

DRAFT Minutes of Meeting

10th Smallholder Working Group (SHWG) Meeting

Date: 19th July 2016 (DAY 1)

Time: 9.00 am– 5.00pm

Venue: Pod 3, Level 32, Capri by Fraser, Kuala Lumpur

No	Name	Initial		SHWG	Organisation
1	Dr.Petra Meekers	PM	Grower RoW	Member	PT. Musim Mas
2	Marieke Leegwater	ML	Social NGO	Member/Co-Chair	Solidaridad
3	Perpetua George	PEP	Grower	Member/ Co-Chair	Wilmar International
4	Haree Ilangovan	HI	Grower	Member	Felda Global Ventures
5	Lee Kuan Yee	LKY	Grower	Member	Kuala Lumpur Kepong
6	Ian Orrell	IO	Grower	Member	NBPOL
7	Rukaiyah Rafiq	RR	Social NGO	Member	Yayasan Setara Jambi
8	Lee Kuanchun	LK	Manufacturer	Member	Procter & Gamble
9	Triyanto Fitriyandi	TF	Bank	Member	IFC
10	Ming Yee	MY	SH	Member	Wild Asia Group Scheme
11	Aaina Karina Mohamed Senawi	AKMS	Secretariat	-	RSPO
12	Julia Majail	JM	Secretariat	-	RSPO
13	Yohanes Ryan	YR	Secretariat		RSPO

No	Discussion Notes	Action Points/ By:
1	Welcome and Introduction by Co-Leaders [<i>Annex 01: Draft Agenda 10th SHWG Meeting</i>]	
1.1	ML expressed appreciation for the attendance of the members in this SHWG meeting and thank you YR to be able to come and present on the Smallholder Strategy to the SHWG members. And started off the meeting by going through the agenda of meeting.	
2	Confirmation of last MoM [<i>Annex 02: Minutes of Meeting 9th SHWG Meeting</i>]	
2.1	ML went through the previous minute of meeting. No objection to the minute and it was approved and accepted by the members.	
2.2	PM remarked under AOB (10.2) asked what is the update on the seats and was there a follow-up. JM updated on the Environment NGO position, she wrote to WWF Indonesia and have not come back to the SHWG. They will come back to SHWG in 3 weeks' time (from 19 July 2016).	
2.3	The 9 th SHWG Minutes of Meeting was approved and accepted by the members.	

<p>3</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p>	<p>Generic Code of Conduct - "Conflict of Interest" [Annex 03: Code of Conduct Policy Statement for RSPO Working Groups]</p> <p>JM have shared this with all the members and went through the content during the meeting today. JM explained that Col is implemented across all Working Groups and will also be included as part of the ToR. The Col must be signed and returned to the Secretariat.</p> <p>The Col goes to the person sitting in the Working Group and who represents the Organisation is part of the RSPO membership.</p> <p>PG explained on the intention of the group to sign Col is to prevent from members of the Working Group to take opportunities for their Organisational business interest by having the position of the Working Group (WG).</p> <p>PG and ML agreed that the Col will need to go through with their respective Legal team to review and advice on the Agreement. It was suggested that members may come up with the change if there are wording's that are too strong and Secretariat are open to suggestions.</p> <p>A question was raised on how observers will need to be managed? Do they need to also sign the Col even though they come in as presenter or expert attending the WG meeting?</p>	<p>Action Point 1: SHWG members agreed by the next SHWG meeting, the Secretariat will confirm if we have received all signed copies from all the members. Action by: Secretariat</p> <p>Decision 1: In the near future for the identified observers and experts that are attending the WG meeting, they will also need to sign the Col. It should be a common practise to have them to sign the Col as well.</p>
<p>4</p> <p>4.1</p> <p>4.2</p>	<p>Membership Update [Annex 04: RSPO Smallholders Update]</p> <p>Grower have 5 slots filled:</p> <ol style="list-style-type: none"> 1. Felda (Malaysia) 2. KLK (Malaysia) 3. Musim Mas (Indonesia) 4. Asian Agri (Indonesia) 5. NBPOL (RoW) <p>Smallholder have 4 slots for representatives:</p> <ol style="list-style-type: none"> 1. Thailand (Thitinai Pongpiriyakit) 2. Indonesia, SPKS (Darto Hanu) 3. West Africa, Solidaridad (Rosemary Adicco); and 4. Malaysia, WAGS (Sheila Shenarajath) 5. Latin America (Jan Piere Jarin) 	<p>Action Point 2: Members will vote on the membership and invite other ENV NGO as SHWG member should there be no decision/recommendation</p>

<p>4.3</p> <p>4.4</p> <p>4.5</p> <p>4.6</p>	<p>Social NGO currently have 2 out of 3 slots filled.</p> <ol style="list-style-type: none"> 1. Solidaridad (Marieke Leegwater) 2. Yayasan Setara Jambi (Rukaiyah Rofiq) <p>Note: Sawit Watch no longer a member and have willingly decide to leave. They have not attended the meeting for 3 consecutive times.</p> <p>Environmental NGO currently have 2 out of 3 slots filled.</p> <ol style="list-style-type: none"> 1. WWF Indonesia (Substantive) and WWF Malaysia (Alternate) 2. FFI (Cahyo Nugroho) <p>WWF-Indonesia was tasked to convene a discussion among the members who have expressed interest to be in SHWG and decide who will be in the SHWG to represent the interest of Env NGO.</p> <p>A concern was also raised regarding the absence of the ENV NGO members in this meeting, more so that their view and inputs are very crucial when discussion on the HCV 7.3 and RaCP for smallholders in this meeting.</p> <p>Supply Chain consisting of 4 slots and all are now filled up:</p> <ul style="list-style-type: none"> • Processor – Wilmar Group • Manufacturer – Unilever (Substantive), P&G (Alternate) • Retailer – Aldi (Note: currently on trial membership as Aldi have stated that they are not able to physically but are keen to commit virtually) • Bank - IFC <p>PM commented that is good to have 2 Growers from Indonesia to have an active participation in the WG. However, it was noted that Asian Agri has not been actively participating in the past meetings other than to inform to take part in the meeting via online call.</p>	<p>received from WWF Indonesia.</p> <p>Action by: All</p> <p>Action Point 3: To invite all ENV NGO members to virtually participate on 20th July 2016 to provide feedback on the documents that SHWG will be going through according to the Agenda. The ENV NGO would also share their feedback on the documents by end of this week and should there be no input from the ENV NGO members, that will mean that the members are agreeable with whatever was shared and discussed during the meeting.</p> <p>Action by: Secretariat</p> <p>Action Point 4: To communicate with Asian Agri on their active participation in SHWG. If there is still no solution, Co-chairs of SHWG will need to intervene to encourage Asian Agri's active participation.</p> <p>Action by: Petra Meekers</p>
<p>5</p> <p>5.1</p> <p>5.2</p>	<p>5 Updates on Smallholder Strategy Development [Annex 05: Smallholder Strategy Framework V2.0 Draft]</p> <p>5.1 YR was sharing the progress update on SH Strategy. He was sharing that the plans for the 4 workshops will enable to further discuss on the SH Strategic Direction. YR explained that the workshop is to get inputs from the necessary stakeholders.</p> <p>5.2 PM commented to have the SH Strategy to be done in Poland is not the right location and suggest to consider a more strategic location to allow more participation from the right stakeholders. PG commented that to get the grass root inputs would be good to organise the workshop at the grass root location. She also expressed</p>	<p>Action Point 5:</p> <ol style="list-style-type: none"> 1. SHWG members are to send collated comments to YR. Minutes taken to be shared directly to YR. PG commented to SHWG members to provide individual comments by Friday, 22 July 2016.

	her concern if the workshop in Poland will lead to a marketing strategy context.	Action by: All and Pak Yohanes
5.3	Based on the updates, it looks like the development of the Strategy might take a longer time and will not be completed by November 2016. ML agrees with PG to make the revision duration prolong.	
5.4	A proposal to extend the timeline for the development of the Strategy therefore been suggested.	
5.5	ML offered to help YR on the follow-up with other proponents to indicate and inform that the additional consultation with smallholders will take time.	
5.6	It was proposed to get consultation on the Strategic Direction to manage expectations from the GA. PG suggest to revisit the content and how the facilitation of the workshop to be done even though the workshop is already planned. The direction itself is unclear and it is best to have something to refer as a basis rather than going blank sheet paper.	
5.7	RR feels that it would be helpful to have a blank sheet of paper concept to allow the smallholders show what would be ideal and helpful for them in view of new standard as part of the Strategic Direction development. This position is supported by most SHWG members. The main problem with the current system is that it is so complicated, smallholders are rather turning against the certification.	
5.8	The WG remarked that the content of the SH Strategy is high level while it is supposed to help make the smallholders to understand and make sure they are inclusive in developing the strategic direction. The content of the proposed strategy must have a simplified explanation on major and minor challenges.	
6	Updates on Jurisdictional Approach	
6.1	YR explained how the jurisdictional approach help the smallholders and what is the current progress in consolidation HCS. The 9 Questions is linked to the Strategic Direction.	
6.2	PG was explaining on how Wilmar was managing the jurisdictional approach in Sabah and how the Sabah Department is trying to figure out the structure of the approach relevant to Wilmar. They are also working with BHCWG as well to keep aligned to the HCS areas etc.	
7	Updates on RSSF (as of June 2016) [Annex 06: RSPO Smallholder Support Fund July 2016]	
7.1	Since the fund was cut, there was a lack of funding and a lot of proposals to come in. The RSSF is now receiving 10% fund from the	

	<p>total sales of RSPO. SFP have said that if there are proposals coming in and monies are limited, The BoG is held accountable.</p> <p>7.2 RSSF Use of Funds & Plans was presented showing how RSSF is doing to date i.e. the allocated funds, balance brought forward and disbursements. PG clarifies that RSSF is funding worth paid under specific guidance etc. relating to smallholders.</p> <p>7.3 LKC said its best to explore funding approach relating to smallholders on Jurisdictional Approach within the RSSF as some of the projects may focus on smallholders specific rather the wide concept of Jurisdictional Approach.</p> <p>7.4 Fertiliser Trial - PM explained on the Fertiliser Trial that it is to look into increase of yields as benefit of certification for smallholders (research target with certified groups) . The discussion may look at existing smallholders and to see if there are any contribution for this. If there aren't, RSSF is there to explore extension services. It may be agronomic or beyond - is it or is it not an improve in yields.</p> <p>7.5 RSSF Panel Member Conflict of Interest - Due to most of the proposal for RSSF funding are received from Solidaridad, the members were asked if they are agreeable to have Solidaridad to continue to play its role as part of SFP. Members were asked to express their view if they wish to nominate alternate for Solidaridad position in SFP. ML left the room during this discussion. No alternative candidates where raised and no objections where raised to keep Solidaridad as a member until a suitable replacement is found.</p>	<p>Action Point 6 : Members to nominate alternate names to sit in SFP, if any. Action by All and RSSF Fund Manager</p>
<p>8</p> <p>8.1</p> <p>8.2</p>	<p>Updates on Smallholder Project North Sumatra [No Annex provided – presented by TF, IFC]</p> <p>TF presented the Independent Smallholders Development Model and explained how IFC engages the Group Manager. IFC did baseline surveys and diagnostic study demonstrate diverse smallholder conditions. Currently, IFC has recorded total farmers registered is 1,264; total of 57 farmer groups; 2 Field coordinators; and 20 Field Assistance.</p> <p>RR shared that Setara Jambi management structure is different from IFC. She asked if IFC facing similar challenges. TF says that one must acknowledge the whole structure to monitor the record and minimise the problems in terms of engaging stakeholders including the village.</p>	<p>Action Point 7: TF to share on the progress update and further deep dive on this scenario. Action by TF</p> <p>Action Point 8: Proposal for the report updates to be put in the RSPO Linking & Learning in Smallholder Hub. TF said it can be placed online but he will need to get consent and discuss with Musim Mas. Action by: JM / AKMS / TF</p>

<p>9</p> <p>9.1</p> <p>9.2</p> <p>9.3</p> <p>9.4</p>	<p>M&E Impact Framework: RSPO Theory of Change by Dr John Tey, UPM [<i>Annex 08: UPM Promoting Development of M&E System for RSPO to RSPO Working Groups</i>]</p> <p>RSPO is an ISEAL member. M&E Impact Framework demonstrates different level of change (Long Term, Short to Medium and Short Change). Indicators are used to describe and standardise how the KPI can be set.</p> <p>PG commented that she is confused how the RSPO communication has been done in relation to doing the survey for the M&E Impact Survey. The information in the survey gives an impression that it is highly reliant on Growers in providing the information and to participate.</p> <p>ML asked to share what are the next steps:</p> <ul style="list-style-type: none"> • Group work – Economic, Environment, Social, RSPO • Develop ToC • Develop Indicators • Reporting – Audits and ACOP • Aggregation and analysis – by RSPO Secretariat <p>JT asked SHWG to nominate 5 /6 representatives from Working Group to participate in the workshop. But PM and PG concern is that the process and commitment of time will require to get the outcome in participating in this workshop. i.e how does the Indonesian Growers get consensus in moving things.</p> <p>The M&E impact in decision making to make this impact project and communication is unclear to the members and where does this all going towards?</p>	<p><u>Action Point 9:</u></p> <p>Impact Dept will need to provide further clarity on the process. JM will discuss with OSC on the internal process matters and what next on this.</p> <p>Action by: JM</p>
<p>10</p> <p>10.1</p> <p>10.2</p> <p>10.3</p>	<p>eTrace for Smallholders Group Manager- Update & Information by Paula den Hartog (UTZ) [<i>Annex 09: RSPO eTrace Update for SHWG</i>]</p> <p>UTZ explained about eTrace for Smallholders Group Manager. The smallholders will need to register on eTrace. No costs involved for smallholders to register or trade. Registration will be opened as soon as the GreenPalm license has expired and for suppliers can directly register for eTrace. Target for the eTrace implementation to roll-out in January 2017.</p> <p>Trading process will still be the same as previous service provider (GreenPalm).</p> <p>BN will no longer be part of SHWG as subject experts on the certificates. It was also viewed that UTZ does not have to be in SHWG. There is no need to have someone permanent from the system to be part of SHWG. But UTZ could be observer.</p>	<p><u>Action Point 10:</u></p> <p>Secretariat will officially need to inform BN as RSPO is moving forward with eTrace.</p> <p>Action by JM / AKMS</p>
<p>11</p> <p>11.1</p>	<p>Preparation RSPO RT 14 [<i>Annex 07: RSPO RT 14</i>]</p> <p>RSPO have budgeted to invite between 30 to 40 smallholders to attend the RT14 this year in Bangkok. More smallholders will be</p>	

11.2	<p>coming from Thailand. Dual live translation (UN standards) should be included into the budget.</p> <p>Proposed Program involving smallholders:</p> <p>a) Linking & Learning for Smallholders RSPO need to determine what kind of funding for bringing the smallholders i.e. transport/ air fare etc. The Secretariat need to identify where groups are certified in Krabi. From there we can decide to bring participation from smallholders in Africa, Latin America, Indonesia and Malaysia.</p> <p>b) Plenary Session The session will address about what is happening in the strategy. Plenary does not have to include farmers but people who are talking about the current subject matter. It was proposed to have 3 to 4 presenters.</p>	
12	<p>Progress Update of HCV 7.3 By Veronique Bowee (HCV-RN) <i>[Annex 10: Update on HCV Probability]</i></p> <p>The Consultant (HCV-RN) updated the current progress status of the guidance development, followed by raising few questions/ recommendations for the SHWG decision.</p> <p>12.1</p> <p>a) Thresholds to use for low, medium and high level b) Cumulative size? How to avoid certification group structures are formed to remain below defined thresholds? c) How to identify HCV assessor for 'medium risk' liaise closely with HCV RN – licensed assessor? d) Consultation on questionnaire to address HCV 4-6 – who to consult?</p> <p>12.2</p> <p>A question raised on HCV AL for medium size, how is that done? Close discussion with HCV RN, no need full AL, can make use of local assessor. Group Manager need to work with expert. Still in development. The network is open, the network might be keen to use ASL with lesser requirement and GM can lead the process.</p> <p>12.3</p> <p>SH have very limited ALS capacity. Practicality is very important for smallholder. They don't have money and no local assessors. That would mean that they have to bring assessors from overseas. Cannot see this practical for smallholders. How would we generate probability map for Liberia, PNG etc How much work involved in producing probably map? Draft map, couple weeks, consultation with experts in the country, based on that. HCS and HCV Assessment - how are these integrated?</p> <p>12.4</p> <p>Cumulative size? How to avoid certification group structures are formed to remain below defined thresholds? Suggest: Threshold – 20 ha.</p>	<p>Action Point 11: HCV-RN will setup a small Task Force to get feedback on the simplified HCV 7.3 for smallholders that is currently being developed. This Task Force shall comprise of representatives from SHWG and BHCVWG. Action by Consultant/JM/WS</p>

12.5	This will not be workable to SH. We need to have flexibility. We can't use it. Request Medium- Low review to be done.	
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Date: 20th July 2016 (DAY 2)

Time: 9.00 am– 1.00pm

Venue: Pod 3, Level 32, Capri by Fraser, Kuala Lumpur

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No	Name	Initial		SHWG	Organisation
1	Dr.Petra Meekers	PM	Grower RoW	Member	PT. Musim Mas
2	Marieke Leegwater	ML	Social NGO	Member/Co-Chair	Solidaridad
3	Perpetua George	PEP	Grower	Member/ Co Chair	Wilmar International
4	Haree Ilangovan	HI	Grower	Member	Felda Global Ventures
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7	Rukaiyah Rafiq	RR	Social NGO	Member	Yayasan Setara Jambi
8	Lee Kuanchun	LK	Manufacturer	Member	Procter & Gamble
9	Ming Yee	MY	SH	Member	Wild Asia Group Scheme
10	Darto Mansuetus Alsy Hanu	DM	SH	Member	SPKS
11	Aaina Karina Mohamed Senawi	AKMS	Secretariat	Member/Secretariat	RSPO
12	Julia Majail	JM	Secretariat	Member/Secretariat	RSPO
13	William Siow	WS		External	RSPO
14	Javin Tan	JT		External	RSPO
15	Dillon Sarim	DS		External	RSPO
16	Ginny Ng	GN		External	Wilmar International
17	Marie		AidEnvironment	Expert on SEIA	

No	Discussion Notes	Action Point/By:
1	<p>Compensation procedure for Smallholders</p> <p>Land Use Change Analysis [Annex 11: RSPO Remediation and Compensation Procedure for Independent Smallholder]</p> <p>1.1 PG asked to confirm if independent smallholders will need to do LUCA at the point of membership process? To seek clarification on this before moving further. PG said RSPO should get the objectives clear. Scheme smallholder and outgrower will not have any issue as they are supported by the mills. In the RaCP, it is clear that independent smallholders will be involved in this. But there is a conflict in procedure when it comes to Group Certification. The current RaCP is clear that it does not affect the independent smallholders.</p>	<p>Decision 2:</p> <p>It was proposed and agreed by the members that the period of between Nov 2005 to May 2014 will be exempted from RaCP. This discussion is only limited to Independent Smallholders. But this will not conclude that they are certified.</p> <p>Action by: Ginny Ng will share this with the BHCVWG and get their consensus.</p>

<p>1.2</p> <p>1.3</p> <p>1.4</p> <p>1.5</p> <p>1.6</p> <p>1.7</p> <p>1.8</p>	<p>RECOMMENDATION 1:</p> <p>a) Disclosure of Land Clearance at the point of membership is agreeable for application to independent smallholders. The purpose is to collect data on the extent of independent smallholder impact on deforestation. Sufficient support is required by the Secretariat.</p> <p>RECOMMENDATION 2:</p> <p>a) Independent smallholders who have developed land between November 2005 to 9th May 2014 will be exempted from compensation requirement as per C 7.3, and these areas will be certifiable, recognizing as well other requirements in the Principles & Criteria.</p> <p>b) Task Force will be set up to decide how to accommodate Land Clearance post- 9th May 2014 by independent smallholders.</p> <p>Members who agreed to sit in the Task Force for SHWG consisting of:</p> <ul style="list-style-type: none"> • SH Grower – Rukaiyah Rafiq • ENGO – Pak Cahyo • BHCVWG Co-chairs (ENGO & Processor) • SHWG Co-chairs (SNGO & Processor) • RoW – Ian Orell <p>It was agreed that the objective of the Task Force is:</p> <ol style="list-style-type: none"> 1. To come up with a decision on RaCP post – 9 May 2014 for Independent Smallholders. 2. Common objective is that the Compensation Procedure will be applicable for the smallholders for land clearance post – 9 May 2014. <p>RR said the smallholders in Medan are having difficulty in meeting the RSPO standards and they might as well leave RSPO as they find it impossible and will require long time. For the scheme smallholders are okay but independent smallholders is not easy.</p> <p>PG is in view that it is not worth to create another task force in developing guidance RaCP for independent smallholders.</p> <p>ML suggested to have clear discussion on what should we do to help the small holders comply with RaCP.</p> <p>RR suggest to look at other matters as well apart from LUCA Analysis i.e. Land Types etc. Ginny acknowledged that and will work with DS based on the feedback.</p>	<p><u>Action Point 12:</u> Secretariat to clarify to CBs that this is does not preclude certifiability. Action by: RSPO Secretariat</p> <p><u>Action Point 13:</u> 1) Secretariat to bring recommendation to BHCVWG meeting next week. SHWG to be present on 26 July 2016, 2.00 pm. (FGV and Wilmar) 2) Secretariat will need to inform CBs and Public Announcement once the recommendation is agreed. Action by: RSPO Secretariat</p> <p><u>Action Point 14:</u> RSPO Secretariat will facilitate the first meeting for the Taskforce. Action by: RSPO Secretariat (JM/WS)</p>
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2	<p>Decisions on Next Steps on SEIA Guidance for Smallholders [Annex 12 – SEIA Guidance Draft v1.0]</p> <p>2.1 PG was asking why we are differentiating 50 and 500ha when it is for smallholders. AidEnv need to clarify how to determine 50 / 500 / cumulative Ha. If more than 500 Ha as a group, SEIA must be done by an independent organisation.</p> <p>2.2 App for SEIA Assessment and Reporting – it will need to get the WG to include feedback from SHWG and it can test run in 2 weeks from now depending on the inputs provided.</p> <p>2.3 The SEIA need to be harmonized with the Guidance on HCV for Smallholders. Any mention of HCV in the document must be linked to the HCV guidance document that has been developed (HCV 5.2) or in the process of developing (HCV 7.3)</p> <p>2.4 Sample size will be decided by the Group Manager by providing guidance which will include sampling etc. It is currently being developed. The sampling must be made clear and each individual smallholder should not need to complete the form. It was explained that GM will do the assessment but SH will need to collaborate.</p> <p>2.5 The next level is to test/pilot the guidance once it has been comprehensively developed. Secretariat will identify groups/ sites to test the guidance and will facilitate the process. The contract with the consultant does not cover the field testing of the Guidance.</p> <p>2.6 IO says in PNG they are doing similar approach using the low technology way. But touches on zero-burning, road access and simple sketch map (if appropriate). Recommend to include this in.</p> <p>2.7 Comment on A2 on the pesticides, was proposed to be reworded.</p> <p>2.8 Colour coded in the Guidance – the Consultant explained that it is used as basis for impact assessment which will determine the management plan for the Group Manager to refer to.</p> <p>2.9 Assessment for SEIA in NPP suggest that it must be done by an expert i.e. at least to have carried out 3 SEIA before their SEIA assessment report can be accepted. This is in relation to the minimum qualification to conduct SEIA. SHWG was in view that this requirement should be made simpler for independent smallholder group.</p> <p>2.10 The consultant welcome inputs/comments from the members with regards to the indicators proposed in the document.</p>	<p><u>Action Point 15:</u> Need to confirm that there are no thresholds and that it is done by group cumulatively.</p> <p>Action by: Consultant/ RSPO Secretariat</p> <p><u>Action Point 16:</u> SEIA Consultant will contact the HCV-RN. Action by: Consultant</p> <p><u>Action Point 17:</u> Identify sites and facilitate the process of testing the Guidance. Action by: RSPO Secretariat</p>

2.11	<p>The Consultant mentioned and presented the idea of developing a special tool that can simplify process of generating an SEIA report for the smallholder group. Budget to develop the tool is not part of the current cost to develop the guidance.</p> <p>The members agreed to proceed with the development of the Apps. Consultant was suggested to prepare a proposal and send to Secretariat for further action.</p>	<p>Action Point 18: SHWG to draft a statement to recommend on this.</p> <p>Action by: SHWG and Consultant.</p> <p>Action Point 19: To collate comments/inputs from members to be provided to the Consultant by end of July.</p> <p>Action by: SHWG/ Secretariat/ Consultant.</p>
<p>3</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p> <p>3.6</p>	<p>GHG Guidance for Smallholders (C5.6) by Javin Tan [Annex 13 – Introduction to PalmGHG for Smallholders]</p> <p>Who will key in the numbers? PG commented that to make sure not all individual will key in the data. JT clarifies that the data entry will be done only by the Group Manager (by default).</p> <p>How is the measurement being done and how does the GM calculate the soil oxidisation etc. which have not been finalised on how it can be calculated just yet?</p> <p>RR says the farmers will have a problem to record on the fertiliser use as it dependent on the yield increase and how they get the profit.</p> <p>ML asked if this is not going a step too far especially for the independent smallholders? As she sees it, this will mean to create another burden to the smallholders.</p> <p>LKC asked if any GHG assessment has been done by ERWG on the smallholders? You may find the numbers are on the low side.</p> <p>The discussion touched on:</p> <ul style="list-style-type: none"> - Is this calculator really needed for Independent SH? - Accuracy issue based on estimation? There is no correct exact calculation of emission. - Use fertilizer to improve yield vs control of GHG emission? - How SH manage water table – default? No data. - How SH minimize their GHG emission? - GHG Calculator how crucial is this for SH? - Let’s agree to test this and see what the result from this. <p>At the end of the day, this is to reduce GHG emission. Looking at the SH, any efforts they do – where is the most important area for ghg for smallholders?</p> <ul style="list-style-type: none"> - What recommendations on sensitive parameters for smallholders? 	

	<ul style="list-style-type: none"> - Study, test, collect more data (Thailand, Yayasan Setara Jambi, FELDA) – review the value. - How to keep things workable for SH – very complex. - Trade off of value. - Quantification is important. <p>3.7 It was proposed the way forward will be based on objective steps as follow:</p> <ul style="list-style-type: none"> - Purpose of calculating - What are the key area if emission for the SH? - What do you do with significant impact of emission? - What is the parameter used for SH? - Evaluate the result <p>Action:</p> <ul style="list-style-type: none"> - To prepare text – to look at what is required? - Test of the calculator - Follow up JT and SHWG - An interim measure need to be formulated until the above is done. <p>3.8 JT admits that data is lacking from smallholders. However, this is needed as to meet the requirement for smallholders as per the Standard text.</p> <p>3.9 A small was formed to discuss further on this matter. They are:</p> <ol style="list-style-type: none"> 1. Marieke Leegwater 2. Dr Lee Kuan Chun 3. Rukaiyah Rofiq 4. Javin Tan <p>The group then recommended the following: Proposed strategy to implement 5.6 GHG Emission Reduction for Independent Smallholders Recommendation by RSPO SHWG 20 July 2016</p> <p>I. Introduction of 2-year grace period starting 7 March 2016; During this period group manager can demonstrate compliance by:</p> <ul style="list-style-type: none"> – Listing main sources of GHG emissions in the area concerned, as far as he or she is aware; – If possible, identify strategies to reduce the emission. <p>Recognizing that the Mill GHG calculation will cover the GHG from the FFB sources including the smallholders if exist.</p> <p>II. Start/continue 6-month period field testing with GHG calculator, including groups in Africa; After field testing thoroughly evaluate results:</p> <ul style="list-style-type: none"> – Does filing in the GHG calculator by independent SH substantially contribute to our objective of GHG emission reduction, which is to understand the key sources of GHG emission and develop/implement plan for reduction? 	<p><u>Action Point 20:</u> Outcome of the GHG Discussion:</p> <ol style="list-style-type: none"> 1. Circulate it to full membership of SHWG + ask their agreement 2. Sent to ERWG to indicate these are our recommendations 3. Ensure Independent SH groups are informed and trained accordingly 4. Ensure CBs are informed accordingly <p>Action by: Secretariat</p>
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	<ul style="list-style-type: none"> - Is the burden or doing this proportionate with the objective that is realised? - Does the reduction measures require the GHG calculation based on information from the smallholders to understand the progress/significance? 	
4	AOB	
4.1	Smallholder Issue in PNG - IO mentioned on the issue experienced in PNG relating to the smallholder's position and that of NBPOL i.e. smallholder/customary land owners in PNG and Solomon Island whereby smallholders may refuse to follow the RSPO rules although already been advised by companies. This situation would lead to conflict between companies who used to support the smallholders and the smallholders themselves. To certain extend, the smallholders will put pressure to companies and the Government.	For Info only
4.2	Update on FFB Legality Task Force – recommendations and establish reporting for traceability 4.1 will be developed. Identifying mass balance linkage for RoW and outside of Indonesia.	
4.3	Group Certification newly endorsed is expected to have country NIs revised by 7 th March 2017. There was a perception of misunderstanding by the CBs on the announcement by RSPO. It was proposed to have the document simplified as in general it is unrealistic by everyone.	
		<p><u>Action point 21:</u> To improve communication for CB.</p> <p>Action by: RSPO Secretariat</p>

Meeting ends at 12:30pm.

Minutes taken by Aaina Karina Mohd Senawi / Julia Majail.