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PRESS RELEASE For immediate publication

# Sustainable palm oil production passes major milestone

One third of imports to Europe could now be labeled 'sustainable'

KUALA LUMPUR/BRUSSELS, 25 June 2009 – The volume of RSPO-certified sustainable palm oil available for purchase by product manufacturers and retail companies has passed a major milestone. The equivalent of more than one third of all palm oil imported into the EU could now be sold as 'sustainable' because an impressive number of producers in Southeast Asia comply with the rules of the Roundtable on Sustainable Palm Oil (RSPO), the multi-stakeholder association working to make all palm oil production sustainable.

According to the latest RSPO figures, the combined production capacity of all certified producers in Malaysia, Indonesia, and Papua New Guinea now exceeds 1.75 million tonnes of palm oil and kernels annually. The European Union currently imports about 5.3 million tons of palm oil per year.

"Many palm growers in Southeast Asia have worked hard to comply with strict rules ensuring that their oil is produced sustainably," said Johan Verburg, Executive Board member of the Roundtable on behalf of Oxfam International. "Now, product manufacturers and retailers in the rest of the world will have the opportunity to keep their end of the bargain and demonstrate that the private sector and NGOs can come together to bring meaningful change."

## RSPO setting social and environmental sustainability standards

Palm oil is the world's primary vegetable oil. In Europe, palm oil is now used as an ingredient in about half of all packaged consumer products, including margarine, ice cream, chocolate, detergents, soap and cookies. In the Roundtable on Sustainable Palm Oil, oil palm growers, traders, brand manufacturers, retailers, banks, and leading NGOs such as WWF and Oxfam International work together to create a growing supply of sustainable palm oil.



RSPO rules and audits on the ground guarantee that social and environmental standards were met during the production of certified sustainable palm oil. For example, producers need to protect the habitats of endangered species and no new primary forests can be cut for oil palm plantations. The rights of local communities, smallholders and workers have to be respected as well.

The Roundtable's supply chain systems add incentives for palm oil producers and buyers—such as consumer goods manufacturers and retail companies—to grow and use ever more sustainable palm oil.

## **RSPO** having an impact

The uptake of sustainable palm oil now flowing into the market will be monitored in various ways. The RSPO itself will soon ask all its members to publish their production or buying plans and to set firm deadlines for making 100% of their palm oil purchases sustainable, as stipulated by an Oxfam-inspired decision by RSPO's General Assembly late last year.

Separately, WWF, one of the Roundtable's founding members, has announced the creation of 'The Palm Oil Buyer's Scorecard' in which WWF will publicly grade major global retailers, product manufacturers and traders based on the extent of their actual and projected sustainable palm oil purchases, as well as their policies and communications on sustainable palm oil.

"From here on, the RSPO will need short-term and long-term commitments from market parties to buy significant volumes of sustainable palm oil," Oxfam International's Johan Verburg said. "These will ensure continuing improvements by palm oil producers, which will benefit local communities, small farmers, labor as well as the environment."

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## About the Roundtable on Sustainable Palm Oil (RSPO)

The Roundtable on Sustainable Palm Oil, a multi-stakeholder association, was created in 2003 by seven organizations aiming to make the production of palm oil sustainable. The Roundtable includes growers, processors, traders, retailers, investors, and leading NGOs such as WWF and Oxfam International. The RSPO currently has more than 370 members, and membership is growing.

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