

Summary of Sixteenth Technical SRWG Meeting

The sixteenth Shared Responsibility Working Group (SRWG) technical meeting (seventeenth teleconference meeting) was opened at 4.00PM (MYT), April 21, 2022 by the Secretariat.

The agenda of the meeting was presented to the SRWG briefly just after the anti-trust statement was read and acknowledged. Meeting minutes of the previous meeting were approved during the meeting.

The Secretariat provided an overview of the action points from the previous SRWG meetings and updated the SRWG on the status of each action point. One co-chair position is available within the SRWG and there are three vacancies (B&I, Retailer and Smallholder). The SR Unit is at the interviewing stage for an assistant manager. The Secretariat thanked the SRWG for their participation in the recent SR workshop with the BoG. Uptake target webinars are completed in the LatAm, EMEA, US and APAC region.

The Secretariat presented the SR Unit Budget FY22/23 to the SRWG. The working group will have a physical call in Europe in October 2022, and the date will be confirmed soon.

The SRWG had a reflection on the recent SR workshop with the BoG. The discussion included the bad reputation of MB, prioritisation of the proposed Shared Responsibility indicators, alignment on the understanding and expectations on SR, the contribution of each member sector to SR, and the need to give more guidance on the type of activities showing smallholder support. The Secretariat noted the feedback and will follow-up in next meetings how to proceed.

The member performance on SR based on reporting rates in MyRSPO was presented, only 13% RSPO members in 2020 reported their SR performance in MyRSPO, and the best performers are B&I and Retailer members. For future assessment of the SR performance, the Secretariat will have the full set of SR requirements when they update MyRSPO.

There is an agreement on the proposed CoC clause. The next step will be the Secretariat informing the signatories and CP, it is expected to receive the final endorsement from the SRWG in May, BoG endorsement in June, and GA endorsement in Nov 2022.

As for the discussion on the verification manual, specific questions were raised to the SRWG, and they will share their feedback via email.

The Secretariat thanked everyone for attending the meeting and looks forward to seeing everyone in the next meeting on May 24, 2022.

The meeting was closed at 5.30 PM (MYT).

MINUTES OF MEETING OF RSPO
RSPO Shared Responsibility Working Group (SRWG) 16th Technical Meeting

Date: April 21, 2022 (Thursday)

Time: 4.00 PM to 5.30 PM (MYT)

Venue: Video Conference (RSPO ZOOM 6)

Attendance:

Members and Alternates

1. Girish Deshpande (GD, P&G)
2. Ilka Peterson (IP, WWF International)
3. Harjinder Kler (HK, HUTAN)
4. Surina Binti Ismail (Sbl, MPOA)
5. Lim Sian Choo (LSC, Bumitama)
6. Mariama Diallo (MD, SIAT SA)
7. Joshua Lim (JL, Wilmar)
8. Ben Vreeburg (BV, Bunge)
9. Julian Walker-Palin (JWP, RPOG)
10. Nursanna Marpaung (NM, HUKATAN)
11. Brian Lariche (Humana Child Aid Society, Sabah)

Absent with Apologies

1. Ben Waring (BW, Signature Brands, LLC)
2. Catarina Vivalva (CV, BNP Paribas)

RSPO Secretariat

1. Inke van der Sluijs (IS)
2. Lilian Garcia Lledo (LGL)
3. Joyce Van Wijk (JW)
4. Chung Yee Ling (CYL)
5. Ashwin Selvaraj (AS)

Absent with Apologies

1. Imam Marzuq (IM)

No	Description	Action Points
1.0	<p><u>Welcome Note</u> The Secretariat welcomed the SRWG members to the meeting.</p> <p>The SRWG members acknowledged the anti-trust statement prior to the meeting.</p> <p>The agenda of the meeting include:</p> <ol style="list-style-type: none"> 1. Welcome, Agenda 2. Approval of Meeting Minutes 3. RSPO Secretariat Updates <ul style="list-style-type: none"> o Action Points o Governance Updates o Budget FY22/23 o Status of Key Deliverables o Recap decisions from last SRWG 4. SR Workshop 5. Members performance - MyRSPO 6. GA Resolution - Code of Conduct 7. Verification Manual 8. AOB and Next Meeting <p>The SRWG approved the last meeting minutes.</p>	
2.0	<p><u>RSPO Secretariat Updates</u></p> <ol style="list-style-type: none"> 1. The Secretariat provided an overview of the action points from the previous SRWG meetings and updated the SRWG on the status of each action point. <ul style="list-style-type: none"> o Incentives suggestions that can be executed earlier will be prioritised. o The Secretariat will provide a comparison to the SRWG on the Implementation Manual and Verification Manual. o The Secretariat has shared the guidance document on how to upload SR policies from the MyRSPO account with the SRWG. 	<ol style="list-style-type: none"> 1. The Secretariat will confirm the date for the physical SRWG meeting in October. 2. The Secretariat will recap previous agreed clarifications around uptake targets in the next meeting.

	<ul style="list-style-type: none"> ○ The Secretariat is currently analysing the data by region ○ The Secretariat has specified the target assessed based on the previous ACOP reporting year in the upcoming infographic and revised the current FAQ document. ○ The Secretariat will follow up with the SRWG on the decision for the CoC proposed text. <p>2. Governance Updates:</p> <ul style="list-style-type: none"> ○ One co-chair position is available. ○ There are three vacancies within the SRWG (B&I, Retailer, Smallholder). ○ The Secretariat thanked everyone for their participation in the recent workshop with the BoG. ○ RSPO MB certified - Resolution GA18-2C; call for tender to assess the robustness of the RSPO Mass Balance Model to accelerate the uptake of Certified Sustainable Palm Oil (CSPO) ○ SR Unit is at the interviewing stage for an assistant manager ○ There will be a new update on the MyRSPO SR section, to align with the updated ACOP SR questions. ○ Uptake target webinars completed in the LatAm, EMEA, US and APAC. ○ ACOP 2021 closing is on May 20, 2022 at 12.00 AM (UTC +8) ○ RT will be on November 28, 2022 ○ There is technical guidance on the consequences of the Ukraine war. ○ There is a call for expression of interest - technical committees of RSPO Standards Review. <p>3. SR Unit Budget FY22/23 includes:</p> <ul style="list-style-type: none"> ○ Engagement, awareness and commitment activities for SR comms materials and SR socialisation sessions with new and existing members and in global/ regional events. ○ Marketing campaigns ○ Facilitate SRWG - to host a SR workshop during the RT in Nov 2022 ○ Specific stakeholders' guidance and factsheets on SR implementation documents and socialisation webinars. ○ Incentives and sanctions strategy for SR performance scorecards and promotion activities. 	
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	<p>The Secretariat proposed to have a physical SRWG meeting in the Netherlands. An eNGO representative and Grower representative proposed a two-day meeting in October 2022 instead of November, to avoid clashing with the RT related meetings. Tentatively on October 10, the Secretariat will update the SRWG soon on the confirmed date.</p> <p>A Grower asked if the incentive and sanction only consider the uptake. The Secretariat clarified it will consider all requirements. Communications strategy will be on the agenda to ensure awareness among the members.</p> <p>4. The status of the key deliverables were shown to the SRWG:</p> <ul style="list-style-type: none">○ Guidance documents for each membership category is ongoing○ Technical documents for the verification manual will be discussed during the call.○ The call will also discuss on the GA18 Resolution - 2b and the M&E framework○ Webinars on the Year 3 uptake targets was completed in March 2022○ There will be webinars for members from South Asia, China and Africa.○ Quarterly eGazette article was published in April.○ There was a recent workshop with SRWG and BoG.○ Member engagement such as follow up with the identified members based on the survey and policies and plans are currently ongoing○ Marketing/ outreach assets - infographic on uptake calculation, and a calculator in excel format are completed. <p>5. Recap decision from last SRWG meeting:</p> <ul style="list-style-type: none">○ Clarifications were shared with the SRWG on how to calculate the annual uptake target baseline. No objections were received; thus it is concluded that the clarification is approved by the SRWG.○ Decision on the annual uptake target baseline: The uptake target baseline is annually calculated based on the actual, used volumes of the previous year. All members will re-calculate their baseline based on their used volumes of the previous year, a static baseline based on 2019 volumes will not be used. For new members joining after 2019, they will be subjected to uptake targets at their second year of reporting ACOP, their first ACOP report will be used to calculate their baseline.	
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	<p>An eNGO representative asked for further clarification whether members who did not meet their uptake target in the previous year what the consequence would be for the next year for their uptake target. The Secretariat confirmed based on previous decisions from the SRWG, performance of members is not taken into account for their current uptake target, all members within the same constituency have the same annual uptake target. Some members felt that it is not fair for the better performers. Majority of the SRWG members did not understand the calculation, and it could be challenging for them to explain to their constituencies. The Secretariat suggested to recap previous agreed clarifications around the uptake targets in the next meeting.</p>	
3.0	<p><u>SR Workshop - SRWG & BoG</u> The Secretariat opened the floor for feedback on the workshop with BoG.</p> <p>A Grower shared that the Growers are concerned that the uptake for mass balance is not being accepted. They felt that MB should be taken up by the supply chain when not enough SG is available (e.g. due to start of new mill), instead of abandoning MB as they currently experience.</p> <p>A CGM member did not feel that MB is totally being neglected as there is no available sustainable PKO at the moment. He felt there are only a few in the market who are not taking up MB. Majority will buy SG and when SG is not available, most CGMs will use MB. CGMs need more sustainable PKO.</p> <p>A Grower noted the shortage in PKO but data shows there is still MB CSPKO not taken up and asks where the misalignment is. They asked the WG to recognise that the market is not perfect, and there will be imperfection/ mismatch on supply and demand. The Secretariat thanked the feedback and will try to share the data when ready.</p> <p>A P&T member finds it difficult to understand the objective of the workshop. The Secretariat explained it was a request from the BoG to reach alignment between BoG and SRWG. The</p>	<ol style="list-style-type: none"> 1. The Secretariat will share the high-level summary and slide deck from the workshop with the SRWG. 2. The Secretariat will inform the Stakeholder Engagement team to work on the messaging on MB and how companies can support smallholders inclusion.

<p>workshop was organised to understand the different perspectives from the members, and how to measure it with the success of SR. The Secretariat has not spoken with the BoG after the workshop, but look forward to meeting the SRWG physically to continue the discussion with the members on the outcomes of SR.</p> <p>A Grower suggested looking at the list of indicators voted during the workshop, analyse it and understand which indicator is considered as success. She also suggested highlighting the misalignment and sharing it with the BoG.</p> <p>The Secretariat presented the proposed SR indicators to measure the implementation of the SR requirements and presented the prioritisation outcome from the SR workshop. Smallholder support and uptake targets were prioritised among the members who attended the workshop.</p> <p>A Grower commented that the misalignment could be due to the lack of a clear understanding on the challenges from each member sector. She suggested to outline the challenges of each member sector to better understand everyone. The Secretariat will share the high-level summary and slide deck from the workshop with the SRWG as some did not attend it.</p> <p>A CGM felt that the uptake target and policies (social and environmental) are the two key priorities with the outcome of more certified supply. The P&T suggested looking at what is required in terms of activities for smallholder support (e.g. Smallholder fund or buying credits), and shared the challenges raised - increase in members in the recent years but certified remains at 20%. A Grower assumed that the smallholder support indicator is prioritised because the mills can deliver MB but not SG, pushing towards SG would require more smallholders to become certified and therefore this indicator is so important. She suggested having RSPO working with mandatory certification schemes to identify how to support smallholders. The Secretariat thanked the feedback and will inform the Stakeholder Engagement team who work on the messaging on MB and how companies can support smallholder, but also encourage all companies to communicate about this</p>	
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4.0	<p><u>Member Performance on SR</u></p> <p>Only 13% RSPO members in 2020 reported on their SR performance in MyRSPO. The SR performance measured as uploaded evidence or declaration of support focused on the 7 SR requirements:</p> <ol style="list-style-type: none"> 1. Labour & Labour Rights 2. Ethical Conduct & Human Rights 3. Occupational Health & Safety 4. Climate Change & Greenhouse Gases 5. Smallholder 6. Complaints & Grievances 7. Land Use <p>The percentage reporting of members per sector:</p> <ol style="list-style-type: none"> 1. 36% B&I 2. 20% Retailer 3. 16% P&T 4. 15% eNGO 5. 11% CGM 6. 8% sNGO <p>The best performers are B&I and Retailer members. sNGO members will need to improve or at least upload the evidence in their MyRSPO accounts. In order to develop a more focused engagement strategy per stakeholder, the Secretariat will resume the 2020 SR performance assessment and aim to look at each requirement.</p> <p>The Secretariat is working on updating the MyRSPO questions to reflect the full set of SR requirements, in order to assess members' SR performance on all SR requirements in future assessments. Existing members are reminded to upload the evidence on MyRSPO in the ACOP report. New members since March 2021 have been filling up the requirements during their membership application.</p>	
5.0	<p><u>GA Resolution - CoC</u></p>	

	<p>The Secretariat presented the proposed clause:</p> <p>“In being committed towards the production, procurement and use of Sustainable Palm Oil (1), members to whom the P&C (2) do not apply directly shall adopt and implement environmental and social standards no lower than those set out in the P&C.”</p> <ol style="list-style-type: none"> 1. <i>Sustainable Palm Oil: Production, procurement and use of Sustainable Palm Oil involves all members of RSPO who are directly or indirectly involved in the production and consumption of sustainable palm oil.</i> 2. <i>P&C: Environmental and social standards shall focus on all the environmental and social issues identified in the P&C (refer to the latest RSPO P&C: https://rspo.org/resources/certification/rspo-principles-criteria-certification)</i> <p>The Secretariat will inform the signatories and CP, and it is expected to receive the final endorsement from the SRWG in May, BoG endorsement in June, and GA endorsement in Nov 2022.</p>	
6.0	<p><u>Verification Manual</u></p> <p>The Secretariat presents the outline of the Verification Manual which will go to Public Consultation (PC). The Secretariat confirmed that the sample size and selection of sampling for third-party verification is still to be determined and will be included in the PC questions to get input on as the SRWG did not agree on this. The process will be that members report during ACOP which remind them to upload the required documents and policies in their MyRSPO profile. The Secretariat will do a completeness check based on MyRSPO - if members uploaded documents or not. The auditor will check the submitted documents and policies during a desk-based audit who will verify the content of the documents and policies.</p> <p>A P&T member raised concerns it needs to be spelled-out what is exactly checked and asked during this desk-based audit. A grower raised concerns that members can easily submit a well written policy without implementing it, which was echoed by a &T member and questioned if time and money is well spent in this manner.</p>	<ol style="list-style-type: none"> 1. The SRWG will share their feedback via email. 2. The Secretariat will share the benchmarking exercise looking at other sustainability reporting initiatives with the SRWG.

	<p>A P&T member asked how the uptake targets are verified, is it separate or included in the desk-based audit. The Secretariat clarified that the Secretariat checks performance based on ACOP volumes, and it will be included in the audit. Exact details are still to be finalised in the Verification Manual.</p> <p>A P&T member asked if it is meaningful to check if the policy makes sense, and is RSPO prepared to spend time and money on and if it adds value? The Secretariat clarified that the members themselves pay for the audit when they are selected for the third-party verification.</p> <p>A grower member raised concerns suggesting verification is not enough and on ground verification is needed. The Secretariat emphasised that the endorsed document does not require implementation of these policies, therefore at this point this would be out of scope.</p> <p>A P&T suggested reducing the redundancy of work due to similar audits being done for sustainability reports, audit reports, etc. The Secretariat reminded that the previous facilitator had done a benchmarking exercise and it is concluded that no other initiative can be used for SR, and hope there will be feedback received from the public consultation on other initiatives that can be explored.</p> <p>The Secretariat received feedback from 2 CBs via email. The draft document is expected to be finalised in April. Public consultation is scheduled for April/ May. The specific questions are:</p> <ul style="list-style-type: none"> ● What would be an appropriate sampling size that we could consider for verifying members against SR compliance? ● Any other specific question to include in the public consultation of the verification manual? <p>Due to time limitations, the Secretariat encouraged the SRWG to send their feedback via email.</p>	
7.0	<p>Closing</p> <p>The next SRWG meeting will be on May 24, at 1-2.30pm CEST/ 7-8.30pm KYL/ 7-8.30am EDT.</p> <p>The SRWG agreed to share the meeting recordings only with the absentees (members of SRWG) which cannot be shared outside the SRWG.</p>	

