



Wilmar Categorically Refutes Allegations by Forest Peoples Programme

Singapore, 22 July 2015 - Wilmar International Limited (“Wilmar” or “the Group”) refers to Forest Peoples Programme’s press release dated 8 July 2015: “Palm oil giant Wilmar resorts to dirty tricks”.

Since the complaint was brought against PT Permata Hijau Pasaman (PHP) to the Complaints Panel of the Roundtable on Sustainable Palm Oil (RSPO), Wilmar has been cooperative in assisting with the investigations carried out by the independent inquiry body. Wilmar remains committed to resolving this case, and will continue to be cooperative in the RSPO complaints process.

Wilmar therefore rejects the allegations brought forth by the Forest Peoples Programme (FPP) that the Group had any role in “criminalising” the leaders of the Minangkabau community of Kapa. In particular, the arrest of Gampo Alam, the indigenous leader of Nagari Kapa, was not related to Wilmar in any way.

Facts of the Gampo Alam Case

On 10 March 2015, the RSPO Complaints Panel conveyed its preliminary decision on the complaint raised by Gampo Alam, informing him that Wilmar was in compliance with the RSPO principles, and had acted in accordance with the law – see RSPO’s decision at <http://www.rspo.org/files/download/90d4c6a76bf479e>.

On 20 March 2015, Gampo Alam replied to the RSPO Complaints Panel, to dismiss Wilmar’s responses, which were provided as part of the RSPO investigation, and to voice his disagreement with the Panel’s preliminary decision – see Gampo Alam’s letter at <http://www.rspo.org/files/download/5020840527d5997>.

Subsequently, Wilmar received news that Gampo Alam had been taken into police custody due to a police report lodged by M.Irfan (a relative of Gampo Alam) and witnessed by Safril, and M. Arif. The case lodged against Gampo Alam pertained to the misappropriation of funds from the smallholder group scheme (i.e. plasma) amounting to approximately US\$80,000, from the community he represents. On 24 April 2015, Wilmar conveyed this information to the RSPO Secretariat.

On 20 May 2015, FPP wrote to the RSPO Complaints Panel – see letter at <http://www.rspo.org/files/download/f78d41bd1e90f6d>, alleging that Wilmar was behind Gampo Alam’s detention by the police. This is not true. RSPO’s Indonesian Complaints Coordinator received confirmation from M. Irfan on two occasions that the police report he had lodged against Gampo Alam was not related to PT PHP/Wilmar. The Group has also received confirmation of this via email.

On 22 May 2015, Wilmar submitted a formal response to the RSPO. The Group is now awaiting RSPO’s advice on the next course of action, if any. An update on the status of this grievance case, including Wilmar’s latest response, should be available on the RSPO website in due course.

Background of the RSPO Complaint Case - PT Permata Hijau Pasaman (PHP)

In October 2014, Gampo Alam filed a complaint to the RSPO on PT PHP's failure to obtain Free, Prior and Informed Consent (FPIC) from the communities to release their land rights. Following the complaint, the RSPO Complaints Panel carried out an investigation which included meetings between RSPO, the communities, the Regional Land office, and Wilmar. Wilmar has been and remains cooperative in RSPO's investigation process. The timeline of the investigation of the case is tracked on the RSPO website and can be viewed at <http://www.rspo.org/members/complaints/status-of-complaints/view/76>.

On 10 March 2015, the RSPO Complaints Panel issued a preliminary decision stating that Wilmar was in compliance with RSPO principles, and had acted in accordance with the law. The decision clearly states that:

- i. The Cultivation Right on Land (Hak Guna Usaha - HGU) Certificate was issued to PT PHP in accordance with the law; and hence the company is also in compliance with the RSPO requirements.
- ii. Land acquisition was done by the local government with the two local communities. As such, any discrepancies found should be raised with the local government. This issue of land boundary dispute between the two communities - Kapar and Sasak - is therefore a matter that should be discussed and resolved between the communities and the local government. Such disputes should be directed to the local administrative court rather than to Wilmar

On 20 March 2015, Gampo Alam, wrote to the RSPO Complaints Panel to reject the Panel's decision. This letter can be found at <http://www.rspo.org/files/download/5020840527d5997>.

On 4 May 2015, in response to Gampo Alam's letter, the RSPO informed Wilmar, and all parties involved in the complaint, that it has met with the assistant of the Governor of West Sumatra to seek his support in arranging a meeting between the RSPO and the related stakeholders in the Government of Pasaman Barat. An appointment with the related government personnel to meet after the Muslim festival of Lebaran or Eid (in August 2015) was secured. The purpose of the meeting is to address the following matters:

- i. To settle the land boundary dispute between the communities of Sasak and Kappa;
- ii. To explore alternatives for PT PHP to operate legally without having a HGU (land use permit);
- iii. To confirm whether the area in question, under the PT PHP HGU, will be returned to the local community upon expiry of the HGU.

On 20 May 2015, FPP complained to the RSPO, alleging that Wilmar was behind Gampo Alam's detention by the police.

The RSPO has since confirmed twice with M.Irfan that the case he reported to the police is not related to PT PHP/Wilmar.

World Bank bribery investigation

On 6 March 2015, the case against Wilmar for alleged bribery was dismissed by the Sanctions Board of the World Bank. This decision is in the public domain.