

## MINUTES OF MEETING

### Market Development Standing Committee

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**Time** : 2000 - 2130 (MYT)

**Date** : Thursday, 5th November 2020

**Venue** : Zoom Conference Call

#### Attendees:

Name	Initial	Organisation	Representative Category
Anita Neville	AN	Golden Agri-Resources	Co-Chair, Grower IN
Caroline Westerik	CW	AAK	P&T
Eddy Esselink	EE	MVO	Co-Chair, P&T
Harjinder Kler	HK	HUTAN	NGO
Johnathan Escolar	JE	Natura Logistica E Serviços (Body Shop)	CGM
Marike Liegwater	ML	Solidaridad	SNGO
Julian Walker-Palin	JWP	Retailers Palm Oil Group	Retail
Tracey Gazibara	TG	Cheyenne Mountain Zoo	ENGO
Lee Kuan Yee	LKY	Kuala Lumpur Kepong	Grower MY
Dan Strechay	DS	RSPO Secretariat	
Bakhtiar Talhah	BT	RSPO Secretariat	
Ashwin Selvaraj	AS	RSPO Secretariat	
Inke Van Der Sluijs	IVDS	RSPO Secretariat	
Kamal Prakash Seth	KPS	RSPO Secretariat	
Emir Bustami	EB	RSPO Secretariat	
Nefissa Sahnoun	NS	RSPO Secretariat	

#### Absent with apologies:

Name	Initial	Organisation	Representative Category
Franka Lakeman	FL	Ahold Delhaize	Retailer
Fay Richards	FR	RSPO Secretariat	

#### Agenda:

Time / Item	Topic
1.	Antitrust Statement Reading
2.	Updates from the Outreach WG and Supply Chain Traceability WG
3.	Final Review of Position Paper on Credits for BoG - Feedback from SCTWG and OWG members

	- Feedback into a final Board statement for 12 November BoG Meeting
4.	Discussion on “No Palm Oil” labelling and claims - Review of Rule 1.4 of RSPO Code of Conduct wording
5.	Secretariat Updates - General Assembly - RT Series
6.	AOB - December Meeting, 2021 Meeting Dates (shorter format, more frequent meetings)

**Updates on Action Points from last meeting:**

No.	Action Point	Status

**DISCUSSION:**

No.	Description	Action Points
<b>1.0</b>	<b>Antitrust Statement Reading</b>	
	The Chair welcomes members of the MDSC to the meeting and reminds the members of the following, <ul style="list-style-type: none"> <li>- All MDSC members will have to abide by the RSPO Antitrust law</li> <li>- MDSC follows a consensus-based decision making as outlined in the ToR</li> <li>- Members have to declare Conflict of Interest (Col) under any items and excuse themselves to remain objective to the discussion.</li> </ul>	
<b>2.0</b>	<b>Updates from the Outreach WG and Supply Chain Traceability WG</b>	
	Outreach WG - Meeting November 19th Now separating the trademark doc from the ??? document and incorporating some changes from the WG	

### 3.0 Position Paper on Credits for BoG

The BoG Meeting held next week (12/11/2020) will discuss the proposal on the Position Paper on Credits. The BoG has also asked for an update of the recent amendments and make decisions on it.

- MDSC believes it is too early for decisions and further research is required with Credits
- It was recommended in the Board Paper that adjustments will be made on the statement
- If not voted during the meeting, it could also be voted during the upcoming Conference Call (Nov 2020); alternatively, it can be voted in the next Conference Call (Jan 2021)

Recommendation to the MDSC from the SCT and OWG

- Maintain the credit supply chain model for 2 years
- The Committee agreed to ask the SCT and OWG to provide their input first in regards to the SH Credits situations; at the same time question the SC. Further analysis is needed to understand why companies purchase Credits and what is the added value for doing so.
  - Secretariat responded that the data provided will not bring a satisfactory answer (as Credits are cheap and easy to buy with the other reason of not having availability sustainable ingredients).
  - Study/Research should be broader and supportive for the medium-long term solutions; incorporate what people are still buying as conventional and review what can be shifted from Conventional to Credits, Mass Balanced or Segregated as that's where the biggest impact is going to be.
- Amendments were made to the Recommendation Document
  - Redact the wording "year two" and replace with "the calendar Year 2021"
  - Add a sentence that would say an in-depth study by the SCT WG should be completed by Q1 Y2021 to understand why credits are used.
- A Committee Member stated that the recommendation should be explicit and realistic in what the calendar year is about; the chances of people to switch from Credits to Physical with an unclear decision along with the time constraint will be very unlikely. Short term solution is practical and pragmatic, should hone in on this for better analysis and data to provide clarity on the medium to long term solutions.

Due to time constraint, it was submitted in the Board Paper.

The SCT WG will further conduct the study

SCT WG to complete the study by Q1 2021

Short term recommendation is as it is. Suggestions for a timeline as to not repeat this same issue next year.

### 4.0 "No Palm Oil" labelling and claims

Darrell Lea has been terminated as a member of RSPO for making anti-palm oil statements, after being approached several times to change the public record.

	<p>The Chairs remind the Committee of Rule 1.4 of the CoC.</p> <p>The BoG has asked the MDSC to look at the CoC and its relation to the claims to determine if it is strict enough or if it requires improvement.</p> <p><b>Discussion:</b></p> <ul style="list-style-type: none"> <li>- There was already a lengthy discussion for the Clause to be where it is at now. Additionally, RSPO’s mandate does not extend beyond CSPO.</li> <li>- Situations exist where the spirit of the mandate is violated, such as using the “No Palm Oil” labels on health-related products. Such violations cannot be dealt with as Health falls outside the RSPO Mandate.</li> <li>- Potentially, the reason why there is an increase in such labelling is due to the message of CSPO and RSPO certification being too weak, as well as a market advantage when using No Palm Oil labelling.</li> <li>- Making an explicit addition to the Rule is not going to address the source of the problem.</li> <li>- The general public must be made aware of why CSPO is the better choice, and re-writing the rule is not the right solution.</li> <li>- There should be a toolkit or a training/outreach program to ensure that members are aware there are rules to abide by.</li> </ul> <p><b>Decision:</b> Members of the MDSC have decided not to alter anything about Rule 1.4.</p>	
<p><b>5.0 Secretariat Updates</b></p>		
	<p>The Chairs updates the MDSC on the following;</p> <ul style="list-style-type: none"> <li>- Darrell Lea has been terminated for violating the CoC.</li> <li>- RT2020 is reformatted in a series of shorter webinars.</li> <li>- GA17 will be virtual this year.             <ul style="list-style-type: none"> <li>● There are 2 resolutions to be voted on. One on Auditors and one on the Financial Calendar.</li> </ul> </li> </ul> <p>The Chairs invites everyone to vote for their category and representatives.</p>	
<p><b>6.0 AOB</b></p>		
	<p>December meeting dates;</p> <ul style="list-style-type: none"> <li>- It was suggested in the previous meeting that the MDSC have more frequent, shorter meetings.</li> </ul>	<p>The Chair will send out a poll to determine everyone’s availability for</p>

	Members agree to the change.	the next meeting.
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Meeting Ended at 2230.

**ANNEX:**

In alphabetical order:

AOB - Any Other Business

CSPO - Certified Sustainable Palm Oil

CoC - Code of Conduct

OWG - Outreach Working Group

RT2020 - Roundtable Conference on Sustainable Palm Oil

SCT WG - Supply Chain Traceability Working Group