

A Global Partnership To Make Palm Oil Sustainable



What is Palm Oil?



Palm Kernel

Palm Fruit

- An edible vegetable oil produced from the fruit of the oil palm (*Elaeis guineensis*).
- Takes about three to five years for the oil palm to reach its full commercial potential and its productive commercial life is between 20 and 30 years.
- Palm oil is made from the pulp of the fresh fruit that grows in big bunches nestled between the branches (known as palm fronds) of the oil palms.
- Oil can be extracted from two parts of the fruit. The palm fruit flesh and the palm kernel.

GLOBAL DEMAND FOR VEGETABLE OILS IN METRIC TONNES (MT)

77

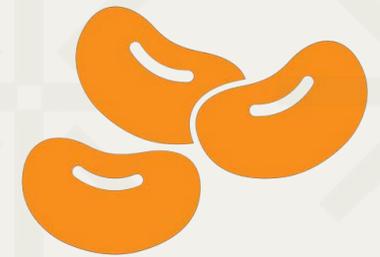
million MT



Palm

67

million MT



Soybean

34

million MT



Rapeseed

19

million MT



Sunflower

WHY IS PALM OIL SO POPULAR?

Land required to produce 1 tonne of major types of oil

1 ha = 2.70 MT of Palm Oil

1 ha = 0.72 MT of Rapeseed Oil

1 ha = 0.74 MT of Sunflower Seed Oil

1 ha = 0.46 MT of Soybean Oil



Annual global demand for vegetable oils in metric tonnes (MT)

2024

165

million MT

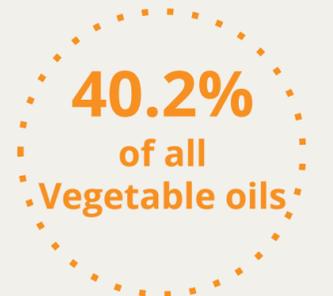
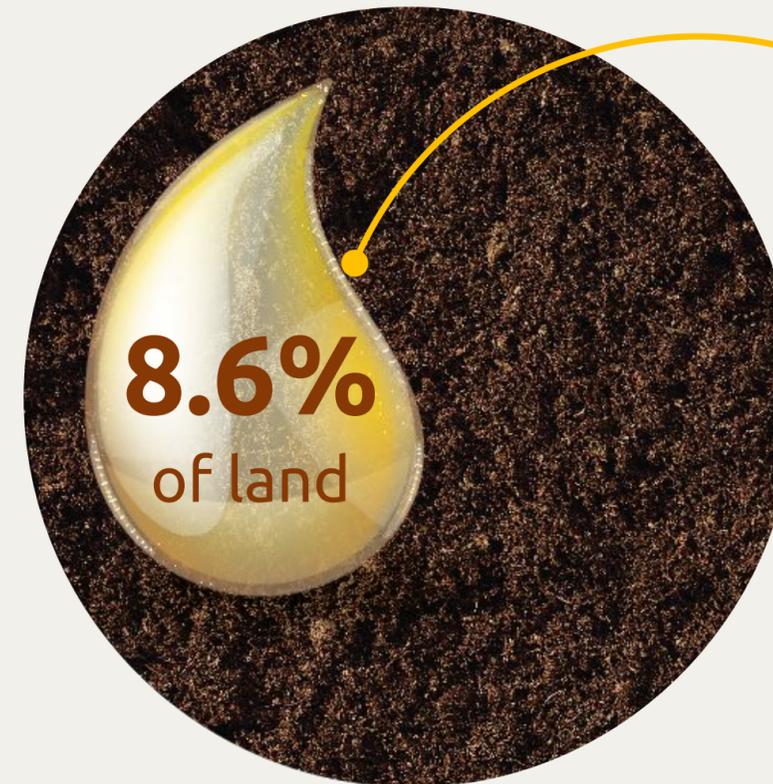


2050

305

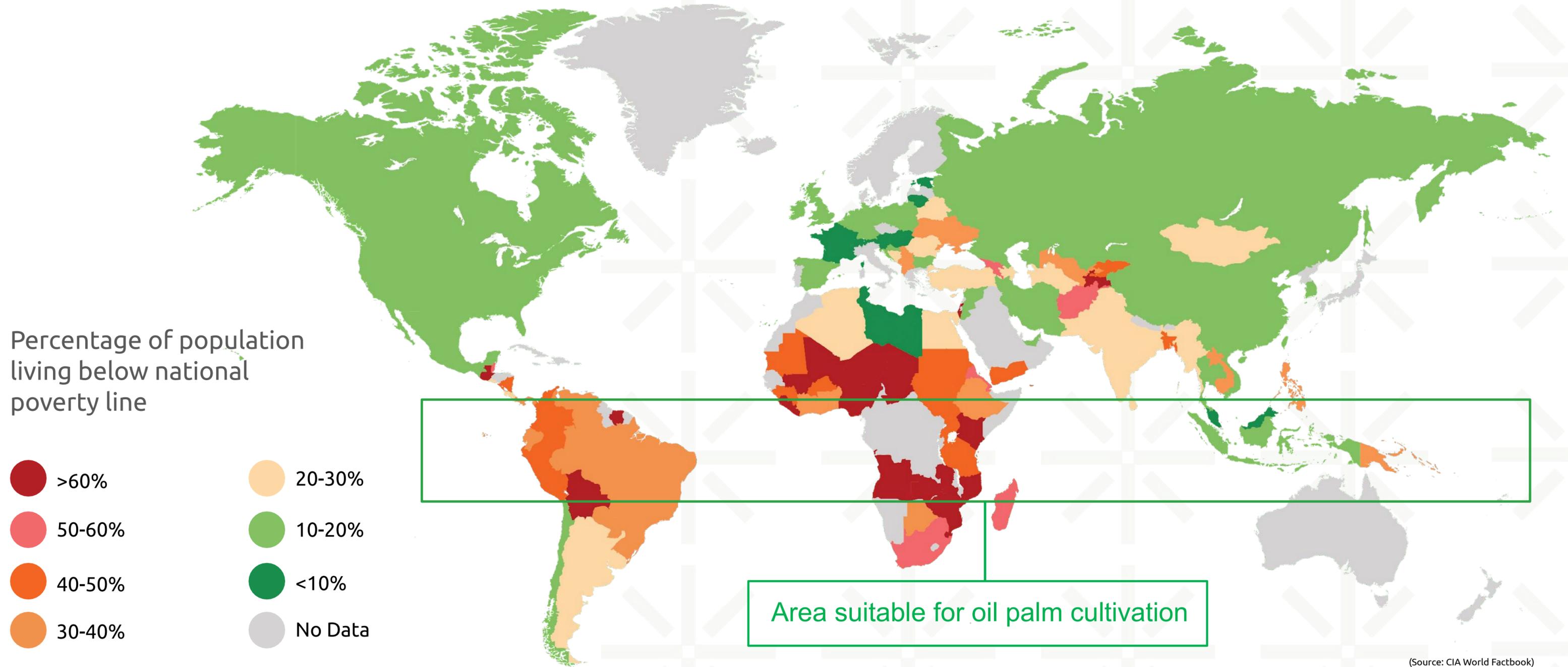
million MT

On the land allocated to oil crops, oil palm produces **40.2%** of all vegetable oils using **8.6%** of the land



GLOBAL IMPACT OF OIL PALM CULTIVATION

In the tropics, palm oil production has lifted millions out of poverty



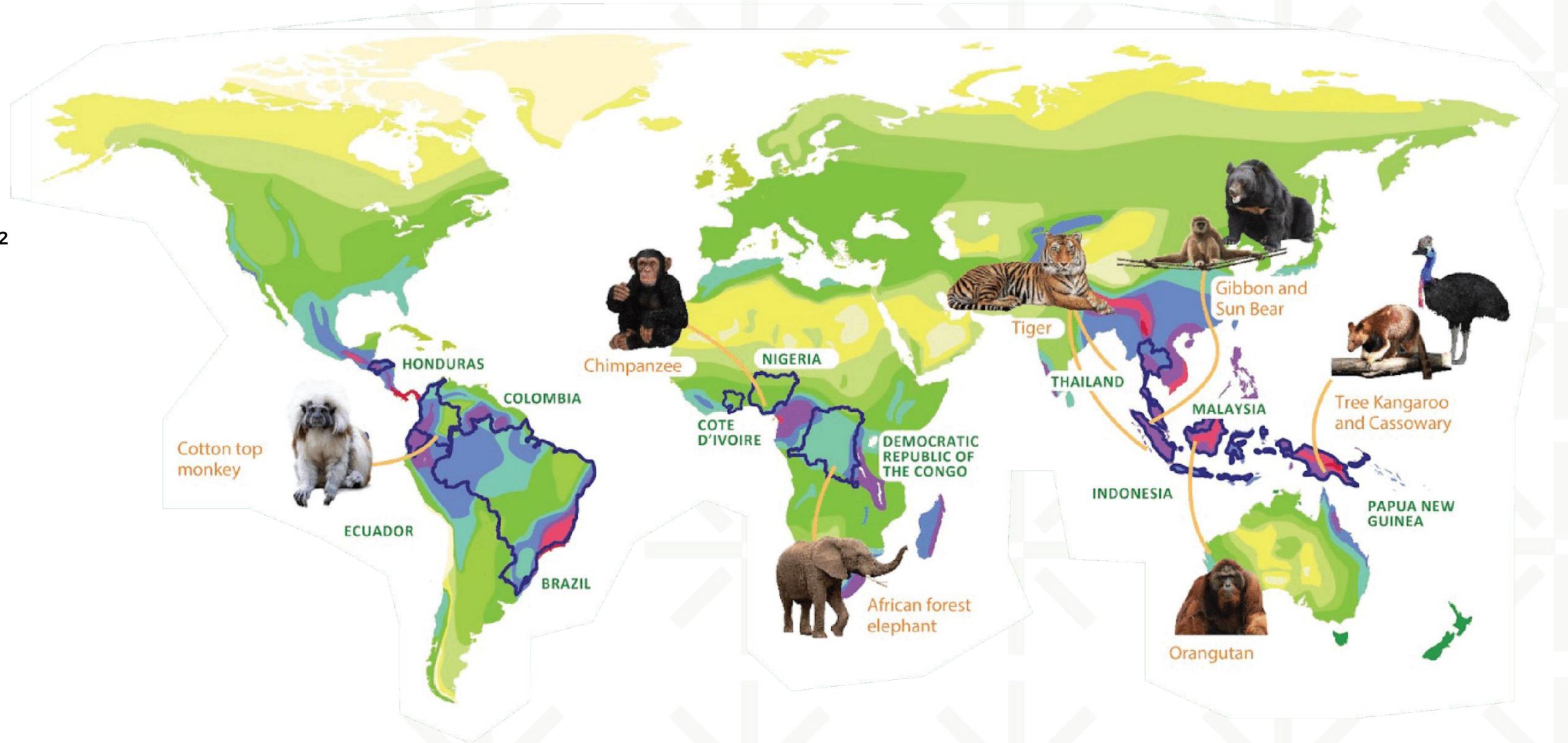
(Source: CIA World Factbook)

GLOBAL IMPACT OF OIL PALM CULTIVATION

Palm oil production in the tropics should not negatively impact the variety of plant and animal life

Number of species of plants per 10,000km²

- DZ 1 (<100)
- DZ 2 (100-200)
- DZ 3 (200-500)
- DZ 5 (1000-1500)
- DZ 6 (1500-2000)
- DZ 7 (2000-3000)
- DZ 9 (4000-5000)
- DZ 10 (≥5000)

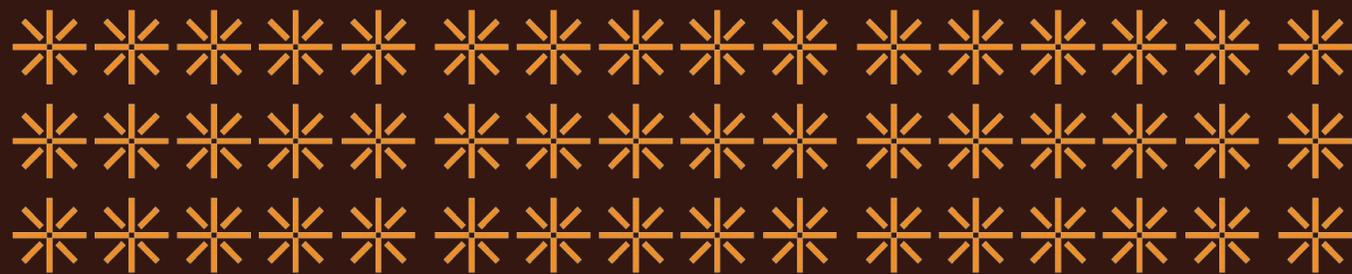


DZ: W. Barthlott N. Biedinger, G. Braun F. Feig, G. Kier, W. Lauer & J. Mutke 1997;
Critically endangered, endangered and vulnerable animal species: IUCN

ABOUT US

RSPO is a partnership for progress and positive impact, facilitating global change to make the production and consumption of palm oil sustainable. To inspire change, we communicate the environmental and social benefits. To make progress, we catalyse collaboration. To provide assurance, we set the standards of certification.

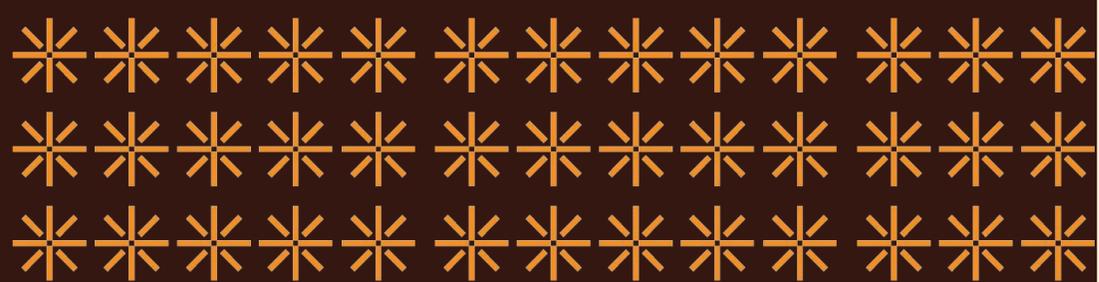
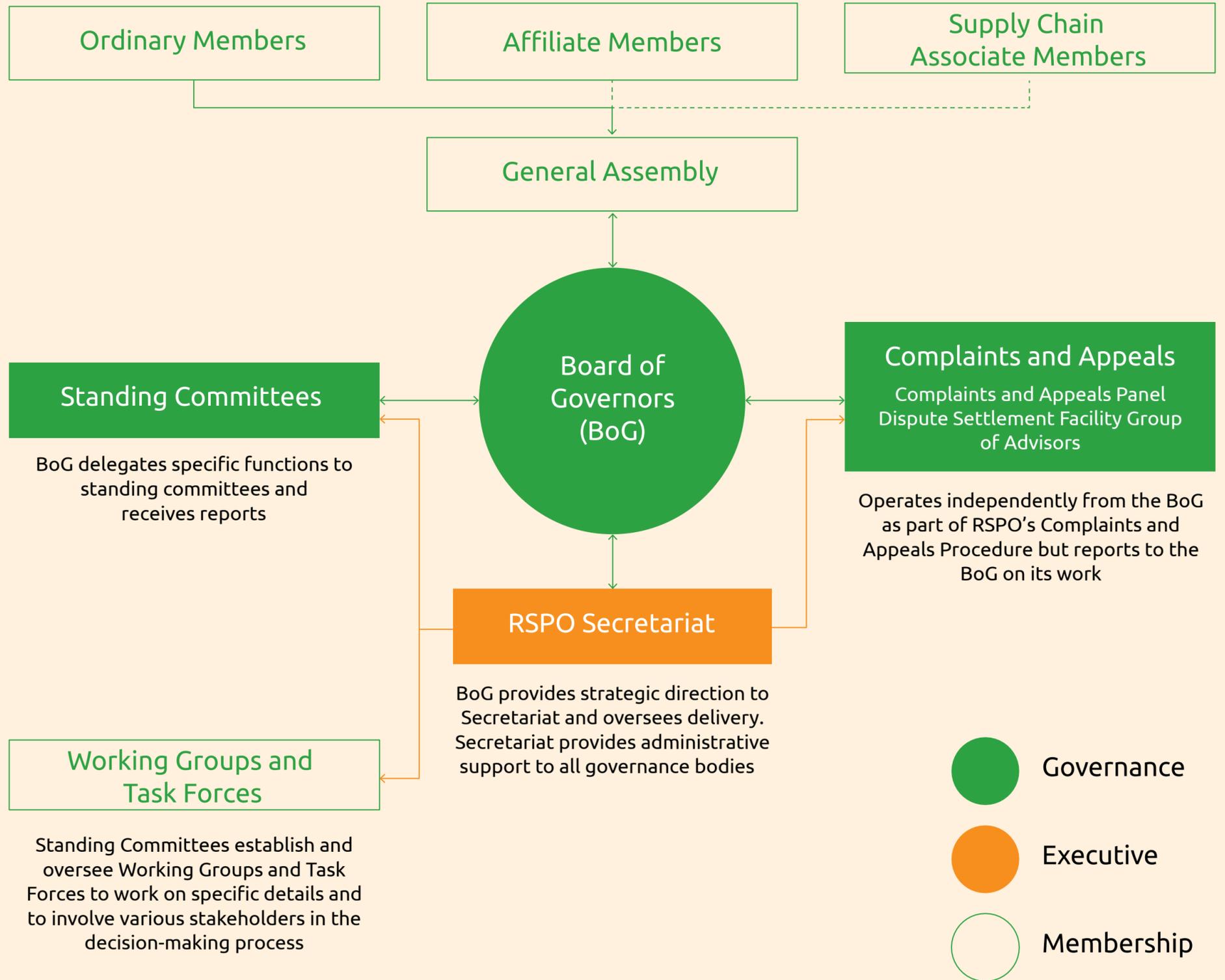
Our founding members include the World Wide Fund for Nature (WWF), Malaysian Palm Oil Association (MPOA), Unilever, Migros, and AAK. Headquartered in Kuala Lumpur, Malaysia, RSPO also has representative offices in Indonesia, the United Kingdom, the United States, the Netherlands, China, and Colombia.



ORGANISATIONAL STRUCTURE

RSPO Members come from various backgrounds, including producers, processors and traders, financial institutions, and environmental and social NGOs, from countries that produce or use palm oil.

The RSPO is managed by a Board of Governors (BoG), comprising 16 members, designated by the General Assembly for two years. The BoG is supported by advisors and four Standing Committees.



2024 RSPO Principles and Criteria (RSPO P&C)

7 PRINCIPLES

for growers to be RSPO Certified



1. Respect community and human rights, and deliver benefits.
2. Support and provide opportunities for smallholder inclusion.
3. Respect workers rights and conditions.



4. Protect, conserve, and enhance ecosystems as responsible environmental stewards.



5. Act transparently, ethically, and responsibly.
6. Operate legally and with accountability.
7. Optimise productivity, demonstrate traceability, and create positive impacts.



2024 RSPO Independent Smallholder (ISH) Standard

4 PRINCIPLES

for smallholders to be RSPO Certified

1. Implement professional operations to optimise productivity and secure sustainable livelihood improvements.
2. Comply with the law and respect communities' rights.
3. Safeguard human rights, protect workers' rights, and ensure safe and decent working conditions.
4. Protect the environment, conserve biodiversity, enhance ecosystems, and sustainably manage natural resources.

GLOBAL IMPACT

RSPO has a Monitoring and Evaluation system to assess the progress, performance and impacts of our work to help inform strategy and drive continuous improvement through learning and adaptive management. We also need to continuously monitor the impact of our work in order to develop and enhance our certification standards.

Data as of Impact Report 2024.
For current market data visit: <https://rspo.org/our-impact/>



over

6,000

Total members



105

countries and territories

Total countries and territories (members)



5.2

Million hectares

Certified area



6,900+

Certified downstream supply chain facilities



16.1

Million metric tonnes

Volume of RSPO Certified Sustainable Palm Oil

20%

of palm oil globally is certified by the RSPO



HOW WE SUPPORT SMALLHOLDERS

Millions of smallholders globally make a living from palm oil production. In Malaysia and Indonesia alone, smallholders produce about 40% of the world's palm oil. However, they continue to suffer from lower yields and other issues. RSPO has been supporting smallholders in several ways to achieve certification, in order to produce more oil using less land, improve livelihoods, and reduce the risk of land conversion, which threatens forest, wildlife, and biodiversity.



Independent Smallholder Standard

To increase smallholder inclusion through a simplified approach to certification

Smallholder Support Fund

To help smallholders achieve certification without incurring the cost

Smallholder Trainer Academy

To build smallholders' capacity through access to high quality training and resources

Smallholder Engagement Platform

To connect smallholders with potential project partners

SMALLHOLDER CERTIFICATION IN NUMBERS

145,845
Total smallholders



380,331
Total smallholder area (ha)



5,711,195
Total smallholder FFB certified (mt)

ASSURANCE

Credibility of the RSPO Certification is fundamental to its success. The RSPO Standards and systems include third-party certification, accreditation for certification bodies, a transparent grievance mechanism, supply chain certification, and traceability via the PalmTrace system. RSPO's Assurance Task Force and interactive mapping platform GeoRSPO further enhance its transparency and credibility.

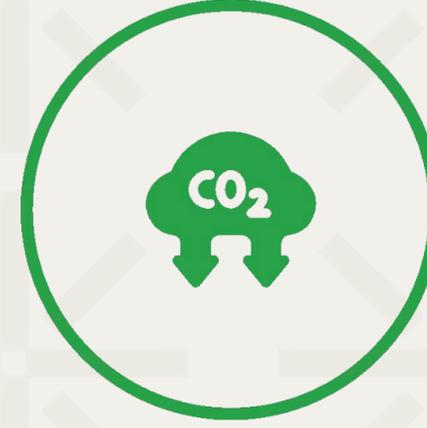


Strong Equity Returns

RSPO member companies outperform non-RSPO members by 24.7%

Source: Climate Advisers

<https://www.climateadvisers.org/newsfeed/companies-committed-to-sustainable-palm-oil-producti-on-have-substantively-stronger-equity-returns/>



Low Environmental Impact

RSPO certified palm oil has 35% lower global warming impact and 20% lower biodiversity impact from land use changes

Source: Schmidt, J. & De Rosa, M. (2019)

<https://lca-net.com/publications/show/comparative-life-cycle-assessment-of-rspo-certified-and-non-certified-palm-oil/>



Improved Socio-economic Wellbeing of Smallholders

35% and 89% higher profitability for certified scheme and independent smallholders respectively

Source: Hidayat, N.K., Offermans, A. & Glasbergen, P. (2016).

<https://iiste.org/Journals/index.php/JEDS/article/view/33228/34126>

SUPPLY CHAIN CERTIFICATION STANDARD (SCCS)

RSPO SCCS was developed to ensure the integrity of sustainable palm oil trade. The standard aims to show that sustainable palm oil has indeed been produced by certified mills and its supplying plantations or estates.

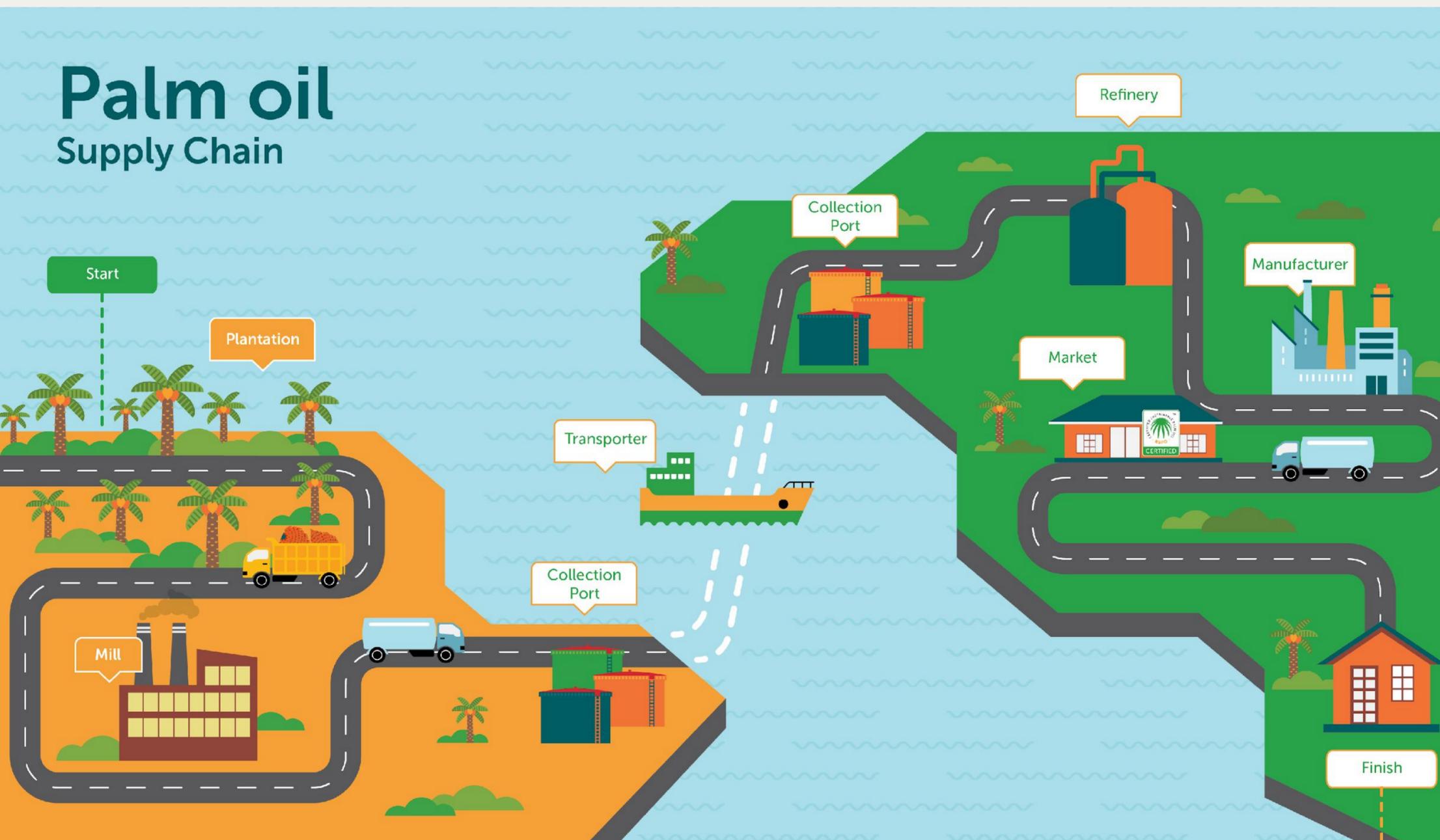


Principles & Criteria



Supply Chain Certification

Palm oil Supply Chain



Identity Preserved
CSPO from a single certified source



Segregated
CSPO from more than one certified source



Mass Balance
CSPO that might be mixed with conventional oil as it is sourced from a mill that processes certified and non-certified fruit



RSPO Credits/ Book & Claim
A model that supports the production of RSPO CSPO products through the sale of RSPO Credits

RSPO TRADEMARK

Launched in June 2011, the RSPO Trademark aims to bridge the gap between the upstream and downstream palm oil production and distribution system. It signals the use and support of RSPO certified sustainable palm oil and it's a significant move to bring RSPO members closer to consumers.



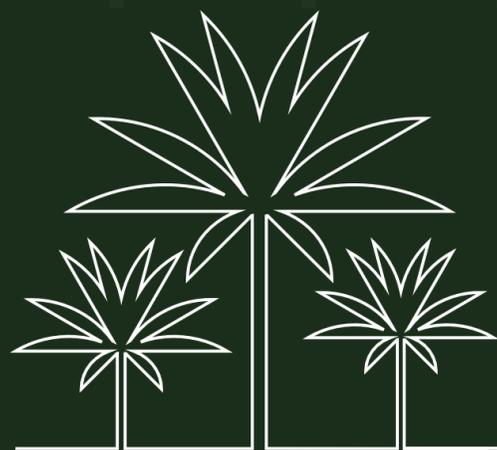
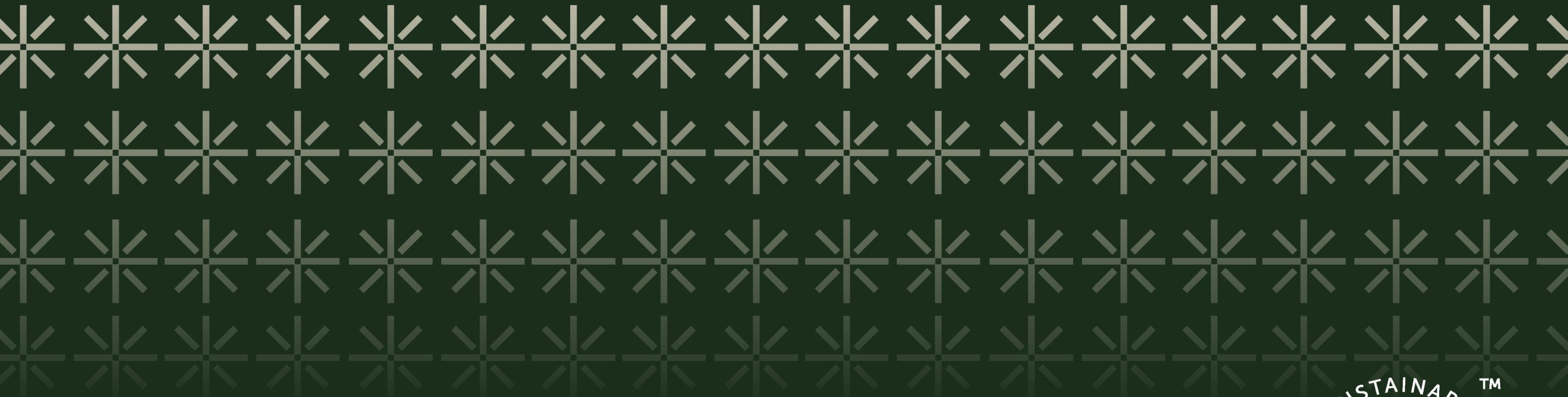
Trademark use has grown from 12 to 100 countries

Top 5 countries: US, Germany, China, UK, Japan.

The RSPO Label appears on over 800 consumer products

Total licence holders: 2,294





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