

Memo to RSB Board of Directors

Updated Reactive Guidance on Palm Glycerin

13 May 2015

1 Background

On 27 June 2013, the RSB Board of Directors approved the Secretariat's recommendation that palm glycerin, a byproduct from processing, should be approved as a waste and residue. Palm glycerin is not mentioned at all in the RSB Standard for certification of biofuels based on end-of-life-products, by-products and residues (RSB-STD-01-020), so the Secretariat recommended that the Economic Value Ratio method be used, which indicate that the EVR for palm glycerin would be below 1%, so it can be considered a waste and residue on economic criteria. A further recommendation, also approved, was that operators using palm glycerin should establish a phase-in plan to increase the supply from RSPO certified palm oil over time.

Since 2013, the prices of all wastes and residues suitable for biofuel production have risen, mainly due to extra incentives applied in the European Union, for waste derived biofuels. This situation applies to glycerin. It is a double counting feedstock in some Member States, including the UK.

2 Secretariat's Recommendation

Taking into consideration prevailing market conditions for all wastes and residues used as feedstock for biofuels, palm glycerin should still be regarded as a waste and residue. The palm oil industry is adopting sustainability principles and the take-up of sustainability schemes is increasing. Operators using palm glycerin should establish a phase-in plan to use suppliers who are part of a recognized sustainability scheme (including voluntary certification schemes recognized under EU-RED) , with an increasing supply from RSPO certified operators over time, or an increasing amount of glycerin from non-palm sources. The target by the end of five years should be 80% of any palm glycerin from RSPO certified operators.

This memo outlining the Secretariat's recommendation on this issue is being provided to the Board of Directors for information only. The Board is not being asked to make a decision, or to provide a comment. However if Board members would like a Board consultation on this issue they should contact the Secretariat by close of business on 6th May.