

Shared Responsibility Guidance – Banks and Investors

This guidance aims to help Banks and Investors RSPO Members to understand the Shared Responsibility (SR) SR Requirements applicable to them by the mandate of the RSPO Shared Responsibility Task Force, SR Requirements and Implementation document, endorsed by the RSPO Board of Governors on 31 October 2019. For further information on SR matters please refer to the [RSPO SR website](#). For questions and comments, please contact us at sharedresponsibility@rspo.org.

General clarifications

- The scope of the SR requirements (refer to the [Annex 1 of the endorsed SR requirements document](#)¹) applies to the organisations' palm oil related activities as a minimum, but supporting documentation may also relate to other commodities (e.g. palm being part of a forest commodities sourcing policy, which also includes commodities like cacao and coconut).
- The required document/policy/activity or procedure (i.e. the evidence of the implementation) must relate to operations of the RSPO Member, unless otherwise stated in the SR requirement (e.g. SR4 where third-party contractors are mentioned).
- Suppliers (i.e. parties providing goods/products) and (sub/third-party) contractors (i.e. parties providing operational services) refer to those that the RSPO Member has influence over, such as supplier contracts, and are part of the palm oil value chain rather than for agreements that cover services of infrastructure set up, such as telephone or electricity.
- As stated above, the topics covered in the SR requirements can be implemented by having separate policies, procedures, and plans for each of the different topics (covering multiple commodities in a forest commodities policy), but could also be combined into a standalone (palm specific) responsible sourcing policy, procedure and plan.
- One activity or a policy (i.e. evidence) can be used to show compliance against multiple requirements. For example, buying RSPO Independent Smallholder (IS)-Credits shows compliance against SR 13, 28 and 29, or one human rights policy covering SR 9 and 15-21.
- The SR requirements apply to small, medium and large sized enterprises and organisations.
- Those RSPO Members eligible to comply with SR (i.e. Ordinary non-growers members) shall report to RSPO Secretariat on its SR performance by annually submitting their Annual Communication of Progress (ACOP) and providing evidence in MyRSPO profile. Find [here guidance](#) on how RSPO Members can provide evidence in the SR section on their MyRSPO profile. The SR performance of RSPO Members will be updated annually (i.e each September) in the [Shared Responsibility Scorecard](#).

¹ The endorsed SR requirement document refers to RSPO Shared Responsibility Task Force, SR Requirements and Implementation. 31 October 2019:
<https://rspo.org/wp-content/uploads/sr-requirements-and-implementation-31-october-2019.pdf>

Shared Responsibility (SR) requirements and Guidance (G)

	Shared Responsibility (SR) requirement or Guidance (G)
Transparency and Legality	
SR1	Management documents, e.g. sustainability reports, annual reports are publicly available.
G1	Publicly available means published on your corporate website, on your MyRSPO membership profile, or similar.
SR2	Policy for ethical conduct, including recruitment and contractors.
G2	<p>This policy may be a public document or a section on the member's website covering policies on ethical conduct.</p> <p>The policy should include as a <u>minimum</u>:</p> <ul style="list-style-type: none"> ● A respect for fair conduct of business ● A prohibition of all forms of corruption, bribery and fraudulent use of funds and resources ● A proper disclosure of information in accordance with applicable regulations and accepted industry practices <p>An ethical conduct policy should cover elements such as:</p> <ul style="list-style-type: none"> - Bribery; - Facilitation of payments; - Guidance and procedure for gifts and hospitality; - Disclosure of political contributions; - Guidelines for charitable donations and sponsorships; - Respect for fair conduct of business; - Proper disclosure of information in accordance with applicable regulations and accepted industry practices; - Compliance with existing anti-corruption legislation; - Not charging fees to workers; - Do not recover the cost of recruitment and transportation against workers' wages; - Do not receive gifts and commissions from labour intermediaries or suppliers.
SR3	Organisation complies with all applicable legal requirements.

G3	<p>Type of evidence to show compliance with all applicable legal requirements could be a list of all applicable legal requirements with their issue date, reference in relevant (sourcing) policies and/or included in a Code of Conduct.</p> <p>Legal requirements refer to those defined in the different laws and regulations. Laws and regulations can be issued by various bodies, including local, regional, and national governments; regulatory authorities; and public agencies. Therefore, laws and regulations include: international declarations, conventions, and treaties; national, subnational, regional, and local regulations.</p> <p>Relevant legislation includes but is not limited to: labour regulations, environment regulations (e.g. wildlife laws, pollution, environmental management and forestry laws), social regulations (e.g. public health, human rights, etc).</p> <p>It also includes laws made pursuant to a country's obligations under International laws or conventions, where applicable, as for example the Convention on Biological Diversity (CBD), ILO Core Conventions, UN Guiding Principles on Business and Human Rights. Furthermore, where countries have provisions to respect customary law, these will be taken into account.</p>
SR4	<p>Organisation requires all third-party contractors in the palm oil supply chain comply with legal requirements.</p>
G4	<p>Type of evidence to show compliance with all applicable legal requirements (local, national, and ratified international laws and regulations) for third-party contractors could be: contracts with third-party contractors and/or a Code of Conduct for suppliers which contain specific clauses on meeting applicable legal requirements.</p> <p>Refer to G3 for the guidance on legal requirements.</p>
SR5	<p>Organisation regularly monitors their sustainability performance.</p>
G5	<p>Sustainability performance refers to complete and timely reporting of the SR requirements (refer to Section 10 of the endorsed SR requirements document¹). Members shall report to RSPO Secretariat on its SR performance by annually submitting their Annual Communication of Progress (ACOP) and providing evidence in MyRSPO profile. Find here guidance on how RSPO Members can provide evidence in the SR section on their MyRSPO profile.</p>
SR6	<p>Organisation reports to the RSPO Secretariat on SR metrics, via additional questions using the ACOP template developed in a consultative manner.</p>
G5&6	<p>SR metrics refer to SR requirements. Members shall report to the RSPO Secretariat on its SR performance by annually submitting their Annual Communication of Progress (ACOP) and providing evidence in the MyRSPO profile. Find guidance here on how RSPO Members can provide evidence in the SR section in their MyRSPO profile.</p>

SR7	<p>Organisations promote preferential incentives to support use of off-product* RSPO Claims and Labels.</p> <p>* A RSPO Label that is not on the product or its packaging.</p>
G7	<p>Evidence of the preferential incentives (e.g. interest rate discounts, access to credit, extension of tenors, etc.) used related to off-products RSPO Claims (i.e. promotion of RSPO Certified products (i.e. products sold by the organisation), through website statement, brochures, banners, newsletter, or any other communication materials following the RSPO Rules on Market Communications and Claims 2022)</p>
SR8	<p>Maintaining clear transparent communication on the use of sustainable palm oil in products.</p>
G8	<p>Evidence to show transparent communication, advocacy and outreach activities promoting the use of RSPO products could be for example speaking as a panellist in webinars to promote sustainable palm oil, communication on organisation's website or statements in the sustainability reports that supports and/or promotes sustainable palm oil, advocacy campaigns, use of the RSPO Trademark, capacity building.</p> <p>Any communication about the RSPO membership and use of RSPO Certified palm oil products shall follow the RSPO Rules on Market Communications and Claims 2022.</p>
<p>Social</p>	
SR9	<p>Organisation has a policy to respect human rights including for suppliers and subcontractors.</p>
G9	<p>At a minimum, the human rights policy should require commitment to protection of labour rights and include the topics as described in SR 15-21 (e.g. non-discrimination, health and safety, no abuse or harassment). The policy should take into account the following ILO conventions:</p> <ul style="list-style-type: none"> ● Forced Labour Convention, 1930 (No. 29) ; ● Protocol of 2014 to the Forced Labour Convention, 1930 (P029) ; ● Abolition of Forced Labour Convention, 1957 (No. 105) ; ● Forced Labour Recommendation, 2014 (No. 203); ● ILO Minimum Age Convention, 1973 (No. 138) ● and any other ILO convention requirement as ratified by the country of operation. <p>One policy can be uploaded for multiple requirements, in this case covering SR9 and 15-21.</p> <p>Covering the human rights for suppliers and subcontractors can be done by a specific clause in the contract with suppliers and subcontractors or in the organisation's supplier Code of Conduct.</p>

SR10	All non-grower members have publicised grievance mechanisms, developed in alignment and/or referring to the RSPO Grievance mechanism. Where grievances raised relate to the palm oil supply chain, a clear action plan needs to be in place or demonstrated.
G10	<p>Organisations shall interpret '<i>publicised</i>' and '<i>developed in alignment and/or referring to the RSPO Grievance mechanism</i>' as follows:</p> <p><i>Publicised</i>: it shall be accessible to all affected parties.</p> <p><i>Developed in alignment and/or referring to the RSPO Grievance mechanism</i>: It is up to the organisation themselves to develop a mechanism/procedure that is appropriate to their context using the principles of the RSPO Grievance mechanism (accessibility, efficiency, impartiality, accountability, and independence) or simply refer to the RSPO Grievance mechanism. If the grievance is against an RSPO Member about the breach of RSPO's key documents and if the grievance cannot be resolved between affected parties, the grievance can be brought to the attention of the RSPO Complaints System.</p>
SR11	Organisation has a policy that commits to respect FPIC in their financing for the palm oil sector.
G11	<p>Organisations shall have a Free Prior and Informed Consent (FPIC) policy for their own operations and their suppliers (e.g. clients)</p> <p>Covering the FPIC for suppliers can be done by a specific clause in the contract with suppliers or in the organisation's supplier Code of Conduct.</p> <p>Refer to this FPIC Guide to know what FPIC is.</p>
SR12	Procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.
G12	<p>Organisations shall develop the procedure to describe the operational process necessary to implement the FPIC policy, i.e. how to identify the land rights of Indigenous Peoples, Local Communities and other users in their operations; and people entitled to compensation.</p> <p>It is recommended to identify and assess the impact on the rights of Indigenous Peoples, Local Communities, and other users through the participatory SEIA (Social and Environmental Impact Assessment), participatory land tenure and use study, and participatory mapping.</p> <p>Refer to this FPIC Guide to know how the implementation of FPIC process can be.</p>
SR13	Organisation supports inclusion of smallholders into sustainable supply chains. For example: RSPO Smallholder Support Fund, RSPO Smallholder Academy and scholarships; supporting ISH groups to implement the ISH standard; legal/registration support.

G13	<p>It is up to the organisation to decide which activities they want to undertake to support smallholders (not limited to RSPO Certified smallholders) in the PO supply chain. Some examples are:</p> <ol style="list-style-type: none"> 1. RSPO Smallholder Support Fund (RSSF): co-funding certification projects. RSPO Members can co-fund smallholders who receive an RSFF grant, email rssf@rspo.org to learn more about which smallholders are looking for co-funding. 2. Partnering with RSPO Smallholder Trainer Academy (STA): sign-up as a STA partner and become a Master Trainer. The Academy helps oil palm smallholders and their supporting organisations get access to high quality training so that smallholders develop more capacity to achieve sustainable livelihoods 3. Direct investments in, or facilitate Independent Smallholder (ISH) Certification projects, e.g. <ol style="list-style-type: none"> a. Legal/registration support in country of ISH operations b. HCV mapping c. Internal audit by consultant to assess if a smallholder unit is ready for certification d. Purchasing Personal Protective Equipment (PPE) 4. Providing technical support and training to smallholders in the supply base on RSPO Standards. 5. Support livelihood improvement projects for smallholders, e.g. <ol style="list-style-type: none"> a. Support with legality and land tenure issues for non-certified smallholders in the supply base. b. Training best management practices and good agricultural practices. 6. Sourcing oil palm products from smallholders, e.g. through RSPO IS-Credits. <p>The RSPO Smallholder Engagement Platform is one of the platforms where RSPO Members could connect with facilitators and smallholders working towards certification and who are seeking assistance.</p>
SR14	<p>Organisation reports on actions to incorporate smallholders into sustainable supply chains (see above).</p>
G14	<p>Reporting of actions can be done through uploading relevant documents on your MyRSPO profile or on the organisation's website. Examples of the type of evidence which can show your support to smallholders are:</p> <ul style="list-style-type: none"> - Smallholder project report, - Sustainability report, - Annual impact report, - Memorandum of Understanding (MoU), - Proof of purchasing/claiming RSPO IS-Credits.
SR15	<p>Organisation's publicly available labour rights policy includes: no discrimination and equal opportunity policy.</p>
G15	<p>The labour policy should include a statement of the non-discriminatory practices, and should prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated.</p>

SR16	Organisation's labour rights policy covers pay and conditions of workers.
G16	<p>At minimum, pay and working conditions for all Workers, as described in the labour rights policy, shall meet legal (national law) or industry minimum standards.</p> <p>For pay, all workers shall be paid legal minimum wage or minimum wage negotiated in Collective Bargaining Agreements (CBAs), whichever is higher. The conditions shall include regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal and period of notice.</p>
SR17	Organisation's publicly available labour rights policy includes: freedom of association and collective bargaining.
G17	Companies should ensure within their own operations that the right of staff and workers, including migrant and transmigrant workers and contract workers, to form associations and bargain collectively is respected, in accordance with Conventions 87 and 98 of the ILO, unless otherwise stated in national legislation.
SR18	Organisation's publicly available labour rights policy includes: protection of children and remediation for suppliers and third party contractors.
G18	<p>The organisation should clearly define the minimum working age based on national legal minimum working age, together with the national regulated working hours/ conditions/ types.</p> <p>Child labour is work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. The term applies to:</p> <ul style="list-style-type: none"> - All children under 18 involved in the “worst forms of child labour” (as per ILO Convention No. 182); - All children aged under 12 taking part in economic activity; and; - All 13 to 15-year-olds engaged in more than light work. The ILO defines light work as work that is not likely to be harmful to children’s health or development and not likely to be detrimental to their attendance at school or vocational training. <p>Any hazardous work should not be done by those under 18, as per ILO Minimum Age Convention, 1973 (No. 138)</p> <p>Child labour remediation refers to the process of removing a child from a child labour situation to ensure safe and adequate alternatives for them. Examples of remediation are procedures to assist underage workers found to be working; to ensure the children are taken out of the work site, and parents/guardians are informed; reintegrating them into the education system or, if they are above the minimum age for work, creating an opportunity for them to work in a non-hazardous job.</p>
SR19	Organisation's publicly available labour rights policy includes: policy to prevent sexual and all other forms of harassment.

G19	<p>Find here an example of a sexual harassment policy provided by ILO.</p> <p>Sexual harassment is defined as any unwanted conduct of a sexual nature, request for sexual favours, verbal or physical conduct or gesture of a sexual nature; or other behaviour of a sexual nature that makes the recipient feel humiliated, offended and/or intimidated, where such reaction is reasonable in the situation and condition; or made into working requirement or create an intimidating, hostile or inappropriate working environment</p>
SR20	<p>Organisation's publicly available labour rights policy includes: policy on absence of forced or trafficked labour.</p>
G20	<p>All work is voluntary and the following are prohibited:</p> <ul style="list-style-type: none"> ● Retention of government-issued identification papers, passports, or work permit; ● Debt bondage*, withholding of wages, and wage cuts due to inability to meet unfair work targets; ● Payment of recruitment fees and related costs** ● Involuntary overtime ● Lack of freedom of workers to resign ● Penalty for termination of employment ● Contract substitution*** <p>* Debt bondage is work exchanged for a debt. It is also known as bonded labour or debt slavery, where workers are told they can pay off a loan of their own or of a family member by working it off. Debt bondage exists when labourers (sometimes with their families) are forced to work for an employer to pay off their own debts or those they have inherited.</p> <p>** The terms recruitment fees and related costs refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection.</p> <p>*** Contract substitution refers to the practice of substituting or changing the terms of employment to which the worker originally agreed, either in writing or verbally, which results in worse conditions or less benefits. Changes to the employment agreement or contract are prohibited unless these changes are made to meet local law and provide equal or better terms.</p>
SR21	<p>Organisation has a policy and SOP for Occupational Health and Safety.</p>
G21	<p>Occupational Health and Safety (OHS) policy and standard operating procedure (SOP) should follow national guidelines. Suggested topics to be covered in the OHS policy and SOP;</p> <ul style="list-style-type: none"> ● Accident and emergency procedures ● Risk assessment to identify Health & Safety (H&S) issues is in place ● Identification of a responsible person for H&S matters, including records of meetings of the safety committee <p>Provide Personal Protective Equipment (PPE)</p>
<p>Environment</p>	

SR22	A statement of intent to reduce, recycle, reuse and disposal based on toxicity and hazardous characteristics, is documented.
G22	<p>A statement of intent on how to reduce, recycle, reuse, and dispose of waste, which is generated by the organisation itself. Topics which could be addressed within the statement are reduction targets of general waste, describing recycling/reuse methods for each material (e.g. food/plastic/glass/paper), identifying waste destinations, and increased proportion of recycled versus general waste.</p> <p>Hazardous waste is waste with properties that make it dangerous or capable of having a harmful effect on human health or the environment.</p> <p>The Organisation shall apply the 3R (Reduce-Reuse-Recycle) Concept to reduce waste generated in its operations.</p>
SR23	NA
SR24	NA
SR25	There is a policy on GHG emissions, which includes: a) identification and assessment of GHG and b) monitored implementation plans to reduce or minimise them.
G25	<p>Direct and indirect greenhouse gas (GHG) emissions from sources that are controlled or owned by the organisation (scope 1 and 2) should be covered in the policy in line with GHG protocol.</p> <p>Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by an organisation (e.g. emissions associated to companies facilities and vehicles such as fuel combustion in boilers, furnaces). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organisation's GHG inventory because they are a result of the organisation's energy use.</p> <p>Examples of reporting are: ESG reporting, sustainability reporting, or other publicly available documents.</p>
Uptake and Resourcing	
SR26	Preferential rates/investments/loans for certified organisations and/or organisations with progressive TBP either for certification or uptake of certified products.
G26	Preferential incentives such as interest rate discounts, access to credit, extension of tenors, etc.
SR27	Relevant policies are publicly available, e.g. investments policy.
G27	Alongside all policies which are required in the SR requirements, please upload any other relevant policies, e.g. investment policy.

SR28	Services and support to RSPO, for example participation in RSPO Working Groups and Task Forces, involvement in Jurisdictional/ Landscape Approach, support for ISH certified, is provided.
SR29	All members commit resources to ensure effective implementation of SR.
G28&29	<p>Supporting RSPO and resourcing activities to ensure effective implementation of SR does not always mean a financial investment or contribution, but could also be allocating time and people to deliver or contribute to these activities.</p> <p>Activities may include;</p> <ul style="list-style-type: none"> - Participation in RSPO Working Group or Task Forces; - Support Independent Smallholders (ISH); - Contribute to the RSPO Smallholder Trainer Academy; - Direct investments in Independent Smallholder Certification projects; - Involvement/direct investments in Jurisdictional/Landscape approach; - Direct/collective investments in conservation and restoration initiatives; - Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives; - Promote pre-competitive cooperation by downstream actors to tackle LW deficit at upstream; - Promote partnerships & actions between supply chain actors (e.g. buyers & suppliers) in relation to sustainable sourcing & a joint commitment and wage improvement plan. <p>Allocating FTE to promote the production or consumption of certified sustainable oil palm products.</p>