



THE PROBLEM WITH PALM OIL

Palm oil is in products Americans use everyday, from breakfast cereal to cleaning supplies. It's also destroying rainforests, communities and the global climate.

Palm oil is a globally traded agricultural commodity that is used in 50 percent of all consumer goods, from lipstick and packaged food to body lotion and biofuels.¹ U.S. demand for palm oil has tripled in the last five years,² pushing palm oil cultivation into the rainforests and making this crop one of the key causes of rainforest destruction around the globe.

Approximately 85 percent of palm oil is grown in the tropical countries of Indonesia, Malaysia and Papua New Guinea (PNG) on industrial plantations³ that have severe impacts on the environment, forest peoples and the climate.

PALM OIL DESTROYS RAINFORESTS

Indonesia's tropical rainforests are among the world's most diverse. They provide critical habitat to species including highly endangered Sumatran tigers, Sumatran elephants and orangutans. The Indonesian government has announced plans to convert approximately 18 million more hectares of rainforests, an area the size of Missouri, into palm oil plantations by 2020.⁴

PALM OIL THREATENS FOREST PEOPLES

Tens of millions of Indonesians rely directly on rainforests for their livelihoods.⁵ A single palm oil plantation can destroy the forests, watersheds, and forest resources of thousands of Indonesians, leaving entire forest communities to face poverty, many for the first time.⁶

PALM OIL CAUSES CLIMATE CHANGE

Rainforests are the earth's largest sinks of carbon, safely storing the greenhouse gases that cause climate change. In Indonesia, rainforests are razed to create industrial palm oil plantations, releasing massive quantities of carbon dioxide into the atmosphere.⁷ In fact, deforestation causes eighty percent of Indonesia's CO₂ emissions, making the tropical nation the world's third largest emitter of greenhouse gases.⁸



WHO IS RESPONSIBLE?

North American food and agribusiness companies purchase from, operate, and own many palm oil plantations in Southeast Asia, making our corporations a powerful force in the palm oil market.

Through their many well-known brands General Mills is serving meal-size portions of rainforest destruction to millions of U.S. consumers everyday. At least one hundred General Mills products, including such trusted brands as Pillsbury, Betty Crocker, Stovetop Hamburger Helper and Bisquick contain palm oil and its derivatives, violating General Mills' integrity as a food manufacturer and the company's own commitment to making a positive difference in our community and to our environment.⁹

General Mills' food products are the end-product of a complex supply chain that brings rainforest destruction to our convenience stores, supermarkets, and homes. General Mills does not grow any of the tens of thousands of tons of palm oil they deliver to our dinner tables each year; they rely on another U.S. agribusiness giant, Cargill to produce many of the commodities in their food products.



RAN is actively working to stop the destruction of rainforests due to industrial agribusiness expansion. We encourage companies like Cargill and General Mills to stop producing, trading and purchasing palm oil that destroys rainforests using grassroots pressure, corporate engagement, and non-violent direct action.

For more information and to get involved, visit the TheProblemWithPalmOil.org.

Photos by Greenpeace; David Gilbert / RAN



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These two Minneapolis neighbors have a long and intimate relationship and General Mills purchases their palm oil from Cargill. The largest privately owned company in the U.S.,¹⁰ Cargill dominates the American palm oil market. They own five palm oil plantations in Indonesia and PNG and are the largest importer of palm oil into the U.S., sourcing from at least 26 producers and buying roughly 11 percent of Indonesia's total oil palm output.¹¹ A large and growing number of investigations have shown that Cargill's palm oil is directly destroying forests, eliminating biodiversity and harming forest peoples.¹²

Through their purchase of Cargill palm oil, General Mills is violating their own stated corporate social responsibility policy to "be one of the most environmentally sustainable food companies in the world." Until they stop purchasing Cargill's palm oil, General Mills will continue to support the destruction of the world's last great tropical forests and forest communities.

NOTES

- 1 RSPO fact sheet. Promoting the growth and use of sustainable palm oil. 2008. (Accessed at: www.rspo.org/resource_centre/RSPO_Fact_sheets_Basic.pdf on 1/10/10)
- 2 Rainforest Action Network. 2009
- 3 Malaysian Palm Oil Counsel. Malaysia-Indonesia cooperation to strengthen commodity prices. Press Release 11/6/2008 (Accessed at www.malaysiapalmoil.org/pdf/20081106-malaysia-indonesia.pdf on 1/11/2010).
- 4 The Jakarta Post. *Indonesia allocates 18 million hectares of land for palm oil*. 12/02/2009.
- 5 Sunderlin et al. *Economic crises, small farmer well-being, and forest cover change in Indonesia*. World Development. April, 2001.
- 6 See, for example, CIFOR's The impact and opportunities of palm oil in SE Asia (<http://www.cifor.cgiar.org/Knowledge/Publications/Detail?pid=2792>) Friends of the Earth's The Kalimantan Border Oil Palm Mega Project (www.foe.co.uk/resource/reports/palm_oil_mega_project.pdf), and Greenpeace's How the palm oil industry is cooking the climate (<http://www.greenpeace.org/raw/content/international/press/reports/palm-oil-cooking-the-climate.pdf>).
- 7 Sheil, D. et al. *The impacts and opportunities of oil palm in Southeast Asia: What do we know and what do we need to know? Occasional paper no. 51*. CIFOR, Bogor, Indonesia. 2009.
- 8 The Independent. *Deforestation: The hidden cause of global warming*. 5/14/2007 (Accessed at: <http://www.independent.co.uk/environment/climate-change/deforestation-the-hidden-cause-of-global-warming-448734.html> on 12/05/09).
- 9 General Mills. Corporate Social Responsibility Report. 2009 (Accessed at <http://www.generalmills.com/corporate/commitment/corp.aspx> on 12/12/09).
- 10 Forbes. *America's largest private companies*. 10/28/09. (Accessed at http://www.forbes.com/2009/10/28/largest-private-companies-business-private-companies-09_land.html on 10/30/09).
- 11 J. W.V. Gelder, *Greasy Palms: European Buyers of Indonesian Palm Oil*. Friends of the Earth, 2004.
- 12 See for example, Rainforest Action Network's Legacy of Destruction (http://ran.org/fileadmin/materials/comms/mediaccontent/reports/Case_Study_Ketapang.pdf) Commodity Colonialism (http://ran.org/fileadmin/materials/comms/mediaccontent/reports/Case_Study_PNG.pdf).