

FAUNA & FLORA INTERNATIONAL AND PALM OIL: AN OVERVIEW



Background

Expansion and unsustainable production of palm oil poses a major threat to the world's tropical forests and peat lands. Over 85% of palm oil is grown in Indonesia and Malaysia, where the industry has been particularly damaging to the environment. Rainforests rich in biodiversity, including the iconic and endangered orang-utan, have been deforested. Peat land carbon sinks have been severely degraded contributing significantly to global greenhouse gas emissions.

The global demand for palm oil is expected to double by the middle of this century with supply expanding from Asia to Africa, both home to unique forests and biodiversity. Fauna & Flora International (FFI) believe by working with palm oil companies and influencers of the palm oil sector, we can promote sustainable production and better land-use planning, to provide an opportunity, means and role to avoid further replicating the environmental degradation already seen.

Engaging where it matters

FFI is committed to finding practical, effective solutions to conservation problems which have the greatest positive impact on the ground. FFI recognises that multi-stakeholder and landscape level approaches are needed to address the complex drivers of biodiversity loss and ecosystem degradation. If done right, palm oil sector development can be a positive driving force for jobs, food security, biodiversity conservation and for maintaining ecosystem services.

Building on our extensive experience working with corporate partners in the mining, tobacco, and oil & gas sectors, we have been engaging with the palm oil sector since 2007 in a number of diverse ways, working directly with governments, civil society and companies:

- Actively participating in the Roundtable on Sustainable Palm Oil (RSPO) and Working Groups on High Conservation Value Area (HCVA) management and monitoring.
- Providing technical support and advice to companies throughout the palm oil supply chain to minimise their impact and implement RSPO best practice standards.
- Identifying and protecting HCVA's in palm oil dominated landscapes at concession and landscape level.
- Informing strategic government land-use planning to consider biodiversity.
- Developing financial models related to the Reducing Emissions from Deforestation and Forest Degradation (REDD+) mechanism to finance the protection and management of HCVA.
- Exposing risks to the finance sector relating to dependencies on unsustainable supply chains in the agriculture sector through the Natural Value Initiative.
- Engaging in discussions, forums and symposiums addressing challenges relating to sustainable palm oil.



Roundtable on Sustainable Palm Oil

The RSPO was formed in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders from business, government and the NGO sector. By 2011 one million hectares of palm oil production area have RSPO certification. FFI has been an active member of the RSPO since 2007 and have sat on the Verification Working Group reviewing the Principles & Criteria required for RSPO certified sustainable palm oil. Staff from our Indonesia Country Programme have held positions including Expert Coordinator on the High Conservation Value (HCV) Indonesia Working Group and as Team Leader of HCV Management and Monitoring. We have engaged in the RSPO's Indonesia Small Holder Working Group and are an observer in the Greenhouse Gas Working Group.

FFI is working with oil palm companies such as Cargill to ensure they meet the RSPO's Principles & Criteria. We are also applying the lessons we learned in Indonesia to the emerging palm oil sector in Liberia, to develop a Liberian National Initiative and influence the designation of 500,000 hectares of proposed new oil palm concessions and support the sustainable development of the country's palm oil sector.

High Conservation Value Area assessment and management

High Conservation Value Areas (HCVA) are critical areas in a landscape which need to be appropriately managed in order to maintain or enhance High Conservation Values, such as habitat for an endangered species, carbon storage or provision of freshwater for communities. One of the key RSPO Principles is that no HCV habitat should be cleared for oil palm plantations.

FFI has contributed to the emerging HCV method. Our experts are active on the HCV Resource Network steering committee and carry out HCV assessments for oil palm companies and governments. We are providing support and technical assistance to the Liberian and Indonesian governments to develop National Interpretations of the HCV toolkit making them relevant to the country context.

We are involved in strategic engagement with local and district authorities to ensure HCV assessment results are integrated into revised district spatial land-use plans. This will help avoid palm oil and other development on land with HCV. It also addresses the activities of non-RSPO member palm oil companies.

FFI is keen to ensure that following assessment HCVA are managed and monitored effectively. This is a challenge and FFI aims to develop the REDD+ mechanism to make it appropriate to the palm oil industry in Indonesia providing legal and financial frameworks to manage HCVA within concession land.

Looking forward

FFI only works directly with RSPO member companies that prove they are willing to improve their practices. We also need to influence poor performers and non-RSPO members, this may be through proving best practice, the business case for biodiversity management and protection, raising sector standards and influencing legal frameworks. We believe that by working with leading palm oil companies who are RSPO members, we can help inform innovative solutions and increase the extent of our impact to all sectors operating within a palm oil dominated landscape and benefitting the adjacent communities.

If you have any questions or would like further information please contact:

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