



FACTSHEET ON HOME AND PERSONAL CARE SECTOR

What can companies do to protect the planet and people?

The cosmetics and home care sectors are embracing consumers' increasing sustainability demands covering a wide range of topics from packaging to water usage. But what about sustainable sourcing of ingredients?

When it comes to the necessity to opt for sustainable raw materials, many questions may arise. Where do these ingredients originate from? What has been required to process them and make them suitable for daily use cosmetics and home care products? Is there any negative impact that should be mitigated?

When grown unsustainably, conventional oil palm cultivation can have a damaging impact on the environment, potentially destroying forests and the habitats of wildlife, while also negatively impacting local communities.

This means that even if a company has small volumes of palm oil or palm kernel in their products, every single cosmetic and home care company has an opportunity and a responsibility to generate demand for sustainable palm derivatives and abandon the use of unsustainable palm.



It is estimated that at least **70%** of all cosmetics contain either palm oil or palm kernel oil derivatives.

THE SUSTAINABLE SOLUTION

In 2004, the [Roundtable on Sustainable Palm Oil \(RSPO\)](#) was established to promote the production and use of sustainable palm oil. RSPO standards for the production of palm oil guarantee that oil palm is grown sustainably, ensuring no deforestation, no new planting on peat, no use of fires, protection of labour and human rights as well as a decent living wage. At the heart of RSPO certification are the RSPO Principles and Criteria for Sustainable Palm Oil Production (P&C), serving as the global guidelines for the production of sustainable palm oil. In addition, a separate standard for Independent Smallholders — the RSPO Independent Smallholder (ISH) Standard — has been developed and endorsed by RSPO, answering the call to strike a balance between promoting greater inclusion of smallholders and ensuring that core sustainability requirements are upheld. Another standard called the Supply Chain Certification Standard ensures the integrity of the trade in sustainable palm oil, i.e., that palm oil sold as Certified Sustainable Palm Oil (CSPO) has indeed been produced by certified plantations. These systems involve independent third-party certification bodies. Such rigorous certification standards considerably reduce the risk for consumers to use palm oil that is not sustainable

By joining the RSPO and sourcing certified sustainable palm oil or ingredients you can:

- **Make progress towards your company's sustainability commitments and targets**
- **Ensure that tropical rainforests and endangered species are not harmed**
- **Protect labour and human rights**
- **Contribute to economic development in producing countries where many rely on the oil palm industry for their livelihoods In Asia alone 4.5 million people earn their living from oil palm production.**

WHAT ARE THE CHALLENGES OF THE HOME AND PERSONAL CARE SECTOR WHEN IT COMES TO SUSTAINABLE SOURCING OF PALM OIL AND DERIVATIVES?

Approximately **2%** of the world's palm oil (PO) and palm kernel oil (PKO) is used in cosmetics, while **3%** is used in home care.

From the field to the supermarket shelves there are many intermediate production steps: palm oil mill, palm kernel crusher, refiner, oleochemical company, personal care product manufacturer, as well as all of the various traders, importers and distributors that may play a role in each step of the chain.



When it comes to trade of Certified Sustainable Palm Oil (CSPO) there are 3 physical Supply Chain Models ensuring that certified palm oil or palm kernels enter the supply chain:



The Identity Preserved (IP) supply chain model assures that the RSPO certified oil palm product delivered to the end user is uniquely identifiable to a single RSPO certified IP mill.



The Segregated (SG) supply chain model assures that RSPO certified oil palm products delivered to the end user come only from RSPO certified sources (a mixture of IP products).



The Mass Balance supply chain model allows for mixing of RSPO and non-RSPO certified oil palm products at any stage in the supply chain provided that overall site quantities are controlled.

The MB model allows farmers to place sustainable certified fresh fruit bunches on the market (the quantities of which are monitored from an administrative point of view to avoid overselling) even when the facilities are unable to keep the oils (conventional VS certified sustainable) separate in mills, during storage and transportation, and when the minimum quantities necessary for the operation of the plants are not reached by certified material only.

Although the MB model does not guarantee that certified palm oil is present in a given final product, MB contributes to the positive impact that sustainable production generates for farmers. Many companies, especially in more mature markets for Certified Sustainable Palm Oil, trade MB ingredients. It is an essential model for the development of a sustainable oleochemical market.

When ingredients are not available as MB, RSPO Credits are also an excellent model for ensuring your products positively support sustainable production- despite the fact that the palm oil is “sold” on the market as conventional. Buyers of RSPO Credits support the farmers that have certified their plantations as sustainable by paying a premium directly to the certified farmers through the purchase of RSPO credits.

Substantial progress has been made in the oleochemicals supply chain, leading to a wide range of home and personal care ingredients being widely available as RSPO MB. As demand for certified products continues to increase, production systems will also change and adapt to the request creating a positive impact for the planet and people.

FOR EACH INGREDIENT THE COMPANY USES, THE FOLLOWING NEEDS TO BE ASSESSED:

IS A PALM DERIVATIVE PRESENT OR NOT

There is no exhaustive list of all the possible derivatives.

The list of palm oil/palm kernel oil derivatives normally found in manufactured products is reported below.

Alcohol Ether Sulfates • Alcohol Ethoxylates • Alcohol Sulfates • Alkylpolyglycoside (APG) • Alpha-linolenic Acid • Ascorbic Acid • Butyl Alcohol • Capric Acid • Capric Alcohol • Capric-caprylic Acid Blend • Caproic Acid • Capryl Alcohol • Capryllic Acid • Cetyl Alcohol • Cetyltrimethylammonium Chloride • Caprylic/Capric Triglyceride • Citric Acid • Cocamide MEA • Cocamide DEA • Cocamidopropyl Betaine • Diacylglycerols (DAG) • Distilled Monoglycerides • Elaidic Acid • Elaidyl Alcohol • Elaidolinoleyl Alcohol • Epichlorohydrin • 2-Ethyl Hexanol • Fatty Isethionates (SCI) • Glutamic Acid • Glycerine Esters • Glycerols • Heptadecyl Alcohol • Isopropyl Myristate • Isopropyl Palmitate • Isostearyl Alcohol • Lactic Acid • Lauric Acid • Lauryl Alcohol • Laurylamine Oxide • Laureth-7 • Linoelaidic Acid • Linolic Acid • α -Linolenic Acid • Linoleyl Alcohol • Methyl Alcohol • Mono and Diglycerides • Monoacylglycerols (MAG) • Myristic Acid • Myristic Acid Salts • Myristoleic Acid • Myristyl Alcohol • N-butanol • Octyl Alcohol • Oleic Acid • Oleyl Alcohol • Palmitate • Palmitic Acid • Palmitoleic Acid • Palmitoleyl Alcohol • Pelargonic Alcohol • Pentadecyl Alcohol • Propylene Glycol • Propylene Glycol Esters • Quaternary Ammonium Salts • Ricinoleyl Alcohol • Sapienic Acid • Sodium Lauryl Sulfate • Sodium Laureth Sulfate • Sodium Palmitate • Sodium Palm Kernelate • Sodium Stearate • Steareth-2 • Stearamidopropyldimethylamin • Stearic Acid • Stearyl Alcohol • Structured Triglycerides (TAG) • Sugar Esters • Sulfated or Ethoxylated Alcohols • Tridecyl Alcohol • Undecyl Alcohol • Vaccenic Acid

In the Annex 6 of the Supply Chain Certification Standard 2020, the main primary and secondary oleochemicals are shown. In addition, in our guidance document on ‘How to take part in the RSPO Certified Sustainable Palm Oil Supply Chain’ there are explanations and use of the most common derivatives including the above list.

IF YES, IN WHICH QUANTITY (% OF THE GIVEN INGREDIENT)

If the supplier cannot provide an accurate percentage, the company needs to count the whole weight of the ingredient.

INGREDIENT WEIGHT TO BE MULTIPLIED BY ANNUAL PURCHASE TO DETERMINE ANNUAL CONSUMPTION OF THE GIVEN INGREDIENT

Whether your company produces, trades, distributes or sells cosmetic and home care products it is essential to ensure you only buy from RSPO certified sustainable sources. RSPO will help support you to implement policies, provide pre-competitive spaces for you to learn about the issue, and help tell your sustainability story publicly and transparently.

RSPO members can apply for a RSPO Trademark Licence for free. RSPO members that receive an RSPO Trademark License are provided with additional opportunities for communications online, business-to-business, and business-to-consumer.



READY TO COMMIT TO A BIGGER CAUSE?

When choosing sustainable palm oil derivatives, your company demonstrates its commitment towards a bigger cause: ending deforestation and child labour, improving livelihood of thousands of farmers worldwide, and ensuring labour and communities' rights are upheld. These results are all aligned with the United Nations Sustainable Development Goals (SDGs) and they can be part of your narrative once RSPO standards are applied to your sourcing policies and implemented.

Before applying online for RSPO membership, make sure you have assessed your company's total annual palm oil use and/or ingredients that contain palm oil - this will help determine which membership category is the best fit for your company between Ordinary or Associate.

Find out more at rspo.org