

**Minutes RSPO T&T SC**  
**30 May 2012,**

**Stoomhal, Pakhuis, Wormer, Holland**

**Present:**

Hidde van Kersen, IOI Loders Croklaan (chair) -**HvK**  
Adam Thomas, NBPOL (minutes) - **AT**  
Anna Bexell, IKEA - **AB**  
Bob Norman, AAK - **BN**  
Eddy Esselink, Unilever -**EE**  
Liz Crosbie, SEC - **LC**  
Martijn Schneider, IOI Loders Croklaan -**MS**  
Martin Craven, AAK - **MC**  
Paul Nellens, SIPEF - **PN**  
Sietse Buisman, Cargill -**SB**  
Harald Sauthoff, Cognis -**HS**  
Joost Sprakel, UTZ Certified -**JS**  
Michelle Morton, Shell -**MM**  
Sandra Mulder , WWF -**SM**  
Juliane Eijkelhof , Sime Darby -**JE**  
Hugo Byrnes, Ahold -**HB**  
Gerard ten Nuyl , Wilmar -**GtN**  
Olivier Van Oort , Consultant - **OvO**  
Karlijn van Lierop, MVO - **KvL**

**Apologies for absence:**

Alasdair McGregor, BM TRADA  
Simon Perry , J&J  
Salahudin Yaacob, RSPO

**1. Introduction and welcome**

HvK opened the meeting by welcoming Olivier Van Oort, independent consultant engaged by RSPO to strengthen guidance on UTZ on RSPO's behalf and work on developing a new integrated IT system and Karlijn van Lierop who replaces Marieke Leegwater as the MVO representative.

**2. Minutes meeting 1 Feb 2012**

- Minutes approved
- Most of the action points raised in the minutes were included for discussion within the meeting agenda. Outstanding action points not covered in the agenda ;

*Sandra Mulder requested more information regarding the conversion of RSPO palm oil to ISCC oil.*

**ACTION: Secretariat to investigate. - NO FURTHER PROGRESS**

- *Alasdair McGregor raised the issue of CBs only being able to raise major findings in audits, advising this is not common practice within certification and out of step with the majority of mainstream certification schemes. ACTION: AMcG offered to prepare a discussion paper on the subject for the next T&T meeting. – HvK TO CHECK WITH AMcG IF THIS HAS BEEN COMPLETED*

**3. Update from EB**

HvK gave a brief overview of the general assembly discussions, highlighting two main points ;

- MPOA had put forward several resolutions, none of which had been accepted by the assembly. MPOA will remain RSPO members. Simon Lord has agreed to review the failed resolutions and prepare a proposal document for EB consideration
- JkV announced that he intends to stand down as President of RPSO, to be formally announced at the next general assembly in July. HvK confirmed that only EB members would be eligible for election and that prior to the new president being selected there would be a re-election of several EB representatives.

Discussion:

RSPO EB to make a clear distinction between the role of president and that of representing RSPO. It is very likely that next president would not have the budget to perform both roles as currently filled by JkV.

Advocacy and market promotion must professionalize; suggestion to team up with RTRS and Bonsucro to share facilities or share hired professionals to boost advocacy.

Agreed that HB and MC and HvK as EB members will formulate a strong message to EB to raise awareness about the growing competition (TFT, ISCC) and the lack of a strategic commercial market approach by RSPO (Hill & Knowlton only do PR, they do not help RSPO to target businesses that are interested in csपो);

MC asked if any further thought had been given to opening a satellite office in Europe. HvK remarked that there was a move toward having individual RSPO representatives in different countries.

#### **4. Update on appointment of RSPO supply chain director**

HvK confirmed that Joyce Ho Yoke Lin had been appointed to the role of supply chain manager with effect from mid June. Her responsibilities would include T&T agenda and commented that she may replace HvK as chairman of the T&T group as part of the move toward T&T becoming more of an advisory function.

General and discussion:

New RSPO web site now up and running – comment from members that it appeared to be quite slow

RSPO building capacity to cover complaints and disputes – governance was seen by EB as the last resort

Smallholder complaints – dispute settlement facility being set up

LC commented that disputes were difficult to track in RSPO and should be addressed

#### **5. Presentation on Dutch Task Force Sustainable Palm Oil.**

Karlijn van Lierop gave a presentation on the work of the Dutch Taskforce to promote and accelerate the uptake of sustainable Palm Oil.

- Members of the taskforce are associations rather than individual members.

- Ambition statement – to have all Palm Oil consumed in the Dutch market 100% sustainable by 2015 (based on all supply chain models), currently only 21% of Palm and PK used is RSPO certified (including certificates)
- Includes both food and feed.
- Currently only an initiative in Holland but starting to roll out in Belgium and Germany and looking to expand into France and UK.
- Have produced tools to enable accessible information including factsheets, RSPO updates and seminars.

Discussion:

In reply to member questions KvL confirmed that the set-up in Germany was different, being a group of individual companies (>200) rather than associations and was government funded. Terms of reference have not yet been defined and it is unclear at this stage whether it would include energy.

Concern was expressed by members over the need for consistent messaging and the need to differentiate between ‘sustainable’ and ‘RSPO certified’ and in particular that messaging and claims should be controlled by RSPO.

KvL had been in contact with DEFRA in UK who are in the process of drafting advice on sustainability based on all current schemes including RSPO, ISPO, ISCC and Organic !

Other questions arising

- 1) Do these initiatives have contact with TFT ?
- 2) Does C&C (stimulating markets) and T&T (identifying market imperfections) have a role to play in supporting these initiatives ?
- 3) Should RSPO commission a PR agency to control claims ?
- 4) What would be the mechanism to feedback information to these committees ?

**ACTION:** HvK, MC HB to prepare an advice document for consideration by the EB

**6. Update on P&C review - HvK**

P&C review is being lead by Adam Harrison of WWF supported by a taskforce lead by Proforest, key objects being to avoid complexity and increase clarity. First round of discussions covered hot topics including;

*Moratorium on the use of Paraquat* - Some growers have already made a commitment to stop using Paraquat. Moratorium being opposed by Malaysian growers based on the potential added cost and complexity for smallholders

*GHG reporting* – Linked to deforestation. Call to set threshold limits for above ground carbon (standing biomass) and below ground carbon (peat). ISPO set to include carbon threshold limits in their standard (no details at this stage). Unless P&C includes GHG it was felt that the RSPO standard would lose ground / credibility against competing standards.

*HVCF cut off date* – Due to some countries not having national interpretations in place there was a call to extend the cut off date from 2005 to present. This was strongly opposed.

Next meeting to be held in June with a further review meeting in September, ahead of formal submission to EB in October.

### **7. Update on IT service provider management**

IT project management consultant Olivier van Oort (OvO) has been hired to assist RSPO in commissioning service providers. He is currently working on improving governance on UTZ and improving guidance on behalf of RSPO on the migration to the new UTZ platform.

OvO gave a two part presentation covering migration from the current UTZ system to eTrace and work on defining a new integrated IT platform. Copy of this presentation will be circulated to T&T members. Work is progressing well on the migration for the current UTZ system to eTrace however issues with mill certification (31 of 60 mills currently do not have a licence) are being investigated by Salahudin. It is unclear at this stage whether the problem relates to the fact that mills have not been audited / re-certified or simply one of communication.

It is planned that change over to eTrace will take place over the period 7<sup>th</sup> – 23<sup>rd</sup> July during which time it would not be possible to log transactions in UTZ. Several members expressed concern that this could cause problems and that the change over period needed to be much shorter. JS explained that 14 days was very much a worst case scenario and if all ran smoothly could be completed over one weekend.

**ACTION:** OvO and JS were asked to look at options, including the possibility of running the old and new systems in parallel to allow for a seamless changeover.

Future developments of the eTrace system were discussed including;

Members expressed a clear preference for establishing a link between GreenPalm and UTZ to be the absolute first priority after the migration to e-Trace has been completed, as this was seen as a fundamental requirement underpinning the robustness of the supply chain standard.

**ACTION:** It was agreed that a Change Advisory Board should be constituted to advise on changes beyond first migration. The board would need to include a range of skill, some of which may have to be bought in and there should be an allowance in the T&T budget for this - HvK

OvO then gave an update on progress to a new integrated IT system to encompass (or replace) both UTZ and GreenPalm.

Work on defining requirements has already started, detailing of specifications is planned for Q3 2012. This will be put to the T&T group in October 2012 for review and approval prior to being presented to the EB in early 2013. It is hoped that the new system will be operational by end 2013.

### **8. Update on benchmark with 4 other schemes**

Following the presentation given by David Brackston (BRC) at the February meeting EE gave an update on progress of the working group comprising : Eddy Esselink (Coordinator), Adam Thomas, Martin Craven, Alwyn Hilbrands (Royal Ahold), Salahudin Yaacob (RSPO), Alasdair McGregor and Sophie Phanor (BM TRADA ) looking at mutual recognition between certification schemes.

To date, work had been limited to only benchmarking against the BRC standard and a section by section comparison showed clear overlap in many areas. Based on these findings it was believed that it would be possible to have mutual recognition between BRC and SCCS. EE stressed that the standards would remain distinctly separate thereby avoiding any risk of 'dilution' (concern previously expressed) but with the possibility of a 'bolt on' to cover those specific requirements of SCCS not covered by BRC. This would potentially result in both time and cost savings however it was stressed that there would be a need for more flexible audit times, which would be at the discretion of the auditor dependant on circumstances.

**ACTION:** EE was asked to carry out further benchmarking against other GFSI standards and to feedback at the next T&T meeting with a view to inclusion in the P&C review.

Developing a bolt to BRC should be progressed as a priority and HvK suggested enlisting the help of Preforest.

Some concern was expressed over the number of CB's eligible to conduct both BRC and SCCS audits as this may limit the opportunity.

**ACTION:** HvK to check with secretariat how many CB's are currently certified to conduct audits to both standards and if required look to build further capacity.

### ***9. Update on development of group scheme rules***

Following the presentation given by David Ogg at the February meeting LC gave an update on progress of the working group comprising: Liz Crosby (chair), David Ogg and Alasdair McGregor (BM Trada) looking at the possible introduction of a group certification scheme.

A paper discussing some of the key aspects of the scheme had been circulated to members prior to the meeting for consideration. A number of issues were identified ;

- Group Membership – A rule set governing who should be eligible to join a group scheme would need to be developed. It was proposed that membership should be restricted to small companies based on volume and / or turnover (threshold tbd).
- Group Manager – Due to the reliance on the group manager a set of criteria to ensure probity and competency would be required.
- Remove RSPO membership requirement – seen as a possible barrier to entry.
- Control of claims, should this be via chain of custody auditing or via RPSO (possibly in conjunction with the new IT scheme) ?

A number of scenarios of how such a system might operate were discussed (at length). A proposal was made to remove RSPO membership requirement for small companies joining a group scheme in preference to changing the audit system.

**ACTION:** Salahudin to be consulted on rules governing group scheme membership. LC to give further update at next T&T group meeting.

## **10 Update on other issues regarding stimulation of market uptake.**

### **10a RSPO RED accreditation by EC**

MM gave an update on the RSPO RED submission.

- Revised documents have been submitted to Brussels.
- Oxfam have made a protest about the use of Palm Oil in Biodiesel.
- Proposal expected to be approved by European Commission by end June.
- Update to EB early July, HvK will request RSPO secretariat prepare a positive message about RED to growers.

The next step will be to develop a tool for the calculation of GHG. Currently there are 3 approved systems ;

1. Actual calculation (approved method required)
2. Grandfathering (expires 2013)
3. Default value based on Methane capture.

### **10b. Lowering barriers for SME's**

Covered in earlier discussions

## **11. Other supply chain issues**

### **11a. Advice to EB regarding avoidance of double accounting.**

Prior to the meeting HvK had circulated proposed wording on the advice to the EB on the subject of double accounting and taking into account comments made by other T&T members. The group agreed on the following main points;

1. A certain volume may be certified under one or more schemes but may never be sold twice.
2. Certified volume sold (out) may never exceed certified volume produced (in)
3. Volumes registered under GreenPalm may not also be sold under ISCC.

**ACTION:** HvK to submit formal advice document to EB.

**11b.** No further matters raised

## **12. Decide on final version of T&T working plan.**

The T&T working plan and budget for 2013 was discussed and agreed with the following minor amendments.

- Budget for interim supply chain manager to be removed in light of the appointment of Joyce Ho Yoke Lin.
- Allowance for additional expert resource to assist OvO in developing new IT system (Change Advisory Board)

**ACTION:** HvK to amend budget accordingly and circulate to T&T group and submit to EB

**AOB** . Anna Bexell announced that she would be leaving IKEA in June and would be standing down from the T&T group. HvK thanked her for her valued contribution and wished her well in the future.

**Date of next Meeting: Wednesday 3<sup>rd</sup> October 2012, Royal Ahold offices, Amsterdam, Holland**