

Royal Lestari Utama

Natural rubber
assessment

Total score:

50%

Latest update: November 2019

Next scheduled: November 2020

Parent company: Barito Pacific (Satria Cemerlang) and Michelin

Landbank: 88,762 hectares

Activities: Natural rubber cultivation and processing

Locations: Indonesia (Jambi, Sumatra and East Kalimantan)

Headquarters: Indonesia

Parent website: <https://www.michelin.com/en/>;
<http://barito-pacific.com>

Website: <https://www.rlu.co.id/>

Total:

54 / 108

50%



> Sustainability policy and leadership

6.5 / 9 72.2%

⚠ 2 media reports

1. Sustainable natural rubber policy or commitment for all its operations?

The company has a sustainability policy.

✓

1 / 1 [Source](#)

2. Sustainability natural rubber policy or commitment applies to all sourcing excluding smallholders?

This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.

3. High-level position of responsibility for sustainability?

Director of Corporate Affairs and Sustainability.

✓

1 / 1 [Source](#)

4. One or more members within the board of the company have responsibility for sustainability?

The company has set up an "E&S advisory board". "The board sets directions and determines principles, proposes action plans for the management of RLU, and monitors E&S implementation plans. The board also tracks performance indicators, reporting to the Board of Commissioners."

✓

1 / 1 [Source](#)

5. Percentage or number of women board members?

1 (20%) - Not directly reported by company, calculated from website information.

P

0.5 / 1 [Source](#)

6. Percentage or number of women in senior management team?

✗

0 / 1

<p>✓ 1 / 1 Source</p> <p>7. Member of multiple industry schemes or other external initiatives to reduce negative environmental or social outcomes associated with natural rubber production? Partnership for Forests, Tropical Landscapes Finance Facility.</p>
<p>✓ 1 / 1 Source</p> <p>8. Collaboration with stakeholders to reduce negative environmental or social outcomes associated with natural rubber production? The company works with multiple NGOs to improve palm oil sustainability, including WWF and WCS as well as Proforest, Cirad and Daemeter, and the Indonesian government at local scale.</p>
<p>✓ 1 / 1 Source</p> <p>9. Sustainability report published within last two years?</p>
<p>✗ 0 / 1</p> <p>10. Climate risks assessment available?</p>



> Landbank, maps and traceability

8 / 11 72.7%

⚠ 1 media report



<p>✓ 1 / 1 Source</p> <p>11. Lists countries and operations? Indonesia (plantations).</p>
<p>✓ 1 / 1 Source</p> <p>12. Total land area managed/controlled for natural rubber (ha)? 88,762</p>
<p>✓ 1 / 1 Source</p> <p>13. Total natural rubber planted area (ha)? 18,000</p>
<p>✗ 0 / 1</p> <p>14. Scheme smallholders/outgrowers planted area (ha)?</p>
<p>✓ 1 / 1 Source</p> <p>15. Unplanted (areas designated for future planting) (ha)? 16,000</p>
<p>✓ 1 / 1 Source</p> <p>16. Conservation set-aside area, including HCV area (ha)? 28,353</p>
<p>✗ 0 / 1</p> <p>17. Maps of estates/management units?</p>
<p>✓ 1 / 1 Source</p> <p>18. Number of company owned natural rubber processing facilities? 1 - The company reports that it has one processing facility (a remilling factory in Palaran, East Kalimantan).</p>

<p>✓ 1 / 1 Source</p> <p>■ 19. Names and coordinates of company owned natural rubber processing facilities?</p>
<p>✗ 0 / 1</p> <p>■ 20. Management plans for natural rubber production are available for all estates/management units? The company states that it developed an Integrated Forest Management Plan however this is not publicly available.</p>
<p>✓ 1 / 1 Source</p> <p>■ 21. Commitment to traceability of the whole supply chain?</p>



> Deforestation and biodiversity

7 / 9 77.80%

⚠ 8 media reports

<p>✓ 1 / 1 Source</p> <p>■ 22. Commitment to zero deforestation or zero conversion of natural ecosystems? The company has a deforestation commitment.</p>
<p>■ 23. Commitment to zero deforestation or zero conversion of natural ecosystems applies to all sourcing excluding smallholders? This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.</p>
<p>✓ 1 / 1 Source</p> <p>■ 24. Evidence of monitoring deforestation? The company set up a partnership with Bukit Tigapuluh National Park to jointly patrol areas however limited details are given on the extent and timeframe.</p>
<p>P 0.5 / 1 Source</p> <p>■ 25. Amount of illegal/non-complaint deforestation recorded in own operations? The company reports the number of illegal activities recorded during patrolling however it is unclear how many of these incidents were illegal deforestation.</p>
<p>✓ 1 / 1 Source</p> <p>■ 26. Implementing a landscape or jurisdictional level approach? The company works together with the Tiga Puluh National Park and local communities and other stakeholders on a conservation landscape project.</p>
<p>✓ 1 / 1 Source</p> <p>■ 27. Commitment to biodiversity conservation?</p>
<p>✓ 1 / 1 Source</p> <p>■ 28. Identified species of conservation concern, referencing international or national system of species classification? The company states it has identified species of conservation concern according to IUCN, CITES and Indonesian regulations including the Sumatran Tiger and Sumatran Elephant.</p>
<p>✓ 1 / 1 Source</p> <p>■ 29. Examples of species and/or habitat conservation management? The company states that it has a "dedicated Conservation Team working to prevent poaching, protect animals and reduce human/animal conflict" and mentions patrols conducted with WCS and the fitting of GPS collars on a group of Sumatran elephants as well as the creation of a wildlife corridor for them to use.</p>

	P	0.5 / 1	Source
<input type="checkbox"/> 30. Commitment to protect areas from illegal activities? The company has a commitment to prevent illegal activities in HCV/HCS areas only and has a team dedicated to preventing poaching.			
	✗	0 / 1	
<input type="checkbox"/> 31. Commitment not to use genetically modified organisms?			



> HCV, HCS and impact assessments			
25 / 6 41.7% <div style="width: 41.7%; height: 10px; background-color: #e67e22; margin-top: 5px;"></div>			
⚠ 1 media report <div style="width: 25%; height: 20px; background-color: #e67e22; margin-top: 5px;"></div>			
	✓	1 / 1	Source
<input type="checkbox"/> 32. Commitment to conduct High Conservation Value (HCV) assessments? The company has a commitment to not develop HCV areas and to protect them.			
	✗	0 / 1	
<input type="checkbox"/> 33. High Conservation Value (HCV) assessments available?			
	✗	0 / 1	
<input type="checkbox"/> 34. High Conservation Value (HCV) management and monitoring plans available?			
	P	0.5 / 1	Source
<input type="checkbox"/> 35. Commitment to the High Carbon Stock (HCS) approach? The company has a commitment to not develop HCS forests and to protect them but does not provide a clear definition or reference to the HCS Approach toolkit.			
	✓	1 / 1	Source
<input type="checkbox"/> 36. Commitment to conduct social and environmental impact assessments (SEIAs)?			
	✗	0 / 1	
<input type="checkbox"/> 37. Social and environmental impact assessment (SEIAs) undertaken, and associated management and monitoring plans?			



> Soils, fire and GHG emissions			
5 / 12 41.7% <div style="width: 41.7%; height: 10px; background-color: #e74c3c; margin-top: 5px;"></div>			
<div style="width: 20%; height: 20px; background-color: #2e8b57; margin-top: 5px;"></div> <div style="width: 10%; height: 20px; background-color: #90ee90; margin-top: 5px;"></div>			
<input type="checkbox"/> 38. Commitment to no planting on peat of any depth? This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat.			
<input type="checkbox"/> 39. Landbank or planted area on peat (ha)? This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat.			
<input type="checkbox"/> 40. Implementation of commitment to no planting on peat of any depth? This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat.			

<p><input type="checkbox"/> 41. Commitment to best management practices for soils and peat?</p>	✗	0 / 1
<p><input type="checkbox"/> 42. Evidence of best management practices for soils and peat?</p>	✗	0 / 1
<p><input type="checkbox"/> 43. Commitment to best/sustainable tapping practices? The company only has a general commitment to best agricultural practices but tapping is not explicitly mentioned.</p>	P	0.5 / 1 Source
<p><input type="checkbox"/> 44. Evidence of best/sustainable tapping practices?</p>	✗	0 / 1
<p><input type="checkbox"/> 45. Commitment to zero burning? The company has a commitment to no burning.</p>	✓	1 / 1 Source
<p><input type="checkbox"/> 46. Evidence of management and monitoring fires?</p>	✓	1 / 1 Source
<p><input type="checkbox"/> 47. Details/number of hotspots/fires in company estates/management units? 143 - The company reports both the number of fires registered (115) and hectares burnt (143 ha).</p>	✓	1 / 1 Source
<p><input type="checkbox"/> 48. Time-bound commitment to reduce greenhouse gas (GHG) emissions intensity?</p>	✗	0 / 1
<p><input type="checkbox"/> 49. GHG emissions intensity? 12,836 - The company reports GHG emission figures but not as intensity (tCO2).</p>	P	0.5 / 1 Source
<p><input type="checkbox"/> 50. Report GHG emissions from land use change?</p>	✗	0 / 1
<p><input type="checkbox"/> 51. Methodology used to calculate GHG emissions?</p>	✗	0 / 1
<p><input type="checkbox"/> 52. Progress towards commitment to reduce GHG emissions intensity? The company reports that it is a carbon sink (i.e. emissions are lower than sequestration).</p>	✓	1 / 1 Source



> Water, chemical and pest management

3 / 17 17.7%

3 media reports



<p><input type="checkbox"/> 53. Time-bound commitment to improve water quality (BOD and COD)?</p>	✗	0 / 1
<p><input type="checkbox"/> 54. Progress towards commitment on water quality (BOD and COD)?</p>	✗	0 / 1

■ 55. Treatment of effluents from processing facilities?	×	0 / 1
■ 56. Percentage of processing facilities with closed-loop water treatment system (100%)?	×	0 / 1
■ 57. Time-bound commitment to improve water use intensity?	×	0 / 1
■ 58. Water use intensity?	×	0 / 1
■ 59. Progress towards commitment on water use intensity?	×	0 / 1
■ 60. Commitment to protect natural waterways through buffer zones?	×	0 / 1
■ 61. Implementation of commitment to protect natural waterways through buffer zones?	×	0 / 1
■ 62. Reducing odours from natural rubber processing facilities?	×	0 / 1
■ 63. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers? The company commits to the International Finance Corporation's Performance Standards which cover minimising use of chemicals.	✓	1 / 1 Source
■ 64. Commitment to no use of World Health Organisation (WHO) Class 1A and 1B pesticides? The company commits to the International Finance Corporation's Performance Standards which explicitly mentions no use of WHO Class 1A and 1B pesticides.	✓	1 / 1 Source
■ 65. Commitment to no use of chemicals listed under the Stockholm Convention and Rotterdam Convention? The company commits to the International Finance Corporation's Performance Standards which only explicitly mentions no use of chemicals listed under the Stockholm Convention.	P	0.5 / 1 Source
■ 66. Implementation of commitment to reduce chemical usage?	×	0 / 1
■ 67. Integrated Pest Management (IPM) approach?	×	0 / 1
■ 68. Chemical usage per ha or list of chemicals used?	×	0 / 1
■ 69. Waste management system in place to avoid negative impacts? The company states it has a waste management system but only limited details are provided.	P	0.5 / 1 Source



 6 media reports


	P	0.5 / 1	Source
<p>70. Commitment to human rights?</p> <p>The company has a commitment to "Respect the human rights principles, national law and regulation and relevant international standards" but it does not make a reference to the UNDHR or Ruggie principles.</p>			
<p>71. Commitment to human rights applies to all sourcing excluding smallholders?</p> <p>This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.</p>			
	✓	1 / 1	Source
<p>72. Commitment to respect indigenous and local communities' rights?</p>			
	✓	1 / 1	Source
<p>73. Commitment to respect legal and customary land tenure rights?</p> <p>The company states that it will "Identify use rights or customary rights" and "Recognize and respect the rights of Free, Prior and informed Consent (FPIC) for indigenous people and local communities, which hold legal, communal or customary rights".</p>			
	✓	1 / 1	Source
<p>74. Commitment to free, prior and informed consent (FPIC)?</p>			
<p>75. FPIC commitment applies to all sourcing excluding smallholders?</p> <p>This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.</p>			
	P	0.5 / 1	Source
<p>76. Details on Free, prior and informed consent (FPIC) process available?</p> <p>The company provides limited details on the FPIC process.</p>			
	✓	1 / 1	Source
<p>77. Examples of local stakeholder engagement to prevent conflicts?</p> <p>The company runs regular local stakeholders dialogues attended by RLU staff, community representatives, local authorities and NGO partners.</p>			
	✓	1 / 1	Source
<p>78. Details of process for addressing land conflicts available?</p>			
	P	0.5 / 1	Source
<p>79. Commitment to support the inclusion of women across natural rubber operations, including addressing barriers faced?</p> <p>The company has conducted a gender assessment of local communities however a commitment could not be found to support inclusion of women across natural rubber operations.</p>			
	✓	1 / 1	Source
<p>80. Commitment to mitigate impacts on food security?</p>			
	✓	1 / 1	Source
<p>81. Progress on commitment to mitigate impacts on food security?</p> <p>100 - The company provides examples of how it is mitigating impacts on food security and states that more than 100 farmers have been trained in 2018.</p>			

■ 82. Commitment to provide essential community services and facilities?	✓	1 / 1 Source
■ 83. Progress on commitment to provide essential community services and facilities?	✓	1 / 1 Source
The company has a community development program, covering education, health, disaster relief, facilities and infrastructure, but no examples were found.		
■ 84. Commitment to provide business/work opportunities for local communities?	✓	1 / 1 Source
■ 85. Commitment to respect all workers' rights?	✓	1 / 1 Source
■ 86. Commitment to Fundamental ILO Conventions or Free and Fair Labour Principles?	P	0.5 / 1 Source
The company does not refer to Right to Organise and Collective Bargaining (No. 98) and Equal Remuneration (No. 100).		
■ 87. Commitment to eliminate gender related discrimination with regards to employment and occupation?	✓	1 / 1 Source
■ 88. Percentage or number of temporary employees?	✗	0 / 1
■ 89. Percentage or number of women employees?	✗	0 / 1
■ 90. Commitment to pay at least minimum wage?	✗	0 / 1
■ 91. Progress on commitment to pay at least minimum wage?	✓	1 / 1 Source
■ 92. Reporting of salary by gender?	✗	0 / 1
■ 93. Commitment to address occupational health and safety?	✓	1 / 1 Source
■ 94. Time lost due to work-based injuries?	✗	0 / 1
■ 95. Reduction of time lost due to work-based injuries?	✗	0 / 1
■ 96. Number of fatalities as a result of work-based accidents?	✗	0 / 1
■ 97. Zero fatalities as a result of work-based accidents?	✗	0 / 1
■ 98. Provision of personal protective equipment and related training?	✓	1 / 1 Source



> Certification standards/Sustainability initiatives

0 / 5 0%

<input checked="" type="checkbox"/>	99. Member of the Global Platform for Sustainable Natural Rubber (GPSNR)? The company is a joint venture between Michelin and Barito Pacific and Michelin is a GPSNR member.	✘	0 / 1
<input type="checkbox"/>	100. Submitted self-declaration form for the Sustainable Natural Rubber Initiative (SNR-i)?	✘	0 / 1
<input checked="" type="checkbox"/>	101. Commitment to become 100% certified under voluntary sustainability certification scheme?	✘	0 / 1
<input checked="" type="checkbox"/>	102. Certified under voluntary sustainability certification scheme?	✘	0 / 1
<input checked="" type="checkbox"/>	103. Percentage area (ha) FSC certified?	✘	0 / 1



> Smallholders and suppliers

15 / 7 64.3%

	1 media report		
<input checked="" type="checkbox"/>	104. Commitment to support smallholders? The company has a commitment to support social and economic inclusion of smallholders and to train and provide support in relation to yields and quality management.	✓	1 / 1 Source
<input checked="" type="checkbox"/>	105. Programme to support scheme smallholders / outgrowers? The company has an economic empowerment program through which they sign partnership agreements with smallholders.	✓	1 / 1 Source
<input checked="" type="checkbox"/>	106. Percentage of scheme smallholders / outgrowers involved in programme? 584	✓	1 / 1 Source
<input checked="" type="checkbox"/>	107. Programme to support independent smallholders? This indicator is disabled as the company has informed ZSL that it does not source from independent smallholders.		
<input checked="" type="checkbox"/>	108. Percentage of independent smallholders involved in programme? This indicator is disabled as the company has informed ZSL that it does not source from independent smallholders.		
<input type="checkbox"/>	109. Percentage of supply from smallholders? The company states that it sources from around 300 smallholders in East Kalimantan however it is unclear what percentage of supply this represents.	P	0.5 / 1 Source

✘ 0 / 1

■ 110. Percentage of supply coming from agroforestry?

■ 111. Process used to prioritise, assess and/or engage non-smallholder suppliers on compliance with company's policy and/or legal requirements?

This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.

■ 112. Number or percentage of non-smallholder suppliers assessed and/or engaged on compliance with company's policy and/or legal requirements?

This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.

■ 113. Suspension or exclusion criteria for non-smallholder suppliers?

This indicator is disabled as the company has informed ZSL that it does not have any suppliers or only sources from smallholders.

✘ 0 / 1

■ 114. Process used to engage smallholder suppliers on compliance with company's policy and/or legal requirements?

✓ 1 / 1 [Source](#)

■ 115. Number or percentage of smallholder suppliers engaged on compliance with company's policy and/or legal requirements?

584



> Governance and grievances

0.5 / 5 10%

⚠ 3 media reports



✘ 0 / 1 [Source](#)

■ 116. Commitment to ethical conduct and prohibition of corruption?

The company's sustainability policy refers to the establishment of a code of conduct but no further information is given.

✘ 0 / 1

■ 117. Progress on commitment to ethical conduct and prohibition of corruption?

✘ 0 / 1

■ 118. Whistleblowing procedure?

P 0.5 / 1 [Source](#)

■ 119. Own grievance or complaints system open to all stakeholders?

The company states it has a grievance system but no specific information is available. The company states that its contact email can be used for grievances but offers no information about the process or options related to anonymity.

✘ 0 / 1

■ 120. Details of complaints and grievances disclosed?