

MINUTES OF MEETING
Market Development Standing Committee Meeting

Time : 1300 - 1800 (MYT)
Date : Sunday, 03/11/2019
Venue : Marriott Hotel, Bangkok, Thailand

Attendees:

1. Eddy Esselink	MVO
2. Anita Neville	GAR
3. Belinda Howell	RPOG
4. Julian Walker-Palin	RPOG
5. Lee Kuan Yee	KLK
6. Mei Mei van Dorth	Solidaridad
7. Tracey Gazibara	Cheyenne Mountain Zoo
8. Harjinder Kler	Hutan
9. Jonathan Escolar	Bodyshop
10. Paula den Hartog	RA (excused after discussion on conflict of interest)
11. Caroline Westerik (non-voting)	WILMAR
12. Daphne Hameeteman (non-voting)	RSPO Secretariat
13. Bakhtiar Talhah	RSPO Secretariat
14. Dan Strechay	RSPO Secretariat
15. Inke van der Sluijs	RSPO Secretariat
16. Ravikumar Krishnan	RSPO Secretariat

Agenda:

1. Opening
2. MDSC Compositions
3. Proposal on additional downstream seats
4. Working Group Composition
5. Palm Free/No Palm Communications
6. Trademark Discussions
7. PKO Credit
8. Multi-year plan for MDSC
9. AOB/New Business

DISCUSSION:

No.	Description	Action Points (PIC)	Progress / Remarks
1.0 Opening			
	<p>The chair opens the meeting and welcomes members of the MDSC. We made a round of introductions.</p> <ul style="list-style-type: none"> • The Antitrust statement was read by Dan • Outcomes of the discussions in this SC can be discussed with the members of the constituency and the Secretariat will refer questions to the representative of the constituency. If there is a need to vote, we need to consult absent members of the SC • Eddy is chair and we have not discussed having co-chairs yet • Under AOB, Secretariat will give an update on shared responsibility. Second point for AOB is the announcement that RSPO will reward for resolving the pygmy elephant killing in Malaysia. • We discuss the difference between BoG links and members of the MDSC. It was not made clear to the BoG links that they will not have voting rights. Currently, this SC has more members of the BoG • Agenda item 1 and 3 will be discussed at the same time 	<p>Secretariat to add to the agenda for next meeting (co-chairing)</p>	
2.0 MDSC Compositions			
	<p>Issue raised on conflict of interest</p> <ul style="list-style-type: none"> • The members of the MD SC have raised their concern about the conflict of issue with Rainforest Alliance during the last telcon. • The conflict of interest is in <ol style="list-style-type: none"> 1. RA has a palm oil standard and has the same focus on market development for sustainable palm oil 2. RA is service provider of PalmTrace where all commercially sensitive information is stored 3. RA is promoting the use of the RA seal on products. • RA explains their new palm strategy. RA explains their new palm strategy, where producers can only become RA certified if they first become RSPO certified. Although this potentially could increase the number of RSPO certified producers it brings the challenge of double certified producers. It is unclear how we should handle double certification further down the supply chain. With RSPO and ISCC it is not allowed to sell products with 2 claims to the first buyer. Also, it is not in line with the SR principles. • RSPO secretariat and RA have ongoing discussions on the collaboration but have not found agreement yet. 		

	<ul style="list-style-type: none"> ● One of the workstreams under the MD SC should address dual certification and the risk of double selling (ISPO, MSPO, RA, Organic, etc). ● One other concern raised is around confusion in the marketplace. ● The MDSC members advice against the participation of RA in this SC and this can be re-discussed in the future. RA can be invited as a guest or for one of the WGs. RA was asked to excuse from the meeting. ● The secretariat flagged that RA is also in other SCs. ● sNGOs should be invited to to fill this vacancy. 	<p>SCT WG to propose recommendations in next meeting</p> <p>To be raised by Eddy in OC meeting</p> <p>sNGOs to be invited to fill the vacancy</p>	
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3.0 Proposal on additional downstream seats

	<p>MDSC Voting Provision/Terms of Reference</p> <ul style="list-style-type: none"> ● Proposal on consensus voting ● Outcome of the discussion is to ask the BoG for a change in the number of seats from one to two for the P&T, CGM, FI and retail. ● This is not in line with the original ToR but is in line with the BoG composition. Malaysian growers do not agree on this change but agree to bring it to the BoG and ask if it is approved if this can be consistently approved for other SCs as well. ● The proposal to change the text on voting in the ToR is rejected by the P&T. ● The ToR doesn't describe the possibility to have alternates in the room. ● SH seat has not been filled yet. ● Requirement for co-chair also raised but not discussed further. 	<p>All: seek for SH representative to this SC</p>	
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4.0 Working Group Composition

	<p>Discussion on Working Group work streams</p> <ul style="list-style-type: none"> ● Proposal to move Oleo under SCC & Traceability WG ● The MDSC has revised the working group and work streams during the meeting and agreed on the new structure in the slide deck. ● The newly approved SR principles will fall under the responsibility of the oversight committee. ● ToR will be written for the WGs. ● All members will be invited to join the WGs with an extra invite to former SC member of T&T and C&C members to join WGs by email/website/eGazette. ● We need to check the rules for WGs and see whether there is a maximum number of participants and whether observers are allowed. ● Volunteers for the WGs: 	<p>Eddy to discuss in the oversight committee</p> <p>Secretariat</p>	
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	<ul style="list-style-type: none"> - Daphne, Inke - Supply Chain Traceability - Anita, Caroline, Kuan Yee, Tracey, Jonathan, Ravi - O&E&Comms - Harjinder, Colleague of Jonathan - Trademark - Anita, Daphne, Caroline, Dan - regional market development <p>Proposed schedule:</p> <ul style="list-style-type: none"> ● 29 November WGs ToRs ready - secretariat ● 6 December - deadline for comments MDSC ● 18 December - invites for nominees ● 15 January - reminder goes out ● 20 January - nomination deadline ● 22 January MDSC telcon <p>Proposals for the 1st meetings for the WGs week of Feb 10-17. Wgs select the chair in 1st meeting.</p>		
5.0 Palm Free/No Palm Communications			
	<ul style="list-style-type: none"> - Do we need an early warning system to warn members about these types of products? (E.g. retailers - Do we need to change the current rules? – Add as an action item? - Palm free is also related to health – e.g. that this product is healthier because it is palm free - Are members that use Palm Free labelling adding value to the RSPO? - What kind of communication should we use with members? <p>German retailers have not listed their subsidiaries that are making no palm claims that violate the RSPO rules on Market Communications and Claims.</p> <p>We need to find ways to send the positive stories to the right channels.</p>	<p>WG on claims</p> <p>Secretariat</p>	
6.0 Trademark discussions (memo)			
	<ul style="list-style-type: none"> ● Ongoing discussion on the mandatory tag on pack for MB (mixed). ● This is confusing to consumers and therefore some members of the C&C suggested to remove the tags. ● The members of the MDSC ask to review the rules of other certification schemes and assess their exposure to the rules. Dan suggests reviewing this very carefully as it may not be well received by the NGO members and seen as a weakening of the rules ● We should review the drivers of uptake and the trademark may not play a role in driving uptake although consumer awareness 	<p>Secretariat and TF</p>	

	<p>is increasing.</p> <ul style="list-style-type: none"> • The Giki app is now working on palm free products. The secretariat is engaging Giki now. • Belinda asks to display all products that contain CSPO without the trademark. • We need to first draft the overall strategy on positioning of RSPO. • We can invite the former proponents for their input. 		
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7.0 PKO Credit discussion

	<ul style="list-style-type: none"> • Inke presents the new data on CSPK supply and sales as well as CSPKO sales. The secretariat proposes to keep the current rules as the physical flow is optimised. We need to analyse why a certain proportion of CSPKO is not sold to the market. • The members agree to wait for this analysis. • Eddy requested a SWOT analysis. • We need the BoG to discuss whether the messaging on uptake can be changed now that we have better data on this. 	<p>Action item for Outreach and Engagement and Communications WG</p>	
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7.0 Multi-year plan for MDSC

	<p>What resources are needed</p> <ul style="list-style-type: none"> • WG SCT • This WG will focus on: <ol style="list-style-type: none"> 1. Supply and demand data from audit reports and PalmTrace 2. Data integrity 3. Dual certification • Before June 15 FY • Regional development: <ul style="list-style-type: none"> - Asia MD (Indo, India) - Uptake Latam • Timeline tbd by the WG • O&E &Comms <ol style="list-style-type: none"> 1. Overall comms strategy position – Feb 2020 MDSC 2. Palm free/no palm (receding volumes in EU, US a little). May 2020, Review C&C doc 3. Recruit more NGOs (Chester successful but not member) 4. TM (link to dual certification). Decision making before June 		
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7.0 AOB/New Business

- We discussed the Pygmy elephant announcement. The MDSC would like to understand the criteria, decision process and expresses concerns on the precedent it sets.
- The Secretariat felt something needed to be done as it was the second killing in one week. This has now gone up to 3. It was a good way to position RSPO in Malaysia. It turned out very positive for marketing RSPO in Malaysia. Again, there are concerns around the precedent. It is meant as a one-off action. It will be raised in the Bog.
- SR already covered during the meeting. The SR principles were endorsed on October 31 by the BoG. The next steps are implementation during a pilot year.
- Ravi and Inke will take over the MDSC from Dan. The MD SC thanks Dan for running this SC in the interim. Dan will remain active under the WGs.
- Belinda is also appreciated for her contribution to the T&T, oversight committee and the MDSC. Julian will take over.