



Roundtable on Sustainable Palm Oil

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EB-04: Minutes of Executive Board Meeting

By Phone Conference on 13 September 2004 at 9.00 GMT

Participants

1. Jan Kees Vis (Unilever)
2. Fausta Borsani (Migros)
3. Ian McIntosh (Aarhus)
4. Matthias Diemer (WWF)
5. Patrick Cooper (WWF)
6. Wilko Jan Balkema (IOI Group)
7. Jan Olof Liddefelt (Karlshamns)
8. MR Chandran (MPOA)
9. Amintha Perera (MPOA)
10. Chris Donough (IOI Group)
11. Rosediana Suharto (IPOC)
12. Teoh Cheng Hai (RSPO Secretariat)
13. Si-Siew Lim (RSPO Secretariat)

Absent with apologies

1. Ian Rowland (PRPOL)
2. Khairudin Hashim (Golden Hope)
3. Vengeta Rao (MPOA)
4. Rikke Netterstrom (BodyShop)

AGENDA

1. Introduction
2. Confirmation of Executive Board meeting 3/04 on 16 August 2004 and matters arising
 - 2.1 Update on RSPO membership and SOIs
 - 2.2 Appeal procedure for rejected applications for membership
 - 2.3 Communications
 - 2.4 Finance
3. Preparations for RT2 meeting in Jakarta
 - 3.1 Update on status of registration
 - 3.2 RT2 Agenda
 - 3.3 Exhibition
 - 3.4 Social programme
 - 3.5 Post RT2 visits
 - 3.6 Communications
 - 3.7 Finance
4. Preparations for General Assembly (GA1) in Jakarta
 - 4.1 Notice of meeting
 - 4.2 Conduct of GA1
 - 4.2.1 Eligibility for participation in GA1
 - 4.2.2 Quorum
 - 4.2.3 Procedure for election of Executive Board
5. Update on RSPO projects:
Development of Criteria for Sustainable Palm Oil
 - 5.1 Nominations and selection of member of Criteria Working Group (CWG)
 - 5.2 Preparations for CWG meeting on 4 October 2004
6. Any other matters
 - 6.1 Transition of Executive Boards

MINUTES

1. Introduction

Teoh Cheng Hai (TCH) gave his opening remarks.

Apologies were received from Ian Rowland and Khairudin Hashim prior to the meeting. At the meeting, the Executive Board was informed that Dr Vengeta Rao and Rikke Netterstrom could not attend.

TCH informed the Executive Board that following an internal review of Body Shop's involvement in the RSPO process, Rikke Netterstrom will replace Sara Clancy as its representative on the Board.

TCH stated that due to the recent bombing incident in Jakarta, which may have significant implications on RT2, Dr Rosediana Suharto and Derom Bangun have been invited to join today's phone conference. Discussions will also begin with item 3 on the agenda, "Preparations for RT2 meeting in Jakarta" as to take advantage of Dr Rosediana Suharto's presence.

3. Preparations for RT2 meeting in Jakarta

- Implications of Jakarta bomb blast
- Update on status of registration
- RT2 Agenda
- Exhibition
- Social programme
- Post RT2 visits
- Communications

Implications of Jakarta bomb blast.

IPOC: Dr Rosediana informed the Board that the situation in Jakarta was calm and under control. Currently, the Indonesian police are carrying out investigations. Overall, security arrangements in the city had been strengthened, particularly in areas perceived to be more vulnerable. However, latest news on any development was not available as it was a public holiday in Indonesia.

RSPO Secretariat: TCH enquired if Dr Rosediana would recommend that RT2 proceed as planned.

IPOC: Dr Rosediana stated that, the pros and cons considered, she would recommend RT2 continues as planned. She added terrorist incidents are unpredictable and can happen anywhere in the world.

MPOA: MR Chandran informed the Board that a statement in the Malaysian press stated that people should anticipate more bombs. Travel bans by have also been exercised by companies Malaysian companies like Bayer, Syngenta as well as the Australian Embassy.

RSPO Secretariat: TCH enquired if there has been any travel bans by the companies which are represented by the RSPO Board.

ALL: No.

MPOA: MR Chandran stressed the need for a letter of assurance to be sent to all registered participants. This letter will also aid delegates in getting special permission to attend RT2, if necessary.

WWF and Unilever: Matthias Diemer stated that WWF is very grieved and concerned about the situation but still feels that work should continue and that we should not be discouraged by acts of terrorism. Jan Kees Vis felt the same way.

IPOC: Dr Rosediana advised that there had been no enquiries or cancellations of registrations from any of the registered participants so far.

Migros: Fausta Borsani enquired if the hotels selected are safe and if there are additional security measures in place. She further enquired if RT2 could be moved to a safer venue.

IPOC and RSPO Secretariat: Dr Rosediana and TCH informed the board that all major hotels in Jakarta have maintained strict security checks since the JW Marriot incident. All individuals entering hotels are required to go through a metal detector as well as having their bags searched. Vehicles are also inspected using hand-held detectors etc. The level of security at the Grand Hyatt is considered good and there may not be an advantage to change venues.

RSPO Secretariat: TCH requested a decision from the Board whether to proceed with RT2 as planned or to postpone the meeting.

DECISION: All agreed that RT2 should go ahead as planned.

RSPO Secretariat: TCH enquired if it will be useful if we issue a letter of assurance to the participants.

MPOA: MR Chandran insisted that a letter should be sent to all participants as well as a statement posted on the RSPO website.

Aarhus: Ian McIntosh felt that a letter was not necessary and could be perceived as condescending as everyone should be responsible for their own decisions.

Unilever: Jan Kees Vis disagreed and felt that a letter was necessary. The letter should recognize what had happened and state that after measuring the risks, we have decided to continue with RT2 as planned.

MPOA: MR Chandran agreed with Jan Kees Vis and recommended that the letter comes from the Indonesian organizers.

ACTION: Dr Rosediana Suharto will get Ir Hj Delima Hasri Azahari, IPOC, to write a letter of assurance on behalf of the RT2 organizers.

Update on status of registration

IPOC: Dr Rosediana Suharto informed the board that to date, the organizers have received 119 registrations for RT2.

RT2 Agenda

RSPO Secretariat: TCH informed the Board that Prof Emil Salim cannot be present at the RT2 opening session as suggested earlier. Ir Sarwono Kusumahatmadja, former Indonesian Minister of Environment has been identified as a replacement.

ACTION: Dr Rosediana Suharto will be meeting Ir Sarwono Kusumahatmadja on Thursday to finalise his key note presentation.

Session I

WWF: Matthias Diemer enquired if the period allocated for discussion is too long during Session I?

RSPO Secretariat, MPOA and Unilever: Based on experience facilitating discussions, TCH felt that the time allocated was necessary for general questions from the public, particularly those who not so well-versed with RSPO. MR Chandran had the same opinion. Jan Kees Vis agreed.

RSPO Secretariat: TCH informed the Board that a press conference will be held immediately after the Opening Session. As such, time management would be critical as Jan Kees Vis and Matthias Diemer are involved in Session I.

Unilever: Jan Kees Vis suggested that the press conference be held immediately after the Opening Session so that he would be in time for his presentation in Session I. The tour of the Exhibition by the Minister could take place after the coffee break.

MPOA: MR Chandran stated that 30 minutes would not be sufficient time to conduct the press conference and tour the RT2 exhibition.

IPOC: Dr Rosediana mentioned that if more time is required, the entire agenda would have to be changed. She suggested that one of the RSPO Board Members can accompany the Minister. This person need not be the President or Vice-President.

DECISION: All agreed that Fausta Borsani, in her capacity as RSPO Treasurer, would accompany the Minister during the tour of the RT2 exhibition. Fausta Borsani agreed.

WWF: Matthias Diemer enquired about the reasoning behind having two press conferences.

RSPO Secretariat: TCH explained that the first press conference would be with the Minister of Agriculture whereas the second press conference would be at the end of RT2 to present the results and conclusions of RT2.

Session II

RSPO Secretariat: TCH stated that Session II will be a fairly tough session comprising six components. The 6th component on Supply Chain was suggested by the Board at the last meeting. TCH suggested that a representative from the Board leads the group work on this component during the break-out session.

MPOA: MR Chandran informed the board that Dr Vengeta Rao who suggested the inclusion of the supply Chain component will not be attending RT2. However, he offered to lead the session instead.

RSPO Secretariat: TCH enquired if there are any volunteers from Board members representing downstream suppliers who would be more appropriate to lead the session.

Aarhus United: Ian McIntosh agreed to assist MR Chandran in leading discussions.

DECISION: Agreed that Ian McIntosh should lead the session jointly with MR Chandran.

Session III

RSPO Secretariat: TCH informed the Board that the Secretariat has received confirmed presentations from IPOC/WWF-Indonesia, MPOA, Forest Conversion Initiative (WWF) and the International Finance Corporation (IFC). Friends of the Earth (FoE) will not be able to attend RT2 but they will submit a paper, which can be distributed to participants. No feedback has been received from SawitWatch/Celcor so far.

ACTION: Dr Rosediana Suharto mentioned that SawitWatch will inform her of their decision by tomorrow. Dr Rosediana Suharto to inform the RSPO Secretariat of SawitWatch's participation.

RSPO Secretariat and IPOC: TCH informed the Board that write-ups (according to the recommended framework) on presentations and project proposals need to be submitted by 15 September 2004. Dr Rosediana Suharto also needs the write-ups for printing purposes. Copies of speakers' passports (identification page and page showing passport validity) are also required under Indonesian law.

RSPO Secretariat: TCH informed the Board that for the second half of Session III, the following organizations have confirmed their participation: IIED, CABI, Bayer CropScience, WWF, MPOA, and IPOC/WWF. PRAIT's project will be changed to a CI/WRI project defining Key Biodiversity Areas (KBAs). Erich Dumelin has also informed TCH that he will be submitting a project from West Africa.

Aarhus: Ian McIntosh confirmed the "Book and Claim" project by Aarhus.

ACTION: Aarhus, MPOA, and WWF to submit their project write-ups to the RSPO Secretariat and IPOC as well as copies of speakers' passports to IPOC by 15 September 2004.

MPOA: MR Chandran mentioned that there are many overlapping projects, for example CABI and MPOA. Will there be sufficient constituent groups? He also mentioned the importance in getting suitable partners for these projects.

RSPO Secretariat: TCH responded by saying that until we have seen the contents of all project proposals, it would be difficult to judge if they are indeed overlapping. Based on the titles, projects are may appear to be similar but their contents may differ. We should not be pre-emptive before the project proposals come in. TCH requested other Board members to give their views on the present list of projects.

Unilever: Jan Kees Vis stated that the current list of projects was satisfactory and it is often inevitable that overlaps occur when organizing sessions like these.

RSPO Secretariat: TCH stated that the results of the group discussion all ten projects will be presented during the Plenary Session of Session III.

WWF: Matthias Diemer suggested having two projects in each group to consolidate discussions.

MPOA: MR Chandran suggested putting the projects into three or four groups where overlaps occur. Cooperation would be easier when only 2-3 proposals are made to the same audience.

RSPO Secretariat and WWF: TCH stated that discussing 3 projects in 30 minutes in the break-out session would be extremely stretched. Matthias Diemer agreed and stated that there would be no discussion whatsoever.

Unilever: Jan Kees Vis suggested (as an example) that Unilever, MPOA and IIED be put in one room. He also suggested that one presenter be appointed for each group to summarize the results of the projects in that group. The Session III breakout sessions are extremely important as it will set the agenda of RSPO's work for the next 12 months. He suggested shortening the plenary session since FoE will not be there.

RSPO Secretariat: TCH responded by saying that Jan Kees Vis' suggestion is workable with one common presentation for each of the three groups. In this way, we can extend the time for the break-out group work to 60 minutes. TCH stated that he will decide on the grouping of proposed projects after seeing proposals..

DECISION: All agreed to TCH's suggestion (see above).

Session IV

IPOC: Dr Rosediana suggested that the item where representatives from China, India and Netherlands are invited to give statements on their response to RT2 be dropped due to the shortage of time for receiving responses from representatives.

RSPO Secretariat: TCH enquired about the presentation on updates from the Roundtable on Sustainable Soy.

ACTION: Unilever and WWF to discuss the issue (updates from the Roundtable on Sustainable Soy) further and inform the RSPO Secretariat on who will be the presenter.

Unilever: Jan Kees Vis enquired about whom will be responsible for the summary of results.

DECISION: TCH to be responsible for the summary of results during Session IV.

Post RT2 visits

IPOC: Dr Rosediana Suharto informed the Board that not many people have registered for post RT2 visits. The number of registrations received only number about 5 to 6 people. It is hoped that RT2 participants will register for field visits during the conference. A brochure explaining post RT2 visits will also be ready by Wednesday.

ACTION:

Dr Rosediana Suharto to send an electronic copy of the brochure to the RSPO Secretariat for the purpose of posting on the RSPO website.

Communications

RSPO Secretariat: TCH stated that some people have reported difficulty in contacting IPOC. To rectify this, TCH informed the Board of certain changes (RSPO's contact has been added) in the final version of the registration form.

4. Preparations for General Assembly (GA1) in Jakarta

- Notice of meeting
- Conduct of GA1
 - Eligibility for participation in GA1
 - Quorum
 - Procedure for election of Executive Board

RSPO Secretariat: TCH enquired if organizations that are still in the application process (and have not paid their membership fees) would be allowed to attend GA1.

Unilever and MPOA: Jan Kees Vis suggested that every organization that has applied for RSPO membership should be allowed to attend GA1. Organizations like Nestle, SawitWatch, and Oxfam are expected to apply for RSPO membership soon. MR Chandran added that we should also anticipate a flurry of membership applications from additional Malaysian plantation companies.

DECISION: All agreed that organizations that have applied for RSPO Membership be allowed to attend GA1 regardless of whether they have received a formal letter of acceptance or not.

ACTION: All EB Members to confirm their attendance of GA1 by submitting the RSVP form to the RSPO Secretariat.

RSPO Secretariat: TCH enquired about what the RSPO should do in the event that a quorum is not achieved.

MPOA: MR Chandran explained relevant aspects of the English legal system. Two options are to reconvene or postpone the General Assembly for one week in the case that there is no quorum. The Board could make a decision on this issue as it is not included in the statutes or bylaws. MR Chandran suggests that if there quorum, adjourn the General Assembly for 30 minutes and reconvene the meeting based on the number of people present.

Unilever: Jan Kees Vis agreed that MPOA's suggestion was a practical proposal however; he does not anticipate any problems during the GA1.

DECISION: All EB Members agreed to adjourn the General Assembly for 30 minutes and reconvening based on the number of people present in the case that a quorum is not achieved.

Junilever: Jan Kees Vis enquired if GA1 would be held in the same room as RT2?

RSPO Secretariat: TCH advised that GA1 will be held in a separate meeting.

WWF: Matthias Diemer stated that the time allocated for the second press conference in 6th October is too short and suggested that it be extended by 15 minutes. GA! Could commence at 16.30/.

All: agreed.

2. Confirmation of Executive Board meeting 3/04 on 16 August 2004 and matters arising

- Update on RSPO membership and SOIs
- Appeal procedure for rejected applications for membership
- Communications
- Finance

DECISION: Minutes from the previous EB Meeting on 16 August 2004 were confirmed by all.

Update on RSPO membership and SOIs

RSPO Secretariat: TCH updated the Board on current RSPO membership. Three more applications have been received since the last EB Meeting bringing the total number of organizations/individuals in RSPO to 45. TCH proceeded to enquire about the status of ICA AB and NASH.

ACTION:

- Karlshamns to follow up with ICA AB on their application
- MPOA to follow up with NASH on their application
- RSPO Secretariat to follow up on a request from the last EB Meeting, to find out if organization/company registrars are public domain information in Indonesia and Malaysia

Appeal procedure for rejected applications for membership

DECISION: All agreed that the newly elected RSPO Executive Board should consider Patrick Cooper's suggestions on an appeals procedure for rejected applications for membership:

- The appeals procedure should apply to rejected applications, suspension and termination of membership
- The right to appeal exists so long as notification of appeal is given to the Secretariat General within 7 days, and an Appeals Form is completed and returned with supporting facts within 14 days
- Appeals, and evidence in support of the decision to reject, suspend or terminate membership, should be forwarded by the Secretariat General to an appointed Arbitration Board. The Board should be independent and represent all Constituent Groups' interests
- The Arbitration Board's decision is binding, and no claims can be made against RSPO

Finance

ACTION: Aarhus, BodyShop, PRPOL, and IOI Group to pay their 2004/2005 membership dues to the RSPO Secretariat as soon as possible

5. Update on RSPO projects: Development of Criteria for Sustainable Palm Oil

- Nominations and selection of member of Criteria Working Group (CWG)
- Preparations for CWG meeting on 4 October 2004

RSPO Secretariat: TCH informed the Board that to-date only 5 EB Members have submitted their votes for the CWG Members. Remaining votes need to be submitted by 1700 GMT today so that the appointees can be advised tomorrow. He also enquired if in the event of a tie for the fifth and final position in a particular CWG constituent, and selection involves a Board member, what would we do?

MPOA: MR Chandran suggested that the EB member should receive a lower priority since EB Members will have a chance to comment on the findings of the Criteria for Sustainable Palm Oil.

DECISION: All EB Members agreed that EB Members involved in a tie for a place in the CWG should step down.

RSPO Secretariat: TCH enquired for names of EB Members who wish to attend the CWG meeting on 4 September 2004.

DECISION: Chris Donough, Wilko-Jan Balkema, Fausta Borsani, Ian McIntosh, MR Chandran, Jan-Olof Lidfelt, Jan Kees Vis, and Matthias Diemer will attend the CWG Meeting on 4 September 2004.

6. Any other matters

- Transition of Executive Boards

Transition of Executive Boards

RSPO Secretariat: TCH informed the Board that as agreed at the last EB meeting, arrangements have been arranged for the 1st meeting of the new Executive Board to be held in the Merapi Room, Grand Hyatt Jakarta from 0930-1200. A suggested agenda is as follows:

- Election of President, Vice-President(s) and Treasurer for the next 2 years
- Establishment of a new RSPO Secretariat
- Appointment of a new Secretary-General and Secretary
- To consider/approve the budget for the new RSPO Secretariat
- To consider the appointment of an Ambassador for Sustainable Palm Oil (Proposal by Reinier de Man)
- Strategic directions/plan for RSPO for the next 2 years

Unilever: Jan Kees Vis stated that agenda items were concise and that the last item is general enough for discussions to take place. He also enquired about the Report from the treasurer.

ACTION:

- Migros and RSPO Secretariat to have discussions (via email) prior to RT2 regarding the Treasurer's report
- RSPO Secretariat to arrange for the RSPO accounts for two distinct periods (i.e. before 30 June 2004 and post 1 July 2004) to be audited and certified by MPOA's suggested auditor. The account should also be distributed to EB Members for comments in advance.

MPOA: MR Chandran enquired about the position of the money owed to Unilever for VAT payments and the previous consultant. The total amount outstanding from the account RT Organising Committee account was EUR 13,512

Unilever: Jan Kees Vis suggested that the item be recorded as a zero interest loan in RSPO account at the moment from Unilever.

New RSPO Secretariat

MPOA: MR Chandran enquired about the status of the new RSPO secretariat and the appointment of the new Secretary-General. As TCH's term ends on 31st October, it is important that arrangements are made now to ensure continuity of the Secretariat after October. He stressed that considering that the Secretary-General's post would have to be advertised, some time may elapse before a new Secretary-General can assume office.

Unilever: Jan Kees Vis suggested offering TCH and Si-Siew Lim an extension of 12 months to continue the maintenance of the RSPO Secretariat.

WWF: Matthias Diemer cited concerns about the availability of funds to fund the current Secretariat for an additional 12 months. He suggested an extension of 3-6 months instead.

MPOA and Karlshamns: Jan-Olof Lidfelt added that RSPO members are increasing day by day and the RSPO's hopes of achieving 60 members are very encouraging so far. MR Chandran stated that many people are awaiting the results of RT2 before coming onboard. Many Indonesian and Malaysian companies are also expected to join RSPO after RT2.

RSPO Secretariat: TCH mentioned that he would have difficulty at this moment to commit for 12 months. He would prefer a shorter commitment.

WWF: Matthias Diemer reiterated that a 3-6 months extension for the current Secretariat would be better as the Board had originally agreed to advertise the post for the sake of transparency..

MPOA: MR Chandran believed that a 3 month period from November to January would be too short. The RSPO needs surer footing so an extension until the end of June 2005 would be preferred. Three months would just leave the RSPO in a limbo.

Unilever: Jan Kees Vis agreed with MPOA and asked TCH if he could prepare a proposal for an extension of 6 months.

RSPO Secretariat: TCH stated that he would consider the Board's offer and he will get back to the Board shortly.

DECISION: All agreed to wait for TCH's proposal for an extension of 6 months to his current contract as RSPO Secretary-General.

Adjournment

The meeting was adjourned at 1030 GMT.

RSPO Secretariat
15 September 2004