



# Terms of Reference

## Revision of RSB Principles & Criteria

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(Updated January 2015)

# 1 Table of Contents

- 1 Introduction..... 3**
- 1.1 *Scope of the Standard and intended geographic application ..... 3*
- 1.2 *Justification of need for the Standard ..... 3*
- 1.3 *Sustainability outcomes the Standard seeks to achieve..... 6*
- 1.4 *Assessment and mitigation of risks in implementing the Standard ..... 7*
- 1.5 *Process for development and maintenance of the P&Cs ..... 13*

# 1 Introduction

The Roundtable on Sustainable Biomaterials (RSB) is an international initiative bringing together farmers, companies, non-governmental organizations, experts, governments, and inter-governmental agencies concerned with ensuring the sustainability of biomass and biomaterial production and processing. By way of a multi-stakeholder consensus, the RSB developed a standard for sustainable biomaterials, including biofuels. The RSB Principles & Criteria (P&Cs) represent the core of the RSB Standard. They come with several other standards and procedures, which determine the functioning of the RSB Certification System, e.g. traceability of certified material, qualification of auditors, claims, etc.

As a full member of the ISEAL Alliance, RSB is required to conduct a review of the standard at least every five years to ensure its continued relevance and effectiveness in meeting its stated objectives. The review process (per the RSB Procedure for Development and Modification of RSB Standards RSB-PRO-15-001) includes consultation with the public and RSB members, followed by approval from the Assembly of Delegates. Process details specific to the revision of the P&Cs can be found in section 1.5.

This Terms of Reference document shall be updated with each subsequent review.

## 1.1 Scope of the Standard and intended geographic application

The scope of the standard is global, an operator producing biomaterials located anywhere in the world may apply for certification. It is intended to be applied globally.

## 1.2 Justification of need for the Standard

The RSB was launched in 2007, following the backlash against biofuels at the same period. From a very promising alternative to energy, biofuels became increasingly criticized for their potential environmental and social impacts.

Following the model of FSC, RSPO and other renowned initiatives, the RSB was initiated to offer a credible mean to differentiate sustainably produced biofuels (and later biomaterials) from others. It was decided to develop an international standard, following a multi-stakeholder consensus-building process.

The initial needs and justifications are described in the RSB initial White Paper ([http://rsb.org/steering\\_board\\_pdfs/White-Paper\\_ForWebsite.pdf](http://rsb.org/steering_board_pdfs/White-Paper_ForWebsite.pdf)).

Now, as ever more organizations are producing chemicals, plastics and other materials from biomass, the need for the standard to apply widely to biomaterials arose and the RSB subsequently changed its name to the Roundtable on Sustainable Biomaterials (RSB).

The RSB standard is widely considered to be the most comprehensive and robust sustainability standard (by IUCN<sup>1</sup> and WWF<sup>2</sup> for example).

It comprehensively addresses social and environmental impacts of biomaterials. These are articulated in the Principles & Criteria, as follows:

Principle 1. Legality: Biomaterial operations shall follow all applicable laws and regulations.

Principle 2. Planning, Monitoring and Continuous Improvement: Sustainable biomaterial operations shall be planned, implemented, and continuously improved through an open, transparent, and consultative impact assessment and management process and an economic viability analysis.

Principle 3. Greenhouse Gas Emissions: Biomaterials shall contribute to climate change mitigation by significantly reducing lifecycle GHG emissions as compared to fossil fuels.

Principle 4. Human and Labor Rights: Biomaterial operations shall not violate human rights or labor rights, and shall promote decent work and the well-being of workers.

Principle 5. Rural and Social Development: In regions of poverty, biomaterial operations shall contribute to the social and economic development of local, rural and indigenous people and communities.

Principle 6. Local Food Security: Biomaterial operations shall ensure the human right to adequate food and improve food security in food insecure regions.

Principle 7. Conservation: Biomaterial operations shall avoid negative impacts on biodiversity, ecosystems, and conservation values.

Principle 8. Soil: Biomaterial operations shall implement practices that seek to reverse soil degradation and/or maintain soil health.

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<sup>1</sup> <http://www.iucn.nl/en/news/publications/?14101/Betting-on-best-quality>

<sup>2</sup> [http://wwf.panda.org/about\\_our\\_earth/all\\_publications/?212775/WWF-analysis-Searching-for-Sustainability--Comparative-analysis-of-certification-schemes-for-biomass-used-for-the-production-of-biofuels#](http://wwf.panda.org/about_our_earth/all_publications/?212775/WWF-analysis-Searching-for-Sustainability--Comparative-analysis-of-certification-schemes-for-biomass-used-for-the-production-of-biofuels#)

Principle 9. Water: Biomaterial operations shall maintain or enhance the quality and quantity of surface and ground water resources, and respect prior formal or customary water rights.

Principle 10. Air: Air pollution from biomaterial operations shall be minimized along the supply chain.

Principle 11. Use of Technology, Inputs and Management of Waste: The use of technologies in biomaterial operations shall seek to maximize production efficiency and social and environmental performance, and minimize the risk of damages to the environment and people.

Principle 12. Land Rights: Biomaterial operations shall respect land rights and land use rights.

In 2007, the landscape of biofuel standards was relatively empty. Besides the RSB, a few initiatives were focused on specific commodities (e.g. RSPO for Palm, BSI – later Bonsucro – for Sugar) but this was leaving a wide range feedstocks and end-products uncovered. Hence the need for a global standard able to address sustainability issues for all feedstock and all end-products.

This landscape changed considerably with the enforcement of two European directives (Renewable Energy Directive – 2009/28/EC; Fuel Quality Directive – 2009/30/EC), which requires biofuels used in the European Union to fulfill certain environmental criteria (land-use and greenhouse gas emissions). Since the Renewable Energy Directive (RED) stipulates that compliance with these requirements is primarily verified through voluntary certification schemes, a large number of new certification systems were created after 2009. A large majority of them only address the minimum environmental requirements in the RED whereas the RSB system address a much broader range of issues, including social aspects.

As of March 24, 2015, the list of certification schemes approved by the European Commission is as follows<sup>3</sup>:

1. ISCC
2. Bonsucro EU
3. RTRS EU RED
4. RSB EU RED
5. 2Bsvs
6. RBSA
7. Greenergy
8. Ensus
9. Red Tractor
10. SQC
11. Red Cert
12. NTA 8080
13. RSPO RED

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<sup>3</sup> <http://ec.europa.eu/energy/en/topics/renewable-energy/biofuels/voluntary-schemes>

14. Biograce GHG calculation tool
15. HVO Renewable Diesel Scheme for Verification of Compliance with the RED sustainability criteria for biofuels
16. Gafta Trade Assurance Scheme
17. KZR INIG System
18. Trade Assurance Scheme for Combinable Crops
19. Universal Feed Assurance System

With so many other voluntary schemes available, most of the time at a cheaper certification cost, the *raison d'être* of the RSB could have been questioned. However, the RSB Standard has been continuously and repeatedly evaluated as the most robust and comprehensive for sustainability of biomass and biomaterials, in particular on social issues (e.g. land rights, food security). The RSB Standard is often described by the industry and civil society as the “Gold Standard” for biofuel and biomaterials, while basic and intermediary levels of sustainability performances are also needed.

### 1.3 Sustainability outcomes the Standard seeks to achieve

The RSB Standard seeks to achieve certain social, environmental and economic outcomes, as expressed in the RSB Vision and Mission statements:

**Vision :** Global sustainable production, conversion, and use of biomass.

**Mission :**

- Provide and promote the global standard for socially, environmentally and economically sustainable production and conversion of biomass.
- Provide a global platform for multi-stakeholder dialogue and consensus building.
- Ensure access to credible, practical and affordable certification.
- Support continuous improvement through application of the standard.

These Vision and Mission statements are linked to RSB’s intended change as outlined in Table 1<sup>4</sup> below, which lays clear the long-term goals that RSB strives to achieve for each pillar of sustainability.

Category	Sustainability Issue	Long-term goal
Social	Labor and Human Rights	

<sup>4</sup> Tables 1 and 2 of this document are excerpts from the RSB Theory of Change ([http://rsb.org/pdfs/M&E/Theory%20of%20Change/14-10-27%20RSB%20Theory\\_of\\_Change.pdf](http://rsb.org/pdfs/M&E/Theory%20of%20Change/14-10-27%20RSB%20Theory_of_Change.pdf))

	Social and Economic Development (Services)	<ul style="list-style-type: none"> <li>• Increased respect for labor and human rights by certified operators</li> </ul>
	Stakeholder Engagement & Consultation	
	Land Rights	
	Food Security	<ul style="list-style-type: none"> <li>• Improved food security in areas adjacent to certified feedstock producers</li> <li>• Improved quality of the environment in and around certified farms and facilities</li> </ul>
Environmental	Water (incl. Water-use rights)	<ul style="list-style-type: none"> <li>• Improved quality of the environment in and around certified farms and facilities</li> </ul>
	Soil	
	Conservation (Biodiversity, Ecosystem Services)	
	Air Pollution	
	GHG Emissions	<ul style="list-style-type: none"> <li>• Reduced greenhouse gas emissions from certified operations</li> </ul>
Economic	Use of Technology, Inputs, and Management of Waste (also an economic issue)	<ul style="list-style-type: none"> <li>• Improved management of certified operations</li> </ul>
	Enterprise Resilience	

Table 1: Long-term goals for sustainability pillars

## 1.4 Assessment and mitigation of risks in implementing the Standard

RSB has assessed the risks of implementing the standard, as seen in Table 2 below (“unintended negative impacts of certification”).

Social Sustainability Issue	Existing risks (without certification)	Desired positive long-term impacts from RSB certification	Unintended negative impacts of certification?
<b>Long-term goal:</b> Increased respect for labor and human rights by certified operators			

Social Sustainability Issue	Existing risks (without certification)	Desired positive long-term impacts from RSB certification	Unintended negative impacts of certification?
<b>Labor and Human Rights</b>	Violations of human and labor rights in the context of biomaterial operations, e.g. child and/or slave labor.	No cases of child labor and slave/forced labor in biomaterial operations.	Loss of income for families if no compensation is provided. Risk to divert children and other vulnerable workers into more unsafe conditions. No good alternative, as schooling opportunities are offered to children.
		Workers can exercise their labor rights (e.g. freedom of association, right to organize, right to collectively bargain) in biomaterial operations.	
		No discrimination of any kind in biomaterial operations.	
		Gaps in remuneration between women and men are significantly reduced throughout the supply chain.	Employment of women decreases
		Conditions of occupational safety and health for workers in biomaterial operations are significantly improved over time.	
<b>Social and Economic Services</b>	Regions of poverty and the vulnerable (women, youth, indigenous etc.) suffer from biomaterial operations, instead of benefiting from them. Lack of	Local stakeholders benefit steadily from certified biomaterial operations through the improvement of social and economic services, higher incomes, economic opportunities, and infrastructure building.	



Social Sustainability Issue	Existing risks (without certification)	Desired positive long-term impacts from RSB certification	Unintended negative impacts of certification?
	benefit sharing.	Women, youth, indigenous communities and the vulnerable participate more and are more included.	
<b>Stakeholder Engagement &amp; Consultation</b>	From biomaterial operations affected stakeholders are not engaged and consulted before. Conflicts and disputes over projects; lack of understanding of local conditions and needs by biomaterial operations.	Stakeholder involvement and Free Prior Informed Consent in biomaterial operations become the norm.	Challenge for companies, as a critical change in business competence competees. Decreased competitiveness with other sectors. Non-legitimate blockages of projects.
<b>Land Rights</b>	Violations of land rights and land use rights in the context of biomaterial operations.	No violations of land use rights in biomaterial operations, and reduced cases of disputes over land and land use.	Slow process for dispute settlements and potential for non-legitimate claims holding up operations
<b>Water Rights</b>	Violations of prior formal or customary water rights in the context of biomaterial operations.	No violations of prior formal or customary water rights in biomaterial operations and reduced cases of disputes over water resources.	Slow process for dispute settlements and the potential for non-legitimate claims holding up operations
<b>Long-term goal:</b> Improved food security in areas adjacent to certified feedstock producers			
<b>Food Security</b>	Deterioration of local food security due to biomaterial operations.	Food security is increased in regions of biomaterial operations.	

Environmental Sustainability Issue	Existing risks (without certification)	Desired positive impacts from RSB certification	Unintended negative impacts
<b>Long-term goal:</b> Improved quality of the environment in and around certified farms and facilities			
<b>Water</b>	Depletion and pollution of surface and ground water resources due to biomaterial operations.	Enhancement/maintenance of quality and quantity of surface and ground water resources in biomaterial operations over time.	
<b>Soil</b>	Decrease in the physical, chemical, and biological health of soil due to biomaterial operations.	Soil erosion is significantly reduced. Organic matter content is maintained and enhanced. Soil pollution is minimized.	
<b>Conservation (Biodiversity, Ecosystem Services)</b>	Loss of biodiversity, ecosystem services, and conservation values due to biomaterial operations.	Biomaterial operations do not contribute to the loss of biodiversity and maintain ecosystem services.	<ul style="list-style-type: none"> <li>• Conflicts between conservation objectives and local development.</li> <li>• Biodiversity goals that are too ambitious could raise the bar and make certification unattractive to smallholders</li> </ul>
<b>Use of Technology, Inputs, and Management of Waste</b>	Harmful use of technology and bad management of waste in biomaterial operations.	Use of technologies and management of waste in biomaterial operations brings clear environmental/social benefits and is appropriately monitored.	
<b>Air Pollution</b>	Air pollution due to biomaterial operations.	Air pollution in biomaterial operations is minimized over time.	

Environmental Sustainability Issue	Existing risks (without certification)	Desired positive impacts from RSB certification	Unintended negative impacts
<b>Long-term goal:</b> Reduced greenhouse gas emissions from certified operations			
<b>GHG Emissions</b>	No significant reduction in GHG emissions is achieved compared to fossil fuels through biomaterial operations.	Biomaterial operations lead to significant reductions of GHG emissions over the life cycle compared to fossil fuels.	

Economic Sustainability Issue	Existing risks (without certification)	Desired positive impacts from RSB certification	Unintended negative impacts
<b>Long-term goal:</b> Improved management of certified operations			
<b>Enterprise Resilience</b>	Failures due to poorly managed operations.	Long-term economic viability in biomaterial operations is increased over time.	
<b>Value Chains</b>	Bad practices and inequity throughout the chain of custody for biomaterial operations. Short-term supply agreements, and unstable relationships within supply chain.	No bad practices and inequity throughout the chain of custody in biomaterial operations. Long-term off-take agreements for producers of sustainable product, stability of supply chain.	Adding complexity and structure to supply chain and chain of custody can take time
<b>Income</b>	Unfair, non-regulated and non-negotiated incomes	Wages are fairly negotiated between employer and worker, with no differences in wage between genders.	Adding negotiation practices will impact the overall competitiveness of the company, and requires more effort from employers – short-term impact on productivity

Table 2: Existing risks, desired positive impacts and unintended negative impacts of certification

Several potential threats and obstacles were identified, which could prevent a significant uptake of the RSB Standard, including:

- Competition. As described in the previous section, there are many voluntary schemes that can be used to ensure legal compliance with the Renewable Energy Directive. A majority of them have less requirements or are less stringent with regards to assurance, which generally makes them more cost competitive. As biofuel markets are nascent and instable, some companies tend to choose a minimum investment that guarantees legal compliance only, but not a high sustainability performance.
- Policy changes. Biofuel markets are primarily driven by policies and regulated mandates, in particular in the US and EU. Despite the fact that RSB has its own discussions with members and other stakeholders on how to best address environmental and social impacts of biomass and biomaterials, the RSB Standard needs to remain compatible with policy regimes. Changes in policy and their enforcement mechanisms may be detrimental when, for example, a lower level of sustainability exigencies is imposed on the RSB, based on the political and/or business agendas driving such changes.
- Public perception. Several Non-Governmental and Civil Society Organisations took a radical position against biofuels of all kind. They tend to consider any attempt to differentiate good and bad performers among biofuels as an attempt of greenwashing. This tends to undermine the credibility of sustainability initiatives like the RSB.

These threats are addressed through various aspects of the RSB strategy and standard development process. Key elements include:

- Market differentiation. The RSB is perceived as the gold standard (See reports from IUCN<sup>5</sup> and WWF<sup>6</sup>), which rewards best performing companies willing to demonstrate their commitment to sustainability. RSB also raises awareness around the financial benefits that come with improved management practices and reduced risk to the environment and people.
- Transparency and inclusiveness. The RSB tries to involve all concerned stakeholders in the development and maintenance of the RSB standard. All the critics received about the RSB system are carefully considered and, if possible, integrated in the standard. Standard development, but also grievance processes, are completely transparent.
- Policy alignment. RSB keeps a close relationship with policy makers through direct contact and its partners. It allows keeping up the standard up to date with regards to regulatory constraints so that RSB certified operators also benefit from market access and regulatory compliance.

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<sup>5</sup> <http://www.iucn.nl/en/news/publications/?14101/Betting-on-best-quality>

<sup>6</sup> [http://wwf.panda.org/about\\_our\\_earth/all\\_publications/?212775/WWF-analysis-Searching-for-Sustainability--Comparative-analysis-of-certification-schemes-for-biomass-used-for-the-production-of-biofuels#](http://wwf.panda.org/about_our_earth/all_publications/?212775/WWF-analysis-Searching-for-Sustainability--Comparative-analysis-of-certification-schemes-for-biomass-used-for-the-production-of-biofuels#)

## 1.5 Process for development and maintenance of the P&Cs

Since 2013, the RSB Standard version 2.0 is being revised towards version 3.0. This process will culminate in 2015 with the revision of the RSB Principles & Criteria. The revision process follows RSB Procedure for Development and Modification of Standards (RSB-STD-15-001), which is aligned with ISEAL Impact Code. The opportunities for stakeholder engagement are in bold.

Activities include:

- **Public Consultation** on Version 2.1 (1<sup>st</sup> round – 60 days): January 28 to March 28.
- Draft Version 2.2 of the P&Cs prepared by the Secretariat based on public consultation + internal suggestions from RSB Secretariat
- **Chamber Consultation** on Version 2.2: 1<sup>st</sup> or 2<sup>nd</sup> week of May. Consultation via teleconference and email.
- AOD Consultation: 1-2-3 June (part of the public session). Outcomes from chamber calls will be presented + open discussion on modifications and improvements of the P&Cs.
- Draft Version 2.3 of the P&Cs prepared by the Secretariat based on chambers + AOD: end of June
- **Public Consultation** on Version 2.3 (2<sup>nd</sup> round – 30 or 60 days): July 1 to July/August 31.
- Draft Version 2.4 of the P&Cs prepared by the Secretariat based on public consultation: mid September.
- **Chamber Consultation** on Version 2.4: 1<sup>st</sup> or 2<sup>nd</sup> week of October. Consultation via teleconference and email.
- Draft Version 2.5 of the P&Cs prepared by the Secretariat based on chamber consultation: end of October.
- BOD review of the P&Cs revision process. Note to the AOD that RSB-STD-15-001 was followed.
- AOD Approval of Version 2.5 (to be renamed Version 3.0): mid November. Additional Chamber calls and AOD meeting will be organized if no consensus can be found.

For any comment or suggestion regarding these Terms of Reference or to participate in the ongoing revision of the RSB Standard, please contact:

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