

Resolution GA20-2b

Proposed Resolution to be adopted at the 20th General Assembly of the
Roundtable on Sustainable Palm Oil (RSPO)

22nd November 2023

Title: Creating a RSPO Membership Category to further the development of RSPO Jurisdictional Approach for Certification

Submitted By: The Board of Governors (BoG) of the Roundtable on Sustainable Palm Oil (Currently represented by: AAK AB, Agroamerica Tropical Oil Holding Corp., Asosiasi Petani Sawit Swadaya Amanah, Both ENDS, Forest Peoples Programme, Golden Agri-Resources Ltd*, Malaysian Palm Oil Association, Retailers' Palm Oil Group**, Standard Chartered Bank, The Procter & Gamble Company, UNILEVER PLC, Wilmar International Limited, World Resources Institute, WWF International)

*Represents the Indonesian Growers Caucus

**HOFER KG dba ALDI SOUTH Group, ASDA STORES LIMITED, Walgreens Boots Alliance, Inc., Coles Supermarkets Pty Ltd, The Co-operative Group, Coop Switzerland, Federation of Migros Cooperatives, Lidl Stiftung & Co.KG, Marks and Spencer plc, Royal Ahold Delhaize N.V, Sainsbury's Supermarket Ltd., Tesco PLC and John Lewis Plc

Background:

Since early 2016, the RSPO has embarked on a journey to upscale its impact and approach onto a Jurisdictional level. This approach, referred to as the Jurisdictional Approach to Certification (JA), will allow the RSPO Standards to be applied at the jurisdictional level facilitated through an established Jurisdictional Entity.

The journey of developing the RSPO Jurisdictional Approach was driven by the RSPO Jurisdictional Working Group (JWG) with three pilots, the State of Sabah, Malaysia; District of Seruyan, Central Kalimantan, Indonesia and Ecuador.

The RSPO Jurisdictional Approach Pilot Framework was launched on 6 September 2021, offering guidance and a framework for developing Jurisdictional Approaches to the certification of sustainable palm oil. This will follow the RSPO Standards (Principles and Criteria 2018, Independent Smallholder Standard, etc.) and sets a stepwise approach that is coherent across all regions.

In the 2022 General Assembly meeting, RSPO members voted to prioritise the jurisdictional approach to accelerate the transformation of sustainable palm oil standards, the inclusion of independent smallholders and engagement with local communities.

One of the requirements to implement the RSPO Jurisdictional Approach to certification is a membership mechanism to admit jurisdictional entities to be RSPO members. After seven years of piloting the jurisdictional approach in three jurisdictions, it is timely for RSPO to proceed with creating the membership mechanism.

It is essential for the RSPO to establish necessary mechanisms for the admission of the Jurisdictional Entity, to bring the RSPO impact to the landscape.

Proposed Resolution:

This Resolution proposed to create a separate RSPO Membership Category, known as Jurisdictional Members, so as to progress the development of the Jurisdictional Approach to RSPO Certification, as outlined in the RSPO Jurisdictional Approach Piloting Framework approved by RSPO Standard Standing Committee on 8 July 2021 (refer Annex 1 for more details). The current RSPO membership categories (refer the RSPO Statues) remain unchanged and continue to apply (refer Table A in Annex 1).

The RSPO Jurisdictional Members category is applicable only to the current RSPO Jurisdictional Pilots and any new Jurisdictional Entity established to be governed by a multi-stakeholder supervisory board, performing administrative and executive services facilitating compliance of organisations that have either direct involvement, or have activities around, the palm oil supply chain, with RSPO standards.

Jurisdictional Members:

- Have NO voting rights at the General Assembly
- Have NO Board of Governors representation
- Have NO membership fees obligations
- Shall be bound by the Code of Conduct (Annual reporting of Progress)
- Jurisdictional Entity (JE) and its affiliated participants are encouraged to participate in relevant Working Groups, Task Forces, and any other form of working structure of RSPO.

The proposed memberships clauses for the Jurisdictional Members category (i.e. Membership rights, fee obligations, BoG rep) will be reviewed once the JA mechanism starts functioning. More details on the concept of RSPO memberships for Jurisdictional Entity can be found in Annex 1.

Individual palm oil industry participants under a Jurisdictional Entity that are current members of RSPO will continue to maintain their RSPO membership categories and sectors, as well as to fulfil relevant membership requirements including ACOP submission. Participants that are not RSPO members will be encouraged to apply for their own RSPO membership once the JA mechanism starts functioning, and relevant guidance will be developed accordingly by the RSPO Jurisdictional Working Group.

Specifically, this Resolution call for:

- I. The Secretariat to revise the RSPO Statues, RSPO Membership Rules, and Member Code of Conduct for Members to reflect the proposed concept for an RSPO membership category for Jurisdictional Entities not later than 6 months upon the adoption of this resolution, as appropriate.
- II. The Secretariat to establish and/or develop necessary procedures and processes for admission of Jurisdictional Members not later than 6 months upon the adoption of this resolution, as appropriate.
- III. With more lessons learned through the pilots after the launch of the RSPO JA Framework, the Section 2.5 of the RSPO JA Framework 2021 is to be updated for its mis-alignment within this resolution, once the JA mechanism starts functioning.

Potential Benefit

- a. Better engagement with governments to provide enabling environment for sustainable palm oil production
- b. Strengthened outreach to non-RSPO members
- c. Increased adoption of RSPO Certification
- d. Stronger support for smallholder inclusion

Potential Risk & mitigation

- a. Reputational risk to be mitigated by rigorous evaluation conducted on jurisdictional entities being accepted as RSPO members
- b. Lack of understanding on RSPO JA Framework amongst members addressed through effective communication strategies developed by the JWG

Proposed Committee/Working Group/Task Force in overseeing the Resolution

- RSPO Standard Standing Committee
- RSPO Jurisdictional Working Group

Contact Information:

RSPO Secretariat Daniel Liew, daniel.liew@rspo.org

Annex 1.

CONCEPT NOTE

RSPO Memberships for Jurisdictional Entity

Introduction

The **RSPO Jurisdictional Approach (JA) to Certification** is a framework for Group Certification which assigns legal requirements and authority to a **Jurisdictional Entity (JE)**. A JE is overseen by a multi-stakeholder governing body, who will establish an Internal Control System to facilitate full compliance with the RSPO requirements. This includes continuously progressing towards i) achieving no deforestation, no new planting on peat, ensuring safe and decent working conditions, and upholding human rights, and ii) the **certification** of sustainable production and processing of oil palm products.

The JA requires government leadership, support and collaboration to play a key role in facilitating multi-stakeholder processes, setting up comprehensive governance, regulations and frameworks to achieve RSPO standards. It aims to provide an enabling legal and policy environment within which industry participants, communities, NGOs and the government can work together towards certification. The JA therefore differs from conventional RSPO Group Certification in that some roles and responsibilities are delegated to government bodies (see Section 3.3 of the RSPO JA Framework).

Rationale

The JA started as pilots in Sabah and Seruyan Kalimantan in November 2015, with a third pilot in Ecuador that began in early 2016. These pilots provided invaluable learnings that the JAWG consolidated into a set of guidance that was published in 2021. Named RSPO Jurisdictional Approach Piloting Framework, it sets out the various steps involved in the setting up of a JE, as well as the governing mechanisms and various requirements. As per the guidance of the Framework, all the three pilots have fulfilled Step 1 (pilot) and are moving towards Step 2 (RSPO membership).

In order for a JE to support, facilitate and manage certification to RSPO P&C, the entity will be required to become a RSPO member.

RSPO Membership Proposal for Jurisdictional Entity (Refer Table A below)

1. A *separate membership category* is to be created for Jurisdictional Entity (JE).
2. A JE shall be governed by a multi-stakeholder supervisory board, performing administrative and executive services facilitating compliance of organisations that have either direct involvement, or have activities around, the palm oil supply chain, with RSPO standards.
3. Jurisdictional Members shall be represented by one (1) or more persons of its choice and representative(s) must prove their identity with a power of attorney in writing.
4. Jurisdictional Members *shall be bound by the Code of Conduct* and there will be no fees attached to this membership.

Admission of Jurisdictional Members

1. To become RSPO Jurisdictional Members, current RSPO JA Pilots and new pilots need to first receive a JA Framework's acknowledgement from the RSPO Secretariat (see <https://rspo.org/resources/?id=6446> Step 1 of the RSPO JA Framework). Their membership application will be approved only after they demonstrate relevant achievement and compliance to the requirements of the JA Piloting Framework (see Step 2 of the RSPO JA Framework).
2. Parties that are interested to apply to become a RSPO JA Pilot must submit relevant supporting documents to the RSPO Secretariat.

Rights of Jurisdictional Members

1. Jurisdictional Members (JE) and its affiliated participants can attend and participate in the RSPO General Assembly, but they do not have voting rights.
2. Jurisdictional Members (JE) and its affiliated participants can and are encouraged to participate in relevant RSPO Working Groups, Task Forces, and any other official RSPO initiatives and projects.
3. Jurisdictional Members (JE) are allowed to publicly state that they are Jurisdictional Members of RSPO, their affiliated participants are allowed to publicly state that they are under a RSPO JA Pilot as named.
4. Jurisdictional Members may have limited access to RSPO information as determined by the Board of Governors.

Table A. RSPO Membership Category

Membership Category	Membership Sector
Ordinary	<ol style="list-style-type: none"> i. Oil Palm Growers ii. Palm Oil Processors & Traders iii. Consumer Goods Manufacturers iv. Retailers v. Bank and Investors vi. Environmental NGOs vii. Social NGOs
Affiliate	Affiliate
Supply Chain Associates	Supply Chain Associates
Honorary Member	Honorary Member
Jurisdictional (NEW)	Jurisdictional Entity - entity governed by a multi-stakeholder supervisory board, performing administrative and executive services facilitating compliance of organisations that have either direct involvement, or have activities around, the palm oil supply chain, with RSPO standards.