

September 2017

## **Position paper: Palm oil**

Save the Orangutan works for the conservation of the critically endangered orangutan and its habitats in the rainforests of Borneo. In 2016 IUCN updated the status of the Bornean orangutan from “endangered” to “critically endangered”. Thereby the orangutan is “considered to be facing an extremely high risk of extinction in the wild” (IUCN).

The primary cause of deforestation and destruction of orangutan habitats is the development of palm oil plantations. Palm oil is the most used vegetable oil in the world and more than 90% of the global production of palm oil is in Indonesia and Malaysia. The global demand for palm oil continues to increase due to the low price and the properties of the oil.

Unsustainable business practices are widely spread in the palm oil industry. Issues such as illegal logging of forests including orangutan habitat and other high conservation value habitats, killing of orangutans and other endangered species, destruction of unique ecosystems, fragmentation of habitats without corridors for orangutan movement, forest fires and land grabbing are commonly known and widely documented in the industry, all threatening the remaining wild orangutan populations.

The issues of palm oil production is however not black and white. The industry has brought significant economic development to Southeast Asia and employs millions and is a key commodity in the global food industry. In addition palm oil continues to be the most efficient source of vegetable oil measured on volume per hectare, thereby minimising the need for land for agricultural development.

Save the Orangutan promotes sustainable development in the industry and supports the development of better management practices, and does not support a total boycott of palm oil. Companies throughout the supply chain have taken many steps to address the issues in the industry, and certification schemes providing sustainability criteria and traceability have been established. Currently, none of the certification that are available on the market are truly sustainable, but Save the Orangutan supports RSPO as the best available choice on the market and POIG as the most ambitious certification in development.

Save the Orangutan encourages companies in the industry to continue to raise the production standards aiming for a truly sustainable production with no adverse effects on the future survival of the critically endangered orangutan.

**Biofuels**

Production of biodiesel based on palm oil to replace fossil diesel should be avoided. Due to the current level of deforestation in the industry, use of biodiesel based on palm oil causes three times the carbon emissions as fossil diesel as Indirect Land Use Change must be accounted for. As increasing market demand currently drive deforestation and carbon emissions the use of biodiesel based on palm oil cannot be regarded as sustainable.