

# **2<sup>nd</sup> Public Consultation**

## **(March & April 2020)**

### **RSPO Jurisdictional Approach for Certification**



Campeche, Mexico. March 3, 9 to 12.20pm.

# Agenda



Time	Agenda	
09:00 – 09:05	Opening Remarks	Javin
09:05 – 09:50	Introduction to RSPO Jurisdictional Approach for Certification (JA)	Javin
09:50 – 10:20	System/Management Requirements	Maria Amparo
10:20 – 10:50	Group Discussions (30mins)	Maria Amparo & Javin
10:50 – 11:15	BREAK	
11:15 – 11:30	Stepwise Approach for Certification	Javin
11:30 – 12:30	Group Discussions (1 hour)	Javin & Maria Amparo
12:30 – 12:45	Final Q&A and Closing Remarks	



# Snapshot



1. 1<sup>st</sup> Public consultation (June - August 2019).
2. Six (F2F) consultations - Indonesia, Malaysia, Liberia, and Ecuador
3. Online feedback & comments
4. Document revision
5. Learning from pilot sites



*Who we are?*

**RSPO Jurisdictional Working Group (JWG)**  
(Grower, P&T, CGM, eNGO, sNGO, Retailer)



*What have we done?*

*Where are we now?*

1. RSPO JA 2<sup>nd</sup> Version
2. 2nd public consultation – March & April 2020
3. F2F consultations – priority regions (LaTAM, Africa, Asia)
4. Online feedback and comments
5. Focus-group consultations

*What will happen next?*

1. RSPO Jurisdictional Approach for Certification System ready for adoption at GA17, Nov 2020, Indonesia.



“ **RSPO Jurisdictional Approach to Certification (JA)** is an approach to minimize the negative impact of palm oil cultivation on the environment and on communities, at the scale of **government** administrative areas, through the **stepwise certification** of the production & processing of sustainable oil palm products at a **jurisdictional level**. ”

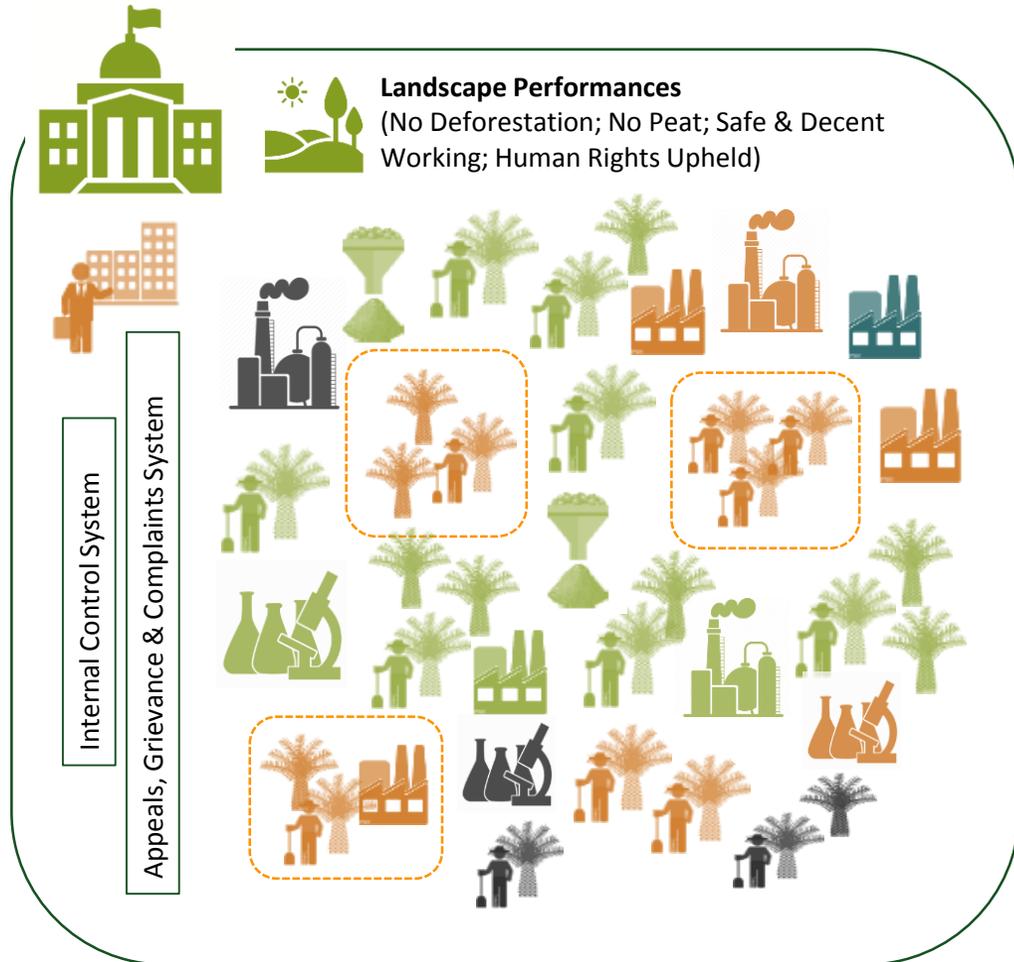
# Scope



- The **boundary of a Jurisdiction** is defined by the area over which a local authority (government body) has legislative, regulatory, political and general administrative authority, thus giving it sufficient authority to apply the RSPO standards.
- JA is a **Group Certification** Approach - Jurisdictional Entity (JE), the central facilitating and governing body which will adopt an Internal Control System to facilitate full compliance with the RSPO Standards.
- Individual industry participants are free to opt to be **certified** either through the **JE** or to pursue their **own certification**.
- In large Jurisdictions, the JE may choose to apply the JA landscape by landscape or through **smaller administrative units**.



# Key Requirements



- I. **System and Management Requirements - Jurisdictional Entity (JE)**
- II. **Impact at scale – Jurisdictional Performance**
- III. **Ground implementation – Standard Compliance**
- IV. **Progressive steps - Stepwise approach**

# System & Management Requirements



Government leadership, support and collaboration play a crucial role in facilitating a multi-stakeholder process to strengthen overall governance, regulations and frameworks to bring everyone to reach a similar standard, thus facilitating compliance with the RSPO standards.

**Element 1: Jurisdictional Entity (JE) Management Requirements**

**Element 2: Policy Framework**

**Element 3: The Internal Grievance, Complaints & Appeals System**



# Jurisdictional Performance



- ✓ Streamline interventions
- ✓ Include environmental and social measures
- ✓ Landscape management
- ✓ Developed in accordance to RSPO P&C



RSPO cannot vigilate non palm oil crops  
- LUCA, RaCP and NPP – only to oil palm

# Performance Indicators



- FPIC and Land Rights
- Spatial Plan (HCV, HCS, peatlands)
- Remediation & Compensation
- Social & Environmental Impact Assessment
- New Planting Procedure
- Disqualifying environment & social criteria





# Standard Compliance

Pillar of sustainability	RSPO Principles & Criteria (P&C) 2019	RSPO Independent Smallholder Standard (RISS) 2019	RSPO Supply Chain Certification Standard (SCCS)
 <p>Competitive, resilient, and sustainable sector</p>	<ol style="list-style-type: none"> <li>1. Behave ethically and transparently.</li> <li>2. Operate legally and respect rights</li> <li>3. Optimize productivity, efficiency, positive impacts and resilience.</li> </ol>	<ol style="list-style-type: none"> <li>1. Optimize productivity, efficiency, positive impacts and resilience.</li> </ol>	<p>General Chain of Custody Requirements and specific modules are:</p> <ul style="list-style-type: none"> <li>Module A – Identity Preserved</li> <li>Module B – Segregated</li> <li>Module C – Mass Balance</li> <li>Module D – CPO Mills: IP</li> <li>Module E – CPO Mills: MB</li> <li>Module F – Multi-site Certification</li> <li>Module G – Supply Chain Group Certification</li> </ul>
 <p>Sustainable livelihoods &amp; poverty reduction. Human rights protected, respected &amp; remedied</p>	<ol style="list-style-type: none"> <li>4. Respect community and human rights and deliver benefits.</li> <li>5. Support smallholder inclusion.</li> <li>6. Respect workers’ rights and conditions.</li> </ol>	<ol style="list-style-type: none"> <li>2. Legality, respect for land rights and community wellbeing.</li> <li>3. Respect human rights including workers’ rights and conditions</li> </ol>	
 <p>Conserved, protected and enhanced ecosystems that provide for the next generation</p>	<ol style="list-style-type: none"> <li>7. Protect, conserve, and enhance ecosystems and the environment.</li> </ol>	<ol style="list-style-type: none"> <li>4. Protect, conserve, and enhance ecosystem and environment.</li> </ol> 	
<p>Applicability</p>	<p>Mill and its supply bases; Estates</p> 	<p>Independent smallholders.</p>	<p>Independent mills, crushers, refiners and oleochemicals.</p>

# Certification



**Independent  
Smallholders**



**Outgrowers**



**Mill**

**Palm Kernels**



**Crusher**

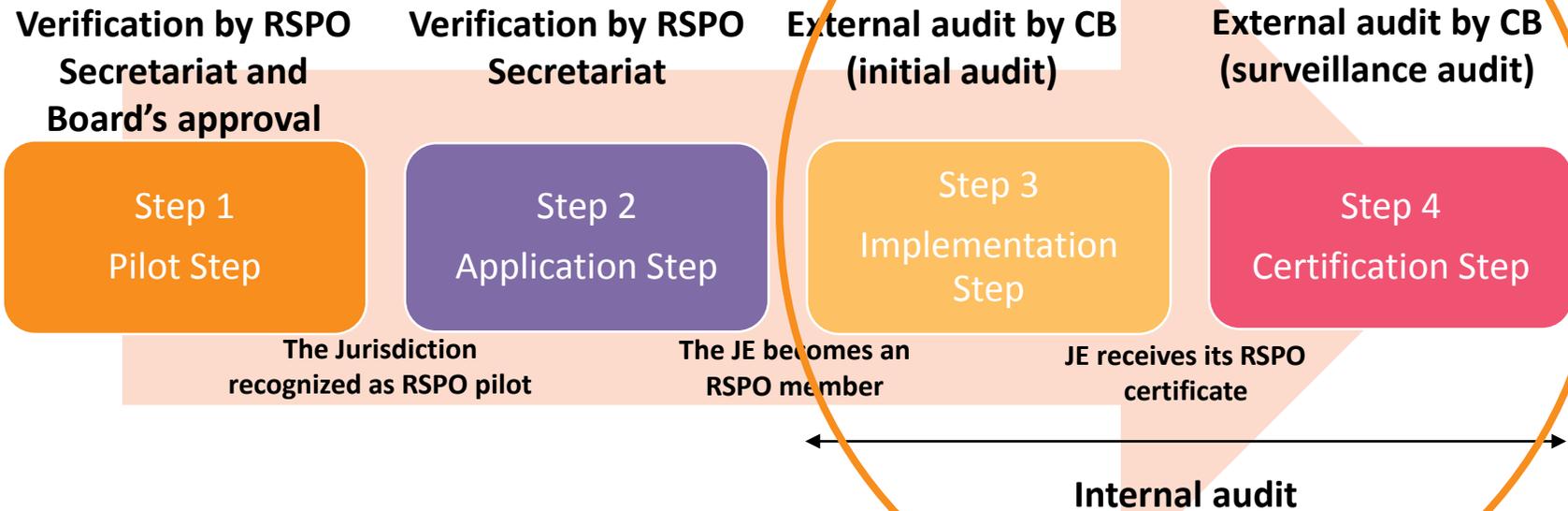


RSPO member(s) within the jurisdiction may:

- pursue their own certification, leveraging on jurisdictional level performance of the jurisdiction; or
- pursue certification through membership of a JE managed group.

Non RSPO member(s) within the jurisdiction pursue certification through JE Group membership.

# The stepwise approach



# Memberships

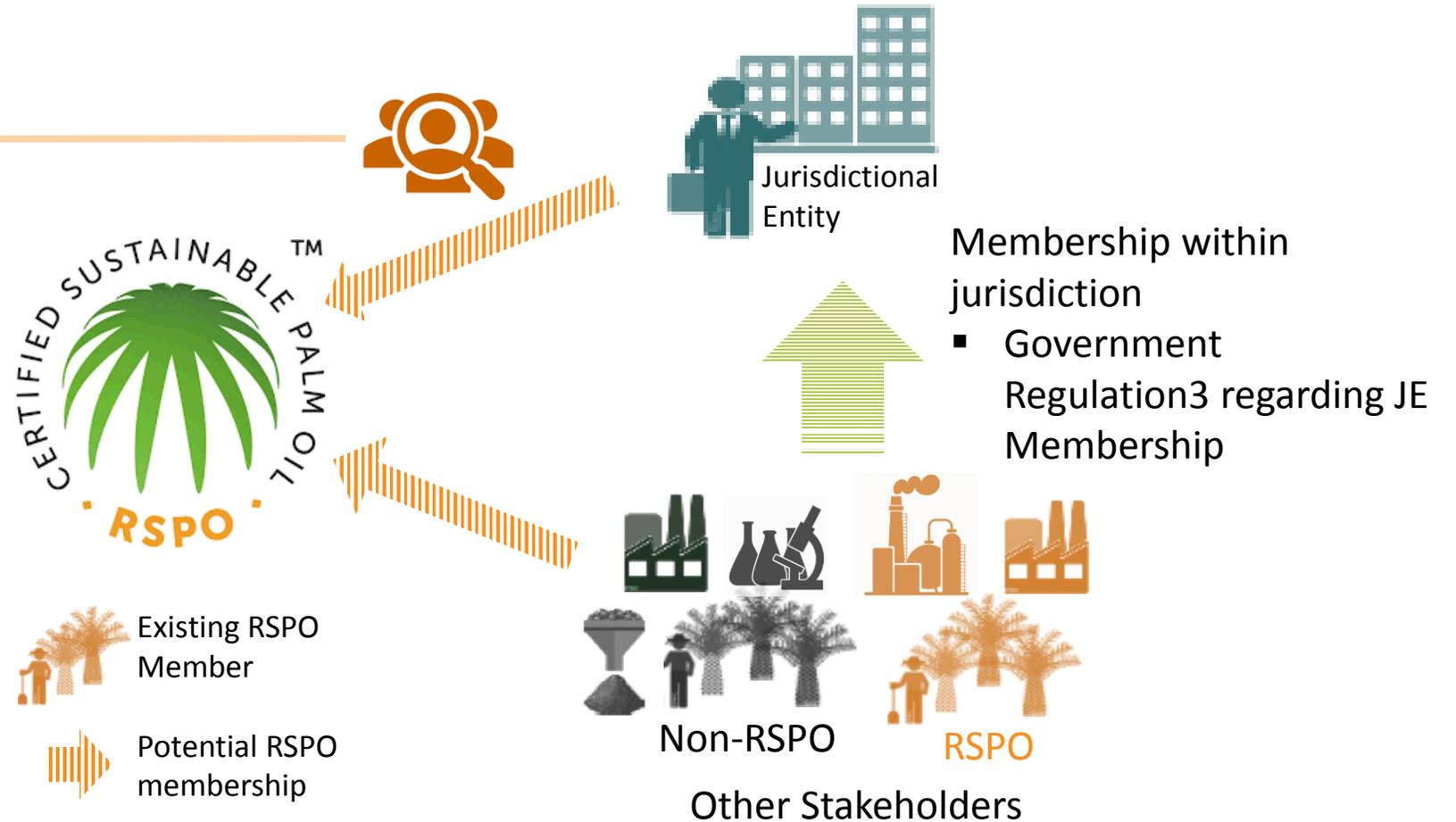


## Option 1:

JE is RSPO member – listing all JE members

## Option 2:

JE recognised as group manager.  
All JE members is to be registered as individual RSPO member



# Making Claims



- Supply chain model: IP, SG, MB & credit
- Clear distinguish on volume certified under JE group (PalmTrace) (**JE-SCPO, JE-CSPKO, JE-CSPKE, JE-Credit**)
- Clear distinguish facility(s) and mill certified under JE group (RSPO Certification) (**JE-IP, JE-SG, JE-MB, JE-Credit**)
- Reconciliation of certified volume (individual RSPO member and JE)



# Financing



## **Guiding Principle**

Retaining the financial incentives for individual grower to participate

- Individual certified JE member – would be issued independent ‘trading number’ under JE membership to trade produce (both physical and credits)



## **Guiding Principle**

Explicit supports are needed for JE to put the processes into meaningful practice.

- vary in each jurisdiction
- Potential: i) direct government budgetary support; ii) grants from public and private sector; iii) JE membership subscriptions and fees; iv) a proportion of the current RSPO trading fee which would be redirected to the JE.

# Jurisdictional System Requirements





“

Effective and credible **governance**, landscape-level **planning and management**, and **enforcement** are all critical to achieving jurisdictional certification.

”

# Jurisdiction Entity (JE)



- Governed by a multi-stakeholder board
- Ensuring credible and effective functioning of the JE
- Facilitate respective jurisdictional assessments, procedures and processes (i.e. HCV/HCS, RaCP)
- Conduct gap analysis of local jurisdictional law and regulations compared with RSPO Standards
- Conducting, monitoring, and reporting
- Internal Control System (internal audit system)
- Internal Grievances, Complaints & Appeals System
- Providing support to all stakeholders through training
- Given authority to determine membership eligibility and enforce suspension or termination of non-compliant members within the Jurisdiction.
- Commissioning external audits for the jurisdictional certification.

# System Requirements



## **ELEMENT 1: JURISDICTIONAL ENTITY (JE) MANAGEMENT REQUIREMENTS**

*Rationale: In order to be able to have commercial relationships in relevant transactions of FFB & palm oil certificates the entity carries a liability, which requires it to be legally registered.*

**Element 1.1:** The JE shall be legally formed

**Element 1.2:** The JE shall be governed by a Multi-stakeholder Supervisory Board.

**Element 1.3:** The JE shall be able to demonstrate sufficient resources and capacity for managing JA and performance assessments against the RSPO Standards.

**Element 1.4:** The JE shall be able to demonstrate sufficient capacity to control, monitor, and evaluate all key players as to their compliance to landscape-level performance and relevant RSPO Standards

# System Requirements (Cont'd)



## ELEMENT 2: POLICY FRAMEWORK

**Element 2.1:** The JE shall have documented policies and procedures for operational management

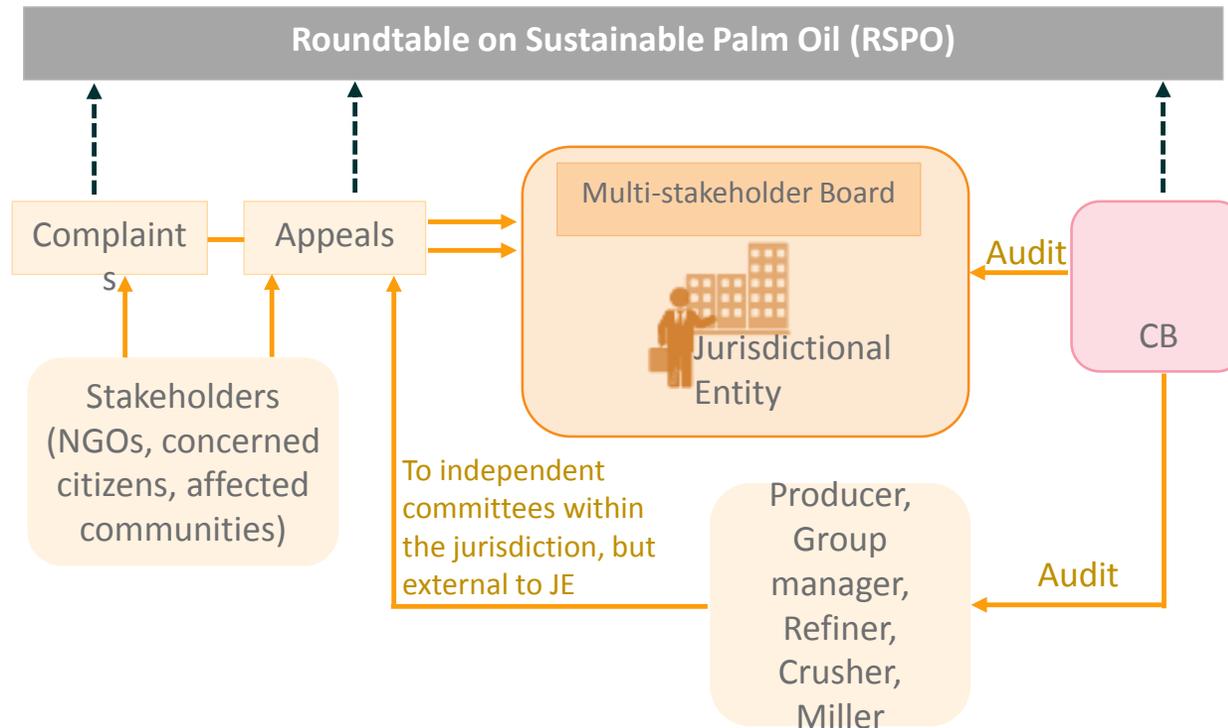
**Element 2.2:** The JE shall develop and implement internal audit system which includes, but not exclusively, procedures, processes, timeline, operational plans, monitoring and evaluation records.

**Element 2.3:** The ICS shall develop and implement an effective monitoring and reporting system for recording information on oil palm products production and trades.

# System Requirements (Cont'd)



## ELEMENT 3: THE INTERNAL APPEALS, GRIEVANCES & COMPLAINTS SYSTEM



**Element 3.1:** The JE shall have documented procedure for handling grievances, complaints, and appeals

**Element 3.2:** Evidence demonstrating the appeal handling process

# Group Discussion (30 mins)



Break into three groups. Discuss the specific topic assigned in group for *20 mins*. Assigned your *note taker* and *speaker*. Present & discuss (plenary) *10 mins*

Group 1: Management Requirement

Group 2: Policy Framework

Group 3: Internal Grievances, Complaints, Appeals System

Gaps	Clarity needs	Guidance Needs	Proposed wordings changed

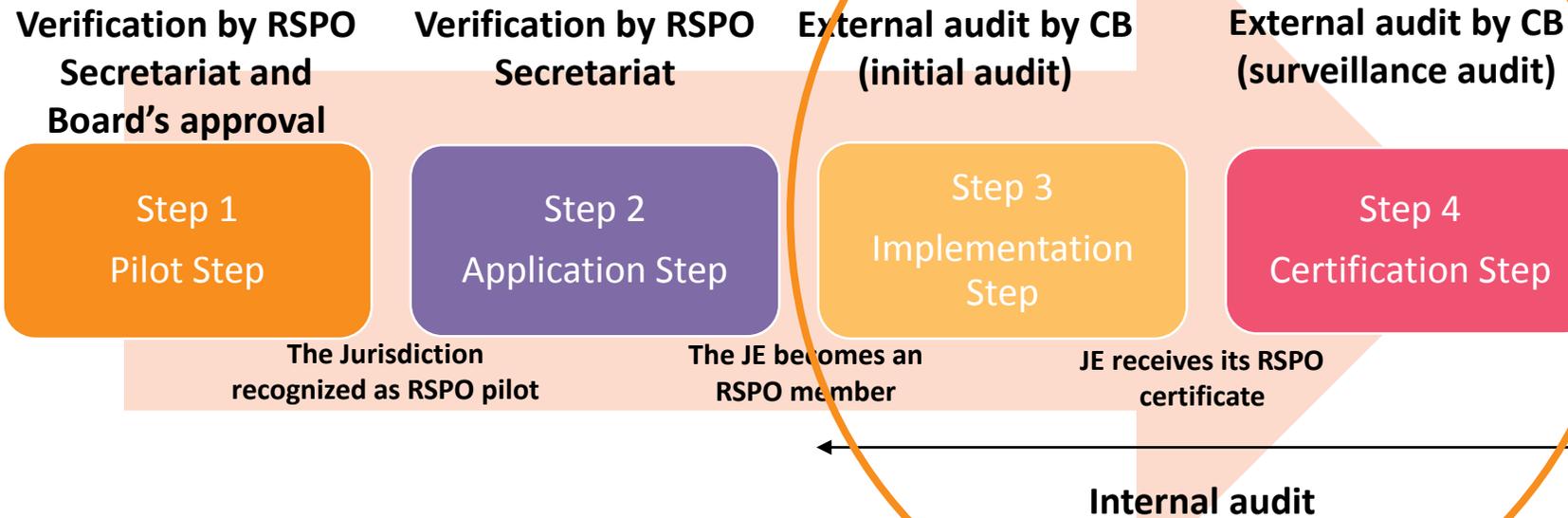
# Stepwise Approach





“ to allow time for **continual improvement** and progress towards meeting all requirements by all producers and supply chain actors, including strengthening the role of government within the system. ”

# The stepwise approach



# System Performance



	Step 1	Step 2	Step 3	Step 4
<b>System Performance Indicators</b>	<p>I. <b>Multi-stakeholder group</b> established with <b>mandate</b> from the relevant <b>government</b> authority</p> <p>II. <b>Statement of intent</b> to achieve 100% RSPO compliance made public by relevant government authority.</p> <p>III. <b>Plan</b> developed for:</p> <ol style="list-style-type: none"> <li>Establishment of the JE</li> <li>Relevant policies, system, procedures to support Jurisdictional Approach</li> <li>Spatial mapping of all producers, millers, refinery and crushers, HCV/HCS and other relevant information.</li> <li>Database of information on producers, processors, and supply chain actors within the Jurisdiction.</li> </ol>	<p>I. <b>JE is legally established</b> with a multi-stakeholder board in place (Element 1.1 and 1.2 of System Requirements)</p> <p>II. <b>JE Internal Control System (ICS)</b> developed (see Element 2)</p> <p>III. Oil palm planted areas and land bank of all producers, millers, refineries and crusher and refinery facilities <b>spatially mapped</b>.</p> <p>IV. <b>Database</b> compiled on producers, processors, and supply chain actors within the Jurisdiction.</p>	<p>I. Internal Control System of JE (including internal audit) is <b>functioning</b> (Element 2 – fully implemented).</p> <p>II. <b>Quality control system</b> in place and policy framework (Element 1 and Element 2)</p> <p>III. <b>Plan</b> in-place to establish Internal Grievances, Complaints &amp; Appeals Mechanisms (<b>Element 3</b>).</p> <p>IV. Financing viability and transparent <b>accounting procedures</b> in place.</p> <p>V. Oil palm planted areas and land bank of JE members, and a detailed <b>database</b> required for RSPO certification.</p> <p>VI. Other relevant <b>RSPO requirements</b> implemented (e.g: ACOP (annual reporting of progress))</p>	<p><b>Fully functioning JE (see Section 4).</b></p> <p>The JE receives group certification through external audit, following respective RSPO Standards.</p> <p>Allocation of trading rights to JE group members.</p>

# Jurisdictional Performance



	Step 1	Step 2	Step 3	Step 4
Landscape-Performance Indicators	<p><b>Plan</b> developed to conduct and/or develop jurisdictional level:</p> <ol style="list-style-type: none"> <li>I. Procedures for FPIC and for recognition of land rights (legal, customary and user rights) formulated</li> <li>II. Indicative HCV and HCS mapping (in alignment with RSPO requirements), includes mapping of peatlands</li> <li>III. Historical Land Use Change Analysis (LUCA) in accordance to RSPO LUCA guidance document.</li> <li>IV. Legal gap analysis of differences between RSPO P&amp;C and jurisdiction law and policies.</li> <li>V. Regulation on use of fire, fire prevention and control measures</li> </ol>	<ol style="list-style-type: none"> <li>I. <b>Indicative map</b> of <b>peatlands, HCV and HCS</b> areas.</li> <li>II. Jurisdictional level '<b>No-go</b>' zones (for conservation and protection) mapped.</li> <li>III. <b>LUCA</b> completed with (potential) liability declared and made publicly available.</li> <li>IV. Procedures for recognition of <b>land rights</b> (legal, customary and use rights) developed.</li> <li>V. <b>FPIC</b> procedure and guidelines completed for the Jurisdiction.</li> <li>VI. Regulation on use of <b>fire, fire prevention</b> and control measures in-place.</li> <li>VII. <b>Legal gaps</b> identified on the differences between RSPO P&amp;C and jurisdiction law and policies.</li> <li>VIII. Assessment of <b>disqualifying social and environmental</b> issues and steps taken to address them: including, no conversion of HCV, HCS or peatlands, and serious human rights violations and, systemic land grabbing.</li> </ol>	<ol style="list-style-type: none"> <li>I. <b>FPIC and land rights</b> recognition procedures and guidelines <b>are in place</b> and being implemented.</li> <li>II. <b>Spatial planning</b> is in place, including HCV, HCS, and peatland, and <b>RaCP</b> requirements are being implemented.</li> <li>III. <b>SEIA procedures</b> and guidelines are being implemented.</li> <li>IV. <b>New Planting Procedures</b> as per RSPO requirements being implemented</li> <li>V. <b>Disqualifying social and environmental criteria</b> are addressed or certification cannot proceed.</li> </ol>	

# Jurisdictional Performance (Notes)



- I. Guidance on jurisdictional-level indicative HCV and HCS mapping (assessment and governance mechanism) is to be developed alongside the NDJSG
- II. Reference be made to HCVRN's *'Scaling up the HCV Approach in Landscapes and Jurisdiction'*
- III. As an interim measure, existing jurisdictional-level landscape mapping efforts and initiatives (methodologies, approach) can be recognised.
- IV. New RSPO SOPs /mechanisms will be developed for verification.
- V. Full internal audit is required for all growers over 50ha, while maintaining the current smallholders internal audit procedures.

# Group Discussion (1 Hour)



Break into three groups. Discuss the specific topic assigned in group for *40 mins*. Assigned your *note taker* and *speaker*. Present & discuss (plenary) *20 mins*

Group 1: System Performance Indicators & Membership

Group 2: Jurisdictional Performance Indicators & Financing

Group 3: Making Claims & Certification System

Gaps	Clarity needs	Guidance Needs	Proposed wordings changed

Please provide your comments!



# Public Consultation RSPO Jurisdictional Approach for Certification



**Closing date: 1<sup>st</sup> May 2020**

# Thank you!



**Find out more at**  
**[www.rspo.org](http://www.rspo.org)**