HOW Unilever PALM OIL SUPPLIERS ARE

BURNING UP BORNEO

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NEW EVIDENCE SHOWS EXPANSION BY Unilever PALM OIL SUPPLIERS IS DRIVING SPECIES EXTINCTION IN CENTRAL KALIMANTAN AND FUELING CLIMATE CHANGE

In November 2007, Greenpeace released *Cooking the Climate*, an 82-page report summarising the findings of a two-year investigation that revealed how the world's largest food, cosmetic and biofuel companies were driving the wholesale destruction of Indonesia's rainforests and peatlands through growing palm oil consumption.

This follow-up report provides further evidence of the expansion of the palm oil sector in Indonesia into remaining rainforests, orang-utan habitat and peatlands in Kalimantan. It links the majority of the largest producers in Indonesia to Unilever, probably the largest palm oil corporate consumer in the world.

Unilever uses 1.3Mt of palm oil or palm oil derivative every year – about 3% of global production.1 About half of Unilever's palm oil supply comes from Indonesia.2 As recently as 2005, Unilever purchased 1 in every 20 tonnes produced in the country.3

Unilever has failed to use its power to lead the palm oil sector toward sustainability, either through its own palm oil purchasing – its primary suppliers in Indonesia represent over a third of the country's palm oil production4 – or through its role as leader of the Roundtable on Sustainable Palm Oil (RSPO), whose members represent 40% of global palm oil production.5

Through analysis of maps, satellite data, and on-the-ground investigations between February and April 2008, Greenpeace has mapped out how expansion of the oil palm plantations in Central Kalimantan is fuelling climate change and helping drive orang-utans to the brink of extinction. As Greenpeace investigations show, this expansion into the Indonesian territory of the island of Borneo has in large part been led by companies who are Unilever suppliers and RSPO members.

This destruction is set to get worse. By 2030, demand for palm oil is predicted to more than double that of 2000.6 Between 2006 and 2016 alone, palm oil production is set to increase by close to 15Mt.7

To meet this growth in demand, major producers including Unilever suppliers and RSPO members are expanding their plantation areas into forests and peatlands in Indonesia.8 This expansion – often illegal9 and in breach of RSPO principles and criteria10 – is not only bad for wildlife, it is also bad for the climate and bad for governance.

Unilever itself is implicated in the impacts of this expansion through rapidly growing brand platforms that use significant quantities of palm oil and palm oil derivatives from companies operating in Indonesia. Product brands and brand platforms include *Dove*, *Dirt is Good* (*Persil*, *Omo*, *Surf Excel*), *Knorr*, *HeartBrand* (*Walls*) and *HealthyHeart* (*Flora/Becel*).

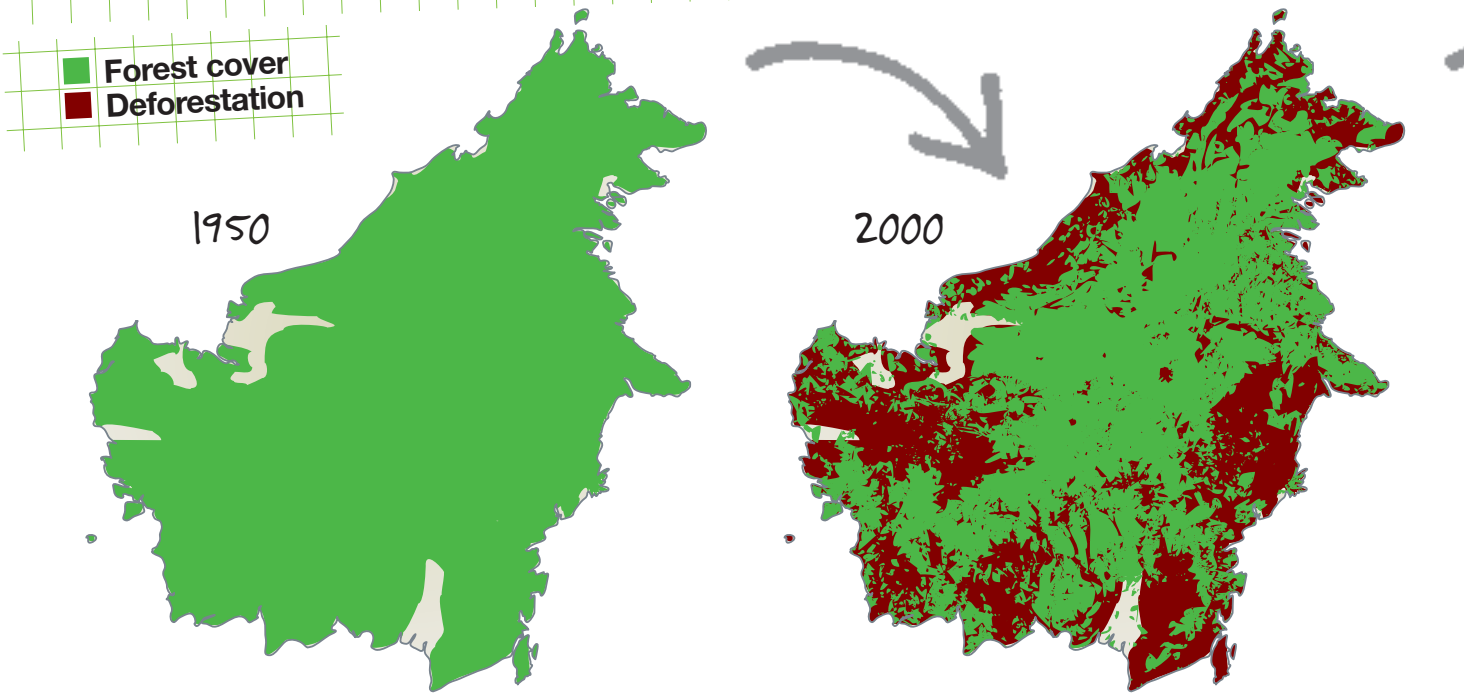
Greenpeace investigations provide new evidence that it is Unilever's own palm oil traders and producers (themselves RSPO members) who are leading 'aggressive expansion' of the sector that results in the devastation of the last remaining orang-utan rainforest and peatland habitat in Borneo.

By failing to apply and enforce RSPO principles and criteria to both traders and producers at group level, Unilever has failed to bring the rapidly expanding palm oil sector under control. The growth of global brands and brand platforms such as *Dove* and *Dirt is Good* is creating incentives for Unilever's suppliers to expand, 'leading to the devastation of the last remaining rain forests in Borneo'.11 As it stands, Unilever suppliers are driving species extinction, climate change through the significant greenhouse gas (GHG) emissions linked to deforestation and peatland destruction, and land conflict with forest-dependent communities.

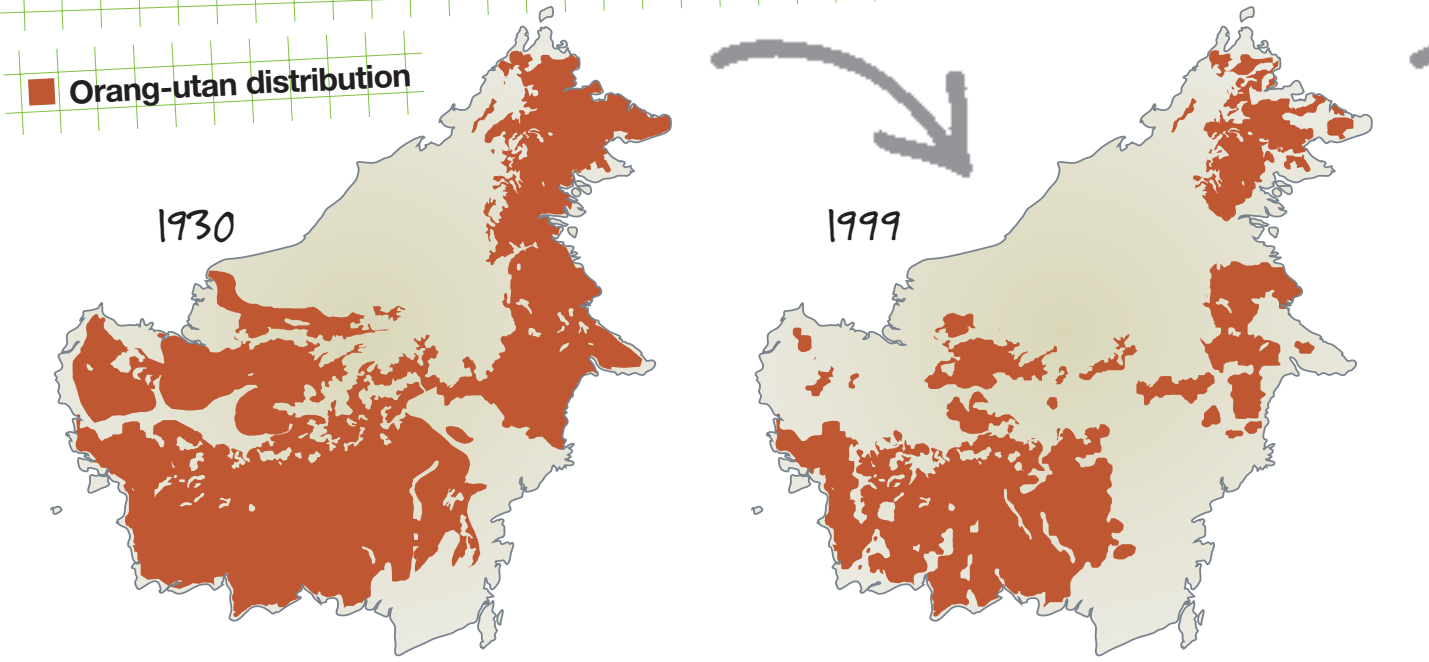
Given the urgent nature of the crisis, the only solution for the global climate, the regional environment, the wildlife and the forest-dependent communities relying upon Indonesia's forest resources is a moratorium on oil palm expansion into rainforest and peatland areas.

MAPPING EXTINCTION: HOW OIL PALM CONCESSIONS ARE DRIVING HABITAT DESTRUCTION AND FUELLING CLIMATE CHANGE

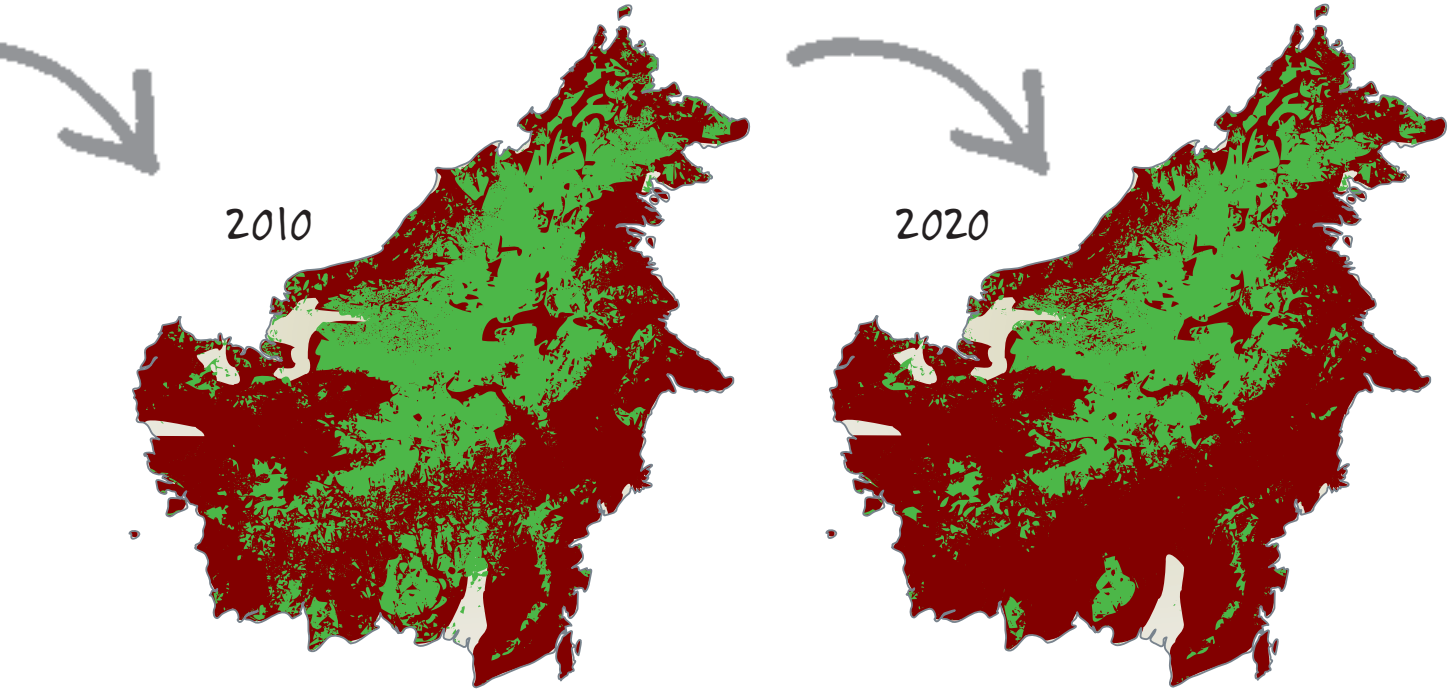
FOREST COVER IN BORNEO: DEFORESTATION 1950-2020



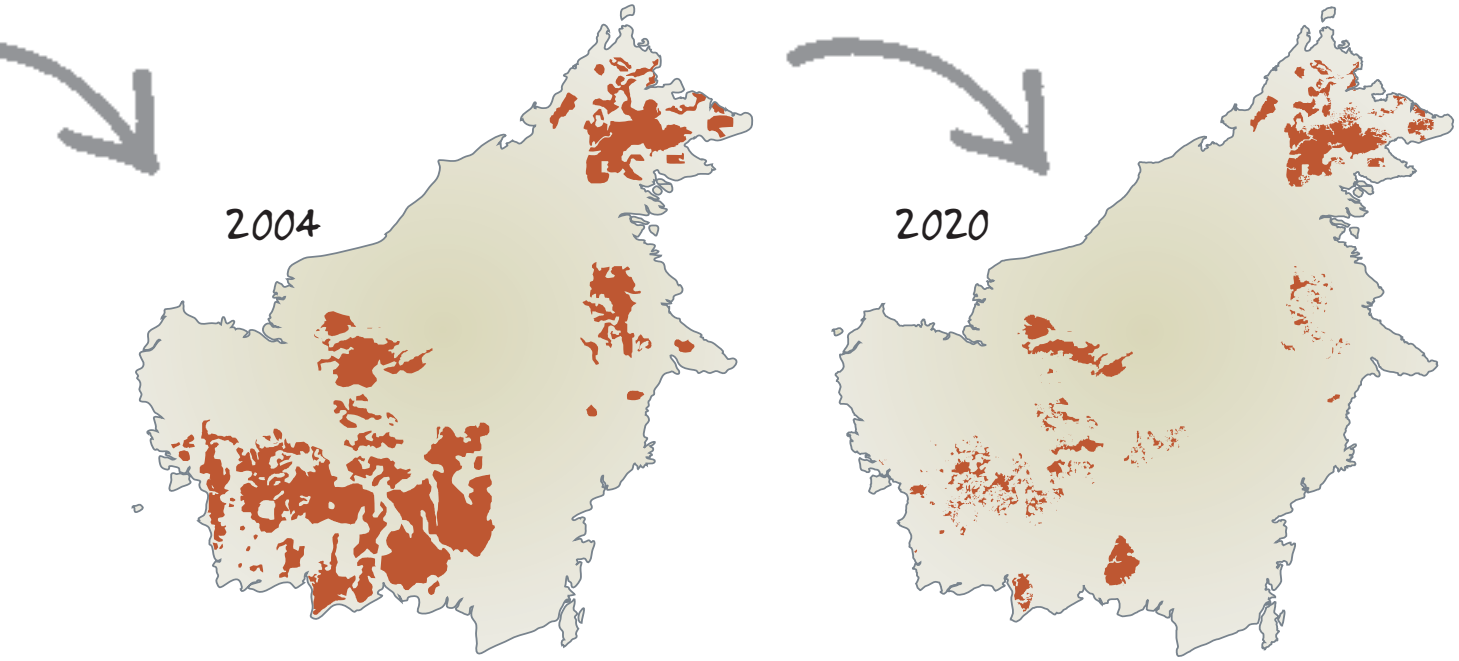
ORANG-UTAN DISTRIBUTION IN BORNEO: POPULATION LOSS 1930-2020



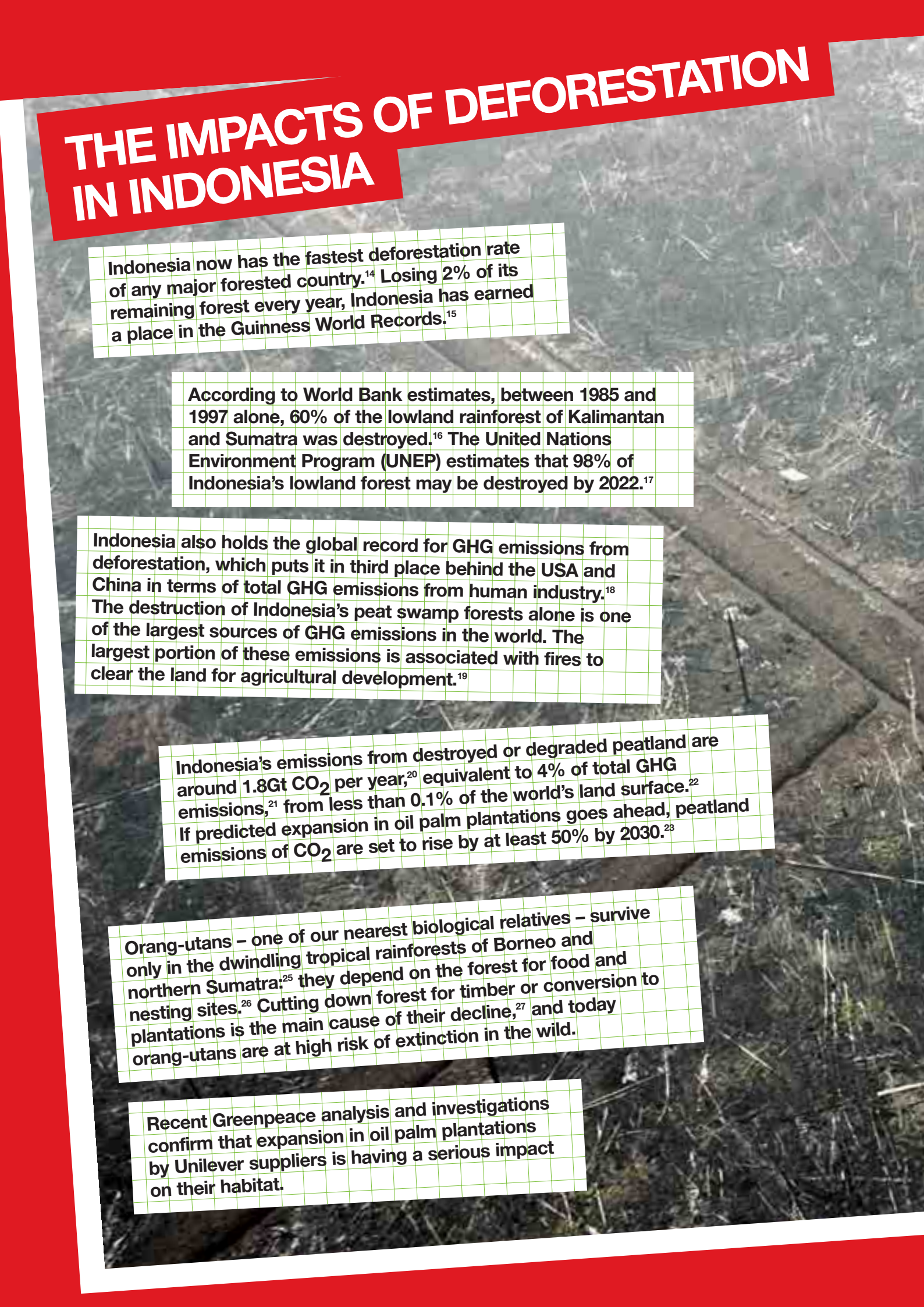
Maps and projections based on 2005 maps compiled by WWF.[12] Forest loss projections are placed around existing road network. WWF estimates that over the period 2000–2020 about 17,280,000ha of forest cover will have been lost.



Maps and projections based on 2005 maps compiled by WWF.[13] The 2020 map shows probable orang-utan distribution only in areas where distribution of 2004 matches predicted forest cover 2020.



THE IMPACTS OF DEFORESTATION IN INDONESIA



Indonesia now has the fastest deforestation rate of any major forested country.[14] Losing 2% of its remaining forest every year, Indonesia has earned a place in the Guinness World Records.[15]

According to World Bank estimates, between 1985 and 1997 alone, 60% of the lowland rainforest of Kalimantan and Sumatra was destroyed.[16] The United Nations Environment Program (UNEP) estimates that 98% of Indonesia's lowland forest may be destroyed by 2022.[17]

Indonesia also holds the global record for GHG emissions from deforestation, which puts it in third place behind the USA and China in terms of total GHG emissions from human industry.[18] The destruction of Indonesia's peat swamp forests alone is one of the largest sources of GHG emissions in the world. The largest portion of these emissions is associated with fires to clear the land for agricultural development.[19]

Indonesia's emissions from destroyed or degraded peatland are around 1.8Gt CO_2 per year,[20] equivalent to 4% of total GHG emissions,[21] from less than 0.1% of the world's land surface.[22] If predicted expansion in oil palm plantations goes ahead, peatland emissions of CO_2 are set to rise by at least 50% by 2030.[23]

Orang-utans – one of our nearest biological relatives – survive only in the dwindling tropical rainforests of Borneo and northern Sumatra:[25] they depend on the forest for food and nesting sites.[26] Cutting down forest for timber or conversion to plantations is the main cause of their decline,[27] and today orang-utans are at high risk of extinction in the wild.

Recent Greenpeace analysis and investigations confirm that expansion in oil palm plantations by Unilever suppliers is having a serious impact on their habitat.