

**Minutes of 3<sup>rd</sup> ERWG Meeting****Date: 8<sup>th</sup> and 9<sup>th</sup> July 2014****Venue: Aloft Hotel, Kuala Lumpur**

## Attendance:

Name	Organisation	Status
(Present on 8 <sup>th</sup> and 9 <sup>th</sup> July)		
Gan Lian Tiong (co-chair)	Musim Mas	Substantive
Faizal Parish (co-chair)	GEC	Substantive
Lim Sian Choo	Bumitama Gunajaya Agro	Alternate
Foo Siew Theng	Wilmar	Substantive
Arina Schrier	Wetlands International	Alternate
Lee Kuan Yee	KLK	Observer
Jason Foong	KLK	Alternate
Norazam bin Abdul Hameed	FELDA	Substantive
Sophie Persey	REA	Substantive
Melissa Chin	RSPO Secretariat	Secretariat
(Present on 8 <sup>th</sup> July)		
Dani Rahadian	WWF-Indonesia	Alternate
Salahudin Yaacob	RSPO Secretariat	Secretariat
(Present on 9 <sup>th</sup> July)		
Shahrakbah Yacob	Sime Darby	Substantive
Julia Lo	GEC	Alternate
Absent with apologies:		
Felipe Guerrero	Daabon	Substantive
Henry King	Unilever	Substantive
Derk Byvanck	Oxfam	Substantive
Marcel Silvius	Wetlands International	Substantive

	Description	Main discussion points	Action items
1.	Announcement of new co-chair	<p>Dr. Gan has been nominated by the WG as the new co-chair to replace Alex Booth, who has resigned from Olam. Olam will still retain their seat in the ERWG, representing ROW growers. However, as Alex's replacement has not formally joined Olam, the Olam representative will only be able to participate in the next meeting.</p> <p>Meeting Confirmed that Dr Gan (representing growers) and Faizal Parish (representing ENGOs) would be the cochairs.</p>	
2.	Review of last meeting minutes	<p>The WG approved the minutes of the Second meeting of the Working Group.</p> <p>The secretariat provided updates on the action points from the last meeting. A summary of the Main updates on action points since the last meeting was presented</p>	
3 3.1	Operational matters Confirmation of ERWG members – substantive and alternates	<p>The membership of the ERWG as in the secretariat's records was presented</p> <p>The Secretariat has requested that WG members confirm the active participation of their organisation and their alternates at the ERWG. Clarity on the list of members is important to ensure active and effective participation in decision making.</p> <p>Inactive members (those who have not attended any meetings or responded to any emails) have been identified. The secretariat will reach out to them again for confirmation of their participation in the ERWG. It was suggested that there should be another alternate member seat for Indonesian growers.</p>	<p>1. WG members to confirm status of alternate membership by 15 August</p> <p>2. Secretariat to check with other inactive members on the status of their involvement in the ERWG by 15 August</p>

3.2	Safeguarding confidentiality	<p>The Secretariat noted that it had come to its attention that some companies are particularly concerned that the “no mandatory public reporting” during the implementation phase is not compromised by the ERWG as they review and assess submissions from companies on C7.8. Having a firmer ToR on observers and also members (having clear rules on alternates and other representation) safeguards this information and gives assurance that confidentiality will be kept.</p> <p>So far the WG and Secretariat have been flexible in allowing observers at meetings. However, in order to ensure that sensitive information (submission of carbon assessment reports and GHG calculation results) remain confidential, it was agreed that the WG should be more discerning in allowing observers and that it should be made mandatory to all members and observers to sign an NDA.</p> <p>It was agreed that there are several types of observers that could apply to attend WG meetings.</p> <ol style="list-style-type: none"> <li>1. Observers who are technical advisors to the WG.</li> <li>2. Invited observers to present information or to provide input at specific agenda items</li> <li>3. Observers from WG member organisations to observe the meeting but not necessarily to provide input into the discussion</li> <li>4. Other representatives of RSPO member organisations that wished to observe the meeting</li> </ol> <p>It was agreed that in order to keep the numbers manageable, that observers should not normally exceed 5 – 6 people per meeting. Priority should be given to category 1-3 in that order. To maintain confidentiality – observers in category 4 would not normally be allowed. Requests to</p>	<p>3. Secretariat to prepare before end of August 2014 a Code of Conduct and NDA for all WG members and observers to sign.</p>
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		<p>attend as observers will be compiled by the Secretariat and submitted to the co-chairs for their advice in advance of the meeting.</p> <p>Secretariat was requested to provide a non-disclosure agreement to be signed by WG, observers and other invited guests to ensure that the confidentiality of information shared during the WG meetings. It was agreed that observers will not have access to information prepared by Secretariat (e.g. discussion papers, presentations, etc.) only substantive and alternate members will have access.</p> <p>It was also agreed that any reference to specific companies in the minutes of the ERWG would be removed before any web posting for the public.</p>	
3.3	<p>Formation of technical subgroups</p> <ul style="list-style-type: none"> <li>- PalmGHG technical subgroup</li> <li>- C7.8 subgroup</li> <li>- Peat subgroup?</li> </ul>	<p>The WG discussed the possibility of creating subgroups for key issues within the WG. This is because the WG only meets 4 times a year and having sub-groups that can continue discussions on key activities between meetings may be able to push things forward in a more organised and timely matter. Past experience has also shown that there is rarely enough time to have detailed technical discussions which are really necessary during the main ERWG meetings. The subgroups can have more regular and targeted discussions and the outcomes can be presented to the ERWG for more macro level decision making.</p> <p>While the rationale for the sub-groups is sound, there is concern that there are not enough members within the WG to be split up into sub-groups. Furthermore, members may not have enough time to work at the sub-group level.</p> <p>It was finally agreed that the number of sub-groups formed</p>	<p>4. Secretariat to circulate the agreed Terms of Reference to all sub-group members and to coordinate the meetings when required</p> <p>5. Relevant WG members to check and confirm with their chosen nominees (WG members who were absent or non WG member colleagues) and advise the Secretariat on the status of their participation in the subgroups by 15 August.</p>

		<p>should be minimal and only concentrate on the key tasks. The Terms of Reference and initial members for each sub-group were discussed and agreed upon.</p> <p>The WG agreed that while the majority of sub-group members should be members/alternates in the ERWG it would be possible for WG members to nominate additional experts from their own organisation to participate in the sub-groups – subject to the approval of the ERWG. WG members are responsible for the conduct and participation of their respective colleagues and to ensure that their colleagues (who are non ERWG members) bear the same accountability and responsibility in ensuring the success of the ERWG by engaging in the sub-group in an effective and constructive manner. It was also agreed that sub group members who are not ERWG members should sign a NDA.</p> <p>While the secretariat will still be responsible for coordinating sub-group meetings, the secretariat requested that minute taking during the sub-group meetings be a shared responsibility of the sub-group.</p>	
4.	Decision on NPP and inclusion of C7.8 requirements	<p>The secretariat updated the WG on the Board decision pertaining to the compliance of C7.8. Discussion papers on the implementation process, reporting framework and announcement on the decision were shared with the WG. Concerns were raised by the WG on the basis of the Board decision. The Secretary General came to provide clarity on the deliberations of the Board on this matter.</p> <p>Concerns were raised about the inadequacy of the information, tools and time period that growers have been given to prepare for conducting carbon stock assessments as</p>	6. Secretariat to bring forward the recommendation of the WG to the Board's attention and subsequent update members on the changes.

		<p>a result of stipulating in the announcement made on 1 July 2014 that all new plantings procedure submissions after 1 August 2014 must comply with the requirements of 7.8. Concerns were also raised about the linkage to the NPP process itself since the NPP has not been revised to incorporate the new elements in the P&amp;C. The group felt that the NPP should be revised in a formal and separate process and not linked to the requirements for submission of C7.8.</p> <p>Therefore the WG recommended that the edits and improvements on the carbon assessment tool discussed by the WG and C7.8 subgroup be finalised as soon as possible in August and that only concessions for which the new plantings procedure was submitted after 1<sup>st</sup> January 2015 should be required to comply with the requirements of 7.8. It was agreed that submission on C7.8 will be a separate submission to the ERWG (via the RSPO secretariat) at the same time as NPP submission (until such time as the NPP procedure is formally changed).</p> <p>The secretariat however raised the concern that the preamble of the RSPO P&amp;C 2013 actually states that the P&amp;C comes into force in May 2014. Delaying the compliance with C7.8 till 1st Jan 2015 will pose a contradiction to that.</p> <p>The secretariat and the co-chairs communicated to adjust wording to avoid contradiction to the P&amp;C.</p>	
5.	Other High Carbon Stock (HCS) studies	The secretariat informed the WG that RSPO is an observer to the Sustainable Palm Oil Manifesto Group Steering Committee meetings. It was found that the HCS study	7. RSPO Secretariat to facilitate any information flow between The ERWG and the Sustainable Palm Oil Manifesto

		<p>commissioned by this group has some similar research objectives and intended outputs as the ERWG.</p> <p>The WG agreed that both groups should share their findings where relevant and appropriate. Information could be channelled via the Secretariat. Furthermore, there are member companies in the ERWG who also sit in the Sustainable Palm Oil Manifesto Group Steering Committee and could play a role in ensuring that the relevant information is shared to avoid overlapping activities. The WG is also open to having a representative from the scientific research group attend a WG meeting as an observer where appropriate.</p>	<p>Group Steering Committee and update accordingly. Secretariat will write to the co-chair of the HCS study to discuss information exchange</p>
6.	Carbon assessment tool report and guidance for management and mitigation plan	<p>The ERWG reviewed the main changes in the Carbon assessment tool since the previous meeting. It was agreed that the New Sub-group on C7.8 subgroup should review the document in detail and propose changes to the WG. The Sub-group met before the WG meeting on 9<sup>th</sup> July and proposed amendments. There was a thorough revision by the WG on the report and the suggested amendments were recorded. A cleaned up version is to be circulated to the C7.8 subgroup after the meeting for further feedback and additions. The subgroup members were also each tasked to provide the write-up for certain sections which are to be consolidated and discussed.</p> <p>The secretariat is requested to call for a meeting of the subgroup members to finalise the proposed amendments in</p>	<p>8. Secretariat to circulate the cleaned up version of the assessment tool to the Sub group by 12 July.</p> <p>9. C7.8 Subgroup members to work on the revised draft and prepare a new version by 15 August.</p> <p>10. Secretariat to organise a subgroup meeting (virtual/physical) to review the final version and recommend adoption by the WG before end of August 2014.</p>

		<p>early August.</p> <p>The changes to the Reporting framework C7.8 submission as discussed and agreed upon by the WG.</p>	
7.	PalmGHG pilot wrap up – for existing operations (C5.6).	<p>Secretariat presented the outcomes of the PalmGHG pilot as well as the key issues that were raised by participating companies. In the initial stages, 15 companies requested to participate, however, at the conclusion of the pilot, only 10 companies provided submissions of their pilot calculations.</p> <p>A meeting of the PalmGHG subgroup was held in early June to discuss all the issues and problems that were brought up during the Pilot phase as well as suggestions for improvement.</p> <p>The meeting reviewed and endorsed the recommendations of the subgroup with the following specific additions –</p> <ul style="list-style-type: none"> <li>a) Companies should be allowed to use actual data in planting data form.</li> <li>b) FFB from independent smallholders cannot be excluded, but be incorporated on an interim basis using the averages from the main company estates</li> <li>c) sub-group on peatland to provide further guidance on water levels for peatland areas for Palm GHG.</li> </ul> <p>The secretariat convened with the programmer after the PalmGHG subgroup meeting to request action to address issues raised by the Sub-group.</p> <p>The major challenge in installing all the improvements to PalmGHG is the time and resources required to achieve this.</p> <p>On RSPO's side, it is not advisable to delay the launch of the</p>	11. Secretariat to make the necessary preparations to make PalmGHG V2 available in August 2014 and expedite work on V3 to enable release in December 2014/January 2015.



		<p>calculator. Therefore the secretariat has proposed for a first release of PalmGHG V2 (Aug 2014) which may not yet be optimal from a user perspective but is able to provide the calculations required for complying to C5.6. This can then be followed by PalmGHG V3 (early 2015) with all the final refinements implemented.</p> <p>In terms of users transitioning between V2 and V3, the impact is expected to be minimal.</p> <p>The WG has agreed with the secretariat's proposal but emphasised that clear communication needs to be released on the planned launch of V2 and V3 and how both versions will differ from one another.</p> <p>It was agreed that for companies who have special data needs and have been using the excel version of the Excel version of PalmGHG - they can obtain the updated version from the secretariat upon request.</p> <p>It was agreed that the Palm GHG subgroup would look at the use of the Palm GHG for C7.8 once the procedure for C7.8 carbon assessment tool was adjusted.</p>	
8.	<p>Public launch of PalmGHG.</p> <ul style="list-style-type: none"> <li>- Roll out of training and outreach programmes</li> <li>- Guidance to auditors</li> <li>- Communication plan</li> <li>- Conclusion workshop on PalmGHG pilot</li> <li>- Press release, general communication</li> </ul>	<p>It was agreed that once PalmGHG V2 is available on the RSPO website, an email blast will be sent to all members to notify them.</p> <p>A notification will also be sent to all certification bodies (CBs) to inform them that the summary reports/results of the GHG calculations for C5.6, although not for public consumption should be sent to the secretariat (for sharing as necessary with the ERWG).</p> <p>A workshop with CBs is also being planned to ensure that</p>	<p>12. Secretariat to prepare for 1 day workshop on Palm GHG and Carbon Assessment Tool during RT12 week</p> <p>13. Secretariat to notify the CBs on the requirements of C5.6 in relation to PalmGHG and endorsed equivalents</p> <p>14. Secretariat to arrange for CB</p>

		<p>they understand the requirements of C5.6 in relation to the use of PalmGHG or an endorsed equivalent.</p> <p>It was agreed that a one day training workshop on PalmGHG and Carbon assessment tool be organised during the week of RT12 (likely on November 17). A short tutorial will also be featured in the RSPO Open Days held in Ghana and Guatemala in September to familiarise stakeholders in those regions with PalmGHG and the carbon assessment tool.</p> <p>The WG also reviewed the communications and outreach plan for PalmGHG and the carbon assessment tool that was presented at the 2<sup>nd</sup> meeting. The secretariat highlighted that there are some delays in meeting the datelines for the communication and outreach activities due to a lack of human resource. However, for the remainder of 2014, the secretariat will be committed to reach out to CBs and grower members on PalmGHG in those events highlighted.</p>	<p>training on C5.6 and C7.8 at the coming CB workshop</p> <p>15 Secretariat to update and circulate the communications and outreach plan for PalmGHG and the carbon assessment tool by 31 August.</p>
9.	Calculator comparison study	<p>The Secretariat informed the WG that since last meeting a call has been issued on the RSPO website and an email blast sent to request any company that wanted RSPO to determine equivalence of other tools to the PalmGHG calculator. However there is no response so far.</p> <p>The Secretariat has commissioned a comparison study on PalmGHG and the ISCC calculation methodology. As quite a few palm oil mills are both ISCC and RSPO certified, it is anticipated that many of the companies would be using the ISCC methodology for GHG calculations.</p>	<p>16. Secretariat to update WG once results of the calculator comparison are ready</p>

10. 10.1	Activities during RT12 ERWG 4 <sup>th</sup> meeting	In order to get optimal attendance it was proposed to have the next ERWG meeting to coincide with RT12. RT12 is scheduled for 18 <sup>th</sup> – 20 <sup>th</sup> November. 17 <sup>th</sup> November is tentatively set aside for workshops on PalmGHG and the carbon assessment tool. Board meetings will likely be held on 17 <sup>th</sup> and 21 <sup>st</sup> November (before and after the RT proper). This means that on those dates, members of the ERWG who also sit on the Board will be unavailable. Therefore it has been suggested that the ERWG meets over the weekend, i.e. Friday and Saturday 14 <sup>th</sup> & 15 <sup>th</sup> ) or Saturday and Sunday (15 <sup>th</sup> & 16 <sup>th</sup> ) before RT.	17. Secretariat to notify WG members on proposed dates for the next meeting and to make the necessary logistical arrangements
10.2	Prep cluster on GHG	The preliminary draft programme of RT12 was shared with the WG. There will be a short 90 min prep cluster allotted for GHG matters on Day 1 (18 <sup>th</sup> November). It was recommended that the 90mins should be focused on case studies and grower experience on meeting compliance for C5.6 and C7.8.	18. Secretariat to liaise with companies to present on their experiences during prep cluster.
11. 11.1	AOB Case study on the use of PalmGHG and Carbon assessment tool	A WG member company gave a short presentation of their experience in using PalmGHG (pilot version) and the Carbon assessment tool and highlighted some of the issues faced. The presentation also included a comparison with ISCC calculations. Default values used by the chosen land cover categories have significant influence on the LUC emissions. Key findings were shared with the WG. This experience will be taken into consideration in adjusting the carbon assessment tool and palmGHG.	
11.2	Introduction of GHG requirement in ISPO	The Secretariat raised the point of ISPO developing their own GHG calculator which will align with the requirements of the biofuel market such as the EU-RED. The Secretariat also shared that there is a possibility to meet ISPO to discuss on possible collaborations. It was discussed that the WG	19. RSPO to convene a meeting with RSPO Indonesian grower members to discuss the developments on the ISPO calculator and request an audience with ISPO

		should keep tabs on the various developments on GHG calculations.	
11.3	Links with other RSPO working groups or task forces	<p>A point was raised on alignment with the GHG requirements of RSPO-RED as well. PalmGHG cannot be used for RSPO-RED. The activities of the ERWG and RSPO-RED TF on addressing GHG calculations should not be in contradiction of one another. The Secretariat which coordinates both groups should be the link and update both groups accordingly.</p> <p>A discussion was also suggested between the co-chairs of the ERWG and RSPO-RED TF to look at possible alignments on the GHG requirements</p>	20. Secretariat to coordinate a discussion between the ERWG and RSPO-RED TF when the opportunity arises.
11.4	Determining competencies of carbon stock assessors	<p>In order to initiate the compilation of a list of competent carbon assessors (in relation to C7.8), the WG agreed in minimum criteria that the assessors should meet. It was also agreed that the assessment could be done internally as long as the assessment team had all of the competencies identified.</p> <p>The criteria and initial list will be circulated to the WG for further feedback. Once endorsed, the RSPO will contact the organisations listed to provide their profiles (including experience and relevant CVs) to RSPO in order to confirm that they indeed have the competencies required. Suitably qualified organisations will be included in a list of carbon assessors as a guide for companies. An announcement will also be put on the RSPO website for other qualified companies (not on the list identified by the WG) to submit their profiles for consideration.</p>	21. Secretariat to distribute criteria and initial list of potentially qualified organisations to WG for further feedback (if any).
11.5	Budget of WG	The secretariat also shared the budget for ERWG activities that was presented to the Board.	22 Secretariat to circulate the final budget to the WG