

# A Global Partnership To Make Palm Oil Sustainable





# What is Palm Oil?



- 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 MILLION METRIC TONNES



77<sub>MT</sub>



Palm

67<sub>MT</sub>



Soybean

34<sub>MT</sub>



Rapeseed

19<sub>MT</sub>




Sunflower

Source: Foreign Agricultural Service, Official USDA Estimates (2024).


# WHY IS PALM OIL SO POPULAR?

Land required to produce 1 tonne  
of major types of oil

 1 ha = 2.70 MT Palm Oil

 1 ha = 0.72 MT of Rapeseed Oil

 1 ha = 0.74 MT Sunflower Seed Oil

 1 ha = 0.46 Soybean Oil



## Annual global demand for vegetable oils in million metric tonnes



2024

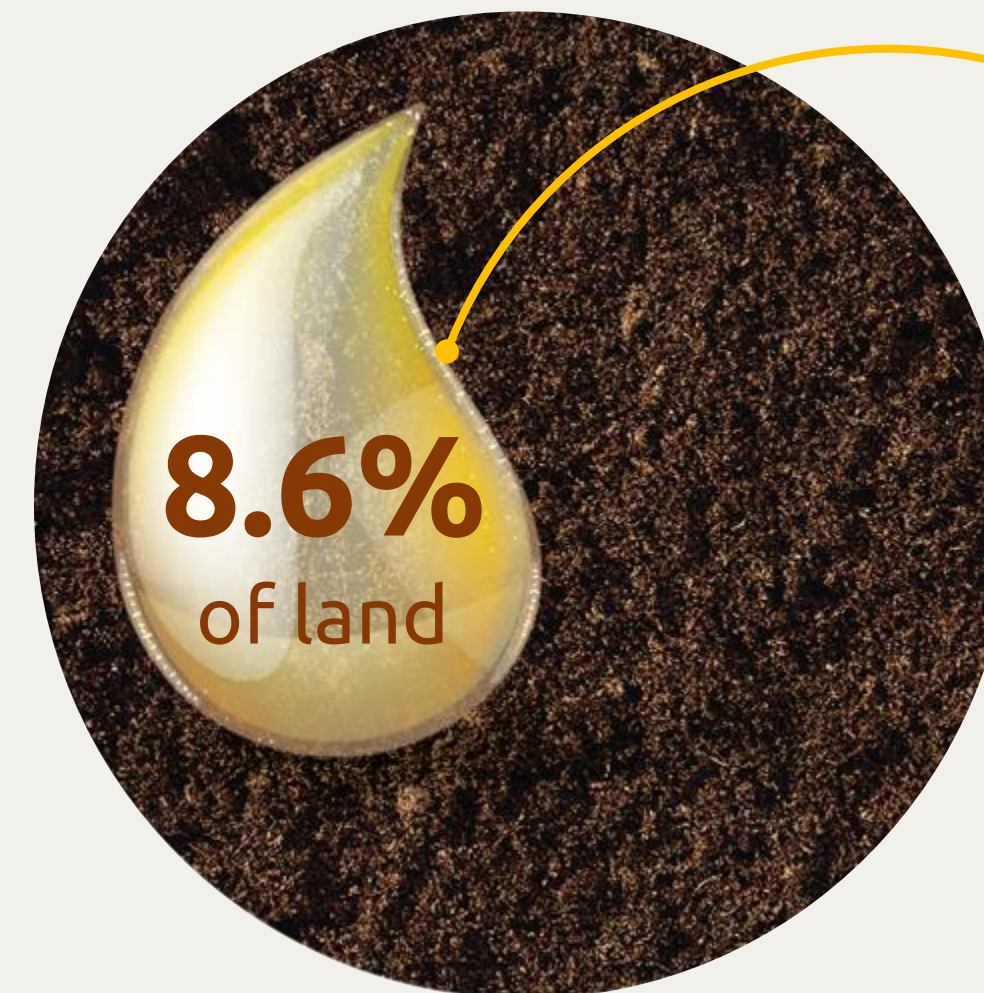
165<sub>MT</sub>



2050

305<sub>MT</sub>

On the land allocated  
to oil crops, oil palm  
produces **42%** of all  
vegetable oils using  
**8.6%** of the land



**40.2%**  
of all  
Vegetable oils

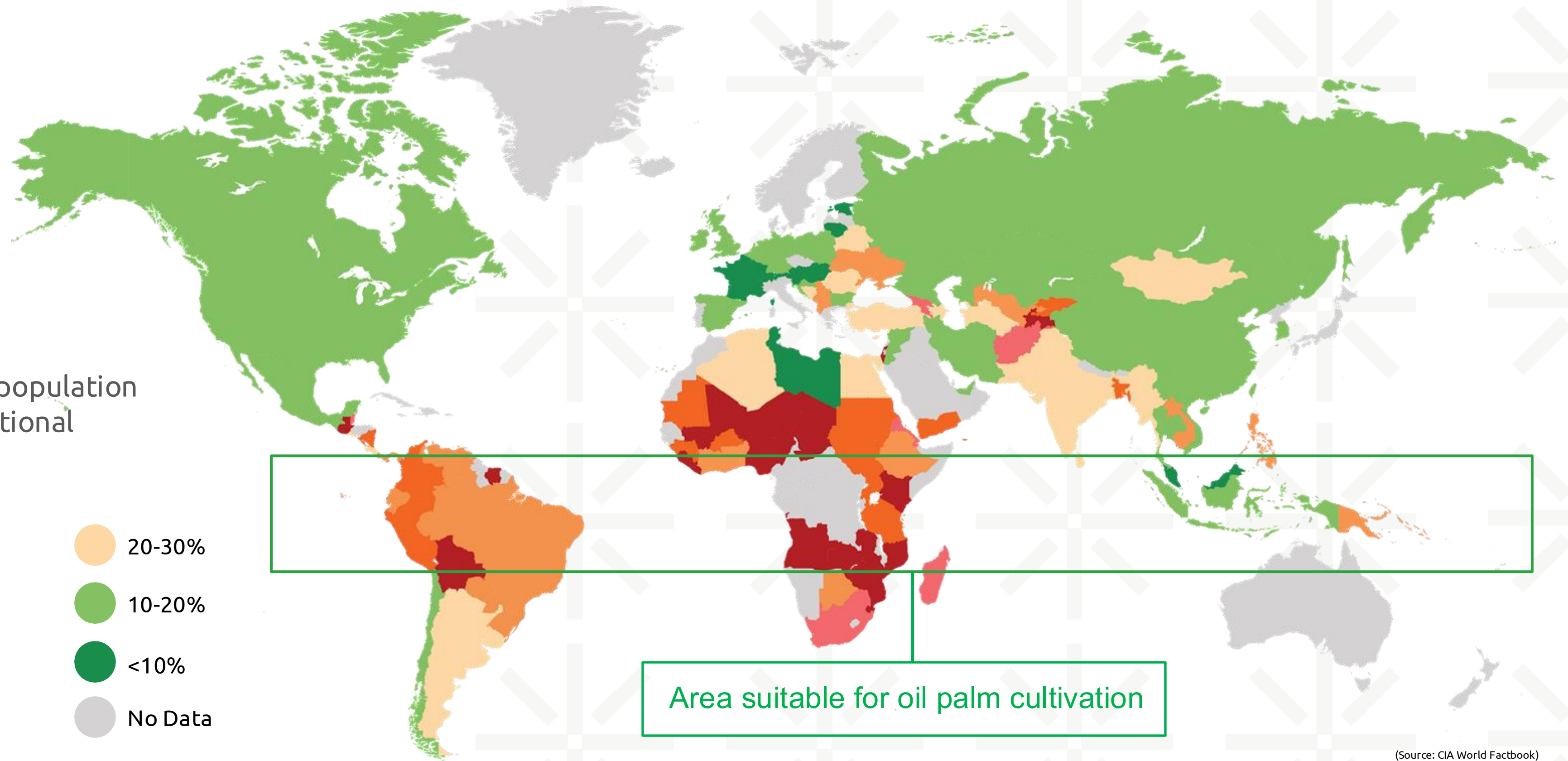
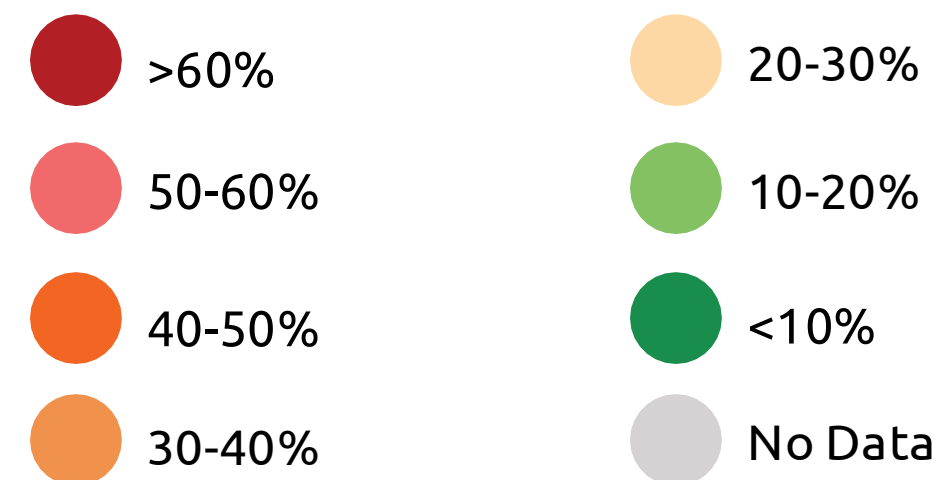


# GLOBAL IMPACT OF OIL PALM CULTIVATION

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



Percentage of population  
living below national  
poverty line



(Source: CIA World Factbook)

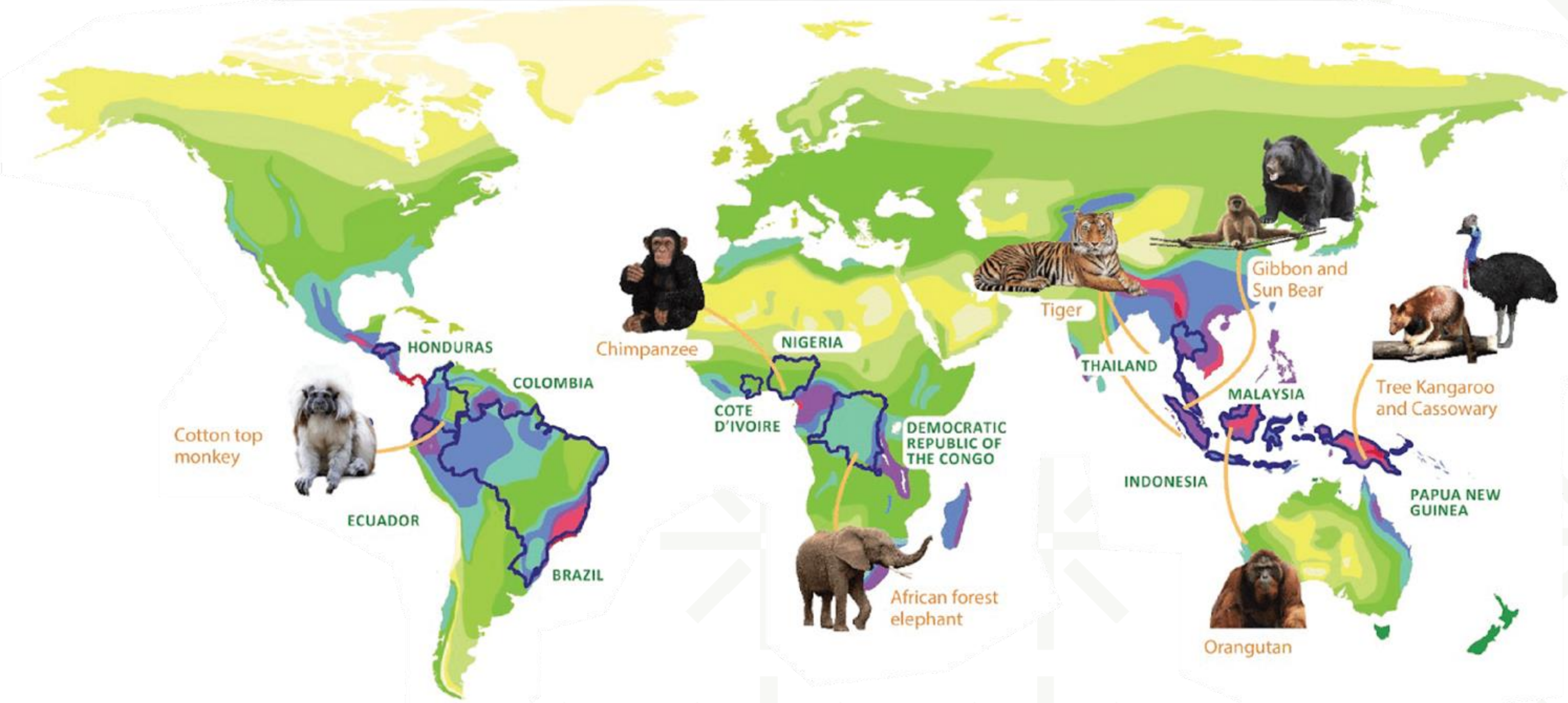


# GLOBAL IMPACT OF OIL PALM CULTIVATION

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

Number of species  
of plants per 10,000km<sup>2</sup>

- 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. Barthiott 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.

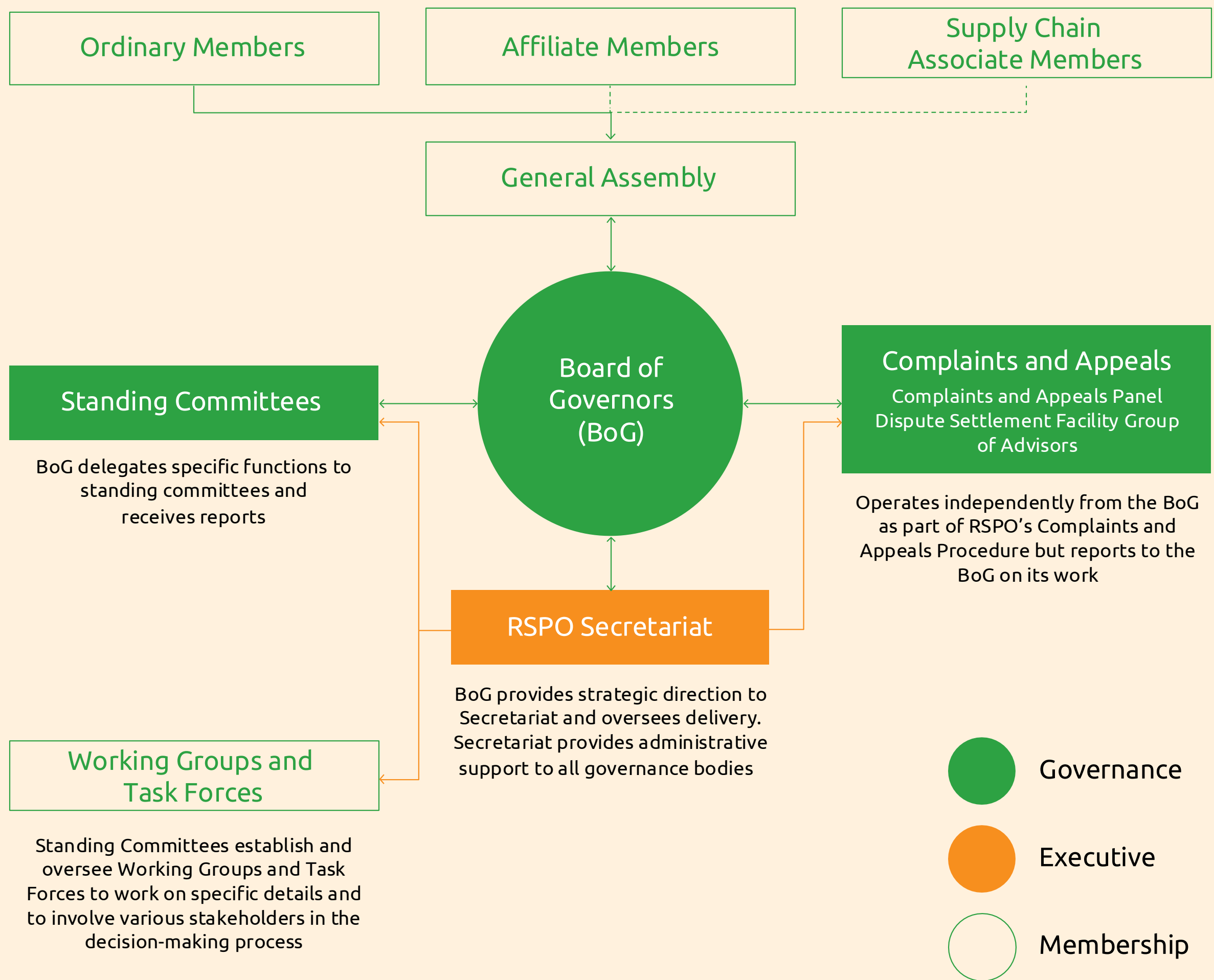
Our founding members include the World Wide Fund for Nature (WWF), Malaysian Palm Oil Association (MPOA), Unilever, Migros, and AAK. Headquartered in Kuala Lumpur, Malaysia, RSPO also has representative offices in Indonesia, the United Kingdom, the United States, the Netherlands, China, and Colombia.



# 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.





# 2018 PRINCIPLES AND CRITERIA

## 7 PRINCIPLES

for growers to be RSPO certified



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



4. Protect, conserve and enhance ecosystems and the environment



5. Behave ethically and transparently
6. Operate legally and respect rights
7. Optimise productivity, efficiency, positive impacts and resilience



No deforestation



No new planting on peat



No use of fire



Protection of labour and human rights



Decent living wage



# 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.

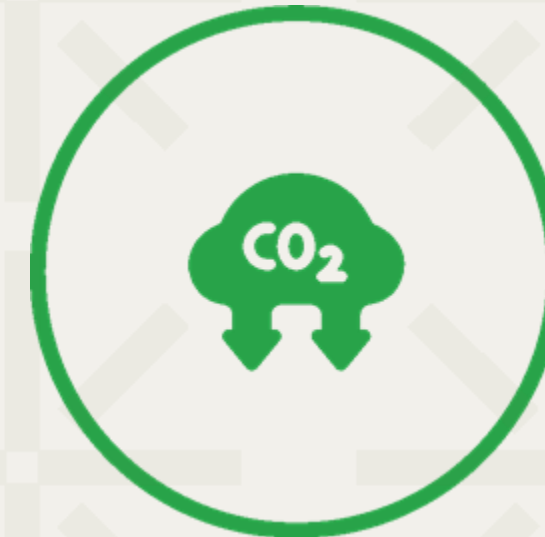


## Strong Equity Returns

RSPO member companies outperform non-RSPO members by 24.7%

Source: Climate Advisers

<https://www.climateadvisers.org/newsfeed/companies-committed-to-sustainable-palm-oil-production-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.

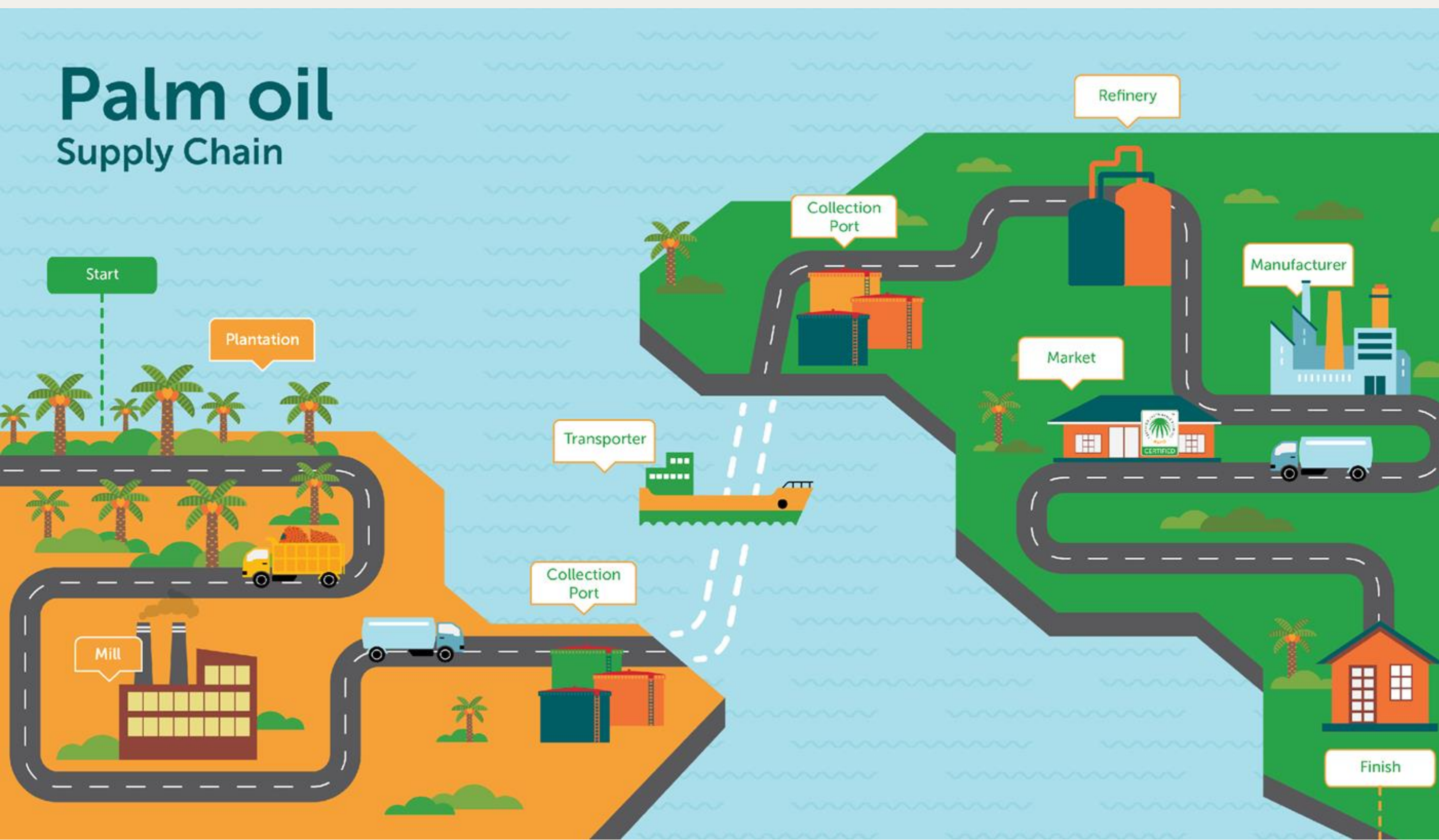


Principles & Criteria



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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