

Welcome everyone!

ASI Standards Committee

Teleconference

11 February 2022

Antitrust Compliance Policy

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 a Competition 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.



Acknowledgement of Indigenous People

ASI acknowledges Indigenous Peoples and their connections to their traditional lands where we and our members operate. We aim to respect cultural heritage, customs and beliefs of all Indigenous people and we pay our respects to elders past, present and emerging.



ASI Ways of Working



ASI is a multi- stakeholder organisation. Dialogue is at the heart of everything we do. It is critical to ensure that the organisation delivers on its mission. We welcome all participants and value the diversity of backgrounds, views and opinions represented in this meeting. We recognise that we have different opinions; that is the heart of healthy debate and leads to better outcomes. To ensure our meetings are successful, we need to express our views and hear the views of others in a respectful and professional way, protecting the dignity and safety of all participants and enabling full participation from all attendees.

Agenda

	Topic		Time	Lead
1	a. Welcome b. Introduction & Apologies c. Objectives d. Documents Circulated	e. Previous Minutes f. Conflicts of Interest/Duty g. Log of Actions	5	Chair
2	Standards Committee schedule towards adoption		10	ASI - Chris
3	Brief review of second consultation		15	ASI - Chris
4	Priority issues for Standards Committee consideration		60	ASI - Chris
5	Next Steps		10	ASI - Chris
6	a. Agreed upon actions for Committee members	b. Agreed upon actions for the Secretariat c. Close	5	Chair

1a,b Welcome, Introduction & Apologies

Co-Chairs: Kendyl Salcito (NomoGaia), Rosa Garcia Piñeiro (Alcoa)

Attendees (<https://aluminium-stewardship.org/about-asi/asi-standards-committee/>):

Annemarie Goedmakers (Chimbo Foundation), Anthony Tufour (Arconic), Catherine Athènes (Constellium), Andy Doran, Gesa Jauck (TRIMET), Jostein Søreide (Hydro), Louis Biswane (KLIM), Marcel Pfitzer (Daimler), Nadine Schaufelberger (Ronald AG), Neill Wilkins (IHRB), Stefan Rohrmus (Schüco), Steinunn Dögg Steinsen (Norðurál), Tina Björnestål (Tetra Pak),

ASI Secretariat (<https://aluminium-stewardship.org/about-asi/asi-team/>):

Camille Le Dornat, Cameron Jones, Chris Bayliss, Ghaidaa Kotb, Klaudia Michalska, Laura Brunello, Marieke van der Mij, Mark Annandale, Penda Diallo, Roshan Bhuyan, Thad Mermer

Apologies:

Alexander Leutwiler (Nestlé Nespresso S.A.), Hugo Rainey (WCS), Warrick Jordan (Hunter Jobs Alliance),

Proxies: Chair for Hugo Rainey (WCS)

1c Objectives

1. Adopt minutes of the previous meeting
2. Agree Standards Committee schedule and workplan for addressing consultation feedback
3. Agree on priority areas for Standards Committee decision making

Agreed to adopt the minutes of the previous meeting. One attendee was missing in the previous minutes, this has been amended.

1d Documents Circulated

1. ASI SC Teleconference 11Feb22
2. ASI SC Teleconference Minutes 01Dec21
3. Disclosure of Conflicts of Interest/Duty
4. ASI - SCMemberApptProxyForm 11Feb22
5. ASI –SCMemberAlternateForm 11Feb22
6. NOT FOR PUBLIC 2nd Public Consultation log 09-02-2021

1e,f Previous Minutes & Conflicts of Interest/Duty

e) Approval of Previous meeting minutes draft: 1 December 2021 will be published on the ASI website.

f) Conflicts of Interest/Duty

Disclosure sent with meeting package

1g Log of Actions

Meeting where Action was Identified	Assigned To	Action	Date Due
24Mar2021	Secretariat	Ensure that there is time to be dedicated to discussing the Theory of Change and M&E program post-revision.	Post-revision
15Sep2021	Secretariat	Include 2020 AECOM Impartiality Review as agenda item for discussion.	Early 2022
15Sep2021	Secretariat	'Horizon Issues' (from the ASI August Newsletter) to be put on the agenda and ASI will present the origin and context of this piece of work.	Early 2022
01Dec2022	Secretariat	Circulate non-exhaustive list of topics for post-consultation consideration	Jan 2022 - CLOSED

1g Log of Actions

Non-exhaustive list of post-consultation issues: an initial list was circulated in January 2022:(not in order of priority)

- non-normative document regular update process
- alignment with (revised) ASI strategy (<https://aluminium-stewardship.org/about-asi/asi-strategy/>)
- recycled content
- alternatives/additions to mass balance for CoC
- claims process (including but not limited to claims guide)
- embedding indicators / threshold value or performance related criteria – outcomes driven (linkage with M&E plan)
- how can the Standards better deliver for Indigenous Peoples (development of FPIC Guidance and Beyond Certification)?
- relative value of PS and CoC and new audiences/coverage for (new) standards products: financial community in particular (criteria for lenders), but also downstream users etc
- Green Aluminium/Low Carbon Aluminium
- role/scoping of the Entity and linkage with Membership classes

2 Timeline – from Terms of Reference

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Development of the Terms of Reference	█									
Terms of Reference Consultation		60 DAYS █								
Review of TOR Consultation Feedback		█	█							
Revision Documents Preparations	█	█	█	█	█					
Revision Documents Consultation Round 1					60 DAYS █					
Review of Consultation Round 1 Feedback					█	█	█	█		
Revision Documents Consultation Round 2									30 DAYS █	
Review of Consultation Round 2 Feedback									█	
Committee approval, Board Adoption										TARGET █

Board meeting
scheduled for
27 April 2022

2 Standards Committee schedule

- 75 days to Adoption by ASI Board
- Proposed schedule:
 - Today SC call – decision on priorities, plan & WG input required
 - 2 Mar: SC call – priority 1 decision(s)
 - 16 Mar: SC call – priority 2 decision(s)
 - 23 Mar SC call – priority 3 decision(s)
 - 28 Mar-11 Apr: Legal review
 - 13 Apr: SC call – final sign off on documents and if time a briefing on post-revision plans for regular Guidance & non-normative document updates
 - 27 Apr: BOARD Adoption
 - May: Translations, publication and roll-out commences
- Between SC calls – work by Secretariat to implement minor changes, develop recommendations for SC decision, in consultation, where directed by SC, with appropriate working groups.
- **RECOMMENDATION: Standards Committee agree schedule and workplan**

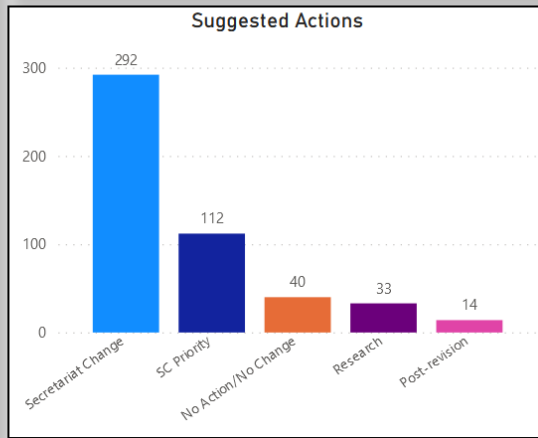
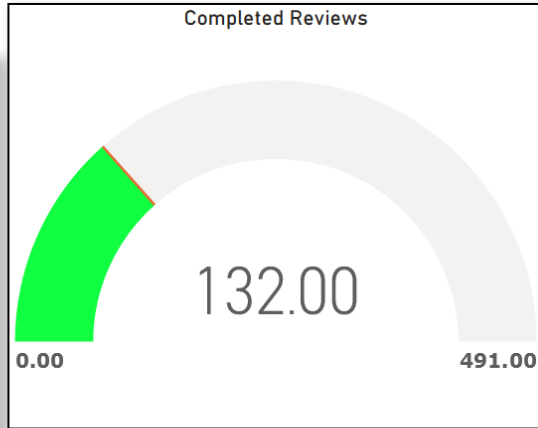
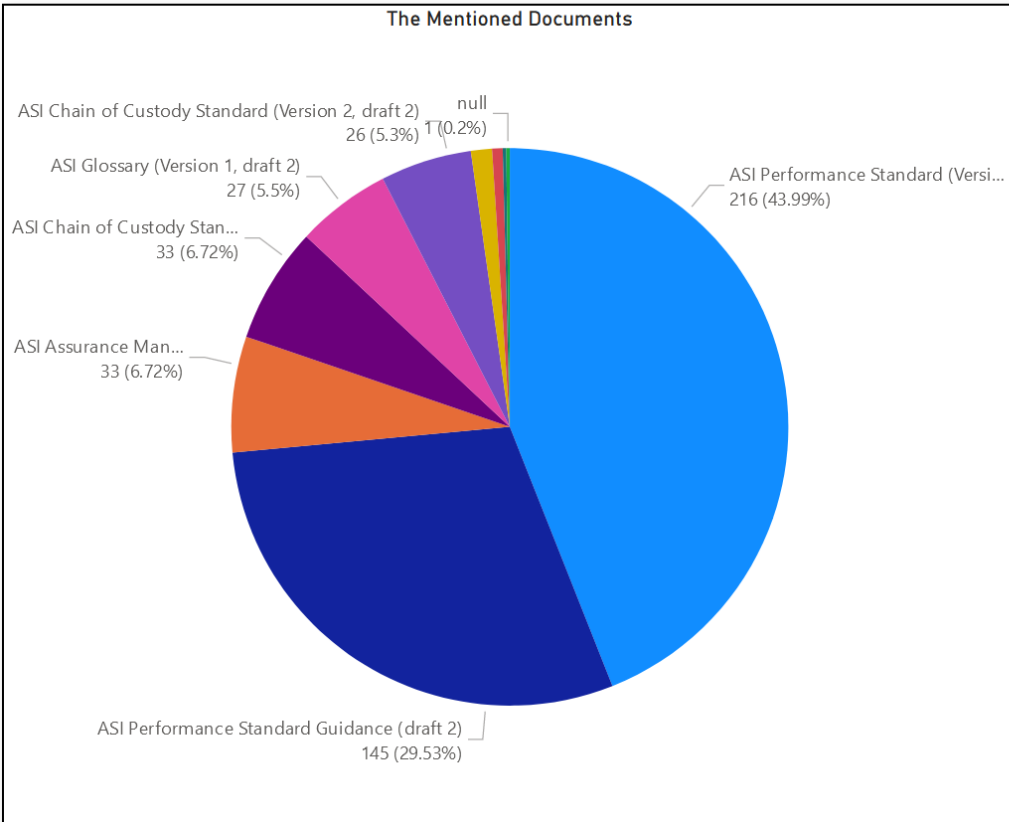
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- One participant expressed concern that some changes in the log that were marked as editorial (and thus as ‘Secretariat action’) may well change the meaning in a potentially substantial way. The participant would like to ensure that any such change is to be reviewed by the Standards Committee.
 - Secretariat: indeed, no action will be taken by Secretariat that won’t get oversight and approval by the Standards Committee. The Secretariat will circulate changes that can be reviewed before each Standards Committee call, and this can happen both online and offline.
 - **Secretariat action:** to re-circulate the log to enable Standards Committee members to flag and raise issues as necessary, with one week for the SC to give feedback (by 21st February 2022)

3 Review of Consultation Process

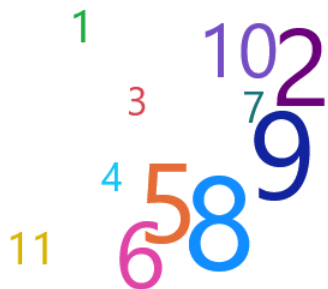
- 30 day consultation as per Terms of Reference
- English, French and Chinese versions of all documents and feedback forms – significant work by ASI Secretariat and contractors to deliver translated documents post Standards Committee agreement and pre-consultation
- Legal review of English version in parallel
- Outreach included IPAF meeting, one-to-one calls with Stakeholders and webinars (157 participants):
<https://www.youtube.com/watch?v=mtdBjcHI5Ak>
- Feedback encouraged (but not mandated) through locked forms – enables more efficient compilation
 - Has allowed us to collate and categorise in under 48 hours – over 100 simple and editorial comments already addressed in updated draft documents – thank you Laura Brunello and Klaudia Michalska!
- Almost 500 comments received from over 30 respondents (cf. 600 from over 50 in first 60 day consultation)
- One non-English language submission

3 Review of Consultation Process

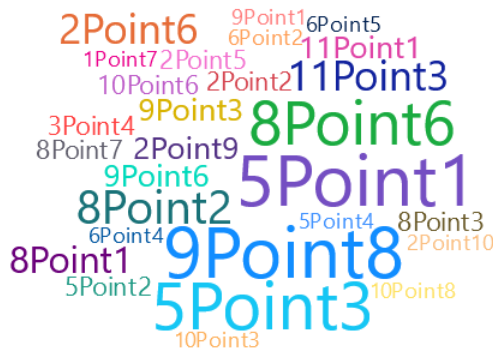
- General Doc View
- Detailed Doc View**
- Word Cloud
- Action Per Doc type



The Most Discussed Sections



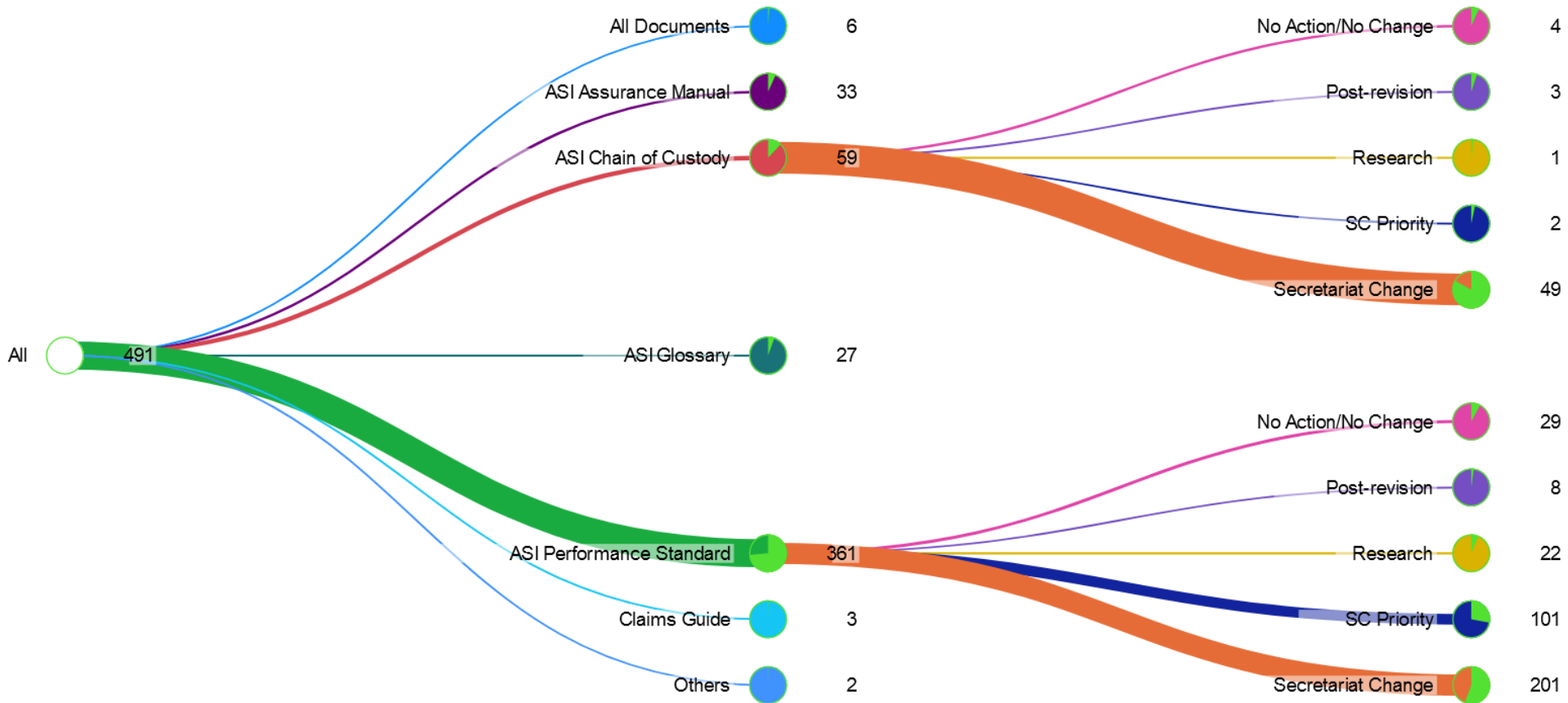
The Most Discussed Sub Sections(> 5 times)



Top 15 words	> 5 Repetition	> 10 Repetition	> 15 Repetition	> 20 Repetition
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Words found >20 times





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- A participant raised two questions.
 - Question 1: origin of comments, are there some comments made by associations, which would imply double comments?
 - Secretariat: Yes there are associations, which tend to collate input of their members, so there is repetition. Secretariat has highlighted the double counting, and the Standards Committee can agree to either give it more weight, or treat it as a singular comment.
 - Question 2: when some topics have been discussed at length and reached conclusion, shouldn't it be closed?
 - Secretariat: Yes that is the general consensus, thought it is worth knowing that the knowledge also lies within the Standards Committee. This resource is, too, to be used to highlight discrepancies or repetitions of debates already closed.

4 Priority Issues for Standards Committee

1. Cross-cuttings issues:
 - a. policy & plan reviews frequency, triggers & revisions
 - b. public disclosure: consistency in timing; possibility to centralise (with reference in individual criteria)
 - c. New Projects & Major Change: clarity for mining projects
2. Improved clarity on Customary Law (1.1)
3. Legacy/residual (Principles 2, 9 and elsewhere – historical operations)
4. (2.9, 8.7) IPAF input on “participation” to replace current “co-operation” language – recognising that co-operation is a choice of an engaged decision maker
5. Principle 5 (GHG Emissions):
 - a. Methodology (5.3)
 - b. Disclosure (5.1): scope, mandated metrics and average carbon footprint of portfolio output (P&T) and purchased metal (IU) [new]
 - c. Sanctions for not meeting targets
6. Principle 6 (Emissions, Effluents & Waste): limits to disclosure from processes outside Entity control but within Area of Influence (6.1 and 6.2)
7. Principle 8 (Biodiversity):
 - a. Move from risk-based at point of assurance to a recognition in standard of inherent risk of bauxite mining vs other supply chain activities (8.1)
 - b. No net loss (8.2) ambition application (New Projects) and measurement in practice; improve clarity
 - c. Sanctions for exploration in WHS (8.5)
 - d. Protected Areas (8.6): lacks clarity and difficult to audit
8. Principle 9 (Human Rights)
 - a. Gender-responsiveness (9.1) ill defined & potential redundancy (addressed in 9.2)
 - b. Process for identification of Indigenous Peoples (9.3)
 - c. Outcome orientation and further details on economic displacement (9.6)
 - d. Alignment with IFC PS 5 and 7 (9.5 and 9.6) and UNGPHR (9.7)
9. Principle 10 (Labour Rights)
 - a. Modern Slavery Statements (10.3) – redundancy or driver of change?
 - b. Disciplinary Practices (10.6): shift to “harassment – ILO190” (and other psychosocial risks) and appropriateness of role of OHS functions
 - c. Increased clarity on overtime (10.7 and 10.8), flexibility for e.g. Fly in-Fly out
10. Chain of Custody: replacement of Re-melter/Refiner supply chain activity with Recycler

4 Priority Issues: Proposal

Meeting 1:

1. Cross-cuttings issues
2. Chain of Custody
3. Principle 5 (GHG Emissions)
4. Principle 6 (Emissions, Effluents & Waste)

Meeting 2:

Input sought from IPAF & HRWG

1. Improved clarity on Customary Law (1.1)
2. “Co-operation” to “participation”
3. Principle 9 (Human Rights)
4. Principle 10 (Labour Rights)

Meeting 3:

Input sought from BESWG

1. Principle 8 (Biodiversity)
2. Legacy & residual impacts – CMB: I think this is into post-revision territory but we can start now

5 Next Steps – logged items

- Secretariat Action :
 - Review by SC offline by 21 Feb for recategorization as appropriate
 - Continued and ongoing editing of text
 - Regular sharing of latest drafts with Standards Committee (prior to meetings)
- Research:
 - Secretariat to explore options and define as Action/No Action or rolled into SC Priorities
- SC Priority
 - Secretariat to develop proposals against priorities for discussion/input by WG as appropriate
 - Secretariat to convene WGs as appropriate to refine proposals
 - Secretariat recommendations to Standards Committee, with supporting evidence/documentation, for decisions at Meetings 1-3

6 – Discussion – Chain of Custody

- Secretariat: Regarding the CoC Standard, there is opportunity for the Secretariat to simplify the ‘Recycling’ Supply Chain Activity, from ‘Remelting and Refining’ (differentiation is not relevant for the purpose of CoC material accounting)
- The Secretariat also added that Aluminium recovered from Dross is treated as Eligible Scrap, but Aluminium can be recovered from other aluminium-containing waste too, so proposal to also expand that definition.
- A participant agreed to simplify, however there may be implications on recycling targets and how/where they land, need to be careful of wording of recycling in a public policy context (different from recycling at home).
- **Secretariat action:** something to research post-revision.

6 – Discussion – Cross-cutting issues

- Secretariat: Differential frequency for review of plans are currently broadly no longer than 5 years. Comments left during consultation noted that trigger for review should also be internal/external issues , so there may be a need to also start articulating triggers for review across the Standard.
- Secretariat asked if the Standards Committee would like to see cross-cutting issues separated out from individual criteria
- A participant agreed to remove the duplication of regular review requirements, though need to be mindful that revision frequency may have differential impacts on different criteria.
- **Secretariat action:** to list where the duplication lies (both in frequency of review and public disclosure) throughout the document, say what they currently refer to and which ones to centralise/which ones have specificities.
- A participant stated the need to ensure to capture these frequencies of review in a way that reflects its relative importance. Would that belong to the Criteria or in Guidance?
- Secretariat: issue is on duplication/redundancies, but also the fact that different criteria in different direction. Need to harmonise and this can then be built on in the Guidance in a differentiated way.
- **Secretariat action:** something to research (i.e. look at other Standards wording).

6 – Discussion – Principle 5

- Secretariat: There is a general lack of knowledge around threshold values, what it means (corporate number, specific product-level footprint), and a comment asked for carbon foot printing to be built into the Standard.
- Secretariat proposal: to articulate a cross-portfolio average emissions (Scope 1, 2 and 3 (cat 1, 3 and 4) *beyond* Smelting), also for Industrial Users (IU) who will be audited across the whole Performance Standard in the future. Thus threshold values for aluminium consumed/bought by IUs, which would follow similar slope as a Smelter.
- A participant said that it does incentives the production as well as the consumption of low-carbon aluminium, however that may imply the introduction of a new criteria that hasn't been subject to public consultation. Another participant agreed.
- Secretariat: throughout the Standard, Scope 1, 2, 3 (cat 1, 3 and 4) is explicitly mentioned, and need to clarify that the requirements are *average across the portfolio*. This might potentially fit better under Principle 4 (Material Stewardship, life-cycle related requirements), rather than under the Principle 5, it is nevertheless a new criterion.
- A participant raised two issues. (1) The fact that there is no consensus in the industry on a methodology to calculate footprint, especially for pre-consumer scrap (two other participants agreed in chat) and foresaw difficulty on agreeing on this. (2) that this may raise anti-trust issues (IUs cannot say that they 'commit to buying ASI'), and noted the issue of availability. This would be a criterion on what an Entity is sourcing/how it is sourcing it.
- Secretariat: the purchasing of low-carbon is implicit in the 1.5 degree pathway for Industrial Users as it includes Scope 3 Emissions. This discussion is gaining momentum, although it may be too soon to have a numerical threshold value, there might be potential for having a criterion *without* numerical values.
- A participant: agreed that there are discussions ongoing, but foresee that this issue will not be concluded in the coming month and requires more discussion and consideration than can be achieved in the prescribed time-frame.
- A participant stressed this should not wait until the next revision
- **Secretariat action:** Agrees, but states that further research is required to explore how that can be achieved between regular Standard revisions.

6 Agreed Upon Actions & Close

- a. Agree any final post-meeting actions and timeframes by Committee members
- b. Agree actions by Secretariat
- c. Chairs and Secretariat thanks to all participants and close of meeting

Thank you