

Summary of Tenth Technical SRWG Meeting

The tenth Shared Responsibility Working Group (SRWG) technical meeting (eleventh teleconference meeting) was opened at 4PM (MYT), September 21, 2021 by the Secretariat. The SRWG achieved 100% representation of all membership sectors during this meeting.

The objective of the meeting was to align interpretation of the endorsed requirements, the draft implementation manual and verifiers document prior to the public consultation.

Updates from the Secretariat include the current structure of the SRWG, the appointed new SR Manager, RSPO Interim Coordinators, overview of RT 2021 and GA18.

The Secretariat had prioritised the work in aligning the existing documentation with clear interpretation and the active engagement of the RSPO members in the SR concept and requirements implementation since the previous SRWG meeting in April 2021. And now, the group will move forward to discuss additional documentation such as the Incentives and Sanctions in the Implementation Manual.

The data scientist presented a summary of the ACOP 2020 result to the SRWG. It was noted that 72% of the members have at least one SR policy in place, and only 4% of the members have all 13 SR policies currently available. The impact of Covid-19 has had an effect on the ability to hit SR targets. The SR Unit will reach out to the poor performers, hoping that this will assist them in increasing their uptake the following year. The SRWG also recognised that there are concerns on CSPKO shortages. The ACOP Unit and SR Unit are looking at the SR questions in ACOP to address the discrepancies prior to the next opening submission of ACOP. The draft will be shared with the SRWG to gather their feedback.

Prior to finalising the draft documents, the Secretariat went through each concern with the SRWG intensively on some of the requirements. Due to time constraints, the SRWG did not manage to reach consensus on all requirements and some members would need time to consult with their constituency. It was agreed that the SRWG will share their feedback later.

Despite not completing some of the meeting agenda, the SRWG has seen progress in addressing the concerns raised in redefining the terms.

The Secretariat thanked everyone for attending the meeting, and looks forward to seeing everyone in the next meeting. The meeting was closed at 6.00 PM (MYT).

MINUTES OF MEETING OF RSPO
RSPO Shared Responsibility Working Group (SRWG) 7th Technical Meeting

Date: September 21, 2021 (Tuesday)

Time: 4 PM to 6 PM (MYT)

Venue: Video Conference (RSPO ZOOM 6)

Attendance:

Members and Alternates

1. Girish Deshpande (GD, P&G)
2. Ilka Peterson (IP, WWF International)
3. Lim Sian Choo (LSC, Bumitama)
4. Mariama Diallo (MD, SIAT SA)
5. Ian Orell (IO, Sime Darby/ NBPOL)
6. Ben Vreeburg (BV, Bunge)
7. Joshua Lim (JL, Wilmar)
8. Miho Yamazaki (MY, AEON)
9. Nursanna Marpaung (NM, HUKATAN)
10. Brian Lariche (Humana Child Aid Society, Sabah)
11. Catarina Vivalva (CV, BNP Paribas)

Absent with Apologies

1. Harjinder Kler (HK, HUTAN)
2. Lee Kuan Yee (LKY, KLK)
3. Julian Walker-Palin (JWP, RPOG)

RSPO Secretariat

1. Inke van der Sluijs (IS)
2. Lilian Garcia Lledo (LGL)
3. Joyce Van Wijk (JvW)
4. Chung Yee Ling (CYL)
5. Yen Hun Sung (YHS)
6. Imam Marzuq (IM)
7. Adam Harrison (AH)

No	Description	Action Points
1.0	<p><u>Welcome Note</u> The Secretariat welcomed the SRWG members to the meeting. 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. Antitrust statement 2. Welcome 3. SRWG Structure 4. RSPO Secretariat Updates 5. Timeline - Ongoing and planned activities SR Unit 6. Progress on interpretation Guidance/ Implementation Manual/ verifiers (previous drafts) - agreed interpretation 7. Sanctions and Incentives, and Resourcing 8. Year 3 Uptake Targets 9. AOB and next meeting 	
2.0	<p><u>SRWG Structure</u> James has informed the Secretariat of his resignation at FPP, and FPP did not send any new representative to the SRWG. The Secretariat has reached out to the sNGO members, and Brain showed interest in joining the SRWG. He was appointed on July 16, 2021 and the SRWG welcomed Brian Lariche as the sNGO representative from Humana Child Aid Society, Sabah. Brian is the alternate member, and Nursanna is the substantive member.</p> <p>Natasha has been promoted within PepsiCo, and due to her new position, she will not be joining the SRWG. PepsiCo did not send a new representative to the SRWG.</p> <p>Currently, there are no co-chairs within the SRWG, and the SRWG will need to nominate for the co-chairs positions at their earliest convenience. IS has chaired this meeting.</p> <p>The current vacant positions are the CGM and Banks & Investors, any suggestions will be</p>	<ol style="list-style-type: none"> 1. The SRWG will send their co-chair nominations to the Secretariat.

	referred to the Secretariat. The CGM position is required to be filled as in accordance with the Terms of Reference.	
3.0	<p><u>RSPO Secretariat Updates</u></p> <ol style="list-style-type: none"> 1. Joyce Van Wijk is the new Shared Responsibility Manager 2. Lilian Garcia Lledo will start her maternity leave on Sep 22, and a contract staff will start the work in October 2021 3. The RSPO Interim Coordinators are: Adam Harrison, Dr. Gan Lian Tiong and Neil Judd 4. Overview and dates of RT 2021 5. GA18 important dates and activities 	
4.0	<p><u>Timeline</u></p> <p>The previous SRWG meeting was in April 2021, when the SR Unit took over. Feedback on interpretation was requested from the SRWG.</p> <p>The current meeting aims to finalise the interpretation with the SRWG members, conduct breakout sessions on the incentives and sanctions and resourcing requirements, and to kick start the discussion on Year 3 annual targets.</p> <p>The SR requirements, draft Implementation Manual and verifiers have inconsistencies and are not aligned with the existing procedures of the RSPO. The Secretariat prioritised in aligning the existing documentation with clear interpretation and the active engagement of the RSPO members in the SR concept and requirements implementation. Efforts were focused on that for the last few months. And the group will move forward to discuss additional documentation such as the Incentives and Sanctions in the Implementation Manual.</p> <p>Progress update on the timeline:</p> <ol style="list-style-type: none"> 1. SRWG facilitation: Assessment and adaptation of the work done with RSPO processes and key documents. Q4 2021: Uptake targets Y3 2. Interpretation of the SR endorsed document (Annex 1 Requirements): Urgency to align, clear guidance 	

	<ol style="list-style-type: none"> 3. Development of a Implementation Manual (new draft) requires full alignment, consensus and public consultation 4. Development of the Verifiers requires full alignment and consensus 5. RSPO members' assistance is ongoing in managing member's resistance and doubts on interpretation/ implementation. Active engagement 6. Monitoring the SR submission through ACOP/ MyRSPO - reach of members, correction/ inclusion of SR requirements questions for ACOP 2021/ MyRSPO SR Module 7. Translation of the SR Requirements and Implementation 2019 (endorsed document) 8. Socialisation/ engagement webinars (endorsed document): members engagement and FAQs documents 9. Webinars for Implementation Manual, verifiers, targets, were conducted 10. To discuss on the SRWG structure - positions of co-chairs 	
5.0	<p><u>ACOP 2020 Results</u></p> <p>The Secretariat's data scientist provided a summary of the ACOP 2020 results to the SRWG, and the overview of the SR Policies and Indicators and Volume Targets.</p> <p>72% of the members have at least one SR policy in place, and only 4% of the members have all 13 SR policies currently available.</p> <p>It was noted that 41.4% of the analysed P&T members managed to reach their SR volume target increase of 2%. Covid-19 has had a sizable impact, and several P&Ts that were previously at 100% uptake dropped to 0% uptake due to a lack of demand from their customers. 33.1% of the analysed CGM and Retailer members managed to reach their SR volume target increase of 15%. The impact of Covid-19 has had an effect on the ability to hit SR targets. There will be no sanctions to members who have not met their SR targets for 2020.</p> <p>The SR Unit will reach out to the poor performers in raising awareness, and hopefully they will be able to meet the SR requirements the following year.</p> <p>The concerns on CSPKO shortages will be raised during the next BoG meeting.</p>	<ol style="list-style-type: none"> 1. Based on the ACOP 2020 results for volume targets, the Secretariat will reach out and raise awareness among the poor performers. 2. The concerns on CSPKO shortages will be raised during the next board meeting 3. The draft on the SR requirement questions in ACOP 2021 will be shared with the SRWG prior to the next opening of ACOP submission.

	<p>There are questions on the alignment with the SR requirements in ACOP. The ACOP Unit and SR Unit are looking at the SR questions in ACOP to address the discrepancies prior to the next opening submission of ACOP. All SR requirements will be included in ACOP 2021. The draft shows the SR requirements with the proposed ACOP 2021 question with 4 pending alignments on the SR requirement interpretation that will be finalised by the SRWG. The draft will be shared with the SRWG to gather their feedback.</p>	
6.0	<p><u>Progress on Interpretation</u></p> <p>The Secretariat agreed on the interpretation related to the SR requirements (Annex 1) and previous drafts of the Implementation Manual and verifiers documents, after gathering feedback from Standard Development and Assurance Division and comments from the Financial Institutions Consultative Group (FICG). There is an objective to create a clear guidance per stakeholder category and an addendum document to the SR endorsed document.</p> <p>Prior to finalising the draft documents, the Secretariat would like to gather feedback from the SRWG on 4 requirements.</p> <ol style="list-style-type: none"> 1. SR7- Claims and labels. The off-product label definition seems confusing at the moment and the Secretariat proposes interpretation for CGM and retailers. <ul style="list-style-type: none"> o An eNGO suggests adding 'clients and consumers' for the CGM as well. o Most SRWG members agree on the interpretation. 2. SR8 - Information and outreach activities. The Banks & Investors requirement, it seems incorrect as B&I do not use palm oil, it was proposed to be the same as the NGOs. <ul style="list-style-type: none"> o A eNGO struggles to decide on this interpretation, and would like to consult the constituency. o No support was seen to change the interpretation. It was suggested to provide guidance on this requirement. o A grower suggested removing 'amongst peers and clients', some members suggested changing it to 'stakeholders'. 	<ol style="list-style-type: none"> 1. The SRWG did not manage to reach a consensus on most of the concerns raised during the meeting, and they will share their feedback later with the Secretariat. 2. The Secretariat will check with the TF members to find out the history of this requirement and wording on SR12. 3. Clarify how 500 - 10,000 mt range was chosen. 4. The Secretariat will check with the TF on the definition of small companies in the 2019 document, as it mentioned that it will be reviewed after Year 1.

	<ol style="list-style-type: none"> 3. SR10 - Complaints and Grievances. It was proposed that 'publicised' should be explained as accessible by all affected parties. <ul style="list-style-type: none"> o An eNGO would like to consult with the constituency. o A grower added that it could affect the secrecy act the banks have with their clients. o The SRWG is questioning if 'publicise' is the right word to use. There is no agreement on this, and clarification is required. o Verification on compliance by the SR Unit is not possible in case it is undecided what the definition is. 4. SR10 - Complaints and Grievances. What does 'developed in alignment and/ or referring to the RSPO grievance mechanism mean? It was proposed to follow the steps of the official RSPO complaints system, where a resolution is not found mutually, complaints can be brought to the attention of the RSPO Complaints System. <ul style="list-style-type: none"> o No agreement was reached. o eNGO will need to consult with their constituency. 5. SR12 - Land Use: Compensation. The same SR requirements apply to all constituencies except NGOs that are 'not required'. It was proposed to allow the B&I to have the same requirement as NGOs. <ul style="list-style-type: none"> o The eNGO disagreed and felt that the banks could influence their clients with this requirement. o It was also questioned how the requirement can be implemented by P&T. o A P&T felt that it should be restricted because of the members' operation but not because of the supply. o The secretariat will check with the TF members to find out the history of this requirement and wording. o The bank representative would like to have the interpretation clear in order to communicate with their clients. 6. SR11 and SR16. There is a mismatch between the general and specific SR requirements per constituency. It was proposed to include an addendum document of the endorsed document to explain and correct some content identified as confusing. <ul style="list-style-type: none"> o No feedback from the SRWG 7. SR26. Baseline is not clearly defined in the document. It was proposed to include the explanation where baseline refers to the percentage uptake baseline 	
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	<ul style="list-style-type: none"> ○ The eNGO will need to consult their constituency. ○ Definition of baseline is not available at the moment and the Secretariat would like to include the definition in the IM and outreach materials (FAQ). <p>8. It was proposed to add the definition of ‘small companies’, those NGOs with less than EUR15 million annual operational budget, and those supply chain actors in the range of 500 - 10,000 metric tons consumption of oil palm products per year.</p> <ul style="list-style-type: none"> ○ Secretariat will check how many NGOs have budget that are more than EUR 15 million ○ P&Ts are not in favour of exempting small companies. ○ The eNGO suggests putting this up for public consultation to gather feedback from the members. ○ The data scientist will find out how the range was set up previously ○ The Secretariat will check with the TF on the definition of small companies in the 2019 document, as it mentioned that it will be reviewed after Year 1. ○ eNGo will check with their constituency if they are favour of removing the exemption on small companies <p>9. Currently, it is not ‘any’ Ordinary member but ‘most’ Ordinary members as those holding only a traders/ distributor license are exempted. It is proposed that a clarification be included in an addendum of the SR endorsed document.</p> <ul style="list-style-type: none"> ○ The SRWG will decide on this later 	
7.0	<p><u>Closing Remarks</u></p> <p>Due to time constraints, the SRWG did not manage to go through some of the agenda of the meeting.</p> <p>The Secretariat thanked everyone for joining the call and will send a follow up email to everyone.</p>	<ol style="list-style-type: none"> 1. A Doodle poll will be shared with the SRWG on the date of the next SRWG meeting. 2. A follow up email will be sent by the Secretariat, to gather the votes and comments from the SRWG on the concerns raised in redefining the document and terms.