

May 5, 2011

Attention to:
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Senate Standing Committee on Community Affairs
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**Response from RSPO (Roundtable on Sustainable Palm Oil)
on Food Standards Amendment (Truth in Labelling – Palm Oil) Bill 2010**

1. What is the current price premium for RSPO certified palm oil in percentage terms?

- The trade of RSPO CSPO (Certified Sustainable Palm Oil) occurs in 4 ways i.e. Identity preserved, Segregated, Mass Balance and Book & Claim.
- In general, the “premiums” are not public knowledge. It is strictly a matter for buyers and sellers to discuss.
- RSPO as an organisation never discuss prices in compliance with our antitrust guidelines.
- However, there are established producers who do command an impressive premium as they are able to comply with traceability standards in addition to RSPO certification.
- One of the supply chain options, the book & claim, does allow the public to know of the “premium” for CSPO supplied via this route. This premium is gauged by the price of a GreenPalm (<http://www.greenpalm.org/>) certificate. This premium fluctuates based on market dynamics.
- Currently, premium for CSPO via the Book & Claim option seems to be USD3/tonne of oil. This is against a value of USD 1100/tonne of CPO (3/5/2011).

2. Should you collect export data, what volume of palm oil exported to Australia each year (over the past three years) is certified sustainable to RSPO standards? If possible, please state in tonnes and as a percentage of total palm oil exported to Australia.

- No current data on this.
- As a suggestion you may be able to generate this information from Australian importers directly.
- However, as an indication, in 2010, the total export from Malaysia to Australia was 125,986 metric tonnes of palm products. Papua New Guinea and Indonesia also export palm oil to Australia. So you may be able to get this data from other relevant sources.

3. What percentage of total palm oil production by RSPO members is certified sustainable?

- We don't currently have that information but hope to soon have this analysis by middle of the year as we have engaged services of consultant to track this for RSPO.
- Out of 46 million metric tonnes global production of palm oil, 4.5 million metric tonnes comprise RSPO CSPO
- You will be able to access latest data on RSPO CSPO from our website in EU: <http://rspo.eu/>

4. Does the RSPO allow NGOs to become members of RSPO? If so, what are the eligibility criteria?

- NGOs remain a key stakeholder out the 7 constituents that our multi stakeholder association is represented by throughout the supply chain.
- There are 14 Environmental/Nature Conservation Organizations and 9 Social/Developmental Organizations currently represented in RSPO.
- All constituents are equally represented on the Executive Board of RSPO.
- The eligibility is standard for all interesting and aspiring members – which is compliance to the RSPO code of conduct (as stated on our website). There is also a membership fee.

5. Does the RSPO have figures on what percentage of palm oil exported is destined for bio-fuels and what percentage for other uses?

- The RSPO does not officially keep track of the use of palm oil for bio fuels. However, RSPO does have a position on biofuels. <http://www.rspo.org/files/pdf/Factsheet-RSPO-BiofuelsPosition.pdf>
- However for general reference info: on a global basis, less than 1% of palm oil is used for bio diesel/energy; and less than 9% for oleochemicals and other industry use; the balance of 90% of palm oil is used for food.

Best wishes and kind regards,

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RSPO

Roundtable on Sustainable Palm Oil

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“Promoting The Growth And Use Of Sustainable Palm Oil”

Established in 2004, RSPO is a not-for-profit association that unites stakeholders from seven sectors of the palm oil industry; which includes palm oil growers/producers; palm oil processors/traders; consumer goods manufacturers; retailers; banks and investors; environmental or nature conservation NGOs; and social and developmental NGOs. RSPO is committed to developing and implementing global standards for sustainable palm oil.