

Indonesian Palm Oil Association (IPOA)

To:

Justin Adams
Executive Director
Tropical Forest Alliance

Dear Mr Adams,

Thank you for your draft of the Tropical Forest Alliance Position Paper on the European Union's forthcoming Forest Regulation.

IPOA/GAPKI and the Indonesian palm oil community broadly support the TFA's objectives regarding policies to prevent deforestation in countries such as Indonesia and Malaysia.

We believe that the introduction of a due diligence requirement for importing entities in the European Union is the central element of any policy proposals going forward and are broadly supportive of any due diligence scheme.

However, we take issue with the approach taken by TFA with regard to both due diligence and certification, and therefore do not endorse the TFA position.

The position paper acknowledges that the bilateral VPA (voluntary partnership agreement) approach provides a valuable approach for commodities.

TFA is well aware that the VPA approach has legality – rather than sustainability – at its core.

TFA should also be acutely aware that the EU Timber Regulation and its associated legality due diligence requirements have provided an incentive for countries such as Indonesia to participate in the VPA approach.

Despite this, TFA recommends moving well beyond a legality framework and launching straight into a sustainability framework. At the same time, TFA dismisses both voluntary and mandated certification schemes – which are arguably the best and 'market ready' tools for both legality and sustainability – as inadequate.

We note that neither the EUTR nor national legality and sustainability standards are mentioned in the document.

Further, TFA will be acutely aware that moving from a legality standard for timber products to a differentiated sustainability requirement for numerous commodities across multiple geographies will be a considerable task. It will require a baseline consensus on sustainability.

Indonesia has repeatedly pointed to the international consensus reached on the UN Sustainable Development Goals as the starting point for sustainability, and Indonesia Sustainable Palm Oil (ISPO) as the starting point for sustainability for Indonesian palm oil.

We are therefore disappointed that neither the SDGs nor national standards are not a focus of the position paper, despite the latter being a referenced numerous times during the July workshop.

We look forward to your response.
Sincerely yours

M. Fadhil Hasan