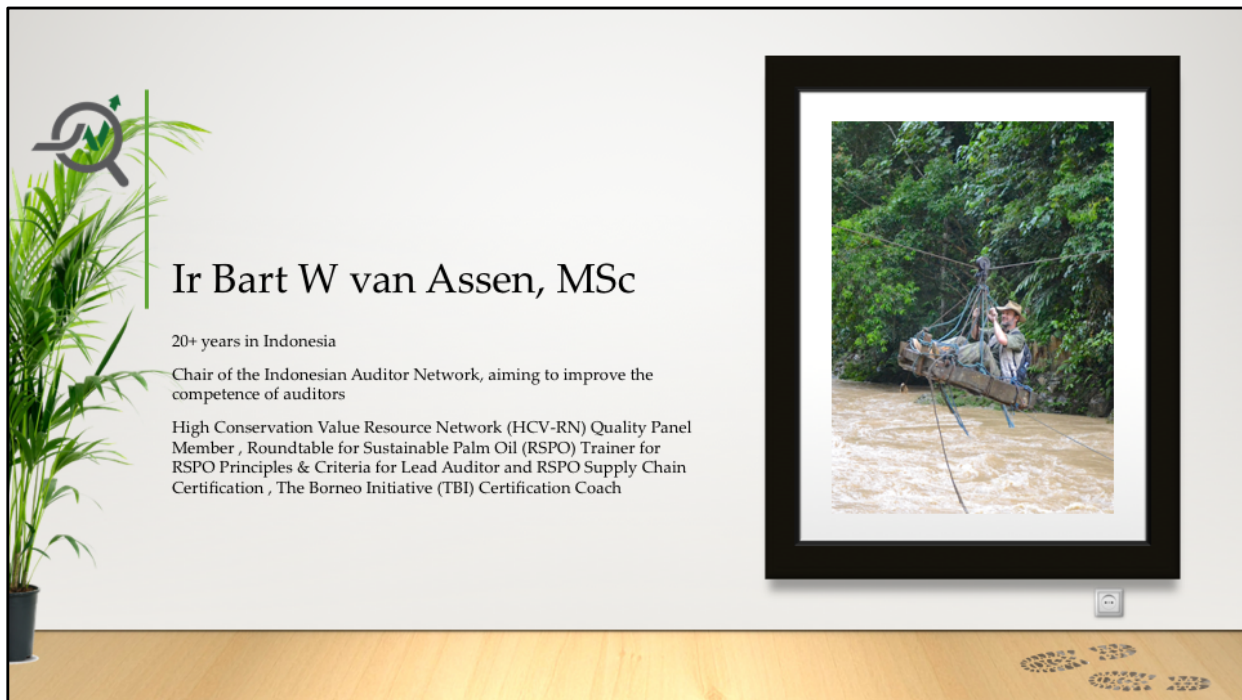





- Please turn off – or mute – your mobile phone and other devices.
- This is an interactive session, with several points for discussion and collaboration.
- Hand-outs will be provided after this presentation, take notes on your note paper for the time being.








## Ir Bart W van Assen, MSc

20+ years in Indonesia

Chair of the Indonesian Auditor Network, aiming to improve the competence of auditors

High Conservation Value Resource Network (HCV-RN) Quality Panel Member , Roundtable for Sustainable Palm Oil (RSPO) Trainer for RSPO Principles & Criteria for Lead Auditor and RSPO Supply Chain Certification , The Borneo Initiative (TBI) Certification Coach








### FALSE DILLEMA

a type of informal fallacy in which something is falsely claimed to be an "either/or" situation, when in fact there is at least one additional option.

- ENGLISH or NOT BAHASA INDONESIA
- I WIN or YOU LOOSE
- CHALLENGE: identify the false dilemmas in this lecture





### FALSE DICHOTOMY



## There are no stupid questions!

- terms and abbreviations:
  - CAR, FGD, HCS, HCV, IP, NC, SAKO, TPC, etc., etc., etc.
- loan shifts:
  - Es Jeruk or Orange Juice
  - Kontraktor or Contractor
  - Survei Sosial or Consultation
  - Publik or Public
- ask, Ask, ASK!



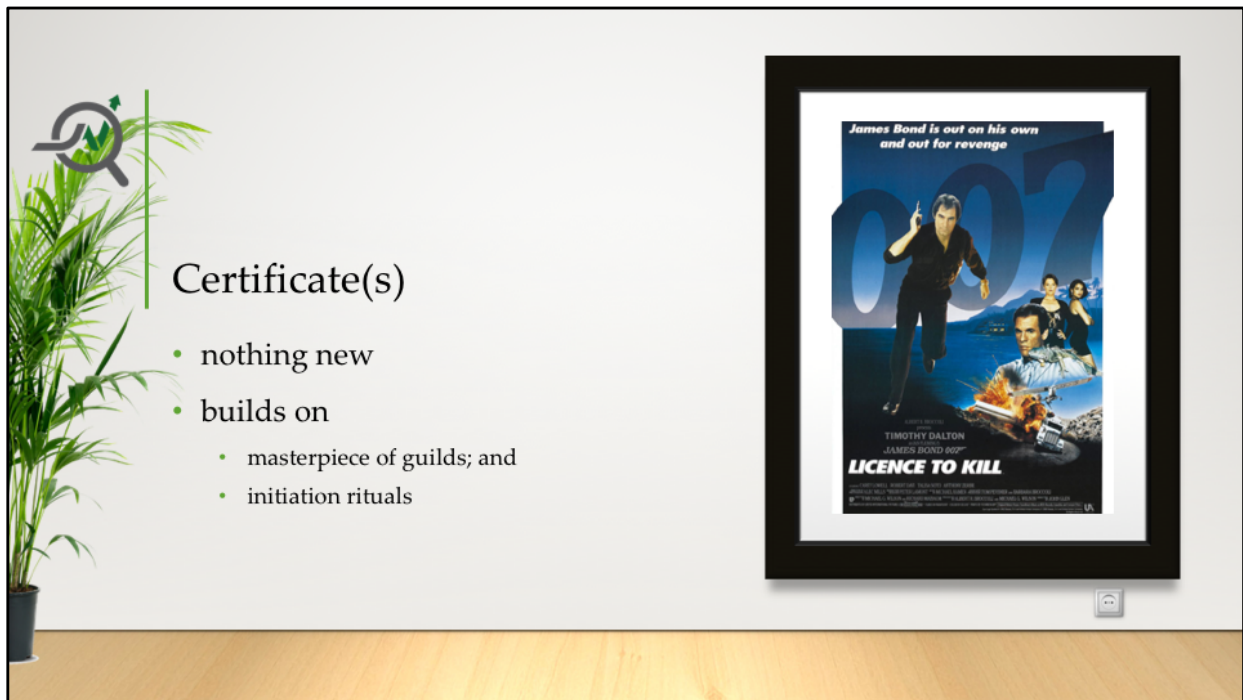
many abbreviations and terms, compounded by loan shifts, make the topic a Babylonian confusion.

It is up to you personally to tear down the babel!

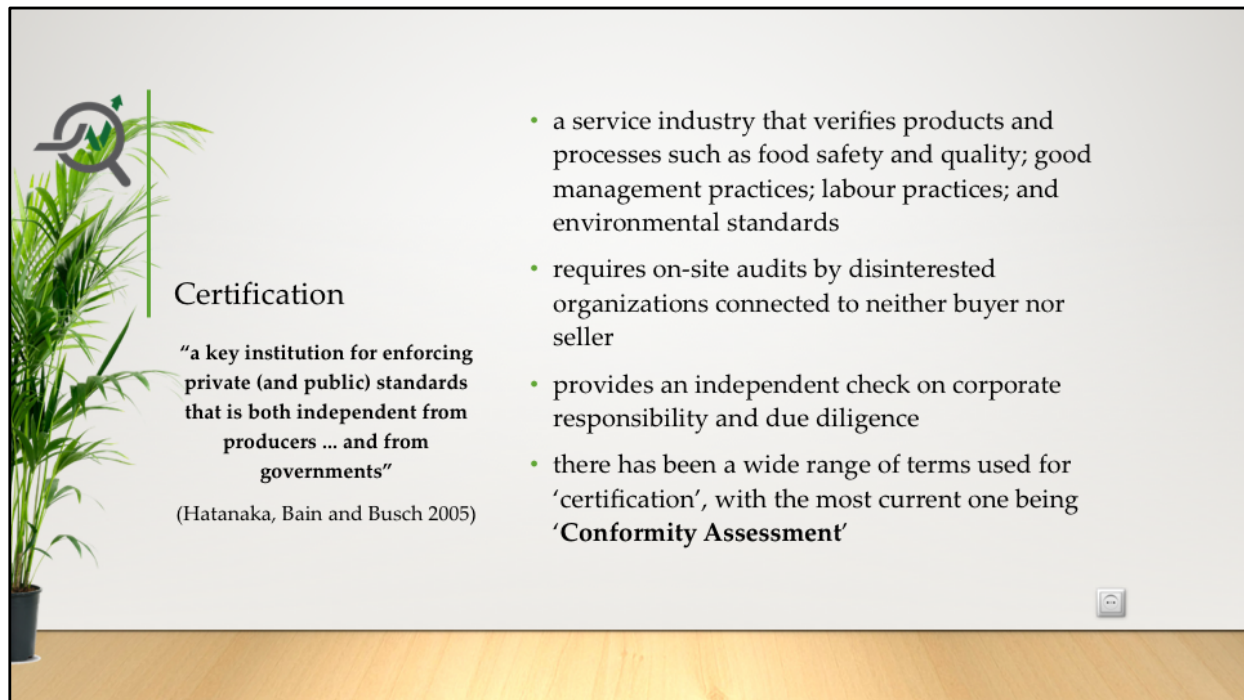








- Third Party Certification (TPC)/Sertifikasi Pihak Ketiga bukan hal baru: diploma renang, kualifikasi sekolah, surat ijin mengemudi dan surat nikah – bahkan 'lisensi membunuh' 007's – merupakan beberapa contoh



**Certification**


“a key institution for enforcing private (and public) standards that is both independent from producers ... and from governments”

(Hatanaka, Bain and Busch 2005)

- a service industry that verifies products and processes such as food safety and quality; good management practices; labour practices; and environmental standards
- requires on-site audits by disinterested organizations connected to neither buyer nor seller
- provides an independent check on corporate responsibility and due diligence
- there has been a wide range of terms used for ‘certification’, with the most current one being **‘Conformity Assessment’**


TPC melakukan verifikasi a/l keamanan dan kualitas pangan, praktek produksi dan pengelolaan terbaik, praktek perburuan dan/atau standar-standar lingkungan.

TPC menyatakan, berdasarkan audit di lokasi oleh organisasi yang tidak berkepentingan terhadap penjual maupun pembeli praktek-praktek tertentu telah diikuti atau tidak diikuti



**(Natural) Resource Management Certification**

- RMC
  - 1993: Forest Stewardship Council
- verifies conformity to a broad array of national and international concerns:
  - social concerns: tenure rights and labour equity
  - environmental concerns: deforestation and genetically modified organisms
  - legal concerns: timber theft and tax evasion
- Based on pre-defined standards to identify products from well-managed resources



Certification of (natural) Resource Management Certification (hereafter RMC) is a relatively new form of certification that took flight in 1993 with the founding of the Forest Stewardship Council (FSC). The concept verifies conformity to a broad array of national and international concerns, such as tenure rights and labour equity (social issues), deforestation and genetically modified organisms (environmental issues), and illegal wood and tax evasion (legal issues). RMC aims to achieve pre-defined management standards, to differentiate products originating from such resources and to improve their market access (after Nussbaum and Simula 2005).

From technical to social concerns: Standar-standar ISO lebih banyak mencakup hal teknis, dan sedikit konsultasi dengan pemangku kepentingan dalam penyusunan standar dan pelaksanaan audit. FSC, RSPO, HCVF melibatkan banyak unsur sosial, dan membutuhkan pendekatan khusus dari para certifier.

Standar disetujui oleh beragam pemangku kepentingan ...

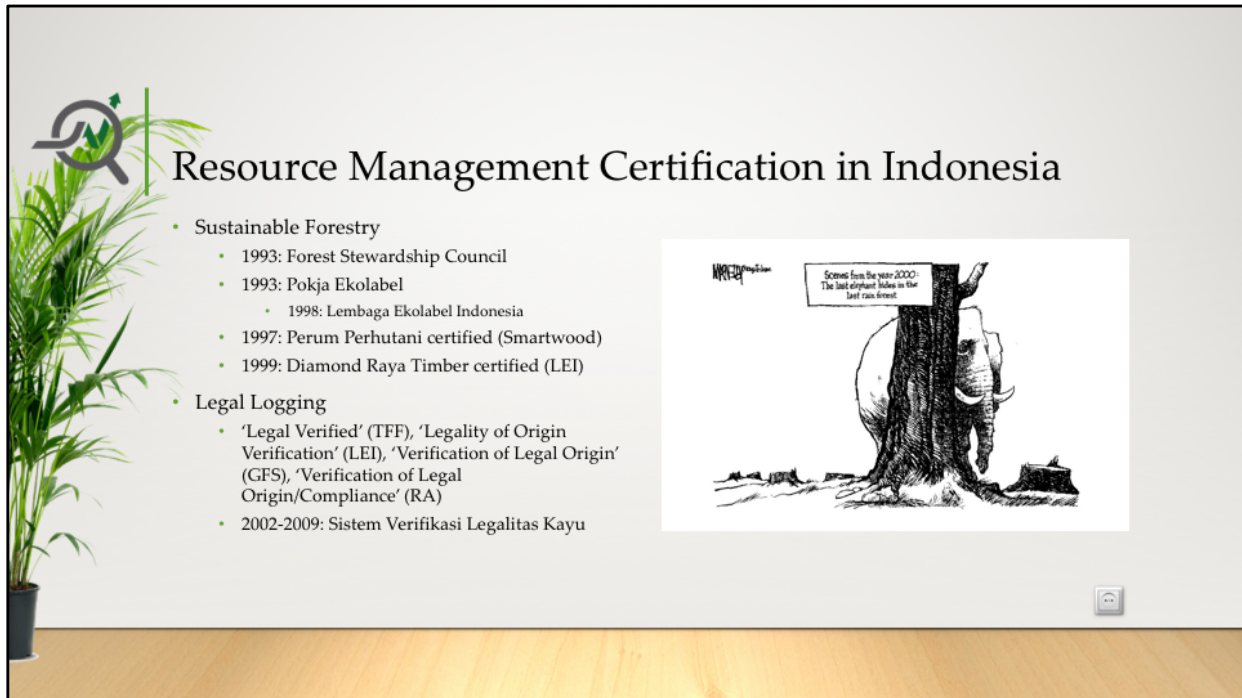
Sertifikasi kehutanan diusulkan tahun 1985 karena :

- Keprihatinan global terhadap deforestasi dan degradasi lingkungan serta pemanasan global
- Meningkatkan kesadaran public akan pentingnya lingkungan
- Pengelolaan hutan yang buruk menyebabkan berbagai masalah lingkungan dan sosial

Melakukan verifikasi kesesuaian terhadap beberapa hal yang menjadi perhatian, termasuk:

- Hak atas tanah and keadilan terhadap pekerja
- deforestasi and Organisme yang diModifikasi secara Genetis
- Legalitas dan kesesuaian





## Resource Management Certification in Indonesia

- Sustainable Forestry
  - 1993: Forest Stewardship Council
  - 1993: Pokja Ekolabel
    - 1998: Lembaga Ekolabel Indonesia
  - 1997: Perum Perhutani certified (Smartwood)
  - 1999: Diamond Raya Timber certified (LEI)
- Legal Logging
  - 'Legal Verified' (TFF), 'Legality of Origin Verification' (LEI), 'Verification of Legal Origin' (GFS), 'Verification of Legal Origin/Compliance' (RA)
  - 2002-2009: Sistem Verifikasi Legalitas Kayu

Scenes from the year 2000:  
The last elephant hides in the  
last rain forest!

Last rainforest, International Herald Tribune 06-07-1989

In late 1990, the Smartwood Programme (Smartwood) of the Rainforest Alliance was the first forestry certification initiative to award a certificate in Indonesia. The leading local organization, the Indonesian Ecolabelling Institute (*Lembaga Ekolabel Indonesia* or LEI) emerged more or less parallel to the FSC. Ever since, FSC and LEI have engaged in a slow waltz toward mutual recognition. Today – two decades later – about half a dozen separate initiatives are active in Indonesia. In addition, forestry certification catalyzed new approaches and initiatives to improve forestry, including stepwise certification (Nussbaum and Simula 2005; White and Sharshar 2006), timber legality verification (Anonymous 2004; Van der Pol, Wit and Savenije 2005; TFF and Form 2004), and High Conservation Value Forests (HCVFs; see Jennings et al. 2003; Daryatun et al. 2002). This proliferation of initiatives indicates a serious and diverse interest in the business of forestry certification.

Informal figures suggest that during 1990-2005, at least three dozen concessionaires have presented their credentials to certifiers, while at least a dozen others have or are engaged with consultants to work towards certification. (some community timber plantations are, or are in the process of becoming, certified, but these are not

discussed further here.) in spite of this, the number of certified forest managers in Indonesia remained near stagnant during the last decade. Indonesia's first certificate remained controversial (Peluso 1992), and was revoked in late 2001. currently, only a handful of commercial forest managers — covering less than 2% of Indonesia's rainforests — are certified.

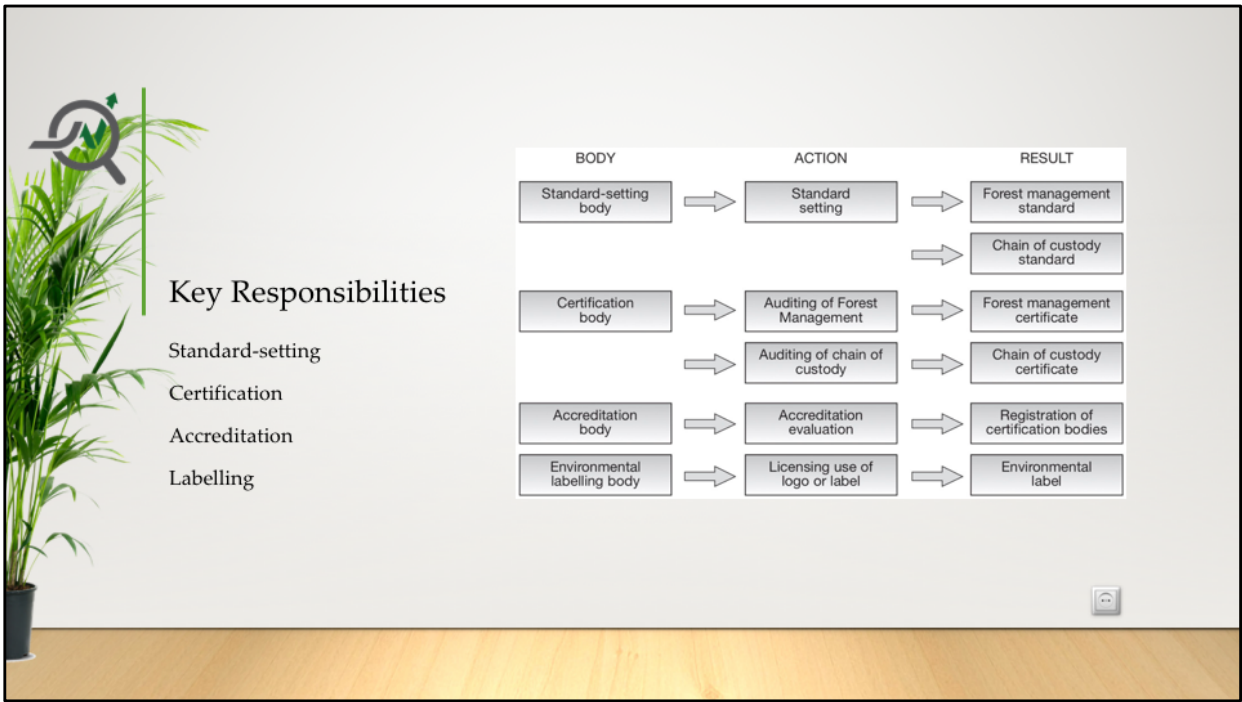


## Resource Management Certification in Indonesia

- Sustainable Palm Oil
  - 2004: Roundtable for Sustainable Palm Oil
  - 2009: Indonesian Sustainable Palm Oil System
- Others
  - Coffee And Farmer Equity Practices
  - Good Agricultural Practice
  - International Sustainability & Carbon Certification
  - Marine Stewardship Council
  - Round Table on Responsible Soy
  - Roundtable on Sustainable Biofuels
  - Sustainable Agriculture Network



Fairtrade







**What's the difference?**


MANDATORY INITIATIVES	VOLUNTARY INITIATIVES
<ul style="list-style-type: none"><li>• Badan Standardisasi Nasional</li><li>• Kementerian Lingkungan Hidup dan Kehutanan</li><li>• Kementerian Pertanian</li></ul>	<ul style="list-style-type: none"><li>• International Organization for Standardization</li><li>• Forest Stewardship Council</li><li>• Roundtable for Sustainable Palm Oil</li></ul>

*False Dilemma?*

ISEAL is the global membership association for credible sustainability standards.  
OHSAS (UK), ISO 45001 - Occupational health and safety


ANY QUESTIONS SO FAR? DO WE HAVE A FALSE DILLEMA HERE?

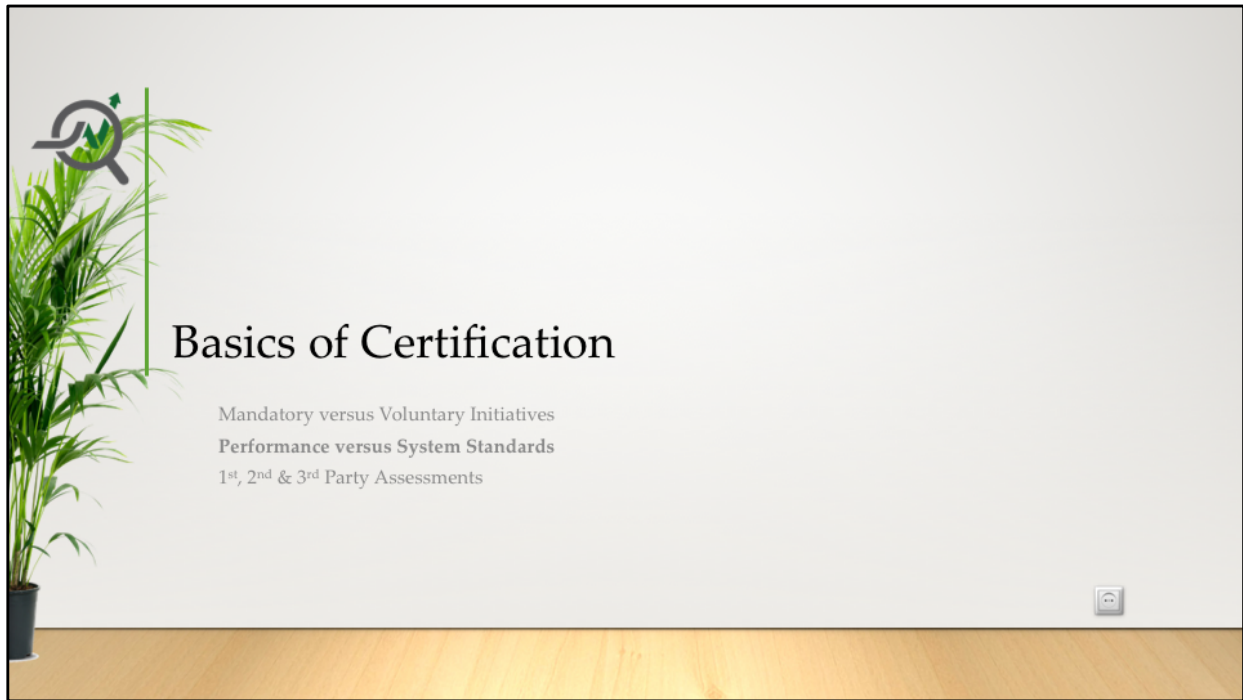





## Mandatory versus Voluntary Initiatives

- like water and oil
  - mixing requires chemistry
  - separate out due to “superiority”
- **auditors verify both mandatory and voluntary initiatives**







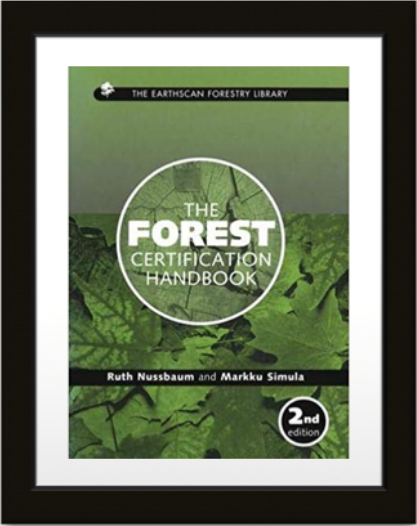
## Nussbaum & Simula 2004

Box 3.1

Comparison of what system and performance standards deliver for forest management

	System standard	Performance standard
Guaranteed minimum level of performance in the forest	No	Yes
Recognition of ongoing improvements in management	Yes	No
Management framework	Yes	No
Application to all forest types without being adapted	Yes <sup>a</sup>	No
Product label	No	Yes

Note: a In practice, the bureaucratic requirements of systems standards can be a serious obstacle for small forest enterprises and for forest owners and managers who are not literate.



PHPL, SVLK, ISPO, RSPO

Management system or *process* standards specify the management systems that must be in place within an organization to ensure that they are managing quality, environment or even social performance consistently. Therefore, the requirements of management systems standards relate to elements of management that must be in place, rather than requirements about the outcomes or results of management. The best-known management systems standards are the quality standard ISO 9000 and the environmental management system (EMS) standard ISO 14001. It is the latter of these, ISO 14001, which can be used as an environmental standard for forest organizations.

Systems standards have some great strengths. Firstly, they can be applied to any sector or industry. Thus, ISO 14001 can be applied equally to a forest enterprise, a pulp mill or a furniture factory. This is particularly useful for integrated companies. Secondly, systems standards can be very powerful tools for helping organizations to systematically understand their performance and ensure that it is continuously improved. Systems standards are easily adapted to organizations operating in all types and sizes of forest since they specify generic systems and not specific

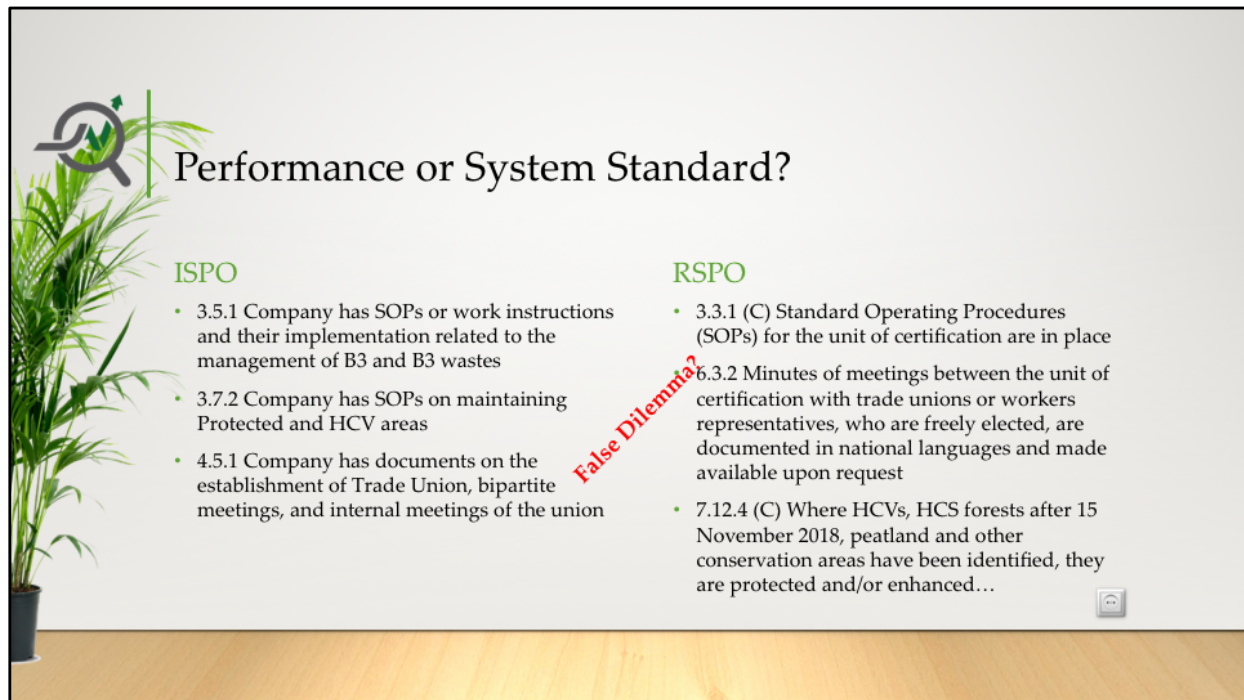
performance requirements. In addition, certification to a systems standard provides recognition of the organization's commitment to improve while the improvements in performance are still being achieved.

However, systems standards do not specify any minimum level of performance that must be achieved. Instead, they require forest organizations to set their own performance targets and then use the management system to ensure that they reach them. This means that two forest companies, both certified to the same system standard, can have very different levels of performance in the forest. This is highlighted in the introduction to the ISO 14001 standard, which states:

Performance standards specify the level of performance or results that must be achieved, but do not necessarily specify how this should be done. Therefore, they do not require an organization to put in place any particular management system, but they clearly specify the minimum performance that must be achieved in a certified forest.

The strength of this approach is that it provides a guarantee that a certified forest meets a defined level of performance. Since performance standards provide this 'guarantee of quality', it is normal to use them as a basis for a product label.

Systems standards apply to a particular forest organization (a company, a landowner, an association of owners), while performance standards apply to a forest management unit (a defined area of forest) and the quality of management in that forest. A variety of terms are used to describe this quality of management, including 'responsible forest stewardship', 'good practice' and 'sustainable forest management'.<sup>1</sup>




## Performance or System Standard?

ISPO	RSPO
<ul style="list-style-type: none"><li>• 3.5.1 Company has SOPs or work instructions and their implementation related to the management of B3 and B3 wastes</li><li>• 3.7.2 Company has SOPs on maintaining Protected and HCV areas</li><li>• 4.5.1 Company has documents on the establishment of Trade Union, bipartite meetings, and internal meetings of the union</li></ul>	<ul style="list-style-type: none"><li>• 3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place</li><li>• 6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages and made available upon request</li><li>• 7.12.4 (C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced...</li></ul>

*False Dilemma?*



So, which standard is the Performance Standard and which one is the System Standard?

Is this a false dilemma?



**SISTEM VERIFIKASI LEGALITAS KAYU: LESSONS LEARNED**

- SVLK is the gold standard for timber legality, in Indonesia as well as abroad
- SVLK comes as close to a multi-stakeholder initiative as is practically possible
- Building on existing requirements



The Timber Legality Verification System (SVLK; *Sistem Verifikasi Legalitas Kayu*) is a comprehensive response to international concerns over the trade of illegal timbers. Initially, these concerns resulted in a proliferation of initiatives to verify timber legality by consultants; including the *Legal Verified* mark by the Tropical Forest Foundation, *Timber Legality & Traceability Verification* by Société Générale de Surveillance, *Verification of Legal Origin* by Global Forestry Services, and *Verification of Legal Origin/Compliance* by the Rainforest Alliance.

During consecutive development stages, various stakeholders took lead in improving the theories and practices of SVLK: including The United Kingdom Department for International Development, the Indonesian Ministry of Forestry, The Nature Conservancy, and the Indonesian Ecolabelling Institute. And while imperfect, this may come as close to a multi-stakeholder initiative as is practically possible.


#### Links

<https://silk.dephut.go.id/index.php/info/svlk>





### *SISTEM VERIFIKASI LEGALITAS KAYU: KEY POINTERS*



- common understanding
- conflicts of interest of parties involved
- susceptible to "Trojan Horses"
- transparency and documentation
- stakeholder champions
- accessible to and cost-effective for all parties
- independent monitoring
- competence of auditors and consultants



The lessons learned from SVLK are extensive, and range from the mundane to the academic. While not intended to be comprehensive, the following bullet points cover the main lessons learned from the early days of SVLK:

Despite the complexity of timber legality and the emotive debate surrounding it, a common **understanding of timber (il)legality** and its issues was not considered a major task. Institutional knowledge of legality remained low, with little common terminology, few references to relevant publications or direct involvement of experts. The ensuing debate remained emotive, and didn't lead to factual arguments. Thus, for similar initiatives to succeed, they – at an early stage – must (a) define the scope of work, (b) cross-reference relevant requirements (read legislation) and (c) research related issues.

A substantial hurdle to progress were the numerous **conflicts of interest** of parties involved, despite clear guidelines from various parties (see also Lawson 2007, Nussbaum & Simula 2005, WWF & WB 2006). While full separation between accreditation, standard-setting and verification is a basic to the credibility of SVLK few of the parties involved in SVLK were sufficiently aware of this. Hence, consultants failed to achieve key deliverables and remained controversial with some stakeholders, civil society organizations were suspicious of the concession that volunteered for testing the standard, and government officials considered timber legality verification

the government's (i.e. 'their') private domain, and felt that independent consultants "nosing around" challenged their mandates.

Stakeholder consultation is susceptible to "**Trojan Horses**", consultants who pursue parallel agendas. Despite numerous attempts to address (a.o.) land tenure, free and prior informed consent, and state forest gazettal (Colchester 2004, ICSG 2006, SGS & URS 2004/2005a, WALHI 2006) these issues remained hotly debated. SLVK, possibly due to its mandatory nature, proved to be the wrong tool to address these issues. Equally, public legal reform (see ICSG 2006 and Lawson 2006) went far beyond the reach of SLVK.

The above conflicts of interests and Trojan Horses may be mitigated through **increased transparency** and **detailed documentation** of all activities. Poor documentation during key stages of SLVK hampered a clear understanding of the justification for many of the changes in the final draft standard, and fueled speculation and gossip. A systematic review of expectations concerning the scope of work should regularly determine if and how an initiative can address them. Indonesia is very active on social media, a tool that may support these solutions.

Identifying **stakeholder champions** significantly improved (local) support of SLVK. For example, the buy-in by government representatives significantly improved due to the activities by its Secretary General. (Government is a distinct stakeholder group that derives formal and informal funds from commercial forest management.) Local experts (often defined as called academics or eminent persons) play crucial roles in bridging deviating expectations/perceptions of the various stakeholders. These champions appear closely related to my "dragons" in the introduction... here be dragons?

Another key issue for credible standards is that they must be **accessible** to and **cost-effective** for all parties (Lawson 2007, WWF & WB 2006). Various other initiatives implement lighter requirements for community-based forest management, and thus create a perverse incentive by whitewashing timber through "community-based" setups. While initially following this "light" approach for community-based forest management, SLVK significantly strengthened this standard (and included an EIA and timber administration system). A key development is the centralized database now in use, which significantly reduced transaction costs – not in the least the informal transaction costs – in the timber trade.

SLVK aims to improve accountability through **independent monitoring** by NGOs. It institutionalized this through the Independent Forestry Observers Network. However, a quick review of its reports suggest it cherry-picks individual cases where issues occurred without consideration for the context of the audits done so far. It remains debatable if this approach actually improves accountability.


Publications like *Who Watches the Watchmen* (EIA 2015; see also Lawson 2007, WWF & WB 2006) – and many informal discussions – point to a crucial issue in SLVK and other initiatives using certification/verification: the **competence of auditors**. Some stakeholders argue that auditors are hired by the company and therefore will falsify

their findings in its favour. Auditors reject this conspiracy theory, claiming they use well- established (and accredited) procedures, and loss of credibility far outweighs any benefits of falsified findings. For instance, auditors identified identical weaknesses in the draft standard as brought forth by civil society organizations (Colchester 2004, ICSG 2006, SGS & URS 2004/2005a, WALHI 2006). Nonetheless, evidence is mounting that competence amongst auditors is declining, and they are currently the weakest link in certification/verification.

**Links**

<http://jpik.or.id/>


<https://eia-international.org/report/who-watches-the-watchmen/>




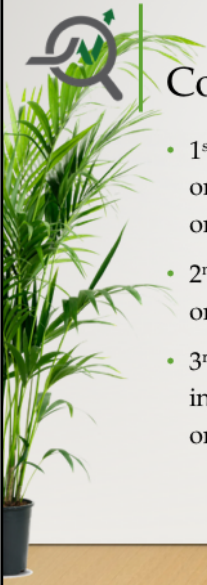
**ISPO  
CERTIFICATION**

ISPO has the potential of becoming the gold standard for oil palm cultivation in Indonesia, and beyond

Although ISPO is a local response to international criticism/concerns over negative aspects of palm oil production, the debate about the (f)actual impacts continues. For instance, claims that palm oil is the main driver of deforestation is disputed by studies that state it contributes to less than 10% of the total deforestation. Similarly, many foreign activists reject the (credible) claims that smallholders play a big role in deforestation. This (over)simplification of the issues at hand by foreign super brands fuels resentment and suspicions of neo-colonialism by these brands.









## Conformity Assessments

- 1<sup>st</sup> party (internal): someone from the organization assesses the organization
- 2<sup>nd</sup> party: someone from the organization assesses a provider
- 3<sup>rd</sup> party: someone from an independent entity assesses the organization



### First-Party Audits

First-party audits are often called [internal audits](#). This is when someone from the organization itself will audit a process or set of processes in the quality management system to ensure it meets the procedure that the company has specified. This person can be an employee of the organization or someone hired by the organization to perform the internal audits, such as a consultant, but the important thing is that the person is acting on behalf of the company rather than a customer or certification body. This type of audit is focused not only on whether the company processes meet the requirements of a standard, but all rules the company has set for itself. The audit will look for problem areas, areas where processes do not align with each other, opportunities for improvement, and the effectiveness of the quality management system. By design, these audits can and should be much more in depth than the other audits, since this is one of the best ways for a company to find areas to improve upon.

For more information on how to structure internal audits, take a look at [Five Main Steps in ISO 9001 Internal Audit](#).

### Second-Party Audits

A second-party audit is when a company performs an audit of a supplier to ensure



that they are meeting the requirements specified in the contract. These requirements may include special control over certain processes (such as soldering or welding), requirements on traceability of parts (knowing which parts are used in which products), requirements for special cleanliness standards, requirements for specific documentation, or any of a host of other items of special interest to that customer. These audits can be done on-site by reviewing the processes or even off-site by reviewing documents submitted by the supplier. The customer can audit all or part of the contract – whatever they see a need to audit. It is important to understand that a second-party audit is between the customer and the supplier and has nothing to do with becoming certified.

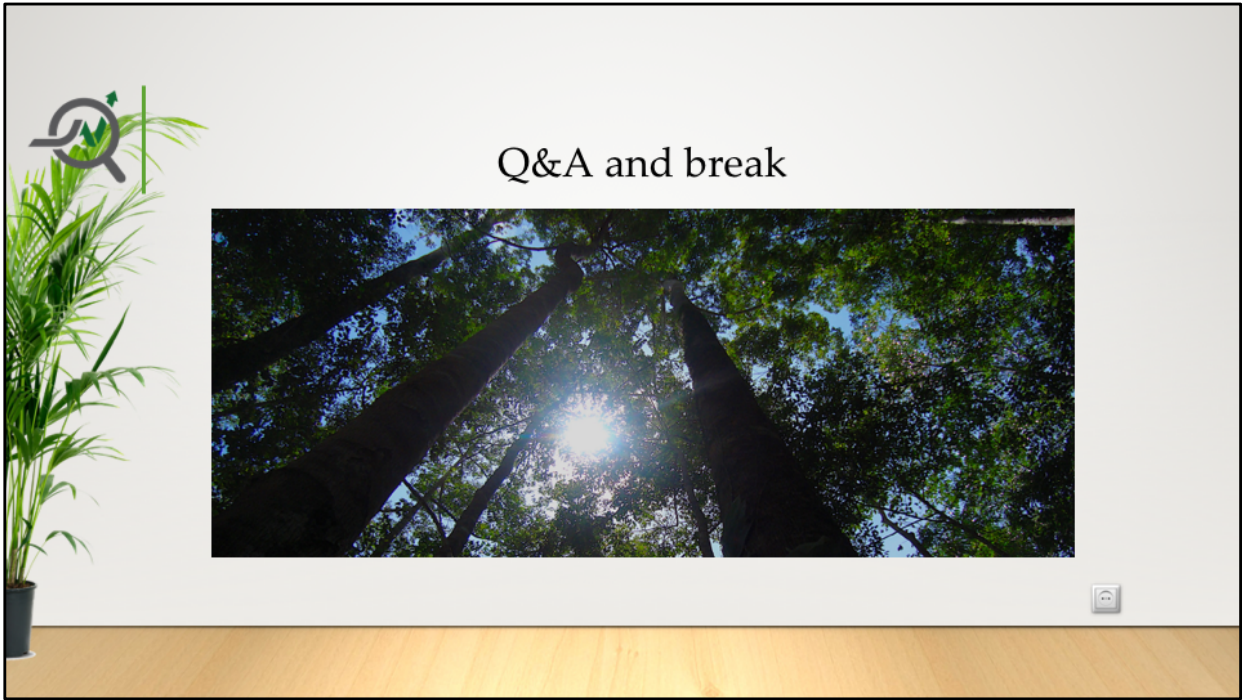
Many people thought that second-party audits would not be necessary once a company is certified to ISO 9001 by a certification body, but this is not necessarily true. Even if you are certified by a third-party audit, any of your customers may still want to perform a second-party audit to look at elements of their contract, especially if these elements are not the same as the ISO 9001 requirements. This is not required by all customers, and is not required to be certified to ISO 9001 by a certification body, but it is specified in some contracts and there are some customers that choose to perform these audits.

### **Third-Party Audits**

A third-party audit occurs when a company has decided that they want to create a quality management system (QMS) that conforms to a standard set of requirements, such as [ISO 9001](#), and hire an independent company to perform an audit to verify that the company has succeeded in this endeavor. These independent companies are called *certification bodies* or *registrars*, and they are in the business of conducting audits to compare and verify that the QMS meets all the requirements of the chosen standard, and continues to meet the requirements on an ongoing basis. They then provide certification to companies that they approve. This can be used to give customers of the certified company confidence that the QMS meets the requirements of the chosen standard.

There are three types of audits used in this process, called *certification audits*, *maintenance* or *surveillance audits*, and *re-certification audits*. For an explanation of the relationship between certification, maintenance, and re-certification audits, see the section on “The Cycle of Maintaining ISO 9001 Certification for a Company” in [ISO 9001 Certification: What is it for individuals and companies?](#)









**Conserve or Protect?**

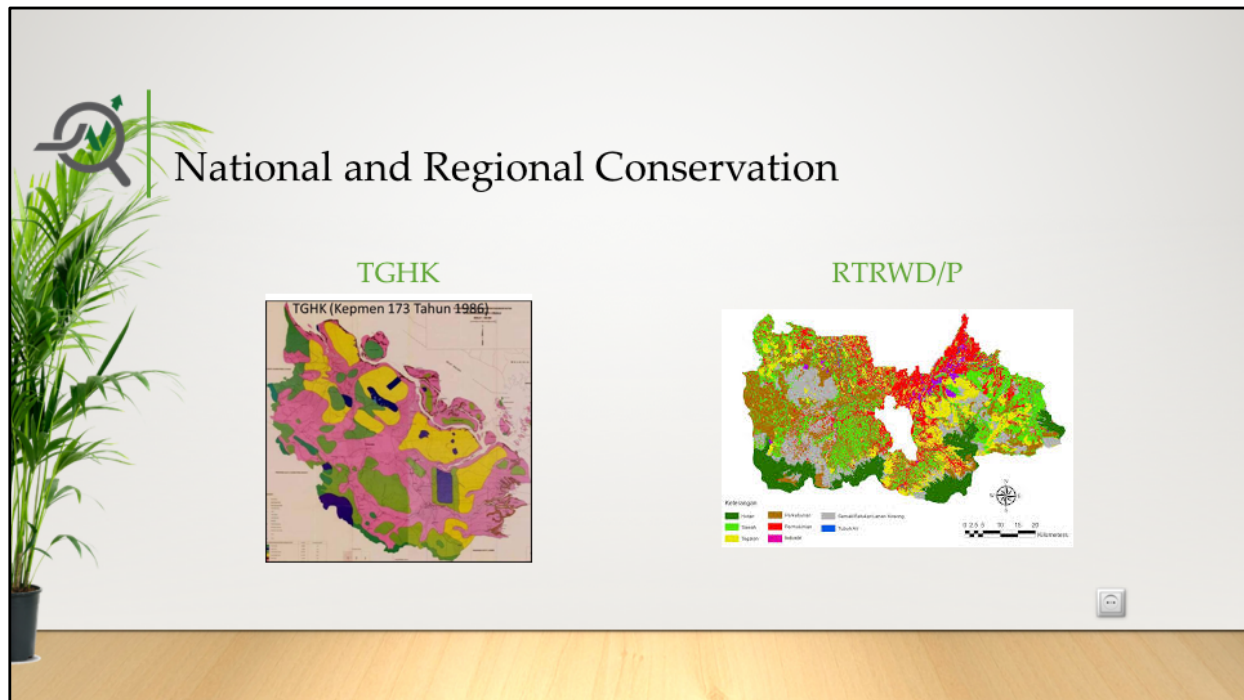
- Conservation areas are not mandatory!
- Potential conservation areas:
  - Riparian zones
  - Wildlife corridors
  - Endangered, rare or threatened species
  - Habitats
- How do operations affect existing conservation areas?
- Mitigation measures
- Monitoring plans

**PRESERVE  
WILDLIFE  
PICKLE  
A  
SQUIRREL**

>>What does protecting HCV-HCS-HFC mean for RSPO members? How does this balance against legal requirements?<<

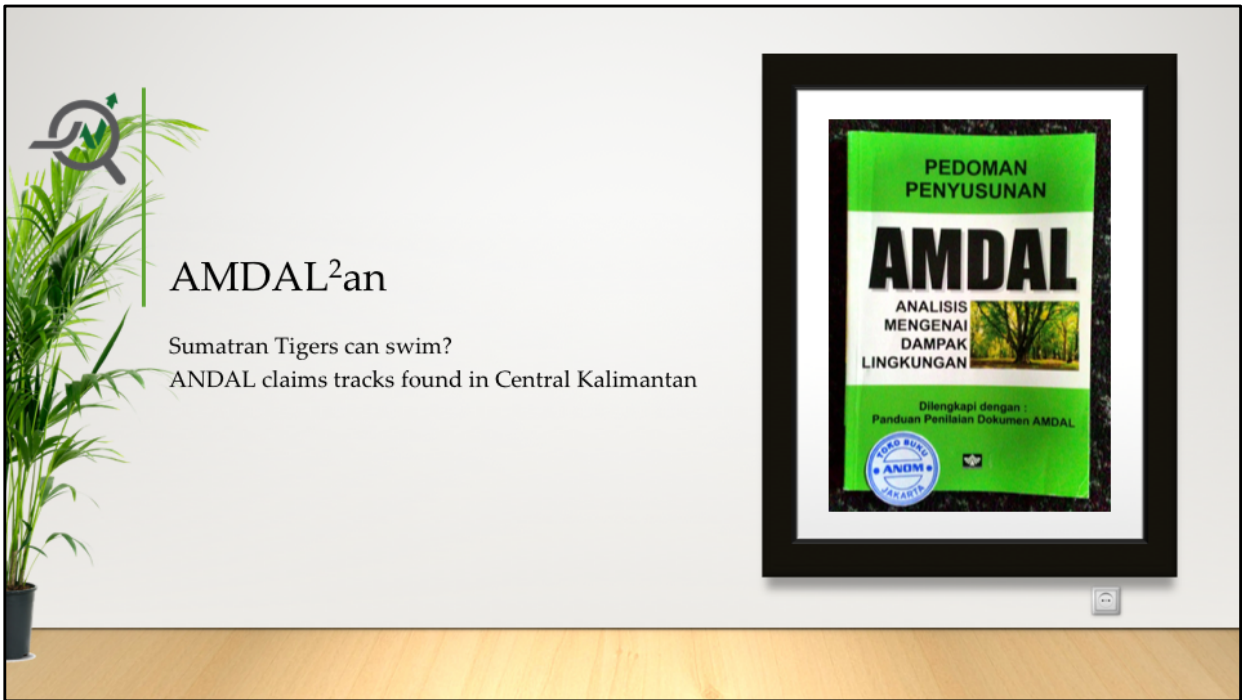




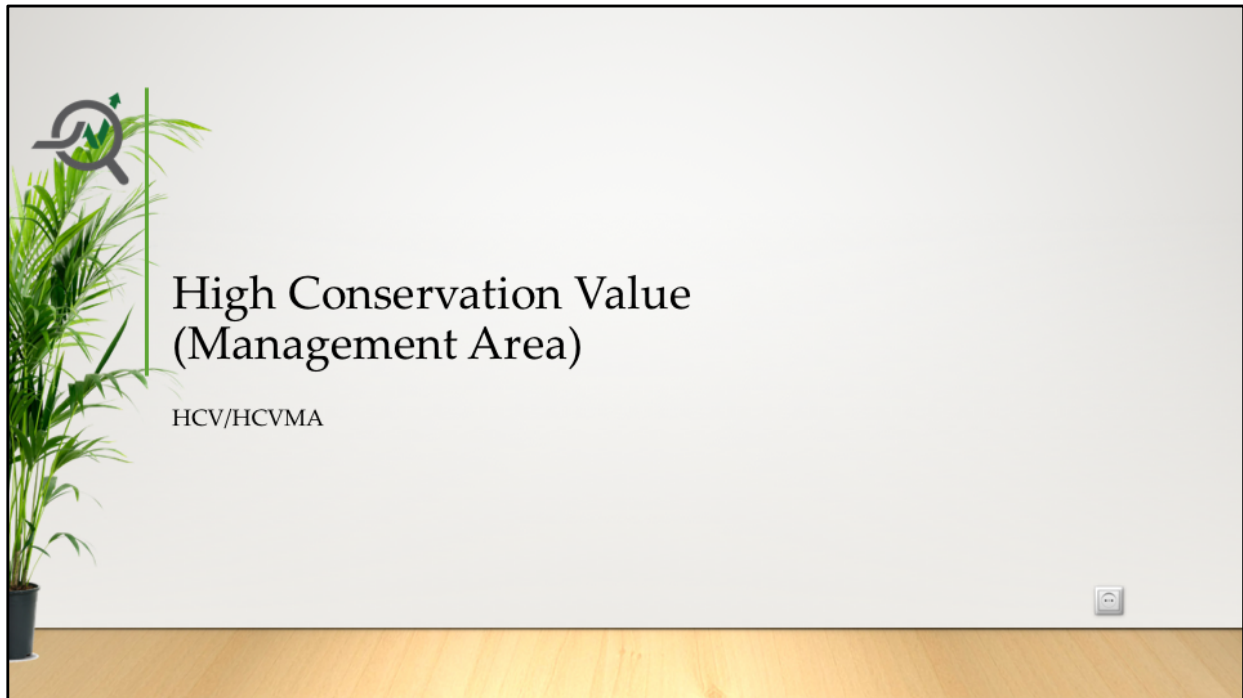


Tata Guna Hutan Kesepakatan (TGHK)  
Rencana Tata Ruang Wilayah (RTRW)  
AMDAL (ANDAL/RKL/RPL)










Developed by the Forest Stewardship Council (FSC) since 1996, and formally approved in 1999. >>MORE<<

Practiced by FSC (link 1), RSPO (link 2), Bonsucro (link 3), Roundtable On Sustainable Biomaterials (link 4), Round Table for Responsible Soy (link 5), and others.

**Links:**

1. <https://ic.fsc.org/en>
2. <https://www.rspo.org/>
3. <https://www.bonsucro.com/>
4. <https://rsb.org/>
5. <http://www.responsiblesoy.org/?lang=en>



“a forest of outstanding and exceptional quality:  
ancient, frontier, old-growth, pristine or virgin  
forest”

High Conservation Value Forest (Forest Stewardship Council 1999)

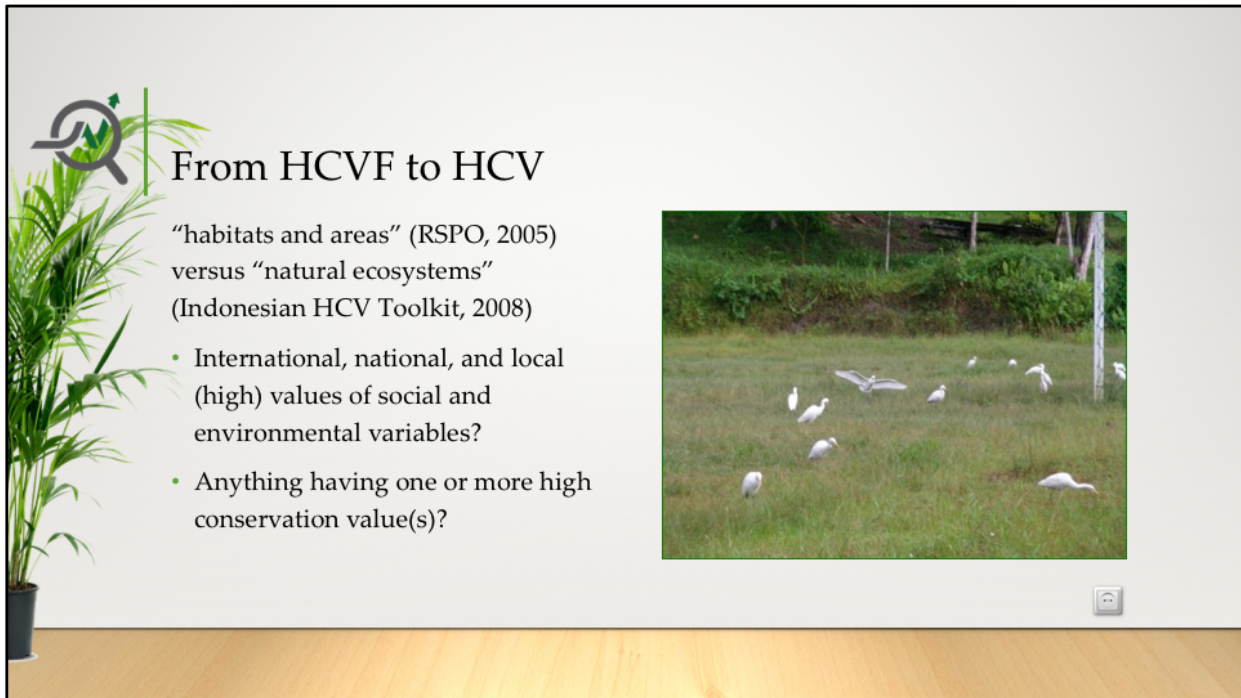
Forest (FAO, 2006; link 1): Land spanning >0.5 ha with trees >5m and a canopy cover >10%, or trees able to reach these thresholds in situ. It does **not** include land that is predominantly under agriculture or urban use.

Originally, the concept covered natural forests, with various strata and species (a multi-dimensional system) and limited human intervention.

- Forest is determined both by the presence of trees and the absence of other predominant land uses. The trees should be able to reach a minimum height of 5 metres (m) in situ. Areas under reforestation that have not yet reached but are expected to reach a canopy cover of 10 percent and a tree height of 5 m are included, as are temporarily unstocked areas, resulting from human intervention or natural causes, which are expected to regenerate.
- Includes: areas with **bamboo** and **palms** provided that height and canopy cover criteria are met; forest roads, firebreaks and other small open areas; forest in national parks, nature reserves and other protected areas such as those of specific scientific, historical, cultural or spiritual interest; windbreaks, shelterbelts and corridors of trees with an area of more than 0.5 ha and **width of more than 20 m**; plantations primarily used for forestry or protective purposes, such as rubber-wood plantations and cork oak stands.
- Excludes: **tree stands in agricultural production systems**, for example in fruit plantations and agroforestry systems. The term also excludes trees in urban parks and gardens.

**Links:**


1. <http://www.fao.org/docrep/pdf/008/A0400E/A0400E00.pdf> (available on USB)



## From HCVF to HCV

“habitats and areas” (RSPO, 2005)  
versus “natural ecosystems”  
(Indonesian HCV Toolkit, 2008)

- International, national, and local (high) values of social and environmental variables?
- Anything having one or more high conservation value(s)?



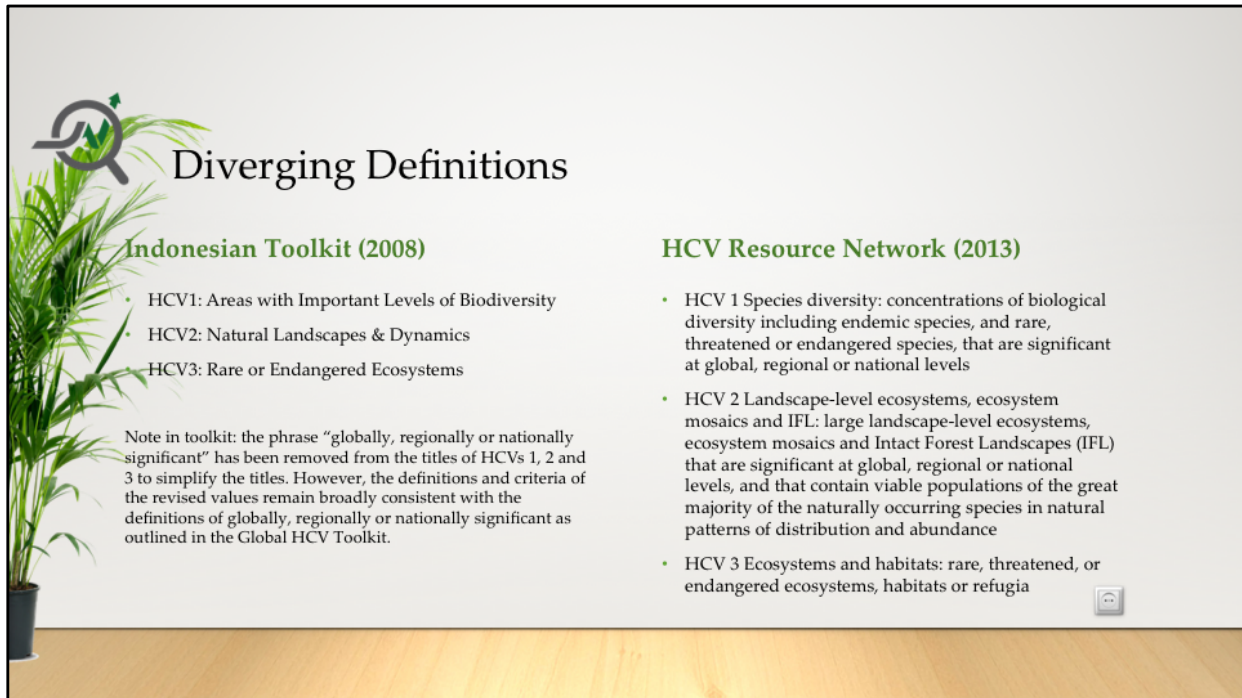
The concept quickly reduced to abstract, single values, an over-simplification for dummies. For example, see image right: Heron/Egret or Burung Kuntul (*Bubulcus*) on a soccer field classified as HCV1. Following this HCV Assessment, the management unit discontinued the certification process.

In theory, HCV demands a greater degree of protection to ensure their long-term maintenance, hence the approach should be:

- **Knowledge-based**, incorporating and using all relevant scientific data and local knowledge. Where significant gaps in existing information are identified, data should be collected, and the **precautionary approach**, commensurate with the degree of risk, should always be followed.
- **Participatory and inclusive**, ensuring that relevant stakeholders are consulted and their views or the information they provide is incorporated into the process and that appropriate existing initiatives are engaged wherever possible.
- **Open and transparent**, including public reporting of outcomes.

In practice, it's none of the above!





## Diverging Definitions

### Indonesian Toolkit (2008)

- HCV1: Areas with Important Levels of Biodiversity
- HCV2: Natural Landscapes & Dynamics
- HCV3: Rare or Endangered Ecosystems

Note in toolkit: the phrase “globally, regionally or nationally significant” has been removed from the titles of HCVs 1, 2 and 3 to simplify the titles. However, the definitions and criteria of the revised values remain broadly consistent with the definitions of globally, regionally or nationally significant as outlined in the Global HCV Toolkit.

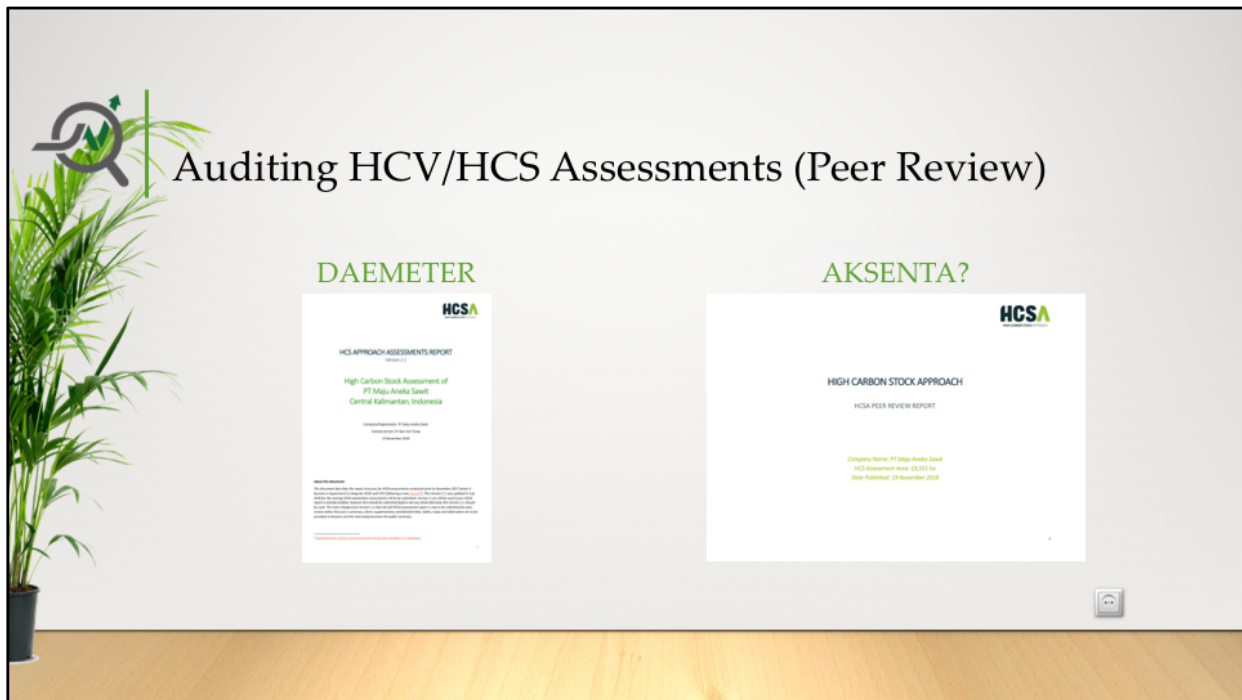
### HCV Resource Network (2013)

- HCV 1 Species diversity: concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels
- HCV 2 Landscape-level ecosystems, ecosystem mosaics and IFL: large landscape-level ecosystems, ecosystem mosaics and Intact Forest Landscapes (IFL) that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance
- HCV 3 Ecosystems and habitats: rare, threatened, or endangered ecosystems, habitats or refugia

- Proliferation of standards (as well as guides and toolkits) by nationalist “experts”
- Exacerbating the gap between international, national and local understanding of conservation

#### Links

1. <http://slides.com/proforest/deck-3#/>



This information will cover:

Presence of protected areas that could be significantly affected by the grower or miller;

Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller;

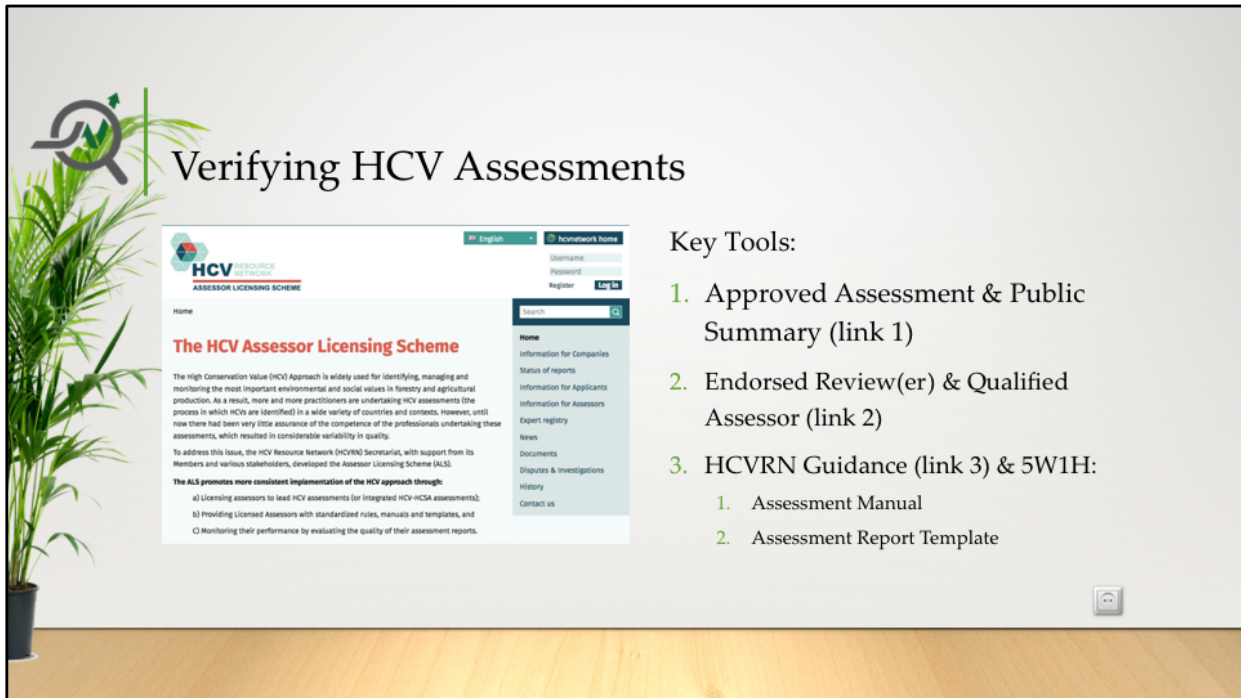
Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller;

This information gathering should include checking available biological records and consultation with relevant government departments, research institutes and interested NGOs if appropriate. Depending on the biodiversity values that are present, and the level of available information, some additional field survey work may be required.

Wherever HCV benefits can be realised outside of the management unit, collaboration and cooperation between other growers, governments and organisations should be considered.

In the land of the blind, One-Eye is the king: "if you approve my assessment, then I

approve yours.” Serious collusion between practitioners, need for double-blind peer reviews. <<



## Verifying HCV Assessments

**The HCV Assessor Licensing Scheme**

The High Conservation Value (HCV) Approach is widely used for identifying, managing and monitoring the most important environmental and social values in forestry and agricultural production. As a result, more and more practitioners are undertaking HCV assessments (the process in which HCVs are identified) in a wide variety of countries and contexts. However, until now there had been very little assurance of the competence of the professionals undertaking these assessments, which resulted in considerable variability in quality.

To address this issue, the HCV Resource Network (HCVRN) Secretariat, with support from its Members and various stakeholders, developed the Assessor Licensing Scheme (ALS).

**The ALS promotes more consistent implementation of the HCV approach through:**


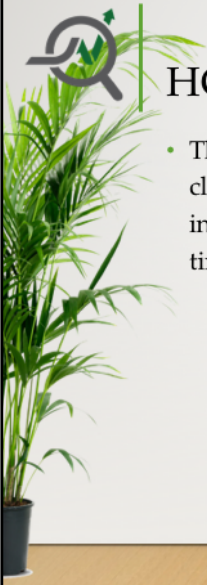
- Licensing assessors to lead HCV assessments (or integrated HCV-HCSA assessments);
- Providing Licensed Assessors with standardized rules, manuals and templates, and
- Monitoring their performance by evaluating the quality of their assessment reports.

### Key Tools:

1. Approved Assessment & Public Summary (link 1)
2. Endorsed Review(er) & Qualified Assessor (link 2)
3. HCVRN Guidance (link 3) & 5W1H:
  1. Assessment Manual
  2. Assessment Report Template



### Links:

1. <https://www.hcvnetwork.org/als/public-summaries>
2. <https://www.hcvnetwork.org/als/home>
3. <http://www.hcvnetwork.org/als/documents-and-guidance>



## HCV

- The concept is hampered by a lack of clear guidance ... and is becoming increasingly complex, time-consuming and expensive (van Assen 2009)

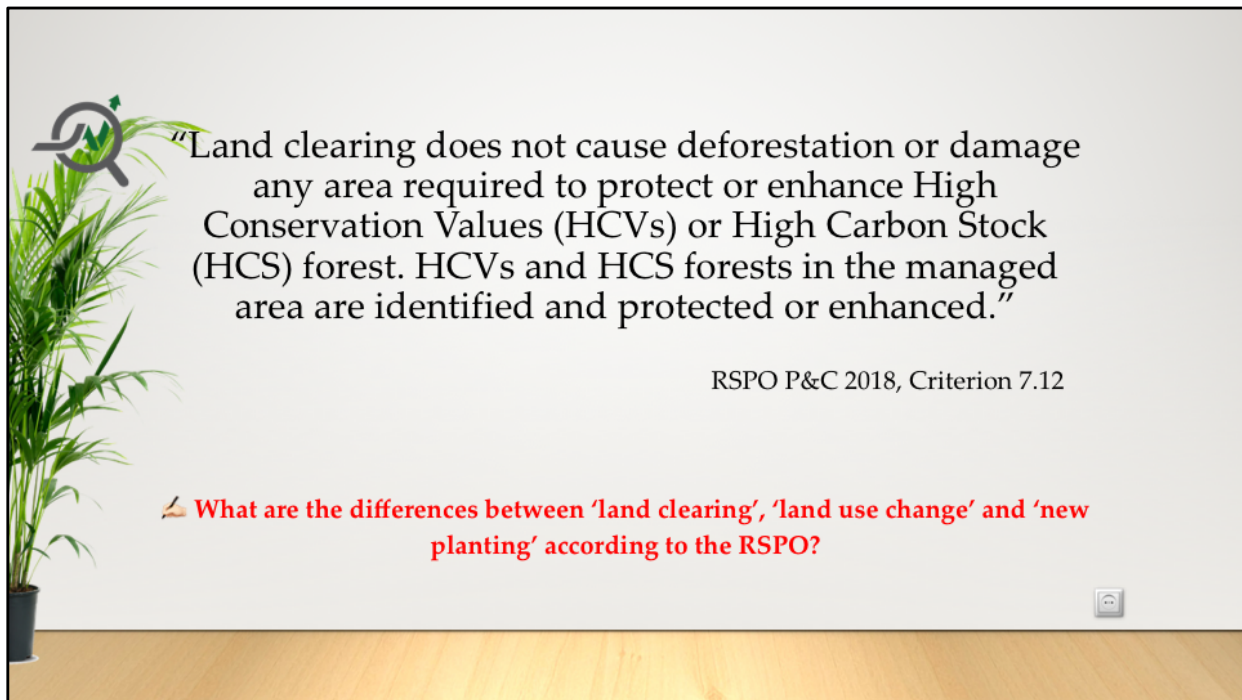


After AMDAL<sup>2</sup>an now HCV<sup>2</sup>an



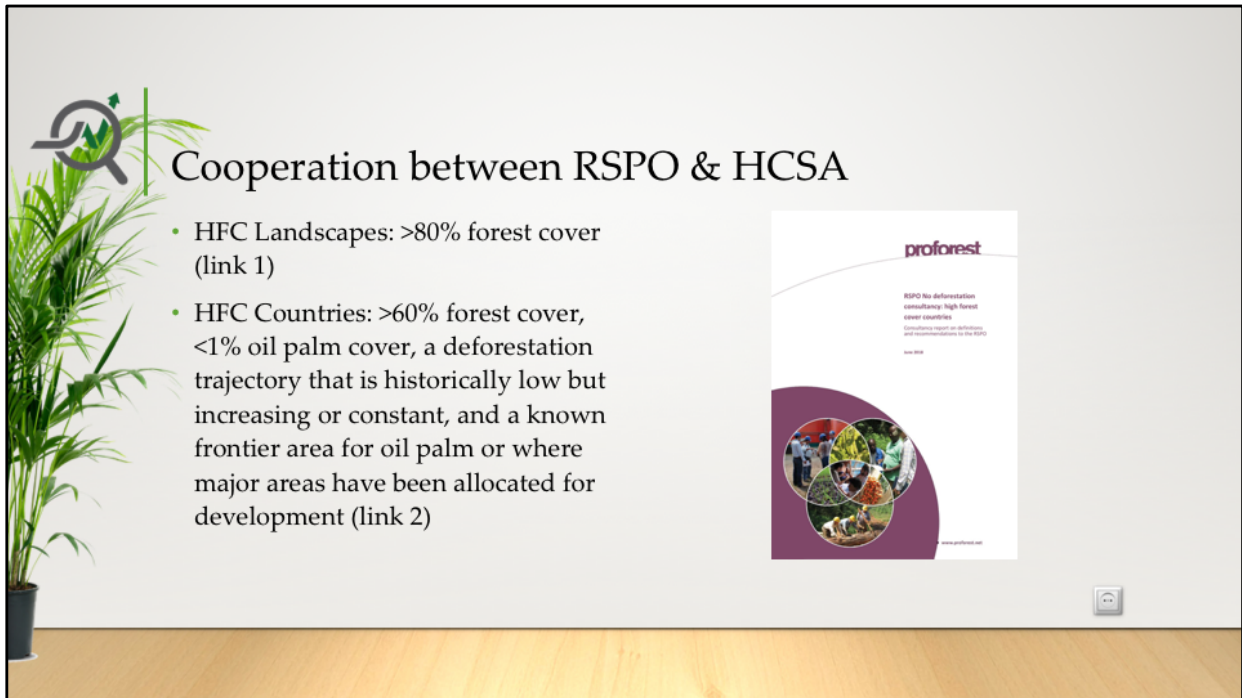







**RSPO PROCEDURAL NOTE for Criterion 7.12:**

- The 2018 RSPO P&C include new requirements to ensure the effective contribution of RSPO to halting deforestation. This will be achieved by incorporating the High Carbon Stock Approach (HCSA) Toolkit in the revised standard.
- The RSPO ToC also commits RSPO to balancing sustainable livelihoods and poverty reduction with the need to conserve, protect and enhance ecosystems.
- High Forest Cover Countries (HFCCs) urgently require economic opportunities that enable communities to choose their own development path, while providing socio-economic benefits and safeguards.
- Adapted procedures will be developed to support the sustainable development of palm oil by indigenous peoples and local communities with legal or customary rights. These will apply in specific HFCCs, and within those, in High Forest Cover Landscapes (HFCLs).
- The development of these procedures will be guided by a No Deforestation Joint Steering Group (NDJSG) of RSPO and HCSA members. In HFCCs, RSPO will work through national and local participatory processes with governments, communities and other stakeholders to develop these procedures. A timeframe for these activities is stipulated in the Terms of Reference for the NDJSG and publicly available.



## Cooperation between RSPO & HCSA

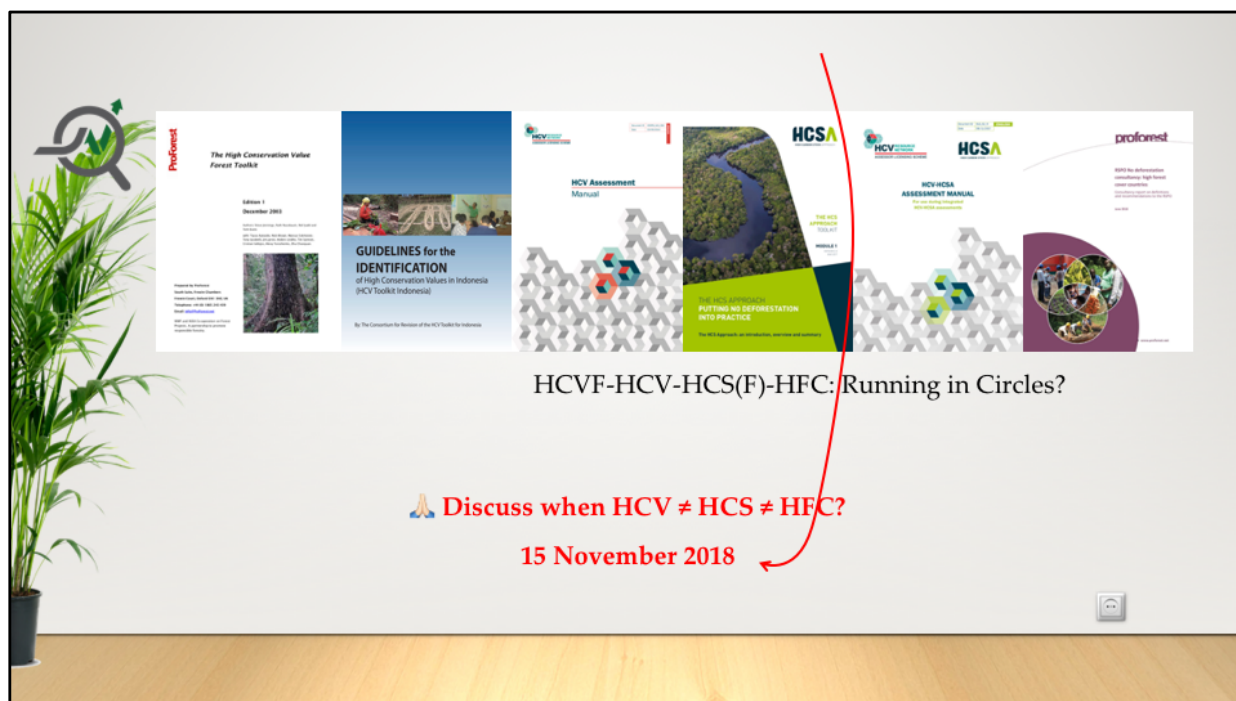
- HFC Landscapes: >80% forest cover (link 1)
- HFC Countries: >60% forest cover, <1% oil palm cover, a deforestation trajectory that is historically low but increasing or constant, and a known frontier area for oil palm or where major areas have been allocated for development (link 2)



- Still under development.

**Links:**

1. <https://askrspo.force.com/s/article/What-is-High-Forest-Cover-Landscape-HCFL-and-what-is-the-link-with-HCSA>
2. <https://www.rspo.org/principles-and-criteria-review/rspo-high-forest-cover-countries-consultancy-report>



### 15 November 2018 cut-off

- BEFORE: use approved HCV Assessment
- AFTER: approved HCV-HCS Assessment



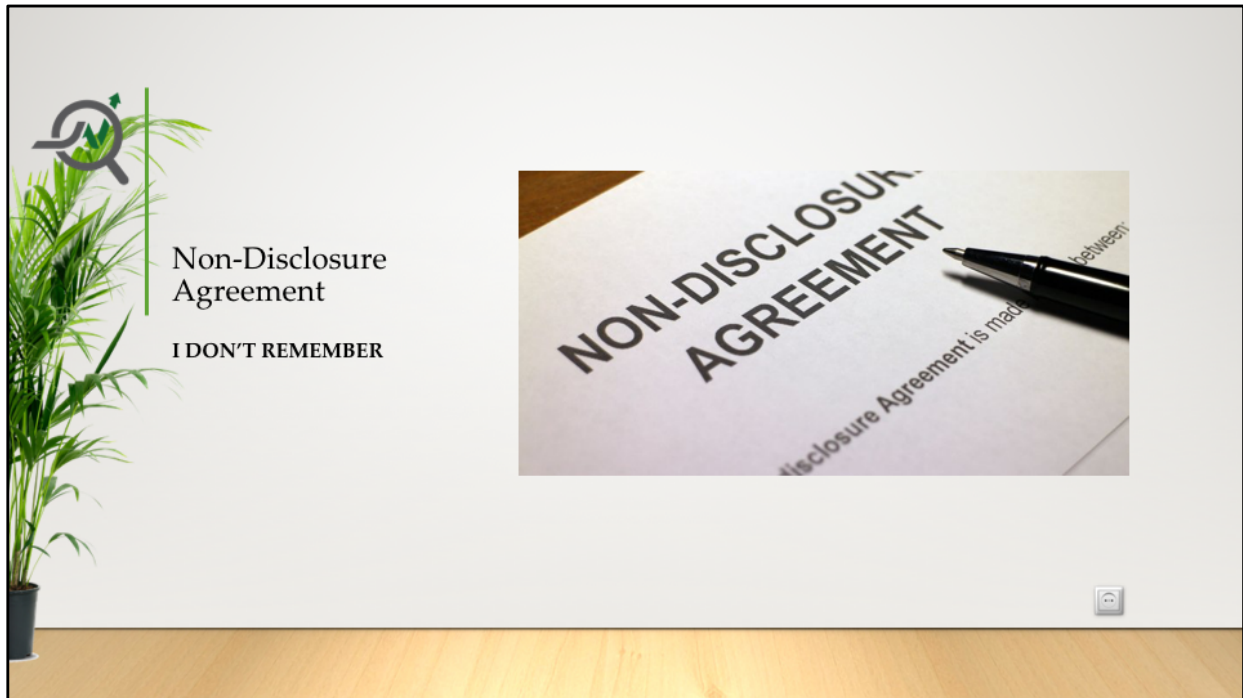
KISS

Complex terminology and requirements have a perverse effect










Once you get out into the real world, the NDA will rule your life and reputation (credibility)

So, let me teach you the 3 most important words for the rest of your life when talking about your work with outsiders:

I DON'T REMEMBER!




## Hypothetical example (150,000+ ha)

### DIRECT COSTS

- Audit cycle: 5 years
  - Initial Audit = USD 45,000
  - Surveillance Audit = USD 20,000
  - DLL = 10-15%
- USD 140,000 total

### INDIRECT COSTS (EXAMPLES)

- HCV Assessment = USD 55,000
- HCS Assessment = USD 30,000 - 60,000
- HFC Assessment = ???
- "hidden costs"
  - HCV Consultation = USD 15,000
  - Peer Review = USD 5,000
  - Revision = USD 10,000
  - GIS data = USD 15,000
  - ...
- USD 100,000-300,000 total

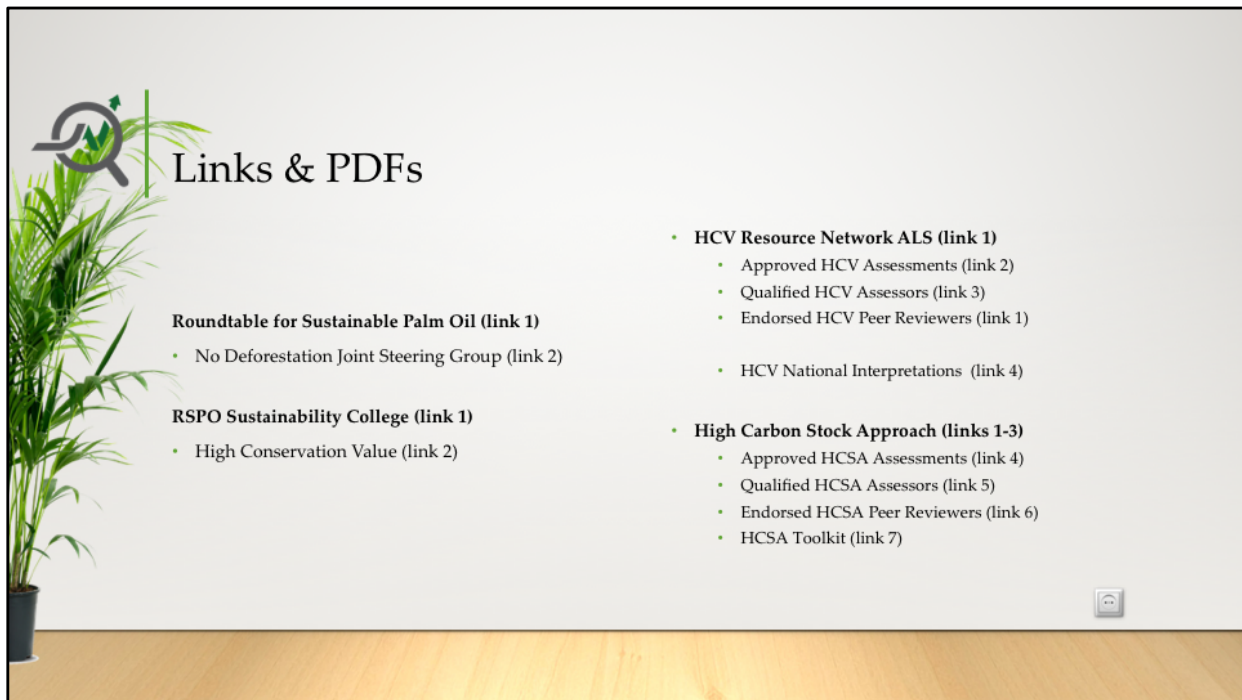




Mapping

Ground truth all maps prior to release





## Links

- RSPO
  1. <https://www.rspo.org/>
  2. <https://rspo.org/about/supporting-bodies/no-deforestation-joint-steering-group-ndjsg>
- RSPO Sustainability College
  1. <https://sustainability-college.rspo.org/courses>
  2. <https://sustainability-college.rspo.org/learn?course=hcv>
- HCV Resource Network
  1. <https://hcvnetwork.org/als/>
  2. <https://www.hcvnetwork.org/als/public-summaries>
  3. <https://hcvnetwork.org/find-assessors/>
  4. <https://www.hcvnetwork.org/resources/global-hcv-toolkits>
- HCS Approach
  1. <http://highcarbonstock.org/>
  2. <http://highcarbonstock.org/the-high-carbon-stock-approach/>
  3. <http://highcarbonstock.org/the-hcs-approach-toolkit/>
  4. <http://highcarbonstock.org/registered-hcsa-assessments/>
  5. <http://highcarbonstock.org/hcs-approach-quality-review-process/hcs->

- approach-registered-organisations/  
6. <http://highcarbonstock.org/hcs-approach-quality-review-process/hcsa-peer-review-panellists/>  
7. <http://highcarbonstock.org/the-hcs-approach-toolkit/>