



Sustainable palm oil

Challenges and solutions

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2nd conference on responsible palm oil organised by The Forest Trust

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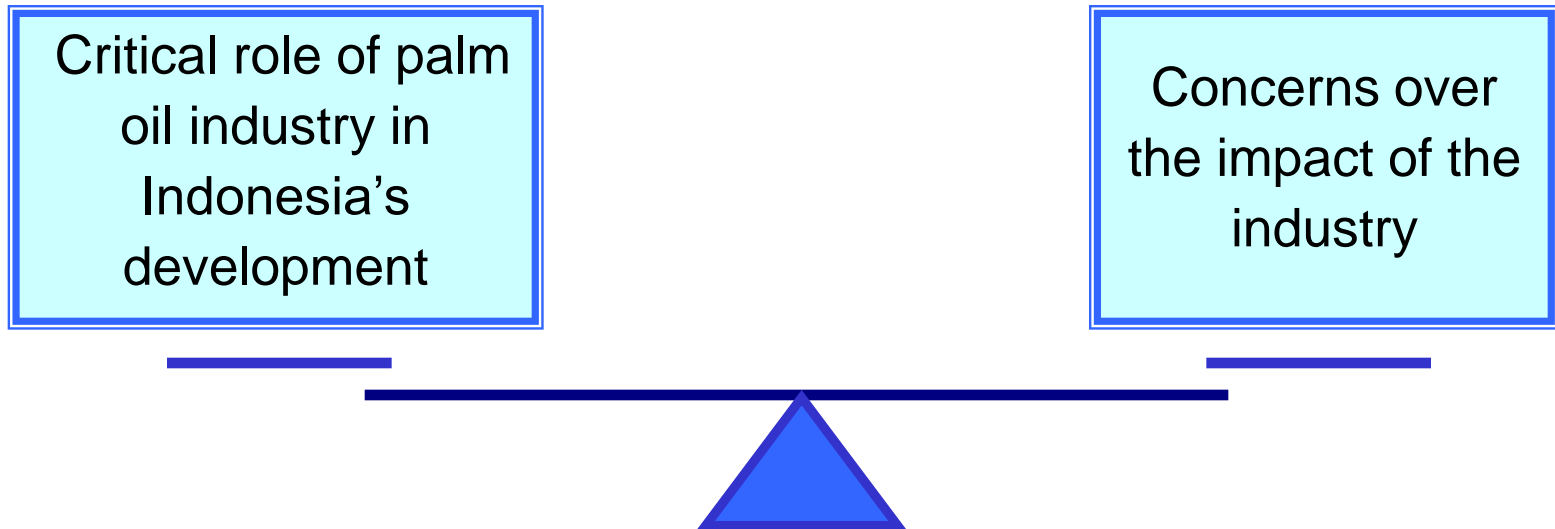
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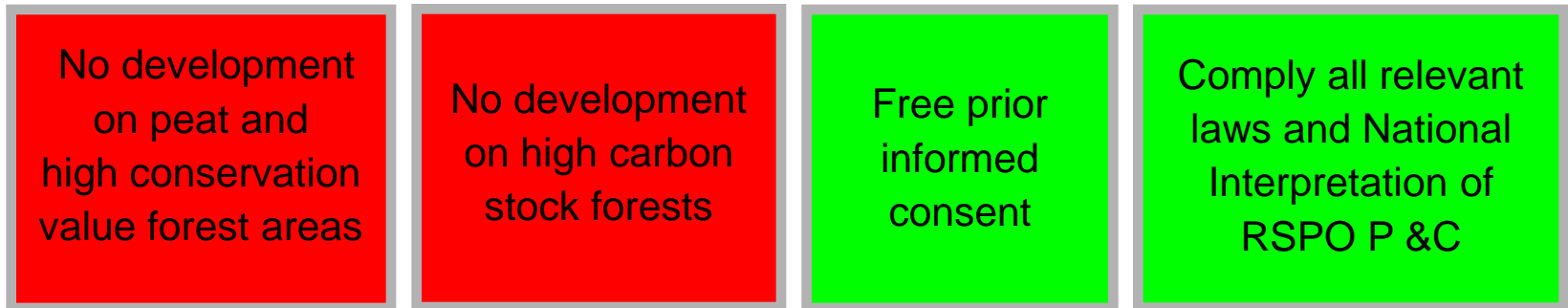
Strategic importance of palm oil to Indonesia



Focus on working with multi-stakeholders to find solutions to sustainable palm oil production.

GAR Forest Conservation Policy

- GAR's FCP in collaboration with The Forest Trust (TFT) to ensure that GAR has a no deforestation footprint. Various stakeholders including Greenpeace have provided inputs.
- FCP focuses on

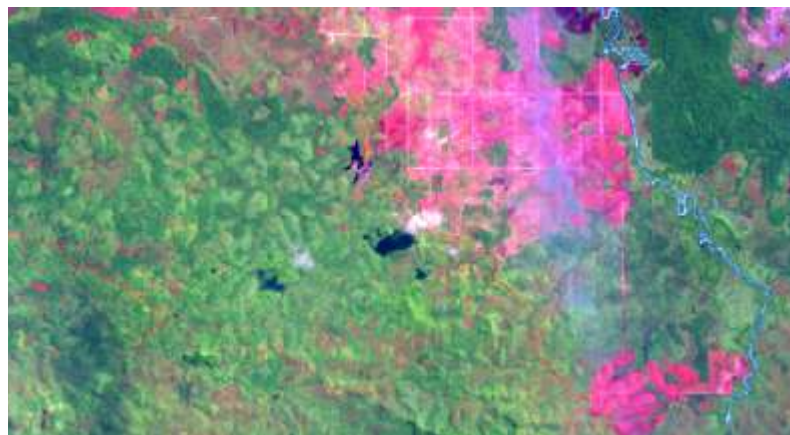


- Applicable to all the plantations that GAR owns, manages or invests in regardless of the stake.
- Ultimately, the conserved High Carbon Stock (HCS) area can revert to its natural ecological function as a forest.

Putting policy into action

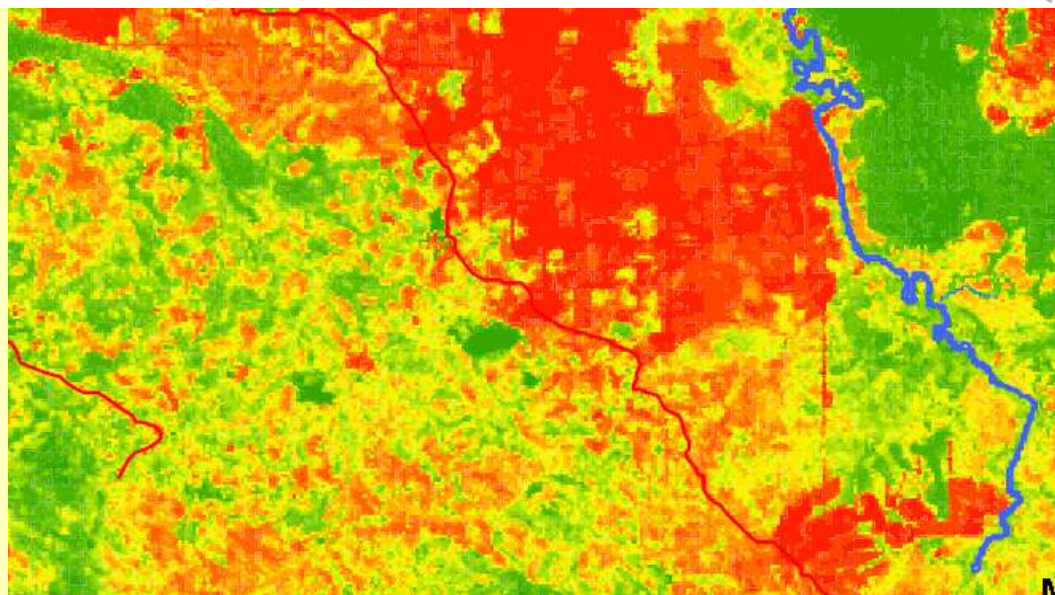
- GAR carried out fieldwork in collaboration with TFT and other stakeholders.
- A provisional definition of exceeding 35 tC/ha is used as HCS forest definition. This definition may change.
- GAR will share the results of the fieldwork when finalised.
- GAR commits to leading the investigation and to promoting the adoption of this new HCS concept across the palm oil industry.

FCP fieldwork: stratification

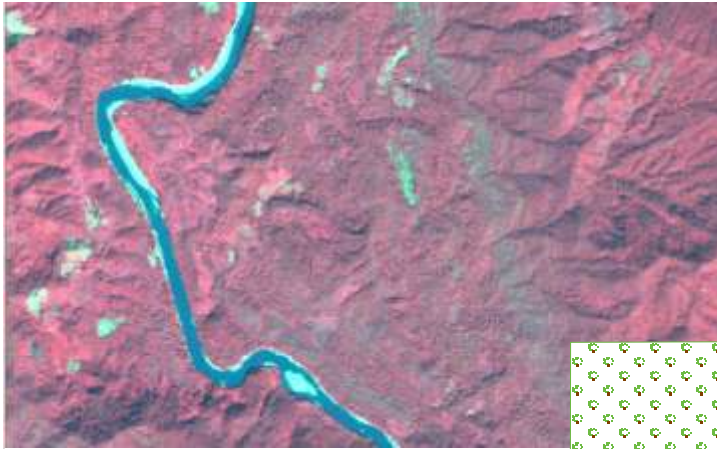


PT KPC
satellite image

After
unsupervised
classification
process

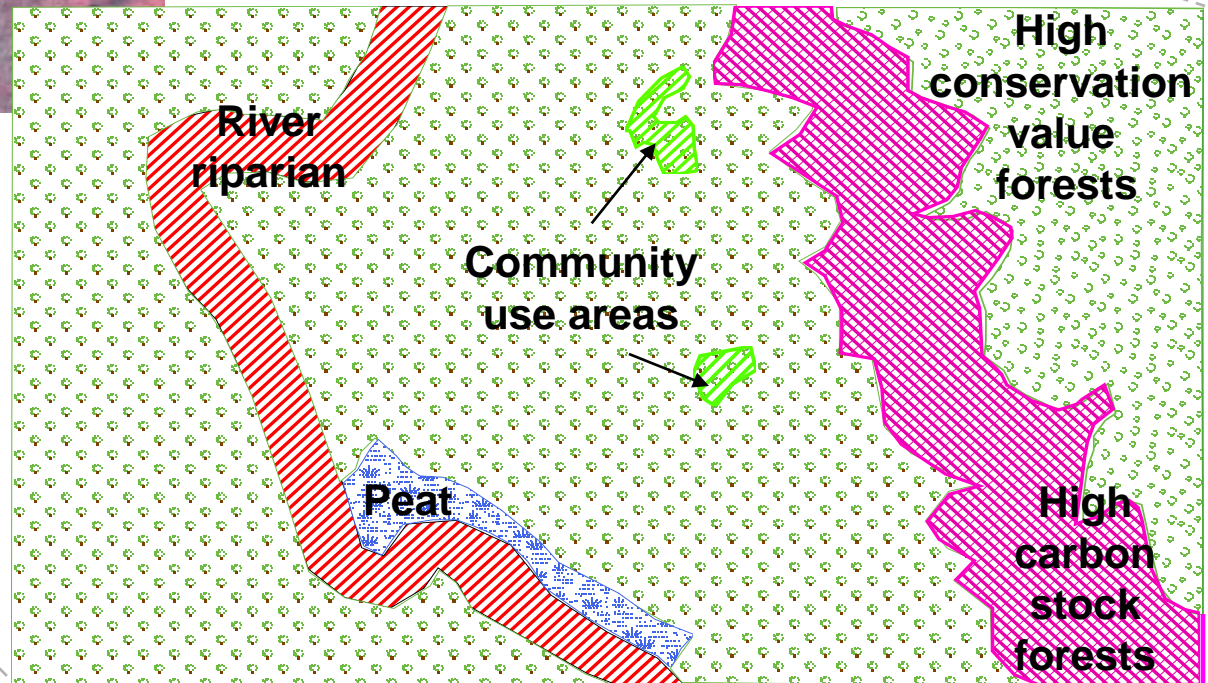


FCP fieldwork: multi-stakeholder participation



The palm oil plantation developed through this approach would have been assessed for a full range of values, including

- Government rules and regulations
- HCV and peat
- HCS areas



Update on FCP fieldwork

In total, 418 plots were measured in four concessions in Central and West Kalimantan.

Period	Concession	Plots measured
Feb - Jun	PT KPC	254
	PT PIP	48
Jul - Oct	PT PGM	11
	PT BAT	105

Holistic approach: complementary policies

- Holistic approach: the Social & Community Engagement Policy (SCEP) and Yield Improvement Policy.
- Guide and shape GAR's decisions in engaging communities.
- Engaged multi-stakeholder approach to develop policies.
- The SCEP process includes consultations with the Government of Indonesia and local stakeholders like Yayasan Dian Desa which were facilitated by Indonesian NGO, LINKS.
- Implementation of policies to be announced.




Challenges

- 
- Local communities
 - Development of plasma

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- Ecology
 - Low biodiversity
 - Capability to regenerate

- 
- Government and industry
 - Economic development
 - Job creation
 - Poverty alleviation
 - Food security
 - Tax revenues

- 
- Patch size
 - Minimum size
 - Connectivity

Solutions through multi-stakeholder collaboration

Local communities

- Multi-stakeholder collaboration to find solutions to convince local communities on value of conservation

Ecology

- Multi-stakeholder collaboration to find solutions to manage and conserve HCS areas

Government and industry

- Support to establish and implement land swap process
- Support of key industry players

Patch size

- Commission studies of patch size and connectivity

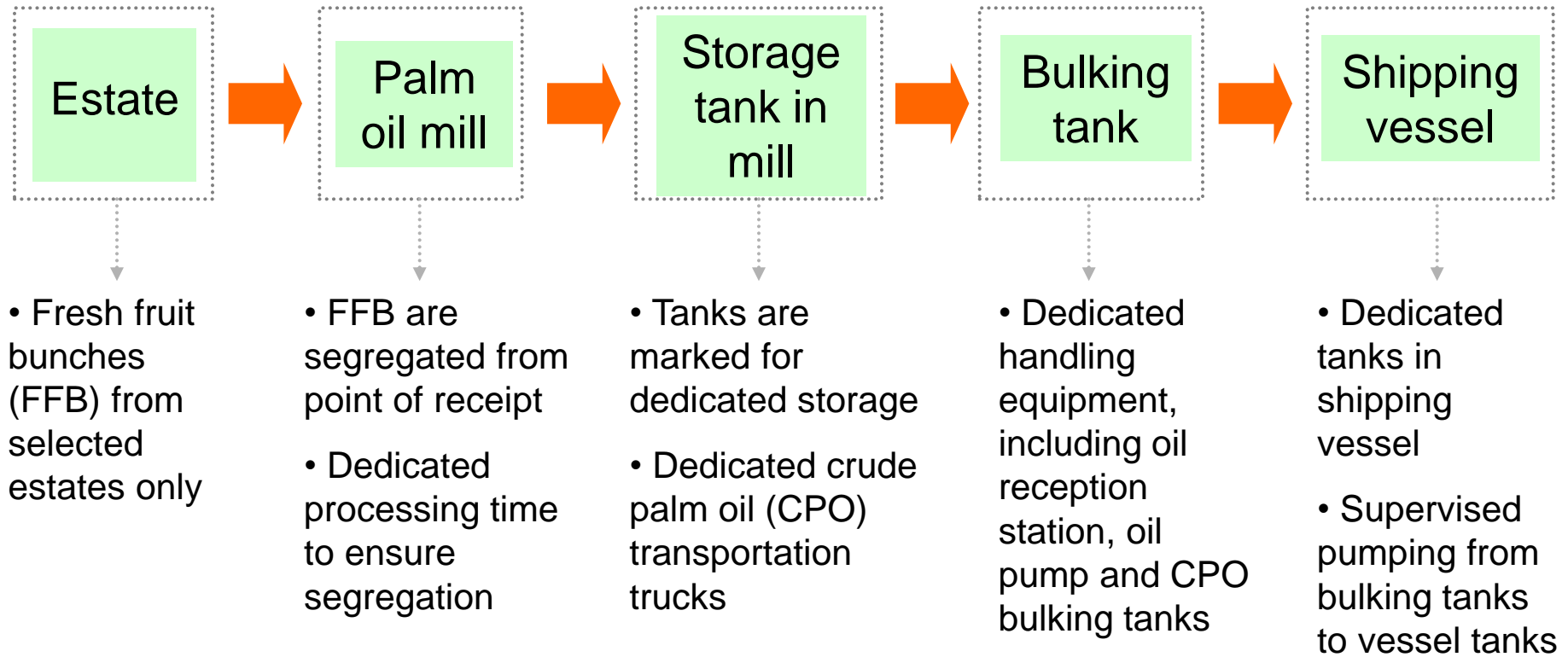
Traceable supply chain

TFT press release (17 May 2010)

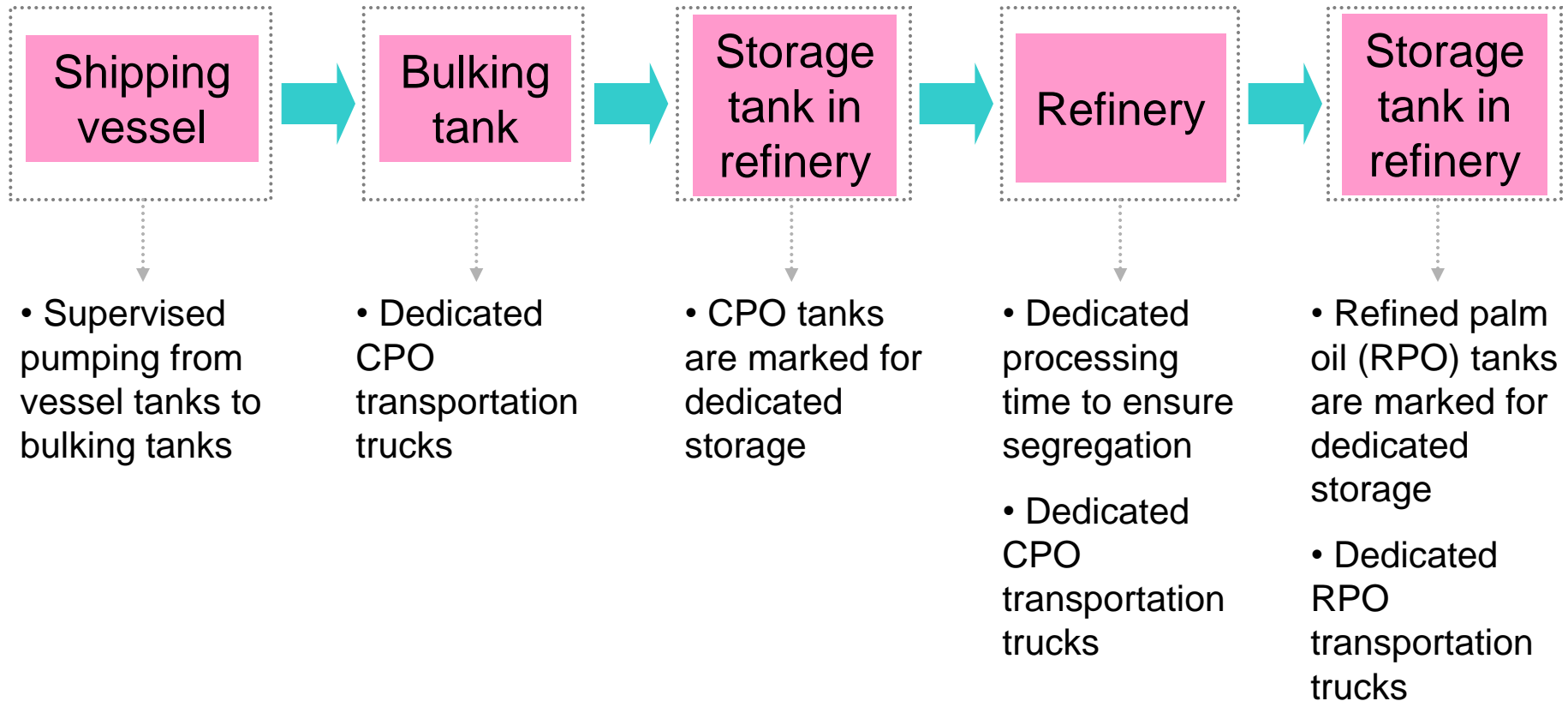
Non-Profit TFT to Follow Palm Oil Back to Source for Nestlé; Swiss Giant Commits to Excluding Suppliers that Destroy Forests

‘The Forest Trust (TFT) announced today that Swiss consumer goods company Nestlé has agreed to a plan that will rid its products of palm oil purchased from suppliers whose activities are destroying vulnerable tropical forests in the developing world.’

End to end segregation: from estate to vessel



End to end segregation: from vessel to refinery



Thank you

