

Draft minutes of the T&T call September 15, 2015

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Present

Adam Thomas	New Britain Palm Oil (AT)
Alasdair McGregor	BM Trada (AM)
Alien ten Kleij	Control Union (AK)
Ben Vreeburg	IOI Loders Croklaan (BV)
Bob Norman	GreenPalm (BN)
Daphne Hameeteman	Wilmar Europe Holdings (DH)
Eddy Esselink	MVO (chair-EE)
Inke van der Sluijs	RSPO secretariat (minutes-IS)
Jan van Driel	RSPO secretariat (JD)
Joshua Lim	Wilmar (JL)
Judith Murdoch	AAK (JM)
Harald Sauthoff	BASF (HS)
Helen Scholey	Shell Oil Company (HY)
Laura de Gruijter	IOI Loders Croklaan (LdG)
Marieke Leegwater	Solidaridad (ML)
Paula den Hartog	UTZ Certified (PH)
Robbert Kessels	Sipef (RK)
Sietse Buisman	Cargill (SB)
Siti Rosemina	Emery Oleochemicals (SR)

1. Opening and approval agenda

Introduction Rosemina from Emery Oleochemicals replaces Surina.

New agenda item: refiners template after announcements. Progress IT system last item, changed order.

2. Approval minutes T&T June 2, 2015

DH will bring up the refiners template under agenda item 4. DH has a question and comments on RSPO Next, under agenda item 3.

No comments on minutes.

3. Announcements secretariat, other

RSPO Next and the New Planting Procedure (NPP) is now open for public consultation. The RSPO secretariat is organizing an outreach program in Ghana, IS will attend. JD, Darrel Webber and Francisco Naranjo will represent the RSPO secretariat during the palm oil conference in Cartagena in Latin America. They will also meet the CBs, regional members and associations.

The datalink between GreenPalm and eTrace has been delinked last Friday.

The updated list of T&T members can be seen in the email messages from the secretariat to the T&T.

RSPO Next has been developed as an additional module of RSPO P&C certification focused on mills with supply basis. In the view of the T&T, RSPO Next should not be launched without a clear plan for the supply chain. T&T would like to know whether RSPO Next oil can be mixed with other certified oil and still be called RSPO Next or whether it should be kept separate. A separate supply chain model is not foreseen. The WG will meet 2nd week of October (13/14). Claims that can be made will be on the agenda. The request from customers is already there. With traceability in place, a company might want to claim that it is buying from an RSPO Next certified company. The T&T can give input via the secretariat, JD, or during the public consultation. The T&T stresses that communication around this module is very important to manage expectations in the market.

Refiners template

DH speaks on behalf of all refiners (NBPOL/Sime D/IOI/AAK/Cargill/Wilmar/ADM). The refiners do not want to send the template via unsecured email. The CBs will not give the license if there is no template. The issue is not about supplier information but sharing detailed customer information is sensitive. Refiners will not enter this in an Excel file and send over to CBs. According to the refiners, this information can be found in eTrace. RSPO can extract the information from eTrace. There is a mismatch between the RSPO Supply Chain Systems and the RSPO Supply Chain Standard. Refineries follow the Standard, and register their trades. The CB checks the administration but will not take the information from the company. In the System document there is a table that should be used by refiners and manufacturers to report. Refiners propose to continue to register sales/purchases in eTrace, the CBs can check but cannot take the information. The systems document should be updated to reflect the Standard.

The CBs support this.

The RSPO secretariat reflects on the history of this template. Members do not all report in eTrace and do not use “announce”, “trace” or “remove from stock” consistently in eTrace. Consequently, MB accounts are incorrect. Further, the secretariat is informed by certified companies that eTrace is not always checked by their auditors. The template is designed to ‘force’ CBs to check eTrace, and for certified refiners to keep their administration accurate. Also, it would give insights into market information that is helpful for planning outreach

activities of the EU secretariat. The information requested in the template can also be an extract of ERP/SAP systems of the companies and therefore it was an intermediate solution for reporting until the Excel uploads in eTrace are live.

The refiners said that it is better to directly start with accurate reporting in eTrace.

The CBs have never heard the argument that the auditors do not do their jobs properly and never had good guidance on how to audit eTrace. It is an extra burden.

Some refiners do not agree that trace or remove from stock is mandatory when the company is the final refiner. For that refiners use ERP/SAP.

Bookkeeping is not up to date in eTrace if you do not announce, trace or remove.

SB: We cannot receive in Rotterdam and ship to Hamburg in eTrace. The solution to this, is to make a new account for Hamburg and announce trades. Reporting of sales by final refiners is not mandatory according to SB. In our next meeting, we need to agree on all reporting requirements for certified companies.

Actions:

- 1 inform CBs that the template is not mandatory anymore, effective immediately (secretariat. This has been done already);
- 2 develop instruction for auditors (UTZ certified);
- 3 make overview of reporting requirements for certified companies (RSPO secretariat).

4. Global Oil Mill list

To implement resolution 6f on traceability to oil mills, we need to generate an global oil mill list that can be built into the new IT platform. Companies can, upon delivery of MB material, select the certified and uncertified oil mills from this list. There is a request to also include information on whether an oil mill is also certified for ISCC. As long as this data is publicly available, RSPO secretariat can keep this information up to date, otherwise members need to share this information.

Mills can already report if volumes are sold under another scheme in eTrace but this is not mandatory. Auditors need to check volumes sold under both schemes but do not report volumes. The T&T suggests that we ask the auditors to start reporting this and look into making this mandatory.

The UK retailers support work on ISCC volumes to explain why on average only 50% of the RSPO certified volume is sold as sustainable.

WRI, KnownSources, and Unilever have a list but it is not publicly available (yet). We should not wait for this list and start generating our own list. The members of the T&T would like to contribute to this oil mill list and ask when the system can be ready.

Action: all agree to contribute if possible and IS will request the information by email (name mill, name parent company, GPS coordinates, certification, etc).

5. Certification for applicable supply chain models

RSPO has always given the advice to companies and CBs that companies should be certified for the model that they are purchasing and selling for. Reasoning being that companies that use the one-to-one rule for SG to MB, should understand the Supply

Chain Standard and the requirements for these supply chain models. eTrace automatically downgrades material if the company is not certified for that model. Members of the T&T say that companies already purchase IP, without being certified for IP and the material is downgraded to SG upon receipt.

The members of the T&T all agree that companies only need to be certified for the model that they are claiming/selling even if they use the downgrading and one-to-one rule.

Action: this change needs to be communicated to the CBs (RSPO secretariat).

6. AOB

There is an increasing market demand for traceability back to plantation by retailers and manufacturers. RSPO is based on certification of the mill with its supply base. We need clear communication about traceability in RSPO.

Action: ask C&C to develop communication around traceability (RSPO secretariat).

DH: EPOA, RSPO and Wilmar are discussing the design of a traceability instruction movie.

7. The next meeting will be held on November 16 in Kuala Lumpur from 9-14h in Shangri-La hotel.

8. Progress IT system and WG

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AOB:

RK: asks about the results of the ISCC-RSPO-RED study.

This study has been conducted by a CB and we need to verify the outcomes.

Action: put on agenda next meeting (RSPO secretariat).