

Minutes of Meeting

1st FFB Legality and Traceability Task Force (FLTTF) Meeting

Date: 10th February 2015

Time: 9.30 am– 3.30pm

Venue: Hotel INTERCONTINENTAL JAKARTA MIDPLAZA Jl. Jendral Sudirman Kav. 10-11 Jakarta 10220, Indonesia

No	Name	Initial	Constituency	Organisation
1	Asrini Subrata	AS	Grower INA	Asian Agri
2	Chong Wei Kwang	CWK	Grower INA	First Resources
3	Sabarinah Marzuki	SM	Grower MY	Sime Darby
4	Che Dashuky Che Daud	CDC	Grower MY	Sime Darby
5	Lee Kuan Yee	LKY	Grower MY	KLK
6	Ian Hay	IH	Bank	HSBC
7	TK Lim	TKL	Grower INA	Musim Mas
8	Silvia Irawan	SI	Environment	EII
9	Guntur Prabowo	G	Environment	EII
10	Joko Arif	JK	Expert	IDH
11	Rueben Blackie	RB	Expert	IDH
12	Rizkiasari Joedawinata	RY	Environment	WWF-Indonesia
13	Putera Agung	A	Environment	WWF-Indonesia
14	Desi Kusumadewi	DK	Secretariat	RILO
15	Julia Majail	JM	Secretariat	RSPO
16	Imam A. El Marzuq	IEM	Secretariat	RILO
17	Dr Asril Darussamin	AD	Secretariat	RILO

Absent with Apology

No	Name	Initial	Constituency	Organisation
1	Yulia Kurniawan	YK	Supply Chain (Manufacturer)	UNILEVER
2	Loo Siew Wai	SS	Supply Chain (Processor and Trader)	WILMAR International

Agenda	Discussion Notes
1	<p>Welcome and Introduction</p> <p>DK welcomed everyone and conveyed apologies from Pak Salahudin who was not able to be in presence in the meeting.</p> <p>JM presented the background of the formation of the Taskforce. See Annex 1.</p> <p>The floor suggested and agreed the selection of the Co-Chairs of the Taskforce to be done after the two presentations and discussion.</p>
2	<p>Presentations</p> <p>Presentation 1: Presentation by Earth Innovation Institute (Dr Silvia Irawan) on “An overview of FFB trading from a landscape perspective”. See Annex 2.</p> <p>Presentation 2: Presentation by IDH (Bapak Reuben Blackie) on “Palm Oil Traceability Working Group (TWG)”. See Annex 3.</p> <p>Discussion:</p> <ul style="list-style-type: none"> It is important to draw the scope of the Taskforce Need to define what it traceability and legality. Which one is priority? It was suggested that the TF to focus on Traceability aspect first rather than Legality, as Legality may vary among countries and potentially change overtime.

- Government have important role in ensuring legality of oil palm plantation by FFB producers.
- Malaysia and Indonesia have different situations. So as to other producing countries. Model would be different; hence, solution could also differ.
- There have to be a balance responsibility among stakeholders to create an 'incentive', in order to encourage implementation of legal and traceable FFB.
- The primary focus by having the Legality & Traceability standards is to encounter potential leakage in Mass Balance system under RSPO supply chain mechanism.
- There are some opportunities of collaboration between Traceability Working Group (TWG [IDH]) with FLTTF, i.e :
 - ❖ To review the process flow of FFB supplies, covering both certified or uncertified suppliers
 - ❖ To provide inputs during RSPO System Integration (eTrace and GreenPalm) to make sure that it is complementary to each other
 - ❖ Piloting and sharing on the approaches for FFB legality issues to wider stakeholders

3

Selection of Co-Chairs

Members suggested appointing an interim Co Chairs till all the seats in the Taskforce being filled up. **Pn Sabarinah Marzuki (Sime Darby)** and **Pak Agung (WWF-Indonesia)** was selected to be the interim Co Chairs. Agreed and accepted by all.

4

Discussion on the Taskforce's Terms of Reference

The members accepted the ToR with one proposed amendment to be done under 3rd Para of Section 1.1: To change:

"...Therefore it immediately triggers uncontrolled expansion by the outgrowers to fill the exceeded demand from the processors." TO

"...In some cases this lead to some expansion by the outgrowers to fill the exceeded demand from the processors."

The new draft will be circulated to all members for acceptance.

Action Point: Secretariat

5

Discussion on Key Activities/Key Results and Budget for 2015

See Annex 4.

Budget was not discussed for all the activities.

JM informed the meeting that RSPO has allocated about RM100, 00.00 for the Taskforce activities up to June 2015.

6

AOB

6.1

FLTTF Meeting Schedule for 2015

It was agreed to have 3 physical meetings in 2015. The next meeting is suggested to be in the 1st or 2nd week of April, in Kuala Lumpur.

Secretariat to send Doodle Poll to all members to decide on the meeting date.

Action Point: Secretariat

6.2

Vacant Membership of FLTTF

All vacant seats need to be filled in. Secretariat will write to the relevant BoG members for nomination of candidates to fill in the vacancies.

Action Point: Secretariat

The Taskforce invited EII to be member of the Taskforce to fill the slot for Environment. SI (EII) accepted but requested for a formal invitation letter.

Action Point: Secretariat

IDH accepted the invitation by the Taskforce to sit as Expert in the Taskforce.

The Taskforce agreed there should be members in the Taskforce to represent smallholders. It was proposed to the Secretariat to invite:

- a. FORTASBI (for Indonesia)
- b. WAGS (for Malaysia)
- c. Thailand

Action Point: Secretariat

7 Closing/ Adjournment of meeting

Puan Sabarinah thanked everyone for their active participation in the discussion.

Meeting ends at 3:30pm. Meeting was adjourned to a date to be confirmed later.

Annexes: PPT Presentations

Annex 1 Background on FLTTF by RSPO (Julia Majail)_ppt

Annex 2 Presentation by Earth Innovation Institute (Dr Silvia Irawan) on "An overview of FFB trading from a landscape perspective"_ppt

Annex 3 Presentation by IDH (Bapak Reuben Blackie) on "Palm Oil Traceability Working Group (TWG)"_ppt

Annex 4 Key Activities/Key Results and Budget for 2015

Annex 4

Activities for 2015

Key Result	Key Activity	Who	Timeframe	Budget
1. Define legality, traceability and scope	<p>Set up the scope the subject, define legality and traceability</p> <ul style="list-style-type: none"> to assess what is already available <p><i>Note:</i></p> <p><i>Scope – 2 level: (a) from FFB supplier to mill and (b) from mill onwards</i></p>	Taskforce Co-Chairs	Max 6 month (starting from March – September)	
2. Mapping all scenarios at national level (all producing countries)	<ol style="list-style-type: none"> Information gathering Sharing developed studies (WWF-INA, EII, IDH) 	WWF-Indonesia	Max 2 months	
3. Identification of preferred RSPO FFB Traceability System	<ol style="list-style-type: none"> Review/assess what's available in the market Provide recommendation 	Taskforce Co-Chairs	Max 6 month (starting from March – September)	
4. Provide inputs in the integration of eTrace and GreenPalm (KIV)				