



Oil palm

According to the WWF Living Planet Index, the tropical forest species index declined by 25% in the last thirty years. Worldwide, 300 million hectares of tropical forest were converted to non-forest land-uses during the last two decades of the twentieth century. Most of the world's oil palm plantations are within these converted hectares.

Oil palm plantations have often imposed environmental and social costs due to indiscriminate forest clearing, uncontrolled burning with related haze, and disregard for the rights and interests of local communities. Without significant changes in policy and practice, the expansion of oil palm plantations poses a major threat to high conservation value forests, freshwater ecosystems, livelihoods of forest dependant peoples and habitats of endangered species such as elephants, rhinos, tigers and orang-utans.

WWF recognizes that palm oil is a basic foodstuff with high consumer demand. The industry generates valuable foreign exchange earnings and employment opportunities for tropical producer countries. WWF is, however, deeply concerned at the prospect of the industry continuing to expand and operate in an unsustainable manner. WWF calls upon the industry, regulators, financiers, buyers and other stakeholders to work collectively to develop and promote adoption of environmentally appropriate, socially beneficial and economically viable practices in the oil palm industry.

WWF believes that key elements of sustainability within the oil palm industry are:

- **Maintenance of high conservation value forests:** Oil palm plantations should not replace high conservation value forests (see separate position paper). This will normally require well-informed negotiations among a wide range of stakeholders to achieve optimal integration of oil palm plantations with the mosaic of other land-uses in a given landscape or ecoregion.
- **Sound environmental management practices:** Industry participants should adopt management practices to minimize environmental impacts such as air and water pollution, forest fires, soil erosion, pest invasion, human/wildlife conflict and biodiversity loss.
- **Respect for rights of local communities and indigenous peoples:** Industry participants should recognise the legal and customary rights of local communities and indigenous peoples to own, use and manage their lands, territories, and resources. Plantation development should not proceed in areas over which there are unresolved tenure disputes.
- **Positive social impacts:** The industry should maintain or enhance the long-term social and economic well being of plantation workers and local communities. In many cases this will include the strengthening and diversification of the local economy to avoid dependence on a single plantation product.
- **Proficient regulatory frameworks:** Regulatory frameworks should encourage practices that will achieve the desired environmental, social and economic outcomes described above. At a minimum, industry participants shall respect all applicable laws of the country in which their plantations and mills are sited. However, responsible behaviour will often require standards of performance that exceed the requirements of local and national laws, especially where regulatory frameworks are underdeveloped or governance is weak.
- **Transparency:** Industry participants should adopt and make public their policies, practices and implementation plans pertaining to their social and environmental performance. They should encourage independent monitoring of their performance and make public their findings. They should involve local stakeholders both in the development of standards and performance monitoring.

WWF will work with governments, private companies, financial institutions and civil society organizations to:

- Develop and promote adoption of policies and practices consistent with this position
- Eliminate incentives for oil palm plantations to replace high conservation value forests



Position Paper

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One of a series explaining the WWF/IUCN Forests for Life strategy and WWF's current five-year target-driven programme on forests. For further details contact

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