

# RSPO

Roundtable on Sustainable Palm Oil

# Newsletter

FOR RSPO MEMBERS

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## In This Issue:

<b>President's Welcome Message</b>	1	Book & Claim	5-6
<b>Secretary-General's Report</b>	2	HCV Assessors Approval	7-8
SPO in the Market	3	Certification Profile	9
Supply Chain Certification	4	Membership Profile	9

The Roundtable on Sustainable Palm Oil (RSPO) is a global multi-stakeholder initiative on sustainable palm oil that was formally established under Article 60 of the Swiss Civil Code on 8 April 2004. The not-for-profit Association will have members representing major players along the palm oil supply chain. The RSPO is a unique platform for the pragmatic co-operation to contribute to the expansion of sustainably produced palm oil and its uses.

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Alison Austin - British Retailers Consortium

Advisor to the Executive Board

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Sarala Aikanathan (Communications Officer)

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# President's Welcome Message



Dear Sustainable Palm Oil supporters,

It is good to see the market uptake for RSPO Certified Sustainable Palm Oil picking up - in March, even an overshoot of 108% to bring the average uptake for the last 12 months to 48%.

The RSPO EB met in Bali, during the ICOPE conference organised by SMARTRI, WWF Indonesia and CIRAD. We hope to have found a way forward with various certifications which have been pending for some time now. I admit this seems to take ages, but the RSPO EB realise that progress by the utmost care is needed in order not to risk the RSPO brand. The global palm oil market is beginning to notice CSPO, so we must do everything in our power to ensure that the audit process is credible.

Even though all involved do their utmost in this respect, from time to time the validity of the RSPO process will be challenged, be it the certification of mill, or compliance with the partial certification requirements. There is, in my view, only one possible response to such challenges: they need to be taken seriously, responded to swiftly, and with utmost transparency. Remember: reputation comes on foot, but leaves on horseback.

Although the climate summit in Copenhagen in December last year did not yield a new climate treaty, nor make big steps in the discussions on REDD (Reduced Emissions from Deforestation and Forest Degradation) programmes and the related compensation payments from forest-poor to forest-rich nations, there has been progress in the background. Post-Copenhagen, over US\$10 billion was pledged by several governments for the REDD+ pilot programmes. There is an attempt to involve RSPO, the Roundtable on Responsible Soy (RTRS) and the Better Sugarcane Initiative in climate change discussions. These are yet early days, but the future portends great promise which I look forward to discuss in the next meeting of the Greenhouse Gas Working Group 2, in May in Singapore.

RTRS has had a slight set back with ABIOVE, the Brazilian association of seed crushers, deciding to move their support (and membership) for RTRS to the national (i.e., Brazilian) so-called Soja-Plus initiative. But, the individual member companies of ABIOVE, such as ADM, Bunge, Cargill, Dreyfus Group and Grupo A. Maggi, remain committed to RTRS.

I will keep you informed.

Jan-Kees Vis

# Secretary-General's Report



Dear RSPO Members,

Pendulums swing ... and when once upon a time more RSPO certified oil was produced than taken up, the reverse is true today. And RSPO must buck up to keep the clock of sustainability ticking. Multi-stakeholder and transparent processes will dampen the wild swings while commitments and living up to them will be the winding and unwinding of the spring that moves the pendulum.

**The call to commitments will sound even louder and clearer this year through members' annual reports** which can now be submitted online. The reporting season starts from May. And the mother-of-all commitments and reports is to pay your membership fees – pay and report your payment!

Online submission is only one of the new features of the revamped website which now also allows easier search of members, provides for tracking of certifications and a host of other features which will be incorporated with continuing development of the website. Watch the site!

The first quarter of 2010 was a hive of activity. The New Planting Procedures were rolled out and, along with it, more rigorous transparency in HCV assessments. GHG WG2 have been in active engagement and consultations, taking forward a very difficult subject as Copenhagen 2009 well demonstrated. The integrated weed management study is near completion bar some case studies that need follow-up. March witnessed an incredible rush for Supply Chain certification before the 31<sup>st</sup> March deadline for self-assessment expired. Submissions were received from more than 60 facilities from 30 companies, to be assessed by a small team in the Secretariat.

But the most significant progress, made out of the limelight, is for oil palm smallholders. The P&C for schemed or organised smallholders is complete and work-in-progress for independent smallholders. A group certification scheme is also being finalized; for smallholders the certification is on the farm produce, or oil palm fruit bunches. The certification of smallholders will have far-reaching consequences. They are also important from another perspective – the NI of Thailand and Ghana need to consider that over 90% of their production is from small farms. The NI for Solomon Islands is now with the Board for approval while in Latin America both Ecuador and Brazil are shooing along their NI and Colombia is close to completion.

So for CSPO, the clock is indeed ticking very well.

Dr. Vengeta Rao

# Physical sustainable Palm Oil increasingly available to end markets

“Compared to the 100,000 t traded in the whole of 2009, the market is experiencing a promising upward trend! “

Volumes available for use in consumer products have increased considerably over the last few months. An increasing number of companies in the palm oil supply chain have become qualified to start trading physical, sustainably produced, RSPO-certified palm oil products. Actual trade in Segregated and Mass Balance has nearly doubled monthly over the last 4 months!

In the first quarter of 2010 alone, a total volume of over 75,000 tonnes of physical sustainably produced palm oil found its way to end markets, mainly in Europe. Compared to the 100,000 t traded in all 2009, the market is experiencing a promising upward trend! These products originated in Malaysia, Papua New Guinea and Indonesia. Other producing countries are hoped to follow.

RSPO has been working hard on assuring that sufficient qualified auditing capacity is available for companies in the palm oil supply chain to have their companies independently checked **against RSPO's Supply Chain Requirements.** RSPO's Working Group on Trade & Traceability developed the necessary procedures and was able to have the first Certifying Bodies (CBs) accredited over the last months. Accredited CBs can **be found on RSPO's website**

([www.rspo.org](http://www.rspo.org)).

If your company chooses to start making physical trading of sustainably produced palm oil (products) into a mainstream reality, contact us and let us guide you through the necessary steps.

Together we can make **RSPO's dream become reality!**

*Bas Geerts -  
UTZ Certified*

For more information:  
UTZ Certified (traceability system):  
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RSPO:  
i: [www.rspo.org](http://www.rspo.org) (official RSPO website)



## RSPO Interim Procedure for Self Assessment Ends

On 31 March 2010, the RSPO interim procedure for RSPO supply chain certification by self-assessment and declaration ended. The certification is required for all companies that want to buy/sell RSPO-certified sustainable palm oil via one of the physical supply chain systems (Identity Preserved, Segregated or Mass Balance).

With the supply chain certification, RSPO protects the integrity of claiming the use and sale of RSPO-certified materials. The certification ensures that with Mass Balance oil, the sales and purchases match. With Segre-

gated oil, it is verified that the seller is actually capable of physically segregating the material.

The interim procedure was introduced to expedite the first batches of RSPO-certified palm oil trading via the physical RSPO-approved supply chain options (Mass Balance and Segregated) as the official certification bodies were then not yet in place. As of 1 April 2010, the first RSPO-approved certification bodies will be operational, obviating the need for self-assessment.

The self-assessments previ-

ously approved remain valid - for one year from their dates of approval, so the products remain certified until expiry of the certification.

Over the last year, 30 companies were approved on self-assessments. It concerns over 51 facilities.

More information or help on RSPO supply chain certification can be obtained from Marieke Leegwater at [Leegwater@mvo.nl](mailto:Leegwater@mvo.nl) or 070 3195136.



Marieke Leegwater -

MVO

Chair of RSPO Trade and Traceability Working Group

## RSPO announces first proposed approval of Supply Chain Certification Body: BM Trada

Last week, RSPO published the first proposed approval of a supply chain certification body. It is BM Trada UK, a British company with ample experience in supply chain certification within the Forest Stewardship Council. <http://www.rspo.org/>

RSPO invites more interested certification bodies to apply for approval. The announcement can be found on <http://www.rspo.org/>. The requirements for approval are described in [RSPO Supply Chain Certification System](#). Applications are to be submitted us-

ing the [Self-assessment form](#), together with all the required documentation, to [rspo@rspo.org](mailto:rspo@rspo.org).

During an interim period, all applications will be evaluated by RSPO. This is a temporary measure as RSPO works towards fully independent accreditation of the certification bodies. A pilot project is being set up with Accreditation Services International in which all applicants for interim approval are required to participate. Applicants must submit a letter of willingness to participate with

their application.

RSPO Supply chain certification is required for all companies that want to buy/sell RSPO certified sustainable palm oil via one of the physical supply chain systems (Identity Preserved, Segregated or Mass Balance). Until 31 March 2010, companies were certified by self-assessment, but from 1 April 2010 only independent third party certification is possible.

# GreenPalm raises \$4M for sustainable palm oil producers

*“Raising over \$4M for producers of sustainable palm oil is an important achievement, since the programme is based on the idea that the best way to encourage people to do things differently is to reward them for doing so”*

GreenPalm, the certificate trading programme designed to promote sustainable palm oil production by enabling producers to earn more by producing sustainably, has reached an important milestone.

Just 18 months after trading in GreenPalm certificates began, palm oil producers who are members of the programme and who have **met the RSPO’s rigorous** guidelines for social and environmental sustainability, have earned over \$4m for their ef-

forts by selling GreenPalm certificates.

The GreenPalm programme works by bypassing the physical **supply chain. Here’s how...**

Palm oil producers which have gained RSPO certification register their output with the GreenPalm programme. They are awarded one GreenPalm certificate for each tonne of palm oil sustainably produced, which they can sell on the GreenPalm web-

based trading platform: [www.greenpalm.org](http://www.greenpalm.org)

Manufacturers or retailers of products containing palm oil can buy the certificates online, in order to be able to claim their support for the production of sustainable palm oil. Consumers can then make environmentally and socially responsible purchasing decisions based on the legitimate claims by the producers.

The palm oil itself is sold, purchased and processed the usual way. Of course, raising the





Bob Norman  
General Manager  
Greenpalm

\$4M would not have been possible if purchasers had not bought the GreenPalm certificates. No fewer than 50 retailers and manufacturers have already redeemed GreenPalm certificates – you can check this by visiting the Redeemed Certificate Owners page in the Market section of [www.greenpalm.org](http://www.greenpalm.org).

In addition, the GreenPalm membership list is growing every day. There are currently more than 110 members, including major retailers, high profile manufacturers and food service organisations.

Any organisation which makes or sells products containing palm oil or palm kernel oil can support sustainable production through the GreenPalm programme. One of the most important advantages perhaps of the GreenPalm programme is that it can even reward the

smallholder whose output is **consumed domestically**. It's important to remember also that for every GreenPalm certificate sold, \$1 is donated to RSPO to support its vital work. Over \$540,000 has been raised so far.

Retail and food manufacturing businesses are also benefiting from their association with GreenPalm as consumers **become more aware of what's at stake**, thanks to initiatives such as the **WWF Palm Oil Buyers' Scorecard**. This ranks between 20 and 50 major global retailers, manufacturers and traders of palm oil and palm-based products on their commitment and actions in producing, procuring, using and promoting sustainable palm oil.

The General Manager of GreenPalm, Bob Norman, said:

**“Raising over \$4m for producers of sustainable palm oil is an important achievement, since the programme is based on the idea that the best way to encourage people to do things differently is to reward them for doing so. We hope our success so far will provide strong encouragement for producers to continue to produce sustainably and for others to follow suit.”**

**He continued...**

**“We've succeeded in attracting major retailers and brands to GreenPalm here in the UK and we're beginning to see interest from mainland Europe, North America and Australia.**

We believe that these areas will be the focus of expansion in the **coming months.**”

To find out more about how your organisation can support the production of sustainable palm oil, visit [www.greenpalm.org](http://www.greenpalm.org) or call Bob Norman, General Manager of GreenPalm, on: +44 (0) 1482 332013 or +44 (0) 7776 144731.

*Christine Jarvis -  
Press Officer, Greenpalm*



# Panel of HCV Assessors: The Highs and Lows of a Long Process

**“The increase in RSPO membership among grower stakeholders represents a growing market for experts and companies/organizations involved in HCV assessment”**



*Jutta Poetz-  
RSPO  
Biodiversity  
Coordinator*

In May 2009, during a physical meeting of the New Planting Working Group (NP-WG) in Kuala Lumpur, an idea was broached to have a panel of qualified HCV assessors for RSPO stakeholders in the region. The panel would serve as a pool of expertise in HCV from which RSPO members can draw on to assess their concessions, reducing the risk of incompetent operators giving substandard results. The increase in RSPO grower members represents a growing market for the HCV experts and companies/organizations involved in HCV assessment, and it was hoped that establishing the panel will gradually raise the standards among the practitioners.

The RSPO Secretariat agreed to the proposal by the NP-WG, and has started to compile a list of HCV assessors. The High Conservation Value Network was approached to help develop guidelines for the qualifications of assessors in general, and for team leaders and discipline specialists in particular and played an instrumental part in the development of the guidelines.

A first draft set of guidelines was reviewed by an international panel of experts and the RSPO Biodiversity Technical Committee (BTC). Based on the feedback, a revised draft was prepared by the HCV-RN experts and finalized through discussions in the BTC. This



initial process was concluded with a review and endorsement by the RSPO EB in November 2009.

The guidelines were converted into an application form and posted on the RSPO website in mid-December 2009, together with the original guidelines document and an invitation for applications. The first round of response saw 40 applications, 24 of which were processed, the remainder having insufficient documentation. A subsequent review passed 17, with the remaining seven to be further reviewed by the BTC. The names of the successful 17 **were posted for 15 days' Public Consultation** on the RSPO Website in mid-February. An official first list of 16 names was finally released on the RSPO website on 12 March, 2010.

The RSPO Secretariat is now well into the second round of reviewing applicants, and the second list of approved assessors will be posted on the RSPO website for Public Consultation as soon as the process is complete.

During the review, it was realized that even the approved assessors would benefit from further training. Thus, at least two training sessions for RSPO-approved HCV assessors are planned for 2010, to further improve their expertise, especially in proffering advice on practical and implementable conservation and management options for HCVs in plantation landscapes. It is hoped that compiling the pool of assessors will ultimately contribute to estate management and operation practices that protect and conserve biodiversity, maintain the ecosystem services and provide connectivity between existing conservation areas as much as generate profits.



# Numbers of RSPO Certified Companies as of April 2010

## Growers Certification

Total CPO: 1,565,828 t  
 Total PK: 344,418 t  
 Total Area: 310,212 ha  
 No. of Companies: 11  
 No. of Mills: 36

## Supply Chain (Interim Approval)

No. of Companies: 33  
 No. of Facilities: 63

# MEMBERSHIP PROFILE as of April 2010

