

**RSPO CB Workshop  
October 2020 (Session 1)  
Minutes of Meeting**

Meeting Mode: Zoom Meeting  
Date and time: 19-20 October 2020 (9.00 am – 12.30 pm, MYT)

**Participant Attendance:**

No.	Name	Organisation	Type of Organisation	Day 1	Day 2
1	Shikin Rasikon	ASI	AB		
2	Selvanathan Grapragasem	ASI	AB		
3	Hubert de Bonafos	ASI	AB		
4	Haye Ismail	ASI	AB		
5	Anis Nabihah Khairul Anwar	BSI	CB		
6	Hu Ning Shing	BSI	CB		
7	Wisnu Rahmanto	BSI	CB		
8	Mujinius Jalaraya	BSI	CB		
9	Nicholas Cheong	BSI	CB		
10	Elzy Ovktafia	BSI	CB		
11	Farah Roslan	BSI	CB		
12	Shazaley Abdullah	BVC Malaysia	CB		
13	Nadia Nasir	BVC Malaysia	CB		
14	Siti Fatimah	BVC Malaysia	CB		
15	Zulkarnain Ishak	Control Union (CUC)	CB		
16	Sandra Purba	Control Union (CUC)	CB		
17	Paramjit Singh Gill	Control Union (CUC)	CB		
18	Irham Zadani	Control Union (CUC)	CB		
19	Dayangku Mazrianah	Control Union (CUC)	CB		
20	Meta Simangunsong	Control Union (CUC)	CB		
21	Abd Hamid Binsin	Control Union (CUC)	CB		
22	Nor Atiqah Saipul Bahri	Control Union (CUC)	CB		
23	Mohd Hairi Adris	Control Union (CUC)	CB		
24	Ahmad Sayuti Sulaiman	Control Union (CUC)	CB		
25	Fadly	Control Union (CUC)	CB		

26	Ahmad Furqon	Control Union (CUC)	CB		
27	Supun Nigamuni	Control Union (CUC)	CB		
28	Muhammad Faizul Yusoff	Control Union (CUC)	CB		
29	Wiwik Widiati	Freelance Auditor	CB		
30	Tuan Amirudin	GGC	CB		
31	Jamalul Arif	GGC	CB		
32	Nurulashida Mohd Saad	GGC	CB		
33	Mohd Fadzli Bistamam	GGC	CB		
34	Sesumaran Subramaniam	GGC	CB		
35	Surenthiran P	GGC	CB		
36	Muhammad Syafiq Abd Razak	GGC	CB		
37	Mohd Hafiz Mat Hussain	Intertek	CB		
38	Nor Ezani Ahmad	Intertek	CB		
39	Mohd Arif Yusni	Mutuagung	CB		
40	Dwi Haryati	Mutuagung	CB		
41	Naila Karima	Mutuagung	CB		
42	Mohd Amarullah	Mutuagung	CB		
43	Arif Faisal	Mutuagung	CB		
44	Ardiansyah Hamzah	Mutuagung	CB		
45	Arief Budiman	Preferred by Nature	CB		
46	Aprilya Diana Susanti	Preferred by Nature	CB		
47	Diantur Jatmiko	Preferred by Nature	CB		
48	Putu Candiadewi	Preferred by Nature	CB		
49	Trusti Widiastuti	Preferred by Nature	CB		
50	Adriana Cala	SCS Global Services	CB		
51	Rene	SGS	CB		
52	Daryl Tan	SGS	CB		
53	Aryo Gustomo	SGS (Indonesia)	CB		
54	Mila Maimunah	SGS (Indonesia)	CB		
55	Saurlina Agustina	SGS (Indonesia)	CB		
56	Yudi	SGS (Indonesia)	CB		
57	Burhanuddin Gala	SGS (Indonesia)	CB		
58	Yopi Kusuma	SGS (Indonesia)	CB		

59	Yugeswaran Muthaiah	SGS (Malaysia)	CB		
60	Izzat Fahmy	SGS (Malaysia)	CB		
61	James Ong	SGS (Malaysia)	CB		
62	Dzulfiqar Azmi	SIRIM QAS	CB		
63	Razman	SIRIM QAS	CB		
64	Mohd Ab Raouf Asis	SIRIM QAS	CB		
65	Rozaimiee Ab Rahman	SIRIM QAS	CB		
66	Mohd Zulfakar	SIRIM QAS	CB		
67	Dimas Mandala	TUV Rheinland	CB		
68	Zuraidah Mohamad Aripin	TUV Rheinland	CB		
69	Hendra Fachrurozy	TUV Rheinland	CB		
70	Didin Farudin	TUV Rheinland	CB		
71	Ibrohim Payetno	TUV Rheinland	CB		

**RSPO Secretariat Attendance:**

Name	Position	Day 1	Day 2
Aminah Ang	Interim Assurance Director		
Ahmad Amirul Ariff	Certification Manager (P&C)		
Djaka Riksanto	Assurance Manager, Indonesia		
Ruzita Abd Gani	Supply Chain Manager		
Wan Muqtadir Wan Abdul Fatah	Sr. Manager, Assurance Integrity Unit		
Aizat Affendi	Sr. Executive, Assurance Integrity Unit		
Mohd Shafiqul Syaznil	Certification Executive (SCC)		
Wan Nur Aimy Nadiyah	Certification Executive (P&C)		
Radda Larpnun	Technical Manager (Thailand)		
Ashwin Selvaraj	Head of Smallholder Unit		
Krishna Jeyabalan	Sr. Executive, Smallholder Certification Programme		

Legend :

Present

Absent

Item	Description	Action Points
<b>Day 1 (Monday, 19th October 2020)</b>		
1.0	<p><b>Welcoming Remarks and Updates from RSPO Secretariat</b></p> <p>Aminah welcomed the participants and ran through the agenda of the CB workshop.</p> <p>Aminah started the workshop with updates from the RSPO Secretariat on the following :</p> <ul style="list-style-type: none"> <li>- Appointment of the new RSPO CEO and the Certification Manager</li> <li>- Latest updates of documents relating to certification including the Contingency RSPO Audit Procedure, Participation of Audit Facilitators in RSPO Audits,, expiration of RSPO RED and RSPO NEXT</li> <li>- Updates on IT related information which include the new webpage for the certified Independent Smallholder Group, changes in palmtrace and the revised RSPO Interpretation Forum</li> <li>- Assurance Statistics</li> <li>- The joint RSPO-ASI CB's Performance Monitoring</li> </ul> <p>Nicholas (BSI )highlighted that he did not receive any notifications on the expiration of the RSPO RED and RSPO NEXT. Wan (RSPO) suggested him to re-register with the RSPO newsletter on the RSPO website.</p> <p>On the monitoring of CB , Nicholas (BSI) raised concerns on the PalmTrace submissions as some submissions are denied despite following the right procedures. Aminah clarifies that the monitoring will focus more on the major problems such as late submissions and quality of information submitted in palmtrace and the audit reports.</p> <p>Adriana (SCS) asked if it is possible for Scenario 2 and Scenario 3, (conducting a remote audit and utilising an audit facilitator) within the same week. Aminah said this should not be a problem, as long as the clients are aware of it.</p> <p>Adriana (SCS) asked if RSPO would come up with a checklist relating to the monitoring of CB. Aminah mentioned that there are no checklists required. RSPO is currently gathering data on prevalent issues.</p> <p>Hafiz (Intertek) asked if major nonconformities (NCs) will be raised from the CB monitoring. . Aminah clarified that RSPO is gathering the information and will submit it to ASI on a yearly basis as part of ASI overall monitoring. ASI will decide on the next course of actions.</p> <p>Aryo (SGS) suggested that aside from sanctions on the lowest ranking CB, a reward for the best ranking CB should also be considered. Aminah mentioned that the ranking will be either the CBs meet the requirements or below the requirements. There will be no ranking by number.</p>	

	<p>Adriana (SCS) asked if the feedback will be given during the CB's annual ASI assessment. Aminah mentioned that no feedback will be given during the annual assessment and that the annual assessment itself will be part of the criteria of the CB monitoring.</p>	
<p><b>2.0</b></p>	<p><b>Common Mistakes during PalmTrace (PT) License Submission</b></p> <p>Wan shared some of the common issues that caused the PT License submissions being denied. :</p> <ul style="list-style-type: none"> <li>- Incomplete certified volumes</li> <li>- Addresses of supply base are not reflecting the site</li> <li>- Address in PT is for HQs instead of mills</li> <li>- Information in PT does not match with that on the certificate</li> <li>- Sold volumes were higher than the certified volumes</li> <li>- Sold volumes were not the same as the ones in the audit report</li> <li>- Extensions of time and volume must be done before the licensing period ends</li> </ul> <p>Wan also went through the PT request for multi-mill and multi- SC models.</p> <p>Nicholas (BSI) asked about the multi-mill PT , how can they confirm that the estates are interchangeable given that they need to be assigned to a mill account. Wan clarified that the assignment of estates to mill is only done in PT to avoid double or triple counting during extraction data from PT.</p> <p>Nicholas (BSI) asked if there could be a manual on how CBs should key in the estates in PT for the multi-mill .. Aminah mentioned that she will check with the current PT manual to see if this is already included in it.</p> <p>Ruzita (RSPO) went through some of the common mistakes for SCC license request :</p> <ul style="list-style-type: none"> <li>- Wrong processing right for refinery and crushing facility</li> <li>- CB do not specify the ICS for SCC multisites</li> <li>- Justification is needed when CSPO or CSPKO volume purchased is lower than the volume claimed</li> <li>- For initial certification, CBs would need to click on the last box on the Initial Certification in Section 2 of PT</li> </ul> <p>Wan gave CBs additional reminders :</p> <ul style="list-style-type: none"> <li>- The closure of the NCs should not be by somebody who is not part of the audit team</li> <li>- CBs need to highlight in their audit reports on the calculation of the prevailing wage.</li> <li>- Ensure the type of business in PT is accurate.</li> <li>- Membership number should always be stated on the certificate</li> <li>- The terms, "GreenPalm" and "eTrace" should never be used anymore as those systems were no longer available..</li> <li>- If the audit was done against a National Interpretation (NI), the endorsement date of the NI should be stated.</li> <li>- Submissions of licences in PT should be done in a timely manner, within 7 days after certificates were issued.</li> <li>- CBs should be aware of typo mistakes (e.g. HCV-ALS).</li> <li>-</li> </ul>	<p>AA to confirm the PT Manual to include the request for multi-mill license</p>

	<ul style="list-style-type: none"> <li>- CBs should include the site address and not the P.O.Box on Certificates and Section 1 of PT.</li> <li>- The unit of measurement used should be consistent on Annex 1 and PalmTrace .</li> <li>- Metrics template is not endorsed yet, hence CBs should always key in Not Applicable for the relevant indicators.</li> <li>- PT license request - no backdating is allowed on the license start date.</li> </ul> <p>Nicholas (BSI) asked about UTZ as part of the Rainforest Alliance, is it still business as usual? Aminah replied by saying that it is still business as usual, the UTZ (Technical arm of Rainforest Alliance) is still operating the PT system.</p> <p>Adriana (SCS ) asked when CBs can use the NIs, after the conclusion of the Public Consultation or upon endorsement by the RSPO Board of Governors (BoG)? Wan answered that NIs can only be used after the RSPO BoG endorsement. Until then, any audits should be done against the generic RSPO Principles &amp; Criteria (P&amp;C).</p> <p>Adriana (SCS) mentioned that for license extensions, there is a confusion on the start and end date for Section 3 of PT. Aminah mentioned that the start date should follow the date after the license is extended and the end date should follow the original license end date (i.e. the new license would be valid for less than 365 days).</p> <p>Nicholas (BSI) asked about Kernel Crushing Plants (KCPs), do CBs key in the CSPK volume or the converted volume in Annex 1? Ruzita answered that the CB should use the converted volume as in Annex 1, and the audit report should highlight the conversation rate used.</p> <p>Adriana (SCS) asked if CBs should only use the revised Annex 1 for audits? Aminah mentioned that only the revised Annex 1 should be used.</p> <p>Nicholas (BSI) asked if CBs should report if they expect any certified outgrowers going into the system? Aminah said certified growers will have their own certified volume and certificate. If mills procured FFBs from these outgrowers, CBs can ask for volume extension as the assigned certified volume of a mill should not include that of the outgrowers.</p>	
<p><b>3.0</b></p>	<p><b>Panel of discussion on Experience and Challenges Auditing P&amp;C 2018</b></p> <p>Salahuddin (RSPO) opened the session and the two panelists, Amarullah (Mutuagung) and Nicholas (BSI) introduced themselves and shared their experiences of auditing against the RSPO P&amp;C 2018.</p> <p>Some of the challenges highlighted, include :</p> <ul style="list-style-type: none"> <li>- The RSPO P&amp;C has a totally new structure compared to the previous standards (i.e. placement of indicators are different than before).</li> <li>- Management units have trouble accessing the confidential data of contractors.</li> <li>- Challenges in determining the presence of peat soil in management units as data is inaccurate.</li> <li>- Clash between the regulation and social situation in an area (e.g.</li> </ul>	

	<ul style="list-style-type: none"> <li>regulations relating to manpower).</li> <li>- Delay in the RaCP process.</li> <li>- Indicators that were previously major is now minor in the new standard (indicators relating to hazardous waste)</li> <li>- Challenges in the audit planning (e.g. Audit coverage for units with a low number of supply bases, Understanding the current condition of management units, Identifying previous land owner)</li> <li>- Some indicators are very similar, which may lead to duplication when CBs raised NCs.</li> <li>- Indicators are open to interpretation (e.g. Indicators 2.3.1, 2.3.2, 3.4.1, 6.2.7 and 7.12.2)</li> <li>- Legality of foreign workers when management units subcontract management of foreign labour salary.</li> <li>- Recruitment fees and the debt bondage associated with the hiring of foreign workers.</li> <li>- Insufficient information available at management units.</li> <li>- Issuance of P&amp;C 2018 certificates halted due to the pandemic as on-site verifications cannot be carried out.</li> </ul> <p>Salahuddin asked the panelists if there are any reduction trends in certified areas and CSPO production volume due to the challenges by growers in complying with the new standard. Nicholas (BSI) and Amarullah (Mutuagung) both said there has not been any decreasing trends so far.</p> <p>Salahuddin asked the panelists if they have observed any instances where growers are struggling to comply with new requirements regarding the traceability of FFB to its legal source. Amarullah (Mutuagung) said some growers face this problem if the FFBs are sourced from brokers or FFB traders as the traceability of FFB is very vague and there are usually no contracts signed between the suppliers and brokers. Nicholas (BSI) highlighted the use of MPOB licenses in Malaysia which do not necessarily guarantee the legality of the land used. Like in Indonesia, there are also challenges in Malaysia when it comes to verifying the legality of FFB sourced from collection centres (i.e. brokers).</p> <p>Salahuddin asked the panelists if they would issue a NC if their clients could not properly trace their FFB. Nicholas (BSI) mentioned that BSI would raise a NC for this and highlighted that Malaysian growers were given 3 years to clean up their data on FFB sources.</p> <p>In relation to the metrics template, Salahuddin asked the panelists if there are difficulties in capturing all the relevant information? Amarullah (Mutuagung) said that so far, there have not been any difficulties in doing this. Nicholas (BSI) raised the concern that the metrics template will prolong the audits and suggested that RSPO map the metrics indicators with that of the standards.</p> <p>Wisnu (BSI) asked if CBs can raise a NC against the procedural note related to Indicator 6.2.6 and when the Decent Living Wage guidance will be released? Salahuddin clarified that CBs can only raise NCs against indicators, not procedural notes. On the Decent Living Wage, RSPO has made the announcement that for the time being the compliance should be judged against the minimum wage requirements. Aminah added that if there is no evidence of</p>	
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	<p>a prevailing wage calculation, then CBs would have to raise an observation or an opportunity for improvement.</p> <p>Aryo (SGS) asked if the panelists have any issues or found court cases related to LURI and HCV as well as the calculation of prevailing wages? Amarullah (Mutuagung) said that since most of Mutuagung’s clients are old estates, there have been no issues with regards to LURI or HCV and that clients were able to clearly show their calculation of the wages. Nicholas (BSI) also mentioned he has not come across any major issues with regards to these issues too.</p> <p>Relating to indicator 3.4.1, can a Social and Environmental Assessment (SEIA) be conducted internally by a certificate holder or will it need to be done by an approved assessor? Salahuddin mentioned that internal assessment can be done for an existing plantation but for new planting, an approved assessor needs to do it.</p>	
<p><b>4.0</b></p>	<p><b>Q&amp;A with RSPO Secretariat</b></p> <p>Hafiz (Intertek) mentioned that there are instances where NCs were raised against the presence of undocumented dependents at management units but it was contested by the growers as they claimed it is beyond the RSPO scope. Aminah mentioned that the RSPO Secretariat will discuss this issue and publish the RSPO stand on the RSPO Interpretation Forum (RIF).b</p> <p>Syafiq (GGC) asked that since growers are given 3 years to comply with Indicators 2.3.1 and 2.3.2, will it be enough to state that the company or mill is still in the progress of compiling all of their supplier information or do CBs raise OFI/Minor NC/Major NC based on the stages of audit (e.g. OFI for the first year, Minor NC and Major NC for the second and third year if the company/mill still does not comply). Aminah (RSPO) agreed with the procedure to raise OFI/Minor NC/Major NC based on the stages of audit.</p> <p>Supun (CUC) asked if there was a discussion on recruitment fee and statutory payments? Aminah mentioned that the RSPO Secretariat have published answers relating to recruitment fees on the RIF and added that these matters can be included into the agenda of future workshops in the presence of the RSPO Social and Human Rights Manager as they are not straightforward issues.</p> <p>Adriana (SS) asked if CBs can share their experiences in managing complaints raised by international NGOs. Nicholas (BSI) said BSI would come up with a strategic response supplemented by relevant reports to counter the complaints. Aryo (SGS) mentioned that SGS Indonesia would proactively reach out to discuss with the NGOs and clients to verify the issues.</p> <p>Adriana (SCS) asked if responses to NGO complaints should be done in reports or done directly to the NGOs. Aminah said CBs should address complaints both in a report and directly to the NGOs.</p> <p>James (SGS) asked if CBs are obliged to respond to NGO complaints which were raised publicly against the parent company and not the management unit? Aminah said CBs should follow through the alleged issues when</p>	<p>RSPO to discuss the undocumented dependents issue and will publish the answers on the RIF.</p>

	<p>conducting audits of the management units of the company in question.</p> <p>Hairi (CUC) asked if there is a need for non-certified smallholders and mini estates that supply FFB to mills in open market to be bounded by a contract? Aminah mentioned that as long as they are supplying FFB to mills, the mills must have contracts with these parties.</p>	
<b>Day 2 (Tuesday, 20th October 2020)</b>		
<b>5.0</b>	<p><b>Recap of Day 1</b></p> <p>Adriana (SGS Global Services) and Surenthiran (GGC) presented a quick recap of the presentations and discussions held on Day 1.</p>	
<b>6.0</b>	<p><b>ASI Updates and Q&amp;A</b></p> <p>Hubert (ASI) presented on the ASI updates and the pattern NCs raised by CBs against the RSPO P&amp;C. The latter mostly revolves around worker and working conditions as well as local communities and environmental impacts.</p> <p>Adriana (SCS) asked if ASI works closely with the RSPO Investigation and Monitoring Unit (IMU) when it comes to complaints. Aminah clarified that IMU generally functions to investigate issues or monitor corrective actions by RSPO members, mandated by the Complaints Panel or RSPO Secretariat itself. Aminah ( added that for complaints raised against CBs will be directly handled by the ASI and any information gathered relating to this will be channelled directly to the ASI by the RSPO secretariat .</p> <p>With regards to ASI findings for Indicator 4.6.3, Adriana (SCS) asked Hubert (ASI) why the list of relevant stakeholders only included local and national NGOs, and excluded international NGOs? Hubert (ASI) mentioned that the definition of local and national NGOs include the local chapters of international NGOs.</p> <p>Jamal (GGC) asked what is the progress of the ASI Appeals Procedure (ASI-PRO-20-103) which went for Public Consultation recently? Hubert (ASI) said he would need to check with the ASI Quality Management Team on this. Shikin (ASI) clarified that the Public Consultation for the said Procedure ended on the 19th of October and it will be published in due time.</p> <p>Jamal (GGC) asked where the ASI findings presented are derived from? Hubert (ASI) mentioned that the findings are normally derived from witness audits and office assessments.</p> <p>Aryo (SGS) asked Hubert (ASI) to share the difficulties faced by the CBs to address the recurring ASI findings so the CBs can understand the main issues behind these findings. Hubert (ASI) mentioned that the CBs will have to strengthen their Root Cause Analysis to understand where the main issues lie (e.g. lack of resources, auditors lack capacity, etc.).</p>	
<b>7.0</b>	<p><b>Panel Discussion on Challenges of Remote Audit</b></p>	

	<p>Salahuddin (RSPO) opened the session and the two panelists, Aryo (SGS) and Dayangku (CUC) introduced themselves and highlighted the issues that they normally face with remote audits.</p> <p>Among the issues highlighted, were :</p> <ul style="list-style-type: none"> <li>- Poor internet connections at certification units to conduct interviews</li> <li>- Challenges in the submission of records and documents</li> <li>- The need for on-site verification for certain indicators</li> <li>- Lack of security of auditors as there are instances where clients recorded the audits</li> </ul> <p>Salahuddin asked the panelists if CBs would need to amend the contract with their clients to include a clause on confidentiality to prevent recording of audits? Dayangku (CUC) mentioned that CUC has only amended their internal SOPs for remote audits to include security measures. The CUC will monitor this and will amend their contracts if necessary. For SGS Aryo mentioned that a self-disclosure practice is done before the audit starts.</p> <p>Nicholas (BSI)) asked if the panelists can share any experience of ASI-witnessed remote audits? Aryo (SGS) mentioned that the ASI has been cooperative thus far and ASI has just raised their concerns with the submission of documents by clients.</p> <p>Salahuddin asked if there are any selection procedures for CBs to nominate lead auditors for these remote audits? Dayangku (CUC) mentioned that at CUC, auditors are properly trained to use the IT platforms required for remote audits.</p> <p>Paramjit (CUC) shared that the standard procedure at CUC is for the client to produce all relevant documents 2 days before the audit to save time.</p> <p>James Ong (SGS) believes that CBs would require more time to complete a remote audit. Salahuddin asked the panelists if there has been any instances where there are any changes in the allocated time to complete a remote audit? Aryo mentioned that there are no changes in the allocated time thus far.</p> <p>Salahuddin asked if the CBs are well equipped with the latest technology (e.g. drone) to conduct remote audits? Dayangku mentioned that CUC is considering rolling out hololens so auditors can have first-hand on-site experience.</p> <p>Salahuddin asked if the use of audit facilitators will be effective? Aryo (SGS) mentioned that the use of audit facilitators will provide more flexibility for auditors conducting remote audits.</p> <p>Syafiq (GGC) asked what auditors should do when wrong documents are given by clients during remote audits. Aryo (SGS) said auditors need to explain to their clients that the provided documents are wrong and give a deadline to submit the right documents before the closing meeting. If the required documents are not presented by the closing meeting, then the auditors should raise a NC.</p> <p>Paramjit (CUC) raised the concern that auditors become redundant during</p>	
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	<p>remote audits as the lead auditor will be doing the most audit work. Salahuddin mentioned that the lead auditor would have to plan the audit creatively. Aryo (SGS) mentioned that the lead auditor could create different “rooms” within the video call with their clients for different auditors.</p>	
<p><b>8.0</b></p>	<p><b>Auditing against the RSPO ISH Standard 2019</b></p> <p>Krishna (RSPO) presented the phased approach certification for the RSPO ISH standard.</p> <p>Shazaley (BVC) asked if an area that is currently covered planted with rubber be considered as part of the allocated area when there are no short term development plans to plant oil palm on it? Krishna mentioned the area can be regarded as an allocated area for new planting, unless it is clear that the ISH has no plans to convert the area to oil palm plantation at all.</p> <p>Shazaley (BVC) asked for the 2-year Eligibility phase, will it be necessary to go for an annual surveillance audit to renew the PT license? Aminah clarified that only one audit for the Eligibility 1 (E1) Phase. For Eligibility 2 (E2) Phase, CB will only need to do a review of documentations.</p> <p>For the sample size taken for ISH, Mujinius (BSI) asked if it is based on the number of smallholder members or based on the number of plots? Krishna clarified that it will be based on the number of smallholder members within the group.</p> <p>Nicholas (BSI) asked if the ISH certification system will be incorporated into revised Certification Systems Document? Krishna (RSPO) said the ISH certification will be part of the revised Certification Systems Document. Aminah added that there is a dedicated chapter to ISH certification in Clause 6 of the document.</p> <p>For the allocated area, Nicholas (BSI) mentioned that it is not as straightforward the smallholders would not have a long-term development plan unlike big grower companies. Krishna clarified that as long as there is a clear intention for replanting in the area, then it should be included. If it is unclear, then the onus will be on the auditor to determine whether the area should be included or not.</p> <p>Shazaley (BVC) asked if a group member might have up to 8 plots, is it sufficient to visit only 1 plot for sampling? Aminah mentioned that it will be sufficient and it will be up to the CB’s risk assessment to see which plot is to be visited.</p> <p>Wisnu (BSI) asked if all indicators within the ISH standard are considered critical or major? Ashwin (RSPO) clarified that all indicators are considered major.</p> <p>Shazaley (BVC) asked if the rules of "recurring Critical NC in successive surveillance will lead to immediate suspension" applicable for the ISH Standard? Aminah mentioned that the requirement is applicable to the ISH certification.</p>	

	<p>Wisnu (BSI) asked if Is it possible for the smallholder group to be downgraded from a lesser phase (e.g. MS-B to MS-A)? Krishna (RSPO) said there will not be any downgrades in the ISH certification.</p> <p>Arif (Mutuagung) asked what happens if the smallholder sells more than what is allocated by the CB? Will they have to buy back the oversold volume? Ashwin (RSPO) clarified that the group will not be able to sell more than what was allocated to them by the CB in PalmTrace. If the volume allocated by the CB is more than the actual production resulting in oversales, Smallholder group does not have to buy back as the market prices may be different. The oversold volume can be adjusted in the next license using the 'remove' function in PalmTrace.</p> <p>Krishna (RSPO) brought the issues of internal audits at MSB and asked how to ensure all internal audits are carried out, especially for groups with large numbers of members.</p> <p>Nicholas (BSI) said this will depend on how the Internal Audit procedures are set up by Smallholder groups. If it requires 1 audit report per member, CBs will take a long time to go through the reports.</p> <p>Hubert (ASI) pointed out that instead of having an internal audit for each member per year, ensure that each member has had an internal audit within the 5 years for large Smallholder groups.</p> <p>Shazaley (BVC) mentioned that as long as the Smallholder groups can demonstrate that they are progressing with an Internal Audit procedure, the CBs should not raise any NCs against them.</p> <p>Krishna asked if RSPO is the only scheme requiring a 100% internal audit of group members. Hubert (ASI) answered yes.</p> <p>Wisnu (BSI) suggested that the Smallholder group members are split by Principles (e.g. For a group of 1000 members, 250 members are audited against Principle 1, 250 against Principle 2 and so on).</p>	
<p><b>9.0</b></p>	<p><b>Any Other Business</b></p> <p>Aminah went through some of the questions posed by CBs on Day 1.</p> <p>Mujinius (BSI ) asked what would happen to certificate holders if their HGU (Land titles) have expired and are in the process of renewal? Djaka (RSPO) said to refer to the second point of the updated RSPO announcement relating to HGU which mentioned that for recertification, the unit of certification can continue to be certified provided adequate evidence is available to show that the company is working towards obtaining HGU and that they comply with all the requirements.</p> <p>Hamid (CUC) mentioned that some companies put targets for workers to earn a minimum wage. The targets are normally by production, such as by hectareage</p>	



	<p>for spraying, weight (tonnage) for harvesting and loose fruit collector. Is this acceptable according to standard or considered as Forced Labour? Aminah responded that CB to be clear on what the definition of forced labour which can be found in Annex 1 of P&amp;C 2018. It will not be considered as a forced labour if it is achievable and the workers are well aware of their job scope that is consistent with their job description and they are not forced to do their work.</p> <p>Syafiq (GGC) asked if the certified area equates to the area in the estate land title? What if there are other crops planted in the area demarcated by the estate land title? Aminah mentioned that the certified area is only limited to the area planted with Oil Palm including the infrastructures .</p>	
<p><b>10.0</b></p>	<p><b>Closing Remarks</b></p> <p>Aminah thanked everyone who attended the meeting. The meeting adjourned at 12.30 pm.</p>	

Minutes taken by:	Minutes reviewed by:
Name: Aizat Affendi	Name: Aminah Ang
Position: Sr. Executive, Assurance Integrity Unit	Position: Interim Assurance Director
Date: 20th October 2020	Date: 9th November 2020