

RSPO NEXT GUIDANCE DOCUMENT

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1. INTRODUCTION

RSPO NEXT is a voluntary add on to the existing P&C. As such the existing rules and guidance for the P&C must be met and complied with. These criteria are additional and as such do not repeat the already existing guidance. They are also additive to the existing P&C, meaning that they are sometimes a follow on to the core rule set. However, the reporting for NEXT will need to properly reference that integration while delivering a separate audit report and audit response.

2. ELIGIBILITY

It is required that RSPO Members who are eligible for the Principles and Criteria standard meet a set of requirements before they are able to participate in RSPO NEXT. In general Organizations are not able to participate in RSPO NEXT until at least 60% of all mills in their control are successfully certified to the RSPO P&C. An example is below.

Organization A owns 10 companies and each of those 10 companies own, operate, or manage 10 mills and their associated supply bases. Thus there are a total of 100 operations that could be eligible for RSPO P&C Certification.

- The organization is required to have a Time Bound Plan on file with the RSPO Secretariat.
- If the organization has successfully certified 60 or more of the 100 mills (60% or more) then they may participate in RSPO NEXT.
- No claim is allowed of participation in RSPO NEXT until at least 30 of the 100 Mills are successfully certified to the additional RSPO NEXT standard.

Once an organization has begun participation in RSPO NEXT then they must annually report the following figures to the RSPO Secretariat. This reporting is to be verified by the CB annually.

- Total palm oil production
- Total RSPO certified production by category
- Total RSPO NEXT production by category

Note the following definitions:

Organization – the highest entity of ownership or control

Company – Corporations or other legal entities that are owned/controlled by an Organization

Management Units – the unit of operation eligible for RSPO P&C Certification

3. ORGANIZATION AND COMPANY REQUIREMENTS

Until now RSPO Certification has been defined by the individual management units when the CB's have been involved. With RSPO NEXT there are several components that require a policy or action on a organization wide basis and thus expand the scope of the review of the CB.

When a "Organization" policy or action is called for the CB will need to obtain a full list of all operating units, not only of the company that they are assessing, but in addition a list of parent company, any sister companies and/or other related entities, including JV's and other investments. Any entity that the parent company or any subsidiary has more than a 50% ownership is required to be included.

The individual management units, existing or planned shall also be included. It is best practice to obtain the information of all affiliated operations and their respective management units at the audit.

Currently the RSPO Membership department retains these records. Lists that the unit being assessed provides should be verified against these records. Discrepancies shall be noted by the CB and alignments shall be made as needed before a certification can be provided.

The CB is additionally expected to check appropriate public records to verify ownership and control structures.

Effective date

It shall be noted that the requirements came into force with the acceptance of the criteria by the RSPO Board of Governors on 16 November 2015.

General

The requirements are applicable for all new plantings and ongoing operations except where specifically noted.

Note that the CB is responsible for ensuring they are following the most up to date RSPO Requirements that may be published after this guidance document is issued. In this guidance document we provide links and reference section titles that may change in the future. The CB and auditors must ensure they are working with the most up to date guidance as these references may change in the future.

4. NON DEFORESTATION

NDF 1.1

Company has a public policy of no deforestation. In addition to following the RSPO P&C and New Planting Procedures, the policy shall include a public commitment to no deforestation through a landscape level assessment of where to develop and where to conserve. The policy shall specify an approach that combines biodiversity & carbon conservation with forest cover assessment and social considerations including community needs.

Guidance:

1. The policy shall detail the definition used for deforestation and provide details on the calculations used. Specific reference shall be made and details provided on how the company approach addresses biodiversity and carbon conservation, includes forest cover assessments and details social considerations at the level of each landscape the company operates in. The definitions and references used shall be those generally accepted by the scientific community.
2. The company shall provide the definition of the landscape parameters used for each management unit, both those being assessed and those not being assessed. Should the company have multiple management units being assessed for compliance with RSPO NEXT the individual submissions shall be checked to ensure they are consistent.
3. The policy shall be submitted as part of the public record of the assessment and will be made available on the company website and on the RSPO Website as part of the public audit report summary.
4. The policy shall also be submitted as part of the annual ACOP reporting process.
5. You may find the information on the RSPO New Planting Procedures (NPP) on the RSPO website.

NDF 2.1

New plantations shall only be established contingent on the landscape level assessment per NDF 1.1 on mineral soils and in low carbon stock areas as defined by RSPO.

Low carbon stock areas are currently defined by the RSPO as those areas with (above and below ground) carbon stores, where the losses as a result of conversion (to oil palm) are equal or smaller to the gains in carbon stock within the new development area, including set aside areas (non-planted areas), over the period of one rotation.

Convergence of the emerging methodologies for calculation of HCS will allow further specifications of the definition of Low Carbon Stock. In any case this cannot be higher carbon than the existing definition which is included in the current P&C's.

The determination of where and when to plant shall be publicly available and shall include information on:

- Carbon calculations & defaults used
- Forest patch analysis, prioritization and conservation

- Impact on local communities, including FPIC on decisions around development and ongoing conservation taking into account the dynamic nature of human/environment interactions and dependencies

Guidance:

1. The above mentioned documents shall be submitted with the audit report and will be part of the public summary for each certification.
2. The company shall promote its certification status and include information on how and where to access these documents to its stakeholders in appropriate formats.
3. The company/management unit shall describe the methodology used for calculating low carbon stock on the land allocated for development and include the calculations as part of the documentation.
4. A list of new plantings at the company level either underway or planned shall be reviewed as part of the assessment.

NDF 2.2

Carbon emissions from direct land use change for all new plantings shall be publicly reported via the RSPO New Planting Procedure (NPP) using the approved RSPO tool(s).

Guidance:

Note that this applies to the publication of the results. The carbon emissions shall be part of the public audit summary and updated as required in the existing P&C.

NDF 3.1

The High Conservation Value (HCV) Assessment of all new plantings shall be led by an Independent Assessor (IA) who is licensed under the HCV Resource Network (HCVRN) Assessor Licensing Scheme (ALS).

Guidance:

1. The CB shall verify that the IA is on the list of HCV licensed assessors.
2. The names and license details of the HCV assessors shall be included in the audit report.
3. The CB shall verify that the HCV assessment was reviewed by the HCVRN.

NDF 3.2

The company shall have HCV management & monitoring plans at a landscape level.

The definitions of the HCVRN shall be utilized with particular attention to defining the “Area of Influence”.

The management & monitoring plans are to be developed in collaboration with other stakeholders active in that landscape before and during the project implementation.

Evidence of attempted collaboration efforts shall be documented and available. Such collaborative plans and areas shall include but are not limited to:

- management of corridors,
- buffer zones,
- anti-poaching and encroachment activities,
- watercourses and wetlands, including riparian zone management,
- steep slope management,
- livelihoods and cultural identity.

Guidance:

1. When assessing the plan the auditor shall take into consideration the age of the plan and use their expertise to comment directly if the plan is in need of update.
2. For components to look for when reviewing the plan auditors are directed to the HCV Resource Network Guidance Documents for Oil Palm. The document can be currently found on the HCV network website: www.hcvnetwork.org
3. The CB shall verify the company's reports of attempted collaboration.

NDF 3.3

The company shall use independent and participatory Social and Environmental Impact Assessments (SEIA) to develop management & monitoring plans to identify, minimize & mitigate the negative and promote the positive indirect or secondary impacts of the development before and throughout development phases.

Measures could include, but are not limited to:

- Ensuring optimum productivity of the planned operation
- Establishing minimum conservation set aside areas
- Food security issues for local communities (including communities not in the immediate vicinity of the project),
- Identifying and mitigating the risk of increased land pressure on natural/protected habitats
- Addressing land conflicts caused by reduced land availability
- Refraining from developing areas that will be used by the communities for current and future subsistence and other land needs
- Where candidates for employment are of equal merit, preference shall be given to hiring from local communities
- Understanding and supporting existing alternative livelihoods and ensuring they are not threatened or reduced
- Provision of health and educational facilities where these are lacking or not available within accessible distance.

Guidance:

1. Auditors shall review and document the scope of the company review and age of the management plan in the audit report.
2. Monitoring reports shall be completed and conducted against a timeline included in the current management plan.

3. If the management plan is updated its predecessor(s) shall be available for review.
4. The company shall document either its capacity to conduct such a review and development of a plan or shall document the expertise of any external provider to do so.
5. Elements of FPIC and a participative development process shall be documented in the plan and monitoring.
6. While not all indirect impacts can be anticipated, the CB shall ensure that the plan identifies what they might be and that monitoring not only assesses if they exist but tracks them over time and identifies any new or emerging indirect or direct impacts not initially anticipated in the plan.
 - a. Note: it shall not be acceptable to claim no indirect impacts exist and if none have been identified a detailed review of a proactive approach to identification must be provided in the monitoring reports.

NDF 3.4

The initial planning shall cover at least the first cycle of the oil palm development (Initial planning through New Planting).

Both the planning as well as the plans shall take a gender inclusive approach, considering the different roles that men and women have in relation to e.g. landownership, use, food crop or cash crop production, markets and credit.

Notwithstanding FPIC requirements, further consultations before and throughout the development cycle shall be carried out with affected stakeholders and identified relevant third parties to review the plans.

Planned land allocation to various activities shall be shared during such consultations.

Guidance:

1. Auditor shall obtain a list of all lands held by, managed by or otherwise controlled by the company. The list shall include the status of the planning for initial planting. A plan shall exist for each holding.
2. Gender inclusive means a mix of male and female that reflect the approximate mix of the workforce and communities involved in the planning process.
3. As plans evolve documentation must exist of ongoing consultation with affected stakeholders and such documentation must be verified by the CB.

NDF 3.5

Companies shall show evidence that they are managing and protecting areas deemed unsuitable for oil palm development in areas under their control because of the magnitude of potential environmental and/or social negative impacts. This also applies to the resolution of any conflicts on such land.

They shall not initiate excision of such land from their Management Units unless they can assure the long term conservation of such areas and values. Should excision be initiated by an entity other than the

company, the company shall provide evidence of having given input on the potential negative impacts of excision and possible conversion resulting from the excision, as evidence of its attempt to prevent the excision or at a minimum to provide input on the negative impacts of such an action to the initiating entity.

Guidance:

1. The company shall provide a list of all areas and maps at appropriate scale they control that are deemed unsuitable for Oil Palm development with the factors that have caused them to determine they are unsuitable.
2. The company shall provide an up to date list and maps of any land they controlled (since 16 November 2015) and no longer control at the time of the audit. Details of the change of control that shall be provided.
 - a Information that must be included is:
 - i. Location and size of the land deemed unsuitable for development to Oil Palm – GPS coordinates
 - ii. Reason land “unsuitable for development” to Oil Palm
 - iii. For land that is unsuitable for development to Oil Palm because of negative environmental and/or social impact the following must be declared:
 1. Indication if the area no longer in control was part of a larger unit or an entire parcel. Note that “part of a larger unit” could include land that was contiguous to other company owned/controlled land but held under a separate deed.
 2. Reason for excision/change of control.
 3. Date of change of control.
 4. If the excision was caused by any reason other than the company making an independent decision then documentation of the company efforts to provide input on the possible impact of conversion of the land must be provided as part of the audit report.
3. These records shall be part of the audit report and included in the public summary.

5. NO FIRE

NFR 1.1

There shall be no use of open burning/fire in new or ongoing operations for land preparation, land management, waste management, or any other reason other than justified and documented cases of phytosanitary emergencies. Prior approval must be obtained from appropriate authorities in these cases.

Guidance:

1. There shall be a list of every instance of fire in the holdings of the company and its cause and what was done to prevent and to control the fire and recover the area affected by the fire.

2. In cases of phytosanitary emergencies documentation must be presented showing the
 - a. Reason
 - b. Date of discovery, date of requested permission for treatment with fire, date of receipt of permission, date of initiation of burning, date burning ended and fire was documented to be out. Any subsequent unexpected flare ups of fire must also be documented.
3. CB shall verify the incidents of reported fire against a database such as Global Fire Watch and report exceptions in the audit report.
4. Appropriate authorities shall be listed in the audit report.
 - a. Note that each country may have a different agency to respond to these requests – full details of the request as noted above in 1 and 2 shall be included in the audit report.
 - b. Additionally, the “appropriate authority” must be detailed in the audit report with a description of their department and contact details for the individual representative the company (or their authorized intermediary) engaged in.
 - c. If an intermediary was used that must also be included and documented.

NFR 1.2

Companies shall have plans, procedures and facilities to prevent, monitor and combat fire on land they manage as well as in the vicinity of the estates, in coordination with communities and local authorities.

Plans shall include management of water tables, within the estate.

Plans shall also include a definition of appropriate boundaries outside of the management unit based on a risk assessment.

Appropriate staff training in use of chosen monitoring tools shall be documented.

Companies shall document management responses to prevent and put out fires.

Resources such as the WRI Global Forest Watch Tool are suggested as monitoring aids.

Guidance:

1. For each management unit the company shall provide a map and justification on the “appropriate boundary” within which the company will work with local authorities and communities to prevent and control fires and their reasons for the distance setting of the width. The information shall include a risk assessment that includes the causes of fire, likelihood of its spread and capacity of the company and communities and local authorities to respond in the event of a fire.
2. For each management unit a fire prevention and control plan should be prepared describing risks and fire prone areas and main measures for fire prevention and control as well as listing of location of firefighting equipment, staff training in the proper and effective use of the equipment shall be conducted and documented on at least an annual level.
 - a. The CB shall determine if the type and availability of fire prevention measures and firefighting equipment, tools and personnel is appropriate given the identified risk.

3. Each management unit shall have information provided about its water table management. A long term change in the water table level (especially a reduction in the average water level) shall be reason for the auditor to expect a new risk assessment for fire management.
4. At the time of this writing the WRI Global Forest Watch tool is the most advanced, however companies are expected to use any and all tools that can assist in monitoring for fires that could impact their lands or those they manage and the identified zones of impact outside the boundaries of their lands or land they manage.
5. A report shall be available noting all incidences of fire monitored by the company and include indications of what action taken, either independently or in conjunction with others. This list shall include incidents of community initiated clearing and fires within the “appropriate boundary”.

6. NO PEAT

PT 1.1

There shall be no new development on peat, regardless of depth or extent after 16 Nov 2015

Guidance:

1. Review plans (records and maps) for undeveloped land to identify if there are areas of peat identified and indicated for no development.
2. Review all new plantings (all records, mapping and on the ground sampling) to ensure soil types have been identified and no planting on peat has occurred.
3. Use aerial/satellite imagery to ensure that no planting on peat has occurred in a management unit.
4. Receive documentation regarding other MU’s throughout the organization to determine if planting on peat has occurred.
5. Search the public record for claims of violations by the MU or other MU’s within the entire organization, including the RSPO Complaint system.
6. Note that even small patches of peat are not to be developed.
7. Obtain an inventory of all existing plantings on peat that existed on 16 November 2015. Compare with inventory of current existing plantings on peat to ensure no new plantings have occurred.
8. The identification of Peat soil is defined by the RSPO Manual on Best Management Practices for Existing Plantations on Peat. (currently published October 2012) and is as follows “organic soils with 65% or more organic matter and a depth of 50 cm or more”.

PT 2.1

All existing plantations on peat of any depth or extent shall adhere to the RSPO Manual on Best Management Practices for Existing Plantations on Peat (currently published October 2012).

Guidance:

1. Companies must maintain a list including descriptions and detailed maps of all plantings on peat in existence on 16 November 2015.
2. Companies must list any new areas of plantings on peat developed or acquired after 16 November 2015.
3. Information must be maintained on Best Management Practices applied in each area of existing plantings on peat.
4. Companies must have specific peatland planting and management plans to verify compliance when plantings on peat exist.

PT 2.2

Results of peat drainability assessments shall be publicly available.

Guidance:

1. Obtain the reports and include the reports in the public audit report.
2. Include in the public audit report where and how the company makes the reports available.

PT 2.3

Where a company has identified areas unsuitable for oil palm replanting, based on drainability assessments or other reasons, plans developed in conjunction with affected communities shall be in place for the appropriate management of such areas which could include rehabilitation or alternative sustainable use.

Guidance:

1. Obtain a list and maps of appropriate scale of any areas deemed unsuitable for replanting including soil types.
2. Detail provided on plans for land if not to be replanted and engagement with impacted communities and other stakeholders is documented.
3. Identify future plans for the identified areas.
4. In subsequent audits review prior plans and identify status of implementation or changes to plans.
5. Note that the RSPO Manual on Best Management Practices for management and rehabilitation of natural vegetation associated with oil palm on peat (April 2013 and subsequent revisions) provides guidance that may be useful here.

7. GREEN HOUSE GAS

GHG 1.1

The RSPO Palm GHG Tool or another RSPO approved equivalent tool shall be used to monitor emissions at the Management Unit and across all eligible operations in the entire organization.

Guidance:

1. Management Unit and Entire Organization are defined in the introduction.
2. Emission from eligible operations include the emission from all inputs involved in production of FFB, and the processing of CPO and PK.
3. The RSPO GHG Tool can be found on the RSPO website.
4. Reports are to be made in line with the Guidance from the RSPO Emission Reduction Working Group.

GHG 2.1

There shall be a management and monitoring plan that includes targeted reductions of GHG emissions.

Guidance:

1. The company must prepare and have available annual reports on the implementation of a management and monitoring plan for GHG emissions in line with guidance from the ERWG.
2. The auditor shall obtain a copy of the plan and the ongoing monitoring reports.
3. Should an anticipated target in the plan not be met there shall be an explanation of the shortfall and a detailed revision of the plan to ensure ongoing compliance with meeting targets.

GHG 2.2

Best management practices shall be implemented for the reduction of operational emissions, including but not limited to:

- plans for installation of Biogas collection from POME in place at all locations by 2020 **or**
- Other techniques with proven same results as from biogas collection **and**
- Optimal use of inorganic fertilisers and chemical inputs to minimise emissions
- Enhance management of plantations and set aside areas

Guidance:

1. Ensure that the practices used match the plan generated in GHG 2.1.
2. Companies must document the use and impact of BMP's in reducing GHG emissions and include that information in the annual report.
3. Be aware that over time BMP's can change and assess the status of chosen strategies given their longevity.

GHG 3.1

GHG measurement results and targets at the management unit and organization level shall be publicly reported at least annually. Results shall be provided as both absolute from the benchmark year of 2005 (or start of operations, whichever is later) and intensity per ha and per ton CPO.

Guidance:

Reports shall be obtained and submitted with the audit report.

1. All reports shall be part of the public audit summary.
2. The public audit report shall also include information on where and how the company makes the reports public.
3. Intensity figures shall be calculated based on gross hectares at the MU and organizational level for eligible operations as defined in GHG 1.1. For the organizational level only the management units are to be considered.
4. If the company was in existence in 2005 but no data is available to calculate a benchmark a proxy shall be developed by the company and the development details and data used to develop that proxy shall be fully disclosed and included in the public audit report.

8. HUMAN RIGHTS

HR 1.1

Companies shall develop outreach programs of support directed at all smallholders (irrespective of type) in the supply base that will enhance and support their competencies and market access.

Programs shall cover sustainability issues as well as: yields & productivity support, hazardous material trainings, financial management & budgeting, logistics of processing, market access and educating smallholders on their rights.

Guidance:

1. The outreach programs shall be to all smallholders that the company engages with, regardless of their certified status.
2. Documentation shall be obtained and included as part of the public audit summary that details what the programs are, their extent and content.
3. Subsequent audits shall verify that the programs were implemented.
4. Note that this criteria does not require certification of Smallholders.
5. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 2.1

Communication and consultation procedures, including FPIC and dispute resolution mechanisms for individual cases, shall be established in consensual agreement with affected stakeholders, including local communities, with particular assurance that vulnerable, minority and gender groups shall be consulted.

Guidance:

1. Written procedures shall be obtained during the audit.
2. Written reports of consultation and communication activities shall be obtained during the audit
 - a. These reports shall include identification of identification (or lack of existence) of any vulnerable, minority and gender groups that were consulted.
3. Verification that they have occurred shall take place during the audit and shall be noted in the audit report.
4. Documentation shall be included in the public audit report.
5. CB's shall document provision of training on effective assessment of FPIC to their auditors, or alternatively document use of external FPIC experts on the audit team.
6. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 3.1

Growers and millers shall adhere to the RSPO approved FPIC guidance. Company policy shall prohibit intimidation and harassment. The company shall respect a decision by a community/communities to refuse planned development. Recognising that social values are dynamic, and that communities are free to make their own choices, the company shall ensure that the process of consultation and of planning is adaptive and allows for yearly (or more frequent, as needed) consultations during the development of the project.

Guidance:

1. After the initial audit, company plans shall be reviewed to ensure they include at least annual review and discussion of the need for adaptation or change. Ongoing documented consultation with affected stakeholders shall be verified.
2. Obtain and review company policy to verify. Using appropriate outreach and sampling verify that the policy has been followed.
3. CB's shall ensure auditors are properly trained in the RSPO approved FPIC guidance.
4. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 3.2

Companies shall respect FPIC. Contradictions and inconsistencies between legal requirements and RSPO FPIC requirements shall be identified. Companies shall demonstrate efforts to find solutions to these identified contradictions and inconsistencies.

Guidance:

1. Written company plans shall be requested and reviewed for items as noted.
2. CB's shall ensure auditors are properly trained in the RSPO approved FPIC guidance.
3. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 3.3

Where there is conflict over land use the grower shall, through their mechanism to resolve conflicts, show evidence that the necessary action to resolve the conflict with relevant parties has been or is being taken. Where operations overlap with other rights holders the company shall resolve the issue consistent with RSPO P&C Criteria 6.3 and 6.4 and involving the appropriate authorities.

Guidance:

1. The grower is the person or entity making decisions about the management of the production of Oil Palm.
2. The Auditor shall obtain a statement regarding the presence or absence of any land use conflicts. The auditor shall verify the statement with stakeholders.
3. If a conflict is reported by the grower there shall be written documentation showing the actions taken to resolve the conflict(s).
4. Overlap situations shall be noted in the audit report and details shall be provided regarding the resolution.
5. During subsequent audits the status of reported conflicts shall be updated until they are reported resolved.
6. Compliance with RSPO complaint processes (including appeals as appropriate) shall be verified with relevant stakeholders (including the RSPO Secretariat as identified in the complaints procedure). You may find information from the RSPO Secretariat on the Complaints Process on the RSPO website in the section titled "How the Complaint System Works").

HR 3.4

Plantation operations shall cease on land planted beyond the legally determined areas and there should be specific plans in place to address such issues for associated smallholders.

Guidance:

1. Auditor shall verify no planting has been made beyond the legal borders of the Management Unit.
2. Should it be discovered that planting had occurred beyond the legal borders verification of cessation shall be documented by the encroacher.
 - a. Further, in such instances written documentation shall be in place that identify if any associated smallholders were impacted in any way – by either the original planting beyond the legal borders or the cessation of such planting.
 - i. Should any smallholders be affected by the matter detailed written plans shall be provided that detail a plan for resolution of any negative impacts.
 - ii. Implementation of such plans shall be verified with stakeholders and in subsequent audits until the matter is resolved.
 - b. Documentation by the encroacher shall include description of remediation and explanation of why it is the appropriate remedial response. For example, remediation may require rehabilitation, removal of planted palm, or acknowledgement of another’s right to manage the land.
3. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 4.1

If there is no RSPO National Interpretation definition of a Decent Living Wage, the company shall document a process of collective bargaining with the workforce to establish and implement a mutually agreed upon total compensation package that provides a decent living which shall include at least the minimum wage.

Guidance:

1. Auditor shall verify if there is a National Interpretation in place in the country for a Decent Living Wage. If so documentation shall be reviewed and verified of the implementation plan.
2. If no NI exists and/or there is no legislated/mandated minimum wage then the company shall provide documentation of the collective bargaining process and outcome.
3. Auditor shall verify that the result of the Collective Bargaining agreement is at least minimum wage (regardless of if the work is done on an hourly or piece rate).
4. In no case may the cash wages be lower than the minimum wage of the country.
5. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 4.2

There shall be no evidence of employees, including migrant, trans-migrant workers and/or contracted workers being prevented from forming or joining associations and/or participating in collective bargaining, within the limits of national legislation.

Guidance:

1. Auditors must, during stakeholder consultation on other topics, consult on this question.
2. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 4.4

No hazardous work (as defined by the ILO) shall be carried out by anyone under the age of 18.

Guidance:

1. CB shall ensure auditors are properly trained on the ILO guidance on hazardous work.
2. Notation on the presence or absence shall be in the audit report.
3. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 4.5

The use of Paraquat is prohibited.

Guidance:

1. Auditors shall check and verify the use of Paraquat with company and stakeholders.

HR 4.6

There shall be evidence of initiatives to maximise education and career opportunities for the children of all employees, including but not limited to:

- Provision of educational resources (e.g. educational learning materials such as computers, textbooks and other tools and materials),
- Outreach programs on career opportunities within and outside the plantation, and
- The provision of apprenticeship opportunities for school leavers

Guidance:

1. Auditors shall obtain evidence as noted. Should evidence indicate additional future plans they shall be checked at subsequent audits.
2. Claims shall be verified with relevant stakeholders.
3. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 4.7

A gender committee shall be established specifically to address areas of concern to women. Management representatives responsible for communication with the gender committee shall be female.

Guidance:

1. If the management committee consists solely of men and thus no female is in a position to engage with the gender committee, it shall be noted in the public summary of the audit.
 - a. In such cases the management committee shall appoint a female manager of the company to be responsible for the communication. (Note the appointee must be a Manager with supervisory responsibilities).
2. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

HR 4.8

All complaints / grievances of harassment or abuse shall be documented and responses & actions monitored. There shall be demonstrable efforts for reducing the number of harassment or abuse cases.

Guidance:

1. Auditors shall review documentation and monitor the number of cases over time. The numeric results shall be included in the public audit report.
2. Monitoring shall be also included in the written review by the auditors.
3. The RSPO has published a document to assist in implementation of FPIC. You may find it on the RSPO website (in the section titled RSPO Free, Prior and Informed Consent (FPIC)) and shall use it as a reference tool.

9. TRANSPARENCY

TR 1.1

There shall be a documented Standard Operating Procedure (SOP) for responding constructively to stakeholder requests for information, including a specific timeframe to respond to enquiries.

Guidance:

1. Company shall provide written documentation on the SOP for information requests. The SOP shall include information on how stakeholders are made aware of the process and where the information is available.
2. The scope of the SOP shall, at a minimum, identify a contact point to act as an intake point for information requests, shall set timelines for acknowledgements and guidelines for responses.
3. Each audit must present information on inquiries received, their content and their outcome.
4. The SOP (not the log of inquiries) shall be included in the audit report and shall be part of the public summary of the audit.

TR 2.1

The ethical code of conduct shall include as a minimum a written restatement of the company commitment to and provide detail on:

- A respect for the fair conduct of business;
- A prohibition of all forms of corruption, bribery and fraudulent use of funds and resources;
- A proper disclosure of information in accordance with applicable regulations and accepted industry practices.

Guidance:

1. The Code of Conduct shall be in writing and publically available.
2. The written Code of Conduct shall be included in the public audit report.

TR 3.1

All mills shall have in place a traceability system to identify the location of production for all FFB, including

- %'s, from their own production, associated smallholders, dealers and independent smallholders and any other outgrower or other source of FFB.

Growers and millers shall develop and implement a plan to ensure that the smallholder supply base meets RSPO requirements for responsible and legal sources within the time lines as noted in TR 3.2 and TR 3.3 below.

The plan shall consider:

- Technical, financial and training support for practices relevant to all RSPO P&Cs, particularly:
 - soil management practices,
 - chemical and fertiliser use and storage,
 - use of seedlings,
 - the identification management and monitoring of HCV,
 - HCS and peatland,
 - the reduction of emissions,
 - the resolution of land conflict,
 - the promotion of staff/workers welfare and
 - sustainable development

NB. The RSPO FFB Legality and Traceability Task Force will be generating recommended strategies for implementation of these activities and as they become available shall be followed.

Guidance:

1. Auditors shall obtain and review the plan the company has developed and implemented for the traceability system and ensure that the fact base is complete regarding the required reporting of percentages.
2. Those figures shall be verified by the auditor against the MU records.
3. CB must ensure that auditors are aware of the RSPO requirements for responsible and legal sources of Fresh Fruit Bunches (FFB).

TR 3.2

Within 1 year of initial RSPO Next verification the mill shall only source FFB from known and identified sources (to at least the dealer level) and plans shall be developed to assist the full small holder supply base in identifying attributes that could indicate high risk and the mitigation or avoidance of such risk.

Guidance:

1. The auditor shall verify that the MU records reflect the source of all FFB received.
2. The auditor shall verify the accuracy of such records.
3. The auditor shall obtain the written plan of the development program as noted above and it shall be included in the public audit report.

TR 3.3

Within 2 years of initial RSPO NEXT verification a system shall be in place to assure that all FFB entering the mill is from known and identified plantation sources which are:

- From land legally occupied for oil palm production;
- Existing plantations on peat lands managed to RSPO Best Management Practices
- Not PLANTED on peat of any depth or extent since November 2015
- Not the subject of conflict with neighbouring communities;
- Not produced using forced, trafficked or child labour;
- From land that has had no use of fire
- From land that has not had clearance of HCV or potential HCV areas since November 2005 (see Criterion 7.3) unless an active program following approved RSPO processes is documented to address potential mitigation

Guidance:

1. Note: The rules regarding use of fire are noted in the NFR Criteria.
2. Auditors shall take note of the following:
 - a. As clarification and reiteration of support for the productive engagement with smallholders who are significant and important parts of the supply chain particular and special attention shall be paid by companies to developing strategies that allow all categories of small holders to participate in supply chains.
 - b. Plans reported shall reflect this attention and provide detail. RSPO commits to developing an approach that will support engagement with the smallholder community on issues of High Conservation Value and their practices.
 - c. In particular the Secretariat will work to ensure that the Smallholder Working Group and the HCV working group develop shared solutions. Companies are encouraged to develop approaches that work for their smallholder supply base and present them to the RSPO for review and approval. These approved programs shall be utilized as specific tools to avoid exclusion of small holder supply base in a supply chain.
 - d. The company should always make demonstrable effort to include all smallholders and if there are any with high risk areas the company should address this and show how they are dealing with this.



The RSPO is an international non-profit organization formed in 2004 with the objective to promote the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders.



RSPO will transform markets to make sustainable palm oil the norm

FIND OUT MORE AT

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