

Roundtable on Sustainable Palm Oil (RSPO)
Monitoring & Evaluation System:
RSPO M&E Public System Report – January 2017

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1. Scope and Boundaries of the M&E System

The purpose of the RSPO M&E system is to monitor the impacts of its work in the palm oil industry at the producer level as well as at the supply chain level, globally. The existing M&E system consists of an Impact Monitoring Framework which is comprised of a statement of intended change and monitoring indicators (see Sections 3 and 4 of this report for further details).

RSPO is currently in the process of improving its M&E system through the development of a global Theory of Change (ToC) and performance indicators which is scheduled for completion by end of 2017. RSPO also aims to commission more outcome and impact evaluation studies for 2017 and is in the process of hiring a Research & Advisory Manager and aims to fill in the position by first quarter of the year to improve and strengthen RSPO's research initiatives.

2. Roles and Responsibilities

The RSPO Impacts and Evaluation (I&E) Division is responsible to collate and report impacts of the RSPO in order to provide continuous improvement and feedback to the RSPO standards and policies (see **Figure 1**). The division consists of an M&E unit and a Complaints Unit. The roles and responsibilities of the M&E staff within the I&E Division are given in **Table 1**. The Complaints Unit is responsible for handling and addressing complaints against RSPO members or the RSPO system itself through the Complaints System¹. Data and feedback collected via the Complaints System support the M&E system by providing insight and lessons learned for RSPO to improve its systems.

A total of RM 2.3 million has been allocated for the I&E Division for the financial year of 2016/2017, approximately 7% of total RSPO budget (see **Table 2**). We foresee that the allocated budget will be adequate for the planned expansion of the I&E Division and for the ongoing Theory of Change and indicators development in 2017. It is to note that the budget in **Table 2** is allocated for projects and is exclusive of staff salary. Salary is under a separate operational budget, hence the current budget is sufficient for expansion of the M&E system.

The current M&E staff is anticipated to be adequate to meet the needs of the M&E system until 2018 as implementation of the Theory of Change and M&E plan is expected to start in 2018 (as we target to complete them by end of 2017).

¹ <http://www.rspo.org/members/complaints>

FIGURE 1 RSPO I&E DIVISION ORGANISATION CHART (2016)

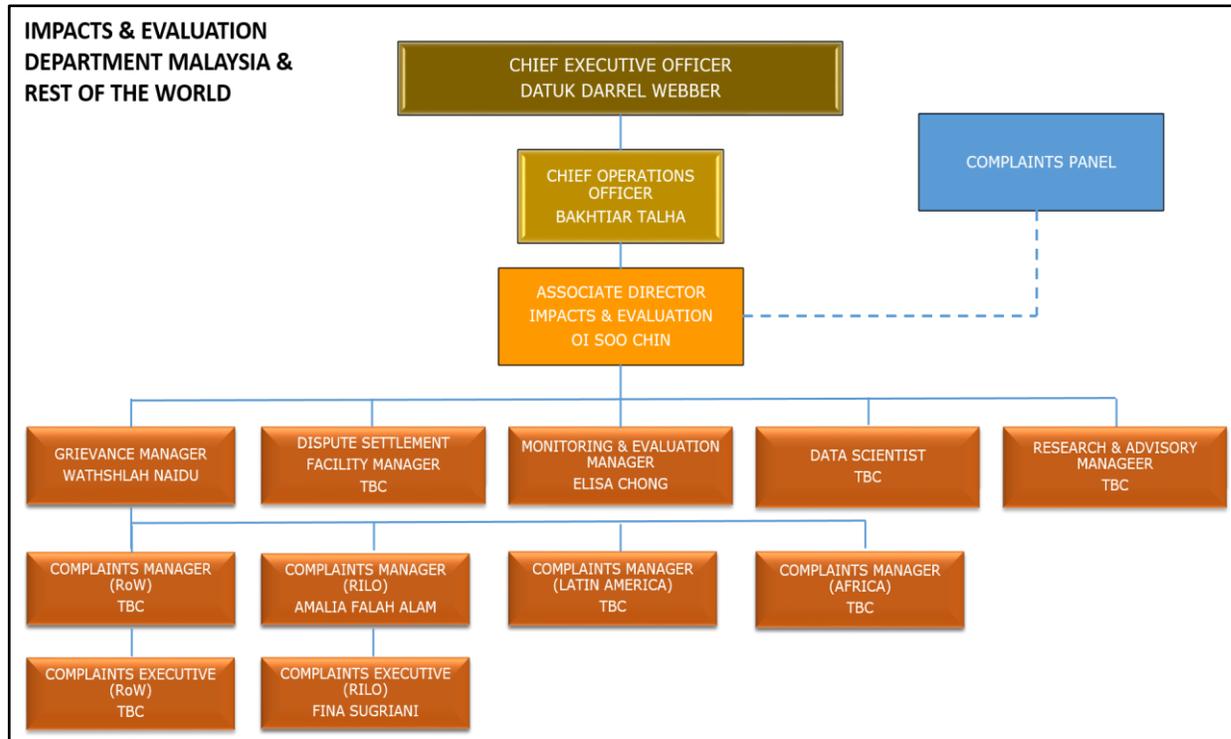


TABLE 1 ROLES AND RESPONSIBILITIES FOR RSPO I&E DIVISION (M&E STAFF)

Name	Position	Contact Details	Roles and Responsibilities	Background
Soo Chin Oi (50% FT on M&E)	Director (Impacts and Evaluation)	Email: soochin.oi@rspo.org	<ul style="list-style-type: none"> Oversee the overall management of the I&E Division 	<ul style="list-style-type: none"> BSc in Forestry 10 years' experience in resource and environmental management
Elisa Chong (100% FT on M&E)	Monitoring & Evaluation Manager	Email: elisa.chong@rspo.org	<ul style="list-style-type: none"> Lead, develop, implement and manage all M&E initiatives for RSPO Ensure compliance with ISEAL 	<ul style="list-style-type: none"> MSc in Urban Water Engineering & Management 8 years' experience in environmental impact assessments and

Name	Position	Contact Details	Roles and Responsibilities	Background
				environmental compliance and monitoring
TBC (100% FT on M&E)	Research & Advisory Manager	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Lead and manage RSPO commissioned outcome and impact evaluation studies Identify gaps in knowledge on impacts and create initiatives Encourage research by external partners 	<ul style="list-style-type: none"> N/A
TBC (100% FT on M&E)	Data Scientist	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Collect, analyse and interpret data for M&E purpose Extract and analyse internal database 	<ul style="list-style-type: none"> N/A

Note: means this position is targeted to be filled by Q1 of 2017.

TABLE 2 RSPO BUDGET FOR FINANCIAL YEAR 2016/2017

	Budget FY2017 (RM '000)		
	Operating	Projects	Total
Technical Division	5,013	5,666	10,679
Impact Division	1,711	584	2,295
Communications Division	10,398	2,481	12,880
Strategic Projects	-	3,304	3,304
Secretariat	1,490	297	1,787
Overseas Offices	397	50	447
TOTAL	19,009	12,382	31,391

3. Defining the Intended Change

The RSPO M&E system which was developed in 2012 has defined our desired change based on the Planet, People and Profit themes as summarised in **Table 3**.

TABLE 3 INTENDED CHANGE

Themes	Intended change
Planet Environmental benefits	<ul style="list-style-type: none"> • Soil and water conservation • GHG emission reduction • Biodiversity and forest protection
People Social benefits	<ul style="list-style-type: none"> • Rights and participatory process • Better livelihoods
Profit Economic benefits	<ul style="list-style-type: none"> • Yield improvements and Best Management Practices (BMPs) • Enterprise resilience

Note: As RSPO is currently improving its M&E system, these intended changes may be subject to change.

4. Performance Monitoring

In 2012, a total of 26 indicators were selected based on several criteria recommended by Community on Sustainability Assessment (COSA) i.e. generally comparable across different conditions, oriented to change overtime, sufficiently specific, measurable with reasonable cost, effort, attainable and actionable. The indicators inform RSPO’s performance status in achieving the intended change. For example, the collection of data for environmental benefit theme involve land use change analysis, hectarage of High Conservation Values (HCV) and High Carbon Stock (HCS) areas in certified and new oil palm development. As for RSPO’s reach, data on number of certified mills, plantations, hectarage, and certified sustainable palm oil volumes are being collected to demonstrate growth of sustainable palm oil production.

The data are collected from audit reports, membership database, PalmTrace (formerly known as eTrace), Annual Communication on Progress (ACOP) reports, etc. All data are stored in the Salesforce data management system and are shared with stakeholders via RSPO Impact Reports 2016, 2015 and 2014².

RSPO also has a Privacy Policy which came into force on 15 November 2013 in accordance to the Malaysian Personal Data Protection Act 2010. All signed copies of Non-Disclosure Agreements are kept in-house. Due to confidentiality reason, it is not possible to attach a copy of agreement relating to use of data in this public system report.

5. Outcome and Impact Evaluation

The Socially and Environmentally Sustainable Oil Palm Research (SEnSOR) programme³ is an independent five-year integrated multi-disciplinary external research programme designed to fill key knowledge gaps in testing

² <http://www.rspo.org/resources/key-documents/impact-reports>

³ <http://www.sensorproject.net/>

and developing the RSPO's P&C for sustainability in oil palm agriculture. The first-year outputs have been made available on its website⁴.

In addition, there are currently ten (10) other independent impact studies on RSPO certification standard systems being conducted by other organisations and universities. We also have at present, 14 university research projects being carried out in collaboration with RSPO on topics related to deforestation, ethical business conduct, good agricultural practices, health and safety, human rights compliance, biodiversity changes, FPIC, greenhouse gas emissions, smallholders and socioeconomic analysis including impacts of RSPO certification. RSPO is also actively participating in workshops organised by the Academic Research on Palm Oil Sustainability (ARPOS) based in Malaysia.

In 2015, we have commissioned three (3) impact studies from various universities: two studies were conducted on impacts of RSPO certification on independent smallholders in Jambi, Indonesia (currently not publicly available as the document needs to be translated from Bahasa Indonesia to English) and Sarawak and Sabah, Malaysia (at the moment is available upon request but will be publicly available once our dedicated Research website page is ready) and one study to examine profitability indicators that are best correlated with sustainability for the palm oil industry⁵.

6. Improving the Effectiveness of the M&E system

Preliminary work has been carried out in 2016 towards developing the ToC and input has been sought from RSPO staff as well as RSPO members:

- a) A Sustainability Priorities survey was distributed to members in order to gain a better understanding of where RSPO should focus in order to enhance palm oil sustainability;
- b) Based on the survey results, a workshop was conducted with the aim to seek stakeholders' feedback on ToC and their respective performance indicators; and
- c) A World Café session on Desired Change for RSPO to collect views on desired change from various stakeholder groups.

To improve access and sharing of M&E results across the RSPO divisions and to facilitate for more effective discussion of M&E results, particularly during the preparation of the annual RSPO Impact Report, a comment form was created in 2016 for internal use and record. The annual RSPO Impact Report provides the means for compilation and distribution of M&E results to the entire organisation as well as to our stakeholders.

7. Opportunities for Engagement

Improvements of our M&E system was implemented through stakeholder consultations as described in the previous Section 6. We have also held a plenary session on RSPO M&E during RT14 to share our journey and challenges in developing M&E system and to highlight the importance of M&E to our stakeholders.

⁴ <http://www.sensorproject.net/outputs/>

⁵ <http://www.rspo.org/news-and-events/announcements/the-correlation-between-economic-and-financial-viability-with-sustainability-for-palm-oil-plantations-study>

In addition, the RSPO's Communications Division is currently conducting stakeholder mapping for different regions to help identify key institutional groups most relevant to sustainable palm oil and RSPO, and to better plan for stakeholder engagement in future.

We welcome any feedback, questions or comments on RSPO M&E system. All M&E related matters can be directed to RSPO's M&E Manager, Elisa Chong at elisa.chong@rspo.org.