



# FACTSHEET ON OUT-OF-HOME FOOD SECTOR

## Delivering on sustainability in food services

It is estimated that one in five meals in Europe<sup>1</sup> are consumed outside the home. While it can be a challenge, consumers can look for sustainability certification on food packaging, but what about food that comes ready to eat?

How much does sustainability play a role in consumers' minds when given no alternative to prepared meals such as in hospital or university cafeterias or when choosing which restaurants to dine?

A survey conducted on behalf of the Sustainable Restaurant Association revealed that over 80% of respondents had said that sustainability was a deciding factor when choosing where to eat. The food and drink sector has been proactively highlighting food waste and single use plastics reduction as well as the shift towards more sustainable diets. The sustainable sourcing of key agro food commodities such as palm oil has also become a key priority. Therefore, this sector cannot be left in the shadows.



## 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 palms are grown sustainably, ensuring no deforestation, no new planting on peat, no use of fires, labour and human rights protection as well as a decent living wage.

At the heart of RSPO Certification is the RSPO Principles and Criteria (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 — ensures greater inclusion of smallholders and that core sustainability requirements are upheld.

For downstream actors, the RSPO Supply Chain Certification Standard (SCCS) ensures the integrity of the trade in sustainable palm oil, e.g. that palm oil sold as Certified Sustainable Palm Oil (CSPO) has indeed been produced by certified plantations.



## DIFFERENT SECTORS, DIFFERENT CHALLENGES

Whilst the food sector leads the way in the adoption of sustainable palm oil, there is still an untapped potential for growth and communication when it comes to the out-of-home sector: restaurants, canteens, bakeries, hotels and food providers have the opportunity to create a positive impact.

In this sector, wholesalers, traders and distributors play an important role, often being the link between farmers and food service companies. Food service companies can create change by asking their suppliers whether the ingredients used to prepare meals contain sustainably sourced palm oil. Food services that use palm oil products can become RSPO supply chain certified, enabling them to make claims of their commitment to use sustainably produced palm oil and give their customers peace of mind when eating outside of home

<sup>1</sup> IRI <https://www.iriworldwide.com/gr-gr/insights/news/1-in-5-meals-eaten-out-of-home-as-european-consumers-favour-service-over-home-cooking-el>

**Definition of food service company according to the RSPO Supply Chain Standard 2020**

Facilities that serve any type of meals and/or snacks for immediate consumption onsite or for take away. This category includes full service restaurants, fast food outlets, caterers, cafeterias and other places that prepare, serve and sell food to consumers or the public. It also includes retail bakeries, such as those located in supermarkets conducting par-baking and food service companies that deliver to institutions.



**TRADERS AND DISTRIBUTORS**

Distributors and wholesalers take **legal and physical ownership**, store and sell products to their customer bases, **but do not unpack, repack or relabel those products at any stage**. They have a vital role to play in maintaining the integrity of the RSPO certified supply chain. They link participants in the supply chain together and ensure that RSPO certified products are kept separate and are never mixed with mainstream, non-certified material.

Traders are “participants in the supply chain of RSPO certified oil palm products which takes legal ownership of oil palm products, derivatives and/or purchases and sells futures **without physically handling the oil palm products**.”

When traders or distributors have activities that do involve unpacking, repacking, relabelling, or any physical handling or alterations, they are required to become Supply Chain Certified to meet RSPO requirements.

When it comes to the 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 FOOD SERVICE JOURNEY TO SUSTAINABLE PALM OIL SOURCING



### Know your products

Identify whether palm oil is present as an ingredient for on site produced meals (it could also be the cooking oil) and in packaged food served in the stores under your own brand. Palm oil and palm kernel oil can be listed in food (or non food) ingredients with many different names depending on the processing that they have been subjected to: olein, stearin, fatty acids and many more. In our guidance document, [“How to take part in the RSPO Certified Sustainable Palm Oil Supply Chain”](#), you can find a list of the most common palm-based derivatives along with further details on the classification of derivatives.

#### For Onsite Produced Meals: proceed with Supply Chain Certification

To better serve the unique needs of these actors of the supply chain, RSPO has developed specific guidelines applicable to Food Service for all companies who deliver food. These Guidelines have been incorporated into the RSPO Supply Chain Standard version 2020 (Annex 7) and are fully part of our certification system for downstream players of the supply chain.



#### For Packaged Food: engage with your supplier base

Map any suppliers or co-packers and check whether they handle products that already contain certified sustainable palm oil or any derivative. This can only be guaranteed if they are an RSPO member and hold either a valid Supply Chain Certificate or a Traders or Distributor license. If only Packaged Food is sold, there is no need for Supply Chain Certification of the food service itself.



### Choose the most appropriate certification approach

Choosing to source RSPO certified sustainable ingredients shows that a company is taking concrete actions to benefit people and the planet.

RSPO has defined specific rules when it comes to the audit of food service companies, aiming to take into account the business model and operations of the supply chain actor.

The RSPO guidance document “How to Gain RSPO Supply Chain Certification” presents all the available certification options: Single Site, Multisite, Group or Micro Users. The following explains in detail which are more suitable for operators, as elaborated in Annex 7 (Foodservice Guidance).

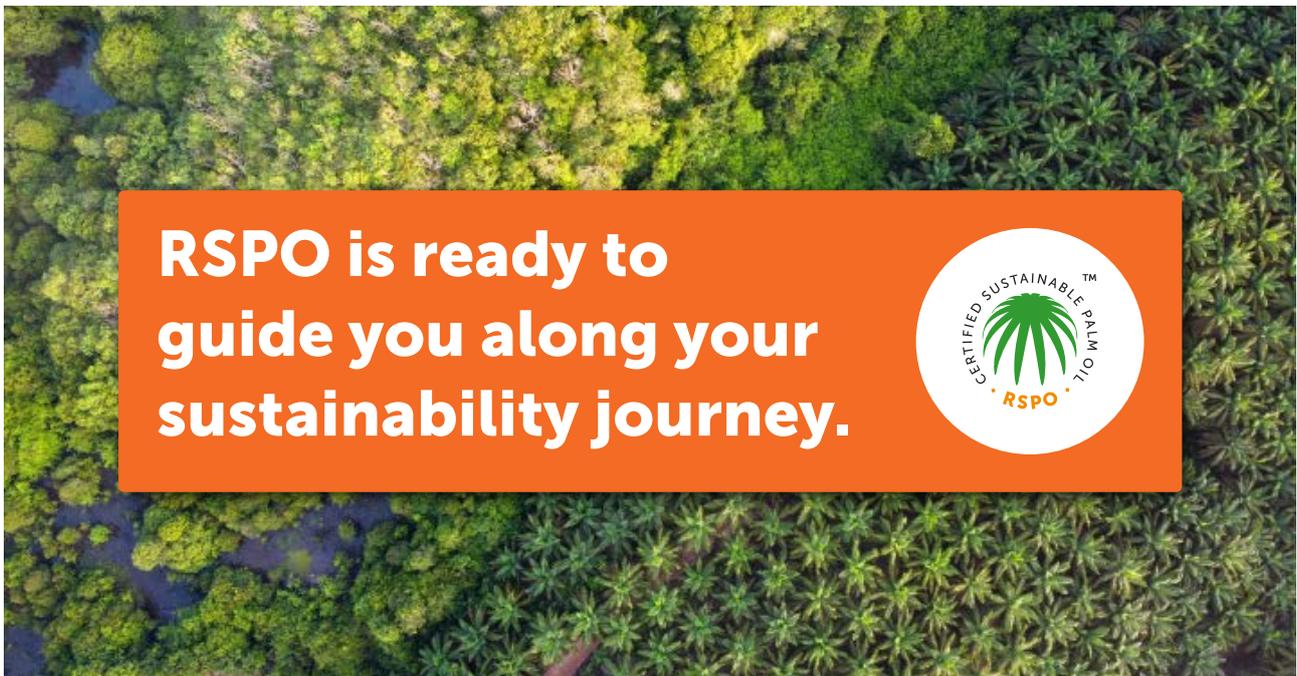
**Multi-site is a certification** option (as opposed to the single site) for a **group of sites that have the same legal entity and a have a contractual link with other sites**. These sites may be a group of food service outlets brought together under a central office, and administered using an Internal Control System (ICS). Multi-site food service companies are those with franchises or with a minimum of two participating sites, including a central office. A prerequisite for multi-site certification is RSPO membership.

**Group certification** is an option for **groups of independent organisations acting as separate legal entities in the palm supply chain** who have agreed to adhere to the rules of a group structure under the guidance of a group management entity. The group will work under the direction of a Group Manager, and in accordance with an Internal Control System (ICS). A small bakery or cafeteria could opt for Group Certification if they do not want to deal with RSPO membership and certification alone — under the supervision of a Group Manager, the group members can implement the RSPO Supply Chain Standard but do not have to become RSPO members themselves.



### **Communicate your engagement**

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



Find out more at [rspo.org](https://rspo.org)