

NEWS RELEASE

CHINA HOSTS FORUM ON SUSTAINABLE PALM OIL

TIANJIN, CHINA, 18 JULY 2012 – An international forum on the China sustainable palm oil supply chain was held in the Chinese port city of Tianjin on 18 July. The forum, jointly hosted by the Chinese Chamber of Commerce of Foodstuffs and Native Produce (CFNA), WWF China, the Consumer Goods Forum (CGF) and the Roundtable on Sustainable Palm Oil (RSPO), brought together a wide range of government, industry, and NGO representatives. Covering both upstream and downstream issues, the forum highlighted the efforts of RSPO and its member companies to promote the production and consumption of sustainable palm oil. The success of the forum in the world's second largest palm oil importing country is a significant development in RSPO's aim to **achieve global market improvement** by making sustainable palm oil the norm.

Darrel Webber, the multi-stakeholder organization's Secretary General, presented RSPO's progress to date and opportunities for the future, highlighting the role China will play in the promotion of sustainable palm oil. Following his speech, Webber remarked: "China is a key focus for RSPO and the China Sustainable Palm Oil Supply Chain Forum highlighted the desire of all players to push forward the sustainable palm oil agenda in the country. Sustainability issues are receiving increasing emphasis in China, as seen by the government's current 12th Five Year Plan, and RSPO is fully committed to making a major contribution to the country's efforts."

Participants included multinational companies and local Chinese companies from across the supply chain, including palm oil growers, processors and traders, consumer goods manufacturers and retailers. Forum participants exchanged insights and heard more about the strategic commitments from global companies, such as Unilever, Walmart and L'Oreal, towards sustainable palm oil. One of the key messages from the forum was that with international firms making global commitments across their supply chain, it is only a matter of time before China plays an instrumental role in advocating sustainable palm oil domestically.

Webber also commented: "We are seeing many pioneering companies take a lead in steering the market towards sustainable palm oil, in order to ensure the world's future. What is most inspiring is that some of these companies are making commitments before consumer awareness and demand are fully established. This demonstrates impressive corporate accountability in traditionally commercial organizations towards sustainable endeavours."

China is the second largest importer of palm oil in the world, importing around 5.9 million tonnes in 2011. China's palm oil footprint is approximately 1.5 million hectares, roughly the equivalent of Israel. Demand is expected to grow at about 10% annually, and is expected to be around 8.6 million tonnes and 12 million tonnes by 2015 and 2020 respectively. The country is also the world's third largest consumer of palm oil, which is used mainly in the catering, food processing, consumer goods and chemical sectors.

Webber concluded: "China's approach to sustainable palm oil will clearly have a significant impact on the global supply chain. As we approach a critical point in our efforts to protect areas with high bio-diversity, tackle climate change and deforestation and address social issues in producing nations, market transformation in China will be a vital milestone. The RSPO is fully committed to contributing towards China through strategic initiatives which will place the nation at the international forefront of sustainable palm oil."

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About RSPO

In response to the urgent and pressing global call for sustainably produced palm oil, the Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders. The seat of the association is in Zurich, Switzerland, while the secretariat is currently based in Kuala Lumpur with a satellite office in Jakarta.

RSPO is a not-for-profit association that unites stakeholders from seven sectors of the palm oil industry - oil palm producers, palm oil processors or traders, consumer goods manufacturers, retailers, banks and investors, environmental or nature conservation NGOs and social or developmental NGOs - to develop and implement global standards for sustainable palm oil.

Such multi-stakeholder representation is mirrored in the governance structure of RSPO such that seats in the Executive Board and project level Working Groups are fairly allocated to each sector. In this way, RSPO lives out the philosophy of the "roundtable" by giving equal rights to each stakeholder group to bring group-specific agendas to the roundtable, facilitating traditionally adversarial stakeholders and business competitors to work together towards a common objective and making decisions by consensus.

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