

MINUTES OF MEETING (DRAFT)

30th SSC Meeting

Time: 1500 - 1730 (MYT)

Date: Thursday, 22nd September 2022

Venue: Zoom Meeting <https://zoom.us/j/96435070120> Meeting ID: 964 3507 0120 Passcode: @7?8=L

ATTENDEES

Name	Initial	Organisation	
1. Lim Sian Choo (Co-Chair)	LSC	Bumitama Group	Grower (INA) - Substantive
2. Olivier Tichit (Co-Chair)	OT	Musim Mas	P & T - Substantive
3. Jenny Walther-Thoss	JWT	WWF Singapore	ENGO- Substantive
4. William Siow	WS	MPOA/IOI	Grower (MY) – Substantive
5. Mohammed Dao	MD	OLAM Group	Grower (RoW) – Alternate
1. Leena Ghosh	LG	RSPO Secretariat	
2. Yen Hun Sung	HS	RSPO Secretariat	
3. Khing Su Li	KSL	RSPO Secretariat	
4. Ahmad Amirul Ariff	AAA	RSPO Secretariat	
<i>Absence with apology:</i>			
1. Anne Rosenbarger	AR	WRI	ENGO- Substantive
2. Rudy Prasetya	RP	TAP	Grower (INA) – Alternate
3. Librian Angraeni	LA	Musim Mas	P & T – Alternate
4. Sander van den Ende	SvE	SIPEF	Grower (RoW) – Substantive
5. Ian Orrell	IO	NBPOL	Grower (Smallholder) - Substantive
6. Brian Lariche	BL	Humana	SNGO – Substantive

AGENDA

Time	Item	Agenda	PIC
1500 - 1505	1.0	Opening	Co-Chairs
	1.1	Acceptance of agenda	
	1.2	RSPO Antitrust Law	
	1.3	RSPO consensus-based decision making	
	1.4	RSPO Declaration of Conflict of Interest	
1505 - 1515	2.0	Confirmation of the 29th MoM on 25th Aug 2022	Co-Chairs
	2.1	Matters arising from the previous meetings	
	2.2	Action Tracker	
	2.3	Progress Update WG/TF/SG under SSC	
1515 - 1600	3.0	For Update	HS HS KSL KSL
	3.1	Metrication Template	
	3.2	RaCP Case Backlog Dashboard	
	3.3	RaCP Ver. 2.0 Review	
	3.4	Resolution GA18-2d – Exemption of RaCP to Scheme Smallholder (Mechanism of Implementation)	

1600 - 1630	4.0	Consultation Comprehensiveness of MB Model (Resolution GA18-2C)	Proforest
1630 - 1640	5.0	Any Other Business	
1640		END	

DISCUSSION:

No.	Description	Action Points (PIC)
1.0	Opening	
1.1	The Chairs welcomed everyone to the meeting and presented the agenda of the meeting.	
1.2	The RSPO Antitrust Law, consensus-based decision making, and Declaration of Conflict of Interest were read out to the Committee.	
2.0	Confirmation of the 29th MOM SSC on 25th Aug 2022	
2.1	<p><u>Confirmation of Minutes of Meeting</u></p> <p>Page 2, Part 2.2.2, the third line, to be corrected to “have now been filled” and the fourth line, to be corrected to “with regards to”. Part 2.3.3. the first line to be corrected to “With regards to”.</p> <p>“In order to go forward with the NDJSG, a successful MOU is needed.” was added in part 2.3.2 so that there is a clear link between points 2.3.2 and 2.3.3.</p> <p>Page 4, Part 3.1, the first paragraph, to remove “additional requirement”. The second paragraph, first bullet point, to be corrected to “The document can start as a voluntary handbook for the purposes of a trial period of 18 months.” 3rd bullet point at the Decision part to be corrected to “to be reverted”.</p> <p>Page 6, Part 4.2, second paragraph, to remove “to incorporate similar to that Indicator 6.2.6”. Third paragraph to be corrected to “The DLWTF also has recently discussed the findings of a gaps analysis conducted on audit reporting on Indicator 6.2.6.”</p> <p>The minutes of the meeting were endorsed subject to the correction mentioned above.</p>	<p>Secretariat to correct the minutes of the meeting.</p> <p>Action by: Secretariat</p>
2.2	<p><u>Matters arising from the previous meetings</u></p> <p>Progress from the last meeting and action trackers were presented.</p> <p>For Item 2.4 in the Action Tracker, LSC updated that she has approached Rudy's company. The company will revert with a formal letter, releasing their position</p>	<p>1. To include the update of SSC Membership in Item 2.4 of</p>

<p>2.3</p>	<p>in SSC to others in the IGC group. They will identify another representative. The Secretariat will include this into the Action Tracker.</p> <p>Note: Secretariat to ensure that everybody identified as substantive and alternate members have signed the Code of Conduct.</p> <p>Progress Update WG/TF/SG under SSC The progress update for the WG/TF/SG Committee was presented.</p> <p>The next meeting for SRWG will be held in Amsterdam on 18-19 October 2022. The Secretariat will reach out to Joyce for progress updates on SRWG.</p>	<p>Action tracker</p> <p>2. To check the CoC of all SSC members</p> <p>Action by: Secretariat</p> <p>To get progress updates of SRWG</p> <p>Action by: Secretariat</p>
<p>3.0</p>	<p>For Update</p>	
<p>3.1</p>	<p>Metriation Template</p> <p>The Secretariat presented the progress updates on Metrics Template Data and the proposed changes to the Template V3.0 to the SSC on 25th August 2022.</p> <ul style="list-style-type: none"> ● During the Members Forum in Medan, Indonesia, a company has raised concerns over the first proposed change. The company suggested that the Metrics Template be ‘merged’ with pre-audit information required in Annex 3 of the RSPO Standards Certification System Annex into a single document. ● The Secretariat has done an analysis on a sample of pre-audit information requirements from several CBs, noting that such a suggestion will add at least 50+ data points per mill and per supply base/estate. ● Flexibility has been given to CBs to implement Annex 3 pre-audit information requirements differently, resulting in a non-unified data structure; digitalisation will create alignment but current issues of Metrics Template and the Annex 3 pre-audit information being developed as separate structures with separate functions remain. <p>Committee highlighted that:</p> <ul style="list-style-type: none"> ● There is a need to see the whole intention of merging the templates together and what are the objectives of merging everything together, whether such detailed information is going to be useful for RSPO and whether we are detracting from the mission of RSPO. ● It would be useful to include the presentation slides into the Meeting Pack before the meeting to allow members to think about it beforehand. ● It is not the time to think about merging the templates but to have a clear standardised data gathering process. 	

	<ul style="list-style-type: none"> • The issue of lack of consistencies of data collection from the CB can be raised to the Assurance Standing Committee. <p>Next Step: The Secretariat will take the preliminary feedback from SSC members and discuss with the members. The Secretariat will also raise the suggestions from SSC to the ASC in exploring options of standardising the requirements in Annex 3 of the RSPO Standard certification system to eliminate some of the inconsistencies that we are seeing in the implementation of the requirements.</p>	<p>The Secretariat to raise the suggestion from SSC to ASC. Action by: Impact Unit Secretariat</p>
<p>3.2</p>	<p><u>RaCP Case Backlog Dashboard</u> The Secretariat presented the dashboards for Disclosure in the RaCP process.</p> <ul style="list-style-type: none"> • The dashboards have been designed to be placed on the RSPO website and updated monthly automatically. • The main backlog appears to be in the LUCA approval process, with some delays noted from the back-and-forth process between members, RSPO Secretariat and LUCA reviewers. <p>Committee highlighted:</p> <ul style="list-style-type: none"> • The table can be improved by moving the concept note to be in front of the compensation plan (as per process) • Slides should be shared earlier so that members have time to understand and reflect on the slides • Tracking on the number of days for processing LUCA, for concept note, for compensation plan and for full RaCP process should be clearly defined and shared to all members and relevant stakeholders <p>Secretariat will continue to improve the dashboards and share an updated version with the SSC and BoG. It is targeted to publish in Q1 2023.</p>	
<p>3.3</p>	<p><u>RaCP Ver. 2.0 Review</u> The Secretariat presented an update on the RaCP revision. An independent review of the RaCP implementation was done to find the backlog and generate statistics to understand the progress.</p> <ul style="list-style-type: none"> • CTF2 has been reconvened to discuss the revision of the RaCP in 2022 and the timeline was re-adjusted due to RSPO Secretariat’s restructuring and hiring. • The handover of all 5 compliance work streams from BioD Unit to Assurance Unit has been completed by the end of August 2022. • Stopgap measures to catch up and speed up standards work by the BioD Unit and is focusing on hiring contract workers (with one to solely focus on social liability) 	

<p>3.4</p>	<p><u>Resolution GA18-2d – Exemption of RaCP to Scheme Smallholder (Mechanism of Implementation)</u></p> <p>The Secretariat presented the draft for the Reprieve of RaCP for Scheme Smallholders. The draft highlighted that:</p> <ul style="list-style-type: none"> ● For Resolution GA18-2d, the BioD unit has done a quick study to map the elements of RaCP. The intention is to provide a clear process for all parties to understand how the reprieve is to be implemented. Initial draft document has been prepared and shared to the BHCVWG and Smallholder Standing Committee for review and provide additional inputs, comments targeted latest by 5 October 2022. ● The suspension of RaCP for scheme smallholder can only be applied if it has been determined that there is land clearing after November 2005 without prior HCV assessment on agroforest and/or any forested areas to develop oil palm plantings. ● The objective is to align the different processes so that all parties have the same process. ● To ensure that the reprieve is issued to the applicable parties (scheme Smallholders), the disclosure and LUCA for scheme smallholder groups will have to be submitted separately from the submission of other supply bases of a unit of certification that are directly owned and/or managed as subsidiaries by the organisation that has management control. ● The reprieve applies to the issue of compensating for the final conservation liability that is associated with the area for scheme smallholders. It is solely applicable for cases where land clearing occurred after November 2005 without prior HCV assessment. <p>Committee commented that:</p> <ul style="list-style-type: none"> ● For the split declaration, we need to ensure they give the full recap to avoid disjointed declaration. ● In Part 3, Committee suggested to include more description to clarify the information required on management unit/UoC to reconcile, such as what was in scope, what was reprieve, what happens for those have been declared, whether need to resubmit, what is the process when we resubmit etc. ● To remove “subsidiaries” in the first paragraph of Part 3. ● The reprieve states that it is only applicable for those with liability. But contrary to whether there is liability or not, they still have to submit the template and declare so that there is consistency in processing the information. There needs to be disclosure at the very least to track. ● Under the sub-clause “Separate Submissions”, the document should 	
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	<p>make it clear if the company wants to take up the responsibility for the scheme for smallholders.</p> <ul style="list-style-type: none"> • The reprieve period was not clear. It should start immediately at the point of resolution passed. <p>The Secretariat will continue improving the draft and will take into consideration the comments that were received.</p> <p>Any comments from the Committee can still be sent to the Secretariat, latest by 5th October 2022.</p>	<p>SSC Members to provide comments by 5th October.</p> <p>Action by: SSC Members</p>
<p>4.0</p>	<p>Consultation</p>	
<p>4.1</p>	<p><u>Comprehensiveness of MB Model (Resolution GA18-2C)</u></p> <p>Proforest presented the initial findings for MB Robustness Assessment. The objective of the study is to explore how the robustness of the MB model can be enhanced both at the plantation and the supply chain level, acknowledging its role as an intermediary way to drive overall industry uptake of CSPO. The study will review the current system, global environment and develop recommendations and communications plans.</p> <p>The initial findings for structural limitations are as follows:</p> <ul style="list-style-type: none"> • P&C 2.3 current constraints in implementation – MB model at mill level, for non-certified portion potential risks of illegality, deforestation or human rights abuse impacting workers, communities. These are exacerbated when sourcing through intermediaries and collection centres. Implementation of 2.3.2 remains a challenge as the info currently from 2.3.2 is not explicitly linked to volumes. • Supply Chain Certification Standard – there is no requirement on the provision of information on the origin or legality/acceptable sources for the non-certified portion. The option not to apply the appropriate conversion ratios (known as the 1:1 option) is a significant risk to the credibility of the MB model, as it undermines the principle of volume accounting that is fundamental to the MB approach. • Use of claims – there is confusing claims between Mass Balance Specific Rules and Partial On Pack Product Claims. <p>The initial findings for business limitations are as follows:</p> <ul style="list-style-type: none"> • Responsible sourcing – MB volumes play a significant role in delivering sustainability commitments and are critical tools in sector transformation. However, buying MB volumes does not eliminate the risk of deforestation or human rights abuses. Increased MB safeguards on the uncertified portion would have the positive effect of reinforcing wider sector transformation efforts. 	

	<ul style="list-style-type: none"> ● Upcoming legislations – MB certified volumes will not be able to comply with legislation that places demanding geolocation requirements on volumes. MB at mill level could be easily verifiable as traceable. As MB from refineries and further down the supply chain becomes diluted by untraceable uncertified volumes, the ability to meet the geolocation requirements disappears. RSPO has a role to play to provide information that companies can use and feed into their due diligence process. ● ESG reporting – it is currently impossible to provide such information as the origin of uncertified materials is unknown. ● Review of VSSs – developing requirements for non-certified materials will help RSPO align with other VSSs, address the weakness of MB model and concerns of stakeholders. <p>Exploration of Possible Recommendations:</p> <ul style="list-style-type: none"> ● Have secure strategic and policy-level alignment with key RSPO stakeholders on role, positioning, and development of MB model. ● Specific measures to strengthen current MB requirements <ul style="list-style-type: none"> - support implementation & strengthening enforcement of P&C 2.3 - adjustment of current approach to 1:1 option - extend GeoRSPO to uncertified suppliers to MB certified mills using geolocation and traceability data. ● Introducing requirements for the uncertified portion <ul style="list-style-type: none"> - have urgent measures to improve safeguards at MB mill level - short-medium term measures to improve safeguards at MB refinery level focusing on uncertified mills - consider potential recognition of safeguards through adjustments to labelling and medium-term measures to improve safeguards across the whole uncertified portion of any MB volumes. ● Integrating more robust MB into wider sector transformation measures <ul style="list-style-type: none"> - to set maximum threshold for uncertified material in the MB mixture, MB certified sites required to have a time bound plan to reduce uncertified volumes - explicitly link MB to other sector reporting tools to drive transformation - develop mechanisms to recognise landscape level interventions in MB model <p>Next Step: Proforest is currently working on the final report and waiting for the review of inputs to be finalized by the end of September. It will report to the SSC & BoG and update at the RT/GA.</p> <p>Committee commented that:</p>	<p>To share the final draft of the Comprehensiveness of MB Model</p>
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	<ul style="list-style-type: none"> ● Should re-look at MB volumes on the elements of traceability. ● The significant issue is how we make it practical for MB at mill level and downstream MB. ● To share the materials soon and have a discussion on what are the strategic goals of MB. 	(Resolution GA18-2C) with SSC Action by: Secretariat
5.0	Any Other Business	
5.1	The draft guidance of Riparian Management in Indonesia has been discussed and vetted by the Indonesia NI and the Secretariat will send it to the SSC members for their approval via online.	Online approval of the draft guidance of Riparian Management in Indonesia Action by: SSC members
5.2	The next SSC Meeting has been scheduled on 27 th October 2022. JWT will not be able to attend.	
5.3	Secretariat to share the slides or materials prior to the meeting in order to have a more fruitful discussion.	

MEETING ENDED AT 1702 MYT