

MINUTES OF MEETING OF RSPO

13th RSPO CTF MEETING

Minutes for RSPO CTF

Date: 26-27th November 2014

Start Time: 9.00 am

Venue: Vasanti Seminyak Resort, Bali, Indonesia

Attendance

<p><u>Members and Alternates</u></p> <p>Olivier Tichit (OT, SIPEF)</p> <p>Anne Rosenbarger (AR, WRI)</p> <p>Henry Barlow (HB, Independent)</p> <p>Dr. Gan Lian Tiong (GLT, MM)</p> <p>Lee Swee Yin (LSY, SIME)</p> <p>Richard Kan (RK, GAR)</p> <p>Ian Suwarganda (IS, GAR)</p> <p>Audrey Lee Mei Fong (ALMF)</p> <p>Adam Harrison (AH, WWF)</p> <p>Jen Lucey (JL, SEARRP)</p> <p>Melissa Yeoh (MY, WWF MY)</p> <p>Anders Lindhe (AL, HCVRN)</p> <p>Michal Zrust (MZ, ZSL)</p> <p>Harjinder Kler (HK, HUTAN)</p> <p>Lanash Thanda (LT, SEPA)</p> <p>Darmawan Liswanto (DL, FFI)</p> <p>Dwi R. Muhtaman (DM, ReMark Asia)</p> <p>Michael Brady (MB, IFC)</p> <p>Marcus Colchester (MC, FPP)</p>	<p><u>RSPO Advisors</u></p> <p><u>Secretariat Staff</u></p> <p>Francisco Naranjo (FN, RSPO)</p> <p>Oi Soo Chin (OSC, RSPO)*</p> <p>(absent with apologies)</p> <p>Dillon Sarim (DS, RSPO)</p> <p>*Attended only on 26th November 2014</p>
<p><u>Agenda</u></p> <p><u>First Day</u></p> <ol style="list-style-type: none">1. Opening Meeting by Co-chair.2. Presentation on Sustainable Palm Oil in Latin America.	

3. Finalisation of Compensation Proposal Format and TOR for Compensation Proposal Evaluator.
4. Finalisation of text to Complaints Panel to clarify what cases can be sent to BHCVWG.
5. Presentation on Compensation World Café finding at RT12 and discussion on Business and Biodiversity Offsets Programme (BBOP) Workshop by Forest Trends.
6. Finalisation of Priority Guidance for Conservation Programmes.
7. Compensation Cases Update and Challenges.
8. Update on Staged Implementation to Date.
9. Compensation FAQ and Task Force to Review FAQ.
10. Flowcharts to Connect Supporting Documents.
11. TOR for LUC Reviewer.
12. Compensation and Smallholders.
13. Presentation on Vegetation Coefficient Study.
14. Closing Meeting.

Item	Description	Point Person
<p>1.0</p> <p>1.1</p> <p>1.1.1</p> <p>1.1.2</p> <p>1.2</p> <p>1.2.1</p> <p>1.2.2</p> <p>1.2.3</p> <p>1.3</p> <p>1.3.1</p>	<p><i>Opening Meeting by Co-chair</i></p> <p><u>Opening meeting</u> The co-chair (OT) opened the meeting by welcoming RSPO CTF members and participants. He informed participants that future CTF/BHCV meetings will be held over two days and the current meeting will be the last three days meeting format. New and existing participants then introduced themselves as recommended by OT.</p> <p>OT informed members that MZ will be leaving ZSL and it would be his last meeting representing ZSL.</p> <p><u>Approval of Minutes of previous meeting</u> Members reviewed the previous minutes. On section pertaining to the non-disclosure agreement, Rk highlighted that unless the CoC covers the confidentiality of discussions and information shared at the BHCV/CTF meetings and there is documentation signed by the attendees filed by the RSPO, GAR will agree not to request for NDA.</p> <p>OT thanked GAR for their feedback on the CoC and commented that companies will not be allowed to request members to sign a separate NDA.</p> <p>Action point To upload approved meeting notes/minutes onto the RSPO website.</p> <p><u>Signing of CoC</u> Members then signed the CoC. An electronic copy of the signed CoC will be sent back to the respective member.</p> <p>Action point To send scanned copy of the CoC to respective members.</p>	<p></p> <p></p> <p></p> <p></p> <p></p> <p>OSC</p> <p></p> <p>DS</p>
<p>2.0</p> <p>2.0.1</p>	<p><i>Presentation on Sustainable Palm Oil in Latin America</i></p> <p>RSPO's Technical Manager Latin America, FN presented an overview of oil palm growing countries in Latin America. He highlighted biodiversity and HCV challenges in the region. This was followed by understanding the challenges of remediation and compensation procedures in Latin America. A questions and answers session followed his presentation. See Annex 1 for presentation.</p>	<p></p>

Item	Description	Point Person
<p>3.0</p> <p>3.0.1</p> <p>3.0.2</p> <p>3.0.3</p>	<p><i>Finalisation of Compensation Proposal Format and TOR for Compensation Proposal Evaluator</i></p> <p>AH presented the revised compensation proposal format (Annex 2) and TOR for compensation proposal evaluator (Annex 3) to members.</p> <p>OT informed members that ASI is working with IUCN to develop criteria for auditors to audit conservation projects and has offered to share the information with the TF.</p> <p>Action point:</p> <ol style="list-style-type: none"> 1. Members to comment on the document in 2 weeks. 2. MC volunteered to draft guidance for ensuring compensation for affected communities. 	<p>CTF MC</p>
<p>4.0</p> <p>4.0.1</p> <p>4.0.2</p>	<p><i>Finalisation of text to Complaints Panel to clarify what cases can be sent to BHCVWG</i></p> <p>AH presented a letter he drafted to the complaints panel to clarify what cases can be sent to BHCVWG. The draft letter is presented in Annex 4. Members highlighted grey areas in the letter and provided their recommendations and views.</p> <p>Action point:</p> <p>AH will revise the document based on recommendation received from members.</p>	<p>AH</p>
<p>5.0</p> <p>5.0.1</p> <p>5.0.2</p>	<p><i>Presentation on Compensation World Café finding at RT12 and discussion on Business and Biodiversity Offsets Programme (BBOP) workshop by Forest Trends</i></p> <p>MZ presented the findings of compensation world café session. He then informed members that he will compile the notes from compensation world café session at RT12 and send it to members when it is ready (See Annex 5). MZ also suggested to use the world café findings to set the framework for BBOP workshop. REA and ZSL will be involved in coordination of BBOP workshop.</p> <p>Action points:</p> <ol style="list-style-type: none"> 1. MZ to send completed document to members. 2. To find out the agenda of BBOP. 	<p>MZ MZ</p>
<p>6.0</p> <p>6.0.1</p>	<p><i>Finalisation of Priority Guidance for Conservation Programmes</i></p>	

Item	Description	Point Person
<p>6.0.2</p> <p>6.0.3</p>	<p>JL presented Priority Guidance for Conservation Programmes. The guidance developed is not prescriptive but provides most desirable outcome of conservation projects for compensation purposes. See Annex 6.</p> <p>AL suggested that priority could be based on the four important criteria of conservation/biodiversity programmes. Definition of on-site and off-site should also be clear. AR suggested to members that definition on priority of conservation programmes should be clearly outlined in the introduction of the guidance document.</p> <p>Action points:</p> <ul style="list-style-type: none"> i. DL to provide information from case study in Indonesia. ii. Sub-group to work on the following criteria for conservation programmes. <ul style="list-style-type: none"> a. Equitable – MC b. Long lasting – AH c. Additional – AL and OT d. Legal framework and regulation – AH e. Landscape & regional – GR and JP 	<p>DL</p> <p>MC AH AL and OT AH GR & JP</p>
<p>7.0</p> <p>7.0.1</p> <p>7.0.2</p> <p>7.0.3</p>	<p><i>Compensation Cases Update and Challenges</i></p> <p>OSC provided updates on progress of compensation cases and highlighted the challenges faced by the Secretariat and LUC reviewer when processing compensation cases.</p> <p>Action point:</p> <ol style="list-style-type: none"> 1. Members to provide gmail email address to OSC to view documents shared via google doc. 2. To update compensation progress doc that NDA is not required. 3. To send WRI team members working on LUC to sign the CoC. 4. To check with Ravin Krishnan on clear wording of responsibilities in complaints panel’s CoC, especially on matters related to information leaked. 5. To keep a list of members or invitees who have signed the CoC. 6. To update results of LUC analysis to compensation progress doc. <p>Decision: Company request to meet compensation panel members to discuss their case. Members agreed that companies are not allowed to directly present their cases to compensation panel members.</p>	<p>CTF</p> <p>OSC</p> <p>OSC</p> <p>OSC</p> <p>OSC</p> <p>DS</p>

Item	Description	Point Person
	However, on technical matters related to LUC analysis, companies are allowed to communicate with LUC reviewer (WRI) to clarify confusion, uncertainty or concerns raised.	
<p>8.0</p> <p>8.0.1</p> <p>8.0.2</p>	<p><i>Update on Staged Implementation to Date</i></p> <p>OSC presented the latest statistics on liability disclosure and this was followed by questions and answers session. OSC asked members to provide recommendation to improve the statistics.</p> <p>Action point:</p> <ol style="list-style-type: none"> 1. To add column in the master sheet to include information on who controlled clearing activities at the time of clearance. 2. Two co- chairs committee BCHVWG/CTF to sit down and discuss and agree the data to be provided. AH volunteered to go through the data with co-chairs. Secretariat to help volunteers understand the data via webex. 3. To double check non submitters with ACOP submission. 4. To share data with members who had signed the CoC. 	<p>DS</p> <p>OT, AR and AH</p> <p>DS</p> <p>DS</p>
<p>9.0</p> <p>9.0.1</p> <p>9.0.2</p>	<p><i>Compensation FAQ and Task Force to Review FAQ</i></p> <p>OSC presented the updated FAQ to members. The revised FAQ incorporated issues and concerns raised during the compensation outreach programmes.</p> <p>Action point: To circulate FAQ to all members to provide comments.</p>	<p>OSC</p>
<p>10.</p> <p>10.0.1</p> <p>10.0.2</p> <p>10.0.3</p>	<p><i>Flowcharts to Connect Supporting Documents</i></p> <p>OSC presented the updated compensation flowchart.</p> <p>FN commented that the flowchart is confusing especially the arrows connecting the boxes.</p> <p>Decision: Members accepted the new numbering system for compensation mechanism’s supporting documents, however highlighted the need to revise the flowchart and this must be done at the next revision process.</p>	

Item	Description	Point Person
<p>11.</p> <p>11.0.1</p> <p>11.0.2</p> <p>11.0.3</p> <p>11.0.4</p>	<p><i>TOR for LUC reviewer</i></p> <p>AR described WRI’s responsibilities in terms of reviewing LUC analysis submitted by companies. AR reminded members that WRI will not be signing off compensation/conservation liability and it should be the role of Secretariat. She then requested members to consider appointing other firms/organisations to undertake LUC analysis review, this is to ensure that review process will not be slowed down.</p> <p>AH offered to help ask WWF’s GIS team whether they can help with LUC review. AH reminded members that it is important to distinguished commercial clearing from non-commercial clearing and the TF should find out whether there is a relatively straight forward way to determine commercial clearing from non-commercial ones.</p> <p>SP suggested that LUC guidance for NPP requirements should also be developed. GLT further added that BHCVWG should work together with ERWG which will be using LUC analysis for calculation of carbon stock for GHG emission.</p> <p>Action point:</p> <ol style="list-style-type: none"> 1. AR to circulate the document to members for comments. 2. AR to follow-up with OSC on LUC guidance for NPP. 3. AR to reach out NGOs and other organisations to collaborate on LUC analysis review. 4. AH to check with colleagues whether they can help with LUC review. 	<p></p> <p>AR</p> <p>AR</p> <p>AR</p> <p>AH</p>
<p>12.</p> <p>12.0.1</p> <p>12.0.2</p> <p>12.0.3</p>	<p><i>Compensation and Smallholders</i></p> <p>AR invited AL to lead the discussion on compensation and smallholders. AL recommended that the TF should have a clear position on the issue.</p> <p>MC commented that under the RSPO, scheme smallholders should have their HCV assessment done with the assistance from the company which they are supplying FFB to. Therefore, for scheme smallholders, the company has the obligation to undertake HCV assessment as they are the one clearing the areas for oil palm.</p> <p>AR reminded member to shift the focus on independent smallholders rather than scheme smallholders and MZ suggested the same.</p>	<p></p> <p></p> <p></p> <p></p>

Item	Description	Point Person
<p>12.0.4</p>	<p>Action point:</p> <ol style="list-style-type: none"> 1. To redefine management units mentioned in compensation procedures (INTI and PLASMA). 2. To reach out to companies which have submitted their disclosure on whether they have disclosed both INTI and PLASMA areas. 3. To recommend representatives from smallholders sit on CTF/BHCVWG to discuss about HCV for smallholders. 	<p>CTF</p> <p>DS</p> <p>OSC</p>
<p>13.0</p> <p>13.0.1</p> <p>13.0.2</p> <p>13.0.3</p>	<p><i>Presentation on Vegetation Coefficient Study</i></p> <p>AL presented the progress of vegetation coefficient study for Latin America and Africa on behalf of Proforest. He informed members that webinars and phone interviews were organised to obtain inputs for vegetation coefficient study in both regions. He then highlighted the issues faced by the team when undertaking the study in both regions.</p> <p>The TF members then went through the list of tasks important to revise the compensation procedures next year.</p> <p>Action point:</p> <ol style="list-style-type: none"> 1. AR volunteered to head the sub group which will be reviewing the LUC guidance. 2. Feedback on compiled document of the roadshows. 3. Go through sections of the procedures to identify areas which needs additional inputs or revision. 4. LUC analysis guidance: To explicitly mention in the guidance the time when you change RSPO status. 5. Secretariat to identify unresolved issues on compensation from RT 11. 6. Consolidate vegetation coefficient study and feedback from sustainable palm oil conference in Guatemala. 7. SP to compile feedback from consultants on LUC analysis. 8. Communication strategy to announce findings of staged implementation and indicative figures. 9. To review the draft prepared by Jan Maarten on social compensation. 	<p>AR</p> <p>OSC/DS</p> <p>CTF</p> <p>CTF</p> <p>OSC/DS</p> <p>OSC</p> <p>SP</p> <p>OT and AR</p> <p>CTF</p>

Item	Description	Point Person
	<p>10. To revise the flowchart for clarity.</p> <p>11. Monitoring guidance for compensation plans: MZ commented that ZSL should be involved and he will confirm with his colleagues from ZSL. MZ recommended IFC to take part in the task.</p> <p>12. To invite biodiversity specialist to the next meeting to give presentation on planning and monitoring of compensation plan.</p>	<p>CTF</p> <p>MZ</p> <p>OSC/DS</p>
<p>14.0</p> <p>14.0.1</p>	<p><i>Closing meeting</i></p> <p>OT closed the CTF meeting and thanked members for their participation. The next CTF meeting will be on 4th and 5th of February 2015 in Jakarta. The BBOP workshop will be on the 2nd and 3rd of February 2014 in Jakarta.</p>	

26th Meeting of RSPO BHCVWG

26th November 2014

13th CTF Meeting.

Vasanti Resort Seminyak, Bali

No.	Name	Organisation	Signature 28/11/14
1.	ANNE ROSENBERGER	WRI	
2.	O. TICHIT	SIPEF	
3.	Jen Lucey	SEARPP	
4.	SOPHIE PERIDY	REA HOLDINGS	
5.	Henry Bastow	Independent	
6.	MELISSA YEDM	WWF M'SIA	
7.	Richard Kan	GARC	
8.	JAN SULLARZA-DA	WRI	
9.	FRANCISCO NARANJO	RSPO	
10.	ANDERS LINDHE	HOURN	
11.	MICHAEL ZIBUST	ZSL	
12.	ADAM HARRISON	WWF	
13.	DWI R MUHTAMAN	Remark Asia	
14.	LEE SWEE YIN	BDP	
15.	GAN LIAN TIONG	PT Musim Mas	
16.	ANDREY LEE MET FONH.	OLAM	
17.	HARDWIGER KLER	HOTAN	
18.	Lanash Thanda	SEPA	
19.	Darmawan Liswanto	FFI	



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Roundtable on Sustainable Palm Oil

No.	Name	Organisation	Signature 27/11/14
20.	Michael Brady	IFC	
21.			
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ANNEX 1

Sustainable Palm Oil in Latin America

Sustainable Palm Oil in Latin America

Content

- Overview of palm oil producing countries in LA
- Biodiversity & HCV challenges in the region
- RSPO Remediation and compensation procedures, understanding & challenges



Sustainable Palm Oil in Latin America



Roundtable on Sustainable Palm Oil

Palm oil in Latin America

- 12 producing countries

- ✓ Colombia
 - ✓ Ecuador
 - ✓ Honduras
 - ✓ Brasil
 - ✓ Costa Rica
 - ✓ Guatemala
- } 90% of production
- ✓ Venezuela
 - ✓ México
 - ✓ Perú
 - ✓ República Dominicana
 - ✓ Panamá
 - ✓ Nicaragua
- } 10%



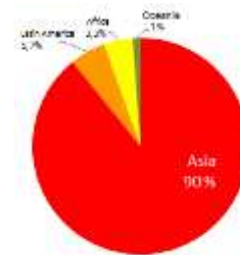
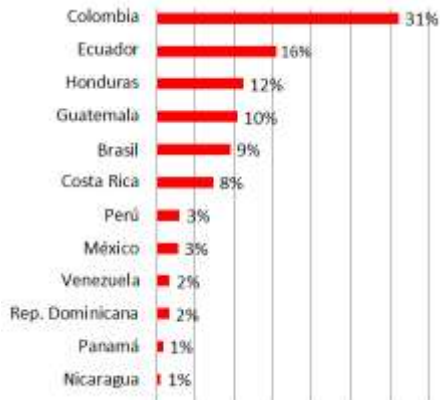
Sustainable Palm Oil in Latin America



Roundtable on Sustainable Palm Oil

Palm oil in Latin America

- 12 producing countries



	CONTINENT	2013 (Million Tons)	%
1	Asia	53.10	90.0%
2	Latin America	3.40	5.7%
3	Africa	1.95	3.3%
4	Oceania	0.55	1.0%
	TOTAL	59.00	100%

Source: USDA, CABI

RSPO members in Latin America



Roundtable on Sustainable Palm Oil

	Country	Total ordinary members	Oil palm growers	Processors & traders	Consumer goods & manufactures
1	Colombia	24	8	9	3
2	Honduras	9	5	4	0
3	Brasil	6	1	4	1
4	Ecuador	6	2	4	0
5	Guatemala	5	5	0	0
6	Costa Rica	5	2	3	0
7	México	4	1	2	1
8	Perú	2	1	1	0
9	Panamá	1	0	1	0
10	República Dominicana	1	0	1	0
11	Nicaragua	1	1	0	0
12	Venezuela	0	0	0	0
	TOTAL	64	26	29	5

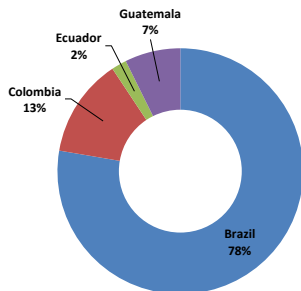
Sustainable Palm Oil in Latin America (2013)



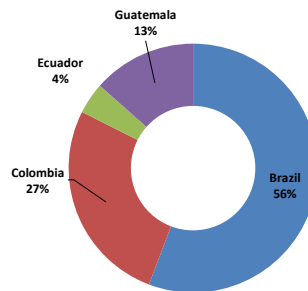
Roundtable on Sustainable Palm Oil

- Total certified area: 138.470 hectares (4,5%)
- 8 certified mills (Brazil 4, Colombia 2, Ecuador 1, Guatemala 1)
- Total CSPO: 274.655 Tonnes (2,5%)
- Total CSPK: 49611 Tonnes (1,9%)

CSPO by Country in LA
274.655 Ton (2,5%)



Certified area in LA
138.470 ha (4,5%)





Roundtable on Sustainable Palm Oil

NAME	COUNTRY	MEMBER SINCE
Agropalma Group	Brazil	11-Aug-09
FEDEPALMA - National Federation of Oil Palm Growers	Colombia	17-Aug-09
Poligrow Colombia Ltda	Colombia	21-Sep-09
La Fabril S.A.	Ecuador	21-Sep-09
Agrocaribe	Guatemala	21-Sep-09
Industrial Danec S.A.	Ecuador	3-Feb-10
ANCUPA (Asociación Nacional de Cultivadores de Palma)	Ecuador	9-Feb-10
Palma Tica S.A.	Costa Rica	10-Feb-10
NaturAceites S. A. - (INDESA)	Guatemala	15-Jun-10
DAABON Group	Colombia	1-Feb-11
Santa Rosa S.A.	Guatemala	2-Aug-11
Agroaceite, S.A.	Guatemala	30-Aug-11
Natural Habitats Group	Ecuador	3-Sep-11
Grupo Jaremar	Honduras	15-Sep-11
Compañía Industrial Aceitera Coto Cincuenta y Cuatro S.A	Costa Rica	23-Sep-11
OLEOSUR SAPI DE CV	Mexico	12-Nov-11
Industrias Ales C.A.	Ecuador	6-Jan-12
Agroindustrial Palma Real S.A. de C.V	Honduras	6-Mar-12
HONDUPALMA	Honduras	24-Mar-12
Hacienda La Cabaña S.A.	Colombia	18-Jun-12
ACEITES S.A.	Colombia	16-Jul-12
PALMAACEITE S.A.	Colombia	16-Jul-12
Centralamerican Palm (PALCASA)	Honduras	16-Aug-12
COOPERATIVA SALAMA LIMITADA	Honduras	17-Dec-12
Industrial Aceitera de la RAAS S.A.	Nicaragua	3-May-13
Plantaciones de Pucallpa S.A.C.	Peru	28-May-13
Comercializadora Internacional Ciecopalma S.A.	Ecuador	28-Jun-13
Industrias de Jabones y Detergentes Las Palmas, S. A.	Guatemala	17-May-14
Palmas del Cesar S.A.	Colombia	24-Jul-14
Aceites Manuelita S.A.	Colombia	13-Aug-14

Megadiversity in Latin America



Roundtable on Sustainable Palm Oil

- LA is the region with the greatest biological diversity on the planet and it hosts 7 of the 17 world's megadiverse countries.
- Holds almost one half of the worlds tropical forests, 33% of its total mammals, 41% of its birds, 50% of its amphibians.
- Has both the largest unfragmented tropical forests (Amazon region) and some of the most fragmented and endangered ones.
- Latin America holds more than 30% the planet available fresh water.
- The Andes hold 90% of the world's tropical glaciers, producing 10% of the planet freshwater.
- Is the world's richest genetic reservoir.

Challenges for biodiversity and HCV in Latin America



- Halting deforestation. (Highest deforestation rate in the world)
- The region includes 5 of the 20 countries with the highest numbers of species of fauna endangered, and 7 of the 20 countries whose plant varieties are the most threatened.
- Rising trend in all the five main pressures on biodiversity (land use change, land degradation, climate change, pollution from nutrients, fragmentation of habitats)
- Most important driving force of land use change and habitat loss is the significant expansion in commercial agriculture.
- Most Andean glaciers will melt over the coming 20 years. Water shortages for communities.

Understanding and challenges of RSPO Remediation and compensation procedures



- There is almost no knowledge of the Remediation and Compensation procedures among members.
- There is fear of the legal consequences of doing the disclosure of non-compliance land clearance.
- High costs for HCV assessments, LUC analysis.

Understanding and challenges of RSPO Remediation and compensation procedures



Recommendations

- Person to person meeting with Latin America members to explain the procedures and encourage them to comply
- Improve the flowchart of Remediation and Compensation Procedure
- More outreach programs
- Video, booklets, webinars, etc.
- Send a message of non negotiable
- Local capacity building (HCV & LUC assessors)
- Customize the coefficient for categories of land areas cleared without prior HCV assessment for LATAM



**Thank you for your
attention.**

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ANNEX 2

Remediation & Compensation Proposal/Plan Template/Format:

1. COMPANY PROFILE

- 1.1. Company profile (150 words max)
- 1.2. Description of estates relevant to the compensation liability and compensation plan including locations and maps (500 words max)

2. LIABILITY

- 2.1. Summary of total liability for the individual management unit (social and environmental liability) – *drawn from the LUCA*.
 - 2.1.1. Grouping total compensation project liability
 - 2.1.2. Should copy template 6 plus social liability.

3. EXECUTIVE SUMMARY OF COMPENSATION PLAN

- 3.1. Summary description of remediation and compensation plans addressing all identified liabilities including timelines:
 - 3.1.1. Changes of SOPs if necessary.
 - 3.1.2. Onsite remediation required (riparian, steep areas, peat, etc)
 - 3.1.3. Compensation plan for loss of HCV 4-6 (social HCVs)
 - 3.1.4. Compensation plan for HCV 1-3 (environmental HCVs)
 - 3.1.5. Description of how FPIC processes have and/or will be included in remediation & compensation plans as appropriate (including planning, implementation and progress updates).
- 3.2. Monitoring and evaluation plan
 - 3.2.1. Baseline description
 - 3.2.2. Strategic review
 - 3.2.3. Reporting protocol

4. STANDARD OPERATING PROCEDURES

- 4.1. Description of the identified operational failures that led to the compensation liability.
- 4.2. How the suggested changes to SOPs will ensure the above operational failures are not repeated.
- 4.3. Compliance with the New Plantings Procedure
- 4.4. Requirement for Land Use Change Analysis as part of HCV assessments
- 4.5. Plans to ensure the management and workforce are aware of the provisions of the SOPs

5. ONSITE REMEDIATION PLAN

- 5.1. Identification of relevant Best Management Practices as per RSPO P&C and Local or National Interpretations.
 - 5.1.1. Riparian Area Remediation to RSPO Best Management Practice Standards
 - 5.1.1.1. Identification of relevant stakeholders
 - 5.1.1.2. Identification of project risks and assumptions
 - 5.1.1.2.1. Management and monitoring of the identified risks and assumptions
 - 5.1.1.3. Planned activities to restore and/or manage riparian areas as per BMP standards (after the endorsement)

- 5.1.1.4. Project budget
- 5.1.1.5. Project timeline with milestones
- 5.1.1.6. Monitoring and Verification
- 5.1.2.** Restoration and management of steep slopes
 - 5.1.2.1. Restoration activities
 - 5.1.2.2. Restoration budget
 - 5.1.2.3. Restoration timeline with milestones
 - 5.1.2.4. Best Management Practices
 - 5.1.2.5. Monitoring and Verification
- 5.1.3.** Management of existing planting on peat
 - 5.1.3.1. Rehabilitation activities
 - 5.1.3.2. Budget
 - 5.1.3.3. Timeline with milestones
 - 5.1.3.4. Best Management Practices
 - 5.1.3.5. Monitoring and Verification
- 5.1.4.** Management of fragile soils
 - 5.1.4.1. Rehabilitation activities
 - 5.1.4.2. Budget
 - 5.1.4.3. Timeline with milestones
 - 5.1.4.4. Best Management Practices
 - 5.1.4.5. Monitoring and Verification

6. SOCIAL REMEDIATION AND COMPENSATION

6.1. Description of remediation and compensation for the social impacts of the loss of HCV 4-6 (social HCVs):

- 6.1.1.** Record of negotiated agreement or plan to negotiate an agreement with the affected communities and representatives.
 - 6.1.1.1. Participatory maps of any disputed areas
 - 6.1.1.2. Plans to ensure that relevant information is in an appropriate form and languages
 - 6.1.1.3. Plans for affected communities to be represented through institutions or representatives of their own choosing, including legal counsel if requested
 - 6.1.1.4. Plans to document consultation and communication procedures
 - 6.1.1.5. Name of management official responsible
 - 6.1.1.6. A list of stakeholders and records of all communications
 - 6.1.1.7. Description of the procedure for identifying any legal, customary and user rights that have been affected by the clearance
 - 6.1.1.8. Description of the procedure for calculating and distributing fair compensation
 - 6.1.1.9. Record or planned record of outcomes of negotiated agreements
- 6.1.2.** Monitoring and verification plan
- 6.1.3.** Exit strategy
- 6.1.4.** (Suggestion to include section 7.5)

7. HCV 1-3 COMPENSATION PLAN

7.1. Project Selection Rationale

7.1.1. Per project priority template

7.1.2. Description of how these activities are planned to deliver conservation benefits that are:

7.1.2.1. Additional

7.1.2.2. Long-lasting

7.1.2.3. Equitable

7.1.2.4. Knowledge-based

7.1.3. Description of how these activities are planned to deliver the maximum conservation benefit and outcomes in relation to the invested resources

7.1.4. Description of how the planned activities take account of:

7.1.4.1. Regional conservation priorities

7.1.4.2. The legal and regulatory framework

7.1.4.3. Landscape conditions

7.1.5. Other?

7.2. Identified issues which project seeks to address

7.3. Project Goals and Objectives

7.4. Stakeholders

7.4.1. Identified stakeholders relevant to the project

7.4.2. Description and documentation of consultation process

7.5. Planned Activities

7.5.1. Risks and assumptions

7.5.1.1. Details of how risks will be mitigated

7.5.2. Responsible parties with roles and responsibilities

7.5.3. Budget including other required resources

7.5.4. Timeline with milestones

7.5.5. Workplan

7.5.6. Current and required baselines

7.5.7. Monitoring and evaluation

7.5.8. Adaptive Management strategy

7.5.9. Project reporting plan

7.5.10. Exit strategy

ANNEX 3

Terms of Reference

RSPO Compensation Proposal/Plan Evaluator

Background

The RSPO Remediation & Compensation Procedures was developed by the RSPO Compensation Task Force (CTF) at the request of the Board of Governors of the RSPO through a multi-stakeholder consultative process. It was ambitiously and strictly formulated by the CTF members with the aim to assist growers to attain full certification in all their operating units. On March 6th 2014, the Board of Governors of the RSPO endorsed the RSPO Remediation & Compensation Procedures related to Land Clearance without Prior HCV Assessment and accepted the recommendation of CTF to start a staged implementation.

The staged implementation requires all RSPO members who own and/or manage land for oil palm production to comply with all sections of the procedures up to section 7, Calculating conservation liability. The staged implementation period is designed to allow further information and experience to be gathered in order to develop complete procedure. Until the staged implementation period ends all members are encouraged to also volunteer to comply with the remainder of the document.

Over and beyond remediation of the site in question to ensure that it is managed to the best management practices set out in the relevant P&Cs and adequate remediation and compensation to affected communities for any loss of social elements of HCV4-6, there are two options available to growers in order to meet their full compensation liability and they are presented in no order of priority and can be used in combination with each other.

Option1: numbers of hectares based on the calculated liability to be set aside or managed primarily to conserve biodiversity by the company and/or by a third party, within or outside the management unit.

Option 2: non-hectare basis by the company and/or by a third party for projects or programmes contributing to achieving conservation objectives, within or outside the management unit. An indicative figure of USD 2,500-3,000/ha of liability is put forward for consideration during year 1 of the staged implementation as the projected cost of such projects or programmes.

Companies entering 2nd phase of staged implementation voluntary must submit compensation proposals/plans to the compensation panels assigned to them. A compensation proposal/plan submitted must include a clear but brief assessment of both options, have clearly defined goals, time frames and responsibilities and deliver outcomes that are additional, long-lasting, equitable and knowledge based.

Objective

The objective of this consultancy service is to review and evaluate compensation proposals submitted by companies based on RSPO Remediation & Compensation Procedure and to provide recommendations to the Compensation Panel.

Output

The scope of services of the compensation proposal/plan evaluator is as follows.

- i. Review and evaluate compensation proposal/plans submitted by companies based on RSPO requirements.
- ii. Provide recommendations to the Compensation Panels on proposals submitted.
- iii. Advise the CTF on developing a set of criteria and system for assessing Compensation Proposals based on findings of the consultancy.

The report for each Compensation Proposal reviewed should address the following:

1. Is there adequate evidence that the Standard Operating Procedures of the members have been changed to ensure that there is no future failure to conduct and adequate HCV assessment prior to land clearance:
 - Do the SOPs comply with the New Plantings Procedure?
 - Do the SOPs require a Land Use Change Analysis as part of the HCV assessment?
 - Is their evidence that the management and workforce are aware of the provisions of the SOPs?
2. Is there adequate evidence that the site in question will or is being managed to the Best Management Practices relating to the relevant P&Cs? In particular:
 - Natural vegetation is restored on excessively steep slopes (Criterion 4.3.2)
 - Erosion control measures are introduced on plantable steep slopes (Criterion 4.3.2)
 - Existing plantations on peat are managed so that the watertable is maintained at an average of 50cm (between 40-60cm) below ground surface measured with groundwater piezometer readings, or an average of 60cm (between 50-70cm) below ground surface as measured in water collection drains (Criterion 4.3.4).
 - Riparian buffer zones are adequately identified, restored and managed (Criterion 4.4.2);
3. Are the proposed plans for negotiating remediation and compensation with affected communities for the loss of social elements of HCV4-6 resulting from the clearance of the land without a prior HCV assessment adequate? In particular:
 - Any disputed areas are mapped out at an appropriate scale and in a participatory way with the involvement of affected parties (2.2.5 and 2.3.1)
 - All relevant information is in an appropriate form and languages (2.3.3)
 - Affected communities are represented through institutions or representatives of their own choosing, including legal counsel if requested (2.3.4)
 - Consultation and communication procedures documented (6.2.1)
 - A management official responsible is nominated (6.2.2)
 - A list of stakeholders and records of all communications (6.2.3)
 - A procedure for identifying any legal, customary and user rights that have been affected by the clearance is in place (6.4.1)
 - A procedure for calculating and distributing fair compensation is in place (6.4.2)
 - Outcomes of negotiated agreements shall be recorded (6.4.3)

4. Does the Compensation Plan Concept Note submitted to the Compensation Panel include a clear assessment of the pros and cons of the two options for further compensation and the rationale for the choices being proposed?
 - Option 1: Hectares to be set aside or managed primarily to conserve biodiversity by the company and/or by a third party, within or outside the management unit.
 - Option 2: Monetary investment by the company and/or by a third party for projects or programmes contributing to achieving conservation objectives, within or outside the management unit.

5. Is the Compensation Proposal likely to deliver adequate conservation benefits given the scale of the potential HCV loss as described in the Land Use Change Analysis?
 - What are the goals and objectives of the proposal?
 - What are the compensation activities proposed:
 - In-situ or ex-situ?
 - Habitat management including set-aside and/or restoration?
 - Other conservation investments?
 - Are these activities likely to deliver conservation benefits that are:
 - Additional?
 - Long-lasting?
 - Equitable?
 - Knowledge-based?
 - Are these activities likely to deliver the maximum conservation benefit and outcomes in relation to the invested resources?
 - Do the planned activities take account of:
 - Regional conservation priorities?
 - The legal and regulatory framework?
 - Landscape conditions?
 - Are the plans adequately resourced in terms of staff and money?
 - Does the compensation proposal include the following description;
 - Baseline and milestones for proposed compensation and remediation activities
 - Measures for monitoring, evaluation and adaptive management of proposed activities?
 - Reporting protocol?

6. Report to CTF on establishing criteria and a system:

The consultant should present a report to the CTF (after 1 or 2 years?) summarising the experience of reviewing individual Compensation Proposals and proposing a system for future reviews including:

- Proposed system – decision making body and timings
- Proposed plan template
- Proposed criteria
- Best practice in the design of compensation packages

Expertise required

- a. Familiar with RSPO P&C requirements and RSPO Remediation and Compensation Procedures.
- b. Relevant tertiary qualification in natural sciences or equivalent with a minimum of three years experience in flora and fauna survey or five years minimum if no tertiary qualification(s) in natural sciences (or equivalent) are held.

Timeline

Reports on individual Compensation Proposals should be made available within 30 days to the RSPO Compensation Panel.

ANNEX 4

6	Prepare text to clarify what cases can be sent from the Complaints panel	Adam, Olivier, Henry, Sabarinah	CTF
<p>In accordance with the RSPO Principles & Criteria (P&C), RSPO palm oil producer members are required to have completed HCV assessments of their land holdings prior to any land clearance from November 2005. The intention is that areas of land under the control of RSPO member growers which contain or support HCVs is not or has not been cleared for planting after this date.</p> <p>The Certification Systems rules of the RSPO require proof of compliance with this across all land holdings that a member manages and/or is linked to by a majority holding. (Refer to 4.2.4).</p> <p>Failure to have conducted an HCV assessment prior to land clearing on any such land is potentially therefore a barrier to certification and ultimately a barrier to continuing RSPO membership.</p> <p>Due to the possible widespread non-compliance with this requirement the RSPO has decided that cases of a failure to conduct an HCV prior to land clearance after November 2005 will be open to the opportunity of compensation by the member. If a compensation proposal is accepted by the RSPO and proves to be successful in delivering the planned conservation and social benefits then such cases will not be treated by the RSPO as complaints.</p> <p>The decision to develop such Compensation procedures was taken to address a very specific problem of the failure to conduct HCV assessments prior to land clearance. It has not been designed to address all the possible failures by members to protect, manage and enhance HCVs. Therefore the Compensation Task Force of the BHCVWG would like to communicate to the Complaints Panel which cases involving potential and/or actual losses of HCV it intends to accept as potential Compensation Cases and which it will not.</p> <ol style="list-style-type: none"> 1. Cases where no HCV assessment was conducted prior to land clearance after November 2005 will be accepted as potential Compensation Cases. These will include: <ol style="list-style-type: none"> a. Land cleared after November 2005 which was or is under the control and/or management of RSPO members at the time; b. Land cleared after November 2005 which was or is under the control and/or management of non-members at the time who are wishing to join the RSPO; c. Land cleared after November 2005 under the control and/or management of non-members at the time and being or having been acquired by RSPO members. 			

2. Cases where HCV assessments were conducted prior to land clearance after November 2005 and where known and identified HCVs and/or HCVAs were subsequently damaged will NOT be accepted as potential Compensation Cases. This will include:

- a. Damage caused directly by the member during land clearance and any subsequent operations;
- b. Failure to adequately protect and manage the identified HCVs and/or HCVAs.

3. Cases where there is doubt over the adequacy or quality of an HCV assessment conducted prior to land being cleared after November 2005 and where subsequently there may have been damage of HCVs and/or HCVAs will not automatically be accepted as potential Compensation Cases but the CTF is willing to discuss them with the Complaints Panel on a case-by-case basis. This could include cases of HCVs not identified as part of the HCV assessment but which were encountered during operations and their protection and management being inadequate. (Different approach)
Do we need a set of criteria for what is an adequate HCV assessment?

ANNEX 5

World Café Feedback

What do you feel are appropriate conservation programmes to sufficiently mitigate compensation liability?

Comments supporting in situ conservation projects

- In situ conservation projects should be prioritized if the concession area in question is adjacent to HCV areas outside of the boundary and conditions are favourable to creating a wildlife corridor.
- Areas cleared for planting on unsuitable land for planting present an opportunity for forest restoration/rehabilitation as part of compensation projects. This restoration is necessary for landscape sustainability. Examples are given for Kinabatangan in Sabah where such rehabilitation would be favoured.
- Monitoring and auditing of compensation projects is likely to be easier in in-situ compensation projects.
- By enlarging conservation areas within management area, the company can still show additionality and it is within the companies control to manage risks. But the cost and responsibility on the company is high.

NB: From some of the comments, it seems that there may have been a misunderstanding on what is meant by in-situ and what this would entail. It seems some commenters assumed the planted area would be re-instated as forest and were therefore in favour of in-situ. In other cases, in-situ is referred to as “in the local area” rather than within the concession boundaries.

Comments supporting ex situ conservation projects

- Science for ex-situ conservation projects is already well developed and should be prioritized.
- Priority guidance favouring avoidance of deforestation provides companies with clear goals and this is welcomed.
- Ex-situ projects are likely to bring a greater amount of transparency to the compensation process.
- Ex situ compensation creates better opportunities for joint collaboration among several companies to work in a specific area. This also allows for an aggregation of compensation project impact.
- Ex situ projects may be more valuable due to the better quality of forest outside of concessions.

- In situ compensation projects will suffer from an inability to get close to 'like for like'.
- Ex situ presents more opportunities for adequate compensation projects.
- Suggested conservation projects:
 - Support implementation of NP conservation management plan including law enforcement.
 - Support off site rehabilitation projects.
 - Support the implementation of Hutan Desa conservation and forest management
 - Support species reintroduction projects
 - Support conservation capacity building (i.e. PhD scholarship equivalent to compensate certain Ha of cleared HCV)
 - Establish on site conservation area managed by internal team
 - Support habitat enrichment (on site and/or off site)
 - Support agroforestry project
 - Rotan planting
 - Gaharu planting
 - Support peat swamp rehabilitation
 - canal blocking
 - Enclave a conservation area from HGU as Hutan Hak

General Comments

- To ensure sustainability of conservation measures taken in ex-situ projects, having control of the land is important. Without control of the land, it will be very challenging for the company to achieve its goals. Therefore if the company opts for ex-situ projects, the company must work with local government. Numerous other commenters stated that bringing government in management would help to achieve better results.
- A proximity principle should apply in all cases of ex-situ projects. It is best to compensate near the area of clearing in order to restore or conserve the environmental values, which are unique and/or representative to that location. Projects should be in the same administrative boundary (e.g. district or province). One group's feedback: Off site conservation beyond the country's borders is not accepted.
- Examples for liability calculation could be taken from Brazil where clearance of 1ha of forest is compensated with conservation of 1.6ha of forest.
- The suitability of conservation projects should be decided on a case by case basis, according to the landscape.
- A list of options is more helpful than a list of priorities for conservation projects.

- Prioritisation list is acceptable. Avoided deforestation is always better than restoration as there is a history of failed rehabilitation projects. With avoided deforestation, there are also avoided GHG emissions.
- Projects should focus on critical ecosystems. (although some asked for a species focus)
- Monitoring of projects should be participatory. Some commented that a clear and transparent procedure to select the responsible entity to monitor projects is needed.
- Proposed compensation mechanism is not yet clear and fair (example is given of PTPN3 case).
- Consultants/experts should be hired by the Compensation Panel for field verification.
- Other institutions such as NGOs, experts, and advisors should also review compensation proposals.
- It is necessary to analyze whether the Compensation Panel needs to have members from other organizations such as UNEP, GEF, etc.
- It is important to balance liability levels so as not to prevent new members joining the RSPO.
- To have a few big projects with just a few organizations will make easier to manage the remediation and compensation procedures nevertheless could limit the possibilities of compliance.
- Clarification is required on how companies with liability in multiple countries will develop compensation projects.
- Many questions arose on the topic of smallholders:
 - What will be the implications of the compensation procedures on smallholders?
 - How is the compensation different in the context of smallholders?
 - Will smallholders compensate the same way the grower companies compensate?
 - What happens if a small piece of land owned by a smallholder is an HCV area? Are they not allowed to develop the land into an oil palm plantation? If they are not allowed, are they going to be compensated? If yes, how and what is the compensation?
 - How can smallholders comply with the procedure with limited capacity?

How do we ensure that conservation projects are sufficiently robust, beneficial and are outcome driven?

General comments

- Definition is needed for how long is “long-lasting”. Olivier Tichit’s group defined it as: minimum of 1 cycle (25 years). Demonstration that commitment is for a project that will last for a minimum of 25 years. Project has to be set very carefully as the companies will be liable for the outcomes of the project.
- Demonstrating the long lasting criteria – For example if given the Ecosystem restoration license in Indonesia, the license tend to last 60 years, and if that is the case, that is demonstration that the long lasting criteria is being met.
- It is tricky to monitor if the project still meets the four criteria, say 10 years from now. The BHCVWG needs to look into this.
- Comment from group: In situ conservation is not appropriate. It should be outside of the concession areas. It should be over and on top of what the company should be doing and not part of what is committed already under the RSPO P&C. Facilitator and others in the group disagreed as there are other additional activities by the grower that can be in situ conservation, for example the widening of river buffer zones. E.g. Riparian area of 25 m can be made into 50 m. However, the company has to outline what has been achieved with the extensions for example, does it add ecosystem value.
- A project in Sabah was mentioned as being one that supports connectivity between patches to establish a green corridor. So land is purchased in order to secure this corridor. Facilitator agreed that such a project can be eligible for compensation as the project seems to meet the 4 criteria - additional, knowledge based, long lasting (long term management plan and the setting up of a trust to manage the area). It could be equitable depending on the community participation and engagement but if yes, it is equitable then it is suitable for dollars per hectare compensation. Plantation company can give money to the project proponent (of the corridor establishment) to buy land for conservation.
- Why can’t RSPO negotiate with governments on conservation projects? Legal system within governments can be complicated. RSPO has no framework to bring to the table yet.
- Can this be complied in Indonesia? Land ownership in Indonesia is different from other countries. Could a company work with a koperatif to finance their hutan desa, i.e. finance nurseries, enrichment planting in hutan desa? Answer from the moderator (Olivier Tichit): If the village have

proper land rights to the hutan desa then the project is ok but without the land rights, it is not.

- There was a recommendation to work with the government to identify which projects would be useful for conservation.
- Both in situ and ex situ compensation are acceptable. Ex situ is preferable to in situ. Hectare for hectare and monetary compensation should both be allowed to give maximum flexibility. No order of preference is required.
- How to ensure that projects are meeting the 4 criteria? Possibility 1: set up a separate certification scheme to work on this. Possibility 2: 3rd party verification, but who and how do you select that party? However there are organizations out there that do validate projects. There should be an annual 3rd party audit on the project when it is approved by the RSPO. Possibility 3: Government.
- HCV assessors were suggested as verifiers, but it was counter-argued that HCV assessors are not qualified to assess the viability of projects. Checks are required on whether or not the deliverables are being achieved and evidence is provided, timelines are met, and spend is achieved, etc.
- Companies are worried about the competency of 3rd party auditors. Before implementation, companies have to check that the project is approved by the RSPO/BHCVWG.
- Stuck with 3000USD/ha until May 2015. Indicative for the staged implementation, but may change next year. Should there be a 2-tier system for the rates of compensation? E.g. USD 5000 for large growers and USD 3000 for smallholders. However, then the question of whether or not this is equitable arises.

Comparison between MONETARY and AREA compensation

- a. It is important to analyze the convenience of having one-off payment or more long-term repeated payments.
- b. One payment provides more security than various long-term payments.
- c. In the case of monetary compensation is important to avoid being seen as a way of “pay to clear”.
- d. Monetary compensation could potentially generate a conflict of interest issue of companies paying directly to NGOs working in conservation.
- e. Defining terms of reference of how both company and NGOs are communicating publicly about compensation projects will avoid conflict of interest.

- f. Monetary compensation may be used by the donor to advertise its donations without clarifying that those are part of a program of compensation.
 - g. Monetary compensation allows local capacity building.
- Question: If the grower selects hectare for hectare, is the investments into the hectarage conserved throughout the duration of the project also counted as part of monetary compensation? Answer from the moderator (Olivier Tichit): No. The money invested is considered part and parcel of the hectare for hectare compensation.

ANNEX 6

RSPO CTF/BHCVWG Priority guidance for conservation programmes (draft, 081114, jpayne with comments from FFI and HUTAN included)

Background

RSPO Remediation & Compensation Procedures document (http://www.rspo.org/file/2_RSPORemediationandCompensationProcedures_May2014.pdf) provides two options for implementing compensation for loss of High Conservation Values (HCVs) 1, 2 and 3 : (Option 1) a defined number of hectares of land to be set aside or managed primarily to conserve biodiversity and/or (Option 2) a project that is not based on maintaining a defined number of hectares, but instead converts the number of hectares of forest lost to plantation into a money equivalent that is to be used as a basis for financing a conservation programme. The “procedures document” also outlines four attributes necessary for an acceptable conservation project : additional, long-lasting, equitable and knowledge-based. However, the procedures document does not suggest how to identify what would be the exact nature and location of a good conservation programme. This “priority guidance” table (below) suggests a hierarchy of four types of core actions that could be taken by palm oil producers for compensation purposes as, or within, a conservation programme to maximise ecological gain in a cost-effective way.

Priority guidance table

Overall objective – To re-establish natural vegetation lost during development of the plantation to restore crucial environmental function and to restore landscape connectivity for wildlife

Priority	Core actions	Reasons, and explanatory notes	Examples
Highest (first choice, if possible)	Off-site avoided deforestation and/or avoided degradation	Usually cheaper, quicker & more effective to save natural habitat even if highly degraded than to try to recreate it. This action can deliver protection of currently unprotected forests. The chosen site(s) would be on a similar scale to that of forest lost to plantation, of a broadly similar type and within the same geographic region.	Specific remaining forest areas (degraded or not) that have been allocated by government for non-forest use, where targeted interest and proposals from palm oil producers and/or NGOs provides the possibility to retain forest for ecosystem, biodiversity or rare species conservation. (Indonesia) Licenced Village forest and community forests with management plan and management unit. Village forest (hutan desa) and community forestry are community based forest management schemes regulated by Government Regulation under Government Regulation No 6 2007. The land allocation is designated by Ministry of Environment and Forestry and the license issued by Government based on District Government recommendation.
	Off-site restoration of degraded forest on land with clear ownership and legal status	As avoided deforestation will not always be possible, the next best option is off-site restoration of existing but degraded protected forest, within the same geographic region and with the compensation coefficient applied to determine the	Ecosystem restoration concessions, degraded parts of national parks, protection forest reserves or wildlife conservation areas, where agreement between the relevant government institution (or land owner), palm oil producer and other competent institution (e.g. NGO) can serve to restore and sustain areas

		<p>extent of restoration required to adequately address the compensation liability.</p> <p>Restoring degraded natural habitats can add greatly to their value, and to incentives to retain them long-term.</p>	<p>that are either at risk and/or too degraded to perform their intended conservation function.</p> <p>(Indonesia) Licenced Village forest and community forests with management plan and management unit. Village forest (hutan desa) and community forestry are community based forest management schemes regulated by Government Regulation under Government Regulation No 6 2007. The land allocation is designated by Ministry of Environment and Forestry and the license issued by Government based on District Government recommendation.</p>
	Off-site species-based conservation measures	<p>If neither of the above options are possible or realistic, compensation liability could be addressed by the provision of funding for species-based conservation programmes. This approach is usually less-preferred because of difficulties likely in establishing whether the sums of money expended and conservation impact delivered are commensurate with the compensation liability.</p>	<p>New or on-going programmes operated by recognised NGOs, community groups or other credible institutions.</p> <p>Rare or endangered species that were formerly present in the region now under oil palm, which now require specific sustained actions to boost births or sustain breeding populations.</p>
Lowest (last choice, if above three options impossible or unrealistic)	On-site forest/habitat re-establishment ¹	<p>Destroying planted palms and spending money and long periods on re-creating forest rarely makes economic sense. May be considered where none of the above 3 options is possible, or where re-establishing natural vegetation lost during the development of the plantation would perform a crucial environmental function.</p>	<p>Re-establishment of landscape connectivity.</p> <p>Establishment of “stepping stone” habitat patches as food sources and refuging sites for orang-utans and other species moving through plantations between protected forests.</p>

¹ This applies to compensation, and excludes remediation = “Measures taken to help restore ecological functions in areas where planting of oil palm has been done, but where this is prohibited by the RSPO P&Cs”