ROUND TABLE ON SUSTAINABLE PALM OIL

BY:
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AN UPDATE OF THE ROUNDTABLE ON SUSTAINABLE PALM OIL
Global demand for vegetable oil is growing fast

Why is palm oil so popular?
- Relatively cheap
- Most versatile
- High yielding
- Most widely produced

Source: Oilseeds - World Markets and Trade, USDA, June 2015

Transforming the market to make sustainable palm oil the norm
Oil world foresees a solid 5% annual growth rate until 2020.

Million tonnes per year, 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2014</th>
<th>2016</th>
<th>2018</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>54</td>
<td>56</td>
<td>59</td>
<td>62</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>68</td>
<td>71</td>
<td>75</td>
<td>78</td>
</tr>
</tbody>
</table>

+5% p.a.
The RSPO was established in 2004 to promote the production and use of sustainable palm oil for People, Planet, and Prosperity.
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

Transforming the market to make sustainable palm oil the norm
RSPO Ordinary Members

Active Members by Category

- Ordinary: 1,132 (46%) of 2,476
- Associate: 108 (4%)
- Total: 2,476

Ordinary Members by Sector

- Total: 1,236
- Oil Palm Growers: 382
- Retailers: 140
- Consumer Goods Manufacturers: 140
- Banks and Investors: 61
- Environmental or Nature Conservation: 557
- Social or Development Organizations: 29
- Palm Oil Processors and/or Palm Oil Producers and/or: 13

Record Count

- Membership Category:
  - Ordinary
  - Affiliate
  - Associate

- Membership Sector:
  - Oil Palm Growers
  - Retailers
  - Consumer Goods Manufacturers
  - Banks and Investors
  - Environmental or Nature Conservation
  - Social or Development Organizations
  - Palm Oil Processors and/or Palm Oil Producers and/or
## RSPO Certification Progress

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Certified area</strong></td>
<td>125,288</td>
<td>304,421</td>
<td>718,080</td>
<td>1,299,891</td>
<td>2,105,433</td>
<td>2,653,058</td>
<td>3,139,277</td>
</tr>
<tr>
<td><strong>Production area</strong></td>
<td>106,384</td>
<td>264,952</td>
<td>644,816</td>
<td>1,130,969</td>
<td>1,526,273</td>
<td>1,978,110</td>
<td>2,633,583</td>
</tr>
<tr>
<td><strong>CSPO production</strong></td>
<td>619,012</td>
<td>1,473,912</td>
<td>3,522,207</td>
<td>5,573,202</td>
<td>8,184,200</td>
<td>9,792,185</td>
<td>11,955,234</td>
</tr>
<tr>
<td><strong>CSPK production</strong></td>
<td>154,335</td>
<td>338,740</td>
<td>803,999</td>
<td>1,296,488</td>
<td>1,896,702</td>
<td>2,244,312</td>
<td>2,713,935</td>
</tr>
</tbody>
</table>
## CSPO vs global palm oil production

<table>
<thead>
<tr>
<th>Country</th>
<th>Total CPO production (million mt) (est 2014/15)</th>
<th>CSPO production (mil mt)</th>
<th>% of CSPO production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>33.5</td>
<td>5.6</td>
<td>16.7</td>
</tr>
<tr>
<td>Malaysia</td>
<td>20.3</td>
<td>5.1</td>
<td>25.1</td>
</tr>
<tr>
<td>Thailand</td>
<td>2.3</td>
<td>0.03</td>
<td>1.3</td>
</tr>
<tr>
<td>Colombia</td>
<td>1.0</td>
<td>0.07</td>
<td>6.8</td>
</tr>
<tr>
<td>Nigeria</td>
<td>0.9</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>4.3</td>
<td>0.9</td>
<td>20.9</td>
</tr>
<tr>
<td>Total global</td>
<td>62.3</td>
<td>11.8</td>
<td>19.0</td>
</tr>
</tbody>
</table>

*Note: Global palm oil production for 2013/14 was at 58 million mt*
SMALLHOLDERS CERTIFIED: 131,432 | SMALLHOLDERS CERTIFIED AREA 394,402 ha

RSPO Smallholders Support Fund grants up to 100% of certification cost to smallholders.

Successful certification of smallholders around the world.

“Research has found that many firms that switched to producing sustainable palm oil reaped significant returns on their investments. In some cases, switching to sustainable production was economically transformative for the business.”

- WWF, CDC and FMO, 2012

RSPO worldwide impact
**RSPO Trademark**

<table>
<thead>
<tr>
<th>Total trademark licenses issued</th>
<th>278</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of countries</td>
<td>28</td>
</tr>
</tbody>
</table>
RSPO-NEXT
PUBLIC CONSULTATION
Public comment period from 7 August through 6 October 2015
Malaysian state eyes 100% certified palm oil by 2025

30th May 2015 / Mongabay.com

Sabah, a state in Malaysian Borneo, is weighing a proposal to produce only palm oil certified under the Roundtable on Sustainable Palm Oil (RSPO), an eco-certification initiative, by 2025. The move, if approved, would represent the first time a sub-national or state entity has committed to 100% certified palm oil production.
GOAL 12
ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS
SUSTAINABLE DEVELOPMENT GOALS
More at sustainabledevelopment.un.org/sdgsproposal
SEnSOR
Socially and Environmentally Sustainable Oil Palm Research

Soil and Water
Greenhouse Gases and Air Quality
Biodiversity
Participatory Processes and Rights
Livelihood
Some of the global companies committed to 100% RSPO certified sustainable palm oil

- Netherlands
- France
- Belgium
- Sweden
- Denmark
- United Kingdom
- Germany
- USA
- China
- India
- Italy
- Switzerland
- Australia

- Nations committed to 100% RSPO certified sustainable palm oil
- Nations showing positive momentum
Conclusion

Making sustainable palm oil certification a norm and not a niche
Thank you