

**MINUTES OF MEETING**  
**Biodiversity and High Conservation Value Working Group (BHCVWG) – 51<sup>st</sup>**  
**Meeting (Hybrid)**

Date : 23 & 24 July 2024  
Time : 9:00 AM to 5:00 PM (MYT)  
Venue : RSPO Office - Kuala Lumpur, Malaysia

**Attendance:**

<p><b><u>Members and Alternates</u></b></p> <ol style="list-style-type: none"><li>1. Harjinder Kler (HUTAN)</li><li>2. Hendi Hidayat (GAR)</li><li>3. Bungaran M. Rahadi (GAR)</li><li>4. Martin Mach (Bumitama)</li><li>5. Lim Sian Choo (Bumitama)</li><li>6. Lee Swee Yin (SDP)</li><li>7. Ahmad Furqon (WWF)</li><li>8. Eleanor Spencer (ZSL)</li><li>9. Imogen Fanning (ZSL)</li><li>10. Michelle Desilets (OLT)</li><li>11. Mahendra Primajati (FFI)</li><li>12. Cahyo Nugroho (FFI)</li><li>13. Lanash Thanda (BCI)</li><li>14. Dayang Norwana (BCI)</li><li>15. Ruth Silva (HCVN)</li><li>16. Arie Soetjadi (HCVN)</li><li>17. Chin Sing Yun (Wilmar)</li><li>18. Athirah Insani (Musim Mas)</li><li>19. Yunita Widiastuti (Cargill)</li></ol> <p><b><u>Absent with apologies</u></b></p> <ol style="list-style-type: none"><li>20. Arnina Hussin (SDP)</li><li>21. Sally Chen Sieng Yin (SEPA)</li><li>22. David Wong Su Yung (SEPA)</li><li>23. Syahrial Anhar (Wilmar)</li><li>24. Bukti Bagja (WRI)</li><li>25. Anne Rosenbarger (WRI)</li><li>26. Patrick Anderson (FPP)</li><li>27. Marcus Colchester (FPP)</li><li>28. Quentin Meunier (OLAM)</li><li>29. Paola Despretz (OLAM)</li><li>30. Angga Prathama Putra (WWF)</li><li>31. Dita Galina (Musim Mas)</li><li>32. Sander Van den Ende (SIPEF)</li><li>33. Sophie Gett (SIPEF)</li></ol>	<p><b><u>RSPO Secretariat</u></b></p> <ol style="list-style-type: none"><li>1. Aloysius Suratin</li><li>2. Akmal Arif Razali</li><li>3. Durgha Periasamy</li><li>4. Kertijah Abdul Kadir</li><li>5. Nur Nazifah Ahmad Rosland</li><li>6. Wardiana Yusuf</li><li>7. Cheryl Ong</li></ol> <p><b><u>Invited Guest</u></b></p> <ol style="list-style-type: none"><li>1. Zulaikha Syed Othman (HCSA)</li><li>2. Roshan Khan (Day 1)</li><li>3. Jules Crawshaw (PT Hijau Daun) (Day 1)</li><li>4. Dillon Sarim (PT Hijau Daun) (Day 1)</li></ol>
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## Meeting Agenda:

Day 1

Agenda	PIC
1. Opening Remarks	RSPO Secretariat/ Co-Chairs
2. Update: RaCP	RSPO Secretariat
3. Confirmation of MoM and a brief update on the BHCVWG action tracker	RSPO Secretariat
4. RaCP Monitoring & Evaluation project	RSPO Secretariat & Roshan Khan
5. Review of the ToR for the evaluation of RaC Plan that is 5 years and more	RSPO Secretariat
6. HCVN discussion paper on HCV changing values	Ruth Silva & Arie Soetjadi (HCVN)
7. Review of the different scenarios in which the RaCP reprieve related to Resolution 18-2d is applicable (Scheme Smallholder Study)	PT Hijau Daun

Day 2

Agenda	PIC
1. Opening Remarks	RSPO Secretariat/ Co-Chairs
2. Summary of the Steep Terrain Conservation & Management in Oil Palm Plantations: Minimising Risk of Soil Erosion Webinar Series	RSPO Secretariat
3. P&C and ISH standards structure walkthrough	RSPO Secretariat
4. Any other business (AOB)	RSPO Secretariat
5. End of Meeting	RSPO Secretariat

## Summary of key points:

No.	Agenda	Summary of key action points
1.	Update: RaCP	<p>The timeline for RaCP V2 will need to be adjusted due to overlaps with ongoing RSPO processes, such as LUCA and the development of the <i>prisma</i> platform.</p> <p>The Secretariat to prepare a document to outline which RaCP V2 components are finalised and which are still in development, identifying those</p>

		for public consultation.
2.	Confirmation of MoM and a brief update on the BHCVWG action tracker	MoM is accepted without changes.
3.	RaCP Monitoring & Evaluation project	<p>The presentation provided an update on the progress of a project focused on monitoring RaCP projects and effectively communicating their outcomes and impacts. The objective is to develop an internal framework for the RSPO Secretariat to monitor approved RaCP plans.</p> <p>It was suggested that the RaCP V2 draft be shared with the project consultant for review and input based on their ongoing work on RaCP projects.</p>
4.	Review of the ToR for the evaluation of RaC Plan that is 5 years and more	Secretariat to incorporate members feedback into the ToR.
5.	HCVN discussion paper on HCV changing values	HCVN presented their discussion paper exploring various options for addressing changes in HCVs and related information. They addressed several key points of feedback and comments received regarding the document that was previously shared with the WG.
6.	Review of the different scenarios in which the RaCP reprieve related to Resolution 18-2d is applicable (Scheme Smallholder Study)	<p>PT Hijau Daun presented a review of scenarios where the RaCP reprieve related to Resolution 18-2d applies, focusing on conclusions for Phase 1 and Deliverable 1.</p> <p>The study's findings will focus on scheme smallholder arrangements across 14 countries included in the study.</p> <p>It was suggested to share the RaCP V2 draft with the consultant to keep them informed of all WG discussions.</p>
7.	Summary of the Steep Terrain Conservation & Management in Oil Palm Plantations: Minimising Risk of Soil Erosion Webinar Series	Secretariat to incorporate members feedback into the current draft.
8.	P&C and ISH standards structure walkthrough	A walkthrough of the revised standards for both P&C and ISH was conducted, during which comments and feedback from members were collected and organised into a live document.
9.	Any other business (AOB)	Secretariat to send out Doodle Polls for the

	upcoming meeting dates selection.
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**Minutes:**

**Day 1**

No.	Agenda	Action
1.	<p><b><u>Opening remarks</u></b></p> <ul style="list-style-type: none"> <li>● All members and invited experts were welcomed by the co-chair and the RSPO Secretariat to the 51st BHCVWG hybrid meeting.</li> <li>● The Secretariat introduced the addition of 4 new members to the BHCVWG: <ul style="list-style-type: none"> <li>○ Per Bogstad (Haleon)</li> <li>○ Ruth Silva (HCVN)</li> <li>○ Arie Soetjadi (HCVN)</li> <li>○ Bungaran M. Rahadi (GAR)</li> </ul> </li> <li>● The co-chair also welcomed an invited expert to the BHCVWG meeting: <ul style="list-style-type: none"> <li>○ Zulaikha Syed Othman from HCSA</li> </ul> </li> <li>● The Secretariat went through the meeting’s housekeeping details and read out the RSPO antitrust policy statement, consensus-based decision-making, and conflict of interest declaration, if any. No conflict of interest was raised by the members.</li> <li>● The current composition of the BHCVWG was presented. <ul style="list-style-type: none"> <li>○ The seat for the LATAM grower and financial institutions seats are currently vacant.</li> <li>○ A member suggested that if the WG includes LATAM growers, the meeting timing should be adjusted to accommodate their participation, potentially by scheduling meetings at a time that is more convenient for them to join.</li> <li>○ The Secretariat mentioned that announcements for vacancies have been made, but no responses have been received. They are open to reissuing the announcement if needed.</li> <li>○ It was also noted that historically, holding WG meetings during the RT period resulted in higher physical attendance, making the meetings more efficient. This scheduling also encouraged participation from financial groups and LATAM members.</li> </ul> </li> </ul>	

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	<ul style="list-style-type: none"> <li>The Secretariat provided an overview of the 2-day meeting's agenda.</li> </ul>	
2.	<p><b><u>Update: Changes in the RaCP V2 timeline</u></b></p> <ul style="list-style-type: none"> <li>The Secretariat informed the WG of changes to the RaCP V2 timeline. They emphasised that given the overlap between RaCP V2 components and other ongoing processes within RSPO—such as LUCA and other related assessments—the timeline for RaCP V2 needs to be adjusted.</li> <li>In the last discussion, the plan was to release RaCP V2 for public consultation (PC). However, with the ongoing standard revision and the development of the digital <i>prisma</i> platform, there's a need to streamline these processes, which will impact the components within RaCP V2.</li> <li>Thus, the Secretariat suggested postponing the PC for RaCP V2. They highlighted the importance of aligning RaCP V2 with the revised standards and other ongoing processes. The current focus is on ensuring that the standard revision process takes priority, with a 12-month period before the effective date and two interim revisions within that period.</li> <li>The Secretariat proposed that RaCP V2 undergo testing to ensure it is implementable and auditable before releasing it for PC. They believe that launching RaCP V2 for PC now, only to later revise it to align with new standards, would be counterproductive. By delaying the public consultation, they can ensure that the processes are in good condition and supportive of the new standards.</li> </ul> <p><i>Feedback/questions from the members:</i></p> <ul style="list-style-type: none"> <li>A member acknowledged the Secretariat's reasoning behind delaying the RaCP V2 public consultation but raised significant concerns about the implications of this delay. They pointed out that the components being proposed for the remediation and compensation procedures are based on the P&amp;C 2018, meaning that for the past five years, there has been no procedure in place that reflects the current standard. This gap is particularly problematic for addressing High Carbon Stock (HCS) forests, as any potential disclosures made since 2018 have not included HCS forests, which is a critical issue. They noted that the new process that is being proposed for the implementation of the P&amp;C, would require piloting and adjusting which could take one to two years,</li> </ul>	

No.	Agenda	Action
	<p>meaning it might be another two years before the RaCP incorporates these changes. They find this to be very risky. Additionally, the member highlighted that once the new P&amp;C is in place, further revisions to the RaCP will likely be needed.</p> <ul style="list-style-type: none"> <li>● It was also noted that if RaCP V2 is not released, it creates ambiguity regarding which guidelines should be used for the implementation of RaCP, particularly because using outdated guidelines would be problematic. Additionally, it was noted that the grower guidelines may not align with the P&amp;C, raising concerns for companies implementing RaCP regarding which version they should follow. The implementability of the guidelines is important, particularly in terms of when something is supposed to start and end.</li> <li>● It was noted that, according to the previously selected Option 2 timeline, the public consultation (PC) is scheduled for July 2024. The member felt that certain topics, such as the scheme smallholders, need further clarification. Additionally, there are ongoing issues related to the quantification of the HCV part, particularly concerning social remediation and compensation. Clear guidance on these matters is important to ensure when the final version of the document is launched, it is practical, applicable, and suitable for audit purposes. <ul style="list-style-type: none"> <li>○ The Secretariat requested that the WG would consider revising the timeline. The RSPO Smallholder Unit is also examining the implementability of the RaCP, particularly the ISH applicability in V2. Feedback from RSPO regional managers has highlighted the need for further discussion and practical feedback from on-the-ground representatives regarding the implementation of RaCP. Regarding the missing content on compensation mechanisms, the Secretariat has some ideas but seeks feedback from the users (smallholder group) to refine them. Thus, requesting consideration for a later date for the PC to allow getting feedback. The focus is also on implementability and avoiding burdens on smallholders when it comes to the mechanisms.</li> </ul> </li> <li>● A member questioned what the alternative would be. If the PC is undertaken now according to the original timeline, which aimed for the RaCP V2 document to be released during the RT, they raised concerns that if members begin using and documenting based on the new version, any necessary updates within a year or two due to changes in the P&amp;C and the <i>prisma</i> system could create complications. The member asked whether these potential</li> </ul>	

No.	Agenda	Action
	<p>complications, where documentation might need to be revised to align with the updated version, would be acceptable.</p> <ul style="list-style-type: none"> <li>● A member questioned whether it is essential to publish the entire RaCP V2 for PC or if it would be possible to release only the parts that are ready, with the remaining sections to be released at a later date. The member also pointed out that since the new P&amp;C will be endorsed in November, it will include indicators referring to the RaCP. However, members may not fully understand what they are voting for if the RaCP is endorsed later. Typically, members would want to have some idea of what they are voting on, thus it makes it challenging if the reference is to a soon-to-be outdated RaCP. The member highlighted the importance of having at least a version of the new RaCP available so that people know what to expect. Another member echoed the suggestion, proposing that an interim version of the RaCP be released now. They emphasised that critical issues, such as HCS, should be included in this interim version.</li> <li>● In regard to the interim version, a member questioned whether it would require a PC and if this would lead to another PC two years later. They expressed concern that this could be confusing for grower members using the RaCP. Additionally, the member noted that conducting multiple PCs would require significant effort from the WG and Secretariat. They suggested that, for the interim version, it might be more efficient to direct it to the 2018 P&amp;C to address key changes to minimise the need for a PC.</li> <li>● It was suggested that the Secretariat review and assess what is available in the RaCP V2 and if the changes are significant. If the changes are deemed minor, they should be documented, and a proposal should be presented to the SSC for approval to proceed without a PC. If the SSC approves, the version can be released. It was also noted that any changes will ultimately need SSC approval. A member emphasised that the whole basis for RSPO is to have consultations but agreed with the previous suggestion to first address the matter with the SSC.</li> <li>● A concern was raised about the absence of a public consultation and a request was made to check from the ISEAL perspective whether there are any requirements for interim changes that do not involve an official document.</li> <li>● Another comment was made regarding the social part, noting that there has often been insufficient space for discussing these parts in the past. Therefore, before considering PC, there must be a</li> </ul>	

No.	Agenda	Action
	<p>consensus within the BHCVWG on how to address the social section. Without consensus at the WG level, moving forward with PC would likely result in significant criticism. It is important to achieve an internal agreement before proceeding to public consultation.</p> <ul style="list-style-type: none"> <li>● The member also inquired about the next steps, asking if the suggestion is for the secretariat to produce a version for review that outlines major key changes and clarifies what will not be included. They sought confirmation on whether this interim version would still aim to meet the November timeline.</li> <li>● The Secretariat noted that they will prepare a document to identify which components/sections are agreed upon and which are still under development. This document will label the components to be included in the public consultation. The next step as suggested earlier would be to present this to the SSC to determine if a PC is needed or if it should be postponed. Additionally, before the next meeting, the document will be circulated via email to allow everyone in the WG to provide feedback.</li> </ul>	<p>Secretariat to draft and circulate a document identifying agreed and pending sections of the RaCP for WG feedback.</p>
3.	<p><b><u>Confirmation of MoM and a brief update on the BHCVWG action tracker</u></b></p> <ul style="list-style-type: none"> <li>● The minutes (MoM) of the 50th meeting (29 February 2024) were presented to the members by the RSPO Secretariat. The minutes were accepted with no amendments and/or objections.</li> <li>● The Secretariat provided an update on the ongoing BHCVWG activities. <ul style="list-style-type: none"> <li>I. <i>Timeline for RaCP V2.</i> The Secretariat to identify/label the components that are ready for public consultation and circulate within the WG for feedback. This will be followed by presenting to the SSC to determine the next steps.</li> <li>II. <i>Scheme smallholder study (Resolution GA18-2d)</i> Phase 1 study to be presented in the meeting.</li> <li>III. <i>ToR for the evaluation of remediation and compensation plans.</i> To be presented in the meeting</li> </ul> </li> </ul>	



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	<p>IV. <i>ToR on HCV-HCSA management and monitoring (M&amp;M)</i> The ToR is currently being revised following the feedback/suggestion provided by the WG from the previous meeting.</p> <p>V. <i>Guidance on steep slopes and fragile and marginal soil management</i> To be presented in the meeting.</p> <p>VI. <i>HCVN: updating information over time</i> HCVN to present in the meeting and address feedback provided by the WG on the draft paper that was circulated previously.</p> <p>VII. <i>Undisclosed land clearing issue</i> Integrity will prepare the draft proposal and present it in the next working group (WG) meeting.</p> <p>VIII. <i>A system to update existing HCV assessment</i> This is temporarily put on hold as the Secretariat will be developing the digital platform in parallel.</p> <p>IX. <i>The options for Independent Smallholder (ISH) Final Compensation Liability (FCL)</i> The discussion was reassigned to the smallholder subgroup and has been completed.</p> <p>X. <i>RSPO-Monash Scientific symposium</i> The RSPO Impact team completed a symposium last year, followed by a research workshop with key researchers in the oil palm industry to refine the RSPO research agenda. This agenda outlines the priority research questions for moving forward. Feedback from the workshop has been incorporated into a second draft, which was recirculated for additional input, and the team is now working on Draft 3. The current draft focuses on several key areas, including questions about RaCP effectiveness and ways to enhance the process. It also addresses HCV M&amp;M, particularly for smallholders, and explores social HCVs and landscape-related work, including biodiversity indicators. Forward-thinking topics such as regenerative agriculture, circular economy, life cycle assessment (LCA), GHG emissions, and the effects of climate change are also included. Additionally, the research agenda</p>	

No.	Agenda	Action
	<p>covers aspects related to smallholder producers' markets, CSPO trends, and labour issues.</p> <p><i>XI. Review of BHCVWG ToR</i></p> <p>The ToR review will be conducted after we get clarity on standards and the relevant requirements that would require further deliberations by BHCVWG.</p>	
4.	<p><b><u>RaCP Monitoring &amp; Evaluation project</u></b></p> <ul style="list-style-type: none"> <li>● The session was presented by Cheryl and Roshan on the analysis of RaCP projects; the monitoring and evaluation (M&amp;E) of RaCP. The purpose of the presentation was to provide an update on the progress of this work.</li> <li>● This work is commissioned by RSPO's IMEL division, as RaCP is a high-risk profile work within the RSPO. Over the years, numerous RaCP projects have been approved, and the M&amp;E team seeks to monitor these projects and effectively communicate the outcomes and impacts of the RaCP.</li> <li>● The objective of this work is to develop an internal framework for the RSPO Secretariat to monitor approved RaCP plans. The approach includes: <ul style="list-style-type: none"> <li>○ Categorising and classifying the types of approved RaCP projects</li> <li>○ Tracking the implementation progress and outcomes/impacts of these approved projects.</li> </ul> </li> <li>● Currently, the Secretariat lacks the capacity to thoroughly review RaCP projects, as most plans are long and in PDF form. To address this, the Secretariat hired part-time contract staff member Roshan Khan last year, who is expected to conclude this work by June 2025.</li> <li>● There are 47 approved RaCP plans, and 20 have been analysed so far. The first half of the analysis focuses on digitising the approved plans, while the second half goes into the findings.</li> <li>● For the 20 analysed plans, strengths and weaknesses were identified, and data were collected on location, landscape, methods, and relevant HCVs. This information was then input into a spreadsheet. Of the 20 plans analysed, 19 are ex-situ compensation plans: 13 are ha to ha, 6 are ha to dollar, and one remains unknown (because only the RSPO evaluator's document was provided, not the full plan). Of the 20 approved plans</li> </ul>	

No.	Agenda	Action
	<p>analysed, 2 are for compensation only, while 18 are for both remediation and compensation. All 18 remediation plans focus on riparian buffer zones.</p> <ul style="list-style-type: none"> <li>● The compensation projects have been sorted into new categories to streamline understanding, as they are not identical. The RaCP project categorization is as follows: <ul style="list-style-type: none"> <li>○ <b>Ecological Restoration</b> This category includes projects focused on restoration efforts funded or conducted by the company, without emphasis on community participation.</li> <li>○ <b>Management, Education, and Community Monitoring</b> The majority of compensation projects fall under this category. These projects combine conservation efforts with community collaboration, education, and conservation initiatives.</li> <li>○ <b>Sustainable Livelihoods</b> Projects in this category have alternative livelihoods and/or community economic resilience. These projects tie into ecosystem services, focusing on sustainable components of community livelihoods while focusing more on economic activities within the area where the compensation project is implemented.</li> </ul> </li> <li>● The vast majority of RaCP projects (11 out of 20) are management, education, and community monitoring programs. Two projects were solely ecological restoration. Four projects balanced both ecological restoration and management, education, and community monitoring programs. Three projects combined management, education, and community monitoring programs with sustainable livelihoods.</li> <li>● The second half of this work focuses on the findings and their potential utilisation. By streamlining the data from these approved RaCP project plans, errors in the data can be identified. For example, discrepancies in the reported hectares between the plans and the information found in different parts of the RSPO system have been noted. This process will also improve public reporting of these plans on the RSPO website.</li> <li>● Additionally, the work involves digitising all the information from the RaCP documents (PDF Version), which will facilitate input into the <i>prisma</i> system moving forward. This will enable the Secretariat to track RaCP progress more consistently and allow the Impact Team to monitor it. The work also helps identify gaps</li> </ul>	

No.	Agenda	Action
	<p>within the system and data that need to be streamlined, ensuring that accurate information is captured within RSPO systems.</p> <ul style="list-style-type: none"> <li>● It was also noted that the public reporting of these plans online can be improved. For example, to standardise the formatting and publication of project summaries by including a length limit for executive summaries. This would address inconsistencies between summaries and public reporting.</li> <li>● Other general feedback on the findings includes that the plans have varying formats. While some are appropriately detailed and include all necessary information, others are excessively long, inconsistently formatted, and difficult to follow due to confusing organisation and missing key information, despite being based on the same template, Annex 8 (reporting RaCP). Thus, some suggestions for revisions to the RaCP template (Annex 8) are as follows: <ul style="list-style-type: none"> <li>○ Formatting Provide a length limit and section headers in the template including a cover page that specifies the year the document was published.</li> <li>○ Data on Place Require a clear description of the type of landscape and jurisdiction (country, province, municipality).</li> <li>○ Logical Framework Provide two separate templates for the logical framework: one for remediation and another for compensation. This will clarify the distinction between the two types of projects.</li> <li>○ Baseline for MEL Indicators Add a separate column in Annex 1 of the logical framework for 'associated baselines and milestones' to ensure projects state clear baselines.</li> </ul> </li> <li>● The next steps of this work include: <ul style="list-style-type: none"> <li>○ Continue digitising approved RaCP plans.</li> <li>○ Analyse trends by collecting the years the plans were published to sort by year and look for trends or patterns.</li> <li>○ Identify metrics for reporting of RaCP plans.</li> <li>○ Digitise monitoring reports to track the progress and impact of approved RaCP plans.</li> <li>○ Suggest improvements for RaCP annexes.</li> <li>○ Explore future work possibilities, such as digitising maps.</li> </ul> </li> <li>● Once the digitization work is completed, Roshan will start analysing trends, examining differences in reporting, and refining</li> </ul>	

No.	Agenda	Action
	<p>the categories of RaCP projects. Updates will be provided to the WG once this analysis is complete.</p> <p><i>Feedback/questions from the members:</i></p> <ul style="list-style-type: none"> <li>● A member asked if there was any justification for choosing 47 as the total number of plans to be analysed, questioning whether it should reflect all approved RaCP plans. <ul style="list-style-type: none"> <li>○ The Secretariat clarified that the 47 project plans represent the total number of approved RaCP projects to date, so it includes all the approved plans. The focus is on approved plans because they have already gone through the approval process, and the goal is to start monitoring their progress. There is another list of plans that have not yet been approved, which are not included in this work at the moment.</li> </ul> </li>   <li>● A question was raised regarding the 20 plans analysed, noting that 19 are ex-situ, yet the number of projects related to remediation is 18, which caused some confusion. The member assumed remediation to be in-situ. The second question was about the structure and reporting of the plans, noting that better organisation and presentation would be helpful. While acknowledging this as a good start, the member wondered if, at some stage, there would be a need to address the extent to which the values intended to be restored are achieved. The member asked what kind of information is considered critical across remediation plans to determine whether they are successful or not. <ul style="list-style-type: none"> <li>○ Roshan clarified that the 19 ex-situ cases refer to compensation plans, all of which are ex-situ, except for one that is unknown. The unknown case is due to only having access to the RSPO evaluator's document on the RaCP plan, and not the approved plan itself. From the high-level summary, the country where the project is taking place and its objectives were identified, which allowed to categorize it as either management-based, ecological restoration or sustainable livelihoods. However, despite closely reading the document, it was unclear whether the project was ha-to-ha or ha-to-dollar, and it was not specified whether it was conducted on-site or off-site.</li> <li>○ The Secretariat also noted that Roshan and the Secretariat team can develop a workflow and share it with the WG for review to ensure everything is covered.</li> <li>○ Additionally, it was highlighted that once Roshan finishes the analysis and digitization of all approved RaCP plans, she will start examining Annex 9, which contains the monitoring reports submitted to the RSPO. From the approved plans, the</li> </ul> </li> </ul>	

No.	Agenda	Action
	<p>team will identify the indicators and metrics that members have selected to monitor their progress. These will be checked with the monitoring reports to determine if the correct indicators are being used to assess whether the RaCP projects have been implemented.</p> <ul style="list-style-type: none"> <li>o It was also noted that Roshan can help with digitising maps. However, since the RaCP maps are provided by members, this might not be something to explore soon. In the future, the Secretariat hopes to consider obtaining these maps from members. The goal is to eventually present RaCP plans globally through a map. For future RaCP plans submitted, the Secretariat for example could suggest that members contribute to a specific area, potentially helping to connect conservation areas.</li> <li>● A member agreed with the suggested improvements for the RaCP and its annexes, noting that these changes could expedite the process when presenting results and summaries by having everything formatted upfront. Regarding future work possibilities, particularly digitising maps, the member pointed out that RaCP projects, especially those outside concession areas, sometimes involve large landscape projects where pinpointing specific locations can be difficult. Therefore, the Secretariat needs to understand what is feasible before starting the work. They cautioned against initiating the digitization of map plans only to later discover that it isn't possible. The member also highlighted that much of the remediation work is within concessions, and most concession maps are already available on the RSPO portal. Hence, it's important to define what is needed and crucial before proceeding.</li> <li>● A member sought further elaboration on the missing key information highlighted in the general feedback. <ul style="list-style-type: none"> <li>o Roshan clarified that out of the plans that were reviewed, two are missing the logical framework for their remediation projects and activities. The absence of this framework makes it challenging to understand the indicators and metrics used. Missing a logical framework for remediation while only providing one for compensation, especially for companies with remediation responsibilities, is considered critical missing information.</li> </ul> </li> <li>● It was questioned whether there are plans to make a summary of the finding's public at some point, as there may be many stakeholders interested in seeing such a summary.</li> </ul>	

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>o The Secretariat noted that for the impact side of things, they will not publish information about individual grower members' RaCP projects unless they have received explicit consent from those members. If a member agrees to share their information, the Secretariat might include a snapshot of it in their impact report. The impact team plans to aggregate the data. This approach is why they have worked on categorising the different aspects of the projects. The categorization process is still in its early stages, and once all 47 plans are digitised, the Secretariat will have a better idea of how to categorise them. Once the categorization is ready, this information will likely be included in impact reports to inform the public about the different kinds of projects that fall under the RaCP.</li> <li>• Additionally, following the earlier discussion about timelines for the RaCP procedures and the idea of releasing an interim version, it was noted that Roshan's presentation contained many good suggestions for improving the template and process. The group considered whether any of these improvements could be incorporated into the interim version or if it is a part of a longer-term plan. <ul style="list-style-type: none"> <li>o The Secretariat noted that this is not limited to the RaCP but could extend to other areas, including mapping. Roshan's analysis has revealed multiple sources of data entering the RSPO system, often done in a traditional, manual way. This manual handling increases the risk of misinterpreting data, particularly regarding maps, hectarage, locations, and localities. The Secretariat noted that it would be very tricky to circumvent if we stay with the status quo moving forward.</li> </ul> </li> <li>• A member noted the importance of clearly defining the purpose behind updating documents and processes related to RaCP. They also noted the Secretariat's hope for the <i>prisma</i> system but cautioned against seeking a perfect, fully finished system, as such a system doesn't exist. The member also highlighted that digital systems, by nature, need to continually evolve. They emphasised the need to be mindful not to put on hold the progress made over many years in updating guidance on critical issues like remediation just because a new system is being implemented. <i>Prisma</i> should be designed to allow new information and processes over time. It was also noted that RSPO's nature as a multi-stakeholder platform involves consultation, thinking, learning, and revising processes, and <i>prisma</i> must recognize and support this. Otherwise, the system would become obsolete and not practical to use.</li> </ul>	

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>o The Secretariat assured that they are not expecting <i>prisma</i> to resolve all issues. However, they expressed concern about the potential for contradictory components being set in documents, especially with the interim reviews or significant changes after November 2025 that the system might not allow for. They also acknowledged the point raised by the member about the importance of having the system evolve alongside the requirements of the documents and guidance.</li> <li>● A member suggested that the RaCP V2 draft be shared with Roshan so that she can review it and provide input based on the insights she's gained from her ongoing work on RaCP projects.</li> </ul>	
5.	<p><b><u>Review of the ToR for the evaluation of RaC Plan that is 5 years and more</u></b></p> <ul style="list-style-type: none"> <li>● The Secretariat presented the ToR for the evaluation which aims to help the Secretariat assess whether the approved RaCP plans and their associated activities or initiatives are being implemented effectively on the ground and whether they are meeting the intended criteria or targeted impacts.</li> <li>● Feedback was sought from the WG to ensure that all necessary aspects for the evaluation process have been captured in the ToR before proceeding with procurement. They also suggested that any missing elements could be addressed by taking cues from the gaps identified in the previous presentation.</li> <li>● It was noted that almost 50 RaCP projects have been approved, and Table 1 in the ToR lists the RaCP plans that are required to be evaluated. Given that the RaCP V2 timeline has shifted and the end of 2024 is approaching, the list will likely continue to grow. A disclaimer has been added to clarify that the list is not exhaustive. The Secretariat asked whether this information should remain in the ToR for informational purposes, or if it would be better to remove the table and replace it with a statement directing readers to the RaCP tracker on the RSPO website, as it is an evolving list. The members agreed with the latter option.</li> </ul> <p><i>Feedback/questions from the members:</i></p> <ul style="list-style-type: none"> <li>● A member noted that the first point in the objective is more about the scope rather than the actual objective. Since these are remediation and compensation plans related to HCVs, it is important to clearly state that the goal is to identify the impacts on HCVs. Without this focus, the evaluation might lack direction. The essential point is to determine whether the plans are helping to restore or compensate for the loss of HCVs. In the evaluation</li> </ul>	<p>Secretariat to replace the table listing RaCP plans with a statement directing readers to the RaCP tracker on the RSPO website.</p>



No.	Agenda	Action
	<p>approach section, it was mentioned that it's not clear whether point B, which discusses field verification, is about desk-based evaluation or actual field verification. The expectation for the scope of work should be explicitly stated. Additionally, the evaluation should address whether the plan was implemented as intended and, critically, whether it was effective in delivering its goals.</p> <ul style="list-style-type: none"> <li>● A clarification was sought regarding the mention of identifying gaps, whether it refers to gaps in completing the implementation plan or focuses on improving processes or practices. <ul style="list-style-type: none"> <li>○ The Secretariat clarified that the intention is to look at all gaps, including any challenges preventing members from initiating their projects. The goal is to use this platform to review whether the processes and projects are working as intended or if there are obstacles that are preventing them.</li> <li>○ However, the member also noted that simply conducting a gap analysis is not enough, knowing the next steps is crucial. The importance of the ToR should be in providing recommended solutions to address these gaps/particular problems, whether they are generic or context-specific solutions for different cases.</li> </ul> </li> <li>● A member emphasised that compensation plans are long-term commitments, spanning 20-25 years, not just 5 years. When assessing results or impact over a short period, like 5 years, it's essential to recognize that the initial goals may not yet be fully realised. On the ground, conditions and community dynamics can change. The important point is that companies involved in compensation need to note these changes, react accordingly, and adjust their plans while keeping the ultimate target or impact consistent. Based on the member's experience, the first 5 years are often the most difficult, primarily spent aligning all stakeholders, including communities and governmental agencies. Given the involvement of government bodies, which have their own agendas, companies must adapt while encouraging the government to align with the compensation objectives. The reality on the ground should be reflected in the evaluation, recognising the efforts made despite challenges, rather than discouraging members by focusing on perceived failures in the first 5 years.</li> <li>● It was noted that the RaCP procedure references the OECD guidelines, yet these guidelines are not reflected in the current ToR. The member questioned whether there was a specific reason for this omission. When the RaCP was previously established, it was acknowledged that companies might require more time to set</li> </ul>	

No.	Agenda	Action
	<p>up the initial implementation stages. However, there were still guidelines, such as the OECD guidelines, that companies follow regardless of the outcomes. The member suggested that the ToR should consider capturing the extent to which the OECD guidelines were followed, rather than just assessing the targeted outcomes, as there are many variables and dynamics involved.</p> <ul style="list-style-type: none"> <li>● A member sought clarification on whether there is a specific format for reporting on a 5-year basis, as currently, implementers of the RaCP report to the Secretariat annually using the Annex 9 format. <ul style="list-style-type: none"> <li>○ The Secretariat responded that they are not expecting reports beyond the 5-year mark to be submitted to the Secretariat. This reporting is intended for internal analysis and review to inform future improvements from a research perspective.</li> </ul> </li> <li>● A question was also raised regarding the scope of the evaluation, specifically about the 5-year report that will be approved by the Compensation Panel and the involvement of a third party for evaluation. The query sought to clarify whether this task was assigned to the growers or an external party. <ul style="list-style-type: none"> <li>○ The Secretariat clarified that an independent evaluator will be hired to conduct the evaluation. However, within the RaCP document, it is also stated that growers can opt out of this external evaluation if they have conducted their own. Nonetheless, a key comment received was that even if grower members have conducted their own independent evaluations, they should still submit their independent evaluation reports to the RSPO. This would allow the Secretariat's independent evaluator to review these reports and gain an overall view of them.</li> </ul> </li> <li>● It was highlighted that the purpose of this evaluation needs to be clearly communicated, especially to the growers, so they feel motivated to participate. A member noted that when reading the ToR, it can come across as an evaluation where growers need to get everything in order, however, the focus is more on learning and improving the guidance for the process. Therefore, it might be beneficial to reframe the scope of work and even rename the process. Additionally, if the purpose is learning, reflecting, and improving, the evaluation should not be limited to projects that have been implemented for more than 5 years. Problems and challenges evolve over time, including projects that are at different stages of implementation. Both older ones that pioneered the RaCP and more recent adopters, could provide a more complete view of where RSPO members currently stand in</li> </ul>	

No.	Agenda	Action
	<p>terms of implementation. It was also brought to attention that the Helen Newing study has already provided insights into its implementation. Since that study reached various conclusions, it's important to carefully consider the scope of this new study to ensure it complements, rather than duplicates the Helen Newing study.</p> <ul style="list-style-type: none"> <li>• A question was raised regarding the timeline for executing the project: should it wait until RaCP V2 is finalised, or proceed beforehand? Many agreed not to delay and to move forward, as this study is based on the existing guidance rather than the revised/new version of RaCP. The procedure has been in place for a long time, and it is deserving of analytical thinking on the struggles and successes encountered during implementation. The RSPO standards will continue to evolve, and processes cannot be stalled due to pending changes, as change is inherent to the system. A member also echoed this urgency, emphasising the value of reflecting on the current RaCP process before the release of the new version. This would provide insights into how things are progressing under the current procedure. However, it was noted that this could potentially complicate the development of the interim and subsequent versions. Nonetheless, the feedback gained from this study could be valuable for informing the longer-term timeline and the final version of RaCP V2.</li> <li>• The Secretariat requested members to provide feedback on the ToR by 19 August. Following this, the Secretariat will revise the document based on the feedback received and circulate the updated version. If there are no objections, the process will move forward to procurement. The aim is to prepare this in tandem with other feedback that will be presented at the SSC level, ensuring the WG presents a unified stance when all auxiliary methods are aligned for SSC consideration.</li> </ul>	<p>Secretariat to revise the scope of work based on feedback and rename the process.</p>
6.	<p><b><u>HCVN discussion paper on HCV changing values</u></b></p> <ul style="list-style-type: none"> <li>• The session was presented by Ruth Silva and Arie Soetjadi of HCVN, focussing on a discussion paper by HCVN that explores various options for addressing changes in HCVs and related information. The document was shared with the WG in February, and the Secretariat gathered and compiled the feedback received.</li> <li>• The document is not an official guideline from HCVN but provides thoughts to consider when addressing changes in HCVs over time. It is not intended to direct RSPO or other standards but rather to offer insights into how HCV changes might be managed. HCVN will produce an updated version incorporating feedback from this WG.</li> </ul>	

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>● The nature of HCVs is dynamic and subject to management conditions. The paper examines how growers should respond when their HCV systems change and note that HCV identification is an ongoing process. It should be informed by activities implemented on the ground whether through management or monitoring of HCVs.</li> <li>● There are various reasons why HCVs change and factors affecting their condition or location. The idea is how to document these changes, whether they are caused by natural or human activities.</li> <li>● HCVs are defined as critical resources, and several factors can affect their designation such as the socio-cultural dynamics of affected communities, advances in science/technology, Monitoring and Management (M&amp;M) and changing threats (e.g., land use change).</li> <li>● It was noted that it is crucial to understand when and how changes in HCVs are identified. Assessments are not required to be redone when changes are observed as the initial assessment serves to create a baseline. Instead, the changes should be documented through ongoing M&amp;M. The HCV M&amp;M plan and SOP must include activities and processes that document changes over time. This documentation should encompass changes in condition or location, changes in designation, and regular updates such as results from field verification and stakeholder engagement.</li> <li>● Things that need to be documented to determine if HCVs have changed include changes in land cover and threats, HCV/natural resource use, environmental HCVs (field data), and more. This information should then be compiled in one place, reflecting on its impact on the current HCV designation. An updated HCV map should be proposed, with a discussion on the validity of the new information. Credibility in collecting and documenting these changes can be enhanced by summarising consultation results and making reports available for public consultation for at least 60 days to gather broader feedback. Following that, it's important to translate the documented changes into updated maps and documents and share them with the relevant stakeholders.</li> <li>● Several key points of feedback and comments received regarding the document shared previously with the WG were addressed: <ul style="list-style-type: none"> <li>○ It was clarified that "Potentially Present" does not imply inaccuracy but is a criterion for designation when using the precautionary approach.</li> </ul> </li> </ul>	

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>o The report's maps, such as riparian areas on regional river maps, were discussed. HCVN will provide information for "validating HCV maps on the ground" as a first step in developing the HCV Management Plan.</li> <li>o There were concerns about villages and rubber plantations being misclassified as HCV areas. It was clarified that villages may qualify as social HCVs (HCV 5 &amp; 6); planted land may qualify as HCV 2 management areas (corridors for wide-ranging species): this just means management measures will be in place to ensure their maintenance.</li> <li>o The role of HCV information updates within the audit process was discussed. It was noted that the audit process could evaluate the data (collected/generated by the company), but this will require indicator(s) about M&amp;M documenting HCV changes to be included.</li> <li>o A clarification was provided regarding whether HCV information requires expensive third-party reviews and consultations. It was noted that while a credible system is essential, the need for third-party reviews depends on the context of the changes and the level of credibility desired for the process and its results.</li> </ul> <p><i>Feedback/questions from the members:</i></p> <ul style="list-style-type: none"> <li>• A question was raised regarding the RSPO P&amp;C, highlighting that in a previous discussion, it was mentioned that HCV changes are already covered by the HCV M&amp;M. The member noted that if HCV changes are fully addressed by the existing HCV M&amp;M, there may be no need for a specific procedure. However, if these changes are not covered, then establishing a specific procedure would be needed.</li> <li>o The HCVN Secretariat clarified that these issues emerge from growers' experiences, highlighting the need for specific indicators to guide auditors on why changes occur. Growers often find that paper maps do not accurately reflect on-the-ground conditions, leading to discrepancies that auditors flag. These inconsistencies may be due to differences between secondary database maps and on-the-ground maps, but there is no guidance in the standards on documenting these changes, leaving the audits to explain and justify to the auditors the discrepancies found. To address this, the document will include a statement emphasising the importance of validating maps on the ground after completing the report to resolve discrepancies. A mechanism should be established that allows auditors to confirm the accuracy and rationale between initial base maps and field maps, ensuring discrepancies are not mistaken for HCV destruction but are</li> </ul>	

No.	Agenda	Action
	<p>due to mapping differences. Furthermore, when HCV values change, such as a community no longer designating an area as HCV 5, there is no process in the RSPO standard for documenting these changes. The M&amp;M does not explicitly require documentation or mapping of such changes, leading to potential auditors flagging non-issues. Introducing specific indicators would help growers deal with these challenges and avoid complications during audits.</p> <ul style="list-style-type: none"> <li>● The Secretariat brought up a question raised by the internal team regarding the conversion of rubber plantations into palm oil plantations in Africa. Specifically, they asked whether such a conversion would be considered as clearing HCV areas, and if rubber plantations are classified as HCV 5. <ul style="list-style-type: none"> <li>○ The HCVN Secretariat responded by clarifying that the RSPO has specific requirements regarding what constitutes land clearing, which is not from the HCVN. Any abandoned plantation over three years is considered land clearing, similar to natural forest, and would need an HCV assessment as stated in the RSPO P&amp;C. Even plantations may have HCV values. Therefore, if clearing is planned, it is essential to assess whether HCV values might be impacted, particularly in regions where wide-ranging species could use large parts of these areas as part of their movement patterns.</li> </ul> </li> <li>● The Secretariat raised another question from their LATAM team regarding a grower who conducted an HCV assessment five years ago but was not applying for certification at that time due to cost constraints. Now that the grower feels they can afford the cost, they want to apply for certification and are asking if they can use the previous assessment results. <ul style="list-style-type: none"> <li>○ The HCVN Secretariat clarified that the question pertains to changes in HCVs and whether third-party assessments are required, noting that the decision is up to RSPO or the users of the approach. They mentioned that RSPO may still have a rule allowing the use of internal assessors for developments of 500 hectares or less, possibly from a footnote in the New Planting Procedure (NPP). The use of internal assessors is allowed, potentially because external assurance would be required anyway. For smaller developments, using internal assessors could still be permissible if there is. The Secretariat highlighted the requirements come from RSPO, not HCVN. If the plantation intends to follow the current RSPO P&amp;C, an HCV-HCS assessment is needed, not just an HCV assessment, which is the first challenge. The second challenge involves the fact that the HCV assessment is five years old. The grower</li> </ul> </li> </ul>	

No.	Agenda	Action
	<p>may face risks if HCV values have changed significantly over that period. The Secretariat acknowledged the cost concerns, especially for smallholders, and pointed out that there is an adapted HCV process allowing assessors to use an app to initially determine whether more detailed studies are needed based on the level of risk. They suggested the RSPO LATAM team guide the particular grower on the available mechanisms within RSPO that may be suitable for their scenario.</p> <ul style="list-style-type: none"> <li>● A member raised a question regarding scenarios where a community initially agrees to set aside an area as an HCV but later changes its mind, deciding instead to convert the area into their settlement or even a plantation. They inquired about how such situations should be managed, acknowledging that it might not be something that can be resolved soon but suggesting it as a consideration for future discussions on handling such situations. <ul style="list-style-type: none"> <li>○ The HCVN Secretariat clarified that in cases of social HCVs, it depends on changes in community perceptions regarding basic needs or cultural values, which may change over time. However, for environmental HCVs, the situation is different because changes in land ownership or community perception do not alter the presence of RTE species. Essentially, the information provided in the report is meant to support decision-making, but the report loses its value if the information does not accurately reflect the actual conditions on the ground.</li> </ul> </li> <li>● The RSPO Secretariat concluded the session by emphasizing that the HCV-HCSA system is continuously evolving, and it is crucial not to overlook this evolution. During the review of the standards held in the last task force meeting, the HCV and HCS assessments were a significant focus. The discussions highlighted existing gaps, challenges, financial implications, and how M&amp;E could be done. Following the dissolution of the task force, the Secretariat was tasked with examining the issues faced by growers and smallholders concerning HCV and HCS. From the discussion, it was evident that much of the focus is now on the operationalization of HCV and HCS, including aspects like monitoring and mapping. The HCVN Secretariat made an important point about discrepancies in maps, noting that the maps held by the Secretariat might differ from those on the ground or those used by auditors. This is where <i>prisma</i> presents an opportunity to streamline these issues, ensuring that members are not falsely accused due to inconsistencies and that there is a system for standardised data management. Moving forward, the Secretariat is exploring these</li> </ul>	

No.	Agenda	Action
	<p>gaps and processes. This ongoing work could inform the revision of the ToR and contribute to shaping future activities. The information gathered will be important in guiding the direction of the RSPO standards and ToR-related initiatives. This might be something to consider when revising the ToR after reviewing the standards.</p>	
7.	<p><b><u>Review of the different scenarios in which the RaCP reprieve related to Resolution 18-2d is applicable</u></b></p> <ul style="list-style-type: none"> <li>● The session was presented by Jules and Dillon of PT Hijau Daun, focusing on the review of different scenarios in which the RaCP reprieve related to Resolution 18-2d is applicable, specifically focussing on their conclusions for Phase 1 and Deliverable 1. In total, there are three deliverables, with the last being the final report on the overall findings for the reprieve and RaCP procedural steps related to scheme smallholders.</li> <li>● The findings of the study would be centred on the scheme smallholder arrangements across 14 different countries included in the study, which includes highlighting the challenges faced under the RaCP, and how these scheme smallholders are grouped, based on prior studies conducted by RSPO. Additionally, recommended options for the reprieve will be provided.</li> <li>● The ToR of the study had three main objectives: to investigate the types of scheme smallholders that exist in the 14 selected countries (Latin America, Asia Pacific, and Africa), to identify the roles and responsibilities of growers in supporting scheme smallholders to fulfil RaCP requirements, and to explore mechanisms that can be developed to help scheme smallholders comply with these requirements.</li> <li>● Phase 1 involved an extensive literature review, including the RSPO report “Towards a Profiling System for ISH and Medium Scale Growers.” This document guided the analysis, along with interviews conducted with RSPO growers from 14 countries. The goal was to understand the structure of the industry in each country and provide recommendations, leading to Deliverable 1, the draft report. Phase 2 will focus on strengthening and justifying the reprieve options and suggesting procedural steps for scheme smallholders in the RaCP.</li> <li>● The findings on smallholder arrangements were divided into independent smallholders (ISH) and scheme smallholders. It was noted that to be categorised as scheme smallholders, they must be or will be, recognized as scheme smallholders in the grower’s</li> </ul>	



No.	Agenda	Action
	<p>certificate. This means that in the certificate, the smallholder will be identified as a scheme smallholder, and they must also fit the RSPO's definition of scheme smallholders</p> <ul style="list-style-type: none"> <li>● Out of the 14 countries studied, only six—Guatemala, Honduras, Ghana, Indonesia, Malaysia, and Papua New Guinea—have scheme smallholders. Therefore, the likely focus of Phase 2 of the study will be on these countries, where more detailed information on scheme smallholders can be obtained.</li> <li>● Based on the RSPO report, smallholders are categorised into three groups: managed and supported smallholders under the scheme category, and grouped smallholders under the independent category. The consultant sees benefit in continuing with the categories already proposed by RSPO, rather than creating new ones. From the findings of the study, the consultant mapped the smallholder arrangements into these three categories: <ul style="list-style-type: none"> <li>○ <b>Managed smallholders</b> are found in Malaysia, Indonesia, Ghana, and Guatemala.</li> <li>○ <b>Supported smallholders</b> are present in Papua New Guinea, Indonesia, and Honduras.</li> <li>○ <b>Grouped smallholders</b> are identified in Malaysia, Indonesia, Thailand, Cameroon, Ivory Coast, Ghana, Costa Rica, Ecuador, Guatemala, and Honduras.</li> </ul> </li> <li>● Phase 1 of the study identified two main challenges for RaCP: technical and financial capabilities. On the technical side, growers reported needing experts for tasks like LUCA, creating concept notes, and compensation plans, which scheme smallholders cannot handle without assistance from growers, indicating a significant gap in technical capabilities. Financially, RaCP is expensive, and smallholders cannot afford the costs involved. The consultant noted that if companies cover these RSPO requirements, the costs could be passed down to scheme smallholders. This would likely occur through deductions when smallholders deliver FFBs to the mills, where management operational costs are taken out, meaning scheme smallholders would end up repaying these expenses to the companies.</li> <li>● The financial comparison between the scheme and independent smallholders was presented, focusing on their compliance with RSPO requirements and the benefits they receive from RSPO certification.</li> </ul>	

No.	Agenda	Action																		
	<table border="1"> <thead> <tr> <th data-bbox="384 259 587 300">Compliance to RSPO requirements and benefits</th> <th colspan="2" data-bbox="587 259 1070 282">Smallholders Arrangements</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 300 587 416">Remediation and Compensation Procedure</td> <td data-bbox="587 282 834 416">Independent smallholders Interim measures for ISH RaCP applied: Disclosure of NCLC LUCA supported by RSPO</td> <td data-bbox="834 282 1070 416">Scheme smallholders Full RaCP compliance, assisted by growers.</td> </tr> <tr> <td data-bbox="384 416 587 488">HCV assessment</td> <td data-bbox="587 416 834 488">Simplified Combined HCV-HCS Approach (in development). Interim measures applied while the approach is being developed.</td> <td data-bbox="834 416 1070 488">Full HCV assessment, assisted by growers.</td> </tr> <tr> <td data-bbox="384 488 587 524">RSPO Certification Standard</td> <td data-bbox="587 488 834 524">RSPO Independent Smallholders Standards 2019.</td> <td data-bbox="834 488 1070 524">RSPO Principle and Criteria 2018.</td> </tr> <tr> <td data-bbox="384 524 587 560">Applicable support for certification provided by RSPO</td> <td data-bbox="587 524 834 560">RSPO Smallholders Support Fund (RSSF)</td> <td data-bbox="834 524 1070 560">Grower assisted.</td> </tr> <tr> <td data-bbox="384 560 587 618">RSPO Premiums</td> <td data-bbox="587 560 834 618">Received full benefits, either through physical sale or Book and Claim system.</td> <td data-bbox="834 560 1070 618">Little to no premiums (more data needed*).</td> </tr> </tbody> </table>	Compliance to RSPO requirements and benefits	Smallholders Arrangements		Remediation and Compensation Procedure	Independent smallholders Interim measures for ISH RaCP applied: Disclosure of NCLC LUCA supported by RSPO	Scheme smallholders Full RaCP compliance, assisted by growers.	HCV assessment	Simplified Combined HCV-HCS Approach (in development). Interim measures applied while the approach is being developed.	Full HCV assessment, assisted by growers.	RSPO Certification Standard	RSPO Independent Smallholders Standards 2019.	RSPO Principle and Criteria 2018.	Applicable support for certification provided by RSPO	RSPO Smallholders Support Fund (RSSF)	Grower assisted.	RSPO Premiums	Received full benefits, either through physical sale or Book and Claim system.	Little to no premiums (more data needed*).	
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	<ul style="list-style-type: none"> <li>● Four different options for the RaCP reprieve were provided: <ul style="list-style-type: none"> <li>○ <b>Option 1 Total Reprieve:</b> Scheme smallholders are not subjected to the RaCP 2015 requirements. <b>Outcome:</b> No RaCP The consultant does not recommend this option because there is no way for scheme smallholders to get certified if they don't go through RaCP.</li> <li>○ <b>Option 2 Partial Reprieve:</b> Independent smallholders are subjected to the RaCP through the ISH RaCP mechanism. <b>Outcome:</b> ISH RaCP Recommended only for grouped smallholders, as they fit well within the ISH category.</li> <li>○ <b>Option 3 Partial Reprieve:</b> Scheme smallholders are still subjected to RaCP requirements through a new mechanism. <b>Outcome:</b> New procedural steps of RaCP for scheme smallholders Recommended for supported smallholders, where a new, simplified mechanism will be discussed with RSPO and developed further.</li> <li>○ <b>Option 4 No Reprieve:</b> Scheme smallholders are subjected to the full requirement of the RaCP through the RaCP 2015. <b>Outcome:</b> RaCP 2015, with recommendations of providing incentives to growers for supporting their scheme smallholders. Recommended for managed smallholders, as growers are fully supporting the scheme smallholders, and the scheme smallholders are contracted to sell the FFB to a single mill only.</li> </ul> </li> <li>● The consultants also provided recommendations based on problem statements identified through their surveys. The problem statements include:</li> </ul>																			

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>o For SS cost of getting and remaining certified are huge and these appear to be inconsistent with the risks involved.</li> <li>o Smallholders are reluctant to participate in remediation and compensation activities</li> <li>o Growers are usually forced to take on scheme smallholders.</li> <li>o Excessive compliance requirements and costs to address minor issues</li> </ul> <ul style="list-style-type: none"> <li>● In the next step of the study, the consultant will develop procedural steps for scheme smallholders' RaCP and will conduct interviews with smallholder cooperatives, companies, and scheme smallholders to verify the implementability of these steps. A financial analysis will also be conducted with both growers and scheme smallholders. Finally, the consultant will finalise the findings and recommendations related to the RaCP procedural steps for scheme smallholders.</li> </ul> <p><i>Feedback/questions from the members:</i></p> <ul style="list-style-type: none"> <li>● A question was raised about whether any scheme smallholders were found to not own the land they farm on. <ul style="list-style-type: none"> <li>o The consultant responded that scheme smallholders typically have land titles. According to growers, owning the land is a requirement for smallholders to be part of the company. In cases where smallholders do not initially own the land, such as in Indonesia, the company often provides assistance to help them obtain land titles.</li> </ul> </li> <li>● It was questioned whether the hectare thresholds are consistent across the different smallholder categories. <ul style="list-style-type: none"> <li>o It was clarified the same threshold is used. For scheme smallholders, the limit is 50 hectares per individual. In Latin America, for example, there are outgrower schemes that involve various growers with different land sizes. These schemes do not fit into the scheme smallholder category because some participants have more than 50 hectares of land.</li> </ul> </li> <li>● Clarification was asked on the most distinct difference between supported and grouped smallholders. <ul style="list-style-type: none"> <li>o It was clarified that the key difference is that supported smallholders have some form of agreement with the mill, while grouped smallholders do not. Supported smallholders are often contracted to sell their produce to a specific mill, whereas grouped smallholders can sell to any mill they choose and are not obligated to sell to the mill providing support.</li> </ul> </li> </ul>	

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>● A member noted that in Indonesia, there is a scheme where the land belongs to the government and is not specifically owned by individual smallholders. The question was whether this would be categorised as managed or supported. <ul style="list-style-type: none"> <li>○ The consultant responded that this situation could fall into either category, as both managed and supported smallholder arrangements exist in Indonesia. They also noted that further understanding of these arrangements will be done in Phase 2, where they will speak with companies and scheme smallholders to determine the exact category.</li> </ul> </li>   <li>● It was brought to attention that in some cases, smallholders might not have a formal contractual arrangement with mills but are geographically restricted, meaning they are effectively obligated to sell to a designated mill due to logistical reasons. This situation raises questions about how to classify such smallholders. <ul style="list-style-type: none"> <li>○ The consultant noted that these smallholders would still be considered Independent Smallholders because they do have the option to sell to other mills, even though those options might be farther away.</li> <li>○ A member also added that logistical considerations are a minor part of it. If a smallholder is dissatisfied with a nearby mill's payment method, they can choose to sell to a mill that is further away. The main factor is whether there is any formal assistance or contractual obligation provided by the mill. The classification of smallholders depends more on the level of support and contractual relationships they have with the mill.</li> </ul> </li>   <li>● A member asked for clarification on whether the definitions are to be discussed and intended to be adopted into the RSPO's definitions. They also inquired about how this smallholder categorization reflects field conditions and to what extent is needed to accommodate these realities and recommend actions for RSPO and other requirements. <ul style="list-style-type: none"> <li>○ The Secretariat clarified that the study has not yet been compared against scheme smallholders. The aim is to understand the extent of support provided by mills to scheme smallholders, which may influence their ability to undertake remediation or compensation. Therefore, the Secretariat wants to understand the different types of engagement concerning scheme smallholders.</li> <li>○ The consultant noted that the reprieve options are dependent on these smallholder groups. The final recommendations will include options for reprieve, which will be tied to the groups. Definitions of these smallholder categories will need to be adopted by RSPO to determine appropriate reprieve</li> </ul> </li> </ul>	

No.	Agenda	Action
	<p>measures. This discussion will take place with RSPO once the final deliverables are available.</p> <ul style="list-style-type: none"> <li>● It was emphasised that there is a need to clarify the definitions and their relationship to the definitions in the RSPO's ruling documents. Even if it means using parentheses, for example, noting that "group or managed" equals "scheme". Without this clarity, the useful recommendations may become confusing if they don't translate into the definitions used in the standards.</li> <li>● A question was raised regarding the RaCP challenges, specifically about the HCV-HCS assessment required for remediation and compensation under RaCP. It was noted that the HCV-HCS assessment is not required for RaCP and thus would not be added to the cost of RaCP implementation. If the goal is simply to identify and protect HCVs, a simplified mechanism might suffice, avoiding the full HCV-HCS assessment. <ul style="list-style-type: none"> <li>○ However, the consultant clarified that for scheme smallholders seeking certification, the RaCP 2015 requires an HCV assessment. This assessment is crucial for disclosing non-compliant land clearance and closing the period of liability. Therefore, HCV assessment is important to begin the RaCP, as it ensures that liability is properly addressed.</li> </ul> </li> <li>● The previous point was echoed, emphasising the importance of having clarity on the scope of the challenge and its related aspects. Several prerequisites must be met before a scheme undergoes certification, including various processes. Although there is a link between the RaCP and HCV assessments, companies may declare a moratorium and set a date for certification. They might conduct the assessment immediately, wait for a subsidy from RSPO or decide to invest in the study. While the cost of the assessment is unavoidable, it doesn't necessarily have to be incurred immediately. However, this study is focused on understanding RaCP, not the entire challenge of certification. If the study were to go beyond, it should cover all types of studies that are needed and that may represent the challenges. <ul style="list-style-type: none"> <li>○ The consultant agreed, noting that their scope does not include the cost of certification. Nonetheless, they believe that the HCV assessment should be part of this study.</li> </ul> </li> <li>● A member noted that, concerning the financial position of scheme smallholders, if they receive only partial financial assistance, there is likely no RaCP compliance or assistance from the growers. This situation should be marked as a distinct category. In contrast, fully</li> </ul>	

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	<p>funded scheme smallholders are more likely to be assisted by the growers.</p> <ul style="list-style-type: none"> <li>• A member suggested sharing the RaCP V2 draft with the consultant, so they are informed about all the discussions that have taken place in the WG.</li> </ul>	<p>Secretariat to share RaCP V2 draft with the consultant.</p>

## Day 2

No.	Agenda	Action
1.	<p><b><u>Summary of the Steep Terrain Conservation &amp; Management in Oil Palm Plantations: Minimising Risk of Soil Erosion Webinar Series</u></b></p> <ul style="list-style-type: none"> <li>• The Secretariat provided an update on the guidance for steep slope conservation and management, which is currently in the draft development stage.</li> <li>• In June, three webinars were conducted to gather information and feedback from participants, specifically consulting with experts on the subject. These webinars presented ideas related to managing steep terrain, and the information and recommendations from these expert discussions are being integrated into the draft guidance.</li> <li>• The Secretariat summarised the input from the webinars. Key elements include: <ul style="list-style-type: none"> <li>o Rationale for steep terrain conservation and management.</li> <li>o Steep Terrain Conservation and Management Framework. <ul style="list-style-type: none"> <li>– This framework guides an overall approach to managing steep slopes by first looking at the landscape perspective. It highlights the importance of assessing factors such as rainfall and precipitation. The management of steep terrain involves balancing three key factors: topography, vegetation, and soil. These factors influence soil loss, which can be used to estimate soil degradation.</li> </ul> </li> <li>o Assessment of topographic factor</li> <li>o Assessment of soil factor</li> <li>o Assessment of climatic factor</li> <li>o Qualitative approach</li> <li>o Quantitative approach</li> <li>o Conservation plan: choices of vegetation</li> <li>o Management plan: 7 measures</li> </ul> </li> </ul>	

No.	Agenda	Action
	<ul style="list-style-type: none"> <li>– These measures include cover cropping, mulching, terracing, contour planning, sediment trap and hillside protection</li> <li>o Annexes</li> </ul> <p><i>Feedback/questions from the members:</i></p> <ul style="list-style-type: none"> <li>● It was emphasised that a clear definition of steep terrain is needed, to ensure it is aligned with country-specific references.</li> <li>● A member noted that during the February WG meeting, several key questions were identified that required expert input as the WG lacked the necessary expertise. The member asked if the Secretariat felt that the recent webinars had addressed these questions, for example, the vegetation types, specific species that might be used, etc. They wanted to know if these issues were resolved or if further expert consultation would be necessary for certain parts of the guidance document. <ul style="list-style-type: none"> <li>o The Secretariat clarified that the webinar process was carefully designed with guiding questions provided to experts to align their input with the current draft. The expert presentations and inputs have generally met the requirements, and much of this information has been integrated into the current draft. However, for topics like vegetation, while experts did provide specific recommendations, these were often very specific, such as suggesting certain species to protect steep slopes. This specificity poses a challenge as these recommendations may not be applicable across different regions. The Secretariat is considering whether to include specific species or to focus on broader principles that guide the choice of vegetation based on what is locally available. From previous WG meeting feedback and expert recommendations, it is clear that local vegetation needs to be considered. For more technical issues like soil, the expert information is precise and can be used, but for vegetation, additional analysis will be needed.</li> </ul> </li> <li>● Regarding cover crops, it was suggested to provide a recommended list rather than fixating on specific options, as new species may be discovered to be more effective for erosion control. The idea is to keep the guidance flexible and more like a suggestion rather than prescriptive. Another member echoed this point, emphasising that the guidance should not be overly prescriptive since it is meant to be general. Vegetation and biodiversity can vary significantly across different locations, so the guidance needs to accommodate those differences.</li> <li>● Another member noted that Mucuna is an example of a commonly used cover crop, but it is an invasive species, and should be carefully considered, especially in ecologically sensitive</li> </ul>	

No.	Agenda	Action
	<p>areas. Based on a grower member's observation, this cover crop can be beneficial as it grows quickly and provides good coverage for the soil surface. However, Mucuna can also pose risks. In some cases, it has grown excessively and covered other trees in the area, eventually killing them. This highlights the importance of managing Mucuna carefully when used on steep slopes. The guidance could include a note advising that if Mucuna is used as a cover crop, it should be managed properly to prevent it from growing excessively and harming other vegetation.</p> <ul style="list-style-type: none"> <li>● A member emphasised the importance of not being overly specific in the procedure and guidance. They highlighted that while certain actions, like the use of fire, are generally prohibited under RSPO, exceptions are made when such actions are approved by the government and properly controlled. Similarly, with Mucuna, although it is an invasive species, it can be beneficial in specific contexts, such as helping the propagation of certain trees. The member stressed that the guidelines should not be overly prescriptive but instead be clear in identifying and providing suggestions for managing high-risk or dangerous areas.</li> <li>● It was also brought to attention that this guideline is to guide growers on remediation on steep slopes and most times, slopes are already stabilised with existing vegetation there. The guidance should not suggest that all vegetation must be changed just to meet the requirements, as that could defeat the purpose of the guidance.</li> <li>● A member also noted to refer to existing HCV documents by HCVN, especially for HCV 4, which is related to steep slopes.</li> <li>● The Secretariat sought further feedback on the current draft document, which has already been circulated via the meeting pack.</li> </ul>	
2.	<p><b><u>P&amp;C and ISH standards structure walkthrough</u></b></p> <ul style="list-style-type: none"> <li>● The Secretariat conducted a walkthrough of the revised standards for both P&amp;C and ISH. Comments and feedback from members were collected and organised into a live document (Note: Feedback was gathered as a group rather than from individuals. Individual or organisational comments were also welcome but submitted separately into the live document).</li> <li>● The Director of Standards and Sustainability provided a brief update on stakeholder engagement processes.</li> </ul>	The Secretariat to ensure that all comments and feedback are



No.	Agenda	Action
	<ul style="list-style-type: none"> <li>Due to time constraints, the walkthrough of the revised standards will be continued at a later date.</li> </ul>	<p>captured in the live document.</p>
3.	<p><b><u>AOB</u></b></p> <ul style="list-style-type: none"> <li>It was proposed to have the BHCVWG meetings in the coming month, conducted virtually, to discuss the remaining indicators in the standards and provide updates on the RaCP.</li> <li>Additionally, a hybrid meeting is proposed closer to the RSPO RT period in November.</li> </ul>	<p>The Secretariat will send out a doodle poll to select dates for these upcoming meeting</p>
4.	<p><b><u>End of meeting</u></b></p> <p>The co-chairs and the RSPO Secretariat thanked all the members for their participation in the meeting, and the meeting was adjourned.</p>	