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Terms of Reference

RSPO Greenhouse Gas Task Force

1.0 Introduction

The RSPO Greenhouse Gas Working Group (GHGWG) was first formed in May 2009 in response to a request from the Malaysian Palm Oil Association (MPOA) for a tool to quantify greenhouse gas (GHG) emissions in the palm oil sector. This led to the development of the PalmGHG calculator (Version 1), an Excel-based tool in 2012. This tool allows RSPO members to identify, monitor, and assess GHG emissions from upstream palm oil production processes at both mill and estate, including land use, management practices, and energy consumption.

Since the first Terms of Reference (ToR) for the GHGWG, the GHGWG has conducted a gap study to identify areas that overlap with other GHG initiatives/calculators/methodologies with the existing PalmGHG calculator. At the same time, research has been conducted whereby references are gathered to indicate areas for improvement in emissions/sinks/removal and emission reporting.

In 2016, the PalmGHG was revamped into a desktop-based software as Version 2.1.1 and Version 3.0. The current use of PalmGHG Version 4 is supported by a web-based software. Since 2018, it has been identified that the current PalmGHG Version 4 has gaps in terms of Scope 1, Scope 2, and Scope 3 emission reporting. Thus, the current version needs to be revised, enhanced, and updated.

Upon another request of the MPOA back in 2022, the GHGWG2 was reactivated from August 2022 until August 2023 to revise the PalmGHG Version 4 calculator, to be in alignment with the internally recognised framework. This includes methodology review in terms of the calculation boundary, emission factor and calculations.

2.0 Objectives

This revision of the PalmGHG Version 4 calculator by the MPOA's request also supports the compliance to the revision of 2024 Principles and Criteria (P&C). The PalmGHG Version 5 calculator will be developed into prisma, a new RSPO platform for palm oil resources and sustainability management, and has to undergo socialisation of this tool to the RSPO stakeholders, together with the PalmGHG Guidance documents to be developed.

This ToR also serves as the GHGWG2's commitment to ensure continuous improvement of the PalmGHG V5 with an internationally recognised frameworks. On 9th November 2024 at the 47th Standard Standing Committee ("SSC") meeting, the GHGWG2 was reclassified as Greenhouse Gas Task Force (GHGTF) to reflect the group's focus on addressing complex and technical issues related to climate change.

3.0 Scope of Work and Expected Outcome ('Deliverable')

3.1 PalmGHG Development into prisma

Scope of Work	Expected Outcome
Step 1: Desktop Review of PalmGHG Version 4 Calculator	Completed web-based platform of a PalmGHG Version 5
i. Evaluation of current PalmGHG emission boundary (plantation and mill activities) and the methodology	

Scope of Work	Expected Outcome
<ul style="list-style-type: none"> ii. Updating all reference value to carbon or emission factors iii. Alignment with the GHG Protocol iv. Review of PalmGHG report template and enhancement of report visualisation. <p>Step 2: Drafting and design of PalmGHG Version 5 draft Calculator</p> <ul style="list-style-type: none"> i. Distinguishing Scope 1, Scope 2, and Scope 3 at the summary report ii. Enhancement of data input and visualization of PalmGHG iii. Evaluation of the functionality and data output of the calculator by the GHGTF <p>Step 3: PalmGHG development into prisma and Pilot testing (Concurrently)</p> <ul style="list-style-type: none"> i. Agridence to develop the PalmGHG Version 5 into prisma ii. Pilot testing by selected stakeholders to seek feedback on the functionality and data output of the PalmGHG Version 5 Calculator iii. Feedback collation and analysis from the selected stakeholders iv. Identify improvement opportunities and develop a plan for continuous improvement of the PalmGHG v. Agridence to include the short-term improvement opportunities into the PalmGHG Version 5 calculator <p>Step 4: Finalisation of the PalmGHG in prisma and Socialisation of the PalmGHG Version 5 (Concurrently)</p> <ul style="list-style-type: none"> i. GHGTF to be involved in the User Acceptance Test (UAT) scheduled by Agridence ii. GHGTF to provide feedback for improvement based on UAT experiences for Agridence to incorporate in the PalmGHG Version 5 iii. Support the planning of socialisation of the PalmGHG Version 5 including tool, materials, and documents 	and launch in prisma

Note: During the UAT, the RSPO Secretariat and GHGTF shall work together with Agridence to ensure the establishment of data benchmark within the PalmGHG in prisma system for data accuracy.

3.2 PalmGHG Guidance Document Development

Scope of Work	Expected Outcome
<p>Step 1: Desktop Research and Gap Analysis</p> <ul style="list-style-type: none"> i. Conduct desktop research and gap analysis to identify the changes from PalmGHG Version 4 to Version 5 in terms of scope, methodology and emission factors ii. Identify improvement opportunities for PalmGHG Calculator to be aligned with internationally recognised framework <p>Step 2: Drafting, Proofreading and Design</p> <ul style="list-style-type: none"> i. Facilitate the development of the Guidance document by RSPO Secretariat with technical advice, drafting and review by the GHGTF. ii. The draft will be proofread, and the design will be done as needed. Amendments to the drafts will be made based on feedback received. iii. Once completed, the draft will be circulated to the SSC for endorsement. 	PalmGHG Manual V5 (normative)

Scope of Work	Expected Outcome
<p>Step 3: Public Consultation</p> <ul style="list-style-type: none"> i. Online public consultation to seek the feedback of RSPO's various stakeholders ii. Potential revision to the Guidance document based on feedback <p>Step 4: Finalisation of PalmGHG Guidance document</p> <ul style="list-style-type: none"> i. Approval of SSC ii. Publication 	

3.3 Review against GHG Protocol Land Sector & Removals Standard and Guidance Version 1.0

Scope of Work	Expected Outcome
<p>Step 1: Desktop Research and Gap Analysis</p> <ul style="list-style-type: none"> i. Conduct desktop research and gap analysis against the PalmGHG Version 5 against the GHG Protocol Land Sector & Removals Standard and Guidance Version 1.0 (excluding references to forest carbon accounting) ii. Identify improvement opportunities for PalmGHG Calculator to be aligned with GHG Protocol Standard and Guidance <p>Step 2: Drafting of the Review Report</p> <ul style="list-style-type: none"> i. Facilitate the drafting of the report to seek feedback of GHGTF ii. The draft will be proofread, and the design will be done as needed. Amendments to the drafts will be made based on feedback received. iii. Once completed, the draft will be circulated to the SSC, if necessary. <p>Step 3: Report discussion with GHG Protocol</p> <ul style="list-style-type: none"> i. Share the final report with GHG Protocol for their review and feedback ii. Potential revision to the Guidance document based on feedback iii. Meeting with GHG Protocol to identify the opportunity(ies) with GHG Protocol for future collaboration 	<p>Review Report, with a summary report on the recommendation for PalmGHG Version 5</p>

Note: The GHG Protocol Land Sector and Removals Standard and Guidance Version 1.1, which will include the forest carbon accounting, is anticipated to be released later in 2025. The scope of work to cover the review of Version 1.1 by the GHGTF will only be revisited upon discussion with GHG Protocol, if any.

3.4 Streamlining process and data traceability of PalmGHG with other modules in prisma

Scope of Work	Expected Outcome
<p>Step 1: Understanding the existing modules in prisma</p> <ul style="list-style-type: none"> i. Identify the modules related to PalmGHG in prisma ii. Understand the existing processes of how data in these modules flow into PalmGHG through interviews and workshop with relevant stakeholders (e.g. assurance team, prisma team, selected RSPO members) <p>Step 2: Feedback Review and Gap Analysis</p> <ul style="list-style-type: none"> i. Analyse the feedback obtained from the interviews and workshops, as well as the processes in prisma 	<p>Map of identified modules in prisma of how they link to PalmGHG</p>

Scope of Work	Expected Outcome
ii. Assess and identify process improvement opportunities of the data flow for PalmGHG with other modules in prisma Step 3: Development of streamlining process plan i. Develop a map of the identified modules of how they link to PalmGHG ii. Present this plan to the SSC and BOG for approval	

4.0 Active Period

The GHGTF will continue to carry out its work from October 2024 until the work deliverables are completed within an expected work timeline as follows:

Scope of work	Deliverable	Timeline*
3.1 PalmGHG Development into prisma	Completed web-based platform of a PalmGHG Version 5 and launch in prisma	June 2025
3.2 PalmGHG Guidance Document Development	PalmGHG Guidance Document (normative)	June 2025
3.3 Review against GHG Protocol Land Sector & Removals Standard and Guidance Version 1.0	Review Report, with a summary report on the recommendation for PalmGHG Version 5	May 2025
3.4 Streamlining process and data traceability of PalmGHG with other modules in prisma	Map of identified modules of how they link to PalmGHG	May 2025

**The timeline shall be subject to change based on the completion of the scope of work and expected outcomes as per Clause 3.0.*

Upon completion of the work deliverables by the GHGTF, the task force shall be placed in stasis until a new scope of work emerges. Should a new scope of work arise, the task force shall be called upon to undertake the necessary tasks.

5.0 Structure and Composition of the GHGTF

The GHGTF consists of RSPO members. It comprises mainly specialists in GHG measurement for upstream and downstream emissions, with familiarity of plantation or climate change matters. The composition consists of the following members from both the upstream and downstream sectors:

Sector	Division	GHGTF member(s)*
Grower	<ul style="list-style-type: none"> ● Indonesia ● Malaysia ● Rest of World 	4 substantive and 2 alternate
Supply Chain	Palm Oil Processor & Traders with refinery	5 substantive and 2 alternate
TOTAL		13 (9 substantive and 4 alternate)

**The GHGTF members shall be subject to change in line with the RSPO Standard Operating Procedure for Standard Setting and Review in terms of the governance structure of the task force, if any.*

The formation of GHGTF will strive for a balanced representation of all membership categories to participate in this TF but may propose changes to the composition of the TF for it to better serve the objectives of this ToR. However, RSPO Secretariat recognises the challenges in getting representatives to sit in this TF due to the nature of tasks of this task force which is highly technical and very focused

on the development of the GHG calculator or any matters related to climate change. As such, in the absence of any representative from any sector in the task force, the task force will proceed with their recommendations that have been reached via consensus and will seek endorsement from the SSC.

The GHGTF will be chaired by a member, nominated by the members.

The discussions and decisions of the GHGTF will be based mainly on the technical expertise of its members, and RSPO secretariat technical staff will support the work of the group by facilitating knowledge-sharing and balancing the interests of different stakeholders.

Members are expected to participate actively in the proceedings or to ensure they are represented by a designated alternate if they are unable to do so. Only the substantive and/or designated alternate member can participate in the meetings. In exceptional circumstances, permission may be sought from the Chairman for a second alternate to attend a GHGTF meeting.

The GHGTF may invite independent GHG experts to participate in discussions or provide inputs in relation to GHG.

Note: All members of the TF will not be involved in any consultancy work as per the RSPO Code of Conduct.

6.0 Meeting Frequency

Members of this task force are expected to meet once/twice every two months during the execution of the scope of work under Clause 3.0. Should the involvement of GHGTF be reduced or minimal, the meeting frequency may be adjusted to once every quarter at the discretion of the GHGTF. While the GHGTF is in stasis, it shall remain at the discretion of the GHGTF to convene a meeting should any matters arise requiring the TF's deliberation.

7.0 Role of the Secretariat

The Secretariat will support the task force and facilitate interactions with the members and stakeholders. The Secretariat will also oversee the preparation of commissioned studies and other work. Based on the scope of work under Clause 3.0, the Secretariat shall engage with key experts (i.e. GHG Protocol) or relevant stakeholders (i.e. Agridence, assurance team, SSC, other RSPO members) to facilitate the implementation of the work by the GHGTF.

The RSPO Secretariat will provide the human and logistical support that the GHGTF requires to meet, conduct business and achieve its objectives. The Climate Change (GHG/Peat) team will:

- i. be the primary source of assistance and support to the GHGTF.
- ii. provide the GHGTF members with technical reports from in-house and outsourced studies, terms of reference for consultancies, and other information that is required by the GHGTF, where applicable, to fulfill its objectives.

When the RSPO Standard Development Director (SDD) may need technical assistance from the committee, this will be channeled through the Climate Change (GHG/Peat) team as the primary contact person of the task force in the Secretariat.

8.0 Retirement Criteria/ Reselection of Inactive GHGTF Members

The GHGTF can exercise the right to retire the membership of a TF member. However, the decision must be made by consensus of the TF (excluding the affected party).

The reasons (not exhaustive) for the TF to consider retirement of a TF member are:

- Absence from TF meetings (i.e. substantive and designated alternate) for three consecutive meetings without reason.
- Persistent refusal to furnish information requested by the TF. Information requested, if deemed beneficial to the objectives of the TF, shall not be unreasonably withheld except for those which are commercially sensitive and/or prohibited by law for dissemination.

Retirement of membership will be informed in writing by the Chairman of the GHGTF.

The Chairman of the GHGTF will invite the constituents of the affected sectorial and/or geographical stakeholder group to nominate a new representative to the TF.

9.0 Management

Decisions will be reached by consensus by nominated members and must be made when a quorum, which is defined as two-third of the nominated members, attends a meeting. Voting rights are limited to GHGTF members. If a company is represented by more than two substantive members, their collective votes will be counted as a single vote on behalf of the company.

Invited experts are to only attend parts or on days of the meeting for which their counsel is needed. They may not need to attend all meetings or the entire duration of the meeting and will be required to leave the meeting at times of voting or decision-making.

Each member must declare any conflict of interest, any matters on the agenda and/or matters arising at the beginning or during the course of the meeting. Should a conflict of interest exist, the member concerned must recuse themselves from the decision-making process or sensitive discussions.

Members or invited experts who have been privy into the discussions shall not use their position on the GHGTF and/or information obtained to obtain monetary gain or bid for any projects commissioned by the GHGTF directly or indirectly through organization with whom they are associated. For example, members or invited experts who observe discussions about developing project ToRs will not be allowed to tender, and/or participate in the tender evaluation/selection processes.