

Summary of Eleventh Technical SRWG Meeting

The eleventh Shared Responsibility Working Group (SRWG) technical meeting (twelfth teleconference meeting) was opened at 4PM (MYT), October 14, 2021 by the Secretariat. The SRWG achieved 100% representation of all membership sectors during this meeting.

The objective of the meeting was to align the decision on Sanction, Incentives, Resourcing and clarifications of the SR Requirements.

Updates from the Secretariat include the current structure of the SRWG, the appointed new SRWG co-chair, the temporary replacement of the Head of SR Unit, drafted BoG Resolution, RT2021 and GA18.

The SRWG has agreed to prioritise Incentives that can be executed earlier. The P&T are against Sanctions. The requirement on Resourcing was not yet included in the previous ACOP. As the SRWG members felt that this requirement will allow members to showcase their contribution to social projects, it will be taken along when reviewing the questions for ACOP 2021. The ACOP 2021 questionnaires will be shared with the SRWG prior to the launch of the next ACOP submission.

The SRWG has reached consensus on some of the clarifications of the SR Requirements, however some sections will require further in-depth discussion. The SRWG will consult their respective constituencies and share the findings to the Secretariat soon on sections which failed to reach consensus.

The Secretariat thanked everyone for attending the meeting and looks forward to seeing everyone in the next meeting on November 23, 2021.

The meeting was closed at 5.45 PM (MYT).

MINUTES OF MEETING OF RSPO
RSPO Shared Responsibility Working Group (SRWG) 11th Technical Meeting

Date: October 14, 2021 (Thursday)

Time: 4 PM to 5.45 PM (MYT)

Venue: Video Conference (RSPO ZOOM 6)

Attendance:

<p>Members and Alternates</p> <ol style="list-style-type: none">1. Girish Deshpande (GD, P&G)2. Ilka Peterson (IP, WWF International)3. Harjinder Kler (HK, HUTAN)4. Lim Sian Choo (LSC, Bumitama)5. Mariama Diallo (MD, SIAT SA)6. Lee Kuan Yee (LKY, KLK)7. Ben Vreeburg (BV, Bunge)8. Joshua Lim (JL, Wilmar)9. Miho Yamazaki (MY, AEON)10. Brian Lariche (Humana Child Aid Society, Sabah)11. Catarina Vivalva (CV, BNP Paribas) <p>Absent with Apologies</p> <ol style="list-style-type: none">1. Ian Orell (IO, Sime Darby/ NBPOL)2. Julian Walker-Palin (JWP, RPOG)3. Nursanna Marpaung (NM, HUKATAN)	<p>RSPO Secretariat</p> <ol style="list-style-type: none">1. Inke van der Sluijs (IS)2. Joyce Van Wijk (JW)3. Chung Yee Ling (CYL)4. Imam Marzuq (IM)5. Ashwin Selvaraj (AS)
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No	Description	Action Points
1.0	<p><u>Welcome Note</u></p> <p>The Secretariat welcomed the SRWG members to the meeting. The SRWG members acknowledged the anti-trust statement prior to the meeting.</p> <p>The agenda of the meeting include:</p> <ol style="list-style-type: none"> 1. Antitrust Statement 2. Welcome 3. Approval of Meeting Minutes 4. RSPO Secretariat Updates 5. SRWG Structure 6. Sanctions and Incentives, and Resourcing 7. Recap Clarifications of SR Requirements 8. AOB and Next Meeting <p>A retailer representative sent his apologies due to schedule conflict, and the Secretariat had a meeting with the representative prior to this SRWG meeting.</p>	
2.0	<p><u>RSPO Secretariat Updates</u></p> <ol style="list-style-type: none"> 1. Ashwin Selvaraj is the temporary replacement of the Head of SR Unit. 2. A BoG Resolution was drafted to include the SR requirements into the Code of Conducts. 3. The SR Unit is currently updating the FAQ, developing guidance for membership categories, addendum, implementation manual. 4. RT2021 will be from November 16 - 18, 2021. 5. GA18 is on December 2, 2021. <p>The draft BoG resolution proposed a rewording of clause 3.2 of the Code of Conduct (CoC). The P&T representative commented that it is too early to submit this resolution to the GA. The Secretariat is currently waiting for the BoG to review the recently submitted GA resolutions. A CGM representative and a Grower representative are supportive of including</p>	

	<p>SR in the CoC. After a follow up discussion on the proposed CoC resolution, the SRWG members did not reach a consensus.</p> <p>The Secretariat reminded the members to update their contact list and settle outstanding payments prior to the upcoming GA.</p>	
3.0	<p><u>SRWG Structure</u> As Natasha has resigned from the SRWG, GD will be the current substantive CGM representative. Nominations of the co-chairs were received, and GD has volunteered to be the new SRWG co-chair. The new co-chair will need to be endorsed by the RSPO Standards Standing Committee.</p> <p>The CGM and B&I alternate positions are still vacant within the SRWG, and the CGM alternate position is required to be filled by the ToR.</p>	
4.0	<p><u>Incentives</u> The Secretariat shared their comments on the suggested Incentives, and only 2 seemed possible:</p> <ol style="list-style-type: none"> 1. Awards or showcasing top performers 2. 'Traffic light' system on the website to show how all RSPO members are performing <p>The CGM representative felt both suggestions are worth pursuing. The P&T representative agreed on the possibility to move forward but felt that some suggestions are not adding value to the members. A Grower representative agreed and suggested prioritising suggestions that can be executed earlier. An eNGO representative felt that the latter suggestion can be seen as a sanction. Thus, it was agreed that the first suggestion will be prioritised, and the latter will be revisited in the future.</p>	<ol style="list-style-type: none"> 1. Incentives suggestions that can be executed earlier will be prioritised.
5.0	<p><u>Sanctions</u> Comments from the Secretariat on the suggested sanctions in the SR endorsed document and the last draft of the implementation manual were shown to the SRWG. It was proposed that the BoG can sanction members that have not complied with the SR requirements based on clause 3.2 of the CoC. Underperforming members will also be included in the 'Traffic light'</p>	

	<p>system on the website.</p> <p>P&T has informed the Secretariat on October 11, 2021, that they are not in favour of sanctions.</p>	
6.0	<p><u>Resourcing</u></p> <p>Options in the Resourcing section from the Implementation Manual were presented to the SRWG.</p> <p>The B&I representative sought clarification on the option of direct/collective investments in conservation and initiatives, and the Secretariat clarified that this was a new addition to the list and provided some examples.</p> <p>The social NGO representative questioned the quantum of investments that would be deemed sufficient and if it would be based on the size of the company, and if the recipient of these investments would be NGOs or commercial organisations. The suggestion from the members was that the investments should not go to other commercial organisations and that it should be related to initiatives related to RSPO or initiatives of members. Channelling these investments to NGOs working on conservation and restoration activities could also be an incentive for NGOs to become a member. The Secretariat clarified that the quantum of investments that would be considered sufficient has not been determined yet.</p> <p>The P&T representative asked if it is mandatory for members to commit to additional resourcing, on top of the cost of RSPO certified products. The representative also asked for clarification on the type of resources that is expected (e.g. financial, FTE etc.) and if sourcing certified materials and participating in WG meetings would be sufficient.</p> <p>A grower representative reminded the WG that resourcing was one of the endorsed requirements and suggested that we should allow for multiple types of resourcing options. The Secretariat also clarified that the requirement on resourcing is in addition to the requirement on procuring certified volumes. Non-compliance to this requirement would be similar to non-compliance to other requirements and will qualify for sanctions. It was concluded that options presented as a guidance for this requirement would be broadened to</p>	<ol style="list-style-type: none"> 1. Resourcing requirement to be included in the ACOP 2021 questionnaire. The Secretariat will share the ACOP questionnaires with the SRWG prior to the launch of the next ACOP submission.

	<p>include the suggestions of SRWG members.</p> <p>The secretariat also clarified that this requirement was not yet included in previous ACOP (no specific question, only general question outside SR), and the secretariat will take this along when reviewing/developing the questions for next ACOP. It was suggested that this requirement also allows members to showcase their contribution to social projects. A link to these projects can be included in the ACOP submissions. The questionnaires will be shared with the SRWG prior to the launch of the next ACOP submission.</p>	
7.0	<p><u>Recap Clarifications of SR Requirements</u></p> <ol style="list-style-type: none"> 1. The SRWG reached consensus in rephrasing ‘off product label’ definition in the SR7. Guidance will be provided in the addendum. 2. There is no agreement for the change therefore the requirement for B&I stays the same in SR8. 3. SR10 - Majority of the SRWG voted that ‘published’ means ‘it shall be accessible by all affected parties. Developed in alignment and/ or referring to the RSPO grievance mechanism: following the steps of the official RSPO complaints system. <ol style="list-style-type: none"> a. The B&I representative explained the complexity of the banks’ secrecy rule to the SRWG. The P&T representative felt that due to the complexity, the grievance section will need to be reassessed. After several discussions, it was concluded that the decision will be put on hold, while all sector representatives will consult their respective constituencies. 4. SR12 - There is no consensus for change, therefore the requirement for B&I stays the same. 5. There is a mismatch between the general and specific SR requirements per constituency. The proposed rules were presented to the SRWG. <ol style="list-style-type: none"> a. A Grower representative disagreed with it and expressed her concerns. Due to time limitations, the Secretariat will schedule a separate discussion with the representative. 6. There is no consensus reached on the definition of ‘small companies’. After several discussions, the SRWG concluded that they should set a realistic threshold to define small companies. Some members suggested offering incentive-based assistance to small companies, such as providing support in designing policies. 	<ol style="list-style-type: none"> 1. The SRWG members will consult their respective constituencies for further feedback on the grievance processes and mechanism. 2. B&I will consult their respective constituency to understand limitations and implications when making grievance mechanism accessible to all affected parties. 3. The Secretariat will organise an offline discussion with the Grower representative to further understand the concerns on the mismatch.

	<p>7. The agreed interpretations are:</p> <ul style="list-style-type: none"> a. Membership - In line with the membership procedure, Ordinary members that switch category to Associate due to the use of lower palm oil volumes, and years after they switch back to Ordinary again are considered new Ordinary members since they are issued a new membership ID. As this is a rare case scenario, the Year 1 targets will apply to them again. b. Group vs Site - Group members that may have different policies developed for different units due to mergers/acquisitions without an intention of consolidating all their various policies into a group-level policy, shall provide all the policies as evidence in MyRSPO. c. Procedure for verification - For now, the SR Unit will assess the members performance through MyRSPO and ACOP on an annual basis. In Year 1 of the SR implementation by members, the SR Unit will focus on creating awareness among members. 	
	<p><u>Closing Remarks</u> The next meeting will be on November 23, 2021, and the meeting agenda will include the learning from Year 1 and Year 2 performance and the discussion on Year 3 uptake targets.</p> <p>The Secretariat will send an email blast to all Ordinary members to remind them of the SR requirement for 2021.</p> <p>SR Unit is still reviewing the report card for Year 1 and will share the result with the SRWG during the next SRWG meeting.</p>	<p>1. Next SRWG Meeting will be on November 23, 2021.</p>