

MINUTES OF MEETING

22nd SSC Meeting

Time : 1500 - 1800 (MYT)

Date : Thursday, 25th November 2021

Venue : Zoom Meeting <https://zoom.us/j/97645493390> Meeting ID: 976 4549 3390 Passcode: SSC#22

Attendees

Name	Initial	Organisation	Representative Category
1. Lee Kuan Yee (CoChair)	LKY	MPOA/KLK	Grower (MY)- Substantive
2. Olivier Tichit (Co-Chair)	OT	Musim Mas	P&T – Substantive
3. Ian Orrell	IO	NBPOL	Grower (Smallholder) -
4. Masui Nobuhiko	MN	KAO Group	Substantive CGM - Alternate
5. Lim Sian Choo	SCL	Bumitama Agri	Grower (INA) - Substantive
6. Jenny Walther-Thoss	JW	Sust BioMass	ENGO- Substantive
7. Rudy Prasetya	RP	TAP	Grower - Alternate
Guest			
1. Julia Majail	JM	RSPO Secretariat	
2. Adam Harrison	AH	RSPO Secretariat	
3. Dede Herland	DH	RSPO Secretariat	
4. Javin Tan	JT	RSPO Secretariat	
7. Devala Devi Sivaceyon	DDS	RSPO Secretariat	
8. Dr. Gan Lian Tiong	GLT	RSPO Secretariat	
9. Aryo Gustomo	AG	RSPO Secretariat	
10. Krishna Jeyabalan	KJ	RSPO Secretariat	
11. Wan Muqtadir	WN	RSPO Secretariat	
12. Freda	FD	RSPO Secretariat	
13. Inke Van Der Sluijs	IVD	RSPO Secretariat	
14. HS Yen	HS	RSPO Secretariat	
Absence with apology:			
1. Brian Lariche	BL	Humana Child Aid	SNGO - Substantive
2. Sander van den Ende	SvE	SIPEF	Grower (RoW) - Substantive
3. Anne Rosenbarger	AR	WRI	ENGO – Substantive

Agenda

Time	Item	Agenda	PIC
1500 - 1505	1.0 1.1 1.2 1.3	Opening Acceptance of Agenda RSPO Antitrust Law RSPO Consensus-based decision making	Co-Chairs
1505- 1510	2.0 2.1 2.2	Confirmation of the 21st MoM on 26 Oct 2021 Matters arising from the previous meetings/Action Tracker Progress update WG/TF/SG under SSC	Co-Chairs
1510 – 1525	3.0 3.1 3.2 3.3	For endorsement/approval RISS INA Indonesia Proposal to re-establish GHG TF Peat BMP Handbook for Independent SH	DH DS DS
1525 – 1620	3.4	P&C 2018 Review	AH
1620 – 1640	4.0 4.1 4.2	For discussion/ direction/ decision Independent Smallholders Group (ISH) inclusion within P&C certificates for mills and supply bases Proposed interim measure for growers to comply with Ind 2.3.2 (the legality of all indirectly sourced FFB)	AG/NJ AG
1640 – 1730	5.0 5.1 5.2	For Updates Impact Indicator (P&C 2018) Governance Sub-Group under ASC	HS WM
1730 – 1800	6.0 6.1 6.2 6.3	AOB RSPO GA 2021 SSC Membership Status - CGM (Kao Cooperation) is resigning - ENGO (WWF International) mandate is ending SSC Meeting 2022	JM JM JM
1800		Meeting Ends	

DISCUSSION

No.	Description	Action Points (PIC)
1.0	Opening	
	<p>The Chairs welcomed everyone to the meeting and presented the agenda of the meeting. The RSPO Antitrust Law and consensus-based decision making was read out to the Committee. As representative of Social NGO is absent hence the decision is conditionally subject to his confirmation by email. RP will have to leave the meeting at 5:00pm for another meeting.</p>	
2.0	Confirmation of Minutes of Meeting	
2.1	<p>CONFIRMATION OF 21ST SSC MINUTES OF MEETING</p> <p>The 21st SSC Minutes of Meeting was endorsed subject to the following improvement: Page 6 <i>3.6 Discussion</i> Second para - to re-write the sentence to be more coherence.</p> <p>The PLWG is proposing DAP Ver.2 as to provide better clarity to the protocol, which among others is to introduce 'Grower's Checklist' (in DAP Ver.2) to ensure companies submit complete and correct data for the purpose of DA review. This will help both companies and reviewers to reduce the review time.</p> <p>The minutes was accepted subject to the above correction.</p>	
2.2	<p>MATTER ARISING ON ACTION TRACKER BASED ON 21ST SSC MEETING ON 26TH OCT 2021</p> <p>Action tracker updates were provided, and no comments received from SSC.</p> <p>Challenges for Growers to comply with Indicator 2.3.2 (the legality and traceability of indirectly sourced FFB), will not be discussed today as the draft paper is not ready.</p> <p>DLW Task Force will have a meeting 30th November 2021.</p>	
2.3	<p>PROGRESS UPDATE WG/TF/SG UNDER SSC</p> <p>Progress updates of WG/TF/SG under SSC was provided, and no comments received from the members.</p> <p>2.3.1 Update from Shared Responsibility Working Group</p> <p>Status on Key Deliverables of Shared Responsibility was presented to SSC as follow:</p> <ul style="list-style-type: none"> • SRWG will complete Technical Documentation and Implementation/Operational by December 2021. To date, both are in progress. 	

	<ul style="list-style-type: none"> SR unit has completed tasks on Communication and Outreach in November 2021 such as email blast to all members, updating FAQ and Regional RT sessions. In addition to that, translation into Bahasa Indonesia is nearly done, while translation into Thai and Chinese have completed. SRWG also have agreed on Year 3 (2022) target which is Processor and Traders on CSPO uptake is 2% increased, while on CGM & Retailers on the uptake of same product is 12%. 433 P&Ts, CGM and Retailer did not meet the target due to covid. But on aggregate level showed the progress hence scenario for year 3 has not changed (similar with year 2). On CSPKO, demand is higher than supply. Setting target may not be the right mechanism as the issue in on the supply side. One to one engagement with the member who have not meet the target of CSPO aimed at understanding the reason for not compliance. Integrate the recommendation from Oleochemical Taskforce on increasing supply of CSPK/CSPKO. <p>SSC request to endorse the SRWG recommendation then inform it to the BOG.</p> <p>Decision SRWG to submit an executive summary describing target from year 1 to year 3 to SSC to study within two weeks for approval over email.</p>	
<p>3.0</p>	<p>For Endorsement /Approval</p>	
<p>3.1</p>	<p>RISS INDONESIA NI</p> <p>Co-Chairs RISS INA NI and P&C INA NI WG had a meeting on Tue 16th November 2021 to respond SSC queries on land threshold in the definition of smallholder and gap threshold in definition of Medium Grower. The MOM was disseminated to the members of both TFs on the same day which aims to collect members' feedbacks/ comments or objections until Friday 19th November 2021. No objection received on the substance of the MOM, hence on Monday 22nd November 2021, the final MOM sent to t both members as well as to the SSC for approval.</p> <p>The land threshold in definition of smallholder in RISS INA NI (up to 25ha) to be endorsed as it refers to a robust reference, laws, and regulations in Indonesia. The definition in P&C INA NI referred to generic RISS which allows adjustment to be done as this condition already covered in the preamble/preface of P&C INA NI. While on the issue of gap in the definition of Medium Grower, it was recommended the land threshold of 25ha to 500ha for medium grower for Indonesia.</p> <p>Decision SSC has no objection with the recommendation on land threshold of smallholder, but it recommended to extend the duration for members of both RISS INA NIWG and P&C INA NIWG to provide comments/feedback for another two weeks (till Tue 30th November 2021). If there is no objection received from the member of both WGs then SSC will approve it over email correspondence.</p> <p>National Interpretation Indonesia for definition of Medium Grower was not approved as currently there is no standard for Medium Grower.</p>	<p>Secretariat to resend the draft MOM to both groups for comment until 30th November 2021.</p>

<p>3.2</p>	<p>PROPOSAL TO RE-ESTABLISH GHG WG AND APPROVAL OF THE TOR</p> <p>Following up on the last SSC meeting, the Committee requested Secretariat to gather information on whether RSPO should continue using Palm GHG or to leverage on other existing GHG calculators that available in the market. Following this, the comparison of calculators has been made which resulted that there is no calculator in the market that equivalent with RSPO Palm GHG.</p> <p>Concept notes and draft TOR were presented to the SSC.</p> <p>Decision SSC commented that the TOR should be re-developed by considering the input including:</p> <ol style="list-style-type: none"> 1. Scope of reduction of GHG emission target should be set carefully as not all member has started the GHG emission reduction or not at the same level. 2. Composition of WG should include CGM, Oleochemical. 3. On downstream GHG should cover beyond refinery. 4. The active period should be from January 2022 to December 2023 with possibility of extension. 5. Historical data should be included in the TOR. 6. To provide Sub-TOR for the TF sub-group for the downstream actors. 7. To check on the Carbon Tax in Indonesia. 8. Conflict of interest among the member WG should be explained. <p>Active promotion to stakeholders is required to ensure this calculator get accepted by members.</p>	
<p>3.3</p>	<p>PEAT BMP HANDBOOK FOR INDEPENDENT SMALLHOLDER</p> <p>ISH Peat BMP handbooks were developed as an informative guidance (RISS Criteria 4.4 and 4.5) to help smallholders with existing cultivation on peat. A total of 7 handbooks has been developed covering the following areas:</p> <ol style="list-style-type: none"> 1) Introduction to peat. 2) Water management (which also included guidance on conducting a Flood Risk Assessment). 3) Fertiliser and nutrient management for peat. 4) Integrated peat and disease management. 5) BMP for operation. 6) Fire prevention. 7) Case studies of BMP implemented <p>The Flood Risk Assessment was developed as an excel-sheet based risk template along with the risk matric and recommended mitigation measures.</p> <p>Decision SSC endorsed the RSPO ISH peat BMP and the Flood Risk Assessment Template.</p>	

3.4	<p>P&C 2018 REVIEW</p> <p>The proposed process for the review was presented. The review attempt to resolve the following based on issues in the past:</p> <ul style="list-style-type: none"> • Standardise of definition of different types of oil palm grower. • Inclusive standard that relevant, effective, feasible and acceptable to all types of producers and stakeholder • Streamlined the standard to focus on critical issues, emerging and priority • Ensure implementation feasibility tailored to type of grower. • Strengthened relevant indicator into outcome-based metrics and setting improvement target and landscape impact. • Build on latest thinking, research, and experience in palm oil and elsewhere. • Facilitate impact monitoring and contributing to SDGs and ESG reporting. • Identify and investing in performance measurement tool, including self-assessment, to drive continual improvement. • Recommend other actions the RSPO need to take before the next P&C review. • Explore new technology and novel approach – self assessment? • Move toward risk- based approach to implementing and auditing? <p>In terms of approach, it will:</p> <ul style="list-style-type: none"> • outline the same overarching Principles and Criteria but the indicators are producers type specific • be adaptive for application at the national level through respective national interpretation processes; and • consist of combination of performance outcome and policy-based indicators. <p>The process will start in 2021 with the approval structure and process by BoG then completed in 2023 in GA 2023 adoption.</p> <p>The TF consists of 24 substantive members consists of three different groups: 12 Palm Oil Producers, 6 Supply Chain and Investors and 6 NGOs.</p> <p>In terms of the structure for the process, it will be reporting to the BoG through SSC and below the SSC is the TF. It was proposed that 3 technical committees (TC) will be formed below the TF. The TF will be making the decisions based on the recommendations from the TC and where consensus decision to be made. From the TF, it will be presented to the SSC.</p> <p>It was proposed that the TF are not members of the SSC. Members of SSC can be in the TC during the process but should not be involved with the politics that is in the TF.</p> <p>The tasks and responsibility of the TF and TC were also proposed.</p> <p><u>Discussion:</u></p> <ul style="list-style-type: none"> • Having 3 technical committees can be challenging as it could be very complex to manage. Nevertheless, it is doable. • Need to see what new in the P&C 2018 and what work and doesn't work since the adaption of the standards. What we need to do to make the 'not-working' to work. Perhaps it would be good to do SWOT analysis and identify 	
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	<p>which indicator of weak performance.</p> <ul style="list-style-type: none"> • Perhaps we can learn from the practice by Rainforest Alliance an element ‘bronze-silver-gold’ whereby company can pick up different level of indicator to suit the reality condition on the ground of the company, recognising the continuous improvement and communicated during the certification. This recognises companies that are just starting and those who are already on the top. • Need to include the element of shared responsibility in this process. • Also to think on the potential challenge with regards to the capacity of small organisation to take part in the process when they do not have enough people. • Participation from the other Standing Committee is important to ensure maximum possible consultation. • The involvement of experts needs to be defined clearly in the ToR. Including the involvement of ASI and CBs. This will be discussed by the TF. • Alternate members to the substantive should also be appointed like that in the previous review process. • From the standard process point of view, the proposed governance of the process is good, but from the manpower aspect it will be very challenging. • The role of the steering committee as in the previous review may need to be revisited. • The Secretariat need to consider how the process be done if the Covid 19 Pandemic continues. <p>Action Points SSC to provide comments to the draft ToR within 2 weeks’ time. Secretariat will recirculate the draft to SSC members after incorporating the comments received at the meeting today. The Secretariat aim to get the BoG endorsement via email by December this year.</p>	
4.0	For Discussion/ Direction/ Decision	
4.1	<p>INDEPENDENT SMALLHOLDERS GROUP (ISH) INCLUSION WITHIN P&C CERTIFICATES FOR MILLS AND SUPPLY BASES</p> <p>The Certification System Document has a contradictory statement between RISS and P&C Certification systems. The RISS stated that <i>If the RSPO ISH Standard is not applicable because the requirements of independent smallholder or group certification cannot be met, it is still possible to get certified under the RSPO certification system by using one of the following approaches i.e. Group Certification or RSPO P&C 2018.</i> Meanwhile the P&C Certification System Document stated that <i>The scope of Unit of Certification applies for this document is the Mill, include both directly managed land (and estates) and scheme smallholders and outgrowers, where estates have been legally established with proportions of lands allocated to each;</i> and in other section stated that <i>For independent smallholders using the RSPO ISH standard, the unit of certification shall be the group manager and 100% of the ISH group members included in the scope of certification.</i></p> <p>The current standard and certification system documents have not accommodated the reality where in certain regions, due to limited access, some ISH can only</p>	

	<p>supply their FFB to one mill while the land title remains independently owned by the ISH. Not allowing ISH certification under a mill's P&C certificate has serious implications for some current certificates and will act as a significant barrier to future ISH certification in some situations.</p> <p>Both ASC and SHSC respectively have discussed these issues.</p> <p>It is recommended the following to be endorsed by SSC:</p> <ol style="list-style-type: none"> 1. Current mill's P&C certificates that consisting of ISH are to be permitted to continue until the required Changes/Amendment of the Certification Systems document has taken place. 2. The Secretariat (Standard Development Department) to provide specific revision needs to enable ISH inclusion into mill's certification unit, achieving P&C certification. Proposed revision is to be approved by SHSC, ASC and endorsed by SSC by January 2022. <p>Decision SSC agreed and approved the recommendation by the Secretariat.</p>	
4.2	<p>PROPOSED INTERIM MEASURE FOR GROWERS TO COMPLY WITH IND 2.3.2 (THE LEGALITY OF ALL INDIRECTLY SOURCED FFB)</p> <p>This was not discussed as the paper was not ready for discussion. The interim measure is still being drafted for ASC prior putting it to SSC for approval. The ASC will meet in January 2022.</p>	
5.0	<p>For Updates</p>	
5.1	<p>RSPO IMPACT INDICATORS</p> <p>The aims of the RSPO Impact Indicators are to show and narrate the RSPO's direct and indirect impacts in a more comprehensive and holistic manner. The Impact Indicators concept is a shortlist of 10 Impact Indicators developed using existing RSPO data systems and data points, as a preview of the framework and a proof-of-concept of the idea.</p> <p>This proof-of-concept uses proxy calculations, weightages, and data; the exact definitions, algorithms and measurements will be finalized through further development, with validation through research and research partners. After an initial round of feedback internally and with relevant stakeholders, this shortlist will be expanded into a longer launch list of Impact Indicators over 1H 2022, to include other important topics that were not fully developed in time for this proof-of-concept.</p> <p>Topics for potential Impact Indicators include:</p> <ul style="list-style-type: none"> - Smallholder Livelihoods - Deforestation Risk - Compensation and Remediation Progress - Public Perception of the RSPO <p>The development of the RSPO Impact Indicators is expected to be completed by end Q2 2022, accompanied by a parallel review of the Theory of Change and the underlying causal chains that map the theoretical logic flow from certification to outcome to impact (as an attribution or a contribution) to strengthen the Impact Indicators framework.</p> <p>The RSPO Impact Report 2022 scheduled to be released in Q3 2022 is intended to be the reset point for this and a platform to communicate this fresh start to</p>	

	<p>reporting and narrating on the RSPO's impacts. RSPO impact relate to UN SDGs: Trifecta of Impacts in which Prosperity, People and Planet impact to certain number of SDGs. The 10 Impact indicators shortlisted are:</p> <ul style="list-style-type: none"> 1 Certified Supply Trend 2 Certified Consumption Trend 3 Certification Trend 4 RSPO Gender Index 6 RSPO Human Rights Violations Risk 7 Climate Change Mitigation 8 RSPO Environmental Sustainability Index 9 Safeguarding Nature 10 RSPO Fire Threat Risk <p><u>Discussion and comment</u> Confidentially must be provided to members in term of information which responded that published data is at aggregated level. Redundancy facing by member in providing data is avoided through digitalisation of data.</p>	
5.2	<p>GOVERNANCE SUB-GROUP UNDER ASC</p> <p>Result of GAP Analysis of RSPO Assurance System is the formation of sub-group under ASC, called the Governance Sub-Group. The Sub-Group is one of the three subgroups that will support ASC by conducting in depth deliberation into specific issues of assurance application.</p> <p>The cross-cutting issues of Assurance and Standard is often arise which will have impact to the standard such as FFB legality and ISH in P&C certification. Hence, need to be clear understanding on the mandate of the sub-group to ensure better alignment and coordination in the future.</p> <p>This briefing is to informed SSC on the formation of the sub-group, provide suggestion and feedback and for future collaboration.</p> <p><u>Action Point</u> The TOR of the sub-group will be sent to SSC for comments.</p>	
6.0	Any Other Business	
6.1	<p>RSPO GA 2021</p> <p>GA 2021 will be on 2 December 2021 which will discuss the three major issues within scope and roles Standard Standing Committee:</p> <ul style="list-style-type: none"> a. Resolution GA 18 2b - Strengthening the code of conduct to clarify that it embraces all stages of the supply chain, in particular refinery b. Resolution GA 18 2c - Enhancing the robustness of RSPO Mass Balance model to accelerate uptake of Certified Sustainable Palm Oil c. Resolution GA 18 2d - Resolution to review and amendment of the Remediation and Compensation Procedure (RACP) process as applied to scheme smallholder <p>Members were reminded to register to GA as tomorrow is the deadline.</p>	

6.2	<p>SSC MEMBERSHIPS STATUS</p> <p>Kao Corporation representing CGM both substantive and alternate will be retiring from SSC and today is their last meeting. RSPO Secretariat and SSC members wish to record its appreciation to Mr. Koji Sato and Mr. Masui Nobuhiko of Kao Corporation for all the contribution and participation rendered to the Committee.</p> <p>Jenny Walther has obtained the mandate from WWF-Singapore to extend her role in the SSC.</p> <p>Seats for Retailer, Social NGO and Financial Institution are still vacant. Call for application is needed to fill the vacant seats.</p>	
6.3	<p>SSC MEETING 2022</p> <p>The Secretariat proposed dates for SSC meeting for the coming year. Secretariat will send the calendar invites to SSC.</p>	

MEETING ENDED AT 1745 MYT