

Terms of Reference

Biodiversity & High Conservation Values

Working Group (BHCVWG)

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1 Introduction

The Roundtable on Sustainable Palm Oil's (RSPO) Biodiversity and High Conservation Value Working Group (BHCVWG) was established in 2010 to provide strategic and technical advice to support the effective implementation of relevant RSPO Principles & Criteria (P&C).

The RSPO P&C requires the identification, management and monitoring of High Conservation Values (HCV) as part of its New Planting Procedure (NPP), and for existing plantations. The HCV approach is an ongoing process of identifying, managing and monitoring biological, ecological, social or cultural values that are of outstanding significance or critical importance at the national, regional or global level.

In 2015, the Compensation Task Force, under the mandate of the BHCWG, completed the development of the Remediation and Compensation Procedure, which was then endorsed by the RSPO Board of Governors. In 2017, the BHCVWG established two task forces to support effective implementation of HCV requirements at the national levels: the HCV Management and Monitoring Task Force in Indonesia, and the HCV Identification Task Force in Malaysia.

2 Mission, Mandate & Scope

2.1 Working Group

2.1.1 Vision

The RSPO's vision statement is to *"transform markets to make sustainable palm oil the norm"* and the BHCVWG supports that goal by assisting the palm oil sector in its efforts to:

- i. Effectively implement ongoing processes of identifying, managing and monitoring biological, ecological, social or cultural values that are of outstanding significance or critical importance at the national, regional or global level
- ii. Undertake ongoing processes of remediation and compensation when required

2.1.2 Mission

The BHCVWG will support the RSPO in the production, procurement and use of sustainable palm oil products through the identification, application and dissemination of recognised biodiversity science and standards, HCV methodologies and other best practices related to environmental and social issues. The BHCVWG will advise the RSPO Secretariat to develop monitoring and evaluation (M&E) and knowledge management systems (KMS) so that lessons learned from the application of the HCV methodology can inform the implementation and improvement of RSPO standards and guidelines.

2.1.3 Objectives

The BHCVWG will oversee efforts to reach the following overarching objectives or strategically important tasks:

- Ensure the effective implementation of the HCV approach to support the production, processing, procurement and use of sustainable palm oil.
- Support the effective integration of the HCV approach into the RSPO P&C, both in the development of new plantations and for existing plantations.

- Ensure that biodiversity and HCVs are effectively conserved and monitored over time, and work to advise secretariat to address challenges in implementation.
- Support the RSPO in the application of the HCV framework by screening, reviewing and improving HCV assessment, management and monitoring processes.
- Support the implementation of Remediation and Compensation procedure and improve the procedure as necessary.
- Work to ensure alignment, support and knowledge sharing with national level HCV initiatives.
- Provide technical advice to the RSPO Secretariat upon request, and feed into BHCV-related tasks of other working groups and task forces when relevant.

3 Structure

3.1 Criteria for Membership and Composition

The BHCVWG consists of RSPO members. Its composition represents the sectorial and geographical composition and balance of RSPO, and the specialized technical nature of this group. One member will represent consumer products manufacturers and one member will represent financial institutions. Three members will represent processors/traders and social NGOs. Growers (Indonesia, Malaysia, smallholders and the Rest of the World) and environmental NGOs will each be represented by an equal number of members.

The BHCVWG will be co-chaired by two members, one selected to represent the interests of the growers, and the other, the pooled interests of the social and environmental NGOs, nominated by the members.

The discussions and decisions of the BHCVWG will be based mainly on the technical expertise of its members, and RSPO secretariat technical staff will support the work of the group by facilitating knowledge-sharing and balancing the interests of different stakeholders.

BHCVWG members should have technical skills in one of the following topic areas: biodiversity, ecosystem ecology, plantation management, community rights and smallholder development or corporate social responsibility. Nominations will be reported to the Secretariat. Candidates must be nominated by an RSPO member and agreed by the BHCVWG members through consensus. Membership in the BHCVWG is institutional rather than individual; change in employment status should be reflected in the composition of the working group. Participation is voluntary and non-remunerative, but reimbursement for travel expenses will be allowed to facilitate participation of all stakeholder groups.

Members are expected to participate actively to the proceedings or to ensure they are represented by a designated alternate if they are unable to do so. Only the substantive and/or designated alternate member can participate in the meetings. In exceptional circumstances, permission may be sought from co-chairs for a second alternate to attend a BHCVWG meeting.

As stewards of the HCV approach, HCVRN will be invited to attend each BHCVWG meeting. Standing scientific institutions of RSPO BHCVWG will be invited to each meeting (refer to Section 3.3 Management on the scope of participation, voting rights and tendering for projects by invited experts in the BHCVWG meetings).

The BHCVWG may invite other experts (HCV assessors and/or consultants) to participate in discussions requiring specific expertise in practical aspects of conservation, environmental management,

regulatory frameworks, or certification services. Other invited experts may be appointed at the discretion of the BHCVWG.

3.1.1 Roles and Responsibilities

The BHCVWG supports the RSPO Secretariat and will report its findings to the RSPO BoG and the General Assembly via the Standards & Certification Standing Committee (S&CSC), which is coordinated by the Standard Development Director (SDD) of the RSPO Secretariat. The BHCVWG will be assisted by the Biodiversity & Conservation Manager who will report to the SDD.

The BHCVWG will be the central advisory body for biodiversity and HCV issues. It is not the intent of the BoG that the BHCVWG replace other ongoing efforts addressing HCV issues; rather, the goal is to capture the outputs from those groups and channel that information to the Standards & Certification Standing Committee. In order to be effective, the members of the BHCVWG must understand and if relevant incorporate the lessons of many other groups that have been leading similar and parallel efforts over the last several years. The ultimate goal is to ensure that the RSPO P&C -- and all associated supporting documents -- are pragmatic and effective. To ensure effective coordination, the SDD will be the principal conduit of communication among these groups and key individuals of these other bodies (typically the Chair) will be invited to attend BHCVWG meetings when appropriate.

3.2 Retirement Criteria/Reselection of Inactive Working Group Member

The BHCVWG can exercise the right to retire the membership of a WG member. However, the decision must be made by consensus of the WG (excluding the affected party).

The reasons (not exhaustive) for the WG to consider retirement of a WG member are:

1. Absence from WG meetings (i.e. substantive and designated alternate) for three consecutive meetings without reason.
2. Persistent refusal to furnish information requested by the WG. Information requested, if deemed beneficial to the objectives of the WG, shall not be unreasonably withheld except for those which are commercially sensitive and/or prohibited by law for dissemination.

Retirement of membership will be informed in writing by the Co-Chairs of the BHCVWG.

The Co-Chairs of the BHCVWG will invite the constituents of the affected sectorial and/or geographical stakeholder group to nominate a new representative to the WG.

3.3 Management

Decisions will be reached by consensus by nominated members and must be made when a quorum, which is defined as 2/3rd of the nominated members, attending a meeting. Voting rights are limited to BHCVWG members.

Invited experts are to only attend parts/on days of the meeting for which their counsel is needed. They may not need to attend all meetings or the entire duration of the meeting and will be required to leave the meeting at times of voting or decision-making.

Each member must declare any conflict of interest any matters on the agenda and/or matters arising at the beginning or during the course of the meeting. Should a conflict of interest exist, the member concerned must recuse themselves from the decision-making process or sensitive discussions.

Members or invited experts who have been privy into the discussions shall not use their position on the BHCVWG and/or information obtained to obtain monetary gain or bid for any projects commissioned by the BHCVWG directly or indirectly through organization with whom they are associated. For example, members or invited experts who observe discussions about developing project ToRs will not be allowed to tender, and/or participate in the tender evaluation/selection processes.

3.3.1 Communication

It is desirable that the Working Group to organize face to face meeting 3-4 times a year and organize teleconferences as and when necessary. The Co-Chairs and the RSPO Biodiversity & Conservation Manager will have frequent communication updates.

Meetings will observe the Chatham House rule. Minutes of the meeting and clarifications of decisions made by the BHCVWG are to be shared no more than one month after the meeting.

3.3.2 Planning

In order to fulfil these tasks and meet RSPO objectives, it will be necessary to establish a yearly work program including a series of targets or deliverables.

3.3.3 Projects

Projects that are currently on-going and/or receiving funding from the RSPO will be placed under the purview of the BHCVWG.

- i. The BHCVWG can formulate projects or may accept project of third parties. Project implementation can be outsourced to the RSPO Secretariat or to external parties. In both cases, the Working Group will be steering the objectives of the projects subject their approval by the BoG and the S&CSC.
- ii. In case a project receives funding from the RSPO, then the Secretariat is responsible for the details of the project management (narrative and financial). In the situation that the BHCVWG and the RSPO Secretariat hold different opinions regarding the approval or continuation of a project, the matter will be brought to the S&CSC and/or BoG for a final decision.
- iii. The BHCVWG could request project implementer(s) to update on the progress and performance during the BHCVWG's meetings, i.e. to discuss issues and to come up with decision.

3.4 Role of the Secretariat

The RSPO Secretariat will provide the financial, human and logistical support that the BHCVWG requires to meet, conduct business and achieve its objectives. The Biodiversity & Conservation Manager will be the primary source of assistance and support to the BHCVWG. The Biodiversity & Conservation Manager will provide the BHCVWG members with technical reports from in-house and outsourced studies, terms of reference for consultancies, and other information that is required by the BHCVWG to fulfil its objectives. When the RSPO Standard Development Director (SDD) may need technical assistance from the committee, this will be channeled through the Biodiversity & Conservation Manager who would be the primary contact person of the working group in the Secretariat.

4 Expected Outputs

The BHCVWG will support the Secretariat to undertake the following tasks and activities working with others where appropriate:

- Develop an annual work plan and budget.
- Facilitate the development of information resources and toolkits for HCV assessors, managers and auditors.
- Develop a monitoring and evaluation (M&E) system that measures the impact of certification on the conservation of biodiversity, ecosystem services and the social and cultural values of the HCV framework.
- Commission and review studies which evaluate the efficacy of the HCV methodology, its application on plantation landscapes and its ability to resolve, alleviate, mitigate or otherwise manage environmental and social challenges related to the palm oil sector.
- Acquire, organize and share knowledge related to biodiversity, ecosystem services and the social and cultural values of the HCV framework via a “knowledge management system” (KMS).
- Review M&E reports and other information gleaned from the KMS, in order to make recommendations for improving the P&Cs related to HCV and biodiversity.
- Organize and synthesize information in order to improve guidance for the application of the HCV framework methodology.
- Form compensation panels to review: RACP concept notes submitted by growers, the appointment of the RACP evaluator, and review the compensation plan
- Adjudicate conflicts/challenges related to the application of the HCV framework on plantation landscapes.
- Disseminate information on biodiversity and HCV in appropriate formats and media outlets so that it is accessible to all RSPO stakeholders, and other important constituencies, such as governments and multilateral organizations.