

ASEAN Oleochemical Manufacturers Group (AOMG) RSPO Workshop

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Origins of RSPO

2001

WWF commenced exploring the possibilities for a **Roundtable on Sustainable Palm Oil**. Resulting an informal co-operation among **Aarhus United UK Ltd**, **Golden Hope Plantations Berhad**, **Migros**, **MPOA**, **Sainsbury's** and **Unilever** together with **WWF** in 2002.

2002

20 Sept 2002 - **Preparatory meeting** in London.

17 Dec 2002 - **Meeting in Gland**.

These organizations constituted themselves as an Organizing Committee to organize the first Roundtable meeting and to prepare the foundation for the organizational and governance structure for the **formation of the RSPO**.

2003

The **inaugural meeting** of the Roundtable took place in **Kuala Lumpur, Malaysia** on 21 - 22 August 2003 and was attended by **200 participants from 16 countries**.

Origins of RSPO (cont)

2004

The key output from this meeting was the **adoption of the Statement of Intent** (SOI) which is a **non legally binding** expression of support for the Roundtable process.

As of 31 August 2004, 47 organizations have signed the SOI.

8 April 2004 - the "Roundtable on Sustainable Palm Oil (RSPO)," was formally established under **Article 60 of the Swiss Civil Code** with a governance structure that ensures **fair representation** of all stakeholders throughout the entire supply chain.

The **seat** of the association is in **Zurich, Switzerland**, the **Secretariat** is based in **Kuala Lumpur** with a **RSPO Liaison office** in **Jakarta**.

2005

RSPO draft standard developed with Certification Systems in place.

2007

Adoption of final standard, the **"RSPO Principles & Criteria for Sustainable Palm Oil Production"** and **"RSPO Certification Systems"**.

2009

"RSPO Supply Chain Certification Systems" was approved by RSPO Executive Board.

About the RSPO

- The principal objective of the Roundtable on Sustainable Palm Oil (RSPO) is **“to promote the growth and use of sustainable palm oil through co-operation within the supply chain and open dialogue between its stakeholders.”**
- The RSPO is a **global, multi-stakeholder initiative** on sustainable palm oil.
- **Members and participants** in its activities come from many different backgrounds and include environmental NGOs, banks and investors, growers, processors, manufacturers and retailers of palm oil products and social NGOs. They **come from many countries that produce or use palm oil.**
 - 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.**
 - RSPO lives out the **philosophy of the "roundtable"** by giving **equal rights** to each stakeholder group to bring group-specific agendas to the roundtable.

Vision, Mission and Aspirations

Vision

RSPO assures palm oil contributes to a better world.

Mission

To advance the **production, procurement and use** of sustainable oil palm products through:

- The development, implementation and verification of **credible global standards** and,
- The **engagement of stakeholders** along the supply chain.

In particular, the RSPO will aspire to achieve its mission by work on the following tasks:

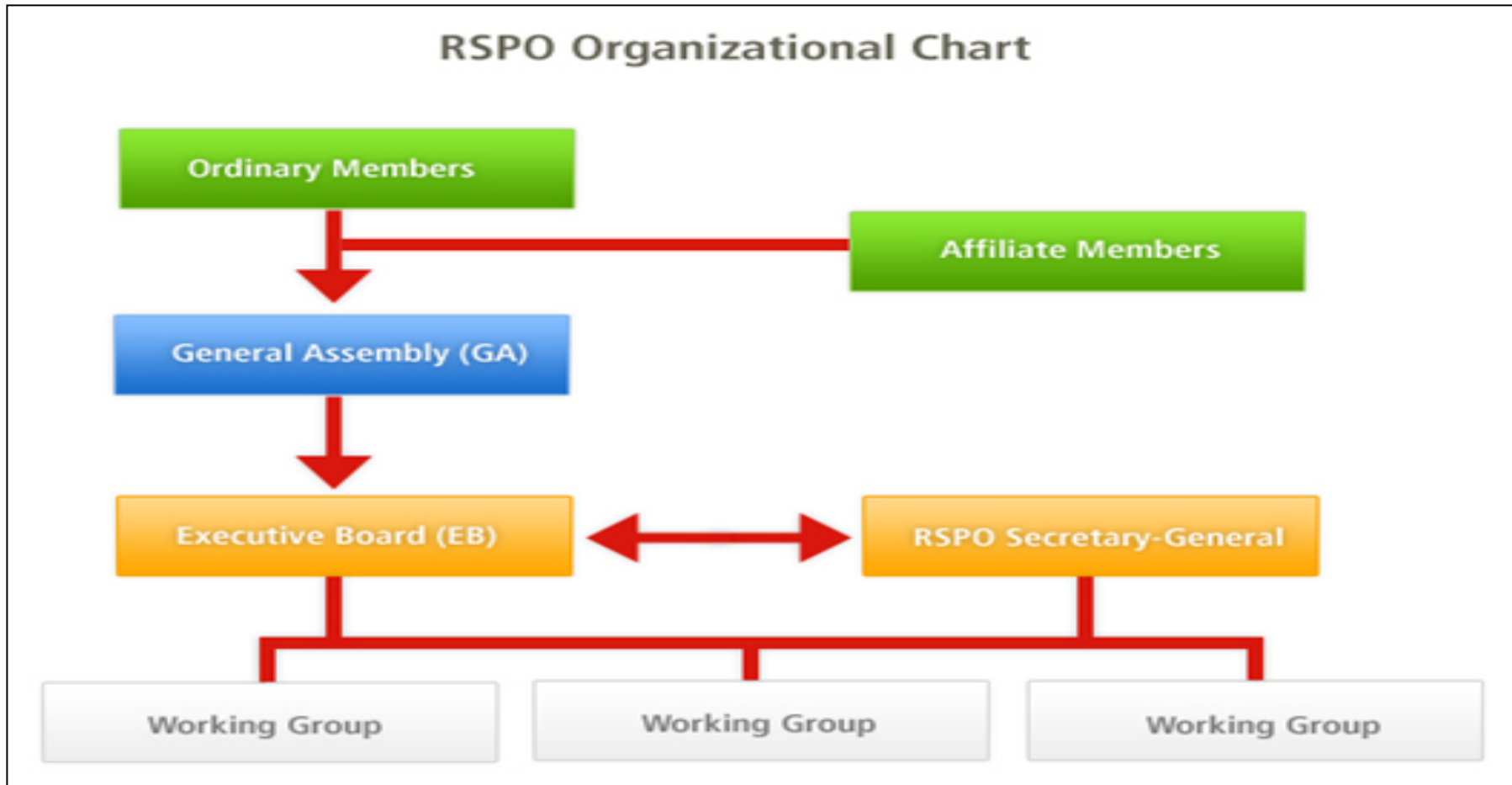
- **Research and develop definitions and criteria** for the sustainable production and use of palm oil;
- Undertake **practical projects** designed to facilitate implementation of sustainable best practices;
- Develop **solutions to practical problems** related to the **adoption and verification of best practices** for plantation establishment and management, procurement, trade and logistics;
- Involve the **entire supply chain** to support sustainable palm oil.
- Acquire **financial resources** from private and public funds to finance projects under the auspices of the Roundtable on Sustainable Palm Oil;
- Communicate the Roundtable's work to all stakeholders and to a broader public.



Why RSPO Certification?

- The **RSPO Principles and Criteria** for Sustainable Palm Oil Production (RSPO P&C) are the **global guidelines** for producing palm oil sustainably.
- It is the **world's toughest standards** for sustainable agriculture production and have been variously adapted for other crops.
- No public claims relating to sustainable palm oil production, to the RSPO P&C, can be made without **RSPO approved third party inspection**.
- To **preserve the integrity** of RSPO palm oil, players along the supply chain wishing to use it have to do so transparently to allow traceability. The **transparency and traceability** is assured through **RSPO Supply Chain Certification**.

RSPO Organization Chart - Before

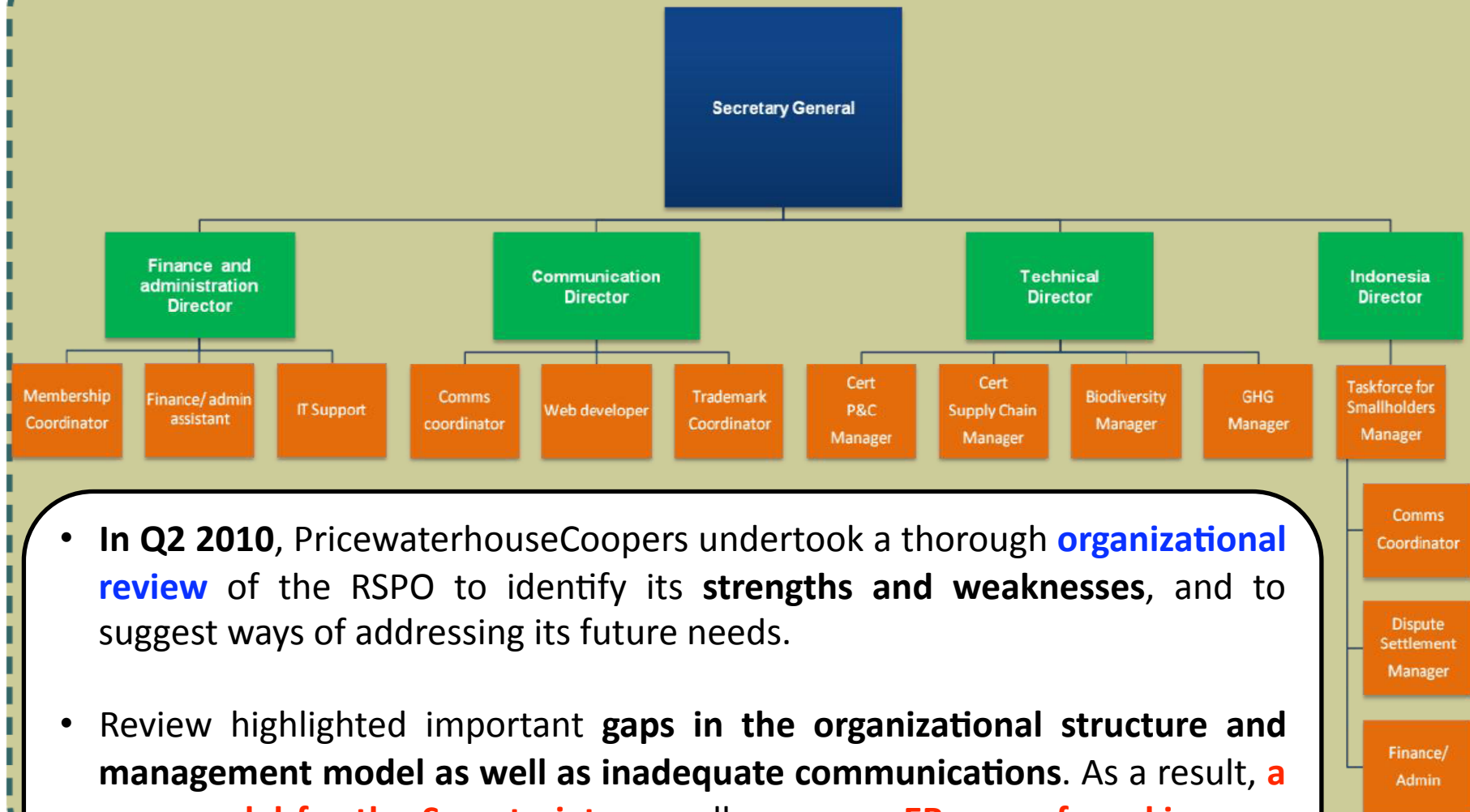


Management and conduct of the RSPO are governed by its Statutes and By-Laws. On 22 November 2006, RSPO members also adopted a Code of Conduct.

RSPO Organizational Changes



New Model for RSPO Secretariat



- In Q2 2010, PricewaterhouseCoopers undertook a thorough **organizational review** of the RSPO to identify its **strengths and weaknesses**, and to suggest ways of addressing its future needs.
- Review highlighted important **gaps in the organizational structure and management model as well as inadequate communications**. As a result, **a new model for the Secretariat**, as well as a **new EB way of working** was agreed.

Overview: Executive Board Way of Working

3 Standing Committees:

- Certification & Standards
- Trade & Traceability
- Communications & Claims
- Finance

Broad goals and mandate

No fixed time frame

Chaired by an EB member

Work programme approved by EB

Dedicated budget

Each supported by a manager from Secretariat

Working Groups (report into Standing Committees)

Specific goals and mandate

Fixed time frame

Task Forces (report into WG's)

To deliver on specific area

Fixed, short term time frame

RSPO Certified Companies



| Numbers of RSPO Certified Companies as at 20 th Jan 2011 | |
|---|--------------|
| Growers Certification | |
| Growers | 22 |
| Palm Oil Mills | 81 |
| Volume CSPO | 3,510,859 MT |
| Volume CSPK | 792,071 MT |
| Production Area | 689,683 ha |
| Supply Chain Certification | |
| Companies | 64 |
| Facilities | 113 |

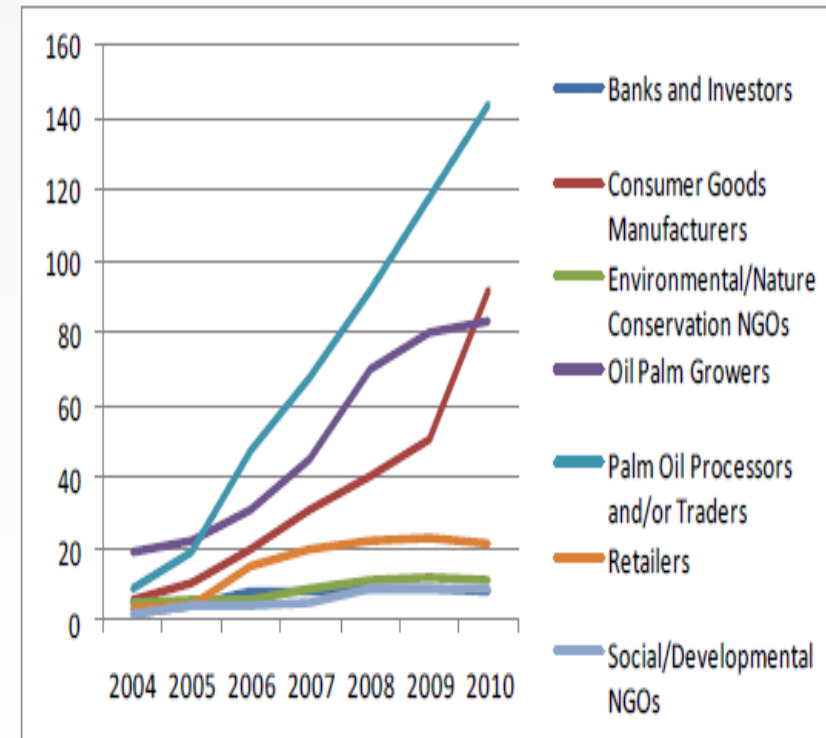
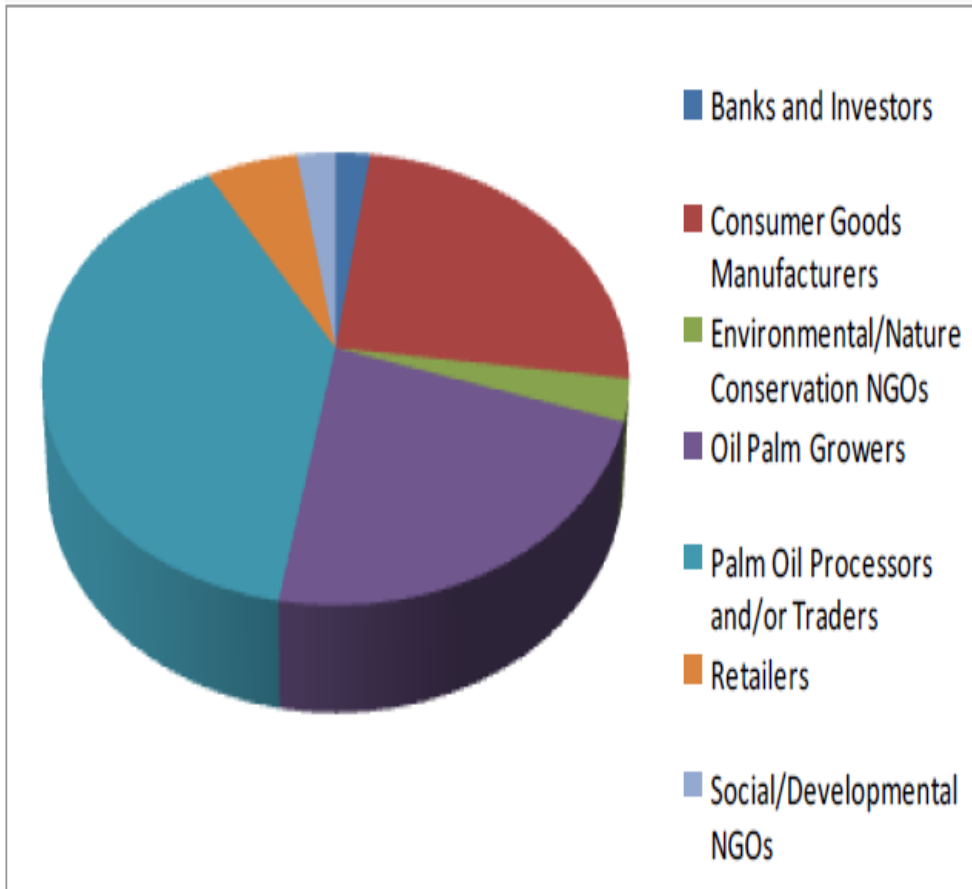
| Members by Type as at 20 th Jan 2011 | | |
|---|-----|---|
| Ordinary Members | 415 | Boustead Plantations, Cadbury, Cargill BV, Carrefour, IKEA, HSBC Bank, IOI Group, Marks and Spencer, Malaysian Palm Oil Association, Nestle etc |
| Affiliate Members | 84 | ASEAN Oleochemical Manufacturers Group , CSR Asia, ProForest etc |
| Supply Chain Associates | 31 | Athur Branwell & Co Ltd, US Food Group, Unipex Solutions France etc |

| RSPO Members by Category as at 20 th Jan 2011 | |
|---|-----|
| Banks and Investors | 8 |
| Consumer Goods Manufacturers | 111 |
| Environmental or Nature Conservation Organizations (NGOs) | 13 |
| Oil Palm Growers | 84 |
| Palm Oil Processors and Traders | 166 |
| Retailers | 24 |
| Social or Development Organizations (NGOs) | 9 |

Membership Profile



Membership Profile as of October 2010



8th Roundtable Meeting on Sustainable Palm Oil (RT8)



- The programme was built over **4 days** from 9 to 11 November 2010 in Jakarta, Indonesia.
- The normal side events and pre-meetings were subsumed into the main programme, enabling a full day of **interactive discussion, training and dialogue to progress the RSPO agenda**.
- Focus on **creating a platform for responsiveness and dialogue**.
- A wide range of **stakeholders were engaged**, input from Working Groups were received and past GA resolutions were examined to report back on progress in key areas.
- A total eight sessions, including workshops on **biodiversity compensation**, overview of **dispute settlement processes**, debates on **NIs for the rest of the world** as well as training on trade in CSPO.



8th Roundtable Meeting on Sustainable Palm Oil (RT8) (cont)

- Market representatives from **Europe, India and China** presented their outlook for increased uptake of CSPO.
- RT8 Programme included an **overview of communications and marketing activities** to support the continued growth in sales of CSPO.
- Session on external developments examined the impact on RSPO of initiatives such as the **Indonesian Sustainable Palm Oil initiative and the World Bank review**.
- A large part of the programme were looking at aspects of **certification and implementation of the P&C**.
- Sessions covered **key environmental aspects** such as **GHGs, weed management strategies, gender issues, HCV and overviews of both P&C and supply chain certification**.

Certification of Smallholders

- **Smallholders** took a **prominent place** at RT8.
- Finalization of the **Group Certification scheme**.
- Continued progression of the **Smallholder NIs** allows **greater access for small growers** around the world in implementing better and more sustainable practices and thousands of smallholders around the world now produce certified sustainable palm oil.
- RT8 **celebrate and address key issues** for smallholders' continued inclusion in RSPO certification.

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Thank You

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