

**BHCVWG Call (22 July 2021)**  
**Meeting Notes**

<b>Present</b>	<b>Absent with apologies</b>
Lee Swee Yin (SDP) Harjinder Kler (HUTAN) Olivier Tichit (Musim Mas) Dr Gan Lian Tiong (Musim Mas) Michelle Desilets (OLT) Octyanto Bagus (WWF) Gotz Martin (GAR) Ambang Wijaya (GAR) Lim Sian Choo (Bumitama) Martin Mach (Bumitama) Marcus Colchester (FPP) Fanny Roussel (SIPEF) Eleanor Spencer (ZSL) Cahyo Nugroho (FFI) Lanash Thanda (SEPA) Chin Sing Yun (Wilmar) Syahrial Anhar (Wilmar)	Arnina Hussin (SDP) Anne Rosenbarger (WRI) Bukti Bagja (WRI) Laila Wilfred (OLAM) Audrey Lee (OLAM) Patrick Anderson (FPP) Benjamin Loh (WWF)

**Key points and summary of discussion**

<b>No.</b>	<b>Details</b>	<b>Action</b>
1	<p><u>Update from the RSPO Secretariat</u></p> <ul style="list-style-type: none"> <li>• The RSPO Restructuring at the Secretariat is still ongoing, whereby operational work e.g. RaCP, LURI would be moved from Standards Department to Assurance Department.                             <ul style="list-style-type: none"> <li>○ Priority for the handover and transition of operational work to Assurance Department would be the RaCP because it involves the most significant portion of work.</li> <li>○ Biodiversity Unit [Standards Department] is working alongside with Integrity Unit [Assurance Department] to ensure that the process is least disruptive to members.</li> </ul> </li> <li>• Two new contract staff have been hired for the Biodiversity Unit to assist the Biodiversity Manager</li> <li>• NPP 2021 has been endorsed by the RSPO Board of Governors [NPP applicable to the smallholder groups undergoing Group Certification of the RSPO P&amp;C]                             <ul style="list-style-type: none"> <li>○ Risk-based assessment for smallholders to conduct the NPP</li> <li>○ Work related to the alignment and harmonisation of some of the NPP requirements to be carried out by the Biodiversity Unit together with the Smallholders Unit. The aim to identify and address the gaps of existing tools / methods with the new NPP requirements.</li> </ul> </li> </ul>	
2	<p><u>BHCVWG Membership and regional representation</u></p> <ul style="list-style-type: none"> <li>• Resignations                             <ul style="list-style-type: none"> <li>• Femexpalma – Pedro Cerrate has established independent consultancy and is no longer attached with Femexpalma</li> </ul> </li> </ul>	

	<ul style="list-style-type: none"> <li>• The RSPO LatAm Secretariat staff is looking for grower replacement of the vacant LatAm seat.</li> <li>• FFI – Pak Cahyo Nugroho updated that Pak Erlangga Muhammad has resigned from FFI</li> <li>• OLAM – Audrey Lee has resigned from OLAM.</li> <li>• Musim Mas - Dr Gan Lian Tiong informed the BHCVWG (during AOB) that he will be retiring end of June 2021 and will no longer be working for Musim Mas.</li> </ul> <p>The BHCVWG extended their appreciation to all retiring members, and to Audrey Lee and Dr Gan Lian Tiong for the years of contribution and institutional knowledge.</p>	
3	<p><u>Presentation by Lestari Capital for RaCP support to BHCVWG</u></p> <ul style="list-style-type: none"> <li>• Lestari Capital provided presentation on their proposal to the BHCVWG.</li> <li>• Presentation by Michael Zrust. Also present were his colleagues – Tito Adikusumo and Adrian Suharto</li> <li>• Lestari company has been supporting RSPO member companies through the RaCP process and based on the experience, it is difficult to achieve maximum impact if the projects are small and scattered</li> <li>• Key points of the proposal: <ul style="list-style-type: none"> <li>a. Lestari Capital keen to develop a portfolio approach of projects where liabilities can be aggregated and compensated to allow for broader impact(s)</li> <li>b. Lestari Capital will vet through the projects to make sure the projects meet the RaCP criteria and the portfolio would be open to any projects e.g. independent projects not owned by Lestari Capital. Safeguards would also be created to minimise risks.</li> <li>c. Approach would also be applicable to hectare to hectare liability</li> <li>d. The approach would also be useful in the consideration for smallholder liabilities i.e. mechanism of aggregation for smallholders</li> <li>e. Lestari Capital would be both the content and service provider (develop CN, CP, progress report, etc).</li> </ul> </li> </ul> <p>Question/clarifications (after presentation)</p> <ul style="list-style-type: none"> <li>• There was a comment that specific project details, especially where company information is referred, need to be maintained confidential. <ul style="list-style-type: none"> <li>a. Lestari Capital responded that project summaries would follow the same as that on RaCP tracker.</li> </ul> </li> <li>• It was also clarified by the BHCVWG that projects must be within the same biogeographic regions [of the compensation liability]</li> <li>• It was also expressed by a member of the BHCVWG that proper due diligence, FPIC requirements, land tenure assessments would need to be put in place in the project evaluations for the proposed mechanism.</li> </ul>	<p>The presentation slides will be shared with the BHCVWG, and the members would pursue further discussions on the proposed scheme</p>

	<p>Lestari Capital put forth a few points for the WG to consider:</p> <ol style="list-style-type: none"> <li>1. Is there interest to explore the development of this mechanism for the RSPO ?</li> <li>2. Development of the mechanism would align with current processes and safeguards would be placed, and LC would be happy to be as transparent as required e.g. transaction costs, monitoring, etc.</li> <li>3. It can be developed as an option for growers, and not necessarily the exclusive option for the RSPO.</li> </ol>	
4	<p><u>RaCP guidance – Remediation on peat</u></p> <ul style="list-style-type: none"> <li>• The RSPO Secretariat notified the BHCVWG that there is an increasing number of Concept Note and Remediation Plans submissions related to remediation of oil palm planted on peat.</li> <li>• Issues:</li> <li>• Different time periods with different RSPO requirements on peat, including the extent of peat that is permitted by the RSPO. Guidance from P&amp;C (2013) states no more than 100 ha of peat that can be planted.</li> <li>• Definition of remediation prescribed by RaCP versus the RSPO BMPs on peat.</li> <li>• Therefore, guidance is sought to align the understanding of remediation activities on peat.</li> <li>• The BHCVWG responded as follows: <ul style="list-style-type: none"> <li>○ To take note of the difference between guidance and P&amp;C indicator</li> <li>○ The question to be submitted to the Peatlands WG for deliberation and recommendations</li> </ul> </li> </ul>	<p>KSL to submit the documentation of the issue to the Peatlands WG for deliberation</p>
5	<p><u>RaCP guidance – Remediation on steep terrain</u></p> <ul style="list-style-type: none"> <li>• Currently there is no manual or BMPs for steep slopes</li> <li>• Intention: To come up with a reference document for companies, Compensation Panel members, external evaluators and the RSPO Secretariat on minimum requirements</li> <li>• The RSPO Secretariat has collated information from the various remediation plans into a reference document</li> </ul> <p>Feedback from members</p> <ul style="list-style-type: none"> <li>• Guidance sounds practical – would be good to include photographs, diagrams, methodologies</li> <li>• To be mindful of the following: <ul style="list-style-type: none"> <li>○ Companies have their own internal experts</li> <li>○ Management is site specific e.g. how the slopes have been cut, soil type</li> </ul> </li> <li>• Helpful as a very generic document – must not be a prescription list of steps that companies need to follow</li> <li>• The end-result is successful remediation, the exact methods should not be fixed</li> <li>• The problem with guidance documents – it becomes a checklist for reviewers. Some companies may have a different approach, but if they don't follow all the steps listed, their Concept Note may be rejected by the reviewer</li> </ul>	<p>Secretariat will update the document based on this discussion and circulate to the WG</p>

	<ul style="list-style-type: none"> <li>• Problem with reviewers – no standardised review process</li> <li>• This can be a reference to assist companies that don't have SOPs to remediate steep slopes.</li> <li>• Insert a disclaimer or caveat to state that the document is not a prescriptive document and use only for reference.</li> </ul>	
6	<p><u>New timelines to catch up on RaCP v2 draft finalization and public consultation</u></p> <ul style="list-style-type: none"> <li>• The RSPO Secretariat presented a new timeline to catch up on the RaCP v2 draft preparation, public consultation and endorsement. The targeted aim for submission to the Standards Standing Committee in October 2021.</li> <li>• Some of the key activities as follows: <ul style="list-style-type: none"> <li>○ The RSPO Secretariat will check to ensure all the components of the RSPO P&amp;C (2018) are integrated</li> <li>○ Templates to be updated and the proposal to conduct rapid survey to get feedback on current templates from users – questionnaire put out to growers, consultants</li> <li>○ Social HCV liability disclosure to be updated</li> <li>○ Comments received during the stakeholder consultations will be prompted to the CTF2 to be worked on concurrently, rather than saving it to the end of the public consultation to save time.</li> </ul> </li> </ul> <p>Independent Smallholders</p> <ul style="list-style-type: none"> <li>• The RSPO Secretariat presented a new timeline to catch up on the RaCP v2 draft preparation, public consultation and endorsement. The targeted aim for submission to the Standards Standing Committee in October 2021.</li> <li>• Some of the key activities as follows:</li> <li>• Collate literature on ISH typologies, and information on liabilities from the LUCA studies</li> <li>• Review and update templates (e.g. disclosure and LUCA)</li> </ul> <p>Feedback from members</p> <ul style="list-style-type: none"> <li>• Timelines are ambitious and may not be realistic. Need to provision additional time to address comments from public consultation, especially heavy comments</li> <li>• Target for a more realistic timeline to avoid postponing items</li> <li>• Include additional details in the timeline – when when decisions are taken, when endorsement by the WG and Standing Committees will take place, etc</li> </ul>	KSL will work on a more realistic timeline and make changes according to the feedback, and then circulate to members
7	<p><u>Social HCV liability review template</u></p> <p>With the hiring of additional contract staff, the Biodiversity Unit will be able to focus more on Standards work and will relook into the social HCV process.</p>	
8	<p><u>Development of system/process for recertification: liability disclosure</u></p> <ul style="list-style-type: none"> <li>• The Certification Systems document (2020) states the requirement for certification bodies to check with the RSPO Secretariat whether a disclosure of liability has been made prior to audits for certification. The same applies to the recertification process.</li> </ul>	Subgroup: Bumitama, SIPEF, Musim Mas, Wilmar, WWF / HUTAN Timeline: 3 months

	<ul style="list-style-type: none"> <li>• When a member applies as a RSPO member, they would have submitted a disclosure and subsequently, prior to the certification process, the liability disclosure should have been checked and liability declared.</li> <li>• If information has been accurately declared, there would not be issues during the recertification process (5 years later).</li> <li>• Declaration will be made by growers and the disclosure is for land clearing after November 2005 without prior HCV assessment for land managed and/or under their control.</li> </ul> <p>There are three scenarios for certification</p> <ul style="list-style-type: none"> <li>• Scenario 1: 2014 disclosure, 2020 recertification – no change in liability, can proceed with recertification.</li> <li>• Scenario 2: Undeclared liability within certified unit – need to develop a clear system on how to manage this scenario, what kind of process for recertification?</li> <li>• Scenario 3: Additional scope to a certified unit – proceed with recertification, excluding the added area until the RaCP process for the added area has been completed.</li> </ul> <p>There is also a subset of companies that have disclosed previously with no liabilities and they have been allowed to get certified. But during the ASA, it was found that the liability declaration is inaccurate. In this circumstance, the RSPO Secretariat has to put the case on priority causing backlog on other existing RaCP cases.</p> <p>The request is for the BHCVWG to work with RSPO Secretariat to develop a process for recertification for Scenario 2 within a timeline of three months (end of September 2021). The Secretariat is anticipating a surge of recertifications late 2021 and in 2022. It is therefore essential to have this system developed</p> <p>Feedback from members</p> <ul style="list-style-type: none"> <li>• If a unit has already declared liabilities, that should be the number captured and used. Updated satellite images may make it more accurate, but current declarations of liabilities should not be penalized for discrepancies because of this.</li> <li>• It is also a requirement for companies to submit declaration when a company acquires a new asset. These steps should also be capture and incorporated into the scenario mapping.</li> <li>• There is also a need to identify and differentiate from cases of <u>not</u> declaring liability. Clarity needs to also be provided to distinguish observations from updated satellite mapping or from the cases of <u>not</u> declaring liability.</li> <li>• Need to keep in mind: inaccuracies due to advances in technology go both ways (over and underestimated).</li> </ul>	
9	<p><u>Self-Disclosure HCV Clearing Pathway</u></p> <ul style="list-style-type: none"> <li>• The BHCVWG worked on a draft pathway</li> <li>• The RSPO Secretariat anticipate a number of cases, but only 1 case has been declared to the RSPO Secretariat</li> </ul>	

	<ul style="list-style-type: none"> <li>The case is currently reviewed by the Assurance/Integrity Unit. When more info on the case is available, the pathway can be further reviewed.</li> </ul>	
10	<p><u>BHCVWG: Moving forward - ToR and strategy</u></p> <ul style="list-style-type: none"> <li>GLT and MC have given feedback on the matter. Key points: <ul style="list-style-type: none"> <li>Review and align with the RSPO Theory of Change</li> <li>Provide support to the members/stakeholders on the HCV management</li> <li>Work on the HCV management and monitoring framework</li> <li>Detailed information has been inserted into the ToR in the respective sections to be reviewed.</li> </ul> </li> <li>The RSPO Secretariat also updated that it is initiating a review of the Theory of Change, and that there are problems with the current causal chain as there is no clear linkages to deforestation etc.</li> </ul> <p><u>Reporting line ASC or SSC or mixed</u></p> <ul style="list-style-type: none"> <li>With reference to the ToR of the BHCVWG, there is also the evolution of the reporting line. The ToR states that the BHCVWG reports to the Standards Standing Committee; but mid last year, there was a call for the BHCVWG to report to ASC (due to the implementation of RaCP).</li> <li>In the review of the ToR, the consideration of the reporting line should be made i.e. to the ASC, SSC or both</li> </ul> <p>Feedback from members</p> <ul style="list-style-type: none"> <li>To review and comment during the next meeting</li> </ul> <p>It was also requested for the RSPO Secretariat to provide indications in the agenda whether it is for update, decision etc.</p>	There will be a separate discussion on the ToR; a Doodle Poll will be sent out
11	<p><u>AOB</u></p> <p>Resignation from BHCVWG</p> <ul style="list-style-type: none"> <li>Dr Gan Lian Tiong informed that he is retiring from Musim Mas and will be retiring from the BHCVWG as well.</li> <li>The members expressed their gratitude and thanks for his contribution.</li> </ul> <p><u>HCV Identification</u></p> <p>Colombia – IUCN Red List of Ecosystems (RLE)</p> <ul style="list-style-type: none"> <li>For information only at the moment</li> <li>The RLE map developed for Columbia – limitations due to paucity of local data. Thus, some of the areas have been designated as no go areas</li> <li>RSPO to initiate a discussion with IUCN to understand the process of reviewing IUCN RLE maps before deciding on the next steps.</li> </ul> <p><u>HCV Management and Monitoring</u></p> <p>Malaysia – National Interpretation of the Common Guidance on HCV Management and Monitoring</p>	

	<ul style="list-style-type: none"> <li>• For information only</li> <li>• Second toolkit developed after the MYNI on HCV Identification (2018)</li> <li>• The content has been finalized and the document is in the final stages of typeset and printing.</li> </ul> <p>Systematic literature review of HCV management &amp; monitoring draft report</p> <ul style="list-style-type: none"> <li>• The study was commissioned by BHCVWG last year and Copenhagen Zoo has submitted a revised version</li> <li>• The draft report contains the raw results of the analysis on the HCV assessment reports including between pre-ALS and ALS HCV reports.</li> <li>• The RSPO Secretariat will circulate the draft and arrange for a separate call to discuss the report.</li> </ul> <p><u>FAQs on Concept Note and Compensation Plan writing</u></p> <ul style="list-style-type: none"> <li>• Intention: Guide growers to increase quality of submission</li> <li>• Prompt for feedback via email</li> </ul> <p>Feedback from members: The draft document looks useful for members WG to provide email feedback</p> <p><u>Quick update on Legacy HCV cases</u></p> <ul style="list-style-type: none"> <li>• Legacy HCV cases – issues with quality</li> <li>• Pathway to address quality of HCV reports was developed</li> <li>• When the P&amp;C 2018 came out, it included Annex 5 – the interpretation of the P&amp;C 7.12.2, which provides a formal framework to review the quality through the RSPO non-ALS check.</li> <li>• Since then, no cases have been raised to Biodiversity Unit for case management.</li> </ul> <p>Next meetings for CTF2 and BHCVWG</p> <ul style="list-style-type: none"> <li>• Doodle Polls for the next meetings CTF2: Revisiting the RaCP V2 and will need to have more in-depth discussions</li> <li>• BHCVWG: To address the systematic literature review draft report and the ToR of the BHCVWG.</li> <li>• The sub-group discussions will be organized separately.</li> </ul>	<p>KSL to arrange Doodle Poll for call</p> <p>KSL will send out an email to the BHCVWG to ask for feedback</p> <p>KSL to send out Doodle Polls for the next meetings.</p>
12	End of meeting	