



WWF SOUTHEAST ASIA NEWSLETTER ON SUSTAINABLE PALM OIL

Issue 2

July/August 2004

This newsletter provides information on developments regarding sustainable palm oil relevant to Southeast Asia. Particular attention is given to the Roundtable on Sustainable Palm Oil, best management practices and high value conservation forests. For a free subscription to the newsletter or to remove your name from the mailing list, contact the editor at kfuller@wallacea.wwf.or.id. We would greatly appreciate your feedback to the editor on the usefulness of the information provided and its format and appearance.

We bid farewell to Andrew Ng, WWF Malaysia's Forest Conversion Initiative Co-ordinator. After 6 years of service, Andrew is leaving WWF Malaysia on July 15 to pursue work finding solutions to issues related to business and the environment. Until further notice, please email Dionysius Sharma, National Programme Director, at DSharma@wwf.org.my or phone him at +60 3 7803 3772 for additional information about the Malaysia program. As of July 1, WWF Malaysia appointed Daniel Chong as the new Forest Conversion Initiative BMP (Best or Better Management Practices) Co-ordinator for WWF-Malaysia. He can be reached at DChong@wwf.org.my or +60 3 7803 3772 for questions about better management practices.

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Roundtable on Sustainable Palm Oil

You Are Invited to the Second Meeting of Roundtable on Sustainable Palm Oil

The 2nd Roundtable Meeting on Sustainable Palm Oil (RT2), organized by the Indonesian Palm Oil Commission (IPOC), the Indonesian Palm Oil Producers Association (GAPKI), WWF Indonesia, and the Roundtable on Sustainable Palm Oil (RSPO), is scheduled to be held at the Grand Hyatt Jakarta on the 5th (Tuesday) and 6th (Wednesday) of October 2004. The meeting is open to stakeholders and representatives involved in palm oil supply, distribution and consumption, including oil palm growers, palm oil processors, consumer goods manufacturers, retailers, banks and investors, environmental conservation NGOs, social NGOs, research and development organizations, sponsors, government agencies and international organizations. This important global meeting will focus on the sustainable production and use of palm oil based on economic, social and environmental viability. The meeting is expected to produce the first draft of the criteria for sustainable palm oil. The meeting will also identify and initiate the implementation of sustainable best practices for the palm oil supply chain.

You must register for the 2nd Roundtable Meeting by 21 September 2004, with the full payment of the registration fee of US\$150. For the complete announcement and registration forms, please go to <http://www.sustainable-palmoil.org/>. If you require further information or clarification on RT2, kindly contact the following: Mr. Eddy Lukas (eddy_lukas@asianagri.com), Mr. Peter Ong (peter88@attglobal.net), or Dr. Rosediana Suharto (dmsi_2003@yahoo.com).

RSPO Encourages Dialogue on Sustainable Palm Oil in Meetings throughout Malaysia and Indonesia

The first in a series of multi-stakeholder briefing and dialogue sessions was held at the RSPO Secretariat in Kuala Lumpur on 11 June 2004. Seventy six participants representing various sectors directly and indirectly related to the oil palm industry in Malaysia attended the event. The RSPO has scheduled similar sessions for Indonesian stakeholders in Jakarta on 2 July 2004 and Medan on 20 July 2004 and for Malaysian stakeholders in Sabah on 4 August 2004. These sessions provide an opportunity for you to voice your opinions and obtain answers to your questions about sustainable palm oil and the RSPO. For more information about past and future meetings go to <http://www.sustainable-palmoil.org> or contact Si Siew Lim at slim@sustainable-palmoil.org.

WWF to Begin Work in China on Sustainable Palm Oil

WWF is starting work in China to engage players in the Chinese palm oil market in the Roundtable process. WWF is similarly seeking to begin to engage players in the Chinese soy market. For more information email Bella Roscher at Bella.Roscher@wwf.ch or call WWF Switzerland at + 41 1 297 2121.

Roundtable on Sustainable Soy

Organizing Committee for Roundtable on Sustainable Soy Established

An Organizing Committee has been established to prepare for the first meeting of a Roundtable on Sustainable Soy. The meeting, open to all stakeholders of the soy value chain, is scheduled to take place at the beginning of 2005. Committed members of the Organizing Committee are: Coop Switzerland (retailer), Cordaid, Netherlands (social NGO), Fetraf do Sul, Brazil (farmers association), Maggi Group,

Brazil (soy producer), Unilever (consumer goods manufacturer) and WWF (environmental NGO). For more information contact Heinz Stalder at WWF Switzerland by email at heinz.stalder@wwf.ch.

High Conservation Value Forests

Second Phase of the Joint Indonesian Palm Oil Commission (IPOC) and WWF Indonesia Assessment of HCVF Underway in West Kalimantan

The Indonesia Palm Oil Commission (IPOC) and WWF conducted the second phase of joint HCVF Assessment inside oil palm plantations in West Kalimantan between 22 June and 1 July 2004. The plantations assessed included six oil palm companies located in along important watersheds of the Kapuas River (in the Kapuas Hulu, Sintang and Sanggau districts). One critical issue was the Lake Sentarum National Park in the upper catchment area of the watershed, which is threatened by several oil palm companies, or companies using oil palm permits to clear land. These operations may have encroached into the buffer zone of the national park.

Similar to the first phase conducted in Riau province, the report of the 2nd phase assessment will be reviewed by a panel of experts from Indonesia's Ministry of Forestry, Indonesia's Ministry of Agriculture, IPOC, company representatives, and WWF Indonesia. The report will provide a basis for discussion at the 2nd meeting of the Roundtable on Sustainable Palm Oil held in Jakarta on October 5-6.

The next step will be to formulate 'better/best solutions' that serve both the interests of businesses and the environment. These solutions will act as a starting point for showcasing the Indonesian palm oil producers' corporate social responsibility and for changing the image of the industry. WWF Indonesia is grateful for IPOC's

willingness to collaborate and for the opportunity to be of assistance. For more information, please contact Fitriani Ardiansyah at FArdiansyah@wwf.or.id or call WWF Indonesia at + 62 215 761 070.

Training/Workshops in Indonesia on Sustainable Palm Oil-High Conservation Value Forests

A series of training/workshops on Sustainable Palm Oil, supported by DOEN-foundation and The Royal Netherlands Embassy-Office of Agriculture, Nature and Food Quality, will start in August 2004 in Indonesia. The training is part of on-going efforts of WWF Indonesia and the Indonesian Palm Oil Commission (IPOC) to assist with the identification and conservation of HCVFs inside oil palm concessions. The training will concentrate on how to use the HCVF concept and tools within a plantation context, providing examples and identifying issues that need to be tackled as a HCVF tool is developed.

The trainings target executives of plantation companies, plantation managers, key government officials and other relevant actors in the palm oil sub-sector in Indonesia. The first training is scheduled for August 13, 2004 in Jakarta. The next three trainings will be subsequently held in Medan (North Sumatra), Pekanbaru (Riau) and Balikpapan (East Kalimantan). Lecturers will be experts from Indonesia and abroad (e.g., Dr. Steve Jennings of ProForest or Dr. James Jarvie). For more information, please contact Fitriani Ardiansyah at FArdiansyah@wwf.or.id or call WWF Indonesia at + 62 215 761 070.

May 25-26 Workshop on High Conservation Value Forests (HCVF) in Kuala Lumpur a Success

Jointly organised by WWF-Malaysia and MPOA, the workshop held in Kuala Lumpur in May to raise awareness and promote discussion of the

HCVF concept and the use of the HCVF toolkit for the oil palm industry in Malaysia yielded positive results. Approximately 30 representatives of the Malaysian oil palm industry attended. With the technical assistance of Dr. James Jarvie and Dr. Steve Jennings of ProForest, the workshop succeeded in providing industry with an open, honest portrayal of the HCVF process, as well as facilitating a frank discussion regarding industry's concerns.

By the end of the workshop, most of the active participants demonstrated a basic understanding of the HCVF concept. Although concerned about complications as a result of the forestry sector's involvement, and although not necessarily the decision makers in their organisations, many participants indicated their willingness to adopt the national HCVF toolkit upon its completion. For more information please contact Dionysius Sharma, National Programme Director, WWF Malaysia, at DSharma@wwf.org.my or call +60 3 7803 3772.

Other

Funding Available for Sustainable Palm Oil Projects--DOEN Pure Oil

The Pure Oil Programme of the DOEN-foundation contributes to more sustainable production of soy and palm oil. For 2004, EUR 500,000 is available for co-funding projects in this field. The deadline for applications is August 1, 2004. Download further information and application conditions:

http://www.doen.nl/pure_oil

RSPO and WWF Participate in ISP Conference in Malaysia

On June 14-15, 2004, the Incorporated Society of Planters (ISP) held their National Conference in Ipoh, Malaysia. At the conference, Teoh Cheng Hai, Secretary-General RSPO, made a presentation on "Developments in the RSPO."

Andrew Ng, WWF-Malaysia, presented a paper on "Industry-WWF Collaboration on Sustainable Palm Oil and Soy," written in collaboration with Bella Roscher, WWF Switzerland. The paper addresses how the palm oil industry, and more recently the soy industry, has developed a constructive relationship with WWF to address difficult issues such as destruction of the world's remaining tropical forests. It describes the changing roles and perceptions of WWF and of industry, and offers insight on the current challenges and opportunities of working towards sustainable oil palm and soy.

For a copy of "Industry-WWF Collaboration on Sustainable Palm Oil and Soy," email Bella Roscher at Bella.Roscher@wwf.ch.

WWF Indonesia on Panel of Debate in Netherlands

A representative of WWF Indonesia was a panellist in the debate entitled 'Palm Oil and Sustainable Development: Dilemmas in the Chain of Custody,' on 18 May 2004, in Amsterdam. The debate was organised by a coalition of Dutch NGOs, including Both Ends, Greenpeace, Hivos, Milieudefensie (Friends of the Earth-Netherlands), Netherlands Committee for IUCN, Nederlands Centrum voor Inheemse Volken, Novib and WWF-Netherlands.

The event provided a rare forum for debate among representatives of the palm oil industry and NGOs from around the globe, such as The Netherlands Board for Margarine, Fats and Oils, the Indonesian Palm Oil Commission, Friends of the Earth-Netherlands, and Sawit Watch. For more information, please contact Fitriani Ardiansyah at FArdiansyah@wwf.or.id or call WWF Indonesia at + 62 215 761 070.

In the News

Financial Press Covers Roundtable on Sustainable Palm Oil

Dow Jones Newswires, July 7, 2004

At odds for years over environmental issues, palm oil industry players and conservation groups have joined hands to set standards that will dictate future production and usage of the commodity. Teoh Cheng Hai, secretary general of the newly formed Roundtable on Sustainable Palm Oil, or RSPO, said that in recent years, the palm oil sector has been increasingly linked to global concerns about deforestation and loss of biodiversity.

In what the industry is touting as a breakthrough, major palm oil players and nongovernmental organizations agreed late last year to put aside their differences and work together. The cooperation has yielded the RSPO, an association set up in April to lead the combined efforts to promote sustainable, environmentally friendly development of the palm oil industry. . . .

For the full story go to

www.sustainablepalmoil.org/PDF/Dow%20Jones%20Article%20on%20RSPO.pdf

Germany Watches Tesso Nilo

On June 12, the German TV channel "VOX" aired a one-hour documentary about Tesso Nilo and deforestation on Sumatra due to pulp and paper and palm oil production. The movie showed how WWF cooperates with industry, the government and local communities to address the problem.

HSBC's Lending Policies to Plantation Companies under Scrutiny: The Guardian, "What's Your Bank Up To in the Rainforest?"

The Guardian, May 29, 2004

Customers expect big companies such as HSBC to respect the environment. Yet an investigation

by the Guardian calls into question whether the policy that is advocated at the top is carried out further down the line. For instance, HSBC is connected with three of the most controversial plantation companies in Indonesia. It is the principal banker to two of them and has in the past co-arranged a major loan deal for the other.

For the full story go to

<http://money.guardian.co.uk/ethicalmoney/story/0,1356,1227100,00.html>

Friends of the Earth Launches Palm Oil Report in the Netherlands

Friends of the Earth Netherlands (Milieudefensie) launched the report "Greasy Palms" in the Netherlands, calling for the use of sustainable palm oil. The Netherlands launch follows the UK launch of the report in the March, when Friends of the Earth began a campaign in the UK to pass legislation to hold UK companies accountable for damage caused by the trade in unsustainable palm oil. For more information go to <http://www.milieudefensie.nl/persber/globalisering/040428eng.htm>

Upcoming Events

The **Second Meeting of the Roundtable on Sustainable Palm Oil** is scheduled for the **5th and 6th of October 2004** in Jakarta. You must register by **21 September 2004**, with the full payment of the registration fee of US \$150. For the complete announcement and registration forms, please go to <http://www.sustainable-palmoil.org/>. If you require further information or clarification on RT2, kindly contact the following: Mr. Eddy Lukas (eddy_lukas@asianagri.com), Mr. Peter Ong (peter88@attglobal.net), or Dr. Rosediana Suharto (dmsi_2003@yahoo.com).

The Roundtable on Sustainable Palm Oil is holding a **multi-stakeholder briefing and dialogue regarding sustainable palm oil** in Sabah, Malaysia on **4 August 2004**. For more

information about past and future meetings go to <http://www.sustainable-palmoil.org> or contact Si Siew Lim at slim@sustainable-palmoil.org.

The **deadline for applications** for funding from the Pure Oil Programme of the DOEN-

foundation is **1 August 2004**. Download further information and application conditions: http://www.doen.nl/pure_oil