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Dear Mr Silvius

I am writing to brief you, as a fellow member of the RSPO, on an initiative which Unilever has recently taken on Palm Oil.

Earlier this year Unilever made a public commitment to draw all of its palm oil from certified sustainable sources by 2015. At the same time we pledged our support for an immediate moratorium on any further deforestation in South East Asia associated with the cultivation of oil palm.

We believe that it makes most sense to pursue these objectives through the institutional framework of the Roundtable on Sustainable Palm Oil. We were founder members of this body; it has done good work; we remain committed to it and we want to strengthen it. However given the speed at which deforestation is taking place and deforestation accounting for one-fifth of global greenhouse gas emissions, we believe that more urgent and decisive action is now needed.

Although Unilever is a large user of palm oil we recognise that we cannot achieve our objectives acting alone. So we have set about building a large coalition of international companies and NGO's to support us.

My specific purpose in writing is twofold. Firstly to update you on the progress which we have made and secondly to ask whether you would be prepared to be part of such a coalition.

To date good progress has been made in four areas

1. We have assembled a large global coalition of companies, banks and N.G.Os who wish both to accelerate the creation of a market for sustainable palm oil and who support a moratorium on any further deforestation associated with the cultivation of palm.
2. We have, together with Greenpeace, articulated a set of **draft** principles defining what the moratorium will mean in practice.
3. We have developed a draft of the resolution to be submitted to the General Assembly of the RSPO in Bali in November to effect the necessary rule changes.
4. We are preparing a lobbying strategy in order to put our case to governments around the world to support this market led initiative.

## **1. The Coalition**

To date over 30 companies and organisations have confirmed a willingness to join the coalition. This is being led by Unilever and Greenpeace. The full list of confirmed members is set out in Appendix 1. It contains:

- the four biggest food companies in the world – Nestle, Kraft, Pepsico and Unilever
- some of the largest home and personal care companies – P&G, L’Oreal, Reckitt Benckiser, Henkel, J&J, the Lion and Kao Corporations.
- some of large global retailers – Ahold, Asda -Wal-Mart.
- four N.G.Os with specific knowledge and interest in the subject – Greenpeace, WWF, Oxfam and Conservation International
- some major banks – Rabobank, Fortis, the International Finance Corporation

## **2. The Moratorium Principles**

The principles underpinning the moratorium on deforestation are set out in Appendix 2. These outline in more detail the actions we are requesting of companies who join the coalition.

The key elements to note here are that the principles are designed to be both pragmatic and yet have real teeth.

The pragmatism comes in two areas:

- The principles recognise that to meet rising demand there is a need for future growth in the supply of palm oil. The best way of achieving this is through the improved yields that sustainable agricultural practice can deliver. However it is recognised that suitable land for new plantings may be required as long as sustainability criteria and governance issues are addressed.
- The initial basis for the monitoring of the moratorium will be the Sarvision forest cover maps developed in collaboration with the Indonesian government. If these prove to be inadequate for any reason then we will commission new satellite maps.

The force of the moratorium (its teeth) comes from the fact that the monitoring procedures will ensure that there is absolute transparency as to which growers are respecting the moratorium. This will enable buyers to make their purchasing decisions accordingly.

## **3. Proposals to the RSPO**

The RSPO Principles and Criteria do, as yet, not contain a criterion relating to greenhouse gas emissions from land use change. Also, the RSPO have not implemented a monitoring system for adherence to RSPO Criterion 7.3 (“no replacement of primary forest or any area required to maintain or enhance one or more High Conservation Values”) for lack of a practicable tool to base adherence on. If we are to achieve our goals then we will need to make a change to The Principles and Criteria of the RSPO (particularly its criterion 7.3). This will require a resolution at the November meeting of the General Assembly in Bali. This resolution is currently being worked on by experts from WWF and Greenpeace. However in order for you to have a general idea of what these changes could imply we have prepared a first “strawman” draft of a resolution that we will put to the General Assembly in November. This is set out in Appendix 3 (it is of course subject to change).

## **4. Political Lobbying**

One area of work on which we have not yet embarked is that of lobbying with governments. We are clear that to be successful we will need the support, in the first instance, of both the Malaysian and Indonesian governments, and later, governments in other countries producing palm oil. In fact, the moratorium is meant to be temporary, until such time that governments agree on how the reduction of greenhouse gases resulting from deforestation can be achieved.

We are in the process of preparing a lobbying strategy, but we believe that our influence will be greatly strengthened by the size of the coalition which we have built.

**What Response would we like from this letter?**

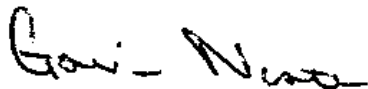
Ideally what we are seeking to achieve from this letter is answers to four questions:

- **First:** does your organisation support the approach being taken by Unilever and will it agree to join our coalition?
- **Second:** do you have any comments on either the moratorium principles or the draft resolution to the RSPO?
- **Third:** would you be willing to vote in favour of a resolution of this kind at the next meeting of the General Assembly of the RSPO in Bali in November?
- **Fourth:** would you be prepared to nominate someone in your organisation with whom we can communicate on a more regular basis? Please provide details (an e mail address and telephone number)

A further progress report to all coalition members will be issued in mid-September. It would therefore be very helpful if I could have your response to this letter in early September.

Meanwhile if anything is not clear please do not hesitate to make contact with me at [gavin.neath@unilever.com](mailto:gavin.neath@unilever.com)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gavin Neath'.

Gavin Neath CBE  
Senior Vice President Unilever