

WHAT WOULD THE WORLD BE WITHOUT...

by Sabrina Giannini

SABRINA GIANNINI OFF-CAMERA

Palm oil is the most common food oil but producers and manufacturers are very guarded when it comes to showing how it is harvested and refined.

SABRINA GIANNINI

I don't understand why you don't want to show me your company, the plantation.

PRESS AGENT FOR JOKO SUPRIYONO, ASTRA AGRO DIRECTOR

It's an organisational problem.

SABRINA GIANNINI

No, I wanted to know if you told your boss about my request to see the company, to interview him.

PRESS AGENT FOR JOKO SUPRIYONO, ASTRA AGRO DIRECTOR

This decision was made by management.

SABRINA GIANNINI OFF-CAMERA

These companies are strange, they claim to be sustainable and transparent but they don't want to talk, and the same goes for the presidents of the associations representing oil producers both in Malaysia and Indonesia.

PRESS AGENT FOR JOKO SUPRIYONO, ASTRA AGRO DIRECTOR

Please, don't talk negatively about the palm oil industry in your programme in Italy. If my bosses hear you talking negatively about it they'll get rid of me, they'll sack me!

MILENA GABANELLI IN THE STUDIO

The last thing we need is for the Indonesian press agent to take the blame... So: palm oil is the topic of today's section on food by Sabrina Giannini. Hi.

SABRINA GIANNINI IN THE STUDIO

Good evening.

MILENA GABANELLI IN THE STUDIO

So, from tomorrow we'll all be reading the labels...

SABRINA GIANNINI IN THE STUDIO

Let's hope so.

MILENA GABANELLI IN THE STUDIO

Let's hope so. You've been on site to see what the problem is, please tell us more.

SABRINA GIANNINI IN THE STUDIO

Yes. Also because palm oil is no longer disguised on labels, so we can find it. We should mention that palm oil is also found in the products of many sponsors of Expo, which is a prestigious showcase for Italian food production, focusing specifically on sustainable nutrition... We can say many things about palm oil, but not that it's sustainable. We should note that a few years ago these companies started claiming that they only buy certified palm oil, i.e. coming from suppliers who don't destroy

forests and who protect the rights of their workers. This is a demonstration of the power of consumers, who nevertheless need to know; and they also need to know if this sustainability certification is real, or only a cover-up.

SABRINA GIANNINI OFF-CAMERA

Palm oil is behind 50% of industrial product labels and the generic caption “vegetable fat”. However, we have only known this for five months now, when companies were forced to specify it in their labels. Now they fear consumers’ reactions. You only need to go to Indonesia, the main producer of this oil, to understand why. Tanjung national park, Indonesian Borneo. Not all orang-utans are surprised by human presence in their forest. Some of them are orphans rescued by Doctor Birutė Galdikas. Without her, the world’s attention would not have turned to this park, and especially to the areas outside this reserve, which still protects them. It was she who had the idea to give milk and food to the orang-utans in three locations inside the forest, to guarantee a supply of fruit when there isn’t enough on trees, to prevent them from leaving the park to find food. Outside, their chances of survival are increasingly slim.

SABRINA GIANNINI

As you can see, that is the park, the borders of the park, excluding the left bank of the river which is not protected. Here the bulldozers are already at work on a future plantation.

When did you buy the land?

MAN 1

I didn’t buy it, I just took a piece of the forest.

SABRINA GIANNINI

Without permission?

MAN 1

Yes, without permission...

SABRINA GIANNINI

How much do you make?

MAN 2

Sixty thousand rupiahs for a five-hour day.

SABRINA GIANNINI

And how much do you make?

MAN 3

I get one thousand rupiahs per palm.

SABRINA GIANNINI OFF-CAMERA

8 eurocents for each palm that is planted. The average salary on a palm plantation is five euros a day. The low cost of palm oil is only one of the reasons for its growing success in the past thirty years. A time span during which Indonesia has cut and burned an area of rain forest as big as Italy, Switzerland and Austria combined. The equivalent of three hundred football fields of forest disappears every day in South East Asia at the hands of wood traders, who free up space for palm plantations. Eighty species risk extinction on Sumatra, the island hardest hit by fires. At the beginning of the dry season and on windy days a pungent smoke cloud reaches the island in front,

suffocating the people in Singapore and Malaysia. Malaysians however can't complain, as it was their government that in the 1960s subsidized the cultivation of this African plant, introduced to the region a hundred years ago by two British men: Sime and Darby. The listed company that bears their name, which by the way is a supplier of Ferrero, is the only one, among the many we contacted, to have opened its doors to us. But what is the price on the market?

SIME DARBY REFINERY DIRECTOR – KUALA LUMPUR

The white core is much more expensive, yes: 900 euros per tonne, while the orange part is 500-600 euros per tonne. In Europe you prefer this product for the confectionery industry.

SABRINA GIANNINI

Making chocolate?

SIME DARBY REFINERY DIRECTOR – KUALA LUMPUR

This is the raw material that they buy and process.

SABRINA GIANNINI OFF-CAMERA

After being picked, the palm fruits are steamed for sterilisation; they are then pitted, cooked, pressed and filtered. The resulting oil has a reddish colour due to its high beta-carotene content. The problem is that the refining process destroys carotenoids and antioxidants. The saturated fats, on the other hand, stay.

SIME DARBY REFINERY DIRECTOR – KUALA LUMPUR

In Malaysia we mostly use a physical refining process, because the chemical one is more expensive. Look at these two products: this one was refined with a chemical process; this one was refined physically. Some clients for some reasons prefer the chemically-refined product.

SABRINA GIANNINI

Which clients?

SIME DARBY REFINERY DIRECTOR – KUALA LUMPUR

The big ones.

SABRINA GIANNINI

Why is that?

SIME DARBY REFINERY DIRECTOR – KUALA LUMPUR

We've asked them, but they never gave us a reply.

SABRINA GIANNINI OFF-CAMERA

Maybe to ensure that the recipe remains the same. With chemical processing, traces of solvents could remain in the product. Which is what happens with any oil extracted with this process. A process that we would have liked to see.

SIME DARBY REFINERY DIRECTOR – KUALA LUMPUR

Turn it off! Turn it off!

SABRINA GIANNINI OFF-CAMERA

The only ones who can determine the success or decline of a product are obviously the consumers. For this reason they are often kept in the dark; until December,

industries could get away with writing "vegetable fat" on their labels. Today they are required to specify the type of oil, but not how much of it they use. According to a 2007 study by Greenpeace, Nutella would appear to contain 31 per cent of palm oil. The first ingredient is refined sugar. However, Ferrero makes a point of highlighting the amount of hazelnuts and cocoa on the label. We've asked the company to film the moment when the ingredients are mixed together, but we all know that big food companies would rather kick themselves than reveal their secret recipes.

2007 GREENPEACE CAMPAIGN

SABRINA GIANNINI OFF-CAMERA

How did Nestlé react to this wave in environmental indignation? They rode it. They announced that they would no longer use palm oil coming from deforestation in South East Asia. Ferrero did the same, and was among the first, in 2004, to join the association - here is the logo, obviously green - that certifies the use of sustainable palm oil. Three weeks ago in Jakarta, the capital of Indonesia, I took part in a very interesting conference on sustainability. The Indonesian speaker for the roundtable that groups mainly oil producing and buying companies was also invited.

SABRINA GIANNINI

Nowadays everyone, even industry representatives, talks about sustainability. As a consumer and journalist how can I verify if what you say is true or false?

DESI KUSUMADEWI – RSPO INDONESIA DIRECTOR

Controls are not made by the association but by an independent certifying body.

SABRINA GIANNINI

Independent, but paid by who?

DESI KUSUMADEWI – RSPO INDONESIA DIRECTOR

Paid by the companies.

SABRINA GIANNINI

So the controlled are paying the controllers?

DESI KUSUMADEWI – RSPO INDONESIA DIRECTOR

Yes, companies pay their certifier.

SABRINA GIANNINI OFF-CAMERA

This is the limit of many certifications. At the conference, I learned that the Indonesian government might soon grant more concessions to palm oil companies, since they had been suspended by a moratorium.

SABRINA GIANNINI

When does the moratorium end?

DESI KUSUMADEWI – RSPO INDONESIA DIRECTOR

It ends in May, but now the government is deciding whether they want to extend it or not.

SABRINA GIANNINI

The producers will not want that.

DESI KUSUMADEWI – RSPO INDONESIA DIRECTOR

Yes, that's right.

SABRINA GIANNINI

Are you putting pressure on the government to make them change their mind?

INDONESIAN SUSTAINABLE PALM OIL MANAGER

Yes! Yes! I am pressuring the government to get rid of the moratorium.

DESI KUSUMADEWI – RSPO INDONESIA DIRECTOR

Now the government doesn't give out new licenses for areas classified as forest or peat bog, but I think it will be difficult to avoid land expansion. There is high demand on the global market, also due to population growth.

SABRINA GIANNINI OFF-CAMERA

Especially because the main buyers are increasingly coming from emerging countries such as India and China, where the focus is more on price than on sustainability.

INDONESIAN SUSTAINABLE PALM OIL MANAGER

Here oil palms grow better than anywhere else, only here in Indonesia! So why should we set ourselves limits? We have the land.

SABRINA GIANNINI

And what about the forests?

INDONESIAN SUSTAINABLE PALM OIL MANAGER

No, no, no: forests have already been converted.

SABRINA GIANNINI OFF-CAMERA

Here is an example of conversion. This is the deforestation of a protected area, which violated regulations and was condemned by many non-governmental organisations. The company responsible for this is Bumitama Agri, which manages 200 thousand hectares of plantations. The problem is that Bumitama is a member of the Roundtable on Sustainable Palm Oil. Two years after repeated official condemnations on its violations, it still appears to be a member of the association. As a result, it keeps selling its certified sustainable oil to important agribusiness clients such as Wilmar and Cargill, who in turn supply big food groups.

The few orang-utans who survived the illegal deforestation of 3,205 hectares of forest were sedated by a team from the International Animal Rescue, who then reintegrated them in protected areas. The orphans will have to wait until they become adults to return to their natural habitat, which is Indonesian Borneo, Kalimantan. According to some non-governmental organisations, that is where recent violations by companies producing certified sustainable oil took place. It appears that two big Malaysian companies violated regulations. We asked their version of their story and to see their plantations, to no avail.

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SABRINA GIANNINI OFF-CAMERA

In the meantime, in Indonesian Borneo, three weeks ago...

PALM OIL GROWER

I have two hectares, and I will sell the fruit to a big company that supplies me with plants and pesticides.

SABRINA GIANNINI

You spray the pesticides yourself?

PALM OIL GROWER

Yes! The company gives them to me.

SABRINA GIANNINI

Do you use a mask?

PALM OIL GROWER

No!

SABRINA GIANNINI OFF-CAMERA

Since he works for five dollars a day for a certified sustainable company, he should know that the weed killer he uses is Paraquat, recently banned in Europe. If we try to find out who has a two-million euro turnover thanks to Paraquat, we discover that it's Syngenta. We also discover that this company is a member of the roundtable on sustainable palm oil. Here is the testimonial. Much against its will. We can no longer overlook the fact that our snacks, biscuits, soap, shampoo, are causing the extinction of an animal related to us. We've come down from the tree but have stopped looking under our feet. We really should, because these forests hide something explosive.

MILENA GABANELLI IN THE STUDIO

What's that "something explosive" under there? What we do know is that when two small countries such as Indonesia and Malaysia alone produce 90% of the palm oil consumed in the world...

SABRINA GIANNINI IN THE STUDIO

...it's a problem.

MILENA GABANELLI IN THE STUDIO

Something is happening..

SABRINA GIANNINI IN THE STUDIO

It's a problem because these forests are peat bogs, that is they contain peat, which in turn is a carbon deposit. When the forests burn they release huge quantities of carbon dioxide and this is an environmental bomb. By the way, Indonesia is one of the biggest producers of greenhouse gasses in the world; the third after China and the US.

MILENA GABANELLI IN THE STUDIO

... which are industrialised countries. However, we should note that since the size of the environmental damage has become known, a few months ago - I admit that I heard about it for the first time from this report - and since it has become mandatory to write "palm oil", which is a saturated fat and means cholesterol, on the label, the industry has started to change its approach, to find alternative routes, so to speak. So much so that this week Buitoni, Misura and Ferrero wrote to us to say that they are gradually substituting it.

SABRINA GIANNINI IN THE STUDIO

That's right, with olive oil for instance. There are even some companies that write "does not contain palm oil" on their packaging, and are therefore replacing it with other oils that are less controversial, especially in terms of image. By the way, lately a company using a lot of palm oil commissioned market research asking interviewees: "do you eat our product? Do you like it?", and the last question is "do you watch Report? How often?" So it's as if we've been likened to a snack.

MILENA GABANELLI IN THE STUDIO

Is this a joke?

SABRINA GIANNINI IN THE STUDIO

No, apparently it's true... You don't look fat to me.

MILENA GABANELLI IN THE STUDIO

Ah, but I'm saturated. Maybe our viewers need to compensate by snacking a lot ... "I wouldn't mind spreading 7-8 slices". Thank you Sabrina.

Commento [VB1]: Forse è un riferimento implicito alla Nutella, citato poco sopra nel testo?