



## Executive Summary – Palm Oil Report

*“Yes, we expect the European [people] as consumers of our product to study and to conduct research about palm oil plantations in Indonesia in order to see the reality here: many people become victims of corporate crime. There is no problem if any company intends to run a business here, but the people here should not be the victims of their business.”* Spokesman from a farmers’ organisation in Indonesia.

The enormous spread of oil palm plantations in Indonesia has led to great problems. The displacement of people, small-scale farming or valuable ecosystems is almost inevitably connected to the extension of those huge mono-cultural plantations.

This report summarises background information on palm oil. How and where is it cultivated? What makes palm oil different from other vegetable oils? How much is used in which products and why? What are the implications for nature and people on the ground? From boycott to certification, what are the solutions?

In order to offer an insight into the topic from the consumers’ point of view, we took a look at our retailers’ shelves. We have chosen a rather innocent product - the cookie – to find out how many of them actually contain palm oil and whether it is certified or not.

In addition to information from literature, scientific studies, and expert interviews, this report is also based on information derived from a study trip to Sumatra, Indonesia. We have spoken with members of the local government and villagers in four regions, all involved in conflicts around palm oil.

The problems reported to us in Indonesia are environmental ones such as the clearing of rainforests, draining of peat bogs, fires, enormous water consumption through palm trees and associated problems for agriculture and pollution of rivers through oil mills. From a social point of view, we are dealing with the suppression of small-scale agriculture, which has been operating in certain areas for generations. Land and land rights were a defining theme in most talks. In addition, there are discriminatory attitudes against the local population on the plantations, precarious working conditions and bad pay for the strenuous work. We also heard reports about corruption in the process of concession allocation, lack of control of laws and regulations regarding land use decisions and land rights in general.

The palm oil business highlights the many dark sides of the global value chain. The unequal power distribution, with few very large and mostly international companies dominating important parts of the value chain, coupled with a philosophy that puts the profit and prosperity of individuals above the wellbeing of the general public leads to the suffering of nature and people. In this regard, palm oil is not that different from other crops which are significant for global trade, such as soya, cocoa or cane sugar. While the framework conditions of unequal trade and unsustainable land use stay remain the same, the situation for farmers and people in the Global South will not change simply by replacing palm oil with another culture. What we need more urgently than ever is a change in how we organise and operate our trade. We need to ask ourselves how much we want to support the wellbeing of wealthy individuals instead of an increasingly interlinked global public, and how much we are willing to gamble with the wellbeing of future generations. To address these issues a concerted effort from civil society, policymakers, responsible businesses and consumers will be necessary.

You can find the full report on the Supply Change Website <http://supplychange.org/research-eu/palm-oil-en/?L=eu>



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## Περιοχή που καλύπτεται από φυτείες παραγωγής φοινικέλαιου στην Ινδονησία και στην Μαλαισία



Ανά το παγκόσμιο: 19,6 φορές η έκταση της Κύπρου χρησιμοποιείται για την παραγωγή φοινικέλαιου (για αυτές τις εκτάσεις δεν υπάρχουν στοιχεία για προηγούμενη χρήση της γης και αποψίλωση)

Στη Μαλαισία και Ινδονησία: 14,2 φορές η έκταση της Κύπρου χρησιμοποιείται για την παραγωγή φοινικέλαιου

Από το 1990, σχεδόν 4 φορές η έκταση της Κύπρου έχει αποψιλωθεί.

Από το 1990, έκταση πάνω από 2,5 φορές αυτή της Κύπρου έχει μετατραπεί για να χρησιμοποιηθεί στην παραγωγή φοινικέλαιου.