

Summary of Twenty Sixth Technical SRWG Meeting

The twenty fifth Shared Responsibility Working Group (SRWG) technical meeting was opened at 4.00PM (MYT), April 28, 2023 by the Secretariat.

The agenda of the meeting was presented to the SRWG briefly just after the anti-trust statement was read and acknowledged.

The SRWG members were requested to endorse the new Decision Paper on Uptake targets for Year 4 (2023), which includes a new action plan to address the CPSKO market. The SRWG members were also requested to update on the status of the Stakeholder Guidance documents.

An overview of the uptake targets survey results and some amendments regarding the SR Scorecard webpage were presented

The Secretariat thanked everyone for attending the meeting, and looks forward to seeing everyone in the next meeting on June 12 and/or 13, 2023.

The meeting was closed at 5.30 PM (MYT).

MINUTES OF MEETING OF RSPO
RSPO Shared Responsibility Working Group (SRWG) 26th Technical Meeting

Date: April 28, 2023 (Friday)

Time: 4.00 PM to 5.30 PM (MYT)

Venue: Video Conference (RSPO ZOOM 6)

Attendance:

<p>Members and Alternates</p> <ol style="list-style-type: none">1. Kamal Seth (KS, WWF International)2. Girish Deshpande (GD, P&G)3. Julian Walker-Palin (JWP, RPOG)4. Claire Dong (CD, Avon)5. Surina Binti Ismail (Sbl, MPOA)6. Harjinder Kler (HK, HUTAN)7. Brian Lariche (Humana Child Aid Society, Sabah) <p>Absent with Apologies</p> <ol style="list-style-type: none">1. Lim Sian Choo (Bumitama Agri Ltd)2. Catarina Vivalva (CV, BNP Paribas)3. Nursanna Marpaung (NM, HUKATAN)4. Joshua Lim (JL, Wilmar)5. Mariama Diallo (MD, SIAT SA)6. Ben Vreeburg (BV, Bunge)	<p>RSPO Secretariat</p> <ol style="list-style-type: none">1. Lilian Garcia Lledo (LGL)2. Joyce van Wijk (JW) <p>Absent with Apologies</p> <ol style="list-style-type: none">3. Inke van der Sluis (IS)4. 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 2. RSPO Secretariat Updates <ul style="list-style-type: none"> ○ Action Points ○ RSPO Secretariat Updates ○ Status of Key Deliverables 3. SRWG 4. Uptake target decision paper 5. Uptake targets survey 6. Stakeholder Guidance document - SRWG update 7. SR Scorecard webpage 8. AOB and Next Meeting 	
2.0	<p><u>RSPO Secretariat Updates</u></p> <p>Overview action points</p> <p>Open action points for the Secretariat are developing guidance for each sector, draft concept mechanism to link stakeholder with growers who need financial support, and think about a communication plan on how to engage with the biggest companies in each sector to socialise the</p>	

	<p>new uptake targets and understand the dynamics of their market and creating conceptual design outlining the ideas.</p> <p>The <u>SRWG members are requested</u> to sign the circulated ToR and send it back to the Secretariat.</p> <p>Secretariat updates:</p> <ul style="list-style-type: none"> ● New Deputy Director of Communications ● ACOP will close on Friday 19 May 2023 at 12:00 AM (midnight) MYT (UTC+8). ● March E-gazette ● SR Scorecard ● CoC webinars <p>Save the date:</p> <ul style="list-style-type: none"> ● Inter-American RSPO conference - From emerging to thriving: The role of the Americas as leaders for sustainable palm oil. 30 and 31 May 2023, Miami, Florida, US. ● SPOD EU - Save the date - June 2023- Germany. Date: 14 June at the Lindner Congress Hotel in Frankfurt (Main), Germany. ● RT 2023 - 20 - 22 November, Jakarta, Indonesia. <p>Status if key deliverables</p> <p>The M&E framework, the eGazette article for May, the SR Scorecard and the engagement with members not meeting their targets has been completed.</p>	
3.0	<p><u>SRWG</u></p> <ul style="list-style-type: none"> ● SRWG calls/ meetings: <ul style="list-style-type: none"> ○ 2nd SRWG physical meeting /27th SRWG call - Attendance survey sent: 4 replies, 13 June most popular. ○ 29th SRWG call to be moved from 5th September to 12th September. ● Member group email - only used by one member. Is there any issue with others? 	

- **Resolution GA19 2c implementation** - webinars on 2nd and 11th May. Membership and SR Unit.
- **SR socialization** session in Kuala Lumpur beginning of July - tbc.
- **“Clearing house” project** - internal discussion in progress.
 - A portal where upstream members could publish their need for support and downstream players or other members who wish to support these initiatives could connect and agree on the details of the financial support.
 - Transparent communication on the help given and milestones achieved.
 - but FIRST - which members are willing to provide financial support to upstream members? under which conditions?

Retailers are very interested in supporting independent smallholders (they have a workshop about it in May) and how they can become more active in supporting independent smallholders. Some are (starting the transition of) buying IS Credits while others are willing to go further. 10 out of 13 do not have specific engagement at the moment. So, if it can be linked to independent smallholders, it will have Retailers attention and interest.

Secretariat reminds that the RSPO Smallholder Engagement Platform (RSEP) is meant to connect SH in need with other players. We aim to connect Retailers with the RSEP through the Guidance on SR requirement on SH inclusion. Also to socialise the RSEP among RSPO members.

Many CGMs (around 35) are already part of the CG Forum which has WG working on different projects, such as conservation, landscape approach, etc. There is room for other CGMs to link to SHs which is what has better traction to start moving.

Growers pointed out that the mid size growers (not big enough to have the resources, not small enough to be SH) may have more troubles to get certified (e.g due to land clearance and RaCP) and need more support also because they bring a considerable certified volume. This is connected to increasing the growers membership base of RSPO.

Also, supporting RaCP projects can contribute with the GHG Net zero targets and commitments of downstream players. This can be pointed out as a plus.

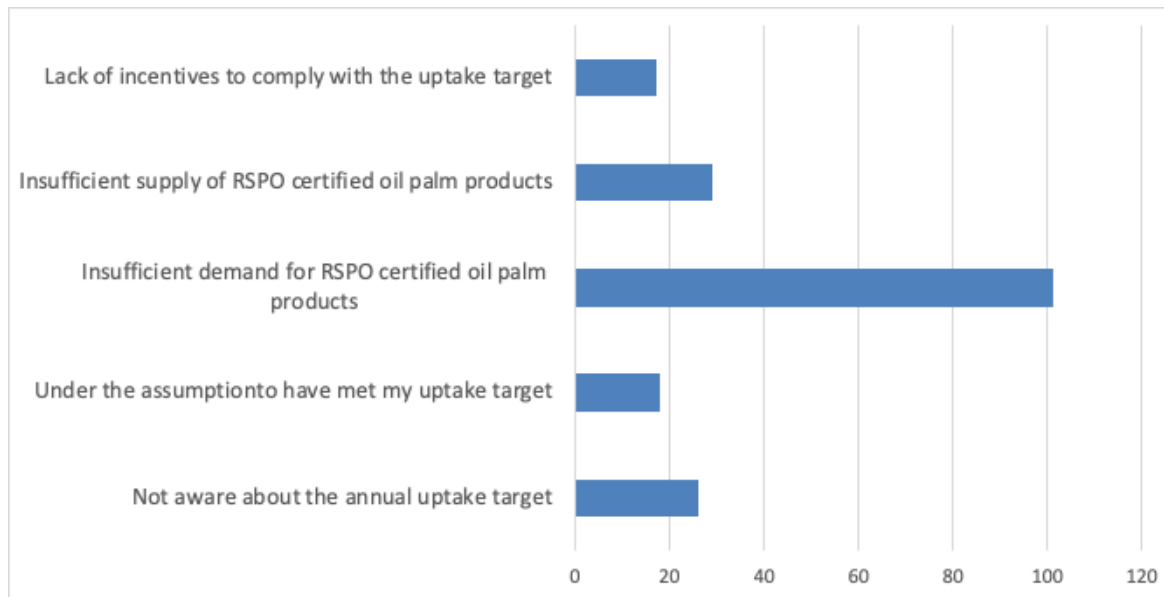
	<p>The BoG aims to discuss this idea (including the option of supporting mid size growers via RaCP as well as SHs) and perhaps include it in long term strategy discussion; also to see if a fund (managed by experienced parties) will be implemented. This can also develop in the engagement of big players that are not yet involved in sustainable palm.</p>	
4.0	<p><u>Uptake targets decision paper</u></p> <ul style="list-style-type: none"> ● Uptake targets Y4 and Y5 Decision Paper <ul style="list-style-type: none"> ○ Not endorsed by the BoG in March due to a sustained objection related to the lack of CSPKO targets for Y5 (2024) and need to have an action plan to enable balance of supply and demand for CSPKO. ● Main internal thought is that supply, i.e. growers, are outside the scope of SR. ● New decision paper - to be endorsed! <ul style="list-style-type: none"> ○ Only targets for Y4 (2023) , i.e. CSPO 2% (P&T)/12% (CGM and RT), with a revision of the Y5 (2024) targets on the Q4 2023. ○ For CSPKO, the recommendation and agreement was not to have an uptake target due to ongoing tightness in the CSPKO market. To address the shortage of CSPKO in the market, the RSPO secretariat recommends developing an action plan to firstly address the losses in the supply chain by: <ul style="list-style-type: none"> ■ Raising awareness amongst the RSPO certified mills with unsold CSPK volumes; ■ Raising awareness amongst the certified KCP and Independent Smallholder Groups with unsold CSPKO volumes; ■ Using spatial mapping for connecting certified mills with certified crushers; ○ Secondly, the overall CSPO/CSPK supply should increase. This can be achieved by: <ul style="list-style-type: none"> ■ Accelerating the review of the management units in the RaCP process (637 management units in different stages of which 130 came in in 2022, volume data not available yet); ■ Developing an outreach program for uncertified KCP. 	<ol style="list-style-type: none"> 1. Decision paper on Uptake Targets Year 4 (2023) to be shared with the SRWG members for its endorsement. 2. Secretariat to check if a CSPO mapping exercise has been done by Assurance /ASC before.

	<ul style="list-style-type: none"> <ul style="list-style-type: none"> ■ Develop a new strategy for non-RSPO grower engagement. <ul style="list-style-type: none"> ○ Increasing overall supply is not specified under the scope of the SRWG as 1) falls under the responsibility of the Assurance Division and the Assurance Standing Committee, and 2) falls under the responsibility of the Market Development Standing Committee (MDSC) and the Board of Governors (BoG). ● Next steps: SRWG endorsement → SSC endorsement → BoG endorsement → external communication to RSPO members <p>Grower indicates that it would be good to see the mapping exercise also for CSPO. Secretariat to check if this exercise has been done by Assurance /ASC before.</p>																
5.0	<p><u>Uptake target survey</u> Summary Members who had not met their CSPO uptake target in 2021 were contacted</p> <table border="1" data-bbox="188 791 1319 1010"> <thead> <tr> <th>Sector</th> <th>Contacted</th> <th>Responded</th> </tr> </thead> <tbody> <tr> <td>P&T</td> <td>146</td> <td>80</td> </tr> <tr> <td>CGM</td> <td>193</td> <td>89</td> </tr> <tr> <td>RT</td> <td>9</td> <td>5</td> </tr> <tr> <td>Total</td> <td>348</td> <td>174 (50%)</td> </tr> </tbody> </table> <p>In 2020, overall response rate was 45%</p> <p>Awareness about SR 87% of members who completed the survey were aware of SR requirements (In 2020, this was 77%) 71% of the members who completed the survey were aware of the SR targets (In 2020, this was only 56%)</p>	Sector	Contacted	Responded	P&T	146	80	CGM	193	89	RT	9	5	Total	348	174 (50%)	<ol style="list-style-type: none"> 1. Secretariat to provide the absolute number corresponding to the members contacted and that responded in 2020 to the survey. 2. Secretariat to provide an overview by region of which constituency is saying what reason for not meeting the uptake target, for which product (CSPO/CSPKO).
Sector	Contacted	Responded															
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Grower requested to see the absolute number corresponding to the members contacted and responded in 2020, to better understand the 45%. The Secretariat will provide the numbers.

Reasons for not meeting targets

Multiple choice question, one member could choose more than one.



Next steps

Engage with 9 members (ongoing) who based on their input need support (eg not understanding how to report/ what SR means for them)

	<p>Grower pointed out that the answer of insufficient demand back up the growers complain that there is not uptake from their certified supply. We need to understand why the uptake is not moving, and also why there is insufficient supply as well. Secretariat reminds that this answer is very regionally linked, as example Thailand.</p> <p>CGM pointed out that insufficient demand should not be a reason for CGMs and Retailers, because then it is a lack of commitment to uptake/source RSPO material. It would be interesting to see where these two sectors replied.</p> <p>Secretariat to provide the reasons given per sector to understand the situation and engage with those members.</p> <p>NGOs pointed out that the BoG (in their June meeting) needs to look into this by regions and products (i.e. CSPO and CSPKO). Request for an overview by region of which constituency is saying what reason for not meeting the uptake target, for which market, for which product (CSPO/CSPKO). This can be used for the long term strategy.</p> <p>Retailer pointed out that given that Retailers are very close to 100% uptake (the gap is due to derivatives and fractions), it is proven that there is a case for CSPO uptake from where others can learn.</p>	
6.0	<p><u>Stakeholder Guidance document</u></p> <p>Suggested changes to all guidance documents based on feedback so far:</p> <ul style="list-style-type: none"> • Change structure of document: put guidance directly under (SR unit will do this for all documents in next version) • Guidance 5&6 (sustainability reporting): clarify member shall report to RSPO Secretariat. In addition to this, the member can also report their sustainability performance in sustainability report or publish dashboards 	

- SR 8 (transparent communication): link to RSPO Rules on Market Communications & Claims 2022
- Guidance 13 (supporting SH): remove example 'Inclusion of non-certified smallholders via Mass Balance supply chains'
- SR25 (policy on GHG emissions): clarify only scope of requirement is own operation (Scope 1)

Updated proposed timeline:

	March		April				May					June	
	4 weeks	Week 3rd	Week 10th	Week 17th	Week 24th	Week 1st	Week 8th	Week 15th	Week 22nd	Week 29th	Week 5th	Week 12th	
Self completion / Consultation with RSPO members	X	X	X	X	26 SRWG call (28th April) Update from SRWG members	X	X					27 SRWG (physical) meeting (12/13th June) Present draft	
Alignment calls SRWG members and Secretariat						X	X	X	X	X			
Guidance - Second draft								X	X	X	X		

During the physical meeting in Frankfurt the SRWG will discuss the compiled comments received.

Every SRWG member gave an update and shared some comments on the guidance documents.

CGMs and Secretariaat to align on the comments through a separated call.

Retailers did a first review before going to the caucus. No substantive comment yet. Interesting that some did not know about SR, so it was a raising awareness activity as well.

Retailers also flagged that some of the requirements can be problematic due to technical issues, for example setting which kind of employment policies or payment policies they need to have. This can be discussed when we come to review SR

	<p>Grower remind that they are expected to comply with this by the P&C and therefore expect also to be part of SR as those issues are not exclusively of the grower sector and also to understand the effort growers go through.</p> <p>Retailers pointed out the different scale of business, and agreed that the employment and pay policies shall be in line with the minimum legal requirements of the market you operate. Proposed to look at the requirements to do a gap analysis and ensure that those requirements can be actually implementable and therefore maximise the relevancy/authority that RSPO may have over their current practices, and avoid to be ignored.</p> <p>NGOs reminded that this is in line with clause 3.2. of the CoC, that is updated by a recent Resolution. The BoG will do a Governance Review and this input to take into it.</p> <p>NGOs did two rounds of internal reviews and sent comments to the Secretariat. Once these are addressed the document will be sent to the caucus.</p>	
7.0	<p><u>SR Scorecard</u></p> <ul style="list-style-type: none"> ● Final launched on 3rd April: https://rspo.org/as-an-organisation/shared-responsibility/the-shared-responsibility-scorecard/ ● M&E Methodology, i.e. the scorecard scoring, shown in the website. ● Current scoring based on previous view of MyRSPO (updated in March 2023 to cover ALL SR requirements) ● Next update of the SR Scorecard in September 2023 with the data available in MyRSPO by 1st July 2023 (announcement to be done) ● Adjustments: ● Update the category “>95%” to consider only the current year. ● Remove (‘manually’) from ACOP the SR questions that appear ● in the exempted members’s ACOP, i.e. those holding only ● a Trader/Distributor license. ● Explore the option to remove it also from MyRSPO - tbc. 	

8.0	<u>Closing</u> The next virtual SRWG meeting will be on 18 April 2023, at 4.30 pm (KL time).	
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