

RSPO Biodiversity Technical Committee (BTC)

Minutes of the 10th MEETING held on 9 February 2011 Meeting Room, PBB, Wilmar, 15th Floor, Wisma Jerneh Jln Sultan Ismail, Kuala Lumpur, Malaysia.

Organisation	Present (wa = with apologies)	Representative	Acronym	Status
Conservation International (CI)	Yes Yes	Tim Killeen Jafra Supriata	TK JS	Member Member (Alternate)
WWF	Yes	Cherie Tan	CT	Member
IFC	Yes	Catherine Cassagne	CC	Member
MPOA	Yes Yes	Simon Siburat Calley Beamish	SS CB	Member Member
MusimMas	No (wa)	Gan Lian Tiong	GLT	Member
Sipef Group	Yes	Oliver Tichit	OT	Member
RSPO				
Saraya Co. Ltd.	No (wa)			
ZSL INA	Yes	Sophie Persey	SP	Member (Deputy Chair)/Alternate
WildAsia	Yes	Reza Azmi	RA	Member
ISPO	Yes Yes	Purwo Susanto Neny Indriyana	PS NI	Member Member (Alternate)
CABI Intl.	No (wa)			
WWF-MY	Yes	Surin Sukswan	SUS	Member
Industry MY	Yes	Henry S. Barlow	HSB	Member, Chair
RSPO Secretariat "ex officio"	Yes	Darrel Webber	DW	Secretary General
LFP-Shemsi Sdn. Bhd.	Yes Yes	Amarjit Kaur Stan Rodgers	AK SR	Observer Observer
USM	No			
UM	No			

1. Opening and welcome

The meeting commenced at 0909 hr with the Chairman welcoming those present especially the newly appointed RSPO Secretary General and thanked SS for coordinating the meeting in Kuala Lumpur. He then asked members of the meeting to introduce themselves. PS introduced Ms. Neny Indriyana as his alternate and later on TK introduced Mr. Jafra Supriata from Indonesia as his alternate who has a background in biological conservation.

2. Acceptance of agenda

The agenda was agreed by all.

3. Minutes of the previous meeting

The previous meeting minutes were accepted.

4. Matters arising not in the main agenda

- a. To report progress (if any) on approval of the Strategy Paper for BTC.

The Chairman informed the group that the RSPO EB had not considered the Strategy Paper but had requested that the BTC include social aspects of the HCV (4&5) into its strategy and recommend solutions for cases involving land clearing conducted without HCV assessments during the 2005 and 2007 period. TK elaborated on this by informing the group that the RSPO was currently conducting a review of its strategy, mission and vision which will be finalised at the end of March at a retreat.

TK stated that the EB's view was that the BTC should be reformed as the HCV working group and led by two co-chairs, one each from an NGO and a producer/plantation respectively. The EB would also like to reconstitute this group to ensure there is adequate expertise in the subject matter including social expertise. He stated that the EB would like the current BTC members to work on this and provide recommendations for the EB's consideration. CT stated that it is advisable to include HCV into the BTC in part to provide a single group to coordinate other working groups within the RSPO that may be looking into the same issues, e.g. the working group on compensation is concerned with HCV issues and the peatland group is examining ecosystem services. She indicated the group could provide clarity on recommendations to the EB and avoid redundancy.

- b. To consider in detail the items required and timetable in the Schedule attached to the Strategy (To provide an idea of the work programme for the next year or so.)

The Chairman began the discussion by starting on the first item of the strategy:

1. 'The identification of biodiversity related issues that may impact upon the production, procurement and use of sustainable oil palm products.'
 - TOR to undertake a study into current and potential biodiversity related issues the BTC may need to address.

SP suggested that instead of commissioning a study it would be better for the BTC to look into current issues already identified and this was supported by CC. However CC informed the group that the BTC was viewed from outside as lacking structure and therefore there was a need to provide a structure and identify and prioritise the issues to be addressed systematically along with justification for their selection. CC volunteered to lead a sub-group that will prepare a brief (2 page) document with Annexes as necessary looking into possible issues whilst ensuring that there was no duplication with the work of other RSPO working groups.

RA suggested that the document this sub-group produces should form the basis of the strategy and set the BTC's mission. He felt that the current strategy document was a mix of strategy and terms of references (TORs). Later in the meeting, CC, TK and RA raised the need to reformulate the BTC strategy document. DW stated that the current BTC strategy document had previously been distributed to the group as well as the EB and questioned the need to rework the document. The Chairman suggested that the group provide comments on a reformulation of the strategy by the next meeting. TK requested that the group review the document to be prepared by the sub-group led by CC before providing comments.

TK then offered to amend the current BTC strategy document based on CC's document, including social aspects and RA offered to assist. RA reminded the group that the reworked BTC strategy document should be ready for consideration by the EB at its retreat. OT requested the governance structure of the BTC be included in the reworked strategy

document. CC told the meeting that this will provide another opportunity for the submission of comments on the BTC strategy. The meeting discussed and agreed that teleconferences would be held on the 25th February following the work of CC's group on the "2 pager" and another on the 15th March following TK's work on the strategy to facilitate the finalisation of these documents prior to the retreat.

CB reminded the meeting that the BTC had not invited a representative from the HCV Resource Network to join the BTC despite previous agreement to do so. SP suggested that the representative should be someone from Indonesia or Malaysia and Mr. Dwi Muhtaman's name was put forward and this was supported by RA. It was agreed however that this request should be made by DW to the HCVN suggesting Mr Dwi Muhtaman but that it was their decision as to who they nominated.

The meeting also agreed that it was advisable to invite a social expert to join the BTC in order to provide input into the development of the reworked BTC strategy document. TK stated that the invitation should be made by the EB and this can be in the form of making an announcement on the RSPO website or through direct selection by the EB. SS suggested that the BTC recommend Mr. Dwi Muhtaman to the EB as he also has an appropriate social background. Others present felt that more than one name should be put forward. A further discussion took place on the number of social representatives to be on the BTC and it was decided that social experts will be invited to comment on the reworked BTC strategy document and not necessarily to be members of the BTC. Several potential institutions were suggested taking into account geographical areas. It was decided that the EB should ask representatives from the HCV Network, Solidaridad and Sawit Watch to comment on the strategy.

Action	Responsibility	Deadline
Prepare and overview/mapping/vision/mission of the BTC and be distributed to the BTC members for comments	CC	21 February 2011
• Teleconference to discuss the document and comments	Arranged by the RSPO Secretariat	25 February 2011 at 0900 (Malaysian local time)
Develop a reworked BTC strategy document and be distributed to the BTC members for comments	TK	Before 15 March 2011
• Teleconference to discuss the document and comments	Arranged by the RSPO Secretariat	15 March 2011 at 0900 (Malaysian local time)
Request the EB to invite social experts to comment on the reworked BTC strategy document from <ul style="list-style-type: none"> • HCV Network • Solidaridad • Sawit Watch 	DW	Not set

- Compensation

The Chairman informed the meeting that he had so far received only one set of comments from SP on the '*Draft interim guidance to members on compensation and remediation related to RSPO criterion 7.3 – valid from December 1st 2010 until replaced by draft guidance by March 2011 V1 November 26th 2010*' prepared by CT and amended by TK. Later on in the meeting, SS mentioned an error in the document concerning the time for the

rectification of nonconformities found by CB's. In response CT requested that any further comments on the document should be directed to her personally for consideration. CT explained that in 2010 two sets of guidelines were produced simultaneously, one by the HCV RSPO Indonesian Working Group (RIWG) for land clearing conducted between 2005 and 2007 and another as a response by the EB to a request from an RSPO member. These were discussed at an open workshop held at RT8.

CT requested the BTC suggest a process that could be used to engage stakeholders in the further development of these guidelines and if there was a need to form a subgroup within the BTC to identify the processes and also to look into how the guideline produced by the RIWG can be amalgamated with this work. She asked the meeting to consider the need to set up a workgroup to specifically examine compensation issues and whether a facilitator was needed to assist that process. PS asked what would happen to the guidelines proposed by the RIWG. CT admitted that there was a lack of communication between the EB and the RIWG on this matter and considered it advisable to arrange a meeting between the EB and the RIWG to discuss this. PS informed the meeting that the work had previously been led by Pak Daud from Sinarmas (as a representative of GAPKI) and since his departure no one has taken over. PS stated that as far as he knew WWF Indonesia had been asked to take over however there had been no clear decision made on this request to date.

PS stated the draft guideline has been sent to GAPKI and the RSPO Indonesian Liason Office (RILO) for comment. CT responded by stating that there had been no formal communication between RILO and the EB on this document and indicated she would like to see how the two documents can be amalgamated. PS requested that the EB make a decision on who will now lead the RIWG's work in finalising the guidelines. He went on to inform the meeting that the RIWG had intended to prepare two documents, 1) HCV Monitoring in Indonesia which was now complete and 2) the compensation mechanism guidelines and that these were both funded by the RSPO and previously he had communicated with Dr Rao (former RSPO SG) and Jutta Poetz (former RSPO Biodiversity Coordinator) for coordination. TK reminded the meeting not to make requests of the EB directly but to go through the SG. CT recommended that a meeting be held between RILO and GAPKI on the document and indicated that she would be in Jakarta the week after this meeting and could meet with them then if they were available.

RA stated that there was a need to identify the status of all on-going projects conducted on behalf of the RSPO and TK responded to say that the SG is currently working on this.

Action	Responsibility	Deadline
How to involve the stakeholders	CT	Report at next meeting
Liaison between RILO and GAPKI	CT	Report at next meeting
Identify status of ongoing projects	DW	Report at next Meeting

TK clarified that compensation mechanisms will apply to land clearing cases conducted between 2005 and 2007 where as remediation is applied to post 2007 cases and that the RIWG's guidance is meant for the former situation. He explained that there were two post 2007 cases reported to the EB (PT Smart and Sime Darby) and that the EB had to look for solutions to avoid canceling their membership. A document was released in June 2010 to assist these two companies. A discussion on the cut off date in the Indonesian case (2005-2007) followed. The meeting's view was that this issue should be investigated further by looking at all other on-going projects related to compensation. CT suggested that someone from GAPKI be included in the process. SP requested that the RSPO make a public statement on post 2007 land clearing as was agreed for Sime Darby. DW clarified that in

drafting the National Interpretation for Indonesia, only land clearing made between 2005 and 2007 was mentioned in the standard and therefore it was best not to make any reference to post 2007 cases.

SP posed a question concerning the partial certification of land that had been cleared in these circumstances. DW clarified that partial certification was not possible and that the company involved had to produce time bound plans and adhere to them in order to gain certification. OT stated that by making such public statements plantations will not take the RSPO certification seriously and CT added that WWF prefers companies to come forward and admit their mistakes. She added that as the P&C is up for a review next year and it will provide an opportunity to clarify the issue in the standard.

DW added that he believed it would be beneficial to produce the framework before a public statement is made and suggested that once the draft is produced it should be distributed for comment. CC mentioned that the RSPO should make a public statement informing it had received reports concerning some clearing post 2007, that it was enquiring into the matter, and reminding the rule of no HCV land clearing (post 2007). PS sought clarification on what is meant by 'special cases' to which TK responded that so far two cases, namely the Sinar Mas and Sime Darby land clearing cases are considered as special and these two have set a precedent for compensation. SP queried CC on the proposed BACP/BBOP project, CC responded that it was in the pipeline and had never been submitted however she understood that the project had been withdrawn by the proponent. . CB added that the reason Wilmar pulled out of the proposed project was because the compensation site was in Malaysia and not Indonesia and have asked BBOP for a site in Indonesia and are awaiting their response.

The Chairman then summarized the discussion and agreed that CT should co-chair a working group to examine compensation issues. CT requested that the co-chair be someone from GAPKI however OT volunteered to be co-chairman and this was accepted. CC stated that she will provide someone from her team to assist. CT reminded the meeting that the working group should look into developing a process to handle compensation cases. PS reminded CT to consider the El Nino incident in 1997 that may have affected the 1985 baseline as stated in the Indonesian National Interpretation. The Chairman agreed that the IFC through the BTC will request the EB to make a public statement on post 2007 land clearing cases after considering the risks involved in making the statement.

Action	Responsibility	Deadline
Requesting the EB to make a public statement on post 2007 land clearing without conducting HCVs by considering the risks in making such a statement	Chairman/DW	Report next meeting
Requesting the EB to decide on who should lead the RSPO Indonesian HCV Working Group's (RIWG) work on producing the compensation guideline	DW	Report next meeting

2. The enhancement and/or development of practical biodiversity related sustainability standards capable of implementation and verification.

In response to CB's question on what is meant by this, SR informed the meeting that common mechanisms in developing standards are usually driven by legislation or the market. In the present case, the paper talks about the RSPO standards.

c. A study on comparing RSPO P&C and the ISPO

SP informed the meeting as part of the BACP project ZSL had done a review of the relevant Indonesian legislation on oil palm and should now probably look into the ISPO as well. She also stated that the WCS is currently undertaking such a study.

Action	Responsibility	Deadline
Comparison of text of RSPO and ISPO	SP	Report next meeting

3. The development of practicable and useable management guidelines that support the infield application of sustainable biodiversity standards.

CT informed the meeting that currently there is a working group looking into set asides and she will distribute the information to the BTC members. CB raised the issue that there is a need to develop training for HCV assessors to which SR stated that competence for HCV assessors should be set first before training can be developed and delivered and SS requested for the HCV toolkit to be standardised.

According to PS the RIWG is currently working on standardising the HCV toolkit as the existing one is based on the logging industry. SS reminded the meeting that the Government needs to acknowledge that HCV areas are not to be planted with oil palm as there are no laws on conserving HCV areas that apply to companies (reference made to Indonesia). CC suggested that the EB engage with the Indonesian government as this is an urgent matter. The Chairman cautioned that it is difficult to have access to the right people in the government and maybe it would be better to approach those who act as advisors to the relevant ministers. In responding CT informed the meeting that currently there is a group in the RSPO working on engaging with the Indonesian government and the current review commissioned by the RSPO on the effectiveness of HCVs in the oil palm sector in Indonesia is a result of that effort.

CT then asked the meeting to look at the TOR for the review, "TOR: Analysis of Barriers to Effective HCV Assessment in the Oil Palm Sector in Indonesia". The review is to be conducted by Gary Paoli, Dwi Muhtaman and Aisyah Sileuw from Indonesia. SR commented that the TOR does not require the categorisation of the results of the study into changes that may be required to the P&C, HCV assessment process, outcomes of the process and/or management of the recommendations of the HCV assessment. In responding to a question from CC on the appointment of the consultant for this task, CT stated that the EB has approved the review and the consultants and that the findings will be used in the dialogue with the Indonesian government however currently no one has been identified to carry out the dialogue. CC whilst agreeing with SR expressed her concern that this is a multifaceted task and requires specialised skills to carry it out. She gave an example of a specialised group within the IFC known as the PPP that has been set up to facilitate dialogues and suggested their expertise may be useful in the context of this work. CT explained that this task (work group) began ten months ago and invited those interested to join in. JS stated that in his view this was a big task and needs to be subdivided further into smaller tasks.

In responding to CC's query on guidelines for handling of unauthorised occupation of land the Chairman stated that this should be dealt with by the working group looking into HCV matters.

Action	Responsibility	Deadline
To produce guidelines for unauthorised occupation of land	CT	Report next meeting

4. Proactive provision of technical advice to the RSPO board members on biodiversity.

The Chairman raised a recent study on the use of fertiliser which emits VOCs leading to the creation of ground level ozone as a typical issue that the BTC should be aware of. This led to a discussion as to how the BTC could access and disseminate information on scientific studies to the EB and its members. CB suggested that the BTC request Glen Reynolds (an environmental scientist working on projects in Sabah) to provide ongoing updates on the latest scientific studies in the oil palm sector. The Chairman agreed and asked DW (SG) to send a request to Greg Reynolds asking if he will undertake to do this. RA reminded the meeting that there are other researchers who can do the same. SP advised that ZSL has a website containing about thirty scientific articles and had previously requested to have the website as a link on the RSPO website but this has not occurred yet. The Chairman requested DW to consider and provide a link to the ZSL website on the RSPO website.

CC raised the issue on the need for knowledge management as there has to be a way or place for the lessons learned from all the work done to date to be kept and updated for, and be accessible to members, particularly the smallholders. She elaborated that the BACP was counting on the the RSPO to ensure that knowledge created by projects would be replicated and disseminated and that was part of BACP design for a broader impact; and that this was needed beyond biodiversity and HCV, to cover all topics of interest to members.

Action	Responsibility	Deadline
Glen Reynolds to be requested to update the BTC on relevant scientific studies in the oil palm sector	DW	Report next meeting
Place a link to the ZSL website from the RSPO website	DW	Report next meeting
To prepare knowledge management scheme	DW	Report next meeting

5. Make up of the BTC (matched to Strategy Paper).

Refer to 4(a).

6. BBOP principles for compensation.

Refer to 4b 1.

7. Formation of subgroups.

Refer to 4b1.

8. Process for registering/renewing HCV assessors.

The Chairman stated that the scheme to register HCV assessors should be reopened as there have been no new assessors appointed since the previous BioD Co-ordinator left. DW informed the meeting that the RSPO Secretariat will sub-contract the registration activity for HCV assessors and that an

announcement will be made on the RSPO website soon. The Chairman reminded the meeting of the flowcharts developed by SR and that the EB has supported the process as depicted in the flowcharts. OT raised his concern about the role of the BTC in this process and SR clarified that only doubtful cases will be brought to the BTC for resolution as reflected in the flowcharts. RA requested for the flowcharts to be accompanied by relevant text and in response to this SR stated that these should be supported by procedures once the flowcharts are approved and accepted.

It was agreed that the flowcharts should be approved and implemented immediately. Any problems discovered could be readily corrected at a later stage.

PS proposed that the BTC provide training and accreditation to HCV assessors and others who are interested to learn about HCV assessments. The Chairman felt that currently there is no capacity within the BTC to do so although it is desirable. DW raised that issue that instances have occurred where Certification Bodies have been reluctant to raise doubts on HCVs conducted by RSPO endorsed assessors and suggested that the RSPO uses a disclaimer to overcome this problem. He also suggested that the BTC should produce a checklist to assist Certification Bodies to determine the credibility of HCV reports.

In responding to this, SR stated that Certification Bodies are not competent to approve HCV reports and if they are indeed asked to do this then the cost of certification will surely increase. He suggested that the BTC should review on a sampling basis HCV reports produced by assessors and that the HCV Network should be peer reviewing reports as well. SR also suggested that the RSPO should conduct independent (outside of the HCV Network) reviews of HCV reports on a sampling basis. Some concerns were raised on the peer review process for fear that this may delay certification, be cumbersome and also on how to ensure independence. In response some suggestions were made to pay the peer reviewer to ensure fast delivery and for the RSPO or BTC to appoint the independent reviewer.

TK acknowledged that HCV assessments are subjective and susceptible to abuse and following on from PS suggestion indicated it may be better to provide training to HCV team leaders only. He reminded everyone that although the HCV assessors receive endorsement from the RSPO the onus is still on the company supplying the assessor to ensure that the HCV reports produced are credible. CB stated that this problem may be resolved should the RSPO make peer reviews of HCV reports mandatory. CB also asked about the process for qualifying experts to become team leaders.

9. Policy re reimbursement of expenses

The Chairman informed those present that the re-imbursement of expenses for attending BTC meetings had been agreed previously. DW requested those attending the meeting to submit their claims for reimbursement however he stated that only substantive members (or alternates in the absence of the substantive member) can claim for such expenses. The Chairman stated that he will discuss qualifying members of the BTC with DW for reimbursement purposes.

Action	Responsibility	Deadline
Submission of expense claims to the RSPO Secretariat for attending BTC meetings	BTC members/DW	

10. Any other business

CC requested that the reformation of the BTC be undertaken quickly so that BACP funding for RSPO activities can recommence. In responding to a question from the Chairman regarding minute taking at future meetings, DW advised that the RSPO Secretariat will undertake that role. TK sought

clarification from CC on the BACP funding for the BTC project and was informed that further funding is possible as long as it is related to biodiversity (yet HCV matters are covered), has a 2:1 funding mechanism and matching funding can come from other IFC initiatives and that 25% can be in kind. CC also stated that the BACP programme may be expanded to include Liberia in the programme. DW expressed his concerns in reporting and processing funding in kind and on the use of multiple funding sources and TK agreed that they should try not to focus on funding in kind.

11. Next meeting

It was agreed by all that the next BTC meeting be held at on 28 March in Kuala Lumpur and the Chairman will discuss with the Sime Darby management on the provision of a venue for the meeting. The Chairman suggested the following meeting be held on 7th June in Jakarta.

Action	Responsibility	Deadline
Arrange for a meeting venue on 28 March	Chairman	
Circulate meeting minutes, invitation and the agenda for the next meeting	Chairman	

12. The meeting closed at 4.30 pm.

H.S. Barlow
 Chairman
 26 February 2011
 Updated by CC, TK, DW and CT

Documents discussed:

1. BTC Strategy Paper Dated 10.11.2010
2. 'Draft interim guidance to members on compensation and remediation related to RSPO criterion 7.3 – valid from December 1st 2010 until replaced by draft guidance by March 2011 V1 November 26th 2010'
3. "TOR: Analysis of Barriers to Effective HCV Assessment in the Oil Palm Sector in Indonesia".
4. Proposed Process Flow Charts for the Approval and Renewal of HCV Assessors
 - HCV Assessor Application Process: BTC Subcommittee Process
 - HCV Assessor Application Renewal Process
 - HCV Assessor Report Review Process
 - HCV Assessor Application Process

Documents attached:

Nil