

## MINUTES OF MEETING

### Market Development Standing Committee

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**Time** : 20.02 - 21.07 (MYT)

**Date** : Thursday 07 July 2022

**Venue** : Conference Call, Zoom 5

#### Attendees:

Name	Initial	Organisation	Representative Category
Harjinder Kler	HK	HUTAN	eNGO
Jonathan Escolar	JE	AAK	P&T
Marieke Leegwater	ML	Solidaridad	sNGO
Paula Kasprzyk	PK	Avon (Natura)	CGM
Dr Surina Ismail	SI	MPOA/IOI	Grower MY
Tracey Gazibara	TG	Cheyenne Mountain Zoo	eNGO
Inke van der Sluijs	IS	RSPO Secretariat	Director, Market Transformation
Irene Fischbach	IF	RSPO Secretariat	Director, Stakeholder Engagement & Communications
Cameron Plese	CP	RSPO Secretariat	Head of North America
Christine Joan Spykerman	CJS	RSPO Secretariat	Malaysia office

#### Absent with apologies:

Name	Initial	Organisation	Representative Category
Anita Neville	AN	Golden Agri-Resources	Co-Chair, Grower IN
Eddy Esselink	EE	MVO	Co-Chair, P&T
Caroline Westerik	CW	AAK	P&T
Franka Lakeman	FL	Ahold Delhaize	Retailer
Julian Walker-Palin	JWP	Retailers Palm Oil Group	Retailer
Jose Roberto Montenegro	JM	Agrocaribe	Grower RoW

#### Invited but not in attendance:

Name	Initial	Organisation	Representative Category
Denise Westerhout	DW	WWF International	eNGO
Razuwan Che Rose	RCR	Felda	Grower

**Agenda:**

Time	Topic
20.03 - 20.06	1.0 Antitrust Statement Reading
20.06 - 20.07	2.0 Approval of the Agenda
20.07 - 20.07	3.0 Approval of the March 2022 Meeting Minutes
20.07 - 20.14	4.1 RSPO Secretariat Updates 4.2 Supply Chain Traceability Working Group (SCT WG)
20.14 - 20.22	5.0 BoG Decision Paper on CSPKO Shortage In the Market by Oleo Taskforce (OTF) for review and recommendations to the BoG
20.22 - 20.57	6.0 Brand Positioning: MDSC recommendation for Tender Committee
20.57 - 21.05	7.0 Rethink structure of Outreach Working Group (OWG)
21.05 - 21.08	8.0 AOB - Next Meeting

**DISCUSSION:**

No.	Description	Action Points (PIC)
<b>1.0</b>	<b>Antitrust Statement Reading</b>	
	<p>IS chaired the meeting in the absence of the Co-Chairs. IS welcomed Tom Hersbach (“TH”) and members of the MDSC to the meeting. TH and the members of the MDSC gave a short self introduction and welcomed TH to the MDSC. IS then reminded the members of the following:</p> <ul style="list-style-type: none"> <li>- All MDSC members will have to abide by the RSPO Antitrust law</li> <li>- MDSC follows a consensus-based decision making as outlined in the ToR</li> <li>- Members have to declare Conflict of Interest (Col) under any items and excuse themselves to remain objective to the discussion.</li> </ul>	
<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.	

### 3.0 Approval of November Meeting Minutes

The meeting minutes from the previous MDSC Meeting (17 March 2022) were presented and accepted with no amendments but with some pending action points which will be discussed in the meeting.

### 4.0 Secretariat Updates

The Secretariat announced the following updates:

**4.1.1 Standards Review 2023**, the first Steering Group Meeting was held on 14 June, first Task Force meeting will take place on 7 and 8 July.

**4.1.2 RT/GA** week of 28 November in KL, Shangri-La Hotel (with hybrid elements).

**4.1.3 Sustainable Palm Oil Dialogue (SPOD)** on 20 October in the Netherlands.

**4.1.4 Inter-American conference** 26/27 April 2023 in Miami, US.

**4.1.5 [Public Consultation](#) of the Shared Responsibility Verification Manual** (until 29 July).

**4.1.6 RSPO Trademark ranks among [Top 12 Food Ecolabels in Dutch Market](#)**

**4.1.7 RSPO Rules on Market Communications & Claims:** to be endorsed via email by SSC (no quorum in last meeting).

**4.1.8 Media coverage:** 3 interviews with JD arranged recently: [Thomson Reuters](#), [The Edge Malaysia](#) (ESG supplement), [Eco-Business](#).

#### 4.2 Supply Chain Traceability Working Group (SCT WG)

- Last meeting 9 June.
- Main focus of work is the accuracy and clarity of the CSPO and CSPKO supply and consumption data published on the RSPO website.
- Oversight of the Oleo Task Force.
- Discussed the existing conversion rules for CSPO and CSPKO.

### 5.0 BoG Decision Paper on CSPKO Shortage in the Market by Oleo Task Force (OTF) for review and recommendations to the BoG

#### 5.1 Improve (short-term)

To improve the availability of CSPKO credits in the short-term to cover the tightness in physical markets by:

	<ul style="list-style-type: none"> <li>● Running a spatial mapping of mills that sell less than 30% of CSPK as certified, identify those that are legitimately facing issues selling CSPK due to a lack of certified PK crushers in their vicinity.</li> <li>● Allow those mills to sell CSPKO credits for a limited time period of one year, after which an evaluation is undertaken.</li> <li>● Identify members with certified palm kernel crushing operations where there is capacity to process more certified material, potentially publishing the list publicly (with permission of the members) to encourage increased CSPK sourcing.</li> <li>● Encourage Independent Smallholder (IS) groups to sell IS-CSPKO credits, to address the concern that CSPKO credits bypass the supply chain since such credit sales directly benefit smallholders.</li> </ul> <p><b>5.2 Involve (medium-term)</b></p> <ul style="list-style-type: none"> <li>● To encourage more Palm Kernel Crushers to become RSPO Supply Chain Certified, especially those within the vicinity of mills identified in the previous step.</li> <li>● To publish an analysis of regions in key producing markets where a large gap between CSPK availability and CSPKO processing capacity is noticed (without naming specific units of certification) to educate the market.</li> </ul> <p><b>5.3 Increase (long-term)</b></p> <ul style="list-style-type: none"> <li>● To increase the long-term availability of CSPK through increased certification of plantations, linked with the previous step to also ensure that there is sufficient CSPKO processing capacity to absorb the anticipated increase in CSPK. Note that this will also affect the supply/demand dynamics of CSPO, the implications of this being beyond the ToR for the Oleo Task Force.</li> </ul> <p>SI asked who is in the Oleo TF, the RSPO secretariat will send the names by email. SI also asked whether there is a CSPKO shortage. IS confirms that this is what the data showed.</p> <p>IS checked and it was noted that all constituencies except the retailers were present at the Meeting. There were no objections to the proposed BoG Decision Paper on CSPKO. IS informed the MDSC that the Paper will be presented to the Board in September 2022 for approval after reaching out to the retailer's representative.</p>	
<p><b>6.0 Brand Positioning MDSC recommendation for Tender Committee</b></p>		
	<p>In a closed tender process, IF has reached out to four agencies to submit proposals for the RSPO Brand Positioning. The objectives of the positioning are as follows:</p>	

**Objective 1: Define what RSPO stands for and our value proposition**

What value proposition does RSPO deliver to members and wider stakeholder groups such as governments, investors, businesses, and society at large?

**Objective 2: Create true ownership among members and enhance engagement**

How can the value proposition attract new members, create ownership among members and enhance engagement which leverages the knowledge and reach of our members?

**Objective 3: Create a strong, trustworthy narrative and key messages for core markets**

What is the overall master narrative and what are the key messages that are unique to core markets, taking into consideration their different needs for and perception of palm oil?

**Objective 4: Ensure brand appearance supports positioning**

Does the current RSPO brand appearance (visual assets) support the positioning, or are adaptations needed? (note: the assumption is that there is no complete rebranding necessary, but some potential adaptations).

The agencies were asked to come up with a suggestion for an approach and an implementation plan from where RSPO stands today to a proper implementation of the brand positioning. The agency plays a key leadership role in the facilitation of the process with the different parties involved.

4 proposals were received on 1 July and the MDSC is asked for feedback and viewpoints on these proposals for the Tender Committee that will take the final decision. The Tender Committee consists of IS, IF and Patrick Chia, RSPO CFO.

**Overview Proposals:**

	<b>Apco</b>	<b>MullenLowe Salt</b>	<b>Radley Yeldar</b>	<b>Catalyser</b>
Referral	Incumbent	Anita Neville, GAR	Irene Fischbach's Network	Caroline Westerik, AAK
Cost (USD)	USD100,000 (without review of brand appearance)	USD99,891 (including recommendations on brand appearance)	USD99,523 (including visual recommendations)	USD70,000 (Phases 1-6) +30,000 (Phase 7, narratives and implementations)
Timeline	12 months (depends on availability of stakeholders)	6 months	14-20 weeks	18 Weeks

Team	Mainly strategic communications, expertise, knows RSPO well since current PR agency; 4 Persons	Strategic communications and sustainability experts, project management and social media; 4 persons	Branding, digital and Sustainability expertise and project management; 5 persons	David Adams, long standing experience in positioning and sustainability (specific experts if needed for implementation); 1 person
Location	Singapore	Singapore	London	London

**Summary Proposals**

Apco	MullenLowe Salt	Radley Yeldar	Catalyser
<p><b>Approach:</b> Solid, inclusive information gathering and workshop approach not very specific to RSPO.</p> <p><b>Focus/Emphasis:</b> Focus on messaging and narratives</p>	<p><b>Approach:</b> Proven, three step process: listen, engage, deliver somewhat tailored to RSPO.</p> <p><b>Focus/Emphasis:</b> Stakeholder needs, member engagement focus on purpose, clear and consistent communication</p>	<p><b>Approach:</b> Tested, multi-stage process, not yet very specifically tailored to RSPO</p> <p><b>Focus/Emphasis:</b> Definition of elements that make up brand and bring to life, three perception shifts</p>	<p><b>Approach:</b> Quite detailed, inclusive and thought through approach, tailored to RSPO.</p> <p><b>Focus/Emphasis:</b> Guiding principle inclusivity, focus on WHAT and WHY, then, HOW</p>

Overall, the MDSC members felt that the proposals were interesting and strong, each one of them very different. PK, HK, SI and TG recommended not to work with Apco as they would need a long time to implement the positioning and they are not confident that Apco would be able to change the way RSPO is currently communicating based on their proposal. Most members like the Catalyser as he is different, did an in-depth analysis and addresses critical points. However, some consider it a risk that he is working by himself and RSPO might need an additional partner for the implementation phase. Most felt that the approaches of Radley Yeldar and MullenLowe Salt were clear and easy to understand, TG and ML especially liked the tone of voice and the freshness of the Radley Yeldar proposal. ML mentioned that it very much depends on the team of the agency that works with RSPO. IF mentions that IS and herself would meet all the shortlisted agency teams before the decision of the tender committee meeting. ML also mentioned that she hopes if the positioning is done well, we would also overcome the “palm oil free” claims that some retailers still make. SI adds that sustainable palm oil is the only alternative in this space, “palm oil free” is not going to help.

IF and IS thank the MDSC members for their careful analysis of the proposals and very helpful inputs.

	<p>Next steps: the Tender Committee is supposed to meet in the week of July 18 or 25 and thereafter the contract crafting and signing with the chosen agency will take place. Concrete work and planning should start in August, the launch date depends on the agency that will be chosen and the concrete planning, including availability of key persons.</p>	
<p><b>7.0 Rethink structure of Outreach Working Group</b></p>		
	<p>IF mentions that in the context of the RSPO Positioning exercise it might also be a good moment to think about the structure and purpose of the Outreach Working Group (OWG). The last meeting took place on 22 February 2022, no meeting has taken place anymore since Kamal Prakash Seth left. IF and IS suggest that the focus and work programme of the OWG are revisited:</p> <ul style="list-style-type: none"> <li>- What can the role of the OWG be in the context of the Brand Positioning (versus role of MDSC members)?</li> <li>- Would the member composition be ideal to support Brand Positioning?</li> </ul> <p>ML says that a group is set up when there are special tasks to perform and it should be kept simple. PK likes the idea of a task force for a dedicated topic as the recruitment should attract the competent people with the right skills. JE mentions that it is hard to say what progress has been made in the OWG and it is therefore important to think about the objective and the composition of the group. IF and IS conclude that members agree to rethink the structure of the OWG; they will look at the objective of the OWG in the context of the brand positioning and come back to MDSC with a suggestion.</p>	
<p><b>8.0 AOB</b></p>		
	<p><b>8.1 RT2022:</b> 28 November - 1 December, Kuala Lumpur, Shangri-La.</p> <ul style="list-style-type: none"> <li>● Meeting MDSC in KL: Thursday morning, 1 December.</li> <li>● 2022 meeting schedule:             <ul style="list-style-type: none"> <li>○ 15 September</li> <li>○ 1 December</li> </ul> </li> </ul>	<p>The Secretariat will send out calendar invites for the next meeting.</p>