

## MINUTES OF MEETING

### 41<sup>st</sup> SSC Meeting

**Time:** 1500 - 1700 (MYT)

**Date:** Thursday, 14<sup>th</sup> March 2024

**Venue:** Zoom Meeting <https://zoom.us/j/94736305587> Meeting ID: 947 3630 5587 Passcode: 41@SSC

### ATTENDEES

Name	Initial	Organisation	
1. Olivier Tichit (Co-Chair)	OT	Musim Mas	P & T – Substantive
2. Lim Sian Choo (Co-Chair)	LSC	Bumitama Group	Grower (INA) - Substantive
3. Jenny Walther-Thoss	JWT	WWF Singapore	ENGO – Substantive
4. William Siow	WS	MPOA/IOI	Grower (MY) – Substantive
5. Ian Orrell	IO	NBPOL	Grower (Smallholder) - Substantive
6. Lee Kian Wei	LKW	United Plantations	Grower (MY) – Alternate
7. Silvia Irawan	SI	Kaleka	SNGO - Substantive
1. Leena Ghosh	LG	RSPO Secretariat	
2. Yen Hun Sung	HS	RSPO Secretariat	
3. Suguna A/P Murugan	SM	RSPO Secretariat	
4. Azlinah Al-Aydeross	AAA	RSPO Secretariat	
<i>Absence with apology:</i>			
1. Librian Angraeni	LA	Musim Mas	P & T – Alternate
2. Jerome Courtaigne	JC	L’Oreal	Consumer Goods Manufacturer – Substantive
3. Brian Lariche	BL	Humana	SNGO – Substantive
4. Anne Rosenbarger	AR	WRI	ENGO – Substantive
5. Sander Van den Ende	SvE	SIPEF	Grower (RoW) – Substantive

### AGENDA

Time	Item	Agenda	PIC
1500 - 1505	1.0	<b>Opening</b>	Co-Chairs
	1.1	Acceptance of agenda	
	1.2	RSPO Antitrust Law	
	1.3	RSPO Consensus-Based Decision Making	
	1.4	RSPO Declaration of Conflict of Interest	
1505 - 1515	2.0	<b>Meeting Dashboard</b>	Co-Chairs
	2.1	Confirmation of the 40th MoM on 18 <sup>th</sup> January 2024	
	2.2	Action Tracker	
	2.3	Progress Update WG/TF/SG under SSC	
1515 - 1520	3.0	<b>Welcoming RSPO Secretariat New Director of Standards and Sustainability, Yen Hun Sung</b>	HS
1520 - 1540	4.0	<b>For Update</b> Standards Review 2023/2024	HS

1540 - 1610	5.0	<b>For Endorsement</b>	SM
	5.1	ToR for Ethical Recruitment and Repayment of Recruitment Fee Procedure Document	
	5.2	ToR for Prevailing Wage Calculation Procedure (PWCP)	
1610 - 1615	6.0	<b>Any Other Business</b>	
	6.1	HRWG Updated Strategy	
1615		<b>END</b>	

**DISCUSSION:**

No.	Description	Action Points (PIC)
<b>1.0</b>	<b>Opening</b>	
1.1	The Chairs welcomed everyone to the meeting and presented the agenda of the meeting.	
1.2	The RSPO Antitrust Law, Consensus-Based Decision Making, and Declaration of Conflict of Interest were read out to the Committee. No comments were received.	
<b>2.0</b>	<b>Meeting Dashboard</b>	
2.1	<b><u>Confirmation of the 40th MoM on 18<sup>th</sup> January 2024</u></b> The minutes of the meeting were adopted.	
2.2	<b><u>Action Trackers</u></b> Action tracker of the previous meeting was presented. No comments were received.	
2.3	<b><u>Progress Update WG/TF/SG under SSC</u></b> The progress update for the WG/TF/SG Committee was presented.  The Committee raised a question regarding the No Deforestation Joint Steering Group (NDJSG). As the previous meeting was canceled, what is the next step? The Secretariat has sent an email to set a new meeting date in April. There are some delays due to the budget issues regarding the NDJSG proposal to conduct a field trial as it was not budgeted in 2024.  The Committee commented that there has not been much progress with the group. Furthermore, the Standards Review may have an impact on the group's mandate. Therefore, it's best to wait for the new draft of the Standards.  Secretariat reminded that SSC has previously decided on the timeline for the NDJSG to show progress and it is important to follow the consistency of SSC's decisions.	

	<p>The Committee raised a question on the Greenhouse Gas Working Group (GHGWG)'s next meeting. The last meeting was conducted on 6 – 7 March focussed on aligning RSPO's work on Greenhouse Gas with the GHG Protocol. A meeting was held with GHG Protocol yesterday to kick-start the collaboration.</p> <p>The Committee raised a concern that some countries in Europe are not using the GHG Protocol. How will RSPO address this? The GHG protocol is based on ISO 14064. If other countries follow other protocols or standards, it may not be perceptible as the key element is to make sure that they still use ISO 14064. There might be small deviations, but the fundamentals of it will be the same.</p> <p>The Land Sector and Removals Guidance from GHG Protocol has not been finalised, but it has gone through all the consultations. More than 90% of the guidance draft document will be retained, with some additional elements to be added. This will be finalised by the end of March 2024. The verification and alignment work can start even if the guidance is not finalised.</p>	
<p><b>3.0</b></p>	<p><b>Welcoming RSPO Secretariat New Director of Standards and Sustainability, Yen Hun Sung</b></p>	
	<p>The Chairs welcomed the new RSPO Secretariat Director of Standards and Sustainability, Yen Hun Sung and invited him to give a short introduction. HS expressed his gratitude and looked forward to working with the Committee in the future.</p>	
<p><b>4.0</b></p>	<p><b>For Update</b></p>	
<p>4.1</p>	<p><b><u>Standards Review 2022/2023</u></b></p> <p>The Secretariat provides an update on the progress of the Standards Review 2022/2023.</p> <ul style="list-style-type: none"> <li>● The Secretariat has completed internal alignment and is currently preparing the draft.</li> <li>● The Secretariat will meet with the Steering Group (SG) on 15 March to get their directive and update them on some of the proposals made.</li> <li>● Once there is an agreement on how to move forward, the Secretariat will incorporate the proposals into the final draft and the draft will be circulated to the various Standing Committees, Working Groups and Task Forces. Targeted consultation with members will also be conducted to address any concerns and gather inputs where necessary.</li> <li>● There were several requests from within the Secretariat and members asking for a comprehensive public consultation period to ensure that all feedback and perspectives are captured. This is certainly doable within the extended timeline.</li> </ul>	

	<ul style="list-style-type: none"> <li>The Secretariat will update SSC and all the other governance bodies once there is clarity on how to move forward.</li> </ul>	
<p><b>5.0</b></p>	<p><b>For Endorsement</b></p>	
<p>5.1</p>	<p><b><u>ToR for Ethical Recruitment and Repayment of Recruitment Fee Procedure Document</u></b></p> <p>The Secretariat presented the decision paper on the Terms of Reference (ToR) for Ethical Recruitment and Repayment of Recruitment Fee Procedure Document.</p> <ul style="list-style-type: none"> <li>The primary objective of the Ethical Recruitment and Repayment of Recruitment Fee Procedure is to develop a guide/procedure for RSPO members to reimburse recruitment fees and related costs incurred by employees in alignment with the RSPO Principles and Criteria (P&amp;C) 2024. This guide/procedure will be tailored to the nuanced demands of the palm oil industry, reflecting our commitment to transparency, accountability, and ethical recruitment practices.</li> <li>The potential implications of failing to adhere to the obligations related to the repayment of recruitment fees and related costs include legal consequences, reputational damage, and regulatory scrutiny.</li> <li>The Secretariat is seeking SSC’s endorsement to the development of the Repayment of Recruitment Fee and Related Costs Guide/Procedure as a toolkit that is available for use by its Members. This would serve as a valuable resource for RSPO members, aiding them in formulating effective internal processes related to the repayment of recruitment fees and related costs.</li> <li>The Secretariat is planning a meeting for the Labour Subgroup on 21 March 2024. The subgroup will be focusing on the recruitment fee procedure. The subgroup will also look into the scope of application and applicability of the recruitment fee procedure, as well as the characteristics of the recruitment fee procedure.</li> </ul> <p>The Committee commented that:</p> <ul style="list-style-type: none"> <li>The ToR referring to the P&amp;C 2024 is a bit worrying as the P&amp;C 2024 has not been endorsed. What is the reason to cite it as a reference document?</li> <li>Secretariat responded that that is the aspiration of the recruitment fee procedure, to have the procedure aligned with P&amp;C 2024. The aspiration is to give clarity to RSPO members regarding what recruitment fee is, the applicability, the scope and expectations that we have set in the Standards for RSPO members.</li> <li>Was there a concern raised with reference to this issue? Secretariat stated that there were concerns raised regarding the repayment of recruitment fees and the scope of repayment. There was a concern on</li> </ul>	

<p>5.2</p>	<p>what should be involved in the context of repayment of recruitment fees. The guidance for the repayment of recruitment fee is essential to assist the members.</p> <ul style="list-style-type: none"> <li>• The Committee recalled that during the Task Force (TF) meeting, there was a consensus to follow the ILO definition of recruitment fees. The RSPO P&amp;C definition needs to align with ILO. Secretariat clarified that during the last TF meeting, it was recruitment fee and related cost, and this was brought to the Human Rights Working Group (HRWG) and they agreed on the recruitment fees and related costs, and also to include an element on recruitment procedure.</li> <li>• The Committee raised a question regarding the timeline. The timeline needs to have a clear cut off date as it is not clearly stated in the ToR. The Secretariat stated that there is a timeline for the development of the ToR but the timeline for the repayment of the recruitment fee will be discussed with the Labour Subgroup. The ToR stated that the group will be discussing the definition, investigation, repayment calculation and timeline for the repayment during drafting of the procedure, which includes until when it is applicable and going back how many years.</li> <li>• The Committee also raised a concern on the documented or legal recruitment fee, and this must not be associated with illegitimate payment. Based on the ILO document, the recruitment fee and related cost is the main definition. However, the detailed breakdown talked about the illegitimate cost that might happen during the recruitment process, which is not a part of the recruitment fee. This could be interpreted differently by different parties and needs to be looked at carefully. Secretariat takes note of this and will take this into consideration when bringing it to the subgroup for discussion.</li> <li>• Committee recommended that since MPOA has developed a recruitment guideline, the Secretariat can use it as reference. The Secretariat explained that the guideline has already been looked at.</li> <li>• Committee requested more time to go through the document before endorsement.</li> </ul> <p><b>Decision</b> SSC has not approved the decision paper. The Secretariat will allow SSC members 7 working days to go through the document for any further comments. The endorsement will be completed via email.</p> <p><b>ToR for Prevailing Wage Calculation Procedure (PWCP)</b> The Secretariat presented the decision paper on the ToR for Prevailing Wage Calculation Procedure (PWCP).</p> <ul style="list-style-type: none"> <li>• The ToR was presented to the Living Wage Task Force (LWTF) on 26 February 2024.</li> </ul>	<p>Provide feedback or comments within 7 working days to the document. <b>Action by: SSC</b></p> <p>Seek approval from SSC members via email. <b>Action by: Secretariat</b></p>
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	<ul style="list-style-type: none"> <li>● The current 2019 guidance on the calculation of prevailing wage does not have enough information on the context of the different regions. Insights from a survey conducted, reviewing previous audit reports and feedback from the members, found that there was a lack of clarity within the existing guide which led to inconsistent implementation efforts to comply with RSPO standards on wages.</li> <li>● Therefore, in line with RSPO’s strategy for more socialization and a stepwise approach towards living wage, the Secretariat is working to strengthen RSPO members’ ability to calculate prevailing wages by making a Prevailing Wage Calculation Procedure.</li> <li>● The Secretariat is commissioning several region-specific research in certain areas in order to get more context on different areas and what is included in the laws, wages, practices, as well as Collective Bargaining Agreement (CBA) and trade union practices to develop the document.</li> <li>● The ToR details the process of developing the Prevailing Wage Calculation Procedure which will be developed by the RSPO Secretariat. The Secretariat will abide by the requirements of developing and updating a normative document, including public consultation and pilot testing. It is recommended that the pilot testing and the public consultation be conducted simultaneously for 30 days due to time constraints. The Procedure is expected to be completed and endorsed by the BOG by June 2025 to support the implementation of the 2024 P&amp;C.</li> <li>● The Secretariat is seeking SSC’s endorsement to the ToR for the development of the Prevailing Wage Calculation Procedure.</li> </ul> <p>Committee highlighted that:</p> <ul style="list-style-type: none"> <li>● Some of the information in the survey is not relevant. The data collection is too detailed and not required.</li> <li>● Secretariat clarified that the survey was developed by the consultants conducting the desktop review. The survey was commissioned by the Secretariat for information related to wages in general. Some of the information will be useful for the guidance but not all of it will go into the guide. Should there be any specific comments, do share them with the Secretariat and the Secretariat can communicate this with the consultant.</li> <li>● The Committee also commented on the Part 2: Research from Consultants in the ToR, to include that the research is not only on the national level, but also the subnational level as there could be regional disparities.</li> </ul> <p><b>Decision</b> SSC has approved the decision paper. The Secretariat will seek approval from the</p>	<p>Seek approval from SSC members via email.</p> <p><b>Action by:</b></p>
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	members who are not present via email.	<b>Secretariat</b>
<b>6.0</b>	<b>Any Other Business</b>	
6.1	<p><b><u>HRWG Updated Strategy Paper</u></b></p> <p>The Human Rights Working Group (HRWG) has updated their strategy paper where the mandate is to work on the guidance documents and normative documents required to support the implementation of P&amp;C. The Labour Subgroup will be working on the guidance/procedure on repayment of recruitment fees and related costs. The LWTF will be looking at Procedure on Calculating Prevailing Wages. The Human Rights Due Diligence (HRDD) Subgroup has been established and will focus on developing the HRDD guidance document.</p> <p>The HRWG has approved the updated strategy paper.</p> <p>The Secretariat is seeking the SSC's formal endorsement to the extension of HRWG's mandate as the previous mandate ended in 2023.</p> <p><b>Decision</b></p> <p>SSC has approved the strategy paper and extension of HRWG's mandate. The Secretariat will seek approval from the members who are not present via email.</p>	<p>Seek approval from SSC members via email.</p> <p><b>Action by:</b> <b>Secretariat</b></p>

**MEETING ENDED AT 1553 MYT**