

MINUTES OF 2nd Smallholder Working Group (SHWG) Meeting

Date : 28 Oct 2012

Time : 10:30am - 17:00pm

Venue : Pisces Room 1 & 2, Resort World Sentosa, Singapore

Attendance:

No	Constituency	Name	Ini	Organisation
1	Env NGO	Adam Keatts	ADAM	Conservation International (CI)
2	Env NGO	A. Kusworo	AK	FFI
3	Env NGO	Darmawan Liswanto	DAR	FFI
4	Env NGO	Dayang Norwana	DYG	WWF-Malaysia
5	Grower (Mal)	Abdul Aziz Zainal Abidin	AZIZ	Keresa Plantations & Mills
6	Grower (Mal)	K. Ilangovan	ILA	FELDA Malaysia
7	Grower (Ind)	Herman Tandinata	HT	PT Musim Mas
8	Grower (ROW)	Simon Lord (Co-Chairperson)	SL	NBPOL
9	Grower (ROW)	Ricardo Torres	RT	FEDEPALMA
10	Smallholder (Mal)	Tn.Hj. Faiz Abd Rahman	HJF	NASH Malaysia
11	Smallholder (ROW)	Ian Orrel	IAN	PNG Palm Oil Council
12	Smallholder (Thai)	Krittana Paperanon	KP	Univanich-Plaipraya, Thailand
13	Smallholder (Thai)	Sarut Cholathan	SC	United Palm Oil Industry, Thailand
14	Smallholder (Thai)	Thitinai Pongpiriyakik	TT	GIZ-Thailand
15	Social NGO	Sandra Sebolt (Co-Chairperson)	SS	OxfamNovib
16	Social NGO	Marieke Leegwater	ML	Solidaridad
17	Social NGO	Rudy Lumuru	RR	Yayasan Setara Jambi
18	Social NGO	Piers Gillespie	PIERS	Solidaridad SEA
19	Social NGO	Norman Jiwan	NJ	SawitWatch
20	Social NGO	Intan Cinditiara	OLA	SawitWatch
21	Social NGO	Yulianto Kurniawan	YUL	Solidaridad
22	Supply Chain	Triyanto Fitriyardi	TRI	IFC - Jakarta
23	Supply Chain	Perpetua George	PEP	Unilever
24	RSPO Secretariat	Julia Majail	JMA	RSPO Secretariat- SHWG
25	RSPO Secretariat	Dr Salahuddin Yaacob	SY	RSPO Secretariat
26	RSPO Secretariat	Desi Kusumadewi	DES	RILO
27	RSPO Secretariat	Asril Darussamin	ASRIL	RILO
28	RSPO Secretariat	Imam A. El Marzuq	IMM	RSPO
29	Observer	Dr. Yotsawin Kukeankasem	YOT	GIZ- Consultant
30	Observer	Bob Norman	BOB	GreenPalm
31	Observer	Tn. Hj Wahid Omar	HJW	MPOB

No	Discussion	Action point	Action by
1	AGENDA 1: Opening: Introduction of Participants & Program		
	SS thanked everybody for attending the meeting. She explained the objective of the meeting. SS further reminded that SHWG are responsible to bring the SH group to next level aspired.	Info	
2.	AGENDA 2: Confirmation of last Minute of Meeting		
	The last minute of meeting on 25 th & 26 th June 2012 were finalized and confirmed: Proposer: Perpetua George Seconded by: Ian Orrell	Info	

3.	AGENDA 3: Matters arising from last Minute of Meeting		
3.1	Item 1.2.1 Smallholder Funding Mechanism – A Consultant was hired to assist in finalizing the design of the mechanism. Series of discussion were done on this subject involving the WS5 and members of SHWG. Proposal has been submitted to EB based on the inputs received from SHWG. Decision to be known tomorrow.	Info	
3.2	Item 1.2.2 Solidaridad - Solidaridad will present about their SH-related project tomorrow to EB and the SHWG workshop. The presentation will also be in their website.	Members are reminded to inform Co-Chair or the Secretariat of any existing SH project that they are aware about, to avoid confusion.	SHWG members
3.3	Item 1.2.3 Translation of all SH documents - SHWG will be the point to collect all information (any documents related on SH) and generate info for RSPO website. Main RSPO documents (P&C, RSPO Certification System, Group Certification Standard, SH Guideline and Supply Chain System and Standard) has been translated to Spanish, French, Chinese, and currently being reviewed.	1. These docs will still be enforced until another year. It will then be revised to accommodate the changes accordingly as soon as the P&C review is completed and endorsed. 2. Current documents review procedure need to be revised (among generic & SH related docs) – simplicity without compromise.	Info SHWG
3.4	Item 4.2.1 Definition of smallholders (all type of smallholders, especially for those having more than 50ha).	To refer report on bench marking definition on SH by ProForest (2010). This report was submitted to SHTF for scheme and independent SH and was endorsed by EB.	SY/NJ
3.5	Item 6.2.1 Urgent issues that need to be addressed <ul style="list-style-type: none"> • Simplified HCV/SEIA • Review of the group standards - is it applicable for independent smallholders? • Guidance documents • To review indicators for applicability from the Generic Guidance and P&C document 	Simplified HCV/SEIA will be discussed under WS1.	WS1
3.6	Item 6.2.2 Training is needed for CBs regarding certification process for Independent Smallholder.	This is not has been work out yet, but will be looked into very soon.	RSPO Secretariat
3.7	Item 7.2.1 Discussion on unit of certification for smallholders - Issue on land & landownership.	To be discussed in this meeting.	WS1
3.8	Item 7.2.2 PK rate (of 6%) was commented by EB to be high. Since the WG represent smallholders globally, it is important to consider that the rate will be different with regard to the geographical aspect. A global standard cannot be used for productivity because the yield will be different on country basis.	It was agreed that WG will propose national average rate for PK+1% to EB. The system will be re-evaluated for concrete refinement once approval from EB is sought.	SY

3.9	<p>Item 7.2.9 Specific and comprehensive system to monitor CFFB trading, to prevent double selling (i.e. same quantity sold to GreenPalm and also sold to Certified Mills as CFFB). How to regulate the sales of CFFB to independent mills.</p> <p>Need to place the system of Mass Balance and Segregation in the Independent smallholder trading schema, because there is the possibility of combination regarding the FFB supply to the Certified mill.</p>	This matter was suggested to be discussed at WS level.	WS1
4. AGENDA 4: Updates from Workstreams			
4.1	<p>Workstream 1: Document and Systems (Ian Orrell) Meetings done: One Skype meeting on 18th Sept 2012 attended by 8 people.</p> <p>Meeting notes: Three items were discussed: (i) Urgent tasks by the Workstream (WS) - Report by Jan Willem was the key reference point discussed. It was agreed that it should be finalized and endorsed by EB. But should be done after P&C review. The need for CB representation was raised. PK rate conversion rate was also discussed.</p> <p>(ii) comment on WS1 ToR 6 key points of the draft ToR were discussed which were categorized into 3 broad grouping ie: A. Identification and Collation of reference material (Key point 1 and 3) Key Point 1: Make inventory of all key doc and guideline on BMP Management; to support SH to be sustainable producers of oil palm certified. Key Point 3: Compile all available & not yet available docs (manuals, guide books, etc) which are useful for SH wanting to go for certification.</p> <p>B. Needs assessment and recommendation for change (Key Point 2,4,5) Keypoint 2: Review gaps in current key doc and guidance for improvement includes unit of certification, FFB trade, synchronization of NI, simplified HCV and SEIA for independent SH. Key Point 4: Come up with proposal & recommendation on changes needed to all RSPO documents for SH and subsequently for EB approval; especially in light of the P&C review. Key Point 5: Proposal and recommendation on the needs for guidance and manual.</p> <p>C. Closely cooperate with WS on pilot project to test RSPO certification document in real practice. (Key Point 6). In order to come up with recommendation for improvement, there are some confusion on the overlapping scope of the different WS. Need to have finalized system documents before being develop as guidance docs. Need to have a system that is inclusive and not exclusive to interest SH was highlighted. The need to improve SH livelihood was a solid aim.</p> <p>Draft ToR in HCV, EIA and simplified survey were prepared</p>	Info	

	<p>by the Co-Chair and Secretariat, and sent to BHCV-WG, but so far has not received any comment.</p> <p>Discussion & Comments: WS1 could always align their work focus with Solidaridad work.</p> <p>Co-Chair and Secretariat to highlight the area those are cross-linking with other WS and ways of WS to work on the challenge.</p>	<p>Info</p> <p>Info</p>	
4.2	<p>Workstream 2: Developing Support Mechanism for Independent SH Certification (Dayang Norwana) Meetings done: One meeting done, which attended by 4 people only.</p> <p>Five ToR keypoints discussed:</p> <ol style="list-style-type: none"> Identify capacity need for companies, farmers, Group Managers and CBs & supporting agencies on all steps towards improving SH certification. To determine GAP for SH (to identify SH skills and extension services, training programme and incorporate this practices to them. This extension services may skewed more to Malaysian context only at the moment due to limited feedback from Indonesia during the discussion. Compile & collate training need in a matrix form ie training materials and guidance, if possible on the existing materials of any ongoing projects. Provide recommendation on possible partnership with stakeholders to utilize whatever possible national SH organization such as government extension program services. To provide SHWG with recommendation on Training for Trainers and the system. 	<p>Info</p>	
4.3	<p>Workstream 3: Knowledge Management (Intan Chinditiah) Meetings done: Skype meeting were done on 26th Sept 2012 whereby 6 people joined.</p> <p>The WS3 noted that we have not fully concluded on the main proposal for the WS and next step to do. It was mentioned that this WS should act like a library, to provide the knowledge transfer to all SH stakeholders i.e. a communication hub. Revised ToR draft of WS3 was circulated on 3rd Oct, made by SS, but no input still.</p> <p>Comments and Queries: Suggestion for this WS to make use of the existing RSPO website whereby it has a link for Lesson Learnt.</p> <p>Yulianto, from Solidaridad to join WS3.</p> <p>Developing communication strategy for SHWG for the dissemination of documents should be the key challenge for WS3.</p>	<p>Info</p>	<p>WS3</p> <p>Info</p> <p>WS3</p>

4.4	<p>Workstream 4: Trials (Hj Faiz Abd Rahman) Meetings done: One discussion</p> <p>a) No amendment on new ToR proposed for WS4. b) Currently compiling info for the SH assessment. It would provide better idea on the status of current SH globally that may need to go for certification. c) Key task for WS4 is to identify SH project in Malaysia, Indonesia, Thailand and RoW for pilot project. For Malaysia, 2 project of NASH and 1 from MPOB are proposed. Indonesia – Setara Jambi and PTPN project were proposed. Area to be look into are aspect on SH, GAP and formation of cooperative. d) SHARP project are mostly on planning stages. SHARP will be sharing their project in Liberia with WS4 as soon as it is ready.</p>	Info	
4.5	<p>Workstream 5: SH Funding Mechanism (TRI) Meetings done: There were two skype meetings, one conference call and chains of email correspondences with regards to the smallholder funding mechanism.</p> <p>The 1st meeting on 16th Aug 2012 discussed about the draft ToR for WS5 which is to operationalise the funding and describe project to benefit SH. The 2nd meeting was focusing on the study done by IFC in March 2012. AidEnvironment was then hired by RSPO to provide recommendation on funding mechanism. Some decision made; proposal by AidEnvironment was agreed with some notes.</p> <p>WS5 are having problem to coordinate with other WS. So it was suggested that at least one representative from each WS should join other WS discussion.</p>	<p>Info</p> <p>Regular exchange among all WS should be happening. This will enable further clarification on key priority for each WS.</p>	All WS members
5.	Report on SH Baseline Assessment		
5.1	SWOT on Smallholder Project Identification was presented by Imam El Marzuq. (Refer Annex 1 for full file)	Info	
5.2	Analysis on Smallholders certification based on Audit Public Summary Report was presented by Dr Simon Lord. (Refer Annex 2 for full file).	Info	
5.3	Baseline Assessment on Smallholder project were presented by JMA, based on four projects in Malaysia, Indonesia and Thailand. (Refer Annex 3 for full file).	Info	
5.4	<p>Discussion: a. Social Impact Issue – what it means for smallholder?</p> <p>There are huge national interpretations when it comes to number of indicators between countries. We need more time to get to those details in this data collection.</p>	Info	

b.	<p>How to organize the SH to do assessment of social issues? SH have to provide the evidence. If you can't declare, then CB will say there is problem in this part. How to do it correctly?</p> <p>This is about providing the objective evidence and not about social issue at all.</p>	Info	
c.	<p>Is certification still our main priority in SHWG?</p> <p>Maybe it is coming together now that certification is not the major issue. Livelihood is inserted to our vision. But we should remember that certification should be done without compromise.</p>	Info	
6.	<p>AGENDA 6: Discussion on SHWG 3-years Roadmap The group will define what the priority focuses are for the WG and the WS, what are the practical steps as WG and as WS. The result of discussion will be referred tomorrow in the SH Linkages Workshop.</p>		
6.1	<p>Breakout Session</p> <p>Shout Out session - on what (topic, issues, and context) that SHWG should work on. A total of 38 points were generated. (<i>Refer Annex 4</i>)</p> <p>Group Discussion: Three discussion groups were formed. Each break out group were to discuss and decide which top five points should each Workstream to focus on. It was agreed that this list will be kept for future reference in the WG discussion. (<i>Refer Annex 5</i> for Priority List for WS).</p> <p>From these priorities, each WS were then asked to decide which one of the priority is their main focus. (<i>In Annex 6</i>, the red bold text is the identified WS priority to focus).</p> <p>NOTE: Having the main priority identified DOES NOT mean that the rest of priorities are not important.</p>		
7.	<p>AGENDA 7: Any Other Business (AOB)</p>		
7.1	<p>RSPO Technical Director informed the meeting that there are three items on smallholder that he is going to present to the EB meeting tomorrow (29 Oct 2012):</p> <ol style="list-style-type: none"> Smallholder Funding Mechanism (<i>refer 3.1 above</i>) PK Rate (Smallholder Green Certificate)(<i>refer 3.8 above</i>) Revision of SH document. The current RSPO document on Group Certification Standard does not cover for Scheme and Associate SH. This is about to revise document for clarity. There are scheme SH and/or associated SH that without mill. <p>It is also crucial to define clearly on Independent SH, Scheme SH and Associated SH. Criteria 4.2.3 is about</p>	SY will bring up this matter in the EB meeting tomorrow (29 Oct 2012).	SY

	associated SH.	This work cannot wait after P&C Review. It has to come soon in this coming month.	SHWG
7.2	Who is not in any WS need to decide which WS to join. (<i>Refer Annex 6</i> for new list of WS members).	Info	
7.3	Need to make this WG an effective group- not just talking, but doing it as well.		SHWG Members
7.4	Unilever is a member of SHWG under the Supply Chain (Manufacturer) constituency.	Info	
7.5	Land titles issue should be put in among the priority of WS as well.	Info	
7.6	In the absence of any WS spokesperson, who to replace? WS members can decide who in the team to replace. What needed is a point of contact when it is necessary.	Info	
8.	AGENDA 8: Conclusion SS concluding the meeting by saying: (i) this WG have to look into SH livelihood reality and not just certification. (ii) role of producer company and grower are also seen here. We may focus more on independent SH rather than scheme or Grower.		

Meeting was adjourned at 5.08pm.

List of Annexes:

- Annex 1 – Presentation paper on SH projects in the world (SWOT study)
- Annex 2 – Presentation on SH Certification Status
- Annex 3 – Presentation on Baseline Assessment to SH Project
- Annex 4 – Raw list of priority areas for SHWG to work on (Shout Out Session)
- Annex 5 – Short-list of Key Priority Identified for Workstream.
- Annex 6 – Top priority of each WS
- Annex 7 – Amended list of New Workstream Member list in SHWG