

RSPO

Round Table On Sustainable Palm Oil

FACT SHEET

History

In 2001, WWF commenced exploring the possibilities for a Roundtable on Sustainable Palm Oil. The result was an informal co-operation among Aarhus United UK Ltd, Golden Hope Plantations Berhad, Migros, Malaysian Palm Oil Association, Sainsbury's and Unilever together with WWF in 2002.

A preparatory meeting was held in London on 20 September 2002 and this was followed by a meeting in Gland on 17 December 2002. These organizations constituted themselves as an Organizing Committee to organize the first Roundtable meeting and to prepare the foundation for the organizational and governance structure for the formation of the RSPO.

When and why was RSPO established?

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. This was in response to the urgent and pressing global call for sustainably produced palm oil. The seat of the association sits in Zurich, Switzerland, while the secretariat is currently based in Kuala Lumpur, with a satellite office in Jakarta.

Founding members:

Include Aarhus United UK Ltd., Karlshamns AB (Sweden), Malaysian Palm Oil Association (MPOA), Migros Genossenschafts Bund (Switzerland), Unilever NV (Netherlands) and Worldwide Fund for Nature (WWF). Also active on the RSPO's Executive Board from the beginning were Golden Hope Plantations Berhad (Malaysia), Loders Croklaan (Netherlands), Pacific Rim Palm Oil Ltd (Singapore) and The Body Shop (UK).

Who is the RSPO?

RSPO is a not-for-profit association that unites stakeholders from the seven sectors of the palm oil industry, its goal is to develop and implement global standards for sustainable palm oil. The stakeholders involved in this initiative are - 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.

RSPO's objectives:

The Roundtable promotes palm oil production practices that help reduce deforestation, preserve biodiversity, and respect the livelihoods of rural communities in oil-producing countries. It ensures that no new primary forest or other high conservation value areas are sacrificed for palm oil plantations, that plantations apply accepted best practices and that the basic rights and living conditions of millions of plantation workers, smallholders and indigenous people are wholly respected.

It is with this view that the Roundtable on Sustainable Palm Oil (RSPO) proactively engages with oil palm growers, oil processors, food companies, retailers, NGOs and investors to work together towards a global supply of palm oil that is produced in a socially and environmentally responsible way.

Governance Structure:

This multi-stakeholder representation is mirrored in the governance structure of RSPO. Seats in the Executive Board and project level Working Groups are fairly allocated to each sector to ensure fair representation.

RSPO lives out the philosophy of the "roundtable" by giving equal rights to each stakeholder group and by bringing group-specific agendas to the roundtable, facilitating traditionally adversarial stakeholders and business competitors to work towards a common goal and decisions are made by consensus. These values underpin every aspect of how RSPO behaves and treats its stakeholders.

Vision

RSPO will transform markets to make sustainable palm oil the norm.

Mission

To advance the production, procurement, finance and use of sustainable palm oil products;

To develop, implement, verify, assure and periodically review credible global standards for the entire supply chain of sustainable palm oil;

To monitor and evaluate the economic, environmental and social impacts of the uptake of sustainable palm oil in the market;

To engage and commit all stakeholders throughout the supply chain, including governments and consumers.

The supply chain includes ecosystems, communities, growers, traders, processors, consumer goods manufacturers, retailers, financial institutions, civil society.

Milestones:

August 2003: First Roundtable Meeting (RT) took place in Kuala Lumpur, Malaysia and was attended by 200 participants from 16 countries.

8 April 2004: RSPO was formerly established under Article 60 of the Swiss Civil Code.

August 2004: 47 organizations signed a Statement of Intent declaring their intention to participate in the RSPO Initiative.

November 2005 - The RSPO Principles and Criteria (P&C) were adopted for an initial pilot implementation period of two years by 14 companies.

2006 – Creation and adoption of Members’ Code of Conduct; RSPO Indonesian Liaison Office (RILO) established in Jakarta.

October 2007: The RSPO Principles and Criteria (P&C) were reviewed by the RSPO Criteria Working Group (CWG). The review included public consultations; meetings; soliciting of public comments; inputs from national interpretations; smallholder taskforce deliberations and pilot field trial results.

November 2007: RSPO Certification System was approved by the RSPO Executive Board and adopted by General Assembly (GA4) and officially launched at RT5 (the 5th Roundtable Meeting on Sustainable Palm Oil) by the then Hon. Minister of Plantations Industries & Commodities, Malaysia, Datuk Peter Chin FahKui in Malaysia.

2008:- National Interpretations (NIs) of the generic Principles & Criteria for Indonesia, Malaysia and PNG approved.

21 August 2008: Approval for the 1st P&C certification for United Plantations. Inaugural shipment of CSPO arrived in Rotterdam in November.

August 2008: The RSPO Supply Chain Certification Systems was developed and finalized.

August 2008 - November 2009: The RSPO Supply Chain Certification Systems was reviewed and adopted.

October 2010: RSPO membership reached 500 Ordinary Members from around the world.

2010: First RSPO certificate was issued to Latin America, Daabon Group, Colombia

June 2011: Launch of the RSPO Trademark

25 August 2011: 3 years since the certification of sustainable palm oil, the industry reaches a turning point by hitting its first 1 million hectares of certified production area around the world.

25 August 2011: The inaugural certification of sustainable palm oil in Brazil by Agropalma.

25 August 2011: The global production of CSPO reaches 5 million tonnes, 10 percent of global palm oil production.

November 22, 2011: A record achievement of over 1000 attendees at RT9 from over 20 countries.

RSPO Principles and Criteria

The RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO P & C) are the global guidelines for producing palm oil sustainably. These include standards for palm oil plantations on dealing fairly with employees, smallholders and impacted communities, conserving natural resources and biodiversity, and developing new plantings in responsible ways.

The palm oil supply chain, from the tropics to its use as an ingredient in retail products all over the world, is complex. To preserve the integrity of RSPO palm oil, players along the supply chain wishing to use it have to do so transparently to allow traceability. The transparency and traceability is assured through the RSPO Supply Chain Certification.

The Roundtable has set up certification schemes to assure oil processors and consumers that the sustainable palm oil they purchase indeed supports plantations that operate in a sustainable way. Independent, well-established, RSPO- approved certification bodies are responsible for carrying out audits at plantations and mills. The audits will cut across, the entire supply chain.

The 8 Principles include:

- Principle 1: Commitment to transparency; NGO
- Principle 2: Compliance with applicable laws and regulations
- Principle 3: Commitment to long-term economic and financial viability
- Principle 4: Use of appropriate best practices by growers and millers
- Principle 5: Environmental responsibility and conservation of natural resources and biodiversity
- Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and mills (case study)
- Principle 7: Responsible development of new plantings
- Principle 8: Commitment to continuous improvement in key areas of activity

Membership:

As the RSPO gains recognition and momentum, membership of the Roundtable is growing, and the volume of sustainably produced palm oil on world markets is expected to grow exponentially.

By November 2011, RSPO comprises 722 member companies from close to 50 countries around the world. RSPO has three categories of membership;

- Ordinary Membership (OM) consists of the main players in the palm oil supply chain, namely the oil palm growers, processors and traders, manufacturers of consumer goods, retailers, banks and investors, environmental NGOs and social or developmental NGOs.
- Affiliate Membership is open to any individual or organizations that are not included in the 7 Ordinary Membership sectors and are interested in supporting the objectives and activities of RSPO.
- The third category which was introduced more recently enables the organizations that

are active in the supply chain for certified sustainable palm oil, but do not purchase more than 500 MT palm oil products per year to be Supply Chain Associates.

Among the consuming countries, UK has the largest number of Ordinary Members at 17%; followed by the Netherlands at 10%; Germany at 10.7% and France at 9%.

Membership to RSPO offers organizations from the diverse sectors these advancements:

Reputation:

- 🚩 RSPO CSPO recognized internationally.
- 🚩 Membership demonstrates first step towards commitment to go sustainable.

Supply chain representation:

- 🚩 Members represent 7 stakeholder groups within supply chain
- 🚩 Completes the demand & supply loop & everything in between

Market Access:

- 🚩 Domestic/National consumption
- 🚩 International

Members shape policy & decisions:

- 🚩 A strategic platform to create & influence policies and key decisions

Access to best practices:

- 🚩 On agricultural; environmental and social aspects

Enhances the value of palm oil:

- 🚩 As the largest traded commodity/edible oil that is certified

The RSPO Trademark



The RSPO trademark is a trademark that members can use to proactively demonstrate their commitment to sustainable Palm Oil and other sustainable palm-derived products.

Members can use the trademark in communication on or about the products that contain palm-derived ingredients. These ingredients must be sourced and be in compliance with one or more of the three (3) supply chain systems; the systems are Identity Preserved, Segregated and Mass Balance.

In November 2010, the design of the RSPO trademark was officially showcased at the 8th Roundtable Meeting in Jakarta, Indonesia. The rules that govern the use of the trademark were finalised, and the procedure for trademark application are already in place. The application process will help facilitate and educate new members about their roles, responsibilities and ensure commitment. The RSPO trademark is currently being registered in over sixty(60) countries across the globe, this includes the key palm oil markets. The RSPO trademark will play a significant role in the initiatives that RSPO has already put in place.

A SNAPSHOT OF KEY FACTS:

Total volume of Certified Sustainable Palm Oil to date:	5,191,340 metric tonnes
Total volume of Certified Sustainable Palm Kernel to date:	1,210,302 metric tonnes
Total production area of CSPO:	1,023,435 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 Islands; Brazil; Colombia): 12%
Total number of members:	Total: 701 members Ordinary Members: 531 members Affiliate Members: 96 members Supply Chain Associates 74 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%