

RSPO

Roundtable on Sustainable Palm Oil

UPDATE ON REMEDIATION AND COMPENSATION PROCEDURES



Global Vision | Regional Action
2015 to 2020



Compensation Task Force (CTF)



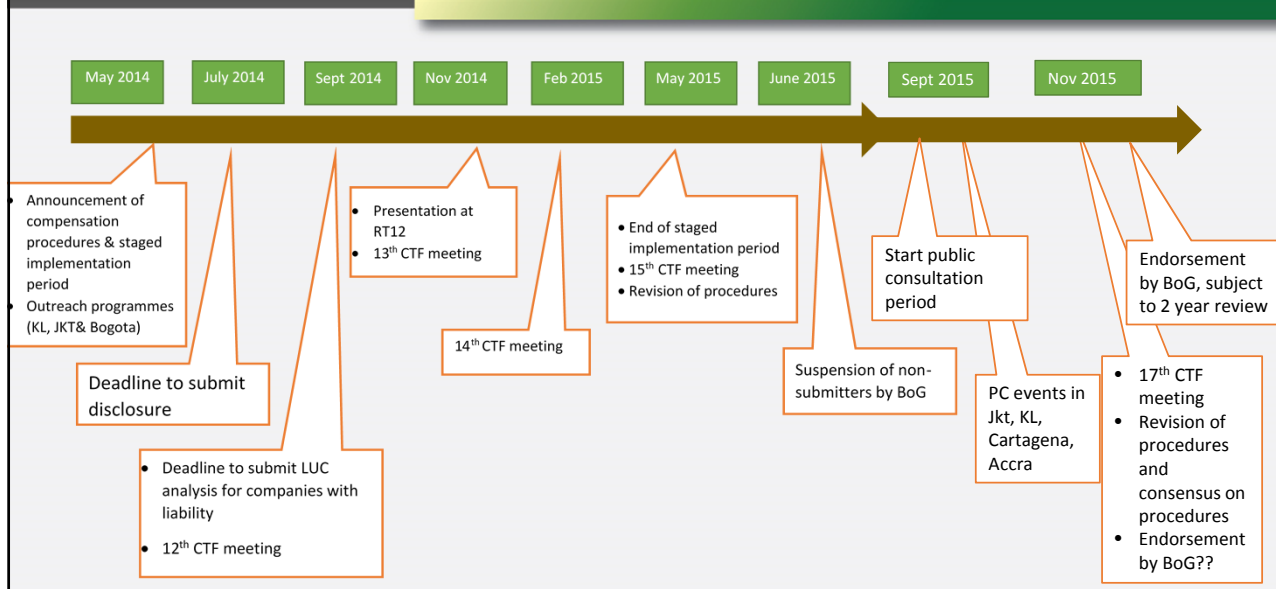
Objectives:

- ❖ To develop guidance for remediation and compensation for the potential loss of HCVs due to land clearing without prior HCV assessment
- ❖ To manage initial implementation of the guidance

Multi-stakeholder representation:

- Growers (SIPEF, Musim Mas, Sime Darby, FGV, REA Kaltim, OLAM Int., & GAR)
- ENGOs (WRI, WWF, BORA, ZSL, HUTAN & FFI)
- SNGOs (FPP & SEPA)
- Financial Inst. (IFC)
- Invited experts (SEARRP, Remark Asia, Daemeter, & etc)

Staged implementation

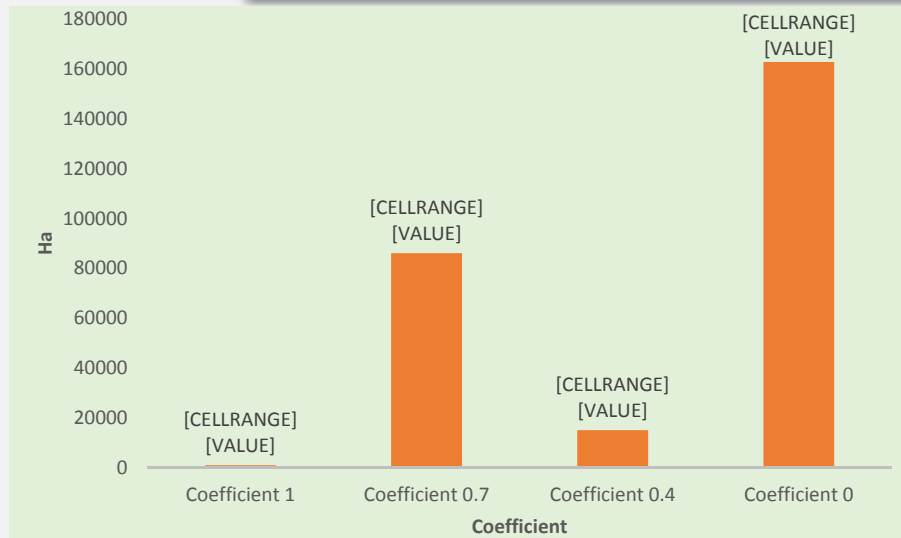


Disclosure statistics

Total Member	152					
Total Disclosure	Received			Due	Grand Total	
	Liability	No Liability	Total			
	61	107	168	0	168	
Total LUCA *by company level	Received			Due		Grand Total
	Complete	Incomplete	Total	No	Faulty	
	15	10	25	29	0	
Total LUCA	Reviewed					
	Yes	Ongoing	No	Coefficient 1	Total	
	2	8	5	0	15	
Raw Liability (ha - based on the 61 disclosures submitted)	635,482.31	Potential Social Liability	Yes	No	Total	
Raw Liability (ha - based on the 25 LUCA submitted)*	264,558		10	158	168	
* Final Conservation Liability (ha - based on 25 LUCA submitted)	25,361					

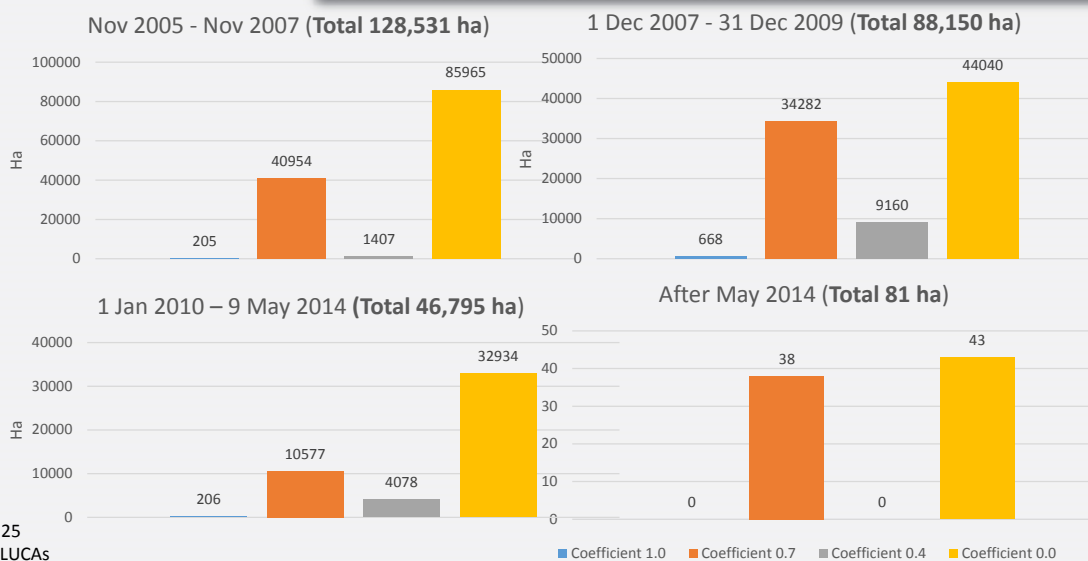
As of 8/11/2015

Land clearing based on vegetation coefficient



*Based on 25 submitted LUCAs

Land clearing by time period



*Based on 25 submitted LUCAs

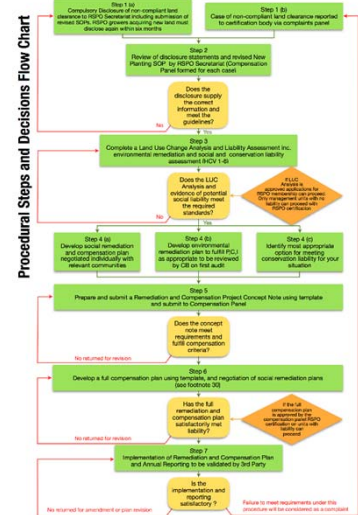
Finalized procedures coming soon!

- Entire document reviewed and revised based on input from public consultation (online comments and events in Jakarta, KL, Cartagena and Accra)
- CTF reached consensus on updated core procedure document on November 12
 - Still in draft form. Final edits to be made by consultant.
 - Several annexes still in development
- **Endorsed by BoG on 16 November, subject to two year review**
 - Follow up work under mandate of BHCV



Key updates

- Structure of document and process flow chart updated
- Added section on “Cases relevant to this procedure”
- Specified time frames for disclosure of non-compliant land clearing for RSPO growers that acquire new land and growers applying for RSPO membership
- For submission of SOPs (evidence to demonstrate measures to avoid further non-compliant land clearing), option of submitting for public disclosure or verification by an accredited CB



Key updates: Land Use Change Analysis

- Definitions of vegetation coefficients expanded
- Annex with guidance updated by consultant based on input from LUC workshop with GIS experts (in development)
- Summary of LUC analysis/verification report (including associated maps) will be made public along with summary of the Compensation Plan

Vegetation coefficients

Coefficient 1.0: Structurally complex forest with uneven or multi-layered canopy

This category includes forest that has been subjected to low intensity selective logging and/or is at a late stage of recovery after long rotation shifting agriculture. Coefficient 1 also includes closed-canopy swamp, mangrove and peatland forests with no signs of drainage.

Coefficient 0.7: Structurally simplified or degraded forest with even or single-layered canopy

This category includes forest regenerating after large-scale disturbance including intensive and/or recent logging, wind and/or fire damage (or some combination of these factors). Coefficient 0.7 also includes swamp, mangrove and peatland forests regenerating after logging or other disturbance.

Coefficient 0.4: Multi-species agroforestry

This category includes agroforestry farms and plantations which comprise of a multi-species 'mosaic' largely dominated by mature tree crops and retaining some structural complexity.

Coefficient 0: Highly modified and/or degraded areas retaining little or no natural, structurally intact vegetation

This category includes monoculture plantations, permanent fields, pasture, open developed and/ or degraded grass or shrub lands.

Notes: Natural savannahs, cerrados and grasslands are not specifically addressed by the categories above. These areas only need to be compensated for when cleared after their date of classification as HCV according to the HCV toolkit. These should be categorised as 0.4 – 1.0 according to the national and/or regional context. Interpretation of these coefficients should make reference to the HCV toolkit applicable at that time of land clearance. E.g. Wetland ecosystems including peat swamp (especially swamp that is still forested), freshwater swamp, mangrove forest, lakes, and grass swamps are identified as HCVA in Indonesia in 2008 [stated as HCV 4.1 in the Indonesian HCV Toolkit 2008].

Updated matrix for calculating liability	Land controlled by a non-member at time of clearance	Land controlled by a RSPO member at the time of clearance Including land acquired from other RSPO members
Land clearing after 9 May 2014.	<ul style="list-style-type: none"> • Social remediation • Environmental remediation • Twice the sum of all corporate clearing without prior HCV assessment multiplied by their vegetation coefficient(s) in Nov. 2005. 	<p>Expulsion from RSPO*</p> <p>If the areas are later acquired by another RSPO member and only if the seller was a member of RSPO before 9 May 2014, liability is as per "non-member".</p>
Land cleared between 1 January 2010 and 9 May 2014	<ul style="list-style-type: none"> • Social remediation • Environmental remediation • The sum of all corporate clearing without prior HCV assessment multiplied by their vegetation coefficient(s) in Nov. 2005. 	<ul style="list-style-type: none"> • Social remediation • Environmental remediation • Twice the sum of all corporate clearing without prior HCV assessment multiplied by their vegetation coefficient(s) in Nov. 2005.
Land cleared between December 2007 and 31 December 2009	<ul style="list-style-type: none"> • Social remediation • Environmental remediation • Half the sum of all corporate clearing without prior HCV assessment multiplied by their vegetation coefficient(s) in Nov. 2005 	<ul style="list-style-type: none"> • Social remediation • Environmental remediation • The sum of all corporate clearing without prior HCV assessment multiplied by their vegetation coefficient(s) in Nov. 2005.
Land cleared between November 2005 and November 2007	<ul style="list-style-type: none"> • Social remediation • Environmental remediation 	<ul style="list-style-type: none"> • Social remediation • Environmental remediation

Key updates: Social liability

- Expanded sections on identifying social liability for the loss of HCVs 4, 5 & 6 and negotiation and agreement of social remediation plan
- Whenever non-compliant clearing has occurred, burden of responsibility on company to provide sufficient evidence that they do not have outstanding social liability



- Very few companies have claimed to have social liability thus far and supporting evidence not yet submitted
 - Follow-up outreach requiring growers to submit evidence specific to social liability

Key updates

- Added sections on identifying areas requiring environmental remediation and environmental remediation plan
- Developing guidelines on transfer of liability and compensation projects for sales/acquisitions
- Options for meeting conservation liability: no significant changes
 - Option 1: hectare for hectare
 - Option 2: \$ for hectare (USD 2,500)



Key updates: Designing compensatory biodiversity projects

- Expanded explanations of criteria: *additional, long lasting, equitable, knowledge-based*
- Added guidance on prioritization of actions (highest being off-site avoided deforestation and/or avoided degradation, lowest being on-site forest/high quality habitat re-establishment)
- Encouraging joint collaborative projects
- Ongoing efforts to develop project ideas/database

Key updates

- Template developed for remediation and compensation project concept note
- Template developed for remediation and compensation plan
 - Approval of compensation plan will result in temporary suspensions to be lifted and certification to proceed.
 - Summary of approved plan will be made publically available on RSPO website
- Monitoring section expanded: annual reporting, independent evaluations, guidance regarding deviation from plan implementation.
 - Monitoring report template to be developed

THANK YOU

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