

The Role of the Financial Sector in Promoting CSPO

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Economic growth and trade have improved the quality of life for millions of people around the globe, but it has come at a high cost to the environment. As market demand for food, fiber and fuel increases in the coming decades, so will the impact on our planet's natural resources. The growth in global population, changing diets, water scarcity, the consolidation of farms and available farmland, biofuels, and the increasing consumer demand for food safety and quality forces are just some of the issues our client in the F&A sector are facing. In the end we need to produce more with less and a transformation to sustainable agriculture is vital.

Rabobank has its roots in agriculture, being a merger of several cooperatives that were established by farmers in the 1900s, and Rabobank has until today the food and agricultural sector as its focal point. Our aim is not only to screen clients on their performance but also to support them in a transformation process to produce more with less. Rabobank is active on the production side, commodity trade, processing and retail and we are able to link the different parties in the chain.

To further define what is sustainable or not we participate in multiple stakeholder initiatives for different commodities such as the RSPO. It helps us to further define the criteria for investment and create a level playing field in the market. Palm oil companies that do not effectively address sustainability issues cause serious ecological and social damage and create a significant business risk. Having come across the RSPO while drafting our supply chain policies, we concluded that RSPO was at that time, and still is, THE platform for sustainable palm oil and we decided to become a member. By supporting the RSPO standards and adopting them as our own, we have made our lives easier assessing compliance of our clients in the sector. On the other hand, by endorsing a leading standard, we help grow the impact of that standard which further helps us to fulfill our own targets of contributing to sustainability in the sector.