

Terms of Reference (ToR) Trade & Traceability Standing Committee (T&T SC)

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1 Introduction

- 1.1 *The continual expansion of the RSPO, - in membership, activities, global receptivity (both friendly and adversarial), and issues it has to deal with, needs an increasing degree of distributed management for it to keep pace.*
- 1.2 *Four standing committees have been established to adequately accommodate the increasing requirements and capacity at the RSPO:*
 - *Standards & Certification (S&C SC)*
 - *Trade & Traceability (T&T SC)*
 - *Communications & Claims (C&C SC)*
 - *Finance*
- 1.3 *The governance of the Standing Committee (SC) is the responsibility of the RSPO secretariat. Any changes to these Terms of Reference need to be approved by the RSPO secretariat.*
- 1.4 *The brief for the T&T SC derives from Article 3 of RSPO's by-laws, the relevant excerpt being: "RSPO is an association created by organisations carrying out their activities in and around the entire supply chain for palm oil to promote the growth and use of sustainable palm oil through co-operation within the supply chain and open dialogue with its stakeholders through the development of solutions to practical problems related to the adoption and verification of best practices for plantation establishment and management, procurement, trade and logistics."*
- 1.5 *The T&T SC shall report into the RSPO Secretariat and decide on any specific roles among its members.*
- 1.6 *These ToR are endorsed by the members of the T&T.*

2 Mission, Mandate & Scope

2.1 Working Group

Under the refined RSPO vision & mission established by the Executive Board in 2011, the T&T SC will play an instrumental role in identifying and facilitating the means to transform the market and ensure the use of certified sustainable oil palm products becomes the norm globally. In short, the T&T SC focuses on issues relevant for the credibility of the RSPO process beyond grower. Activities following from this will be advised for further execution to the RSPO Secretariat and/or BoG. This requires:

- I. *standards to demonstrate to all stakeholders the use of certified sustainable oil palm products beyond grower, through the development and maintenance of RSPO-approved supply chain models;*
- II. *evaluation of the organisational and market capacity to manufacture, trade and utilise certified sustainable oil palm products and its full range of derivatives and;*
- III. *adequate management by the secretariat, seeking advice of T&T SC, of RSPO resources responsible for the implementation of these systems.*

3 Structure

3.1 Criteria for Membership and Composition

- I. *The current members of the T&T SC are listed on the RSPO website.*
- II. *The T&T SC will comprise of representatives of the constituencies or their nominated representatives based on demonstrated experience, technical competence or expertise relevant to the Standing Committee with a balanced global/regional presence.*
- III. *BoG members, or their respective alternates, may be represented but shall not take the chair. RSPO members can volunteer for the chair position and the members are allowed to vote. The position of the chair will be reviewed every two years.*
- IV. *RSPO members may submit proposals to change the composition of the Standing Committee to the T&T SC itself. The RSPO secretariat has to endorse any changes to the composition of the Standing Committee based on reviewing any proposals and recommendations put forward by the T&T SC.*
- V. *The T&T SC shall decide the scope, leadership and participation in any working groups/ taskforces that it decides to establish to complete the work of the Standing Committee. These sub-groups will report back to the T&T SC, where appropriate in writing and the Standing Committee will evaluate and decide on the working groups recommendations.*
- VI. *The Standing Committee, at its behest, may invite experts (for instance service providers or independent consultants) on specific projects for (a part of) the meetings. However, these experts do not have voting rights and cannot take leadership of the Standing Committee.*
- VII. *The RSPO Secretariat will provide facilitation resources to the Standing Committee, particularly via representatives of the Technical Division.*

Membership of the Standing Committee will include:

The Standing Committee comprises of two members from each stakeholder group and alternates.

Role on the T&T SC	Who*
<i>Chair RSPO</i>	<i>RSPO Member</i>
<i>Facilitator</i>	<i>RSPO Secretariat - Technical Division</i>
<i>Stakeholder</i>	<i>Fully Integrated Companies/Growers</i>
<i>Stakeholder</i>	<i>Processors and Traders</i>
<i>Stakeholder</i>	<i>Consumer Goods Manufacturers</i>
<i>Stakeholder</i>	<i>Biofuel Sector</i>
<i>Stakeholder</i>	<i>Retailers and other end-users</i>
<i>Stakeholder</i>	<i>NGOs (social and environmental)</i>
<i>Stakeholder</i>	<i>Banks and Investors</i>
<i>Observer</i>	<i>Service Providers</i>
<i>Observer</i>	<i>Certification Bodies</i>

**all members of the T&T SC are RSPO members, they can also be a member of the BoG.*

Commitment:

- I. *Membership is honorary and participation voluntary and all contributions are duly acknowledged.*
- II. *Members act with the objectives of RSPO and the sector in mind, not the interests of their own organization.*

3.2 Retirement of Member of the Working Group

- I. *Members can retire at all times, and can be encouraged to suggest a successor from the same stakeholder group.*
- II. *Lack of positive involvement over a continuous period of 12 months will suggest withdrawal from the SC irrespective of notification or otherwise. All members can point out when this would be appropriate.*

3.3 Management**Decision Making:**

- I. *The T&T SC makes decisions by consensus, i.e. the absence of sustained objection. A decision of an SC is a recommendation to the RSPO Secretariat and/or BoG for final decision by the RSPO Secretariat and/or BoG.*
- II. *If consensus is unable to be achieved at the T&T SC level, the Chair of the SC or the RSPO Secretariat lead in the SC will present the different views in a balanced and neutral way to the RSPO Secretariat, for a final decision to be made.*
- III. *The RSPO secretariat's approval or any decision otherwise will be final.*

Facilitation:

The RSPO Secretariat will provide facilitation resources and the Technical Division shall be the Secretary to the T&T SC.

3.3.1 Communication

The meetings will be held quarterly with a preference for live meetings. Teleconference will however be facilitated for each meeting, and may be held in between meetings for urgent matters or when faster progress is desired.

3.3.2 Planning

The planning of the activities of the SC T&T will be done annually before the budget of the Technical Division is planned. Other projects will be dealt with upon request by members, RSPO secretariat or the BoG.

3.3.3 Projects

To advise and guide the RSPO BoG and RSPO Secretariat on all matters related to bringing RSPO certified material to the market including the following:

RSPO Supply Chain System

- *The development of RSPO-approved supply chain models: which are currently 'Book and Claim', 'Mass Balance' and 'Segregated' and 'Identity Preserved'.*

- *The management of the RSPO Supply Chain Certification System including setting of rules; guidance documentation and the accreditation process for certification bodies.*

Supply Chain Support Services

- *The outsourcing of supply chain accreditation services and the appointment of Certification Bodies.*
- *The assessment and management of service providers to RSPO for the online trading, identification and tracking of the trade of RSPO certified material.*

Market Intelligence & Transformation Strategy

- *To evaluate the organisational and market capacity to manufacture, trade and use of certified sustainable oil palm products and make recommendations to the BoG and RSPO secretariat and the wider membership.*
- *To tackle issues identified in practice or identified in market intelligence on the availability of certified sustainable oil palm products via the Secretariat, service providers and consultants.*

Market Information, Advice and Capacity Building

- *To advise the Communications and Claims Standing Committee (C&C SC) on the communication challenges identified by the T&T SC.*

Resource Planning

- *To advise the RSPO secretariat on plans to support the mission and vision of RSPO enabling the RSPO secretariat to ensure suitable resources and capability are budgeted for. This includes financial, and personnel resources.*

3.4 Role of the Secretariat

On-going committee information and updates to members and record keeping will be maintained by the T&T SC Chair and Secretariat. They are also responsible for ensuring the working process of the T&T SC is readily available to members through recording of minutes of T&T SC meetings and postings on the RSPO website.

CONTACT INFORMATION

Chair of the T&T SC: Eddy Esselink, Sustainable Development, MVO, esselink@mvo.nl

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4 Active period

The SC T&T will stay active indefinitely.