

MINUTES OF MEETING

49th SSC Meeting

Time: 1500 - 1700 (MYT)

Date: Thursday, 23rd January 2025

Venue: Zoom Meeting <https://zoom.us/j/99940834361> Meeting ID: 999 4083 4361 Passcode: 49@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. Alien Huizing	AH	CNV	SNGO – Substantive
5. Guillaume Lacaze	GL	L’Oreal	Consumer Goods Manufacturer – Substantive
6. Jenny Walther-Thoss	JWT	WWF Singapore	ENGO – Substantive
7. Andrew Aeria	AA	PEMANGKIN	SNGO - Substantive
1. Yen Hun Sung	HS	RSPO Secretariat	
2. Leena Ghosh	LG	RSPO Secretariat	
3. Jasmine Ho Abdullah	JH	RSPO Secretariat	
4. Maria Papadopoulou	MP	RSPO Secretariat	
5. Liyana Zulkipli	LZ	RSPO Secretariat	
6. Suguna a/p Murugan	SM	RSPO Secretariat	
7. Muhammad Shazaley bin Abdullah	SA	RSPO Secretariat	
8. Mohd Razeleigh	MR	RSPO Secretariat	
<i>Absence with apology:</i>			
1. Brian Lariche	BL	Humana	SNGO – Alternate
2. Anne Rosenbarger	AR	WRI	ENGO – Substantive
3. Lee Kian Wei	LKW	United Plantations	Grower (MY) – Alternate
4. Librian Angraeni	LA	Musim Mas	P & T – Alternate
5. Sander Van den Ende	SvE	SIPEF	Grower (RoW) – Substantive
6. Suzan Cornelissen	SC	CNV	SNGO – Alternate

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 - 1510	2.0	Meeting Dashboard	Co-Chairs
	2.1	Confirmation of the 48 th MoM on 5 th December 2024	
	2.2	Action Tracker	
	2.3	Progress Update WG/TF/SG under SSC	
1510 - 1555	3.0	For Update	LG
	3.1	P&C and ISH Standard 2024	

	3.2	Certification System for P&C and ISH Standard 2024	JH/SA
	3.3	Independent Review of the RSPO Standards Review and Revision Process	LG
	3.4	National Interpretation Process	JH
1555 – 1655	4.0	For Endorsement	
	4.1	Dispensation from the Composition Requirement in National Interpretation Task Force	HS/JH
	4.2	ToR for Repayment of Recruitment Fee and Related Costs Guidance Document	SM
	4.3	Supply Chain Certification Standard Review - Timeline and Process	MP/HS
1655 - 1700	5.0	Any Other Business	
	5.1	NDJSG Status	
1700		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. The agenda was approved.	
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 48th MoM on 5th December 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.	
2.2.1	<u>List of Supplementary/Derivation Documents of P&C and ISH Standard 2024</u> The Secretariat updated that the Terms of Reference (ToR) for the Guidance for the Repayment of Recruitment Fees and Related Costs will be presented to the SSC in this meeting. The Committee commented that the RSPO Best Management Practices (BMPs) was developed under the Peat Working Group and is currently under the Biodiversity and High Conservation Value Working Group (BHCVWG). Many members of the Peat Working Group are no longer part of the BHCVWG, and it may be necessary to seek their support and expertise in the future.	

<p>2.3</p>	<p><u>Progress Update WG/TF/SG under SSC</u></p> <p>The progress update for the WG/TF/SG Committee was presented.</p> <p>The Committee inquired about the progress of the Greenhouse Gas Task Force (GHGTF). The Chairperson of the GHGTF provided an update that the Task Force has reviewed all comments from the public consultation and pilot test for the PalmGHG Calculator. Some of these comments will require discussion during a physical meeting in February, which will be hosted by IOI. During this meeting, each comment will be addressed, with a thorough explanation or justification provided for whether it is accepted or not.</p> <p>The Committee highlighted that the timeline for the guidance document currently developed by all the working groups is very tight. It is important to remain cautious and closely monitor progress to ensure that the timeline is not derailed.</p>	
<p>3.0</p>	<p>For Update</p>	
<p>3.1</p> <p>3.2</p>	<p><u>P&C and ISH Standard 2024</u></p> <p>The Secretariat provided the latest update on the Principle and Criteria (P&C) and Independent Smallholder (ISH) Standard 2024.</p> <ul style="list-style-type: none"> ● The RSPO website has been updated with information on the standards rollout, and this will be updated monthly after every SSC meeting. ● For the P&C and ISH Standard documents: <ul style="list-style-type: none"> ○ Translations are currently ongoing for Bahasa Indonesia, Bahasa Malaysia, French, Spanish and Thai. ○ Final designs of the documents are also in progress. ○ Annex 5 (P&C) and Annex 3 (ISH) which are the informative guidance are being finalised. ○ The target release is by the end of March 2025. <p><u>Certification System for P&C and ISH Standard 2024</u></p> <p>The Secretariat provided an update on the Certification System for P&C and ISH Standard 2024.</p> <ul style="list-style-type: none"> ● The Secretariat is currently finalising the drafting of Annex 12 (auditor’s checklist) which will be part of the Certification System. The current timeline is shown below. 	

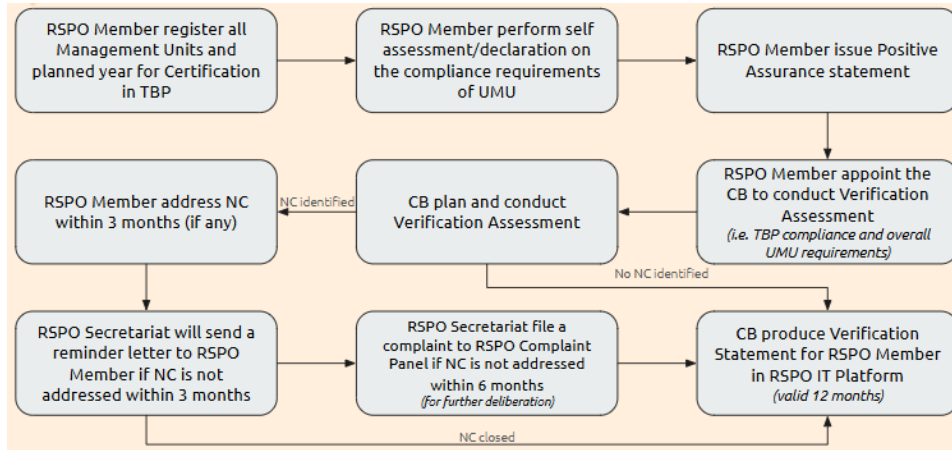
November 2024 - January 2025	Drafting <ul style="list-style-type: none"> - Development of the Informative Guidance and Annex 12 (Auditor's Checklist). - Integration of applicable portions of the LAG within the CSD (As per the proforest report as directed by the ASC and SSC)
February 2025	Draft review <ul style="list-style-type: none"> - Feedback and input by the CBs, AB, key stakeholders and the ASC will be gathered and incorporated.
March 2025	Endorsement by the SSC <ul style="list-style-type: none"> - The Certification System Draft & the Annex 12 will be circulated to the SSC ahead of the SSC meeting. - The Certification System will tentatively be presented to the SSC for endorsement on the 20th of March 2025.
April 2025	Publication <ul style="list-style-type: none"> - Translation & publication of the document

- The Secretariat also provided an update on the proposal by ASI to include focused audit in the Certification System document. This proposal, which was previously presented to the SSC in November 2024, aims to improve the quality of the audits by making the audits more focused, and not all indicators are required to be audited. There will be two lists of indicators: a mandatory list, which will be audited during every surveillance audit, and a non-mandatory list, which will be audited at least once during a certification cycle. The SSC recommended that the Secretariat return to ASI with feedback gathered from both the SSC and Assurance Standing Committee (ASC) regarding this proposal.
- Upon considering the feedback from both the SSC and ASC, it was acknowledged that while the proposal is good, it may be more beneficial to approach it as a risk-based audit instead of a focused audit. However, since developing a risk-based approach will require time for development and refinement, the proposal will not be included within the Certification System at this stage. Instead, it will be worked on and developed throughout 2025.
- The Secretariat provided an update on Uncertified Management Units (UMU) requirements in the Certification System. The Secretariat would like to obtain feedback and direction from the SSC on the monitoring of compliance related to RSPO P&C key requirements for UMUs.
- The existing measure is shown in the slide below:

What are the existing measure?

- RSPO Member to register all management units (own/directly managed) in the Time Bound Plan.
- RSPO Member will conduct self assessment on the UMU on the compliance against the requirements related to:
 - Land conflicts, if any, are being resolved
 - Labour disputes, if any, are being resolved
 - Legal non-compliance, if any, is being addressed
 - No replacement of primary forest or any area required to maintain or enhance HCVs and HCS (7.12)
- RSPO Member published Positive Assurance Statement as the result of the self assessment.
- CB will evaluate the compliance of the requirements based on RSPO Members self assessment and positive assurance statement, during the audit at all RSPO certified UoCs (redundant verification, different CBs)
- CB may perform further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements. (not included as part of the cost of certification)
- Major NC will be raised if there is non-compliance identified.

- The new proposal is shown in the flowchart below. In the new proposal, the Member will appoint a CB to conduct verification assessment which will happen at the parent level, and the assessment will only be conducted once per year to be used throughout the UoC.



- There are several pros and cons for the existing measure and the new proposal shown in the table below.

Existing Measure	New Proposal
<p>Pro:</p> <ul style="list-style-type: none"> No significant number of issues identified by the CB since the last introduction of this UMU requirements. <p>Cons:</p> <ul style="list-style-type: none"> The CB will have limitation to perform follow up/stakeholder interview if potential issue is identified due to the limited MDs specified for audit. RSPO Member is audited against compliance of UMU requirements in every UoCs Any NC identified at any UoC by a CB, but not detected by other CB audited at another UoC will affect the certification status of the UoC. Managers at UoCs receiving NCs might not have any idea of the issues happening at the UMU. Inconsistency of verification level conducted by different CBs at different UoC and hence creating doubt when reviewed by stakeholders. CB is rushing to complete the audit at UoC, hence didn't really pay attention to the Self Assessment conducted by RSPO Member. 	<p>Pro:</p> <ul style="list-style-type: none"> Specific agreement and dedicated verification durations planned solely to verify the UMU requirements. 1 single verification conducted per year covering all UMU owned/managed by RSPO Members. More structured verification and corrective action approach - assessment conducted at Parent Entity level NC (if any) are raised at Parent Entity level, and hence did not directly jeopardise the certification status of UoCs. Demonstrate transparency and high level of assurance of RSPO Members on the commitment and compliance status at UMU <p>Cons:</p> <ul style="list-style-type: none"> Possibility to affect RSPO Membership status (Suspended/Terminated) if NC is not addressed within 3 to 6 months after the Verification Assessment. Additional Service Agreement need to be signed with the CB

The Committee commented that:

- Some Social NGOs have raised concerns about the possibility of setting up a pool where all stakeholders contribute to auditing expenses, rather than having the UoC pay the CB directly for the assessment and audit. What is the status of this suggestion? If this approach is adopted, it will require amendments to the process outlined in the proposal chart above. The Secretariat explained that this is part of the ongoing de-linking study, but will check with the Assurance Team and provide more information to the SSC.
- It was mentioned that the verification statement will be posted on the RSPO IT Platform (likely Prisma), but Prisma is not currently accessible

Update the SSC on the progress of the de-linking study via email

Action by:
Secretariat

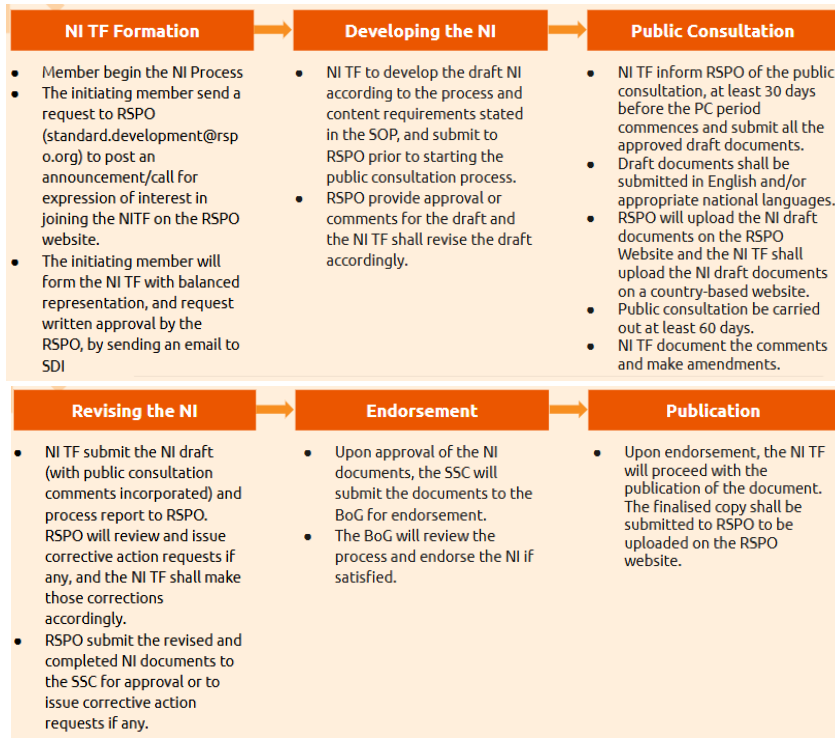
	<p>to Social NGOs. The Committee raised the question of how the Social NGOs will be notified of the updates. The Secretariat clarified that the current intention is to publish the verification statement in Prisma, but if there is a request to publish it on the RSPO website, that can be arranged. However, such a decision would need to be made by the SSC.</p> <ul style="list-style-type: none"> ● The Committee raised a concern about the business unit structure, noting that many larger companies have business units operating in different locations, with some areas overseen by the business unit rather than the UoC. The method of compliance should suit the structure of each member’s organization, and adjustments may need to be made accordingly. This would ensure that auditors are informed not only on the UoC but also on the overall structure of the company. The Secretariat agreed that some big growers have dedicated units to oversee compliance across different UoCs, and while the Certification System will apply to all growers, this issue should be taken into account. ● The Committee emphasized the importance of continuous improvement while considering the added value of new measures to the existing ones. It was pointed out that there is a reason for the distinction between certified and uncertified units. Certified units are ready for certification, and their certification often involves factors beyond just compliance with RSPO P&C, which is why site checks may not always be as thorough. However, companies and groups are still responsible for conducting self-declarations and proper checks on their uncertified units, which is why these units are declared in the TBP. For example, when a new acquisition is added to the supply base, proper disclosure must be made to RSPO, even if the unit is not yet ready for certification. The intention is not to neglect these units but to follow the procedure as a committed RSPO member. ● The Committee questioned whether adding another layer of audit at the group level would bring significant value, given that the strength of the RSPO audit lies in thorough on-the-ground P&C audits of certified units. Other schemes in the market conduct desktop verification or rely on self-declarations for the group, which is quite different from the RSPO’s site-based audit approach. The transparency and communication are already in place through the TBP and disclosure of uncertified units. ● The Secretariat explained that the new proposal aims to streamline this process. For example, if there are 10 UoCs, the current system requires 10 separate audits of the self-assessment. However, if the 3rd or 4th CB conducting the verification finds an issue, they may not investigate further due to time constraints and the lack of specific clauses in their agreement to conduct more in-depth checks. Under the new proposal, at the parent level, there would only be one round of verification 	
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	<p>assessment conducted by the CB at the group level. This single verification assessment would then apply to all UoC audits.</p> <ul style="list-style-type: none"> ● The Committee raised a question about the difference between the verification assessment in the new proposal and the verification of the TBP, since the TBP is verified annually. The Committee suggested that it might be more efficient to combine the verification of the TBP and UMU verification, so that a single CB appointed by the Member could verify both on an annual basis. The Secretariat responded that the TBP would still be monitored by the Secretariat, but the CB could reference it during audits. Prisma has a specific module for the TBP, which allows the CB to view the plan approved by the Secretariat during the audit. Additionally, the CB would review the verification assessment report issued by the CB for the UMU. ● The Committee expressed concerns about the redundancy of conducting another round of audits at the group level, and what exactly would be audited and checked. This is because the grower is a RSPO Member, every unit they manage is expected to follow RSPO standards, even if it's not yet certified. The Committee also commented that if the group audit would essentially mirror the existing ground audits, this leads to potential repetition. ● The Secretariat clarified that under the current Certification System, there are four key elements that Members must fulfill: legal compliance, labour disputes, land conflicts, and the clearance of primary forests. Each of these elements is associated with specific indicators in the RSPO Principles & Criteria (P&C), and they must be either audited or self-assessed by the Members. In the new proposal, since UMUs are not certified, the CB would only review compliance with these four elements. For certified UoCs, the CB will conduct a full audit of all P&C indicators. ● The Committee suggested that since many units are audited by the same CB, when the CB begins the audit process, they should check the TBP and the four key elements. If the CB verifies that these elements have been checked, they could declare that the review has been completed, avoiding repetition when other CBs audit the company. ● The Committee also raised a concern about how deep the verification by the CB would need to be, as it wasn't clear whether it would go beyond desktop verification if issues were identified. ● The Committee recommended that this issue be discussed in the next meeting, with a more detailed presentation from the Secretariat outlining the actual pathway for verification and clarify what would trigger field verification. ● The Committee seeks clarification on where this proposal is coming from and the need for improvement. The Secretariat explained that this 	<p>Prepare a detailed process and present to SSC in the next meeting</p> <p>Action by: Secretariat</p>
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	<p>focused assessment on the UMUs would allow the CB to better address any issues:</p> <ul style="list-style-type: none"> ○ Every audit at each UoC can seem repetitive ○ Different CB results in different levels of verification and certification status <p>Under the new proposal, the verification will be conducted at the parent level, covering all UMUs.</p> <ul style="list-style-type: none"> ● The Committee pointed out another underlying cause, which is the timing between when a company joins RSPO and when all its management units are certified. There’s a significant gap between these two points, during which a unit may not be certified. This period raises concerns about what is happening with the management unit in the meantime. Specifically, if a company starts a new development between the time it complies with the New Planting Procedure (NPP) and the time it achieves certification, questions arise about how the unit is being managed during that interim period before it’s officially certified. ● The Committee suggested adding descriptions to the flowchart to provide more clarity to the process. The Committee also recommended that this proposal be properly consulted with the growers, as it impacts the entire Certification System. Whatever pathway is identified should be taken back to the growers and other stakeholders for further input and feedback. The process should not be repetitive and practical for implementation. ● The Secretariat will prepare a problem statement that clearly outlines the issues at hand and explains how the proposal addresses those issues. The Secretariat will set aside more time for discussion during the next meeting. 	<p>Provide update in the next meeting Action by: Secretariat</p>
<p>3.3</p>	<p><u>Independent Review of the RSPO Standards Review and Revision Process</u></p> <p>The Secretariat provided an update on the Independent Review of the RSPO Standards Review and Revision Process.</p> <ul style="list-style-type: none"> ● Following the SSC’s endorsement on the Terms of Reference (ToR) for the Independent Review of the RSPO Standards Review and Revision Process, the Secretariat will be starting the process for the call for proposal and provide an update to the SSC in the February meeting. This will then be updated to the Board of Governors (BoG) in March 2025. ● The Secretariat has a few potential consultants in mind and will provide more information in the next meeting. 	
<p>3.4</p>	<p><u>National Interpretation Process</u></p>	

The Secretariat provided a brief walkthrough on the National Interpretation (NI) Process.

- The NI process shown below is according to the RSPO SOP for Standard Setting and Review.



- If the NI Task Force (TF) cannot achieve balanced representation, it will require the SSC’s approval on the NITF composition.
- The Secretariat will be providing the following templates and guidance on the RSPO website to assist the NITF.
 - RSPO Standard Operating Procedure for Standard Setting and Review 2020 (Revised)
 - RSPO Standards 2024 NITF ToR Template
 - RSPO P&C NI Editing Template (Draft) - to be available soon
 - RSPO ISH NI Editing Template (Draft) - to be available soon
 - RSPO NI Process Report Template
 - RSPO NI Process Checklist
 - RSPO NI Summary Slide Template
 - (Guidance) NI Reference Notes
 - Guidance to Initiate NI Process
- Currently, there are a few countries that have initiated the NI process:
 - Indonesia – Announcement has been posted, and ToR has been submitted
 - India – Announcement has been posted
 - Malaysia – Announcement has been posted
 - Papua New Guinea and Solomon Island – Expressed Interest

	<p>The Committee commented:</p> <ul style="list-style-type: none"> • The members of the SSC were reminded that they would be looking at the content of the NI. • The Committee highlighted that there might be some confusion in the process, particularly regarding the statement that the BoG will review the documents. To clarify, the BoG's role is to review and endorse the process, not the content of the documents themselves. The SSC will inform the BoG that they have reviewed the documents and confirmed that the process has been followed correctly. The BoG should not reopen or revise the content of the NI. • The Secretariat takes note of this and will amend accordingly. 	<p>Amend the NI process accordingly Action by: Secretariat</p>
4.0	For Endorsement	
4.1	<p><u>Dispensation from the Composition Requirement in National Interpretation Task Force</u></p> <p>The Secretariat presented the decision paper on dispensation from having ‘banks and investors (financial institutions)’ as part of the composition requirement in the National Interpretation Task Force (NITF).</p> <ul style="list-style-type: none"> • According to the RSPO National Interpretation Process as stated in the RSPO SOP for Standard Setting and Review 2020, the NITF shall comprise a balanced representation of relevant stakeholders within the TF from the seven RSPO Ordinary membership sectors: palm oil growers, processors and/or traders, consumer goods manufacturers, retailers, banks and investors (financial institutions), environmental NGOs, and social NGOs. • The Secretariat recognises that all NITFs are highly likely to face challenges in obtaining representatives from all seven RSPO Ordinary membership sectors, particularly the banks and investors (financial institutions) sector. Oftentimes, the NITF will have to apply for dispensation from the SSC on the proposed composition of the NITF. • Therefore, to avoid overwhelming the SSC with multiple individual requests for dispensation, the Secretariat seeks the SSC's endorsement for a general dispensation from the requirement to include ‘banks and investors (financial institutions)’ in the composition of the 2024 RSPO Principles and Criteria (P&C) and Independent Smallholder (ISH) NITFs. • This said, the NITF must make reasonable efforts to seek out representatives from ‘banks and investors (financial institutions)’. Upon making those reasonable efforts, each NITF may write to the RSPO Secretariat to request an exemption from including ‘banks and investors (financial institutions)’ within the NITF, in the event a suitable representative is not able to be identified. This also applies in cases where the NITF previously had a representative from the banks and 	

investors sector, but that representative dropped out midway through the process, and the TF was not able to find a suitable replacement. The NITF would not need to wait for a month to seek the SSC’s approval. This approach would help avoid unnecessary delays in the process.

The Committee raised concerns:

- The involvement of banks and investors is already weak in RSPO. If banks and investors are easily excluded, their involvement in RSPO, would be further diminished. It is crucial that the Secretariat make reasonable efforts to actively reach out to them and encourage their participation in the NITF. Their involvement is important, as excluding them would undermine the purpose of having them as stakeholders in the process. The Secretariat explained that in certain countries, there are no members from banks and investors, making it difficult for the NITF to find suitable representatives. Additionally, in cases where a member drops out, the SSC will need to endorse that the NITF can continue its work without the full composition. Countries such as Papua New Guinea and the Solomon Islands face limitations in finding people to coordinate the task force.
- The Committee inquired whether Indonesia had started their discussions. The Secretariat responded that Indonesia had an initial meeting, but they still need to fulfill the composition requirements. They have posted a call for expressions of interest on the RSPO website, but officially, they have not formed the NITF yet.
- The Committee raised a question whether the NITF requires the SSC’s endorsement for its formation. The Secretariat clarified that as long as the composition requirements are met, the SSC does not need to endorse the formation of the Task Force. This is why the Secretariat is requesting the general dispensation, as most NITF may not be able to fulfill the banks and investors seat, which would result in numerous requests being made to the SSC regarding the formation. Instead, the NITF will only need to inform the Secretariat about their formation, and the Secretariat will keep the SSC informed.
- The Committee asked whether the dispensation applies only to banks and investors, or if it also includes retailers. Retailers are also a challenge in many countries. Is it necessary to include retailers in the dispensation? If the Secretariat does not think it is necessary, it was suggested not to include them for now. The Secretariat clarified that the dispensation is only for banks and investors, as this is the most likely issue at the moment.
- The Committee also asked whether the TF needed to prove that they have actively reached out to banks and investors and made efforts to include them. The Secretariat confirmed that they will ask the TF to

<p>4.2</p>	<p>demonstrate their effort, for example, that they posted a notice on the RSPO website or their own country’s website but received no response. As long as their efforts are visible and reasonably demonstrate attempts to find a representative, it will be considered acceptable. If their efforts are not visible, the Secretariat will advise them to make further attempts.</p> <p>Decision The SSC has endorsed the decision paper. The Secretariat will seek approval from SSC members who are not present via email.</p> <p><u>ToR for Repayment of Recruitment Fee and Related Costs Guidance Document</u> The Secretariat presented the decision paper on the ToR for Repayment of Recruitment Fee and Related Costs Guidance Document.</p> <ul style="list-style-type: none"> ● The payment of recruitment fees and related costs by workers can lead to debt bondage, a key indicator of forced labour identified by the ILO, which remains a pressing issue in palm oil-producing regions. ● The issue of recruitment fees paid by workers has significant implications, particularly in the palm oil industry, which relies heavily on migrant workers. In light of global scrutiny, such as US CBP orders and proposed regulations like the Regulation on Prohibiting Products Made with Forced Labour on the Union Market, it is essential for RSPO’s P&C to align with these international standards. ● The 2024 RSPO P&C, Indicator 6.8.3 requires the repayment of recruitment fees to active workers who paid these fees and related costs, effective from the adoption date of the P&C. ● In response to concerns raised by RSPO Members regarding the repayment of recruitment fees, it is acknowledged that some members have already taken steps to repay workers for fees incurred. However, there have also been requests for practical guidance to support the implementation of this requirement, especially given the complexities of recruitment processes in the palm oil sector. This guidance aims to ensure consistency and facilitate practical implementation across the industry. ● To address these concerns, RSPO, through the Human Rights Working Group (HRWG), will develop a guidance document that outlines stepwise recommendations to help members navigate the repayment of recruitment fees. The guidance will take into account the unique challenges faced by the palm oil sector, ensuring that members have clear and actionable steps to address any recruitment fees incurred in compliance with RSPO's 2024 P&C. ● The primary objective of this guidance is to develop a stepwise guidance for the repayment of recruitment fees and related costs 	<p>Seek approval from SSC members who were not present via email Action by: Secretariat</p>
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	<p>incurred by the workers and to provide practical tools such as templates to support implementation. This would include key principles and criteria for repayment, definitions, processes for investigation and repayment calculation, and safeguards to prevent recurrence. References will be made to key frameworks such as RSPO P&C, ILO Guidelines and MPOA Guideline for Responsible Recruitment as well as other frameworks for industry best practices.</p> <ul style="list-style-type: none"> • While the primary focus of the ToR is on the repayment of recruitment fees, there is also consensus among members of the Labour Subgroup to include elements of ethical recruitment into the guidance to ensure a more holistic approach to addressing recruitment-related issues. • The development process will follow a structured approach, as outlined in the methodology of the ToR. The guidance is expected to be completed by November 2025, though the timeline may evolve as the development progresses. • The Secretariat would like to seek the SSC’s endorsement on the ToR for the Repayment of Recruitment Fee and Related Costs Guidance Document. <p>Committee commented that:</p> <ul style="list-style-type: none"> • In Europe, it is common for companies to cover recruitment fees, so the idea of repayment, along with the challenges it entails, may seem unnecessary. The Secretariat clarified that this document is intended to guide members who are beginning the process of reimbursing workers. While some regions have laws requiring companies to pay recruitment fees, other regions still face issues with this practice. The guidance document aims to support members in implementing processes in line with the RSPO P&C. It is an essential resource, especially for regions where recruitment fees issues persist, and it addresses the responsibility for those who have yet to fulfill their obligations. • The Committee raised concerns about the potential for backsliding, with the guidance timeline set for November 2025. They questioned the pace of the process, wondering why it is taking so long to resolve this issue. The Secretariat explained that for larger members, reimbursing workers who have paid recruitment fees is already part of their processes. However, smaller members might need clearer guidance. By providing this guidance, RSPO would not only show its commitment to addressing the issue but also offer practical steps for companies, especially smaller ones, to implement the repayment process. The intention is not to delay, but to offer helpful support and guidance to those who may not have the systems in place yet. • The Committee raised a question about whether grower members who have already implemented their own remediation methods for repaying 	
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workers would need to revisit their processes once the guidance is rolled out, and whether they could receive a NC if their approach differs from the guidance. The Secretariat clarified that the guidance is intended to be informative and serves as a reference only. If members have already established their own processes for repayment that comply with the 2024 P&C, they are not required to make changes or face an NC, as long as their approach is in alignment with the overall principles and criteria.

- The Committee suggested amending the decision paper to state that the Secretariat’s recommendation is to seek SSC’s endorsement on the ToR, and not the guidance document. The Secretariat takes note of this and will amend it.
- The Committee suggested that the methodology and scope section of the ToR, specifically Part 1: Research, should be clarified to address whether a legal review will be conducted. This clarification would help alleviate concerns among members who may fear that the process could implicitly recognize legal liability. The roles and responsibilities section should also be more clearly defined, particularly in terms of which unit within the Secretariat will be responsible for developing the guidance.
- The Committee also raised concerns about the timeline and pilot testing in Part 4 and 5 of the ToR, suggesting that the two sections should be better aligned. Given the complexity of the issue, they questioned whether conducting pilot testing in at least one country and completing it by November 2025 would be realistic. It was recommended that the Secretariat should take more time to develop a more thorough guidance document, which would not prevent members from carrying out their own remediation efforts in the meantime, as long as they comply with the P&C. Pushing for a November 2025 deadline, including field testing, could result in an unrealistic timeline and poor-quality guidance, as it would not allow sufficient time for proper planning and implementation.
- The Committee commented on the issue of unverified and undocumented recruitment fees, particularly those that occur in workers' home countries, which are often beyond the control of the hiring country. Many of these issues are untraceable, and there is currently no effective way to verify such claims. This makes it challenging for RSPO to develop practical guidance that can help grower members address the situation.
- During discussions within the Labour Subgroup, it was also noted that the issue of migrant labour and recruitment fees may not be confined to Malaysia. It could extend to other regions such as Central America and certain African countries, which also face similar challenges with

<p>4.3</p>	<p>migrant labour. Therefore, it is important to ensure that the guidance remains relevant to all regions and does not become too focused in Malaysia.</p> <ul style="list-style-type: none"> ● The Committee suggested that there is no need to reinvent the wheel, and that the Secretariat could leverage input from organizations and certification systems that already have experience with these issues. Drawing on the expertise and established practices from other organizations could help speed up the process and provide valuable insights for developing the guidance. ● The Committee suggested reviewing existing cases and potentially expanding the scope by looking at other organizations for insights. They recommended establishing a more specific timeline with detailed actions and reconsidering the need for pilot testing, as completing it by November seemed unfeasible. The Secretariat acknowledged the challenge of the current timeline and will bring it back to the Labour Subgroup for further deliberation. ● The Committee proposed that the guidance could be issued by 2025, with pilot testing conducted afterward, and any adjustments to the guidance could be made based on the test results the following year. The Secretariat explained that, process-wise, the guidance must undergo pilot testing before being published as it is a new document. The Secretariat understands the concerns about the timeline and will consider all the feedback received and revise the timeline and other aspects of the ToR accordingly. <p>Decision The SSC has not approved the decision paper. The Secretariat will amend the ToR and bring it back to SSC for endorsement.</p> <p><u>Supply Chain Certification Standard Review - Timeline and Process</u> The Secretariat presented the decision paper on the proposed process and tentative timeline for the Supply Chain Certification (SCC) Standard Review.</p> <ul style="list-style-type: none"> ● As per the ISEAL Code of Good Practice for Sustainability Systems ver 1.0 (Clause 6.14), each of the standards covered by the ISEAL Code should be “reviewed at least every five years, drawing on relevant data and information”. The SCC Standard 2020 was endorsed by the RSPO BoG on 1 February 2020. A process for the SCC Standard revision should start by 1 February 2025 to comply with the ISEAL Code. ● During the previous SSC Meeting, a tentative timeline for the review process was presented and considered, including the option for the reviewed SCC Standard to be endorsed by the BoG in 2026. Additionally, the possibility of conducting a survey was discussed as part of the preparatory phase. This survey would help assess whether the 	<p>Amend the ToR and bring it back to SSC for endorsement</p> <p>Action by: Secretariat</p>
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current standard remains relevant and effective in supporting RSPO’s vision of making sustainable palm oil the norm.

- A 12-month timeline was previously presented, however after consideration, the Secretariat is currently proposing an 18-month timeline. The extended timeline can prevent the risk of delay due to the complexity of topics that might be explored as identified through the survey. Potential topics include certification of waste/by-products, FFB traders, palm-based feedstock and strengthening the MB model.
- The Secretariat also highlighted that the complexity of new topics proposed by stakeholders, along with the time required to assess their incorporation into the SCC Standard, could pose a risk to the 18-month timeline, potentially extending the review period. However, if no such delays occur, the timeline might be shortened.
- The progress of the SCC Standard review is dependent on the availability of budget to support the financial cost of conducting any stakeholder engagement activities. The budget for this review will be included in the next financial year.
- The proposed timeline is shown below, starting from February 2025 to September 2026.



The Committed commented:

- During the P&C review, there were significant concerns about the public consultation, as many of the same issues that were previously discussed by the TF had to be revisited due to public feedback. Is it possible to move the public consultation to the beginning of the process? This would allow comments to be gathered upfront on the current SCC Standard, so that the TF members can review them early on, rather than completing the work first and then addressing the same issues that have already been discussed during the consultation.
- The Secretariat agrees with this approach and plans to start the process with a feedback survey on the current SCC Standard. This will help identify any topics that need further exploration, and gather all relevant

	<p>feedback to establish a solid starting point. The results of this research will then be presented to the TF. It will be a public survey, open to everyone, not just members.</p> <ul style="list-style-type: none"> The Committee commented that surveys often don't receive sufficient responses, suggesting that asking for feedback directly might be more effective, as surveys may not always provide the necessary direction. What will the survey cover, would it focus on feedback about the current standard and suggestions for the new topics? The Secretariat clarified that the survey would ask questions about additional topics the stakeholders would like to explore, if the current standard is easy to interpret, and identify any implementation challenges. The survey would also seek recommendations for improvement. The Secretariat will also conduct member interviews and hold a CB Forum to gather feedback. Given that the term "survey" might discourage participation, it was suggested to probably renaming it to "public consultation" or "feedback consultation," which would be more inviting. <p>Decision The SSC has endorsed the decision paper. The Secretariat will seek approval from SSC members who are not present via email.</p>	<p>Seek approval from SSC members who were not present via email Action by: Secretariat</p>
<p>5.0</p>	<p>Any Other Business</p>	
<p>5.1</p>	<p><u>NDJSG Status</u> The Secretariat provided an update on the status of the No Deforestation Joint Steering Group (NDJSG).</p> <ul style="list-style-type: none"> The NDJSG has been inactive for a while, pending the completion of the P&C 2024. With the P&C 2024 now endorsed, the topics that were previously under the NDJSG's purview have now shifted to the BHCVWG, as Criteria 7.7 on HCV-HCS integrated assessment is now part of the HCVN and falls under the BHCVWG. Currently, the NDJSG is still recognized as an official body, and the Secretariat is seeking the SSC's advice on the next steps moving forward. <p>The Committee raised question:</p> <ul style="list-style-type: none"> Has there been any communication from HCSA regarding their position on the NDJSG? Do they wish to keep it open, or are they comfortable with being involved in the BHCVWG? The Secretariat responded that HCSA has already been included in the BHCVWG meetings and was invited as a technical expert during the previous BHCVWG meetings. Their position is that they are waiting for RSPO to clarify the future of the NDJSG, after which they will proceed accordingly. 	

	<ul style="list-style-type: none"> • The Committee suggested that, as long as HCSA is on board, the Secretariat can advise them that, given the new arrangements, the NDJSG could be disbanded. However, if there is a need for a new structure in the future, RSPO remains open to creating one, if necessary. • The Secretariat will reach out to HCSA to convey that with their participation in the BHCVWG and the fact that the NDJSG's purview has moved under the BHCVWG, the Secretariat recommends to retire the NDJSG. If HCSA agrees, the Secretariat will proceed with the decision paper to formally close the NDJSG. <p>5.2 <u>Jurisdictional Entity in the SSC</u> The Committee would like to raise an issue on how to include the jurisdictional entities in the SSC. They will become RSPO members, and if there is an urgent need to include them in the SSC, the SSC will need to discuss how to proceed, keeping in mind that they will have a deliberative voice but no voting rights. However, since the full membership structure hasn't been finalized yet, it may be a bit early to have this discussion. This can be discussed further in the future meetings.</p> <p>5.3 <u>Alien Huizing's resignation from the SSC</u> Alien Huizing who represents the Social NGO has resigned from CNV Internationaal and will officially step down from SSC. Suzan Cornelissen will be replacing her as a substantive member representing the Social NGO.</p> <p>The Committee expressed their appreciation for her contribution.</p>	<p>Reach out to HCSA on NDJSG's closure Action by: Secretariat</p>
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MEETING ENDED AT 1653 MYT