

Minutes T&T meeting November 27, 2017**9 - 17.00h Indonesian Time****Venue : Tabanan Room, Grand Hyatt Hotel, Bali**

1. Approval agenda
2. Approval minutes T&T June 14, 2017
3. Secretariat Announcements
 - P&C Review & Roadshows
 - Supply Chain Audit Checklist
4. Updates on PalmTrace by UTZ
5. Update on RSPO RED by Liza Murphy
6. Extension for RSPO Credits Trade & Time for Independent Smallholders
7. Proposal on MB Multisite
8. PKO Strategy: Updates from TF
9. AOMG survey results of members RSPO tonnages
10. Proposal on Food Service Companies
11. AOB
12. Next call: propose 13 March 2018

Present

- | | |
|--------------------------|---|
| 1. Adam Thomas | Sime Darby (AT) |
| 2. Alasdair McGregor | Exova BM Trada (AM) |
| 3. Alien ten Kleij | Control Union Certification (AK) |
| 4. Belinda Howell | Retailers Palm Oil Group (BH) |
| 5. Chong Chiok Yen | Musim Mas (CY) |
| 6. Choong Wai Tuck | Asean Oleochemical Manufacturers Group (CT) |
| 7. Christian Gradert | Musim Mas (CG) |
| 8. Dan Strechay | RSPO Secretariat (DS) |
| 9. Daphne Hameeteman | Wilmar Europe Holdings (DH) |
| 10. Eddy Esselink | MVO (chair - EE) |
| 11. Helen Scholey | Shell Oil Company (HS) |
| 12. Jan van Driel | RSPO Secretariat (JD) |
| 13. Jenny Walther-Thoss | WWF (JW) |
| 14. Jonathan Escolar | Proforest (JE) |
| 15. Joshua Lim | Wilmar (JL) |
| 16. Liza Murphy | Consultant on RSPO RED (LM) |
| 17. Mark Wong | Sime Darby (MW) |
| 18. Martin Skrydstrup | Wageningen University (MS) |
| 19. Nagarathanam | Emery Oleochemicals (NG) |
| 20. Paula den Hartog | UTZ (PH) |
| 21. Premalatha Mogan | RSPO Secretariat (minutes - PM) |
| 22. Qua Kiat Seng | Asean Oleochemical Manufacturers Group (QS) |
| 23. Rina Rahayu | IOI Group (RR) |
| 24. Robbert Kessels | SIPEF (RK) |
| 25. Ronald van Marissing | UTZ (RM) |
| 26. Sietse Buisman | Cargill (SB) |
| 27. Tobias Zobel | BASF (TZ) |

1. Approval agenda

EE opens the meeting and the agenda is approved.

2. Minutes

TZ highlighted that for Item 7 of the minutes on CSPKO strategy, the data analysis (forecast) is not by him but by JD. The meeting agreed to make this change to the minutes.

3. Announcements RSPO Secretariat

See slides (RSPO Slides T&T meeting 271117.pdf)

JD updated the meeting on the following topics;

- P&C Review & Roadshows

An extra TF meeting will be scheduled in January as the TF meeting in Bali was not able to accommodate all the discussions. The extra meeting will take place in February 2018 before the finalization of Draft 2. The topics that were heavily discussed was on smallholders, deforestation and metrication of the standard. There is also a group that will look into the supply chain actors and their roles on P&C. This will be made mandatory for all supply chain actors.

- Supply Chain Audit Checklist

To harmonize the audit reports and improve the quality of reporting, the RSPO Secretariat has been working on developing a Supply Chain audit checklist. Annex 1 of the audit checklist is mandatory to be filled up by all auditors beginning January 2018. Meanwhile, there are on-going discussion and the RSPO Secretariat is looking at possibility of making the full audit checklist mandatory for all supply chain audits.

The meeting had no enquires and moved on to the next agenda item.

4. Updates on PalmTrace by UTZ

See slides (T&T update 271117 Bali RSPO PalmTrace.pdf)

PH presented the updates to the meeting.

On the trends of CSPO and CSPK

DH questioned based on observation that the trend for MB is increasing, IP is increasing and SG is decreasing. Since IP and SG is together, why is it that MB is still increasing?

PH: Because more mills are getting certified and this is the record of first transaction.

AT questioned if this data was based on confirmation or shipping announcement?

PH: Confirmation.

AT suggested that this is probably the reason MB is increasing.

PH: We cannot control that. MB for CSPO is also increasing since they are coming from the same mills.

RR pointed out that it can also be because Book and Claim is not mentioned in this diagram.

AT: The months January, February and May are showing lower.

PH: Maybe because the mills are clearing their stocks.

JD explained that the RSPO Secretariat only started monitoring for PK in 2015. Therefore, no real comparison can be done with previous years.

TZ questioned about the volume of sales and why were the distribution so different from a country view?

AT mentioned that it can be due to the fact that Indonesia has integrated KCP as compared to Malaysia, so not much gets crushed in Indonesia.

TZ: So, you are saying, not many PK is sold as certified since we don't have much independent crusher.

JD points out to the meeting that the uptake of PK is at 90%, so almost all are taken for crushing. He told the meeting that this will be discussed further under Item 8 (PKO Strategy) later.

There was also discussion on whether CSPK stands for crude or certified sustainable palm kernel. JD then confirmed that it stands for both, crude and certified sustainable palm oil.

DH requested if we can do an analysis on year by year volume of CSPO and CSPK for MB and IP?

The meeting agreed that this is important and PH says it can be done.

SB question if the recorded volume was for PK or PKO?

JD answered this was the volume for PK not volume for PKO.

Action Point: RSPO Secretariat to analyze and provide the trends for MB and IP over the years on volume of CSPO and CSPK in the next meeting.

On numbers of new registrations in PalmTrace

EE asked if it was possible that the extra 20 mills certified was the reason for an increase in MB?

While JL questioned why are there only 32 crushers?

JD explained that only beginning last year integrated crushers needs separate license in PalmTrace, therefore the numbers are slowly increasing. On answering to EE's possibility, JD mentioned that there is a need for further analysis as not necessary that the new registered mills are all certified mills.

The meeting then agrees that further analysis should be carried out to determine whether the new mills registered are also certified under MB.

Action Point: UTZ and RSPO Secretariat to check if the newly registered mills are MB certified and report back during the next telcon.

Based on previous minutes

DH pointed out that in the minutes of last meeting, she has questioned and requested for the figures in February to be re-checked as it looks like a mistake. DH asked if this has been done?

PH apologized as this was overlooked and will report back in the next meeting. The action point from last meeting remains.

Action Point: UTZ to investigate the trace transactions in February.

On the new requirements to trace products

DH asked if now we need to do trace for all products?

PH answered yes, up to those fractioned products.

SB and DH both mentioned that majority members are not asking for tracing and even if they do, they only ask after at least 8 months.

TZ requested if there is a possibility to check the traced products by its categories?

The meeting agreed that this will be useful and for UTZ to see if this can be done.

Action Point: UTZ to analyze and try to split the traced volumes by products.

On RSPO Credits

JL enquired about the price for Independent Smallholders Credits and to this PH mentioned that the price is all totaled together.

JL continued that Independent Smallholders do not know the price and there are increasing comments on this matter. They should be able to know the price.

AT commented that he still does not see these prices listed publicly.

JD offered that a monthly analysis can be done to which JL says that it should be done.

TZ asked if the price listed also includes off market deals and PH answered that yes, they are for both.

HS enquired if the trend is in line with GreenPalm to which JD explained that it is absolutely continuing with trends. It shows an increase of about 30%.

RR then questioned if the trend is also increasing along with physical?

JD replied that no, this is showing only the increase from last year.

On conventional sources

PH updated that in the last meeting, the T&T wants the RSPO Next status to be removed. It was an action point and therefore it is already removed.

On integration between PalmTrace, Salesforce and Website

EE enquired on the timeline to which PH answered that the target is by end of this year.

DH questioned if everything is going to be automatic, then will all be on the website?

PH asked for clarification if DH was concerned about all the documents will be automatically uploaded? JD explained that only the certificate will be uploaded to the website automatically.

JD further clarified that there are lags in the current system. First the CB needs to upload into PalmTrace. Then RSPO approves and RSPO will manually upload onto the website. We are working and hope it will be up soon, now we are already testing it.

DH asked what is the timeline for this to be live?

RM mentioned that testing is next month and that we are hoping by Q1 next year.

JD adds that the RSPO Secretariat and UTZ have put in lots of time, hours and it is a very complicated process. Right now, the focus is looking at Salesforce, our own membership page and data.

SB enquired If there is a new licensee, will the shipping announcement go to the next license?

PH answered that no, that does not change. If a license is going to expire, it needs to be renewed earlier.

AM then pointed out to the T&T meeting about forged certificates. He requested the meeting and the RSPO Secretariat to consider not to upload certificates on RSPO website and making it publicly available to avoid duplication of certificate. By uploading them on RSPO website, he believes that we are exposing and risking our certificates. In fact, he shared an experience whereby in an exhibition in Dubai, there were almost 25 forged certificates and that this is an increasing risk for RSPO. Since it is already happening under FSC, AM questioned if RSPO still wants to make it available publicly.

JD replied that the RSPO Secretariat will check within their IT departments. Further, he explained that even if we leave it to our members, it can still be abused. The purpose of us making the certificates available publicly is for members and public to check authenticity of these certified members. If there are cases where the certificate issued is not on our website, then we will know it is forged. Plus, now we are linking it from PalmTrace to Salesforce and website.

AM suggested that perhaps we can only put on information from the certificate and not to upload the certificate.

EE requested for the RSPO Secretariat to look at the risk and possible ways of managing this possible treat.

Action Point: RSPO Secretariat will look at the potential risk and possible ways to avoid these certificates from being forged. The Secretariat will update the meeting and propose solutions if there are any in the next telcon.

5. Update on RSPO RED by Liza Murphy

LM gave a brief updated on the current RSPO RED and its progress.

LM updated the meeting that the new submission remains compliant but there will no requirements that go beyond the EU standard. It was submitted on 23 November and she is optimistic that we will hear back from them by end of this year. However, we had to address internal monitoring as ASI is not recognized by the EC. The EC approval will lapse before the EC approves the new module.

DH checks with the RSPO Secretariat on the number of RSPO RED certified units. To which JD replied that we have 3 to 4 units. JD also informed the meeting that we do not carry out public consultation because RSPO RED requirement needs to be EC compliant and that it is not possible to include comments from stakeholders.

DH highlighted that there are only 3 RSPO RED-certified units, in which 2 expired so only 1 is active. She questioned if the meeting thinks there will be more mills that will go for RED?

EE replied that we are not sure what will happen in the future but we have discussed and decided on this earlier as T&T, so we will stick to it.

DH then enquired if ISCC accepts and recognizes RSPO RED material?

CY replied that RSPO RED is EU compliant, not ISCC compliant.

The meeting acknowledged the update presented by LM and moved on to the next item in the agenda.

6. Extension for RSPO Credits Trade & Time for Independent Smallholders

JD updated the T&T meeting on the extension of time for Independent Smallholders on their RSPO Credits trading.

JD explained that Independent Smallholders often sell their RSPO Credits at lower prices at the end of license period in an effort to clear all the Credits before the expiry of their license. The RSPO Secretariat now allows Credits to be carried to the next license period only for Independent Smallholders. The CBs have to request for volume extension for Independent Smallholders when they could not sell their existing Credits within one license period.

HS checks if it is done only for stocks from 2017 to 2018 and not 2019?

JD replied that yes, it is only for one year.

The meeting acknowledged this update and moved on to the next item in the agenda.

7. Proposal on MB Multisite (Appendix 2)

EE called for SB to take the meeting through the comments that were received prior to the meeting. SB then invited DH to help him.

Before going through the comments, TZ pointed out that this proposal will be useful if it is applicable to the downstream. To this DH responded that the proponent thinks it will be useful for downstream and midstream players, but not upstream.

TZ mentioned a remark that if MB per site is done for small company, then the same will be done for bigger companies.

AK states that this proposal is confusing as it is according to regions while the RSPO standard has no limits for regions. She hopes that this does not change.

DH explained that this was discussed previously and that the oil will be looked into from regional perspective.

EE then reminded the meeting that there will be consequences on certification.

JW expressed her views that this is not a good move. It is a big discussion and it will affect the credibility of RSPO. She also shared the views of other NGOs whom will reject this proposal. She reminded the meeting that RSPO needs the NGOs input and support, but the NGOs will definitely go against this proposal.

EE reminded the meeting to share and respect everyone's views and discuss this together. He then asked the proponents to bring the meeting through the comments.

The meeting went through the email shared by DH and the comments one by one.

On the remark that refinery along with trader should be using this proposal.

DH explained that the proponents think this will be useful for everyone. It will be cost effective.

JD reminded that we can have refineries and product manufacturers in one multisite certificate but the question is how do we deal with MB in this situation? The meeting will also need to look at definition of refiners.

DH clarified that for this reason, the proponents thought that they will only look at refiners.

RR pointed out that the meeting also needs to look at definition of MB itself.

1. MB credit / certified and non-certified.
2. MB 1 to 1 rule.

JD agreed to the point by RR. There is a need to look at whether this two can be used for MB multisite.

The meeting continued looking at the email shared by DH.

Comment #1

DH: Accepted.

Comment #2

DH: Related to comment 1. Yes, it can be connected.

Comment #3

JL proposed for all subsidiaries / joint venture to be using this. He explained that one joint venture should be under one parent.

AK was against this proposal as this will be very difficult for the auditors when it comes to joint venture. She asked if this proposal can be avoided from being used by joint ventures.

JL explained that if there are two parent companies; then the joint venture should choose any one of the parent company. To this explanation, AK agreed with the comment.

JW requested the meeting not to compare cocoa with palm oil industry.

DH explained that this situation will be helpful in situations whereby there are shortage of supplies in the region.

Comment #4

DH: Agree.

Comment #5

AK commented that this should not be a problem as long as the transactions registrations are all clear. AM agreed to AK's point.

JL adds on that this is already happening in the product manufacturing industry.

Comment #6

SB shares that this is not relevant as traceability is not applicable when it involves MB.

Comment #7

DH agreed to reduce MB stock within months. By offering more MB at lower prices the demand for MB will be going up.

AT questioned if this will be done at the expense of SG? RK supported this remark that SG will be impacted.

DH defended that this will not happen as EU will continue their demands for SG. It is only for short term that SG will be impacted, not for long term.

AT again pointed out that if we are going to make MB cheaper and easily available, then it definitely will cost SG.

HS shared her opinion that this will be a dilution, from physical MB to credits. She also asked the meeting to refer to the email from Caroline's, it is clearly put that this is dilution of MB.

MW shares the same point with HS that there is a need for the meeting to look at credibility as this involves physical supply chain.

SB then clarified that yes, it will still be physical since there is still a need to deliver oil.

DH also made her stand by asking the meeting what is RSPO? She pointed out that as long as the upstream is doing their parts correctly, then the downstream is not polluted.

AK made a remark, as long as the oil is there to which SB answered yes, any oil even if it is conventional.

RK explained that no one is against the transportation but we are fighting a system that is in place. The aim should be demand and not focused only on saving cost.

EE reminded the meeting to look at these two questions and try to address them;

A. Transportation from Rotterdam to Hamburg.

B. MB will affect SG if it is cheaper.

JW questioned how often does this situation take place? To which DH replied, monthly. TZ added that this situation can happen whenever there is a demand.

DH further clarified that many companies have SG commitments and the proponents do not think this will reduce the companies' SG commitment. Further, there are NGOs whom will make sure that this does not happen.

AT reiterated that this will definitely affect SG when MB is offered at a cheaper rate.

EE acknowledges that the meeting agreed with the idea of transportation between Rotterdam to Hamburg since it means we can go green. But the meeting still needs to look at solution.

JW highlighted that there are companies whom have mentioned that they will downgrade to MB if it is cheaper than SG especially if the price difference is big.

RK provided a scenario from a growers' perspective. If I have a mill and a site can I use it this?

To which DH replied that this is only applicable for those players after the mill.

RK stated that this is discrimination.

Comment #8

DH: Agree.

Comment #9

DH: ISCC per site calculation so not suitable.

Comment #10

DH: There is a disconnect. We try for SG but for MB is hard to keep on track. Potentially can be easier if there is one account for 3 sites.

Comment #11

DH: We will look at proposal.

Comment #12

DH: Same as no. 8.

Comment #13

DH: Same as joint venture.

Comment #14

DH: Easier for CBs. We used to have 3 different account not only 1.

Comment #15

DH: High level at member level, so total is MB.

Comment #16

We have to look at how it will affect.

Comment #17

DH: Need to revisit the region.

Comment #18

DH: The proponents think we can stimulate MB and create uptake.

JD comments that if we stimulate MB, then we are indirectly dissimulating SG.

SB clarified that then this will affect their claims if they moved from SG to MB. To which JD replied yes, but we need to understand that not many company uses the claim. This will only affect the demand.

DH continued clarify that Wilmar mills are MB certified because we are in support of smallholders.

EE questioned about the conditions in other markets? AK replied that mostly are moving towards SG and TZ agrees as well since oleochemical industry is also moving towards SG.

Comment #19

DH: Yes, this is a stimulation with efficient supply chain. Again, this depends on the mill if they are ready.

RK differed from the point made by DH. He guaranteed that this is not a stimulation. If this is the trend, then the mills will not be bothered.

SB asked the meeting to refer back to the graph shared by Paula in her presentation. It shows that there is an increase of about 20%. SB defended that the smaller market will switch.

JW acknowledged that the market will switch, but only if there is a pressure. She then questioned how will this stimulate the efforts of MB mill to move to IP? JW thinks that this will clearly give the mills a direction not to move. In fact, this is seen as a negative effect to mills and smallholders.

AT shared his points that with the book and claim price is already low and now we are using the same concept. If we continue to make MB cheaper, then it will not be incentivizing for growers.

JD agreed that if the demands for MB goes up, then the demand for SG will surely be down since not much push will be given.

JL reminds the meeting that we need to be clear that it is only for region. We also need to look at Upstream, Midstream and Downstream from the point of price and region.

Comment #20

DH: There is no link with physical supply chain.

BH shared that she is really worried about the effect on SG. She also thinks that MB will lose its credibility unless we buy SG and downgrade the product to MB, then the credibility is there.

JD commented that there is a link, especially when it involves region. MB starts as certified and then it gets mixed with conventional and rest are monitored on papers. We must now look at situation where physical oil is in A and paper credit is moving out from B.

AT suggested that the meeting should start to look at our supply chain options? He added that these supply chain models have been here for at least 15 years now.

EE replied that the point raised by AT is well noted and that the meeting should look at it.

Comment #21

BH questioned why isn't Hamburg buying on its own?

DH replied because there are already existing stocks in Rotterdam and they are expensive. So, they do not want to buy more in Hamburg when we there are already sufficient stock in Rotterdam. It is not efficient to buy more stock and pile them up.

Comment #22

DH: Process was to apply to refineries, for mills it is tied to their volume.

JD: How about product manufacturer? It can go downstream.

Comment #23

AT disagree that this only gives certain companies commercial advantages. To which SB shares that they are already doing it.

MW commented that the question now is whether we should continue to practice this.

TZ reiterated that the proposal says we do not transport or ship any materials out but have one regional accounting and decide where it can be withdrawn. He questioned if only we can only use this for downgraded material from SG to MB.

DH replied that yes, for them it is mostly downgraded material since their stocks are usually SG certified.

JD highlights that is a good discussion and point to ponder on. He asked the meeting to look at whether this proposal can be used only for SG material downgraded to MB.

On commensurate / shared responsibility:

JW commented that this is really not showing responsibility with growers, in fact this is not going in the same direction with the P&C review. Right now, the discussion is only focused on Rotterdam – Hamburg situation but not globally. She reminded that there is a need to look at the reputation of RSPO.

JD ensured that whatever the decision the T&T agrees on, it will still need to be brought to the BOG for endorsement. This is definitely a huge discussion.

EE concluded based on the long discussion that the meeting does not have a consensus. We all agree on the Rotterdam – Hamburg transportation but we need to look at it from the regional perspective.

EE then proposed for the proponent to look at their proposal again and that there is a need to look at trading model.

DH requested if the meeting can at least make a decision on the MB if we do not talk about the trading level?

EE then posted several more questions for the meeting;

A. Which supply chain actors will be involved? Does this involve product manufacturers?

B. Need definition for refiners.

C. SG volume for others.

D. Investigate whether this will inhibit growers from getting themselves certified?

E. Does this apply only for downgraded materials?

EE reiterate that all these questions needs proper thinking.

The meeting then looked through the *Appendix A* of the proposal.

DH told the meeting that Appendix A is for us to determine regions. The proponent supports Option 1 based on ACOP, as long as South America is included.

JW questioned why is WBCSD not feasible? To which DH replied because this is not along with The geographic locations of supply chain actors.

JD reminded that in order to determine region, we need to look at supplying and uptaking countries. Also by cost of transportation.

JL replied, yes that is important as cost from California to New York can be more expensive.

TZ questioned if it is alright to put different regions according to supplier / uptake.

JL raised a point, where is the uptake? If it is only in EU / Asia then we can decide how should the region be?

RK provides a scenario for consideration. If I can ship from Malaysia to India/ China, then what will happen?

JW replies that this will be more complicated.

RK continues that this proposal is only applicable for bigger companies as they can have competitive advantage but not suitable for smaller or boutique refineries.

EE reiterates that no decision is made but the discussion is food for thought. He again suggested the proponent to go through this proposal and look at it. Proponent to also look at regions.

JL asked if in this case can we look at regions for refineries that are different from oleochemicals?

MW replied that this will also affect the downstream when we allow for some region and product. If we are not careful, then this can create ripples.

EE ended the discussion on this proposal for MB multisite by asking the meeting members to submit their comments directly to SB and hopes the proponents can revisit their proposal.

Action Point: Comments on proposal to be shared to SB. Proponents to revisit the proposal based on the feedbacks received and table to the meeting with suggestions.

8. PKO Strategy: Updates from TF (Status PKO TF.pdf)

The TF lead by TZ provided an update to the meeting based on their discussions and findings.

TZ presented his slides on what can be expected from supplies and demand as well as explained that their focus was on trend and uptake.

QS question why was there a correction?

JD explained that the certified volume is actually projection and it is always higher because that is a target volume. Therefore, a correction on the volume is needed.

RK based on observation states that 90% from mill to crusher is really a good number since it also involves logistics, it cannot go above 95%.

JD echoed that yes, 90% means that it is already full and that the mills are doing their work.

JL suggested in order to capture the data correctly, perhaps we should use 4 and 5, not 4 and 6.

JD replied that the reason they used 4 and 6 is because certain amount of PK is not converted to PKO.

TZ further updated the meeting that the PKO TF will continue to look at all areas that can be certified under RSPO and hope to come up with analysis by end of February / March. Work is still in progress.

Action Point: The meeting hopes the PKO TF will be able to monitor and provide solutions to increase the production of PKO in the upcoming T&T meeting.

9. AOMG survey results of members RSPO tonnages (AOMG RSPO Members Survey 20171120.pdf)

QS presented the results of a survey carried out by AOMG on RSPO tonnages involving members. The following were highlighted;

2013: Physical transition approved by BOG. Half year 1.8%

2014: 2.9%

2015: 6.6%

2016: 8.3%

Some attempt was made to explain the slowdown in 2016 without success.

*All were related to physical volume sales only and not Credits.

JD highlighted that if we look at this from 4 years ago there is an increase from 0 to 8% which is quite an achievement.

EE questioned how do we determine the percentage at 15%?

CT explained that at this point we are being optimistic with the results of only one survey. There is a need for surveys over a period of time to observe the trend before we can actually conclude.

JL points out that in this survey we have only used Malaysian and Indonesian members, therefore this will not be the same as European members. Maybe the figures will be higher.

CT replied that the figures shows both conventional and certified figures and it gives a rough estimate of the whole world.

The meeting acknowledges the efforts by AOMG and the results that was presented.

EE proposed that for now the T&T will stick to the MB 1 to 1 rule for oleochemicals and its derivatives until the suggested 15% is met. The meeting agreed with the proposal made by EE.

TZ commented that the 15% maybe too low and may need to be reviewed.

EE requested AOMG to try to conduct the survey annually.

10. Proposal on Food Service Companies (Appendix 3) (Proposal on Food Service Companies 20171126.pdf)

DS presented to the meeting the idea that was discussed in the last T&T meeting and shared that this was an idea that came because the RSPO Secretariat have members in USA and other parts of the world that is approaching RSPO.

AT questioned that the definition referred to food companies but previously it was mentioned that this proposal was for big companies. He seeks clarification if the Secretariat is looking at smaller companies? If yes, then this will not work for smaller companies in the UK.

JD and DS clarified that this is for big companies, like the ones approaching the Secretariat from Singapore. We want to encourage them to come in RSPO Certification. For smaller companies, they can go for single site certificate on their own.

AK enquired if we can treat them as group manager for example McD? To which JD replied, yes, this is what we want to look at it since McD has 65,000 locations.

AK further question if the Secretariat thinks the demand will change as not everyone cares about supply chain.

DS replied that the trend is public is looking at members or companies whom are being responsible and they are looking at least 5 years term. DS also highlighted that in this year alone there is an increase growth for membership and supply chain certification in the US, also the same in China.

EE asked for confirmation if there is a market demand and DS confirmed that the Secretariat thinks there is a demand and that it involves low risk.

JD and PM also explained to the meeting that from supply chain perspective, the food service companies can choose the supply chain module for their raw material and the claim they want on the product. Also, that it goes back to the % of the certified components before they can use the RSPO Trademark.

BH supports the proposal made by the Secretariat as this will be a good win / approach for companies without profit or industry that needs a government procurement policy.

JW recommends for the Secretariat to look at other standard like FSC that has construction market, they probably have some standard and this idea can be further developed.

AM also supports the proposal as they have been looking at bakeries for supermarkets, for example, bakeries in Tesco, now they can all come in for RSPO.

DS acknowledged that the Secretariat have been approached by these supermarkets and that they are already buying certified products. What we need to do now is help them put these claims on their products.

JD agreed and pointed out that it is only about managing risks.

CY suggested for the definition to be changed and allow only those using palm oil without mentioning catering to which JD replied that no, we cannot just change definitions. We need to be careful and clear on the definition. We do not want to leave loopholes.

EE then questioned if there is a specific claim for this food service company if they do not use the Trademark on the box? Also, if this is being discussed separately by the C&C?

JD clarified that this is exactly the reason why they want to be certified. They want to be able to use the claim on the product.

EE asked if the T&T can expect to have a defined proposal?

JD confirmed that the RSPO Secretariat will come up with a proposal, Module H by the next T&T meeting.

EE asked if the Secretariat needs any help in drafting the proposal to which JD replied that if it is needed, the Secretariat will approach for help. But we definitely need the comments from the CBs once it is drafted.

BH also offered to provide inputs from the retailer point of view.

The meeting agreed for the Secretariat to draft and propose Module H in the next meeting.

Action Point: RSPO Secretariat to table the proposed Module H for Food Service Companies in the coming T&T meeting for consideration.

11. AOB

AM updated that Andy Green has re-joined EXOVA BM Trada and he will be in C&C SC.

JD made an announcement that the second RSPO Next certificate holder is United Plantation.

DH requested if either UTZ or RSPO Secretariat can help to show the trading level (IP or MB) of a member in the member area. PH and JD explained that this will be automatically updated on RSPO website and it will show IP/ SG/ MB. Therefore, this is solved.

DH also asked about her request for the past 4 years on uptake figures and until now, we do not have the figures and we do not know where it is. She again requested if the RSPO Secretariat can call members and check where are their tradings going? Her intention is for this information to be made available on RSPO website so that it is clear there is a demand but lack of supply.

JD replied that for a month now, the Secretariat has started collecting these figures from mills that are trading ISCC / other schemes and RSPO. We just implemented this, therefore we cannot have the full figures now.

DH further questioned when can we have these figures and JD replied that we can have it by end of Q1.

AT enquired if there are a number of oil sold as conventional to India, what will happen to the volume?

JD replied that the volume will then be recorded as conventional.

The meeting agreed to provide timeline up to Q1 of 2018 for the Secretariat to compile data and update.

Action Point: RSPO Secretariat will be collecting these data for Q1 and present the analyzed data during the next T&T meeting.

At the closing of the meeting, EE announced and thanked JD for all his views, inputs as this will be his last T&T meeting. The meeting acknowledged the contributions of JD and wished him all the best in his future endeavours.

12. Next meetings

Next call: March 13, 2018.