

THE RSPO AFRICA ROADSHOW

A CAPACITY BUILDING & AWARENESS RAISING PROGRAMME FOR SUSTAINABLE OIL PALM IN AFRICA

This briefing note is part of a series of briefing notes developed for the RSPO Africa Roadshow. Other briefing notes available are:

1. An Introduction to the RSPO
2. Sustainable Palm Oil Production: The RSPO Principles and Criteria
3. The RSPO Certification Process
4. High Conservation Values
5. Free Prior & Informed Consent

All these briefing notes are available in English and French at: www.proforestinitiative.org/roadshow

Visit the above website for more information about the RSPO Africa Roadshow and for contact details of partners in this programme.



AN INTRODUCTION TO SUSTAINABLE PALM OIL AND THE RSPO

About palm oil

Palm oil is the leading tropical vegetable oil in the global fats and oils industry in terms of production and trade. It is produced from fresh fruit bunches obtained from the oil palm (*Elaeis guineensis*). Compared with other vegetable oils, oil palm is one of the most productive, profitable¹ and versatile, with a wide range of products and uses. Palm oil, which is the major primary product, is used mainly in the food industry as cooking oil, milk fat replacer, and cocoa butter substitute. Other products from the oil palm include palm kernel oil used in the oleochemical industry for producing soaps, detergents, toiletries and pharmaceuticals; as well as palm kernel cake used in animal feed. More recently palm oil has also been used to make biodiesel.

The palm oil industry is a rapidly developing sector which has played a major role in the economies of many developing countries in the humid tropics. The oil palm is a native of West Africa, but has been successfully established across the tropical zone (within 20 degrees of the equator) in the past century. Currently, most of the palm oil production for global supply chains is concentrated in Southeast Asia, with Malaysia and Indonesia accounting for over 80% of global trade volumes. However, there is now rapid expansion in West and Central Africa with several hundred thousand hectares already being planted and millions of hectares more being negotiated as oil palm concessions.

What is sustainable palm oil?

Sustainable palm oil is palm oil produced and traded in a manner that is environmentally sound, socially responsible and economically viable. When well planned and implemented, oil palm establishment has the potential to deliver this; improving rural livelihoods, supporting local and national development and maintaining critical environmental values. However, if poorly planned and managed it can also come at a significant social and environmental cost, for example:

- The development of new plantations has resulted in the conversion of areas of forests with high conservation values, damaging the rich biodiversity in these ecosystems.
- The use of fire for land preparation on a large scale was reported to have been a major cause of forest fires in Southeast Asia in the late 1990s, with its associated impact on regional health and economies and on the global climate.
- The expansion of oil palm plantations has resulted in social conflicts between local communities and growers in some places.

In response to these problems and in an effort to create a uniform global best practice standard for addressing the negative impacts of palm oil production whilst also providing independent assurance on the sustainability of oil palm produce to market actors, the Roundtable on Sustainable Palm Oil (RSPO) was set up.



¹ Productivity of oil palm estimated at 3.6 t/ha whilst that of rape, sunflower, and soy were estimated at 0.6 t/ha, 0.46 t/ha and 0.36 t/ha by Oil World Annual, 2006

About the RSPO

The Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders. It is now a global multistakeholder initiative that unites stakeholders from seven sectors to promote the growth and use of sustainable oil palm products. The RSPO has developed a global certification scheme and a sustainability standard with detailed principles and criteria (P&C) that outline requirements for producers and supply chain actors to demonstrate sustainability. *Briefing Note 2* presents an overview of the RSPO standard and certification process. The RSPO is a member-based organisation and currently has over 700 members comprising of growers of oil palm, primary processors and traders, manufacturers, retailers, investors and social and environmental nongovernmental organisations. These stakeholder groups are represented at all levels of the roundtable's governance structure and working groups.



RSPO is a multistakeholder initiative. This means that all the different stakeholder groups relevant to palm oil production and use are represented and have an equal say in the development and governance of the initiative from developing standards to sitting on the Executive Board. Each RSPO decision involves discussion and agreement between these different groups. This is crucial to the success of the initiative as it ensures that anything developed by RSPO - the requirements for sustainability, the certification system or the governance structure itself - are understood and supported by all the different groups involved.

Composition of the Executive Board

Oil palm growers	4
Palm oil processors	2
Consumer goods manufacturers	2
Retailers	2
Banks/investors	2
Environmental NGOs	2
Social NGOs	2

Governance structure

The General Assembly (GA): The highest authority of the RSPO is the annual general assembly of members. The general assembly decides on the membership of the Executive Board, votes on resolutions pertaining to the RSPO and receives the organisation's audited accounts.

The Executive Board (EB): The EB manages the RSPO, and comprises of seats allocated to the seven stakeholder groups/sectors. The members of the EB are elected by the General Assembly.

The RSPO Secretariat: The day-to-day running of the RSPO is carried out by a secretariat based in Kuala Lumpur, Malaysia and supported by the Indonesia Liaison Office (RILO).

Membership: *Ordinary membership* of the RSPO is open to organisations in any of the seven stakeholder groups in the oil palm sector. Ordinary members have voting rights at the General Assembly, and are eligible for election to Executive Board by their respective sectors. *Affiliate members* of the RSPO are individuals or organisations who are not in any of the seven stakeholder groups, but who have an interest in the RSPO. Affiliate members can participate in the GA, but have no voting rights.

What are the benefits of RSPO certification

Certification has been used by different stakeholders for different purposes. RSPO Certification helps palm oil producers address many of the potential negative social and environmental impacts of their operations. Meeting the requirements of the RSPO usually implies a commitment to continuous improvement and the implementation of operational and procedural changes in practice. When effectively executed, these changes help yield significant positive effects on the local landscape, water bodies, air-quality, soils, local economy, workers' welfare and general return on investment for the grower.



Producers: Increased access to wider global markets, better community engagements, worker relations and improved operational systems ensuring general enhanced efficiency.

Communities: Commitment to the RSPO means a commitment to respect the native customary rights of local communities, engage with them, ensure participatory decision making and minimise adverse social and environmental impacts of operations whilst maximising positive ones.

Governments: Assurance that growers and millers are committed to meeting all the legal requirements of the country, and even going beyond legal compliance to meet international best practices to ensure that all three pillars of sustainability are met (socially responsible, environmentally sound and economically viable).

Civil society: The RSPO serves as a reference point on acceptable best practices on social and environmental performance and provides a mechanism for addressing the grievances related to the impacts of oil palm plantations.

Supply chain actors: Assurance that sourced products have been produced in a sustainable manner.

For further information: www.proforestinitiative.org/roadshow