

**RSPO**

Roundtable on Sustainable Palm Oil

# RSPO P&C 2018

Frequently Asked Question



Version 1.0  
October 2018

No	Keyword	Question	Answer
1.	Process	How does the selection of the members of the TF been done?	<p>The P&amp;C Review Taskforce (TF) was established to undertake the detailed standards review. The Task Force shall comprise of a balanced (50/50) representation between growers and the supply chain (including the NGOs). The total number must be manageable, practical and realistic. The RSPO Board member(s) representing each category shall be requested to nominate their Substantiate and Alternate representatives to be on the Task Force. The Steering Group (SG) will evaluate the submissions and make the final decision on the final composition of the TF.</p> <p>The TF will be made up of representatives of the different stakeholders with an interest in palm oil and will have 24 members divided between the following interest groups:</p> <ul style="list-style-type: none"> <li>● Palm oil producers – 12 members including representatives of owners and managers of large plantations and their associations, smallholder growers and their associations. Members will be drawn from Malaysia (3), Indonesia (3), Rest of the World (3) and the Smallholder and Outgrower (3).</li> <li>● Supply chain and investors – 6 members including representatives of processors, refiners, traders, manufacturers using oil palm, retailers and financial institution.</li> <li>● Non-governmental Organizations (NGOs) – 6 members comprised of 3 from national and international environmental/conservation NGOs and 3 from social NGOs/civil societies.</li> </ul>
2.	Process	Where can I see the Terms of Reference of the Review TF?	<p>The ToR of the Taskforce can be found in this link <a href="https://www.rspo.org/principles-and-criteria-review#tor">https://www.rspo.org/principles-and-criteria-review#tor</a>.</p>
3.	Process	What is the role of the TF?	<p>The role of the Review Taskforce is explained in detail under the Section 3 of the P&amp;C Review Taskforce Terms of Reference. <a href="https://www.rspo.org/principles-and-criteria-review#tor">https://www.rspo.org/principles-and-criteria-review#tor</a>.</p> <p>One can also see the meeting procedures for the P&amp;C Review process in the same link as above.</p>
4.	Process	What is P&C Steering Group? What do they do?	<p>The Steering Group provides oversight to the overall review process, including but not limited to assurance, that correct process is followed as outlined in the RSPO Standard Operating Procedure for Standard Setting and Review (June 2017). SG will also be expected, where deem</p>

			required, to develop recommendations for resolution should there be deadlock during the review process.
5.	Process	How is decision making process done during the review process?	The TF will aim to make decisions by consensus and may also define criteria to determine when alternative decision-making procedures can come into effect. To achieve consensus in practice requires all members to be prepared to listen carefully to the views of others and, wherever they are able to, to actively seek compromises which will allow agreement. TF members (or their representatives) need to commit to attendance at physical meetings in order to achieve consensus.
6.	Process	What happen if the members in the TF unable to reach consensus?	If consensus is not reached on any specific issue or criteria in standard development, the Chair of the TF may declare a deadlock and invoke the alternative decision-making mechanism as per RSPO SOP for Standard Setting.
7.	Process	Has the revision process followed best practice? How?	The revision process has met best practices as required by ISEAL. Two 60-day public consultations have been conducted and ten face to face meetings have been held in Malaysia, Indonesia, Thailand, Europe, Latin America, Africa and USA. Draft documents in English, French, Thai, Spanish and Bahasa were made publicly available. Six Task Force meeting have been held throughout the process (estimated total time spent of 12,000 man-hours in discussion and deliberation).
8.	Peat	What is the classification of peat soil?	<p>The generic RSPO definition of Peat soil is as follows:</p> <p>“Histosols (organic soils) are soils with cumulative organic layer(s) comprising more than half of the upper 80cm or 100cm of the soil surface containing 35% or more of organic matter (35% or more Loss on Ignition) or 18% or more organic carbon”</p> <p>However, countries may adopt a separate national definition by going through the NI process. Current countries with a separate national definition are Malaysia &amp; Indonesia.</p> <p>For more details refer to the following link:  <a href="https://www.rspo.org/principles-and-criteria-review/revision-of-rspo-organic-and-peat-soil-classification">https://www.rspo.org/principles-and-criteria-review/revision-of-rspo-organic-and-peat-soil-classification</a></p>
9.	Peat	Does the new standard allow new planting on peat?	<p>The new P&amp;C 2018 does not allow any new development on peat regardless of depth, after 15<sup>th</sup> November 2018.</p> <p>All new developments by RSPO members are required to go through the NPP process, in which any peatlands identified within those areas cannot be developed and must be conserved.</p>

10.	Peat	What safeguards are in place for re-planting on peat?	<p>Drainability assessment to quantify current and future risks of increased flooding in existing planting on peat, prior to replanting is strictly required.</p> <p>Should the flood risks be found to be high, assessment result showing the drainability limit will be reached within 40 years or two crop-cycles, whichever greater, a phase out plan is to be developed for rehabilitation back to a natural state, or implementation of alternative forms of utilization, such as paludiculture, should be in-place.</p> <p>Rehabilitation and management of these phased-out areas are to be done according to the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2'.</p>
11.	Peat	What is drainability assessment and why is it required?	<p>Peatland subsidence has proven to create long-term challenges for continued agriculture due to inevitable land subsidence, leading to a lowering of the land surface, whereby natural drainage by gravity cannot occur, often increasing flood risk. These impacts give rise to considerable economic, societal, and environmental impacts.</p> <p>The drainability assessment is an assessment that predicts the drainage limit of a said area and the amount of years it would take to reach that limit based on the area's historical subsidence rate (assuming BaU). This is to avoid extensive loss of land and/or costly initiatives to mitigate the social and environmental impacts caused by peatland subsidence. It is hence important for long-term planning for peatlands.</p>
12.	Peat	When drainability assessment is required?	Drainability assessment is required to be conducted at least 5 years prior to replanting their existing plantations on peat and plan for phasing out and rehabilitation of the area IF results indicate the limit will be reached in 40 years or two-crop cycles, whichever is greater.
13.	Peat	Where can I find information on how to conduct drainability assessment?	A drainability assessment guideline will be included within the upcoming RSPO Manuals on Best Management Practices (BMPs) for Existing Oil Palm Cultivation on Peat, Version 2, to be published January 2019.
14.	Peat	How is this new requirement on peat applicable to smallholder context?	<p>Requirements for smallholders should follow the new SH standard which will be adopted in the near future.</p> <p>The Peatland Working Group (PLWG) is to develop applicable BMP guidelines for smallholders for management of existing plantations cultivated on peat jointly with respective smallholders working group or taskforce.</p>

15.	No deforestation	What is High Carbon Stock Approach (HCSA)?	<p>HCSA is a methodology that distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values that may be developed.</p> <p>The methodology was developed with the aim to ensure a practical, transparent, robust, and scientifically credible approach, that is widely accepted to implement commitment to halt deforestation in the tropics, while ensuring the rights and livelihoods of local peoples are respected.</p>
16.	No deforestation	What countries are listed as High Forest Cover Countries (HFCC)?	The decision will be informed by the RSPO High Forest Cover countries consultancy report and information from existing HCSA assessments. Further clarification on this will be available at the later stage.
17.	No deforestation	What is the definition of High Forest Cover Countries (HFCC)? How the definition is derived?	<p>Countries defined as having &gt;60% forest cover (based on recent, trusted REDD+ and national data); &lt;1% oil palm cover; a deforestation trajectory that is historically low but increasing or constant; and a known frontier area for oil palm or where major areas have been allocated for development.</p> <p>This definition is agreed by P&amp;C TF members based on RSPO No Deforestation consultancy: high forest cover countries, Proforest, 2018. The report can be downloaded from the following link, <a href="https://www.rspo.org/principles-and-criteria-review/rspo-high-forest-cover-countries-consultancy-report">https://www.rspo.org/principles-and-criteria-review/rspo-high-forest-cover-countries-consultancy-report</a>.</p>
18.	No deforestation	What is No Deforestation in the context of RSPO?	No clearing of primary & natural forests, as well as HCV and HCS areas identified based on HCV Assessment and HCS Approach.
19.	No deforestation	Who are the members sitting in the No Deforestation Joint Steering Group (NDJSG)?	Members will be from the RSPO and the HCSA.
20.	No deforestation	What is the role of the No Deforestation Joint Steering Group (NDJSG)?	The No Deforestation Joint Steering Group (NDJSG) is a joint collaboration with other initiatives, particularly HCSA, to guide the development and implementation of the procedures, methodologies and guidance for Criteria 7.12, particularly around the High Forest Cover countries and landscapes.

21.	No deforestation	What is High Forest Cover Landscape (HCFL) and what is the link with HCSA?	Landscapes having >80% forest cover. The HCFL concept was developed by the HCSA and specific section in the HCS Approach Toolkit relating to HCFL is found in Module 5. Adapted procedures may be developed to support the sustainable development of palm oil in the context of RSPO.
22.	No deforestation	Why RSPO use “No Deforestation” and not “Zero Deforestation”?	The RSPO P&C 2018 includes new requirements to ensure the contribution of RSPO to halting deforestation. The RSPO Theory of Change commits RSPO to balancing sustainable livelihoods and poverty reduction with the need to conserve, protect and enhance ecosystems. High forest cover countries require economic opportunities that enable communities to choose their own development path, while providing socio-economic benefits and safeguards.
23.	No deforestation	Can RSPO grower members conduct HCS only assessment if they already have HCV assessment approved by ALS?	Only under transitional measure, HCS only assessment is possible. Refer to Annex 5 of new P&C for more information.
24.	Human Rights	How do Companies implement the payment of decent living wages in their operations? What company need to do to comply to this?	<p>Based on a study which was conducted, it was recommended that RSPO members apply the Global Living Wage Coalition (GLWC) method in calculating what would amount to a decent Living Wage for its workforce which endorses the Anker methodology in calculating living wages.</p> <p>Through adopting this methodology of calculating wages, a worker will be able to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing and other essential needs including provision for unexpected effects.</p> <p>To implement this, the RSPO will develop guidance for members to use in ascertaining what the considerations which members will need to take into consideration when calculating the living wages in their units.</p>
25.	Human Rights	Protection of Human Rights Defenders (HRD) and whistle blowers.	<p>Criteria 4.1 of the revised draft calls for members to respect human rights which includes respecting the rights of Human Rights Defenders (HRDs). Indicator 4.1.1 of the draft calls for a policy to respect human rights including prohibiting retaliation against HRDs which is documented and communicated to the various stakeholders.</p> <p>To this effect, the RSPO, through the Human Rights Working Group has developed a Policy for the Protection of Human Rights Defenders and Whistleblowers which allows for HRDs to lodge any complaints with the RSPO Complaints Panel on the activities undertaken by, on behalf of, or</p>

			<p>in connection with the activities of the RSPO member which may result in risks to the safety and/or security of said persons.</p> <p>Annex 1 of the RSPO Policy for the Protection of Human Rights Defenders and Whistleblowers, Complainants and Community Spokespersons gives a guide to members to develop their own company policy in this subject matter which members can adopt or refer to in developing their own human rights policy.</p>
26.	Human Rights	What is the meaning of 'zero tolerance for retention of identification documents without consent'?	<p>The guidance for the current 6.12 provides that passports should only be voluntarily surrendered.</p> <p>Principle 6.6 of the revised P&amp;C makes it clear that Retention of identity documents or passports are prohibited. The guidance provides that Workers may want to voluntarily surrender their passports or identity documents to the management for safekeeping purposes. If this is the case, the documents must be returned to the workers upon their request and there needs to be evidence to show that the workers understand this condition and their movement is not stopped by the management.</p> <p>This shows a different spirit from the previous wordings concerning this subject matter wherein the only requirement that needed to be established is that the surrender of these documents must be done voluntarily whereas the new standards requires the company to return the documents to the workers upon their request, a requirement which did not previously exist.</p>
27.	Human Rights	Payroll Documents give accurate information on compensation for all work performed, including work done by family members. What does this mean?	<p>There is a new requirement in the indicator which requires that the that payroll documents give accurate information on compensation for all work performed, including work done by family members.</p> <p>The intent of this is so to capture the efforts of family members of workers who help the worker to achieve the targets which are set by the Company. This is in line with increasing the recognition of women in the plantation sector who are usually not employees of the company and therefore, their contribution is not recognized.</p>
28.	Human Rights	How does the revised P&C address the gender gaps which existed in the 2013 Principles & Criteria?	<p>The revised P&amp;C has developed indicators which require special attention to be given to areas which requires considerations for ensuring that the rights of women are protected.</p> <p>These indicators include:</p> <ul style="list-style-type: none"> <li>● Ensuring that gender groups are consulted during the FPIC process;</li> <li>● There is evidence to show that equal opportunities are provided to both men and women to hold titles for smallholdings;</li> </ul>

			<ul style="list-style-type: none"> <li>● In independent smallholder schemes, there is evidence available that all parties, including women are involved in decision making processes and understand the contracts.</li> <li>● Including women in consultation processes in smallholders' units;</li> <li>● Having a publicly available non-discrimination policies are implemented to prevent discrimination based on gender, sexual orientations, and gender identity amongst others;</li> <li>● Units of certifications are required to demonstrate that recruitment is done based on skills capabilities, qualities and medical fitness based on the position;</li> <li>● Pregnancy testing is not conducted as a discriminatory measure and is only permissible when legally mandated;</li> <li>● There is a gender committee in place to specifically raise awareness, identify and address issues of concern, as well as opportunities and improvement for women;</li> <li>● Evidence is present on equal pay to be provided for the same work;</li> <li>● Maternity protection is provided for all workers and payroll documents give accurate information on compensation for all work performed, including work done by family members;</li> <li>● There is a policy in place to prevent sexual and all other forms of harassment and violence which is implemented and communicated to all levels in the workforce;</li> <li>● A policy to protect the reproductive rights of all, especially women.</li> <li>● Management to assess the needs of new mothers in consultation with new mothers, and actions are taken to address the needs which have been identified.</li> </ul>
29.	Smallholder	<p>Is it true that a new standard being developed for Independent Smallholder? What is the difference?</p>	<p>Yes, it is true. The 1<sup>st</sup> draft of the new standard has gone through public consultation in June/July 2018. The 2<sup>nd</sup> draft of the new standard is currently being developed and will go for the second round of public consultation scheduled in Feb 2019.</p> <p>An important note to highlight is that this new smallholder standards is applicable to independent smallholders only.</p> <p>The main difference between the previous standard with this new standard are:</p> <ul style="list-style-type: none"> <li>● Insertion of eligibility requirement to enter into the RSPO system;</li> <li>● Application of phased approach towards full certification; and</li> <li>● Consideration of recognition of benefits (including RSPO credits) to partially certified group once they enter the system.</li> </ul>
30.	Smallholder	<p>What is the simplified element in the new smallholder</p>	<p>The simplified element in the new smallholder standard are on the phased approach towards certification and the core requirement application. This element encourages SH group to progress phase by</p>

		standard?	<p>phase while at the same time incentivized for their efforts accordingly.</p> <p>Previously, SH group need to go through the whole process of ensuring all their requirement gaps against the standards are closed before going for certification audit.</p> <p>In the new standard, these requirements are “prioritized” into core requirements (e.g. must have legal rights on using the land, lands must be located outside PAs, no use of fire, etc) first, then followed by other requirement to meet at the next phase;</p> <p>and processes are “categorized” into phases or milestones (e.g. once core requirement is met, SH enters Milestone 1 and able to gain some benefits. While in Milestone 1, SH must work to meet certain further requirements in order to move to the next phase towards full compliance).</p> <p>There is a time bound limit for each phase.</p>
31.	Smallholder	Under the new SH Standard, will the product be traded as IP and MB?	The SH Interim Group is looking at the overall certification system relevant to the context of smallholders. In other words, not only they are looking at the standard alone but also aspect of verification and assurance, which include trading. Hence, there is no decision on this matter as yet.
32.	Smallholder	Does the new smallholder standards apply to all smallholders?	SH Standard is only applicable to Independent Smallholder.
33.	Smallholder	I am a Group Manager from an already certified independent smallholder group. What should I do once the new standards is effective?	You can use the new SH Standard as your new standard for audit. Normally, a grace period of one year would be given to groups who already certified for the transition period starting from the date the new standard being ratified.
34.	Smallholder	Does HCSA assessment applicable to smallholder?	<p>HCSA assessment is applicable to scheme smallholder who are part of the unit of certification.</p> <p>In the case of independent smallholders, applicable standard and/or other relevant requirement is currently still under development.</p>

35.	Smallholder	How will the new SH Standard improve the livelihood of the independent smallholders as in line with the RSPO SH strategy?	With the new SH Standard, it is envisioned that equal opportunity exists for SH to enter the RSPO system through a standard that is tailored to their needs and reduces unnecessary burdens to certification. It would promote SH inclusion within the RSPO system. It will lead to SH to be more organized in well-managed, professional groups that provide on-going resources and value to their members. SH will have access to tools and training that respond to their specific needs and SH have higher yields as a result of improved capacity for farming practices and agronomy.
36.	Restructuring	How is the new structure of the new P&C 2018?	<p>In line with the RSPO Theory of Change, the RSPO P&amp;C 2018 are now organized into three impact areas as follow:</p> <p>Impact Goal <u>Prosperity</u>: Competitive, resilient and sustainable sector</p> <p>Principle 1. Behave ethically and transparently</p> <p>Principle 2. Operate legally and respect rights</p> <p>Principle 3. Optimize productivity, efficiency, positive impacts and resilience</p> <p>Impact Goal <u>People</u>: Sustainable livelihoods and poverty reduction</p> <p>Principle 4. Respect community and human rights and deliver benefits</p> <p>Principle 5. Support smallholder inclusion</p> <p>Principle 6. Respect workers' rights and conditions</p> <p>Impact Goal <u>Planet</u>: Conserved, protected and enhanced ecosystems that provide for the next generation</p> <p>Principle 7. Protect, conserve and enhance ecosystems and the environment</p>
37.	General	Are all the requirements of the existing P&C maintained in the new standard?	Yes, most of the existing requirements are in the new P&C.
38.	Shared Responsibility	What is 'Shared Responsibility'?	<p>All RSPO members share the responsibility for making sustainable palm oil the norm and have other mechanisms of accountability.</p> <p>The RSPO Code of Conduct, applicable to all members requires Members, to whom the P&amp;C do not apply directly, to implement parallel standards relevant to their own organisation, which cannot be lower than those set out in the P&amp;C (3.2).</p>

			<p>This is the key pillar of RSPO Theory of Change.</p> <p>To align and harmonize the shared responsibility for impacts, a set of shared requirements have been identified</p> <p>These ensure a consistent expectation of best practice standards for all RSPO members and pertain to Transparency, Ethical Conduct, Legality, Human Rights Respected, Workers Rights and Conditions, Energy Use and GHG emissions.</p>
39.	General	Has the standard been tested its auditability?	The draft standard has been field tested in Africa and Southeast Asia to test its practicality and auditability. Recommendations from the field tests was provided as inputs during the TF6 meeting.
40.	General	Are grower members involved in the revision of the P&C?	<p>Yes. There were 12 members in the Review RF coming from the palm oil producer/grower, including representatives of owners and managers of large plantations and their associations, smallholder growers and their associations, with Malaysia (3), Indonesia (3), Rest of the World (3) and the Smallholder and Outgrower (3).</p> <p>The growers have also participated actively during the face to face consultation workshop during the public consultation period.</p>
41.	General	Has CBs and AB involved in the review?	Workshops have been conducted with the CBs, auditors, AB and the endorsed trainers, who have provided valuable inputs into the P&C 2018 draft.
42.	General	Has the RSPO BoG endorse the P&C 2018?	Yes, the BoG endorsed the draft at its meeting on 12 October 2018. The endorsed draft will be put for adoption by the RSPO members at the RSPO General Assembly on 15 November 2018 in Kota Kinabalu, Sabah.
43.	General	How is the transition period of the new P&C?	<p>A one-year transition period from the endorsed date will be given. National Interpretation (NI) will need to be revised to make it aligned to the new P&amp;C 2018.</p> <p>Full implementation of the RSPO P&amp;C 2018 is by November 2019.</p>

**ROUNTABLE ON SUSTAINABLE PALM OIL**

Unit A-37-1, Level 37, Tower A  
Menara UOA Bangsar  
No.5 Jalan Bangsar Utama 1,  
59000 Kuala Lumpur

T +603 2302 1500

E [rspo@rspo.org](mailto:rspo@rspo.org)

F +603 2302 1543