

Standards and Seal for Sustainable Management



Peter Sprang
16 March 2011



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I live in Indonesia but grew up near a town called Leer, ...

(where the Ölmühle Connemann is located)



And in my hometown Leer coffee is sold with a “frog”



Message: Commitment for Nature



People look for Price, Quality and Feel-Good-Image



Rainforest Alliance Certified™

The seal is a guarantee to consumers that the products meet a comprehensive set of sustainability criteria



The Rainforest Alliance

The Rainforest Alliance

An international, nonprofit environmental and sustainable development organization founded in 1987...

Our mission is to conserve biodiversity and ensure sustainable livelihoods by transforming...

Consumer Behaviour

Land use practices



Business practices



RAINFOREST ALLIANCE PROGRAMS



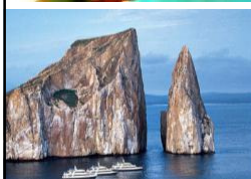
Forestry

- Work with local and indigenous communities to produce more efficiently and at higher quality for wider markets.
- Certified 130 million acres in 60+ countries. First SmartWood certificate issued in Indonesia Teak plantations



Agriculture

- 3% of the world's coffee
- 4% of the world's tea
- 10% of the world's bananas
- Cocoa, citrus, mangoes, pineapple, flowers, ferns, passion fruit, brazil nuts, other



Tourism

- Improve sustainability of tourism operations
- Code of practice: ecosystem and water conservation, waste management, community development

Climate Change

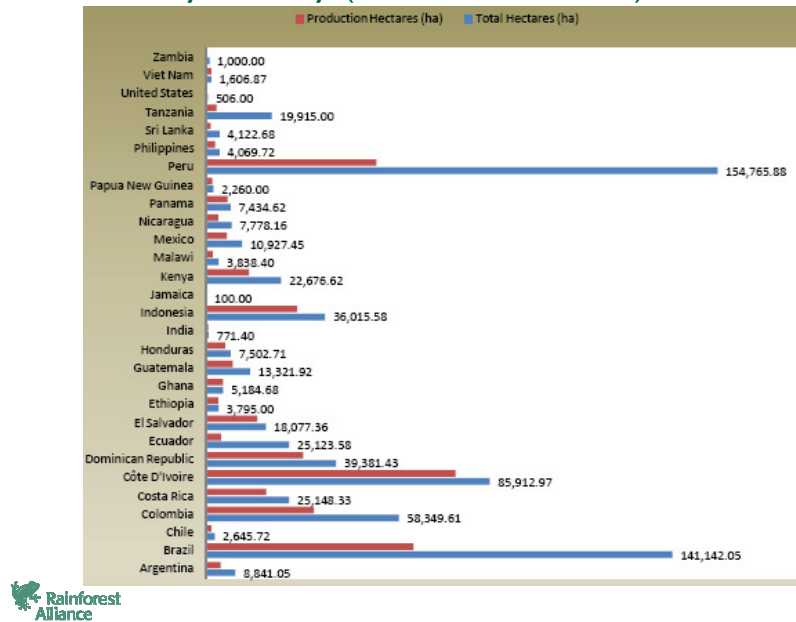
- Verifications and research on standards and climate issues

Alliance

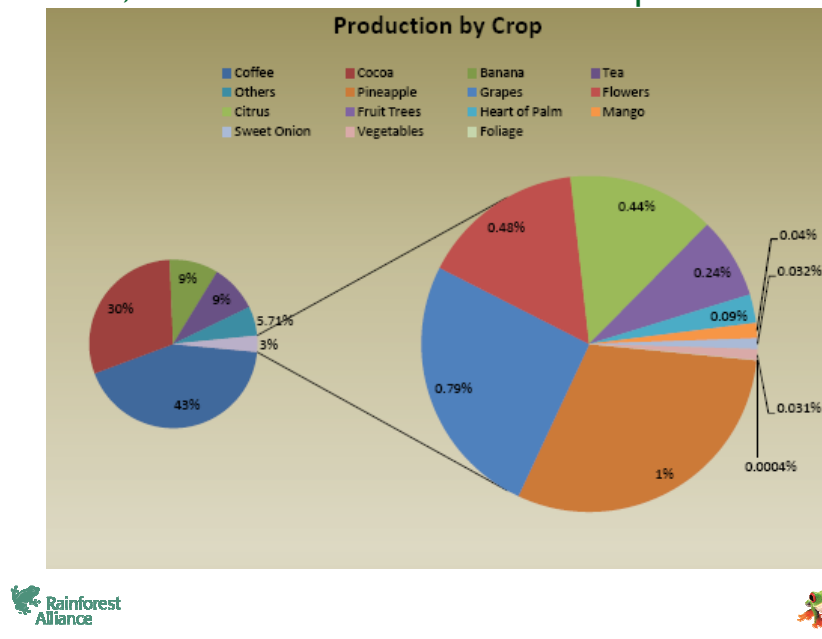


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Hectares by country (Indonesia rank 6th)



Coffee, Cocoa and Tea are the main crops we work in



Tea Certification as the mainstream choice

- **Unilever/Lipton:** All tea used in PG Tips, Lipton Yellow Label tea bags in Western Europe sourced from Rainforest Alliance Certified™ farms in 2010, Globally by 2015



- **Taylors of Harrogate:** Yorkshire Tea



- **Twinings:** Everyday Brand, commitment to scale up to 100% by 2015



- **Tetley:** All Tetley branded products certified by 2016.

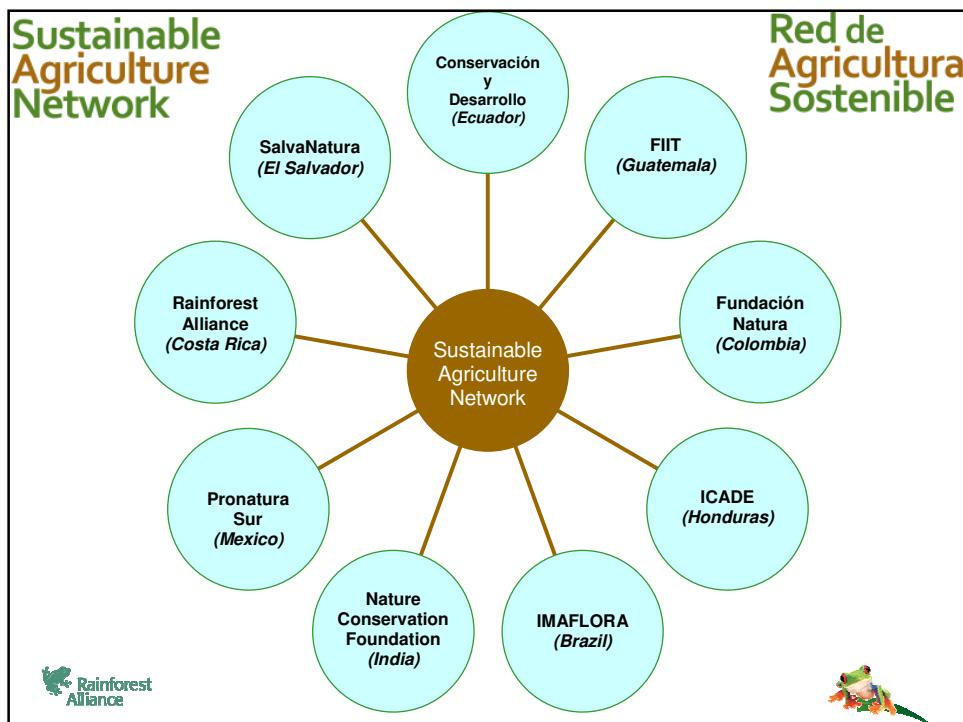


Rainforest Alliance Agriculture Program South East Asia





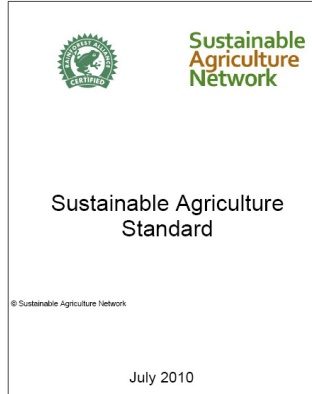
SAN (Sustainable Agriculture Network) Standards



Farm and Group Standard

Sustainable Agriculture Standard

For member farms
About environmental, social and
management practices at farms



Group Certification Standard

For group administrator
About Internal Control System



The Sustainable Agriculture Network Standard

- 1 Social and Environmental Management System
- 2 Ecosystem Conservation
- 3 Wildlife Protection
- 4 Water Conservation
- 5 Fair Treatment and Good Working Conditions
- 6 Occupational Health and Safety
- 7 Community Relations
- 8 Integrated Crop Management
- 9 Soil Management
- 10 Integrated Waste Management

- 10 Principles
- 99 criteria
- 14 CRITICAL criteria

Requirement scores for
Certification:

- 100% on critical criteria
- 80% overall score
- 50% minimum score in EACH of the 10 principles

Critical criteria

Criterion	Description
1.10	Chain of custody system to avoid the mixing of products from certified farms with products from non-certified farms.
2.1	The farm must have an ecosystem conservation program.
2.2	The integrity of natural ecosystems must be protected; destruction of or alterations to the ecosystem is prohibited.
3.3	It is forbidden to hunt, gather, extract or traffic wild animals.
4.5	No discharge of untreated wastewater into bodies of water.
4.7	Depositing solid substances in water channels is prohibited.



Key for oilpalm: Critical Criteria 2.2:

From the date of certification, the farm must not destroy natural ecosystems at all. From November 1, 2005 onwards no high value ecosystems must have been destroyed due to the management activities of the farm.

If other natural ecosystems have been destroyed due to the farm's management activities between November 1, 1999 and the date of application to certification, the farm must implement the following rules:

Conduct an impact analysis of the damage or destruction.

Develop a mitigation plan advised by a competent professional and consistent with applicable legislation that compensates for the negative impact.

Implement the activities of this mitigation plan, including for example the set aside of a significant percentage of the farm area for conservation purposes.



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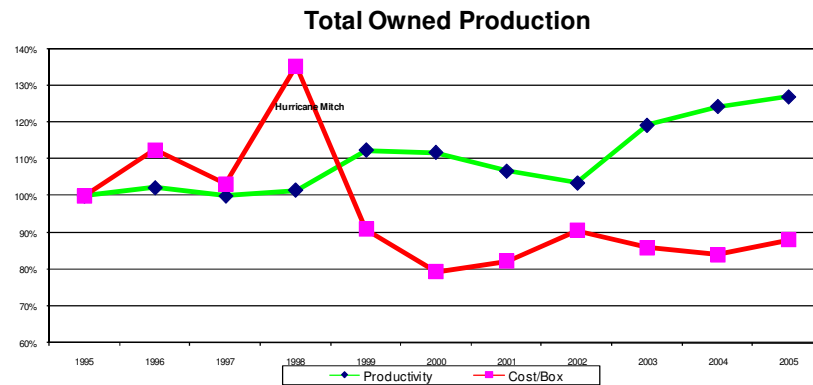


Critical Criteria (cont.)

Criterion	Description
5.2	Farms must not discriminate in work and hiring policies.
5.5	Farms must pay legal or regional minimum wage or higher.
5.8	Contracting children under the age of 15 is prohibited.
5.10	Forced labor is not permitted.
6.13	The use of personal protective gear is required.
8.4	Restricted agrochemical use on certified farms.
8.6	Transgenic crops are prohibited.
9.5	New production areas only on suitable land.



Chiquita Production and Costs



Productivity increased 27%, costs decreased 12%



Can the banana lesson work for oilpalm?



Rainforest Alliance and Biofuels/Oelpalm

- Development of set of Criteria for Oilpalm, Soy, Peanuts, Sugarcane (WRI cooperation)
- Diagnostics in Indonesia Oilpalm Sector
- Identification of degraded land in Indonesia
- Sugarcane in El Salvador, Brazil and Guatemala
- Smallholder Oilpalm in Colombia
- RSPO Member
- Benchmarking SAN (ProForest cooperation)



Oelpalm, on the bright side (Peter's view)

- High income for Independent Smallholders
- Decentralization of processing provides rural jobs
- High yield per ha is possible (efficient land use)
- Low rate of erosion if puffer zones are in place
- Greening degraded land
- Habitat for some wildlife (snakes, owls, crocs)
- Part of food security



Oelpalm, on the challenges (Peter's view)

- Conversion of valuable habitat (forest destruction)
- Risk of greenhouse gas emission (peat land / effluent)
- Lack of high yield plant material
- Bad agricultural practices
- Risk of monoculture
- Dependence on fertilizer
- Lack of buffer zones
- Wildlife conflicts/loss
- Law enforcement



Challenges! For example: smallholders



Resisting short term profits, leveraging long term benefits



Field oriented, independent auditing



**With the opportunity to build
a strong team of staff**



Questions, contact welcome! Thank you!

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