

## **Terms of Reference for Members of the RSPO P&C Review Taskforce 2017**

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## 1. Introduction to the RSPO P&C Review 2017

RSPO P&C 2007 was reviewed in 2012 and the results, P&C 2013, was ratified by an extraordinary General Assembly (GA) in April 2013. Stated in the preamble, the document will be reviewed again after 5 years.

Sticking to ISEAL best practices, in ensuring that the Review shall be completed before November 2018, the process should start early. Having in mind that the finalised revised P&C document need to be endorsed by the RSPO Board of Governors (BoG) meeting in April / May 2018 before tabling and ratification by members at the GA. The Review of the generic P&C 2013 document (comprising Preamble, Principles, Criteria, Indicators and Guidance, together with Definitions and Annexes) shall be undertaken now, with completion of the Review process to enable the revised P&C document to be voted on at the RSPO General Assembly in November 2018. The Review will also have to define an appropriate phase-in period for the revised standard.

The Review process will start by formation of a **Principles & Criteria Review Steering Group (SG)** made up of:

- Chair of the Standards & Certification Standing Committee (*to be automatically appointed as Chair of the SG*);
- Chair of the Claims & Communications Standing Committee;
- Chair of the Trade & Traceability Standing Committee;
- Indonesian Grower representative on the BoG;
- Malaysian Grower representative on the BoG;
- RSPO Chief Executive Officer;
- RSPO Technical Director.

The Steering Group will appoint a consultant to facilitate the Review process. RSPO Secretariat will be the technical resource to the process as well as assist in the logistics. The SG will oversee the review process, particularly in forming the Task Force and then submission of the final document to the RSPO Board. The whole process shall comply with the RSPO Standard Operation Procedure for Standard Setting (2016) which is consistent with the [ISEAL Code of Good Practices for Standard Setting](#). The ISEAL requires that standards remain relevant over time and reflect current stakeholder understanding of good sustainability practices.

The ISEAL Code requires that standard-setting organisation shall:

- a. Review a standard at least every five (05) years for continued relevance and for effectiveness in meeting its stated objectives; and
- b. Revise it in a timely manner

It is further reiterated in the guidance that the standard's review considers information gathered from stakeholder input, auditing results and organisational monitoring and evaluation, as well as new knowledge or practices that might require the standard to be updated. If the review concludes that changes to the standard are required, then a standards revision is carried out according to the process outlined in the Code.

## 2. Overview of Review Process

It is envisaged that the Review process will be divided into the following activities:

**Gap analysis** – an analysis of the current standard compared to other standards currently available and recommendations on what the revision should focus on.

**Production of draft 0** – A draft of how the new standard should look like incorporating recommendations made by the gap analysis and other available documents. This is basically a report summarising the results of the gap analysis, desk reviews and inputs gathered from various internal and external processes since the last review of the standard.

**Formation of a P&C Review Task Force** - An establishment of a P&C Review Taskforce (TF) to undertake the detailed standards review.

The Task Force shall comprise of a balanced (50/50) representation between growers and the supply chain (including the NGOs). The total number must be manageable, practical and realistic.

The RSPO Board member(s) representing each category shall be requested to nominate their Substantiate and Alternate representatives to be on the Task Force. The SG shall evaluate the submissions and make the final decision on the final composition of the TF.

The TF will be made up of representatives of the different stakeholders with an interest in palm oil and will have 24 members divided between four interest groups:

- **Palm oil producers** – 12 members including representatives of owners and managers of large plantations and their associations, smallholder growers and their associations. Members will be drawn from Malaysia (3), Indonesia (3), Rest of the World (3) and the Smallholder and Outgrower (3).
- **Supply chain and investors** – 6 members including representatives of processors, refiners, traders, manufacturers using oil palm, retailers and financial institution.
- **Non-governmental organisations (NGOs)** – 6 members comprised of 3 from national and international environmental/conservation NGOs and 3 from social NGOs/civil societies.

Additionally, topic experts may be invited by RSPO to inform the TF on critical issues, such as HCV, labour, health and safety, chemicals, supply chain etc. It is important to note that representatives from certification bodies who conduct audits under the RSPO scheme may be invited to participate as observers in the process. Academicians and experts on specific topics may also be invited to participate in the process. RSPO will evaluate and approve these experts to guarantee their impartiality. Topic experts do not represent any particular sector and do not participate in any decision making within the physical meetings.

Input from various working groups and TF currently operating under RSPO should be sought after. Such input is important in the production of Draft 0 or at any point along the process.

The TF shall be chaired by the RSPO Chief Executive Officer (CEO).

The draft revised P&C will be produced by the TF.

**Public consultation** – The draft revised standard shall be subjected to public consultation where stakeholders are given sufficient time and opportunity to provide input on the standard and can see how their input has been taken into account. The public consultation phase for standards development or revision shall include at least one round of 60 days for comment submissions by stakeholders.

A second round of consultation maybe necessary for new standards revision to ensure that stakeholders have an opportunity to provide feedback on whether their comments were understood and taken into account, and to gather input on substantive, unresolved issues.

The finalisation of the revised standard shall incorporate inputs from the public consultation. The Task Force will vet through the comments made and decide on the final draft for submission to the SG and thereafter to the BoG for endorsement before tabling at the GA.

**ISEAL compliance** – As described earlier, the overall process must comply with the ISEAL best practices (which is translated into the RSPO SOP for Standard Setting). One important element is to reflect impact elements as prescribed by the ‘Theory of Change’ (ToC) which is currently being developed by the RSPO.

### 3. Role of TF members

#### 3.1. Objectives and main tasks

The **overall objective** of the P&C Review process is to develop a revised P&C document to be finalised for consideration at GA14, by making amendments that:

- draw on practical experience to improve the effectiveness of the P&C in meeting RSPO’s objectives, and reflect changes in external circumstances and understanding
- incorporate elements of impacts
- make it more relevant and practical particularly by making it metricated (measurable)
- incorporating elements of impacts as prescribed the ‘Theory of Change’

The main tasks of the TF (in terms of outcomes from the four planned physical meetings of at least 3 consecutive days per meeting) will be to:

- **TF Meeting 1:** Conversion of issues raised in the draft 0 as inputs into agreement on scope of revisions at level of Principles and/or Criteria (i.e. no expectation of detailed discussion on indicators).
- **TF Meeting 2:** Specific discussion particularly at indicator level. Production of draft revised P&C 2018 for the 60 day public consultation.
- **TF Meeting 3:** Consider input from the public consultation and produce second draft revised P&C document for a 30 day 2<sup>nd</sup> public consultation.
- **TF Meeting 4:** Consider input from the 2<sup>nd</sup> public consultation and finalise draft revised P&C document for submission to the BoG.

During the second public consultation period (optional), it is envisaged that RSPO Secretariat will support TF members (if requested) in organising consultation meetings with stakeholders.

### **3.2. Individual responsibility**

Each individual member of the TF will be responsible for:

- Actively participating in all meetings and electronic discussions of the TF. Members are expected to play an active role in representing their stakeholders' interests, including ensuring that consultation with their stakeholders are carried out and putting forth the concerns, comments or ideas to the group.
- Consulting with interested parties not directly represented in the TF and ensuring that their views are expressed within the discussions. Members are there to represent an interest group within the RSPO, rather than just their own interests. Therefore, it is very important that each member of the group discusses draft versions of the recommendations of verification arrangements, particularly any complex or contentious issues, with a range of their peers from within the RSPO. TF members should **not** represent only the views or interests of their own organisation.
- Seeking to build consensus within the TF on how to address any issues which arise.
- To avoid possible conflicts, each TF member shall sign the Code of Conduct (see Annex 1) drawn up for this specific exercise.

### **3.3. Representation**

Where a TF member is unable to be present at a physical meeting, a named alternate may represent the substantive member.

- A single alternate member may represent multiple substantive members only where the substantive members represent the same sector
- Where alternate members are present with substantive members at a physical meeting, alternate members are not allowed to actively participate and shall take on the role of observers who can be asked to contribute. Switching between substantive and alternate members within a physical meeting can only take place after a verbal statement made from whomever is acting as the main representative, and recognition from the facilitators during the meeting
- Where alternate members are representing substantive members, he/she must make clear to the TF which constituent he/she is representing. He/she is also responsible for communicating any decision made to the constituent.

### **3.4. Timeline**

The planning is to be well in time for the new revision mandatory by November 2018. However, based on the previous revision, the risk exists that the proposed timeline has to be extended. It is now planned that the revision process should begin early in 2017 targeting completion by May 2018 for BoG endorsement prior to ratification at the General Assembly in November 2018.

It is envisaged that four (04) TF physical meetings will take place between April 2017 and April 2018, either in Kuala Lumpur or Jakarta or other locations that are conducive and convenient for the TF members.

The overall Review process timeline is tabulated below.

Activity	Date
Gap analysis	Done
Endorsement of the ToRs by BoG	March 2017
Engagement of Facilitator and production of Draft 0	March 2017
Establishment of TF	March 2017
1 <sup>st</sup> TF meeting	April 2017
Completion of draft 0	May 2017
2 <sup>nd</sup> TF Meeting	1 <sup>st</sup> week June 2017
Finalisation of 1 <sup>st</sup> draft	end of June 2017
Translation of draft 1 to various languages	July 2017
60 day public consultation	Aug – Sept 2017
Outreach in Malaysia, Indonesia, LA, Europe and Africa	During the public consultation period
Collation of comments	October 2017
3 <sup>rd</sup> TF Meeting to look at the second draft	Nov 2017 (preferably before RT15)
Production of 2 <sup>nd</sup> draft based on inputs from the public consultation and outreach programme.	End Nov 2017
Translation	Dec 2017
30 day public consultation	Jan – Feb 2018
Collation of comments	Feb 2018
Completion of Draft 3	Early March 2018
Pilot test and recommendations	March 2018
Production of 4 <sup>th</sup> (final) draft	April 2018
Sign off by TF	April 2018
BoG endorsement	April 2018
Ratification at GA 14	November 2018

Notes: The above timeline in excel sheet incorporating input from ToC process is as attached in Annex 2.

### 3.5. Decision-making

The TF will aim to make decisions by consensus<sup>1</sup>, and may also define criteria to determine when alternative decision-making procedures can come into effect. To achieve consensus in practice requires all members to be prepared to listen carefully to the views of others and, wherever they are able to, to actively seek compromises which will allow agreement. TF members (or their representatives, see point 2.3 above) need to commit to attendance at physical meetings in order to achieve consensus.

If consensus is not reached on any specific issue or criteria in standard development, the Chair of the TF may declare a deadlock and invoke the alternative decision-making mechanism as per RSPO SOP for Standard Setting (to be endorsed by the BoG in due course).

<sup>1</sup> "Consensus" is defined by ISO as "general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments". The definition notes, "Consensus need not imply unanimity".

### **3.6. General conduct**

The P&C revision is likely to include a number of contentious issues. TF members should at all times be respectful of the opinions of other TF members and of the right of each member to share their expertise and opinions with the Group. TF members are requested to respect at all times the authority of the facilitators to assist the P&C Review process. Codes of Conduct for the P&C Review Task Force member is as attached in Annex 1.

## **4. Financial support**

TF members are requested by RSPO to cover their own expenses in attending the physical meetings if possible. RSPO recognises that this will not be possible for all members, and therefore members can apply to RSPO for reimbursement for reasonable travel, accommodation and subsistence costs incurred whilst participating in physical meetings. RSPO is unable to pay fees for time spent participating in the TF or expenses incurred during consultation, e-mail and telephone discussions.

## **5. Further information**

Further information is available from the RSPO Secretariat ([salahudin.yaacob@rspo.org](mailto:salahudin.yaacob@rspo.org), [bakhtiar.talhah@rspo.org](mailto:bakhtiar.talhah@rspo.org) or [janvandriel@rspo.org](mailto:janvandriel@rspo.org)).

# Annex 1

## Code of Conduct Policy Statement – RSPO P&C Review

### 1. Code of Conduct

#### 1.1 Introduction

The Roundtable on Sustainable Palm Oil (hereafter RSPO) is committed to ensure that stakeholder consultations and its relevant processes are conducted with the upmost professionalism within a supportive, constructive, objective, ethical and responsive framework. To this end, the RSPO Secretariat wishes to ensure that it and all members of the RSPO convened RSPO P&C Review Task Force (P&C Review TF) abide by the rules of participation as prescribed in this Code of Conduct Policy.

All P&C Review TF members are expected to read, understand and subsequently apply the standards of conduct outlined herein.

The P&C Review TF members shall at all times ensure that their participation is consistent with and reinforces the positive public image of the RSPO.

All P&C Review TF members are urged to participate in all P&C Review TF discussions and deliberations with confidence and to express their views unreservedly and openly. This is particularly applicable to all meetings and discussions. All members shall observe the proper decorum in all discussions and meetings and shall respect the views and opinions of fellow working group members.

In the spirit of working together in an amicable, solution oriented and constructive fashion in pursuit of the objectives of the P&C Review TF, any member of the P&C Review TF who has a bona fide personal grievance shall refer such grievance to the RSPO Secretariat and the Co-Chairpersons of the P&C Review TF by writing formally to the same outlining the nature of the grievance.

Failure by any member of the P&C Review TF to comply with the Code of Conduct policy may result in the removal of the said member from the P&C Review TF after the breach or failure is referred to the P&C Review TF and the RSPO Secretariat and a consensus is reached.

This Code of Conduct also applies to all observers invited to P&C Review TF discussions, meetings and other forms by which the P&C Review TF conducts its business.

#### 1.2 Confidentiality

As a general rule, all P&C REVIEW TF members must respect and maintain the confidentiality of the information gained/submitted/obtained/shared/revealed/becomes privy to by virtue of membership in the P&C Review TF. This includes information in tangible or intangible form, orally or in writing, wherever and whenever made in furtherance of the P&C Review TF's Terms of Reference.

More specifically:-

- Any information owned or generated by the RSPO Secretariat which is not limited to notes, presentations or discussion papers is to remain confidential. Any member of the P&C Review TF who wishes to make such information public or provide the information to a third party

shall first secure the prior written consent of the RSPO Secretariat and state the reasons for wanting to make such information public or available to 3rd parties.

- If any member of P&C Review TF wishes to make public or reveal to a 3rd party any information supplied by another member of the P&C Review TF, he/she shall seek the prior written consent of the member of the P&C Review TF that so supplied such information.
- Where information in any form is made available, submitted or derived by/from Companies in furtherance of the work of P&C Review TF it shall remain confidential. Any member of the P&C Review TF who wishes to make such information public or provide such information to a 3rd party shall first secure the prior written consent of the Company that generated/submitted the said information. In such cases where the P&C Review TF member has secured such written consent, a copy of the same shall be furnished by the P&C Review TF member to the RSPO Secretariat as proof of the consent so secured.
- Information that is deemed sensitive by the RSPO Secretariat such as violations of the RSPO P&C by Companies (whether proven or not) , complaints or grievances lodged against a company, any pending matters in relation to mediation and arbitration, negotiations or settlements by companies in relation to any violations shall remain strictly confidential.
- Members that have direct relations with implicated stakeholders or are (potential) parties to the complaints, disputes, settlements and negotiations being discussed shall inform the parties and recuse themselves from discussions about such specific cases.
- Information that is excluded from confidentiality includes any information which the member of the P&C Review TF can demonstrate is already within public domain or is rightfully obtained from a 3rd party without breach of any obligation/rights to/of the owner/3rd party.
- Where P&C Review TF members have an obligation to share information related to the rights of the affected communities with them and with the organisations providing them with support, they may do so provided that they also inform the RSPO Secretariat and discuss it with the RSPO member concerned. This applies to information that RSPO members are required to share with affected stakeholders in line with RSPO's first Principle.

### 1.3 Conflict of Interest

The RSPO Secretariat expects all members of the P&C Review TF to perform their duties as outlined in the Terms of Reference for the P&C Review TF with the upmost integrity, objectivity and independence. Members of the P&C Review TF shall take care that their action/s will not conflict or be seen to conflict with the objectives of the P&C Review TF which is to produce revised RSPO P&C that defined the sustainable palm oil.

If under any circumstance, a member of the P&C Review TF senses that a course of action that they have pursued, or are presently pursuing or contemplating pursuing may place them in a situation of conflict with the objectives of the P&C Review TF, the member shall take immediate steps to make this possible conflict known to the RSPO Secretariat and the other P&C Review TF members.

In view of the fact that the Terms of Reference of the P&C Review TF which provides the overarching framework of the responsibilities of the P&C Review TF, each member shall not provide any **unsolicited**

documents, communicate in a manner, nor pursue any action that can be construed as making a potential bid, tender, providing proof of eligibility or making a business proposal to the P&C Review TF or the RSPO Secretariat.

## 1.4 Outside Task Force Activities

All Task Force members is to understand that there is shared responsibility to ensure the good professional image and credibility of the RSPO and the P&C Review TF; and to further ensure that no member causes any reputational damage to the same.

In the event a need arises to communicate publicly or to stakeholders on outcomes or decisions made by the P&C Review TF, members will ensure the accuracy of the information and that the interpretation of all outcomes and decisions of the P&C Review TF are consistent with the consensus reached within the P&C Review TF.

In dealings with anyone outside of the P&C Review TF, each member shall take care to not do or say anything in a manner that would undermine or compromise the decision making and consensus building processes within the P&C Review TF or the ultimate consensus itself.

## 2. Exclusion of Liability

The members of the P&C Review TF and all other persons such as observers, technical advisors and consultants to the P&C Review TF are put on notice that the RSPO Secretariat under no circumstances will be held responsible for any loss or damage arising from the breach by a member of the P&C Review TF or observers, technical advisors and consultants to the P&C Review TF, of any of the provisions contained in this Code of Conduct Policy Statement.

## 3. Code of Conduct Declaration

I....., acknowledge that I have received and read a copy of this Code of Conduct Policy Statement, have understood all of its terms, and agree to abide by the provisions contained therein.

_____	_____	_____
[Name]	[Signature]	[Date]

\_\_\_\_\_  
[Interest Group]

## Annex 2

Timeline for P&C Review activities linked with the Theory of Change.

Month/Week	February				March					April				May					June				July				August					September					October					November				December						
Activities/ Outputs	W1	W2	W3	W4	W1	W2	W3	W4	W5	W1	W2	W3	W4	W1	W2	W3	W4	W5	W1	W2	W3	W4	W1	W2	W3	W4	W5	W1	W2	W3	W4	W5	W1	W2	W3	W4	W5	W1	W2	W3	W4	W1	W2	W3	W4	W5	W1	W2	W3	W4	W5	
Gap analysis																																																				
Summary Findings Brief including critical questions and methodology for addressing information gaps																																																				
Draft Strawman ToC and Draft Narrative (Draft 0)																																																				
1st Workshop*																																																				
Endorsement of the ToRs by BoG																																																				
Engagement of facilitator																																																				
Establishment of TF																																																				
Summary Workshop Report and Next Draft of the ToC (Draft 1)																																																				
2nd Workshop at EURT and 2 Webinars for Socialization of the ToC																																																				
Simplified ToC and short narrative version for wider public and a more detailed ToC with narrative for internal use (Final Draft ToC)																																																				
1st TF meeting																																																				
Production of Draft 0																																																				
2nd TF meeting																																																				
System Review of RSPO and Similar Sustainability Systems																																																				
System Recommendations																																																				
Draft M&E Plan that covers both the content (e.g. ToC, indicators along the causal chains) and implementation needs (e.g. data system, policies)																																																				
Final M&E Plan and indicators with protocols																																																				
Finalisation of 1st draft																																																				
Translation and consistency check																																																				
60 day public consultation																																																				
Comment collation																																																				
Outreach in Europe																																																				
Outreach in Malaysia, Indonesia, LA and Africa																																																				
Project Summary Brief and Presentation at the Annual RT																																																				
Production of 2nd draft based on input from the public consultation and outreach programme																																																				

Month/Week	February			January				February				March				April				May				June				July				August				September				October				November			
Activities/ Outputs	W1	W2	W3	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4				
30 day public consultation and workshops																																															
Comment collation																																															
Production of 3rd draft based on input from 2nd public consultation																																															
4th TF meeting to produce final draft																																															
Pilot tests and recommendations																																															
Final draft completed																																															
Sign off by TF																																															
RSPO BoG endorsement																																															
Socialization of P&C																																															
RT16																																															
Ratification by members																																															

This is an updated version as per Proforest proposal

P&C Review	
Theory of Change	

\*including BoG



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**Roundtable on Sustainable Palm Oil**

**Unit A- 37-1, Level 37, Tower A, Menara UOA Bangsar**

**No. 5, Jln Bangsar Utama 1, 59000 Kuala Lumpur, Malaysia**

**T : +603 2302 1500 F : +603 2302 1542 E : [rspo@rspo.org](mailto:rspo@rspo.org)**

**Other RSPO Offices**

**Jakarta, Indonesia**

**London, United Kingdom**

**Beijing, China**