THE NEXT DECADE: PALM OIL AND CERTIFIED SUSTAINABLE PALM OIL

The View From The RSPO

A Shared Responsibility: Converting Commitments into Action

RT17 2019 Bangkok Thailand

RSPO

Roundtable on Sustainable Palm Oil
Introduction – Impacts & Evaluation

RsPO | Roundtable on Sustainable Palm Oil

GUIDING PRINCIPLES
- Reliability: Continuous improvement
- Trust: Alignment
- Accuracy: Credibility
- Innovation: Inclusiveness

COMMITMENT, COLLABORATION & ACCOUNTABILITY
- Sustainability leadership
- Standards system
- Engagement platforms

MORE MARKETS, NEW ACTORS ENGAGED, INSTITUTIONAL SUPPORT
- Increased understanding, commitment & uptake
- Increased awareness
- Improved value chain transparency
- Platforms & dialogues
- Increased promotion & awareness

MORE GROWERS, HECTARES AND VOLUMES
- Reduced conflict & IHG estimations
- Ecosystems barrier protected
- Resources being maintained
- Productivity systematized
- Improved risk management
- Supplier & client work
- Human rights upheld

INTERMEDIATE OUTCOMES
- Consistent accountability & enforcement
- Incentives
- Supportive policies
- Increased use
- Sustainable

LONG-TERM OUTCOMES
- Resilient, healthy landscapes & communities
- Green & inclusive growth
- Sustainable livelihoods & poverty reduction
- Human rights protection, resisted & enforced

VISION
SUSTAINABLE PALM OIL IS THE NORM
- Resilient, healthy landscapes & communities
- Green & inclusive growth
- Sustainable livelihoods & poverty reduction
- Human rights protection, resisted & enforced

IMPACTS
- Improved livelihoods
- Improved resilience
- Reduced conflict & IHG estimations
- Increased awareness
- Improved value chain transparency
- Platforms & dialogues
- Increased promotion & awareness

OUTPUTS
- Markets for sustainable palm oil
- Reduced conflict & IHG estimations
- Ecosystems barrier protected
- Resources being maintained
- Productivity systematized
- Improved risk management
- Supplier & client work
- Human rights upheld

LONG-TERM OUTCOMES
- Resilient, healthy landscapes & communities
- Green & inclusive growth
- Sustainable livelihoods & poverty reduction
- Human rights protection, resisted & enforced

ACT
- RsPO
- RsPO & other actors drive outcomes and impacts

rsopo.org
Historically, CSPO production has outstripped demand. CSPO uptake (physical + credits) rose from 27% of certified production in 2014 to 55% in 2018. The remainder of CSPO produced is sold either through other sustainability schemes or as conventional. The bulk of demand comes from CGM members – mainly from Europe and N. America; uptake among Retailers is high, but from a low base.

Source: Supply - RSPO Assurance Data; Demand – Estimates from RSPO ACOP Data
Historical CSPKO Supply and Demand (2014-2018)

Metric tons

Like CSPO, CSPKO production has historically exceeded demand, but CSPKO uptake is also higher, at 61% in 2018.

The remainder of CSPKO is sold as conventional.

The vast majority of CSPKO demand – some 95% - comes from CGM members and mainly for consumption in OECD countries.

Source: Supply - RSPO Assurance Data; Demand – Estimates from RSPO ACOP Data
CURRENT REGIONAL UPTAKE

RSPO 2020 Uptake Goals

2020

Europe
North America
Malaysia
Indonesia
China
India
Latam
Africa
Rest of World

Source: Estimates from RSPO ACOP 2018 Data
CURRENT OPERATIONAL UPTAKE

CSPO Demand by Usage, ACOP 2018

- Food Manufacturing: 75%
- Oleochemical/Personal Care: 2%
- Energy/Biofuels: 22%
- Others: 1%

CSPKO Demand by Usage, ACOP 2018

- Food Manufacturing: 69%
- Oleochemical/Personal Care: 29%
- Energy/Biofuels: 0%
- Others: 2%

Source: Estimates from RSPO ACOP 2018 Data
CSPO – THE FUTURE?

CSPO Supply and Demand Forecast (2014-2030)

Supply projection is based on Growers adhering to the 2023 deadline to have all management units certified.

Upper limit of 28 mil. tons of cert. production based on current membership; more if additional Growers join.

Demand projection based on adherence to TBP; insufficient volumes, mainly from developing markets eg. India and China.

Supply projection - RSPO Assurance Data; Demand – Estimates from RSPO ACOP Data.
CSPKO – THE FUTURE?

CSPKO Supply and Demand Forecast (2014-2030)

- CSPKO production forecast assumes a similar trend to CSPO supply – rising to 1.7 million tons by 2030.
- CSPKO production has historically been steady since 2014; additional production if more Grower members join.
- Supply-demand gap present but smaller than CSPO; gaps in developing markets eg. India and China.

Source: Supply - RSPO Assurance Data; Demand – Estimates from RSPO ACOP Data
WHERE DO WE GO FROM HERE?
Thank You