

# Sector supply-chain guidance – palm



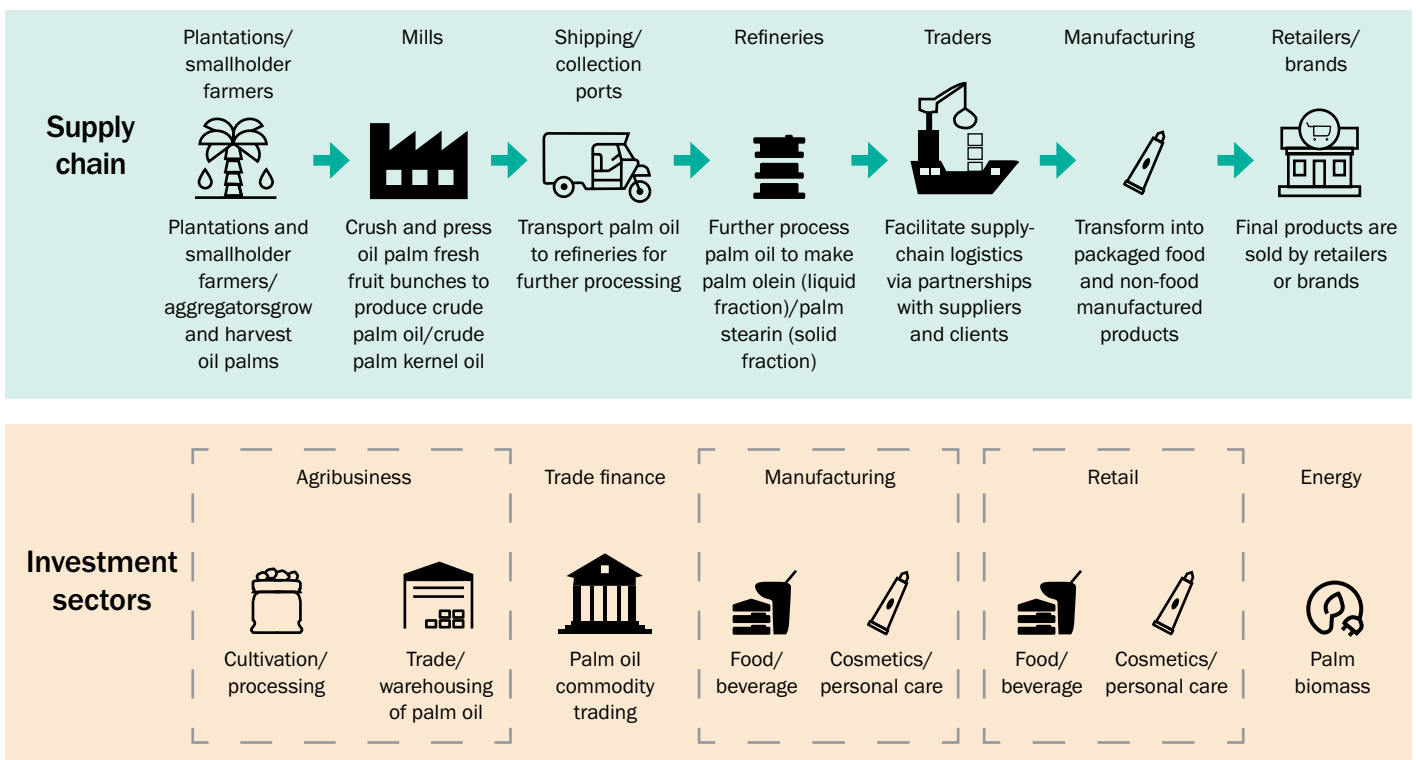
**European Bank**  
for Reconstruction and Development

## 1. Introduction

This note focuses on actions a company in the cocoa supply chain can take. This company may be an EBRD client to which the Bank is providing direct finance or a sub-borrower of one of the EBRD’s financial intermediaries. It may also be an investee company of a fund in which the EBRD is investing.

Below is a generic palm supply-chain map setting out the key elements of the supply chain and associated investment sectors.

**Figure 1. Generic map of the palm supply chain, showing key elements and associated investment sectors**



## 2. Supply-chain mapping and traceability

### 2.1. Production and supply-chain context

The palm supply chain is highly fragmented and complex, spanning multiple countries and involving numerous stakeholders, often including several intermediaries.<sup>1</sup>

The upstream players are the primary palm oil producers, comprising private and government-owned plantations and smallholder farmers. Smallholder farmers can be either “scheme smallholders”, who are contractually bound to specific mills, or “independent smallholders”, who are not linked to any particular mill and sell their crops either directly to nearby mills or via intermediaries. The structure of palm oil production varies significantly from country to country and region to region. In Indonesia, for instance, smallholders

account for around 30-40 per cent of production, whereas in Africa, smallholder farmers are responsible for 70-90 per cent of palm oil production.<sup>2</sup> In general, smallholders are more likely to supply palm oil for local consumption rather than for export.

The top five palm oil-producing countries are Indonesia (59 per cent), Malaysia (24 per cent), Thailand (4 per cent), Colombia (2 per cent) and Nigeria (2 per cent).<sup>3</sup> In total, 83 per cent of oil palm crops in the world are grown in Indonesia and Malaysia, which both produce large amounts of crude palm oil and crude palm kernel oil for domestic consumption and export.<sup>4</sup>

Upstream players also include primary processors such as mills, which must be located within a 50 km radius of the point of harvest in order to process the oil within 24 hours. At the mills, oil palm fresh fruit bunches from different sources

<sup>1</sup> See WWF (2021). <sup>2</sup> See USAID and Tanzania Investment Centre (n.d.). <sup>3</sup> See USDA Foreign Agriculture Service (2024a).

<sup>4</sup> See USDA Foreign Agriculture Service (2024b).

(that is, the plantation linked to the mill as well as various smallholder cooperatives and independent smallholders) are crushed and pressed to produce crude palm oil and crude palm kernel oil.



These are then transported to shipping and collection ports to be sent to local or international refineries for further processing. “Midstream” encompasses these secondary or value-added processors, such as shipping and collection ports, traders and refiners. Lastly, “downstream” includes food and non-food manufacturers, retailers and brands.

The global palm oil supply chain is dominated by large conglomerates such as Cargill, Golden Agri Resources, Wilmar, Asian Agri and IOI Group, which have vertically integrated systems spanning oil palm plantations, mills, refineries and trading.

The top five palm oil-importing countries are India (21.1 per cent), China (13.1 per cent), Pakistan (7.5 per cent), the Netherlands (4.6 per cent) and the United States of America (4 per cent).<sup>5</sup> Most European Union (EU) palm oil imports are currently used for biodiesel and energy, but this is likely to decline with the Renewable Energy Directive (RED) II, which requires a gradual phasing out of palm oil-based fuels by 2030.

Palm oil is used in half of all supermarket products<sup>6</sup> – from beauty and cosmetic products (such as soap, toothpaste and lipstick) and processed foods (such as chocolate, biscuits, instant noodles, margarine and ice cream) to candles, detergents, animal feed and biofuel. Palm oil accounts for about 40 per cent of all vegetable oil produced globally.<sup>7</sup>

**Table 1. Key control points**

<p>Refineries</p> 	<p>A key control point in the supply chain exists at the refiner level, as palm oil is channelled through a relatively small group of processors and a mixture of certified and non-certified product is possible. These refineries operate at a key point of transformation in the supply chain, with good visibility and leverage over their suppliers, including oil mills and plantations.</p>
<p>Traders</p> 	<p>Traders play an important role in providing ongoing identity information to assist supply-chain transparency, as palm oil is channelled through a relatively small group of traders, and a mixture of certified and non-certified product is possible.</p>

## 2.2. Sourcing and purchasing practices

Most buying and selling of crude palm oil or crude palm kernel oil happens under long-term contracts, with typical sourcing relationships between a crude palm oil or crude palm kernel oil supplier and a buyer/trader lasting between three and nine months. Long-term contracts allow for more effective implementation of industry-recognised requirements, as buyers can set conditions of trade and are more amenable to traceability.

Spot buying takes place when a product is sold and delivered to the buyer immediately (or within a few days). Spot buying is not fixed (buyers can purchase from any producer/seller), making it challenging to map the supply chain and have visibility beyond the tier 1 supplier level. Spot buying can vary based on market conditions and individual purchasing decisions. It is typically used to take advantage of immediate price fluctuations or to meet urgent supply needs. Transactions in the spot market are typically one-off and/or may take place through intermediary traders.

The [EU Regulation on Deforestation-Free Supply Chains](#), which will come into force in December 2024, impacts palm oil actors across the supply chain by restricting imports made from oil palm grown outside the parameters of legal deforestation (even if that deforestation would have been allowed under the local laws of the country of production). All operators must conduct due diligence if palm oil or a derived product is placed on the EU market. This will be based on a benchmarking system through which countries, or regions thereof, will be categorised as high, standard or low risk of producing commodities that are not deforestation free, with higher-risk countries or regions subject to more stringent requirements. The benchmarking is still being developed by the European Commission and has not yet been published. The regulation is expected to result in a shift in sourcing to lower-risk producing countries.

## 2.3. Traceability

There are unique challenges involved in palm traceability, primarily due to its highly fragmented and complex supply chain. More often than not, the origins and associated environmental impacts of palm oil supplies are unknown by the time they are used in consumer goods.<sup>8</sup> Most efforts have only extended back to the palm oil mill rather than to the plantations and smallholder farms in the surrounding areas. This occurs as palm fresh fruit bunches are often traded between smallholders and local traders/agents before arriving at the mill. This means that mills may accept both certified and non-certified fruit, making produce harder to trace.

The existence of spot buying also makes traceability a challenge – although buyers know from whom they are purchasing, the entire supply base of each purchase is often not provided until buyers take possession of the physical product. Spot purchases, therefore, have the potential to allow palm oil produced with deforestation to enter no-deforestation certified supply chains.

<sup>5</sup> See TrendEconomy (2024). <sup>6</sup> See Roundtable on Sustainable Palm Oil (n.d.). <sup>7</sup> See Our World in Data (2021).

<sup>8</sup> See WWF (2021).

The move towards deforestation-free palm is a key driver for traceability initiatives. For instance, the future [EU Regulation on Deforestation-Free Supply Chains](#) includes mandatory due diligence requirements (especially rigorous for countries or regions deemed “high risk”) for buyers to provide precise geolocation-based mapping of supplier plantations where the fruit was grown. Yet, despite the industry’s commitment to zero deforestation, research highlights an urgent need for stronger traceability in palm oil production:<sup>9</sup> only 11.5 per cent of the companies assessed have publicly disclosed the geolocations of their third-party supplier plantations. These traceability gaps deepen alarmingly up the supply chain: only 53.8 per cent of companies and 15.9 per cent of scheme smallholders have publicly disclosed georeferenced maps of their own estates and farms.

Key resources on mapping and traceability
<ul style="list-style-type: none"> <li>• Verité <a href="#">Supply Chain Traceability Matrix, Oil (palm)</a></li> <li>• <a href="#">Universal Mill List</a></li> <li>• The <a href="#">Sustainable Palm Oil Choice, Traceability &amp; Transparency</a></li> </ul>

## 2.4. Overview of potential actions to improve mapping and traceability

Table 2. Potential actions for midstream and upstream investee companies to improve mapping and traceability

	Examples of foundational actions	Examples of intermediate actions	Examples of leading practice
Mapping and traceability	<p>Maintaining a complete and accurate list of business partners supplying palm and palm-derived products to the level of refineries.</p> <p>Mapping palm origins back to the country of harvest and then prioritises countries where more action is needed.</p> <p>Starting to map products with a greater palm footprint and a shorter supply chain.</p>	<p>Developing approaches to increase the visibility of the provenance of palm. This may start at country level.</p> <p>Using third-party palm certification (such as the Roundtable on Sustainable Palm Oil [RSPO]) indicating one of the following chain-of-custody models: identity preserved, segregated, or mass balance.</p> <p>Publicly disclosing a list of palm oil mill sources.</p>	<p>Establishing a progressive, time-bound commitment to increasing palm supply-chain traceability to farm level and reports on progress.</p> <p>Using RSPO certification based on identity preserved or segregated chain-of-custody models.</p> <p>Publicly disclosing geolocations of palm oil suppliers.</p>
Sourcing practices		<p>Shifting to sourcing palm oil through long-term contracts that allow for a higher degree of visibility.</p>	

<sup>9</sup> See SPOTT (2023).

### 3. Risk identification

#### 3.1. Linked upstream and downstream risks

##### 3.1.1. Palm plantation / farming

Deforestation is the most significant risk in the palm supply chain at the farm level, although there are also risks of forced and child labour at the plantation/smallholder farm level.

##### Child labour

The US Department of Labour has identified palm oil as a good often produced from child labour, especially in Indonesia, Malaysia and Sierra Leone.<sup>10</sup> Child labour has become increasingly widespread at the palm plantation/smallholder farm level in Indonesia and Malaysia, in particular. Although this work is classified as hazardous by Indonesian regulations, children below the age of 18 are still engaged by their parents to harvest palm fruit at the plantations.<sup>11</sup>

##### Forced labour

The US Department of Labour has identified palm as a good often produced from forced labour, particularly in Burma (palm thatch), Indonesia and Malaysia (oil).<sup>12</sup> In Indonesia, workers report wage theft and unfair deductions.<sup>13</sup> The US Customs and Border Protection agency has issued withhold release orders against two palm oil producers, Sime Darby Plantation Bhd and FGV Holdings Berhad, for the use of forced labour on their plantations in Malaysia.<sup>14</sup>

##### Deforestation

Palm oil production has caused widespread deforestation, and increasing global demand threatens more of the same as production expands.<sup>15</sup> Palm oil grows best in low-lying, wet, tropical areas – exactly where rainforests grow naturally. Deforestation-related activities include fires and tree cover loss over time and the loss of land classifications, such as peatlands, primary forests and high-carbon-density areas. In 2015, one-third of forests cleared for plantations were observed to be peatland.<sup>16</sup> Oil palm plantations accounted for over 50 per cent of all forest depletion in Indonesia from 2017 to 2021,<sup>17</sup> with forests often cleared using the slash-and-burn technique.<sup>18</sup>

Deforestation linked to palm oil production has also been observed in other growing regions, including South America and Africa.

##### Risk of harm/occupational health and safety issues

There are several risks of harm associated with palm production. These include exposure to dangerous pesticides, herbicides and other environmental pollution, such as air pollution from forest fires. Snakebites are also a leading cause of injuries on palm plantations.<sup>19</sup> During land-clearing activities, bee and wasp attacks are also likely to occur. Dangerous tools, such as cutlasses and mattocks, are also associated with injuries and accidents to workers.<sup>20</sup> In general, these issues are often exacerbated by a lack of personal protective equipment<sup>23</sup> and a lack of access to sanitation and basic medical care.

While plantations are generally formalised entities with occupational safety and health management systems in place, non-permanent workers may not always be adequately covered.<sup>22</sup> This may include seasonal workers, contracted workers and accompanying family members.

##### 3.1.2. Mills and refineries

There are risks of harm associated with mills and refineries in the palm oil supply chain.

##### Risk of harm/occupational safety and health issues

There are risks of harm associated with mills and refineries in the palm oil supply chain, including exposure to noise, dust, fumes and aerosols, heavy loads, and slips and falls caused by oil and fat deposits on floors.<sup>23</sup>

##### Key resources on risk identification

- US Department of Labor [List of Goods Produced by Child Labor or Forced Labor](#)
- Verité [Commodity Atlas, Palm Oil](#)
- [Global Forest Watch, Palm Oil](#)
- World Resources Institute, [The PALM Risk Assessment Tool \(PALM Tool\)](#)
- The [Palm Oil Toolkit](#)
- [Palmoil.io](#)
- SPOTT, [Palm oil: ESG policy transparency assessments](#)
- WWF [Palm Oil Buyers Scorecard](#)

<sup>10</sup> See US Department of Labor (2022a). <sup>11</sup> See US Department of Labor (2022a). <sup>12</sup> See US Department of Labor (2022a). <sup>13</sup> Ibid.

<sup>14</sup> See US Customs and Border Protection (n.d.). <sup>15</sup> See WWF (n.d.). <sup>16</sup> See Pacheco, Gnych, Dermawan, Komarudin and Okarda (2017).

<sup>17</sup> See Human Rights Watch (2019). <sup>18</sup> See Balch (2015). <sup>19</sup> See The Economist (2019).

<sup>20</sup> See Decker, Folitse, Manteaw, Swanzy, Larbi and Mahama (2021). <sup>21</sup> See Good Growth Partnership (n.d.). <sup>22</sup> See ILO (2017). <sup>23</sup> Ibid.

### 3.2. Overview of potential risk identification actions

Table 3. Examples of foundational actions, intermediate actions and leading practice in risk identification

	Examples of foundational actions	Examples of intermediate actions	Examples of leading practice
Risk assessment and identification	<p>Identifying supply-chain risks using self-assessment questionnaires for suppliers.</p> <p>Overlaying information on the location of production with environmental and/or social risk information that has a geographical component.</p>	<p>Conducting some risk assessment and prioritisation that informs palm supply-chain risk management activities.</p> <p>Adapting risk identification approach to differences in supply-chain structures, for example, industry structure and production context (for example, smallholder versus plantation production).</p>	<p>Conducting or commissioning risk assessments to prioritise key countries and sourcing regions within the palm supply chain and to identify in greater detail salient labour rights (and biodiversity and deforestation) issues.</p> <p>Reporting on the percentage of palm traceable to at-risk origin (country or subnational).</p>
Ongoing monitoring			<p>Monitoring protocols and tools include all labour and deforestation/biodiversity standards covered in company's supply-chain commitment.</p>

## 4. Risk mitigation

Effective risk mitigation for the palm sector is likely to include participation in industry certification schemes and multi-stakeholder initiatives. Key options are set out below.

### 3.1. Certification schemes

The [Roundtable for Sustainable Palm Oil](#) (RSPO) is the leading industry standard for sustainably produced palm oil, covering deforestation, risk of harm, forced and child labour. RSPO provides certification based on all four chain-of-custody models: identity preserved, segregation, mass balance, and book and claim credits. With the identity preserved model, RSPO palm oil can be physically traced back to a single mill and is kept separate from other palm products (certified or not) throughout the supply chain. The segregated model requires processors to separate RSPO and non-RSPO palm products, but RSPO products from multiple certified mills can be blended. Mass balance allows RSPO and non-RSPO palm products to be mixed at any point in the supply chain. Overall, 11.5 per cent of oil palm area harvested (by hectares) and around 20 per cent of the global palm supply is RSPO-certified.<sup>24</sup> The certification applies to the agricultural production stages of the supply chain, namely, growers (farms) and mills.

There are also government-led certifications, such as the [Malaysia Sustainable Palm Oil](#) (MSPO) and the Indonesia [Sustainable Palm Oil](#) (ISPO) standards. The MSPO and ISPO are not intended as a replacement for RSPO, but to serve as an entry point for companies and smallholder farmers (both cooperatives and independents) with less mature or undeveloped sustainability practices. The MSPO covers environmental risks and employment conditions (although it does not have a specific indicator on forced labour) and it uses the segregation and mass balance chain-of-custody models.

The ISPO is mandatory for all oil palm growers and millers operating in Indonesia and voluntary for smallholders and company/government-owned plantations supplying palm for bioenergy production. Although it has been revised to improve credibility in the global market, the ISPO standard has the weakest human rights safeguards of all palm oil certification schemes.<sup>25</sup> The ISPO covers environmental risks and responsibilities to workers, but not forced labour.

Other relevant certification schemes include the [International Sustainability and Carbon Certification](#), which emphasises no-deforestation and uses segregation, mass balance and identity preserved chain-of-custody models. Another notable one is the [Rainforest Alliance Sustainable Agriculture Standard](#), which uses a mass balance model. This certification includes farm and supply-chain requirements in its Agriculture Standard, which covers deforestation, occupational health and safety, forced and child labour.

<sup>24</sup> See US Department of Labor (2022). <sup>25</sup> See Environmental Investigation Agency (2018).

## 4.2. Multistakeholder initiatives

The palm supply chain is home to several multi-stakeholder initiatives with similar and, in some cases, overlapping objectives.

The aforementioned RSPO comprises more than 4,000 industry actors – producers, manufacturers, investors and civil society organisations – that work together to develop and implement standards for sustainable palm oil production. Collectively, RSPO members accounted for an estimated 41 per cent of global crude palm oil production (by metric tonne) in 2021.<sup>26</sup>

The [Palm Oil Innovation Group](#) promotes the adoption of responsible palm oil production and procurement practices by key players in the supply chain by developing and sharing a credible and verifiable benchmark that builds upon the RSPO, as well as creating and promoting innovations. It acts as a forum for open discussion and sharing of experience with innovations and improvements in: oil palm plantation practices, extraction mill management practices, responsible procurement, product traceability and verification throughout the supply chain. The initiative aims to can break the link between palm oil production and deforestation and human rights violations by setting and implementing ambitious standards.

The “[No Deforestation, No Peat and No Exploitation](#)” commitment (NDPE) was created in 2018 by the Palm Oil Collaboration Group, with [Cargill](#) and [PepsiCo](#) leading the development of the [NDPE Implementation Reporting Framework](#) and Proforest responsible for implementing the tool. It is used by many actors throughout the supply chain and serves as an important instrument for mitigating against deforestation and exploitative labour practices. It is not a certification; rather, it aims to go beyond legal or certification requirements. [Wilmar](#) was the first company to launch an NDPE policy. Stakeholders downstream, midstream and upstream can use the NDPE and its reporting tool. It can also be used as a traceability tool across the supply chain.

Since 2020, the [Human Rights Coalition](#) (HRC – Consumer Goods Forum) has been committed to fighting forced labour throughout global supply chains. Its participants include [Nestle](#), [Danone](#), [Mars](#) and [Marks & Spencer](#). The HRC works collaboratively with the [Forest Positive Coalition](#) and the [Sustainable Supply Chain Initiative](#). It hosts the [People Positive Palm \(P3\) Project](#), which fosters collaboration between consumer goods companies and palm oil suppliers in Malaysia to address forced labour in the sector.

Created in 2019, [Action for Sustainable Derivatives](#) (ASD) is a collaborative initiative by BSR, bringing together 23 of the largest personal care companies, including Croda, Chanel, Estée Lauder and L’Oréal, to engage their suppliers and create a map of the palm oil derivatives supply chain. It aims for supply-chain transformation by increasing transparency, sharing data, monitoring risk, engaging the sector and driving on-the-ground impacts. ASD has also developed the [Sustainable Palm Index](#) (SPI), an evaluation scorecard for members to evaluate their direct and indirect suppliers of palm derivatives in order to create supply-chain maps that are evaluated for risk based on location and the companies involved in the process. ASD’s 2023 report outlined the supply chains for 1,100,000 tonnes of palm-based materials, as well as over 400 suppliers and distributors, including mills, plantations and refineries.<sup>27</sup> Of the refineries and mills from which it requested information, 92-95 per cent reported transparency metrics.

The [Accountability Framework Initiative](#) (AFI) has been helping companies to achieve supply chains free from deforestation, conversion and human rights violations since 2019. The AFI Steering Group consists of [civil society representatives](#) addressing environmental and human rights issues from both a global and a tropical country perspective, such as the Carbon Disclosure Project, Ceres, Proforest, the Rainforest Alliance, Social Accountability International, The Nature Conservancy, Verité, the World Resources Institute and the World Wildlife Fund. The Accountability Framework is intended to be applied directly by companies and their service providers to help guide the establishment, implementation and monitoring of commitments. Companies and other stakeholders can use the framework in two primary ways: 1) as a tool for assessing company policies and systems against consensus-based principles and best practices; and 2) as a resource to support improvement processes.

Since 2019, [Palma Futuros](#) has been focusing on providing technical assistance to palm oil companies in Colombia and Ecuador to develop social compliance systems and relevant tools to prevent child labour, forced labour and other unacceptable working conditions. It is funded through the US Department of Labour and implemented by Partners of the Americas, JE Austin Associates and Social Accountability International.

<sup>26</sup> See RSPO (2022). <sup>27</sup> See ASD (2023).

### 4.3. Overview of potential risk mitigation actions

Specific risk mitigation actions should be based on the results of mapping and risk identification. Based on the overall risk profile for palm oil, focus areas are likely to include deforestation associated with palm oil production, child and forced labour linked to smallholder production and the risk of harm associated with production and processing.

**Table 4. Examples of foundational actions, intermediate actions and leading practice in risk mitigation**

	Examples of foundational actions	Examples of intermediate actions	Examples of leading practice
Deforestation linked to palm oil production	Having a public commitment to sourcing deforestation- and conversion-free (DCF) palm oil.	Having a public time-bound plan in place for the actions the company will take to achieve a DCF palm oil supply chain, including target dates.  Commitments and actions on deforestation covering the entire corporate group (where applicable) and all the types of palm oil used.  Requiring or encouraging suppliers to adopt and implement a DCF policy.  Engaging with the RSPO.	Investing in projects in growing areas that address the root causes of palm-linked deforestation. This may include conservation or forest protection and restoration activities.
Child labour and forced labour linked to smallholder production	Having a public commitment to tackling child labour and forced labour in palm supply chains.	Pursuing relevant partnerships to engage with the root causes of child and forced labour, for example, through multi-stakeholder initiatives.  Engaging with the RSPO.	Investing in projects in palm-growing areas that address the root causes of child labour and forced labour. Potential focus areas may include living incomes and education.
Risk of harm – production and processing	Including relevant provisions, such as the provision of personal protective equipment and training, in supplier contracts and covering all workers on site (including seasonal workers, contracted workers and accompanying family members).	Engaging with the RSPO.	Investing in initiatives that aim to provide basic elements of occupational health and safety (for example, safer agro-chemicals, personal protection equipment and training) to smallholder palm farmers.

## 4. References

- ASD (2023), *Annual Update on Progress: Strengthening Action and Advancing Proactivity on Derivatives*. Available at: <https://static1.squarespace.com/static/6166ce0aec25090d097ac817/t/654b714633137e7c0c6223d2/1699443031062/ASD+Annual+Update+on+Progress+2023.pdf>.
- O. Balch (2015), Indonesia's forest fires: everything you need to know, *The Guardian*, 11 November 2015. Available at: <https://www.theguardian.com/sustainable-business/2015/nov/11/indonesia-forest-fires-explained-haze-palm-oil-timber-burning>.
- E. Decker, B. Foltse, S. Manteaw, F. Swanzy, E. Larbi and S. Mahama (2021), Occupational hazards and injuries among oil palm (*Elaeis Guineensis* Jacq.) farmers in the Kwaebibirem district in the Eastern Region of Ghana. *Ghana Journal of Science*, 62(2): 58-68. Available at: <https://pdfs.semanticscholar.org/f677/eb43ee033eccbe14fd7f6e587bb47865c006.pdf>.
- Environmental Investigation Agency (2018), *Backtracking on reform: how Indonesia's Government is weakening its palm oil standards*, London. Available at: <https://eia-international.org/news/backtracking-reform-indonesias-government-weakening-palm-oil-standards/>.
- Good Growth Partnership (n.d.), *Understand the Supply Chain: Main Environmental and Social Risks*, New York. Available at: [https://static1.squarespace.com/static/5f7ae2d702876c034789c6ff/t/6296392ab6e5a5723c4e5bc3/1654012213166/BN02A+-+Understand+the+Supply+Chain+-+Main+Environmental+and+Social+Risks\\_ENG\\_Final\\_V1.0.pdf](https://static1.squarespace.com/static/5f7ae2d702876c034789c6ff/t/6296392ab6e5a5723c4e5bc3/1654012213166/BN02A+-+Understand+the+Supply+Chain+-+Main+Environmental+and+Social+Risks_ENG_Final_V1.0.pdf).
- Human Rights Watch (2019), "When We Lost the Forest, We Lost Everything": *Oil Palm Plantations and Rights Violations in Indonesia*, New York. Available at: [https://www.hrw.org/report/2019/09/23/when-we-lost-forest-we-lost-everything/oil-palm-plantations-and-rights-violations#\\_ftn7](https://www.hrw.org/report/2019/09/23/when-we-lost-forest-we-lost-everything/oil-palm-plantations-and-rights-violations#_ftn7).
- ILO (2017), *Food and agriculture global value chains: Drivers and constraints for occupational safety and health improvement*, Geneva, Switzerland. Available at: [https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@ed\\_dialogue/@lab\\_admin/documents/publication/wcms\\_588089.pdf](https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@ed_dialogue/@lab_admin/documents/publication/wcms_588089.pdf).
- Our World in Data (2021), *Palm Oil*, Oxford, UK. Available at: <https://ourworldindata.org/palm-oil>.
- P. Pacheco, S. Gnych, A. Dermawan, H. Komarudin and B. Okarda. 2017. *The palm oil global value chain: Implications for economic growth and social and environmental sustainability*. Bogor, Indonesia, Center for International Forestry Research. Available at: [https://www.cifor-icraf.org/publications/pdf\\_files/WPapers/WP220Pacheco.pdf](https://www.cifor-icraf.org/publications/pdf_files/WPapers/WP220Pacheco.pdf).
- Roundtable on Sustainable Palm Oil (RSPO) (n.d.), *Sustainability Transforms the Impact of Palm Oil*, Kuala Lumpur. Available at: <https://rspo.org/why-sustainable-palm-oil/>.
- RSPO (2022), Latest ACOP 2021 report shows robust CSPO production and consumption growth, Kuala Lumpur. Available at: <https://rspo.org/latest-acop-2021-report-shows-robust-cspo-production-and-consumption-growth/>.
- SPOTT (2023), *New assessment reveals palm oil industry's traceability gap ahead of EU regulations – despite high Zero Deforestation commitments*, London. Available at: <https://www.spott.org/news/palm-oil-eudr-traceability-geolocation-zero-deforestation/>.
- The Economist (2019), *Palm oil is bad for biodiversity, with a notable exception*, *The Economist*, 7 March 2019. Available at: <https://www.economist.com/asia/2019/03/07/palm-oil-is-bad-for-biodiversity-with-a-notable-exception>.
- TrendEconomy (2024), *World Merchandise Exports and Imports by Commodity: Palm Oil – Imports and Exports – 2022*, Sofia. Available at: [https://trendeconomy.com/data/commodity\\_h2/1511](https://trendeconomy.com/data/commodity_h2/1511).
- US Customs and Border Protection (n.d.), *Withhold Release Orders and Findings List*, Washington, DC. Available at: <https://www.cbp.gov/trade/forced-labor/withhold-release-orders-and-findings>.
- USAID and Tanzania Investment Centre (n.d.), *Investment Opportunities in the Oil Palm Value Chain, Tanzania*, Washington, DC and Dodoma. Available at: [https://www.tic.go.tz/uploads/text-editor/files/Investment%20Opportunities%20in%20the%20Oil%20Palm%20Subsector\\_1639753164.pdf](https://www.tic.go.tz/uploads/text-editor/files/Investment%20Opportunities%20in%20the%20Oil%20Palm%20Subsector_1639753164.pdf).
- USDA Foreign Agriculture Service (2024a), *Palm Oil 2024 World Production: 80,029 (1000 MT)*, Washington, DC. Available at: <https://ipad.fas.usda.gov/cropexplorer/cropview/commodityView.aspx?cropid=4243000>.
- USDA Foreign Agriculture Service (2024b), *Production – Palm Oil*, Washington, DC. Available at: <https://fas.usda.gov/data/production/commodity/4243000>.
- US Department of Labor (2022a), *2022 List of Goods Produced by Child Labor and Forced Labor*, Washington, DC. Available at: [https://www.dol.gov/sites/dolgov/files/ILAB/child\\_labor\\_reports/tda2021/2022-TVPR-List-of-Goods-v3.pdf](https://www.dol.gov/sites/dolgov/files/ILAB/child_labor_reports/tda2021/2022-TVPR-List-of-Goods-v3.pdf).
- US Department of Labor (2022b), *From Plantations to Your Pantry*, Washington, DC. Available at: <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods/supply-chains/palm-oil>.
- WWF (n.d.), *Palm oil*, Geneva, Switzerland. Available at: [https://wwf.panda.org/discover/our\\_focus/food\\_practice/sustainable\\_production/palm\\_oil/](https://wwf.panda.org/discover/our_focus/food_practice/sustainable_production/palm_oil/).
- WWF (2021), *Palm Oil Trade From Key Landscapes in Asia: Risks and Opportunities for Sustainability Action*, Geneva, Switzerland. Available at: [https://wwfint.awsassets.panda.org/downloads/palm\\_oil\\_trade\\_from\\_key\\_landscapes\\_in\\_asia\\_sept\\_2021.pdf](https://wwfint.awsassets.panda.org/downloads/palm_oil_trade_from_key_landscapes_in_asia_sept_2021.pdf).



June 2024

© European Bank for Reconstruction and Development

Five Bank Street  
London E14 4BG  
United Kingdom

[www.ebrd.com](http://www.ebrd.com)

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, including photocopying and recording, without the written permission of the copyright holder. Such written permission must also be obtained before any part of this publication is stored in a retrieval system of any nature.

#### **Disclaimer**

This document contains references to good practices and should be interpreted bearing in mind the Environmental and Social Policy adopted by the EBRD; it is not a compliance document. It does not alter or amend EBRD policies and does not create any new or additional obligations for any person or entity. In case of any inconsistency or conflict between this document and the Environmental and Social Policy adopted by the EBRD as amended from time to time, such policy shall prevail. Questions of interpretation shall be addressed solely in respect of the Environmental and Social Policy.

The information and opinions within this document are for information purposes only. No representation, warranty or undertaking expressed or implied is made in respect of any information contained herein or the completeness, accuracy, or currency of the content herein. The EBRD does not assume responsibility or liability with respect to the use of or failure to use or reliance on any information, methods, processes, conclusions, or judgments contained herein, and expressly disclaims any responsibility or liability for any loss, cost, or other damages arising from or relating to the use of or reliance on this document. In making this document available, the EBRD is not suggesting or rendering legal or other professional services for any person or entity. Professional advice of qualified and experienced persons should be sought before acting (or refraining from acting) in accordance with the guidance herein.

This document does not constitute or imply a waiver, renunciation or other modification, either express or implied, of any of the privileges, immunities and exemptions granted to the EBRD under the Agreement Establishing the European Bank for Reconstruction and Development, international convention or any applicable law. Certain parts of this document may link to external internet sites and other external internet sites may link to this publication. The EBRD does not accept responsibility for any of the content on these external internet sites.