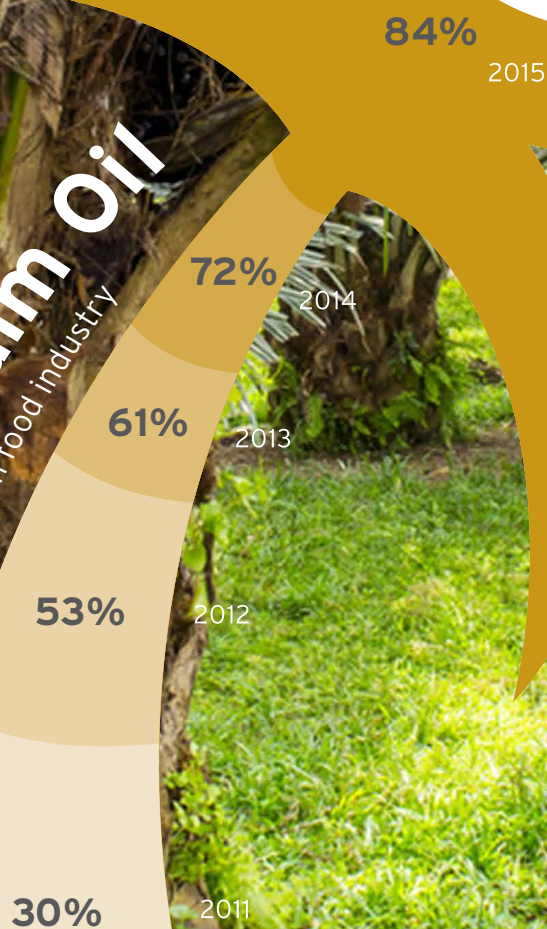


## Sustainable Palm Oil

Processed by the Dutch food industry





# SUSTAINABLE PALM OIL, THE NORM IN 2015

In 2010, eight different food and feed associations in the Dutch palm oil supply chain committed to use only sustainable palm oil for the Dutch market by the end of 2015. Five years later, we are proud to present the final results of the 'Task Force Sustainable Palm Oil'. In addition to report on the Task Force members use of sustainable palm oil we also report on the total amount of sustainable palm oil processed in the Dutch food and feed industries. In 2015, the Dutch food industry processed 84% sustainable palm oil. This is one of the highest percentages of sustainable palm oil reported in Europe. It is also a 12% increase compared to previous year. Furthermore, the report shows that the initiative of the Task Force was leading the way to the formation of eight commitments for sustainable palm oil in other European countries. Together, these initiatives have stimulated the global production and consumption of sustainable palm oil.

Working to increase sustainable palm oil use during the last five years has been an important step towards the production of more sustainable palm oil. We wish to thank all our members, IDH (the Sustainable Trade Initiative) and all other partners for their commitment and support during these five years. The members of the Task Force will continue as the 'Dutch Alliance for Sustainable Palm Oil' from 2016 onwards. We are looking forward to work towards a more sustainable palm oil supply chain with all European stakeholders in the coming years.

## TASK FORCE SUSTAINABLE PALM OIL

The Task Force Sustainable Palm Oil was founded in 2010 to stimulate the demand for sustainable palm oil in the Netherlands. Palm oil is the most produced and traded vegetable oil in the world and an important ingredient for food, feed and fuel or oleo chemical products. Since 2000, the production of palm oil has doubled and is expected to increase even more in the near future. If not carefully managed, increased production could come at the expense of forests and biodiversity and ignite social conflict. However, sustainable management and production of palm oil with environmental protection and socio-economic

benefits is possible. Since 2010, the members of the Task Force Sustainable Palm Oil support a more sustainable palm oil production through only using certified sustainable palm oil for the Dutch market by the end of 2015. The Task Force is an initiative from MVO – The Netherlands Oils and Fats Industry and consist of: FNLI, Vernof, AKSV, IMACE-NL, VAVI, VBZ, CBL and Nevedi. For more information on the Task Force see: [www.duurzamepalmolie.nl](http://www.duurzamepalmolie.nl).

## ROUNDTABLE FOR SUSTAINABLE PALM OIL (RSPO)

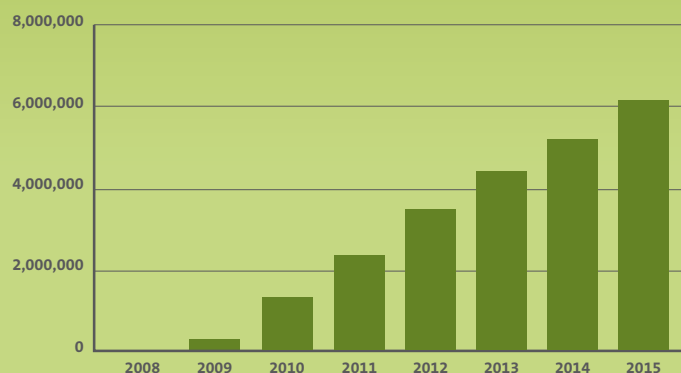
The Task Force defines sustainable palm oil as palm oil produced according to the principles and criteria of the RSPO or equivalent. The RSPO

is a multistakeholder platform of companies, investors and civil society organisations that have defined how sustainable palm oil should be produced. At the moment, 21%<sup>1</sup> of the global palm oil production is RSPO certified. The Task Force acknowledges all of the four different RSPO approved supply chain models: Identity Preserved, Segregated, Mass Balance or Book & Claim.



### Sales growth RSPO certified sustainable palm oil

Volume (tonnes)



1) 'RSPO Impact update' on: <http://www.rspo.org/about/impacts>

## The Palm Oil Supply Chain



### SUSTAINABLE PALM OIL IN EUROPE

The Netherlands has an important position in the European palm oil supply chain. Almost a third of all palm oil used in Europe is imported via the Netherlands. The Netherlands is also an important exporter of consumer good products having palm oil as an ingredient such as margarines, confectionary or processed potato products. To achieve a sustainable European palm oil supply chain, it is essential to create demand for sustainable palm oil in other European countries. To stimulate this demand, numerous commitments and initiatives to support sustainable palm oil have been established in Europe. As the Task Force, these initiatives are a cooperation of companies or sector associations working together and committing themselves to only use certified sustainable palm oil. The Task Force supports the establishment of national initiatives that stimulate the uptake of sustainable palm oil in Europe. To speed up and increase the uptake of sustainable palm oil even more, the Dutch Alliance, the successor of the Task Force, signed the joint “Commitment to Support: towards 100% sustainable palm oil in Europe by 2020” that was initiated by IDH and MVO – The Netherlands Oils and Fats Industry in December 2015. The commitment was also supported by five EU member states with the ‘Amsterdam Declaration in Support of a Fully Sustainable Palm Oil Supply Chain in 2020’<sup>2</sup>.

### DUTCH ALLIANCE SUSTAINABLE PALM OIL

The members of the Task Force Sustainable Palm Oil will continue to work on a more sustainable palm oil supply chain. Continuous improvement is an essential element of sustainability. Therefore all members have agreed to continue as the Dutch Alliance for Sustainable Palm oil (DASPO) from 2016 onwards. The members of the Dutch Alliance will stimulate the transition to physical certified sustainable palm oil and support the improvement of certification standards for sustainable palm oil. The Dutch Alliance will also continue to report on their progress in annual reports, evaluate their commitments and actions, and communicate on sustainable palm oil to all relevant stakeholders. The members of the Dutch Alliance wish to do so in close collaboration with other European stakeholders.



2) <http://www.euandgvc.nl/documents/publications/2015/december/7/declarations-palm-oil>

# MONITORING SUSTAINABLE PALM OIL IN THE NETHERLANDS

## GENERAL RESULTS 2015

The results in this report are divided in two categories: food and feed industries. The report will also elaborate on the results of the individual Task Force members. The monitoring used for this report has a broader scope than the commitment “100% for the Dutch market” by the Task Force members. The report presents the total amount of sustainable palm oil processed by the Dutch food and feed industries. These also include the palm oil volumes used by non-Task Force members and export markets that are not committed to the Task Force’s 100% ambition.

## RESULTS FOOD INDUSTRY 2015

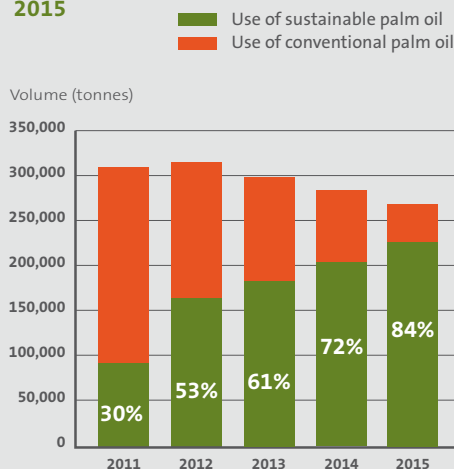
The Dutch food industry used 279.804 tonnes palm oil in 2015. This is a small decrease compared to previous year. The overall volume of sustainable palm oil increased to 234.301 tonnes in 2015. This is 84% of the total use of

sustainable palm oil in the Dutch food industry. The percentage of ‘Segregated’ increased from 39% to 59%, the share ‘Mass Balance’ decreased from 30% to 22% and the share of ‘Book & Claim’ decreased from 31% to 19%. The total volume conventional palm oil decreased to 45.503 tonnes.

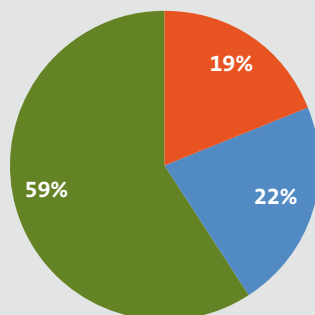
All Task Force members have indicated that their own brands which are destined for the Dutch market use 100% sustainable palm oil. This means that all companies that are part of the Task Force have successfully reached their commitment. The remaining 16% can be explained by the lack of demand for sustainable palm oil in export markets, especially outside Europe, and in products from sectors or companies not linked to the Task Force commitment. It therefore remains important to stimulate sustainable palm oil in these sectors and abroad.

## GENERAL RESULTS

### Share and volumes of sustainable palm oil used in the Dutch food industry 2015



Book & Claim  
Mass Balance  
Segregated

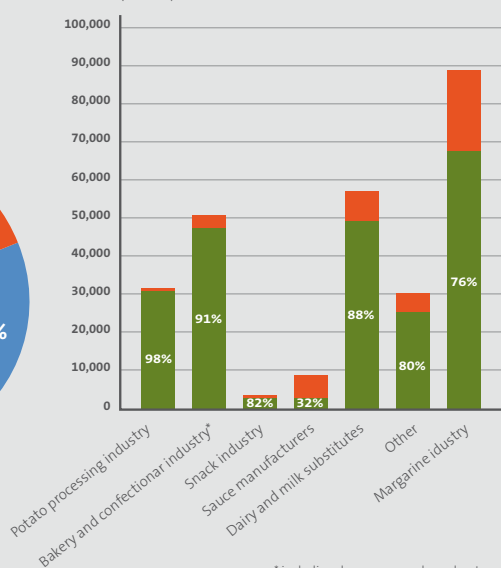


### Share and volumes sustainable palm oil in the Dutch food industry per sector

2015

Volume (tonnes)

Use of sustainable palm oil  
Use of conventional palm oil



\*including dry savory snacks and nuts

# RESULTS 2015 PER TASK FORCE MEMBER



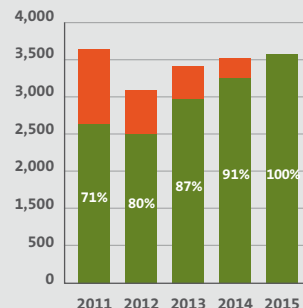
## Association for Snack and Convenience Products (AKSV)

The Association for Snack and Convenience Products has monitored the use sustainable palm oil by their members from 2011 onwards. They report a 100% use of sustainable palm oil in 2015. A part of the sector has also made the switched from 'Book and Claim' certificates to 'Segregated' sustainable palm oil. AKSV represents producers of snacks, salads and ready to serve dinners, and represent 80% of the total snack industry. As such, ASKV results cannot be compared with the total snack industry presented on page 4.

### Share of sustainable palm oil\*

■ Sustainable palm oil  
■ Conventional palm oil

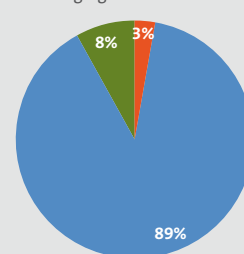
Volume (tonnes)



\*AKSV represents 80% of the convenience food market, ASKV figures are not compatible with snack industry results.

### Breakdown of Sustainable Palm Oil 2015

■ Book & Claim  
■ Mass Balance  
■ Segregated



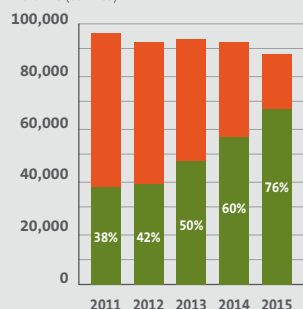
## International Margarine Association for the Countries of Europa (IMACE-NL)

The Dutch margarine industry used 76% sustainable palm oil in 2015. Compared to other food sectors, the margarine industry seems to lag behind in sustainable palm oil use. However, the members of IMACE-NL report to use 100% sustainable palm oil for their own products for the Dutch market. It should be noted that a large part of the margarines are destined for both EU and non-EU markets. The most recent figures on Dutch margarine export report 153.273 tonnes of margarine and halvarine (70% EU and 30% non-EU)<sup>3</sup>. This is half of the annual 300.000 tonnes of margarines produced in the Netherlands in the last 15

### Share of sustainable palm oil

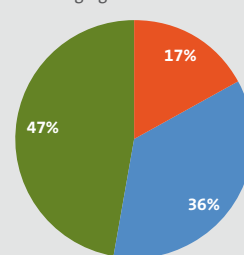
■ Sustainable palm oil  
■ Conventional palm oil

Volume (tonnes)



### Breakdown of Sustainable Palm Oil 2015

■ Book & Claim  
■ Mass Balance  
■ Segregated



years<sup>4</sup>. As such, the remaining 24% could be explained by a lack of demand for sustainable palm oil in export countries, but also the use of margarines by sectors that have not joined the Task Force yet.

3) Centraal Bureau voor de Statistiek, Stat Line: 'Goederensoorten naar EU, niet-EU; natuur, voeding en tabak' on: <http://statline.cbs.nl/Statweb/publication/?DM=SLNL&PA=81260NED&D1=a&D2=2119-2120&D3=a&D4=90%2c100-101&HDR=G2%2cT&STB=G1%2cG3&VW=T>

4) Productschap Margarine Vetten en Oliën. Statistisch Jaarboek 2012.

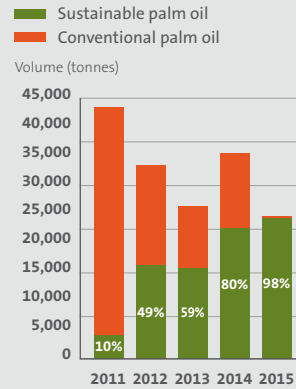


### Potato Processors Association (VAVI)

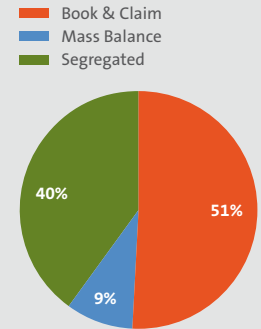
The Dutch Potato Processors Association reports a very high use of sustainable palm oil; 98% in 2015. A large part of the sector made the switch from 'Book and Claim' certificates to 'Mass Balance' or 'Segregated' sustainable palm oil. This shows that the potato processing industry aims to integrate sustainable palm oil in the complete supply chain..

and Claim' certificates to 'Mass Balance' or 'Segregated' sustainable palm oil. This shows that the potato processing industry aims to integrate sustainable palm oil in the complete supply chain..

#### Share of sustainable palm oil



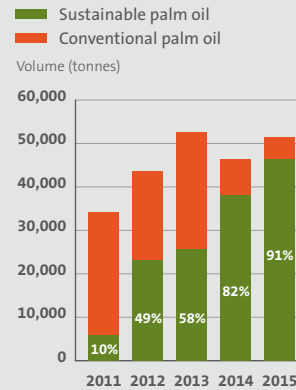
#### Breakdown of Sustainable Palm Oil 2015



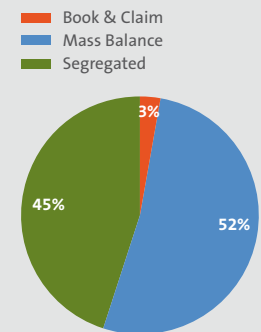
### Association for Bakery and Confectionary Industry (VBZ)

The bakery and confectionary industry in the Netherlands reports a 91% use of sustainable palm oil. This figure represents the total use of palm oil by bakery and confectionary companies in the Netherlands. The Dutch Association for Bakery and Confectionary (VBZ) is only one of the several bakery associations represented in this sector. VBZ members reported to use 100% sustainable palm oil for the Dutch market. Many VBZ companies have switched both for their own brand as well as private label products to sustainable palm oil. Sustainable sourcing is stimulated within the VBZ via the 'VBZ Barometer', a tool to monitor and motivate sustainability progress. Sustainable palm oil is one of the key raw

#### Share of sustainable palm oil



#### Breakdown of Sustainable Palm Oil 2015



materials in the 'VBZ Barometer'. The remaining 9% conventional palm oil can be explained by non-VBZ companies or export market palm oil use. VBZ members export around 70% of their products.



### **The Dutch Central Food Retail Association (CBL)**

The Dutch Central Food Retail Association (CBL) represents the collective interests of 27 supermarket and foodservice companies. CBL members have an important role to increase the demand for sustainable palm oil. All Dutch retailers that are a CBL member report to have sustainable palm oil as a procurement condition for private label products in 2015. Eventually, the Dutch retail aims to only use 'Mass Balance' or 'Segregated' sustainable palm oil in their products.



### **The Federation of the Dutch Food and Grocery Industry (FNLI)**

The Federation of the Dutch Food and Grocery Industry (FNLI) is the umbrella organisation of food producers and industry organisations within the Dutch food industry. It informs its members on the importance and opportunities to switch towards sustainable palm oil. The FNLI will continue to stimulate the continuous improvement of sustainability in the palm oil and other supply chains.



### **The Association of Dutch Producers of Edible Oils and Fats (VERNOF)**

The Association of Dutch Producers of Edible Oils and Fats represents the interests of seven companies that produce and refine vegetable and animal oils and fats in the Netherlands. VERNOF's objective is to stimulate the demand for sustainable palm oil products and encourage the physical flow of sustainable palm oil both in the Netherlands and abroad. VERNOF members also provide the Task Force with the necessary palm oil supply data in the Netherlands used in this monitoring report.

## **RESULTS FEED INDUSTRY 2015**



### **Dutch Feed Industry Association (NEVEDI)**

The Dutch feed industry, represented by the Dutch Feed Industry Association, fulfilled the Task Force commitment in 2015. The Dutch feed industry is the first European feed association to achieve its commitment for sustainable palm oil. To comply with the commitment, Nevedi bought 25.000 Book & Claim certificates to cover the palm oil use of the Dutch feed industry in 2015. This amount is based on a study<sup>5</sup> conducted by the Dutch Agricultural Economic Institute (LEI) that calculated the amount of palm oil used to produce animal products such as meat or eggs. With this information, the sectors know how much palm oil is being processed for the Dutch market. Nevedi will also buy Book and Claim certificates to cover the use of palm oil in the feed industry for the Dutch market in 2016. Eventually, Dutch feed companies will fulfil the commitment individually.

5) [http://www.wageningenur.nl/upload\\_mm/d/1/5/cd6f1eb9-3615-4d90-ae23-4a46102cb884\\_14-099%20Hoste%20Nota\\_v5%200\\_FD\\_WEB.pdf](http://www.wageningenur.nl/upload_mm/d/1/5/cd6f1eb9-3615-4d90-ae23-4a46102cb884_14-099%20Hoste%20Nota_v5%200_FD_WEB.pdf)

The Task Force Sustainable Palm Oil is a collaboration between:

MVO – the Netherlands Oils and Fats Industry, FNLI, Vernof, AKSV, IMACE-NL, VAVI, VBZ, CBL, NEVEDI and IDH.



**For more information: [www.duurzamepalmolie.nl](http://www.duurzamepalmolie.nl) and [www.mvo.nl](http://www.mvo.nl).**

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