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WWF POSITION STATEMENT

Why palm oil boycotts are not as helpful as they might seem

With considerable global media and industry interest in UK retailer Iceland's move to remove palm oil from its own-brand products, WWF provides its views on why palm oil boycotts are not as helpful as they might seem

SUMMARY:

Boycotts of palm oil will neither protect nor restore the rainforest, whereas companies undertaking actions for a more sustainable palm oil industry are contributing to a long-lasting and transparent solution.

Without transparency around the alternative oils to be used by Iceland, and evidence of how their actions to publicly boycott and source alternative oils will help to reduce the global pressure of unsustainable vegetable oil production on biodiversity to include rainforests, WWF cannot support the retailer's approach of removing palm oil from its products.

FULL STATEMENT:

Whilst WWF encourages all retailers in the UK and elsewhere to take their environmental footprint seriously and assess the use of palm oil and its ecological impacts; simply removing palm oil from the value chain will neither protect nor restore rainforest, whereas concerted action towards a sustainable palm oil industry can make a difference.

It is well documented that unsustainable agricultural production has significant impact on the environment, including natural ecosystems, freshwater, wildlife and climate. In particular, unsustainable production of palm oil continues to be a major driver of tropical deforestation and a huge threat to wildlife, such as orangutans, elephants and tigers. Urgent action is needed to protect these iconic species, and the habitats in which they live. However, companies must assess the impacts of <u>all</u> commodities within their value chain, to include the impact of a 'trade off' between ingredients such as vegetable oil, and publish the evidence of how a switch to alternative oils is better for the environment.

In September 2016, WWF Germany published <u>a report</u> looking at the environmental consequences of palm oil substitution in Germany. One of the main conclusions was that exchanging palm oil with other oils can worsen the problems. Palm oil – when grown responsibly and to the best standards – is the highest yielding vegetable oil; and so substitution of palm oil with other oils, such as soybean, rapeseed and sunflower, can require significantly more land to produce the same volume. This could

potentially cause greater impact to habitats, biodiversity and the environment. And because the global market for vegetable oil is so interlinked and palm oil is one of the least expensive oils, switching from palm to alternative oils is likely to simply shift demand elsewhere, meaning that overall demand for palm oil does not decrease. WWF therefore considers it is more productive to work with the palm oil sector, as well as other vegetable oil sectors, to move them to sustainability rather than to boycott their products.

WWF believes companies can be drivers of change and are better placed to help develop solutions for sustainably sourced palm oil from within the value chain, rather than forfeiting leverage and allowing demand to simply shift to other products and markets. We applaud companies who are taking extra steps to work with others in the palm oil value chain to create and support models for sustainable production and best practice, particularly models that are inclusive of smallholders.

Joining the RSPO and committing to responsible palm oil supply chains is an easy first step that all stakeholders concerned with ensuring sustainable production can take. Whilst there are weaknesses in the RSPO standard and its systems that need to be fixed, the RSPO represents the largest, independent, third party certification scheme for palm oil, and, with the buy-in of most of the global industry, it continues to play a vital role and has the potential to create lasting change. As a multistakeholder dialogue, the standards and systems of an initiative such as the RSPO may not always reach the level of impact WWF or a conservation-minded private sector company may aspire to, but by joining the RSPO, and then following through on sustainable palm oil commitments with concrete actions, companies can support continual improvements that are far reaching in the palm oil value chain.

We call on responsible companies to join WWF and other NGOs to support this year's process to review and strengthen the RSPO Principles & Criteria, endorsing changes in the standard that do not contribute to deforestation, planting on peatland or exploiting labour in the value chain. Building on the RSPO, the Palm Oil Innovation Group (POIG) has modeled best practices in the palm oil industry and helped guide the way for improvements in the RSPO. Innovative companies can also demonstrate their commitment today by purchasing oil verified to the POIG standard.

As evidenced by POIG, WWF and others, there are a number of innovative actions that companies and other actors in the palm oil value chain can take to create, promote and support innovative model of sustainable consumption and production. These actions should allow for multiple outcomes of protection, production and restoration, and can include supporting better land use planning practices, investing in smallholder support programmes, and exploring sustainable landscape approaches that are inclusive of multiple land-uses and involve all relevant stakeholders, including communities and smallholders.

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