

2nd Oleochemicals Outlook

26-27 Aug 2014, Jakarta

RSPO

Moving Towards Sustainability and Traceability

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Advisor

AOMG



ASEAN Oleochemical Manufacturers Group

RSPO – Moving Towards Sustainability and Traceability

- Who is AOMG?
- RSPO Supply Chain Models
- Is oleochemicals complex?
- What are the challenges?
- What is the cost?
- The way forward

AOMG Members - Indonesia

1. PT Ecogreen Oleochemicals
2. PT Soci Mas
3. PT Musim Mas
4. PT Nubika Jaya

RSPO members

AOMG Members - Malaysia

1. IOI Oleochemical Industries Berhad
2. Pacific Oleochemicals Sdn Bhd
3. Emery Oleochemicals (M) Sdn Bhd
4. Fatty Chemical (Malaysia) Sdn Bhd
5. FPG Oleochemicals Sdn Bhd
6. IFFCO (Malaysia) Sdn Bhd
7. Natural Oleochemicals Sdn Bhd
8. Palm-Oleo Sdn Bhd
9. Southern Acids Industries Sdn Bhd

RSPO members

AOMG Members - Philippines

1. Chemrez Technologies Inc

AOMG Board Members

Chairman

Togar Sitanggang, Indonesia

Vice Chairman

Jun Lao, Philippines

Directors

Steve Goei, Indonesia

Tan Kean Hua, Malaysia (past chair)

Committees Chair & Support

Technical Committee
Netti Sumarta, Indonesia

RSPO TWG
Choong Wai Tuck, Malaysia

Process Safety
Wong Fook Gee, Indonesia

Statistics
Lim Yee Mein, Malaysia

Advisor
Qua Kiat Seng

Secretariat
Law Zee Jean, FMM

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Working with RSPO



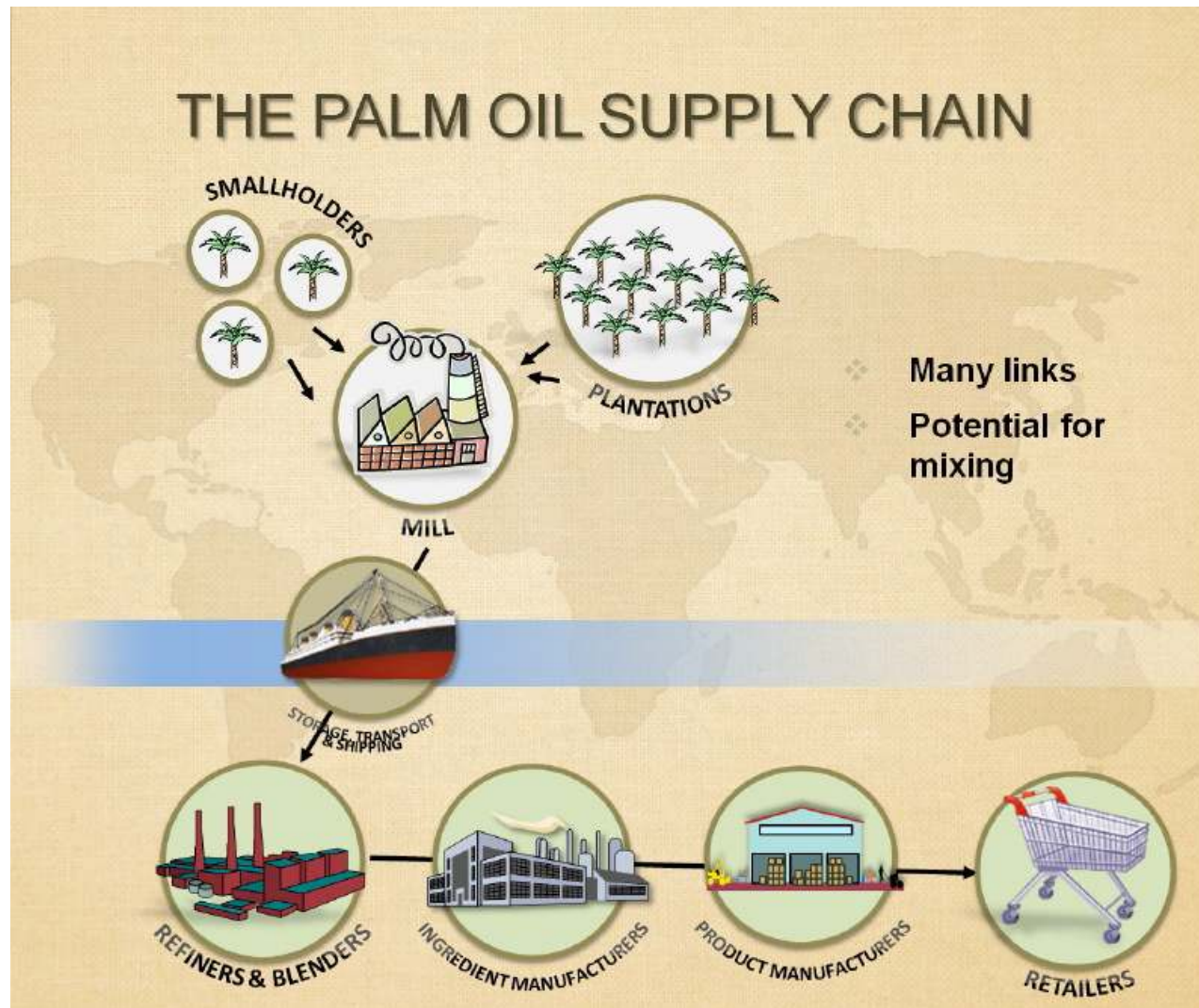
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AOMG RSPO SCCS-certified Oleochemical Producers

- The IOI Oleochemicals Group
- The KLK Oleochemicals Group
- Emery Oleochemicals
- Felda-Procter & Gamble
- Pacific Oleochemicals
- Musim Mas
- Ecogreen
- Natural Oleochemicals
- Soci Mas

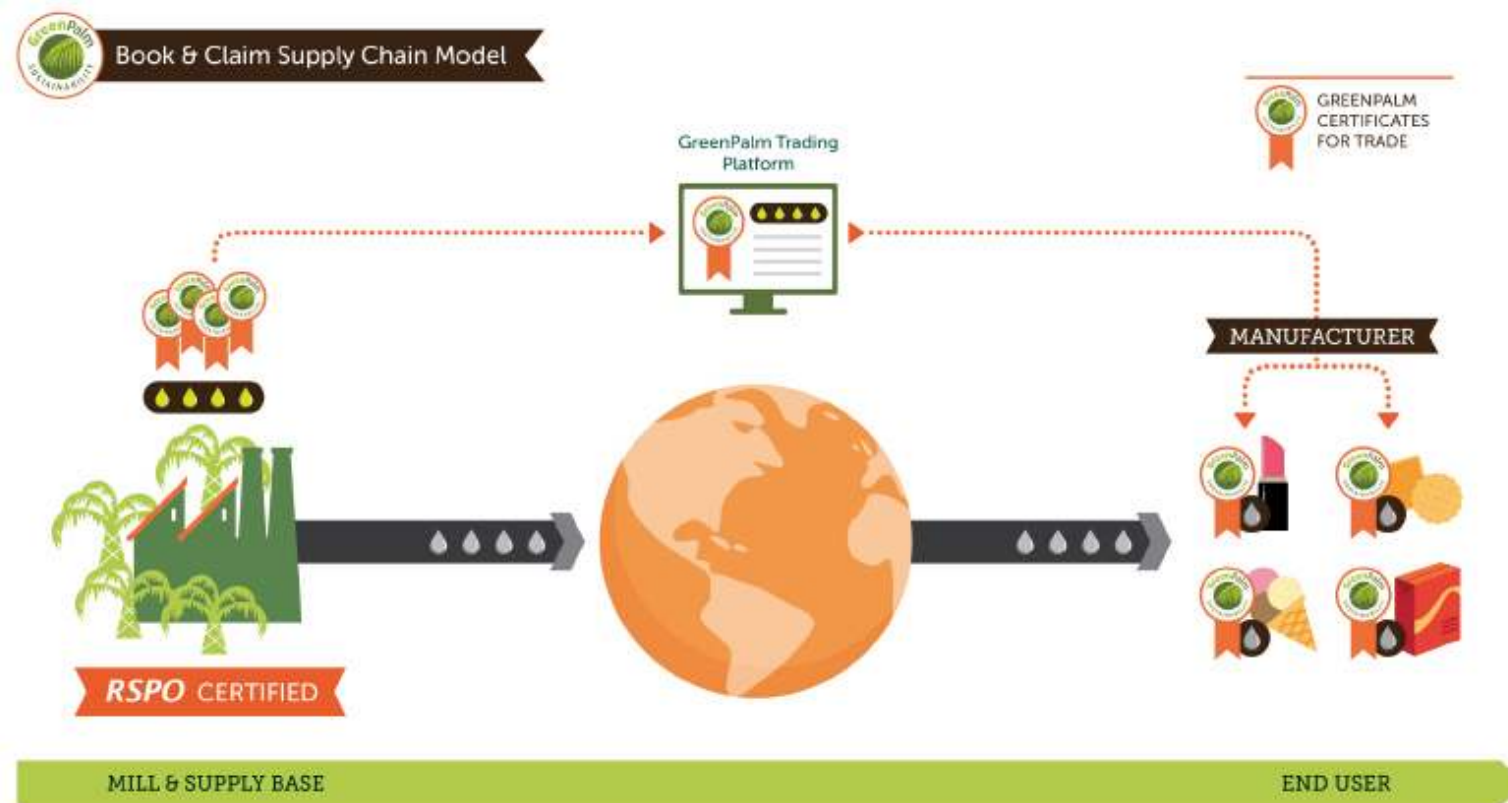
... with many more in the process

RSPO Supply Chain Models



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Book & Claim Supply Chain Model



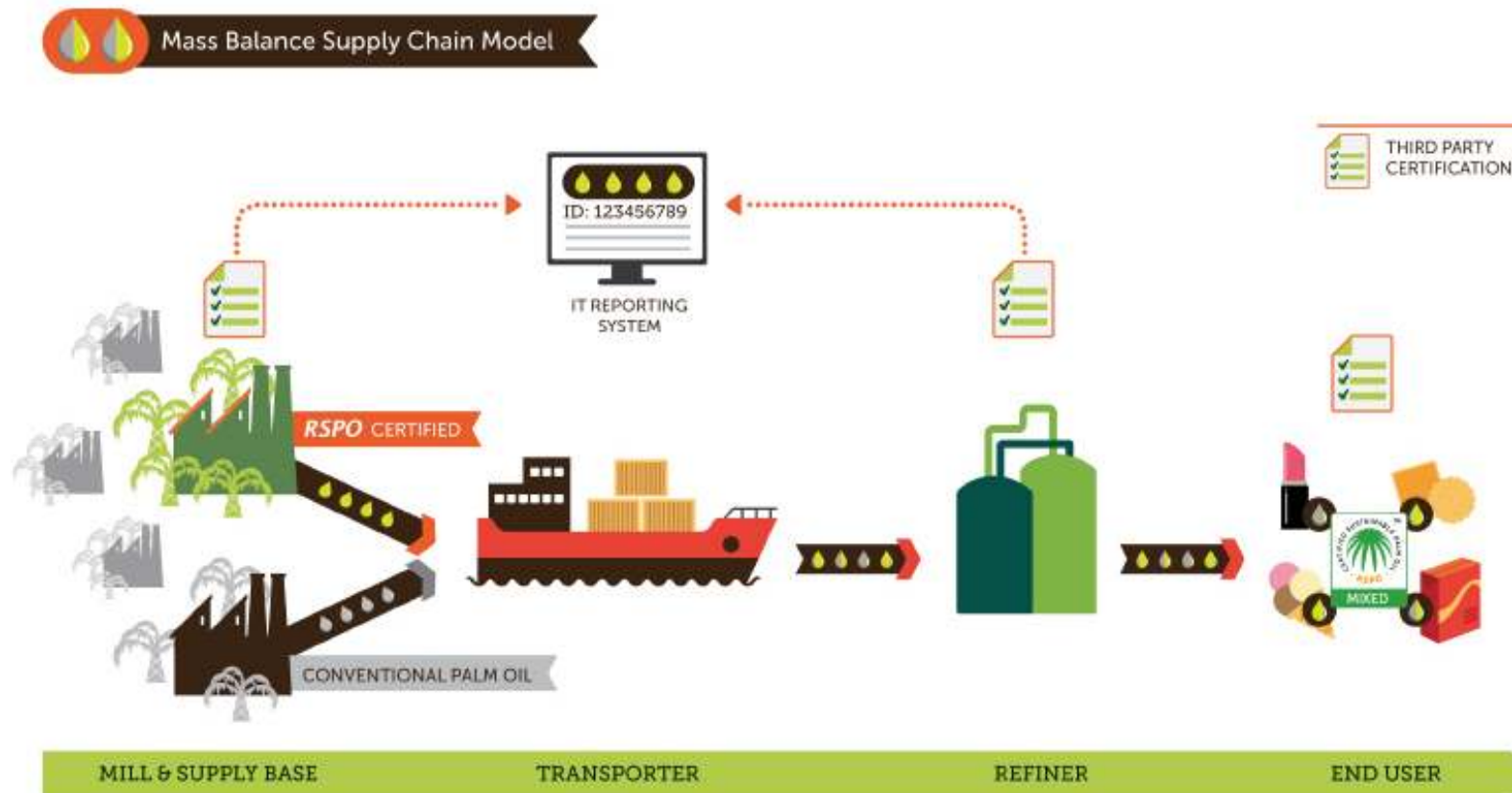
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GreenPalm Logo



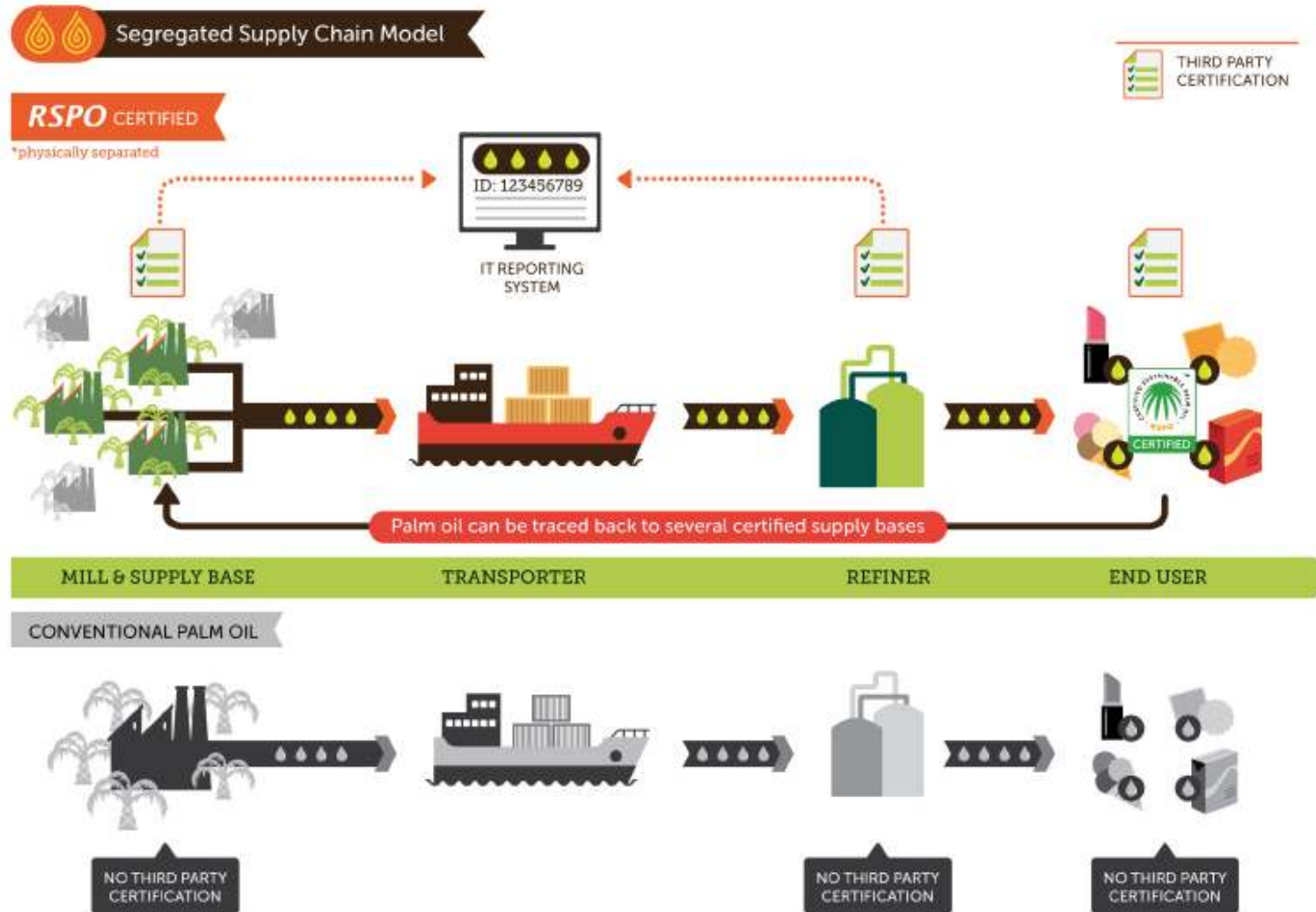
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Mass Balance Supply Chain Model



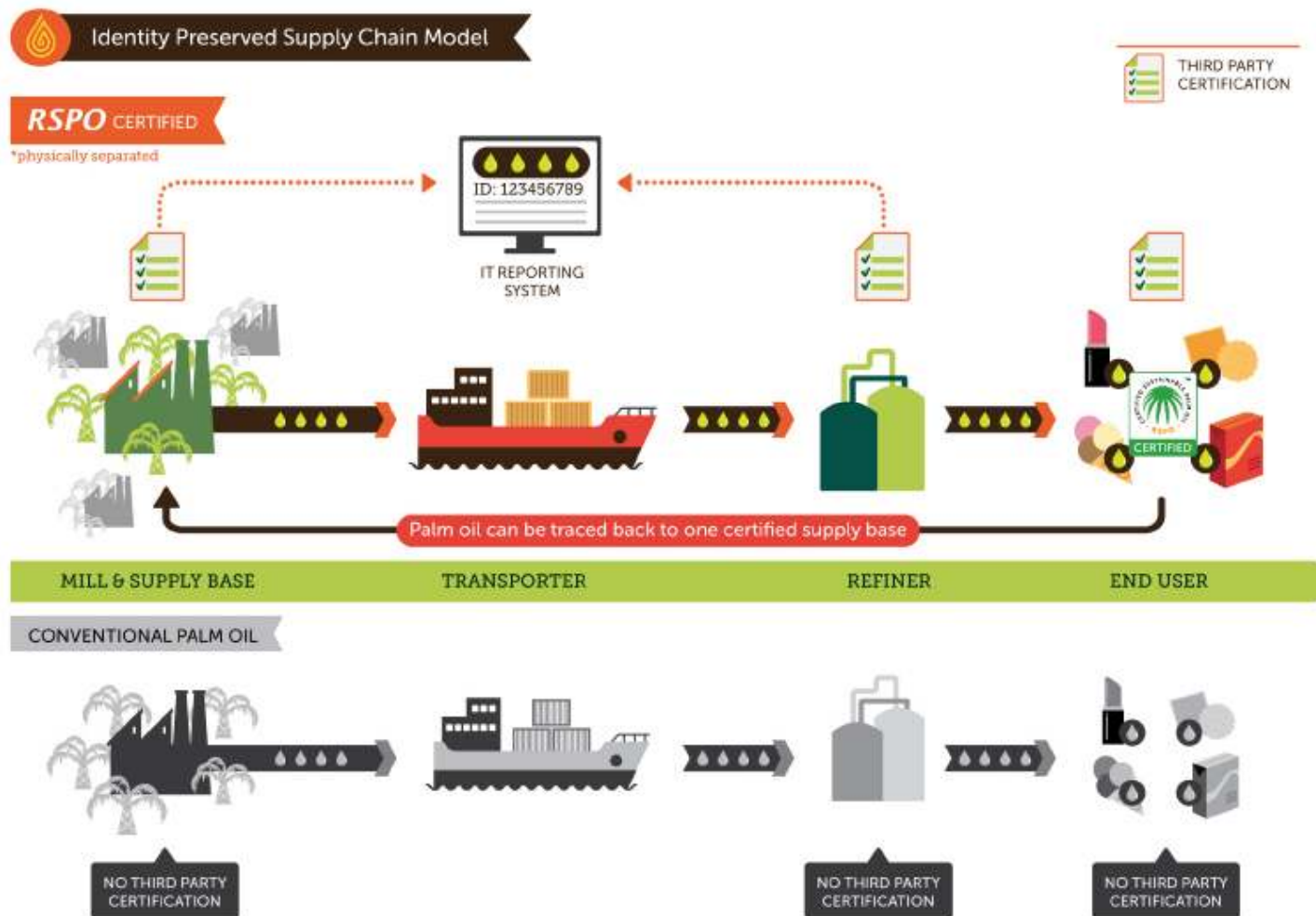
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Segregated Supply Chain Model



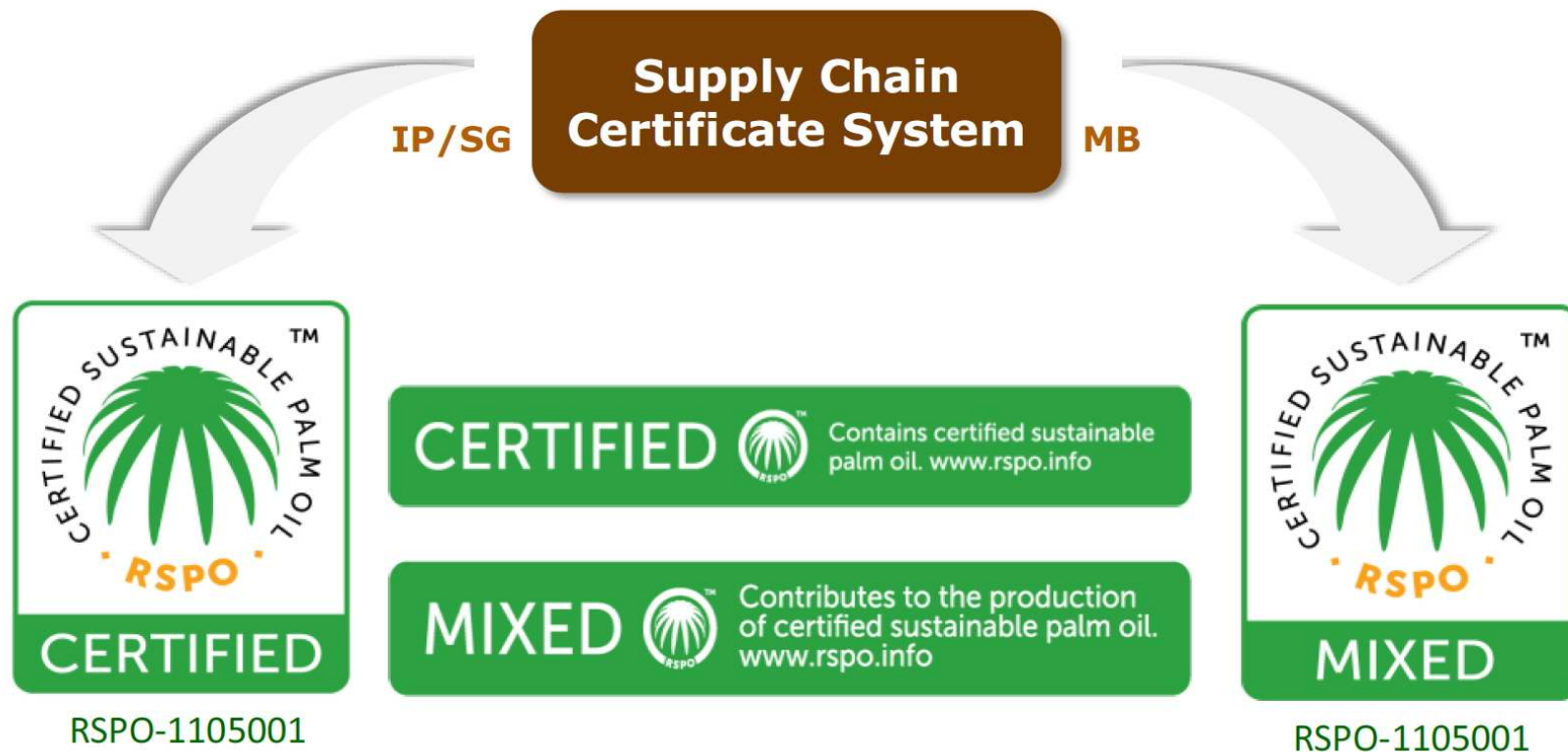
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Identity Preserved Supply Chain Model



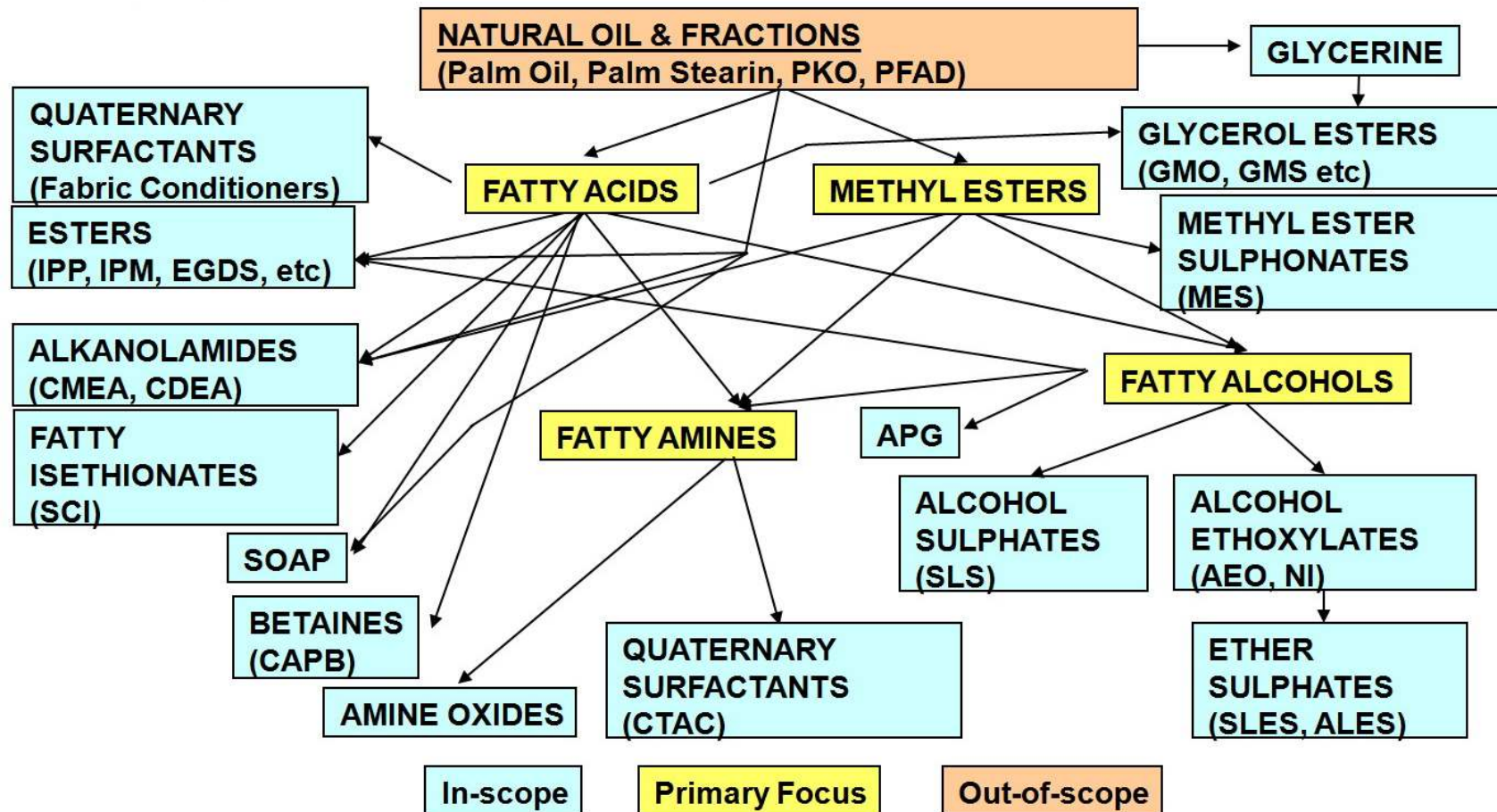
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RSPO Trademark Logos

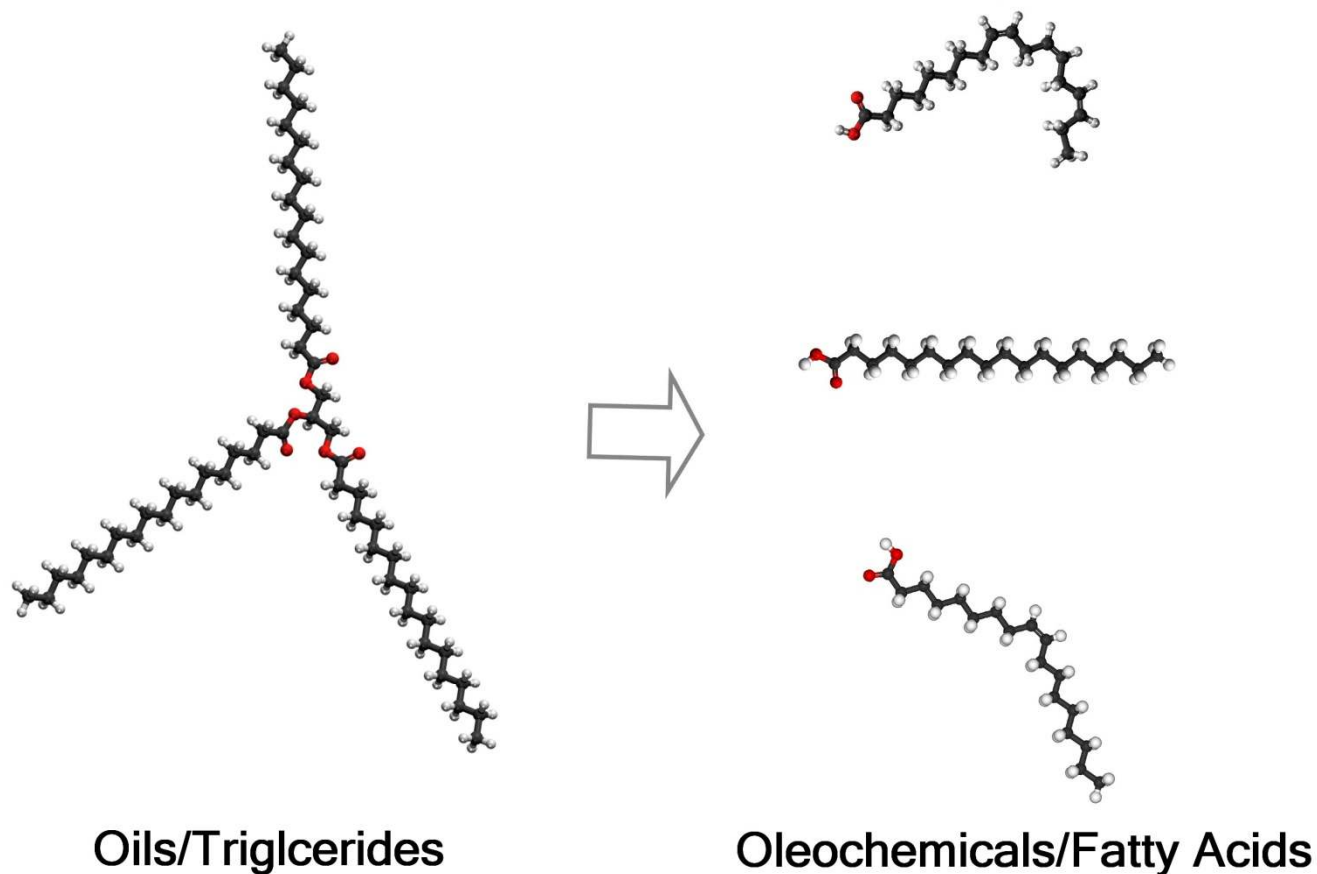


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Is Oleochemicals Complex?



Oleochemicals is Versatile



Free from the "chains" of glycerol

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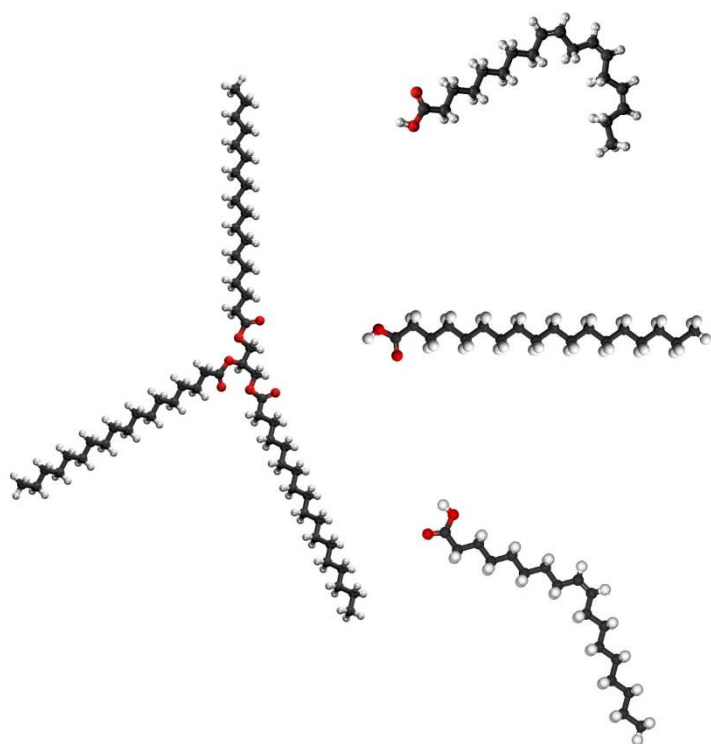
The Challenges

Ideally we need:

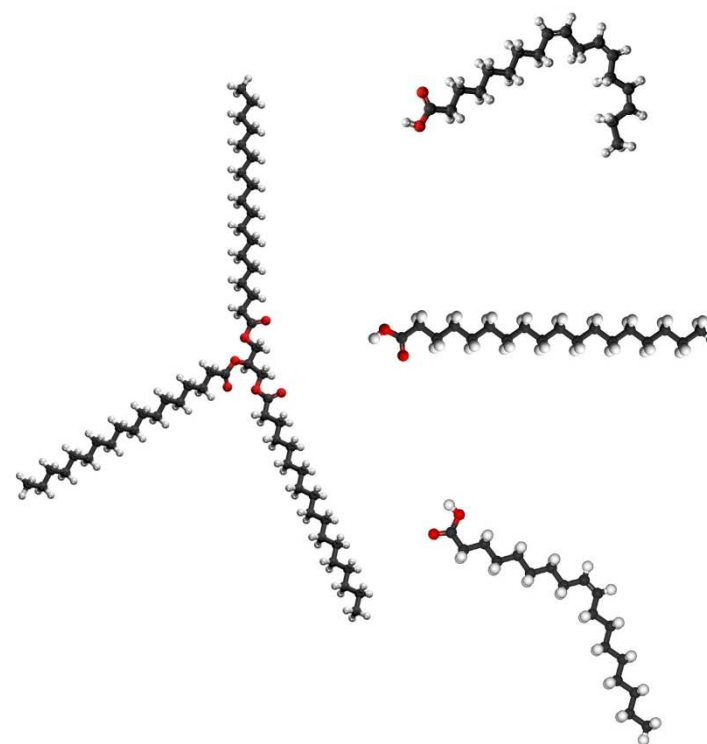
1. Assurance of moving towards sustainability
2. Some proof it is happening
3. Uptake of sustainable palm oils
4. A system of lowest possible cost
5. A system with little/no impact on how business is conducted

Challenge 1

Sustainable



Unsustainable



1. Supply Chain Certification

Certifying Bodies (CBs) should

1. Have a good overview and understanding
2. Not chase after the last molecule
3. Trust the manufacturer
4. Be smart

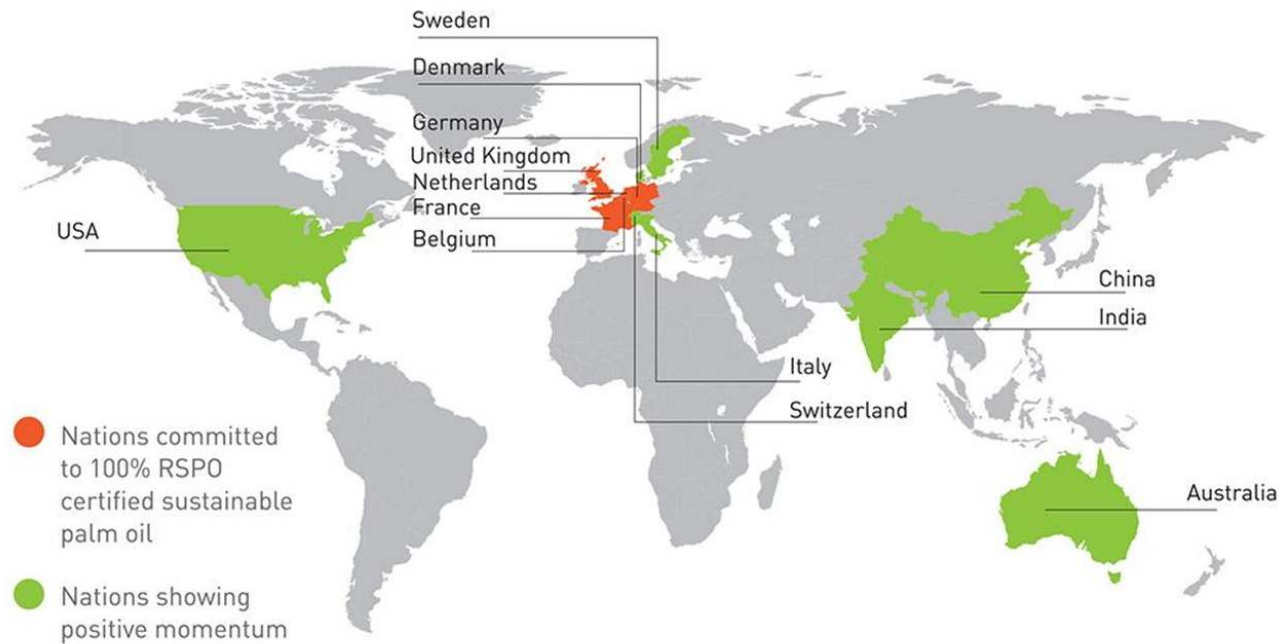
The Challenges

2. RSPO to educate the supply chain

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3. RSPO to market to India, (Indonesia) & China



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The Challenges

- 2. RSPO to educate the supply chain
- 3. RSPO to market to India, (Indonesia) & China
- 4. RSPO to communicate its SC models are sustainable and traceable

The Challenges

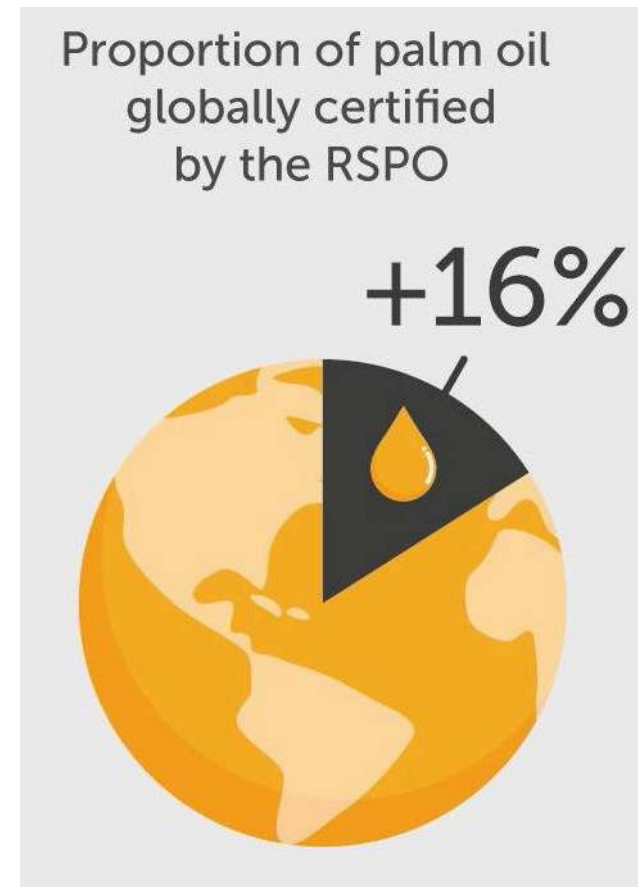
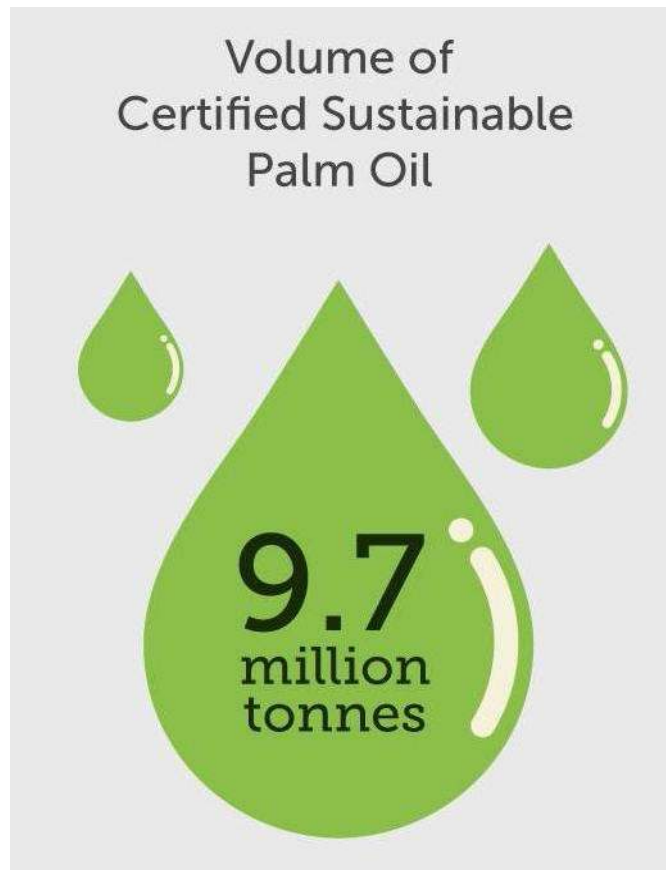
- 2. RSPO to educate the supply chain
- 3. RSPO to market to India, (Indonesia) & China
- 4. RSPO to communicate its SC models are sustainable and traceable
- 5. RSPO to encourage more physical sustainable PKO to be available

The Challenges

- 2. RSPO to educate the supply chain
- 3. RSPO to market to India, (Indonesia) & China
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- 5. RSPO to encourage more physical sustainable PKO to be available

RSPO is the Secretariat and its members

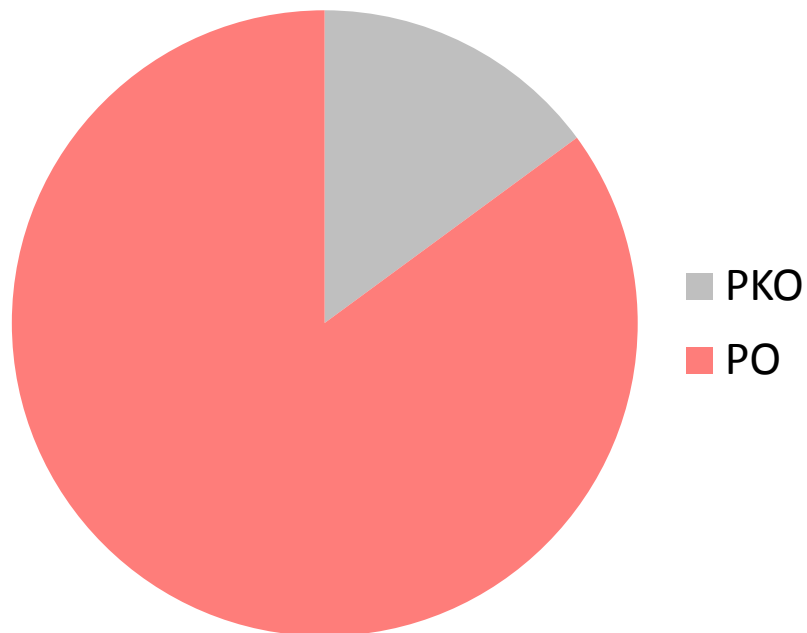
Available



About half sold

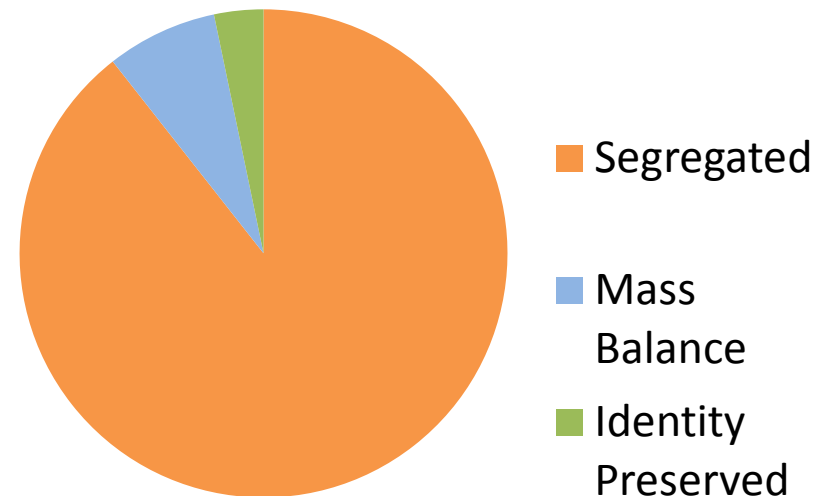
2013 (3.38 million certificates)

Book & Claim



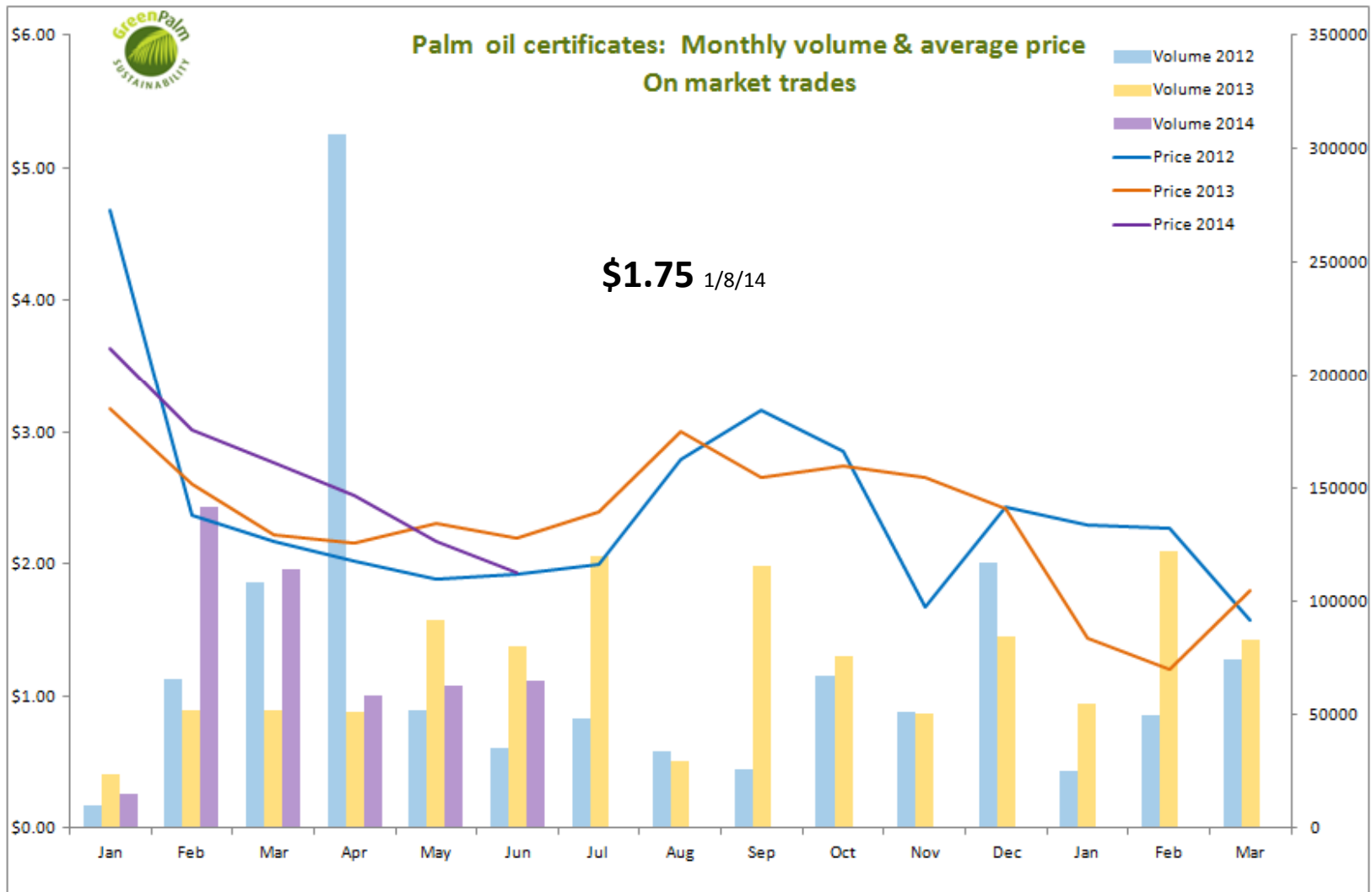
YTD June 2014 (1.11 MT)

Supply Chain Certificate System



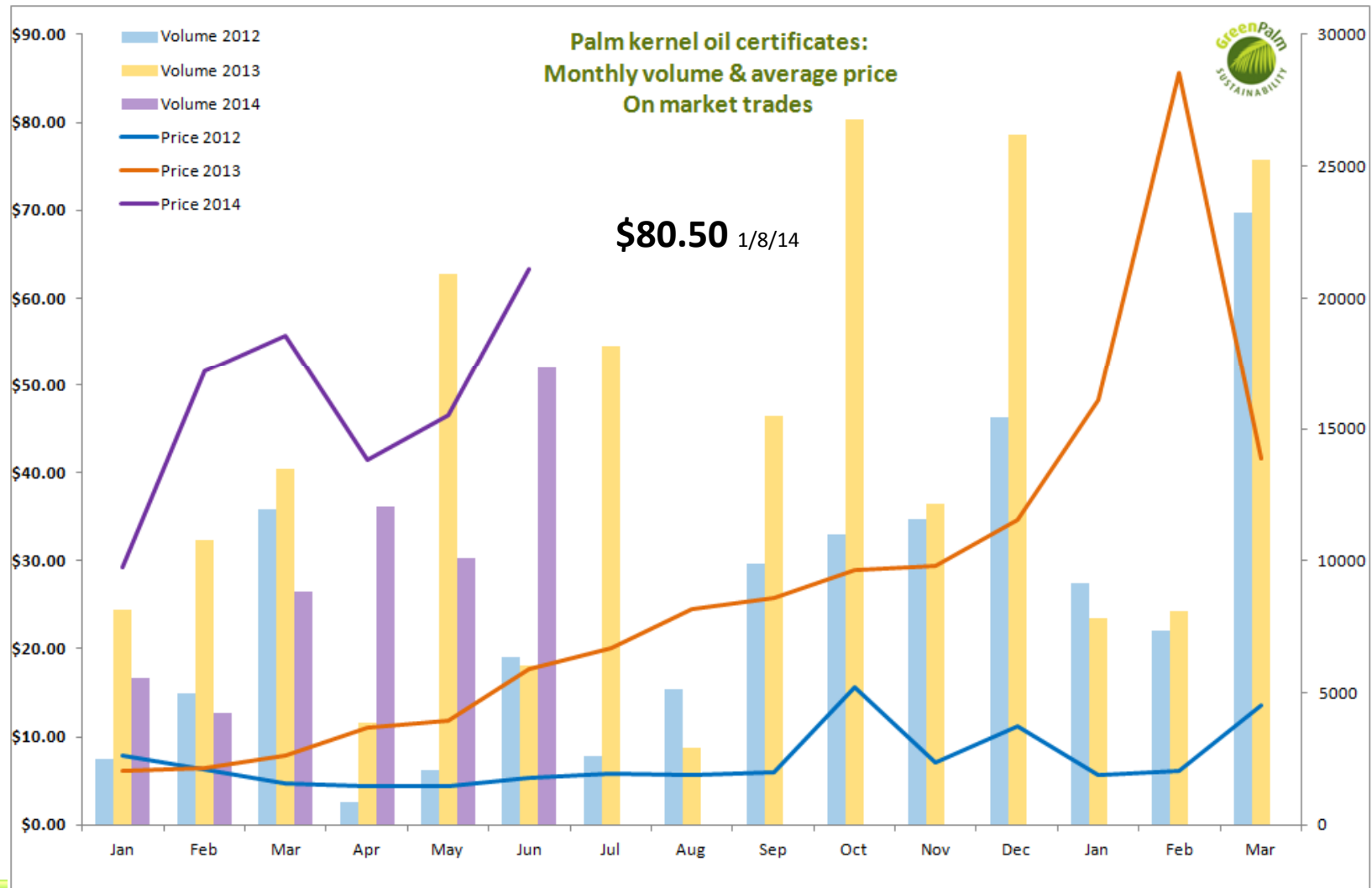
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GreenPalm CPO On Market Prices



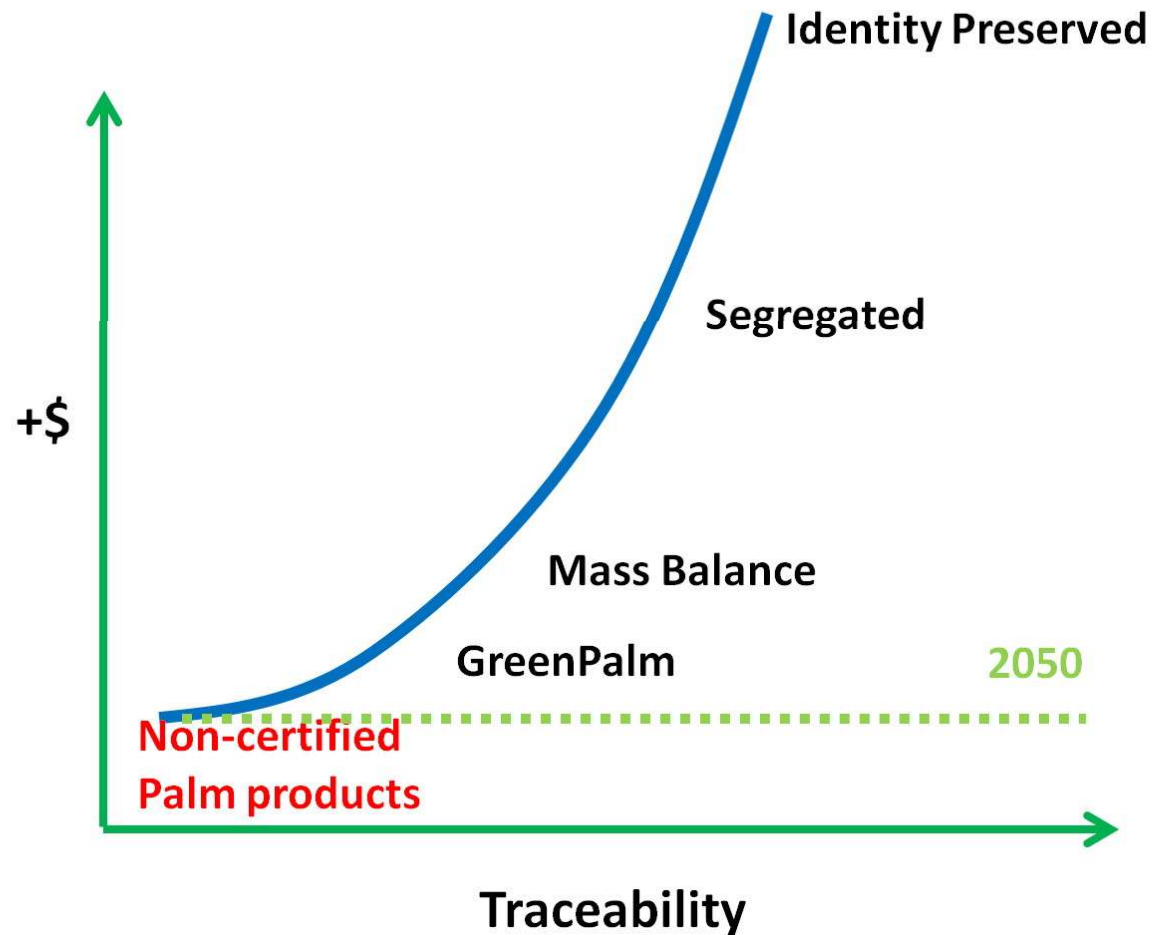
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GreenPalm PKO On Market Prices



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What is the cost?



The Way Forward

- Support RSPO
- Be SCCS certified
- Go physical & start with Mass Balance
- Help inform the supply chain
- Promote RSPO