Principles & Criteria 2018: what’s new?

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A Renewed Commitment to Achieving Market Transformation

https://www.rspo.org/principles-and-criteria-review
Background & Overview

- The ISEAL Standard Setting Code & RSPO SOP for Standard Setting call for a review of the standard every 5 years

- Key elements of ToR for P&C Review as approved by Board of Governors in Feb 2017:
  - Steering Group (SG)
  - P&C Review Taskforce (TF) – 24 substantive & 24 alternate members
  - Estimated 4 Taskforce meetings (+ 2 added)
  - 2 public consultation periods

- Facilitation team:
  - overall technical facilitation of entire process incl. public consultations
  - facilitation of Taskforce meetings
  - LiSeed: consultant for Theory of Change integration
  - RSPO Secretariat: technical team supporting the facilitators

Timeline
Public Consultation – Video Clip

A global review for a global standard
2017 + 2018

RSPO
Proforest

[Image of a globe with clouds and a logo of RSPO]
Major content changes – overview

- Integration of Supply Chain Standard Modules
- Peat
- Legality (contractors & 3rd Party FBB)
- No Deforestation
- Restructuring to align with the RSPO Theory of Change
- Pesticides
- No Use of Fire
- Smallholders
- Labour
- Grievances and Human Rights Defenders
- Shared Responsibility
- Streamlining of text & active language
- No Use of Fire

THE DESTINATION

VISION
SUSTAINABLE PALM OIL IS THE NORM

Resilient & Healthy Landscapes & Communities
Green & Inclusive Growth

PEOPLE
Sustainable livelihoods and poverty reduction
Human rights protected, respected & remedied

PROSPERITY
Competitive, resilient, and sustainable sector

PLANET
Conserved, protected, and enhanced ecosystems that provide for the next generation
P&C 2018

Impact Goal: Prosperity: Competitive, resilient and sustainable sector
- Principle 1. Behave ethically and transparently
- Principle 2. Operate legally and respect rights
- Principle 3. Optimise productivity, efficiency, positive impacts and resilience

Impact Goal: People: Sustainable livelihoods and poverty reduction
- Principle 4. Respect community and human rights and deliver benefits
- Principle 5. Support smallholder inclusion
- Principle 6. Respect workers’ rights and conditions

Impact Goal: Planet: Conserved, protected and enhanced ecosystems that provide for the next generation
- Principle 7. Protect, conserve and enhance ecosystems and the environment

Overview (page 12)
## Elements of the standard

<table>
<thead>
<tr>
<th>Term</th>
<th>Explanation</th>
<th>RSPO standard setting document</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principle</td>
<td>Fundamental statements about a desired outcome</td>
<td>A fundamental statement about a desired outcome, often providing greater detail about the objectives.</td>
<td>Normative</td>
</tr>
<tr>
<td>Criteria</td>
<td>What implementation of the principle looks like – the pre-conditions/a means of judging whether or not a principle has been fulfilled</td>
<td>The conditions that need to be met in order to fulfil a principle. Criteria add meaning and operationality to a principle without themselves being direct measures of performance.</td>
<td>Normative</td>
</tr>
<tr>
<td>Indicator</td>
<td>Variable to measure the implementation (positive or negative)</td>
<td>The measurable states, which allow the assessment of whether or not associated criteria, are being met. Indicators convey a single, meaningful message or piece of information.</td>
<td>Normative</td>
</tr>
<tr>
<td>Guidance</td>
<td>Additional information that assists with the understanding, implementation and auditing of the requirement (i.e. the indicator)</td>
<td>Guidance consists of useful information to help the unit of certification and auditor understand what the Criterion and/or Indicators mean in practice, to indicate good practice, and practices that should be followed.</td>
<td>Informative</td>
</tr>
<tr>
<td>Procedural Note</td>
<td>Exceptional measure to allow mention of pending developments</td>
<td>A note in the standard only to be used where a methodology or element of the standard is still under development to clarify terms, conditions and procedure prior to the said methodology or element being finalised.</td>
<td>Informative</td>
</tr>
</tbody>
</table>

### Legality - contractors

- contracts with clauses on them meeting legal requirements
- contracts prohibit use of child, forced and trafficked labour
- contracts protect young workers
Legal sourcing 3rd party FFB

- Mills need to get assurance of supplier legality through:
  - Geo-location of FFB origin
  - Proof of ownership status or right to land by grower
  - Valid planting / trading license (where appropriate)
- Collection centers or intermediaries: supplier needs to provide this evidence
- Implementation procedure for smallholder suppliers detailed in annex 4:
  - Certified mills have 3 years from GA vote to demonstrate compliance
  - For new certifications, mills have 3 years from initial date of certification

Plans, procedures & systems

- Management plan & reviews (3.1)
- Continuous improvement & annual reports to RSPO using metrics template (3.2)
- Standard Operating Procedures (3.3)
- SEIA (3.4)
- Human Resources systems (3.5) & H&S plan (3.6)
- Training programme (3.7)
Supply Chain Mill Requirements

- Currently following P3: verbatim from SCC standard
- 2019 review of SCCS
  - Mill requirements will also be reviewed
  - Current text in P&C will be replaced upon completion of this review
  - SC mill requirements will then be numbered from Criterion 3.8 onwards and subsequently reviewed as part of P&C reviews

Human Rights & Grievance Mechanism

- Complaints & grievances guarantee anonymity, confidentiality and no-reprisals
- Access to independent legal and technical advice for complainants
- Prevent risk of reprisal or intimidation against complainants and Human Rights Defenders
- Companies provide training and awareness raising on human rights to the workforce and relevant stakeholders
Community Rights & FPIC

- Generally clarification of language for these requirements
- Respecting voluntary isolation (4.5.8)
- No plantings on recent expropriations (4.5.7)

Smallholder Inclusion

- Fair and transparent pricing & negotiations & contracts (5.1.)
- Support to independent SH with certification (5.1.8)
- Grievance mechanism for SH (5.1.9)
- Support with livelihood improvement programmes with at least capacity building (5.2.2)
- Support with FFB legality requirements (5.2.3/link to 2.3.2)
- Training on pesticide handling for scheme SH (5.2.4)
Labour

• **Generally:**
  - better protection of vulnerable groups (e.g. migrant and contract workers, women, children)
  - Shifting focus on evidencing implementation
  - Strengthening of no child labour requirements (6.4)
  - Strengthening of no forced & trafficked labour criterion (6.6)
  - Prohibition of recruitment fees for migrant workers (6.1.2)
  - Pregnancy tests only when legally mandated (6.1.4)

• Decent Living Wage for all workers (6.2.6) – RSPO Labour Taskforce to develop implementation guidance
  - Permanent, full time employment is used for all core work (6.2.7)
  - Housing and amenities must meet national legislation or ILO standards (6.2.4)
  - Work done by family members shown in payroll documents (6.2.2)
No deforestation

- Integrates requirements for High Conservation Values (HCV) and High Carbon Stock (HCS) & strengthens mgmt. & monitoring
- Use of High Carbon Stock Approach (HCSA) toolkit and the HCV-HCSA Assessment Manual
- Transition from HCV-only to HCV/HCS assessments detailed in Annex 5

7.12

No deforestation

- Adapted procedures to be developed for High Forest Cover countries and there specifically High Forest Cover Landscapes, legacy cases and community development needs
- RSPO_HCSA Joint Steering Committee to be established
**Peat**

- No new plantings after November 2018 on peat regardless of depth
- Peat soils are documented and reported to RSPO Secretariat
- Plantations on peat: drainability assessments following RSPO Drainability Assessment Procedure at least 5 years prior to replanting
- Mgmt of existing plantings on peat
- Peatland conservation areas maintained

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**Fire**

- Fire is not to be used for land preparation
- Exceptional use of fire for controlled burning for pest & disease control only with government authorisation (7.1.3)
- more emphasis on fire prevention
- work with adjacent stakeholders
Pesticides

- Justification of use and general minimization
- Clearer wording on application, storage and disposal
- Most harmful pesticides (including paraquat) are not used unless in exceptional circumstances & with due diligence process (7.2.5)
- No prophylactic use of pesticides (7.2.4), no aerial spraying (7.2.9)
- Young persons, pregnant & breastfeeding women may not work with pesticides; alternative equivalent work to be offered (7.2.11).

Implementation - NIs & audits

- 1 year to update & align your National Interpretation (NI) & then 1 year to comply with your new NI
- Countries without NIs: 2018 P&C applies from GA vote
- Countries whose NI process is not completed within 1 year: 2018 P&C applies from GA vote + 1 year
- Certified companies: only 1 Annual Surveillance Assessment on 2013 P&C/current NI
Implementation - RSPO document updates

No  | Document                                           | Timeline                      |
----|----------------------------------------------------|-------------------------------|
1   | RSPO Certification System Document (including metrication) | BoG endorsement in Nov 2019   |
2   | Revise Audit checklist                             | Jan – March 2019              |
3   | RSPO Supply Chain System Document                 | Jan – June 2019               |
4   | RSPO Supply Chain Standard Document               | Jan – June 2019               |
5   | RSPO Group Certification Document                 | Apr – Sept 2019               |
6   | PalmTrace System                                  | Jan – June 2019               |
7   | Revise NPP Guidance                               | Jan – June 2019               |
8   | Development of Generic guidance for Decent Living Wage | Jan – March 2019             |
9   | Guidance for Outgrower (>50 ha plantation)       | Jan – June 2018               |

Implementation – linked elements

- Shared Responsibility ‘Taskforce’

- RSPO’s new standard for independent SH:
  - Next Public Consultation for draft standard in April 2019
  - Pilot period June-Aug 2019
  - Finalisation for GA vote in 2019
Q&A