

## **NEWS RELEASE**

### **OIL PALM GROWERS SPEAK OUT ON IMPROVED SUSTAINABILITY CERTIFICATION**

The recently adopted revised RSPO standard for sustainable palm oil generates diverse sentiments from growers around the world

*International, May 21, 2013* - The revised Principles & Criteria (2013) of the Roundtable on Sustainable Palm Oil (RSPO) has received widespread support following its ratification by the organization's membership at the recent Extraordinary General Assembly (EGA) in Kuala Lumpur, Malaysia.

Members gave a near unanimous vote in favour of the revised Principles and Criteria, which is a cornerstone of the RSPO – an international certification scheme and multi-stakeholder association for sustainable palm oil. The Growers and Consumer Goods Manufacturers sectors were the two largest sectors represented in the 222 to 6 vote, followed closely by Processors & Traders, Retailers, Non-Governmental Organizations (NGOs) and Banks.

RSPO-certified palm oil growers from diverse markets around the world have expressed support for the revised RSPO standard since April's EGA, with a number of independent and multinational growers from Southeast Asia, Latin America, Africa and Oceania acknowledging it is a significant improvement on the standard implemented in 2008.

'Obviously, it's been hard for the revised P&C to satisfy every vested interest in the sector,' said Dr Simon Lord, Group Director of Sustainability at New Britain Palm Oil Limited. 'But ultimately the revised P & C is a further move in the right direction. Lord, who is also Vice President IV of the RSPO Executive Board representing the growers from the Rest of the World said RSPO affiliated growers 'need to understand the bigger picture' and realize the benefits of supporting sustainability, publicly. 'Showing support is good for individual brands, it's good for the sector, but crucially, it's good for consumers around the world,' said Lord. 'People want to know that organizations such as the RSPO are out there protecting the world we live in.'

Edi Suhardi, Director Sustainability of PT Agro Harapan Lestari said: 'At the moment, 15 per cent of processed palm oil is sustainable, and we hope that global consumer trends will indicate that this is bound to rise steadily as the buying public demands more of its manufacturers and supplies. Look at the rapid take up we've seen of recycling, certified organic, fair trade goods and so on. All of these critical environmental and social behavioral changes have been linked to strong sustainability certification schemes.'

Suhardi, who is also Vice President II of the RSPO Executive Board, representing the caucus of Indonesian growers said that a certification scheme's strength can only grow when industry pulls together and leads by example.

'Once consumers see we're serious, and that supporting 100 per cent sustainability is environmentally and economically viable, we'll reach a win-win position,' he said. 'But if we don't have a unified voice, and a clear message, consumers will simply switch off.'

John Clendon, Managing Director of Univanich Palm Oil in Thailand said: 'Recent reports indicate that many plantation producers, including smallholder farmers, are realizing the long term benefits of internationally recognized sustainability standards. These standards promote economic, environmental and social sustainability benefits which are important for the wellbeing of any business, large or small. Given the increasing international demand for environmentally responsible production practices, growers should respond to this market condition by adopting sustainability standards, such as those devised by the RSPO.'

Felipe Guerrero, Sustainability Director of Daabon Group from Colombia described the revised P&C as a 'game changer' because the additional criteria mean that growers, manufacturers and suppliers are now subject to greater scrutiny regarding their environmental and social practices.

'The devil is in the detail,' said Guerrero. 'What's fundamentally important about the 2013 revision is that we now have clearer environmental criteria on greenhouse gas emissions and cultivating palm crops on peat, but also socio-political standards on human rights, forced labour and corruption. We have a long way to go yet, and arguably the expectations in the Latin American region were higher than the consensus. But I think there have been a lot of misconceptions floating around about how sustainability standards are achieved. You have to appreciate that this is an evolutionary process, so a lot of compromise was needed to get the RSPO membership to vote in favour of a new standard.'

Alexandra Booth, Manager of Palm Sustainability at Olam International Ltd, which has oil palm plantations in Africa said: "The revised P&Cs have ensured that we now have a strong and credible framework for developing robust governance in individual countries. It has not been a simple process but the industry has stepped up to the plate and shown that sustainability goals can be advanced together."

Darrel Webber, Secretary General of the RSPO concluded: 'From the feedback RSPO has received over the last two weeks from its membership base across all the seven sectors, the overall message is that the RSPO's certification, like any other credible sustainability standard, must be geared towards continuous improvement if it is to reach greater heights of environmental security. And part of that improvement is spreading the message of promoting a fully sustainable palm oil industry.'

## **On the review process of the P&C:**

The revised Principles & Criteria 2013 was accepted at the Extraordinary General Assembly of RSPO members in Kuala Lumpur, Malaysia on April 25<sup>th</sup>, 2013. The review process of the P&C was in compliance with the global association for sustainability standards, the ISEAL Alliance's Codes of Good Practice, which recommends that a standard must be reviewed at least every five years: <http://www.isealalliance.org/>. The RSPO Executive Board entrusted the P&C Review Task Force to review and amend the P&C to maintain the standard's relevance and effectiveness. The P&C review process began in November 2011. Comments were generated from two public consultations and discussions in four Task Force meetings. The final revised P&C document can be viewed in this link [http://www.rspo.org/file/PnC\\_RSPO\\_Rev1.pdf](http://www.rspo.org/file/PnC_RSPO_Rev1.pdf) and the FAQ here <http://www.rspo.org/file/PostEGAFQAonP&CAMay2013.pdf>

## **15% of world's palm oil production is now RSPO certified**

The current estimated annual production capacity of RSPO-certified sustainable palm oil is 8.2 million metric tonnes, approximately 15 percent of global palm oil production. Spread over 1.7 million hectares of certified area, about 45.5% of the world's current RSPO-certified sustainable palm oil production capacity comes from Indonesia, followed by 44.7% from Malaysia, and the remaining 9.8% from Papua New Guinea, Solomon Islands, Thailand, Brazil, Colombia and Ivory Coast.

## **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 make decisions by consensus.

For more information, please contact:

**Contact for RSPO Secretariat:**

Anne Gabriel  
Communications Director  
T: +603-22012053  
[AnneGabriel@rspo.org](mailto:AnneGabriel@rspo.org)

**Contact for Europe:**

Giovanni Colombo  
Hill+Knowlton Strategies  
T: +32 (0)2 231 50 19  
[Communications@rspo.eu](mailto:Communications@rspo.eu)  
[Gcolombo@hkstrategies.com](mailto:Gcolombo@hkstrategies.com)

**Contact for Indonesia:**

Desi Kusumadewi  
RSPO Indonesia Director  
T: +62 21 5794 0222  
[desi@rspo.org](mailto:desi@rspo.org)

**Contact for India:**

Arneeta Vasudeva  
IPAN Hill & Knowlton,  
T: +91-124-4967316  
[avasudeva@ipanhillandknowlton.com](mailto:avasudeva@ipanhillandknowlton.com)

**Contact for China:**

Peter Headden  
Hill & Knowlton  
T: (86 10) 5861 7597  
[peter.headden@hillandknowlton.com.cn](mailto:peter.headden@hillandknowlton.com.cn)