

RLA IWG Land Use Change Task Group Meeting #3

Thursday, September 6, 2018

Agenda

1. Introductions
2. Upcoming Meetings
3. RLRT Charter
4. Review from last meeting
5. Accountability Framework Definitions and Discussions

Land Use Change: What do we need to determine?

- Review from meeting #2

As of our last call, we decided to focus solely on deforestation for now.

Investment groups are looking for deforestation-free supply chains

AFi is a broad framework/set of recommendations, but does not address water in any way. Depending on the complexity of the supply chain of each operation, you would need to go down into the weeds and

RSPO is moving away from Book and Claim system because it is not reliable

There may be traceability to the cow-calf farm in Brazil very soon
Traceability in the cattle supply chain event in Kansas
Constantly evolving

If we still solely and very closely to a fully traceable supply chain, the costs will prevent us from moving forward very well. We have direct experience with this with RWS because it is complicated to send the demand through the supply chain, the costs also getting in the way, it is very slow to grow.

It would be in the best interest to have that stipulated explicitly so that if/when we are attacked, we would have more to back up our stance and the progression we go through.

Ideally, we will offer both options, but it is important for us to grow the supply and the demand.

What type of claims do we want to support for Book and Claim?

- RSPO: IP is “certified”, MB is “mixed” (contains), and BC is “credits” (supports)
- We would use “supports” or contributes
- We should have a differentiated logo for BC and full traceability

Is it important to have farm information?

- There can be blind trading, but perhaps we can share more information

- This exists in certain countries, but may be difficult in other parts of the world; would be great to have as an option

Should we require any traceability from Slaughter back to Finishing Farm?

- Slaughterhouses may know where the cattle are coming from, but once they are there, they become mixed up, so they can often only say a certain percentage is certified
 - This is where **Mass Balance** would work well

Do we only support high risk areas?

- Need to do more mapping

One thought we should consider – do not make it so that there are areas to ‘avoid’ sourcing leather; make them regions for opportunities to support better practices. An approach of negativity does nobody any good.

Some brands may want to see a map of areas that are “good” to source from, but more progressive brands may be keen to support higher risk areas in moving towards better practices.