

5TH MEETING OF RSPO COMPENSATION TASK FORCE (CTF)			
Date	Sept 12, 2012	Venue	Hotel Santika, Jakarta
Attendees			
Oliver Tichit (OT)	Sipef Group		Chair
Haryono (H)	WWF-Indonesia		Member (alternate)
Anders Lindhe (AL)	WWF-International		Member
Adam Harrison (AH)	WWF-International		Member
Laura Darcy (LD)	ZSL		Member (alternate)
Michal Zurst (MZ)	ZSL		Member
Gan Lian Tiong (GLT)	PT Musim Mas		Member
Calley Beamish (CB)	Wilmar		Member
Peter Heng (PH)	GAR		Member
Alexandra Booth	OLAM		Member
Tang Men Kon (TMK)	Sime Darby Plantation		Member
Mohamad Pirabaharan (MP)	Sime Darby Plantation		Invited
Asril Darussamin (AD)	RSPO		Secretariat
Desi Kusumadewi (DK)	RSPO		Secretariat
Audrey Lee Mei Fong (ALMF)	RSPO		Secretariat
Acronyms			
P&C: Principles and Criteria		AOB: Any other business	
TF: Task Force		BHCV WG: Biodiversity and HCV Working Group	
SDP: Sime Darby Plantation		EB: Executive Board	

ZSL: Zoological Society of London
HCV: High Conservation Values
CB: Certification Bodies
PLWG: Peatland Working Group
HCV RN: HCV Resource Network
SNGO: Social NGO
CTF: Compensation Task Force
GHG: Greenhouse Gases

ID NI: Indonesia National Interpretation
FSC: Forest Stewardship Council
HCVA: HCV area
BMP: Best Management Practices
PT AKPL: PT Agro Karya Prima Lestari
HHA: Historical HCV Assessment
SEIA: Social Environmental Impact Assessment

Agenda

- Welcoming remarks from chairperson
- Review previous minutes
- Introduce engagement with paid facilitator
- Compensation matrix for compensation proxy approach
- Compensation Working Guidance by Adam Harrison_v.3 Feb 14
- BBOP sharing: Examples of compensation principles, methodologies and case studies from around the world, BBOP's 2-days workshop
- Engagement with external facilitator
- Review definitions:

- Compensation vs. remediation (John Payne)
- Non-commercial conversion (Simon S./ Calley Beamish)
- Primary forest and other and land classification (Anders Lindhe)
- Follow up actions
 - Guidance for members
 - Compensation presentation during RT10

Agenda item	Presenter	Presentation	Action
Welcoming remarks from chairperson	OT	Welcomes all the members and introduced two participants who joined the afternoon discussion via Skype i.e. Kerry Ten Kate from BBOP and Rodger O' Connell, potential external facilitator.	
Review previous minutes			RSPO to engage with the communication unit/ copy writer to finalize the document.
Engagement with paid facilitator	OT	Introduced Rodger O' Connell.	

	PH	Highlighted that progress of the group depends on the members' commitment.	
Compensation matrix (see annex 2)	OT	Highlighted issue of RSPO members who took over concession from non-member and suggested a “bonus co-efficient” to encourage brown field investment and avoid green field expansion.	
	AL	Highlighted compensation measures after introduction of compensation mechanism i.e. removing oil palm and restore forest cover will discourage ‘clear and compensate’.	
	GLT	Explained the potential negative impacts of oil palm removal including beetle infestation and soil erosion.	
	AL	Responded that there must be a plan from company to address these issues before removal of oil palm and growers can refer to the current BMPs during replanting process. It remains as a disincentive for clear and pay.	
	TMK	Added that certified members should not encounter situation mentioned above (<i>development without HCV assessment after introduction of compensation mechanism</i>) as HCV assessment should be part of their SOP, but it might be applicable to uncertified RSPO members. He explained that poisoning and physical removal of oil palm will cause	

		negative impacts to the environment.	
	CB	Mentioned the challenges of monitoring abandoned oil palm area. There is risk on illegal encroachment and ground staff might continue to harvest in such area. She suggested tree planting in between oil palm and removal of oil palm fronds.	
	AH	Mentioned BMPs should be provided for restoration. He also informed the group that PLWG has developed guidance on restoration. There is a need for communication with future potential members on RSPO's compensation guidance. CTF acknowledged the impact on new membership in new frontiers after implementation of compensation guidance	CTF is seeking EB's consideration on implication of compensation matrix for non RSPO member after implementation of compensation mechanism.
Working Guidance	AH	Presented the working guidance. GLT sought clarification on land use change analysis. AH explained that company with internal GIS capacity could conduct internal land use change analysis.	AL and AH to review working guidance and incorporate compensation matrix into the document by mid-Oct. The draft will be presented during RT10 and Nov EB meeting.
Definitions		Draft definitions were prepared by Simon Siburat, JP and AL. CTF has agreed on the following definitions.	

		<p>1) Remediation</p> <p>Demonstrable measures taken to restore one or more HCVs within a plantation management unit where those HCVs have been cleared. Remediation is the preferred option and should be considered before considering compensation.</p> <p>2) Compensation</p> <p>Demonstrable measures taken and/or funds made available to offset (usually outside the plantation management unit) potential loss of HCV areas resulting from land clearing without prior HCV assessment”.</p> <p>3) Non-Commercial Clearing</p> <p>Carried out by members of local communities acting individually to support their livelihood and with no funding by any institution and organization.</p> <p>A non-commercial clearing also includes government projects such as public works or other public interest facilities. They exclude plantations or facilities built directly and exclusively to support plantations and their activities. This should be demonstrated by official documents detailing local master plan or equivalent</p>	
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		document.											
Co-efficient for different land classifications	AH	<table border="1"> <thead> <tr> <th>Coefficient</th> <th>Status of vegetation in year 2005</th> </tr> </thead> <tbody> <tr> <td>1.0</td> <td>a) Legally required set aside areas of riparian and other native vegetation; b) Multi-layered old growth forest, affected by (at most) low-intensity selective logging (< 5 trees/ha?) and/or by long rotation shifting agriculture (> 25 years?); c) Well-developed secondary, closed canopy forest regenerated after logging, fire or other large scale disturbance before (or in) 1980(?).</td> </tr> <tr> <td>0.7</td> <td>Secondary closed canopy forest regenerated after logging, fire, other large scale disturbances, and/or short rotation shifting agriculture after 1980.</td> </tr> <tr> <td>0.4</td> <td>Other areas with trees that meet FAO's forest definition (>10% canopy, > 5 m tall trees).</td> </tr> <tr> <td>0</td> <td>Areas that do not meet any of the above definitions.</td> </tr> </tbody> </table> <p>Informed CTF on the GHG WG classifications.</p>	Coefficient	Status of vegetation in year 2005	1.0	a) Legally required set aside areas of riparian and other native vegetation; b) Multi-layered old growth forest, affected by (at most) low-intensity selective logging (< 5 trees/ha?) and/or by long rotation shifting agriculture (> 25 years?); c) Well-developed secondary, closed canopy forest regenerated after logging, fire or other large scale disturbance before (or in) 1980(?).	0.7	Secondary closed canopy forest regenerated after logging, fire, other large scale disturbances, and/or short rotation shifting agriculture after 1980.	0.4	Other areas with trees that meet FAO's forest definition (>10% canopy, > 5 m tall trees).	0	Areas that do not meet any of the above definitions.	CTF to relook into the analysis
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	OT	Mentioned compensation for peatland should be covered under the soil survey. Compensation HCV 5-6 will be based on SEIA and consultation with local communities.											
	AL	Added that co-efficient based on tree covers should be able to cover most of the compensation scenarios.	CTF requested a consultant with remote sensing capacity to review the co-efficient table. RSPO to prepare terms of reference and engage with consultant.										

			<p>Final guidance from the consultant should answer the following questions:-</p> <ul style="list-style-type: none"> • Is it possible to conduct land use change analysis and implement compensation proxy approach using satellite imagery? • Guidance on verification of satellite imagery. • Guidance on regional reference points of different land classification with defined resolution. • Recommendation from CTF: Gary Paoli, Earth Line, NUS.
AOB		<p>P&C review TF requested guidance on historical HCV assessment but CTF has dropped the idea on Historical HCV Assessment (HHA).</p>	<p>CTF will report to P&C review TF on the proposed compensation proxy approach. CTF will formulate wording for revised P&C.</p>

			<p>Engagement with external facilitator: CTF might engage with facilitators to finalize the mechanism which defines magnitude of compensation, compensation cost etc.</p> <p>BBOP Workshop: OT will communicate with Kerry that CTF is seeking input on design of compensation project.</p> <p>RSPO secretariat will identify RSPO members who joined in different period.</p>
Next meeting		28 Nov 2012 in Kuala Lumpur	
END OF MEETING			



Roundtable on Sustainable Palm Oil

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5th Meeting of CTF
 12 September 2012
 Hotel Santika, Jakarta

No.	Name	Organization	Signature
1	Andi Dewandjaja	RILEI	[Signature]
2	GAO LIAN TIONG	PT MUGH MAS	[Signature]
3	Tang Men Kon	Sime Darby Plantation	[Signature]
4	M. ZEUST	ZSL	[Signature]
5	OTICHI	SISEP	[Signature]
6	Colley Beaminch	Wilmar	[Signature]
7	Laura Darcy	ZSC	[Signature]
8	Alex Booth	Olam Int'l	[Signature]
9	Desi Kusuma Dewi	RILO	[Signature]
10	Haryono	WWF ID	[Signature]
11	ANDERS LINDHE	WWF INT	[Signature]
12	PETER HONG	GAR	[Signature]
13	ADAM HARRISON	WWF Int'l	[Signature]
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