



Date: 1 March 2019

IOI GROUP

IOI PELITA LAND DISPUTE RESOLUTION PROCESS

IOI and Grassroots Joint Statement

This is the second quarterly joint statement issued by IOI and Grassroots on the status of the IOI Pelita land dispute resolution process, namely on progress and challenges in the period from November 2018 to January 2019.

The IOI Pelita land dispute is managed by IOI and guided by the Complaints Panel (CP) of the RSPO, while Grassroots plays the role of lead advisor and Dr Ramy Bulan is the lead facilitator. These are the key actors responsible for ensuring RSPO's Principles & Criteria on conflict resolution, including strict adherence to the Free, Prior and Informed Consent (FPIC) approach, are followed throughout the process.

The FPIC principle, as the main way of safeguarding local communities' rights to their land, is embedded in the Resolution Plan developed by IOI and Grassroots, with the CP's guidance as well as input from other stakeholders. Inputs from local, State and international stakeholders have been sought in the period, including local NGOs, the Sarawak government, Pelita and the customary leadership in Tinjar.

IOI is committed to ensuring that the FPIC principle is incorporated at each step throughout the entire resolution process. Grassroots and other advisors to the process have been providing continuous inputs, support and ideas for implementation that is faithful to the FPIC principle. These advisors partner IOI in identifying challenges and solutions throughout the process.

All nine (9) affected communities have been engaged by IOI and invited to participate in the resolution process. As of December 2018, eight (8) gave consent to proceed with the Resolution Plan and only one (1) remains undecided. IOI made significant effort providing all necessary support to that particular community for them to be fully informed and effective in their decision-making. IOI will continue to engage with and assist this community to ensure they are kept abreast of overall progress. This continued engagement will allow them to participate in the resolution process whenever they are ready.

In response to the 8 communities' consent to the resolution process, IOI and Grassroots identified local NGOs, namely – *Jaringan Orang Asal Se-Malaysia* or Indigenous Peoples' Network of Malaysia (JOAS) and Sarawak Dayak Iban Association (SADIA) – who formed a Sarawak-based, special entity called Community's Information and Communication Centre (CICOM) and are ready to conduct a community capacity building program and assist with a community participatory mapping exercise. These two activities are the essential building blocks of both the Resolution Plan and the FPIC process.

IOI and Grassroots believe that active participation of the local NGOs in the resolution process will significantly increase the likelihood of positive, lasting and fair outcomes for the affected communities and IOI. Besides having direct, relevant experience, intimate understanding of the core issues and being well-known to the communities, these groups add an independent component to capacity building to ensure unbiased information is provided to communities to help them in making informed decisions. Other stakeholders, including the Legal Advisor to the State of Sarawak Government, Regent of Miri and District Officer, have been regularly kept informed to ensure their engagement and continued support for the resolution process.

Finally, in IOI's and Grassroots' view it is not possible to foresee all adverse developments and avoid all risks. As long as the process and its implementation follow the road map outlined in the Resolution Plan, including the principles of FPIC, transparency, fairness and inclusion, the

implementing parties should be moving steadily ahead and dealing with both expected and unforeseen challenges as they arise.

For more information about the IOI Pelita case, please refer to IOI's website:
https://www.ioigroup.com/Content/S/S_Progress

