

# **RSPO Standard Operating Procedure for Standards Setting and Review Draft August 2016**

**Adopted by the RSPO Board of Governors on XXXXX**

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## I. Introduction

The Roundtable on Sustainable Palm Oil (RSPO) is a global, multi-stakeholder initiative on sustainable palm oil. Members of the RSPO, and participants in its activities come from many different backgrounds, including plantation companies, manufacturers and retailers of palm oil products, environmental NGOs and social NGOs and from many countries that produce or use palm oil. The principal objective of the RSPO is: “to promote the growth and use of sustainable palm oil through cooperation within the supply chain and open dialogue between its stakeholders”.

### Scope of standards development activities

The term ‘RSPO Standards’ (here referred to as ‘Standards’) refers to:

- a) Documents describing the RSPO Principles and Criteria, or related documents, such as National Interpretations (NIs).
- b) Documents describing the RSPO supply chain certification standard, or related documents;

For the purpose of this document both RSPO standards setting and standards review activities shall together be referred to as ‘standards development’ activities.

The purpose of this document is to set out the process by which the RSPO standards are set and reviewed.

Two standing committees are charged with the oversight of these standards: the RSPO Standards & Certifications Standing Committee (S&C SC) and the Trade & Traceability Standing Committee (T&T SC), who are each responsible for the respective standards development activities as set out below:

Standards development activity	Responsible Standing Committee
Documents describing and related to the RSPO Principles and Criteria	Standards and Certification Standing Committee (S&C SC)
Documents describing the RSPO supply chain certification standard	Trade & Traceability Standing Committee (T&T SC)

For the purposes of this document both of the standing committees are here referred to as ‘standing committees (SC)’, unless there is need to distinguish.

### ISEAL Code guidelines

The RSPO is member of ISEAL, and use the ISEAL Code of Good Practice for Setting Social and Environmental Standards as the basis for all of their standards development activities - further guidelines on implementing the requirements of this SOP can be found in the current version 6.0 (dated December 2014) ISEAL Standard – Setting Code.

Please see Annex 1 for an illustration of the RSPO standards development process as set out in this SOP document.

## II. Standards development activities

The procedure that is followed by the RSPO for standards development activities is set out below; this applies to both developing new standards and revision of existing standards.

### 1. Identification of standards development activities

#### 1.1 Delegation from the RSPO Board of Governance (BoG) to RSPO Standing Committees (SC)

**1.1.1** It is the responsibility of the RSPO Board of Governance (BoG) to inform the SC of the need for a standards development activity, resulting from:

- Identification of agreed time for existing standard revision (at least every five years for continued relevance and for effectiveness in meeting its stated objectives. If necessary, revise it in a timely manner, in line with the ISEAL Standard – Setting requirements);
- Identification of need for change, correction or amendment of the existing standard

**1.1.2** The SC then takes responsibility for initiating the subsequent standard development or standard revision activities set out in this SOP, providing oversight throughout the process to a dedicated taskforce, until a final draft text of the standard is presented to the BoG (see Section 6).

#### 1.2 Review of existing standards

**1.2.1** RSPO standards are reviewed at least every five years from their publication date, and the planned start date of the subsequent review is made publicly available and included in the standard.

**1.2.2** As part of preparation for standard development activities (Section 2), an existing standard is reviewed for continued relevance and effectiveness in meeting its stated objectives. Continued relevance of the standard is also assessed through results of ongoing monitoring and evaluation activities. The decision on the extent on which revisions to the standard are needed (e.g. minor technical, or significant changes to scope) should be based on the results of the review process, which incorporates comments received to date. Results of this review are incorporated into the Terms of Reference (Section 2.1), and a summary report submitted to the BoG and made publicly available.

**1.2.3** In case of doubt regarding whether an identified change required to the standard is minor or non-critical, consultation shall take place with the BoG. The BoG shall make the final decision regarding subsequent actions required.

**1.2.4** For a standard revision activity the SC shall define – through initial standard development activities set out in Section 2 – the level to which it is necessary to conduct stakeholder engagement activities (Section 3), whether a Task Force is required (Section 4) and the extent of the public consultation process (Section 5). This shall be decided according to the relative complexity of the changes required, scope of the revision and the end use of the standard. For example, administrative and non-substantive changes to a standard can be made at the discretion of the SC and BoG without need of a consultation or formal revision process, however any changes must still be publicly announced.

#### 1.3 Composition of the SC

**1.3.1** As with all RSPO Standing Committees (SC), the SC comprises of members from the BoG and RSPO members or their respective alternates. The BoG, at its sole discretion, may propose changes to the composition of the Standing Committee for it to better serve the RSPO. Membership is honorary

and participation voluntary. Lack of positive involvement over a continuous period of 12 months will suggest withdrawal from the SC irrespective of notification or otherwise. The SC shall decide leadership and functionaries from among its members. The SC, at its behest, may invite non-RSPO member participation on terms and conditions it prefers, but such non-RSPO member participation cannot assume leadership of the SC. RSPO Secretariat will provide facilitation resources to all SCs.

### 1.4 S&C SC Terms of Reference

**1.4.1** The S&C SC is responsible for the following:

1. Define sustainable palm oil production through stakeholder expertise and research.
2. Develop principles and criteria (P&C) that singly and in aggregate reflect the definition.
3. Construct measurable indicators for the various criteria.
4. Adapt the criteria and indicators for the various socio-environmental conditions under which palm oil is produced without compromising criteria and definitions.
5. Organise a credible mechanism for scrutinising and recording the production of RSPO defined sustainable palm oil in the various environments.
6. Strengthen capacity to produce palm oil sustainably and resources to support monitoring.

### 1.5 T&T SC Terms of Reference

1. Develop and provide various options for trading in sustainable palm oil for varied markets without diluting the credibility of RSPO sustainable palm oil.
2. Incorporate sustainable palm oil parameters into existing palm oil trade specifications.
3. Engage expertise to set up a platform & system to track movement of physical sustainable palm oil and credit trade.
4. Develop safeguards against blurring of delineations between sustainably and unsustainably produced palm oil.

## 2. Preparation for standard development activities

### 2.1 Terms of Reference

Before starting any new standards development activity, the RSPO SC shall – through research and consultation with the RSPO Secretariat and stakeholders – develop or update Terms of Reference (TORs) for the Task Force appropriate to the scale of the activity, which shall include the following elements:

**2.1.1** Background introduction and needs justification for the standards development activity, including an assessment of whether the proposed standards development activity will meet the need identified. This shall include a review of what other RSPO standards exist or are being developed and any potential overlap with the standard involved in the proposal. An assessment of how broadly the final standard is intended to be applied shall also be included.

**2.1.2** Clear scope of the standard and its intended coverage (geographical and scale of operation).

**2.1.3** Clear social, environmental and economic outcomes that the standard seeks to achieve and how those are linked to the RSPO's intended change.

**2.1.4** An assessment of the risks in implementing the standard, and how to mitigate for these risks. This shall include identification of factors that could have a negative impact on the ability of the

standard to achieve its objectives, unintended consequences that could arise from its implementation, and possible corrective actions that could be taken to address these potential risks.

## 2.2 Work programme and reporting requirements

**2.2.1** The RSPO SC shall produce a work programme for every standards development activity. This shall be made publicly available on the appropriate section of the RSPO website, and be updated at least every six months (or more regularly if there are significant changes to the work programme) until the point the standard is adopted.

**2.2.2** The work programme shall contain:

- The RSPO contact point for the standards development activity;
- Details of the standard activity (e.g. preparation, amendment, revision);
- A brief description of the scope of the standard, including objectives and justification (as given in the TORs, see Section 2.1).
- Proposed timeline for the standards development activity (e.g. process of stakeholder consultation(s), details of when the task force meetings and public consultation meetings will be held).

**2.2.3** At the end of the standards development activity, the SC shall ensure that all parts of the public reporting requirements have been completed – including all associated documents – and that this information has also been submitted to the RSPO; See Annex 4. It is however recommended that these public reporting requirements are followed and updated throughout the standards development activity as information becomes available.

## 2.3 Development of draft standard

**2.3.1** The development of the standard drafts shall take into account:

For the first draft:

- A review of other relevant commodity standards, to identify any major gaps in the coverage of the standard under development;
- A review of the relevant outputs of RSPO working groups and taskforces, where those outputs need to be incorporated into the standard;
- For existing standards, incorporation of comments received regarding the Standard since it was last approved (see Section 1.2).

For subsequent drafts:

- A compilation of stakeholder comments submitted during the public consultation period(s) (see Section 5).

## 3. Stakeholder involvement

### 3.1 Balance of interests

**3.1.1** The RSPO shall ensure, through stakeholder mapping and consultation as set out in Sections 3.2 - 3.4 below, that participation in the standards development activity is open to all stakeholders, and that participation and decision-making reflects a balance of interests among stakeholders in the applicable standard topic and geographical scope.

**3.1.2** Constraints on affected disadvantaged stakeholder groups to participate effectively in the standards development activity shall be taken into account, and RSPO shall develop a plan of action

for how this can most effectively be addressed within budget and time constraints, on a scale relevant to the scope of the activity.

**3.1.3** A final report summarising how stakeholder involvement requirements were implemented shall be published on the RSPO website (see Annex 4).

### **3.2 Stakeholder mapping**

**3.2.1** The RSPO shall – through research and consultation with RSPO Secretariat and stakeholders – either carry out a stakeholder mapping exercise for development of new standards, or update existing stakeholder mapping exercises where standards are being reviewed. The purpose of this exercise is to identify major interest sectors, key affected parties, and disadvantaged stakeholders based on the identified objectives of the standard. The mapping exercise shall include identification of which interest sectors are relevant and why, and the likely key issues arising for each interest sector in relation to the standard.

**3.2.2** For each sector, the key stakeholders shall be identified, as well as which means of communication is best to reach them. National stakeholder contacts shall be asked to provide information and contact details about regional stakeholder contacts as appropriate.

**3.2.3** Each stakeholder is either materially affected by the activities of the relevant RSPO Standard or has sufficient expertise in the subject, and the SC shall ensure that materially affected stakeholders make up a meaningful section of the subsequent consultation process. Relevant stakeholders generally include all category of RSPO members (producers, processors & traders, consumer goods manufacturers, retailers, financial institutions, social and environmental NGOs), governments, workers' unions, international organizations, researchers and academic bodies, civil societies, indigenous & local communities, other sustainability roundtables, certification and accreditation bodies.

**3.2.4** The results of the stakeholder mapping exercise shall be used to provide a database of stakeholders for engagement in the subsequent standards development activity. This shall also be used as a reference throughout the standards development process to ensure that a balance of these identified stakeholders continue to be involved and their positions taken into account. The SC shall consider using the stakeholder database to maintain records of communications and contributions during the consultation process.

### **3.3 Stakeholder consultation**

**3.3.1** Based on information from the mapping exercise, the SC shall set stakeholder participation goals for each standard development activity. These goals will identify clear participation targets and success criteria for each stakeholder group. The SC shall review progress towards meeting these objectives during and at the end of the standard development process.

**3.3.2** The SC shall ensure that key stakeholders (or representatives as appropriate) identified during the stakeholder mapping process are proactively approached to contribute to the consultation process.

**3.3.3** The SC shall actively promote Task Force (TF) members as representatives of their stakeholder interest group during the stakeholder consultation process, and ensure that details of how they can be contacted by stakeholders are publicly available (e.g. on the relevant section of the RSPO website).



## 3.4 Taking comments into account

**3.4.1** The SC shall have systems in place to ensure that all comments received during the consultation periods (and for existing standards, comments received since the publication date) are taken into account. This shall ensure that different types of inputs received are weighted equally (e.g. written comments, teleconferences, workshops etc.).

**3.4.2** The TF shall compile comments received according to the issues raised, or according to the relevant criterion/indicator. A written synopsis shall be documented and published summarising how each of the comments (or groups of comments) has been addressed in the standard development process, including a brief justification for where a comment has not been incorporated. RSPO shall also send this synopsis to all stakeholders that submitted comments.

**3.4.3** When making the synopsis publicly available, RSPO shall consider to what extent the full text of original comments can be published, or where some text may need to be summarised if any text is of a nature personal to individuals or any stakeholders.

## 4. Task Force

### 4.1 Establishment of a Task Force (TF)

**4.1.1** Where identified as needed for a standard development activity (see Section 1.2.4), the SC will establish a TF to undertake the detailed standards development and decision-making activities through TF meetings, resulting in recommendations to the BoG.

**4.1.2** The SC shall keep the BoG updated with key information and progress of the TF throughout the standards development activity, and the BoG can at any time request further information from the SC.

**4.1.3** Each stakeholder interest group (as identified by the SC, see Section 4.2) shall nominate their chosen representative(s) and put this forward to the SC. The representative shall join the TF on behalf of their stakeholder interest group. The representative shall also decide to nominate a deputy ('alternate') – see Section 4.6. The members of the TF will function as defined in the TOR for the TF establishment.

**4.1.3** At least one representative of each stakeholder interest category must be an RSPO member, unless an exception is approved by the SC.

### 4.2 Role of Task Force (TF) Members

**4.2.1** The main purpose of the TF shall be to represent a balance of relevant stakeholders at TF meetings. All four RSPO sectors shall be represented and the SC may decide on additional stakeholder categories to be included according to the standard development activity, in accordance with the stakeholder mapping exercise (see Section 3.1). The four RSPO sectors are:

- ***Palm oil producers*** – including representation for both larger plantations and smallholder groups, associations, and research.
- ***Supply chain and financial institutions*** – including representation for processors, refiners, traders, manufacturers, banks, researchers and academics.
- ***Environmental interests*** – including representation for national and international NGOs, conservation practitioners, researchers and academics.

- **Social interests** – including representation for people affected by the palm oil supply chain and elected representatives of communities impacted by the palm oil supply chain, or NGOs representing them, research organisations and academics.

**4.2.2** The SC shall ensure that the TF provides representation for different affected countries or regions as appropriate.

**4.2.3** Additionally, topic experts may be invited to inform the TF on critical issues, such as HCV, labour, health and safety, chemicals, chain of custody, etc. Topic experts shall not represent any particular sector and shall not participate in any decision making within the physical meetings.

### **4.3 Task Force (TF) Meetings**

**4.3.1** The purpose of the TF meetings is to strive for consensus on the content of the standard under development, among a balance of stakeholders.

**4.3.2** For the TF meetings, the SC shall decide on whether it is most appropriate for these to be guided by an external facilitator, or chaired by the RSPO Secretariat or other appropriate person(s). The role of the facilitators or chairpersons is to ensure that all TF meetings focus on the objectives as defined in the TOR, and ensure that they are being duly conducted in accordance with the requirements of this SOP (and any other relevant documents).

**4.3.3** The TF shall convene for at least two physical meetings, unless otherwise justified by the SC. It is recommended that each of these meetings are held subsequent to each public consultation period.

### **4.4 Decision making**

**4.4.1** The TF shall aim to make decisions by consensus.

**4.4.2** If consensus is not possible for any specific issue or criteria, at least 75% of TF members are required to vote in favour for the adoption of a decision.

**4.4.3** In case of unresolved issue through voting, the matter will be brought to the BoG as an alternative decision-making mechanism.

**4.4.4** The SC shall make public the final decisions on the content of the standard, as well as a summary of deliberations in arriving at the decisions made.

### **4.5 TF member responsibility and conduct**

**4.5.1** The SC shall ensure that each TF member has:

- Signed the Code of Conduct (CoC) for TF members (see Template in Annex 3);
- Received the TORs and work programme for the standards development activity (Section 2);
- Received the RSPO SOP for Standards Setting and Review (this document).

**4.5.2** Additional requirements can be made to the template Code of Conduct (CoC) by the SC as appropriate, but the minimum requirements as set out in Annex 3 shall be included.

## 4.6 Alternates

**4.6.1.** If a TF member is unable to be present at a TF meeting, a named alternate may represent the substantive member on the following conditions:

- 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. However, alternates can be asked or given permission by the facilitator or the chair of TF to contribute, when appropriate.
- 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 facilitator or the chair of TF during the meeting
- Where alternate members are representing substantive members, their roles are as described in Section 4.5.
- The substantive member being replaced by the alternate has the responsibility to brief the alternate on the debate so far and current discussion points to assure smooth continuation of the discussions.

The TF member shall inform the SC of the alternate representative as soon as possible ahead of the meeting. It is recommended that each sector nominates a suitable amount of alternates who are kept well briefed on proceedings should the need arise for them to step in.

## 4.7 Financial support

**4.7.1** TF members are requested by the RSPO to cover their own expenses in attending the physical meetings if possible. RSPO recognises that this will not be possible for all members (e.g. smallholders and disadvantaged stakeholders), and therefore members can apply to RSPO for reimbursement for reasonable travel, accommodation and subsistence costs incurred whilst participating in physical meetings. RSPO has a policy of not paying fees for time spent participating in the TF or expenses incurred during consultation, e-mail and telephone discussions.

## 5. Public consultation

### 5.1 Public consultation periods

**5.1.1** Each standard development activity shall include:

- For new standards: at least two rounds of public consultation (allowing submission of comments by stakeholders), with the first one of at least 60 days and the second one of at least 30 days.
- For standard revisions: at least one round of public consultation of at least 60 days.
- Where substantive, unresolved issues persist after the consultation round(s), or where insufficient feedback was received, additional rounds of consultation shall be carried out as necessary.

**5.1.2** The initial consultation phase shall be used as appropriate either to: a) review the ongoing relevance of the existing standard; or b) review the need for the new standard the standard.

**5.1.3** The second (or any additional) consultation phase shall be used to present new drafts of the standard, as developed by the TF, to the public for comment.

**5.1.4** The consultation process is open to all stakeholders and aims to achieve a balance of interests in the subject matter and in the geographical and scale of operation to which the standard applies.

**5.1.5** Stakeholder groups that are not adequately represented are identified and being proactively consulted for their contributions to the process.

**5.1.6** During the second (or any additional) public consultation period, the SC shall, if requested, support Task Force members to organise consultation meetings with their stakeholders.

**5.1.8** All comments received during consultation is compiled. A written synopsis of how each comment has been addressed is documented and the synopsis is made publicly available and accessible to all parties that submitted comments.

## **6. Pilot Testing**

**6.1.** As an optional practice, the SC will decide if the new standard require field test to assess the feasibility and auditability of requirements in the draft standard.

**6.2** The tests can include field trials or audits, measurement of impact and evaluation of risk as appropriate.

## **7. Endorsement of standards**

### **7.1 Process for endorsement of standards**

**7.1.1** The final draft standard as approved by the SC– or optional versions if consensus has not been reached – shall be submitted to the BoG for formal endorsement.

**7.1.2** The RSPO Secretariat and SC, with the support of technical experts if needed, shall check that the appropriate requirements of this SOP have been complied with, and shall submit any relevant recommendations and comments to the BoG for consideration.

**7.1.3** The BoG shall discuss approval of the standard as an agenda item at their meeting. The Board's decision shall be final.

### **7.2 General Assembly voting on RSPO Standard**

**7.2.1** On approval of the RSPO BoG, the RSPO Standard are then voted on at the RSPO General Assembly, in accordance with the RSPO Statutes (see Article 11) – this requires a simple majority of a fixed quorum of ordinary members.

## **8. Publication and availability of standards**

### **8.1 Publication and availability of standards**

**8.1.1** The approved final standards shall be published within 2 weeks of approval, and made available for free in electronic format.

**8.1.2** The RSPO shall inform its stakeholders of the revised standard and transition period, in particular certification bodies and, where feasible, certified enterprises.

**8.1.3** Draft standards agreed by the TF shall be made available during the standards development process.

**8.1.4** Hard copies of public summaries, standards and other available materials related to the standard shall be made available on request at as low cost as possible, and covering only reasonable administrative costs. These materials shall be made available for free in electronic format.

**8.1.5** The RSPO shall aim to provide translations of the final versions of the standard as appropriate for members. Translations of draft versions of the standard should be made available in the languages of key membership countries.

**8.1.6 All translated documents shall include on their cover page the official language of the original standard and reference of where to find this, and note that in the case of inconsistency between versions, reference shall default to the original English version.**

### **8.2 Standards' structure and content**

**8.2.1** The SC shall ensure that the social, environmental and/or economic objectives shall be clearly set out in the introduction to the standard as relevant.

**8.2.2** The SC shall ensure that the final structure of the standard forms a logical framework such that the requirements clearly contribute to the standard's objectives. A statement of intent shall be developed for each principle, providing a link between the respective criteria and indicators. Each principle, criteria and indicator shall be clearly numbered and the SC shall check that these terms are being used correctly in the standard as according to the definitions in Annex 2.

**8.2.3** Compliance requirements (major or minor indicator) shall be clearly identified in the introduction and throughout the standard.

**8.2.4** The proposed date for standard revision shall be noted in the standard along with a transition period by which the revised standard will come into effect. SC contact details for submitting substantial complaints or comments regarding the standard shall be provided in the standards' introduction.

## **9. National Interpretations**

### **9.1 Role of National Interpretations**

In addition to the RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO P&C) National Interpretations (NI) of the international indicators and guidance shall be developed to support the implementation of the RSPO P&C on country level. The NI process will allow raising awareness across all sectors and stakeholders in country and facilitate implementation of RSPO P&C indicators by including country references and legal context. Until an NI has been developed and formally endorsed by RSPO, in the interim, the applicable standard is the generic RSPO P&C, with the understanding that the grower member(s) seeking certification will call upon all sectors in country to develop an NI

## 9.2 Development of a National Interpretation (NI)

The development of an RSPO NI underlies a set of participation, process and content requirements, which shall be followed to achieve RSPO endorsement.

### 9.2.1 Participation Requirements

The RSPO national interpretation (NI) process must be initiated by an RSPO member(s), who will act as formal link to RSPO. The member(s) will be responsible for assuring that either they themselves or an agreed upon neutral facilitator, is in charge of stakeholder mapping, invitations to participate, process facilitation, organising meetings, secretarial functions, and for ensuring that documents are posted on the RSPO website for the public consultation process.

The NI working group (WG) or task force (TF) shall include self-selected representatives from the following RSPO sectors;

- Producers, including smallholders
- Supply chain and financial institutions
- Environmental NGOs
- Social NGOs

At least one Member Representative of each interest category must be RSPO Members, while other Representatives (and their organisation) are not required to be members of the RSPO but all members of the NIWG/TF do need to abide by the Code of Conduct (CoC) for Members of NIWG /TF (Annex 3).

As a guidance, the NIWG / TF may comprise of 15 representatives, or in similar ratio by interest category, as shown in the following table:

No.	Member Representatives by Interest Category	Representatives	
		Number	Ratio
1	Growers / Smallholders	6	2
2	Supply Chain & Financial Institutions	3	1
3	Environmental NGOs	3	1
4	Social NGOs	3	1

It is recommended that the working group (WG) or task force (TF) also invites a number of technical experts to provide technical support for the group's discussions. Relevant government representatives may also be invited to participate. Observers from stakeholder organisations may be allowed to the meetings.

Invitations shall be circulated widely and publicised through the RSPO website to ensure adequate opportunity for interested stakeholders to nominate themselves for inclusion.

If a working group (WG) or task force (TF) member is unable to be present at a meeting, a named alternate may represent the substantive member on the following conditions:

- 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. However, alternates can be asked or given permission by the facilitators to contribute, when appropriate.
- 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
- The substantive member being replaced by the alternate has the responsibility to brief the alternate on the debate so far and current discussion points to assure smooth continuation of the discussions.

The substantive member shall inform the working group (WG) or task force (TF) or its facilitator of the alternate as soon as possible ahead of the meeting. It is recommended that each sector nominates a suitable amount of alternates who are kept well briefed on proceedings should the need arise for them to step in.

For Small Producing Countries (SPCs), i.e. those countries who produce not exceeding 5% of global palm oil, the RSPO understands that there may not be sufficient interest or resources in all RSPO sectors to allow for adequate representation. Upon demonstrating that despite all above stated efforts having been made to achieve adequate representation of all sectors, the working group may request sign-off by RSPO for the constituted working group (WG) or task force (TF)). RSPO may require specific efforts in the public consultation phase of those sectors that are underrepresented and may indicate specific mechanisms for the workings of the working group (WG) or task force (TF) to counter the imbalances. Where resources are a constraint for participation in the working group or task force (TF) (e.g. for smallholders), RSPO may consider addressing the shortfall.

### 9.2.2 Process Requirements

RSPO endorsement of an NI will require compliance with the following process requirements:

#### **Working Group (WG) / Task Force (TF)**

The working group (WG) or task force (TF) shall convene for physical meetings on at least two occasions; at least one of which shall be subsequent to the public consultation period.

The working group (WG) or task force (TF) shall make decisions based on consensus. For the process of national interpretation, consensus shall mean:

General agreement, characterised by the absence of sustained opposition to substantial issues by any national interpretation (NI) working group (WG) or task force (TF) member with voting rights and by a process seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments.

Note that consensus does not imply unanimity. If consensus is not possible for any specific issue or criteria, at least 75% of TF members are required to vote in favour for the adoption of a decision.

## Public Consultation

The public consultation period for obtaining comments on draft requirements shall total at least 60 days. Draft documents shall be made available in English and /or appropriate national languages and shall be disseminated on the RSPO website as well as a country-based website. The working group (WG) or task force (TF) must demonstrate that efforts has been made to solicit input from disadvantaged stakeholder groups, such as smallholders and communities through local outreach events where the content of the document is thoroughly explained in the local language.

The working group (WG) or task force (TF) shall show evidence that it has sought and taken account of input from producers, supply chain and financial institutions, environmental NGOs, social NGOs and smallholders.

## Process Report

The working group (WG) or task force (TF) shall develop a report, that details the NI process, which shall be submitted together with the draft NI document for review by RSPO in its endorsement decision.

## RSPO Secretariat

RSPO Secretariat shall have a focal point for NIs, who has the responsibility to liaise with NI working groups or task force (TF) and keep them informed of any changes to procedures or standards by direct notification of all working groups and public announcements on the RSPO website. The focal point is also responsible for providing clarifications to working groups or task force (TF) within a reasonable timeframe in order not to delay the ongoing NI process.

### 9.2.3 Content Requirements

RSPO endorsement of an NI will require compliance with the following content requirements:

#### Indicators

For Small Producing Countries (SPCs), i.e. those countries who produce not exceeding 5% of global palm oil, the NI shall provide specific interpretation for at least those indicators where this is explicitly stated in the RSPO P&C, but may include all indicators.

For all other countries, the NI shall provide specific interpretation for all indicators, or, where no changes to the P&C indicator were deemed necessary, indicate this in the NI process report.

Indicators may be strengthened and raised from minor indicators to major indicators, but they shall not be weakened nor majors lowered to minors.

Where measurable indicators have been developed in the RSPO P&C, NIs shall include acceptable performance levels for these indicators. NIs shall be confined to the scope of the RSPO Criteria and not include additional criteria. Where helpful however, additional indicators may be included.



## Guidance

The NI shall provide specific interpretation for at least that guidance where this is explicitly stated in the RSPO P&C, but may include all guidance. In the guidance sections, NIs shall focus on specific national context and reference existing national or regional best practise guidance where applicable.

## Legal Context

The NI shall include the identification of applicable legal requirements on international, regional and national level. See Annex 5 for guidance on applicable legal requirements.

In general, when there is a difference between an RSPO P&C indicator and a legal requirement, the more demanding requirement shall prevail.

Any actual conflicting requirements between RSPO Criteria and legal requirements shall be referred to RSPO for resolution, with a suggestion from the working group (WG) or task force (TF) as to how the conflicting elements can be resolved without leading to a lowering of the standard.

## Smallholders & Outgrowers

NIs shall develop national definitions for the following terms:

- Smallholders independent smallholders, scheme/associated smallholders
- Outgrowers

They shall refer to the existing RSPO definitions (see RSPO P&C) in order to do this.

NIs shall review the RSPO Management System Requirements and Guidance for Group Certification of FFB Production, for the development of the smallholder and outgrower guidance, in particular:

- Section 3 columns for the requirements and guidance for individual group members with up to 50 ha plantation size (i.e. the smallholders as per RSPO definition) and the requirements and guidance for group managers: and either refer to these in their entirety for the NI or include specific smallholder guidance for those areas where additional guidance is needed for the country context within the NI document itself.
- Section 1.3 certification scenarios: to check if all typical organisational set-ups in the country are clearly captured as outlined in table 2. Should there be other organisational set-ups, the working group (WG) or task force (TF) shall propose a suitable certification option within the NI.

## 9.3 Endorsement of NIs

NI working groups (WG) or task force (TF) shall submit, in English, the draft NI together with the comments received during public consultation and an indication how these were addressed in the NI document, as well as the NI process report, to RSPO for endorsement.

RSPO Secretariat commits to review the submitted documents and respond to the WG or TF within 2 weeks either requesting for missing documents or confirming completeness and start of review of the complete set of documents to develop a recommendation for consideration by the BoG.

RSPO shall notify the NI working group (WG) or task force (TF) of any non-compliances with the above participation, process and content requirements and issue corresponding corrective action requests, or, in the absence thereof, confirm endorsement of the NI.

Following endorsement of the NI, this is accepted as further specification of the indicators and guidance accompanying the generic RSPO P&C and it replaces the generic RSPO P&C as the standard against which audits are carried out in the corresponding country.

NIs endorsed by RSPO must be posted on the RSPO website in English and the appropriate national language.

### **9.4 Timeline for NI Revision**

When the generic RSPO P&C are amended, appropriate changes to the NI must be made within 12 months. Extensions to this period can be agreed at the discretion of the S&C SC.

## **10. General**

### **10.1 Record keeping**

**10.1.1** All standards setting and review activities are recorded and documented by the RSPO.

**10.1.2** To ensure transparency to stakeholders, where possible and appropriate these documents are made publicly available on the relevant section of the RSPO website.

**10.1.3** Where not made publicly available on the website, these records are made available to interested stakeholders on request. Stakeholders are made aware of all records available on request through the relevant section of the RSPO website.

**10.1.4** The RSPO Secretariat shall ensure that documentation of the standard development process, associated policies and procedures, lists of stakeholders contacted and the stakeholders involved at each stage of the process, comments received and a synopsis of how those comments were taken into account, and all draft and final versions of the standard are kept for a minimum of five years.

### **10.2 Procedural complaints**

**10.2.1** The RSPO Complaints System is available with the aim of impartial handling of procedural complaints regarding standards development activities as set out in this SOP. RSPO stakeholders have ready access to this service via the RSPO website online form (<http://www.rspo.org/members/complaints>) or submit directly to email ([complaints@rspo.org](mailto:complaints@rspo.org))

**10.2.2** The RSPO Complaints System documents efforts to resolve complaints, and keep these records for a minimum of 5 years.

**10.2.3** Decisions taken on procedural complaints shall be disclosed at least to the affected parties, and where appropriate a summary shall be made publicly available. The SC shall be informed of any complaints and involved as necessary with following actions.

## **10.3 Substantive complaints related to the Standard**

**10.3.1** A documented process to receive ongoing substantive complaints, comments and requests for clarification is established and maintained by the RSPO Secretariat upon publication of the initial standard. The RSPO Secretariat is identified as the focal point for standards-related enquiries and for submission of comments, with contact information ([certification@rspo.org](mailto:certification@rspo.org)) or askRSPO made publicly available. These comments will be taken into account during the subsequent standard revision process (see Sections 2.3 and 3.4).

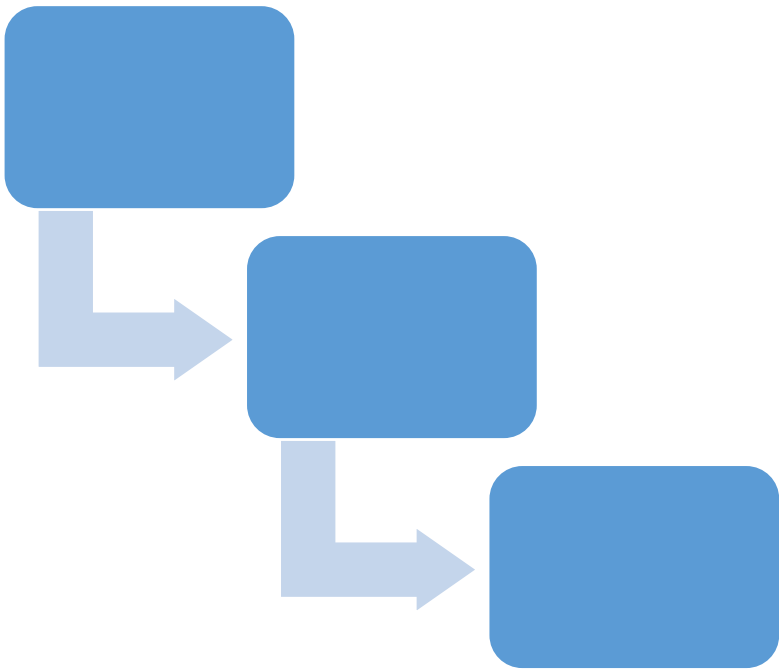
## **10.4 RSPO website section for standards development activities**

**10.4.1** An individual website section is used for standards development activities, with sub-sections created for each standards setting activity. This provides all interested stakeholders with clearly identified access to all relevant information and documents (as set out in this SOP) throughout and after the standards development activity. It is the duty of the RSPO to ensure that information on the website is kept up to date.

**10.4.2** During any standards development activities, the RSPO website shall actively be used to alert stakeholders to this (e.g. through promotion on the front page), and direct stakeholders to the appropriate place on the website where more information can be found.

Annex 1. Diagram of Standard Development & Review Process

ILLUSTRATIVE DIAGRAM/S OF STANDARD DEVELOPMENT & REVIEW PROCESS



## Annex 2. Definitions

*Consensus:* Defined by ISO as.....absence of any serious and sustained objection....In practice this means that each person has a veto since if they register a serious and sustained objection then consensus has not been achieved. Note that consensus does not imply unanimity

*Criteria:* The conditions that need to be met in order to fulfil a principle. Criteria add meaning and operationally to a principle without themselves being direct measures of performance.

*Indicators:* 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.

*Interest group:* Any person or group concerned with or directly affected by a standard.

*Materially affected stakeholders:* These are stakeholders that will be directly impacted by the application of the standard.

*Principle:* A fundamental statement about a desired outcome, often providing greater detail about the objectives.

*Procedural complaints:* Procedural complaints relate to the way in which the standard was developed. These can include complaints about the process for deciding on the content of the standard, but not about the content of the standard itself.

*Smallholders:* Farmers growing oil palm, sometimes along with subsistence production of other crops, where the family provides the majority of labour and the farm provides the principal source of income and where the planted area of oil palm is usually below 50 hectares in size.

- Scheme smallholders – Smallholders that may be structurally bound by contract, credit agreement or by planning to a particular mill, but the association is not necessarily limited to such linkages. Other terms commonly used for scheme smallholders include associated and/or plasma smallholders.
- Independent smallholders – Smallholders that are not bound by any contract, credit agreement or planning to a particular mill.

*Outgrowers:* Farmers or oil palm planters with more than 50 hectares in size who produce FFB for sales, but without mill. Outgrowers can be independent or associated with mill.

*Standards:* A document that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory.

*Standards development activities:* The term used in this document to cover both RSPO standards setting and standards review activities.

*Stakeholder:* An individual or group with a legitimate and/or demonstrable interest in, or who is directly affected by, the activities of an organisation and the consequences of those activities.

*Substantive complaints:* Substantive complaints relate to the content of the standard and should be dealt with through the standard development or revision process.

*Task Force:* The RSPO's task force is normally established to work in specific issue to address complex and difficult challenges and work towards developing solutions. The task force normally establish under a working group or Standing committee.

*Verifiers:* The means of verification define the type of information or observations that are used to demonstrate that the required indicator state is being realised. Verifiers provide specific details that reflect a desired condition of an indicator. Verifiable criteria can be checked for compliance through an audit process.

*Working Group:* The RSPO's working groups are established under Standing committees or directly by the Board of Governors (BoG). Its establishment is normally designed to encourage members to address complex and difficult challenges and work towards developing solutions.

### **Annex 3: Template Code of Conduct for [*standards development activity*] Task Force Members**

It is fundamental to the integrity, credibility and continued progress of the TF that every member supports, promotes and works towards the production and use of Sustainable Palm Oil and the work of the Roundtable on Sustainable Palm Oil (RSPO). Every member organization and individual must act in good faith towards this objective and commit to adhering to the principles set out in this Code. This Code applies to all Members of the Task Force.

#### **Achieving consensus**

Each individual member of the TF will be responsible for seeking to build consensus within the TF on how to address any issues which arise. Members shall recognise that achieving consensus in practice requires all members to be prepared to listen carefully to all the views of the group, and wherever possible actively seek compromises which will allow agreement

The TF meetings are likely to include a number of contentious issues. Members shall at all times be respectful of the opinions of other TF members, and the right of each member to share their expertise and opinions with the Group. Members shall at all times respect and support the role and authority of the chairpersons/facilitators to encourage this.

#### **Attendance**

Members shall commit to physical attendance at all TF physical meetings. If this is not possible, Members are responsible for organising a nominated alternative to attend in their place, and shall inform the SC of this.

#### **Representation of stakeholder groups**

Each individual member of the TF shall be responsible for consulting with stakeholders not directly represented in the TF and ensuring that their views are expressed within the discussions. Members are expected to play an active role in representing their stakeholders' interests, including ensuring that consultations with their stakeholder group are carried out and putting forward their concerns, comments or ideas to the group. Members are there to represent an interest group within the RSPO, not their own interests or the interests of their own organisation

Members shall provide and allow their contact details to be publicly used by the SC during the standards development activity, to encourage communication from their interest group.

#### **Promotion and Commitment**

Member organizations will acknowledge their membership of the TF and its objectives, the RSPO Principles and Criteria (RSPO P&C) and its implementation process through informed and explicit endorsement. Members of the Task Force will promote and communicate this commitment throughout the stakeholder group that they are representing.

#### **Breaches of this Code**

Breaches of this Code may lead to exclusion from the TF.

Members will seek to resolve grievances directly with other member organizations, and will not make unsubstantiated allegations of breaches against other members.

Prior to taking public action in cases of unresolved allegations of breaches of this Code, members shall report breaches to the SC and their appropriate representative in RSPO Board of Governance (BoG), who will deal with the alleged breaches in accordance with the RSPO Grievance Procedure.

**TF Member agreement**

I acknowledge and agree with the terms in the TF ToR and CoC above, and standards development activity requirements as set out in the RSPO SOP for Standards Setting and Review.

Signed by:	Witnessed by:
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Name:	Name:
Organization:	Organization:
Date:	Date:



## Annex 4. Public Reporting Requirements

All of the following information shall be made publicly available throughout the standard development activity process as it becomes available, and updated as necessary.

1. TF ToR
2. Details of TF Member Representatives
  - Name
  - Position / Title /Organisation
  - Contact email address
  - Stakeholder representation category
3. Work Programme – see Section 2
4. Summary report of stakeholder involvement actions – see Section 3
5. Summary of TF meeting minutes with attendance list
6. Draft standards for public consultation
7. Summary of comments from public consultations
8. Final draft standards for approval by the RSPO BoG
9. Final standard as approved by the RSPO BoG

## **Annex 5. National Interpretations - Guidance on appropriate legislation**

### ***National legislation***

Acts and Schedules relating to in general or specific

Agriculture - all aspects including licenses' and permit requirements, Quarantine, Plant disease and Pests, Extension services and seeds Specifically - Oil palm, production and processing and export

Buildings and Amenities – all aspects of construction including, permits, approvals and inspections, safety, Housing requirements, Building works, Sanitation, Potable water and Industrial Waste

Companies – all legal obligations including Permits and licenses to operate, Registration, Tax and Value added Tax, Customs and Duties, Arbitration and dispute mechanisms, trade and competition, control of security personnel

Factories and industrial Facilities, Ports and storage - all operational aspects including permits and approvals, licenses to operate, control of waste

Employment – all Labour and practices requirements, conditions to be met in accommodation, sanitation, work hours and associations, workers' rights, Trade unions, Specifically – women in the workplace, Apprentices, Industrial Organisation, Workers compensation, Young workers and Children in the workplace, minimum wage determinations

Environment - including all regulations on air, land, water, resources (including Flora and Fauna) and communities. The requirements of Environmental impact assessment. Specifically - Rare threatened and endangered Flora and Fauna (wildlife), Waste and pollution, national Parks and Reserves, Forest, Water resources (Uptake and discharge into) - licenses and permit requirements for operations, Water quality standards and testing, extraction of road and house building material.

Chemicals - Importation, Registration, transport, Storage, Handling and disposal of chemicals used in the mill, plantations and in general use within the operation Specifically - Pesticides, Inflammable, Poisons and Dangerous goods

Hydrocarbons - Storage, Transport, Handling and disposal of all types of mineral oils and fuels Specifically - Fuel, diesel, petrol and lubricants and associated legislation

Medical – including, Facilities, Registration of practitioners, storage and control of drugs, Public Health, births and deaths, child and maternity care, abuse, domestic violence and abuse Specifically – new legislation on AIDS/HIV and other infectious or contagious diseases

Education - all aspect in the control and management of schools and teaching

Land Issues – including Acquisition, Registration, Titles, Survey, Tenure, Land disputes, Land settlement schemes, Formation of land groups, Native customary rights, Indigenous people and

their rights including dispute resolution and judiciary mechanism and Physical and spatial planning and all aspect of agricultural development

Occupational Health and Safety – including aspects on notifications, reporting and linked with various factory or workplace acts together with specific acts on dangerous goods chemicals of practices Specifically – electricity, fire, gas,

Transport – including the licensing of vehicles, traffic regulations, Roads and their maintenance.

Applicable codes of practice

### ***International legislation***

*Please refer to Annex 1 in RSPO P&C for key international laws and conventions applicable to the production of palm oil.*