

## EB 04-05: Minutes of Executive Board Meeting

**DATE:** THURSDAY, 24 NOVEMBER 2005  
**VENUE:** SWALLOW ROOM, GRAND COPTHORNE WATERFRONT HOTEL, SINGAPORE  
**START TIME:** 0915 (SINGAPORE)

### PARTICIPANTS

- |                                      |  |
|--------------------------------------|--|
| 1. JAN KEES VIS (UNILEVER)           | 12. MARCELLO BRITO (AGROPALMA, REPRESENTATIVE FOR FEDEPALMA) |
| 2. MATTHIAS DIEMER (WWF SWITZERLAND) | 13. BACHTIAR KARIM (PT MUSIM MAS)                            |
| 3. DEROM BANGUN (GAPKI)              | 14. SIMON HARRIS (HSBC BANK MALAYSIA BHD)                    |
| 4. FAUSTA BORSANI (MIGROS)           | 15. S PALANIAPPAN (FELDA)                                    |
| 5. IAN MCINTOSH (AARHUS)             | 16. TEOH CHENG HAI (SECRETARIAT)                             |
| 6. DIAN KOSASIH (WWF-INDONESIA)      | 17. ANDREW NG (SECRETARIAT)                                  |
| 7. AZIZI MEOR NGAH (MPOA)            | 18. SI SIEW LIM (SECRETARIAT)                                |
| 8. CHEW JIT SENG (MPOA)              |  |
| 9. RIKKE NETTERSTROM (BODY SHOP)     | ABSENT   |
| 10. RUDY LUMURU (SAWIT WATCH)        | 1. LEA BORKENHAGEN (OXFAM)                                   |
| 11. TONY LASS (CADBURY SCHWEPES)     | 2. JENS MESA-DISHINGTON (FEDEPALMA)                          |

### AGENDA

#### 1. Introduction

- 1.1 PT Musim Mas response to IFBWW allegations
- 1.2 International Finance Corporation (IFC)'s proposal for RSPO/BACP collaboration
- 1.3 ProForest involvement in follow-up work on P&C

#### 2. Confirmation of minutes of EB meeting held on 23 September 2005 (EB 03-05)

- 2.1 Outstanding items
  - 2.1.1 Membership (discussed under item 5)
  - 2.1.2 EB decision-making process?
  - 2.1.3 RSPO Accounts (discussed under item 6) and Budget for FY 2005-06
  - 2.1.4 EB decision-making process (Oxfam)

#### 3. RT3

- 3.1 Next steps
  - 3.1.1 Verification working group follow-up
  - 3.1.2 National interpretation process
  - 3.1.3 Supply chain work and study
  - 3.1.4 Projects
  - 3.1.5 Questions raised by New Britain Palm Oil Ltd (sent to Secretariat) meant to provide stimulus for discussion by EB on the 2-year trial period:
    - monitoring mechanisms for trial implementation
    - mechanisms for maintaining and co-ordinating contact
    - interim review exercises to discuss progress
    - preferred structure to oversee work: board member or technical group
    - provision of assistance for implementers
    - structure for national interpretation work
    - how to proceed with certification
  - 3.1.6 MPOA registered concerns regarding follow-up on P&C:
    - Commitment from EB for flexibility / further changes to P & C during 2 year trial period based on results of pilot projects e.g. cut-off date issue

- How to start verification group when guidance and/or indicators have not been finalized
- Working Groups on national interpretation, smallholder issues etc
- Funding mechanism for pilot projects, verification etc.

## **4. Membership**

- 4.1 Code of conduct and grievance procedures

## **5. Secretariat**

- 5.1 RSPO Jakarta satellite office
  - 5.1.1 Appointment of RSPO Liaison Officer
  - 5.1.2 Workplan
  - 5.1.3 Office commencement
- 5.2 Secretariat contracts & structure
- 5.3 Annual accounting and finance system
  - 5.3.1 New accounting system/hardware
  - 5.3.2 Appointment of financial advisor
  - 5.3.3 Proposed fee collection structure 2005/2006

## **6. Matters arising**

- 6.1 Strategic planning
- 6.2 Outstanding applications for RSPO membership
  - 6.2.1 Response from PT Inti Indosawit Subur to questions posed from EB
  - 6.2.2 WWF-Indonesia's rejection of Borneo-International Pte Ltd's application
- 6.3 Any other business
  - 6.3.1 Next EB meeting

## 1. Introduction

Jan Kees Vis (JKV) welcomed Executive Board (EB) Members to the meeting and stressed the importance of discussing how to formulate the trial testing period for companies that have recently volunteered for the 2-year testing of the RSPO Principles & Criteria for Sustainable Palm Oil Production (P&C) as well as to see what role the rest of the supply chain can play in all this. JKV proposed that the meeting begin with presentations/proposals from PT Musim Mas, the International Finance Corporation followed by ProForest. JKV also proposed that the meeting adjourn at 1500.

### 1.1 PT Musim Mas response to IFBWW allegations

Additional attendees from PT Musim Mas:

1. TS Tan, Estates Director
2. Alan Southworth, Production Director
3. Surja, Corporate Affairs Director

Representatives from PT Musim Mas provided the EB with a PowerPoint presentation on recent allegations made against PT Musim Mas ([Appendix 1](#)).

JKV and Fausta Borsani (FB) enquired about the possible reasons for workers to go on strike. Alan Southworth (AS) and TS Tan (TTS) were in the opinion that the workers agreed to go on strike because they were promised payments of between 25 million to 45 million Rupiahs each by their union leader. Azizi Meor Ngah (AMN) felt that the strikes in Indonesia were similar to the situation experienced by Malaysia 30 years ago. AMN believed that Indonesian unions are less structured than Malaysia and it is not uncommon for union leaders to have more influence on the employees of a particular company than the general managers themselves.

Rudy Lumuru (RL) mentioned that Sawit Watch did not make a public statement on the PT Musim Mas case because they did not have sufficient information from the workers. Based on the information presented, RL surmised that it would appear that the Company had acted according to the law. However, RL added that Sawit Watch is concerned about the long-term social impacts of the massive lay-off on the local community. RL offered Sawit Watch's assistance to facilitate negotiations between PT Musim Mas and the workers but while grateful, the offer was not taken up at this time.

Derom Bangun (DB) suggested that perhaps PT Musim Mas could reinstate some workers as a goodwill gesture, while urging PT Musim Mas to approach relevant regional and local government agencies to collaborate on community outreach action and resolution. AMN aired concern on the appropriateness for the RSPO to handle this matter.

JKV stated that Unilever does not wish to be involved but insisted that the RSPO still needs to respond to the letter from IFBWW to WWF. Rikke Netterstrom (RN) and Tony Lass (TL) agreed that RSPO should not be involved but should nevertheless encourage transparency amongst its members. Ian McIntosh (IM) raised the point that since the letter was addressed to WWF, they should be the ones to respond and not RSPO. IM added that it was important for RSPO to promote transparency and dialogue, without taking an overactive involvement on matters. In addition, IM stressed the response should reflect and demonstrate that RSPO takes a compassionate view of all sides should also be stressed. JKV requested that WWF respond to the IFBWW letter and mention that the RSPO urges involved parties to try and mitigate and resolve issues. When asked by JKV if the letter should mention offers by GAPKI and Sawit Watch to help resolve the issue, TTS felt that it was not necessary as the case is already being debated by Indonesia's National Industrial Court.

### **ACTION**

- WWF to respond to IFBWW in writing, communicating thinking of EB that both parties are going through proper legal process

## 1.2 International Finance Corporation (IFC)'s proposal for RSPO/BACP collaboration

Additional attendees from IFC:

1. Catherine Cassagne
2. Jochen Krimphoff

Catherine Cassagne (CC) explained that oil palm was selected as the best commodity to work on by the Biodiversity and Agricultural Commodities Program (BACP) and would like to gain some guidance from EB members on how BACP and RSPO can formally work together. Jochen Krimphoff (JK) added that IFC would like an indication of interest in collaboration and perhaps some suggestions on how to move forward formally.

JK proceeded to provide more information on how BACP operates. JK felt that the RSPO can have a key role in realising BACP's objectives of promoting biodiversity and BMPs. JK suggested the following as potential areas of collaboration:

1. Input in P&C guidance document via a BACP working group to address specific biodiversity issues
2. Project-level involvement over a 10-year period. Framework allows mechanism for companies to access GEF level funding through IFC
3. IFC could offer to facilitate support by banks through their commitment to the Equator Principles
4. RSPO could provide platform for biodiversity training
5. Zoning and land management is critical for BACP (i.e. mapping exercises to determine suitable land for plantations while preserving biodiversity)
6. Certification: Setting up system for certification and verification
7. World Bank group: privileged access to governments and perhaps influence area of policy

In response, Jan Kees Vis (JKV) enquired if RSPO or individual RSPO members are eligible to be partners for GEF funding. JK responded that if the 1<sup>st</sup> year is successful (i.e. critical mass achieved, other companies can be involved. Tony Lass (TL) stated that IFC's offer is a very real opportunity to study the impacts of agriculture on biodiversity and felt that the RSPO should get involved. Rikke Netterstrom provided support for BACP's input into the P&C guidance. Azizi Meor Ngah (AMN) and Chew Jit Seng (CJS) highlighted MPOA's projects on BMPs and HCVF. Matthias Diemer (MD) felt that it was an exciting proposal but was concerned about the issue of co-financing. CC responded that IFC needs to have private sector contribution, either in-kind or cash. GEF also prefers the involvement of NGOs. Ian McIntosh wondered if the project could identify capital equipment and invite individual companies to apply for funding. CC and JK felt that it was a possibility. However, there needs to be a clear link with BMPs, biodiversity and/or mapping.

JKV stated that 5 issues potentially fit into the BACP program and is feasible to fit into the pipeline. In detail:

1. Biodiversity working group: Involve the 14 producer companies that have volunteered to participate in the 2-year trial testing of the P&C. IPOC, GAPKI and MPOA to coordinate with training on biodiversity as key component.
2. Training programme on biodiversity and HCVF. Companies should be approached soonest
3. Mapping: SarVision and GRASP should be the ones involved
4. Certification: Too early for RSPO as the Working Group on verification needs to be formed. Perhaps later in the pipeline
5. Help with access to World Bank: RSPO needs a strategy to engage governments first. Perhaps later in the pipeline

### **ACTION**

- Andrew Ng to be focal person from RSPO and follow-up on potential BACP/RSPO collaboration
- Andrew Ng to co-ordinate biodiversity working group idea (item 1 above) with IFC team

## 1.3 ProForest involvement in follow-up work on P&C

Additional attendees from ProForest:

1. Neil Judd

### 1.3.1 Verification working group

Neil Judd (NJ) provided EB with a shortlist of areas that need to be covered in the process of developing verification schemes, including reviewing of standards, periods for review, rules for bodies within certification, determining an accreditation body, accreditation body modus operandi, potential of providing mutual recognition. NJ stated the need to have the Verification working group be given very clearly itemised terms of reference (TOR) that incorporated the details.

Jan Kees Vis (JKV) estimated that the interest amongst members was high, so support and participation would correspondingly be such. He did raise concern over the need to ensure the relevant expertise and experience was present in the composition of the working group.

The EB deliberated on how the verification work would be handled, and based on the suggestion of JKV, the verification working group would be an extension of the existing P&C work. On responding to JKV's enquiry into ProForest's interest in the work, NJ gave a positive response, adding that with the existing knowledge of RSPO and profile with members it was a logical step for ProForest to bid to continue. Concerns were raised by Derom Bangun (DB), Simon Harris (SH) and S Palaniappan (SP) about transparency. However, the overriding need to begin the work as stated by JKV and Tony Lass (TL) was accepted by the EB.

Matthias Diemer (MD) enquired about the ownership of the P&C, vis-à-vis protection of copyright, trademark and false claims. NJ suggested that copyrighting the RSPO logo but cautioned of potential legal implications. JKV, Fausta Borsani (FB), Azizi Meor Ngah (AMN) and Ian McIntosh (IM) all suggested that copyrighting of the RSPO be done.

### **ACTION**

- Andrew Ng and Neil Judd to collaborate on preparing Verification working group TOR within a month of EB meeting and circulate to volunteer members (i.e. Verification WG) and EB
- Jan Kees Vis to contact Unilever in Malaysia over legal matters relating to copyright of RSPO logo

### 1.3.2 Guidance for the P&C

### 1.3.3 National Interpretation process

Fausta Borsani (FB) suggested that guidelines or guidance be general in nature while details are elaborated through national interpretation processes. JK agreed and made request that EB members take the leads in their respective countries on overseeing and guiding the national interpretation processes.

Rudy Lumuru (RL) made point about translating of key documents like P&C as it was important. RL, Jan Kees Vis (JKV), Dian Kosasih (DK) and FB raised concerns supporting this by pointing out the need to ensure any translation is acceptable to stakeholders and that it must be directly done once the work on guidance for the P&C are completed.

Andrew Ng (ANG) suggested that another meeting of the CWG be held early 2006 to finalise the guidance. This would be pending the amount of surplus received from the CWG process. JKV wanted to ensure that there were sufficient resources to cater for the expected expansion plans for the Secretariat in 2006.

JKV made a call to EB members to lead respective national interpretation processes. Azizi Meor Ngah (AMN) and Chew Jit Seng (CJS) agreed for Malaysia, and Marcello Brito (MB) volunteered for Brazil. To a concern on the inclusion of the Pesticide Action Network Asia & the Pacific (PANAP) in the national interpretation process, AMN stated that their inclusion into the Malaysian process would be accepted.

On a side note, JKV relayed concerns over the manner in which the debate between PANAP and Syngenta had deteriorated and not moved more constructively. An issue for national interpretation and guidance processes raised by JKV was the inclusion of a cautionary list of chemicals and substances. AMN pointed out that differences and inconsistencies between countries would complicate attempts at having a consistent list.

Matthias Diemer (MD) enquired on the need for the EB to approve national interpretations. JKV suggested that it be done based upon what are the final results. AMN and CJS asked for the generic guidance to be completed before commencing national interpretation processes, as the NI process can be the national interpretation of the guidance. JKV suggested that NI processes be allowed to self-organise through the leadership of each focal point in the various countries basing the technical content upon the generic guidance. He also stressed the need to approach African producers on starting NI processes.

## **ACTION**

- Andrew Ng to report to EB on possibility of having 4<sup>th</sup> CWG meeting to finalise guidance and demonstrate financial viability as well
- Secretariat to contact African stakeholders (requiring assistance of EB where needed to establish contacts, etc.)

**NOTE:** Please refer to Item 3.1.4 below for additional notes on National Interpretation.

<Meeting adjourned for lunch at 1230 and resumed at 1315>

## **2. Confirmation of minutes of EB meeting held on 23 September 2005 (EB 03-05)**

### **DECISION:**

- All agreed to confirm the minutes of EB 03-05
- All agreed to defer discussions on the EB's decision-making process to early 2006

## **3. RT3**

### 3.1 Next steps

- 3.1.1 Verification working group follow-up
- 3.1.2 National interpretation process
- 3.1.3 Supply chain work and study
- 3.1.4 Questions raised by New Britain Palm Oil Ltd (sent to Secretariat) meant to provide stimulus for discussion by EB on the 2-year trial period:
  - monitoring mechanisms for trial implementation
  - mechanisms for maintaining and co-ordinating contact
  - interim review exercises to discuss progress
  - preferred structure to oversee work: board member or technical group
  - provision of assistance for implementers
  - structure for national interpretation work
  - how to proceed with certification

Jan Kees Vis (JKV) asked EB members on their opinions of having a session on projects at the next RT meeting (RT4). Teoh Cheng Hai (TCH) inputted by asking EB members to take cognisance of the original reasons for having a projects session for RT meetings. Tony Lass (TL) felt that this session provided a platform for people to air issues, while MD saw little value in "beauty contests" of projects that in some cases had no chance of adequate funding. JKV added that this session provides a means for connecting people and that some good ideas for further development or collaboration existed. He further added that RT4's projects session should focus on P&C related or linked projects.

## DECISION

- All agreed that screening for RT4 papers and submissions should be better screened for appropriateness and content value

JKV suggested that RSPO calls upon National Interpretation Working Groups to look at implementation trials. The 14 companies and organisations which have volunteered to participate in the 2-year trial period should be part of the working groups in their respective countries.

The 14 volunteers include:

1. PTPP London Sumatra Tbk
2. PT Agro Indomas
3. Daabon Group
4. IOI Group
5. Agropalma Group
6. Golden Hope Plantations Berhad
7. SIAT Group
8. Sarawak Land Consolidation and Rehabilitation Authority (SALCRA)
9. PT SMART Tbk
10. FELDA (smallholders)
11. Boustead Plantations Berhad
12. PPB Oil Palms Berhad
13. OPIC
14. Kulim (Malaysia) Berhad

Dian Kosasih (DK) requested some clarity on the methodology of the trials (i.e. what will be recorded or monitored during the trial period). JKV felt that individual companies will work on different issues and the RSPO should not interfere in this. DK insisted that the RSPO must make sure that 'difficult' issues are sufficiently addressed during trial testing. Rikke Netterstrom (RN) suggested that RT4 could be a place to address issues that have not been addressed from now till then.

## DECISION

- All agreed that the Secretariat will oversee the work of various National Interpretation Working Groups

S Palaniappan (SP) requested clarity on whether work on verification or implementation of the P&C should come first. JKV stressed that both verification and implementation work has to happen concurrently. JKV added that some Criteria will have quantitative indicators and the trial implementation period has to be used to test these indicators. Conflict management, for example, is not quantitatively measurable and will have to be carried out in a fair and acceptable way. SP further stressed the need for a simple checklist, especially for smallholders. JKV responded that developing a checklist will be one of the objectives of the trial period. Fausta Borsani (FB) added that 9 plantations have been audited against Migros criteria and offered to make the Migros criteria checklist available to all to avoid double-work. Marcello Brito (MB) also offered to share Agropalma's monitoring parameters from 2 years ago. Chew Jit Seng (CJS) informed EB members that MPOA was involved in drafting a series of Malaysian Standards on GAPs for major crops including for oil palm (i.e. MSGAP-Pt 1: Oil Palm), for which the public consultation period ends on 30 November 2005. CJS further added that more Malaysian producer companies could be coming onboard the 2-year trial period of the P&C (i.e. United Plantations Berhad). Finally, FB suggested that it may be useful for the Secretariat to look into hosting an information/data centre on the RSPO website with regards to the implementation of the P&C.

## ACTION

- Andrew Ng to contact Simon Lord for New Britain Palm Oil Ltd's translation of the P&C into an audit checklist
- Neil Judd to make available, the Migros criteria audit checklist to the Secretariat
- Marcello Brito to make available, Agropalma's monitoring parameters to the Secretariat

- Andrew Ng to write a briefing note on national interpretation of the P&C for follow-up action
- Secretariat will begin foundation for the posting of an information/data sharing centre on [www.rspo.org](http://www.rspo.org) for P&C implementation related matters

### 3.1.5 MPOA registered concerns regarding follow-up on P&C:

- Commitment from EB for flexibility / further changes to P & C during 2 year trial period based on results of pilot projects e.g. cut-off date issue
- How to start verification group when guidance and/or indicators have not been finalized
- Working Groups on national interpretation, smallholder issues etc
- Funding mechanism for pilot projects, verification etc.

Chew Jit Seng (CJS) remarked that the issues previously raised by MPOA (above) have already been resolved at RT3 and GA2 and does not need to be discussed during this meeting.

## 4. Membership

### 4.1 Code of conduct and grievance procedures

Jan Kees Vis (JKV) explained that the Secretariat did not have time to prepare a draft Code of Conduct for the General Assembly but will circulate a draft to EB members and then to RSPO members as soon as possible. Tony Lass (TL) felt that it will be difficult to come up with a Code of Conduct that covers every issue. However, one general document for reference will be very useful for the RSPO to have. Azizi Meor Ngah (AMN) and Chew Jit Seng (CJS) stressed the importance of a mechanism for damage control and cited the example of the recent orangutan campaign, which was damaging to the oil palm growers community. In response, JKV suggested a gentleman's agreement to settle disputes before going public.

Simon Harris (SH) cited the example of the recent haze in Kuala Lumpur. Issues like these often put the Secretariat in a difficult position and there needs to be some form of agreement on how the RSPO can address these issues. This needs to be included in the Code of Conduct. JKV reiterated that the Code of conduct should contain language on what is the RSPO's role.

### **ACTION**

- Andrew Ng and Jan Kees Vis to prepare the draft RSPO Code of Conduct and circulate to EB

## 5. Secretariat

### 5.1 RSPO Jakarta satellite office

- 5.1.1 Appointment of RSPO Liaison Officer
- 5.1.2 Workplan
- 5.1.3 Office commencement

Jan Kees Vis (JKV) reminded EB members that the Royal Dutch Embassy has confirmed that they will fund the RSPO Jakarta satellite office. However, it is still unclear as to when the money will start flowing. A workplan is required to expedite the process. The Royal Dutch Embassy has emphasized that there needs to be clear reporting lines to both the embassy (as fund provider) and RSPO.

Andrew Ng (ANG) briefed EB on the plan to circulate the workplan framework to all Indonesian partners for inputs. The final workplan for submission to the Tripartite Partnership would be done after, working together with IPOC.

On the matter of the Liaison Officer, Teoh Cheng Hai (TCH) briefed EB on discussions held with Rosediana Suharto of IPOC on the requirements for the Liaison Officer and the potential of appointing Asril Darussamin, currently working for the Indonesian Palm Oil Commission (IPOC), part of the CWG and highly

involved in working with WWF-Indonesia. In response, Dian Kosasih (DK) raised the idea of having an open process. Concerns were also raised by Derom Bangun (DB) on the appointment of Asril Darussamin for the post as he did not satisfactorily convey the aspirations of Indonesian oil palm growers via his involvement as a CWG member. DB suggested that an open process of advertising for the post be used instead.

The idea was not supported by other EB members. JKV then asked for provisions to be made to ascertain the sensitivities of this matter with partners and funders through the Secretariat.

## **ACTION**

- Andrew Ng to discuss with RSPO's Indonesian partners (i.e. IPOC, GAPKI, etc.) and finalize framework (including selection of liaison officer, workplan, Terms of Reference, etc.) for RSPO Jakarta office for submission to the Royal Dutch Embassy
- Andrew Ng to discuss issue of appointment process with Royal Dutch Embassy and IPOC to clarify any potential sensitivities or problems

## 5.2 Secretariat contracts & structure

Jan Kees Vis (JKV) felt the need for a structured annual appraisal system for Secretariat staff. He requested that Matthias Diemer and Azizi Meor Ngah be involved in this. All agreed that April 2006 would be a good date to recruit additional personnel for the Secretariat. Meanwhile, the Secretariat needs to prepare a workplan for the next 2 years as well as a proposal for a more spacious office to accommodate this person.

## **DECISION**

- All agreed that an additional person will be hired to assist the Secretariat by April 2006
- All agreed that the employment contracts for the Secretary-General and Secretary be renewed

## **ACTION**

- Secretariat to prepare a 2-year workplan and distribute to EB
- Secretariat to prepare a proposal for larger office space to EB

## 5.3 Annual accounting and finance system

5.3.1 New accounting system/hardware

5.3.2 Appointment of financial advisor

5.3.3 Proposed fee collection structure 2005/2006

Jan Kees Vis (JKV) stated that there is reasonable software available in the market to help with invoicing to ensure consistent cash flow. Tony Lass (TL) felt that the RSPO needs to be careful of how we present our accounts to the outside world.

## **ACTION**

- Secretariat to distribute latest budget to EB members as soon as possible
- Secretariat to seek financial and accounts advice from Ian McIntosh and endeavour to distribute an audited set of accounts to EB members as soon as possible
- Secretariat to handle new accounting system/hardware, appointment of financial advisor, and the proposed fee collection structure 2005/2006 as smoothly and as soon as possible

## 6. Matters arising

### 6.1 Strategic planning

Jan Kees Vis (JKV) enquired if the EB felt that it is now timely for the RSPO to undergo a strategic planning exercise. Azizi Meor Ngah (AMN) felt that a process similar to what WWF undertakes could be useful for RSPO. Matthias Diemer (MD) responded by saying that strategic planning is a tedious exercise but provides clarity. JKV and Teoh Cheng Hai (TCH) reminded EB members that everyone must be committed to start discussions on this subject via email and the next EB meeting should coincide with a working version of the Vision and Mission and Strategies for RSPO.

#### DECISION

- All agreed to commit themselves to the strategic planning exercise

#### ACTION

- Teoh Cheng Hai to begin the RSPO strategic planning exercise via email and work towards having a working version of the RSPO Vision, Mission and Strategies by the next EB meeting in early 2006

### 6.2 Outstanding applications for RSPO membership

6.2.1 Response from PT Inti Indosawit Subur to questions posed from EB

6.2.2 WWF-Indonesia's rejection of Borneo-International Pte Ltd's application

#### ACTION

- Secretariat to distribute Pt Inti Indosawit Subur's response to EB members

Dian Kosasih (DK) claims that WWF-Indonesia is unable to verify Borneo-International's activities (mentioned on their website) on the ground. There have also been some false claims made on their part.

#### ACTION

- WWF-Indonesia to forward specific queries and requests they have for Borneo-International to the Secretariat as soon as possible
- Secretariat to carry out another search on Borneo International, broadening out to enquire with Australian RSPO members and company search for further background information

### 6.3 Any other business

#### Current composition of RSPO Executive Board

Derom Bangun (DB) stated that Indonesian stakeholders are not satisfied with the current composition of the Executive Board. As producers constitute the majority of the present membership, this sector should have proportionately more seats on the EB. Fausta Borsani (FB), Matthias Diemer (MD) and Jan Kees Vis (JKV) responded by saying that the discussion is closed as proposals to change the current composition of the EB is very difficult as it was originally designed to ensure that no single stakeholder group is able to dominate. S Palaniappan (P) felt that the smallholder representative on the EB may find it difficult to represent smallholders worldwide and perhaps it is not a bad idea to include an Indonesian smallholder representative.

#### Engagement of governments

Since there was no decision made on this matter since RT2, Teoh Cheng Hai (TCH) and Jan Kees Vis (JKV) enquired if the RSPO should engage governments more actively. Azizi Meor Ngah (AMN) felt that there is a strong link between smallholders and governments (i.e. FELDA). Chew Jit Seng (CJS) added that IPOC is

very much involved in the RSPO. JKV felt that relationships should be formed with governments by local representatives. JKV and CJS further suggested including governments in the National Interpretation Working Groups. TCH stated that he had earlier prepared a discussion paper on this topic for the February 2005 meeting in Carey Island and it could still be relevant for further discussions by EB.

## Others

Fausta Borsani (FB) stated that Migros is keen to have one plantation to comply with RSPO criteria and will be willing to pay for that first audit.

## ACTION

- Andrew Ng to include government agencies in his briefing note on National Interpretation of the P&C
- Andrew Ng to include methodologies for sharing the cost of audits in the agenda for the Verification Working Group
- Andrew Ng to work with Marcello Brito on RSPO's side event during COP 8 next year

MD raised issue that there are inconsistencies about membership categories in particular amongst biofuels companies. Lim Si Siew (LSS) raised the matter of Biofuels Corporation PLC's application for membership as an affiliate member, but sought guidance from EB on whether to request Biofuels Corporation PLC change their membership application to Ordinary Membership under the Processor/Trader category. EB members who recognised the applicant pointed out that volume should not be a deterrent to full membership and that Biofuels Corporation can be considered a typical player within the supply chain, thus qualifying them for Ordinary Membership. The other similar case involved the application of membership by Gardner Smith.

## ACTION

- Secretariat to write to Biofuels Corporation PLC to change application to Ordinary Membership and liaise with IM on approaching them
- Secretariat to write to Gardner Smith on the same matter and urge their change in membership status

### 6.3.1 Next EB meeting

Jan Kees Vis (JKV) suggested that the next EB meeting should coincide with the final (additional) CWG meeting to finalize the P&C guidance. Marcello Brito (MB) suggested coinciding those events with the Price Outlook Conference in Malaysia scheduled for 21-22 February 2006.

## DECISION

- All agreed that the next physical EB meeting will be held on Friday, 24 February 2006

**NOTE:** We have been informed that the Price Outlook Conference dates have changed from 21-22 February 2006 to 22-24 February 2006. Venue remains the same at Shangri-la Hotel in Kuala Lumpur.

<Adjournment at 1510 (Singapore Time)>

RSPO Secretariat  
30 November 2005

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Jan Kees Vis, President  
Roundtable on Sustainable Palm Oil (RSPO)