

Minutes of Meeting #3 Medium Grower Task Force (MGTF) Meeting

Date: 3rd November 2020

Time: 08.00 PM to 09.00 PM GMT +8 (KL time)

Venue: Zoom Meeting

No	Name	Initial	Constituency	Organisation
1	Alejandra Rueda	AR	Grower (Latam)	FEDE Palma
2	Franklin Jackson	FJ	Grower (Africa) Expert	Local Farm Incorporated – Non RSPO Member
3	Dr. Marcus Colchester	MC	Social NGO	FPP
4	Michael Guindon (Co-Chair)	MG	Environmental NGO	WWF Singapore
5	Eli	EL	Secretariat	RSPO
6	Julia Majail	JM	Secretariat	RSPO
7	Ashwin Selvaraj	AS	Secretariat	RSPO
8	Dede Herland	DH	Secretariat	RSPO

Absent with Apology

No	Name	Initial	Constituency	Organisation
1	Ian Orrel	IO	Smallholders SH Standing Committee	NBPOL
2	Salahuddin Yacoob	SY	Secretariat	RSPO
3	Melanie Tantri	MT	Grower (INA)	Eagle High Plantation

AGENDA

No	Item
1	Opening and welcome
2	Deliberate and Brainstorming on Revised Consultant Report then agreed on it
3	AOB

DISCUSSION

No	Description	Action Items
1.0	<p>Welcome and Introduction</p> <p>MG Welcome all and opened the meeting. Due to only a few members attending then it could not take a decision, hence this meeting will limit to brainstorming on the result of study then came up as a note for further discussion in the coming meeting in end November 2020.</p>	

<p>2.0</p>	<p>Deliberate and Brainstorming</p> <p>The meeting is brainstorming session on the revised study report which focused on:</p> <ul style="list-style-type: none"> - Definition of Medium Grower - Do we need to change the definition of ISH and therefore the applicability of the RISS? - What do we want to do with Medium Growers? <ul style="list-style-type: none"> a. New standard b. Simplification of P&C c. Nothing - certification against group certification/P&C 2018 <p>MC opened up discussion saying the report was good despite its time limit. The report captured the definition of smallholders and MG that varies in different regions, those varies have created gaps that should be filled in. National Interpretation is the answer to fill the gap. MG agreed that the national interpretation is needed given the differences not only at global level but also at region level among the countries at the same region.</p> <p>On the size threshold on smallholders, AS said that in Southeast Asia and Africa is very small, about less than 10 ha. While in LATAM is highest at 50 ha, some farmers own 80 ha in which 50 ha planted palm oil and the rest planted other crops. Thailand also has a small threshold.</p> <p>AR raised the issue not on size threshold but on yield productivity of smallholders in Latam. For example, in Colombia land size 70 ha but productivity is less than 40 ha. The definition of Medium Grower refers to threshold 50 to 500 ha in Group Certification of FFB production. The range is too wide as a single range. JM jumped in by referring to the report that definition MG could be generic at global or goes to region level. At regional level, MG noted that most smallholders own 10 ha, for example in Malaysia it is 40 ha, while in Indonesia it is 20/25 ha.</p> <p>AR proposed a characteristic to define Medium Grower against Smallholders apart from the threshold. Characteristic of Medium Grower is hired labour, no other crops, business mindset, while smallholders rely on family labour, cultivate other crops, not business mindset. MC agreed to take a look at characteristic and land threshold and again proposed National Interpretation as within region, land threshold of smallholders in Malaysia and Indonesia is different.</p> <p>JM shared the characteristic of medium grower at global level at page 116 which say heavily on hired labour, land over 50 ha, mill ownership is not relevant, has other crops is not relevant, some rely on mechanization, greater technical capacities, owner lives in the city rather in the farm, have multiple investments and income sources. AJ agreed by mentioning three main characteristics of medium growers:</p> <ol style="list-style-type: none"> (1) Palm oil is not a single income; (2) hired labour and employed administrative staff; (3) mind set of business. <p>Has or has not a mill is not a characteristic of a medium grower in Latam, as smallholders have also some mills. Medium growers also have access to bank credit, while smallholders find it hard to access Bank.</p> <p>Eli described the situation in Liberia, due to high interest in palm oil farming, a lot of smallholders expanded their land from 10 ha to 70 ha or 80 ha even 100 ha so they became smallholders, from family income to business income. They also converted rubber to palm oil due to unstable prices. The smallholders have land average at 3 ha, while medium growers have majority own land at 200 ha and those who have over 200 ha tend to have a mill (less advanced but not artisanal).</p>	<p>The Secretariat will send a Note of Discussion by this week and arrange a doodle poll to check availability for the meeting in end November or early December 2020.</p>
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	<p>Eli also mentioned membership, that RSPO requires applicant members to submit a declaration of size of plantation and if they have a mill, declares also CPO volume output in a year. These will be checked by the auditor over the due diligence process.</p> <p>MC summarized that the Scenario 2 Regional default or adjusted to National Interpretation to each country in the region. It can be said Definition of MG for Latam, Africa or Southeast Asia or adjusted lower ceiling in a country within the region against regional default ceiling.</p> <p>MG agreed and looked forward to having input from other members based on the Note of Discussion today.</p> <p>The coming meeting is scheduled at the end of November 2020, the notes of discussion are disseminated 2 weeks prior the meeting.</p>	
<p>3.0</p>	<p>AOB On process and timeline and impact of the MG definition to ISH, according to TOR, MGTf will present the recommendation at the SHSC meeting.</p>	
<p>6.0</p>	<p>Meeting Adjourned 09.00 pm</p>	