

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 Sinar Mas 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 the Sinar Mas Group, based on a comparison of its policies and SOPs on the fulfilment of FPIC rights that were available on the date of August 12th 2020, with the High Carbon Stock Approach (HCSA) Social Requirements (SRs) and Implementation Guidance (IG).¹ Links provided by Sinar Mas Group to RAN after its receipt of a notification of this evaluation were also considered in the evaluation.

A key finding of the evaluation is that the Sinar Mas Group does not have published policies and SOPs on Free, Prior and Informed Consent (FPIC) rights that apply to the entire Corporate Group. Publicly acknowledged affiliated subsidiaries of the Sinar Mas Group, Golden Agri Resources (GAR) and Asia Pulp and Paper (APP) do have relevant policies. GAR also has a document it refers to as its 'FPIC SOPs' specifically, while APP has a document referred to as 'FPIC Process Flow' which contains some relevant instructions on the implementation of the FPIC process, and so has been considered in this evaluation. GAR and APP both have a published sustainability policy that contains clear commitments to respecting human rights broadly in each company's operations, and specifically to respecting and fulfilling the FPIC rights of those affected by them. These commitments are set out in the GAR Social and Environmental Policy (GSEP), and in APP's Forest Conservation Policy (FCP). GAR's FPIC SOPs and APP's FPIC Process Flow then provide further detail on the fulfilment of FPIC rights in practice, providing instructions on implementation. However, these documents are both brief and lack detail, and fall well short of what is required to fulfil FPIC rights, as highlighted in detail in Matrices 2 and 3.

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, the Sinar Mas Group must develop and publish

¹ 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>

detailed SOPs at the Corporate Group level on the implementation of FPIC processes, and strengthen significantly the existing FPIC SOPs of its affiliated subsidiary companies. Other affiliated companies, including Golden Veroleum Liberia, Capitol Group, PT Arara Abad, PT Wirakarya Sakti, and other companies of which the ultimate beneficiaries are members of the Widjaja family, must also strengthen their policies and SOPs on FPIC rights. Sinar Mas 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.

The SOPs on Free, Prior and Informed Consent (FPIC) rights of the Corporate Group must cover in detail the four tenets of FPIC, as well as various other aspects required as part of an effective and rights respecting FPIC process as set out in Matrix 2, along with 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.

These findings in no way represent an evaluation of the extent to which the Sinar Mas Corporate Group or 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 Sinar Mas Group remain of paramount importance. These FPIC assessments and independent verification exercises 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 Sinar Mas Group, by Golden Agri Resources, Asia Pulp and Paper, and all their affiliates, including Golden Veroleum Liberia, PT Arara Abadi, and PT Wira Karya Sakti, as well as by third party suppliers.

Matrix 1 Published policies and SOPs of Sinar Mas 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 Sinar Mas Group or its affiliated subsidiary or company (referred to collectively as “**Corporate Group**”²), where it has been necessary to look at that level, that are related to the fulfilment of FPIC rights. As no published policies are publicly available for the Sinar Mas Group, relevant references to the fulfilment of FPIC rights that are made in sustainability policies of the Corporate Group’s affiliated subsidiaries and companies have been considered in this evaluation.³

Published policies and SOPs related to the fulfilment of FPIC rights	Yes	No	Description of policies or SOPs where these exist
An explicit Corporate Group sustainability policy with specific commitments on the fulfilment of FPIC rights and respect for human rights ⁴		*	Sinar Mas Group has no overall sustainability policy
Any sustainability policy of the Corporate Group’s affiliated subsidiaries or companies which includes references to the fulfilment of FPIC rights	*		<p>Sinar Mas Group’s publicly acknowledged affiliated subsidiaries, Golden Agri Resources (GAR) and Asia Pulp and Paper (APP), do have sustainability policies, both of which include references to human rights more broadly and FPIC rights specifically. Golden Veroleum Liberia (GVL), which is 100% owned by GAR-linked holding companies,⁵ also has sustainability policies with relevant references.</p> <p>GAR’s Social and Environmental Policy (GSEP), section 2 Social and Community Engagement (p.2),⁶ sets out this commitment to: <i>Respect the Universal Declaration of Human Rights, national laws and ratified international treaties on human rights and indigenous peoples. This will include the following:</i></p>

² [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

³ 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.

⁴ See Appendix on FPIC rights and international human rights instruments in the Methodology for the evaluation, found at www.ran.org/FPICevaluation

⁵ https://www.banktrack.org/company/golden_veroleum_liberia

⁶ <https://goldenagri.com.sg/wp-content/uploads/2016/01/GSEP-English.pdf>

		<p>2.1. Respecting the right to Free, Prior and Informed Consent for indigenous peoples and local communities...'</p> <p>GAR's sustainability report of 2017⁷ (p.54) reiterates this commitment, as follows:</p> <p>'FPIC is a central tenet of the GSEP and part of our commitment to upholding human and community rights. We implement FPIC in all our plantations. Respecting FPIC means we ensure that decision-making by indigenous peoples and local communities regarding the presence of our operations is done without pressure and intimidation (free), performed before an activity that has impact on the surrounding communities is carried out (prior), and with sufficient knowledge about the activity and its impact on the surrounding communities (informed), so they may express agreement or disagreement to such activity (consent).'</p> <p>This report goes on to reference the FAO's Voluntary Guidelines on the Responsible Governance of Tenure (VGGTs), which refer to FPIC rights in the context of indigenous peoples and other communities with customary tenure systems.⁸</p> <p>Golden Veroleum Liberia (GVL)'s sustainability policies also refer to respecting FPIC and human rights. These include the Social and Community Engagement policy and Human Rights and Sustainability Policy.⁹ The former refers to 'commitment to obtain FPIC of local communities', with some further detail, and the latter includes references to the Universal Declaration of Human Rights, the UN Guiding Principles for Business and Human Rights, and the UN Global Compact.¹⁰ GVL's compliance with GAR's GSEP is also set out.</p> <p>In APP's Forest Conservation Policy (FCP), under Social and Community Engagement, as part of Policy Commitment 3 (of 4),</p>
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⁷ https://goldenagri.com.sg/wp-content/uploads/2018/06/GAR_SR_2017.pdf

⁸ <http://www.fao.org/3/i2801e/i2801e.pdf>

⁹ <https://goldenveroleumliberia.com/gvl-social-and-community-engagement-policy/>
<https://goldenveroleumliberia.com/gvl-human-rights-and-sustainability-policy/>

¹⁰The first principle of the UN Global Compact is, 'Support and Respect internationally- proclaimed human rights',
<https://www.unglobalcompact.org/what-is-gc/mission/principles>

		<p>'Free, Prior and Informed Consent (FPIC)' is the first in a list of 8 principles, along with 'Respecting Human Rights'.¹¹</p> <p>Other companies affiliated to APP, including PT Arara Abadi and PT Wirakarya Sakti have sustainability policies that do not contain any reference to FPIC rights, while the Capitol Group, which is affiliated to the Sinar Mas Group via the Widjaja family,¹² does not have any published sustainability policies.</p>
SOPs on the operationalisation of these policy commitments on the fulfilment of FPIC rights	*	<p>Sinar Mas Group does not have published FPIC SOPs.</p> <p>GAR does have a document that it refers to as its FPIC SOP. This lacks details but does give an overview of the FPIC procedure used.¹³</p> <p>GVL does not have any published FPIC SOPs.</p> <p>APP did have a published SOP entitled "FPIC Implementation in New Planting Area" that was effective in 01/04/2013, but this SOP is no longer available on APP's website. Although APP does not appear to have a published FPIC SOP any more, it does have an 'FPIC Process Flow' (found in its FCP monitoring protocols), which contains relevant instructions on the implementation of FPIC procedures.¹⁴</p>
Any explicit commitment by the Corporate Group, and/or its affiliated subsidiaries/companies, to ensure the fulfilment of FPIC rights by any affiliated subsidiaries/companies	*	<p>The Sinar Mas Group has no explicit sustainability policy that applies to all its affiliated subsidiaries and affiliated companies. The only explicit commitments that apply to affiliated subsidiaries are set out in GAR's sustainability policies, for operations that it manages or invests in.</p> <p>GAR's GSEP under Scope (p.1) states that it applies to all operations it manages or invests in: <i>'We adopt this policy for all upstream and downstream palm oil operations that own, manage or invest in, regardless of the stake.'</i></p>

¹¹ <https://asiapulppaper.com/sustainability>

¹² Chain Reaction Research. <https://chainreactionresearch.com/the-chain-detected-deforestation-within-oil-palm-concessions-has-decreased-so-far-in-2020/>

¹³ https://goldenagri.com.sg/pdfs/Sustainability/SOP_FPIC.pdf

¹⁴ http://www.fcpmonitoring.com/Pages/All_documents.aspx?M=10, under FCP – 'Social', 'Protocols for Social Management'

			<p>For APP, the FCP states that, <i>'this policy applies to APP and all its suppliers in Indonesia. 2. Any Indonesian fibre utilised by APP's mills elsewhere, including China 3. All future expansion.'</i></p> <p>Note that APP is the "trade name" or "brand identity" with which a number of Sinar Mas Group affiliated companies are associated. These include PT Indah Kiat Pulp & Paper Tbk; PT Pabrik Kertas Tjiwi Kimia Tbk; PT Lontar Papyrus Pulp & Paper Industry; PT Oki Pulp and Paper Mill; and PT Pindo Deli Pulp and Paper Mill. An even more extensive network of companies is affiliated with APP, the Widjaja family, and the Sinar Mas Group. This includes through ownership and/or management ties, via offshore holding companies such as PT Purinusa Ekapersada, which owns the APP brand.¹⁵</p>
<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>			<p>The Sinar Mas Group has no explicit sustainability policy that applies to all third party suppliers to all affiliated subsidiaries and companies. The only explicit commitments apply to the third party suppliers to the affiliated subsidiaries, GAR and APP, as set out in their sustainability policies.</p> <p>For GAR, under Scope in the GSEP, as above, is stated additionally: <i>'We also require our third-party suppliers from whom we purchase, or with whom we have a trading relationship, to comply with the policy</i></p> <p>GVL states its commitment to GAR's GSEP, which includes this commitment on third party suppliers. In its own Human Rights and Sustainability policy, 'expectations' only are mentioned.¹⁶</p>

¹⁵ Koalisi Anti Mafia Hutan *et al.* (2018) *'Removing the Corporate Mask. An Assessment of the Ownership and Management Structures of Asia Pulp & Paper's Declared Wood Suppliers in Indonesia'* <https://auriga.or.id/wp-content/uploads/2018/05/Removing-the-corporate-mask.pdf>

Koalisi Anti Mafia Hutan *et al.* (May 2019) *'APP acknowledges links to controversial suppliers, but fails to release an auditor's report. Seven takeaways from a new report by Asia Pulp & Paper on links to its pulpwood suppliers in Indonesia'*

<https://www.ran.org/wp-content/uploads/2019/05/Asia-Pulp-Paper-acknowledges-links-to-controversial-suppliers-May-2019-2-1.pdf>

¹⁶ <https://goldenveroleumliberia.com/gvl-human-rights-and-sustainability-policy/>

			For APP, 'Third party suppliers', is the fourth policy commitment of the FCP. ¹⁷ And, as above, the FCP states that, ' <i>this policy applies to APP and all its suppliers in Indonesia. 2. Any Indonesian fibre utilised by APP's mills elsewhere, including China 3. All future expansion.</i>
Any explicit Corporate Group stand-alone policy on human rights including FPIC rights		*	Sinar Mas Group does not have a stand-alone policy on human rights including FPIC rights.
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>Although Sinar Mas Group is not a member of the HCSA, GAR and APP are both members. GVL was previously incorrectly listed as a member. GAR is currently subject to a complaint concerning allegations of forest clearance and FPIC rights violations by GVL in Liberia.¹⁸</p> <p>GAR has submitted 2 assessments that have completed the peer review process, in which the FPIC processes are described as inadequate and historic (2011 and 2015), and with limited information or reporting on them.¹⁹ It has another 4 assessments registered.²⁰</p> <p>GVL has registered for 13 HCSA assessments covering separate locations in its operations in South-East Liberia.</p> <p>APP has submitted 1 HCSA assessment that has completed the peer review process, covering 5 companies.²¹ The FPIC processes were assessed as being highly unsatisfactory with detailed criticism and recommendations. APP has another registered HCSA assessment, covering 4 companies, that is classed as ongoing and under company</p>

¹⁷ This states that: '*APP sources fibre from all around the world and is developing measures to ensure that this sourcing supports responsible forest management.*'

¹⁸ <http://highcarbonstock.org/grievance-case-developments/>

¹⁹ These are for PT Persada Graha Mandiri (PGM) <http://highcarbonstock.org/wp-content/uploads/2018/08/HCSA-Peer-Review-Report-GAR-PT-PGM-Final.pdf>.

and PT Paramitra Internusa Pratama (PIP) <http://highcarbonstock.org/wp-content/uploads/2019/12/HCSA-Peer-Review-Report-PT-PIP-final-051219.pdf>

²⁰ <http://highcarbonstock.org/registered-hcsa-assessments/>

²¹ PT Bumi Persada Permai (BPP) I and II, PT Rimba Hutani Mas (RHM), PT Sumba Hijau Permai (SHP) and PT Tri Pupajaya (TP)

		review, ²² and a further 5, covering 31 companies, that are as yet only registered.
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>While Sinar Mas Group is not a member of any voluntary certification schemes, GAR is a member of the Roundtable on Sustainable Palm Oil (RSPO), which it joined in early 2011.²³ GAR subsidiaries are currently subject to complaints concerning allegations of FPIC rights violations.²⁴ GAR has failed to provide remedy related to rulings by the RSPO that 18 of its concessions did not respect the FPIC of affected communities.</p> <p>GVL has also been a member of the RSPO since early 2011. It has been subject to a complaint since late 2012, concerning allegations of violations of FPIC rights. GVL left the RSPO temporarily during 2018, following findings against it by the RSPO Complaints Panel and Appeals Panel, but subsequently re-joined.²⁵</p> <p>APP was disassociated from the Forestry Stewardship Council (FSC) in October 2007. Recent efforts to develop a Roadmap to end disassociation had to be suspended due to allegations of unacceptable forest management activities by companies identified as being affiliated to APP, and APP's failure to provide further information related to its corporate structure.²⁶</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	*	<p>In the 'Community Engagement', 'Investing in Communities' section of GAR's sustainability webpage, is stated: <i>'... A key tenet of our sustainability principles centres on ensuring Free, Prior and Informed Consent (FPIC) of these communities</i></p>

²² Covering PT Sekato Pratama Makmur (SPM), PT Bukit Batu Hutani Alami (BBHA), PT Balai Kayang Mandiri (BKM), PT Rimba Mandau Lestari (RML)
<http://highcarbonstock.org/registered-hcsa-assessments/>

²³ 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

²⁴ <https://askrspo.force.com/Complaint/s/case/50090000028Erz5AAC/>

²⁵ <https://rspo.org/files/download/0590c772f453aad>

²⁶ <https://fsc.org/en/unacceptable-activities/cases/asia-pulp-and-paper-app>

<p>the fulfilment of FPIC rights, or 'No Deforestation, no development on Peat, no Exploitation' (NDPE) statements</p>		<p><i>before any operations begin. Our commitment to FPIC ... commits us to ensuring that a decision-making process by the indigenous people and local communities is done without pressure and intimidation (free), performed before an activity that has impact on the surrounding communities is carried out (prior), and with sufficient knowledge about the activity and its impact on the surrounding communities (informed), so that they may express agreement or disagreement to such activity (consent)...</i>²⁷</p> <p>Reference to FPIC is also made in relation to GAR's 'participatory conservation planning', as follows: <i>'Because our actions have an impact on communities, we ensure Free, Prior and Informed Consent (FPIC) (https://goldenagri.com.sg/pdfs/Sustainability/SOP_FPIC.pdf) from them through consultation and discussion, before commencing any development and conservation of land'</i>²⁸</p> <p>APP's Forest Conservation Policy states that <i>'APP will consult with NGOs and other stakeholders to ensure that its protocols and procedures for FPIC and conflict resolution are in accordance with international best practice.'</i>²⁹</p> <p>The APP Sustainability Roadmap includes <i>'Protection of Human Rights and Indigenous People'</i>, as one of its ten key focuses or impact areas.³⁰ The <i>'Target'</i> in this area is stated as: <i>'adopt international guidelines for the protection of indigenous people's customary rights in the forest'</i>, with <i>'Progress'</i> reported as including <i>'Implementation of FPIC'</i>.</p> <p>In APP's 'Responsible and Sustainable Business Declaration' is stated: <i>'On social sustainability, we are committed to respecting and</i></p>
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²⁷ <https://goldenagri.com.sg/sustainability/investing-in-communities/community-engagement/>

²⁸ <http://goldenagri.com.sg/sustainability-communities-participatory-conservation-planning/>

²⁹ https://asiapulppaper.com/documents/20123/0/app_forest_conservation_policy_final_english_0.pdf/675ddbc0-a651-1481-818a-4baefc8d323e?t=157587966027

³⁰ <http://asiapulppaper.com/sustainability/roadmap>

			<i>protecting human rights and will enforce this commitment within our own operations and our supply chain.</i> ³¹
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Matrix 2 High-level summary evaluation of the published FPIC SOPs of Sinar Mas 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 the Sinar Mas Group, against the four core tenets of the fulfilment of the rights to FPIC, and the High Carbon Stock Approach (HCSA) Social Requirements (SRs),³² according to the criteria set out below. As no FPIC SOPs are publicly available for the Sinar Mas Group, the published ‘FPIC SOPs’ of its publicly acknowledged affiliated subsidiary Golden Agri Resources (GAR) has been considered in this evaluation, along with the document that affiliated subsidiary Asia Pulp and Paper (APP) has termed an ‘FPIC Process Flow’, which contains similar information as SOPs.

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
Are the four tenets of FPIC set out sufficiently clearly? ³³ In keeping with SR 7	No SOP at the Corporate Group Level As stated in GAR’s FPIC SOPs under ‘Background’: <i>As part of the implementation of the Social and Community Engagement Policy that GAR/SMART compiled with inputs from TFT, it is important to implement the Free, Prior and Informed</i>	No FPIC SOPs at the Corporate Group level where such details would be set out. FPIC SOPs are where dedicated and detailed FPIC procedures, and an explanation of the four tenets of FPIC should be outlined. This is essential for the effective operationalization of its commitments to respect FPIC and human rights.

³¹ https://asiapulppaper.com/documents/20123/0/app_sustainability_and_business_declaration_english.pdf/

³² High Carbon Stock Approach Social Requirements. <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Social-Requirements-Apr-2020.pdf>

³³ 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><i>Consent FPIC). This is to ensure a decision-making process by the indigenous people and local communities is done without pressure and intimidation (free), performed before an activity that has impact on the surrounding communities is carried out (prior), and with sufficient knowledge about the activity and its impacts on the surrounding communities (informed) so they may express agreement or disagreement of such activity (consent)'. </i></p> <p>APP's 'FPIC Process Flow' states: <i>'Free Prior Informed Consent (FPIC) is a decision-making process without pressure and intimidation (free), which is performed before the activity that affects the community is undertaken (prior), with the possession of full and accurate knowledge about the activity and its impact on the community (informed), so that the community can either provide or withhold its permission over the activity (consent).'</i></p> <p>The process flow diagram includes a clear route for non-consent, with a box in the negotiation stage on 'not agree', leading to 'stop' and then, <i>'participatory mapping and set aside the area'</i>.</p>	<p>GAR's FPIC SOPs: All four tenets are set out, although there is no further explanation of any beyond naming them.</p> <p>The explicit reference to <i>'an activity that has impact on the surrounding communities'</i>, is sufficiently inclusive of all potential affected communities. The term <i>'activity'</i> does not adequately reflect the scale of the proposed developments usually being considered, however.</p> <p>The SOPs contain nothing on the four FPIC gates, apart from in the definition of consent in the background section which states: <i>'they may express agreement or disagreement'</i> (p.1).</p> <p>APP FPIC Process Flow also covers all four tenets, and includes some useful detail such as on the possession of <i>'full and accurate knowledge about the activity and its impact'</i>. The right to say no is also emphasized in the process flow diagram at the <i>'decision-making'</i> stage, corresponding to the final FPIC gate. There is no other additional information, however, including on the other 3 FPIC Gates.</p>
<p>Do the SOPs contain a sufficient level of detail?</p> <p>Necessary to guide the operationalization of SRs 2, 7, and others</p>	<p>No SOP at the Corporate Group Level</p> <p>GAR's FPIC SOPs are only 3 pages long, with background on GAR's commitment to sustainability and the FPIC definition given first, followed by instructions on actions in the preparation, implementation and monitoring and evaluation stages. This is then set out in a flow chart, which also provides information on who is responsible for each action, whether top management, implementation team, related operations unit, or indigenous people and local communities.</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>The separation of the process into stages in the GAR FPIC SOPs is helpful, and some of the elements necessary for the fulfilment of FPIC rights at each stage are covered, including who is responsible in the company.</p> <p>But detailed explanation is missing, even of those aspects that are included. Matrix 3 sets out in detail the significant gaps between the actions required in fulfilment of FPIC rights at each stage, and the very limited instructions contained in the GAR FPIC SOPs.</p>

	<p>APP's FPIC Process Flow is only 2 pages long. After a brief explanation of the tenets, and commitment to respect land rights including customary rights, a flow chart on the application of the process to different types of development is set out. A 'process flow' diagram follows, which shows actions to be taken in each of four stages, including 'pre-condition', 'entering and engagement in the village,' 'decision', and 'implementation'. Six explanatory points are then set out in, 'Key steps in FPIC implementation'.</p>	<p>APP's FPIC Process Flow similarly contains some useful elements, including the separation into stages in the process flow diagram, and the six points under 'key steps.' The flow diagram covers only a few aspects of the processes, however, missing out crucial elements such as participatory mapping. The significant gaps between the actions that are required in fulfilment of FPIC rights at each stage, and the very limited instructions contained in the APP FPIC Process Flow are highlighted in Matrix 3.</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 SOP at the Corporate Group Level</p> <p>In GAR's FPIC SOPs, the need to ensure representation is mentioned in section 2a. of the 'Explanation of the FPIC Procedure', as follows: <i>'The Implementation Team needs to ensure representation of the indigenous people and local communities in the socialization sessions'</i></p> <p>No other reference is made to the requirement for fair and non-discriminatory representation of communities during the FPIC process.</p> <p>In relation to APP, instructions are given in the FPIC Process Flow as follows: <i>'Identify and map the social groups within the community/village to ensure that the community/village representatives (e.g. formal or informal village leaders) who will be contacted for engagement/discussion can fully and fairly represent the people in that community/village.'</i></p> <p>One box in the 'decision-making' stage of the process flow diagram refers to <i>'inclusive process of appointment of community representative.'</i></p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>This is the only instruction on the need to ensure representation contained in GAR's FPIC SOPs, and it refers to <i>'socialization sessions'</i>, which implies informing and consulting, rather than the FPIC process, involving the four tenets and other elements.</p> <p>No reference is made to the need for representation to be fair and non-discriminatory, and there are no specific details on how affected communities are to be represented fairly and without discrimination.</p> <p>APP's FPIC Process Flow does include this reference to full and fair representation, and how this should be approached, although there are no further details or mention of non-discrimination.</p> <p>The reference to 'appointment' is somewhat ambiguous, however, as it is unclear whether this refers to appointment by the company or the communities.</p>
<p>What provisions exist in relation to the requirement that the process is</p>	<p>No SOP at the Corporate Group Level</p> <p>In GAR's FPIC SOPs, the Implementation Team is instructed to disseminate and share information with indigenous people and</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p>

<p>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>local communities in ‘socialisation sessions.’ Together with the indigenous people and local communities, the team then: <i>‘conducts participatory mapping activities, including a land tenure study, and makes the necessary agreements. These activities will result in participatory map, land tenure study report, and agreement on the operations plan that will be implemented’</i></p> <p>Further information on participatory mapping and links, are provided on GAR’s sustainability pages, although these are not referred to in the FPIC SOPs.³⁴</p> <p>APP’s FPIC Process Flow includes a reference to <i>‘preparing materials for engagement/discussion with the community’, as well as to, ‘promoting the principles of mutual respect and no violence/intimidation during discussion/engagement.’</i></p> <p>Reference is made to third party advisors for the community as well as to sufficient time for consideration. Reference is made in the process flow diagram to <i>‘development of common understanding’, and in the decision-making stage, to ‘discussions’, and ‘determination and decision on the agreed options.’</i></p>	<p>Some detail is given on this aspect in the GAR FPIC SOPs, including the emphasis on conducting various actions <i>‘together with the indigenous people and local communities.’</i> Reference is again made to ‘socialisation sessions’, however, which fall well short of the genuinely participatory and collaborative approach that is required to fulfil FPIC rights.</p> <p>Reference is also made to participatory mapping activities and the resulting participatory map, as well as the land tenure study. But there is no mention of joint discussion of the assessments’ findings and recommendations, and no detail is provided on the conduct of the negotiation process itself. There are no further specific details on how the implementation team can ensure the process is participatory and collaborative.</p> <p>Only these brief references are made in the APP FPIC Process Flow key steps to engagement, discussion, and mutual respect, along with the references to common understanding, discussion and determination, in the decision-making stage of the process flow diagram.</p> <p>There are no further specific details on how the implementation team can ensure that the process is participatory and collaborative.</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 SOP at the Corporate Group Level</p> <p>No references are made to transparency in the GAR FPIC SOPs or APP FPIC Process Flow.</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>No specific details are provided in either GAR’s FPIC SOPs, or APP’s FPIC Process Flow on how the FPIC process is fully transparent at all stages, or on the actions necessary to fully inform rights holders.</p>

³⁴ <http://goldenagri.com/sg/sustainable-communities-participatory-conservation-planning/>, <http://goldenagri.com/sg/mapper-relate-community/>

<p>What provisions exist in relation to the quality assurance aspects of the process including independent verification?³⁵</p> <p>Necessary for the effective fulfillment of all rights including FPIC rights</p>	<p>No SOP at the Corporate Group Level</p> <p>Monitoring and evaluation are mentioned in the GAR FPIC SOPs (p.3) but in relation to the agreement itself rather than the process by which it was reached, as follows:</p> <p><i>'The FPIC Implementation Team together with indigenous people and local communities monitors and evaluates the implementation of the agreements related to the operations planning'</i></p> <p>Some references are made to relevant documentation, including baseline study materials, socialization materials, attendance list, participatory map, and agreement (pp.2,3), but these are not identified as being part of the monitoring and evaluation process.</p> <p>APP's FPIC Process Flow does refer to the <i>'independent verification of the preliminary study'</i> in the negotiation stage of its 'process flow' diagram. But it makes no other references to the quality assurance process.</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>No reference is made in the GAR FPIC SOPs to the monitoring and evaluation of the FPIC process. There is just this brief mention of joint monitoring and evaluation of the agreement, as well as references to some of the relevant documentation. But no mention of how these documents should be collated and shared, or about their use for quality assurance purposes.</p> <p>The APP FPIC Process Flow similarly has only this one reference to the independent verification of the preliminary study. No other specific details are provided on quality assurance, including the independent verification of the fulfilment by the Corporate Group of the rights to FPIC of affected communities.</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 SOP at the Corporate Group Level</p> <p>No mention is made of grievance mechanisms in the GAR FPIC SOPs or the APP FPIC Process Flow.</p> <p>GAR does have a broader policy on grievance mechanisms, but not on the fulfilment of the right to an effective mechanism to address any grievances that arise during the FPIC process.³⁶</p> <p>APP makes a commitment to <i>'the responsible handling of complaints'</i> under 'Social and Community Engagement' in the</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>There are no specific details of how grievances that arise during the FPIC process are resolved in either GAR's FPIC SOPs or APP's FPIC Process Flow.</p>

³⁵ This should include provisions for ongoing monitoring, with adaptive management and continuous improvement

³⁶ <https://goldenagri.com.sg/sustainability-dashboard/complaint-and-grievance-handling>

	FCP (APP-FCP), ³⁷ but has no dedicated policy on grievance mechanisms.	
<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 SOP at the Corporate Group Level</p> <p>No references are made to the application of FPIC rights to communities affected by existing operations either in GAR's FPIC SOPs or APP's FPIC Process Flow.</p> <p>The latter states specifically that it applies to new plantations or planting only.³⁸ The 'Decision Chart of FPIC Implementation' sets out the route for addressing any issues in existing plantations through conflict resolution, with FPIC processes reserved for new plantations and plantings in concession and mill. It also states: <i>'In already developed plantation forest area, if there is any dispute, it will be managed through our conflict resolution procedures.'</i>³⁹</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>There are no specific details in the FPIC-related policies and SOPs of Sinar Mas subsidiaries, GAR and APP on the fulfilment of the FPIC rights of affected communities in existing operations.</p> <p>For APP, the applicability of the FPIC Process Flow is explicitly limited to new plantations or mill development.</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>	<p>No SOP at the Corporate Group Level</p> <p>GAR has detailed guidance on the topic of participatory mapping.⁴⁰ While this doesn't refer to FPIC directly, it is a key aspect of the FPIC process.</p> <p>APP's FPIC Process Flow refers to the conduct of a preliminary study on land rights, among other aspects.</p>	<p>No FPIC SOPs at the Corporate Group level where such details would be set out.</p> <p>GAR's relatively detailed and thorough guidance on participatory mapping, if applied, should help to ensure that this element of the FPIC process at least is implemented effectively.</p>

³⁷

https://asiapulppaper.com/documents/20123/0/app_forest_conservation_policy_final_english_0.pdf/675ddbc0-a651-1481-818a-4baefc8d323e?t=1575879660276

³⁸ As does APP's FCP, which states under Social and Community Engagement: ***'Where new plantations are proposed, APP will respect the rights of indigenous peoples and local communities, including recognition of customary land rights. APP has committed to independent HCV assessments as part of this commitment and will, in consultation with stakeholders, develop further measures to implement FPIC.'***

³⁹ http://www.fcpmonitoring.com/Pages/All_documents.aspx?M=10, under FCP – 'Social', 'Protocols for Social Management'

⁴⁰ Participatory Mapping SOP: https://goldenagri.com.sg/pdfs/Sustainability/20150314_Panduan_Pemetaan_Partisipatif-AW-HP_ENG.pdf Note that this guidance was not developed specifically to contribute to the fulfilment of FPIC or other rights, and thus requires some revisions to align fully with the HCSA SRs, and according to the detailed guidance on participatory mapping in Appendix 3 of the IG.

		While the reference in APP's FPIC Process Flow to land tenure aspects and study is in keeping with the HCSA SRs, this should also include a primary element as well as a review of secondary material, as set out in the SRs and IG. ⁴¹
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Matrix 3 – Comparison of the published FPIC SOPs of Sinar Mas 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). As no FPIC SOPs are publicly available for the Sinar Mas Group, the 'FPIC SOPs' of its affiliated subsidiary Golden Agri Resources has been considered in this evaluation, along with the document of affiliated subsidiary Asia Pulp and Paper termed as 'FPIC Process Flow,' which contains similar information as the SOPs.

Important note to consider when reviewing Matrix 3: 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 GAR's 'FPIC SOPs'	If and how the action is covered in SOPs APP's 'FPIC Process Flow'	Necessary additions to SOPs to align with HCSA SR and IGs
1. Identify all potentially affected communities	List of all ACs located in AOI, with indication of	There is nothing explicitly on this action in the GAR FPIC SOPs. The Implementation Team are instructed	APP's FPIC Process Flow refers to the conduct of a preliminary background study based on secondary sources, in	Explicit instructions to the Implementation Team on the

⁴¹ <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Social-Requirements-Apr-2020.pdf>
<http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Implementation-Guide-Apr-2020.pdf>

<p>(ACs) in the Area of Interest (AOI)⁴²</p> <p>SR 2 IG Step 1.3a</p>	<p>extent/ways in which likely to be affected</p>	<p>to conduct a review of baseline study materials, however, which should themselves contain the relevant information (on all the communities in the AOI that could be affected by the proposed development).</p> <p>References are made elsewhere to <i>‘the indigenous people and local communities in the surrounding areas’</i> (in the Community Engagement section of GSEP), which acknowledge the need to include all ACs that may experience impacts.</p>	<p>part to identify: <i>‘the presence or absence of land-rights claims that have been traditionally recognized, indigenous/local community who lives in the area’</i>.</p>	<p>identification of all potentially affected communities in the AOI</p> <p>Production of list of all ACs with indication of how they may be affected. List should be made available on request to ACs, their support NGOs and to HCSA</p>
<p>2. Visit each AC and inform them⁴³ of:</p> <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 needs⁴⁴</p>	<p>Full records of engagement with each AC, including lists of attendees, detailed agendas, and minutes and/or recordings of the content of all meetings and other interactions⁴⁶</p>	<p>This set of actions is covered only very partially. Instructions are given to the Implementation Team to initiate engagement with communities and invite them to meetings; to prepare socialization materials, and to disseminate and share information in socialization sessions, including on Plantation Operations Planning.</p> <p>This covers some of a., on company plans, although with no reference to</p>	<p>This set of actions is covered only partially. Instructions are given in the second key step to prepare materials for the engagement on the nature of the project and its possible impacts including the risks and benefits. This covers most of a., although there is nothing on alternative development strategies. There is nothing on b. communicating to ACs their right to withhold consent. In relation to c, although the third key step is the mapping of groups in the ACs to ensure</p>	<p>Make explicit the right to withhold consent at each of the 4 FPIC gates</p> <p>Set out fully the details of each aspect of information that must be shared with ACs, from a to f.</p> <p>Provide detailed instructions on the co-development with ACs of mechanisms for communicating and accessing all the relevant information,</p>

⁴² 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>

⁴³ All information must be shared transparently with ACs, in a format and language accessible to all sections of communities

⁴⁴ 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

⁴⁶ 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

<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</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 agreed⁴⁷</p>	<p>impacts, benefits to communities, or to alternative development strategies. There is nothing on b., the right to withhold consent. On c., the right to fair representation, reference is made to the need for the process to be representative. But there is nothing on inclusiveness or non-discrimination.</p> <p>There is nothing on d or e, the FPIC obligations and other obligations of the company. There is also nothing on f, explaining to ACs the nature of the engagement, assessment, and negotiation process leading to agreement.</p> <p>Reference is made under monitoring and evaluation to an attendance list (in the flowchart), but in relation to the agreement not the process by which it has been reached (this also seems to refer to implementation-related activities rather than m and e ones).</p> <p>No reference is made to any other record keeping of the engagement and FPIC process.</p> <p>No detail is given on the contents of the socialization materials, or on procedures to ensure their continued accessibility to ACs in appropriate format/language.</p>	<p>designated representatives '<i>can fully represent the people in that community/village</i>'; there is no mention of conveying this to members of the ACs. There are no references to the communication to ACs of any of the other elements set out in c to f. No reference is made to any other record keeping of the engagement and FPIC process.</p> <p>No detail is given on the contents of the socialization materials, or on procedures to ensure their continued accessibility to ACs in appropriate format/language.</p>	<p>such as where hard and soft copies of relevant records and reports will be made available, in what languages, and how these are accessed.</p>
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⁴⁷ 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>consent, in order to mediate any issues arising during the process of engagement, assessment and negotiation⁴⁵</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>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>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-discriminatory⁴⁸</p> <p>Also made accessible to each AC</p>	<p>No mention is made of this first FPIC gate, or of the right of ACs to refuse to give consent, apart from in the brief explanation of the four tenets.</p> <p>No mention of any record-keeping of the engagement process, or to any procedures for making information accessible to ACs.</p>	<p>No mention of the first FPIC gate.</p> <p>Reference is made to providing the opportunity for third party advisors to the ACs, and to the allocation of sufficient time for them to consider, but this is not in relation to FPIC Gate 1.</p> <p>No mention is made of record keeping or of procedures for making information accessible to ACs.</p>	<p>Specific reference is needed to the rights of ACs to reject further participation at this preliminary stage of the process, and to the requirement for explicit, independently-verified consent to be given by each AC before any further engagement or assessment takes place.</p> <p>Ensure that independent verification is conducted of the</p>

⁴⁵ According to mutually agreed arrangements and in line with international human rights norms on grievance mechanisms

⁴⁸ 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 FPIC gate at the end of preparation stage 1 in the SRs' Implementation Guide

SRs 7, ,2, 1 IG Step 1.3c				process thus far, and the outcome at FPIC Gate 1, based on the documentation described. ⁴⁹
<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</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>None of the elements of this set of actions are referred to, and no mention is made of any record keeping or making the documentation available to ACs.</p>	<p>Relevant references are made in the ‘Key steps’, including to the process by which representatives are selected, the option of third party advisors for ACs, and allowing sufficient time for consideration of the company’s proposals.</p> <p>There is also a box in the process flow diagram in the second stage, that refers to ‘<i>Identification of institution and mechanism of local community decision making</i>’, and one in the next ‘<i>decision-making</i>’ stage, on ‘<i>inclusive process of appointment of community representative</i>’.</p> <p>But there are no other specific references to any of the other elements required at this stage, and set out in a. to d.</p> <p>No reference is made either to documentation and record-keeping, or to making the relevant documentation available to ACs.</p>	<p>Provide instructions on the way in which the mechanisms of engagement are established, including those for addressing any grievances that may arise during the process, and on how these mechanisms are inclusive and participatory.</p> <p>Provide instructions on procedures for recording and communicating relevant information.</p>

⁴⁹ Independent verification of FPIC GATE 1 is conducted by the HCV-HCS assessors as part of their due diligence (desk-based) and scoping (field-based) tasks. These take place before their main field-based assessment and participatory mapping, which requires this documented FPIC in order to proceed. The instructions in the FPIC SOPs on FPIC Gate 1 can thus be linked to the conduct of the HCV-HCSA assessment, https://hcvnetwork.org/wp-content/uploads/2018/05/HCV_HCSA_Manual_Final_Eng.pdf

<p>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>5. Conduct participatory assessments in conjunction with each AC as follows:</p> <p>a) Land Tenure and Usage Study (LT&US)⁵⁰</p> <p>b) Social and Environmental Impact Assessment (SEIA) (done by assessors)</p> <p>c) HCV-HCS assessments (done by assessors)</p>	<p>Outputs from the LT&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>The Implementation stage includes <i>'participatory mapping activities, including a land tenure study, together with indigenous people and local communities.'</i></p> <p>References to participatory mapping are also made in various other GAR sustainability statements. This includes in some detail in the dedicated guidance on participatory mapping.⁵¹</p>	<p>Reference is made only to the conduct of preliminary studies, based on secondary sources.</p> <p>There is no reference to the conduct of participatory assessments, such as mapping, during the engagement process, with the flow diagram and key steps both referring only to the preliminary study.</p>	<p>Provide instructions on the conduct of participatory assessments, with reference to existing guidance on these,⁵² including on how the process is participatory, arrangements for discussing findings and for finalizing, communicating and accessing outputs.</p>

⁵⁰ Involving preliminary participatory mapping and the collection of other information on tenure and usage patterns,

⁵¹ https://goldenagri.com.sg/pdfs/Sustainability/20150314_Panduan_Pemetaan_Partisipatif-AW-HP_ENG.pdf

⁵² Including the HCV-HCSA Assessment Manual, https://hcvnetwork.org/wp-content/uploads/2018/05/HCV_HCSA_Manual_Final_Eng.pdf and the SRs' IG Steps 1.4 and 2.3, and Appendix 3 on Participatory Mapping <http://highcarbonstock.org/wp-content/uploads/2020/08/HCSA-Implementation-Guide-Apr-2020.pdf>

<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>Made accessible to ACs in appropriate format/language according to agreed arrangements.</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.⁵³</p> <p>FPIC GATE 3 follows the full discussion of the findings of the participatory assessments with each AC, when each</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 mention is made of the third and fourth FPIC gates.</p>	<p>No mention is made of the third and fourth FPIC gates.</p>	<p>Set out clearly these two further opportunities for ACs to withhold consent and withdraw from the process, one following the HCV-HCSA assessment scoping exercise, and one following the joint discussion on the findings of this assessment.</p>

⁵³ 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.

has another chance to withdraw from the process. SR 7 Step 2.3a and 2.3d				
7. Co-develop with ACs the proposed Integrated Conservation Land Use Plan (ICLUP) and associated management and monitoring plans (MMP), and the accompanying 'package' of other measures (related to benefits, conservation, employment, 'CSR' grievance mechanisms etc.) SR 7 Step 3.1	Full records kept of the engagement process including attendees of meetings and minutes/recordings. The output of the process, i.e. the proposed ICLUP, MMP and 'package' Made available to ACs	The participatory mapping activities in 5. are described as resulting in ' <i>a participatory map, land tenure study report, and agreement on the operations plan that will be implemented</i> '. No other reference is made to the co-development of an ICLUP.	Reference is made in the flow diagram to determination and decision on the agreed options. The fourth key step refers to ' <i>providing the opportunity for the community to receive assistance from a third party of their own choice for discussion/engagement with the company</i> '.	Detailed instructions are needed on the ICLUP process and negotiation stage. This must include details on the process as well as the documentation requirements for quality assurance purposes. ⁵⁴
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 This leads to the FINAL FPIC GATE, as each AC either gives their binding consent to what becomes	Record of engagement and negotiation process Legally binding record of the agreement itself, if consent is given The final agreed ICLUP, MMP and package	No reference is made to this process, beyond the brief mention of 'agreement on the operations plan that will be implemented'. There is no mention of the negotiation itself, of the requirement for it to be legally binding, as well as fully documented and accessible to ACs.	Reference is made in the fifth key step, to ' <i>providing sufficient time and opportunity for the community's representatives to think and communicate amongst themselves before making decision on the company's proposed activities</i> '. As above, reference is also made to the role of third party advisors. No mention is made to the documentation of the agreement or how it is made available to ACs.	Detailed instructions must be set out on this process, including documentation requirements, and with reference to relevant guidance. This must include the timely conduct of independent verification of this FINAL FPIC GATE.

⁵⁴ Guidance on the ICLUP is currently under development by the HCSA.

<p>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>All made fully available to ACs in accessible format</p>			
<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 fulfillment 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>	<p>No references are made to quality assurance processes including independent verification of the documentation.</p>	<p>No references are made to quality assurance processes including independent verification of the documentation.</p>	<p>Full details of the quality assurance mechanisms including independent verification of all the FPIC GATES must be set out.</p>
<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>Evidence that a grievance mechanism exists and is functioning effectively, with periodic QA and IV to ensure this is the case</p>	<p>No mention is made of grievance mechanisms related to the FPIC process.</p>	<p>No mention is made of grievance mechanisms related to the FPIC process.</p>	<p>Set out mechanisms for the establishment and operation of grievance mechanisms including periodic QA and IV.</p>

SRs 7, 10 Step 1.3d, 2.1, 4.3				
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Findings on the FPIC SOPs of Sinar Mas Group affiliated subsidiaries Golden Agri Resources and Asia Pulp and Paper

Sinar Mas Group-affiliated subsidiaries Golden-Agri Resources (GAR) and Asia Pulp and Paper (APP) are the only companies covered in this evaluation that have policy documents approximating FPIC SOPs. Although both do mention all four of the core FPIC tenets, these documents are very brief, and contain very little of the detail that is necessary to guide effective implementation of the FPIC process and ensure the fulfilment of FPIC rights.

As set out above in Matrices 2 and 3, these two documents, entitled “FPIC SOP” and “FPIC Process Flow” for GAR and APP respectively,⁵⁵ provide highly inadequate coverage of the criteria essential for fulfilling FPIC rights. In relation to the criteria set out in Matrix 2,⁵⁶ both documents do refer to representation -- with APP providing some further detail on this aspect, while GAR’s coverage of this aspect is very limited. Participation and participatory mapping are both referred to in the GAR FPIC SOP, but there is limited detail on the role this plays in the FPIC process, and little on this aspect in APP’s FPIC Process Flow. Neither document refers to the requirement that all relevant information must be shared transparently with affected communities throughout the process and there are very few relevant references to quality assurance for the FPIC process. There are no references to the inclusion of field-based independent verification to ensure its credibility. Neither document refers to the establishment of grievance mechanisms specifically in relation to the FPIC process itself, although the sustainability policies of both companies do refer to broader policies on grievances. Neither document makes any reference either to the fulfilment of FPIC rights in existing operations.

Only one reference is made in either document to any of the four FPIC ‘gates’, which are the points during the FPIC process at which affected communities are provided with an opportunity to either withdraw from it, or consent to continued engagement, assessment and negotiation. APP’s process flow diagram does contain a clear route to non-consent following negotiation, which is the fourth and final FPIC gate. There are no references to the other three gates, however, while in GAR’s FPIC SOP, no references are made at all to these important FPIC gates. Instead, a box marked ‘agreement’ is included in its flow diagram.

⁵⁵ Golden Agri Resources. [“Procedure for the Implementation of Free, Prior, and Informed Consent \(FPIC\)”](#). GAR. Retrieved November 2020.

Asia Pulp & Paper. [“FCP – ‘Social’. ‘Protocols for Social Management’”](#). APP. Retrieved November 2020.

⁵⁶ The High Carbon Stock Approach. [“The Social Requirements of the HCS Approach”](#). HCSA. Published April 2020.

Matrix 3 shows how few of the numerous actions and sub-actions that are required in order to operationalize commitments to the fulfilment of FPIC rights are included in either GAR's FPIC SOP or APP's FPIC Process Flow documents.⁵⁷ Very limited instructions are given in both documents in relation to the first action of identifying potentially affected communities, with nothing on the important documentation of this process. The second set of actions -- visiting these potentially affected communities to provide sufficiently detailed information in a number of areas concerning their rights and the nature of the proposed development -- is covered in both only very partially and inadequately with reference only to one or two relevant aspects of the information that must be conveyed to communities during this preparatory stage. The third action equates to the first FPIC gate -- when communities have the opportunity to give or withhold their consent for the assessment process to proceed -- which is not referred to in either document. The fourth set of actions concern the establishment of the mechanisms and procedures for meaningful engagement with communities throughout the process of seeking consent and beyond, including representation and grievance mechanisms. Although some of the necessary elements are referred to briefly in the APP documents, these are inadequate, while GAR's FPIC SOPs have no coverage at all of this critical area. Neither document refers to record-keeping of any aspect, as is necessary for quality assurance purposes.

The fifth set of actions consists of the conduct of participatory assessments to determine current land use patterns and establish community food security needs to input into the Integrated Conservation Land Use Plan (ICLUP). Elements of these actions are again covered to some extent, more so in GAR's FPIC SOPs, but with insufficient reference to the meaningful participation of communities, and none to the two more FPIC gates that constitute the sixth action. These provide communities with further opportunities to consider their options and choose whether or not to proceed into the negotiation stage, with the support of third party advisors where appropriate. APP's document does make a reference to this latter element, but none to these FPIC gates. The seventh and eighth actions relate to the co-development of the proposed ICLUP, further negotiation on it and the other relevant aspects of the agreement between the developer and the affected communities. This process culminates in the fourth FPIC gate, when communities decide finally whether or not to go ahead with the planned development on their customarily owned and used land, according to the agreed terms. This final FPIC gate is covered in the APP process flow diagram, as mentioned, while some other elements of these actions are also covered in both documents, although in a limited way. The ninth action, related to quality assurance including independent verification in the field of completing the final FPIC gate -- a vital aspect of ensuring and demonstrating that the FPIC process and its outcome are credible and robust -- is lacking in both documents, although GAR's does include a general section on monitoring and evaluation. The tenth action of ensuring the effective operation of grievance mechanisms during the engagement process and subsequently is also missing.

⁵⁷ The High Carbon Stock Approach. "[The Social Requirements of the HCS Approach](#)". "[Implementation Guide](#)". HCSA. Published April 2020.

GAR's brief and very limited FPIC SOP is in marked contrast with its 'Guidance on Participatory Mapping',⁵⁸ which does contain a good level of detail of the mechanisms and procedures involved in implementation and covers much of the necessary ground from definitions and principles, to responsibilities and other elements. This guidance was not developed specifically to contribute to the fulfilment of FPIC or other rights, and thus requires some revisions to align fully with the HCSA SRs, and according to the detailed guidance on participatory mapping in Appendix 3 of the IG. APP did publish a more detailed SOP titled "Standard Operating Procedure FPIC Implementation in New Planting Area", in April 2013. But this detailed SOP is no longer publicly available and has been replaced with the simplified and highly inadequate "FPIC Process Flow" document.

Various other Sinar Mas-affiliated companies that are not publicly acknowledged by the Sinar Mas Group (despite evidence of the affiliation through ownership and/or management ties, and via offshore holding companies such as PT Purinusa Ekapersada, which owns the APP 'brand'), lack published policies and FPIC SOPs altogether. **Sinar Mas Group's published documents on the implementation of FPIC rights thus represent only the start of the process of developing adequate SOPs that can provide an effective guide to the implementation of a rights-fulfilling FPIC process throughout the Corporate Group.**

In order for Sinar Mas Group 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 to demonstrate that the rights of affected Indigenous Peoples and local communities are being respected, especially their right to give or withhold their FPIC to proposed and existing developments that affect them, **the Sinar Mas Group must develop and publish detailed SOPs at the Corporate Group level on the implementation of FPIC processes, and it must strengthen considerably the existing FPIC SOPs of its affiliated subsidiaries and affiliated companies.** These companies, including Golden Veroleum Liberia, Capitol Group, PT Arara Abadi, PT Wirakarya Sakti, and other companies of which the ultimate beneficiaries are members of the Widjaja family, must also strengthen their policies and SOPs on FPIC rights.

⁵⁸ Golden Agri Resources. https://goldenagri.com.sg/pdfs/Sustainability/20150314_Panduan_Pemetaan_Partisipatif-AW-HP_ENG.pdf Retrieved November 2020.