

The Las Pavas Dispute Statement

By way of this statement I would like to reassure you that we are taking very seriously the criticisms and concerns raised by stakeholders about the land conflict in Las Pavas Ranch, South of Bolivar, and are giving this matter our highest priority.

We would like to reiterate that CI Tequendama acted in good faith when entering into the Consortium El Labrador* that purchased the Las Pavas land, and in the purchase of the land in question for oil palm cultivation from a private owner in 2006. At the time of purchase we were not aware of any demand to land title from families who claim to have at one time occupied the land.

Notwithstanding the legal aspects of this case we are wish to engage fully with the different stakeholders concerned to address broader issues relating to the wellbeing of the local people, and to learn from this recent experience and aspects to be improved in our handling of it.

We pride ourselves on our corporate social responsibility. We have an impeccable record, and have developed and managed successfully, several projects with International recognition. I can reassure you, that our aim is to transfer our experience and knowledge to all our new projects, with the intention of becoming the facilitators of progress in an area where historically the violence and poverty had prevalent, and indeed South of Bolivar is no exception. In many areas of Colombia local people have suffered at the hands of armed groups and there are high numbers of displaced people. Learning how to implement projects in a post-conflict context and how best to support people displaced by those conflicts is something that many businesses in Colombia are doing – and we believe we have a lot to offer to such contexts, although solutions are often complex.

We are now designing and implementing a process to help us move forward and address some of the concerns that have arisen:

A key part of this process is the engagement of a team of independent specialists, who will analyse the recent dispute and make recommendations for ways forward – including ways to engage more effectively and possible concrete actions.

We also expect they may help us to learn lessons which will be relevant not just for us, but for other members of the palm oil community in Colombia, particularly in this era of uncertain land tenure and post-conflict situations.

The team will be meeting with a broad range the representatives of the families concerned, local and international organisations to better understand the context. They will also review the legal and historical background of the case. They will bring best practices from NGOs, companies and think-tanks in Colombia and the UK in order to strengthen their recommendations. The conclusions and recommendations will be available to all interested stakeholders.

With the aim to preserve the transparency of the process ProForest has been commissioned, www.proforest.net, they are a respected organization, and with international recognition which focuses on the sustainable management of resources and which has strong ethical commitments. ProForest has interacted with different stakeholders in Colombia and the EU with the purpose of forming a capable and well prepared independent team, equally has independently worked on the terms of references of the work, taking on board best practices and feedback from the NGO community and other stakeholders. The team of experts will independently coordinate their meetings and visits in Colombia and also will produce an independent report.

Another part of this process is to engage with the affected parties and those that represent them, or work with them, in a constructive manner. We would like to listen to their concerns, and to their recommendations. We are also reaching out to the wider oil palm growing community both in Colombia and beyond for their recommendations of best practices in such situations.

We invite members of our supply chain to engage proactively with us and welcome your input or recommendations. We will be working to find solutions which bring benefits to all parties involved.

Manuel Davila

VP-Daabon Group

*Consortium El Labrador is formed by CI San Isidro and CI Tequendama, this last a subsidiary of Daabon Group.