

MINUTES OF MEETING

46th SSC Meeting

Time: 1600 - 1800 (MYT)

Date: Thursday, 3rd October 2024

Venue: Zoom Meeting <https://zoom.us/j/98388407196> Meeting ID: 983 8840 7196 Passcode: 46@SSC

ATTENDEES

Name	Initial	Organisation	
1. Olivier Tichit (Co-Chair)	OT	Musim Mas	P & T – Substantive
2. Lim Sian Choo (Co-Chair)	LSC	Bumitama Group	Grower (INA) - Substantive
3. William Siow	WS	MPOA/IOI	Grower (MY) – Substantive
4. Lee Kian Wei	LKW	United Plantations	Grower (MY) – Alternate
5. Anne Rosenbarger	AR	WRI	ENGO – Substantive
6. Guillaume Lacaze	GL	L’Oreal	Consumer Goods Manufacturer – Substantive
1. Yen Hun Sung	HS	RSPO Secretariat	
2. Jasmine Ho Abdullah	JH	RSPO Secretariat	
3. Liyana Zulkipli	LZ	RSPO Secretariat	
4. Akmal Arif Razali	AAR	RSPO Secretariat	
5. Suguna A/P Murugan	SM	RSPO Secretariat	
<i>Absence with apology:</i>			
1. Librian Angraeni	LA	Musim Mas	P & T – Alternate
2. Brian Lariche	BL	Humana	SNGO – Substantive
3. Ian Orrell	IO	NBPOL	Grower (Smallholder) – Substantive
4. Silvia Irawan	SI	Kaleka	SNGO – Substantive
5. Sander Van den Ende	SvE	SIPEF	Grower (RoW) – Substantive
6. Jenny Walther-Thoss	JWT	WWF Singapore	ENGO – Substantive

AGENDA

Time	Item	Agenda	PIC
1600 - 1605	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	
1605 - 1610	2.0	Meeting Dashboard	Co-Chairs
	2.1	Confirmation of the 45 th MoM on 20 th August 2024	
	2.2	Action Tracker	
	2.3	Progress Update WG/TF/SG under SSC	
1610 - 1710	3.0	Standards Revision	HS
	3.1	- For Endorsement – Revised P&C and ISH Standard - Social NGO Letter to SSC	
1710 - 1725	4.0	For Update	JH
	4.1	Certification Systems for P&C and ISH Standard 2024	
1725 - 1730	5.0	Any Other Business	

	5.1	Agenda for physical SSC Meeting in November	HS
1730		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. No comments were received.	
2.0	Meeting Dashboard	
2.1	<u>Confirmation of the 45th MoM on 20th August 2024</u> The minutes of the meeting were adopted.	
2.2	<u>Action Trackers</u> Action tracker of the previous meeting was presented. No comments were received.	
2.3	<u>Progress Update WG/TF/SG under SSC</u> The progress update for the WG/TF/SG Committee was presented. The Committee raised questions on what the purpose of the working groups is, and is it linked to the standards revision or aimed to provide guidance to the members. The Secretariat explained that working groups are permanent and are not linked specifically to the standard revision. It provides technical guidance and is usually more topic specific, focusing on ongoing issues around implementation elements and guidances. Working groups can also be tasked with specific developments as needed. If there is a specific topic that requires specialized technical expertise and needs to be developed through a multi-stakeholder process, this can be assigned to one of the working groups. Any document that becomes part of the standard will go to SSC first before it is published. The SSC only oversees elements that relate to the standards and the guidance of the standards. There are other working groups that do not report to the SSC as they are not related to the standards or implementation of standards. Interested parties can reach out to the Secretariat to receive updates and to join any of the working groups.	
3.0	Standards Revision	

<p>3.1</p>	<p>For Endorsement – Revised P&C and ISH Standard 2024</p> <p>The Secretariat presented the decision paper for the adoption of the Principles and Criteria (P&C) and Independent Smallholder (ISH) Standard 2024.</p> <ul style="list-style-type: none"> ● In line with the ‘RSPO Standard Operating Procedure for Standard Setting and Review (2020)’ and in compliance with the ‘ISEAL Code of Good Practice for Setting Social and Environmental Standards Version 6.0’, the 2018 RSPO Principles and Criteria and the 2019 Independent Smallholder (ISH) Standard have been reviewed and revised. ● The Standards Review process began in February 2022. Terms of Reference (TOR) were developed for the review process, establishing a multi-stakeholder Steering Group (SG) to provide oversight to a multi-stakeholder Standards Review Task Force (TF) that was established to lead this process, supported by three Technical Committees (TCs). ● The TF met on four occasions and produced 3 drafts. Draft 1 was published for the first round of public consultation for a 60-day period while Draft 2 went for a 30-day public consultation period. Draft 3 was produced after the 4th TF meeting in August 2023. There were 25 sustained objections in Draft 3 that were discussed by the SG. ● Following the completion of the Standards Review in August 2023, the SG directed the RSPO Secretariat on 6th September 2023 to address and propose technical solutions to the substantive issues raised by the TF, as well as to revise the draft standards for clarity, auditability, implementability, and relevance. The directive was approved by the SSC on 8th September 2023 and endorsed by the RSPO Board of Governors (BoG) on 13th September 2023, with a deadline of submitting the revised standards for adoption no later than the RSPO General Assembly (GA) scheduled for mid-November 2024. ● The new draft (Revision 1.0) proposed by the Secretariat was circulated on 3rd June 2024. Revision 1.0 went through five Targeted Consultations with various stakeholder groups in June, July and August 2024, and a 45-day Stakeholder Consultation period beginning 5th July 2024 (with 7 physical workshops in 7 countries, and 7 webinars). Comments and feedback were analysed, considered, discussed and incorporated in an updated draft (Revision 2.0) by the Secretariat. ● From the analysis, some of the criteria and indicators had received general consensus from the members, but there were also some outstanding issues that were flagged as divided consensus. A multi-stakeholder process was therefore required to finalise the draft. ● Per the direction of the SSC and the SG, a Multi-Stakeholder Consultation Task Force (MSCTF) was established and met from 2nd to 9th September 2024 to reach consensus on the remaining issues identified as requiring a multi-stakeholder discussion from the Stakeholder Consultation period. There was also a separate targeted 	
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dialogue between the Growers caucus and Social NGOs caucus to resolve divided consensus indicators in Principle 4 on the topic of Free, Prior and Informed Consent (FPIC). Most of the divided consensus indicators reached consensus during this process, but there are still several that needed to go to the SG for decision.

- The SSC also requested an online Public Comment period on the Konveio platform for Revision 2.0 to run in parallel with the MSCTF, from 2nd to 15th September 2024.
- Issues from the MSCTF that were not able to reach consensus were raised to the SG, together with comments on issues previously unraised from the Public Comment period. The SG met on 26th and 27th September 2024 to discuss the outstanding items and had reached consensus on all.
- Following approval by the SG, the draft 2024 RSPO Principles and Criteria and Independent Smallholder (ISH) Standard was forwarded to the SSC for approval on 3rd October 2024.
- Based on the analysis, there were 38 divided consensus found in the P&C. 14 of them were on Principle 4 and these have reached general consensus during the targeted dialogue between the Growers and Social NGOs. Both caucuses have decided to retain largely the language from the 2018 P&C, with some edits made to align with the new drafting guideline as well as for clarity. For the remaining 24 divided consensus, 21 of them were discussed by the MSCTF and reached consensus. Some of them reverted to 2018 P&C while some indicators were reformulated. The 3 remaining indicators that did not reach consensus were raised to the SG: Indicator 1.3.1, Indicator 2.3.2 and Indicator 7.7.1. The SG has reached consensus on these indicators.
- For the ISH Standard, there were 15 divided consensus which was then reduced to four after the MSCTF discussion. The remaining four issues were raised to the SG: Criteria 2.2, Indicator 2.2 MS A, Indicator 2.4 E and Indicator 3.5 MS B. Criteria 2.2 on FPIC reverted to the 2019 ISH Standard with a caveat to look into implementation measures based on documents that are being developed. Indicator 2.4 E and Indicator 3.5 MS B which is on whether smallholder plots are allowed to be on protected or prohibited areas and provision of PPE equipment, was also reverted to the 2019 ISH Standard as this would reduce the risk of potential reputational issue.

The Committee commented:

- How has the process been communicated, and have we managed to get endorsement from the different parties? The Secretariat explained that the Standards Revision process is governed by the Terms of Reference (ToR) that is set out by the BoG and that mandates specific processes to

	<p>be carried out. The Secretariat have maintained and abided by the ToR throughout the process with some changes made. The process has been followed and the Secretariat has been seeking advice from the relevant governing authorities over this process. The SSC’s letter to the Secretariat also included the directive for a post-mortem on the entire standards review process once the P&C and ISH Standard has been completed and sent for adoption, in order to reflect on lessons learned and how to make the process better in future cycles.</p> <ul style="list-style-type: none"> • How is the Secretariat addressing the Social NGO’s letter regarding the concerns on the Standards Revision process? What are the plans for future reflection on how these concerns are addressed? The Secretariat explained that the targeted dialogue for Principle 4 between the Social NGOs and Growers was a result of the last SSC meeting, to allow the parties involved to come together and reach consensus. This was suggested without a formal ToR. There were some concerns raised by the Social NGOs in the letter that was forwarded to the SSC in which they have proposed certain terms through the proceedings. The targeted dialogue proceeded as planned and concerns were raised again regarding the participation of some companies that were subject to complaints. The Social NGOs had proposed to exclude the Growers that have active complaints against them on the issues of FPIC from the targeted dialogue. NaturAceites was on the list and the Social NGO objected to them participating in the dialogue. The Secretariat has consulted with NaturAceites and while they did not agree with the reasons, they had agreed to attend the discussion as an observer. Golden Agri-Resources (GAR) also attended the dialogue and it was flagged up in the second meeting that they should not be participating as they had an active complaint against them. This was brought to the Secretariat’s attention and the Secretariat has reached out to GAR if they could participate in the meeting as an observer. The meeting was called off as an agreement could not be reached. However, the meeting reconvened the next day following an email sent by the Secretariat, outlining the rationale that parties should be able to participate in this dialogue in a constructive way regardless of their status. Following that, the targeted dialogue continued and managed to reach consensus on Principle 4. However, this was not completed in time for the MSCTF to review and hence was brought up to the SG for their decision. After the MSCTF, the Social NGOs have subsequently requested a meeting with the Secretariat and met with the CEO of the Secretariat on 30th September 2024. They have indicated that while they are agreeable with the current language in Principle 4, they are still concerned on issues in the process which should be addressed in the future to ensure that all stakeholders’ concerns are heard. 	
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	<ul style="list-style-type: none"> ● The Committee commented that this round of standards review is exceptional and different from the previous reviews. The standards have become more complex over the years and this proves to be a lot harder, trying to make it more implementable and align how the systems operate with one another. This has created a strong learning for the next round of review, and everyone recognises that this process is difficult and needs to be reflected seriously on how the interim revision and full revision of the P&C are done moving forward. The input and concerns raised from the Social NGOs, Growers and other stakeholders needs to be taken seriously. While the process cannot be changed now, these concerns should be acknowledged and used as a basis for reflection for the next review. Addressing the process issues could also make future processes in the BoG and GA smoother. ● The Committee recommended having a review of the standards review process and put this as a work for SSC after the endorsement by GA and communicate it to the BoG. This can pre-empt the discussion and help facilitate the GA discussion. This should also be looked at holistically, not just SSC but the working groups under SSC as well. ● The Secretariat raised a question on whether this should be included in the current decision paper. The Committee preferred to make it a separate item as it is more of a task for the SSC, and simultaneously communicate it to the BoG and constituencies. The current decision paper can be maintained. The Secretariat will draft a memo to the BoG detailing what had happened during this review and to consider a new adapted process which the SSC will be working on. ● The Committee also highlighted that it is very pleasant to see that consensus was still found despite concerns raised regarding the process. Although there were objections initially, there were efforts made to compromise to meet halfway. ● The Secretariat will seek approval from SSC members that are not present for this decision. <p>The Secretariat also presented the draft resolution paper for the GA, outlining the background and the process of the Standards Revision. The proposed resolution calls for:</p> <ul style="list-style-type: none"> ● To request members to begin preparation and work towards implementation ● To request members to begin assessing and evaluating clarity, implementability and auditability of the standards, and report back to the Secretariat prior to the effective date, to see if things work or not and if updating the standard is necessary. 	
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	<ul style="list-style-type: none"> • Call for the members to whom the standards do not apply to continue actively promoting the standard sourcing, consumption and awareness of sustainable palm oil and oil palm products. <p>Potential benefits and potential risk and mitigation steps have also been included in the paper.</p> <p>Decision</p> <ul style="list-style-type: none"> • The SSC has endorsed the decision and resolution papers for adopting the Principles and Criteria (P&C) and Independent Smallholder (ISH) Standard 2024. • The SSC recommended a review on the entire Standards Revision process after the endorsement by the GA. The Secretariat will draft a memo from the SSC addressed to the BoG to clearly state that the SSC has decided to take on the task of revising the entire Standards Revision process in a holistic way in alignment with the WGs and TFs under the SSC. This memo will then be circulated to the BoG together with the decision paper and resolution paper. • The Secretariat will seek approval from SSC members who are not present via email with a deadline of 4 October 2024. 	<p>1. Draft a memo to the BoG 2. Seek approval from SSC members via email.</p> <p>Action by: Secretariat</p>
4.0	For Update	
4.1	<p><u>Certification Systems for P&C and ISH Standard 2024</u></p> <p>The Secretariat provided an update on the revised Certification Systems for P&C and ISH Standard 2024.</p> <ul style="list-style-type: none"> • The revised Certification Systems is done in parallel with the revision of P&C and ISH Standard 2024. The Secretariat is nearing the conclusion of the Certification System revision process and is now in the midst of final edits after the stakeholder consultation process in July to August 2024. The draft was proposed to be sent for SSC’s endorsement via email, with a deadline of 2 weeks. • There are a few key changes between Draft 1 and the final draft. <ul style="list-style-type: none"> ○ <u>Semi-Announced Audit:</u> The semi-announced audit was first proposed in Draft 1, which is to have a once in a certification cycle requirement to conduct an audit anytime during an agreed upon 6-week window. This has been removed in the final draft as it was discovered during the consultation that there are a lot of logistical challenges that the Certification Bodies (CB) and Unit of Certification (UoC) might face, and this could unnecessarily increase audit cost. In the future, the Secretariat may explore the feasibility of a risk-based approach, which means that this might be a requirement 	

	<p>that will not apply to all UoCs, but only certain UoCs depending on the risk.</p> <ul style="list-style-type: none"> ○ <u>Compliance Checklist:</u> Three additional columns were proposed in the revised P&C and ISH Standards, which are the Compliance Requirement, Informative Guidance and Compliance Checklist. Compliance Requirements provide interpretation, details and requirements for compliance by the UoC. Informative Guidance provided additional guidance or references for the UoC to implement. The Compliance Checklist is similar to an Audit Checklist and is supposed to align the Compliance Requirements for the UoC with audit expectations. These additional columns were designed to provide more clarity to each indicator and to assist implementability and auditability. The Compliance Checklist will now be placed as Annex 12 within the Certification System document. As the Compliance Checklist has only been agreed upon recently, it has not been developed yet and is targeted to complete by the end of Q1 2025. The Certification System document except Annex 12 was proposed to be sent for endorsement. ○ <u>Non-Compliance (NC):</u> As required by ISO 17065, non-compliances must be corrected before the certification decision is granted. When an NC is open, it must be corrected. This could mean that it must be corrected on the spot, but not all instances are that straight forward. In other situations where it is more complex, developing a corrective action plan will constitute a correction. The corrective action plan will be done per the usual way. The feedback received during the consultation was that it might be unclear between the CBs and UoCs when exactly an NC must be immediately corrected and when a corrective action plan would be sufficient to constitute a correction. One solution that was discussed with the CBs and ASI is that clarity can be provided in the Compliance Checklist. This will provide a lot more clarity on when certain NCs need to be corrected and when a corrective action plan will be able to constitute a correction. The idea is not to create more difficulties in auditing, but to make things clear while still being in compliance with the ISO requirements. <ul style="list-style-type: none"> ● The Secretariat proposed to send the final draft of the Certification System document on 9th October 2024 to the SSC and Assurance 	
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	<p>Standing Committee (ASC) as the document is still currently undergoing final review. Both Standing Committees will have two weeks to respond to the document or raise any objections, with a deadline of 23rd October 2024. The document will then be sent to the BoG for their endorsement two weeks ahead of the BoG meeting on 14th November 2024. The document will exclude the Compliance Checklist (Annex 12).</p> <p>The Committee commented:</p> <ul style="list-style-type: none"> • The Committee raised a question on who will endorse the document before it goes to the BoG? Will the whole document except Annex 12 be endorsed first and then endorse Annex 12 at a later time? The process is not clear. The Secretariat clarified that the document will seek endorsement from SSC and ASC at the same time via email. After receiving endorsement by SSC and ASC, the document will be sent to the BoG for endorsement. • The Committee raised a question on what happens if one of the Standing Committee endorses and the other does not endorse it? The document should be endorsed by SSC as it is a standard related document. It is recommended for the document to be sent to ASC for inputs but a single line of approval is better to avoid confusion. The content can be looked at by the ASC but the process will have to be endorsed by SSC. • The Committee also raised a question whether the document needs to be endorsed by the BoG as well? Since it is not required to go through the GA, the BoG can be informed but might not need to be formally endorsed by the BoG. The Committee recommended sending the document to ASC first for their inputs, and then to the SSC for endorsement. It can then go to BoG for their information. • The Secretariat explained that the previous Certification System document was endorsed by the BoG but will check and reconfirm the process again. If the endorsement by BoG is not necessary, the Secretariat can send the document for ASC's approval and seek SSC's endorsement in November and inform the BoG. • The Committee noted that the revised P&C and ISH Standard and Certification System was supposed to be endorsed at the same time, but Annex 12 is an important document that needs to be included to ensure that the document is looked at holistically. If the endorsement requires the full document including Annex 12, the timeline will be pushed to Q1 of 2025. • The Committee also raised concerns that the Compliance Requirements currently is normative. If the Compliance Checklist is normative, it must be generic and not too prescriptive. 	<p>Check the previous process of approval for Certification System document Action by: Secretariat</p>
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	<ul style="list-style-type: none"> ● The Secretariat commented that if the document is not endorsed this year, the effective date of the Certification System will be pushed, and will be later than the P&C and ISH Standards. Initially, the idea was to ensure that the P&C and ISH Standard and Certification System had the same effective date so that the systems can be aligned with the standards. The Committee noted this but highlighted that Annex 12 is rather critical to the whole document, and thus very important to align everything. A different implementation date can be considered, and this is manageable which can be discussed at a later stage. If the Certification System and P&C and ISH Standard needs to be effective on the same date, the transition period can be tweaked from 12 months to 9 months. It is more important to have a complete document considering the criticality. ● The Secretariat commented that Annex 12 is connected with the Compliance Requirement and Informative Guidance columns in the revised standards, which was agreed to be added as an addendum to the standards, but they are still yet to be finalised. The target is to get these columns done by Q1 2025 which will require the SSC’s endorsement as well. There are 3 annexes that still require work in the revised P&C and ISH Standard: <ul style="list-style-type: none"> ○ The addendum which includes the Compliance Requirement and Informative Guidance ○ List of Human Rights Due Diligence (HRDD) methodologies recognised by RSPO. This was agreed by the MSCTF and will be delegated to the Human Rights Working Group (HRWG) ○ The interpretation of 7.7.1 that will be delegated to the Biodiversity and High Conservation Value Working Group (BHCVWG) ● The Committee recommended having the full Certification System document including Annex 12 to be completed for endorsement by Q1 2025, first by the ASC and then by the SSC. <p>Decision</p> <ul style="list-style-type: none"> ● The SSC has agreed to have the full endorsement of the Certification System document by Q1 of 2025. ● In preparation of this deadline, the Secretariat shall seek the input/endorsement of the ASC on the draft Certification System document, and shall present a chronology and explanation of the process of revising the Certification System thus far to the SSC at the physical meeting in Bangkok on 9th November 2024. 	<p>1. Seek approval from SSC members via email.</p> <p>2. Present during the next SSC meeting on 9th November 2024</p> <p>Action by: Secretariat</p>
5.0	Any Other Business	

5.1	<p><u>Agenda for physical SSC Meeting in November</u></p> <p>The Secretariat suggested including the Supply Chain Certification Standard revision and the revision of the Standard Setting SOPs in the agenda for the physical SSC Meeting on 9 November 2024.</p>	<p>Include in the agenda for the next SSC meeting</p> <p>Action by: Secretariat</p>
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MEETING ENDED AT 1730 MYT