

**Assurance Standing Committee
9th Meeting (via Zoom)
Minutes of Meeting**

Venue: Zoom Meeting (<https://zoom.us/j/94171599324>)

Date and time: 22 October 2021 at 3.00 pm – 5.00 pm KL time

Members Attendance:

Growers		
Name	Organisation	Group Representation
Agus Purnomo (Co-chair) (AP)	Golden Agri Resources (GAR)	Indonesian Growers (IGC)
Lee Kuan Yee (LKY)	Kuala Lumpur Kepong (KLK) Berhad	Malaysian Growers (MPOA)
Mariama Diallo (MD)	SIAT Nigeria	Growers RoW
Marie-Rosine Nsegbe (MRN)	Goldtree Holdings	Smallholders Group
NGOs		
Name	Organisation	Group Representation
Joko Sarjito (JS)	WWF Singapore	E-NGO
Paula den Hartog <i>(absent with apology)</i>	Rainforest Alliance	E-NGO
Paul Wolvekamp <i>(absent with apology)</i>	Both ENDS	S-NGO
Marcus Colchester (MC)	Forest Peoples Programme	S-NGO
Supply Chain Sector / Downstream / Others		
Name	Organisation	Group Representation
Emily Kunen (EK)	Nestlé	CGM
Hugo Byrnes (HB)	Royal Ahold Delhaize N.V	Retailers
Olivier Tichit (OT)	Musim Mas Holdings	P&T
Michal Zrust (MZ)	Lestari Capital	Financial

RSPO Secretariat Attendance:

Name	Position
Tiur Rumondang (TR)	Director of Assurance
Wan Muqtadir Wan Abdul Fatah (WM)	Head, Assurance Integrity Unit
Freda binti Abd Manan (FAM)	Sr. Executive, Assurance Integrity Unit
Shazaley Abdullah (SA)	Head, Certification
Aryo Gustomo (AG)	Deputy Director, Compliance
Suli Khing (SK)	Biodiversity Manager

Facilitation Team Attendance:

Name	Organisation	Role
Bilge Daldeniz (BD)	Proforest	Proforest Associate Director / Lead Facilitator
Shinta Puspitasari (SP)	Proforest	Proforest Senior Project Manager / Facilitation team member
Claire Reboah (CR)	Proforest	Proforest Project Manager / Facilitation team member

Other attendance:

Name	Organisation	Role
Matthias Wilnhammer (MW)	ASI	ASI
Jan Pierre Jarrin Peters (JPJP)	ASI	ASI
Ruth Silva (RS)	HCVN	HCVN

Item	Description	Action Points
<p>1.0</p> <p>1.1</p> <p>1.2</p> <p>1.3</p> <p>1.4</p>	<p>Introduction AP welcomed everyone to the ASC meeting. BD briefly shared the agenda for today's meeting.</p> <p>RSPO Antitrust Law, Recap ASC ToR (Objectives, Consensus-Based Decision Making, Declaration of Conflict of Interest) BD reminded the members of the RSPO Antitrust Guidelines and the objectives of the ASC. BD stated that the ASC follows the RSPO consensus-based decision-making process, in accordance with the ASC Terms of Reference. BD highlighted the ASC Col obligations. No Col was declared at this meeting.</p> <p>Acceptance of MoM from 27 July Meeting BD asked the members for final comments or feedback on the final minutes from the previous ASC meeting on 27 July 2021. No other comments and the members accepted the minutes.</p> <p>Introduction of New Members - Growers RoW, Smallholders, WWF BD introduced new ASC members Mariama Diallo from SIAT (Nigeria) to represent Growers RoW, Marie-Rosine Nsegbe from Goldtree (Sierra Leone) to represent Smallholder Growers and Joko Sarjito as an interim representative for WWF. MD, MRN & JS briefly introduced themselves to all ASC members.</p> <p>Appointment of New Co-Chair - Michael Guindon's replacement BD explained that the Co-chair replacement will come from the NGO representative. MC updated that the final nomination has not been made. MC proposed for extra time to finalise. BD proposed a 2-week extension and a remote voting process, which the ASC members accepted. MC will follow up with the nomination.</p>	<p>MC will follow up with the co-Chair nomination from NGO representative within 2 weeks after the meeting.</p>
<p>2.0</p>	<p>Action Tracker Update</p> <p>A member asked about RaCP: who is responsible for remote monitoring of performance of companies against their NPP? Who is responsible for pursuing actions, agreed by BHCVWG in mid-2020 as recommended in the RaCP implementation review?</p> <p>WM responded that the remote monitoring performance of companies against NPP will be done under Integrity Unit. Satellite images have been leveraged to support the report. WM continued that SoP to implement this has been strengthened.</p> <p>For the second question, SK updated that the work reallocation from</p>	

	<p>Standard to Assurance Division has been delayed. Now that the operation of RaCP has been moved over to Assurance, BHCVWG has been catching up and following up on all the action points.</p> <p>The same member sought further clarification on who is responsible for the follow up actions on the implementation review.</p> <p>SK responded that it will be a joint action between BHCVWG and the Assurance Integrity Unit. The member noted that it was important that a specific person be charged with this task as otherwise it will 'fall between the cracks' between different units. SK will take the point further, discuss internally and update the ASC members.</p> <p>TR added that BHCVWG is managed by SDD Director, Julia Majail, and operation by SK. They would be the main contacts for any follow up from BHCVWG.</p>	<p>The Secretariat will confirm the designated person who responsible for follow up actions from the RaCP implementation review.</p>
<p>3.0</p> <p>3.2</p>	<p>Gap Analysis - Follow up tasks</p> <p>ToR for Governance Subgroup</p> <p>WM shared the draft ToR for the Governance sub-group. The mandates for this group are:</p> <ul style="list-style-type: none"> ● To ensure an adequate monitoring of the implementation of all requirements in RSPO key documents and give necessary measures to ensure credibility of the assurance system ● To define roles and decision-making process through RSPO governance bodies on interpretations of the RSPO Standards and key requirements ● To oversee and provide necessary recommendations on learning (including capacity building) and evaluation <p>WM continued that the proposed members are RSPO members, with technical experts possibly being invited to participate in discussions requiring expertise in relevant areas/issues. The tenure for membership is 2 years.</p> <p>ToR for Standards Quality Subgroup</p> <p>WM continued that the mandates for this group are:</p> <ul style="list-style-type: none"> ● To analyse CBs findings of non-conformities during audits as learnings for consideration in any RSPO standards or requirements revisions ● To analyse assessors' findings (HCV, HCSA) from quality assurance review during/post assessments as learnings for consideration in any RSPO standards or requirements revisions ● To leverage the use of RSPO Interpretation Forum (RIF) and enhance the usability to the users of the platform <p>The proposed members are RSPO members and include representatives from ASI, HCVN and HCSA and technical experts who may be invited to participate in discussions requiring expertise in relevant areas/issues. The</p>	

	<p>membership tenure is 2 years.</p> <p>ToR for Public Domain Subgroup</p> <p>The last sub-group is on the topic of Public Domain and the mandates are:</p> <ul style="list-style-type: none"> • To develop a system to capture elements of risks and grievances from public domain • To discuss issues captured from public domain and propose solutions to strengthen the assurance systems for ASC's consideration <p>The membership for this sub-group may consist of both RSPO and non-RSPO members and include representatives from certification bodies, assessors & academics, and technical experts who may be invited to participate in discussions requiring expertise in relevant areas/issues. The membership tenure is 2 years.</p> <p>A member asked whether HCSA has been considered to be part of the sub-group, on which WM responded they are. However, approval from ASC is needed before the Secretariat can engage with and invite HCSA and other potential organisations/individuals to be part of the sub-groups.</p> <p>TR added that engagement with HCSA for the sub-group will need to align with the MoU process between RSPO and HCSA. TR will update on the agreement process.</p> <p>For Governance sub-group, a member also suggested to align with and to get more buy in from SSC, on which TR agreed.</p> <p>For the next step, WM will send out the template sub-group table and get input & nomination from ASC members in the next 2 weeks.</p>	<p>The Secretariat to share plans to form Governance Subgroup to SSC for comments and advice to move forward.</p> <p>The Secretariat will send out the template sub-group table to get nomination from ASC members until 5th Nov 2021.</p>
<p>4.0</p>	<p>ASI CB Accreditation System</p> <p>MW from ASI outlined the presentation, which covers (1) accreditation process; (2) differences between Accreditation process and CAB Performance Appraisal; and (3) latest updates from ASI.</p> <p>The ASI internal accreditation system involves certificate holders, auditor, Conformity Assessment Body, scheme owner and scheme users. The process will take 12-24 months from application to initial accreditation. The process will include: (1) application review; (2) application approval; (3) document review; (4) initial assessment; (5) report and sign off; (6) and accreditation granted.</p> <p>MW continued that at stage 1 – application and review, all applicant CABs have to go through ASI's Know Your Counterpart (KYC) due diligence</p>	



	<p>process. The process involves a questionnaire and checklist, which identifies business partner risks. Elements of the checklist are (1) a verification of the company profile and its policies, of other accreditations; (2) incidents, watchlists, or information on key personnel; and (3) use of available open-source data and stakeholder interviews.</p> <p>MW also shared the different types of regular assessment, including desk review, office assessment, compliance assessment and witness assessment.</p> <p>MW explained the ASI complementary oversight tools, which are (a) tailored assessments – to combine different types of targeted remote and onsite assessments to get the full picture of CAB performance; (b) analytics and data insights - to understand how CABs and auditors are performing, where improvements are needed and how integrity risks can be mitigated; (c) dispute assessment - to independently assess stakeholders’ concerns and help to manage them through a transparent dispute process; (d) integrity and risks management - to assess and prioritize stakeholder concerns that arise from incident reporting service and determine if and how to respond to these integrity risks.</p> <p>Next, MW explained the CAB performance appraisal which in principal is an evaluation based on applicable ISO and RSPO requirements, as well as ASI Procedures. Each indicator (= requirement) gets scored and the overall performance score is derived per CAB.</p> <p>Lastly, MW shared some high-level updates including:</p> <ul style="list-style-type: none"> • the establishment of ASI North America office to provide international accreditation for CABs to certify against voluntary sustainability standards internationally. • Introducing the two-tier Assurance Program to integrate national accreditation with ASI expertise and assurance services where regulation requires it. Cooperation with National Accreditation Bodies in Europe is being piloted with DAkkS and UKAS. • Expansion on anti-fraud work including “Transaction Verifications”. • Remote assessments became the new normal and assessments with “Facilitators” have been implemented. Also, presence in key countries/regions (e.g. Indonesia, Africa) shall be strengthened. 	
<p>5.0</p>	<p>RSPO – HCVN Strategy to Strengthen HCV-HCSA Capacity and Quality Assurance</p> <p>RS shared the background on the RSPO-HCVN collaboration, which was started in February 2019, when RSPO (BoG & Secretariat) met HCVN in KL to discuss challenges of HCV-HCSA implementation. In September 2019, HCVN & RSPO signed a contract to implement the Joint Strategy to improve report evaluation times, to maintain report evaluation quality, and to improve the quality of reports submitted by Licensed Assessors.</p>	

	<p>RS continued with updates on the implementations and the outputs:</p> <ul style="list-style-type: none"> ● To recruit and train ALS quality officers - 3 new part-time ALS quality officers trained. ● To improve ALS Platform and process - improved process / increased efficiency in online evaluations through new learning platform. ● To train Quality Panel (to add 5 Bahasa speaking & social) – 8 Bahasa speaking and including 5 social are included and about $\frac{3}{4}$ are trained. ● Train assessors and RSPO Secretariat – more than $\frac{3}{4}$ of assessors joined online training and 16 RSPO Secretariat staff trained in 2020. ● Coordinate with RSPO - 19 meetings/calls were conducted with RSPO (some also with HCSA). ● Report has been submitted. <p>RS continued with the objectives and KPIs:</p> <p>Objective 1: Improve report evaluation times</p> <ul style="list-style-type: none"> ● KPI 1.1. Percentage of delayed reports (ALS evaluations) performed better and beyond the target set. This is because more staff with good capacity, better evaluation system, and lower demand contributed to performance. ● KPI 1.2. Percentage of reports meeting target duration of entire evaluation was lower than target mainly because assessors was not able to complete the reports due to the pandemic. <p>Objective 2. Maintain report evaluation quality</p> <ul style="list-style-type: none"> ● KPI 2.1. Rate of successful appeals is overall very low at around 1.6%. ● KPI 2.2. Rate of valid complaints received is very low. Two complaints were valid - not on the evaluation itself, but on the overall assessor licensing scheme and the implementation. The responses from HCVN were to align procedure with HCSA and to commission independent review of ALS and to implement recommendations. <p>Objective 3. Improve the quality of reports submitted by Licensed Assessors</p> <ul style="list-style-type: none"> ● KPI 3.1. Percentage of reports requiring second resubmissions is higher that targeted. One of the main reason for this is SEA training was not completed in year 1 as planned and assessors had less opportunities for learning. ● KPI 3.2. Number of Fully-Licensed Assessors is higher than targeted (at 20 per semester). <p>RS continued with updates on Quality Assurance outcomes and Collaboration for and beyond quality assurance, including:</p> <ul style="list-style-type: none"> ● QA coordination with HCSA: Clarifying guidance (growers, assessors), helping transition to 2018 RSPO P&C, feedback to updates on HCSA guidance. 	
--	---	--

	<ul style="list-style-type: none"> • Technical Support to RSPO Secretariat: No Deforestation Task Force (NDFT), Independent Smallholders NDTF, public consultation NPP. • Training for RSPO members: Two sessions on HCSA Preparatory Stage, and three HCSA Social Requirements webinars for RSPO growers 	
<p>6.0</p>	<p>Contingency RSPO Audit Procedure - Version 2</p> <p>SA shared a brief background on the development of the Contingency RSPO Audit Procedure (Scenario 5). Draft 1 was developed and presented for Targeted Consultation with RSPO members, CBs and AB. Feedback from consultation was compiled and draft 2 and draft 3 were produced. The Secretariat proposed to name the document as Contingency RSPO Audit Procedure for P&C and RSPO ISH Standard (Version 2). This version offers 2 options:</p> <p><u>Option A</u>: On-site audits by CB’s audit team; or by CB’s audit team and audit facilitator (i.e. remote audit by CB’s audit team, supported by on-site audit by facilitator);</p> <p><u>Option B</u>: Full remote audit by CB’s audit team, no assistance from audit facilitator and/or local expert on-site.</p> <p>The document also provides flowchart process to determine the options and how CBs conduct Risk Evaluations to determine if UoC qualifies for Remote Audit (Option B), or if On-Site Audit (Option A). Additionally, the document covered Initial Certification process and requirement for option B (remote audit), including risk assessment and on-site complementary audit.</p> <p>The remote audit process consists of 10 steps: (1) planning, (2) internal audit by CH, (3) document submission, (4) sharing platform, (5) audit execution, (6) information gathering with workers/stakeholders, (7) sampling & risk factor, (8) audit duration, (9) certification decision, (10) audit reporting.</p> <p>BD invited ASC members for any feedback or concerns on the new remote audit option.</p> <p>A member raised concerns on how to get meaningful participation from all (women, community, workers, smallholders) during remote audits. The member further inquired whether additional measures are needed to assure the quality of remote audits beyond what’s been proposed (sample checks, monitoring system, and the roles of ASI).</p> <p>SA responded that inclusion of stakeholders in remote audits is fundamental. CBs will need to have an internal documented procedure for this process. CBs are also encouraged to use local experts available in the area to participate in the auditing process.</p> <p>SA continued with ASI role and that the document includes accreditation</p>	



	<p>maintenance.</p> <p>A member raised concern on stakeholder engagement for initial certification. Based on experience with smallholders, it would be difficult to have remote audits for initial certification. Physical visit will be needed to understand fully the conditions on the ground.</p> <p>BD explained that a combination of remote and physical audits were proposed by the Secretariat as explained by SA. Once the travel restrictions are lifted, the physical visit would be conducted. SA added that initially remote audit was not conducted for initial certification. However, this has slowed down the certification process for the new certificate holders significantly. That is why now remote audit is also being proposed for initial certification process.</p> <p>A member also proposed that independent sampling of remote audits be done to ensure that non-compliances were not been overlooked during remote audits. AP suggested the Secretariat to add a step in the process to accommodate this input. This was agreed.</p> <p>BD asked final approval confirmation from the ASC members on the Contingency RSPO Audit Procedure - Version 2, which was accepted by all subject to the inclusion of this additional step.</p>	<p>The Secretariat to add a step in the remote audit process to accommodate independent sampling to assess effectiveness of remote audits.</p>
<p>7.0</p>	<p>Independent Smallholders (ISH) Inclusion in P&C Mill Certificate</p> <p>AG started with sharing some of the problem statement over requirements to certify ISH stated in P&C Certification System (revised version 2020) and RISS (2019). There is a contradictory statement between RISS and P&C Certification system documents.</p> <p>Confusion? ~> This led the CBs to interpret the RSPO systems requirement on what ruled out as Unit of Certification to include ISH together in the scope of the supply base of the P&C Certificate, even though in reality those areas of ISH are not directly managed land (and estates) and having no connection to land ownership of grower company.</p> <p>To comply with the changes in the requirement (as above), some CBs have excluded the ISH groups from the P&C Certificate. This created subsequent challenges.</p> <p>AG continued with the proposed solutions, including:</p> <ul style="list-style-type: none"> ● To provide a recommendation to the Standard Standing Committee (SSC) to amend RISS 2019 and RSPO P&C Certification Systems 2020 documents to align and ensure consistency of Clauses 5.1.1 to 5.1.5 in RSPO P&C Certification Systems 2020. ● To provide a recommendation to the SSC to come up with rules to guide the transition for ISH that are currently under mills' 	

	<p>certification to be certified against the RISS 2019.</p> <ul style="list-style-type: none"> To provide a recommendation to the SSC to amend the definition of Scheme Smallholders in the P&C 2018 and Certification Systems 2020 to expand the scope for inclusion of ISH into mills' certification unit (current definition is limited to control of land when in practice it should also cover inclusion based on contractual agreement). <p>A member asked more clarity on what to approve and reminded that ASC can only recommend but the final decision will be on SSC. The member also needed more clarity as both standards (RISS & RSPO P&C) seem compatible and the system functioning. The member suggested whether a guidance or more explanation can answer the confusion and challenges as above.</p> <p>AG responded that two main solutions are to revise the standard and give interim measures to the current ISH until the new P&C is announced. If the ASC members agree with the proposed solutions, it will be brought to the Standard Division, who will present it to the SSC. AG continued that internal discussions have been done to get alignment and agreement between RSPO P&C and RISS definitions.</p> <p>A member asked what happens if there are (major) non compliances by the ISH under the mill, who has to fix things, and whether mill certificate get suspended while ISH fixes NCs.</p> <p>AG replied that if the mill certification includes the ISH then it is the mill's responsibility, and it may affect the mill's certification or lead to it being suspended.</p> <p>A member mentioned the need for transition time to implement the standards and to clarify between scheme SH and ISH as they are different. SSC should provide clear information on their requirements and this will also help with their compliances..</p> <p>BD asked any objections from ASC members on the proposed solutions. ASC members agreed to pass them on to the SSC.</p>	<p>The Secretariat will pass on the proposed solutions to the Standard Division.</p>
<p>8.0</p> <p>8.1</p>	<p>Any Other Business</p> <p>December Assurance Forum AG proposed timing for the next Assurance Forum. Doodle poll to be sent. He also shared the proposed theme for the forum: Strengthening RSPO Social Auditing Protocol. Input from the ASC members on the theme are welcome.</p>	<p>The Secretariat to send Doodle poll to determine the timing for December Assurance Forum.</p>

<p>8.2</p>	<p>Time-Bound Plan Requirements Following the RSPO Certification Systems Documents for P&C and RSPO ISH Standard 2020, under Requirement 5.5.2, for any changes to the time-bound plan, members have to submit a request to the Secretariat to review and approve the changes with justifications. This only applies if members submit the time-bound plan more than five years from the date of membership, or from 2018 if their membership is before 2018. If the time-bound plan is 3 years after new land acquisition from 2018, then the member will have to submit a request.</p> <p>AG confirmed that a new template detailing how to submit a request to make revisions to time-bound plans will be developed and conveyed to all grower members by next month. At the moment, the requests are submitted via email . The Secretariat has so far received some requests by members who wish to revise their time-bound plan up to 2027, and these requests were reviewed and approved by email communication. A member suggested to clarify to all members that the scope of time-bound plan is being extended to also include independent mills. This is to avoid confusion for members who now have to include supply chain units in their time-bound plans. AG clarified that for P&C requirement, this is the Secretariat's stand i.e. to include independent mills in time-bound plans.</p>	<p>The Secretariat to develop a template for members to request for revisions to their time-bound plan.</p>
<p>8.3</p>	<p>Indicator 2.3.2 of P&C - Issues Relating to Legality of FFB WM shared feedback from members that it is very difficult to meet the requirement relating to legality of FFB. Some members have more than 10,000 indirect suppliers. It is very challenging for members to fulfil 100% compliance within the deadline which has been set for November 2021. Taking into account this situation, the Secretariat will consult the SSC and feedback from the SSC will inform the solutions for the ASC to endorse. A member supported the plan forward and suggested that practical solutions are needed, such as stepwise approach and set up minimum assurance.</p> <p>TR added that with SSC they will be looking for any variance and exemptions for different cases. TR also suggested to SSC to have stepwise approach. But clear direction is needed.</p> <p>On that, the same member pointed out that the standard is clear, but ASC should identify what is credible, what guidance we should be given to the CBs, and how we allow variance or stepwise approach. The member, however, supported the collaboration between ASC and SSC.</p> <p>A member also supported the stepwise approach based on experiences with indirect suppliers and independent smallholders.</p>	<p>The Secretariat to seek advice from SSC and prepare an interim solution for ASC's approval.</p>
<p>8.4</p>	<p>RT 2021 - Updates from the Secretariat The RT 2021 is planned on these dates:</p>	



	<p>16 November (open to all) 17, 18 & 19 November - Regional tailored sessions for RSPO members only.</p> <p>The theme for Asia Pacific session is <i>Closing the gaps; for people, planet and prosperity</i>. The topic for Assurance Deep Dive session is <i>Issues of certification and how the sector can improve capacity building to implement RSPO Standards</i>.</p>	
	<p>End of meeting</p> <p>BD thanked all participants and handed to AP for closure of the meeting. AP thanked the facilitation team and all the ASC members who attended the meeting, for their feedback and comments. The meeting adjourned at 5.07pm.</p>	