MINUTES OF MEETING
3rd RSPO JWG MEETING

Date: 12th November 2018
Start time: 02.00 pm – 5:45 pm
Venue: WWF Office, Kota Kinabalu

Attendance:

Members and Alternates	**Observers**
1. Alagendran Maniam (SDP, AM) 2. Audrey Lee Mei Fong (OLAM, AL) 3. Balu Perumal (MNS, BP) 4. Chin Kai Xiang (BUNGE, CKX) 5. Glyn Davies (WWFMY, GD) 6. John Watts (INOBU, JW) 7. Jon Hixon (YUM, JH) 8. Lee Kuan Chun (P&G, KC) 9. Marcus Colchester (FPP, MC) 10. Maria Amparo Alban (ACDC, MAA) 11. Michael Rice (BothEnds, MR) 12. Rauf Prasodjo (UNILEVER, RP) 13. Wahyu Wigati (GAR, WW) 14. Balu Perumal (MNS, BP) 15. Ian Orrell (NBPOL, IO) – stand in for Sander van de Ende **Absent with Apologies** 16. Lim Sian Choo (BAL, LSC) 17. Rukaiyah Rafiq (Setara Jambi, RR) 18. Sander van den Ende (NBPOL, SE) 19. Sutiyana (FORTASBI, SY) 20. Thanuska (Sunshineholdings, THK) 21. Rob Nicholls (MM, RN)	1. Lesley Marson (OLAM, LM) **RSPO Secretariat** 1. Francisco Naranjo (FN) 2. Javin Tan (JT) 3. Salahudin Yaacob (SY) **NewForesight Consultancy (NFC)** 1. Joost Gorter (JG) 2. Naritalia Panjaitan (NP)

No	Description	Action points	Progress
1.0	**Opening Remarks** Co-chair thanked and welcomed everyone to the 3rd JWG meeting.		
2.0	**Clarification of deliverables** Previous WG meeting minutes was endorsed with agreed amendments and clarifying statement from members. Objectives/mandate of JWG is further reiterated as following: 1. Develop RSPO Certification System Document, which consists of requirements to be fulfilled by the Jurisdictional Entity to receive a jurisdictional certification from RSPO 2. Develop relevant guidance document, including but not limiting contracting benchmark study, 1. Benchmark study, which looks at three different pilot regions implementing Jurisdictional Approach. Consultancy ToR for the Benchmarking Study is to be shared with members of WG. Secretariat further clarified that members are to provide inputs and comments on the benchmarking study. There were some discussions around the naming of the document to be developed (currently known as certification system document) with suggestion to name it as Guidelines. Reasons for the suggested change: 1. There is a difference between the document we are producing and other RSPO Certification System Document 2. Government is a moving/dynamic part in the system. Thus, guideline document is a more suitable name to the document. The WG members agreed to keep Certification System Document as a working title for further deliberation.	Secretariat to circulate the TOR of the Pilot Benchmarking Study	
3.0	**Introduction to pilot assessment framework of Benchmarking Study, refer Annex 2 for PPT presented during the** NFC presented the objective of the pilot benchmark study. Clarification provided on South Sumatra, Indonesia, not recognizing as one of RSPO official pilot (South Sumatra was in year 2015 made commitment for RSPO Jurisdictional Approach for Certification) due to the fact that No MoU is signed as South Sumatra provincial government is committed to the approach and not the 100% RSPO Certification, which is the core commitment required. NFC presented the elements of the pilot assessment framework with comments received and feedback provided as follow: 1. More information and clarification need on stakeholder involvement. Make note that stakeholder process should follow RSPO norms or/and ISEAL norms to ensure its success. 2. Assessing stakeholders meaning mapping the players in the region and having a discussion with them on their involvement and the reason of their level of involvement. 3. Process wise: important to consider the need to screen the stakeholders in the region. For example, in Gabon there are groups of stakeholders, which are not present in other regions, but they might influence the implementation of Jurisdictional Approach.	NFC to share the pilot assessment framework to the WG members.	.

No	Description	Action points	Progress
	4. Impact wise: take consideration on projecting how JA, as one of tools – enable implementation and upscale of envisioned impacts based on RSPO Theory of Change (ToC). 5. Benchmarking study will provide valuable lesson learned and/or elements for consideration based on experiences, initiatives and efforts of current JA. There were some general questions and comments raised for further deliberations by members: 1. Level of administration: the definition and means of certifying a district or a country, the scope of certification. 2. How P&C is applied at jurisdictional level and/or versus at individual level. Similar clarification is required for membership. This includes process/processes required to certify the jurisdiction by RSPO and the difference with existing RSPO (Management Unit level) certification system. 3. Clarification on voluntary vs mandatory, with the involvement of government within the jurisdictional. A question on if local legal framework or policy is then provided acknowledging or making RSPO certification mandatory. 4. In term of ground implementation: what mechanism would be in place ensuring the reach out to medium size players. The influences of big players of the respective jurisdictional areas. JG presented the proposed dashboard for the pilot benchmark study, comments received as following: 1. The WG members discussed that the pilot assessment framework can be used as a guidance for the pilot to prioritize actions to be done and to understand what they are lacking. However, it will not be utilized as an audit, to determine go or no-go of the jurisdiction. 2. Remark made that we should balance how much to assist the pilots. Also, the objective of the study is not to create a competition between pilots. 3. The WG members agreed that while the "dashboard" is useful, the narrative and data will be the key parts of the study. The study will be used to support decisions in the working group. In the pilots it can be utilized as a source for reflection on the work plan / strategy. WG to decide upon finalization of the study how to share it. 4. The WG members discussed that it is important that the study reflects the impact regarding compliance to the P&C. It is understood that the real impact cannot be measured yet, therefore it is important for the study to reflect the approach.		
4.0	**Discussion topic for today: pre-conditions to enter the process of Jurisdictional Certification** NFC presented a phased approach and proposed a discussion around the approach: 1. Question raised on what the Jurisdiction can claim and if there is any risk if the Jurisdiction does not improve/progress. 2. Question also raised whether any pilot is ready to include milestones and/or KPIs in their certification approach. He also highlighted the existence of a wide body of literature on Jurisdictional/Landscape approaches, emphasizing the importance of incremental step-wise incentives. 3. The WG members agreed that it is critical to have clear incentives for the jurisdiction. We also needed to clearly define the requirements for every phase as well as the practicalities around it. These requirements can help the Jurisdiction to attract donors. 4. The phased approach is in alignment with concurrent development of smallholder standard overseeing by RSPO Smallholder Interim Group (SHIG), that NFC may connect with the	NFC will connect with Smallholder Working Group. Part of the CSD may be shown but not shared.	

No	Description	Action points	Progress
	facilitators of smallholder working group to ensure alignment, but at this stage document must not be shared. The majority of the WG members was in favor for the phased approach. Some of the members required more clarification on the requirements and the practicalities around the phased approach.		
5.0	**Wrap-up and next steps** The WG members discussed the next steps of the process: 1. It is foreseen that there will be a public consultation prior to the submission of the Certification System Document to the board. It is not yet determined whether it is a 30-days or 60-days public consultation. RSPO Secretariat to check with the board if the Jurisdictional Approach Certification Document would required to go through GA adoption. 2. It is foreseen that the WG will have 4 physical meeting, in January, March, mid-June/July to prepare for public consultation, and August/Sept to finalize the CSD document before submission to the board. Preliminary result of the pilot benchmarking study will be discussed in January and the final result will be discussed in March. 3. WG members agreed to have a sub-working group. MAA, MR, and RP volunteered to become the member of Sub-working group. The objective of the sub group is to look at developing the guidance on the management requirements for Jurisdictional Entity.	NFC to send survey to the WG members in regard to January meeting. NFC to organize Sub-Working Group working session.	

Annex 1. Attendance Signing Sheet

3rd Meeting of RSPO JAWG

12 November 2018

WWF Office, Kota Kinabalu

#	Name	Organisation	Signature 12 November 2018
1	Alagendran Maniam	Sime Darby Plantation	
2	Audrey Lee Mei Fong	Olam	
3	Balu Perumal	MNS	
4	Chin Kaixiang	Bunge Loders Croklaan	
5	Glyn Davies	WWF-Malaysia	
6	John Watts	Earth Innovation	
7	Jon Hixon	Yum Brands	
8	Lee Kuan Chun	P&G	
9	Lim Sian Choo		
10	Marcus Colchester	FPP	
11	Maria Amparo Alaban		
12	Michael Rice	BothENDS	
13	Rauf Prasodjo	Unilever	
14	Rob Nicholls		
15	Ian Orrell (stand-in for Sander van de Ende)	NBPOL	
16	Stephen Krecik		
17	Thanuskha KH		
18	Tom Lomax		
19	Sutiyana		
20	Uki Ruqaiyah Rafiq		
21	Lesley Marson	olam	
22	[illegible]	MNS	
23	Wahyu Wigati	GAR	

RSPO Secretariat			
21	Fransisco Naranjo	RSPO	
22	Javin Tan	RSPO	
23	Salahudin Yacob	RSPO	
Consultant			
24	Joost Gorter	NF	
25	Narita Panjaitan	NF	Narita
Observers			
24			
25			

Annex 2. Powerpoint Presentation of 3rd WG meeting

RSPO
Roundtable on Sustainable Palm Oil

NewForesight
creating shared opportunities

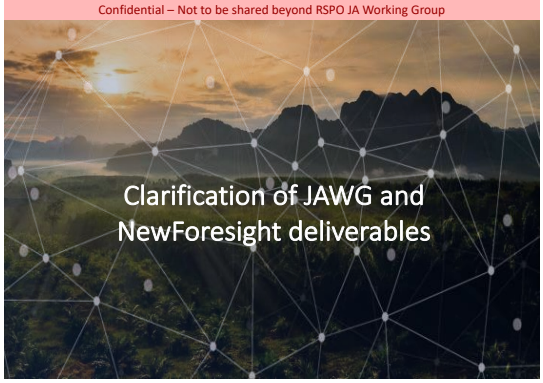
Towards sustainable palm oil regions
Jurisdictional Approach Working Group (JWG)

November 2018

Agenda

Meeting Agenda (Total 3 hours)
Opening & clarification of deliverables (15 mins)
Introduction to pilot assessment framework (60 mins) • Objectives of the pilot assessment framework (Sabah, Seruyan, and Ecuador) • Elements of the pilot assessment framework
Break (15 mins)
Discussion topic for today: pre-conditions to enter the process of Jurisdictional Certification (60 mins)
Jurisdictional Approach Working Group (JWG) working program and structure (20 mins)
Wrap-up and next steps (10 mins)

The **objectives** of this meeting are to:
1) Update participants about and get feedback on the pilot assessment framework
2) Provide clarity on the JWG working program
3) Have a conclusion on employing a phased approach in Jurisdictional Certification



The JA Working Group concerns itself with the JA, and how the RSPO certification system can be applied to a jurisdiction

An assessment of the JA in three pilots will inform the CSD

Jurisdictional Approach

- Stakeholder organization
- Target setting
- Defining boundaries
- Developing financial model
- Resource mobilization
- Create political buy-in
- Incentive structure
- Etc.

Certification - Jurisdictional Entity

- Governance & Administration
- Compliance framework
- Enforcement
- Monitoring & Assurance
- Service Provision
- Trade

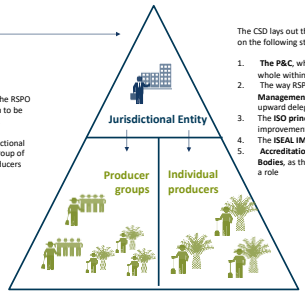
Pilot Benchmark Study → **Certification System Document**

The Certification System Document (CSD) is comprised of several structural elements to assure its functioning

Certification System Document

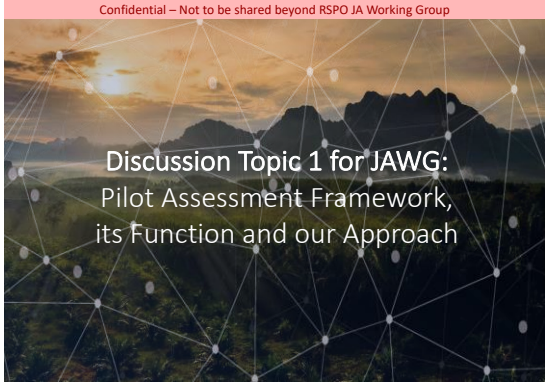
The document specifies the RSPO requirements for a region to be certified as a Jurisdiction.

Specifically for the Jurisdictional Entity (JE) to manage a group of individual and group producers under a single certificate.



The CSD lays out the requirements for the JE based on the following structural (certification) elements:

1. **The P&C**, which will be implemented as a whole within the jurisdiction
2. The way RSPO certifies and organizes **Group Management** (notably the principle of upward delegation)
3. The **ISO principles** of continuous improvement
4. The **ISEAL IMPACT code**
5. **Accreditation principles for Certification Bodies**, as the JE will effectively take on such a role



We developed a draft Pilot Assessment Framework, to be used in our study over the coming months

I Draft tool structure and template
- Review of RSPO and other documentation
- Interviewing RSPO staff and a range of experts
- Development of a draft tool structure and template

II Field visit
- Test & get input on key mechanics during field visit

III Input RSPO working group and other experts
- Receive input on key mechanics in the RSPO working group

IV Finalize Pilot Assessment Tool
- Revise & refine methodology
- Implement tool iteratively in the different pilots

Its purpose will evolve from informing the development of the CSD, to a guide for measuring progress and implementation

Until the Document is finalized there will be no formal guidance to the pilots

Certification System Document

Sabah Seruyan Ecuador

Certification System Document

Sabah Seruyan Ecuador ? Other regions

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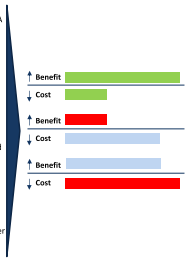
The Pilot Assessments will be used to understand the mechanics and impact of the JA approach within the pilots

Category	Rationale
1 Legal, political, and institutional framework	• Assess legal, political, and institutional framework (e.g. land use policy), to serve as the foundation of JA (P&C) implementation
2 Process	• Assess involvement and buy-in from relevant stakeholders, to define legitimacy of the JA and feasibility of effective implementation (of P&C)
3 Business case	• Assess extent to which JA is currently financed and equipped for future set-up and functioning of JE
4 Impact	• Assess progress in actual implementation of P&C and (measurement of) field level impact
5 Service provision	• Assess the nature and quality of services provided in region , as this will be key to JE business case and notably smallholder compliance
6 Assurance, complaints and remediation	• Assess current auditing structure and (plans for) other parts of assurance /compliance system to establish feasibility of jurisdictional assurance structure



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The study will create a dashboard overview of the status of the different pilots

Category	#1	#2	#3	#4	Description	Overall
1 Legal, political, and institutional framework	Regulations in place	Clear roles & responsibilities	Quality enforcement	Good risk management	• Highlight the most important performance components	Medium
2 Process	Key stakeholders involved	High level of engagement	Clear roles & responsibilities	Good process management	• ...	High
3 Business case	Qualitative insight in cost and revenue drivers	Funding strategy in place	Quantitative insight in cost and revenue drivers	Structural long-term funding in place	• ...	Medium
4 Impact	Key issues identified	Key issues addressed	Impact monitored	Data used to inform decisions	• ...	High
5 Service provision	Comprehen-sive set of services delivered	Services tailored to needs of the farmer	Impact monitored	Data used to inform decisions	• ...	N/A
6 Assurance, complaints and remediation	Formal processes in place	Regular inspections take place	Inspections monitored & followed-up	Complaints monitored & followed-up	• ...	N/A
					Performance	High / Medium / Low / N/A

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We developed a draft Pilot Assessment Framework, to be used in our study over the coming months

II Field visit	III Input RSPO working group and other experts	IV Finalize Pilot Assessment Tool	V Full assessment field studies
• Test & get input on key mechanics during field visit	• Receive input on key mechanics in the RSPO working group	• Revise & refine methodology	• Conduct field visits Sabah/Seruyan • Gather further data from Ecuador pilot

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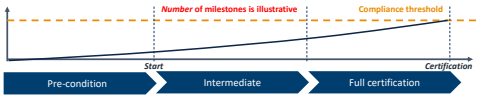
We suggest to take a phased approach towards the implementation of the CSD and would like to discuss the structure of this approach

The phased approach is a key aspect of the JA, directly relevant to the pilots, the CSD and interaction on the JA with other stakeholders



What do we mean by "phased approach"?
- The JE will be implemented in phases, with each phase defined by the CSD
- This phased implementation will carry different rewards at different stages

There are several ways to define the phases/milestones:
1. Percentage of *producers, volume or land size* fully compliant with P&C (20% of producers, 60% of FFB volume, 40% of total ha under production, etc.)
2. Compliance (across entire jurisdiction) with a *defined sets of KPIs*, with the core KPIs to be complied with first and others in later phase(s)

We suggest a hybrid of 1 and 2

We also need to define the structure of the roadmap that will determine the sequence and number of milestones (the milestones from the diagram above are merely indicative):
1. Each milestone (and the number of milestones) is defined, and carries a reward once achieved
2. The JE constructs its own roadmap and is rewarded as long as it meets its self-defined milestones – the roadmap itself is also approved

We suggest a hybrid of 1 and 2

A phased approach would do justice to the fact that developing a JE and realizing impact will take a significant amount of time

Below a suggested approach for a comprehensive, phased JE approach

	Pre-condition	Intermediate	Full certification
1. Developing the Jurisdictional Entity will take a significant amount of time	• First step for the JE (and pre-condition for JE establishment): legitimate governance body, roadmap for development and feasible long-term funding structure **Defined by CSD**	• Fully compliant JE that meets all certification criteria may take too long (in certain JAs); therefore intermediate step(s) could be built in that focus on core of JE, required to meet core impact (see below) **Defined by JE Roadmap**	• The key milestone will be a fully functioning JE (compliant with CSD), which can be comprehensively audited **Defined by CSD**
2. The impact of the JE will materialize over time	• Plan to achieve key milestone indicators in place **Defined by CSD**	• Phase X indicators achieved *Suggested to be included: deforestation, peat, exploitation, legality* **Core indicators: CSD** **Other indicators: Roadmap**	• Full set of indicators achieved **Defined by CSD**
3. Full (even significant) compliance with the P&C will take many years	• Comprehensive mapping of producers that are in compliance with P&C done **Defined by CSD**	• (Increase in) compliance percentage of entire jurisdiction sufficient to maintain JE status **% improvement defined by Roadmap**	• Compliance percentage of entire jurisdiction sufficient for full certification **Defined by CSD**

This hybrid approach combines the flexibility of a credible Roadmap tailored to the context of the jurisdiction, with credibility and clarity from the CSD framework

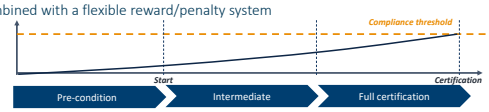
Part of these criteria are set by the JE, the rest by the JE Roadmap

	Pre-condition	Intermediate	Full certification
1. JE development	• JE pre-conditions in place	• Intermediate JE development targets	• Fully compliant JE
2. Impact	• Plan to achieve key milestone indicators in place	• Phase X indicators achieved	• Full set of indicators achieved
3. P&C compliance	• Comprehensive mapping of producers that are in compliance with P&C done	• (Increase in) compliance percentage of entire jurisdiction sufficient to maintain JE status	• Compliance percentage of entire jurisdiction sufficient for full certification

The JE defines:
1. The pre-conditions for claiming official JE status
2. The conditions for full JE compliance
3. The criteria for a Roadmap with JE targets over time
4. Certain key indicators to be included in that Roadmap as milestones
5. *In addition: the reward for reaching Roadmap milestones and full compliance*

The Roadmap of the JE defines:
1. The specific indicators and milestones to be reached over time for the JE itself, its key indicators and % certified
2. *The Roadmap needs to be backed up by a plan on how to reach these milestones*

The phased approach of meeting CSD and Roadmap targets over time can be combined with a flexible reward/penalty system



	Pre-condition	Intermediate	Full certification
Conditions for reward	• Meet pre-condition requirements as stipulated within CSD	• Meet JE development targets (Roadmap), impact KPIs (partially in CSD) and % increase in certification	• Meet full compliance criteria as stipulated within CSD
Timeframe	X years	X years	X years
Status	• RSPO recognized JE	• Partially compliant, verified JE *(nature of verified status TBD)*	• Fully compliant, certified JE
Reward	***TBD: options include eligibility for tied donor funding etc.***	***TBD: options include RSPO premium and privileged market status for suppliers***	***Full certification premium***
	Audit	Audit	Audit
	JE unable to meet requirements	*JE unable to meet requirements*	*JE unable to meet requirements*

We suggest to leave two key decisions on this slide for a later moment, when the group has more time:
1. verification status (name, conditions and reward); 2 exact nature of reward tied to the milestones.

We ask you to endorse the (direction of the) above approach

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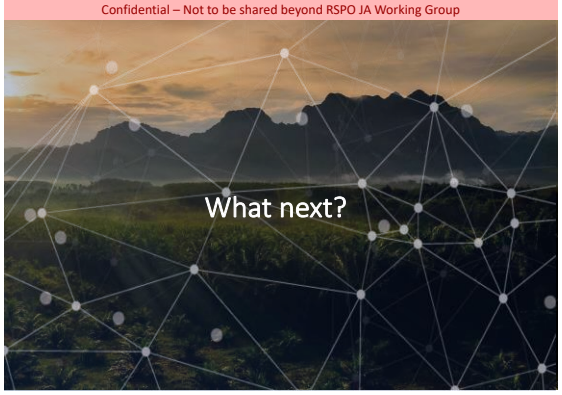
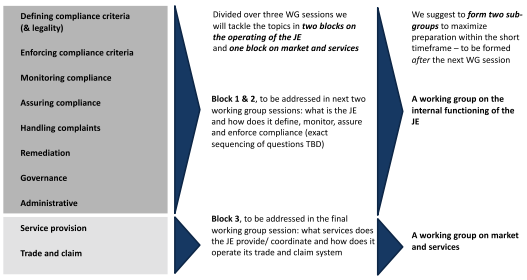


We will define the exact meaning of all these functions (and their reflection in the CSD) through a structured working program over the course of 2019

We suggest the following approach to address the topics below and meet our November deadline



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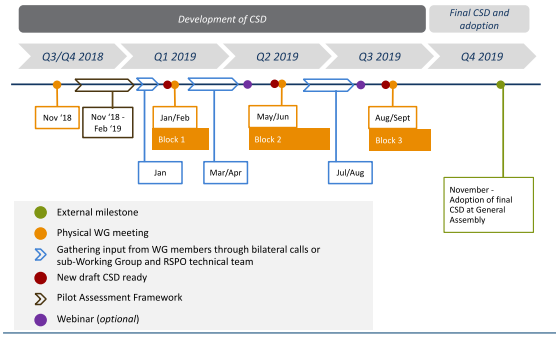
Jurisdictional Approach Working Group (JWG) working plan



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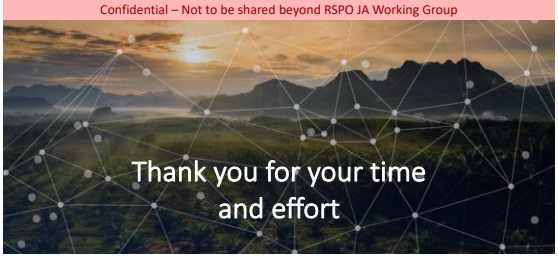

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