Information Sheet - RSPO Supply Chain Certification Systems and RSPO Certification Systems for P&C and RSPO Independent Smallholder Standard

1. Introduction

Sustainability aspects of products are becoming more and more important in modern business life. Palm oil is the most widely used vegetable oil in the world and a common ingredient in many food and personal care products. Because of growing populations and demand for such products, demand for palm oil has never been higher and is expected to increase. However, the increasing demand for palm oil has led to conversion of high-conservation value forests, compromised the biodiversity of some ecosystems, contributed to the destruction of habitats for some species and generated social conflicts between indigenous communities and growers. The Roundtable on Sustainable Palm Oil (RSPO) was formed with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders. The RSPO Certification Standard was developed to ensure that supply chains are secure and traceable in order to provide credible evidence of sustainable sources.

2. Definitions and Options of P&C and RISS Certification and Supply Chain Certification

RSPO certification allows providing evidence that palm oil products comply with the P&C and Supply Chain Certification System.

Oil palm products may go through many production and logistical stages between the grower and the end-product and can be traded through different supply chain mechanisms that are approved by RSPO. The RSPO P&C and Supply Chain options are:

Identity Preserved (IP):
This model assures that the RSPO certified FFB, RSPO certified oil palm products delivered to the end user is uniquely identifiable to a single mill and its supply base and is kept physically isolated from all other oil palm sources throughout the supply chain.
The supply chain model for certified ISH group is Identity Preserved (IP).

Segregation (SG) *Not applicable for POM
The supply chain model assures that RSPO certified oil palm products delivered to the end user comes only from RSPO certified sources. It permits the mixing of RSPO certified palm oil from a variety of sources.

Mass Balance (MB):
The model administratively monitors the trade of RSPO certified oil palm products throughout the entire supply chain, as a driver for mainstream trade in sustainable palm oil. The mass balance system allows for mixing of RSPO and non-RSPO certified FFB (RSPO P&C), RSPO and non-RSPO certified palm oil (RSPO SCC) at any stage in the supply chain provided that overall facility quantities are controlled so that the volume of certified palm oil outputs never exceed the certified inputs.

3. Types of Certification

A) RSPO P&C & RISS Certification

Organizations operating shall comply with Minimum requirements for multiple management units (not applicable for RSPO ISH Standard).

For RSPO ISH Standard, it introduces a phased approach to enable smallholders to achieve compliance over a specified period. The approach includes three (3) phases:
1. Eligibility (E)
2. Milestone A (MS A)
3. Milestone B (MS B, which is full compliance)

Key Elements for P&C Certification
The key elements to comply with the RSPO Supply Chain Certification Standard are as follows:

Principle 1: BEHAVE ETHICALLY AND TRANSPARENTLY
Drive ethical business behaviour, build trust and transparency with stakeholders to ensure strong and healthy relationships

Principle 2: OPERATE LEGALLY AND RESPECT RIGHTS
Implement legal requirements as the basic principles of operation in any jurisdiction.

Principle 3: OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE
Implement plans, procedures and systems for continuous improvement.
- ✓ SUPPLY CHAIN REQUIREMENTS FOR MILLS
    - stipulates the requirements for mills which are identified as complying with the Identity Preserved (IP) Module and Mass Balance (MB) Module.
    - For independent mills, that are only required to obtain RSPO Supply Chain Certification, Compliance with modules A and/or C of the Supply Chain Certification Standard will be required. All definition in Supply Chain Certification Standard applies.

Principle 4: RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS
Respect community rights, provide equal opportunities, maximise benefits from engagement and ensure remediation where needed.

Principle 5: SUPPORT SMALLHOLDER INCLUSION
Include smallholders in RSPO supply chains and improve their livelihoods through fair and transparent partnerships

Principle 6: RESPECT WORKERS' RIGHTS AND CONDITIONS
Protect workers' rights and ensure safe and decent working conditions

Principle 7: PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

Protect the environment, conserve biodiversity and ensure sustainable management of natural resources.

B) RSPO Supply Chain Certification

Single-Site Certification
Organizations operating from one site need to apply for Single-Site certification.

Multi-Site Certification
The RSPO recognizes that organizations with more than one site may apply for Multi-Site certification. The requirements for Multi-Site certification are described below:

Criteria for Eligibility
All operational units included in the multi-site certification must be part of the same legal entity; e.g. owned by the same Group Company.

Criteria for operation
- The RSPO Supply Chain Certification system must be run from one identified facility as Central Office.
- A common centrally administered and documented internal control and reporting system shall be used and monitored by the Central Office.
- Different operations within the multi-site certification will be grouped by building Sets. The main Sets will operate a common management system and may be classified as follows:
    - Milling
    - Refining
    - Transport and Distribution
    - Processing
    - Others may be added as appropriate
- A sample audit regime will apply for each of the Sets.
- A Central Office audit will also be conducted at least once per annum, depending on the complexity of the certification.

Certification
The certificate will be issued in the name of the Central Office, listing all other companies/operations/sites.

Key Elements for Supply Chain Certification
The key elements to comply with the RSPO Supply Chain Certification Standard are as follows:

Criterion 1: Requirements of documented procedures
Written procedures and/or work instructions are available to ensure implementation of all elements specified in the RSPO requirements.

Criterion 2: Requirements for purchasing and goods in
It has to be ensured that RSPO certified palm oil and products are identified.

Criterion 3: Requirements for sale and goods out The criterion is applicable to purchase and sales invoices and associated documents.

Criterion 4: Processing Criterion is applicable to the respective supply chain model. A company has to provide documented proof that the quantities and volumes of RSPO certified oil palm product can be traced back.

Criterion 5: Document control, and records
Accurate, complete and accessible records and reports covering all aspects of the requirements should be maintained.

Criterion 6: Training
All personnel must be adequately trained in order to ensure that the system will work effectively.

Criterion 7: Claims
Claims regarding RSPO certified palm oil can only be made in line with the RSPO Guidelines for Communication and Claims.

Criterion 8: Outsourcing
In case activities are outsourced to independent third parties (e.g. subcontractors), the company has to ensure that the independent third party complies with the intent and requirements of the RSPO Supply Chain Standard.

Criterion 9: Multi-Site Certification
For Multi-Site Certification specific criteria have to be fulfilled (see Multi-Site Certification

The RSPO Certification System Audit Process

Request for Quotation
On receipt of a completed certification request we will submit an offer to you. When you accept the offer, we will allocate an auditor who will contact you in order to fix an audit date.

Keep in mind that you have to apply for RSPO membership and have to be an accepted member before the auditing process may start (www.rspo.org/members).

Audit / Assessment
Opening meeting
The audit starts with an opening meeting. The auditor informs about the certification process and confirms the scope of the audit.

Audit Process
The contents of the audit result from the different P&C and ISH, supply chain mechanisms that are approved by RSPO (Identity Preserved, Segregated (*Not applicable for POM), and Mass Balance option).

Based on the different Modules a review and check of the organizational systems, the management systems and the operational systems is undertaken in order to check compliance with the requirements. The audit includes a site inspection, where the main focus is on incoming and outgoing products as well as production control.

Closing Meeting
The auditor conducts a closing meeting. A detailed record is compiled of the closing meeting including detailed description of the information supplied by the operation.

Report, Certificate Issue and Validity
Once the audit report has been verified by the Intertek Certification Body our operations team will issue your RSPO P&C &ISH or RSPO Supply Chain Certificate. Validity of the certificate will be five years from the date of issue of the certificate.

For ISH Standard, the RSPO certificate of compliance as follows:
- A certificate of compliance with the RSPO ISH Standard shall not be issued while any major non-compliances are outstanding.
- A 'Provisional Certificate' is awarded to the Group in the absence of major non-compliances at the Eligibility phase and Milestone A. A single certificate is awarded to the Group in the absence of major non-compliances at Milestone B.
- The maximum period of validity of the Provisional Certificate issued at Eligibility is two (2) years and at MS A is one (1) year.
- Upon reaching MS B, a single Compliance Certificate is awarded to the group with the maximum validity of five (5) years

Audit Frequency

Surveillance visits have to be undertaken on an annually basis. A Re-Certification Audit will be undertaken every five years.

For ISH Standard, the Intertek Certification Body shall undertake annual surveillance audits (compliance to Eligibility, MS A and MS B indicators) during the certificate's validity, and a full recertification audit of compliance shall take place before the end of the five-year period.

Certification Fees

The certification fees are dependent on the scope (e.g. IP, SG, MB), size and the corporate structure. Therefore, all quotes are offered on an individual basis. Once you have completed our Certification Request form, we will be able to make you an adequate offer.

RSPO Membership

Please note that you need to be a member of the RSPO before your organization can be certified. Further information is available at: www.rspo.org

For further information please contact:

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