

RSPO SCC training.

The RSPO General SCC requirements

Required in addition to the IP, SG and MB requirements at site level.

General.

- Applicable to all organizations that take legal ownership *and* physically handle RSPO Products. ***Including CPO Mills.***
 - After the end product manufacture, there is no further requirements for certification.
 - Any site looking for RSPO SCC must be operational for at least 3 (three) months before an initial certification audit can be conducted.
- Traders and distributors require a licence.
 - The Certificate number of their supplier is passed onto their customer.

Physical RSPO Products.

- Initial certification audit.
 - No requirement to be physically handling RSPO products.
 - **The documented procedures are audited.**

First contact with the client.

- The physical scope of the organisations activities shall be identified and shall include:
 - **RSPO membership.**
 - **Location sites of all activities.**
 - **How long have they been active?**
 - **Contact details.**
 - **The supply chain model(s) to be included in the scope of the certificate.**
 - **The RSPO input and output products**
 - **Outsourced activities. (Covered later).**

1. RSPO Membership.

- This is checked by the Certification Body as part of the SCC audit.
- RSPO membership.
 - Request in the CB application forms and then confirmed on the RSPO web site.
 - <http://www.rspo.org/members/all>
- Who is the RSPO Member?
 - ✓ **Either the operator at site level or its parent company seeking SCC shall be a member of the RSPO and shall register on the RSPO IT Platform.**
 - ✓ **Multi-sites. (Module F). The parent company of all sites in the multi site scheme becomes a member on behalf of all the sites.**
 - ✓ **Group schemes. (Module G). The Group Entity becomes an RSPO member on behalf of all the group members).**

Subsidiaries?

- How should companies should include subsidiaries under their parent membership?
 - Member writes to membership@rspo.org with legal proof that the subsidiary is part of the parent company so the subsidiary can be listed on the RSPO member page.
- Legal proof can be certificate of incorporation or financial reports.
 - **Other legal proof is also acceptable of course as long as the relation between the parent and subsidiary is clear.**
- CBs add a subsidiary under a multisite certification based on provided documents. There is no minimum percentage of shares.

Correct membership level.

- This is checked by the CB.
 - **Supply chain associate.**
 - **For those who purchase or trade up to 500 mt of Oil Palm products per year.**
 - **Ordinary member.**
 - **For those who purchase or trade over 500 mt of Oil Palm products per year.**

RSPO Membership categories and sectors.

- See: RSPO Membership Rules as at 6th March 2017.
- **Ordinary members. €250 to €2,000 per year.**
 - **Oil Palm Growers and Group Manager for Smallholders.**
 - **Users of oil palm products:**
 - **Palm Oil Processors and / or Traders.**
 - **Consumer goods manufacturers.**
 - **Retailers.**

Members in the supply chain.

- **Affiliate members. €250 per year.**
 - Indirect involvement or interest in the palm oil supply chain.
- **Supply chain associates. €100 per year.**
 - Active in the supply chain who purchase less than 500 mt of oil palm products per year.
 - **Supply Chain Group Manager.**
 - ✓ Members use up to 500mt of oil palm products per year.

Reasons for termination of membership.

- If membership fees are not paid.
- If the company is in breach of the rules (ACOP reporting requirement for example).
 - **Supply chain certificates are removed from the RSPO website.**
 - **CBs will be informed when a membership of their client is terminated.**

2. Correct supply chain model?

- The supply chain model(s) required are stated in the application. From your knowledge of the client and from their web-site, you can deduce if they are realistic.
 - ✓ **Identity Preserved? Niche markets only on a relatively small scale.**
 - ✓ **Segregated? This is the one that markets want.**
 - ✓ **Mass Balance? Suggest that they also put into place documented procedures for moving from MB to SG.**

3. Reporting the scope.

- The scope is defined as:
 - *The activities covered by the organization's supply chain certification and must also be reported in the following documents:*
 - ❖ **The certification report and**
 - ❖ **The certificate.**
- *“The production of chilled and frozen desserts and meat free products through the SG and MB supply chain models”.*
 - This information is crucial as companies purchasing RSPO Input Products from another company must verify that those products are included in the scope of the certificate.

4. Processing aids.

- Removed from the scope of the certification audit.
 - ✓ Removed from the food before it is packaged in its finished form.
 - ✓ Added during processing, converted into constituents normally present in the food, and do not significantly increase the amount of the constituents naturally found in food.
 - ✓ Added to a food for their technical or functional. Present in the finished food at insignificant levels and do not have any technical or functional effect in that food.

5. The Role of the Responsible Person.

- Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.
 - **This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.**
 - ✓ **Also applicable to individual sites in a multi-site scheme.**
 - ✓ **Also applicable to each member of a group scheme.**

6. Documented Procedures.

- The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model(s) specified.
 - ✓ **Complete and up to date procedures covering the implementation of all the elements in the SCC Standard requirements.**
 - ✓ **The site shall have a mechanism for handling non-conforming material and / or documents.**

7. Record Keeping.

- The site shall maintain accurate, complete, up-to-date and accessible records that demonstrate compliance with the supply chain model requirements.
- They shall cover all aspects of the RSPO SCC Standard requirements.
- Including training records.
 - ✓ **Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements**
 - ✓ **Must be able to confirm the certified status of raw materials or products held in stock.**
 - ✓ **The organization must keep an up to date record of the volume of RSPO certified oil palm products purchased and claimed over a specified period.**

Examples of records required.

- **Records and Reports shall be in accordance with the individual modular requirements but in general they should include:**
 - ✓ **Records of all RSPO Input and RSPO Output products.**
 - ✓ **Stock records and reconciliation over a pre-determined date range.**
 - ✓ **Conversion factors and recipes.**
 - ✓ **Records of shipping announcements / confirmation as applicable.**
 - ✓ **Records of checking the validity and scope of suppliers RSPO SCC certificate.**
 - ✓ **Records of any out-sourced activities.**
 - ✓ **Records of cleaning of tankers.**
 - ✓ **Applicable training for staff.**
 - ✓ **Records of complaints and action taken to resolve any complaints.**
 - ✓ **Records of use of RSPO Trademark and / or RSPO Logo.**
 - ✓ **Records of sales /purchases of RSPO Credits and through other standards.**
 - ✓ **Management review.**

8. Downgrading of Supply Chain Models.

- The site can only use the same supply chain model as its supplier or go to a less strict system.
- Confirm that this is understood during the general discussion at the opening meeting.
 - ✓ **Declassification/downgrading can only be done in the following order:
Identity Preserved -> Segregated -> Mass Balance.**

9. Verifying the RSPO product supplier.

- RSPO products must be verified as being RSPO Certified.

Do not assume that any certificate sent by the supplier is valid and correct! The only one to check is on the RSPO web site!

At least annually.

- Check the validity of suppliers SC Certificate.
- Check via the list of RSPO SC Certified sites on:
 - <http://www.rspo.org/certification/traders-license-holders>
- Or through the IT Platform by confirmation of shipping announcements.

10. Purchase of RSPO Input Products.

- *Minimum information regarding the RSPO Input Product in document form.*
- Information must be complete.
- Maybe on more than one document.
- Possible documents include:
 - **Contracts and associated agreements.**
 - **Delivery notes.**
 - **Shipping documents.**
 - **Specification documents.**
 - **Sales invoice.**

RSPO Input products.

- To be able ensure a link between documents, **there must be a unique identification number.**
 - ✓ The names and addresses of the seller and buyer of the RSPO Product.
 - ✓ The loading date or delivery date.
 - ✓ The date on which documents were issued.
 - ✓ A description of the product, including the applicable supply chain model.
 - ✓ The quantity of the products delivered.
 - ✓ Any related transport documentation.
 - ✓ Supply chain certification number. (The number of the certificate awarded by the RSPO accredited certification body).
 - ✓ A unique identification number.

11. Sale of RSPO Output Products.

- *The site shall provide information regarding the RSPO Output Product in document form.*
- Information must be complete.
- Maybe on more than one document.
- Possible documents include:
 - **Contracts and associated agreements.**
 - **Delivery notes.**
 - **Shipping documents.**
 - **Specification documents.**
 - **Sales invoice.**
- **Note: Sales invoices become the purchase invoices for the next company in the supply chain.**

Sales information required.

- To be able ensure a link between documents, **there must be a unique identification number.**
 - ✓ The names and addresses of the seller and buyer of the RSPO Product.
 - ✓ The loading date or delivery date.
 - ✓ The date on which documents were issued.
 - ✓ A description of the product, including the applicable supply chain model.
 - ✓ The quantity of the products delivered.
 - ✓ Any related transport documentation.
 - ✓ Supply chain certification number. (The number of the certificate awarded by the RSPO accredited certification body).
 - ✓ A unique identification number.

Sales office.

- Invoicing offices
- Invoicing is sometimes done by an invoicing office of the same company.
 - **In that case, it is important that the relationship between the supply certified company and the invoicing office is clear.**
 - **This can be done by including the invoicing office on the certificate or by having the invoicing office apply for a distributors or traders license.**
 - ✓ **If the relationship is unclear, the supply chain is broken.**

12. RSPO Claims.

- The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO rules on communications and claims

Communications documents.

The following link maybe used to reach applicable guidance documents:

<http://www.rspo.org/resources/supplementary-materials/communications>

13. Training.

- The organisation shall:
 - **Have a defined training plan, which is subject to on-going review and supported by records of the training provided to staff.**
 - **Appropriate training.**
 - **Training shall be specific and relevant.**
- The extent of training will be determined by:
 - ✓ **The number supply chain models.**
 - ✓ **The use of non-certified Oil Palm products.**
- If a company is purchasing all RSPO Input Products as SG and all sales are SG, then the training is logically limited to the purchase and sales team and the receipt of goods.

14. Conversion factors.

- Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs.
 - **Module C: Mass Balance. Yield Scheme.**
 - **The guidance document for oleochemicals is available on the RSPO website <http://www.rspo.org/resources/key-documents/certification/rspo-supply-chain-certification>**
- Conversion rates shall be periodically tested to ensure accuracy against actual performance or industry average if appropriate.

The importance of conversion factors.

- It is a fundamental requirement to verify over a determined time period – normally 12 months - the RSPO Input Products purchased, used and in stock; the RSPO Output Products produced, sold and in stock and the recipe between the inputs and outputs
- Wholly satisfy yourself that the company has fully explained the production process and conversion ratios, waste and recovery percentages and that the quantity of RSPO Output Products was possible when taking all these factors into account.

15. Management Review.

- Annual Management reviews at planned intervals *appropriate to the scale and nature of the activities undertaken.*
- *The objectives are to improve the effectiveness of the management system and to identify any additional resource requirements.*
- The input to management review shall include information on:
 - ✓ Results of internal audits covering RSPO Supply Chain.
 - ✓ Customer feedback.
 - ✓ Status of preventive and corrective actions.
 - ✓ Follow-up actions from management reviews .
 - ✓ Changes that could affect the management system.
 - ✓ Recommendations for improvement.

16. Outsourcing activities.

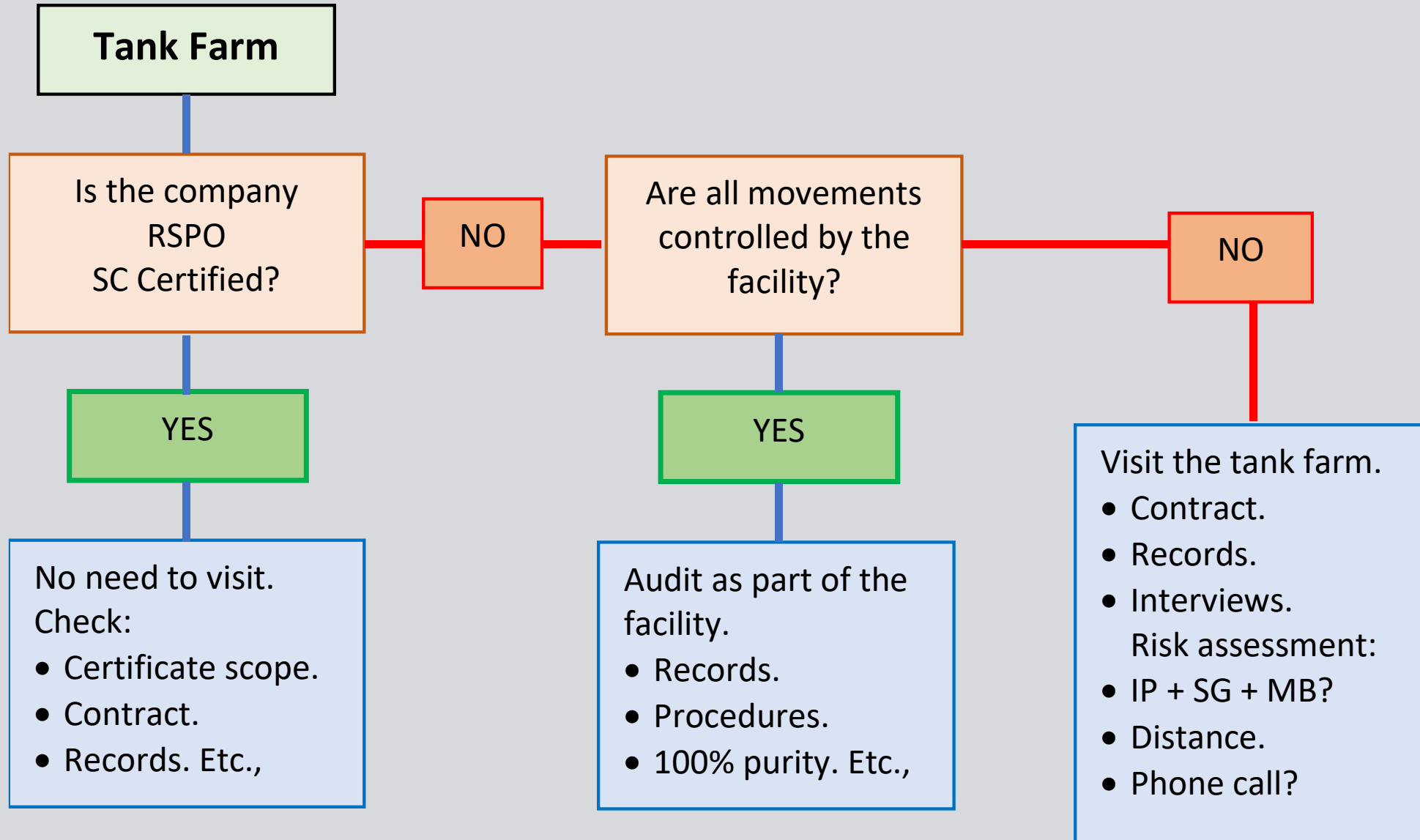
- Examples of outsourced activities:
 - ✓ Independent third party for storage and haulage.
 - ✓ Independent third party for any form of processing or production of RSPO certified materials.
- The operation seeking or holding SCC certification shall ensure that:
 - ✓ The independent third party complies with the requirements of the RSPO Supply Chain Certification Standard.

Outsourcing requirements.

- Outsourcing requirements:
 - ✓ Up to date records of the names and contact details of all contractors.
 - ✓ Legal ownership of all input material is maintained.
 - ✓ A signed and enforceable agreement or contract covering the outsourced process.
 - ✓ Certification bodies (CBs) have access to the outsourcing contractor.
 - ✓ Documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
 - ✓ Provision of relevant access for accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.

Auditor considerations and outsourcing.

- Outsourced contractors shall be considered high risk if physically transforming products or if there is a risk of uncontrolled, non-deliberate or accidental cross-contamination resulting in mixing certified with non-certified products.
 - ❖ A logistical warehouse offering a distribution service only is very low risk.....
 - ❖ If the sub-contractor has RSP0 Supply Chain Certification, then a visit is not necessary.



Processing.

Is the processing company RSPO SC Certified?

NO

YES

No need to visit.
Check:

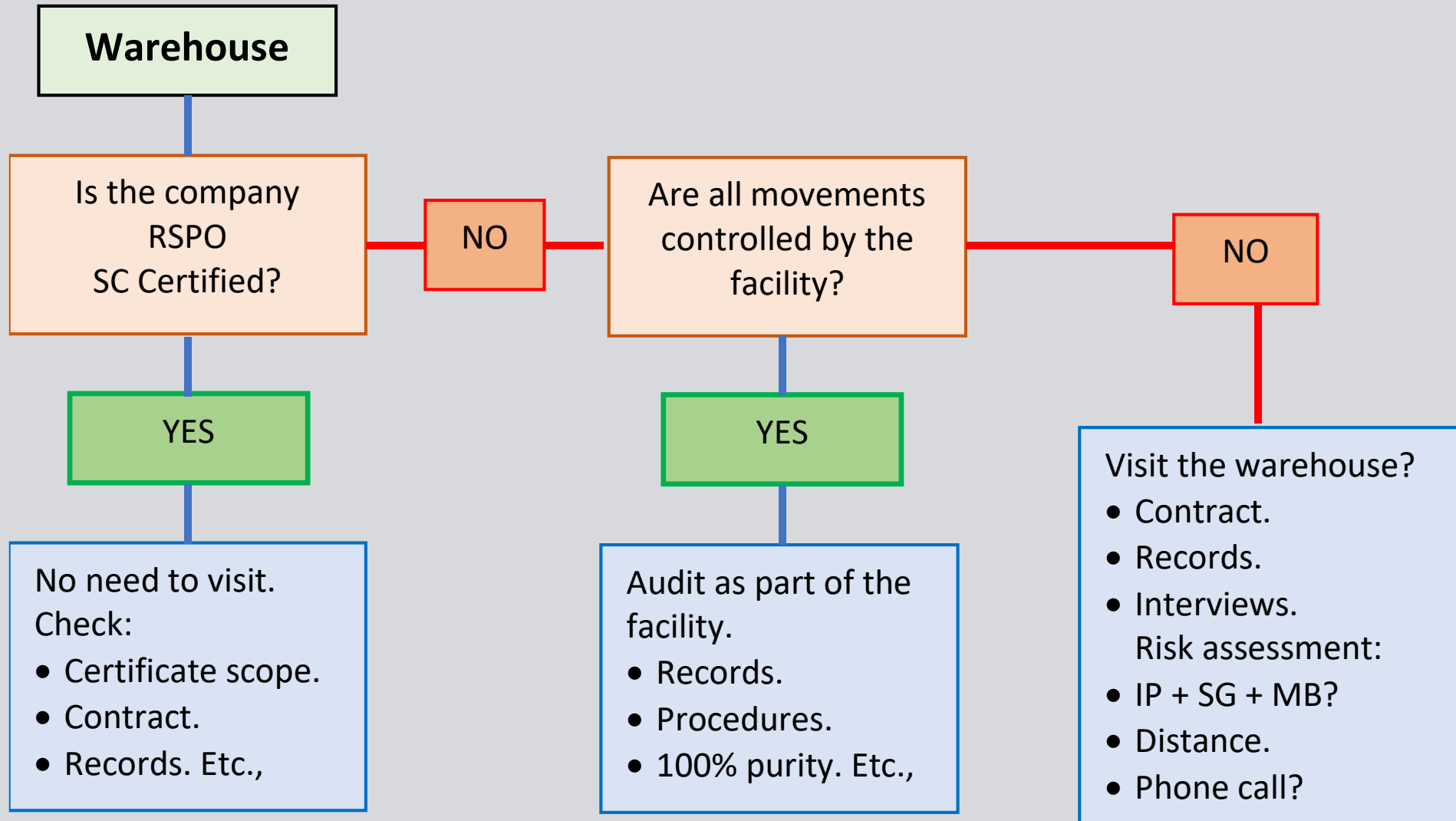
- Certificate scope.
- Contract.
- Records. Etc.,

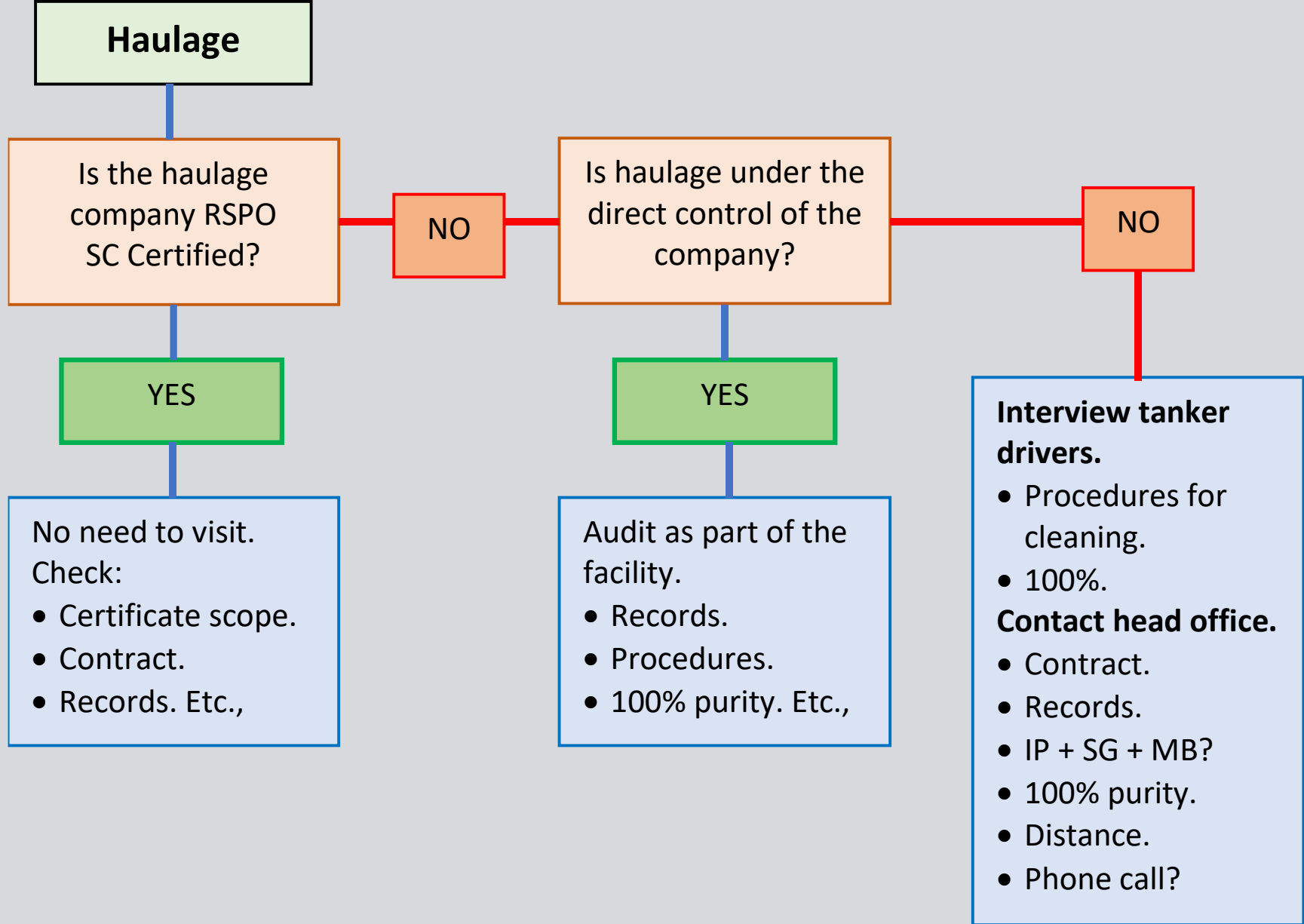
Visit the company.

- Contract.
- Procedures.
- Contact details.
- Records.
- Interviews.

Risk assessment:

- IP + SG + MB?
- 100%





17. Complaints.

- The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.

18. RSPO PalmTrace.

- *All companies that are RSPO SC Certified must register in PalmTrace. This is part of the reporting process by the CB.*
- *This gives a 12 month licence to trade RSPO Products.*
- Emails are automatically sent to the SCC company and to the applicable CB:
 - 90 days prior to the last date the surveillance audit can be conducted.
 - 60 days prior and 30 days prior.
 - There is no excuse for a company to be ignorant as to the need and date for a surveillance audit and the company must ensure that it is conducted.



3 functions of PalmTrace.

- Traceability System.
 - **Following certified volumes through the supply chain.**
- Licence Management System.
 - **Over-view of all certified / licenced members.**
- Reporting system.
 - **Monitoring production and uptake of certified oil palm products.**

Members need a licence.

CB Area

- Upload audit report.
- Request licence for member.
- Indicate certified volume for mills.
- Define rights (processing & supply chain models) for members according to the certificate.

RSPO Area

- Approve / deny licence requests.
- Create trader & distributor licences.

Member Area

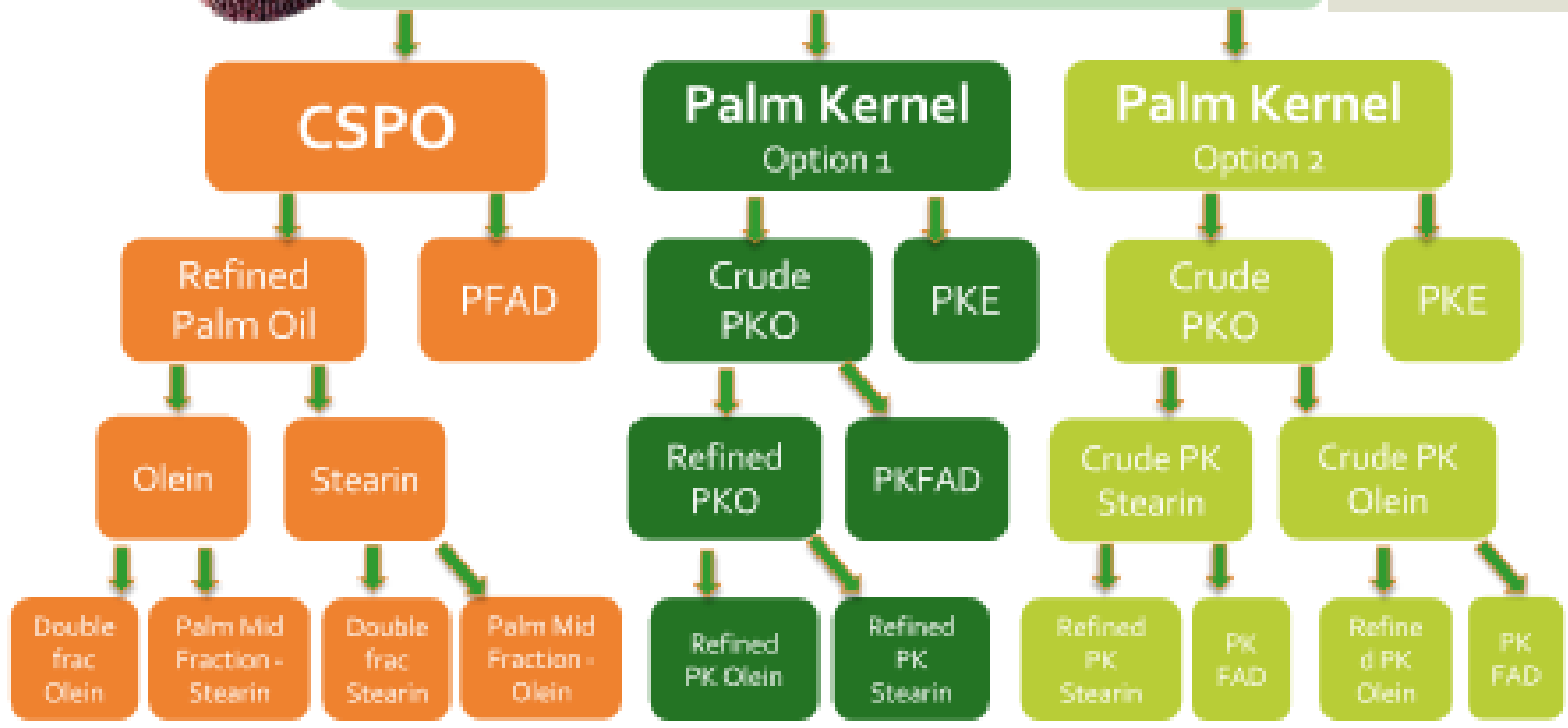
- Receive licence to use traceability system.
- Record trading & processing transactions.

Physical products in RSPO PalmTrace.



Fresh Fruit Bunches (FFB)*

* FFB is not in PalmTrace.



Registration of transactions.

- Mills, traders, crushers and refineries.
 - **Who take legal ownership and / or physically handle RSPO Products that are available in the Yield Scheme of the RSPO IT Platform.**
- Shall register their transaction in the RSPO PalmTrace and confirm receipt where applicable.

RSPO SCC Internal Audit and Compliance Manual.

RSPO SCC Compliance Manual.	
1. Responsibilities and document controls.	
Requirement	Summary of the company procedure. <i>Examples only for training purposes!</i>
Are we a member of the RSPO?	<i>Either the operator at site level or its parent company seeking SCC shall be a member of the RSPO.</i>
Have we defined the physical scope of the audit?	Location. <i>Multi-sites. Out-sourced activities.</i>
What will be the scope of the audit to appear on the certificate?	<i>"The refining of CPO and the sale of CPO fractions through the SG and MB supply chain models".</i> <i>"The production of chilled and frozen desserts and meat free products through the SG and MB supply chain models".</i>
Have we identified the role of the person who is responsible for the implementation of the SCC Standard?	<i>The quality manager's job description includes the role of SCC implementation.</i>
Is that person able to demonstrate awareness of our procedures for the implementation on the SCC Standard?	<i>The quality manager attends training courses and keeps in touch with the RSPO and the training organisation for all updates.</i> <i>Procedures are prepared by individual divisions within the company and are then modified by the production manager and the quality manager for RSPO compliance.</i>

RSPO General Supply Chain Requirements.

- RSPO member.
- Audit scope.
- Role of the person responsible.
- Documented procedures.
- Downgrading supply chain models.
- Purchasing RSPO input products.
- Sale of RSPO output products.
- RSPO Claims.
- Training.
- Conversion factors.
- Internal audit.
- Management review.
- Outsourcing activities.
- PalmTrace.
- Complaints.
- Record keeping.

End of RSPO General SCC requirements

**Question and answer
session and summary.**