

**Assurance Standing Committee  
7th Meeting (via Zoom)  
Minutes of Meeting**

Venue: Zoom Meeting (<https://zoom.us/j/96213086023>)  
Date and time: 7 April 2021 at 4 – 7pm KL time

**Members Attendance:**

<b>Growers</b>		
<b>Name</b>	<b>Organisation</b>	<b>Group Representation</b>
Agus Purnomo (Co-chair)	Golden Agri Resources (GAR)	Indonesian Growers (IGC)
Lee Kuan Yee	Kuala Lumpur Kepong (KLK) Berhad	Malaysian Growers (MPOA)
Laszlo Mathé <i>(absent with apology)</i>	New Britain Palm Oil Limited (NBPOL)	Growers RoW
Vacant	n/a	Smallholders Group
<b>NGOs</b>		
<b>Name</b>	<b>Organisation</b>	<b>Group Representation</b>
Michael Guindon (Co-chair)	WWF Singapore	E-NGO
Paula den Hartog	Rainforest Alliance	E-NGO
Paul Wolvekamp	Both ENDS	S-NGO
Marcus Colchester	Forest Peoples Programme	S-NGO
<b>Supply Chain Sector / Downstream / Others</b>		
<b>Name</b>	<b>Organisation</b>	<b>Group Representation</b>
Kuan-Chun Lee	P&G	CGM (alternate)
Emily Kunen <i>(absent with apology)</i>	Nestlé	CGM
Hugo Byrnes	Royal Ahold Delhaize N.V	Retailers
Olivier Tichit	Musim Mas Holdings	P&T
Michael Zrust	Lestari Capital	Financial

**RSPO Secretariat Attendance:**

Name	Position
Tiur Rumondang (TR)	Director of Assurance
Wan Muqtadir Wan Abdul Fatah (WM)	Sr. Manager, Assurance Integrity Unit
Freda binti Abd Manan	Consultant, Integrity, Assurance Integrity Unit
Shazaley Abdullah	Head, Certification
Sarsongko Wachyutomo	Grievance Manager (Indonesia)
Nurizzati Ab Rahman	Grievance Manager (Malaysia)
Panglima Emir	Consultant, Standing Committee Support Unit
Citra Hartati	Head, Risk
Caroline Yeo	Communication Manager, Outreach & Engagement
Aryo Gustomo	Deputy Director, Compliance
Yen Hun Sung (HS)	Senior Data Scientist & Information Systems

**Other Attendance:**

Name	Organisation	Role
Neil Judd (NJ)	Proforest	Lead Facilitator
Shinta Puspitasari	Proforest	Facilitation support
Hubert de Bonafos (HdB)	ASI	ASI

Item	Description	Action Points
1.0	<p><b>Introduction</b></p> <p>NJ welcomed Hubert de Bonafos from ASI, Aryo Gustomo as RSPO Head of Compliance, and Freda binti Abd Manan from RSPO's Integrity Unit.</p>	

	<p>MG opened the meeting and explained that this ASC meeting was split into 2 sessions to allow sufficient time and full discussion on key ASC items.</p>	
<b>1.1</b>	<p><b>RSPO Antitrust Guidelines</b></p> <p>NJ reminded the members of the RSPO Antitrust Guidelines.</p>	
<b>1.2</b>	<p><b>RSPO Consensus-based Decision-Making</b></p> <p>NJ stated that the ASC follows the RSPO consensus-based decision-making process, in accordance with the ASC Terms of Reference.</p>	
<b>1.3</b>	<p><b>Declaration of Conflict of Interest</b></p> <p>NJ highlighted the ASC CoI obligations and if ASC members feel a conflict of interest under any agenda items, they should recuse themselves in order to enable an objective discussion. No CoI was declared at this meeting.</p>	
<b>1.4</b>	<p><b>Acceptance of Previous Meeting Minutes</b></p> <p>NJ presented the minutes of the previous virtual meeting held on 7<sup>th</sup> February 2021.</p> <p>Following an opportunity for further comment, NJ confirmed that the minutes of the previous meeting on 7 February had been accepted.</p>	
<b>1.5</b>	<p><b>Review of Agenda and Objectives</b></p> <p>NJ presented the meeting agenda and objectives for the ASC meetings today and next week. ASC co-chairs have agreed to split the meeting into two to cover different key assurance topics. NJ continued that one of the main agenda items for this meeting is on the assurance gap analysis, on which TR will update in agenda item 2. Some of the work to address gaps is already underway, including an update from ASI on CAB performance appraisal, to be covered in section 3 of the meeting agenda.</p> <p>NJ also reminded the group that the second part of this ASC meeting has been confirmed for 15<sup>th</sup> April. The main agenda for the second meeting will cover the action tracker update, sub-groups formation and alignment between the ASC and the Human Rights Working Group.</p>	
<b>2.0</b>	<p><b>Assurance Gap Analysis</b></p>	
<b>2.1</b>	<p><b>Future-Proofing the RSPO Assurance System: draft report</b></p> <p>TR explained the background of the gap analysis and that the overall objective is to strengthen the RSPO Assurance System, with guidance from</p>	

	<p>the ASC and to build a trusted and credible Assurance System.</p> <p>TR continued by sharing the key findings from external reviews and the scope and structure of the analysis. This will not include the revision and improvement on CAP, which is being addressed separately. The main elements in the draft report include the Secretariat operational plan, assurance gap analysis and review of stakeholder reports.</p> <p>TR continued with the timeline for the gap analysis. The draft reporting has already been conducted. The Secretariat has developed a draft workplan, which will be shared for consultation with the ASC members. The monitoring of implementation with quarterly evaluation by ASC is planned to start in July 2021 until Dec 2022.</p> <p>TR briefly shared the Assurance Division restructuring when member asked about the CEO's position in relation to the structure. TR responded that the COO reports to the CEO, while TR reports directly to the COO.</p> <p>TR continued by sharing the scope of the workplan which is divided into 3 main themes: Secretariat Operation &amp; Function; Quality of the Standard, Guidelines and BMP; and Governance of Assurance.</p> <p>On the Secretariat Operation &amp; Function workplan scope, there will be a new functional design of the RSPO Assurance Division with stronger interlinking of units to strengthen quality assurance; remodeling the integration of certification functions with the integrity of other assurance elements under the new Compliance subdivision; remodeling the Investigation and Monitoring Unit for a new Risk Management System under the Risk Unit; remodeling the Complaint Units to the new Grievance Unit; and remodeling the Impact &amp; MEL Unit to improve interlinkages with other units under the assurance division.</p> <p>New recruitment is also ongoing with 33 new positions to increase resources and strength under the Assurance Division (Apr - Dec 2021).</p> <p>TR also shared updates on the internal RSPO Data Task Force (DTF) to oversee and implement measures to streamline and integrate Secretariat data. DTF will manage implementation over an 18-month period ending in June 2022. Other points highlighted included a standard audit report template to be presented by the Secretariat to the P&amp;C review TF when that is formed. Any new indicators proposed during the P&amp;C 2023 TF must then be assigned metrics by the TF and incorporated in the audit report template.</p> <p>Member pointed out that Palm Trace has been left out from the gap analysis. However, when discussing data and its sources, Palm Trace has all RSPO certification data and it is important to take it into consideration in the streamlining data process. Member also suggested including the Palm Trace team to identify how data needs to be structured.</p> <p>HS responded that integrating Palm Trace data is being looked at and communication with the Palm Trace team has been initiated by DTF.</p>	
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	<p>On the Standard Development workplan scope, TR updated the group that a framework has been provided to implement the Interpretation Forum jointly managed by the Assurance Division and the Standards Development Division, and the two divisions will plan a suitable and aligned timeline of the RSPO standard review in 2023. The next standard review will be designed with the involvement of CBs and AB during standard development.</p> <p>On the Governance of Assurance workplan scope: key actions include the following: design and implement a joint platform of “Incident Review” between ASI and RSPO; develop a Labour and Social Auditing Guidance document, including a customised audit methodology; to explore options for mechanisms to delink CBs and auditees; and to explore a new model of RSPO Certification System in 2025 through MEL.</p> <p>Focusing on actors, roles and capacities under the Governance of Assurance scope, TR added that the workplan will also include: a new flow chart of roles and decision-making processes; re-design and re-structure of the RSPO Assurance Forum; a stakeholder database from regional IMO programmes; design and implementation of a joint performance review by ASI and the RSPO Secretariat; strengthening the role of the peer reviewer through development of a peer reviewer database and frequent capacity building programmes; and an engagement strategy with prioritised state actors.</p> <p>Additionally, more tasks for the workplan also include continuing the review of HRD policy. Current discussion is to have an external party to support the implementation of the HRD policy. Another task is to review the RSPO Complaints and Appeal Procedure (CAP) with a timeline between April-Dec 2021 and to increase the capacity of Complaint Panelists for resourcing the Complaint Desk at the regional level.</p> <p>Member commented that the report is well written, but the sequence is not clear. Member suggested the report starts with the summary of the problems identified, then the root cause of those problems, proposed solutions, and finally the most logical structure to implement the solutions. Member also asked about the methodology of the gap analysis, who was interviewed, and how the interviewees were chosen.</p> <p>Member added that some information was still missing, including how we learn from other standards to enrich the findings from the report. Member also asked for clarification whether there were external reviewers to help identify gaps and improve the report.</p> <p>TR responded that she was informed that some discussion had already taken place since Feb 2020 in identifying the root causes and that there were already sufficient conversations with ASC members and other stakeholders, including in the context of the development of the secretariat’s Operational Plan. TR added that the assurance context in terms of root cause analysis was already presented to the Board in Nov 2020 which was used to start the improvement of the assurance system, and the Operational Plan in February 2021. TR asked for suggestions from the ASC members on the level of discussions and if more interviews are needed to</p>	
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	<p>accommodate further feedback and input.</p> <p>NJ proposed that if the flow of logic of the report is not clear then it should be possible to re-structure and supplement with some interviews. Member suggested to revisit the report structure and have the root cause analysis based on what was already gathered in the report. The next step, which is missing, is to check the analysis with key stakeholders who can provide more details.</p> <p>Member suggested the need to take a few steps back as the ASC members are not fully clear on the structure of the report. What is needed is perhaps a short presentation explaining clearly the structure of the report. Member noted that a process is needed for the ASC to fully understand the key steps in order to move forward. NJ agreed that most of the content is already in the report, and that the order and the structure can be further clarified. TR added that the structure can be revised based on the members' input. She also agreed that a simple presentation can help to explain the process and the result. Member highlighted that as a group, it is important for ASC to agree on the root causes identified and then proceed to agree on the proposed solutions and prioritisations. This will be a step-wise learning approach.</p> <p>Member suggested a workshop for ASC members to discuss the gap analysis and agree on the problems, solutions, and prioritisation. NJ suggested the gap analysis workshop can be scheduled in 2-3 weeks time.</p> <p>Member proposed to involve any members of the Assurance Forum in the workshop to help external confidence and make sure we receive the right steer on root causes. Member suggested that the workshop should instead be for the ASC members to seek clarity and understand the process and findings; the objective is for ASC to be able to oversee a process that we understand. So, it should be an ASC members only workshop. Members agreed to start with ASC members first, and then to proceed with external consultation. NJ summarised that this first workshop will be for the ASC members only to present and discuss what is mostly already in the draft report. Meanwhile any further feedback and input for the report can be sent to TR or NJ.</p>	<p>A workshop on gap analysis for ASC members will be scheduled in early May 2021.</p> <p>ASC members to send further feedback and input for the draft gap analysis report.</p>
<p><b>3.0</b></p>	<p><b>Actions to Address Identified Gaps</b></p>	
<p><b>3.1</b></p>	<p><b>CAB Performance Appraisal</b></p> <p>HdB shared the main objectives of the RSPO CAB Performance Appraisal Framework: (1) structured framework for the performance appraisal of RSPO accredited Conformity Assessment Bodies (CABs), (2) not to replace RSPO and ASI accreditation requirements, but to create a fair and independent assessment process and incentive mechanism for continuous improvement amongst RSPO accredited CABs.</p> <p>HdB continued that the RSPO CABs performance appraisal process will take place once a year at the beginning of each calendar year. It is using a simple scoring for each Performance Indicator: Outstanding, Above</p>	



	<p>average, Average, Below average, Weak. HdB explained that the appraisal framework is performed in 2 steps: the first one is to rate CAB performance using the primary ASI rating, and the second step is using secondary RSPO rating. There were 13 CABs evaluated in total. Based on the ASI rating, 4 CABs rated above average, 8 rated average, and 1 rated below average.</p> <p>HdB showed the dashboard with names of the certification bodies and all the criteria. The dashboard is available in the ASI management system. Details of the scoring and the rating is explained in the SoP for this process.</p> <p>HdB continued that RSPO have also performed a similar assessment, to provide the secondary RSPO Rating. The results are 4 CABs rated above average, 7 average, and 2 below average. The same CAB can have different results under the ASI and RSPO ratings.</p> <p>HdB showed the overall performance rating by RSPO and ASI. Out of 13 RSPO accredited certification bodies, 3 are above average and 10 rated average.</p> <p>Member asked whether there has been an improvement in terms of social auditing and whether an average rating is adequate for the purpose. HdB responded that it's not easy to say whether there are any improvements because in the past most of the performance is rated by perception. This is what the performance appraisal framework can potentially provide. All CBs that are part of this framework are RSPO accredited CBs, which means their performance overall is adequate and at minimum already fulfilled RSPO accreditation requirements.</p> <p>Member responded that previously there were CBs that didn't check FPIC and social aspects appropriately and yet they are accredited – does this mean that the accreditation requirements are too low? How can we maintain confidence in RSPO certified products?</p> <p>HdB explained that the systems are all in place for the auditors to perform assessments in line with RSPO certification requirements. If there are gaps identified, a timeline is provided to address these issues.</p> <p>Member asked (1) how ASI addresses if accredited CBs underperformed, (2) if there are stakeholder processes involved in the accreditation of CBs, (3) how this performance framework links to the ASI accreditation process (4) where some CABs have a parent company that is a different corporate entity, which level of entity was assessed in this appraisal?</p> <p>HdB responded that for the assessed CABs, if it is a group level company, the entity assessed was the one in charge of the overall operational policy and system. HdB continued that other group entity members were also assessed and part of the sampling method. When there are under-performances, ASI has a clear process, starting with non-conformities, followed by suspension which can last for 6 months. All procedures and ASI assessment reports are available on the ASI website. When a CB is suspended it is also announced on the website. On stakeholder processes, as part of the accreditation there is witness</p>	
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	<p>assessment process which includes a stakeholder process. The RSPO CAB performance appraisal is based on ASI data; this framework is not to decide whether a CAB will be accredited or not - the baseline is that all CABs in this framework have been accredited by RSPO.</p> <p>Member asked whether ASI considers incentives for the CABs, and also would like to know how different the ASI and RSPO ratings were for specific CBs. HdB replied that for this assessment the rating of the CBs by ASI and RSPO is very similar. On incentives, HdB explained that there are already management incentives. If a CB is performing well, then ASI will use this data to reduce the number of assessments which need to be done. This type of incentive is already built into the system.</p> <p>Member asked for clarification on the relevance of the diagrams showed from the appraisal results. HdB explained that this is for different target audiences. This appraisal is for more general stakeholders to have information on CBs performance. If a grower wishes to select a CB, this framework is not appropriate. However, if a grower would like to select a CB for a new estate, then there will be more aspects to be considered, including where the CB is based, and others.</p> <p>Member asked how the ASC is sufficiently informed about the process in order to be able to feel confident with this rating. HdB will share the SoP for this framework and will get feedback and input from the ASC members.</p> <p>Member added an example from RA on one kind of incentive for CBs, namely assigning only higher quality CBs to certain assessments. This can be an incentive for CBs to improve their performance and can directly affect their economic model as well, as well as linking to the root cause analysis findings. HdB responded that ASI has been working closely with RA and can share some experiences.</p> <p>Member added on CBs selection that it is not only about quality but also about their availability, where they are based, price range, and others.</p> <p>TR responded that the Secretariat is still reviewing the process and results. There's no decision yet whether this will be published on the RSPO website. The Secretariat will continue to consider this for the next 3 months.</p> <p>HdB summarised that this is a good first exercise, to understand and align RSPO and ASI perceptions. Although this is not detailed enough, continuing this process will improve the framework and also performance.</p> <p>Member suggested that ASI can come up with more detailed indicators and findings in measuring the CBs' performance, for example to do with workers, and grievances of the local community. HdB responded that this exercise is not looking into each of the RSPO requirements. But HdB would like to get more feedback and input from the ASC as to how this could be included in the system. HdB also highlighted the stakeholder engagement indicator on which ASI would like to get input from the ASC members.</p>	<p>ASI (HdB) will share SoP of the CABs Performance Appraisal Framework for feedback and input from ASC members.</p>
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<p><b>3.2</b></p>	<p><b>Peer Reviewer Database</b></p> <p>HdB started by explaining that this is a new requirement for the RSPO P&amp;C Certification System, which commenced on 1<sup>st</sup> April 2021. On 25<sup>th</sup> March 2021, two training courses have been conducted for peer reviewers, one for SE Asia and one for Latam. ASI then registered all reviewers that passed the training course in its database. CABs should only use these registered peer reviewers from 1<sup>st</sup> April 2021. All Peer Reviewers have to demonstrate full compliance against the RSPO requirements by 31 March 2022. Peer Reviewers that cannot demonstrate full compliance with RSPO requirements will be removed from or inactivated in the ASI database from 01 April 2022.</p> <p>HdB shared the overview of training materials. HdB further explained that this is the first peer reviewer training assigned by ASI &amp; RSPO because of the new RSPO P&amp;C requirement. On the peer reviewer training examination, out of 15 participants (10 from SEAsia, 1 from Africa, and 4 from Latam), 10 passed the training and the remainder were failed. The overall performance of the peer reviewers was not satisfactory. There is a need to do more training and open the process to qualified peer reviewers.</p> <p>Member asked whether this is the first training for peer reviewers, if it forms part of the qualification and how important attendance is, on which HdB responded that all peer reviewers are required to participate and successfully completed the RSPO P&amp;C Lead Auditor Training course, which is a 5-day training course. Additionally, there will be 1-2 calibration session a year with the peer reviewers.</p> <p>HdB added that all peer reviewers must attend the ASI/RSPO peer reviewer training. All peer reviewers who have attended the training and passed the examination are now registered in the RSPO peer reviewers database. If new applicants would like to be registered, they would have to comply with all RSPO requirements, including passing the RSPO P&amp;C Lead Auditor Training course.</p> <p>Member asked a wider question on ASI's role, regarding how complaints against CABs are handled and the transparency of this process. HdB responded there are 2 complaints processes. If a stakeholder complains about the performance of the certificate holder, they should complain to the CB first. If the complaint is not being addressed or if the response is not satisfactory, the complaint can be raised with ASI. However, complaints received by ASI are currently not publicly available. ASI will have direct communication with the complainant.</p>	
<p><b>3.3</b></p>	<p><b>Re-designing MEL and Risk Unit</b></p> <p>HS shared that MEL is now within the Assurance operational pillar but will later move to its own separate pillar and will encompass the wider MEL requirements of the standards and of the Secretariat. RSPO has identified external consultants, with kick-off in May 2021, to review the current input/output of the MEL system (including compliance with the ISEAL Impact Code), robustness and flow of current causal chains and Theory of Change, and capacity building for the RSPO MEL team.</p>	

<p>3.4</p>	<p>In August, the MEL redesign phase 1 will start. This will identify key changes in the RSPO-wide monitoring/data systems and create learning components. MEL Redesign Phase 2 in December will be the implementation phase, including any technical structure aspects of the MEL redesign. Once phase 2 is completed, we will move to the testing phase in Q2 2022 to perform trial runs and stress tests of the redesigned system, including Learning Dissemination, reporting dashboards, and linkages to RSPO data systems. This phase is also to revise public reporting dashboards on the RSPO website and to finalise recommendations for future iterations of the MEL system (including specific recommendations to be included in the revised P&amp;C 2023).</p> <p>TR asked for ASC input on the possibility having a sub-group body for MEL under the ASC to move the agenda forward. Member asked how RSPO will prioritise which elements to monitor. HS responded that there are too many indicators and too few narratives. Part of the review process is to identify what crucial aspects to monitor and report on. This is also to start the discussion on whether a sub-group under the ASC can support this to supervise the re-design process on MEL &amp; Impact. The longer term plan is to have an independent TF/WG focused on MEL &amp; Impact.</p> <p>Member asked how to filter all the different signals from the internal and external stakeholders. For example, the Assurance Forum can be used as an avenue for this information exchange. HS responded that responsiveness of the system to external stimuli is crucial, but it is also important that internal system is working well. The feedback should allow us to trigger all internal systems, and feed back to a library of information for future reference.</p> <p><b>Grievance System Review</b>          The grievance system review process is currently an internal process, and will be complemented by the upcoming CAP review later in the year. TR outlined the different mechanisms identified for grievances. Some are coming from the Secretariat, some from the IMU, and there are also service providers, where grievances come through ASI, HCVRN, HCSA and ISEAL. TR shared the internal gap analysis on these grievance systems. The analysis identified gaps and provided possible solutions such as completion of comprehensive SOPs for each element. For key tasks in 2021, TR shared 4 stages: review, integrate, identify synergies, and create solutions. TR also explained the decision flowchart for grievances. TR proposed the Grievance Unit should be the main gate for different grievance systems and should manage the traffic.</p> <p>Member commented that to address grievances, the P&amp;C already required companies to have their own mechanism to address matters within their operations. This should be the first recourse for communities with concerns before being escalated. How we can improve this mechanism. Bilateral engagement should also happen as a matter of course in the roll out of operations, and should be where most grievances are captured.</p> <p>Member raised the issue of firewalling, and stated that it is a norm for</p>	<p>The Secretariat (TR) will share/discuss the proposal to form a sub-group under ASC to supervise the process on MEL &amp; Impact.</p>
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	<p>grievance processes to be firewalled from other aspects of operations; as such, is it correct to have the grievance unit under the Assurance pillar? On HRD protocol, member explained that a firewall mechanism was originally agreed but has never been instituted. The possibility of information leaking out of this unit is worrying, in relation to protection of people as requested.</p> <p>On grievances against CBs, member recommended that any complaints through ASI against CABs should indeed be listed on the RSPO website and that there should be transparency on the content and responses. This needs to be addressed immediately.</p> <p>TR responded that the work is still ongoing. The new set up appointed the current grievance unit which mainly has knowledge and experiences using CAP. TR will take up this point during the re-design phase. To contribute to this process, there will be an ASC &amp; CP joint meeting in May.</p> <p>Member added that in the past the CEO was never involved in the grievance mechanism and now the flowchart shows most decisions going to the CEO. TR clarified that this is not the case and suggested we should make the flowchart clearer, as the basis for moving forward. HdB added that CBs should be in the flowchart as some of the grievances are going through them.</p>	<p>TR will revise the grievance systems flowchart for ASC review.</p>
<p><b>4.0</b></p>	<p><b>Any Other Business</b></p> <p>NJ shared some discussion points on the RaCP independent review and on the BHCVWG response.</p> <p>WM added on RaCP that the process and requirements will be discussed within the secretariat. Further study will be conducted to evaluate the feasibility of the changes and a workplan prepared.</p> <p>NJ reiterated that the gap analysis workshop will be planned soon on an agreed date and time.</p>	
	<p><b>End of meeting</b></p> <p>The Co-chairs hoped the workshop on root cause analysis and strengthening the assurance system can be achieved in a few weeks.</p> <p>The Co-Chair and NJ thanked the Secretariat, ASI and all the ASC members who attended the meeting, for their feedback and comments. The meeting adjourned at 7pm.</p>	