

MINUTES OF MEETING

Market Development Standing Committee

Time : 2015 - 2143 (MYT)

Date : Monday 13 September 2021

Venue : Conference Call, Zoom 7

Attendees:

| Name | Initial | Organisation | Representative Category |
|--------------------------|---------|--------------------------|------------------------------------|
| Anita Neville | AN | Golden Agri-Resources | Co-Chair, Grower IN |
| Eddy Esselink | EE | MVO | Co-Chair, P&T |
| Caroline Westerik | CW | AAK | P&T |
| Franka Lakeman | FL | Ahold Delhaize | Retailer |
| Harjinder Kler | HK | HUTAN | eNGO |
| Julian Walker | JW | Retailers Palm Oil Group | Retailer |
| Lee Kuan Yee | LKY | MPOA/KLK | Grower MY |
| Marieke Leegwater | ML | Solidaridad | sNGO |
| Paula Kasprzyk | PK | Avon (Natura) | CGM |
| Tracey Gazibara | TG | Cheyenne Mountain Zoo | eNGO |
| Adam Harrison | AH | RSPO Secretariat | Interim Coordinator |
| Inke van der Sluijs | IS | RSPO Secretariat | Market Transformation Director |
| Cameron Plese | CP | RSPO Secretariat | Head North America |
| Christine Joan Spykerman | CJS | RSPO Secretariat | Malaysia office |
| Kamal Prakash Seth | KP | RSPO Secretariat | Dep Director Market Transformation |
| Lilian Garcia Lledo | LGL | RSPO Secretariat | Head Shared Responsibility |
| Muhd. Shazaley Abdullah | MSA | RSPO Secretariat | Head of Certification |
| Ruben Brunsveld | RB | RSPO Secretariat | Dep Director EMEA |

Absent with apologies:

| Name | Initial | Organisation | Representative Category |
|-------------------|---------|-------------------|----------------------------|
| Denise Westerhout | DW | WWF International | eNGO |
| Razuwan Che Ros | RCS | FELDA | Smallholder Representative |
| Sharyn Shufiyan | SS | Wild Asia | sNGO |

Agenda:

| Time | Topic |
|-----------|---|
| 2015-2017 | 1.0 Antitrust Statement Reading |
| 2017-2018 | 2.0 Approval of the April Meeting Minutes 2.1 Pending Action Points |
| 2019-2022 | 3.0 Secretariat Updates |
| 2022-2105 | 4.0 Standing Committee Updates 4.1 Updates from Supply Chain Traceability Working Group 4.1.1 Review of CSPO and CSPKO production and sales data publication 4.1.2 RSPO messaging on new CSPO and CSPKO production and sales data 4.2 Updates from Outreach Working Group |
| 2105-2111 | 5.0 RSPO Position Paper Discussion on Developments by the US Government 5.1 Appendix 1 for Feedback and Approval 5.2 EU Due Diligence legislation Updates |
| 2111-2133 | 6.0 RSPO RT2021, RSPO GA18 and P&C Review 2022 |
| 2133-2138 | 7.0 ACOP Summary |
| 2138-2141 | 8.0 CSPKO shortage in the Market |
| 2141-2143 | 9.0 AOB Next meeting date: October 18, November |

Pending Action Points:

| No. | Description |
|-----|---|
| 1. | Develop and publish an RSPO position paper on draft US due diligence bills |
| 2. | Secretariat to draft dashboards for progress in the Big 4 (OWG) |
| 3. | Develop 2-3 key messages and FAQ to accompany the new graphs and share final messages for comments with the MDSC (SCT WG) |
| 4. | Develop brief for call for nominations for a subgroup to work on the positioning of RSPO credits, incl ISH credits |

DISCUSSION:

| No. | Description | Action Points (PIC)/Remarks |
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| 1.0 Antitrust Statement Reading | | |
| 1.0 | <p>The Chair welcomes members of the MDSC to the meeting and reminds the members of the following:</p> <ul style="list-style-type: none"> - All MDSC members will have to abide by the RSPO Antitrust law - MDSC follows a consensus-based decision making as outlined in the ToR - Members have to declare Conflict of Interest (CoI) under any items and excuse themselves to remain objective to the discussion. | |
| 2.0 Approval of April Meeting Minutes | | |
| | <p>The meeting minutes from the previous MDSC Meeting (19th April 2021) was presented and accepted with no amendments but with some pending action points which will be discussed in the meeting.</p> | |
| 3.0 Secretariat Updates | | |
| | <p>The Secretariat announced the appointment of the following:</p> <p>3.1 Interim Coordinators (“IC”):</p> <ul style="list-style-type: none"> 3.1.1 Mr Adam Harrison (responsible for CEO activities); 3.1.2 Dr Gan Lian Tiong (responsible for COO, HR functions and operations tasks); and 3.1.3 Mr Neil Judd (Interim Technical Coordinator). <p>3.2 New Staff Recruitment:</p> <ul style="list-style-type: none"> 3.2.1 Mr Ruben Brunsveld as Deputy Director of EMEA; and 3.2.2 Mr Nicholas Hurt as Head of Stakeholder Engagement <p>Recruitment of CEO and Director of Stakeholder Engagement are still ongoing. Three (3) Candidates have been shortlisted for CEO and interviews are being conducted.</p> <p>It was noted that the appointments of IC had not been officially communicated to the RSPO Members. The MDSC asked for an announcement on the IC appointments on the RSPO Website.</p> | |

4.0 Standing Committee Updates

4.1 Supply Chain Traceability Working Group (SCT WG)

4.1.1 Review of CSPO and CSPKO production and sales data publication

MSA gave an overview of the newly developed graphs of CSPO and CSPKO production and sales data.

4.1.2 RSPO messaging on new CSPO and CSPKO production and sales data

LG shared the proposed messaging on the new CSPO and CSPKO production and sales data. RSPO reported an upward trend in RSPO certified volumes in line with the principles of shared responsibility.

EE asked whether the changes in the data will be clearly communicated. This additional data will be published [here](#) and accompanied by the messaging. AN asked to clarify ‘other schemes sales’ is only the volume that carries the RSPO CSPO claim but is also certified under the other schemes.

CW suggested to also focus on the actual production and increased transparencies. CW mentioned this should be brought to the BoG as they are also discussing this new data. The information will be included in the BoG pack for the September meeting. PK asked for an explanation on why the CSPKO sales are higher than CSPKO supply. This will be added to the messaging. ML suggested removing the Independent Smallholder (ISH) volumes from the graphs and using this separately for positive messaging around ISH support.

4.2 Outreach Working Group (OWG) Update

KS took the Lead on the Outreach WG from a Secretariat perspective on the following:

4.2.1 Previous Workstream - The RSPO Rules on Market Communication and Claims document has been updated based on inputs from the OWG and will be sent to the Standard Development division for the next steps (including a 60 day public consultation) with a plan to finalise it by year end.

ML asked whether the new document will allow the use of an RSPO claim in the ingredient list without the Trademark on pack. This is indeed proposed in the new draft. The MDSC asked to see the last draft of the document. This will be shared after running the document by the Standards Development Division.

4.2.2 Current Workstream - OWG members met regularly to discuss strategies and initiatives to increase demand for CSPO in BIG4 (India, China, Indonesia and Malaysia).

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| | <p>4.2.3 Discussion with Singapore Institute of International Affairs (“SIIA”) - A senior Singaporean representative was invited to interact with the OWG members to discuss potential opportunities for collaboration (Banks / FIs, Policy Advocacy / Gov Relations etc). OWG are following up with SIIA.</p> <p>4.2.4 Dashboard - The secretariat is working on a dashboard to review progress being made in BIG4, relating to uptake, credits, membership and Supply Chain Certified sites. The Secretariat plans to get the Dashboard ready by year end.</p> | |
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5.0 RSPO Position Paper on Developments by the US Government

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| | <p>5.1 Appendix 1 for Feedback and Approval The appendix was shared with the MDSC prior to this meeting. The messaging in the position paper is in line with the EC position paper that was published by the MDSC last year. CP explained the most recent developments around the US due diligence laws. There is a bill on the senate site and the house of representatives for due diligence on all tropical forest commodities. The secretariat has been presenting to the ones unfamiliar with the RSPO. There is another development in California that is supportive of the RSPO.</p> <p>EE asked where and when the paper will be published. The MDSC supports the publication through our channels.</p> <p>5.2 EU Due Diligence legislation Updates Due to the Summer holidays in Europe, there were no new developments in the EC. The publication of the new due diligence legislation is delayed until December 2021.</p> | |
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6.0 ACOP Summary

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| | <p>IS gave a brief summary of the ACOP 2020 results. It was noted that:</p> <ul style="list-style-type: none"> - Membership has double since 2014, in 2020 it grew but on a slower pace - maybe due to Covid 19 Pandemic - Majority of Members (93.4%) submitted ACOP at the deadline - 118 Members were sanctioned in 2020 - 6 Members were terminated in 2020 - 66% of RSPO Member’s mills are certified - The regional uptake reported in ACOP was presented. | |
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| 7.0 RT 2021, GA and P&C Review 2022 | | |
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| | <p>7.1 RT 2021 The theme for RT 2021 is ‘Climate impacts - Assuring the future for Sustainable Palm Oil’. This theme is to address the challenges faced by RSPO and other Certification Standards in terms of Human and Labour Rights, rural livelihoods and the possibilities presented by new technologies.</p> <p>The RT 2021 will be held virtually in the Week of 15 November 2021 in the form of a live stream chat shows / global panel debates to engage all stakeholders.</p> <p>7.2 RSPO 2021 GA18 The GA18 will be held on 2 Dec 2021. Resolutions will be tabled and live voting will be conducted.</p> <p>7.3 P&C Review 2022 Early discussions have started in the Secretariat with the Standing Committees (“SCs”). Both the Secretariat and SCs are developing ideas for the scope of reviews and are looking into what sort of standards and changes to be made in the P&C Review 2022. EE suggested conducting a member survey to involve them in early stages.</p> | |
| 8.0 CSPKO Shortage in the Market | | |
| | <p>Some of the RSPO Members have shared their concern about the shortage of CSPKO in the market and are asking the Secretariat to come up with an action plan to address this shortage.</p> <p>It was suggested and agreed that the dormant Oleo Working Group/Subgroup be revived to make use of their knowledge and expertise. Once revived, this WG will report to the MDSC.</p> | <p>The Secretariat to revive the Oleo Working Group</p> |
| 9.0 AOB | | |
| 9.0 | <p>The next MDSC Meeting was proposed on October 18. However, it was suggested to reschedule to November.</p> | <p>The Secretariat to send out a Doodle Poll for the next meeting date.</p> |