

Gathering Momentum

RSPO reviews its progress



The global journey towards sustainable palm oil production has evolved rapidly. The 6th annual conference (RT6) of the Roundtable for Sustainable Palm Oil (RSPO) reviewed this rising tide.

Held in Bali, Indonesia, from Nov 18-20, 2008, it drew the participation of 551 representatives of stakeholders from 27 countries.

The conference with the theme, 'RSPO Certified Sustainable Palm Oil – the Gathering Momentum' provided a platform for participants to contribute views on the evolution of the palm oil industry, with special focus on sustainable production and development.

RT6 placed emphasis on several key areas including:

- Trading in RSPO certified sustainable palm oil and keeping track of this
- Promoting honest communications about RSPO certified sustainable palm oil
- Bringing smallholders into the centre stage of sustainable production
- Working closer with governments

One main topic was the involvement of governments. Indonesia's commitment to RSPO and its objectives was clearly reflected in the message from the Minister of Agriculture. Its creation and review of laws on plantation, forestry, environment, high conservation value analysis and pesticide-handling is certainly an encouragement for the industry.

Incentives for smallholders, which saw over 90% of their debts forgiven, are a reflection of the Indonesian government's move to achieve one of the Millennium Development Goals – eradication of poverty.

A large delegation from China met with the Malaysian Palm Oil Association and Gabungan Pengusaha Kelapa Sawit Indonesia, enabling information exchange. The delegation also met with the RSPO Executive Board, discussing the RSPO Principles and Criteria, among other issues.

From Malaysia came the news that the government had allocated RM50 million in the 2009 national budget to assist smallholders in obtaining RSPO certification. Specifically for RSPO, it

reflected the small yet encouraging progress made thus far.

RT6 also saw participation from India and South America.

Issues of global warming, climate change and deforestation were highlighted by many NGOs, both members and non-members of RSPO. Their input was appreciated in the spirit of RSPO Principle 8, to seek continuous improvement in processes to live up to diverse expectations.

Comprehensive discussions

The eight sessions of the conference provided a wide platform for discussions and exchange of ideas.

For the large palm oil producer, certification is much easier to achieve than for a smallholder. Session 1 considered views from those who have undergone the process.

Details about sustainable and global markets were discussed with speakers from many large global organisations sharing their observations and experiences.

An entire session was dedicated to smallholders who form an integral part of RSPO. Finally, the challenges in the supply chain saw detailed presentation from certification bodies.

The road to sustainability is certainly not smooth. Yet with the first shipment of sustainably produced palm oil to Europe on Nov 11, 2008, a milestone was

reached by this young yet vibrant initiative.

RSPO aims to take all the challenges in its stride. If details discussed at the RT6 are any indication, ever increasing volumes of sustainable palm oil will be produced and used.

RSPO Secretariat



Authenticating Sustainable Palm Oil

Sustainable palm oil is already being traded in the global market. An estimated 1.5 million tonnes of certified palm oil was to have been produced by the end of 2008.

The RSPO Certification System formally recognises and authenticates producers or growers who produce palm oil according to the RSPO Principles and Criteria.

The system also verifies that any claims of using or supporting RSPO certified palm oil made by end-product manufacturers or processors are genuine.

Three types of claims can be made depending on how the palm oil is traced and traded in the supply chain.

Segregation

In this model, palm oil from certified plantations is segregated from non-certified sources at every stage of the supply chain. End products using segregated certified palm oil are allowed to make the claim, 'This product contains RSPO certified palm oil'.

Controlled Mixing

Controlled Mixing does not segregate certified palm oil from non-certified palm oil but allows mixing of the two at known quantities through every stage of the supply chain.

End products using this supply chain model are allowed to make the claim, 'This product supports the production of RSPO Certified Sustainable Palm Oil'.

Book and Claim

With this model, certified palm oil is represented by tradable certificates which are traded separately from the physical oil. The producers of certified oil sell these certificates, via a broker, to end-users who wish to support the production of sustainable palm oil.

End products using certificate-traded palm oil are allowed to make the claim of supporting the production of sustainable palm oil.

Source: RSPO Secretariat

