



NEWS RELEASE

RSPO, Greenpeace and WWF agree that the palm oil industry needs to be transformed

During online debate hosted by Mongabay.com – three leading organizations discuss the challenges of addressing deforestation in producing countries and the important role of buyers to make tangible commitments

International, 25 October 2013 – On October 17, Mongabay.com hosted a much anticipated online debate on the topic of sustainable palm oil featuring the Roundtable on Sustainable Palm Oil (RSPO), WWF and Greenpeace. All panellists agreed that saying no to palm oil is not a solution – the only solution is to keep promoting sustainable and responsible palm oil with a view of making it the mainstream solution in all markets. The online debate touched on, among others, the forest fires in Indonesia in June 2013, robustness of the RSPO standards, and the role of companies and consumers in driving the market transformation.

The debate was hosted and moderated by Rhett Butler, founder of Mongabay.com and featured panellists Bustar Maitar, head of the Indonesia Forest Campaign at Greenpeace, Adam Harrison, Senior Policy Advisor at WWF and Darrel Webber, Secretary General of the RSPO. During the debate, all panellists answered questions submitted by the public through Twitter and by email.

Deforestation and forest fires

The Indonesian haze in the summer of 2013 raised important questions about the commitment of the palm oil industry to stop deforestation. The forest fires spiked a debate on transparency within the palm oil supply chain. Panellists discussed the difficulties in obtaining credible data to assess the involvement of companies in the forest fires and the importance of not only grower members but also processors and traders for the oil they buy from other companies. Subsequently, questions were raised about enforcing compliance of RSPO members. Bustar Maitar: *"Forest fires have been a longstanding problem in Indonesia. Stopping the fires is not easy – the Indonesian government has started to implement measures to stop the fires but it is important to deal with the problem for the long term by stopping the clearance of peatland and conversion of forests. RSPO members should dedicate efforts to that."*

Adam Harrison: "Being merely a member of the RSPO is no longer enough – industry players need to take action to move the entire supply chain to sustainable palm oil. The WWF Scorecard is one way to publicise the progress members are making and reveal where the industry is falling short."

Darrel Webber echoed: "Becoming a RSPO member means that all activities of that company are put under a microscope which fuels the debate about compliance with the RSPO. While the RSPO was scrutinising its implicated member companies for reported hot spots covering approximately one million hectares of land – for which all its members were cleared except for one case which has been escalated to the complaints procedure, it is critical there is considerable attention given to the other 9 million hectares of land belonging to non RSPO members. The haze was an opportune time for stakeholders around the world to push the sustainability agenda. It is worth analysing if this was achieved."





Shared responsibility

Palm oil sustainability has been a topic of intense debate – upstream and downstream players of the palm oil supply chain are pointing at each other to take the first step to become sustainable. During the debate, WWF stated that the transformation of the industry is a shared responsibility of all players in the palm oil supply chain, Adam Harrison: *"Palm oil is a high yielding crop which can have a sustainable future and guarantee food security in the long term. However, for this to happen we need a credible and robust certification system."*

Greenpeace pointed at the importance of the involvement of government and authorities to identify the key drivers of deforestation but stressed that the real responsibility to maintain the integrity of our environment rests with the industry: *"Companies need to look at their entire supply chain to ensure they are fully sustainable. Those who are not doing the right thing will start to feel the economic impact as more and more industry players are adopting sourcing policies that require their suppliers to be 100% sustainable and commit to zero deforestation."*

Moving beyond the RSPO standard

Although the benefits of RSPO certification was recognised by all panellists, Greenpeace argues there is a need to move beyond the RSPO standard. Bustar Maitar: *"The position of Greenpeace is not to ban palm oil and we are not against the RSPO. However, we believe more needs to be done and the industry needs to go beyond the RSPO standard to guarantee zero deforestation. With the newly founded Palm Oil Innovation Group – which mostly consists of RSPO members – we are seeking to set an example for the industry and show the world it can be done." The Palm Oil Innovation Group (POIG) is a grouping of producers and NGOs who are committed to building on the RSPO as a basis to break their links with deforestation. The POIG has four producer company members and four NGOs including Greenpeace and WWF. POIG is not a substitute for the RSPO, but rather a platform for progressive members of the RSPO to demonstrate innovative ways of compliance with RSPO standards as well as additional issues not covered by the RSPO such as zero deforestation and local community food security.*

Darrel Webber reaffirmed that the RSPO is a solution committed to continuous improvement and urged that immediate action is needed: *"We cannot afford to wait until we have found a perfect solution and need to act now. The RSPO offers the industry a basis and is currently the only global and credible standard for sustainable palm oil. Our aim is to raise the bar for the entire industry – we applaud those who want to move ahead but it is essential to get all players in the supply chain on board to achieve real industry-wide change."* Panellists also discussed other new standards such as MSPO (Malaysian Sustainable Palm Oil) and ISPO (Indonesian Sustainable Palm Oil). There was agreement that these standards facilitate faster adoption of the industry at large to sustainable practices as a step by step approach so that producers can progress more easily in accommodating international standards.

Role of consumer markets

In addition to solving the problems on the ground in producing countries, it is of paramount importance to promote sustainable palm oil in consumer markets as well, agreed all panellists; Darrel Webber: *"We need to solve what we can right now and not wait for China and India to move and embrace sustainable practices – this is just an excuse for inaction."* Panellists pointed at the power of multinational companies present in all markets and who have the capacity to take the lead and drive market transformation.

RSPO and WWF also confirmed the economic benefits of becoming RSPO-certified. Adam Harrison: *"RSPO certification enables growers to manage their plantations much more efficiently*





and have better control over their operations which leads to increased yields and consequently lower costs and increased revenues." Bustar Maitar from Greenpeace summarized what is really at stake: "What we are looking for is the balance between ecology and economic growth."

Consumers can play a role in obtaining this balance, Adam Harrison: "A first action for consumers to take is to look for products which have the RSPO Trademark. Individuals do have the power to contact brands and retailers and ask them what they are doing to source sustainable palm oil – consumers can make a difference by demanding companies to buy certified sustainable palm oil."

The online debate was viewed by more than 100 people during the live broadcast and will remain accessible to view on: <u>http://www.mongabay.com/palm-oil-debate.html</u> and on RSPO's YouTube channel: <u>http://www.youtube.com/watch?v=XBwTIP9Hc0k</u>. The debate has since its live broadcast been watched by more than 1,500 viewers.

Note to Editors:

###

15% of world's palm oil production is now RSPO certified

The current estimated annual production capacity of RSPO-certified sustainable palm oil is 8.2 million metric tonnes, approximately 15% of global palm oil production. Spread over 2.2 million hectares of certified area, about 48.2% of the world's current RSPO-certified sustainable palm oil production capacity comes from Indonesia, followed by 43.9% from Malaysia, and the remaining 7.9% from Papua New Guinea, Solomon Islands, Thailand, Cambodia, Brazil, Colombia and Ivory Coast.

For more data visit: <u>Who is RSPO?</u> <u>Support Sustainable Palm Oil Instead</u> <u>Consumer Fact Sheet</u> <u>Trademark Shopping Guide</u>

Connect with us: <u>LinkedIn; Twitter; Facebook; Newsletter</u>

About RSPO

In response to the urgent and pressing global call for sustainably-produced palm oil, the Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders. The seat of the association is in Zurich, Switzerland, while the secretariat is currently based in Kuala Lumpur with a satellite office in Jakarta.

RSPO is a not-for-profit association that unites stakeholders from seven sectors of the palm oil industry - oil palm producers, palm oil processors or traders, consumer goods manufacturers, retailers, banks and investors, environmental or nature conservation NGOs and social or developmental NGOs - to develop and implement global standards for sustainable palm oil.

Such multi-stakeholder representation is mirrored in the governance structure of RSPO such that seats in the Executive Board and project-level Working Groups are fairly allocated to each sector. In this way, RSPO lives out the philosophy of the "roundtable" by giving equal rights to each stakeholder group to





bring group-specific agendas to the roundtable, facilitating traditionally adversarial stakeholders and business competitors to work together towards a common objective and make decisions by consensus.

-END-

For further information, kindly contact: **Contact for RSPO Secretariat:** Joycelyn Lee Communications Director T:+603-22012053 joycelyn@rspo.org

Contact for India:

Arneeta Vasudeva IPAN Hill & Knowlton, T: +91-124-4967316 <u>avasudeva@ipanhillandknowlton.com</u> **Contact for Europe:** Giovanni Colombo Hill+Knowlton Strategies T: +32 (0)2 231 50 19 <u>communications.eu@rspo.org</u>

Contact for China: Peter Headden Hill & Knowlton T: (86 10) 5861 7597 <u>peter.headden@hillandknowlton.com.cn</u>

Contact for Indonesia: Desi Kusumadewi

Desi Kusumadewi RSPO Indonesia Director T: +62 21 5794 0222 desi@rspo.org