

**Shared Responsibility Task Force Teleconference 7
Minutes of Virtual Meeting
Date: 30 Sept 2019, 6:00pm - 8:00pm MYT**

Attendance List

	Name	Membership	Organisation
1.	Gwendelynne	Grower Malaysia substantive (alternate)	Genting
2.	Lee Kuan Yee	Grower Malaysia substantive	KLK
3.	Sian Choo Lim	Grower Indonesia substantive	Bumitama
4.	Florent Robert	Grower ROW substantive	SIAT
5.	Natasha Schwarbach	CGM substantive	PepsiCo
6.	Naoko Satuma	Retailers substantive	Aeon
7.	JT Lee	Bankers & Investors substantive	Credit Suisse
8.	Jenny Walther-Thoss	ENGO substantive	WWF
9.	James Whitehead	SNGO substantive	FPP
10.	Aimee Russillo	Technical Facilitator	LiSeed Consulting
11.	Bilge Daldeniz	Technical Facilitator	Proforest
12.	Smita Jairam	Technical Support	Proforest
13.	Oi Soo Chin	Impacts and Evaluation Director	RSPO

The meeting started at 6:15pm by Soo Chin, explaining that the Board of Governors had further questions and had raised some strategic concerns and requested the Task Force to relook into the issues they raised.

The objectives of this call were to 1) finalise open questions, proposed changes and sign off on the call and 2) sign off for mandate for facilitators to finalise drafts for the 2nd public consultation.

The BoG confirmed that the Terms of Reference for the Shared Responsibility process had been completed. The Board while recognizing the great work done by this task force did not endorse the document, despite the SRTF having consensus and no sustained objections. The Board provided over 50 comments, which were analysed and incorporated into the document and sent to the SRTF for review.

The agreement with the Board was that the revised document would go into a further public consultation for 2 weeks in October. The SRTF will finalise the Recommendations Paper with the comments from the consultation in the following 2 weeks and an extraordinary board call will take place on 31st October to endorse the document before RT.

Facilitators developed the next draft for the SRTF. The major points that need agreement were covered.

Methodology - Going through the changes, firstly 2 small paragraphs were added to the methodology, which covered the details of participations from both the SRTF (100% across all member categories) and the additional work required due to the initial non-endorsement.

Incentives and Sanctions - The suggestions for Incentives are recommendations and should be maintained, albeit in a text box to indicate they are examples for recommendations that were discussed in the task force and in public consultation.

Common Definitions – SRTF mostly agreed to leave them in to standardize the language used in the document, with common definitions across RSPO terms as well as new ones developed by the SRTF.

Next Steps – Both Oversight Committee (OC) and Board had confusion on this. A detailed work plan was developed by the facilitators and it was discussed whether that needed to be included in this document. Generally, the SRTF felt the updated Next Steps in the document are clear enough.

Resourcing for Transformation – The recommended text is re-arranged with the first and last general statement maintained, and the remaining prescriptive recommendations put in a text box.

Volumes – BoG heavily commented on feasibility of targets and uptake of physical CSPO. The lower targets are derived from the ACOP reporting volumes forecast, with yearly review and target setting from 2021 onwards. The concern is that there is not enough CSPO for P&T and CGM demand. As such there is proposal to lower volume percentage based on this analysis.

There is strong feedback that targets should not be lowered as retailers and CGMs are achieving high percentages. Ambitious targets should be defined. Growers are committed to produce 100% even without guaranteed buyers, so why not P&T. The general consensus from growers is if P&T don't participate with push, with pull only there will be spillover further downstream. A compromise is to redefine a step-up targets reflecting current percentages in each supply chain category up to year 2, no targets after 2 years to see how the palm oil market is changing; as opposed to sticking to 100% targets.

Credits were designed as a transition tool as markets mature and helps CGM reach markets not readily accessible to them physically. There is no clear Board statement on credits. There are Time Bound Plans for physical, plus smallholder credits. Several suggestions were made on target percentages and include credits for smallholders and regional (for non-existent supply chains). Moving to physical is the main desire and credits serve a role as it is reflection of market reality, to support the building up of supply chain and additional points for members uptake physical.

Regarding targets, there is general agreement set to current baseline plus 15% increase each year. The target numbers will be reviewed after year 2 against demand and adjusted, as part of the continual improvement cycle.

Task Force members recommended to add that desired outcome is 100% physical with smallholder credits and Jurisdictional Approach credits and include credits to cater for market access. Review will be included as well after year 2.

The technical facilitators will reflect these decisions in the wording and send through the updated text on volumes for SRTF to review in the next 24 hours prior to the public consultation.