



Challenges and Limitations of RSPO Program Audit

**A Review Based on Auditing Experiences of SAI Global
Indonesia**

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SAI Global and RSPO

- Certification held important roles for providing assurance to the RSPO stakeholders.
- SAIGI, as one of the approved Certification Body, would like to share our challenge and limitation experienced and how we dealt with them in order to maintain credibility of certification.



Standard integrity issues

- Unclear terminology/definition used. NI did not provide adequate terminologies/definitions applied.
 - Definition of environmental impact assessment was mentioned but no definition for social impact assessment and OHS risk assessment
 - Policy – what is definition of policy within P&C standard? In addition some terminology in the national interpretation were not common terminology used for international standard (management system standard), e.g. policy = kebijakan program.
 - New planting – coverage of activities covered under the terminology, started from land clearing?
 - Checking (criterion 4.1 - records of checking and monitoring of operation).



Standard integrity issues

- There is indicator which less stringent than what required by legal requirements. Criterion 4.7 regular health examination by a doctor for workers in station or exposed high risk work.
- The indicators set for two criteria is similar however the category is different, e.g.
 - Criterion 5.5 emergency procedure for land burning - major; Criterion 4.7 emergency procedure - minor (for others potential emergency situation?)
 - Criterion 5.1 regular report on environmental management – major; Criterion 6.1 regular environmental management and monitoring report - minor



Standard integrity issues

- Compliance with indicators could not ensure compliance with principle and criteria, e.g.
 - “Criterion 4.7 Evidence of a documented occupational safety and health policy and its implementation”. The interpretation of adequate implementation of the policy could be widely vary based on the OHS competence of the auditors/growers/producers. The minimum evidence of implementation were not described/defined.
 - “Criterion 4.1 Operating procedures are appropriately documented and consistently implemented and monitored”. What is checking and monitoring methodology which justified adequate to be conducted only minimum once a year?
 - Criterion 6.4, 7.6 is related to customary rights. However, the identification of customary rights is only mentioned in guidance of criterion 2.1 (and 2.3).

Different interpretation of the standard

- Different interpretation of the standard by RSPO stakeholders (AB, CB, growers, producers, processors).
 - Full managed plasma - Criterion 2.2 – evidence that legal boundaries are clearly demarcated and visibly maintained. CBs and Growers.
 - The scope and depth of HCV identification and assessment. CBs, Growers, HCV assessors.
 - The implementation of OHS policy. CBs, Growers, Producers.
 - Standard of auditor competency. ABs and CBs.
 - The rules for annual surveillance. ABs and CBs.

Standard update, dissemination and application

- We experienced difficulties in applying the updated standard which were not yet well disseminated to the growers/producers.
 - Supply chain requirements for mill
Some growers did not aware of the requirements and therefore they thought it is not necessary to apply relevant supply chain requirements.
 - Partial certification audit
Other than difficulties in arranging the audit for partial certification requirements, we also experienced difficulties acting as first CB who assessed partial certifications requirements on client with many mills under Time Bound Plan.



Audit execution - public consultation

- All stakeholders have been properly identified by the organization?
- Determining type of public consultation and its consequences considering risk involved and time (and cost) limitation



Audit execution – working with the client

- Holding companies
- Accessing document with sensitive issues for confidentiality

Supply Chain

- Prospect /client lack of understanding of SC requirements and SC certification requirements
- Request for performing offsite desktop audit while the type of documents to be sent were not fully complete and understood.

SAI Global Effort and Lesson Learn

- **Maintain standard of competence through:**
 - In house training
 - Approved RSPO LAT training
 - Establish uniform standard interpretation across SAI Global/CB's auditors involved in sustainable palm oil audit program
 - Engage with technical expert for their knowledge and justification for audit and report review
- **Manage time allocation:**
 - Assessing partial certification requirements
 - Evaluating stakeholder to be involved in public consultation, determining method of public consultation and implementation of public consultation
 - Applying risk based audit, identifying high risk issues during preliminary audit. Spend more time in areas with high risk.
 - Requesting the client to provide several documents prior preliminary audit. Ensuring the availability of documents necessary during audit planning



SAI Global Effort and Lesson Learn

- **Principles for fact findings and decision making**
 - Not just ensured that all indicators covered, however also justifying that the value from each principle and criteria is evident.
 - Any grey area of the standard were carefully reviewed, referring to technical expert knowledge and justification. Also referring to universal principles or other equivalent principles, such as polluter pays principles.
- **Maintaining intensive internal and external communication for update RSPO program information**
 - Ensure that prospect and client understood the requirements of grower certification/SC certification
 - Maintain update information with RSPO including update information in the web and continue involvement in the regular meeting/event such as CB meeting, workshop or RT
 - Maintain update information from RSPO to the internal team, through minutes distribution, in house meeting/dissemination.



Recommendation and expectation

- Revision of P&C could improve the integrity of the standard and eliminate different interpretation and that the indicators set will ensuring compliance with the P&C
- 8 Principles in the standard does not mean that the structure of standard have to be made in 8 sections or interpreted for each principle but as a whole, so there is no need to set same/similar indicator for different criteria. Revision to the structure of the standard is recommended.
- Standard to provide clear definition used within and refer to common definition which already used in other international standard.



Recommendation and expectation

- Role of the AB and RSPO for ensuring uniform interpretation of the standards.
- Clear RSPO report review timeline, for better planning of resources for surveillance and integrated audit with other program.
- Improved dissemination of SC requirements, e.g. provide web based training for understanding of SC requirements for processors

