

# Do Palm Oil Sustainability Certifications Deliver their Promises? A Review

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## Background

- Oil palm cultivation has been spreading in South East Asia, Central and West Africa, and Central America.
- Being high-yielding crops, they provide farmers with good profit margins
- Environmental problems and human right offenses created public attention
- Palm oil sustainability certifications aim to address these challenges

## Research approach

### Research questions

1. What are the current sustainability challenges (risks, problems) in palm oil production?
2. How successful are palm oil certifications to address these challenges?

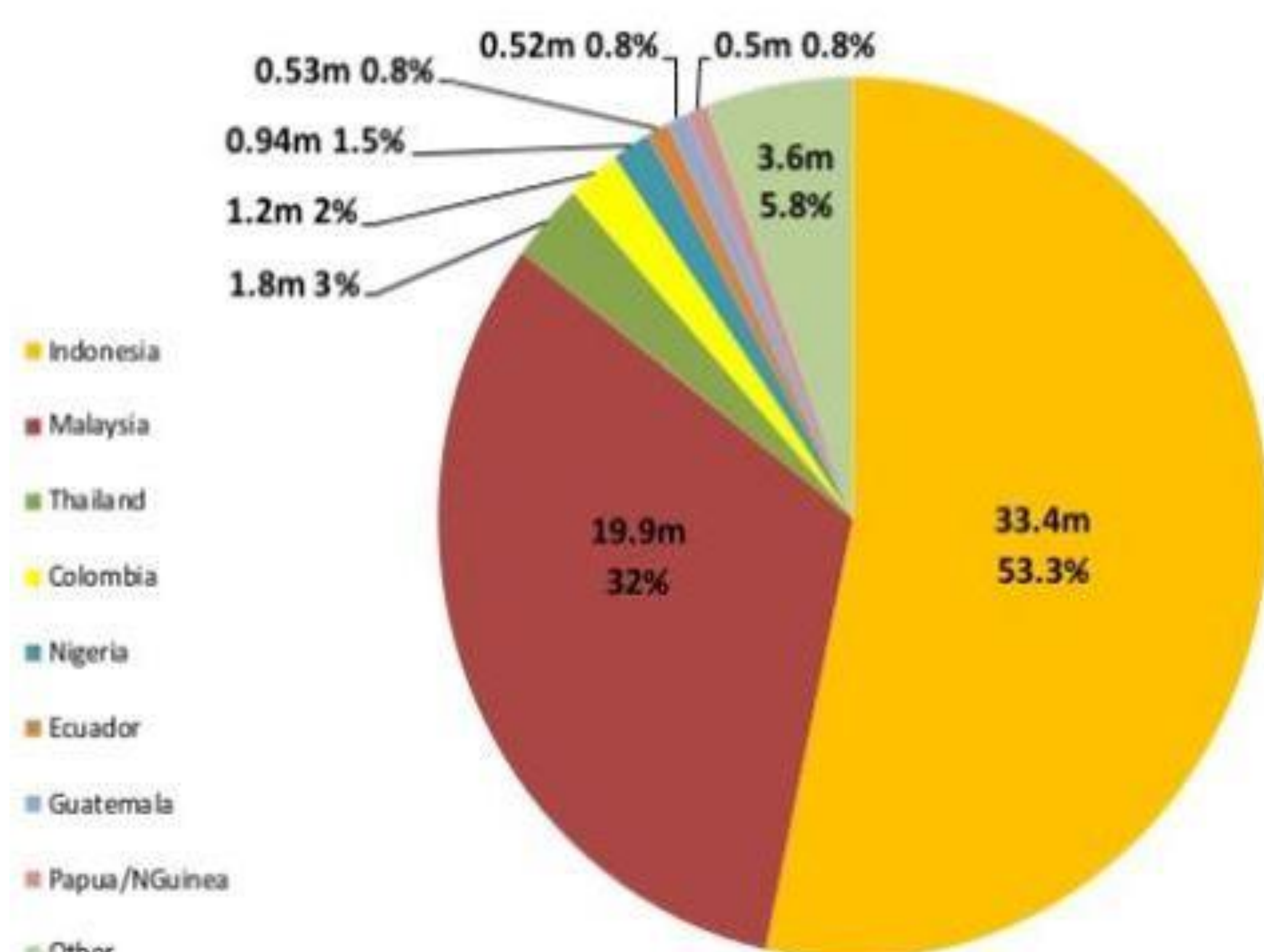
### Method

Review of scientific and grey literature



Source: Palmafrique

**Global Palm Oil Production 2015 – MMT**



**Indonesia & Malaysia = 84 % market share**

Data: oil world June 2016 database  
Source: GreenPalm Sustainability

## Results:

### Environmental challenges

- Peat land conversion and deforestation
- Habitat destruction and biodiversity loss
- Fire and emissions
- Pollution

**BUT:** requires much less land than any other oil crop!

### Social challenges

- Land rights and conflicts
- Labour right offenses
- Child labour
- Human right offenses

**BUT: delivers socio-economic benefits** → more income for smallholders, job creation for landless workers, increased food security

### Palm oil certifications

- Varying socio-economic and agro-ecologic production systems, e.g. in West Africa more positive sustainability effects (more small-scale business, less environmental hazards) than in South East Asia
- Not all sustainability certifications address all challenges (varies between standards, e.g. permission of deforestation, food security, labour rights) → impact varies
- Positive changes due to standards are found
- However: only a small share of production is certified → limited market demand
- Governmental standards, such as in Indonesia and Malaysia, emerge but so far not sufficiently enforced

## Conclusion

- For sustainability, engagement of producer countries is needed through law enforcements
- Progress of the sustainability criteria in major consumers, i.e. China, is needed
- Price premiums needed for sustainably certified palm oil
- Introduction of a “minimum” standard as base for all standards → harmonization needed

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