

Warnings as sustainable palm oil effort falters

November 20 2011, by Romen Bose



Workers load palm oil fruits onto a lorry at a plantation in Bintulu Sarawak in September 2011. Environmentalists have warned that an effort to encourage the sustainable production of palm oil launched several years ago has not kept pace with expanding cultivation driven by rising demand.

Environmentalists have warned that an effort to encourage the sustainable production of palm oil launched several years ago has not kept pace with expanding cultivation driven by rising demand.

The edible oil is a key ingredient in soap and everyday foods ranging from [peanut butter](#) to sweets but its cultivation is one of the biggest threats to the world's dwindling rainforests.

The issue will loom large this week at the annual meeting of the Roundtable on Sustainable [Palm Oil](#) from November 22-24 in key

producer Malaysia.

"Buyers of sustainable palm oil need to buy more. Retailers, manufacturers must up their purchases. We need to walk the talk and now buy the palm oil we have long demanded," Adam Harrison, agriculture policy specialist with WWF, told AFP.

Despite some progress, major users of palm oil are not making enough effort to source and buy sustainably produced oil, while incentives for green production remain inadequate, green groups say.

The mixing of global supply chains also hampers efforts to identify sustainably produced oil.

Growers produced 5.2 million tonnes of certified sustainable palm oil (CSPO) -- accounting for about 10 percent of world supply -- last year but only about 56 percent of it was purchased.

Palm oil represents about 35 percent of the global [vegetable oil](#) market and production is expected to double in the next 40 years due to its versatility, relatively high oil yields compared to alternatives, and economic importance to local communities.

[Environmentalists](#) say the consequences for rainforests in major producers Malaysia and Indonesia -- which account for 85 percent of world production -- and other producing nations will be dire unless the situation changes.

Virgin forests are typically cleared to make way for [palm plantations](#) that stretch to the horizon in many parts of Malaysia and Indonesia.

The [forest loss](#) contributes to [climate change](#) and further imperils threatened species like the [orangutan](#) while land disputes between local

communities and large palm producers seeking to expand cultivation are rising.



A worker loads palm oil fruits onto a lorry at a plantation in Bintulu Sarawak in September 2011. Palm oil represents about 35 percent of the global vegetable oil market and production is expected to double in the next 40 years.

The palm oil gathering in Kota Kinabalu in Malaysian Borneo comes at a "pivotal moment in time" in efforts to make sustainable production the norm," RSPO Secretary General Darrel Webber said in a statement.

Launched in 2004, the RSPO brought together producers, manufacturers and other stakeholders to create global standards for sustainable palm oil.

But even Webber acknowledged the need for a "significant increase of market commitment towards the uptake of CSPO."

The sustainable label is subject to a range of criteria including refraining from clearing virgin forests.

But higher production costs, a rush to expand output to capitalise on rising prices, and inadequate supply chains for sustainable oil have

conspired against the effort.

The key lies in getting big buyers of palm oil on board, said RSPO advisor M.R. Chandran.

Consumer products giant Unilever, McDonald's, Burger King and others have pledged to use only sustainable palm oil by 2015.

In addition, under a sustainability programme called GreenPalm, growers are awarded certificates for eco-friendly oil. These can then be purchased by big manufacturers or retailers as proof of their green practices.



A worker loadspalm oil fruits onto a lorry at a plantation in Bintulu Sarawak on September 25th. Palm oil is a key ingredient in the soap we use and everyday foods ranging from peanut butter to sweets but its cultivation is one of the biggest threats to the world's dwindling rainforests.

Green-friendly growers are thus financially rewarded while consumers can then choose to buy end-products that are certified sustainable.

However, low demand for sustainable oil means certificates trade at just

\$0.90 per tonne compared to rising palm oil prices of just over \$1,000 a tonne, leaving little incentive for growers to go green.

Chandran said certificate prices would rise and supply chains would mature if manufacturers bought more sustainable oil.

Currently, "with the exception of a few direct deals to sell their oil, sustainable growers only get a small amount from the certificates," said Qua Kiat Seng, a former Malaysian Palm Oil Board member.

Qua adds: "I know that people in Europe will pay more for biodegradable detergent but the question is how much more?"

Harrison of the WWF said despite green commitments by some major buyers, there is insufficient consumer pressure to force others to join in.

"Some companies also say it costs a lot more to support sustainable palm oil but this is not true given the low premiums on GreenPalm certificates, so they need to step up if they want things to improve," he said.

(c) 2011 AFP

Citation: Warnings as sustainable palm oil effort falters (2011, November 20) retrieved 27 April 2024 from <https://phys.org/news/2011-11-sustainable-palm-oil-effort-falters.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.