

PRESS RELEASE

CLOSING THE GAP: FOOD COMPANIES, RETAIL AND GOVERNMENTS CALLED TO STEP UP THEIR ACTIONS ON SUSTAINABLE PALM OIL

- 74% of the palm oil entering Europe for food was certified sustainable in 2017
- More action is needed for Europe to meet its goal of being 100% certified by 2020

Madrid, 4 October 2018: At the 6th annual European Palm Oil Conference, Frans Claassen, chair of the European Palm Oil Alliance (EPOA) called on food companies and retailers to fulfil their commitments and use only sustainable palm oil. EPOA believes that sustainable palm oil is a key food ingredient to help feed the world, to help protect biodiversity and wildlife and improve socio economic development in rural areas. Sustainable palm oil contributes to achieving the United Nations Sustainable Development Goals, or SDGs.

EPOA members are ready to make the switch and lead sustainable palm oil market transformation in Europe. Claassen said: “Our 2020 goal for 100% sustainable palm oil used in food in Europe is still in sight, but everybody has to put all hands on deck - time is short. We urge NGOs to take a cooperative stance to empower people that do the work on the ground and make the change possible.”

The current negative image of palm oil in food greatly hampers the transition to 100% sustainable palm oil uptake. Delegates in the room called for action and reviewed the potential of using a joint communication campaign to encourage sustainable practices.

Closing the gap

A new monitoring report by the European Sustainable Palm Oil (ESPO) project, an initiative of MVO - The Netherlands Oils and Fats Industry and IDH, the Sustainable Trade Initiative - shows that 74% of the palm oil imported for food was certified sustainable (CSPO) in 2017¹. Since the absolute volumes of palm oil are increasing, it is important to encourage a stronger demand for sustainable palm oil throughout the value chain. This is needed to reach the 2020 target in a joint declaration by organisations, governments and private sector.

One of the ways to support sustainable development in producing countries is to buy special independent smallholder farmer credits. For the first time, the ESPO monitoring report also provides data on the uptake of these credits offered by the Roundtable on Sustainable Palm Oil (RSPO), which is now at 8100 tonnes.

Actions in Europe

The European food industry is using multiple strategies to ensure the palm oil they use is sustainable. As a starting point, they require better visibility on their supply chain. Almost all - (99% in 2017) - of the palm oil entering Europe is now traceable to oil mill level. 84% of all palm oil imported into Europe in 2017 is covered by company sustainability policies that focus on ‘No Deforestation, No Peatland and No Exploitation’ (NDPE); tackling the primary areas of concern in terms of supply chain sustainability.

Actions in producing countries

Producing countries are also stepping up their efforts. H.E. Arif Havas Oegroseno, the Indonesian Ambassador to Germany explained that the imposed moratorium on expanding palm oil plantations by the Indonesian President Joko Widodo resulted in a 60 per cent decline in deforestation in 2017, an important step forward. Both in Indonesia and Malaysia, regional and district governments in collaboration with the private sector are

¹ Including small volumes for feed and personal care.

developing mandatory certification schemes (ISPO and MSPO) with stronger governance mechanisms to monitor and support sustainable production. Similarly in Colombia the government, industry and civil society organizations have a commitment on zero deforestation.

Impact on the ground

Beyond environmental benefits in the supply chain, producer countries are emphasising the role of palm oil in economic development and the alleviation of poverty. The honourable Malaysian minister of Primary Industries Minister Theresa Kok Suh Sim explained: “the development of the palm oil industry in Malaysia ensured poverty rates were now below 5% with extreme poverty below 1% with 38% of production in Malaysia coming from small farms”. In Indonesia palm oil supports the livelihoods of 16 million people.

SDGs

A recent report by IUCN,² confirmed that sustainable palm oil is an essential part of the solution to meet Europe’s food demands. Claassen said: “We advocate sustainable palm oil production and consumption to harness positive impact on poverty alleviation, preservation of biodiversity, socio-economic development and labour rights. Eventually, sustainable palm oil contributes to at least 7 Sustainable Development Goals (SDGs).

Claassen: ‘We need to close the gap, both in Europe and in producing countries. Let’s call food manufacturers and retail to fulfil their commitments to 100 % sustainable palm oil in Europe, and push for achieving the SDGs to catalyse global change. Let’s cooperate to jointly tell positive stories about the impact of sustainable palm oil on the ground and empower the people that make sustainable palm oil a reality. ”

ENDS

Editor’s notes:

About EPOA

The European Palm Oil Alliance (EPOA) is a business initiative to engage with and educate stakeholders on the full palm oil story. EPOA closely collaborates with national initiatives active in the different European countries, facilitating science based communication and creating a balanced view on the nutritional and sustainability aspects of palm oil. EPOA strongly supports the uptake of 100% sustainable palm oil. More info: www.palmoilandfood.eu/info@palmoilalliance.eu.

² Oil palm and biodiversity : a situation analysis by the IUCN Oil Palm Task Force