

# CERTIFYING DESTRUCTION

Why consumer companies need to go beyond the RSPO to stop forest destruction

## Oil palm plantations are destroying Indonesia's forests

According to official Ministry of Forestry maps, Indonesia lost at least 1,240,000 hectares of forest over the period 2009 to 2011, equivalent to 620,000 hectares per year.<sup>1</sup> Half (50%) of this took place in just three provinces: Central Kalimantan (296,000ha/ 24%), Riau (230,000ha/ 19%), West Kalimantan (95,000ha/ 8%).<sup>2</sup>

Indonesia is the world's largest producer of crude palm oil<sup>3</sup> and around 15 million hectares of land in Indonesia has been licensed for palm oil development: the precise figure is difficult to determine due to lack of transparency in the sector. Based on areas Greenpeace<sup>4</sup> could identify, the palm oil sector was the single largest driver of deforestation 2009-2011, with identified concessions accounting for about a quarter (300,000 hectares) of forest loss.<sup>5</sup> In palm oil growth provinces in Kalimantan, the proportion of forest loss for palm oil was even higher: 75% of total deforestation in West Kalimantan, 55% in East Kalimantan, 38% in Central Kalimantan.

\* Unless otherwise stated, 'Greenpeace' in this report refers to Greenpeace International.

## Roundtable on Sustainable Palm Oil members participate in deforestation

In 2009, identified oil palm concessions<sup>6</sup> currently affiliated<sup>7</sup> to members of the RSPO<sup>8</sup> held 14% of the natural forest within Indonesian oil palm concessions. However, these concessions accounted for a disproportionate 21% of deforestation in oil palm concessions – 63,000 hectares, including nearly 20,000 hectares of carbon-rich forested peatland. Genting, Surya Dumai and Wilmar were the three privately-owned RSPO members with the largest areas of identified deforestation.<sup>9</sup>

The RSPO wants its members to be industry leaders in sustainability, but its current standards leave them free to destroy forests.

## WHAT IS THE RSPO?

The Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 to promote the use of sustainable palm oil through credible global standards and engagement of stakeholders.<sup>10</sup> It is a voluntary association, consisting of palm oil producers, processors and traders, consumer goods manufacturers, retailers, banks and investors as well as some environmental and social non-governmental organisations. RSPO members account for around 40% of global palm oil production;<sup>11</sup> as of late 2012, 15% of palm oil was RSPO-certified.<sup>12</sup>

June 2013, Riau

Fire rages on peatland in PT. Raja Garuda Mas Sejati, a palm oil company belonging to the RSPO-member group Asian Agri. ©Ifansasti/ Greenpeace



**June 2013, Riau**  
Villagers wearing protective face masks drive through smoke rising from fires on recently cleared peatland in an oil palm plantation.  
©Ifansasti/ Greenpeace

# 1. What's wrong with the RSPO?

## *In the forest:*

### **The RSPO does not prohibit forest conversion**

RSPO members are supposed to ensure that forests are assessed for high conservation values (HCV) before new plantings,<sup>13</sup> and – since the recent strengthening of the standard – to ‘take into account’ high carbon stock areas.<sup>14</sup> However, RSPO certification allows ongoing clearance of any forest not identified as primary or HCV. Much of the remaining rainforest available to the industry in Kalimantan and Sumatra is secondary or degraded and may not be identified as HCV; yet from both a conservation and a climate perspective it is crucial to protect such forest.

### **The RSPO does not limit GHG emissions associated with the development of palm oil plantations, for instance through conversion of peatland**

Indonesia's peatlands are one of the world's most important carbon stores, comparable in value to the Amazon rainforest according to the Indonesian government.<sup>15</sup> 85% of Indonesia's greenhouse gas emissions come from land-use activities, around half of this peat-related.<sup>16</sup> The RSPO sets no limits on GHG emissions that can be associated with the development of palm oil plantations. Despite debating the need for such a standard for years, the 2013 revision of the Principles and Criteria includes only voluntary guidelines to report GHG emissions from forest conversion;<sup>17</sup> the tightening of criteria on peatland development is still not a full ban.

RSPO rules allow peatland forests to be cleared for the expansion of plantations, and the palm oil produced from these plantations can still be RSPO-certified.

### **RSPO rules fail to prevent peatland and forest fires**

The RSPO bans deliberate use of fire for land clearance,<sup>18</sup> but it has failed to address the source of devastating fires in Sumatra in June 2013.<sup>19</sup> The RSPO allows its members to clear rainforest and to clear and drain peatland. Drained peat is like a tinderbox: once dry, the dense, carbon-rich soil catches fire easily; once lit, it can spread rapidly.

Recent satellite analysis conducted by CIFOR<sup>20</sup> of an area in Riau Province<sup>21</sup> covering two-thirds of

June's fire hotspots estimated that in this area alone at least 140,000 hectares had been burned. Most of the land burned was recently cleared peatland,<sup>22</sup> suggesting that the fires are part of the process of new plantation establishment.<sup>23</sup>

Based on registered concession boundaries, Greenpeace mapping analysis shows that identified concessions affiliated with RSPO members accounted for 39% of the fire hotspots on palm oil concessions in Riau during January-June 2013 – a total of 720 hotspots in RSPO-related concessions.<sup>24</sup>

It took media criticism to raise the issue of fires on RSPO members' concessions. Even then, the RSPO chose to investigate only five of the companies named in media reports, not including some of those with the most fire hotspots. This investigation was delayed while the RSPO requested concession maps from the companies – the maps provided did not align with maps in the public domain such as those from the Ministry of Forestry. However, based on these maps, the RSPO concluded that four companies had little involvement in the fires. The RSPO executive took the unusual step of launching its own complaint against the fifth company<sup>25</sup> – PT Jatim Jaya Perkasa, a Ganda Group company<sup>26</sup> – but this seems to be the only corrective step the RSPO is taking, while the vast majority of documented fire hotspots in RSPO concessions remain uninvestigated.

Prominent RSPO member (and the world's largest trader in palm oil) Wilmar stated in July that: ‘In response to the recent haze ... we will terminate our business relationship with any suppliers found to be flouting the law against forest burning. This is a strong demonstration of our effort to influence the industry.’<sup>27</sup> It is not yet clear what actions Wilmar is taking to investigate suppliers' links with the fires, or whether any contracts have been terminated including with Jatim Jaya Perkasa.

### **The RSPO seems reluctant to act on blatant breaches of its standards**

Palm oil producer Duta Palma has a long history of deforestation, community conflict, illegality, and noncompliance with RSPO regulations. In 2007, Greenpeace first highlighted its destructive operations including clearance of very deep peat and a failure to hold legal permits.<sup>28</sup> In 2009, a coalition of village heads and NGOs brought a formal RSPO complaint against activities of two Duta Palma subsidiaries including clearance of HCV forests and

the use of fire to clear land.<sup>29</sup> In 2011, the RSPO briefly suspended Duta Palma for administrative breaches, but failed to address complaints.<sup>30</sup> It took nearly six years from the initial criticisms and a new report by Greenpeace in April 2013<sup>31</sup> before the RSPO finally expelled Duta Palma.<sup>32</sup>

Herakles Farms, a US-based company, plans to clear 73,000ha of dense natural forest to make way for an oil palm plantation in Cameroon. Herakles' subsidiary SG Sustainable Oils Cameroon (SGSOC) became an RSPO member in 2009. In 2012, NGOs filed official complaints with the RSPO accusing the company of failing to comply with the procedures for 'responsible development of new plantings'.<sup>33</sup> In April 2012, the HCV Resource Network issued a peer review of the HCV assessment for Herakles, stating that the assessment was 'not rigorous enough for a project of this scale and intensity [and was] not adequate to comply with RSPO principles'.<sup>34</sup> In June 2012, the RSPO Grievance Panel requested that Herakles suspend clearance activities;<sup>35</sup> the request was ignored by the company. In August 2012, the company withdrew its membership.<sup>36</sup> Since this point, clearing has continued, and Herakles still claims on its website to follow the RSPO's principles and criteria.<sup>37</sup>

### *In trade:*

## **RSPO members launder dirty palm oil into global supplies**

The mechanisms by which RSPO palm oil is traded offer virtually no supply chain traceability. With very limited exception, palm oil coming from deforestation and destructive operations is mixed with palm oil from certified operations. A handful of traders, such as prominent RSPO member Wilmar, control much of the palm oil trade from Indonesia. These traders are also processors, blending palm oil that originates from deforestation and destruction of critical habitat and peatland through their refineries.

Producers can be RSPO members without having any certified concessions.<sup>32</sup> RSPO members can freely trade fresh fruit bunches (FFB) and oil produced by non-members who have made no sustainability commitments: some of the most prominent RSPO processor members, including IOI<sup>33</sup>, Wilmar<sup>34</sup> and Musim Mas,<sup>35</sup> are heavily dependent on sourcing and trading FFB or palm oil products from third party suppliers. FFB from unlicensed plantations and areas cleared by fire can end up in mills belonging to RSPO members. A recent investigation by WWF Indonesia showed that mills, some RSPO certified,<sup>36</sup> owned by RSPO members Wilmar and Asian Agri

were receiving FFB from illegal plantations inside Tesso Nilo National Park as recently as 2012,<sup>37</sup> though both companies now say they are introducing procedures to stop this.<sup>38</sup> As long as the RSPO does not set strict criteria on third-party supply, it closes its eyes to members' involvement with illegal destructive plantings.

## **RSPO's main supply chain systems do not lead to clean palm oil**

In 2012, 72% of RSPO certified palm oil was traded using the Greenpalm 'book and claim' scheme.<sup>39</sup> RSPO-certified producers receive certificates for each tonne of certified palm oil they produce, then sell these certificates via the Greenpalm online marketplace to palm oil end users such as food manufacturers, who may then claim to be 'supporting sustainable palm oil'.<sup>40</sup> At the time of writing, crude palm oil is trading at around US\$710 per metric tonne,<sup>41</sup> while Greenpalm certificates (each covering one metric tonne) are trading at \$3.00,<sup>42</sup> meaning the premium is around 0.4% of the market price. Certificates are traded anonymously and the actual palm oil in the end user's products is bought on the open market. This system offers no traceability: end users usually do not know which plantation either the Greenpalm certificates or the physical palm oil came from. The palm oil in their products may be from plantations involved in forest destruction.

Most of the remaining certified palm oil was traded under the 'mass balance' supply chain system. Here, the amount of certified palm oil passing through a particular supply chain route is tracked, but not the physical oil: eg a trader who has bought 100 tonnes of certified oil can mix that oil with other uncertified consignments and sell 100 tonnes of oil as 'certified', even though it is not the same oil. This again means that end-users have no idea where the oil in their product came from.

To buy actual certified palm oil, end-users must trade through the 'segregated' supply chain, in which certified oil which may come from different sources is stored and transported separately from uncertified, or the 'identity preserved' (IP) route, in which each consignment is uniquely traceable to the mill, and often the plantation, it originated from. Sales by these routes are currently very small; IP sales and segregated sales of the oleochemicals the personal care sector relies on appear negligible.<sup>43</sup>

Thus, even among the RSPO's own members, dirty palm oil remains the common currency – RSPO standards are inadequate, poorly enforced and offer palm oil consumers no guarantee that the oil they buy has been produced responsibly.

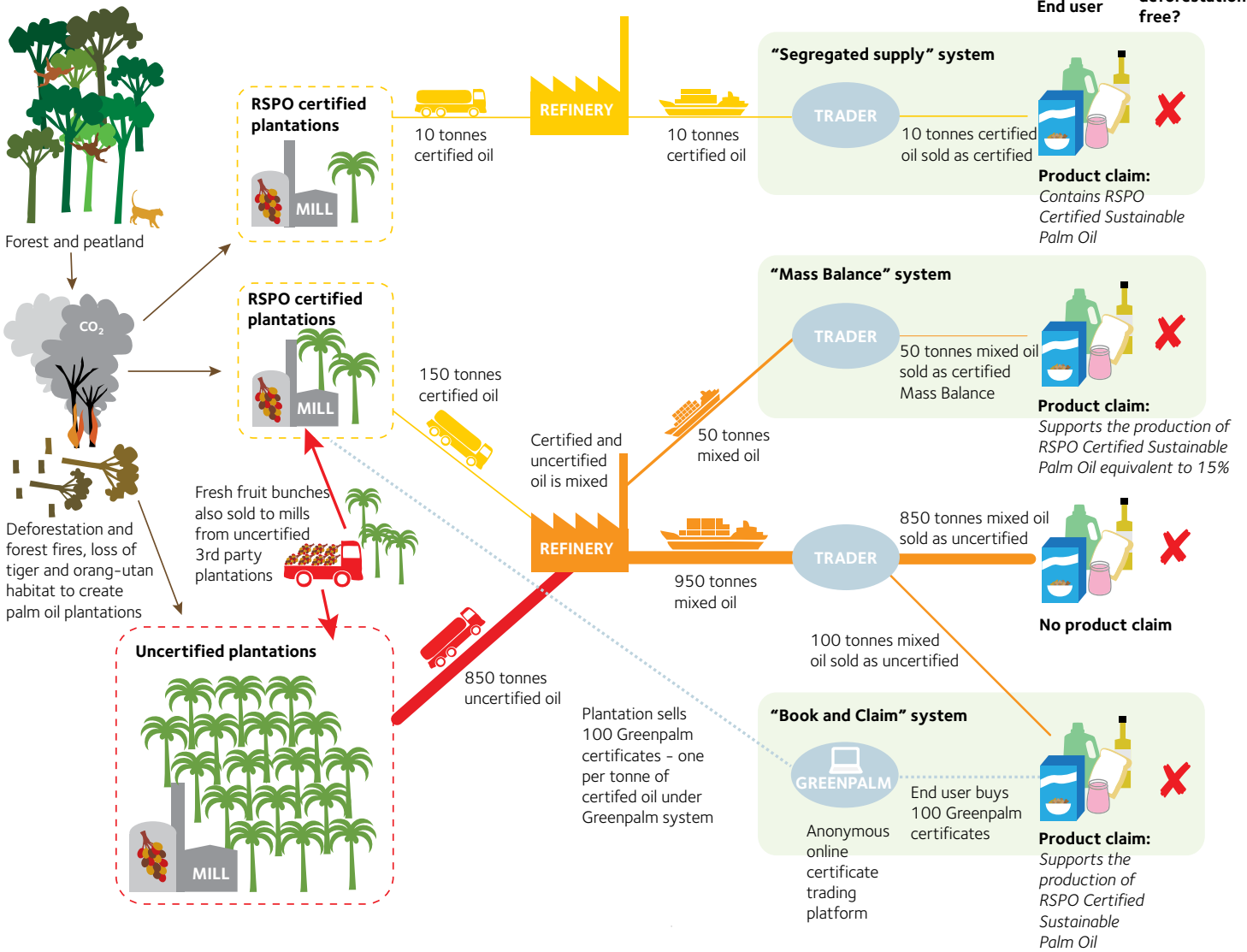
### **May 2013, Riau**

Transport of oil palm fruit by a truck to a crude palm oil processing mill owned by RSPO-member Asian Agri. A report by WWF documented trade in fresh fruit bunches from illegal plantations inside the Tesso Nilo forest complex to this mill as recently as 2012. ©Jufri/ Greenpeace

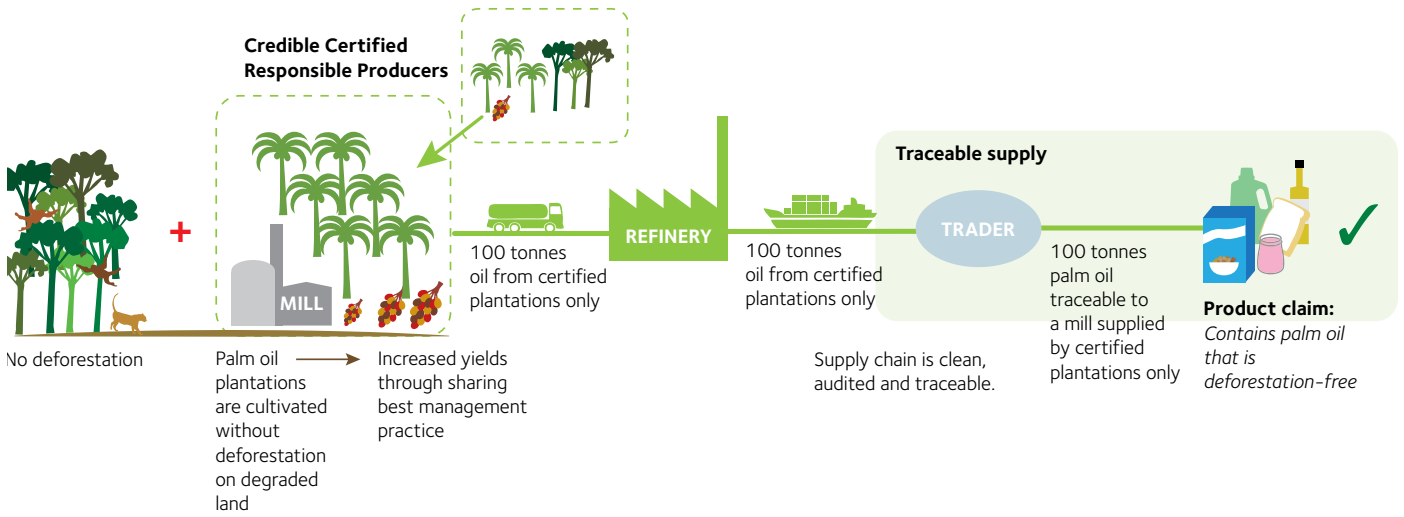


# RSPO SUPPLY CHAINS - how palm oil from deforestation reaches global brands

Can this product be guaranteed to be deforestation free?



## RESPONSIBLE PALM OIL SUPPLY CHAIN



## 2. So what is the solution?

The only solution for the RSPO is to strengthen its standards to ban peatland development and rainforest clearance, and ensure that its standards and procedures are strictly applied.

Some palm oil producers are showing leadership. Companies that have 'gone beyond the RSPO' and committed to policies to ensure forest protection include Golden Agri-Resources,<sup>50</sup> New Britain Palm Oil<sup>51</sup> and Agropalma,<sup>52</sup> whose 'no deforestation' commitments demonstrate that a responsible palm oil sector is possible. Meanwhile, some consumer companies are setting standards for truly responsible purchasing policies. For example, Nestlé has made a clear commitment to break the link between palm oil and deforestation in its own supply chain. However, it is important to monitor closely how these policies are implemented.



**March 2013: Sumatran tiger**  
Deforestation by the palm oil sector is destroying critical tiger habitat.  
©Gratzer

### PALM OIL INNOVATION GROUP

The Palm Oil Innovation Group (POIG)<sup>53</sup> is an initiative by NGOs and progressive palm oil companies not to reject the RSPO but to go beyond it through additional requirements for the industry. POIG aims to stop deforestation through the conservation of high carbon stock (HCS) forests including secondary forest.<sup>54</sup> The POIG charter is not yet finalised but will cover requirements on reserving enough land for local communities' food crops, greenhouse gas emissions and no development on peatlands. POIG calls on palm oil consumer companies to support the organisation and establish mechanisms to trace the origins of their oil.

### Consumer companies and investors are demanding responsible palm oil – but the RSPO cannot deliver it

Greenpeace wrote to over 250 palm oil consumer companies asking how they intend to ensure that their supply chains are not linked to deforestation. Of the replies received so far, it seems the majority of companies are relying on RSPO certification (mostly through Greenpalm certificates) to meet their sustainability commitments. Very few have time-bound commitments to traceability or to remove deforestation from their supply chains.

In 2010, the Consumer Goods Forum (CGF), a global industry network including over 400 retailers, manufacturers and other companies, passed a resolution pledging 'to mobilise resources within our respective businesses to help achieve zero net deforestation by 2020' for commodities including palm oil, and to 'assist forested countries to conserve

their natural assets and enable them to achieve the goal of zero net deforestation'.<sup>55</sup> However, the CGF relies on RSPO palm oil supplies to achieve this goal.

On the investment side, the Sustainable Palm Oil Investor Working Group of signatory companies to the Principles for Responsible Investment is seeking to address unsustainable palm oil's reputational and business risk to producers and purchasers. This group is currently pushing for companies to take responsibility for their own supply chains as well as complying with RSPO standards.<sup>56</sup>

The RSPO has recently reviewed its Principles and Criteria. It now includes improved standards on social issues, but has failed to address the crucial questions of deforestation and GHG emissions, leading to criticism both from consumer companies and NGOs. Companies seeking deforestation-free palm oil now need to go beyond the RSPO to break the link between palm oil and deforestation.

### What share of total palm oil traded or used by you is RSPO-certified?

**Wilmar (world's largest palm oil trader):** 'A modest share of our total palm oil traded is RSPO-certified. Majority of the RSPO-certified oil sold is via Greenpalm.'<sup>57</sup>

**Mondelez:** 'Total palm oil 247,464 Mt (2011). Of this 127,172 Mt was Greenpalm, 20,000 Mt mass balance and 3,912 Mt segregated.'<sup>58</sup>

**P&G:** 'By 2015, 100 percent of our palm oil purchases will be confirmed to have originated from responsible and sustainable sources... [We are] aiming to source certified sustainable palm oil and PKO via the RSPO Mass Balanced (MB) Supply Chain model, but will also source via the Book and Claim model.'<sup>59</sup>

**Mars:** 'By the end of 2013, all our palm oil will be sourced via the Roundtable on Sustainable Palm Oil's Mass Balance program.'<sup>60</sup>

**Unilever:** 'We will purchase all palm oil sustainably from certified, traceable sources by 2020. 100% of palm oil from sustainable sources by end 2012: 97% via GreenPalm certificates; and 3% of palm oil purchased from certified, traceable sources (through a segregated supply) by end 2012.'<sup>61</sup>



May 2013, Riau

An excavator at the rainforest's edge in recently cleared peatland within the Duta Palma group's PT. Bertuah Aneka Yasa oil palm concession.

©Jufri/ Greenpeace

## 3. Should corporate consumers abandon the RSPO?

Consumer companies may use the RSPO standards as a basis, for example to ensure legality and attention to social issues, but need to go beyond them if they want to break the link between palm oil and deforestation to clean up their supply chains. The RSPO has proved to be a very slow decision-making body, moving at the speed of its most conservative members. However, the RSPO remains the largest inter-sectoral body, with a critical mass of membership among producers, traders and corporate consumers. While RSPO standards on forest conversion and on other areas such as land rights are clearly inadequate, they remain an important improvement over no standards at all. Hence, Greenpeace is not calling for companies to abandon the RSPO; rather, we call for them to go beyond RSPO standards.

We believe the initiatives from both producer and consumer companies including GAR and Nestlé should be the rule, rather than the exception. Progress to zero deforestation will only be achieved if the market takes full responsibility for cleaning up its commodity supply chains.

### DEMANDS:

#### Palm oil consumer companies

- Remove dirty palm oil from your supply chains by auditing suppliers and working with them to implement time-bound no-deforestation policies, or cancelling contracts if suppliers fail to act.
- Show leadership on ending deforestation by ensuring full supply chain traceability and advocating industry-wide measures that support an end to deforestation, such as tightening of RSPO criteria as detailed above.
- Report publicly on progress towards all targets.

#### Palm oil traders and processors

- Map all suppliers to reach full supply chain traceability, and screen them for legality.
- Assess suppliers against sustainability criteria and work with them to implement time-bound no-deforestation policies, or cancel contracts if suppliers fail to act.
- Develop and implement traceable supply chains and work on achieving 100% responsible palm oil going into collection points of the supply chain process, eg refineries, mills, port facilities.

#### Palm oil producers

- Implement an immediate moratorium on all new plantation development to prevent the conversion of forests and peatland and ensure that the rights of local communities are not violated.
- Define lands potentially suitable for expansion via High Conservation Value and High Carbon Stock assessments.
- Ensure full legal compliance and free, prior and informed consent for all developments.
- Assess, report and reduce greenhouse gas emissions and report publicly on progress for all targets.

#### RSPO

- Review and revise RSPO Principles and Criteria to include among other reforms:
- No clearance of high carbon stock (HCS) forest.<sup>62</sup>
- No clearance of peat lands or planting on peat.
- Reporting and reducing greenhouse gas emissions.
- Fixed time limits for members to certify all plantations and associated smallholders.
- Strict criteria for members processing FFB and trading palm oil produced by non-members, to exclude illegal supplies and introduce time-bound plans for suppliers' sustainability policies.
- Enforce current standards including:
- prompt and thorough investigation and resolution of complaints against members.
- application of transparency requirements, particularly provision of maps for whole concessions (not just planted areas) and members' annual reports.
- other pro-active measures to monitor the operations of members to ensure that standards are not compromised (eg review of all member operations in Riau following the June fires).
- Work with members to develop and implement fully traceable supply chains.

## NOTES

- 1 Analysis based on landcover maps for 2009 and 2011, provided by the Ministry of Forestry to Greenpeace Southeast Asia in 2013. The 2009 data set contained obvious errors in showing e.g. extensive forest areas in East Java that are absent from the 2009 landcover map made available from the same Ministry's online server (<http://nfms.dephut.go.id/ArcGis/services>). These areas amount to 540,000 ha and have been disregarded in this analysis, in order to avoid an overestimate of deforestation rates. A similar error was detected for Central Sulawesi, leading to the deduction of a further 120,000ha. Deforestation relates to primary and secondary forests as identified on Ministry maps.
- 2 Greenpeace mapping analysis.
- 3 Covering 50% of global production in 2012. Mielke (2013) ISTA Mielke GmbH, Oil World Statistics Update June 2013
- 4 Unless otherwise stated, 'Greenpeace' in this report refers to Greenpeace International.
- 5 Greenpeace mapping analysis.
- 6 Lack of transparency, including by RSPO members, makes it difficult to establish precise concession boundaries and group-level ownership of concessions: the area covered by both RSPO-member-affiliated and non-RSPO concessions is likely to be underestimated and some concession information may be out of date.
- 7 'Affiliated indicates companies that are part of RSPO member groups, including part-owned subsidiaries.
- 8 All data in this report relating to concessions affiliated to members of the RSPO includes concessions of the Duta Palma group, expelled in May 2013 (see main text), since the company was an RSPO member in 2009-2011.
- 9 Greenpeace mapping analysis.
- 10 RSPO website: 'Who is RSPO' viewed 18/7/13 [http://www.rspo.org/en/who\\_is\\_rspo](http://www.rspo.org/en/who_is_rspo)
- 11 RSPO website: 'Why RSPO certification' viewed 18/7/13 [http://www.rspo.org/en/why\\_rspo\\_certification](http://www.rspo.org/en/why_rspo_certification)
- 12 RSPO website: 'RSPO Worldwide Impact' viewed 18/7/13 [http://www.rspo.org/en/RSPO\\_Worldwide\\_Impact](http://www.rspo.org/en/RSPO_Worldwide_Impact)
- 13 RSPO (2013) Principles and Criteria (P&C) 7.3
- 14 RSPO P&C 7.8.2 'high carbon stock' is undefined here.
- 15 National Council on Climate Change (2010) 'Setting a course for Indonesia's green growth' Press conference presentation 6 September 2010 p14 footnote 16
- 16 National Council on Climate Change (2010) 'Setting a course for Indonesia's green growth' Pressconference presentation 6 September 2010 p5
- 17 RSPO P&C 5.6
- 18 RSPO P&C 7.7
- 19 Gaveau, D and M A Salim (2013) 'Nearly a quarter of June fires in Indonesia occurred in industrial plantations' Centre for International Forestry Research (CIFOR), 30 July 2013 <http://blog.cifor.org/18218/research-nearly-a-quarter-of-june-fires-in-indonesia-occurred-in-industrial-plantations/#.UfkEC2TVyaE>
- 20 Gaveau and Salim (2013)
- 21 Landsat scene (Path/Row:127/059)
- 22 CIFOR interactive map at <http://www.cifor.org/map/fire/>
- 23 Yeo, Sophie (2013) 'New map charts spread of Indonesia's forest fires' 2 August 2013 <http://www.rtcc.org/2013/08/02/new-map-charts-spread-of-indonesias-forest-fires/?sthash.vgFTjfoG.mjjo>
- 24 Greenpeace mapping analysis.
- 25 RSPO (2013c) 'Complaint on PT Jatim Jaya Perkasa' 16 July 2013 [http://www.rspo.org/en/status\\_of\\_complaint&cpid=35](http://www.rspo.org/en/status_of_complaint&cpid=35) Of the 21 complaints listed on the RSPO website as of 27 August 2013, this is the only one launched by the executive. [http://www.rspo.org/en/status\\_of\\_complaint](http://www.rspo.org/en/status_of_complaint)
- 26 Ganda Group website <http://gandasawit.com/people>
- 27 Letter from Wilmar to Glenn Hurowitz. Source: Lapidus, Deborah (2013) 'Catapult's Glenn Hurowitz on Bloomberg TV: Who's Responsible for Singapore Forest Fires?' 9 July 2013 <http://www.catapult-campaigns.com/catapults-glenn-hurowitz-on-bloomberg-tv-whos-responsible-for-singapore-forest-fires/>
- 28 Greenpeace International (2007) 'How the palm oil industry is cooking the climate' <http://www.greenpeace.org/international/en/publications/reports/palm-oil-cooking-the-climate/>
- 29 Atus P et al (2009) 'Preliminary grievance against the Duta Palma Group', letter to Dr. Rao, Secretary General of the RSPO, 4 July 2009
- 30 RSPO (2011a) 'Announcement on PT Dutapalma Nusantara by RSPO Grievance Panel' 25 April 2011 [www.rspo.org/news\\_details.php?nid=33](http://www.rspo.org/news_details.php?nid=33), viewed 15 April 2013
- 31 Greenpeace International (2013a) 'A dirty business' <http://www.greenpeace.org/international/en/publications/Campaign-reports/Forests-Reports/Dirty-Business/>
- 32 RSPO (2013) Letter from RSPO to Duta Palma Nusantara 9 May 2013 [http://www.rspo.org/file/Letter\\_to\\_Dutapalma\\_NusantaraTermination\\_9May2013CPRKFinal.pdf](http://www.rspo.org/file/Letter_to_Dutapalma_NusantaraTermination_9May2013CPRKFinal.pdf)
- 33 Pro Wildlife, Save Wildlife Conservation Fund, Rettet de regenwald, KRCS—Korup Rainforest Conservation Society (2012), 'RSPO grievance against the US company Herakles Farms and its national subsidiary Sithe Global Sustainable Oils Cameroon' 10 March 2012 [http://www.save-wildlife.com/downloads/save\\_the\\_forest/rSpo\\_grievance.pdf](http://www.save-wildlife.com/downloads/save_the_forest/rSpo_grievance.pdf)
- 34 HCV Resource Network (2012) 'Technical Panel peer review of Assessment of high conservation value on the SGSOC concession for oil palm development in South-Western Cameroon' [http://www.hcvnetwork.org/resources/assessments/SgSoc%20review\\_hcv%20tp\\_full%20final%20public.pdf](http://www.hcvnetwork.org/resources/assessments/SgSoc%20review_hcv%20tp_full%20final%20public.pdf)
- 35 RSPO (2012) 'Complaints against Herakles Farms/SGSOC' letter to Herakles Farms 8 June 2012
- 36 Farnan, C (2012) 'Letter from Herakles Farms to RSPO re: Herakles Farms NPP Application' 24 August 2012 <http://heraklesfarms.com/docs/npp%20application%20EttEr.pdf>
- 37 Herakles Farms website, 'News: September 6 2012' <http://herakles-farms.com/news.html>
- 38 RSPO (2012) 'Code of conduct for members' [http://www.rspo.org/files/resource\\_centre/keydoc/3%20oen\\_Code%20of%20conduct%20for%20members%20of%20the%20RSPO.pdf](http://www.rspo.org/files/resource_centre/keydoc/3%20oen_Code%20of%20conduct%20for%20members%20of%20the%20RSPO.pdf)
- 39 IOI produced 670,000t of CPO with their own mills, fully based on their own plantations' FFB production, but had a refinery output of 2.9 million tonnes of refined palm oil. IOI (2013) 'Annual Report 2012'
- 40 In 2011, less than 4% of the palm oil and laurics Wilmar traded originated from their own plantations, about 11% from their own palm oil mills. Wilmar (2012) 'Annual Report 2011' and Wilmar (2012) 'Sustainability Report 2011'.
- 41 Musim Mas reported a CPO production of 250,000t to the RSPO for the year 2012 (Musim Mas (2013) 'Annual Communication of Progress to the RSPO, 2012') while it claims to be trading 3 million tonnes of palm and coconut oil per year. Musim Mas website 'Commodities', viewed 28 August 2013 <http://www.musimmas.com/trading.html>
- 42 Eg BSI (2012) 'RSPO annual surveillance assessment (ASA01) and scheme smallholder initial assessment: PT Inti Indosawit Subur – Ukui group' [http://www.rspo.org/sites/default/files/PT\\_IIS\\_ASA01\\_Scheme\\_Smallholder\\_Summary\\_Report\\_Final\\_revised\\_v3-25.pdf](http://www.rspo.org/sites/default/files/PT_IIS_ASA01_Scheme_Smallholder_Summary_Report_Final_revised_v3-25.pdf)
- 43 WWF Indonesia (2013) 'Palming off a national park: Tracking illegal oil palm fruit in Riau, Sumatra' <http://wwf.panda.org/?209261/REPORT-Palming-off-a-National-Park-Tracking-Illegal-Palm-Oil-Fruit-in-Riau-Sumatra> p3
- 44 WWF Indonesia (2013) pp1-2
- 45 RSPO (2013) 'CSPO Uptake and production Feb 2013' Sales of CSPO: Segregated + Mass Balance = 984,138t, Book and claim = 2,495,277t [http://issuu.com/rspo2013/docs/cspo\\_uptake\\_production\\_-\\_charts-feb\\_final](http://issuu.com/rspo2013/docs/cspo_uptake_production_-_charts-feb_final)

- 46 Greenpalm (2013) 'GreenPalm means claiming support – not sustainable palm oil content' <http://greenpalm.org/en/blog-press/blog/greenpalm-means-claiming-support-not-sustainable-palm-oil-content>
- 47 Index mundi, 'Crude palm oil futures end of day settlement price' viewed 23 August 2013 <http://www.indexmundi.com/commodities/?commodity=palm-oil&months=60>
- 48 Greenpalm website: [www.greenpalm.org](http://www.greenpalm.org), viewed August 23, 2013
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May 2013, Riau

A river running through the rainforest in Tesso Nilo National Park in Ukui, Riau.  
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**GREENPEACE**

Greenpeace is an independent global campaigning organisation that acts to change attitudes and behaviour, to protect and conserve the environment and to promote peace.

Greenpeace is committed to stopping climate change.

We campaign to protect the world's remaining ancient forests and the plants, animals and peoples that depend on them.

We investigate, expose and confront the trade in products causing forest destruction and climate change.

We challenge governments and industry to end their role in forest destruction and climate change.

We support the rights of forest peoples.

Our effectiveness lies in our unique independence from government and corporate funding.