

**RSPO**

Roundtable on  
Sustainable Palm Oil



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# RSPO INDEPENDENT SMALLHOLDER STANDARD

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Frequently Asked Questions

Version 1.0  
October 2019

No	Keyword	Question	Answer
1.	Standard	Who does the RSPO ISH Standard apply to?	<p>This RSPO Independent Smallholder (ISH) Standard is only applicable to those smallholders that qualify as independent smallholders and is applicable for sustainable palm oil production worldwide. Smallholders can be both men and women.</p> <p>A smallholder can pursue certification through the RSPO ISH Standard if:</p> <ul style="list-style-type: none"> <li>• They are NOT a <b>scheme smallholder</b> (see definition Annex 1 of the ISH Standard document).</li> <li>• The total size of their oil palm production areas is <ul style="list-style-type: none"> <li>○ smaller or equal to 50 ha if no threshold is defined in National Interpretation; OR</li> <li>○ smaller or equal to the maximum size defined in National Interpretation (e.g. for Indonesia this implies threshold size is 25 ha or below and for Ecuador 75 ha or below).</li> </ul> </li> <li>• They have the enforceable decision-making power on the operation of the land and production practices.</li> <li>• They have the freedom to choose how they utilise the land, type of crops to plant, and how to manage them ( and how they organise, manage and finance the land). They meet all further criteria relative to the applicability of this standard as provided in the National Interpretation in their country.</li> </ul>
2.	Strategy	Why is the definition of an Independent Smallholder in the RSPO ISH Standard different from the RSPO P&C 2018?	<p>The definition of an Independent Smallholder in the RSPO ISH Standard is different as it takes into account the diversity in type and characteristics of smallholders. The definition was developed after extensive consultation with relevant stakeholders in all regions. The definition allows for greater inclusion of smallholders into the RSPO system.</p>

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3.	Strategy	What is the Smallholder Strategy ?	<p>The Smallholder Strategy refers to a five year action plan, endorsed by RSPO Board of Governors, which strategises RSPO’s approach to include more smallholders in the vision to “transform markets to make sustainable palm oil the norm.” RSPO acknowledges the significance of smallholders and the need for a change in the current practices and approaches to improve their inclusion into the RSPO system. The complete strategy can be accessed at:</p> <p><a href="https://rspo.org/smallholders/rspo-smallholder-strategy">https://rspo.org/smallholders/rspo-smallholder-strategy</a></p>
4.	Livelihood	How will the RSPO ISH Standard improve the livelihoods of independent smallholders in line with the RSPO Smallholder strategy?	<p>It is envisioned that equal opportunity exists for smallholders to enter the RSPO system through a standard that is tailored to their needs and reduces unnecessary burdens to certification. This will lead smallholders to be more organised in well-managed, professional groups that provide on-going resources and value to their members. Smallholders will have access to tools and training that respond to their specific needs and have higher yields as a result of improved capacity for farming practices and agronomy.</p> <p>The RSPO ISH Standard also allows for incentives to come in during the process of certification. This would promote smallholder inclusion within the RSPO system.</p>
5.	Standard	How is the RSPO ISH Standard structured?	<p>In line with the RSPO Theory of Change, the RSPO ISH Standard is organised into three impact areas as follows:</p> <p>Impact Goal <b>Prosperity</b>:</p> <p>Competitive, resilient and sustainable sector.</p> <p><b>Principle 1.</b> Optimise productivity, efficiency, positive impacts and resilience</p> <p>Impact Goal <b>People</b>:</p> <p>Sustainable livelihoods and poverty reduction. Human rights protected, respected and remedied.</p> <p><b>Principle 2.</b> Ensure legality, respect for land rights and community wellbeing</p>

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			<p><b>Principle 3.</b> Respect workers' rights and conditions</p> <p>Impact Goal <b>Planet</b>: Conserved, protected and enhanced ecosystems that provide for the next generation.</p> <p><b>Principle 4.</b> Protect, conserve and enhance ecosystems and the environment</p>
6.	Standard	What is the scope of the RSPO ISH Standard ?	<p>The scope includes:</p> <ol style="list-style-type: none"> <li>1. Understanding the who, what and how of the RSPO Independent Smallholder Standard.</li> <li>2. RSPO Phased Approach for Independent Smallholder Certification</li> <li>3. Normative Requirements of the RSPO Independent Smallholder Standard</li> <li>4. Guidance for Group Managers</li> <li>5. Guidance for Individual Group members</li> </ol>
7.	Standard	Has the RSPO ISH Standard been tested for its auditability (field trials)?	<p>Yes. The RSPO ISH Standard has been put through three field trials and mock audits. The trials included two smallholder groups in Malaysia and one in Sierra Leone to test its practicality and auditability. Recommendations from the field tests have been added to the standard.</p>
8.	Standard	Are smallholder members/group managers involved in the development of the standard?	<p>Smallholders representatives/group managers were part of the Smallholder Interim Group (<b>SHIG</b>) which was tasked with the development of the simplified smallholder standard.</p> <p>Public consultations were carried out in five languages (English, Thai, Spanish, Bahasa Indonesia and Bahasa Malaysia). The public consultations were organised across palm oil producing countries involving smallholder members and group managers.</p> <p>Feedback on the draft text of the RSPO ISH Standard was also collected via an online survey. (Survey languages: English, Spanish, Bahasa Indonesia, French, Thai and Bahasa Malaysia)</p>

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9.	Standard	Are Certification Bodies (CBs) and Accreditation Bodies (ABs) involved in the review of the standard?	Yes, Workshops have been conducted with the CBs, ABs and auditors who have provided valuable inputs into the RSPO ISH Standard.
10.	Standard	Has the RSPO Board of Governors endorsed the RSPO ISH Standard?	Yes, the Board of Governors endorsed the draft at its meeting on 30 September 2019. The endorsed draft as tabled for adoption and passed by RSPO members at the 16th RSPO General Assembly on 6 November 2019 at Bangkok, Thailand.
11.	Standard	How long is the transition period of the new RSPO ISH Standard?	A one-year transition period from the endorsed date will be given. National Interpretations (NI) will need to be developed to allow for the alignment towards the RSPO ISH Standard. Full implementation of the RSPO ISH Standard is by November 2020.
12.	Standard	Are there other standards that can be used to certify ISH Groups during the transition period?	The RSPO Management System Requirements and Guidance for Group Certification of FFB Production can be used to certify ISH groups.
13.	Standard	Will the RSPO ISH Standard employ a distinction for the non-conformities?	For the purposes of non-conformities, there is no distinction among the indicators, e.g. no designation of critical versus non-critical indicators. All indicators are considered critical.

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14.	Standard	Who can be a group manager of an ISH Group?	The group manager can be a representative of a mill, an organisation or an individual.
15.	Group Manager	What is an Internal Control System (ICS)?	<p>ICS is a set of rules, policies, and procedures an organisation implements to provide direction, increase efficiency and strengthen adherence to policies to manage a group.</p> <p>The ICS includes:</p> <ul style="list-style-type: none"> <li>• Group management plan</li> <li>• Documented policies and procedures for operational management</li> <li>• Group business plan</li> <li>• System in place for the tracking of Fresh Fruit Bunches (FFB)</li> </ul>
16.	Smallholder	What is the purpose of the Smallholder Declaration?	<p>Smallholder Declaration refers to a short and simple, non-legally binding statement that the group manager will present to smallholders joining or forming a group. The content and intent of the document will be explained to the smallholders prior to requiring any signature (or thumbprint) and commitment to the content of the statement. As part of the Eligibility phase, every smallholder will need to sign a Smallholder Declaration (see indicator 1.1 E and Annex 2). The Smallholder Declaration is part of the normative requirements of the Standard.</p> <p>The objective of the Smallholder Declaration is to:</p> <ol style="list-style-type: none"> <li>1. Ensure smallholders understand their commitments under certification of the RSPO ISH Standard</li> <li>2. Obtain relevant data from smallholders relating to their existing plots and plans</li> <li>3. Communicate the benefits smallholders will receive by joining the RSPO Independent Smallholder Standard.</li> </ol>

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17.	Smallholder	Are independent smallholders allowed to hire labour?	Yes. The smallholders commit to no use of forced labour and ensure that any use of forced labour on the farm is terminated at Eligibility. They must provide information on the source of labour on the farm, including the family members working on the farm, hired labour including contract workers.
18.	Smallholder	What is the minimum/maximum number of smallholders allowed to be part of an ISH Group?	The group needs to have a minimum of one member. There is no maximum number.
19.	Smallholder	What is the minimum/maximum number of hectares allowed to be part of an ISH Group?	There is no limit on the total amount of hectares of the group. However, there is only an upper limit per individual member. (50 hectares per individual as per the RSPO definition based on the National Interpretation (NI)).
20.	Standard	I am a group manager from an already certified independent smallholder group. What should I do once the new standard is effective?	<p>You can use the new RSPO ISH Standard as your new standard for the next audit. The phased approach is not applicable to existing certified groups, and these groups need to be certified against Milestone B(which includes Milestone A and Eligibility indicators).</p> <p>A grace period of one year would be given to groups who are already certified for the transition period starting from the date the new standard is being adopted.</p>
21.	Peat	Does the RSPO ISH Standard allow new planting on peat?	No new plantings on peat areas of any depth are allowed after November 2019. For existing peatland plots, subsidence and degradation of peat soils is minimised by the use of best management practices (BMP).

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			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 task force.
22.	Peat	What safeguards are in place for replanting on peat?	Prior to replanting on peat, smallholders complete a risk assessment related to flooding associated with subsidence and where there is high risk, present a plan that includes alternate land development strategies, preferencing alternative livelihood planning. The risk assessment will be carried out at the group level with the Group Manager being responsible for conducting the assessment.
23.	Peat	What is subsidence and why is the monitoring of subsidence required?	Subsidence is the gradual lowering of land surface as a result of consolidation, oxidation and shrinkage of the organic materials due to drainage of peatland for oil palm planting.  Provided that water level is maintained at an optimum level, subsidence can be monitored and managed. Proper monitoring can prevent risks of flooding and saline intrusion.
24.	HCSA	What is High Carbon Stock Approach (HCSA)?	The High Carbon Stock (HCS) Approach is a methodology that distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values that may be developed. The methodology was developed with the aim to ensure a practical, transparent, robust, and scientifically credible approach, that is widely accepted to implement commitments to halt deforestation in the tropics, while ensuring the rights and livelihoods of local people are respected.
25.	No Deforestation	What is 'No Deforestation' in the context of RSPO?	No clearing of primary and natural forests, as well as HCV and HCS areas identified based on HCV Assessment and HCS Approach.

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26.	Human Rights	Are Independent Smallholders allowed to keep passports or identity documents of workers ?	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 smallholder farmers 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 smallholder farmers.
27.	Human Rights	How does the RSPO ISH Standard address gender gaps?	The RSPO Independent Smallholder Standard mandates practices that are gender inclusive. This refers to the provision of equal rights, responsibilities and opportunities for all regardless of gender, sexual orientation and gender identity, including men, women, girls and boys, and other gender identity as identified by the individual. This principle should be applied to all smallholders, and group managers particularly when in relation to labor practices and the treatment of the workers.
28.	HCSA	Is the High Carbon Stock (HCS) approach assessment applicable to independent smallholders?	Aligned with the new HCS requirements in the RSPO 2018 Principles and Criteria (P&C), a simplified combined HCV-HCS approach to identify and protect HCS forests for independent smallholders will be developed. It will be published no later than November 2020.
29.	HCV	What is the Simplified High Conservation Value (HCV) approach?	The Simplified HCV approach recognises that the probabilities of HCVs being present, and impacted on, differ between existing plantings and new plantings of palm oil. It is based on and unifies earlier work on HCV methodologies for smallholders by the Conservation International (CI), the HCV Resource Network (HCVRN) and the SHARP Programme.  <a href="https://rspo.org/resources/archive/254">https://rspo.org/resources/archive/254</a> <a href="https://rspo.org/resources/archive/479">https://rspo.org/resources/archive/479</a>

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30.	HCV / HCSA	What is the simplified combined HCV-HCS approach?	Aligned with the new HCS requirements in the RSPO 2018 P&Cs, the RSPO, in consultation with the HCSA Steering Group, intends to develop a simplified combined HCV-HCS approach to identify and protect HCS forests. The simplified combined HCV-HCS approach for independent smallholders will be published no later than November 2020.
31.	Human Rights	What is considered as hazardous work when it comes to employment of a young person?	<p>Hazardous work is work performed in hazardous conditions; or “in the most hazardous sectors and occupations, such as agriculture, or where working relationships or conditions create particular risks, such as chemical substances or radiation, or in the informal economy.”  <a href="https://www.ilo.org/safework/areasofwork/hazardouswork/lang--en/index.htm">https://www.ilo.org/safework/areasofwork/hazardouswork/lang--en/index.htm</a>.</p> <p>Hazardous work is also defined as “any work which is likely to jeopardise children’s physical, mental or moral health, safety or morals” and which “should not be done by anyone under the age of 18.”  <a href="https://www.ilo.org/ipecc/facts/ILOconventionsonchildlabour/lang--en/index.htm">https://www.ilo.org/ipecc/facts/ILOconventionsonchildlabour/lang--en/index.htm</a></p>
32.	BMP	What is considered as steep terrain?	Areas above 25 degrees or based on a National Interpretation (NI) process.
33.	Credits	What are RSPO Credits?	<p>An RSPO Credit is proof that one tonne of certified palm oil was produced by an RSPO-certified company or independent producer and has entered the global palm oil supply chain. By purchasing Credits, buyers encourage the production of certified sustainable palm oil.</p> <p><a href="http://rspocredits.org/">http://rspocredits.org/</a></p>

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34.	Standing Committee	What is the Smallholder Standing Committee (SHSC)?	A fundamental requirement in ensuring effective implementation of the Smallholder Strategy is to strengthen the governance structure of RSPO with reference to smallholders. To this effect, an augmented governance structure with clear roles and responsibilities was proposed and endorsed by the RSPO Board of Governors. One of the two key objectives of the augmented structure is to establish the Smallholder Standing Committee (SHSC). The SHSC will provide a more comprehensive representation of smallholder interests with allocation of responsibilities to deliver the strategy held within one single body.
35.	Supply Chain	Under the RSPO ISH Standard, will the product be traded as IP and MB?	<p>Smallholders can sell their certified FFB to a certified mill through physical supply chain models or as RSPO Credits equivalent. Eligibility for selling under physical supply chain models only applies once ISH's reach:</p> <p><b>Milestone B.</b></p> <ul style="list-style-type: none"> <li>• 100% of FFB can be sold as certified to a certified mill through the physical supply chain models (IP, SG or MB); OR</li> <li>• 100% of FFB can be sold as RSPO Credits CSPO, CSPKO or CSPKE credits through the RSPO IT platform and trading system; OR</li> <li>• 100% of FFB can be sold through a combination of physical supply chains and as RSPO Credits</li> </ul> <p>At <b>Eligibility</b> and <b>Milestone A</b>, the FFB produced cannot be sold through the physical supply chain (IP or SG). Up to 40% (at Eligibility) and 70% (At Milestone A) of FFB can be sold as RSPO Smallholder Credits (as equivalent to IS-CSPO, IS-CSPKO or IS-CSPKE credits) through the RSPO IT platform and trading system, PalmTrace.</p>

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36.	Working group	What is the Smallholder Interim Group (SHIG) and its role?	<p>The Smallholder Interim Group started out as a subgroup, which was formed during the second Principles and Criteria (P&amp;C) Review Task Force meeting in July 2017, consisting of smallholder representatives. The main objective of the group is to ensure that the adopted RSPO Smallholder Strategy (particularly its second objective) is effectively implemented, especially through the RSPO standards.</p> <p>The SHIG was tasked to design a simplified approach for RSPO Smallholders, in accordance with Objective 2 of the Smallholder Strategy and aligned with RSPO Theory Of Change.</p> <p>Objective 2 of the Smallholder strategy:</p> <p><i>The number of smallholders included in the RSPO system will increase as a direct result of simplification of the certification approach and <b>proactive</b> engagements with pilots such as jurisdictional approaches.</i></p>

The RSPO is an international non-profit organisation formed in 2004 with the objective to promote the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders.

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