

**Minutes RSPO T&T SC  
1 February 2012,**

**Abbey Room, Church House Conference Centre, London, UK**

**Participants:**

Adam Thomas, NBPOL

Anna Bexell, IKEA

Bob Norman, AAK

Eddy Esselink, Unilever

Hidde van Kersen, IOI Loders Croklaan (chair)

Liz Crosbie, SEC

Marieke Leegwater, MVO

Martijn Schneider, IOI Loders Croklaan

Martin Craven, AAK

Paul Nellens, SIPEF

Sietse Buisman, Cargill

Harald Sauthoff, Cognis

Joost Sprakel, UTZ Certified

Michelle Morton, Shell

Alasdair McGregor, BM TRADA (minutes)

Sandra Mulder (WWF)

Simon Perry (J&J)

Juliane Eijkelhof (Sime Darby)

Hugo Byrnes, Ahold

David Ogg, Independent

**1. Introduction and welcome**

Marieke Leegwater took the chair to start the meeting as Hidde van Kersen was delayed. Marieke opened the meeting by welcoming Salahudin Yaacob, Technical Director RSPO, to his first T&T SC meeting.

**2. Minutes meeting 6 October 2011**

- David Ogg confirmed that the assessment audit to re-instate the Approved status of Control Union's Plantation Management system would be carried out 13-20 February 2012.
- HvK to distribute EB TOR.
- Most action points will be dealt with during meeting.
- Minutes Approved

**3. Feedback from RT9**

HvK sent out paper prior to the meeting reporting feedback from the Cluster meeting. Feedback from Tables 3 & 4 & 6 missing but Harald Sauthoff and Alasdair McGregor both confirmed that feedback had been sent in. **ACTION:** HS and AMcG and Liz Crosbie / Martin Craven to re-send feedback so that the paper can be completed and re-issued by HvK.

**4. Feedback from EB Meeting**

Minutes not yet distributed. Informal personal notes from HvK distributed to T&T only. Key points:

- Praise for the work effort of the Secretariat
- 2-year rolling work programme to be introduced for Secr and SC's with budget by March.
- Greenhouse Gas Manager and Supply Chain Manager positions still to be filled.
- Re: C&C SC, 75% rule removed and defaulted back to 95% rule for on-product labelling
- Rewritten SCCS documents adopted.
- No longer mandatory use of the RSPO trademark on-product, now voluntary
- A proposal on Greenpalm rates has been submitted by Book & Claim Ltd and is under review.
- The proposal of the Derivatives WG made at the last T&T meeting has been accepted but has yet to be posted on the RSPO website. **ACTION:** HS to provide guidance document before going live.
- The Grievance Panel is carrying out a review of their terms of reference and procedures.

Discussion and decisions:

- Simon Perry will send the Derivatives guidance to the Consumer Goods Forum for feedback.
- Liz Crosbie queried why it was taking so long to fill a number of vacancies within RSPO secretariat including Supply Chain Manager. She suggested that the search should be applied globally rather than within KL. **ACTION:** All members to identify potential supply chain candidates and advise SY.

### **5. *Overlap and mutual recognition between certification schemes.***

In reference to a discussion paper submitted by Belinda Howell (UK Retailers Palm Oil Group), Hugo Byrnes introduced David Brackston, Technical Director, BRC. Mr Brackston gave a presentation covering Issue 6 of the BRC Global Standard for Food Safety, focussing on areas where there is clear overlap between BRC and RSPO audit criteria. The 2 key areas are Traceability and Provenance / Claims.

At the end of Mr Brackston's presentation it was agreed that there was sufficient merit in a working group being appointed and tasked with benchmarking the RSPO supply chain scheme against four food safety standards recognised and benchmarked by GFSI (BRC, IFS, SQF, FSSC2200) to identify where commonality and gaps exist. The working group will comprise: Eddy Esselink (Coordinator), Adam Thomas, Martin Craven, Alwyn Hilbrands (Royal Ahold – nominated by Hugo Byrnes), Salahudin Yaacob, Alasdair McGregor and Sophie Phanor (BM TRADA – nominated by Alasdair McGregor). Mr Brackston offered the assistance of BRC if this was required. **ACTION:** WG to meet / conference call to identify scope of work for the benchmarking exercise.

### **6. *Update of meeting with RTRS, Bonsucro, Ecofys***

Michelle Morton reported that a meeting in Bonn, involving Bonsucro, RTRS and Ecofys took place, hosted by GIZ (Sustainable Management of Resources in Agriculture) and ISEAL (The International Social and Environmental Accreditation and Labelling Alliance). RSPO is one of 3 schemes awaiting RED approval and is in a good position. Approval by Ecofys by April is a possibility although Greenpeace are lobbying against this re GHG issues. Possibility of harmonised chain of custody systems also discussed.

If RED approval is obtained, additional auditing criteria will be required to cover RSPO RED regarding Greenhouse Gas classifications. ISCC have already declared that they will recognise RSPO inputs and that these could then be converted into an ISCC output claim. Arjen Brinkmann is preparing guidance for producers through the RED sub-group.

Liz Crosbie proposed that there is need for guidance to be put on the RSPO website to explain the Biofuels process / relationships / position in the market. **ACTION:** MM to suggest this to RED sub-group.

### **7. *RSPO Principles and Criteria Review***

HvK referred to a discussion memo sent out prior to the meeting. HvK asked for feedback.

- scope of the P&C to be extended to cover other palm oil products such as FFB.
- zero deforestation to be changed into: Responsible Land Use Management.
- scarcity of CB capacity ... refers to scarcity in the supply chain.

**ACTION:** HvK to submit these points as T&T input to P&C review committee.

## **8. IT Service Providers**

### **8a. Review of UTZ**

Consensus that the relationship between UTZ and RSPO lacks good governance. HvK reported that an IT project management consultant would be recruited in coming weeks and would be tasked with addressing the governance issue.

### **8b. Towards a new integrated system**

Following an EB request to formulate specs for an integrated IT system, Liz Crosbie distributed prior to the meeting a discussion paper with a proposal for setup and composition of a working group. The on-line platform specification working group (OLPSWG) is to look at developing a technical specification for a new RSPO on line platform, with representation from the Secretariat, Finance, T&T and C&C steering committees. Of vital importance is the need to have people with the appropriate specialist technical knowledge on the WG.

#### *Discussion and decisions*

- A working group is set up to write a definition of an integrated system and send to the EB for clarification, as a first step, before the technical specification is written.
- **ACTION:** As no volunteers from T&T will participate in wg, HvK will escalate responsibility of constituting wg to secretariat to enable wider RSPO membership to participate, while ensuring it has the right technical skills (essential).
- It was proposed an external IT consultant should lead wg, as this major undertaking will require substantial time to be committed (at least one day a month if the project is to be completed in less than a year).

## **9. Market imperfections**

### **9a. How to lower barriers for SMEs.**

#### *Discussion and decisions based on discussion paper prepared prior by Marieke Leegwater*

- Membership of RSPO and the cost of supply chain certification are a barrier for SMEs.
- In many cases the palm oil content in the product is so low as to be not worth the hassle.
- Lack of demand from end-users seems real reason for resistance to costs; if demand increased the cost issue could go away;
- General concern that the RSPO supply chain scheme was seen as too complex and that RSPO needed to engage more directly (education) with operators, end users and non-RSPO members.
- Proposal to install working group will be revisited after EB decision on membership necessity and after development of Group certification module.

### **9b. Proposal for Group certification module**

#### *Discussion and decisions based on discussion paper prepared prior by David Ogg*

- In general lot of support for ideas, but some debate about detail of the paper, particularly regarding whether or not to impose a size limitation to companies wishing to join a group scheme.
- **ACTION:** It was agreed that a WG be set up (LC as chair, with DO and AMcG) to further develop group certification and report to the next T&T meeting.

## **10. Other SCCS issues**

### **10a. SCCS review after completion of P&C review**

It was agreed that a working plan the complete review of the SCCS documents after the P&C review would need to be established and HvK asked T&T members to start think about issues of concern. One issue identified was the 5% contamination rule which is considered by some to be a threat to the integrity of the SCCS system.

### **10b. Double Accounting**

Sietse Buisman raised the real concern that double accounting may be taking place between the RSPO and ISCC schemes. As they are separately audited schemes its highly possible that evidence of double accounting might not be picked up by the auditors. As ISCC sales are not recorded on the RSPO IT System it would be quite possible to sell RSPO palm oil and offset the same quantity as Green palm certificates. **ACTION:** Salahudin to prepare a guidance document for certification bodies to ensure that the risk of double accounting is checked during the SCCS audit and appropriate corrective action.

### **10c. Capacity building for CBs.**

On proposal by Salahudin we agreed that €10,000.00 be allocated to create awareness of the new SCCS documents, to cover 3 activities:

- Production of a training module for certification bodies, using a consultant
- Run three one-day SCCS awareness seminars in Jakarta, KL and Europe, targeted at stakeholders and RSPO members.
- Deliver SCCS 1.5 day training course to CBs

### **10d. Supply chain for FFB for Group Scheme**

Salahudin reported the need for the scope for the SCCS needed to be extended to cover the sale of FFB through group schemes. **ACTION:** A budget of €8,000.00 was allocated for the development of models / scenario's that can be fed into P&C review process.

### **10e. Availability and trading of CSPKO fractions**

Sietse Buisman reported that there was widespread lack of understanding about the availability of certified PKO. Crushing mills tend not to be certified and there is a lack of awareness of the potential demand for certified (MB) PKO. There was a need for RSPO to effectively communicate to growers and crushing mills that there is a demand for MB RSPO.

**ACTION:** HvK to raise the request with the EB and also discuss further with SY. May be necessary to refer back to T&T for further discussion.

## **11. Multi-year rolling annual working plan + budget**

### *Discussion and decisions:*

SY reported that the secretariat was working on a 2-year work plan "road map" that was yet to be shown to the EB or T&T. It was proposed that the road map look at covering a rolling 3-year work plan with budget, targets and objectives.

HvK opened the discussion by asking if T&T appeared too "Western Europe" and needed to open up to a wider community. It was noted that there is no engagement from S America, Asia or Africa on the T&T and that perhaps in the long term there was a need for national or regional T&T groups. HvK also

challenged the relationship between the secretariat and the SCC and stated that a key budget and working plan objective was the planned handover of operational duties from the T&T to the Secretariat. It was agreed that the medium term relationship should be Secretariat: operational, T&T Advisory. This was seen by the SC as a fundamental strategic issue.

There was general agreement that it was difficult to make budget allocating decisions when there was so little information available as to whether or not enough money has been allocated for a specific project. There was also widespread agreement that effective communication, particularly market data, remains a major issue which RSPO needs to address.

**ACTION:** Marieke Leegwater will next meeting present the Dutch model for collection of market data and the purchase / sale of palm oil, as an example for discussion.

**ACTION:** Hidde will submit to EB in March a T&T working plan and budget including allocations for hiring of IT consultant, hiring external support for tender process, capacity building for CB's, extending the SCC for FFB, SCC review in 2013 and some room for unforeseen expenses.

#### **12. Any other business.**

- David Ogg asked how to become an RSPO approved trainer. **ACTION:** SY to clarify.
- Sandra Mulder requested more information regarding the conversion of RSPO palm oil to ISCC oil. **ACTION:** Secretariat to investigate.
- Alasdair McGregor raised the issue of CBs only being able to raise major findings in audits, advising this is not common practice within certification and out of step with the majority of mainstream certification schemes. **ACTION:** AMcG offered to prepare a discussion paper on the subject for the next T&T meeting.
- HvK reminded everybody that the RSPO General Assembly and AGM will be on 8 March 2012 and if you cannot attend please arrange a proxy vote in order to ensure a quorum. HvK offered to act as a proxy if necessary.

**Date of next Meeting: 25 April 2012 in Holland (ACTION: venue to be confirmed)**