

Summary of Twelfth Technical SRWG Meeting

The twelfth Shared Responsibility Working Group (SRWG) technical meeting (thirteenth teleconference meeting) was opened at 4.30PM (MYT), November 23, 2021 by the Secretariat. The CGM and Social NGOs sent their apologies.

The objective of the meeting was to discuss the Year 3 Uptake Targets with the SRWG, inform of the proposal to restructure the Implementation Manual, and to discuss the next steps in reviewing the SR section in the ACOP report.

The Secretariat's Data Scientist presented the Year 1 performance to the SRWG. For the Year 3 Uptake Targets, the Secretariat recommends continuing with the same targets as Year 2 for CSPO and not setting any targets for CSPKO. The Retailer supported the targets recommended by the Secretariat and no further comments were received from the SRWG. As both the CGM and Social NGO representatives were absent during the call, the Secretariat will reach out to them separately for their feedback.

The Secretariat felt that the scope and purpose of the Implementation Manual is unclear, and thus has proposed to split the content of the Implementation Manual into (1) a SR Verification Manual, and (2) SR Guidance Documents for each stakeholder category. The goal of this proposal is to have a credible verification process for SR to align with RSPO's assurance system. Elements of the Verification Manual were discussed and some of the elements were agreed upon by the SRWG prior to the meeting. The SR Unit and Assurance Unit will work on an efficient assurance process for the SR requirements. A draft including all the elements listed is expected to be presented in the SRWG meeting in December 2021.

Prior to the meeting, the Secretariat shared the draft ACOP questions with the SRWG. The SRWG shared their feedback and concerns on the ACOP questions. It was agreed that the SRWG will review the changes on the SR section in the ACOP questions and provide their feedback in two weeks' time to the Secretariat.

The Secretariat thanked everyone for attending the meeting and looks forward to seeing everyone in the next meeting on December 9, 2021.

The meeting was closed at 6.00 PM (MYT).

MINUTES OF MEETING OF RSPO
RSPO Shared Responsibility Working Group (SRWG) 12th Technical Meeting

Date: November 23, 2021 (Tuesday)

Time: 4.30 PM to 6 PM (MYT)

Venue: Video Conference (RSPO ZOOM 6)

Attendance:

<p>Members and Alternates</p> <ol style="list-style-type: none">1. Ilka Peterson (IP, WWF International)2. Ian Orell (IO, Sime Darby/ NBPOL)3. Mariama Diallo (MD, SIAT SA)4. Lee Kuan Yee (LKY, KLK)5. Lim Sian Choo (LSC, Bumitama)6. Ben Vreeburg (BV, Bunge)7. Joshua Lim (JL, Wilmar)8. Julian Walker-Palin (JWP, RPOG)9. Miho Yamazaki (MY, AEON)10. Catarina Vivalva (CV, BNP Paribas) <p>Absent with Apologies</p> <ol style="list-style-type: none">11. Girish Deshpande (GD, P&G)12. Harjinder Kler (HK, HUTAN)13. Brian Lariche (Humana Child Aid Society, Sabah)14. Nursanna Marpaung (NM, HUKATAN)	<p>RSPO Secretariat</p> <ol style="list-style-type: none">1. Inke van der Sluijs (IS)2. Joyce Van Wijk (JW)3. Chung Yee Ling (CYL)4. Ashwin Selvaraj (AS)5. Yen Hun Sung (HS) <p>Absent with Apologies</p> <ol style="list-style-type: none">1. Imam Marzuq (IM)
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No	Description	Action Points
1.0	<p><u>Welcome Note</u></p> <p>The Secretariat welcomed the SRWG members to the meeting.</p> <p>The SRWG members acknowledged the anti-trust statement prior to the meeting.</p> <p>The agenda of the meeting include:</p> <ol style="list-style-type: none"> 1. Welcome, Agenda, Antitrust Statement 2. Approval of Meeting Minutes 3. RSPO Secretariat Updates <ul style="list-style-type: none"> o Action Points & Recap Homework o GA o SRWG Structure o Stock-take/ Progress of SRWG 4. Year 3 Uptake Targets 5. Implementation Manual 6. ACOP Questions - Feedback 7. AOB and Next Meeting <p>The co-chair sent his apologies due to schedule conflict, and the Secretariat had a meeting with him prior to this SRWG meeting.</p> <p>The SRWG approved the meeting minutes of the 11th SRWG (October 14, 2021). The meeting minutes will be published on the SRWG webpage.</p>	
2.0	<p><u>RSPO Secretariat Updates</u></p> <ol style="list-style-type: none"> 1. An action tracker was created to monitor the progress and the status of each action point discussed during the SRWG meetings. 2. The SRWG has submitted their homework for the outstanding SR Requirements: <ul style="list-style-type: none"> o Resourcing: <p>The P&T suggested including 'Contribution to RSPO finances by buying RSPO certified products' as a Resourcing option. The Secretariat commented that this should not be considered as an</p>	

option because the uptake requirement is a separate requirement in SR and the resourcing requirement is intended to provide resourcing for transformation. The Secretariat also clarified that the Resourcing includes human resources (full-time equivalent) that members have provided for within their own organisation to support RSPO implementation and promotion. The list of options provided is not an exhaustive list and members are welcome to include other forms of resourcing that they provide. The Retailer and eNGO agreed and the other representatives did not have any objections.

- Participation of members in working groups, task forces etc. will be retained as a form of resourcing.
- Complaints and Grievances:
 - There is consensus on the proposed interpretation for 'publicised': it shall be accessible to all affected parties.
 - The Secretariat proposed not to provide specifications on what should not or should be the concrete grievance mechanisms.
 - The Secretariat proposed: if the grievance is against an RSPO member about the breach of RSPO's key documents and if the grievance cannot be resolved between affected parties, the grievance can be brought to the attention of the RSPO Complaints System.
 - No comments were received from the SRWG members, and it is regarded as an agreement from the SRWG.
- 3. The Secretariat reminded the SRWG members of the important dates of GA and e-voting.
- 4. The vacant SRWG positions include: CGM (alternate), B&I (alternate) and Retailer (alternate - available from Jan 2022).
- 5. The status of the key deliverables was shown to the SRWG:
 - The draft Implementation Manual is expected to be ready by December 2021.
 - The Secretariat hopes to develop six guidance documents for each membership sector as the interpretation varies among the sectors. Development of the documents will commence in January 2022.
 - Year 3 uptake targets will be presented to the SRWG during this meeting, and the Secretariat hopes to have this finalised at the end of the meeting.
 - Suggestions on the update of ACOP 2021 questions were already shared with the SRWG prior to the meeting.
 - The SR manual has already been translated into Thai and Chinese, and Bahasa

	<p>Indonesian is expected to be completed by November 2021.</p> <ul style="list-style-type: none"> ○ Outreach activity was conducted in the Korean market, and the Chinese market is the upcoming activity in December 2021. ○ The CB forum was conducted to create awareness among certification bodies. ○ Outreach material is currently being developed. 	
3.0	<p><u>Year 3 Uptake Targets</u></p> <p>The Secretariat Data Scientist presented the Year 1 performance to the SRWG:</p> <ul style="list-style-type: none"> ● 165 P&T members, or 41.4% of analysed members, managed to reach their SR volume target increase. 233 members did not manage to reach their SR volume target. 57 members have more than 95% uptake (2019). ● 99 CGM and Retailer members, or 33.1% of analysed members, managed to reach their SR volume target increase. 200 members did not manage to reach their SR volume target. 431 members have more than 95% uptake (2019). <p>Matrix of the 'balancing number' that will bring demand in line with the supply by 2023 was presented to the SRWG. The Secretariat recommends continuing with the same targets as Year 2 for CSPO as per the modelling, and not set targets for CSPKO. Resources to be put into one-to-one direct engagement with members who have not met the targets aimed at understanding the reasons for non-compliance and creating awareness about targets for the upcoming years. Easier to communicate to members and provide time for all members to internalise these targets. Integrate recommendations from the Oleochemical task force on increasing supply of CSPK/ CSPKO.</p> <p>The P&Ts expressed their commitment to stimulate market uptake of CSPO, however their uptake will depend on the physical uptake of CSPO by CGMs and Retailers. The P&Ts fully support the transparency of reporting. As per RSPO's communication, uptake of CSPO has reached 89.3% in 2020 whereby 64.3% is sold as RSPO and 25% under different schemes. The uptake of CSPO under different schemes is legitimate under RSPO rules, and some growers do sell RSPO certified material directly under different schemes.</p> <p>The Retailers felt that they could support the targets recommended by the Secretariat. No further comments from the SRWG. As both the CGM and Social NGOs representatives are not present</p>	<ol style="list-style-type: none"> 1. The Secretariat will reach out to the CGM and Social NGO representatives for their feedback on the Year 3 targets.

	<p>during the meeting, the Secretariat will reach out to them for their feedback on the Year 3 targets. The CGM and Social NGOs did not express any objections, thus it is considered that they agreed with the targets.</p>	
<p>4.0</p>	<p><u>Implementation Manual</u></p> <p>A draft Implementation Manual was developed by the external facilitators together with the SRWG in March 2021. The Secretariat felt that the scope and purpose of this document is unclear as it contains:</p> <ul style="list-style-type: none"> ● Interpretation of the requirements which falls in the scope of a guidance document for members. ● Rules surrounding verification (e.g., Who does the verification, when, how etc.) and the consequences of compliance/ non-compliance which falls in the scope of a key document similar to the certification system. ● Contains proposal for the Secretariat to conduct verification of SR requirements which goes beyond the role of the Secretariat. ● Includes sections (e.g., resourcing for Secretariat operations, principles etc.) which are conceptual and should not be part of a key document. ● No clear process of verification is outlined in the document as it is a mix of supply chain audits, verification by Secretariat and third-party verification. <p>After reviewing the draft Implementation Manual, The Secretariat proposes to split the contents of the document into (1) a SR Verification Manual, and (2) SR Guidance Documents for each stakeholder category. The goal of this proposal is to have a credible verification process for SR to align with RSPO's assurance system.</p> <p>The SR Verification Manual will be similar to the P&C Certification system which describes the verification process of SR requirements, whereas the SR Guidance Documents for each stakeholder category will provide guidance for each stakeholder category on the implementation of SR requirements.</p> <p>Elements of the Verification Manual were discussed and some of the elements were agreed upon by the SRWG prior to the meeting. The next step is for the SR Unit and Assurance Unit to work on an efficient assurance process for the SR requirements. A draft including all the elements listed is</p>	<p>1. The Secretariat will provide a comparison to the SRWG on the Implementation Manual and Verification Manual.</p>

	<p>expected to be presented in the SRWG meeting in December 2021.</p> <p>Initially, an eNGO representative was concerned that most of the work on the Implementation Manual will be removed. After explaining the reason behind the proposals, the Secretariat assured that the proposal is only to restructure the document, to address the challenges and to create a clear process flow on how assurance can work on the SR requirements with other stakeholders. The Secretariat invites the SRWG to review the document when the draft is ready and will provide a comparison of the Implementation Manual and the new Verification Manual to the SRWG.</p>	
5.0	<p><u>ACOP Questions - Feedback</u></p> <p>Prior to the meeting, the Secretariat shared the draft ACOP questions with the SRWG. In order to make any changes on the SR section in the ACOP report, all changes will need to be reviewed by the sub-committee of the board. The SRWG will need to propose the changes to the sub-committee.</p> <p>As the Secretariat went through the list of questions, the SRWG shared their feedback. Some SRWG members felt that the questions on policies should be more specific as it will help the members to understand what the policies were required. The Retailer representative agreed to have the ACOP questions specific and added that it would be time intensive for the members to make technical changes to their existing policies.</p> <p>A P&T representative pointed out that the legal requirements are already covered in the P&C and SCC audits. In some cases, members have over 80 sites and a lot of documentation is maintained to show legal compliance which is checked during the audits. The representative wanted to clarify how this information should be reported in ACOP. The Secretariat commented that members can refer to the SCC requirements for certified facilities in response to the ACOP question.</p> <p>The Data Scientist pointed out that some members might upload policies in their native languages. Technically, the policies might fulfil the SR requirement, however it might not be possible to be verified by the Secretariat and this is another challenge that will need to be looked into.</p> <p>A P&T representative questioned why some of the questions are only applicable to specific membership sectors. The Secretariat clarified that it had been proposed based on the requirements</p>	<ol style="list-style-type: none"> 1. The SRWG will review the draft ACOP questions and provide their feedback in two weeks' time.

	<p>and exemptions mentioned in the endorsed document.</p> <p>A P&T representative said it is strange to have questions related to Smallholders (Question 13 & 14) for other members instead of growers. A Grower representative said it is relevant to have these questions for other members as they could provide resourcing to support inclusion of smallholders in the supply chain. The P&T representative further stated that the supply chain actors support smallholders by purchasing RSPO certified materials from growers who work with smallholders and a part of the premium goes to the smallholders and RSPO. The Grower representative responded by stating that the supply chain actors can mention this kind of support in response to these questions on smallholder inclusion. The Retailer representative said they have no concerns about including these questions on smallholder support.</p> <p>A Retailer representative asked if the ACOP questions will be open-ended or binary, and felt that the responses to the questions can help the Secretariat to conduct analysis and to have an immediate understanding of the supply chain. The Data Scientist replied that ACOP questions are binary. It is concluded that the SRWG will review the changes on the SR section in the ACOP questions and provide their feedback in two weeks' time to the Secretariat.</p>	
6.0	<p><u>AOB & Next Meeting</u></p> <ul style="list-style-type: none"> ● Regular SRWG meetings will be scheduled every 6 weeks starting from January 2022. ● The next SRWG meeting is on December 9, 2021 at 1530 (MYT)/ 0930 (CET). The agenda of the meeting include: <ul style="list-style-type: none"> ○ Year 3 uptake targets ○ Verification Manual ○ ACOP Questions ● The SRWG will complete the Doodle poll for the 14th SRWG meeting date (January 2022). 	<ol style="list-style-type: none"> 1. The SRWG will complete the Doodle poll for the 14th SRWG meeting date (January 2022).