Scoping the potential unintended impacts of the RSPO certification standard on biodiversity and natural habitats

A science-for-policy brief by the SEnSOR programme

Study aim

One of the three key impact aims of the Roundtable on Sustainable Palm Oil (RSPO) is to protect and enhance ecosystems, and policy and guidelines have been developed to achieve this. However, the RSPO is working to achieve sustainability within a complex system of interacting political, social, environmental and economic factors, which are sometimes conflicting. Therefore, principles and criteria designed with the best intentions, can sometimes have unforeseen and unintended impacts.

This policy brief summarises the suite of potential unintended impacts that the establishment and implementation of the RSPO certification standard may be having on biodiversity and natural habitats. The primary aim is to identify priority focus areas for empirical research and policy action.

Methods

- We studied the literature on a broad range of certification, conservation and sustainability initiatives and policies to draw lessons about how unintended impacts have manifested, and how they may apply in the context of RSPO.
- We collated research that either focused specifically on the unintended impacts of the RSPO or identified unintended impacts that were observed as part of a study of the intended impacts (very few studies focusing on RSPO are available currently).
- We surveyed stakeholders including growers, NGOs, consultants and academics, at the annual RSPO roundtable conference in Kota Kinabalu, November 2018, to collate observations and expert opinion.
- The unintended impacts we identified were grouped into three categories:
    1. unintended impacts associated with conflicts between environmental requirements and economic imperatives,
    2. displacement of biodiversity declines and natural habitat loss,
    3. positive unintended impacts.

Other crops such as rubber could be displaced into forests areas undermining efforts by the RSPO to avoid deforestation. Photo credit J Lucey.

- We scored the potential unintended impacts based on:
    1. the likelihood of occurrence,
    2. the potential extent of the impact,
    3. the ease with which the impact may be addressed by the RSPO.
- Each of the three categories was scored (1=low, 2=medium, 3=high) and the total score (max possible =9) was used to determine the highest priority impacts.

Findings

We identified a total of 11 potential unintended impacts of the RSPO certification standard. (Top three scoring impacts are highlighted in bold)

0	Unintended impact	Priority score	Summary
Conflict with economic imperatives	Anticipatory clearing	4	Substantial forest clearance occurred prior to the inception of the New Plantings Procedure in areas that are now certified plantations, anticipatory behaviours were also found to be an issue for other conservation initiatives.
	Stranded assets	5	Implementation of stricter no-deforestation criteria has resulted in some of the land bank owned by RSPO members becoming stranded assets because they cannot be developed in compliance with the new standard. If this land is then given up to companies with fewer environmental regulations, these areas may be cleared to a far greater extent.
	Smallholder agricultural practices	5	The RSPO certification standard may be encouraging intensive monocropping systems, but more heterogeneous intercropping systems may be better for biodiversity and ecosystem services, as well as for livelihoods.
	Yield-linked expansion by smallholders	3	There is concern that smallholders may expand their operations because of increased yields as a result of RSPO participation, however yield improvements appear to be marginal and do not seem to affect expansion decisions.
Displacement of biodiversity declines and natural habitat loss	**Displacement of habitat loss to non-members**	**8**	**No deforestation requirements are encouraging RSPO members to certify long established plantations and avoid highly forested regions for expansion. This could make forest frontiers vulnerable to unscrupulous oil palm growers.**
	Indirect landuse change	5	The RSPO's environmental restrictions encourage its grower members to expand into existing agricultural lands to avoid forest areas, which could displace other crops into forest. There is strong evidence that indirect land use change in the biofuel sector is undermining overall emissions reductions. There is some evidence that rubber and other crops may be planted in areas where oil palm cannot be certified.
	Spatial displacement of communities	5	Exclusion of communties from HCV areas could simply displace their hunting, logging and other activities to forests outside of the RSPO member's management unit. There is evidence that FPIC processes are not always effective in meeting the needs of communities but it is unclear how much this causes detrimental impacts to biodiversity and habitats.
	Displacement of habitat loss to non-forest habitats	**7**	**There is evidence that stringent no-deforestation criteria are encouraging RSPO members to expand into natural grasslands to avoid forests, but a lack of emphasis and guidance about identification of high conservation value grasslands could have severe impacts for biodiversity and important non-forest habitats.**
Positive unintended impacts	**New knowledge**	**7**	**There is strong evidence that an important by-product of the RSPO certification standard is a proliferation of new scientific knowledge. There is evidence that this is being incorporated into improved policy and guidelines for biodiversity and habitat conservation within and beyond the oil palm sector, for example through the High Carbon Stock Approach.**
	Biodiversity spill-over	5	There is evidence of spill-over of biodiversity from protected area initiatives, and there is some evidence that forest patches in oil palm plantations create increased biodiversity in the surrounding plantation. However, HCV areas are often poor quality suggesting currently positive spillover effects may be limited. There are opportunities to enhance these benefits via HCV restoration and landscape scale approaches.
	Public awareness	6	There is evidence that the RSPO has encouraged governments to improve sustainability standards for palm oil (e.g. MSPO, ISPO), and it is likely that the establishment of the RSPO standard is shining a spotlight on oil palm sustainability, encouraging public pressure to improve sustainability in the sector.

Priorities and Recommendations

The study found eight potential unintended impacts of the RSPO certification standard, which could undermine the benefits of the initiative. There are also some potential positive unintended impacts that the RSPO could capitalize on to further enhance benefits to biodiversity and habitats. However, there is little primary research available to determine the extent of these impacts in the RSPO context. We recommend that potential unintended

impacts are proactively addressed by the RSPO. This includes research to understand, quantify and develop monitoring of these effects, as well as finding ways to mitigate negative impacts and maximise positive impacts. It is important that unintended impacts be incorporated into the RSPO impact assessment process. We highlight three priority impacts with the highest scores, and recommend that the RSPO focuses in these areas:

Priority 1: Displacement of biodiversity declines and habitat loss to non-members due to the relatively small proportion of the industry that is currently certified by RSPO, and a lack of RSPO presence in the most vulnerable forest frontiers.
Recommendations: RSPO should continue working to be inclusive and expand its membership, as well as creating incentives for members to operate in frontier landscapes and countries, providing protection for the most vulnerable forests where the biggest gains in terms of avoided deforestation can be made. Extra efforts are needed to target groups of growers who are not currently engaged in the sustainability agenda.

Priority 2: Displacement of biodiversity declines and habitat loss to non-forest habitats, due to no-deforestation commitments of RSPO members.
Recommendations: Policy should be strengthened to explicitly recognise other ecologically important non-forest habitats, and include clear, detailed guidance for HCV assessors tasked with identifying these areas to avoid expansion into these areas.

Priority 3: Proliferation of new knowledge to benefit biodiversity and habitat conservation, as a consequence of monitoring, research funded by the RSPO, and increased interest by the wider academic community.
Recommendations: To maximise this positive impact, RSPO should encourage and facilitate the collation and sharing of biodiversity data, through a centralised database, and improve access for members, researchers and conservationists, while ensuring that sensitive information does not get into the wrong hands. Coordinating and streamlining survey methods would also enhance future research. This would also expand the impact outside of the RSPO's immediate sphere of influence maximising its positive reach.

Special note: As the RSPO attempts to address these unintended impacts, it is essential that new measures do not create more unintended negative effects. Therefore, these recommendations all require careful research into how they can be achieved, how cost-effective they will be and of course, whether there are likely to be any unintended effects, before being adopted into policy and practice.

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Cover photo: Savanna grasslands in Gabon. Photo credit: M. Senior