

Minutes for BOARD OF GOVERNORS Meeting 06-19

Date: 30th September 2019

Start Time: 8.10am-10.30pm MYT

Venue: Conference Call

Attendance

BoG Members and Alternates

In Attendance

Substantive Members

MPOA Dato' Carl Bek-Nielsen (CBN) – Co Chair

WRI – Anne Rosenbarger (AR) – Co Chair

AAK – Tim Stephenson (TS)

AGROCARIBE – José Roberto Montenegro (JRM)

BOTHENDS - Paul Wolvekamp (PW)

GOLDEN AGRI

RESOURCES – Agus Purnomo (AP)

HSBC – Ian Hay (IH)

P&G – Lee Kuan-Chun (LKC)

RPOG – Belinda Howell (BH)

WWF – Elizabeth Clarke (EC)

WILMAR – Daphne Hameeteman (DH)

OXFAM – Madeleine Brassier

Alternate Members

AAK – Caroline Westerik-Sikking (CWS)

AEON – Yumie Kawashima (YK)

AHOLD DELHAIZE – Hugo Byrnes (HB) * dialed-in after lunch

Hasan (FH)

MPOA – Lee Kuan Yee (LKY)

UNILEVER – Martin Huxtable (MH) ** representing Petronella Meekers

MUSIMMAS – Olivier Tichit (OT)

OLAM – Audrey Lee (AL)

Rabobank – Martin Van Vaals (MVV)

**representing Geraldine Lim (GL)

SIPEF – Sander Van den Ende (SVE)

ZSL – Michael Guindon (MG)

In Attendance

Guests

RPOG – Julian Walker-Palin (JWP)

PWC – Herbert Chua (HC)

Rabobank - Johan Verburg (JV)

Absent with Apologies:

Substantive Members Alternate Members

AEON – Kahori Miyake (KM)

FELDA – Mahadzir Mustafa (MM)

RABOBANK – Geraldine Lim

(GL)UNILEVER – Petronella Meekers (PM)

ASIAN AGRI – Dr. Mohamad Fadhil

FELDA – Izham Mustaffa (IM)

HSBC – John Laidlow (JL)

HUTAN – Harjinder Kler (HK)
P&G – Girish Deshpande (GD)

UNIVANICH – John Clendon (JC)

Advisors

In Attendance

MR Chandran (MRC)

Advisors

Absent with Apologies:

Prof. Bungaran Saragih (BS)

Secretariat Staff

In Attendance:

Datuk Darrel Webber (DW)

Bakhtiar Talhah (BT)

Salahudin Yaacob (SY)

Cheri Woo (CW)

Ravikumar Krishnan (RK)

Patrick Chia (PC)

Dan Stretchay (DS)

Julia Majail (JM)

Oi Soo Chin (OSC)

Francisco Naranjo (FN)

Secretariat Staff

Absent with apologies:

Javin Tan (JV)

Tiur Rumondang (TR)

Item	Description	Focal Point
1.0	<p>Introduction</p> <p>1.1 RSPO Antitrust Laws There will be no discussion on any commercial aspect of the trade in palm oil on premiums, volumes, individual suppliers, individual customers, etc.</p> <p>1.2 RSPO BoG consensus based decision making The BoG was reminded that they try to reach/make decisions by consensus, which is the absence of sustained objection.</p>	
2.0	<p>Audited financial statements for the year ended 30 June 2019 Presentation of the audited financial statements for the year ended 30 June 2019 (Endorsement)</p> <p>2.1 HC explained all issues and matters pertaining to the audited financial accounts for the year ended 30 June 2019.</p> <p>TS informed that the accounts are pending tax finalisation and requested that the BoG approves the current draft accounts as presented and to delegate the final approval of the accounts to the Finance Committee in the event of any subsequent changes.</p> <p>Decision: The Audited Financial Statements for the year ended 30 June 2019 was endorsed by the BoG.</p>	
3.0	<p>Smallholder Interim Group (SHIG) GA16-6f - Adoption of The RSPO Independent Smallholder Standard (RISS) 2019 for the production of sustainable palm oil by Independent Smallholders (Endorsement)</p> <p>3.1 JV presented the latest revised SHIG standard to the BoG and requested for endorsement.</p> <p>NGOs thanked the SHIG for its deliberations following the last Board meeting, requested an amendment to the Resolution text.</p> <p>The NGOs reiterated the following strategic concerns to the Board: that the RSPO will have two different definitions for independent smallholders; the long-standing issue that the RSPO lacks an approach for different types of growers (particularly noting medium-sized growers and truly marginalized smallholders); and that - unless these two issues are addressed - it risks creating a number of complications and will put the RSPO behind the approaches and definitions taken by other standards for palm oil.</p> <p>The NGOs requested that the Board and Secretariat review the process that ensures compliance with ISEAL Code of Good Practice for Setting Social and Environmental Standards and propose this is done with the SSC.</p>	

	<p>Decision: The BoG endorsed the SHIG standard subject to the following:</p> <p>To edit the text of Item No. 2 <i>That the Secretariat continuously monitor and oversee the implementation of the RSPO Independent Smallholder Standard and that a comprehensive review be done annually for the first two years after the adoption of the standard.</i></p> <p>Action: As requested by the NGO sector, the BoG agreed to address the absence of a suitable grading system for growers (inclusive of, but not restricted to, plantation size) and to initiate the development of a standard for medium size growers, and will deliberate on next steps for this at the BoG meeting in Nov 2019.</p> <p>Secretariat and SSC to review its process to ensure compliance with the ISEAL Code of Good Practice for Setting Social and Environmental Standards.</p>	
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4.0	<p>Resolution for GA16</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">No.</th> <th style="width: 25%;">Resolution</th> <th style="width: 35%;">Title</th> <th style="width: 30%;">BoG Recommendation/Support</th> </tr> </thead> <tbody> <tr> <td></td> <td>GA16-6b</td> <td>Ensuring Transparency and Multi-stakeholder Engagement in the Quality Assurance of Assessments and Audits</td> <td>The BoG did not reach a consensus on this resolution.</td> </tr> <tr> <td></td> <td>GA16-6c</td> <td>Expanding the authority of RRO Indonesia to support the delivery of services to Indonesia's independent smallholders to accelerate transformation of norms and inclusiveness</td> <td>The BoG supports this resolution. However, the BoG emphasized the need for the Secretariat to ensure consistency in decision-making between two offices.</td> </tr> <tr> <td></td> <td>GA16-6d</td> <td>Inclusion of local community, civil society and labour stakeholders</td> <td>This Resolution was withdrawn but the proponents requested the following: 1. That it is</td> </tr> </tbody> </table>			No.	Resolution	Title	BoG Recommendation/Support		GA16-6b	Ensuring Transparency and Multi-stakeholder Engagement in the Quality Assurance of Assessments and Audits	The BoG did not reach a consensus on this resolution.		GA16-6c	Expanding the authority of RRO Indonesia to support the delivery of services to Indonesia's independent smallholders to accelerate transformation of norms and inclusiveness	The BoG supports this resolution. However, the BoG emphasized the need for the Secretariat to ensure consistency in decision-making between two offices.		GA16-6d	Inclusion of local community, civil society and labour stakeholders	This Resolution was withdrawn but the proponents requested the following: 1. That it is	
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	GA16-6c	Expanding the authority of RRO Indonesia to support the delivery of services to Indonesia's independent smallholders to accelerate transformation of norms and inclusiveness	The BoG supports this resolution. However, the BoG emphasized the need for the Secretariat to ensure consistency in decision-making between two offices.																	
	GA16-6d	Inclusion of local community, civil society and labour stakeholders	This Resolution was withdrawn but the proponents requested the following: 1. That it is																	

				<p>minuted during the BoG meeting and ensuing discussions during the BoG in Nov 2019 on this topic; and</p> <p>2. The BoG and Secretariat will lead on this dossier and address the asks of the resolution, in collaboration with BoG-NGOs; this would include the BoG to regularly monitor progress.</p>	
		GA16-6e	Submission of Peat Inventory by all RSPO “Grower” and “Processor and Trader” Members	The BoG supports this resolution.	
		GA16-6g	Balanced representation in the RSPO General Assembly Voting Process	<p>The BoG supports this resolution</p> <p>The BoG requested the Secretariat to approach the proponents to provide further clarity on the resolution text.</p>	
5.0 5.1	<p>AOB Late submissions of Resolutions</p> <p>AP stated that the submission of two Resolutions by the Indonesian Grower Caucus (IGC) were rejected by the Secretariat due to them being submitted past the 5.00 pm (GMT+8) deadline on Sep 6. AP requested the BoG to reconsider this decision as IGC expects fair treatment and flexibility from the RSPO. In addition, AP noted that IGC would submit the same Resolutions next year if they are rejected this year.</p> <p>The BoG acknowledged the request by AP, and noted that several reminders were sent to the members alerting them of the deadline.</p>				

	Decision: The BoG did not reach a consensus on the request. However, the BoG agreed for AP to present the issues outlined in the rejected Resolutions at the GA16.	
	Meeting adjourned at 10.30pm	