



**The sustainable
palm oil choice**

8 Recommendations for palm oil buyers* on how to be a Palm Oil Frontrunner, by Solidaridad, CI and WWF

5 November 2020

Background

In September 2020 it was published that 86% of palm oil used in Europe is sustainably produced. However, while buying, (preferably physical), RSPO-certified volumes is an important driver of change within the industry, focusing on remediating individual supply chains through certification alone will fail to reach the areas where problems are worst and to deliver transformation at the scale and pace needed.

To ensure a full transformation of the industry, additional initiatives are needed, including initiatives to ensure only buying from suppliers who take action across their entire operations (see recommendations #2) and support on-the-ground projects to preserve ecosystems and support smallholders, jurisdiction/landscape level, and cross-industry collaborative efforts to level the playing field and drive change at scale, including National Initiatives, [NI-SCOPS](#) and [Verified Sourcing Areas](#), [Coalition for Sustainable Livelihoods \(CSL\)](#) (see recommendation #3) .

This note is prepared by the Sustainable Palm Oil Choice Initiative, an initiative to promote the use of sustainable produced palm oil and a balanced debate about palm oil in Europe. It is meant as a guidance for buyers of sustainable palm oil: It gives 8 (!) recommendations to companies who want to lead the way! For more information about SPOC: [Sustainable Palm Oil Choice](#)

8 Recommendations for companies who want to be a Palm Oil Frontrunner!

- 1. Buy 100 % RSPO Certified sustainable material for all types of palm oil used, including Crude Palm Oil (CPO), Palm Kernel Oil (PKO), Palm Kernel Expeller (PKE) and Palm Oil Derivatives (POD); across the entire corporate group and covering all countries where you operate. This should be achieved ASAP, preferably before the end of 2020.** Companies should strive to buy 100 % segregated/identity preserved, but where this may be difficult (e.g. for PKO

derivatives and fractions), mass balance and independent smallholder credits may be a helpful interim solution.

- Buying 100 % certified material is the starting point for further action. Learn more about RSPO certification and guidance [how to start](#) (note Dutch language).
- Adopt clear policies and timelines for sourcing 100% of your supply chain sustainably in line with RSPO and NDPE commitments today. Do not wait until the last minute.
- If sourcing physical volume is difficult, an alternative option is purchasing RSPO Independent Smallholder credits.

2. Make an effort to move from buying certified material towards buying from certified and 'clean' suppliers. Important notes:

- a. There is still room for improvement for all suppliers and buyers!
- b. Elements to rate performance include:
 1. Commitment to source only RSPO certified material;
 2. Commitment to source only from suppliers with a robust zero deforestation and conversion commitment
 3. Commitment to 100 % traceability to the mill and/or plantation
 4. Publication of maps (e.g., land-use zoning and concession areas) and other relevant information (e.g., locations and trade volumes of silos or refineries) to accelerate sustainable practices, facilitate monitoring and foster transparency
- c. Some guidance:
 - When all companies not only buy RSPO-certified material, but also buy only from CSPO compliant companies (companies who buy only RSPO-certified material) the joint impact of the common buying power will further increase.
 - Work with your suppliers to understand your palm oil footprint by product, by supplier, and by sourcing geography - tracing palm oil to the mill and where possible, the plantation level. Note that for plantation companies organizing compliance is harder to organize for smallholder supply bases;
 - Identify supply chain gaps, as well as risk areas on the ground. Make sure your supplier's commitments don't apply to just your volumes but to their entire supply base. Engage suppliers on their action plans for transitioning their operations and supply base (including third-party networks) to 100% sustainable palm oil, in line with RSPO and NDPE commitments.
 - Agree on regular reporting frameworks with your suppliers, including frequency, metrics and public disclosures. Use guidance such as the Accountability Framework and the NDPE Implementation Reporting Framework to help establish or strengthen these processes.

- Use verification measures to assure supplier compliance with NDPE, such as RSPO. Where RSPO verification is unavailable, you can use 3rd party audits, POIG, HCV/HCS audits and assessments, and due diligence.

3. Beyond supply chain improvements, invest in palm oil producing landscapes to support sustainable agricultural practices, smallholders' livelihoods, improved land tenure and protect and restore natural ecosystems

- Invest in industry transformation beyond supply chains, by engaging in multi-stakeholder approaches e.g. the Jurisdictional Approach (J.A.), sustainable landscapes, VSA and Conservation Agreements - which pool stakeholders and resources to scale impacts on the ground, address key barriers of weak governance, and fill gaps or resolve misalignments between investment needs and implementation of sustainability.
- Ensure these efforts are commensurate to the volumes of palm oil you use. For a best practice see [here](#).
- For opportunities see here links to various partner websites:
 1. The National Initiatives for Sustainable Climate Smart Oil Palm Farming by [Solidaridad](#) and [IDH](#)
 2. Sustainable jurisdictions / landscapes initiatives such as the [Coalition for Sustainable Livelihoods \(CSL\)](#) (Conservation International, IDH)
 3. [Conservation agreements](#) (Conservation International)
- Consider buying additional RSPO Independent Smallholder (IS) Credits on top of ensuring 100 % of the palm oil you use is physically certified to drive transformation beyond your supply chains.

4. Join action-oriented sustainable palm oil platforms, including RSPO committees and working groups, National Initiatives for sustainable palm oil, the palm oil transparency coalition, the Sustainable Palm Oil Choice Initiative and potentially others to learn and engage.

- For an overview of National Initiatives, [click here](#).

5. Engage your Consumers! Communicate to consumers about the choice for RSPO CSPO so that they can understand and can also support the use of sustainable produced palm oil and how this contributes to solutions. Touch points can be:

- **Use on Pack communications** A good example is Upfield who communicates on pack about the use of RSPO-certified sustainable palm oil in margarine.
- **Use your Website and Social Media conversation for explanation and engagement**
- **Use your Community management**, print, etc.

6. Engage key government officials and policymakers to shape policy agendas that enable conservation and sustainable production, in demand and producing countries.

- **Support the development of mandatory Due Diligence requirements** to ensure the uptake of sustainably produced palm oil, and the development of regulatory frameworks that enable sustainable production

7. Account for the progress you've made as well as the lack thereof

- Provide regular annual (at the very least), public communications of progress and performance toward your commitments
- Establish a clear process for addressing noncompliance that includes consequences and thresholds for noncompliance (e.g. cancelation of contracts, suspension, probation period), as well as an actionable and time-bound remediation process.

8. Celebrate and share success!

- Communicate the value and benefits of the investments you're making in sustainability. By sharing your business case for sustainable investments, it encourages others to do the same.
- Sharing successes as well as set-backs is valuable and useful for learning how we all move forward
- Invest in monitoring and documentation of pilot investments and case studies.
- Inform SPOC on your progress, we are happy to share!

* Palm Oil Buyers includes retailers, brands, manufacturers. These recommendations currently do not apply to processors and traders