

## Minutes of Meeting

Subject : 1<sup>st</sup> NDTF Physical meeting  
 Date : March 22, 2019  
 Venue : Aloft Hotel, Kuala Lumpur

Name	Organisation	Status
Lee Kuan Yee (LKY)	KLK	Substantive
Jenny Walther-Thoss (JWT)	WWF	Substantive
Geetha Govindan (GG)	PT ANJ	Substantive
Olivier Tichit (OT)	SIPEF	Substantive
Anne Rosenbarger (AR)	WRI	Substantive
Dr Gan Lian Tiong (GLT)	Musimas	Substantive
Yunita Widiastuti (YW)	Cargill	Alternate
Salahuddin Yaacob (SY)	RSPO Secretariat	Secretariat
Julia Majail (JM)	RSPO Secretariat	Secretariat
Aminah Ang (AA)	RSPO Secretariat	Secretariat
Wan Muqtadir Fatah (WMF)	RSPO Secretariat	Secretariat
Khing Su Li (KSL)	RSPO Secretariat	Secretariat
Amir Afham (AAF)	RSPO Secretariat	Secretariat
Sheun Su Sin (SS)	HCSA	Invited Expert
Ruth Silva (RS)	HCVRN	Invited Expert
Dial In:		
Lim Sian Choo (LSC)	Bumitama	Alternate
Natasha Schwarzbach (NS)	PepsiCo	Substantive
Lee Kuan-Chun (LKC)	P&G	Alternate
Laure D'Astorg (LD)	Cerelia/Alliance Forets	Substantive
Miguel Tejada (MT)	Agrobiz	Invited Expert
Cristina Cedilo Torres (CC)	Robeco	Substantive
Absent with apologies:		
Ian Orrell (IO)	Sime Darby	Alternate

No	Item	Main Discussion Points	Action Points	Progress Update
1.	Introduction of members and NDTF (Objectives, scope etc)	<p>SY welcomed all members to the meeting. A round of introduction of all members (physically present and dial in) was done.</p> <p>Members were briefed on the background of why the NDTF was established and the overall scope &amp; objective of the NDTF. Also mentioned was the issue of transition from HCV to HCV-HCS and Annex 5 together with indicator 7.12.2 of the P&amp;C 2018.</p>		
2.	Appointment of Co-chairs	<p>The current composition of the members was presented to the group for members to propose candidates for the co-chair posts. It was clarified that the alternate seat for OT was IO from Sime Darby. JWT was moved from an alternate to a substantive post.</p> <p>There was a question raised whether the vacant seats may be filled in the near time. It was responded that for the CGM sector, they will continue to search for interested parties to join however since the NDTF has a short active period, they would proceed with the current members for now.</p> <p>There was a question on whether alternates must be from the same organisation which was clarified that it was not mandatory and any member from the same sector could serve as an alternate member.</p> <p>There was an inquiry on what was the additional workload that was expected from the co-chairs. Co-chairs were required to chair and facilitate the meetings, provide support to the Secretariat in the agenda setting and nudge members in cases of group work.</p> <p>Nomination of the candidates was done. Nominated members were:</p> <ul style="list-style-type: none"> <li>• Lee Kuan Yee</li> <li>• Jenny Walter-Thoss</li> </ul> <p>There was a consensus from the group for both candidates to be appointed as co-chairs.</p>		

3.	Review & endorsement of NDTF ToR	<p>Members were shown the NDTF ToR. It was mentioned that the ToR was developed by the original members of the NoDIG. It was clarified that the group would be able to make minor changes to the ToR if deemed necessary.</p> <p>Members were informed that it was required of all members to sign the CoC as per the ToR. It was also mentioned the recommendation by the NDTF would be made by consensus, failing which the matter would be brought up to the RSPO Standard Standing Committee.</p> <p>It was reminded that during meetings, the Chatham House rules apply. Also mentioned was that the invited experts would fully be involved in the discussions and meetings, however that they did not have decision making capacities. Substantive members and their alternates would count as one vote in the case of voting.</p>		
4.	<p>Criteria 7.12 and Annex 5</p> <ul style="list-style-type: none"> <li>• Definitions of terms</li> <li>• Gaps in Annex 5</li> </ul>	<p>Members were presented with a comparison between the contents of 7.12.2 and Annex 5 which highlighted some dissimilarities between the two which could lead to misunderstanding of the objective of Annex 5.</p> <p>Members were informed that the purpose of Annex 5 was to provide more clarity and flexibility depending on the scenarios during the transition period. It was made clear that the wordings in the P&amp;C 2018 was voted in by the GA and cannot be changed, however the NDTF could explain &amp; clarify it.</p> <p>A question was raised on the date the of the P&amp;C 2018 comes into full force. It was clarified that while there is a 12-month transition period to meet ISEAL requirements, but for the requirements on no deforestation, that does not apply.</p> <p>Some identified gaps were as below:</p> <p><b>1. Assessment by RSPO-approved assessors (7.12.2(a)) vs valid HCV assessment (annex 5)</b></p> <p>a. RSPO-approved assessors refer to:</p>		

- i. ALS licenced assessor
- ii. Assessor from RSPO approved assessor list
- iii. Internal assessor
- b. Valid HCV assessment (annex 5)– refers to all HCV assessments conducted by the above assessors.
- c. Proposed to replace the word ‘acceptable’ with ‘sufficient’ for scenarios that the group agreed would not require any new assessments.
- d. It was clarified that replanting activities would not require a new HCV assessment, but the existing HCV assessment was sufficient.

**2. Existing plantations, not certified as at 15 November 2018**

It was highlighted that in the current text of Annex 5, ALS-approved HCV assessments are the new minimum requirement for initial certification with no new land clearing compared to the previous requirement that allowed HCV assessments done by either internal, RSPO approved assessor list and ALS approved assessors.

**Draft of communication for Indicator 7.12.2 & Annex 5**

Members were presented with a diagram which showed an overview of the scenarios outlined in Annex 5 and additional scenarios identified for both non-clearing and clearing scenarios. The group further discussed in more detail on specific scenarios (refer **attachment 1**).

Some issues brought up during the discussion of the scenarios are as below:

1. Current wording of annex 5 caused some issues with uncertified existing plantations with no new land clearing and have **ongoing or completed non-ALS HCVs** which will go for IC due to the new requirement for ALS-approved HCV assessments.
  - a. Intent of the requirement of ALS HCV assessments was to ensure the quality of HCV assessments for plantations going for initial certification (IC).

		<ul style="list-style-type: none"> <li>b. Taking into consideration of those with completed/ongoing non-ALS HCV assessments started before 15 Nov 2018, the group agreed that some form of quality check would be a good compromise of quality without delays for plantations due to the need to redo an HCV assessment.</li> <li>c. Concerns were raised as this could possibly be a bottleneck due to the capacity of the RSPO secretariat to handle potentially high volumes (2018: 50 initial certifications) of assessments to be reviewed.</li> <li>d. It was added that the RSPO secretariat staff would not be reviewing the HCV assessments, but would employ external experts to accommodate this.</li> <li>e. Discussed the issue of whether the HCS element (either standalone or combined) is needed in new land clearing scenarios in the event the existing HCV assessment failed the quality review (ALS or RSPO)</li> </ul> <p>2. As it was agreed that ongoing non-ALS HCVs could also undergo RSPO review, there was agreement that ALS-HCVs <u>ongoing before 15 November 2018</u> also be allowed to submit their HCVs to ALS for quality review.</p> <ul style="list-style-type: none"> <li>a. A <b>30-day window</b> (from date of circulation of the communication from NDTF) would be allowed for growers to inform the RSPO secretariat of on-going ALS HCV assessments for inclusion in a 'case register' and provide evidence (e.g. contract with assessor etc.)</li> <li>b. Those with ongoing ALS HCV assessments failing to report within the 30-day window are required to conduct an HCV-HCSA assessment.</li> <li>c. Failure of the quality review would require a new HCV-HCSA assessment be required.</li> <li>d. It was clarified that failure in this context referred to the final report result. Any further request for clarification and/or revision is considered a part of the quality review process. <u>This applies to all scenarios of ALS HCV assessments which are</u></li> </ul>		
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		<p><u>pending approval and on-going assessments registered in the above-mentioned case register.</u></p> <p>e. Concern was raised that the HCV-HCSA assessments were designed for scenarios with high probability of conversion of forests and as such the requirements are very high. The effort required to conduct the said assessments for areas with no land clearing would not be proportionate with the risk it posed.</p> <p>f. It was clarified that for scenarios above (no land clearing) a HCSA assessment is not required. In the combined HCV-HCSA manual, it is mentioned if there is no new land clearing, the HCS elements need not to be applied. This fact should be added in the communication the by the NDTF.</p> <p>3. For new land clearing scenarios, the group also agreed to allow a <b>30-day registration period</b> for ALS-HCV assessments conducted prior to 15 November 2018. However, it was to be made clear that due to this allowance which would allow HCV assessments which were submitted ALS after 15 Nov 2018 to be used, <b><u>a standalone HCSA assessment would need to be conducted</u></b> and submitted to HCSA for peer review.</p> <p>4. For approved ALS-HCV assessments and those already submitted to ALS before 15 November 2018, no HCSA assessments would be required as there will be an issue if the NDTF comes out with a recommendation that is stricter than what is originally mentioned in Annex 5.</p> <p>5. The concern that surfaces with the requirement of an additional standalone HCSA assessment is not cost but time.</p> <p>6. Concern was also raised that the HCSA peer review did not have a pass/fail mechanism. RSPO would have to accept the results of the review without a pass or fail. HCSA is currently preparing a checklist to assist CBs in checking the HCSA assessment. To start it was proposed that HCSA identify the critical elements in HCSA</p>	<p>HCSA to identify critical elements of the HCSA standalone and present to the NDTF.</p>	
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	<p>standalone report by presenting an example of the HCSA report and highlight areas which are important. NDTF would then identify which areas are critical in the context to RSPO for it to consider as pass/fail.</p> <p>7. It was highlighted that HCSA should also prepare for the influx of HCSA assessments due to the addition of standalone HCSA assessments requirements for ALS-HCV registered in the case register. Concern was raised over the capacity of HCSA to manage increase in HCSA assessments. To reduce the volume, it proposed was that for those ongoing HCV assessments still in the early stages (e.g. scoping study) to highly recommend to simply convert it to an HCV-HCSA assessment.</p> <p>8. For the scenario of NPPs initiated by 15 Nov 2018, the term 'initiated' was agreed by the NDTF as starting from <b><u>the date the CB was engaged</u></b> for the NPP review. Companies were required to provide evidence of the CB engagements by showing the contract signed between the company and CB.</p> <p>9. For new land clearing within certified areas, a HCV-HCSA assessment would be required, however it was made clear that the assessment would only cover the unplanted areas and not the whole certified unit.</p> <p>10. It was clarified that for land clearing &lt;10 ha within the certified area is not considered as new land clearing, however it is a cumulative figure throughout the lifespan of the plantation (25 years).</p> <p>11. Concern was raised on the reputational risk for allowing land clearing post 15 Nov 2018 even with approved NPPs as the P&amp;C indicator 7.12.2 (b) states that 'any land clearing post 15 November 2018 was preceded by an HCV-HCSA assessment'. It was raised that the issue retrospective application of new requirements to approved NPPs would cause backlash.</p>		
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		<p>12. It was agreed for NPPs approved before 15 Nov 2018; an ALS-assessment is sufficient. For approved NPPs with non-ALS HCVs, they are required to conduct a standalone HCSA assessment.</p> <p>13. It was brought up that making mandatory a HCV-HCSA assessment for approved NPPs with pre-ALS HCVs would cause delays and financial impacts to companies. And would be considered as punishing growers for following the requirements set by the RSPO during that time period. This would be considered a breach of trust between the RSPO &amp; growers. Companies will be facing pressure from communities and governments alike due to commitments already made to them.</p> <p>14. Pre-ALS HCV assessments will require some form of quality check for their approved NPPs (proposed: RSPO quality check). As the main issue for companies is stopping on-going work, <u>they may identify areas of pasture, infrastructure, monocrop plantations etc using information from the LUCA (requirement of NPP)</u> and notify RSPO secretariat by <b>15 Nov 2019</b> and continue to develop those areas. This will provide time for them to conduct a standalone HCSA assessment and submit to the HCSA for peer review. Failure of the RSPO quality check will result in a requirement for HCV-HCSA assessment for the areas yet to be cleared.</p> <p>15. For existing plantations with no new land clearing which have been certified against the P&amp;C 2013 during the transition period would require the same requirements for initial certification requirements (no new land clearing) in annex 5 (note: RSPO quality check). Differentiation with those delayed by HGU &amp; RaCP is that they are not required to go through quality check.</p> <p>16. It was clarified that for all initial certification scenarios, all HCVs <u>must not be older than Jan 2009</u>.</p>		
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5.	Assessor Capacity & availability	Item was not discussed in the meeting due to time limitations and would be discussed in upcoming web meetings	RSPO secretariat will prepare information on numbers of HCSA & HCV-HCSA licensed assessors for NDTF discussion.	
6.	P&C 2018 checklist for 7.12 – review & comments	Item was not discussed in the meeting due to time limitations and would be discussed in upcoming web meetings	To be discussed in web meeting.	
7.	Discussion on NPP, GHG assessment procedure & HCV review	Item was not discussed in the meeting due to time limitations and would be discussed in upcoming web meetings		
8.	Workplan and NDTF Gantt chart	Item was not discussed in the meeting due to time limitations and would be discussed in upcoming web meetings	To be discussed in web meeting	
9.	AOB	<ol style="list-style-type: none"> <li>1. The HCSA secretariat officially requested the permission of the group to share the discussions of the NDTF with the HCSA. The group agreed to sharing the discussions with HCSA.</li> <li>2. It was proposed to leverage on web meetings as opposed to physical meetings as they are a few members whom are based in Europe.</li> <li>3. It was clarified that the communication and clarifications by the NDTF would have to go through the SSC followed by BoG endorsement</li> </ol>		