

Benchmark of the Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria November 2009

Summary

The Roundtable on Sustainable Palm Oil (RSPO) published its initial principles and criteria in March 2006. After field testing and consultations, the revised version of the principles and criteria was published in October 2007. A benchmark has been conducted to assess whether the relevant RSPO criteria of the October 2007 version comply with the requirements of the RTFO Qualifying Standard and also whether the criteria meet the full RTFO Biofuel Sustainability Meta-Standard level. Outcomes of the benchmark will be made available to the RSPO, who may wish to take these recommendations into account to adapt the standard towards full compliance with the RTFO Biofuel Sustainability Meta-Standard.

Two aspects are of importance to determine the quality of a certification scheme and whether it meets the requirements of the RTFO Biofuel Sustainability Meta-Standard:

- *The criteria and indicators of the sustainability standard;*
- *The auditing quality of the sustainability standard.*

Only the RSPO criteria and indicators were benchmarked. The audit quality was assessed previously in December 2008 and found to fully meet the requirements of the RTFO.

This benchmark concludes that the principles, criteria and indicators as published by the RSPO currently meet the Environmental and Social Qualifying Standard level of the RTFO. The standard could potentially cover the RTFO Environmental Meta-Standard if some criteria are further specified, or added to the standard.

In our previous benchmark of the March 2006 version we already concluded that the RSPO meets both the Environmental and Social Qualifying Standard levels and therefore the RSPO was allowed for use in the RTFO.

Background to the RTFO and RSPO

RTFO

The UK Carbon and Sustainability reporting scheme of the RTFO has been operational since April 2008. This reporting scheme aims to make maximum use of existing voluntary agri-environmental and social accountability schemes. It encourages transport fuel suppliers to demonstrate that their biofuel feedstock is produced in accordance with the RTFO Biofuel Sustainability Meta-Standard through existing certification schemes.

Several sustainability certification schemes have been benchmarked against the RTFO Biofuel Sustainability Meta-Standard to determine which schemes meet the demands of a "Qualifying Standard" level for social and/or environmental criteria - representing an acceptable level of sustainability. Previously, a benchmark was conducted on the March 2006 RSPO Principles and Criteria and the standard was approved as both a Qualifying Environmental and Social Standard under the RTFO¹.

RSPO development process

The RSPO Principles and Criteria were adopted in November 2005 for an initial pilot implementation period of two years, to be reviewed at the end of this period. Following a consultation period, the first version of the RSPO Principles and Criteria was released in March 2006. Based on the learnings and experiences over this two-year period, the Principles and Criteria were reviewed by the RSPO Criteria Working Group (CWG) in October 2007. The revised Principles and Criteria (i.e. the current version, October 2007) were approved by the RSPO Executive Board and adopted by the General Assembly (GA4) meeting of 22 November 2007.

Previously, the RSPO Principles and Criteria of March 2006 were benchmarked against the RTFO's requirements. The results were published in the Framework report of the RTFO of January 2008².

Currently, the October 2007 version of the RSPO Principles and Criteria has not been benchmarked. It was indicated by the RSPO that this version is likely remain the reference document for the near future. In November 2009 it was decided not to include greenhouse gas emissions standards in the certification criteria, which would have resulted in a significant revision of the RSPO standard. Therefore, compared to the March 2006 version no major changes have been made to the criteria. (Note that the current RSPO process allows for a review every three years.)

¹ See RFA (2008), Technical Guidance on Carbon and Sustainability Reporting Within the Renewable Transport Fuel Obligation, Annex A. Available from: www.renewablefuelsagency.org/

² See Ecofys (2008) Sustainability reporting within the RTFO: Framework report. Available from: www.renewablefuelsagency.org/

RSPO sustainability principles

The RSPO standard distinguishes eight principles and contains criteria, indicators and guidance for producers and verifiers. The eight principles are:

- 1 Commitment to transparency (2 criteria);
- 2 Compliance with applicable laws and regulations (3 criteria);
- 3 Commitment to long-term economic and financial viability (1 criterion);
- 4 Use of appropriate best practices by growers and millers (8 criteria);
- 5 Environmental responsibility and conservation of natural resources and biodiversity (6 criteria);
- 6 Responsible consideration of employees and of individuals and communities affected by growers and millers (11 criteria);
- 7 Responsible development of new plantings (7 criteria);
- 8 Commitment to continuous improvement in key areas of activity (1 criterion).

Benchmark results

The Principles and Criteria of the RSPO were benchmarked against the requirements of the RTFO Qualifying Standard and RTFO Biofuel Sustainability Meta-Standard according to the rules outlined in Appendices A and B.

Criteria and indicators³

The results of the benchmark are presented in the table below. Details of the benchmark can be found in Appendix C.

Table 1: Benchmark results

Principle	RSPO	RSPO
	March 2006	October 2007
P1. Conserve carbon stocks	P	P
P2. Conserve biodiversity	Y	Y
P3. Soil conservation	Y	Y
P4. Sustainable water use	Y	Y
P5. Air quality	Y	Y

³ For a description of the methodology, criteria and elements to be benchmarked, cf. Ecofys (2008) Sustainability reporting within the RTFO: Framework report. Available from: www.renewablefuelsagency.org/

P6. Labour conditions	Y	Y
P7. Land right and community relations	Y	Y

The RSPO meets the RTFO criteria for six out of seven principles. Only the conservation of carbon stock is partially represented in the standard. Within the principles not all criteria are met, but nearly all principles still qualify as fully compliant.

The RSPO is an Environmental Qualifying standard, and could become an Environmental Meta-Standard if the criteria are adapted that relate with the following RTFO criteria⁴:

- 1.1: Preservation of above and below ground carbon stocks;
- 3.2a: (recommendation only) Records of annual measurements relating to soil quality.

The RSPO is also a Social Qualifying standard. However, some major revisions of the standard are needed before RSPO can become a RTFO Social Meta-Standard. These additions would need to be made to the criteria that relate to the following RTFO criteria⁴:

- 6.2: Contracts;
- 6.4: Subcontracting;
- 6.7: Young workers (15-17);
- 6.11: Forced labour;
- 6.12: (recommendation only) Working hours.

If we compare the benchmark results of the RSPO March 2006 version with the current version of October 2007, several improvements are visible. Most of the improvements affect criteria that already complied with the RTFO. The recommended RTFO criteria 2.4 (landscape), 3.2a (soil measurements) and 3.3 (by-products) are now fully met, and 4.2a (water records) is partially compliant. Additional criteria on peat soils have been added, however RTFO criterion 1.1 is still partially compliant. The RSPO criteria on burning (5.5) has been extended (with 7.7), but was already compliant with the RTFO.

Recommendations for the RSPO on how to achieve full compliance per criterion are presented in the last section of this document.

⁴ Note that the recommended RTFO criteria that are partially covered in the current version of the RSPO would not preclude the standard from meeting the RTFO Biofuel Sustainability Meta-Standard level.

Audit Quality

The audit quality of the RSPO standard was not been benchmarked This was assessed previously in December 2008 and found to fully meet the requirements of the RTFO.

Conclusions and recommendations

Conclusions

This benchmark concludes that the principles, criteria and indicators as published by the RSPO currently meets the Environmental and Social Qualifying Standard level of the RTFO. The standard could potentially cover the RTFO Environmental Meta-Standard if a few criteria are further specified, or are added to the standard.

Recommendations

For the RFA

We recommend to the RFA to continue to accept the RSPO under the RTFO. Although no revisions of the standard are expected in the short term, it is recommended to check the status by the end of 2010, as the standard can be revised every three years and our benchmarked version dates October 2007.

For the RSPO

Although the RSPO criteria cover the requirements for both the Environmental and Social Qualifying Standards, the RSPO could take the following recommendations into account in order to have a more solid standard, or to qualify as a RTFO Biofuel Sustainability Meta-Standard. Note that the recommended RTFO criteria that are partially covered in the current version of the RSPO would not preclude the standard from meeting the RTFO Biofuel Sustainability Meta-Standard level.

- RTFO 1.1: RSPO criteria 7.3 and 7.4 require that no primary forests and HVC areas can be converted with November 2005 as a reference date. In addition, plantations on peat land should be avoided. However the criteria do not cover all land types and do not include below ground carbon stock. We recommend to the RSPO to focus on the preservation of above and below ground biomass in general in order to fully comply with this criterion.
- RTFO 3.2a (recommendation only): RSPO criteria 4.2 requires that records of fertiliser inputs and evidence of periodic tissue and soil sampling to monitor changes in nutrient status. This currently only partially meets the RTFO criterion which requires annual measurements of soil loss, NPK balance, Soil Organic Matter (SOM), pH in top soil and soil salts content to be taken.

- RTFO 6.2: RSPO currently does not include a criterion on contracts as such, but inherently assumes that contracts are available (e.g. in RSPO 6.5). RSPO could add the following explicit criterion “the Certification applicant must supply all categories of employees (including temporary workers) with a legal contract in which the criteria below are registered.”
- RTFO 6.4: RSPO does currently not include separate criteria for subcontractors. RSPO could add the following or equivalent criterion: “When labour is contracted or subcontracted to provide services for the certification applicant, the certification applicant must demonstrate that the subcontractor provides its services under the same environmental, social and labour conditions as required for this standard.”
- RTFO 6.7: RSPO criterion 6.7 covers Child Labour (up to 15 years) extensively, but explicit criteria for Young Workers (between 15-17 years) are lacking. RSPO could adopt the following or equivalent criterion: “The work carried out shall not be hazardous or dangerous to the health and safety of young workers (age 15 -17). It shall also not jeopardise their educational, moral, social and physical development.”
- RTFO 6.11: Criteria on forced labour are not covered in the current RSPO principles and criteria. The RTFO criterion states the following, which could be included in the RSPO: “Standards shall require that the certification applicant not engage in or support forced labour including bonded labour as defined by ILO conventions 29 and 105. The company must not retain any part of workers’ salary, benefits, property, or documents in order to force workers to remain on the farm. The company must also refrain from any form of physical or psychological measure requiring workers to remain employed on the farm. Spouses and children of contracted workers should not be required to work on the farm.”
- RTFO 6.12 (recommendation only): There is currently no criterion on working hours, and RSPO could include a criterion that specifies what maximum of hours of work is allowed (possibly referring to ILO conventions), and specify how overtime is dealt with.

References

RSPO (March 2006) *RSPO Principles and Criteria for Sustainable Palm Oil Production*. Guidance Document; format to emphasise Guidance for National Interpretation, March 2006.

RSPO (October 2007) *RSPO Principles and Criteria for Sustainable Palm Oil Production*. Including Indicators and Guidance, October 2007.

RSPO website: www.rspo.org, consulted November 2009.

RTFO (2008), Carbon and Sustainability reporting within the RTFO, available at www.renewablefuelsagency.org/

Ecofys (2008), Framework report, available at www.renewablefuelsagency.org/

Appendix A The norm for Qualifying Standards

The following norms were used for the benchmarks.

To become a Qualifying Environmental Standard the following criteria requirements must be met:

- Full compliance with all criteria referring to compliance with national legislation (2.1, 3.1, 4.1, 5.1)
- On all principles one 'partial compliance' criterion is permitted per principle, with a maximum of three in total.

To achieve the level of the Environmental RTFO Biofuel Sustainability Meta-Standard, all environmental minimum requirement criteria must be complied with.

Full compliance with a criterion is only awarded if the RTFO criterion is met by a corresponding mandatory criterion in the benchmarked standard.

To become a Qualifying Social Standard the following criteria requirements must be met:

- Of the 11 minimum requirement criteria of principle 6, 7 must be fully complied with
- On principle 7 on land right issues and community relations, one partial compliance is permitted.

To achieve the level of the Social RTFO Biofuel Sustainability Meta-Standard, all social minimum requirement criteria must be complied with.

Full compliance with a criterion is only awarded if the RTFO criterion is met by a corresponding mandatory criterion in the benchmarked standard.

Appendix B Guidance on compliance with criteria

In the benchmark performed on the criteria and indicators of existing standards against the RTFO Biofuel Sustainability Meta-Standard criteria and indicators three scores have been assigned:

- Y: Yes the RTFO criterion and its indicators are sufficiently met by the benchmarked standard
- X: No the RTFO criterion and its indicators are not or insufficiently met by the benchmarked standard
- P: indicating that the RTFO criterion and its indicators are partially met by the benchmarked standard. There can be three reasons for this:
 - Of the various indicators for one criterion several are met and several are not met
 - The subject covered by a criterion is addressed but in a less stringent manner. For example, several standards state that destruction of primary forest is forbidden but do not give a reference year. As the reference year is considered important this leads to a partial compliance score "P"
 - The RTFO Meta-Standard indicators are fully met by the benchmarked standard but are not mandatory for certification.

All Ps and Xs form gap criteria. In order to be able to claim the full RTFO Biofuel Sustainability Meta-Standard, successful supplementary checks on all gap criteria of the Qualifying Standard are required.

Supplementary checks can also be used to comply with gap criteria between a non-qualifying benchmarked standard and the Qualifying Standard level, or indeed to comply with gap criteria between a non-Qualifying Standard and the full RTFO Biofuel Sustainability Meta-Standard level.

Appendix C Detailed benchmark of criteria

Table 2: Detailed benchmark results of the RSPO environmental criteria

Principles and Criteria		RSPO
P 1. Carbon conservation		
C 1.1 Preservation of above and below ground carbon stocks (reference date 01-11-2005)	P	7.3 No conversion of primary forest and HCV areas after Nov 2005 7.4 Planting on extensive areas of peat soils should be avoided - Below ground and other land types are not considered
P 2. Biodiversity conservation		
C 2.1 Compliance with national laws and regulations relevant to biomass production and the area where biomass production takes place	Y	2.1
C 2.2 No conversion of high biodiversity areas after 01-11-2005	Y	7.3 No conversion of primary forest and HCV areas after Nov 2005
C 2.3 Identification and conservation of important biodiversity on and around the production unit	Y	5.2 (+on-farm practice)
<i>Recommendations</i>		
2.4 Preservation and/or improvement of surrounding landscape	Y	5.2 Landscape level considerations included
P 3. Soil conservation		
C 3.1 Compliance with national laws and regulations relevant to soil degradation and soil management	Y	2.1
C 3.2 Application of best practices to maintain and improve soil quality o Erosion control o Soil nutrient balance o Soil organic matter o Prevention of salinisation o Soil structure	Y	4.2 / 4.3 - Missing a criteria that covers prevention of salinisation
<i>Recommendations</i>		
3.2 a Measurements	P	4.2 Fertiliser records, soil sampling
C 3.3 The use of agricultural by-products does not jeopardise the function of local uses of the by-products, soil organic matter or soil nutrients balance	Y	4.2 Nutrient recycling strategy (taking account of any use of biomass for by-products or energy production) 5.3 Wastes recycled and re-used (includes waste management and disposal plan)
P 4. Sustainable water Use		
C 4.1 Compliance with national laws and regulations relevant to contamination and depletion of water sources	Y	2.1
C 4.2 Application of <i>best practices</i> to reduce water usage and to maintain and improve water quality	Y	4.4 (includes water management plan)
<i>Recommendations</i>		
4.2 b Records	Y	4.2 Fertiliser records 4.4 BOD monitoring / Monitoring of water usage per tonne of FFB
P 5. Air quality		
C 5.1 Compliance with national laws and regulations relevant to air emissions and burning practices	Y	2.1

C 5.2 No burning as part of land clearing or waste disposal	Y	5.5 Use of fire for waste burning and preparing land for replanting is avoided 7.7 Use of fire for new plantations is avoided
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Table 3: Detailed benchmark results of the RSPO social criteria

Principles and Criteria		RSPO
P 6. Workers rights and working relationships		
C 6.1 Compliance with national laws concerning working conditions and workers rights	Y	2.1
C 6.2 Contracts	X	
C 6.3 Provision of information	Y	1.1 / 6.2
C 6.4 Subcontracting	X	
C 6.5 Freedom to associate and bargain	Y	6.6
C 6.6 Child labour	Y	6.7 No child labour (except on family farms under adult supervision, when not interfering with education programmes)
C 6.7 Young workers (15-17)	X	
C 6.8 Health and Safety	Y	4.7 Health and safety plan 4.8 Training
C 6.9 Wages	Y	6.5 At least legal or industry minimum standard and sufficient to meet basic needs
C 6.10 Discrimination	Y	6.8 / 6.9
C 6.11 Forced labour	X	
<i>Recommendations</i>		
C 6.12 Working hours	X	
P 7. Land right issues and community relations		
C 7.1 Land right issues	Y	2.2 Right to use land can be demonstrated 2.3 Land use does not diminish legal rights other users 7.5 No new plantations without 'free, prior and informed consent' of local people 7.6 Compensation to local people for any agreed land acquisitions
C 7.2 Consultation and communication local stakeholders	Y	1.1 / 2.3 / 6.2 / 6.3 / 6.4