

ASI Standards Committee – Minutes – Teleconference

Date: 12 April 2018

Antitrust Statement:

Attendees are kindly reminded that ASI is committed to complying with all relevant antitrust and competition laws and regulations and, to that end, has adopted an Antitrust Policy, compliance with which is a condition of continued ASI participation. Failure to abide by these laws can have extremely serious consequences for ASI and its participants, including heavy fines and, in some jurisdictions, imprisonment for individuals. You are therefore asked to have due regard to this Policy today and in respect of all other ASI activities.

Participants:

Co-Chairs: Jostein Soreide (Norsk Hydro)

Committee Members: Catherine Athenes (Constellium), Justus Kammuller (WWF), Bjoern Kulmann (Ball), Adam Lee (IndustriALL Global Union), Jerome Lucaes (Rusal), Rosa Garcia Pineiro (Alcoa), Hugo Rainey (Wildlife Conservation Society), Stefan Rohrmus (Schueco), Marcel van der Velden (Arconic), Kendyl Salcito (NomoGaia).

ASI Secretariat: Fiona Solomon, Sam Brumale, Krista West, Michelle Freesz

Proxies: Justus Kammuller (WWF) proxy for Giulia Carbone (IUCN)

Apologies: Marie-Josée Artist (VIDS - Association of Village Leaders, Suriname), Nicholas Barla (Odisha Indigenous Peoples Forum, India), Karl Barth (BMW), Christophe Boussebart (Nespresso), Giulia Carbone (IUCN), Roland Dubois (Rio Tinto Aluminium), Justin Furness (Council for Aluminium in Building), Annemarie Goedmakers (Chimbo Foundation), Jean-Pierre Mean (Independent anti-corruption expert), Tom Maddox (Fauna and Flora International), Josef Schoen (Audi), Neill Wilkins (Institute for Human Rights and Business).

Invited: None

Documents circulated:

1. Meeting Agenda (including Meeting Action Log)
2. Minutes of previous meeting 6 February 2018 v2
3. ASI Oversight Mechanism (draft 2, April 2018)
4. Draft agenda for Standards Committee face to face meeting 25 – 26 May 2018 (draft 14 Feb 2018)
5. Draft ASI Monitoring and Evaluation Plan (draft 5, 9 April 2018)
6. Alternate Form [Word]
7. Proxy form for this meeting [Word]

The PowerPoint presentation slides were also circulated.

Meeting objectives:

1. Adopt minutes of the previous meeting.
2. Recommend candidates for Standard Committee casual vacancies.
3. Review and discuss draft ASI Oversight Mechanism (draft 2).
4. Review and discuss agenda for face to face Standards Committee meeting 25-26 May 2018.
5. Review and discuss the draft ASI monitoring and Evaluation Plan (draft 5).

Items discussed:

1. Preliminaries

- a. Welcome.
 - New Standards Committee members:
 - Nicholas Barla, IPAF representative. The second IPAF representative position will be shared among Marie-Josée Artist, Robie Halip, Gina Castelain and Samin Ngach for the next 12 months as part of a transition process and to support regional and gender diversity.
 - Kendyl Salcito (NomoGaia)
 - Hugo Rainey (Wildlife Conservation Society)
- b. Apologies and proxies received.
- c. **RESOLVED to accept minutes of previous teleconference meeting held on 6 February 2018 (version 2).**
- d. Review of Actions Log – see list at end of Agenda with one action currently open.

2. Standards Committee Update:

- a. **Standards Committee Elections [For Action and Information]** – it was noted that with Committee members at the end of their first term, nomination and election process were held in February-March 2018, as per the processes in the ASI Governance Handbook. **New terms take effect 20 April 2018.** Results of the election process as follows:

Class	Outcome	Participants
Production & Transformation	6 vacancies filled by 6 nominations	<ul style="list-style-type: none"> • Catherine Athènes (Constellium) • Steven Bater (Emirates Global Aluminium) • Catherine Munger (Rio Tinto Aluminium)
Industrial Users	6 vacancies filled by 4 nominations	<ul style="list-style-type: none"> • Rosa M. Garcia Piñeiro (Alcoa) • Jostein Søreide (Norsk Hydro) • Alexey Spirin (UC Rusal)
Civil Society	10 vacancies filled by 9 nominations	<ul style="list-style-type: none"> • Karl Barth (BMW) • Christophe Boussemart (Nestlé Nespresso) • Marcel van der Velden (Arconic) • Stefan Rohrmus (Schüco International KG) • Giulia Carbone (IUCN) • Annemarie Goedmakers (Chimbo Foundation) • Hugo Rainey (Wildlife Conservation Society) • Justus Kammüller (WWF) • Kendyl Salcito (NomoGaia) • Adam Lee (IndustriALL Global Union) • Neill Wilkins (Institute for Human Rights and Business) • Thomas Maddox (Fauna & Flora International) • Jean-Pierre Méan (Independent Anti-Corruption Expert) is to be put to the Board for appointment as an independent external expert.

- ASI gives sincere thanks to the outgoing Committee members for their participation and input over the past 2 years:
 - Roland Dubois (Rio Tinto Aluminium)
 - Bjoern Kulmann (Ball)
 - Jerome Lucaes (Rusal)
 - Brenda Pulley (Keep America Beautiful)
 - Josef Schoen (Audi)
- Vacancies:
 - There are 2 vacancies for the Industrial Users class, to be filled as casual positions. The following nominations were received from other ASI members (Associations) as part of a casual vacancy nomination round to fill these vacancies:

Candidate	Organisation
Dr. Pamela Ravasio	Head of CSR & Sustainability, European Outdoor Group
Justin Furness	Technical Director, Council for Aluminium in Building
Rolf Varis	Head of Sustainability, IGORA

- There is also 1 vacancy for the Civil Society class. Under the ASI Constitution, the minimum civil society participation of 6 has been met, but the Committee could consider recommending one of these member candidates to fill the vacancy.
 - Rolf Varis, IGORA, served in the IUCN Standards Setting Group in the ‘civil society’ category to 2014. He is also a member of the Material Stewardship and Recycling Working Group.
 - An option for Standards Committee discussion would be for Rolf to fill the Civil Society vacancy and the other two candidates to fill the Industrial Users vacancies.
- Standards Committee were requested to discuss and make a recommendation to the Board the candidates for 2 remaining Industrial User vacancies, and Civil Society vacancy if applicable.

Committee discussion included:

- One member asked about whether there was value in holding the spaces open for a company to fill it in the future. The Secretariat responded that all member companies in the Industrial Users and Downstream Supporters were approached and unable to put a name forward at this time. Under ASI’s Constitution, these are the processes in place to fill vacancies to ensure a balance of interests are represented.
- The Committee agreed with filling the vacancies using the approach as presented and recommended the Board appoint the nominated individuals to the Committee as follows:
 - Pamela Ravasio (European Outdoor Group) and Justin Furness (Council for Aluminium in Building) be appointed to the Standards Committee in the Industrial Users class for a term of 1 year
 - Rolf Varis (IGORA) be appointed to the Standards Committee in the Civil Society class for a term of 1 year
- The Committee noted that these appointments would fill all vacant seats on the Committee.

b. Accredited Auditor and Registered Specialist Update [For Information]:

- Accredited Audit Firms:
 - A new firm accredited – Bureau Veritas Austria (i.e. the legal entity located in Austria). It was clarified that the current ASI accreditation scope for Bureau Veritas Austria was for the Austrian legal entity as this as the scope of their application. However, Bureau Veritas were welcome to expand the ASI accreditation scope, as required for example were clients request their services in other locations.
 - Review of three applications in progress (International Associates, ERM CVS and GUTcert)
- Two new Registered Specialists added.

c. elementAI Update [For Information]:

- Audit Report feature in the Auditor dashboard continues to be finalised. Development of functionalities for follow-up audits (surveillance, re-certifications, scope changes, etc.) are also underway.
- A reminder to all Members that have initiated self assessments (using the pilot version of the Standards) that these can be migrated into the new format (to the launch versions of the ASI Standards) on request.
- Four certification audits initiated. Two audits have been completed and certifications issued to Rio Tinto as publicly announced this week. Results of the other audits are pending and will be publicly communicated when finalised.

Committee discussion included:

- One member asked whether more information about the audits other than the public summary reports currently published on the ASI website, would be made available to the public and the Standard Committee. The Secretariat responded that there was a decision made in the Montreal Standard Committee meeting regarding providing a high level overview of the findings. The decision made by the Committee at the time followed a review of other schemes with public information ranging from no details about the audit through to full disclosure of the audit report, and that the Committee agreed that ASI would initially publish conformance ratings with a high level summary statement for each criterion. The member responded that the current level of public finding may not inspire confidence in the findings and could negatively impact the credibility of ASI. The Secretariat also noted that the Committee decision about the public summary incorporated an aspiration to evolve over time such that the level of detail in the public reports would migrate towards full disclosure.
- The Secretariat provided further background to the oversight assessment process that the Secretariat applies to the audit reports to ensure that the audits have been appropriately scoped, conducted and findings evaluated.

d. ASI Oversight Mechanism [For Information and action]:

- ASI Oversight Mechanism (draft 2, April 2018) circulated for comment.
- Oversight mechanism aligns with oversight requirements in *ISO/IEC 17011:2006 Conformity assessment – General Requirements for Accreditation bodies accrediting conformity assessment bodies* and the *ISEAL Codes of Good Practice for Assuring Compliance with Social and Environmental Standards*.
- It is designed around five pillars:
 1. Assurance steps defined in ASI documents including the Assurance Manual, Accreditation procedure
 2. Processes for the Secretariat to review the conduct of certification audits and audit reports for completeness and adherence to ASI processes
 3. Auditor competence and calibration training through initial and ongoing training
 4. Internal and external checks and reviews including the establishment of an Independent Accreditation Review Panel (ARP). Details about the an Independent Accreditation Review Panel included:
 - Approach adopted by other IAF accreditation bodies (UKAS, JAS-ANZ, etc.)
 - A panel of 4-6 independent technical experts in the field of accreditation and certification audits, and issues pertaining to the aluminium supply chain. Members must be independent from ASI activities (including Board, Committee and Working Groups) and decision making including provision of consultancy services and/or audits for Members

- Appointed by the ASI board for two year terms (up to 3 consecutive terms), with one ARP position reserved for a nominated representative from the Indigenous Peoples Advisory Forum
 - Responsible for periodically reviewing accreditation and certification processes and decisions in relation to awarding, maintaining, extending, reducing, suspending and/or withdrawing ASI accreditations and ASI Certifications
5. Transparent reporting of assurance and audit outcomes (e.g. Public Audit Summary Reports, Annual Impacts Reports, etc.)
- The objective is to finalise the Oversight procedure by end of May and then appoint ARP in second half of 2018

Committee discussion included:

- One member asked what decision making/outcome role the ARP has to, for example, revoke a certification or take away the accreditation of an auditor. The Secretariat responded that the ARP's focus was on the processes applied to accreditation and certification decisions. It would report on the effectiveness of these processes based on evidence, including a review of audit reports, oversight assessments, accreditation approvals and issue of certifications. These reports and any associated recommendations would be made to the Board: revisions to the ASI certification processes, and individual decisions, may then arise.
- One member asked whether the Complaints Mechanism was tied to the ARP. The Secretariat stated that the Complaints Mechanism is open to all stakeholders and can be a vehicle for actioning findings from the ARP review process.
- One member asked whether the ARP would have access to non-disclosed information, such as full audit reports. The Secretariat responded that the ARP would have access to that information subject to confidentiality agreements and/or unless the information was commercially sensitive and not relevant to the ARP's review.
- One member stated that the lack of transparency publicly is a large concern, especially given that ASI does not have an outreach program to workers to educate them/build their capacity. The Secretariat responded that the Standard did in places require members to involve, consult with and communicate the member's commitments and processes required by the ASI Standards. Also the Assurance Manual included the need for audits to appropriately select and sample objective evidence which includes, for example, interviews with representative workers. Further the Monitoring and Evaluation program can be used to ensure ASI is meeting its goals with respect to the key issues, including human and labour rights. The Secretariat also acknowledged that social auditing is often challenging and subject to well acknowledged capacity limitations. ASI is currently working with APSCA (the Association of Professional Social Compliance Auditors) to increase the capacity and expertise of social auditors, as well as other organisations and initiatives to increase the collective capacity to address social issues. The Secretariat also welcomed specific involvement from Members about key topics such as the importance of having workers and communities informed, involved and part of the Member's commitments and conformance with the ASI Standards. One avenue is tailored training for workers and Indigenous communities on what to expect from ASI members under the ASI Standards and the audit process.
- The Secretariat asked the Committee to review the draft Oversight Mechanism prior to the next meeting and in preparation for the in person meeting in late May.

Action: SC Members to review and provide comments/feedback on the draft Oversight Mechanism to the Secretariat prior to the next meeting.

e. IPAF Update [For Information]:

- 2018 IPAF in-person meeting led by VIDS - Association of Village Leaders was held in Suriname (20 – 23 March 2018). The meeting focused on the further development of the IPAF workplan, including co-ordination of input into issues of interest to Indigenous Peoples.
- Key outcomes from the meeting included:
 - Agreement on the new representatives to the Standards Committee:
 - Nicholas Barla (Odisha Indigenous Peoples Forum, India) will be on a 2 year term to the Standards Committee.
 - The other position will be shared among 4 alternates - Gina Castelain (Wik Waya, Australia), Samin Ngach (Cambodia Indigenous Youth Association), Marie-Josée Artist (Bureau VIDS, Suriname) and Robeliza Halip (Tebtebba Foundation, Philippines).
 - Agreement on new representatives for the Working Groups
 - Action to develop and agree content of the following documents:
 - IPAF Terms of Reference: update
 - IPAF Work Plan 2018 – 2019: a range of concrete proposals for follow-up activities and information sharing
- The 2018 meeting report is being prepared by IPAF and will be made publicly available once completed.
- It was agreed that the 2019 IPAF meeting will be held in India in February.

f. AGM Week update including Standards Committee Meeting [For Information and discussion]:

- Planning for the 2018 AGM week continues.
- Updated draft of the face to face meeting 25-26 May 2018 circulated. It includes the requested extra time on the Saturday morning, to allow more time to discuss biodiversity WG status for communication to the Board. The finish time for the second day was set to allow people to get back to Perth in time for afternoon departures.

3. 2018 Committee Activities:

a. Committee Working Group Update [For Information] – A round of teleconferences held with all of the Working Groups.

- Meeting minutes and actions arising circulated to committee (separately). Summary of key highlights provided below:

Working Group	Update
Biodiversity and Ecosystem Services WG	<ul style="list-style-type: none"> • First meeting held. • Action to further revise the TOR Objectives for clarification and ordering of activities • Members have started forwarding material related to ecosystem services and protected areas. This has been saved into a shared folder for all WG to access. • Next meeting to be scheduled in late April to allow sufficient time for WG members to digest the information circulated, including the recently received mapping report prepared by WWF.
Environmental Impacts WG	<ul style="list-style-type: none"> • Discussion about context based target setting initiated. Information currently in the Performance Standards Guidance to be used as a starting point for review. • Discussion about the environment-related indicators in the draft ASI Monitoring & Evaluation Plan commenced:

Working Group	Update
	<ul style="list-style-type: none"> ○ #3: Bauxite residue– total generated and proportion treated by mass using best available technology. ○ #4: Spent Pot Lining – total generated and proportion by mass where carbon and refractory materials are recycled. ○ #5: Refining dross – total generated and proportion by mass where treated dross residues are recycled • Next meeting to continue the discussion about the M&E indicators and where appropriate make recommendations regarding changes, clarification or other areas of impact that ASI should be examining related to environmental impacts.
Greenhouse Gases WG	<ul style="list-style-type: none"> • Overview of work plan presented. This covered the three existing Objectives including the study about the implications of a 2 degree target for the aluminium industry as this related to the COP21 agreement. • Discussion focussed on Objective 1 and that its purpose be refocused to recognise the overall contribution of aluminium through both the production and use phases when replacing more GHG-intensive materials. • Next meeting to continue this discussion but also review the M&E Plan GHG-related indicators.
Human Rights WG	<ul style="list-style-type: none"> • First meeting held (two parallel sessions to accommodate time zone challenges). • Agreement to revise TOR objectives to clarify that the scope of human rights includes labour rights. • There was agreement to develop tools to assist with HR due diligence (which includes aspects of labour rights) as well as tools/guidance to help with transparent reporting. • Discussion about the human rights-related M&E indicators commenced with comments about the importance to provide members and auditors guidance about how to recognise good HR due diligence processes and/or FPIC processes.
Recycling and Material Stewardship WG	<ul style="list-style-type: none"> • WG agreed that the focus moving forward should be to assist SME's with responsible sourcing practices, and to align with and ultimately implement the ASI Standards. • Discussion about the recycling and material stewardship-related M&E indicators noted the value of understanding the effectiveness of LCA's, and not just number of LCA's conducted and published.
Standards Benchmarking & Harmonisation WG	<ul style="list-style-type: none"> • Work plan for WG was presented, discussed and agreed. • It was noted that the WG can also play a role in the assurance and oversight mechanisms. • The importance to have other schemes recognise the ASI certification program was also discussed.

Committee discussion included:

- One member stated the European Aluminium has a strong focus on recycling scrap and responsible sourcing. The idea is to work collaboratively with ASI to increase capacity for the industry to improve in these regards.

b. ASI Monitoring and Evaluation (M&E) Plan [For Information] – An updated draft of the ASI Monitoring and Evaluations Plan was circulated and presented.

- This is a requirement for ISEAL membership and a core part of ASI's long-term strategy. See ASI's Theory of Change at <https://aluminium-stewardship.org/asi-standards/theory-of-change/>
- A review of the M&E Plan and the Theory Of Change is a good reminder for the Committee about why ASI exists and what it is trying to achieve.

- Initial draft of proposed program indicators to measure the desired impacts and expected outcomes have been included in the M&E Plan. The WG's are in the process of discussing and reviewing relevant program indicators.
- Program indicators should assess ASI's desired impacts. Test for selection and expression of the program indicators includes:
 - Is the indicator critical for the ASI Theory of Change?
 - Is it possible to collect this data in a cost effective way?
 - Is the data likely to be reliable?
- Currently there are 30 proposed indicators:
 - 7 Collected through membership / certification data
 - 9 Collected through audit reports
 - 6 Collected through public domain information / partnerships / surveys
 - 10 Collected through annual reporting from members
- Strategy is to update the Plan and finalise it at the May face to face Committee meeting.

Committee discussion included:

- The goal for the Perth meeting is to approve the M&E Plan with an agreed initial set of program indicators.
- The Secretariat added that the M&E Plan is designed to be dynamic and adapt over time as the ASI system matures or new focus areas arise. This is analogous to the ASI Risk Assessment, overseen by the Board, which is reviewed and updated every 6-9 months.
- One member asked how ASI would normalise the data over time and changing members. The Secretariat responded that this is one of the questions that the Working Groups are looking at as they review the indications. The Secretariat also noted that the commentary that sits alongside the indicators may also come from surveys and that this additional information will be used to provide an analysis of the data and any trends, patterns or notable features.
- One member noted that as the ASI member profile changes over time, quantitative performance data may track down as 'lower-performing' entities start to engage with the standards. The Secretariat noted that conversely, bringing 'lower-performing' entities into conformance with the Standards importantly represents a broader impact on practices in the industry.
- The Secretariat also noted that there are also questions about 'attribution', i.e. what changes are attributable to ASI versus external factors and that there are challenges in capturing pre-certification changes that a company may make to achieve the standards. However these changes are important as an impact that can be attributed to ASI.
- The Secretariat asked the Committee to review the M&E Plan prior to the next meeting when we will have a more detailed discussion regarding the specific indicators.

***Action:** SC Members to review and provide comments/feedback about the draft M&E plan prior to the next meeting.*

4. AOB

- a. No other business.

5. Next Committee teleconferences:

a. Next meeting:

- **Wednesday 27 March 2018** – Update on SC nominations, Biodiversity & Ecosystem Services Working Group, final draft of Oversight Mechanism and Monitoring & Evaluation Plan.

ASI Standards Committee Meeting Action Log Summary - (Open and from this meeting)

#	Meeting	Subject	Action	Assigned to:	Due Date	Status
133	6 Feb 2018	2017 Pilot	Secretariat to summarise learnings and actions from last year's pilot into a brief report.	Secretariat	27 March 2018	Open
139	12 April 2018	Oversight Mechanism	SC Members to critically review and provide comments/feedback about the draft Oversight Mechanism prior to the next meeting.	Standards Committee	1 May 2018	Open
140	12 April 2018	M&E Plan	SC Members to critically review and provide comments/feedback about the draft M&E plan prior to the next meeting.	Standards Committee	1 May 2018	Open