



RSPO
Roundtable on Sustainable Palm Oil

Principles & Criteria 2018: what's new?

Bilge Daldeniz






RT16
2018
Kota Kinabalu
Sabah Malaysia
AN EVENT BY **RSPO**

**A Renewed Commitment to
Achieving Market Transformation**




CERTIFIED SUSTAINABLE PALM OIL
RSPO



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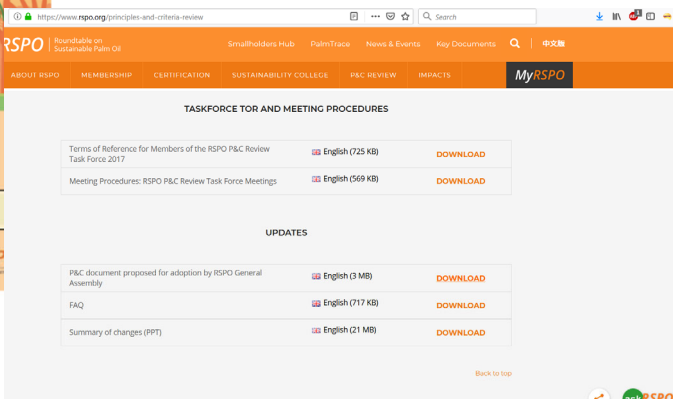
RSPO P&C 2018



**Principles and Criteria
For the Production of Sustainable Palm Oil 2018**

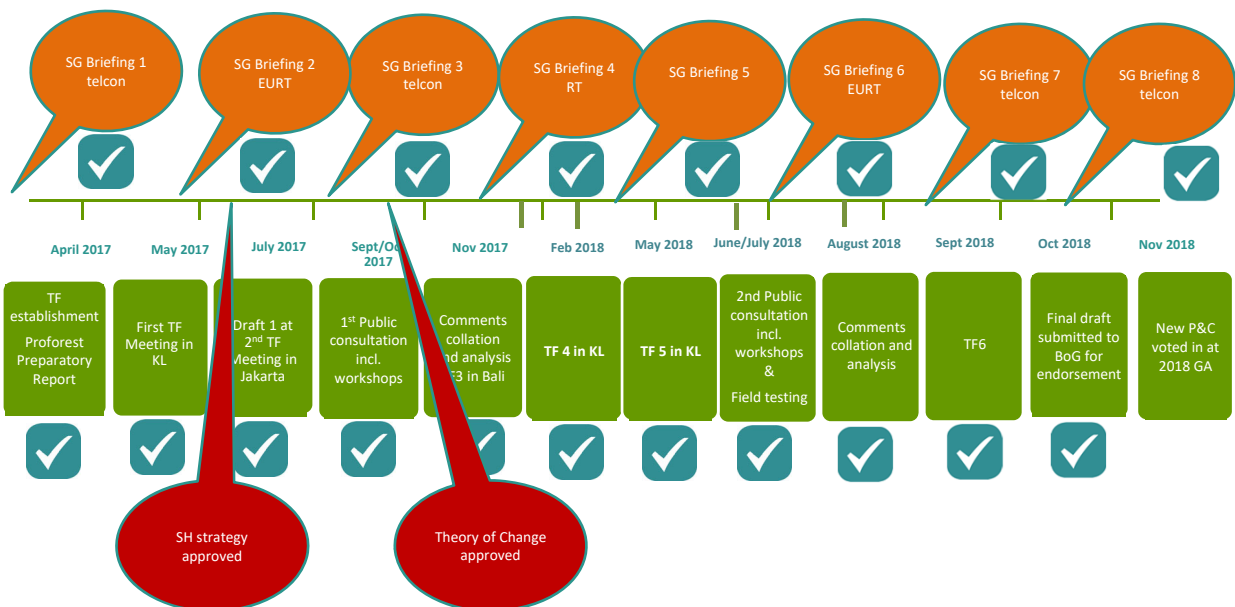
Proposed for adoption by the RSPO General Assembly

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



Timeline

Public Consultation – Video Clip



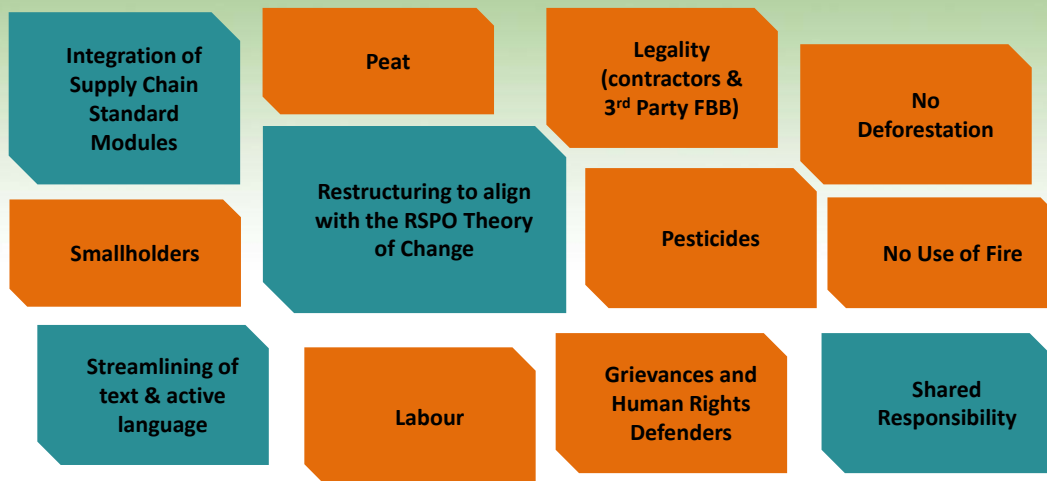
A global review
for a global standard
2017 + 2018

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proforest



Major content changes – overview



THE DESTINATION



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)



Impact Area / Objective	Objectives / Criteria	2018 P&C Criterion no.	2017 P&C Criterion no.	Link to Policy or Change	Intermediate or
Prosperity Impact Goal: Competitive, resilient, and sustainable sector	A sustainable, competitive, and resilient palm oil sector ensures long-term viability of the entire supply chain and shared benefits for both private sector as well as the livelihoods of communities where palm oil is grown. Effective planning and management system address economic viability, environmental and social compliance and risk, establishes procedures and systems for ensuring conformance to the RSPO P&Cs, and supports continuous improvement toward sustainable palm oil	1. Behave ethically and transparently	1.1	1.11, 26.10	Improved Risk Management
		Information and public availability	1.1	6.2	Improved Risk Management
		Communication and consultation	1.2	1.36.10	Improved Risk Management
		2. Operate legally and respect rights	2.1	2.16.10	Improved Risk Management
		Legal compliance	2.2	n.a	Improved Risk Management
		Third party contractors legal	2.3	n.a	Improved Risk Management
		Third party FFB legally sourced	3.1	3.1	Improved Risk Management, cross cutting
		3. Optimise productivity, efficiency, positive impacts and resilience	3.2	8.1	Improved Risk Management, cross cutting
		Continuous Improvement & Reporting	3.3	4.1	Improved Risk Management
		Standard Operating Procedures	3.4	5.16.17.1	Improved Risk Management
People Impact Goal: Sustainable Livelihoods & Poverty Reduction	Human Rights Protected, Respected & Remedied. The palm oil sector contributes to reducing poverty and palm oil production is a source of a sustainable livelihoods. Human rights are respected. People participate in processes that affect them with shared access and benefits. Everyone engaged in palm oil production has equal opportunities to fulfill their potential in work and community with dignity and equality and in a healthy working and living environment	System for managing human resources	3.5	n.a	Improved Risk Management, Safe and Decent work
		Occupational Health and Safety Plan	3.6	4.7 (part)	Improved Risk Management, Safe and Decent work
		Training	3.7	4.8	Improved Risk Management, Safe and Decent work
		4. Respect community and human rights and deliver benefits	4.1	6.13	human rights upheld
		Human Rights	4.2	6.3	human rights upheld
		Complaints and Grievances	4.3	6.11 (part)	human rights upheld
		Contribution to local sustainable development	4.4 & 4.5	2.37.5	human rights upheld
		Land Use & FPIC	4.6 & 4.7	6.47.5	human rights upheld
		Land Use: Compensation	4.8	2.2	inclusive access, communities
		Land Use: Conflict	5.1	6.1	inclusive access, SH
Planet Impact Goal: Conserved, protected and enhanced ecosystems that provide for the next generation	Impact Goal: Conserved, protected and enhanced ecosystems that provide for the next generation. Ecosystems and their services are protected, restored, and resilient including through sustainable consumption and production and sustainable management of natural resources [sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss (SDG 15)] Climate change is addressed through continuous GHG reductions and air and water pollution are controlled.	5. Support smallholder inclusion	5.2	6.11 (part)	inclusive access, SH
		Improved SH livelihoods	6.1	6.8	human rights upheld, safe and decent work
		6. Respect workers' rights and conditions	6.2	6	human rights upheld, safe and decent work
		No discrimination	6.3	6.6	human rights upheld, safe and decent work
		Pay and working conditions	6.4	6.7	human rights upheld, safe and decent work
		Freedom of association	6.5	6.9	human rights upheld, safe and decent work
		No child labour	6.6	6.12	human rights upheld, safe and decent work
		No harassment	6.7	4.7 (part)	safe and decent work
		No forced or trafficked labour	7.1	4.5	resource use, pollution, productivity
		Safe working environment	7.2	4.6	resource use minimized, pollution
	7. Protect, conserve and enhance ecosystems and the environment	Effective Integrated Pest Management	7.3	5.3	resource use minimized, pollution
		Pesticide Use	7.4	4.37.2	productivity optimized, Ecosystems
		Waste management	7.5	4.38.7.4 (parts)	reduced pollution
		Soil health/fertility	7.6	4.37.4 (parts)	pollution, ecosystems
		Soil conservation (erosion/degradation)	7.7	4.4	resource use, pollution, ecosystems
		Peat	7.8	5.4	resource use minimized, pollution
		Water quality and quantity	7.9	5.67.6	reduced pollution
		Energy Use	7.10	5.57.7	reduced pollution
		Pollution and GHGs	7.11	5.57.7	reduced pollution
		Fire	7.12	5.57.3	ecosystems protected

Elements of the standard 			
Term	Explanation	RSPO standard setting document	Category
Principle	Fundamental statements about a desired outcome	A fundamental statement about a desired outcome, often providing greater detail about the objectives.	Normative
Criteria	What implementation of the principle looks like – the pre-conditions/a means of judging whether or not a principle has been fulfilled	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.	Normative
Indicator	Variable to measure the implementation (positive or negative)	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.	Normative C- Critical  M - Major
Guidance	Additional information that assists with the understanding, implementation and auditing of the requirement (i.e. the indicator)	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.	Informative
Procedural Note	Exceptional measure to allow mention of pending developments	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	Informative

2.2

Legality - contractors

- contracts with clauses on them meeting legal requirements
- contracts prohibit use of child, forced and trafficked labour
- contracts protect young workers

2.3.2



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



3



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)

SC

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

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Supply Chain Certification Standard
For organizations seeking or holding certification
Adopted by the RSPO Board of Governors on 21 November 2014
Revised on 14 June 2017

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6. Supply chain models – modular requirements

The following section of the standard sets out the RSPO Supply Chain models, presented separately as Modules A to G. An organization shall implement at least one of the modules in addition to the General Chain of Custody Requirements for the Supply Chain set out in section 5 above.

Several modules can be implemented simultaneously. All organizations shall implement at least one of A, B or C. Modules D or E are only applicable to CPO mills. Module F or G cannot be implemented on their own.

The following modules are currently available:

- Module A – Identity Preserved
- Module B – Segregated
- Module C – Mass Balance
- Module D – CPO Mills: Identity Preserved
- Module E – CPO Mills: Mass Balance
- Module F – Multiple Certification
- Module G – Supply Chain Group Certification

4.1

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

P4



Community Rights & FPIC

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

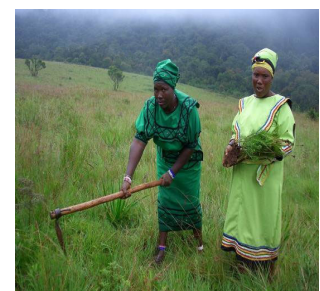


P5



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)



P6



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)

6.2

Labour

- 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)



7.12

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



7.7

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



7.11

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



7.2



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).



Preamble



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

