

### 3<sup>rd</sup> STANDARD STANDING COMMITTEE MEETING

#### DLW Text Finalization

Date : 27 Sept 2019

Via : WebEx

#### Attendance

	Members	Organisation	Constituency
<b><i>In attendance</i></b>			
1	Anne Rosenbarger – Interim Co-Chair (AR)	WRI	ENGO
2	Ian Orell (IO)	NBPOL	Smallholder/SHSC
3	Lee Kuan Yee (LKY)	MPOA	Grower (MY)
4	Audrey Lee Mei Fong (AL)	OLAM	Grower (RoW)
5	Lim Sian Choo (LSC)	Bumitama	Grower (INA)
6	Olivier Tichit (OT)	Musim Mas	Processor & Trader
7	Faryda Lindeman (FL)	NNI	Finance Inst
8	Jenny Walther (JW)	WWF Germany	ENGO
9	Kamini Visvananthan (KV)	RSPO Secretariat	
<b><i>Absent with apology</i></b>			
10	Sato Koji	Kao Corporation	CGM
11	Paula den Hartog	Rainforest Alliance	SNGO
12	Julia Majail	RSPO Secretariat	

#### Minutes of Meeting:

Item	Description	Action Point
1.0	<p><b><u>Introduction by Co-Chair</u></b></p> <ul style="list-style-type: none"> <li>The purpose of the discussion today was to look at the text of the interim framework for the implementation of DLW.</li> <li>The first draft of the interim framework was shared on 21.09.2019 with the SSC members.</li> <li>This call is to finalize text and account for all the comments which was provided.</li> </ul>	
2.0	<p><b><u>Discussion on DLW Text Draft</u></b></p> <ul style="list-style-type: none"> <li>KV had prepared an <u>alternate text</u> (<i>see attached</i>) which incorporated some of the concerns and suggested to review it to see if the same is agreeable.</li> <li>Before looking at the alternate text, the SSC went through the comments which were collated from the SSC on the draft text which was sent out to them on 21.09.2019.</li> </ul>	

	<ul style="list-style-type: none"> <li>● The alternate text was then discussed paragraph by paragraph and the changes were made and agreed upon during the meeting. Main points:             <ol style="list-style-type: none"> <li>a) RSPO needs to commit to coming up with an endorsed approach and it should be reflected that the transition will not permanently be used.</li> <li>b) The SC advised to be careful with the terms. It was agreed that 'benchmark' should be defined to include approach/method to calculate/define applicability of a DLW in accordance with RSPO standards. Th statement also needs to be clear that this does not mean that we will be developing benchmarks for each country.</li> <li>c) This is a recommendation from the SSC to the BoG on what the BoG is tasking the Secretariat and the related SCs/WGs/TFs to do.</li> <li>d) Strategy should include why/how we choose to go about implementing in one country as opposed to another.</li> </ol> </li> <li>● Discussion on the bullet points:             <ul style="list-style-type: none"> <li>○ Remove the policy commitment requirement. Not doable as a transition period. The group is in view that there is no meaning to the commitment as when the benchmarks are available, companies will have to comply. To explain this to the group when the papers are shared.</li> <li>○ The only action required now is for the Unit of Certifications (UoCs) to calculate the in-kind benefits already being provided. To move away from using "GLWC Method" and instead use RSPO method of calculation in accordance with the RSPO Guidance for Implementing a Decent Living Wages</li> <li>○ The assessment is information gathering. Members will not be required to adjust their practices in the interim.</li> </ul> </li> <li>● Last paragraph to be removed as it is already in the guidance in Annex 2 of the P&amp;C.</li> <li>● KV to clean up the text based on the discussion in terms of language.</li> </ul>	
3.0	<p><b><u>Discussion on Process</u></b></p> <ul style="list-style-type: none"> <li>● The text will guide the NIs. The finalized text will be shared with the NIs which are going for endorsement at the BoG meeting in November beforehand and only disseminate to the rest once the BoG endorses it.</li> <li>● It will form part of the guidance for the NIs as it is an interim measure and will act as an interpretation note, like the interpretation note to 7.12.</li> <li>● The NIs will put this into the guidance as this is a transition step.</li> <li>● It will be an instruction from the SSC to all the NIs.</li> </ul>	

	<ul style="list-style-type: none"> <li>● Announcement will be sent to all members to inform them that this is what we will be doing.</li> <li>● The DLW text will serve as an interpretation note and the same needs endorsement from the BoG. BoG will be informed on recommendation of the implementation of 6.2.6.</li> </ul>	
4.0	<p><b><u>Next Steps on DLW</u></b></p> <ul style="list-style-type: none"> <li>● Process to the BoG needs to be in the BoG Decision Paper.</li> <li>● RSPO Secretariat to take lead. Engagement will be done with relevant NIs, WGs and stakeholders.</li> <li>● Secretariat to articulate the process, informing where the stakeholder engagement will be reflected. This includes the involvement of the SSC, HRWG (if needed), and the various Nis.</li> <li>● HRWG can provide oversight and input as part of the consultation process but will not have decision making capacity.</li> <li>● SSC will focus on process. There needs to be assurance that the results of the benchmarking are aligned to human rights standards and P&amp;C Standards. This is where the other layers come in.</li> <li>● Secretariat to map out process. SSC will agree on process and will leave it to secretariat to roll out. This includes drawing out of the ToR for the overall benchmarking process.</li> <li>● Secretariat to provide frequent update to the SSC and SC can give direction on the advice.</li> <li>● ToR need to make sure that it is correct and there would be an interim presentation before finalization.</li> </ul> <p>Secretariat to send out the following by the week of <b>30th September to 4th October</b>:</p> <p>a) Decision paper containing/annexing:</p> <ul style="list-style-type: none"> <li>○ Text for Interim framework</li> <li>○ Strategy for DLW implementation</li> </ul>	

Meeting end by 5.15 pm.

**RSPO STANDARD STANDING COMMITTEE  
4th of October 2019**

**Proposed text for national interpretations on decent living wage**

**STATEMENT FROM THE RSPO STANDARD STANDING COMMITTEE REGARDING THE INDICATOR  
6.2.6 ON DECENT LIVING WAGE**

With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavor to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist<sup>1</sup>.

***Where a GLWC living wage standard (benchmark), or one that fulfills the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.***

In the absence of such benchmarks, the RSPO will collaborate with the GLWC and local experts on developing oil palm industry benchmarks<sup>2</sup>. These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as growers, workers' union, authority and/or bodies.

***For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind***

***benefits provided to workers in the Unit of Certification aligned with the RSPO Guidance for Implementing a Decent Living Wage***<sup>3</sup>.

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<sup>1</sup> As of September 2019, GLWC has developed national benchmarks in [Bangladesh](#), [Belize](#), [Brazil](#), [China](#), [Colombia](#), [Costa Rica](#), [Dominican Republic](#), [Ecuador](#), [Ethiopia](#), [Ghana](#), [Guatemala](#), [India](#), [Kenya](#), [Malawi](#), [Mexico](#), [Nicaragua](#), [Pakistan](#), [South Africa](#), [Sri Lanka](#), [Uganda](#) and [Vietnam](#). These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate.

<sup>2</sup> As of September 2019, GLWC has developed national benchmarks in [Bangladesh](#), [Belize](#), [Brazil](#), [China](#), [Colombia](#), [Costa Rica](#), [Dominican Republic](#), [Ecuador](#), [Ethiopia](#), [Ghana](#), [Guatemala](#), [India](#), [Kenya](#), [Malawi](#), [Mexico](#), [Nicaragua](#), [Pakistan](#), [South Africa](#), [Sri Lanka](#), [Uganda](#) and [Vietnam](#). These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate.

<sup>3</sup> RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools calculate DLW in line with the RSPO endorsed methodology.