

The RSPO Certification Process by Control Union World Group



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KEYWORDS

SPO certification,
Certifying entity, Control Union

First Latin American Meeting of
the Roundtable on Sustainable
Palm Oil, RSPO

Cartagena, October 16 -17, 2008.

Summary

Control Union is an international group which is a member of the Dutch holding company Control Union World Group, which specializes in certification, inspection, and supervision and which guarantees control. It has a direct presence in more than eighty countries across five continents, and its activities are related to the certification and inspection of agricultural, fishing and forestry products, derived from methods of organic production or from good agricultural, fishing or forestry practices. It produced its first audit report for the first RSPO certification of the Malaysian company United Plantations in September of last year, and is currently in the process of revising its RSPO audits for one Indonesian and two Malaysian companies. In Colombia, it is currently inspecting C.I. Tequendama of the Daabon Group, and C.I. Famar has recently undergone a pre-evaluation.



Control Union Certifications was one of the first certifying bodies at a global level to be accredited by the RSPO. As is well known, the RSPO's principal objective is to promote the growth and sustainable use of palm oil by co-operation throughout the supply chain and by an open dialogue between different interest groups.

Steps for Certification

The first step is to send an application form in which the certifying body collects information on the producer or on the business which intends to be certified. With this in hand, a budget proposal is submitted to the client who, if in agreement, signs a contract. After this, a systems plan for RSPO certification is prepared. At this stage, the fourth in the process, much more information is requested from the client pertaining to the areas in which they work, the project's beneficiaries, where they are situated, if they have producers; in brief, a whole range of information that the certifying body requires in order to begin the audit process.

The RSPO is the body which then takes the decision to certify the client or not, on the basis of the information supplied in the report.

The fifth stage consists of the revision and approval undertaken by the audit body; the lead auditor has to prepare his or her team in order to be able to review all the information and to co-ordinate and organize the inspection.

The sixth stage, which is optional, offers pre-evaluations, also called pre-audits by the certifying

body, in the form of a kind of initial diagnosis preceding the final audit.

The seventh stage, which is obligatory, is one of the most important: public consultation with stakeholders. This must be conducted about the business which is seeking certification.

Once the period of public consultation has finished, the date of the audit is arranged directly with the client, and this is carried out *in situ*, which is to say in the place of work itself. During the inspection and audit the consultation with stakeholders, which is to say local interest groups, is also taken into consideration – whether these be regional corporations, small producers, associations, alliances or others.

Once the audit is complete and finalized, Control Union carries out an exhaustive audit report such as can be seen in all processes hitherto carried out. This is then sent to the client, who checks it, signs it and then returns it to us so that we can then transfer it to the RSPO for them to inspect. The RSPO is the body which then takes the decision to certify the client or not, on the basis of the information supplied in the report.

The final step is the issuing of the certificate, which is valid for a five-year period, during which annual inspections are carried out.

Requirements of the Audit Working Group

The first requirement of the audit working group seeking RSPO certification, in the case of the pre-evaluation, is to have a certified audit leader. More is demanded for the full audit, for this requires the full evaluation of all aspects relevant to RSPO, its Principles and Criteria, and so on. In this instance, a minimum requirement for the audit team is that one of its members be fluent in the local language, as well as English.

To carry out the main audit, the team should have a minimum of four members, including people knowledgeable about the management of plantations and good agricultural practices, and of plantations' social, environmental, economic, health and security aspects.

In the annual inspection audits, the company's compliance with the RSPO Principles and Criteria should be evaluated, for which purpose a qualified audit leader is required, and one which speaks the local language, and English, with fluency.

Experience in RSPO Certifications

It is worth sharing with you the experiences that we have had in the certification processes in Indonesia and Malaysia, the world's biggest palm oil producers, in which the auditors have encountered some common problems, of which I will emphasize six:

1. Lack of knowledge of how to find information, with respect to documentation. On many occasions,



the documentation is found to be complete, but the specific detail that the auditor requires cannot be found, and on many occasions, the business does not know where this can be found. This means that the documentation is not well organized. Many businesses have developed a new system of documentation for the RSPO. This is what is required:

- To ensure, establish and implement a system in compliance with the RSPO Principles and Criteria;
- To ensure that the said system is adequate and functions for the company's own employees;
- There must be a system organized by index which indicates precisely, and in a detailed fashion, where each specific part of the documentation is located, as much for the plantations as for the extractors themselves;
- One of the most important points is that the audit team, in the carrying out of its duties, must understand the documentation system. The audit body is not going to say whether it is or not correct. The important thing is to understand what a company is doing and whether it is in compliance with the RSPO or not.

2. Lack of understanding of the importance of areas of high conservation value. These areas are very important in the certification process, and touch upon two of the most important Principles related to the environment (Numbers 5 and 7).

The areas of high conservation value are of critical importance, because they preserve the biodiversity of conservation areas, stabilize ecosystems, maintain basic human needs and the place's cultural identity, and are of fundamental importance for the credibility of the RSPO. If the areas of high conservation value are damaged, then the activity is clearly not sustainable.

- 3 Very poor plans of action. This is not one of the most frequent causes of failure to fulfill the RSPO Criteria, but it is true to say that sometimes the reports on environmental and social impact on the communities in which the business seeking certification is based are strikingly incomplete.

4. The businesses do not understand the concept of Free, Prior and Informed Consent to information, FPIC in its English initials. FPIC is the information which must be provided and the communication channels which must remain open as much with local mayoralities as with the small producers, in order to inform them of what certification involves, what should be done, what is being planned by the business with them, what the result of the process will be, etc.

FPIC is very important, not only because it is required by law and was designed when forest certification was introduced, to thereby avoid conflicts, but because it protects investors from the risk of any claim that could be made against them in the future; furthermore, it aids the distribution of results because there is consent from the community. It is an essential part of good practice and is an essential requirement of the RSPO.

5. Communication and confidence. This point is related to the previous one. On many occasions, businesses do not inform communities of, nor discuss their plans with, local communities, with regard to the entitlement and ownership of the land, which is a legal requirement. It is clear that the interest groups need to be involved and to possess complete information pertaining to the certification process and what is going to be done.

6. Lack of recognition of participation and mutual acceptance. This point is as important as the preceding ones. There must be mutual acceptance by the communities and the individuals involved in the process. For this to occur, it is necessary to have a series of meetings which permit there to be clarity as to every aspect of the certification process.

But not all is in a bad way. In the inspection in Malaysia and Indonesia, we have found many good things in the fulfillment of the RSPO Principles and Criteria.

For example, good agricultural practices, the correct equipping of the stores, the design and organization of the workshops is ordered, clean and well signposted, etc. (Figure 1).

One can also see good maintenance of the roads and aqueducts (Figure 2), and the correct storage of petrol: good distribution, order, and cleanliness. One still needs to take great care with spillages of diesel and the

placing of tanks within the plants, because pollution may occur. Here the auditor is quite critical.

In the same way, good chemical and mixed product stores have been found, with their respective signs; the person in charge of mixing equipped with the necessary protection (mask, gloves) (Figure 3).

It is worth noting the prior training in chemical preparations that businesses carry out with their personnel, who in Figure 4 are being trained to carry out the process in their protective equipment.

Another interesting aspect of the inspections of some businesses in Malaysia or Indonesia has been



Figure 1. Well-organized, clean and well-signposted stores and workshops.



Figure 2. Good maintenance of the roads and aqueducts.



Figure 3. Chemical and mixed stores.



Figure 4. Personnel with the correct clothing to carry out the applications.



Figure 5. Preliminary evaluation of C.I. Tequendama.

Table 1. Business audited by Control Union in Malaysia and Indonesia

Business/location	Auditor/date of audit	Plantations	Extractors
PPB Oil Palms Berhad/East Malaysia	David Ogg/June 2008 Pre-evaluation in 2007	Certified area: 19,352 hectares	3
Kulumpag Development Corporation SDN/East Malaysia	David Ogg/August 2008	Certified area: 20,137 hectares	2
Musim Mas, Riau Sumatra/Indonesia	David Ogg/June 2008	Certified area: 23,137 hectares	2

the level of attention to visits, during which there are bilingual guides who offer security instructions, as well as maps and notes.

Businesses in process of certification

Those which appear in Table 1 are the businesses which Control Union has audited as a certifying body, and which are currently awaiting the delivery of their certifications from the RSPO. In Colombia, we have begun with C.I. Tequendama (of the Daabon Group) with a preliminary evaluation. In Figure 5, our lead auditor David Ogg can be seen in the plantations. At this moment, the inspection necessary to carry out the certification process is being carried out.

We have also carried out a pre-evaluation of C.I. Famar (Figure 6), which is to say that Colombia has already begun the RSPO certification processes.

Company Certified

The first company in the world to be certified by the RSPO, whose certifying body was Control Union, is named United Plantations BHD, from Malaysia. The audit was carried out by our lead auditor, David Ogg,



Figure 6. Pre-evaluation of C.I. Famar.



Figure 7. On 3 September 2008, the RSPO awarded its first sustainability certificate for palm oil to the United Plantations BHD Company, in Malaysia. The audit was carried out by Control Union.

in May 2008. A pre-evaluation was carried out in 2007 and an area of 35,703 hectares, with six extractors, has been certified. Figure 7 shows the official handing-over of the first RSPO certificate by Control Union on 3 September 2008. The Malaysian Prime Minister presented the certificate. Vendetta Redfield, Vengeta Rao and our lead auditor, David Ogg, appear in the photo, amongst others.