

ASI Standards Committee Virtual Meeting – Discussion Notes

29 and 31 October 2024 (parallel sessions)

Attendance ([Standards Committee](#)):

Abu Karimu (29 Oct)	Marcel Pfitzer (29 Oct)	Soumah Ibrahima Dominique (29 Oct)
Alexander Leutwiler (29 Oct)	Michael Danielson (29 Oct)	Steven Bater (31 Oct)
Francesca Fairbairn (29 Oct)	Nicholas Barla (29 Oct)	Vincent Ekka (29 Oct)
Gesa Jauck (29 Oct)	Patrick Brading (31 Oct)	Vishwas Gamble (29 Oct)
Guilbert Ebune (29 Oct)	Penny Laurance (31 Oct)	Wenjuan Liu (29 Oct)
Jason Koevoet (31 Oct)	Piet Wit (29 Oct)	Yuri Herder (31 Oct)
Louis Biswane	Sankon Mohamed (29 Oct)	

Apologies:

Judith Pietschmann
José Rubio
Margriet Biswane
Marina Wangurra
Olivier Néel

ASI Secretariat

Cameron Jones, *Director of Assurance and Risk*
Chelsea Reinhardt, *Standards Director*
Chinelo Etiaba, *COO and Membership Director*
Chris Bayliss, *Climate Change and Decarbonisation Director*
Klaudia Michalska, *Supply Chain Analyst*

Laura Brunello, *Standards Coordinator*
Jessica Patterson de Oliveira Pereira, *Human Rights Specialist*
Vicky Tran, *Assurance and Claims Manager*

Agenda:

- Intro and welcome (15 min)
 - Approval of Item 1 (Minutes) & Item 2 (Minor Guidance Changes 2.7 and 5.1/5.3/5.4)
- Recap key themes – what we heard from you in Sept (15 min)
- Thematic focus (50 min)
 - CoC evolution and low-carbon claims – for discussion/ feedback
 - GHG Emissions Reductions (5.3/ 5.4) Conformance Framework + Proposed Derogation Plan – Interim report
- Next steps (10 min) - subgroups and upcoming meeting schedule

Discussion Notes:

1. Intro and Welcome:

- Decision-making: Participants [29 October] discussed decision-making in the context of holding two parallel meetings. ASI Secretariat emphasized that decisions should be consensus-based, with voting as a fallback option. If objections arise from one group, these should be incorporated, and the proposal sent back to the full group for (re)approval at a later date

2. Approval of Item 1: Minutes from 18-20 September 2024 Meetings

- [Decision](#): Minutes from the September SC meeting were approved with no objections. These will be published on the ASI Website.

3. Approval of Item 2: Minor Guidance Changes

- On Guidance to 2.7: It was clarified that under the proposed guidance for 2.7 Emergency Response Plans, the full plan is still required to be shared with the auditor. However, it would be acceptable to publicly disclose only a summary or extract of the full plan if there are security/ confidentiality concerns. One participant requested clarification on what is expected from public disclosure in general (e.g. website statement? Or is it sufficient to disclose to emergency responders?). This also relates to other public disclosure elements in the Standard.
- On Guidance to 5.1, clarification of threshold for material emissions: participants [31 October] emphasised that the consideration of materiality thresholds for emissions sources should be cumulative, rather than individual. For instance, the sum of scope 3 emissions sources below 10% of total scope 3 emissions inventory may be excluded from the disclosure requirements of Criterion 5.1. This is in contrast to the current wording which suggests exclusion of single emissions sources <10%. For scope 1 and 2 the threshold for exclusion is 5% (of the total scope 1 and 2 inventory). This should be made clear in the Guidance. This was seconded by several other participants.
- Decision/ Action:
 - **ASI will amend guidance to clarify that Material Scope 1 or 2 emissions thresholds should be based on cumulative (additive) emissions sources. This will be re-shared with the full Standards Committee for approval – either via email or rolled into the next discussion. [UPDATE 15 November: Updated wording approved via email; no concerns received]**
 - **The proposed guidance changes to criterion 2.7 were approved.**

4. Recap of key themes from September SC Meetings

- A summary of the Standard Revision timeline and key dates was discussed. The focus of today's session was on helping to shape the objectives and scope of the *future* Standard Revision, as well as addressing short term assurance challenges related to GHG emissions under the *current* standard.
 - It was noted that currently only the Circularity Working Group (WG) is active. Other WGs will be convened likely from April 2025 once the revision has launched. At this point the Circularity WG will adjust its focus to be a sounding board for draft content developed by the SC sub-groups, technical experts, and ASI secretariat.
 - Questions were asked about the role of SC members. It was clarified that the SC's role is to provide technical oversight and eventually to recommend the final standard revision for approval by the Board. Some SC members may have more time to give into content development (via sub-groups), and others will have less. Expected to have two sessions for subgroups from Jan – April 2025 to help prepare for in-person meeting in May 2025.
- A recap of key takeaways from the September SC meeting was presented
 - Participants [29 October] agreed with the identified themes and suggested adding benchmarking of human rights due diligence with other supply chain and mining standards.
- Potential objectives for the Standard Revision were summarized, based on initial feedback from the September SC meeting
 - The group recommended adding the following objectives for consideration:
 - Incentivizing improvements in performance levels
 - Biodiversity improvements
 - Improved auditor competency
 - Evolving the standard(s) to help Entities meet regulatory requirements
- Participants [31 October] raised a few additional points:
 - Importance of continuing to focus on relevant/ key issues (for example, waste pickers could be addressed via guidance, or risk assessment approach)

- Consider separating out criteria that are relevant only for mines, which could make the standard more navigable for other Entities/ users
- Different expectations for mines vs smelters/ refineries – this is an area to be considered in the next revision
- Participants were asked which objectives for the Revision they found the most important. Across the two parallel sessions, *'Strengthened credibility'*, *'Enhanced focus on key issues for Indigenous Peoples and Local Communities'*, and *'Recognising different levels of performance'* were seen as the top 3 priorities.

5. Discussion on Evolution of Chain of Custody and Claims

- A summary of Member feedback was shared with the SC as related to the current Chain of Custody and Claims offerings from ASI.
 - It was discussed that new options for claims – such as product carbon footprinting, and potentially recycled content in the longer term – could require new Chain of Custody or accounting/ verification models.
 - These models could sit alongside the current mass balance CoC if, in fact, there is clear evidence that the current CoC is delivering for ASI Members or certified Entities. If it is not, the current CoC model could evolve or be replaced. It was clarified that we are still in the early stages of 'scoping' the next revision so no decisions have been made – this will be part of the consultation/ iteration process in 2025 under the oversight of the Standards Committee.
 - Some examples of other sustainability standards were presented to inform the discussion: FSC's work on developing traceability systems in response to the new EU Deforestation Regulation (expected to be challenging to implement at scale), and RMI's approach to have a separate standard module on Supply Chain Due Diligence, plus optional chain of custody to support claims such as recycled content (required for battery regulation).
- SC members discussed the potential changes to CoC/ Claims options and raised the following points:
 - Considered important to retain the facility-level focus for the Performance Standard, which is important for ESG ratings and other initiatives.
 - It was questioned whether CoC was the right tool to support claims linked to Product Carbon Footprinting (PCF).
 - ASI clarified that accounting/ verification methodologies for new types of claims do not necessarily fit within CoC – they could for example be part of an optional 'bolt on' to the Performance Standard. This is still to be determined
 - Is there a risk that ASI would narrow its focus too much by founding on recycled content and PCF claims?
 - ASI clarified that while there are legitimate concerns about whether these metrics directly drive impacts, if they are valuable to downstream Entities, they can reinforce the value and demand for ASI certification throughout the value chain – which in turn should support positive impacts through more implementation of the PS
 - Currently in the Chain of Custody standard, some requirements relate to Entities and others relate to products (e.g. CoC material) - these should be separated in future versions to be clearer.
 - Finding competent auditors to verify GHG related claims will be a big challenge, as most ASI auditors currently may not have the expertise to do this and there is a shortage in general
- *When asked about overall support for a potentially major transformation of Chain of Custody/ claims:* most participants signalled they were 'very excited' or 'cautiously optimistic'. One participant raised concerns related to development of a whole new CoC model – such as traceability. It was clarified by ASI secretariat that development of online traceability is not seen as feasible given the Secretariat's

resources and the timeline (as well as scalability challenges in the sector). But, other options such as supply chain mapping or support for due diligence could definitely be considered

- It was discussed that supply chain mapping is an area where ASI could potentially help Members with their current efforts, for example passing along information like percentage of total sourcing by supplier or region. ASI confirmed that this is very much on the radar to further explore, and some calls with Members are planned for the upcoming months to better understand their priorities.

6. Discussion on GHG Emissions Conformance Framework and Exemption Process

- The ASI Secretariat gave an update on the development of a Conformance framework and Exemption Process related to GHG Emissions Reductions in line with a 1.5-degree pathway, as required by the current Performance Standard.
 - The Climate Change sub-group will also work to better define the minimum requirements for an acceptable GHG Emissions Reduction Plan.
 - For the Exemption Process, the sub-group is also considering what commitment and level of performance the Entity would be required to demonstrate, even if they are not able to reduce emissions in line with the 1.5-degree pathway due to structural limitation, in order to be Exempted. For example, energy efficiency improvements.
 - The sub-group is also working on the requirements for “realistic” GHG Emissions Reduction Plans, in addition to 1.5 degree aligned Plans, for Exempted Entities.
 - Participants noted that ISO standards 9001, 14001, and 50001 also now include climate change requirements, and looking at concepts like an energy efficiency audit could be useful.
- One member noted that, for transparency purposes, the commentary of exemption needs to be put into the certificate so that those looking from outside will be able to clearly see the Major NC and know it is an "exempted" clause.
- One member raised a point about the importance of including nature-based solutions. It was noted that the current Standard does not currently account for compensation, removals or offsets, but this topic is likely one that will need to be considered in the revision. It was noted that this process should include diverse expertise and should consider the disproportionate impact of climate change (and opportunities for compensation) on the global south.
- Although the conformance tools being discussed relate to the current Performance Standard v3.0, it was asked whether we expect major changes around GHG related criteria in the next standard revision.
 - ASI explained that it is very likely these criteria would change, especially if they are not driving positive impacts as currently framed. For example, a disclosure approach might be considered instead – although these conversations will need to happen as part of the revision process.
- As next steps, ASI will share the draft conformance framework and Exemption process with the full SC for any input, before it comes to the group for approval in Dec 2024

7. Next Steps

- Next SC Meeting will be a virtual meeting in December – to consider the GHG Conformance Framework and Exemption Process, the summary of ‘Review’ findings and case for Standard Revision, and minor updates to the Claims Guide.
- Anticipating 2 sub-group meetings between Jan and April 2025, ahead of an in-person session, tentatively scheduled for 6-8 May in Paris

ANNEX – Additional Feedback Via Mentimeter (29 Oct)

(31 October relied on discussion and chat; no Mentimeter)

<p><i>What other key themes did you take away from Sept Meetings/ Additional Objectives to add</i></p>	<ul style="list-style-type: none"> • Very good summary. • I agree with the ones identified • Benchmarking human rights due diligence with other supply chain and mining standards • I agree with all enlisted points • good summary, looking forward for PS v4, clear focus on aluminium supply chain related risks
<p><i>Additional Information questions to help make decisions on next evolution of CoC/ claims</i></p>	<ul style="list-style-type: none"> • We should clarify the difference between supplier /facility related aspects and product related aspects in the upcoming discussions. • What specifically about the current MB method is not working for downstream entities? • What hybrid approach would work better? We all agree the current MB is not robust enough so we need additional info to make it more robust and reliable to various stakeholders