification schemes with a certification standard that requires the fulfilment of FPIC rights.</p>	<p>*</p>	<p>RGE Group is not a member of any voluntary certification schemes. APRIL was a member of the Forest Stewardship Council (FSC), but was disassociated in August 2013 following a complaint filed by Greenpeace, WWF-Indonesia and Rainforest Action Network, which accused APRIL of being involved in large-scale deforestation</p>

<sup>18</sup> <https://www.rgei.com/sustainability/sustainability-framework>

<sup>19</sup> <https://www.sateri.com/sustainability/sustainability-policy/>

<sup>20</sup> [https://www.aprilasia.com/images/pdf\\_files/april-sfmp2-3-june-2015.pdf](https://www.aprilasia.com/images/pdf_files/april-sfmp2-3-june-2015.pdf)

<sup>21</sup> One of these, for PT Bukit Raya Mudisa (BRM) is marked by the HCSA as 'Pending'; the others are for PT Pandu Pilihan and PT Marga Madani



		<p>activities in Indonesia, and causing negative social and environmental impacts in areas with high conservation values.<sup>22</sup>  Asia Symbol and Sateri are not members of the FSC, but both state ‘a preference for FSC-certified pulp.’  Asia Symbol also states:  ‘Asia Symbol encourages our wood chip and pulp suppliers to obtain Chain of Custody certifications such as Forest Stewardship Council (FSC®),’ but also allows certification under schemes that lack adequate requirements on fulfilment of FPIC such as the “Programme for the Endorsement of Forest Certification (PEFC®), or the Chinese Forest Certification (CFCC®).’<sup>23</sup>  Asian Agri and Apical are both members of the Roundtable on Sustainable Palm Oil (RSPO), and have been since 2006.<sup>24</sup></p>
<p>Any other public statements by the Corporate Group and/or its affiliated subsidiaries/companies containing commitments to respect human rights including FPIC rights, such as commodity-specific or sector-wide policies with commitments to the fulfilment of FPIC rights, or ‘No Deforestation, no development on Peat, no Exploitation’ (NDPE) statements</p>	<p>*</p>	<p>Asian Agri also has a policy on positive socio-economic impacts which repeats its commitments to respect FPIC and human rights.<sup>25</sup></p>

<sup>22</sup> <https://fsc.org/en/unacceptable-activities/cases/asia-pacific-resources-international-holdings-ltd-group-april>

<sup>23</sup> <http://www.asiasymbol.com/en/sustainability/wood-pulp-sourcing-policy>

<sup>24</sup> The RSPO Principles & Criteria include an explicit commitment to the Universal Declaration of Human Rights in their preamble, as well as specific commitments to ensuring the fulfilment of FPIC rights (including in Criterion 7.5) <https://rspo.org/publications/download/5ab40fb9d7c79f5> Membership of the RSPO also now entails a commitment to implement the HCSA when engaging in new development involving land use change, although the standard is not yet fully aligned with the HCSA’s Social requirements and Implementation Guidance

<sup>25</sup> <https://www.asianagri.com/en/sustainability-dashboard/sustainability-policy/positive-socio-economic-impact>

## Matrix 2 High-level summary evaluation of the published FPIC SOPs of RGE Group against the key tenets of FPIC and the HCSA Social Requirements

The second matrix gives a high-level summary evaluation of the published Free, Prior and Informed Consent (FPIC) Standard Operating Procedures (SOPs), where these exist, of Royal Golden Eagle Group against the four core tenets of the fulfilment of the rights to FPIC, and the High Carbon Stock Approach (HCSA) Social Requirements (SRs),<sup>26</sup> according to the criteria set out below. As no FPIC SOPs are publicly available for RGE Group, relevant references to the fulfilment of FPIC rights that are made in other sustainability policies of the Corporate Group or those of its affiliated subsidiaries or companies have been considered in this evaluation.

**Important note to consider when reviewing Matrix 2: No SOP = No published Standard Operating Procedure**

Evaluation criteria for FPIC SOPs	Corporate Group FPIC SOPs coverage of this Aspect	Strengths and weaknesses
<p>Are the four tenets of FPIC set out sufficiently clearly?<sup>27</sup></p> <p>In keeping with SR 7</p>	<p>No SOPs</p> <p>As above, in the RGE-SF under 'Respect the Rights of Indigenous Peoples and Communities', it is stated:</p> <ul style="list-style-type: none"> <li>● <b><i>'Respect of the tenure rights of indigenous peoples and rural communities</i></b></li> <li>● <b><i>Respect of the rights of indigenous peoples and rural communities to give or withhold their Free, Prior and informed Consent (FPIC) to operate on lands where they hold legal, communal or customary rights.</i></b></li> </ul>	<p>No FPIC SOPs, which is where dedicated and detailed FPIC procedures, and an explanation of the four tenets of FPIC should be outlined.</p> <p>Only one of the four tenets is referred to in the references to FPIC that are made in the RGE-SF, and repeated in APRIL-SFMP, and in the sustainability policies of other affiliated companies, Asia Symbol, Asian Agri and Apical. This is the right to give and withhold consent. There is a mention of 'prior' in the additional responsible sourcing policies of Asia Symbol and Sateri.</p>

<sup>26</sup> High Carbon Stock Approach Social Requirements. <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Social-Requirements-Apr-2020.pdf>

<sup>27</sup> The right to give or withhold consent; that the process is free of coercion; that it is based on sufficient information; and that it takes place prior to any development

	<p>This same commitment is repeated in the sustainability policy of affiliated company APRIL Group (APRIL-SFMP).</p> <p>Asian Agri and Apical both make the following briefer statement in their sustainability policies:</p> <p><i>'We respect and recognize <b>the rights of indigenous and local communities to give or withhold their free, prior and informed consent (FPIC)</b> to the utilization of lands to which they hold legal, communal or customary. We will ensure a transparent and legal land allocation process.'</i></p> <p>Asia Symbol and Sateri both have even briefer statements in their main sustainability policies. Asia Symbol's 'Wood and Pulp Sourcing Policy'<sup>28</sup> and Sateri's 'Pulp Sourcing Policy'<sup>29</sup> do make reference to the 'prior' tenet, but only in relation to their suppliers, as follows:</p> <p><i>'We request that our suppliers acknowledge the right of indigenous peoples and rural communities <b>to give or withhold their Free, Prior and Informed Consent (FPIC) before new tree plantations are developed.</b></i></p>	<p>Apart from that, no reference is made to the other three tenets, being the requirement that the process be free of coercion, based on sufficient information, and take place prior to development, and there is no full explanation of any of the four tenets.</p> <p>Explicit reference is made to the respect for tenure rights.</p> <p>The brief references to FPIC rights and one of the four tenets in their sustainability policies in no way negate the urgent need for RGE Group, and all its affiliated companies, to develop and publish dedicated and detailed FPIC SOPs. These are essential for the effective operationalization of its commitments to respect FPIC and human rights.</p>
<p>What provisions exist in relation to the requirement that all sections of affected communities are represented fairly and without discrimination?</p> <p>In keeping with SRs 2 and 12</p>	<p>No SOPs</p> <p>No reference is made to the requirement for fair and non-discriminatory representation of communities during the FPIC process.</p> <p>In the RGE-SF under Respect the Rights of Indigenous Peoples and Communities,' as well as in the APRIL-SFMP, a brief reference is made to:</p>	<p>No FPIC SOPs where such detail would be set out.</p> <p>No specific details on how affected communities are represented fairly and without discrimination.</p> <p>Only these brief references to active engagement with communities and to an open, transparent and consultative process for addressing complaints.'</p>

<sup>28</sup> <http://www.asiasymbol.com/en/sustainability/wood-pulp-sourcing-policy>

<sup>29</sup> <https://www.sateri.com/sustainability/pulp-sourcing-policy/>

	<p><b>'Active engagement with all stakeholders including communities, governments, customers and civil society at the local, national and international levels.'</b><sup>30</sup></p> <p>There is also a brief mention of '<b>an open, transparent and consultative process</b>' in relation to complaints resolution (see below).</p>	
<p>What provisions exist in relation to the requirement that the process is genuinely participatory, with meaningful engagement and negotiation conducted fairly and in good faith?</p> <p>In keeping with the principle of self-determination, and with SRs 1 and 7, the information tenet</p>	<p>No SOPs</p> <p>No reference is made to the requirement that the FPIC process is genuinely participatory, with meaningful engagement and negotiation conducted fairly and in good faith.</p>	<p>No FPIC SOPs where such details would be set out.</p> <p>No specific details on the participatory and collaborative nature of the FPIC process.</p>
<p>What provisions exist in relation to the requirement that the FPIC process be fully transparent at all stages as part of fully informing rights holders?</p> <p>In keeping with the information tenet of FPIC in SR 7</p>	<p>No SOPs</p> <p>No reference is made to transparency in relation to the FPIC process.</p> <p>Only a very brief mention of transparency in relation to complaints and to monitoring (see below).</p>	<p>No FPIC SOPs where such details would be set out.</p> <p>No specific details on how the FPIC process is fully transparent at all stages, or the actions necessary to fully inform rights holders.</p>
<p>What provisions exist in relation to the quality assurance aspects of the process including independent verification?<sup>31</sup></p> <p>Necessary for the effective fulfillment of all rights including FPIC rights</p>	<p>No SOPs</p> <p>No mention of quality assurance and independent verification of the FPIC process. Section V of the RGE-SF, on 'Monitoring, Progress Reporting and Transparency,' does state:</p> <p><i>'RGE Companies will plan and implement <b>regular monitoring and reporting of progress in a transparent manner</b>. Where appropriate, RGE Companies will invite relevant stakeholders to participate in a <b>verification process</b>.'</i></p>	<p>No FPIC SOPs where such details would be set out.</p> <p>No specific details on quality assurance including independent verification of the fulfilment by the Corporate Group of the rights to FPIC of affected communities, or by affiliated companies, except the brief reference by Asia Symbol.</p>

<sup>30</sup> <https://www.rgei.com/sustainability/sustainability-framework>, [https://www.aprilasia.com/images/pdf\\_files/april-sfmp2-3-june-2015.pdf](https://www.aprilasia.com/images/pdf_files/april-sfmp2-3-june-2015.pdf)

<sup>31</sup> This should include provisions for ongoing monitoring, with adaptive management and continuous improvement

	<p>Under ‘Traceability and Transparency’, ASYM-SP states:</p> <p><i>‘Asia Symbol will implement a <b>verification process conducted by independent third parties</b> and report our progress in a transparent manner.’</i></p>	
<p>What provisions are made for addressing any grievances that arise during the process?</p> <p>In keeping with SRs 7 and 10, and fundamental to the fulfillment of all rights including FPIC rights</p>	<p>No SOPs</p> <p>No reference is made to grievances arising in relation to the FPIC process. A brief reference is made to grievance mechanisms more broadly in the RGE-SF under ‘Respect the Rights of Indigenous Peoples and Communities’:</p> <p><b><i>‘Resolution of all complaints and conflicts through an open, transparent and consultative process.’</i></b></p> <p>In RGE-SF under V, ‘Monitoring, Progress Reporting and Transparency’, is stated:</p> <p><b><i>‘RGE Companies will establish a Grievance Procedure to allow stakeholder to register any issues or complaints, and for RGE Companies to transparently respond and report on progress.’</i></b> This doesn’t appear to have happened, however.</p> <p>APRIL makes the same commitment, and a Grievance Resolution Procedure is mentioned on its webpages,<sup>32</sup> but no published policy is available and no other references to grievance mechanisms were found.</p> <p>Asia Symbol and Sateri only refer to grievance mechanisms in relation to suppliers, with the former also promising to <b><i>‘develop a transparent grievance mechanism system to ensure that all</i></b></p>	<p>No FPIC SOPs where such details would be set out.</p> <p>No specific details of how grievances that arise during the FPIC process are resolved.</p> <p>Commitments are made by RGE Group and its subsidiaries to the development of grievance procedures and policies, which are repeated in the sustainability policies of some subsidiaries. RGE Group has no dedicated published grievance policy or mechanism, and neither do most of its subsidiaries, with Asian Agri and Apical the only ones with published procedures on grievances and case tracking.</p>

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<https://www.aprilasia.com/en/our-media/articles/assessing-the-effectiveness-of-the-grievance-mechanism-my-first-project-for-april-sustainability-professional-development-program-2018>

	<p><i>grievance and conflicts are dealt and handled in an accountable manner;</i><sup>33</sup> but again no published policy is available.</p> <p>Asian Agri does have a grievance flowchart and includes grievances on its sustainability dashboard, while Apical also sets out a 'Grievance Process' with flowchart and case tracker.<sup>34</sup></p>	
<p>What provisions exist in relation to the fulfillment of FPIC rights in existing operations?</p> <p>In keeping with SRs 10 and 13</p>	<p>No SOPs</p> <p>As above, under 'Scope' in the RGE-SF is stated:</p> <p><i>'All provisions of this Sustainability Framework apply without exception to:</i></p> <p><i>All Royal Golden Eagle (RGE) companies in the forestry, fibre, pulp and paper sectors worldwide (henceforth: RGE Companies), including current and future companies which RGE Companies own, manage or invest regardless of stake.'</i></p>	<p>No FPIC SOPs where such details would be set out.</p> <p>No specific details on the fulfilment of FPIC in existing operations.</p> <p>Explicit commitment that the provisions of the sustainability framework, including the respect of human rights and FPIC rights, apply to current operations, including all affiliates of RGE and those associated with its affiliates (RGE Companies).</p>
<p>Any other relevant or noteworthy aspects related to the fulfillment of FPIC rights?</p> <p>In keeping with SRs 2 and 7, the core FPIC rights, as well as any other relevant SRs</p>	N/A	N/A

<sup>33</sup> <http://www.asiasymbol.com/en/sustainability/sustainability-policy>

<sup>34</sup> <https://www.asianagri.com/en/sustainability-dashboard/grievance>, <https://www.asianagri.com/images/articles/asianagri-grievance-flowchart.png>, <https://www.apicalgroup.com/sustainability/grievances/>

### Matrix 3 – Comparison of the published FPIC SOPs of Royal Golden Eagle Group to the specific actions required for the fulfilment of FPIC rights under the HCSA Social Requirements and Implementation Guidance.

The third matrix presents key findings from a comparison of the FPIC SOPs to the specific actions that are required for the fulfilment of FPIC rights under the HCSA Social Requirements, including the Social Requirements (SRs) themselves and the detail on their operationalization provided in the Implementation Guide (IG).

**Important note to consider when reviewing Matrix 2: No SOP = No published Standard Operating Procedure**

Actions required for the fulfilment of FPIC rights under the HCSA SRs and IG	Documentation requirements	If and how the action is covered in SOPs	Necessary additions to SOPs to align with HCSA SR and IGs
1. Identify all potentially affected communities (ACs) in the Area of Interest (AOI) <sup>35</sup>  SR 2 IG Step 1.3a	List of all ACs located in AOI, with indication of extent/ways in which likely to be affected	No SOPs	No SOPs
2. Visit each AC and inform them <sup>36</sup> of:	Full records of engagement with each AC, including lists of attendees, detailed	No SOPs	No SOPs

<sup>35</sup> Affected communities (ACs) are defined by the HCSA to include indigenous people and local communities, as set out in the introductions of the SRs and IG.

High Carbon Stock Approach Social Requirements <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Social-Requirements-Apr-2020.pdf>

High Carbon Stock Approach Implementation Guidance. <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Implementation-Guide-Apr-2020.pdf>

<sup>36</sup> All information must be shared transparently with ACs, in a format and language accessible to all sections of communities

<p>a. The proposed development plans and their potential positive and negative impacts; details on compensation and other benefits; and possible alternative means of meeting local development needs<sup>37</sup></p> <p>b. Their right to say no to the proposed development</p> <p>c. Their rights to: determine their own representatives; appoint advisors to support them throughout the process; set the terms for engagement, in line with customary rules, protocols and structures for decision-making; and agree the timing of the process; and the associated requirement that these processes are fair and non-discriminatory. (In line with SRs 2, 12)</p> <p>d. The company's obligations with regard to FPIC (under national law, and according to international norms, including as set out by the HCSA SRs and other sustainability mechanisms)</p> <p>e. That these obligations include the establishment of a grievance mechanism, if ACs do give their consent, in order to mediate any issues arising during the process of engagement, assessment and negotiation<sup>38</sup></p> <p>f. What is involved in the assessment and land-use planning processes (land tenure and usage study (LTUS), HCV-HCS assessment, and Social and Environmental Impact Assessment (SEIA)), and in the engagement and negotiation processes</p> <p>SRs 7,2, 10</p>	<p>agendas, and minutes and/or recordings of the content of all meetings and other interactions<sup>39</sup></p> <p>Compilation of relevant information on a-f</p> <p>These records and all the relevant information are made accessible to ACs and other stakeholders, in appropriate format/language, according to arrangements that have been mutually agreed<sup>40</sup></p>		
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<sup>37</sup> The corporate ownership of the proposed project; the scale of the development; the length of the permit and nature/stage of the permitting process; and any other associated planned infrastructure such as roads, ports, warehouses, processing facilities etc., must also be disclosed fully to the ACs that may be affected by it

<sup>39</sup> These records should reflect (and so help to ensure) fair representation, full information disclosure, and the genuinely participatory/meaningful/good faith/fair nature of the process throughout the engagement, assessment and negotiation processes

<sup>38</sup> According to mutually agreed arrangements and in line with international human rights norms on grievance mechanisms

<sup>40</sup> SR 1 mandates the establishment of a 'social knowledge dossier' in which all relevant documentation related to the proposed development can be stored and made available as appropriate to rights holders and other stakeholders, with rights holders involved in setting the terms of access.



<p>3. Ensure that each AC has an opportunity during this preparatory stage to either consent to continued participation in the processes of engagement and assessment, or to withdraw from them, with sufficient time for consulting with advisors if they so choose</p> <p>FPIC GATE 1</p> <p>SRs 7, ,2, 1 IG Step 1.3c</p>	<p>A formal record of the decision of each AC, and of how it was reached, showing that the process has been free of coercion, representative and non-discriminatory<sup>41</sup></p> <p>Also made accessible to each AC</p>	<p>No SOPs</p>	<p>No SOPs</p>
<p>4. Establish the actual mechanisms for ensuring genuinely participatory assessment and land-use planning processes, and for ensuring meaningful engagement and negotiation processes conducted fairly and in good faith including:</p> <p>a. Who will be involved in which aspects, including which members of each AC and independent and/or technical advisors on each side</p> <p>b. The forum, format and frequency of interactions for engagement and negotiation, ensuring sufficient time for full consideration by the AC at each stage</p> <p>c. Procedures for recording and communicating information, including records and outputs of engagement processes, of assessments, and of the negotiations. These must all be made accessible to ACs in an appropriate format and language</p> <p>d. Procedures for reporting and addressing any grievances that arise during the assessment and engagement processes (and possibly beyond)</p> <p>SRs 2,7,12,10 Step 1.3d/2.1</p>	<p>Full records kept of engagement process, including attendees and minutes/ recordings of all meetings</p> <p>Documented details of the agreed arrangements in relation to all aspects (a-d)</p> <p>Made accessible to ACs in appropriate format/language</p>	<p>No SOPs</p>	<p>No SOPs</p>

<sup>41</sup> Independently verified quality assurance is necessary at this point, during the process (*ongoing monitoring*) to ensure that this is the case, by checking that the written and video records show: (i) meetings attended by good proportion and representative cross-section of ACs; (ii) that meetings have covered fully/sufficiently all the necessary points in 2 from a to f; (iii) the FPIC gate has been formally documented, and the process only continued with those ACs that have given consent; (iv.) this only occurs following the independent verification of this first stage (preparation stage 1 in the SRs' Implementation Guide)

<p>5. Conduct participatory assessments in conjunction with each AC as follows:</p> <p>a) Land Tenure and Usage Study (LT&amp;US)<sup>42</sup>  b) Social and Environmental Impact Assessment (SEIA) (done by assessors)  c) HCV-HCS assessments (done by assessors)</p> <p>Full discussion of findings with each AC, and their endorsement of the recommended land-use allocations based on it (done by assessors)</p> <p>SRs 1,7  Steps 1.4 and 2.3b/c</p>	<p>Outputs from the LT&amp;US and two major assessments, the HCV-HCSA Assessment Report and the SEIA Report, which demonstrate the genuinely participatory nature of the process (QA done by HCVRN-ALS)</p> <p>Made accessible to ACs in appropriate format/language according to agreed arrangements</p>	<p>No SOPs</p>	<p>No SOPs</p>
<p>6. Provide each AC with two more opportunities during the assessment stage to either consent to continued participation in the process, or to withdraw from it.</p> <p>FPIC GATE 2 follows the scoping phase of the HCV-HCS assessment, when assessors visit ACs (or a sample of them) before the main assessment takes place, to conduct due diligence on the process thus far.<sup>43</sup></p> <p>FPIC GATE 3 follows the full discussion of the findings of the participatory assessments with each AC, when each has another chance to withdraw from the process.</p> <p>SR 7  Step 2.3a and 2.3d</p>	<p>Record of decision of each AC, and of how reached, showing that process has been representative and non-discriminatory</p> <p>Made available to each AC</p>	<p>No SOPs</p>	<p>No SOPs</p>
<p>7. Co-develop with ACs the proposed Integrated Conservation Land Use Plan (ICLUP) and associated management and monitoring plans (MMP), and the</p>	<p>Full records kept of engagement process including attendees of meetings and minutes/recordings.</p>	<p>No SOPs</p>	<p>No SOPs</p>

<sup>42</sup> Involving preliminary participatory mapping and the collection of other information on tenure and usage patterns,

<sup>43</sup> The due diligence conducted by the HCV-HCSA assessors includes (or should include) ensuring that full information has been provided to ACs, and that their initial consent to the process was granted at FPIC GATE 1 without coercion, and with all sections of ACs fairly represented. This due diligence can be conducted with a sample of ACs to show the general pattern of the engagement process and whether it meets the requisite standards.

<p>accompanying 'package' of other measures (related to benefits, conservation, employment, 'CSR' grievance mechanisms etc.)</p> <p>SR 7 Step 3.1</p>	<p>The output of the process, i.e. the proposed ICLUP, MMP and 'package'</p> <p>Made available to ACs</p>		
<p>8. Conduct negotiations in good faith with each AC on the proposed ICLUP, MMP and package, with sufficient time allowed for full consideration, and independent advice available, in accordance with agreed arrangements</p> <p>This leads to the FINAL FPIC GATE, as each AC either gives their binding consent to what becomes the final ICLUP, or rejects it, and either withdraws from the process, or may enter further negotiations.</p> <p>SR 7 IG Step 3.2</p>	<p>Record of engagement and negotiation process</p> <p>Legally binding record of the agreement itself, if consent is given</p> <p>The final agreed ICLUP, MMP and package</p> <p>All made fully available to ACs in accessible format</p>	No SOPs	No SOPs
<p>9. Ensure this consent or rejection has met all the requirements of FPIC as set out above, before development proceeds, through independent verification of the documentation of all the FPIC procedures set out (including all 4 FPIC gates), thereby confirming the consent or rejection of proposed and final ICLUP by each AC.</p> <p>SRs 2, 7, 12 IG Step 3.3</p>	<p>Evidence that QA standards have been met, and IV conducted of the procedures required for the fulfilment of FPIC rights as set out in this matrix, including desk-checks of all the documentary records and field-checks with a sample of ACs</p>	No SOPs	No SOPs
<p>10. Ensure effective operation of grievance mechanisms as arranged, during the engagement, assessment and negotiation processes, and subsequently for the duration of the ICLUP.</p> <p>SRs 7, 10 Step 1.3d, 2.1, 4.3</p>	<p>Evidence that a grievance mechanism exists and is functioning effectively, with periodic QA and IV to ensure this is the case</p>	No SOPs	No SOPs