

# ACOP

Annual Communication Of Progress

— DIGEST —  
&  
NARRATIVE  
2019



## NOTE ON DATA SETS

### RSPO Member data

Data period: Jan - Dec 2018

Source: RSPO members' ACOP reports 2018



## DISCLAIMER

This material and accompanying data is based on submissions from RSPO members which has not been independently verified and is provided by the RSPO and authors without warranty of any kind, either expressed or implied. By making use of this material you do so at your own risk and you accept that the author shall not be liable for any claims, liabilities, losses, damages, costs or expenses of any kind arising.

As not all members submit ACOP reports, the analysis unfortunately cannot claim to be fully representative of the total membership. Although the analysis of ACOP data gives us an interesting insight, especially when comparing historical data, we must be careful in drawing conclusions based on these findings.

Note that reported totals can vary slightly in the report because of different time series data.

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### LIST OF ACRONYMS AND ABBREVIATIONS

ACOP.....	Annual Communication of Progress
CGM .....	Consumer Goods Manufacturers
CSPK.....	Certified Sustainable Palm Kernel
CSPO.....	Certified Sustainable Palm Oil
FFB.....	Fresh Fruit Bunches
GIN .....	Growth Interpretation Narrative
Ha .....	Hectares
ISCC.....	International Standard for Carbon Certification
MT.....	Metric tonnes
NGO .....	Non-Government Organisation
P&C.....	Principles and Criteria
PKE .....	Palm Kernel Expeller
PKO.....	Palm Kernel Oil
PO.....	Palm Oil
RSPO .....	Roundtable on Sustainable Palm Oil

# 1. ACOP 2018 - At A Glance



**4,296**  
Total Membership  
up from 3,838 in 2017



**81.5%**  
ACOP Response Rate  
up from 80.2% in 2017



**3.72**  
million ha  
Total Certified Plantation Area  
up from 2.98 million hectares in 2017



**1.91**  
million tonnes  
CSPO Credits  
(PalmTrace data)  
up from 1.65 million tonnes in 2017



**4.34**  
million tonnes  
CSPO Physical Sales  
(Market Data)  
down from 4.51 million tonnes in 2017

**47%**  
Consumer Goods Manufacturers

**88%**  
Retailers

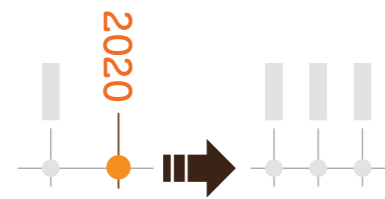
**13%**  
Processors & Traders

Certified Palm Oil and Palm Oil Products Uptake (ACOP 2018 data)

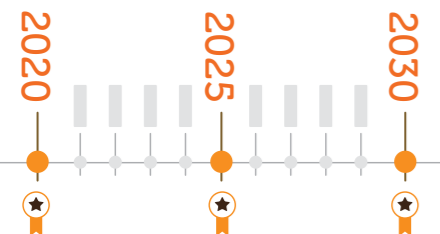


**59.3**  
million tonnes  
Total Certified FFB Production  
up from 52.9 million tonnes in 2017

## TIME-BOUND PLANS



**68.2%**  
of members named post-2020 target years for 100% certification of total production base or total supply chain  
up from 66.5% in 2017



Most frequent target years for 100% certification of total production base or total supply chain



**47.1%**  
CSPO Market Uptake  
(Market Data)  
down from 51.9% in 2017

## ABOUT THE RSPO PRINCIPLES & CRITERIA:

The RSPO Principles and Criteria (P&C) have defined a standard for sustainable palm oil production that has become widely accepted by a diverse range of stakeholders. The standard has undoubtedly generated momentum for the implementation of more responsible practices within the palm oil industry. Most importantly, the RSPO provides a forum for constructive

engagement between groups of stakeholders with different priorities and perspectives, which is essential if the existing barriers to more responsible practice are to be overcome. The RSPO P&C are reviewed every five years; a new P&C was approved and adopted at the 15th General Assembly of RSPO in November 2018.

## 8 PRINCIPLES FOR GROWERS TO BE RSPO CERTIFIED

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

# 2. Summary of Submissions

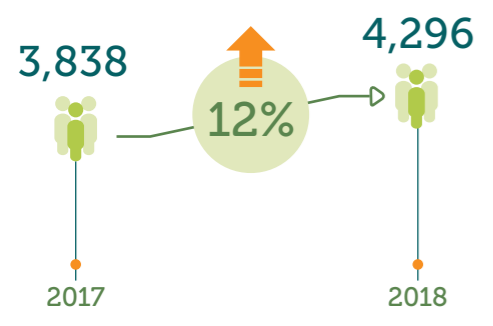
ACOP 2018 has been an encouraging reporting cycle for submissions. After notable growth in total submissions and response rates from members for ACOP 2017, reporting has continued to improve. The response rate has risen to a new high of 81.5%, well above historical response rates.

In particular, submissions in four key member categories – Growers, Processors & Traders, Consumer Goods Manufacturers and Retailers – have remained high. We have also seen an increase reporting from Supply Chain Associates, for whom ACOP reporting is voluntary.

## OVERALL STATUS OF SUBMISSIONS BY CATEGORY

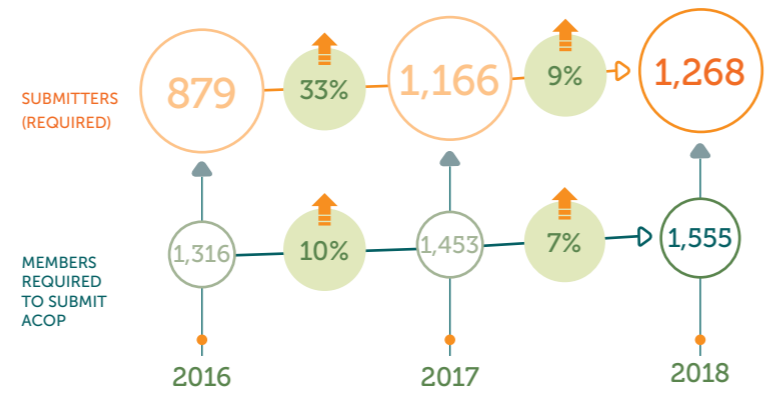
	Growers	Processors & Traders	Consumer Goods Manufacturers	Retailers	Banks & Investors	Environmental NGOs	Social NGOs	AFFILIATES	ASSOCIATES	TOTAL
TOTAL MEMBERSHIP	174 171	571 617	799 851	73 73	14 16	37 41	12 11	98 100	2,060 2,060	3,838 4,296
REQUIRED TO SUBMIT	152 149	459 480	637 715	60 66	14 14	33 36	12 11	86 84	0 0	1,453 1,555
SUBMITTERS (REQUIRED)	123 135	348 381	526 575	51 58	13 13	29 29	10 10	66 67	0 0	1,166 1,268
RESPONSE RATE	81% 91%	76% 79%	83% 80%	85% 88%	93% 93%	88% 81%	83% 91%	77% 80%	n/a 14%	80% 81.5%
VOLUNTARY SUBMITTERS	7 11	41 39	65 62	4 4	0 1	0 4	0 0	6 2	273 332	396 455
TOTAL SUBMITTERS (INCLUDING VOLUNTARY)	130 146	389 420	591 637	55 62	13 14	29 33	10 10	72 69	273 332	1,562 1,723
NON SUBMITTERS	29 14	111 99	111 140	9 8	1 1	4 7	2 1	20 17	0 0	287 287

### 2.2 TOTAL MEMBERSHIP



Total RSPO membership grew by 12% in 2018 to 4,296. Ordinary and Affiliate membership grew by 6% to 1,880, while Supply Chain Associate membership grew by 17%.

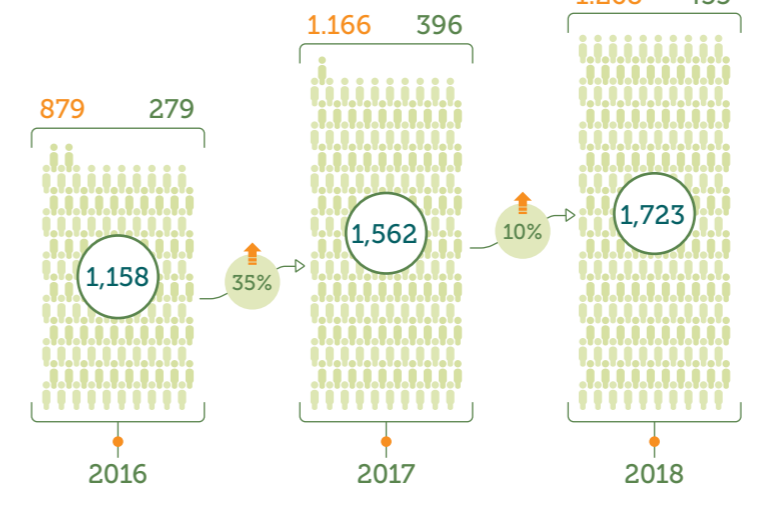
### 2.3 TOTAL REQUIRED SUBMITTERS



Ordinary and Affiliate members of the RSPO who have been members for at least a year at the start of the ACOP 2018 cycle (18 March 2019) are required to submit mandatory ACOP reports. The number of submissions from these members grew by 9%, representing an overall response rate of 81.5% for ACOP 2018, up from 80.2% for ACOP 2017 and 67% for ACOP 2016.

### 2.4 TOTAL SUBMISSIONS

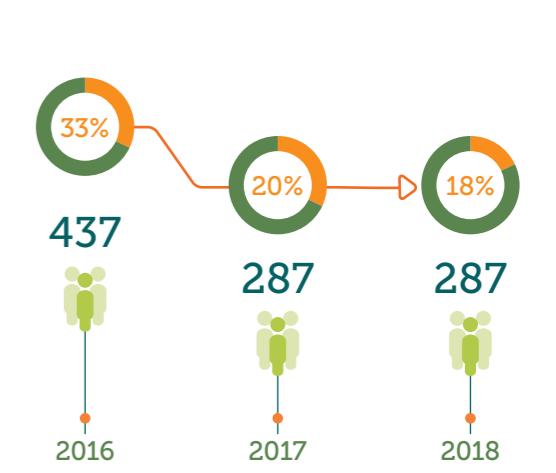
The increase in mandatory submissions were paired with a 15% rise in the number of voluntary ACOP 2018 submissions, bringing total submission up by 10% to 1,723.



# Required Submissions # Voluntary Submissions # Total Submissions

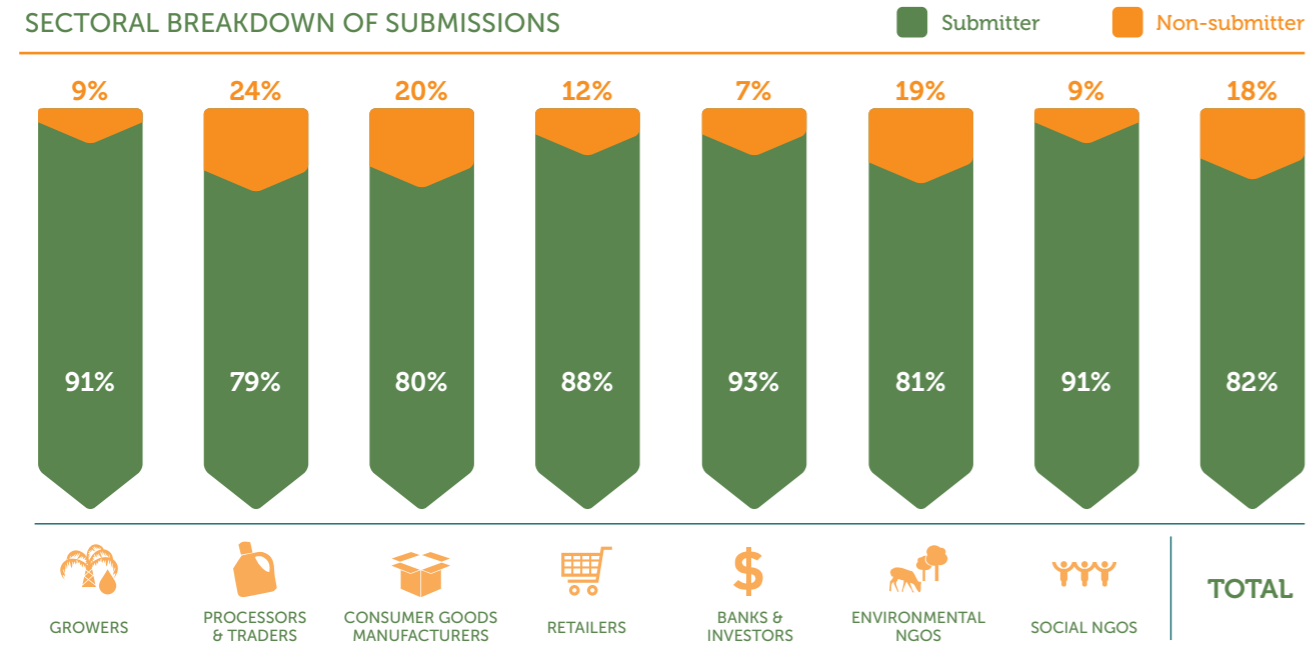
### 2.5 TOTAL NON-SUBMISSIONS

The percentage of non-submissions from mandatory submitters fell to 18%, down from 20% for ACOP 2017, 33% for ACOP 2016 and 41% for ACOP 2014.

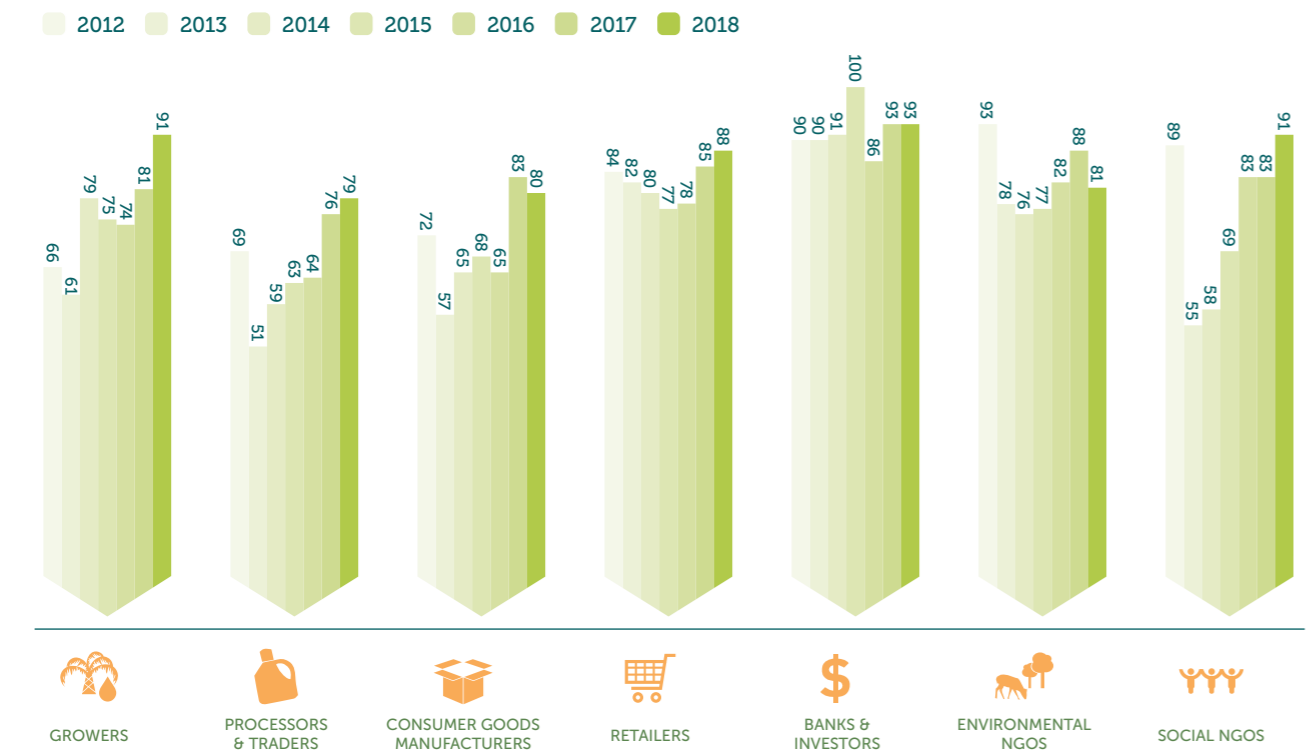




SECTORAL BREAKDOWN OF SUBMISSIONS



DETAILED SECTORAL BREAKDOWN OF SUBMISSIONS (%)



Mandatory submissions for ACOP 2018 increased across all categories. Banks & Investors remain the most consistent submitters, with only a single member failing to submit their ACOP report in 2018 on time for a response rate of 93%. Improvements were seen in the reporting by Grower

members (91%), Processors & Traders (79%) and Retailers (88%). In the single largest block of members, Consumer Goods Manufacturers, a slight decline in submissions - down to 80% - was observed, though we note that overall submission in absolute terms has increased.





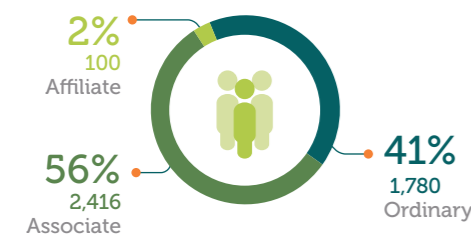
# 3. Membership

Total of 17 May 2019 (the end of the ACOP 2018 submission period), total membership of the RSPO reached 4,296 members, up by 11.9% from the ACOP 2017 reporting period.

Supply Chain Associates continue to remain the single largest category of RSPO membership

at 2,416, having overtaken Ordinary members in 2015. Growth in Ordinary members of the RSPO has slowed down somewhat after rising strongly pre-2014, reaching 1,780. We note that there has been a shift in new membership trends – moving from considerable growth in the Processors & Traders sector between 2008 and 2011, to accelerating numbers of Consumer

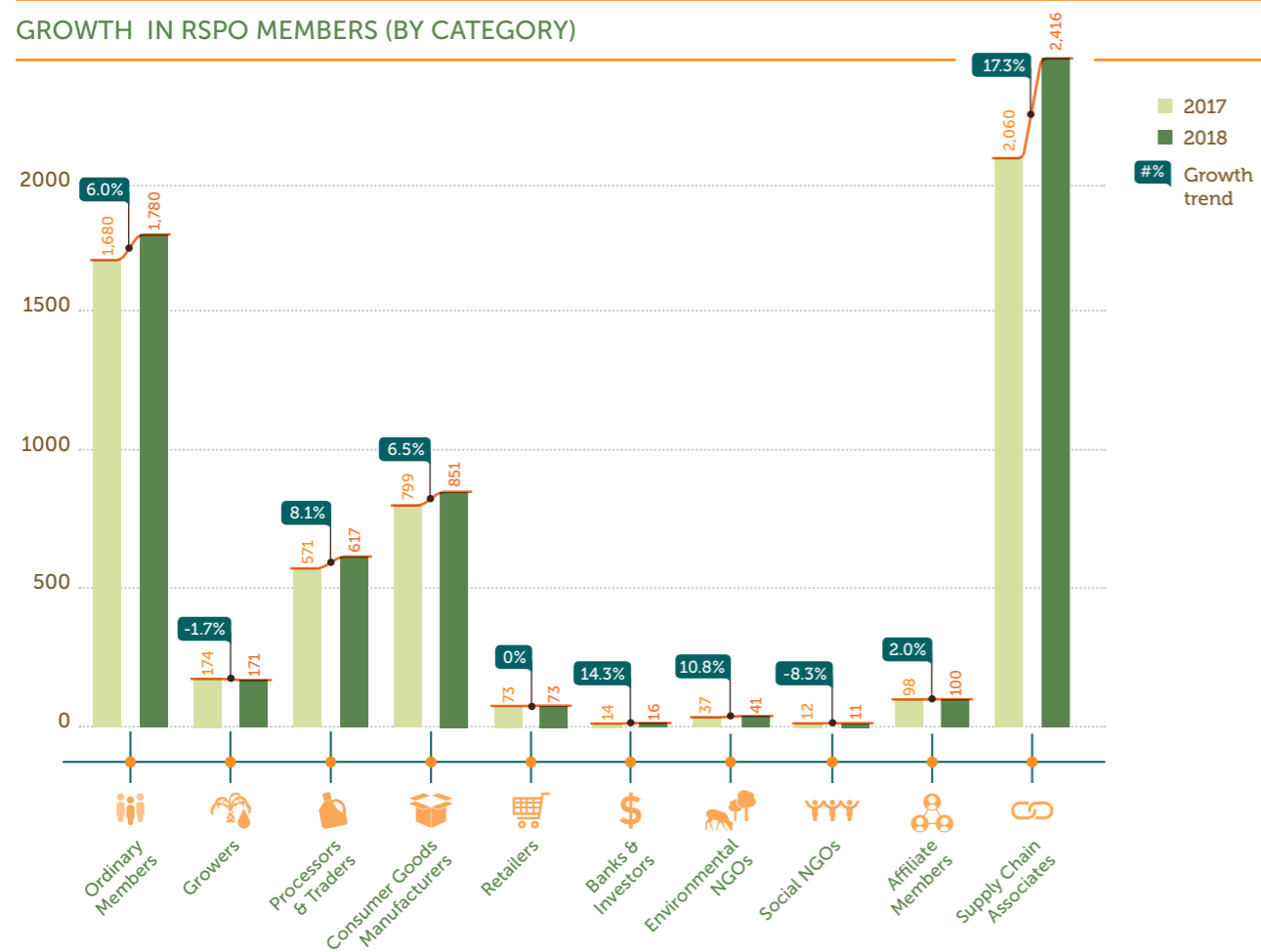
3.1 NUMBER OF MEMBERS (AS OF 9 MAY, 2018)



3.2 BREAKDOWN OF ORDINARY MEMBERS



3.3 GROWTH IN RSPO MEMBERS (BY CATEGORY)



Goods Manufacturer members between 2011 and 2014, to the current trend of rising Supply Chain Associate members since 2013.

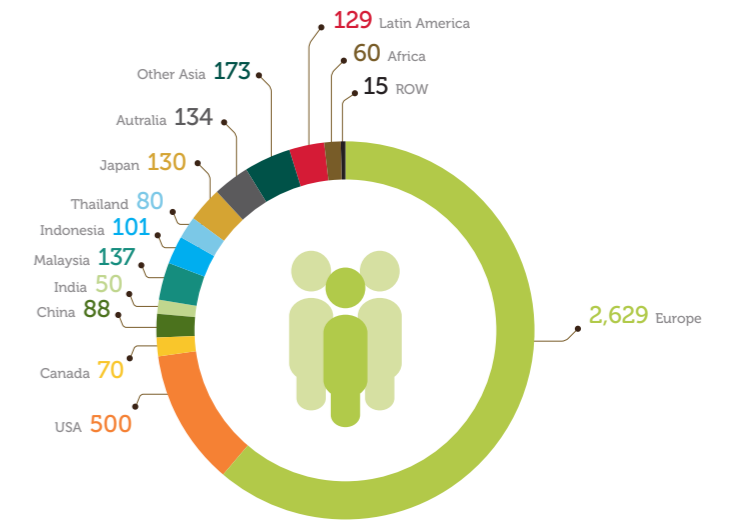
Within the Ordinary membership sector, growth is highest in the Processors & Traders and Consumer Goods Manufacturer sectors, rising by 8.1% and 6.5% respectively. The number of Grower members has dipped over the ACOP 2018 reporting period, due to consolidation under the RSPO's Group Membership rules.

On a regional basis, RSPO membership remains concentrated in Europe and North America. European members represent 61.2% of all members and 45.2% of Ordinary members. North American membership has shown strong growth since 2016, reaching 13.2% of total membership. While these two key regions still represent the bulk of RSPO members, the share of their total membership has been gently declining – indicating the RSPO's success in bringing in new members from other regions.

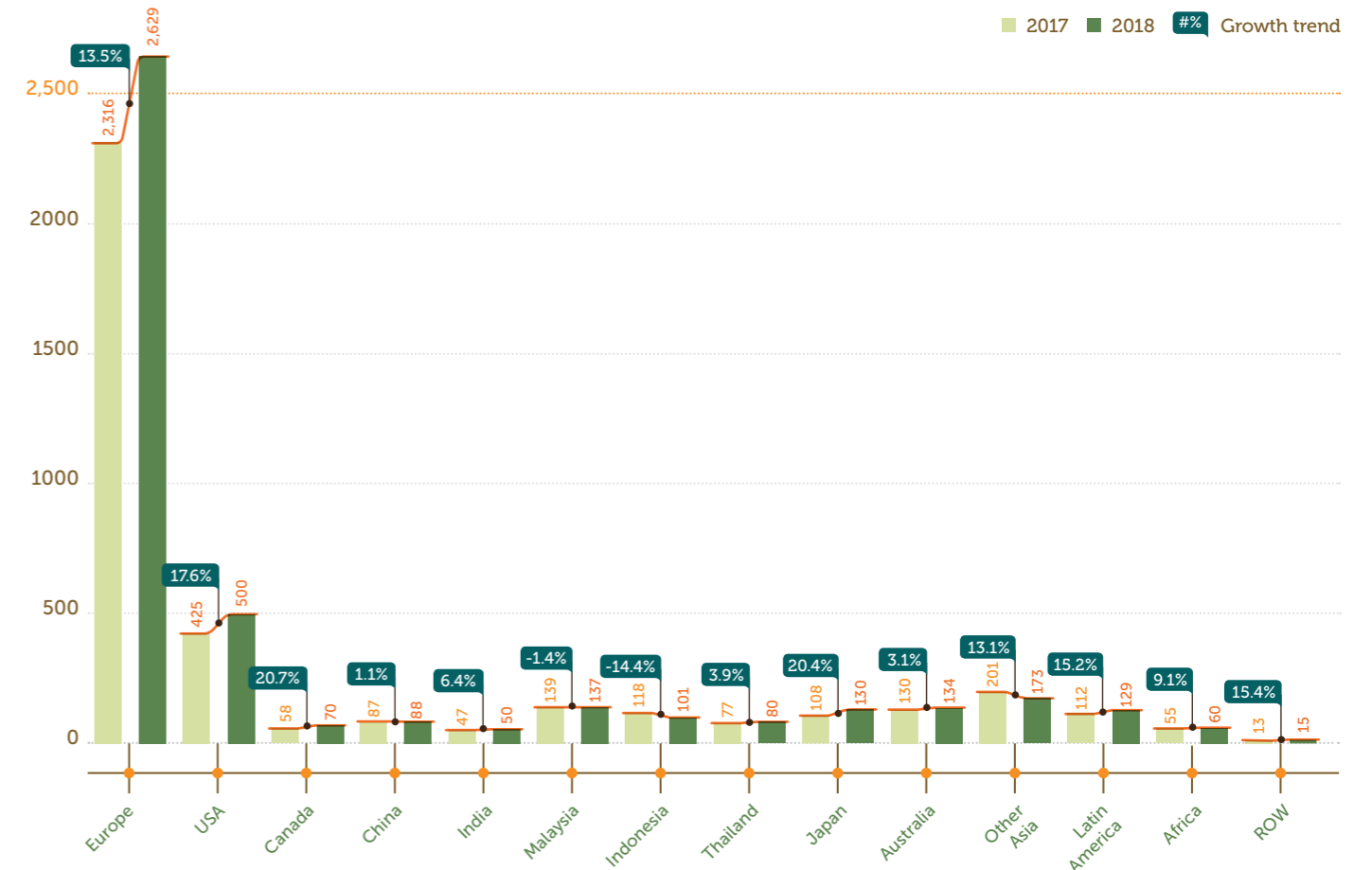
Membership representation from Malaysia and Indonesia has declined over the ACOP 2018 reporting period, primarily from Grower member consolidation under RSPO Group

Membership rules. We observe continued growth in China, India, Latin America, Africa and Other Asia. We also note that membership from Japan has shown a considerable increase as interest on sustainable palm oil in the country grows ahead of the 2020 Tokyo Olympics.

3.4 MEMBERSHIP BY COUNTRY AND REGION



GROWTH IN RSPO MEMBERS (BY COUNTRY AND REGION)



# 4. Sanctions

Annual Communication of Progress (ACOP) submissions are mandatory for Ordinary and Affiliate RSPO members who have been members for at least a year at the start of each submission period. Members who failed to submit their ACOP 2018 reports by 17 May 2019 were allowed to submit their reports as late submissions in July 2019. However, Late submissions are considered non-submissions and tracked separately from on-time submissions.

Non-submissions may also result from changes in the RSPO member's organisation structure (eg. mergers, acquisitions, restructure of subsidiaries under a parent firm's RSPO membership under Group Membership rules) or if the member chose to voluntarily resign from the RSPO.

The RSPO has taken action against the companies and organisations listed in this section for failing to submit their mandatory ACOP 2018, either as a submission or a late submission.

Non-submission of mandatory ACOP reports will result in the following actions:

- First non-submission of ACOP report – **Warning**
- Non-submission of ACOP reports for 2 consecutive years– **Suspension**
- Non-submission of ACOP reports for 3 consecutive years– **Termination**

Companies/organisations that have had their RSPO membership suspended will have all membership privileges revoked with immediate effect. However, there will be a grace period of 30 days before their certificates, trade and Trademark License cease to be valid.

Companies/organisations that have had their RSPO membership terminated will have all membership privileges revoked. This includes immediate invalidity of their certificates, trade and Trademark License.

## 4.1

### LIST OF SUSPENDED AND TERMINATED MEMBERS BY CATEGORY

Late submissions Resignation / others First warnings Suspension Termination



Palm Oil Growers



- Extractora Palmariguani S.A
- PT. Palm Lampung Persada

Late submissions Resignation / others First warnings Suspension Termination



Processors & Traders



- Andreas Jennow A/S
- Bang & Bonsomer Group Oy
- Clover Energy NV
- LLC Torgoviy Dom Solnechnye Produkty

- Ampluschem Company Limited
- B.H.A. BELGIUM
- BioMar Group A/S
- Bronson & Jacobs Pty Ltd
- Lao Thong Seng Co. Ltd.
- OPG TECH CO., LTD.
- PT. Aman Jaya Perdana



Consumer Goods Manufacturers



- D.LAZZARONI & C S.P.A.
- Frank Roberts & Sons Limited
- Gehl Foods, LLC
- LAURIERI S.r.l.
- Michel et Augustin
- TAISUN ENTERPRISE CO.,LTD.
- Villa Verde Sp. z o.o.

- Backerei Brinker GmbH
- Coopérative isigny Sainte Mère
- Murray Goulburn Co-Operative Co. Limited



Retailers



Environmental NGOs



Banks & Investors



Social NGOs



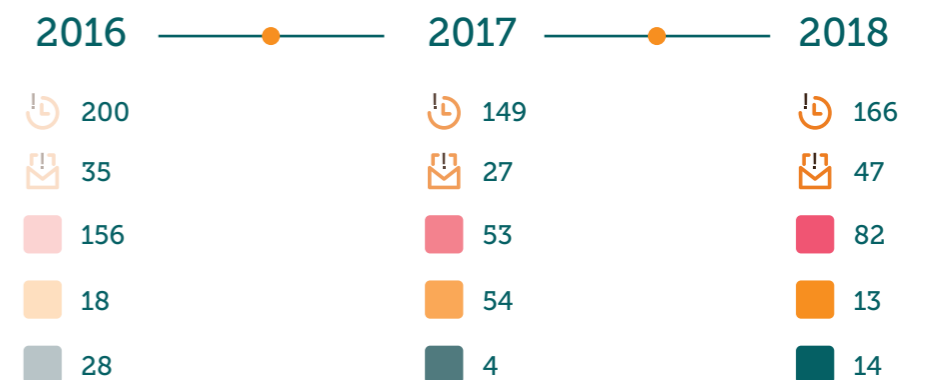
Affiliates



- NSF Knight Limited
- Syngenta Crop Protection AG

- Knowledge Integration Services India Pvt Ltd
- Schutter International BV

### GRAND TOTALS





The RSPO is an international non-profit organisation formed in 2004 with the objective to promote the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders.

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



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# RSPO

Roundtable on Sustainable Palm Oil

