

## MINUTES OF MEETING

### Market Development Standing Committee

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**Time** : 20.07 - 21.37 (MYT)

**Date** : Tuesday, 23 May, 2023

**Venue** : Conference Call/Market Transformation Zoom

**Attendees:**

Name	Initial	Organisation	Representative Category
Eddy Esselink	EE	MVO	Co-Chair, P&T
Anita Neville	AN	Golden Agri-Resources	Co-Chair, Grower IN
Anne-Laure Faure	ALF	WWF International	eNGO
Caroline Westerik	CW	AAK	P&T
Jose Roberto Montenegro	JM	Agrocaribe	Grower RoW
Marieke Leegwater	ML	Solidaridad	sNGO
Rafael Milantonio	RM	Natura & Co.	CGM
Tom Hersbach	TH	Planting Naturals	Grower
Tracey Gazibara	TG	Cheyenne Mountain Zoo	eNGO
David Adams	DA	Catalyzer	Guest
Inke van der Sluijs	IS	RSPO Secretariat	Director, Market Transformation
Christine Joan Spykerman	CJS	RSPO Secretariat	Malaysia office
Ruben Brunsveld	RB	RSPO Secretariat	Deputy Director EMEA (for last agenda item)

**Absent with apologies:**

Name	Initial	Organisation	Representative Category
Franka Lakeman	FL	Ahold Delhaize	Retailer
Harjinder Kler	HK	HUTAN	eNGO
Julian Walker-Palin	JWP	Retailers Palm Oil Group	Retailer
Dr Surina Ismail	SI	MPOA/IOI	Grower MY
Irene Fischbach	IF	RSPO Secretariat	Director, Stakeholder Engagement & Communications

**Invited but not in attendance:**

Name	Initial	Organisation	Representative Category
Razuwan Che Rose	RCR	Felda	Grower

**Agenda:**

Time	Topic
20.07 - 20.07	1.0 Opening 1.1 Antitrust Statement Reading
20.08 - 20.08	2.0 Approval of the Agenda
20.08 - 20.09	3.0 Approval of the Meeting Minutes - <a href="#">31 January 2023</a> - <a href="#">30 March 2023</a>
20.10 - 20.16	4.0 Updates: 4.1 RSPO Secretariat
20.16 - 20.19	5.0 RSPO Brand Positioning 5.1 Status Overview on Brand Building Blocks
20.19 - 20.24	6.0 Supporting Sector Engagement
20.24 - 21.20	7.0 Driving Demand and Driving Supply
21.20 - 21.37	8.0 AOB - EU Green Claims and empowering consumers - 2023 meeting agenda

**DISCUSSION:**

No.	Description	Action Points (PIC)
<b>1.0</b>	<b>Antitrust Statement Reading</b>	
	EE chaired the meeting and welcomed Members of the MDSC to the meeting. EE then reminded the members of the following:  - All MDSC members will have to abide by the RSPO <a href="#">Antitrust law</a> - MDSC follows a consensus-based decision making as outlined in the ToR - Members have to declare Conflict of Interest (Col) under any items and excuse themselves to remain objective to the discussion.	
<b>2.0</b>	<b>Approval of the Agenda</b>	
	The meeting Agenda was presented and accepted with no additions nor objections from the Members.	

No.	Description	Action Points (PIC)
<b>3.0 Approval of Meeting Minutes</b>		
	The meeting minutes from the previous MDSC Meeting ( <a href="#">31 January 2023</a> and <a href="#">30 March 2023</a> ) were presented and accepted with no amendments but with some pending action points which will be discussed in the meeting.	
<b>4.0 Secretariat Updates</b>		
<b>4.1</b>	<p>The Secretariat announced the following updates:</p> <ul style="list-style-type: none"> <li>● <a href="#">Standards Review 2023</a>: public consultation from 1-30 June 2023. The Task Force and the Steering Group are resolving the last few items.</li> <li>● <b>Inter-American conference <a href="#">2023</a></b>: 30-31 May 2023 in Miami, US</li> <li>● <a href="#">SPOD Europe</a>: 14 June 2023 in Frankfurt, Germany</li> <li>● <a href="#">RT2023</a>: 20-22 November 2023 in Jakarta, Indonesia</li> <li>● <b>EU Deforestation Regulation (EUDR)</b>: <ul style="list-style-type: none"> <li>○ Final approval May 16, Coming into force June 5th and the DD requirements for companies on December 5th 2024.</li> <li>○ <a href="#">Gap analysis</a> between RSPO P&amp;C and EUDR.</li> </ul> </li> <li>● <b>SCT WG meeting held on 28 March 2023</b>. Main topics were MB expiry and CSPKO conversions. Next meeting 6 June hybrid.</li> <li>● <b>MB Robustness study</b> finalised, RSPO secretariat is looking into next steps.</li> <li>● <b>Revision Trademark License Agreement</b> ongoing, MDSC will be kept informed but as agreed with the cochairs of the MDSC, approval of the new agreement is operational. Goals: <ul style="list-style-type: none"> <li>○ to adhere to current practices</li> <li>○ to address feedback from members</li> </ul> </li> </ul>	
<b>5.0 Status Overview on Brand Building Blocks</b>		
<b>5.1</b>	Take final MDSC feedback on-board and demonstrate that concerns can be addressed (today).	
<b>5.2</b>	Share our final recommendation with BoG - for information only (by email).	
<b>5.3</b>	Update the RSPO Global Messaging Framework using content and structure from Brand Building Blocks (by end June).	
<b>5.4</b>	Map current 'touch points' for our brand with the goal of integrating our brand building blocks into activities RSPO is already doing or planning to do over the	

No.	Description	Action Points (PIC)
5.5	coming year. This is by far the most efficient way of rolling out a brand platform. Identify gaps to be filled (by end June).  Develop an 'Activity Plan' for implementing our brand building blocks – to be shared with MDSC for input before putting into action (by end June).	

**6.0 Supporting Sector Engagement**

6.1	<p><b>Financial Institutions:</b></p> <p>Meeting held in Singapore on 12/13 April, almost all FI members participated:</p> <ul style="list-style-type: none"> <li>● Finalised ToR for Financial Institutions Consultative Group (FICG)</li> <li>● Crafted work programme for FICG for FY 2023/2024</li> <li>● Among others one initiative includes onboarding more FI members from South East Asia</li> </ul>	
6.2	<p><b>Social and Environmental NGOs:</b></p> <p>Three (3) meetings held with BoG NGO members, following topics have been discussed and added to the agenda of the Secretariat:</p> <ul style="list-style-type: none"> <li>● Continuation of IMO programme (no special project anymore, part of operational budget)</li> <li>● Increased engagement with NGOs in Global South</li> <li>● Onboarding of NGO members to enable them to be more active in committees and working groups</li> <li>● Adjusted fees for NGO members at RT.</li> </ul> <p>The MDSC would like to know whether the adjusted fees for NGO members at RT is agreed upon. RSPO secretariat to check status. Feedback after the meeting: it is agreed that a reduced registration fee will apply to NGOs.</p>	

**A reminder of our proposed framework for the RSPO brand**

**Taking final MDSC feedback on-board and demonstrating that concerns can be addressed**

**OUR VISION**  
A global partnership to make palm oil sustainable

**OUR BRAND POSITIONING**  
RSPO is a partnership for progress and positive impact, facilitating global change to make the production and consumption of palm oil sustainable. To inspire change, we communicate the environmental and social benefits. To make progress, we catalyse collaboration. To provide assurance, we set the standards of certification.

**OUR MISSIONS – the 3 C's**

<b>Communication</b> RSPO clearly defines and communicates the benefits and positive impacts of sustainable palm oil in a relevant, engaging and measurable way	<b>Collaboration</b> RSPO actively facilitates collaboration and a shared commitment across the value chain to drive demand and ensure sufficient supply of sustainable palm oil	<b>Certification</b> RSPO sets global standards for sustainable palm oil, met through certification of members by independent auditors, assured by education and constant monitoring, combined with a fair and transparent process for dealing with transgressions
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**OUR IMPACT AREAS**

<b>No deforestation</b> Halt the domino effect of deforestation	<b>Labour rights</b> Protect workers' rights and ensure fair treatment	<b>Smallholder livelihoods</b> Improve livelihoods by educating and incentivising to produce sustainably	<b>GHG reduction</b> Reduce the emission footprint of the palm oil supply chain	<b>Indigenous peoples</b> Protect the human and legal rights of indigenous peoples and communities	<b>Biodiversity</b> Take measures to conserve and enhance biodiversity
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WHERE we're heading (The journey that will inspire, guide and unite us, our aspiration for the future)

WHAT we want to stand for

HOW we're going to get where we want to go

WHERE we will make a difference

No.	Description	Action Points (PIC)
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**Concern 1:**

*Does our proposed vision – “A global partnership to make palm oil sustainable” imply that palm has yet to be sustainable?*

**Our response:**

*A Vision (or Purpose) is a journey of constant improvement. Our refreshed Vision implies that RSPO are on a journey to make palm oil even more sustainable until ultimately all palm oil is sustainable*

Great examples of Vision statements from member organisations



Does not imply that AAK haven't been making better happen in the past... but rather that they are on a journey to make even better happen



Our vision is to build a future in which people live in harmony with nature

Does not imply that no one lives in harmony with nature... but does present a vision that all people will do so in the future

**Concern 2:**

*Prior to RSPO's involvement, plantation jobs were deemed to be the 3'd's - dirty, difficult and dangerous., Today, work on a plantation producing sustainable palm oil is increasingly associated with being dignified, decent and disciplined. RSPO and its members have helped champion labour rights, living wage and smallholder inclusion to make this transformation possible. Can this story be reflected in our brand building blocks?*

**Our response:** *This concern can be addressed within two of our Impact Areas: 'Labour rights' and 'Smallholder livelihoods'.*



**A more disciplined approach to growing improves smallholder livelihoods**

Growing oil palms efficiently can raise a family out of poverty in one generation. However, for this to happen smallholders need to adopt better growing practices. Better yields lead to better lives. Every year, RSPO trains more than X,000 smallholders in Better Management Practices in the knowledge that a healthier harvest leads to better profits. [...]


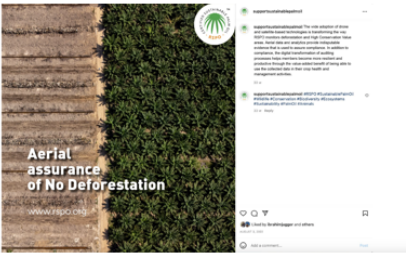

IMPACT STORIES



**Securing a living wage advances labour rights**

A Living Wage is an effective catalyst for achieving many of the 2030 United Nations (UN) Sustainable Development Goals (SDGs). Most workers, especially in agricultural value chains, have few options for a sustainable way of life as they are often unable to earn a living. A Living Wage addresses this issue, providing workers and their families with the means [...]

IMPACT STORIES

No.	Description	Action Points (PIC)
	<p>The MDSC advised to run the smallholder stories by the SHSC before publication. These examples on the slide above have not been published yet.</p> <p><b>Concern 3:</b> <i>Can recent advances in technology be reflected within our brand building blocks? Examples being drone usage in precision agriculture and monitoring of fires, plus reduction of GHG emission via the installation of methane gas capture and subsequent use of the methane to run mills and estates.</i></p> <p><b>Our response:</b> <i>Technology can be an enabler of progress across all of our Impact Areas. To tell the story, we just need to match the technology with the relevant area it impacts.</i></p> <p>A spread from the RSPO Sustainability Report</p>  <p>A social media post</p>  <p>An Impact Story from the RSPO website</p>  <p><b>Concern 4 :</b> <i>Should 'shared responsibility' be incorporated into the RSPO brand positioning?</i></p> <p><b>Our response:</b> <i>This reflects the repeated wish of growers – expressed throughout the interview process – that all downstream players, especially CGMs, should commit to buying 100% of CSPO produced.</i> <i>This is not something that our brand positioning statement can or should solve... it is a strategic issue that needs to be resolved between growers, CGMs and other downstream members.</i></p>	



No.	Description	Action Points (PIC)
	<p><i>However it is expressed in our Collaboration Mission as a shared commitment across the value chain to drive demand and ensure sufficient supply. This is the correct home for 'shared responsibility'</i></p> <div style="border: 2px solid orange; padding: 10px; text-align: center;"> <h3>Collaboration</h3> <p>RSPO actively facilitates collaboration and a shared commitment across the value chain to drive demand and ensure sufficient supply of sustainable palm oil</p> </div> <p>The feedback of the members of the MDSC is positive. The recommendation is to consult the MPOA representative after the meeting.</p>	













**7.0 Driving Demand and Driving Supply**

<p><b>7.1 Driving Demand</b></p>	<p><b>We have a Task for you:</b></p> <p>We intend to refresh your memories by going through the recommendations made at the KL meeting in December related to (1) Driving Demand and (2) Driving Supply.</p> <p>We need your help with a Feasibility Analysis of the recommendations made: How important is each recommendation for RSPO – and how easy would it be to implement?</p> <p>For those that score high on importance, we would then like your thoughts on where this recommendation should be anchored within the RSPO structure of Steering Committees and Working Groups</p> <div style="text-align: center;"> </div>	
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Driving demand	
<p>Unanimously viewed as the #1 branding and strategic challenge. Failure to drive demand is the #1 risk factor for RSPO. Makes end users (CGMs and retailers) a critical stakeholder group</p>	<p>Non-existent demand for CSPO in Asia where demand is driven by economic factors, not yet sustainability. Presents a massive barrier to breaking through 20% market share and achieving our vision: The East / West divide</p>
<p><b>In Europe &amp; US</b></p> <p>RSPO perceived by CGM's &amp; retailers to be more of a growers organisation. We need to show we <b>listen actively to the needs of CGM's &amp; retailers</b> e.g. Credibility of Mass Balance and adequate supply of CSPKO</p> <p>New legislation presents RSPO with a window of opportunity for a demand boom if we can communicate <b>"RSPO certification = legislative compliance AND MORE"</b>. <i>"RSPO has always built standards, now it needs to learn to adapt to them"</i>. For end users, cost saving on due diligence would more than off-set the price premium, opening the door to more Fortune 500 members.</p> <p>Sustainability benefits connected with CSPO must <b>align with corporate and governmental agendas</b>: <i>"RSPO needs to speak our language. And that's the language of positive impact not ingredients"</i></p> <p>Getting the RSPO logo on packaging is felt to be a lost battle BUT enabling CGM's to <b>make credible sustainability claims</b> in general communication adds far more value. Consider developing a family of sustainability benefit endorsements e.g. No deforestation, Orangutang-friendly...</p>	<p><b>In Asia</b></p> <p>RSPO should prioritise communication resources where we have greatest leverage: global CGM's that are RSPO members. <b>Persuade existing CGM members to increase their commitment in Asia by playing on corporate conscience and reducing reputational risk</b> – in light of NGO emerging focus on 'delivering on commitments'.</p> <p>Consider positioning RSPO as the <b>obvious partner for verification</b> of national standards... as a <b>first step towards full certification</b>. This is how FSC grew so fast. <i>"There are more and more mandatory national standards. They all need verification, but they're scratching their heads about how to implement it."</i></p> <p>This could open the door to an <b>RSPO-verified logo</b> being carried on thousands of consumer products in Asia - where <b>palm oil does not have an image problem</b>.</p> <p>Mass Balance could then become a <b>mix of RSPO-certified and RSPO-verified</b> – boosting credibility and hugely simplifying our communications task (FSC analogy)</p>




No.	Description	Action Points (PIC)
	<p><b>Active listening to the CGMs/Retailers</b> is deemed important especially in the light of upcoming legislation. RSPO should present itself as a tool or platform that is relevant in the context of the legislation. The gap analysis is done between RSPO P&amp;C and the EUDR. The RSPO secretariat should work on closing the gaps with the relevant committees. Now, a broader study should be done for other upcoming legislation to avoid double work for CGM/retailers.</p> <p><b>Credible claims:</b> General consensus was that “we’d love to look into this”. References were made to WWF’s video trailer outreach and an initiative from Chester Zoo (MDSC to provide examples). MDSC would like to move from process-related claims to impact-related claims. However it needs to be noted that the Green Claims Directive required that all sustainability claims must be scientifically proven.</p> <p><b>RSPO Verified / Partner for verification of jurisdictional standards / RSPO Verified logo for use on domestic products in Asia / First step on Certification ladder</b> – RSPO Verified straddles both Drive Demand and Drive Supply. General feeling is that these initiatives cannot be decoupled. It is an interesting idea, but is a longer term and complex project. We would need to be certain that we do not confuse consumers with yet another certification endorsement but this should be less of an issue if the initiative is limited to Asia. The work of the POCG may be relevant in the classification of mills in terms of risk. RSPO should move beyond certification, the standard is just one of the tools.</p> <p><b>Collaborate with, and complement, national / jurisdictional organisations like MSPO, ISPO</b> – Links closely to our Vision and our Mission to expand collaboration beyond members. RSPO could also play a role in this as it would acknowledge the good work that is being done by non-member organisations.</p> <p><b>Smallholders as distinct target audience / Communicate personal benefits of certification to smallholders in a way that resonates</b> – This is not really happening today. The recent RSPO Gap Analysis between RSPO P&amp;C and the EUDR didn’t incorporate smallholders. We have simply not been good enough at showing smallholders how they can get a higher income from being certified. Recent research indicated that less than 1% of smallholders know about CSPO and what it can do for them. It should be feasible to demonstrate why and how they can expect both higher prices and higher yields.</p> <p>The MDSC asked whether these recommendations can be shared with their colleagues in procurement, sustainability and sales to understand other limitations to grow demand.</p>	



No.	Description	Action Points (PIC)								
<p><b>7.2</b></p>	<p><b>Driving Supply</b></p> <div data-bbox="245 338 1182 741" style="border: 1px solid #f4a460; padding: 10px;"> <p style="text-align: center;"><b>Driving supply</b></p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border-right: 1px solid #f4a460; padding: 5px;"> <p>RSPO perceived by jurisdictional bodies as an elite organisation that is competing rather than collaborating / complementing.</p> <p style="text-align: center;"><b>Jurisdictional &amp; Governments</b></p> <p>RSPO needs to promote a <b>change in attitude: 'collaborate and complement'</b>: We must convince organisations like MSPO and ISPO that we have common goals e.g.</p> <ul style="list-style-type: none"> <li>• To influence and align with anticipated US and European legislation to ensure continued demand in high-value markets</li> <li>• To stand together against a common enemy (the lobby organisations for soy in US and rape seed in Europe) to improve the image and attractiveness of palm versus other crops</li> </ul> <p>We could position RSPO as <b>verification partner</b> – recognising and endorsing their sustainability progress (FSC example)</p> <p>RSPO could reach out to establish a <b>Council of Standards</b>. So no-one is elite</p> </td> <td style="width: 33%; border-right: 1px solid #f4a460; padding: 5px;"> <p>RSPO widely acknowledged as the gold standard for certification. The flip-side is that this high standard represents a massive barrier to entry for those producers who have not yet joined</p> <p style="text-align: center;"><b>Medium and large producers</b></p> <p><i>"Those already certified are well certified. Those who aren't have already given up as the standard is unattainable. We need to rethink how we ease people in."</i></p> <p>RSPO-verified would acknowledge domestic progress on sustainability and provide an <b>easier and more affordable first step</b> towards full certification. Full certification would still be required for those wanting access to Europe &amp; US:</p> <p><i>"Most companies who aren't certified are still part of a bigger scheme (like ISPO or MSPO) so they still have to be verified."</i></p> <p>This would provide a huge saving of time and cost for existing and new members – as it eliminates the need for double due diligence</p> </td> <td style="width: 33%; padding: 5px;"> <p>Smallholders represent both a great opportunity to boost sustainable supply (3.8m smallholders produce 42% of all PO) and a significant reputational risk for RSPO if we fail to include them</p> <p style="text-align: center;"><b>Smallholders</b></p> <p>Smallholders should be viewed as <b>distinct target audience</b> for communications... and not as 'small growers'.</p> <p>RSPO needs to <b>communicate the personal benefits of certification to smallholders</b> - in a language they can relate to:</p> <ul style="list-style-type: none"> <li>• Schooling in good growing practice and managing a business</li> <li>• Positive impact on local environment</li> <li>• Access to funding support during (RSPO) and after certification (local government)</li> <li>• Access to sell product to larger certified companies</li> <li>• Improved bargaining position</li> </ul> <p>And this must be done in own language, not English</p> </td> </tr> </table> </div> <p>The MDSC discussed driving supply. Communication for ISH on benefits for ISH would be beneficial. One member commented that the gap analysis for the EUDR should have been done for the ISH standard as well. The impact on schemed SH is not clear. There is not enough promotion on SH inclusion. We need ISH success stories in local languages and a narrative around 3 to 4 benefits for ISH to get RSPO certified. The cost-benefit analysis for ISH RSPO certification should be done and clearly communicated.</p>	<p>RSPO perceived by jurisdictional bodies as an elite organisation that is competing rather than collaborating / complementing.</p> <p style="text-align: center;"><b>Jurisdictional &amp; Governments</b></p> <p>RSPO needs to promote a <b>change in attitude: 'collaborate and complement'</b>: We must convince organisations like MSPO and ISPO that we have common goals e.g.</p> <ul style="list-style-type: none"> <li>• To influence and align with anticipated US and European legislation to ensure continued demand in high-value markets</li> <li>• To stand together against a common enemy (the lobby organisations for soy in US and rape seed in Europe) to improve the image and attractiveness of palm versus other crops</li> </ul> <p>We could position RSPO as <b>verification partner</b> – recognising and endorsing their sustainability progress (FSC example)</p> <p>RSPO could reach out to establish a <b>Council of Standards</b>. 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<p><b>7.3</b></p>	<p><b>Next steps on Driving Demand and Driving Supply</b></p> <ol style="list-style-type: none"> <li>1. <i>Share our Feasibility Analysis with JD plus other key Secretariat stakeholders</i></li> <li>2. <i>Develop an action plan for the two workstreams: (1) Driving demand (2) Driving supply – to be presented to MDSC and BoG for input and alignment</i></li> <li>3. <i>Anchor in relevant Steering Committees and Working Groups, and assign relevant resources from Secretariat</i></li> </ol>									
<p><b>8.0 AOB</b></p>										
<p><b>8.1</b></p>	<p><b>EU Green Claims and empowering consumers</b> Ruben Brunsveld gave an update on this.</p>									
<p><b>8.1.1</b></p>	<p><b>Update on Green Claims &amp; Empowering consumers</b></p> <div data-bbox="245 1682 1177 1933" style="border: 1px solid #f4a460; padding: 10px;"> <table border="0" style="width: 100%; text-align: center;"> <tr> <td style="width: 25%;">  <p><b>53%</b></p> </td> <td style="width: 25%;">  <p><b>40%</b></p> </td> <td style="width: 25%;">  <p><b>1/2</b></p> </td> <td style="width: 25%;">  <p><b>230</b></p> </td> </tr> <tr> <td style="font-size: small;">53% of green claims give vague, misleading or unfounded information</td> <td style="font-size: small;">40% of claims have no supporting evidence</td> <td style="font-size: small;">Half of all green labels offer weak or non-existent verification</td> <td style="font-size: small;">There are 230 sustainability labels and 100 green energy labels in the EU, with vastly different levels of transparency</td> </tr> </table> </div>	 <p><b>53%</b></p>	 <p><b>40%</b></p>	 <p><b>1/2</b></p>	 <p><b>230</b></p>	53% of green claims give vague, misleading or unfounded information	40% of claims have no supporting evidence	Half of all green labels offer weak or non-existent verification	There are 230 sustainability labels and 100 green energy labels in the EU, with vastly different levels of transparency	
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No.	Description	Action Points (PIC)
8.1.2	<p><b>Empowering consumers initiative</b></p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <div style="border: 1px dashed gray; padding: 2px;">Empowering consumers</div>  <p>Lex Generalis</p> <p>Both social and environmental elements Focus on reparability, early obsolescence etc. *Very relevant for technical and energy using equipment</p> </div> <div style="text-align: center;"> <p>Green Claims</p>  <p>Lex Specialis</p> <p>Additional environmental elements Focus on environmental claims</p> </div> </div> <p><b>Both proposals aim at tackling a common set of problems and should be read in conjunction</b></p>	
8.1.3	<p><b>Empowering consumers, objective</b></p> <p><i>The proposal amends the Consumer Rights Directive (CRD) and Unfair Commercial Practices Directive (UCPD) and strengthens the protection of consumers against unfair commercial practices that prevent sustainable purchases, such as:</i></p> <ul style="list-style-type: none"> <li>● <i>greenwashing practices (i.e. misleading environmental claims)</i></li> <li>● <i>early obsolescence practices (i.e. premature failures of goods)</i></li> <li>● <i>the use of unreliable and non-transparent sustainability labels and information tools.</i></li> </ul>	
8.1.4	<p><b>Empowering consumers, key measures</b></p> <ul style="list-style-type: none"> <li>● <i>Ensuring that traders do not mislead consumers about environmental and social impacts, durability and reparability of products.</i></li> <li>● <i>Ensuring that a trader can make an environmental claim related to future environmental performance only when this involves clear commitments and targets.</i></li> <li>● <i>Ensuring that a trader cannot advertise benefits for consumers that are considered as a common practice in the relevant market.</i></li> <li>● <i>Ensuring that a trader can only compare products, including through a sustainability information tool, if they provide information about the method of the comparison, the products and suppliers covered, and the measures to keep information up to date.</i></li> <li>● <i>A ban on making an environmental claim about the entire product, when it actually concerns only a certain aspect of the product.</i></li> <li>● <i>A ban on presenting requirements imposed by law on all products within the relevant product category on the Union market as a distinctive feature of the trader's offer.</i></li> <li>● <i>A ban on displaying a sustainability label which is not based on a certification scheme or not established by public authorities.</i></li> <li>● <i>A ban of generic environmental claims used in marketing towards consumers, where the excellent environmental performance of the product or trader cannot be demonstrated in accordance with Regulation (EC)</i></li> </ul>	

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	<p>66/2010 (EU Ecolabel), officially recognised eco-labelling schemes in the Member States, or other applicable Union laws, as relevant to the claim.</p>	
8.1.5	<p><b>What constitutes a "generic environmental claim"</b>  <i>"Examples of such generic environmental claims are: 'environmentally friendly', 'eco-friendly', 'eco', 'green', 'nature's friend', 'ecological', 'environmentally correct', 'climate friendly', 'gentle on the environment', 'carbon friendly', 'carbon neutral', 'carbon positive', 'climate neutral', 'energy efficient', 'biodegradable', 'biobased' or similar statements, as well as broader statements such as 'conscious' or 'responsible' that suggest or create the impression of excellent environmental performance. Such generic environmental claims should be prohibited whenever there is no excellent environmental performance demonstrated....."</i></p>	
8.1.6	<p><b>These should be prohibited:</b>  <i>"when they are not supported by clear, objective and verifiable commitments and targets given by the trader. Such claims should also be supported by an independent monitoring system to monitor the progress of the trader with regard to the commitments and targets."</i></p>	
8.1.7	<p><b>Empowering consumers initiative, environmental claim</b>  <i>"'environmental claim' means any message or representation, which is not mandatory under Union law or national law, including text, pictorial, graphic or symbolic representation, in any form, ..., which states or implies that a product or trader has a positive or no impact on the environment or is less damaging to the environment than other products or traders, respectively, or has improved their impact over time."</i></p> <p><i>"'explicit environmental claim' means an environmental claim that is in textual form or contained in a sustainability label";</i></p>	
8.1.8	<p><b>Empowering consumers initiative; to follow:</b></p> <ul style="list-style-type: none"> <li>● <i>Whether the RSPO scheme qualifies as a certification scheme under the proposed rules.</i></li> <li>● <i>Whether the targeted use of the word sustainable is understood as a generic environmental claim.</i></li> <li>● <i>no clear and enforceable criteria are included that reflect international good practice within the certification and verification space, which could lead to a risk to to open up the market to low-bar certification schemes with unclear rules.</i></li> <li>● <i>Assure criteria for schemes fit the RSPO.</i></li> <li>● <i>Members should review their social and environmental claims</i></li> </ul>	
8.1.9	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>● <i>Make green claims reliable, comparable and verifiable across the EU</i></li> <li>● <i>Protect consumers from greenwashing</i></li> <li>● <i>Contribute to creating a circular and green EU economy by enabling consumers to make informed purchasing decisions</i></li> </ul>	

No.	Description	Action Points (PIC)
8.1.10	<ul style="list-style-type: none"> <li>Help establish a level playing field when it comes to environmental performance of products</li> </ul> <p><b>Targets</b> The proposal targets explicit claims that:</p> <ul style="list-style-type: none"> <li>Are made on a voluntary basis by businesses towards consumers</li> <li>Cover the environmental impacts, aspects or performance of a product or the trader itself</li> <li>Are not currently covered by other EU rules</li> </ul> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">               "Packaging made of 30% recycled plastic"         </div> <div style="text-align: center;">               "Company's environmental footprint reduced by 20% since 2015"         </div> <div style="text-align: center;">               "CO2 emissions linked to this product halved as compared to 2020"         </div> </div> <p style="text-align: center; color: orange;"><b>Examples of claims covered provided by the European Commission</b></p>	
8.1.11	<p><b>Key measures</b></p> <p>To ensure consumers receive reliable, comparable and verifiable environmental information on products, the proposal includes:</p> <ul style="list-style-type: none"> <li>Criteria on how companies should prove their environmental claims and labels</li> <li>Requirements for these claims and labels to be checked by an independent and accredited verifier</li> <li>New rules on governance of environmental labelling schemes to ensure they are solid, transparent and reliable</li> </ul>	
8.1.12	<p><b>Criteria to prove your claim (not complete list but most relevant)</b></p> <ul style="list-style-type: none"> <li>specify if the claim is related to the whole product, part of a product or certain aspects of a product</li> <li>rely on widely recognised scientific evidence,</li> <li>demonstrate that environmental impacts, are significant from a life-cycle perspective;</li> <li>take into account all environmental aspects and not a sub set.</li> <li>demonstrate that the claim is not equivalent to requirements imposed by law</li> <li>provide information that the product which is subject to the claim performs significantly better than what is common practice for products in the relevant product group</li> <li>identify whether improving environmental impacts leads to significant harm in relation to environmental impacts on climate change, resource consumption and circularity, sustainable use and protection of water and marine resources, pollution, biodiversity, animal welfare and ecosystems.</li> <li>separate any greenhouse gas emissions offsets used from greenhouse gas emissions as additional environmental information</li> </ul>	

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8.1.13	<p><b>Relation to the RSPO</b></p> <ul style="list-style-type: none"> <li><i>In the same way, the proposal on empowering consumers for the green transition deals with sustainability labels which cover environmental or social aspects or both. This proposal is however limited to environmental labels only, i.e. those covering predominantly environmental aspects of a product or trade”.</i></li> <li><i>Explicit environmental claims made on environmental labels should be based on a certification scheme.</i></li> <li><i>Only environmental labels awarded under environmental labelling schemes established under Union law may present a rating or score of a product</i></li> </ul> <p><i>Palm oil is only an ingredient so companies potentially cannot claim the whole product is more environmentally friendly only on the basis of using CSPO.</i></p>	
8.1.14	<p><b>Environmental labelling schemes must comply with</b></p> <p><i>(a) information about the ownership and the decision-making bodies of the environmental labelling scheme is transparent, accessible free of charge, easy to understand and sufficiently detailed</i></p> <p><i>(b) information about the objectives of the environmental labelling scheme and the requirements and procedures to monitor compliance of the environmental labelling scheme are transparent, accessible free of charge, easy to understand and sufficiently detailed;</i></p> <p><i>(c) the conditions for joining the environmental labelling schemes are proportionate to the size and turnover of the companies in order not to exclude small and medium enterprises</i></p> <p><i>(d) the requirements for the environmental labelling scheme have been developed by experts that can ensure their scientific robustness and have been submitted for consultation to a heterogeneous group of stakeholders that has reviewed them and ensured their relevance from a societal perspective</i></p> <p><i>(e) the environmental labelling scheme has a complaint and dispute resolution mechanism in place;</i></p> <p><i>(f) the environmental labelling scheme sets out procedures for dealing with noncompliance and foresees the withdrawal or suspension of the environmental label in case of persistent and flagrant non-compliance with the requirements of the scheme</i></p>	
8.1.15	<p><b>In conclusion</b></p> <ul style="list-style-type: none"> <li><i>Monitoring developments on both proposals by APCO/RSPO</i></li> <li><i>Lobbying together with ISEAL and other schemes to ensure the characteristics put on VSC in both proposals are reasonable and prevent future obstacles for use in the market entry.</i></li> <li><i>Current priority is “empowering consumers” due to timeline</i></li> <li><i>Members should evaluate their use of claims (generic, RSPO and others)</i></li> <li><i>Impact on no-palm oil claims? Can go either way (in my modest opinion).....</i></li> </ul>	

No.	Description	Action Points (PIC)
8.2	<p><b>AOB</b></p> <p>From a SPOC perspective, there are still a lot of no palm oil claims in the market. Is RSPO taking any further action against members regarding this?</p> <p>Furthermore, it was requested that the SCTWG updates are more detailed in the next meeting. Specifically, an update on the facilitation of trademark use by retailers would be appreciated.</p>	
8.3	<p><b>Next MDSC Meetings:</b></p> <ul style="list-style-type: none"> <li>● 15 June 2023 (Thursday) - Hybrid Meeting in Frankfurt, Germany. 1 - 4 pm (CET) / 7 - 10pm (MYT)</li> <li>● 7 September 2023 (Thursday)</li> <li>● 23 November, 2023 (Thursday) (Physical Meeting Jakarta)</li> </ul>	