

Clarifications on the Eligibility and Application Framework RSPO NEXT

Minimum Threshold for P&C members

- If, for any reason, the number of P&C certified units falls below the 60 % threshold, the certification of RSPO NEXT will be suspended until such a time that the 60 % minimum has been restored (with the exception of new acquisitions as noted in the core eligibility document).
- No sales of RSPO NEXT credits will be allowed when a suspension is in place, regardless of the date the credits were issued.

Minimum Threshold for Supply Chain members

- The 100% cover of oil palm products by physical material and/or RSPO credits (until 31st December 2016, GreenPalm certificates) will be verified by the ACOP submissions or by the CB for certified units.
- The progress against the time bound plan to move to 100% physical and/or RSPO Smallholder certificates will be verified through either the ACOP submissions for members not requiring certification or via the CB for members eligible for certification.
- Measuring the GHG emissions will be required on a total company basis for activities which are under direct control of the company.
- The reduction of GHG emissions will be measured as an absolute reduction against the baseline year of 2005 or later if appropriate.
 - 2005 shall be used as the baseline year if the company was in operation at the time.
 - A later date is only acceptable if it is the first year of operations of the company.
- The public reporting shall be on the own website, the RSPO website and submitted in the ACOP, when this is mandatory.

Minimum initial participation for P&C members

- If, for any reason, the number of RSPO NEXT certified units falls below the 30 % threshold, the certification of RSPO NEXT will be suspended until such a time that the 30 % minimum has been restored.
- No sales of RSPO NEXT credits will be permitted when a suspension is in place; regardless of the date the credits were issued.

Minimum initial participation for Supply Chain members

- The verification of the entry level and target achievement will be done through the ACOP submission or through the annual audit for SCC certified members.

Transparency & Disclosure

- For producers
 - the annual disclosure will be required to be the actual total palm oil and palm kernel oil production and the actual RSPO NEXT production volumes (palm oil and palm kernels) for the previous year.
- For Supply Chain members
 - the annual disclosure will be required to be the actual total palm oil (and derivatives), and palm kernel oil (and derivatives) purchases for the previous year. Reporting shall indicate total purchases and total certified purchases.
 - the disclosure of the actual purchased RSPO NEXT credits will be required for the same period.
- The required public reporting shall be at a minimum:
 - Publication of the reported information by the RSPO on their website
 - Publication in a prominent way on the website of the company (if one exists)
 - Prompt provision of this information to any request received

How the amounts of RSPO NEXT credits to be issued are calculated

- For producers the issuance of RSPO NEXT credits are calculated on oil basis based on the amount of production at the plantation level. The total credits issued will be calculated as follows:
 - the total certified volume of CSPO **PLUS**
 - 45 % of the certified volume of PK (representing the volume of oil that would be produced from the volume of certified PK in the license)
- RSPO NEXT credits will have the same lifespan as the CSPO/CSPK license and if unsold shall expire at the end of the license year. Carryover will not be allowed.

How do Supply Chain members calculate how many credits must be purchased based on their consumption of oil palm products?

- The purchased credits will represent one credit for one ton of palm oil (or fractionated materials) and one ton of palm kernel oil (or fractionated materials).
- For the oleochemical derivatives the actual conversion factors shall be used.

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