

## Terms of Reference Standard Standing Committee (SSC)

### 1. Background

In 2018, RSPO Board of Governors (BoG) endorsed the RSPO Theory of Change (ToC) with the overall vision of making sustainable palm oil the norm.

In March 2019, the RSPO BoG subsequently endorsed the RSPO Governance Review for 'Reorganisation of Standing Committees, Task Forces and Working Groups' where the following Standing Committees are to be established:

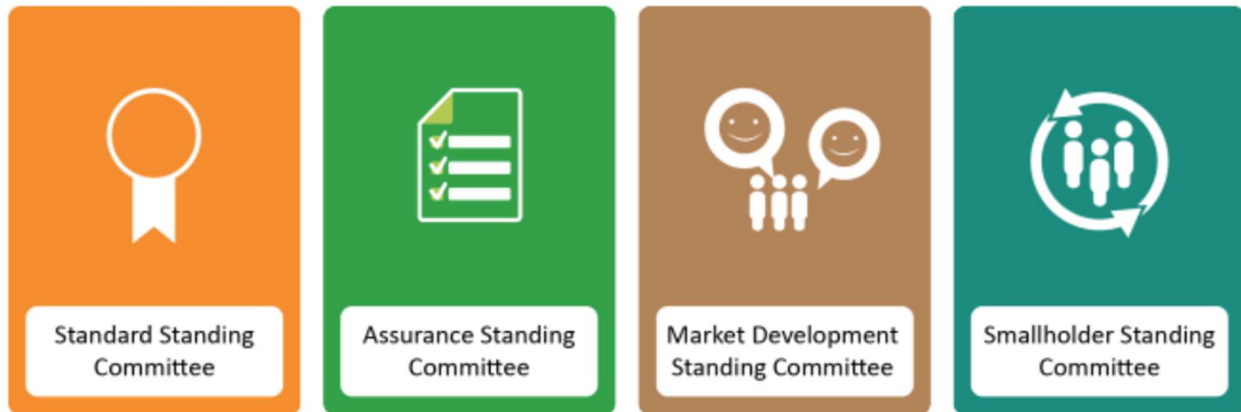


Figure 1 - BoG Endorsed Standing Committees

The continual expansion of the RSPO, in membership, activities, global receptivity, and issues it has to deal with, needs an increasing degree of distributed management for it to keep pace. The way RSPO endeavours to achieve this is through an efficient and robust operating structure which consists of the RSPO BoG, Standing Committees, Working Groups, Sub Groups and Task Forces. Standing Committees are established on a permanent basis to analyse issues within their areas of jurisdiction and make recommendations to the BoG. Standing Committees also help the BoG monitor and evaluate organisational performance in relation to its areas of responsibility.

This paper outlines the intent of establishing the Standard Standing Committee (SSC) by the RSPO. *This committee shall replace the previous function of Standard & Certification Standing Committee, which now has ceased upon endorsement of the RSPO Governance Review.*

### 2. Objectives

The objectives of the SSC are to provide the direction and contribute to the RSPO standard settings, via a Terms of Reference (ToR) and work programmes of the RSPO Secretariat. It includes, but not limited to, the development and/or revision of normative and relevant guidance documents related to the following:

- RSPO Principles, Criteria and Indicators
- National Interpretations

- Jurisdictional Approaches
- Biodiversity, High Conservation Values, High Carbon Stock Approach and No Deforestation
- Human Rights and Social Compliance
- Greenhouse Gas, Peatland and Climate Crisis

The SSC is also responsible for the following outputs:

- Identify gaps or grey areas within the RSPO Principles & Criteria (P&C) and Indicators that require clarification for the ease of practical applicability for RSPO members.
- Ensure the interpretation of the Criteria, Indicators and Guidance for the various socio-environmental conditions under which palm oil is produced is clear and concise without compromising the Principles & Criteria, and definition of certified sustainable palm oil.
- Provide clarity concerning RSPO Standards for its members, when needed.
- Ensure the realisation of the RSPO Theory of Change strategic goals.

### 3. Roles and Responsibilities

The Roles and Responsibilities of the SSC including:

- To oversee and provide the necessary recommendations and/or guidance during the development process of any relevant RSPO standards and/or guidance;
- To ensure the development of RSPO standards and guidance complies to the appropriate procedures and best practices, including but not limited to compliance with the ISEAL Standard and the RSPO Standard Operating Procedure for Standard Setting and Review;
- To make the decision throughout the development process of the RSPO standards and relevant and/or associate documents;
- To ensure that all due process (i.e. balanced representation of stakeholders in the Working Group(s)/Task Force(s), RSPO Code of Conduct, the principles of the Theory of Change, compliance to ISEAL Standards etc.) are respected and adhered to;
- To approve relevant RSPO document(s) for BoG endorsement.

In principle, all normative documents will require the endorsement of the BoG, whereas informative documents (including but not limited to guidance documents, tools, procedures, etc.) may be decided at the discretion of the SSC. Notwithstanding the above, the SSC shall have the discretion to decide whether any document shall be put forth to the BoG for endorsement and/or to recommend BoG to bring it to the General Assembly for adoption.

The SSC may create Working Groups and Task Forces to undertake specific assignments within its areas of responsibility, or may take responsibility that is assigned to them for Working Groups or Task Forces created by a BoG decision or a General Assembly decision or resolution.

Unless otherwise specified, the mandate of all Working Groups shall be up to two (02) years, at which time it shall be reviewed by the SSC.

Task Forces will generally be formed to specific, measurable and time-limited objectives, including a date for winding-up of their work. Task Forces that are established as part of, or in response to, GA resolutions should be assigned a timetable for their work that allows for reporting back to the following year's GA.

Membership of Task Forces may be weighted more towards technical knowledge of the topic under discussion than broad stakeholder involvement.

Once an SSC has formed or been assigned responsibility for a Working Group or Task Force, it shall define its terms of reference (using the generic procedures in this document except where there is a pressing need to vary them). The SSC shall also appoint the Chair or co-Chairs of the Working Group or Task Force, and shall instruct the Working Group or Task Force on its reporting requirements (including frequency and content).

## **4. Structure and Composition**

### **4.1 Composition**

The SSC is a subgroup of the Board of Governors (BoG). The BoG, at its sole discretion, may propose changes to the composition of the SSC to serve RSPO and its objectives.

The SSC shall comprise of RSPO members only. Membership in the SSC is institutional rather than individual; change in employment status must be reflected in the composition of the Committee.

The individual representative from the SSC institution can appoint an Alternate from the same institution to attend a Committee meeting. Alternates can only attend if the Substantive is not present.

SC members shall try to attend all meetings in person and work with their alternate member as soon as they know they cannot attend a meeting, to ensure that their seat is represented. In either case, SC members should send their apologies to the SC Co-Chairs and advise if their alternate member will attend. This information shall also be provided to the Secretariat Lead.

The BoG shall appoint the Chair of the SSC, and may appoint more than one person as Co-Chairs.

The SSC shall be co-chaired by two members, one of whom must be a representative of the Grower sector.

The BoG shall also appoint one Governor to serve on the SSC as the link between the BoG and the Committee.

The BoG may also appoint other Governors to serve on the SSC as part of the agreed membership structure of the SSC up to a maximum of 50% minus one of the Committee's memberships.

All appointments made by the BoG shall be for a maximum of two (2) years or until the nominee ceases to be a Governor, whichever is earlier. The BoG may re-appoint someone who has reached the end of their term on the SSC but who remains a Governor.

All other appointments shall be organised and decided on by the SSC and notified to the BoG at its first meeting following any such appointment.

The SSC Chair or Co-Chairs shall, in consultation with the Secretariat, review nominations to verify that they meet the requirements of membership and that there is a vacancy within the SSC's membership structure.

In the event that there are more nominations than vacancies, the SSC Chair or Co-Chairs shall, in consultation with the Secretariat, agree a transparent, fair and impartial process for deciding who is appointed to the SSC.

Appointments to the SSC are for terms of two (2) years but members may seek re-nomination for subsequent terms without limit.

The SSC may invite experts to participate in discussions requiring specific expertise in conservation, environmental management, regulatory frameworks, or certification services. Other invited experts may be appointed at the discretion of the Committee.

To ensure effective discussions and decision making, the ideal structure of the SSC is as follows:

*Table 1 - Composition of the Standard Standing Committee*

<b>Sector</b>	<b>Division</b>	<b>Total</b>
<b>Grower</b>	Malaysia	1
	Indonesia	1
	ROW	1
	Smallholder	1
<b>NGO</b>	Environmental	2
	Social	2
<b>Supply Chain</b>	Processor & Trader	1
	Consumer Goods Manufacturer	1
	Retailer	1
	Financial Institution	1
	<b>TOTAL</b>	<b>12</b>

The formation of SSC will strive for a balanced representation of all membership categories to participate in this SC but may propose changes to the composition of the SC for it to better serve the objectives of this ToR.

#### **4.2 Meeting**

In order to meet the objectives of the SSC, it is necessary to establish an annual work development program which includes objectives, activities, timelines, budgets and deliverables.

The SSC will organise meetings four (4) times a year, either face to face or via teleconference, whichever is deemed necessary.

The Co-Chairs of the SSC and the RSPO Secretariat will have frequent communication updates for the arrangement of such meetings.

#### **Meeting Documentation**

<b>No.</b>	<b>Document Description</b>	<b>Timeline</b>
1	Draft minutes of meetings and clarification of decisions to be shared internally	Not more than one month after meeting
2	Minutes of the meeting and clarifications of decisions to be shared publicly	Not more than two months after meeting
3	Working Group Meeting Pack	One week before the meeting

Members of the SSC shall also respect the “Chatham House Rule” in their reporting of SSC discussions. This means that while remarks made during meetings may be repeated, they should not be attributed to an individual SSC member, except where an attributed comment has been included in the approved minutes of that meeting.

#### **4.3 Role of RSPO Secretariat**

The RSPO Secretariat will provide the financial, human and logistical support that the SSC requires to meet, conduct business and achieve its objectives. The Standard Development Department of RSPO Secretariat will be the primary source of assistance and support to the SSC.

The RSPO Secretariat, upon consulting the Chair (or Co-Chairs), will make all the necessary arrangements to call for all meetings and ensure it meets the quorum to conduct a meeting. A quorum of more than half of the members is required for a meeting and the decisions are taken by consensus.

The RSPO Secretariat will coordinate and facilitate the operations of the SSC as well as take the lead in implementing the desired activities and deliverables of the Committee, which may include identifying appropriate facilitators, project management, research and identifying resources, as well as appointing consultants to undertake mandated tasks.

#### **4.4. Retirement Criteria/Reselection of inactive SSC Members**

The SSC can exercise the right to retire the membership of a member of the Committee. However, the decision must be made by consensus of the SSC (excluding the affected party). Affected parties should be given the right to be heard prior to a decision being made.

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

- If the members are not following what is required by the RSPO Code of Conduct and Antitrust Guidelines for RSPO Members
- Persistent refusal to furnish information requested by the Committee. Information requested, if deemed beneficial to the objectives of the Committee, shall not be unreasonably withheld except for those that are commercially sensitive and/or prohibited by law for dissemination
- Voluntary retirement
- Absence from three (3) consecutive meetings without justified reason for not attending these meetings (including Alternate members)

Retirement of membership will be informed in writing to the SSC Co-Chairs, copied to the Co-Chairs of the BoG and RSPO Chief Executive Officer (CEO).

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

#### **4.5 Management**

Each member must declare any pre-existing, perceived, and/or potential conflict of interest on any matters on the agenda and/or matters arising at the beginning or during the course of the meeting. Should there be a conflict of interest, the member concerned must recuse himself/herself from all decision-making processes or sensitive discussions pertaining to the subject matter of which there is such conflict of interest.

Members and invited experts who have been privy to the discussions shall not use their position on the SSC and/or information obtained from SC discussions to obtain monetary gain or bid for any projects commissioned by the SSC directly or indirectly through the organisation with whom they are associated. Members and/or invited experts who observe and/or part of the discussions on developing project ToRs will not be allowed to tender and/or participate in the tender evaluation/selection processes, even after they have left the SSC.

Members shall ensure the accuracy of the information and that the interpretation of all outcomes and decisions of the SSC are consistent with the consensus<sup>1</sup> reached within the SSC.

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<sup>1</sup> "Consensus" is defined by ISO as "general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments". The definition notes, "Consensus need not imply unanimity"

Members shall strive to reach a consensus in decision making. However, in the event a consensus is not possible for any specific issue, at least 75% of the Committee members are required to vote in favour for the adoption of a decision, and shall include at least one supporting vote from each membership category.

If a decision cannot be reached through the above means, the Chair (or co-Chairs) of the SSC may refer to the Co-Chairs of the Standard Standing Committee for a final decision.

All members of the SSC are required to sign the Code of Conduct in Appendix 1

## **Appendix 1: Standard Standing Committee (SSC) Code of Conduct**

All members of the SSC are required to sign a Code of Conduct form. All members of the SSC are bounded by the Antitrust Guidelines for RSPO Members

Every member of the SSC must declare any conflict of interest (financial or otherwise) on the agenda and/or any matters which arise in due course of the meeting. Should a conflict of interest arise, any member concerned must recuse himself/herself from the decision-making process or any sensitive discussions.

All members of the SSC shall ensure the accuracy of the information provided and interpretation of all outcomes and decisions of the SSC shall be consistent with the consensus reached by its members.

### **Promotion and Commitment**

Member organisations will acknowledge their membership of the SSC and its objectives, the Principles and Criteria (P&C) of the RSPO and its implementation process through informed and explicit endorsement. Members of the SSC will promote and communicate this commitment throughout their own organisation.

### **Transparency**

Members will not make any misleading or unsubstantiated claims about the production or use of sustainable palm oil. Members will commit to open and transparent engagement with interested parties, and actively seek resolution of conflict.

### **Breaches of this Code**

Breaches of this Code may lead to exclusion from the SSC. Members will seek to resolve grievances directly with other member organisations, and will not make unsubstantiated allegations of breaches against other members

Prior to taking public action in cases of unresolved allegations of breaches of this Code, members shall report breaches to the Co-Chairs of the SSC and the Member Category Representative in RSPO Board of Governance, which will deal with the alleged breaches in accordance with the RSPO Grievance Procedure.





I acknowledge and agree with the terms in ToR and CoC above.

Signed by:

Witnessed by:

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Name:

Name:

Organisation:

Organisation:

Date:

Date: