Certificación de Cadena de Suministro

6ta Conferencia Latinoamericana de RSPO
La Antigua, 26 de Agosto 2016

Jan van Driel
RSPO Head of Certification

RSPO
Roundtable on Sustainable Palm Oil

Products with Palm Oil

Palm oil, biscuits, specialty chemicals, bakery fats, meat products, renewable fuels, olein, stearin, wafers, cooking fats, Palm Fatty Acid Distillate, pastry, toffees, spreads, chocolate products, palm kernel, Palm Kernel Expeller, wafers, wheat texturates, sauces, pastry, fudges, confectionary, icing, sausages, fatty acids, fat flakes, glycerin, fatty acids, chewing gum, spray dried products, cheese, grain food products, ……………

Productos con aceite de palma

Aceite de palma, galletas, productos químicos especiales, grasas para panadería, productos cárnicos, combustibles renovables, oleína, estearina, obleas, grasas para cocinar, destilado de ácido graso de palma, masa pastelera, caramelos, margarinas, productos con chocolate, almendra de palma, torta de presión de almendra de palma, obleas, proteína de trigo, salsas, bollería, dulces de azúcar, confitería, glaseados, salchichas, ácidos grasos, copos de grasa, glicerina, ácidos grasos, goma de mascar, aerosol productos secos, queso, productos alimenticios de cereales, ...

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SUPPLY CHAIN CERTIFICATION

- **Why do we need certification?**
  - **Safeguard and guarantee Chain of Custody**
  - **The chain must be closed**
  - **Links in the Supply Chain must be checked (= audited and certified)**

- **When do we need certification?**
  - **General rule: if you want to make a claim, you need to be certified**

SUPPLY CHAIN CERTIFICATION

- **What kind of certification?**
  - **Individual**
    - **Most commonly used. One site is certified**
  - **Multi-site**
    - **Used in larger companies with several sites. Specific rules for auditing and Mass Balance accounting**
  - **Group**
    - **Used for smaller companies lowering the threshold to become certified**

STANDARD DOCUMENTS FOR SCC

○ **Supply Chain Standard**
 ○ **For all downstream industries**
 ○ **From refiners to final product manufacturers**
○ **Supply Chain Systems**
 ○ **For the Certification Bodies**

SUPPLY CHAIN CERTIFICATION

- **Which model to be certified?**
  - **Physical 1:**
    - **Identity Preserved (IP)**
      - **Traced back to an individual mill and its supply base**

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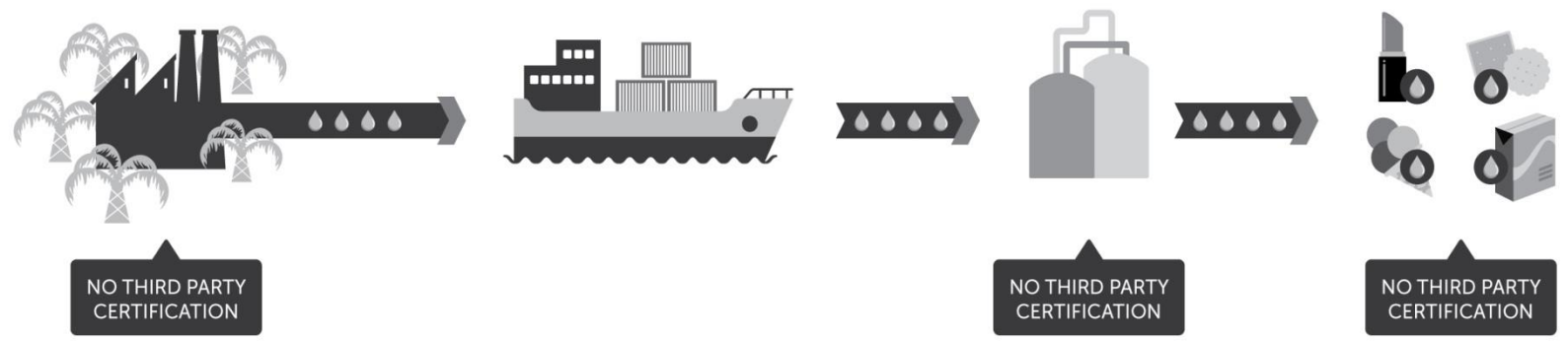
SUPPLY CHAIN CERTIFICATION

- **Which model to be certified?**
  - **Physical 1:**
    - **Identity Preserved (IP)**
      - **Traced back to an individual mill and its supply base**

  - **Physical 2:**
    - **Segregated (SG)**
      - **100 % certified Palm Oil from different certified sources**

Segregation

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SUPPLY CHAIN CERTIFICATION

- **Which model to be certified?**
  - Physical 1:
    - Identity Preserved (IP)
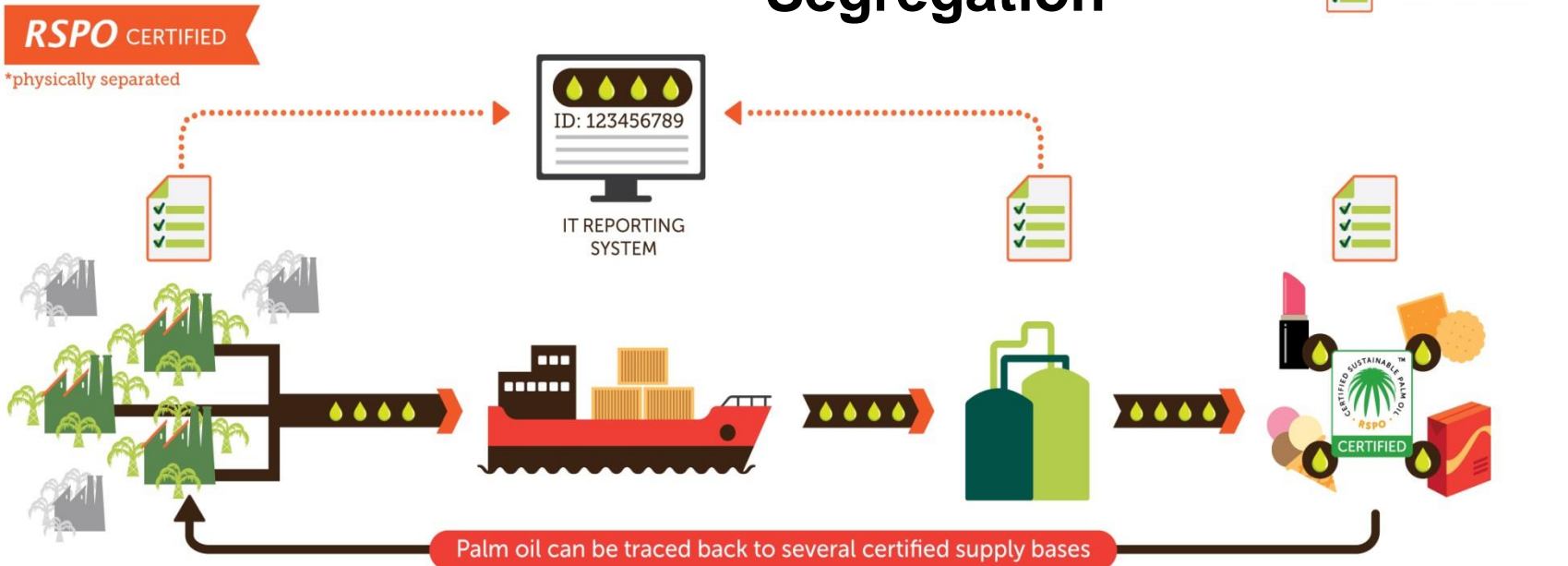   - Traced back to an individual mill and its supply base

  - Physical 2:
    - Segregated (SG)
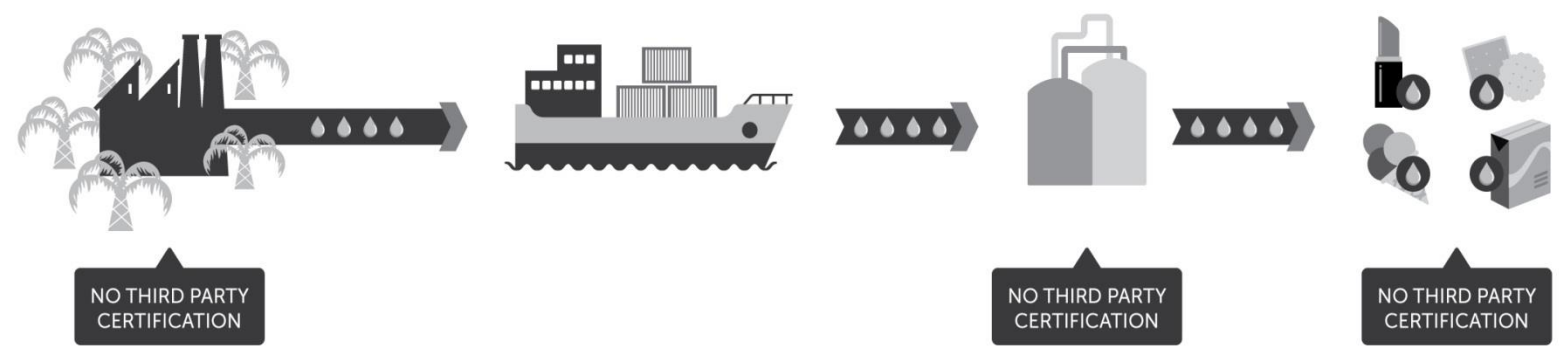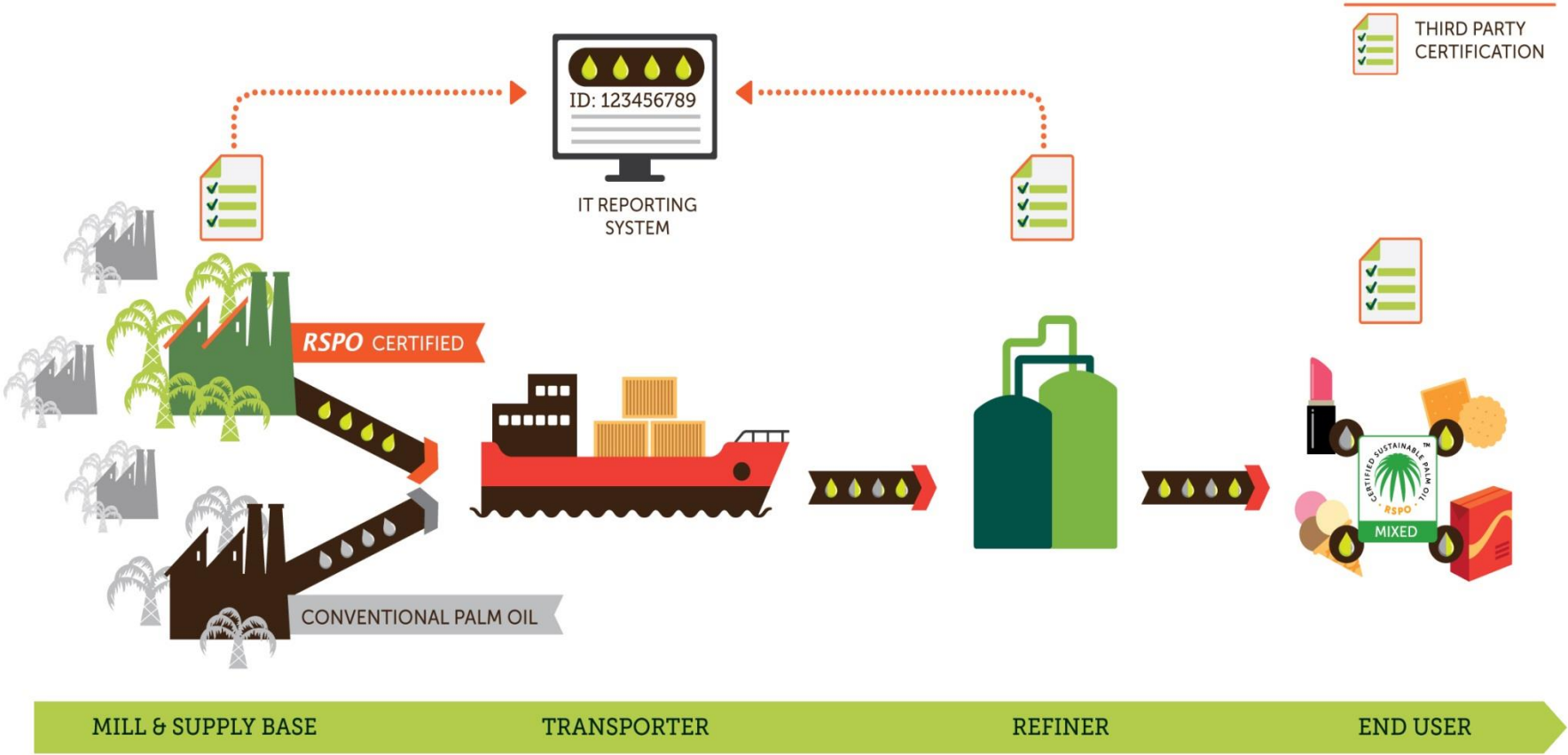   - 100 % certified Palm Oil from different certified sources

- **Physical 3:**
  - **Mass Balance (MB)**
    - **Mix with non-certified Palm Oil possible**

Mass Balance

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SUPPLY CHAIN CERTIFICATION

- **Which model to be certified?**
  - **Physical 1:**
    - **Identity Preserved (IP)**
      - **Traced back to an individual mill and its supply base**

  - **Physical 2:**
    - **Segregated (SG)**
      - **100 % certified Palm Oil from different certified sources**

  - **Physical 3:**
    - **Mass Balance (MB)**
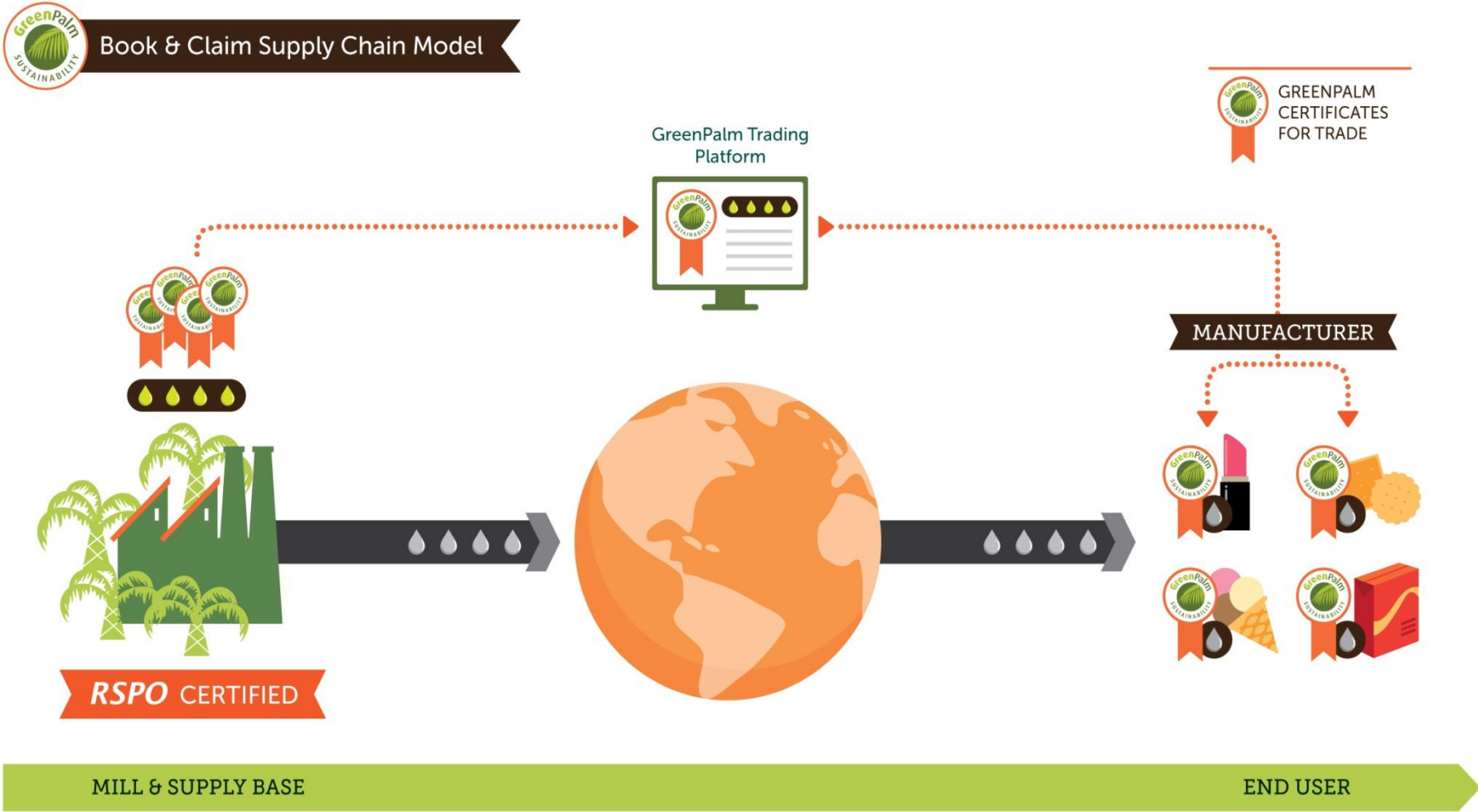   - **Mix with non-certified Palm Oil possible**
- **Paper:**
  - **Book & Claim (B&C) – RSPO Credits**
    - **No physical link between certificate and oil**

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Book & Claim

Book & Claim Supply Chain Model

GreenPalm Trading Platform

GREENPALM CERTIFICATES FOR TRADE

MANUFACTURER

RSPO CERTIFIED

MILL & SUPPLY BASE

END USER

BOOK & CLAIM MODEL

- **Website based system to facilitate sale and purchase of Book & Claim credits**
- **Until 31st December 2016 facilitated by GreenPalm**
- **From 1st January 2017 facilitated by UTZ on the same platform as the physical trade**
- **Oil mills, crushers and smallholders <u>sell</u> certificates**
- **Product manufacturers and retailers <u>buy</u>**
- **Price of credits depends on supply and demand**
- **Credits are available for CSPO, CSPKO, CSPKE**

HOW TO GET SUPPLY CHAIN CERTIFIED?

- Read SCC Standards and Systems (see RSPO website)

- Contact accredited Certification Body (see RSPO website)

- Arrange timing and costs for an audit with the CB

- You will be audited

- Resolve non-conformities (if any) with the CB

- Certificate will be published on the RSPO website

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SUPPLY CHAIN CERTIFICATION

- **What is the role of the Certification Body?**

  - **Audit company (first time or ASA)**
  - **Act on behalf of RSPO to check certification**
  - **Checks compliance and non-compliance**
  - **Award the certificate**
  - **Certify the company/site**
  - **Apply for approval in eTrace to RSPO**
  - **The Certification Body is audited as well by ASI**

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AUDIT

○ **Timing and costs to be discussed with the CB**
  ○ **Time will vary between couple of hours and 5 days**
  ○ **Costs will vary accordingly**
○ **SCC audit typically shorter than P&C**

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CB AND RSPO INTERNAL PROCESS

- CB auditor will write report
- Final report may wait for closing non-conformances
- Internal review final report
- Internal discussions
- Certification committee takes decision
- CB will submit into eTrace (RSPO IT platform)
- RSPO checks and approves
- RSPO uploads the certificate on the website

ANNUAL AUDITS

- A certificate is valid for 5 years
  - But MUST have annual audits to be licensed
  - Start date can be any date as determined by the audit dates
  - If annual audit is not carried out, certificate will expire
  - With expired certificate no trades!

RSPO IT PLATFORM

- RSPO IT platform for physical trade is eTrace, operated by UTZ
- All certifications are in eTrace, approved by RSPO
- Supply chain actors up to the last refinery records trades in eTrace
- Mills, traders, refineries, crushers
- For all palm oil and palm kernel oil products as in the product trees in the SCC Standard
- From 1st January also the paper trade in Book & Claim RSPO credits

START TRADING

- **Physical through eTrace (facilitated by UTZ)**
  - **Identity Preserved**
  - **Segregated**
  - **Mass Balance**
- **Certificates (credits) through GreenPalm**
  - **Until December 2016**
  - **Credit trade will change to UTZ platform by 1st January 2017**

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USE OF THE RSPO TRADEMARK

○ **A certified company can use the RSPO trademark**

○ **Terms and conditions in:**

 ○ **Rules on Market Communications & Claims**

MUCHAS GRACIAS

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