



Roundtable on Sustainable Palm Oil

NEWS RELEASE

SURGE IN MARKET UPTAKE OF CERTIFIED SUSTAINABLE PALM OIL

Kuala Lumpur, October 11 2011. Multi-stakeholder initiative, the Roundtable on Sustainable Palm Oil (RSPO), is pleased to announce a surge in market uptake of Certified Sustainable Palm Oil (CSPO). 70% CSPO uptake was recorded in September 2011, the highest by month this year and significantly higher than 48% recorded same time in September last year. This positive development has been urgently awaited. Uptake for CSPO increased from 25.3% in 2009 to 46.2% in 2010.

Secretary General of RSPO, Darrel Webber also commented that: "A significant increase of market commitment to and uptake of CSPO is a key priority for RSPO. The RSPO is beyond merely a certification scheme or standard. We are a multi stakeholder initiative that represents the production front; demand end and everything in between. The uptake has been steadily increasing, but it continues to require accelerated commitment. Through the annual communications on progress requirement by the RSPO, significant number of retailers, consumer goods manufacturers and processors and traders have committed to working towards sourcing 100% CSPO ingredients in their products by dates ranging from 2012 to 2015. The RSPO has the dynamics and system to make this work; it is only a matter of time."

RSPO President Jan Kees Vis, also Director Sustainable Sourcing Development at Unilever, is pleased with the increase: "The current number sparks hopes that a breakthrough is near. Historically there has always been a delay in market take up versus production increase, as buyers of large companies have to commit as long as a year in advance to buy raw materials. So they will only sign on to what they are sure they can actually purchase from the market in the future. Significant uptake of CSPO should be a clear target that all stakeholders on the demand side should be committed to work towards."

The RSPO is fully committed to further promote market uptake, according to Vis: "Our newly launched RSPO trademark will boost consumer awareness and demand for CSPO. We will also stimulate commitment by nations and companies to make the transition by a stated moment, comparable to that of the Netherlands, where the industry has committed to source CSPO only by 2015. The WWF Palm Oil Buyers Scorecard 2011 – that measures commitment and performance of over 130 major retailers and manufacturers to CSPO - to be launched in November – will also be of great importance."

On behalf of the Retailers Palm Oil Group, which comprises some of the most established retailers around the world, Belinda Howell commented: "We fully understand that growers that have made significant investments and efforts to achieve RSPO certification have been frustrated by the apparent lack of take-up in the market. The retailers are working very hard with their suppliers to source CSPO ingredients for their products through the complex palm oil supply chains".

One good example is UK retailer Waitrose. Technical Manager Compliance John Clague: "Our target is to ensure all palm oil in Waitrose branded products are RSPO certified by December 2012. To date, 68% of the palm oil used in our products is from segregated CSPO sources predominantly through the dedication of our biscuits and bar soap suppliers. Our biscuit suppliers have been using CSPO ingredients in our products since December 2010. Our bar soap range has been labelled with the RSPO Trademark and was introduced into our stores from July 2011. We will continue to support the RSPO through the purchase of green palm credits to cover our remaining palm oil usage until the project is completed."

About RSPO

In response to the urgent and pressing global call for sustainably produced palm oil, the Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders. The seat of the association is in Zurich, Switzerland, while the secretariat is currently based in Kuala Lumpur with a satellite office in Jakarta.

RSPO is a not-for-profit association that unites stakeholders from seven sectors of the palm oil industry - oil palm producers, palm oil processors or traders, consumer goods manufacturers, retailers, banks and investors, environmental or nature conservation NGOs and social or developmental NGOs - to develop and implement global standards for sustainable palm oil.

Such multi-stakeholder representation is mirrored in the governance structure of RSPO such that seats in the Executive Board and project level Working Groups are fairly allocated to each sector. In this way, RSPO lives out the philosophy of the "roundtable" by giving equal rights to each stakeholder group to bring group-specific agendas to the roundtable, facilitating traditionally adversarial stakeholders and business competitors to work together towards a common objective and making decisions by consensus.

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A SNAPSHOT OF KEY FACTS:

Total volume of Certified Sustainable Palm Oil to date:	5,095,086 metric tonnes
Total volume of Certified Sustainable Palm Kernel to date:	1,188,501 metric tonnes
Total production area of CSPO:	1,051,527 ha
Number of grower companies certified:	28
Number of mills certified:	123
Number of supply chains certified:	114
Number of supply chain facilities certified:	226
Year on year CSPO Uptake:	2008 (certification began): 2.7% 2009: 25.3% 2010: 46.2%
% of CSPO of global Crude Palm Oil	Over 10%
CSPO producer markets in the world:	Malaysia; 48% Indonesia: 40% Rest of the world (Papua New Guinea; Solomon Island; Brazil; Columbia): 12%
Total number of members:	Total: 685 members Ordinary Members: 520 members Affiliate Members: 96 members Supply Chain Associates 69 members
Top 5 largest membership by country:	Malaysia: 18.6% United Kingdom: 16.9% Indonesia: 15.9% Netherlands: 10% Germany: 10%
Top 3 largest membership by stakeholder group:	Processors & Traders: 37.5% Consumer Goods Manufacturers: 32.1% Growers: 17.5%