



Draft minutes T&T meeting November 17, 2014

Agenda

1. Opening 9 am
2. Approval of agenda
3. Approval of minutes of July 2, 2014 (appendix 1)
4. Announcements secretariat, BoG, IDH WG, other
5. Update SCC Review (appendix 2, 3)
6. Uptake figures and other updates GreenPalm
7. Uptake figures and other updates UTZ
8. Status Datalink
9. Fee structure UTZ and GreenPalm
10. Subgroup oleochemicals & derivatives (ToR appendix 7)
11. URS, for new IT system (appendix 4, 5, 6)
12. Next meeting date/location
13. Closing at 4 pm

Present

Alasdair McGregor	BM Trada (AM)
Alien ten Kleij	Control Union (AK)
Andrea Bolhuis	Ahold (AB)
Andy Green	BM Trada (AG)
Bob Norman	GreenPalm (BN)
Danielle Morley	RSPO (DM)
Daphne Hameeteman	Wilmar Europe (DM)
Ed McPhillimy	Oriflame (EM)
Eddy Esselink	MVO (chair-EE)
Inke van der Sluijs	RSPO secretariat (minutes-IS)
Jan van Driel	RSPO secretariat (JD)
Joshua Lim	Wilmar (JL)
Judith Murdoch	AAK (JM)
Harald Sauthoff	BASF (HS)
Helen Scholey	Shell Oil Company (HY)
Melissa Yeoh	WWF Malaysia (MY)
Michelle Morton	Shell International (MM)
Paula den Hartog	UTZ Certified (PH)
Pavithra Ramani	Proforest (PR)
Qua Kiat Seng	Asean Oleochemical Manufacturers group (QS)
Robbert Kessels	Sipef (RK)
Sietse Buisman	Cargill (SB)
Surina Ismael	Emery (SI)
Wai-Tuck Choong	IOI Oleochemicals (CT)



1. EE welcomes the members of the T&T to Kuala Lumpur.
2. There is a slight change in the order of the agenda items, nothing added/removed.

3. Minutes July

P2 AB asks for an update on the infographics, RSPO-RED, CB capacity. Infographics can be used and are on the website. The other updates are on today's agenda.

P3 AB says that the certificate traders are buyers and sellers. This should be changed.

4. Announcements

Secretariat

There are now 21 CBs accredited for RSPO certification, of which 19 are accredited for supply chain certification, and 10 for P&C.

The RSPO secretariat has appointed Francisco Naranjo as representative in Latin America. He worked in the palm oil industry and is here at the RT.

The technical department of the secretariat is going through restructuring and as a result of that Jan is appointed as Head of Certification, congratulations.

RSPO published an impact report recently. The most important highlights are:

RSPO continues to grow in membership, volumes and hectares. Chemical use has been minimized. The report can be found on <http://www.rspo.org/about/impacts> at bottom of page you can find the report under Related Information.

The RSPO-RED TF had a telcon recently and met yesterday night as well to discuss the RSPO-RED module and how to increase uptake of RSPO-RED certified material. The secretariat is concerned about the lack of uptake since the approval 2 years ago and proposed to the Task Force to stop with the module or assign more manpower to actively promote and improve this module. The Task Force has indicated that they would like to continue with the module. The Ecosystem Alliance has recently met and published a call for action for the Dutch government, EU commission and the private sector for support and implementation of high quality certification (like RSPO and RTRS) and integration into policy and legislation. Another recommendation is to strengthen social criteria for RED and the Ecosystem Alliance thinks that other schemes do not meet these criteria.

Yesterday we discussed with the TF whether we can rebrand the RSPO-RED for non-biofuel users, as it meets additional criteria that members have (concerning deforestation, peat land clearance, etc.). We should be looking into whether we can engage with a food company. Darrel is planning a trip to the Netherlands in January and he will meet with important industry players and members of the Ecosystem Alliance. We should also look into the palm oil use in the power generation industry.

The T&T is asked for their opinion as this Task Force resides under the T&T.



Some members are for further investment in this module, some are against. Some know that there is no market demand as other schemes dominate the market.

RSPO-RED certification also offers a good solution for the high demand of sustainable stearin and lack of demand for olein. Palm oil can be imported as RSPO-RED certified. After fractionation, RSPO certified stearin can be sold to the food industry and RSPO-RED olein can be sold to the biodiesel industry.

Advice of the members is in different directions, it would be good to ask an expert to come up with a marketing proposal. It is too early to stop with the module and we need to invest time informing the members about the module and the benefits.

The secretariat has launched a new website, not without problems but they are working on it. The search function should be improved, the links restored and the homepage cannot be easily found.

The C&C and T&T have jointly started a TF to review the Rules on Communications and Claims. The first meeting was early this month, AG reports. 1st meeting two weeks ago. There will be a conference call in December to review the draft that will be send probably today. It will be send to the members of the C&C after which it needs to go through a process of public consultation.

Danielle Morley will join later to inform the T&T on the launch of the partnership with the Guardian Sustainable Business Forum.

The European Palm Oil Alliance is organising a conference in Brussels in December. The theme is Palm Oil: Nutritional and Sustainability Challenges. The target audience is MEPs and retailers. DM and IS are involved in the organisation of the sustainability panel debate and breakout sessions.

BoG

There are no board members present at the meeting. The BoG is working on a new strategy. In the meantime, most job openings have been filled. A COO will be searched for and appointed.

IDH Traceability Working Group (WG)

JL, JD and IS joined this meeting yesterday. The Working Group has defined traceability, and is working on methods to map supply bases. All members of this WG are RSPO members. The T&T expressed doubts about the added value of this WG. There is confusion in the market about traceability and sustainability. The WG will present at a meeting of the CGF and they have the opportunity to take away some confusion. The T&T recommends the secretariat to join the discussion but perhaps not lead it and to be clear on the position of RSPO.



Other

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5. Update SCC review

EE asks the T&T whether they agree on the last version as it will be presented at the BoG this Friday.

AG gives an update: started year ago, purpose to create two new documents that are clear, “simple”, credible, and applicable to the entire supply chain. The documents went through two rounds of public consultation and we received over 300 unique comments in the first round. 85% of those comments were accepted and incorporated. In the second round there were approx. 100 comments, many repetition and some relevant. The main changes are the definition of a claim, tonnage/volume, oil palm products instead of palm oil. There are changes to the requirements for independent mills. The group scheme is harmonized with FSC. Alignment with other standards has been done where feasible. The surveillance audits need to take place within 12 months, and auditors need to check the right membership category.

If the documents are endorsed, these will be published on the website and by April, these documents need to be used in audits and by members.

Comments from T&T:

The requirements of a traders licence are not clear. What should be checked when the client buys from a trader?

Supply Chain Certification Standard 5.1.2:

“When selling RSPO certified product a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.”

AB would like to mention the resolution where the proposal is to waive the membership obligation to small users.

In group certification, membership is not mandatory for the group members.

Companies that use less than one ton per year, can go through an initial audit and annual surveillance audits can be self-declarations.

6. GP Update

BN presents an update on GreenPalm.



There is discussion about resolution 6f of Unilever to declare mills in GreenPalm, Segregated and Mass Balance.

7. UTZ Update and 8. Datalink

PH presents an update. Palm Kernel will be launched next week. The CBs need to upload volumes for mills in eTrace. This will be mandatory next year. The secretariat will send out a message to inform all members.

There is a product tree in the standard.

There will be webinars in the week of November 24th for CBs and presentations at the booth during this RT.

PH shows the new movie to explain the Datalink, this is well received by the T&T.

PalmTrace is introduced.

AB asks why there was no full integration already or immediately. UTZ and GreenPalm are working on it.

RK asks about certification date vs calendar year. JL is it possible to trade forward? BN this will be a change.

The fee issue is not addressed in this proposal and this should be lower.

Discussion about allocation.

Communication about changes will be done by the RSPO secretariat.

9. Fee structure UTZ and GreenPalm

UTZ recently reviewed its fee to 0.90 USD, which makes the total fee for the first buyer after the oil mill USD 1.90.

There are questions about GP fees. This will be reduced when a certain volume (4 Mmt) is reached. Currently it is 1 USD for GP, 1 USD for the RSPO.

Members of the T&T do not understand why the fee of UTZ is lower, whereas the system is more complex system than GP and processes smaller volumes. Discussion will be held at the secretariat and in the BoG.

EM: discussion will also be in tender process.

10. Subgroup Oleochemical & derivatives (ToR)

HS: this subgroup was revitalized to discuss supply chain oleochemicals. ToR explains scope. Subgroup reports into the T&T.



Feedback on ToR: AK asks whether this subgroup could offer a helpdesk function. CB representation is needed, secretariat RSPO will join as well as oleochem representatives.

JD received more questions from the oleochemical industry, more companies are certified using MB/SG. We need better and detailed rules for auditors and members. Helpdesk suggestion is good one, put on agenda for this afternoon. Guidance docs needed, as well as review the present documents. It is not advisable to generate a list as this will always be incomplete, generic guidance needed.

Danielle presented the collaboration with Guardian Sustainable Business (<http://www.theguardian.com/sustainable-business/series/palm-oil-debate>) and invited T&T to join the debate.

11. URS

The points for improvement brought up by the T&T members will be included in the document. The discussion took place without the current service providers and will be kept confidential.

12. Next meeting

Telco will be planned and the next physical will be in June around the EU-RT.