

RESOLUTION 6m

Proposed Resolution to be adopted
At the 8th General Assembly of the
Roundtable on Sustainable Palm Oil (RSPO)
8th March 2012

TITLE:

REQUEST FOR ALL RSPO ORDINARY MEMBERS TO SUBMIT TIME BOUND PLANS

SUBMITTED BY:

The Zoological Society of London, WWF International, Conservation International
and Fauna and Flora International

BACKGROUND:

The RSPO code of conduct, which every RSPO member has signed, recognises that *'It is fundamental to the integrity, credibility and continued progress of the RSPO that every member supports, promotes and works towards the production, procurement and use of Sustainable Palm Oil'*.

In order to monitor progress towards achieving this objective, the code of conduct states that new members must specify a time-bound plan for producing or buying CSPO (Code of Conduct Criteria 3.8). Progress in implementing this time bound plan should then be included in subsequent mandatory annual reports (Code of Conduct Criteria 3.7).

In the last reporting year (2011), 66% of growers (Total no. members in category: 83), 43% of processors and traders (Total no. members in category: 146), 70% of consumer goods manufacturers (Total no. members in category: 105) and 76% of retailers (Total no. members in category: 25 members) have submitted annual progress reports to the RSPO¹. Therefore, as many as 148 out of the 359 (41%) RSPO members in these categories did not submit a progress report, meaning there is no information as to whether these members have made any progress towards implementing the RSPO code of conduct or have any intention of doing so. This is both a risk to the credibility of the RSPO, and a barrier to progress in transforming the market to the production and use of sustainable palm oil.

Progress in the production and use of CSPO are inextricably linked. Increased market uptake, which in 2011 averaged 54%, is essential to demonstrate that there is sufficient demand for CSPO to provide an incentive for growers to improve practices in order to obtain RSPO certification. Similarly, increased production of CSPO, which currently accounts for approximately 11% of global production, is vital if it is to be feasible for members of the supply chain to make and implement commitments to purchase 100% CSPO. Ensuring that

¹ Figures based on the RSPO website. Accessed on 27th October, 2011.

all RSPO members concerned with the production and purchase of palm oil develop challenging time bound plans will not only provide growers with more comprehensive information regarding future market demand for CSPO, but also enable members of the supply chain to gauge future supply. What is more, a unanimous display of the commitment of RSPO members to produce and purchase 100% CSPO will play an integral role in strengthening the credibility of the RSPO.

The Code of Conduct applies to all ordinary members including the NGOs that are not part of the palm oil value chain as well as to financial institutions. To date members in the NGO and financial institution category have been unclear about how they can demonstrate 'working towards certification'. The RSPO should give clear guidance to NGO members so that they are also able to demonstrate their commitment to the RSPO.

Although these requirements have been part of the RSPO's code of conduct from the start they have never been rigorously enforced. The RSPO needs to come forward with concrete proposal for how it intends to ensure that all ordinary members keep to the Code of Conduct requirement for ensuring progress on certification.

The 8th General Assembly of the RSPO, on the 8th of March 2012 resolves that:

- 1. All RSPO ordinary members in the category of growers, traders/processors, consumer goods manufacturers and retailers be required to submit to the Secretariat a time bound plan to produce, trade, process and/or purchase and use 100% RSPO Certified Sustainable Palm Oil (CSPO) prior to the 9th General Assembly**
- 2. The names of all ordinary members from these categories that do not fulfil this requirement will be listed on the RSPO website as being in non-compliance with the RSPO Code of Conduct.**
- 3. The RSPO will, by the 9th General Assembly, develop clear guidance on what expectations it has of other ordinary member categories – namely financial institutions, social NGOs and environmental NGOs, in order for them to demonstrate progress in implementing their commitment to follow the RSPO code of conduct.**
- 4. The RSPO will, by the 9th General Assembly, define the meaning of 'a sufficiently challenging' time bound plan for each ordinary member category and the further sanctions that non-compliant members will face if they fail to submit, report on and implement such plans adequately.**