Product Sustainability Standard

Palm Oil FAQ

Version 1.0: 2024



What is palm oil?

Palm oil comes from a fruit-bearing tropical palm tree native to Africa called the *Elaesis guineensis*. (The other fruit-bearing tree being *Cocos nucifera*, which produces coconuts.) Palm oil trees begin producing fruit at around 3 or 4 years of maturity and will continue to grow and produce fruit year-round for up to 40 years. Different types of oil can be produced from the fruit and kernel, the palm fruit's seeds. Palm kernel oil is high in saturated fats and is well suited for applications in personal care products and household cleaners. The oil from the palm fruit is better for cooking and baking.

What are the uses of palm oil and why does it seem to be in so many products?

Palm oil is extremely versatile and affordable, making it appealing to companies. It can be used as a liquid oil or vegetable shortening in cooking and baking to replace other fats and oils, especially in vegan products. It's widely used in personal care and cleaning products either as palm oil directly or as the source material for chemicals like magnesium stearate, a common flow agent in personal care products and supplements.

Why does palm oil have a bad reputation?

Current industrialized production of palm oil has extensive environmental and human impacts because standard cultivation practices involve clearing away native ecosystems to plant intensive monocrops of palm producing trees. Historically, palm oil has been grown in southeast Asia in large plantations that contribute to deforestation and destroy critical habitat for species like the Sumerian tiger, Asian rhinoceros, and Sumatran orangutan. The conventional palm oil industry also uses significant quantities of synthetic fertilizers and herbicides and is rampant with human welfare injustices.

If there are so many problems with palm oil, why don't we use a different oil?

Palm oil is not inherently unsustainable, but rather, it is the conventional farming practices of destroying diverse ecosystems for intensive plantations that has made the palm oil industry unsustainable. If grown in a manner that focuses on protecting native habitats, eliminating chemical use, and protecting worker rights, it can yield a very sustainable product. It is a perennial tree crop, so it has the potential to sequester carbon and produce fruit for many years before new trees must be planted and the soil tilled. The fruit is also incredibly oil dense and can produce 5-10 times more oil per acre than any other commodity oil, like soybean, corn, or coconut.ⁱ

PALM V1.0: 2024 1

Why does PCC still use palm oil despite the environmental and social impacts?

PCC uses palm oil because of its potential as a high-yielding and carbon sequestering oil if produced sustainably. Under our palm oil standard, any palm oil or shortening used in PCC's kitchens to make deli or bakery items needs to be sourced from Palm Done Right, or from a Palm Done Right approved source if there are supply shortages. We also encourage brands to use sustainable palm oil when they can and give priority to products with third-party sustainability certifications for their palm oil. Learn more about PCC's palm oil standard here. To learn more about Palm Done Right, see PCC's Sound Consumer article, Highlighting Palm Done Right.

How can I find products with sustainable palm oil?

The best way to know if a product has sustainable palm oil is to look for third-party certification labels like Roundtable for Sustainable Palm Oil (RSPO) or Palm Done Right. PCC carries a number of brands that are certified Palm Done Right, which is the most rigorous standard for sustainable palm. You can find a list of brand partners and retail partners on their website: https://palmdoneright.com/the-people-doing-palm-right/.

What is Palm Done Right?

<u>Palm Done Right</u> is an initiative from the company Natural Habitats. They strive to produce the most sustainable and ethically sourced palm oil in the world and work hard to educate people on the potential benefits of palm oil if "done right." <u>Their promise</u> includes: 100% organic, deforestation-free, wildlife friendly, fair trade and socially responsible. Palm Done Right partners with small farms in Ecuador and Sierra Leone. They also support the role of strong third-party certifications and are certified USDA organic, EU organic, RSPO, Fair for Life (fair trade), and Rainforest Alliance.

What is the Roundtable for Sustainable Palm Oil (RSPO)?

RSPO was the first certification for sustainable palm oil. It was established in 2004 to shift global palm production to more sustainable and less destructive cultivation practices. Its certification seal has become well recognized and has gained widespread support because it was created to help build relationships between diverse stakeholders along the supply chain to help transform the industry and develop consistent global standards. However, their diverse composition, including palm oil producers, processors, investors, banks, retailers, and environmental and human rights groups, has generated criticism that the standards are too weak and contain loopholes to cater to businesses. While there are ways in which RSPO can continue to strengthen its standards, this certification still provides some important sustainability assurances.

Why don't all companies use sustainable palm oil or Palm Done Right?

The supply of sustainable palm oil is limited, making it difficult for all companies to switch to sustainably sourced palm. As the movement towards more sustainably and ethically grown palm oil grows, the supply will increase and hopefully more companies can move away from unsustainable palm oil.

PALM V1.0: 2024 2

Where can I learn more about palm oil?

Palm Done Right has many resources to learn more about palm oil and a good starting place is their set of FAQs: https://palmdoneright.com/faq/. Another good resource is the Rainforest Alliance: https://www.rainforest-rescue.org/topics/palm-oil.

"Palm 101," Palm Done Right, accessed March 25, 2021, https://palmdoneright.com/palm-101/.