

20 April 2010

Committee Secretary  
Senate Standing Committee on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
Australia

**Submission to Community Affairs Legislation Committee:  
Food Standards Amendment (Truth in Labelling – Palm Oil) Bill 2009**

This submission seeks to further inform the considerations of the Committee with respect to the proposed amendment of Australian Food Standards to accurately label palm oil as an ingredient.

In doing so, information is provided relating to the Committee's terms of reference.

**Background and context to this submission**

Issues relating to the environment and climate change have become the focus of important national and international attention and concern. At the same time, modern zoos have redefined their role in society to underpin vital efforts in species conservation, environmental education, scientific research and community leadership.

Both the international and regional Zoo associations are calling on member zoos to be proactive, innovative and integrated in their approach to conservation. A key objective is to harness the unique opportunity zoos have to raise awareness and generate a commitment from the visiting public by focusing attention on the immediate circumstances of threatened species.

Zoos are defining human behaviours as a major part of global environmental solutions. There is now a focus on identifying programs and campaigns that lead us to rethink the way we live and the impacts we are having on the natural world.

Regional Zoos across Australia have identified the effects of unsustainable Palm Oil plantations on wildlife as one such issue. Australian Zoos are supporting the labelling of Palm Oil through community education campaigns in-grounds and on-line – please see <http://www.taronga.org.au/tcsa/environment/take-action/palm-oil.aspx> for details of the campaign.

**1. The rights of consumers to be provided with accurate and truthful information to enable them to make an informed choice about the food products they are eating and purchasing;**

There are an estimated 12.7 million visits to zoos in Australia per annum, which includes about 2.7 million overseas visits and 10 million visits by Australian residents.<sup>1</sup>

Zoo visitors share a motivation to experience and learn about wildlife, and zoo visitors are more likely to donate to conservation causes than non visitors.

Visitors to Taronga and Taronga Western Plains Zoos have clearly indicated that they want the zoos to lead the way in terms of highlighting conservation and environmental issues. Further, our visitors have demonstrated that they are actively willing to make responsible choices in their lifestyles if this translates into a better future for wildlife.<sup>2</sup>

These millions of Australians are entitled to be able to make a choice about palm oil in their food, products and cosmetics. Standards for labelling palm oil as an ingredient must be amended to allow them make to make a sustainable choice.

**2. That allowing palm oil to be listed as "vegetable oil" on food packaging is misleading to consumers;**

The agency Food Standards Australia and New Zealand (FSANZ) implements the Australia and New Zealand Food Standards Code. Standard 1.2.4. refers to 'Labelling of Ingredients' and states:

Ingredients must be declared in the statement of ingredients using –

- (a) the common name of the ingredient; or
- (b) a name that describes the true nature of the ingredient; (emphasis added) or
- (c) where applicable, a generic name set out in the Table to this clause.

The standard already requires that some specific oils are declared on product labels including peanut, soy bean and sesame oil. It need only be extended to include palm oil to give consumers the opportunity to make a choice, rather than the current ambiguous and misleading labelling as vegetable oil.

**3. That palm oil is considered high in saturated fats and consumers should be made aware if it is used in foods they are eating for health reasons;**

Palm oil is used around the world in such foods as margarine, shortening, baked goods, and sweets. Biomedical research has indicated that palm oil, which is high in saturated fat and low in polyunsaturated fat, promotes heart disease. The World Health Organization and other health authorities have urged reduced consumption of oils like palm oil.

**4. That the impact of palm oil production on wildlife, specifically Orang-utan's in South East Asia is significant unless it is done sustainably;**

Indonesia and Malaysia account for 85% of global production of palm oil. In Southeast Asia, palm oil plantation establishment is a major driver of deforestation.

Indonesia and Malaysia also have some of the world's longest lists of threatened wildlife.

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<sup>1</sup> Report on Economic and Social Contribution of the Zoological Industry in Australia, Aegis Consulting, March 2009.

<sup>2</sup> Taronga Brand Research, Ogilvy, September 2009.

Of the more than 400 land mammal species of Indonesia, 15 are critically endangered and another 125 threatened. Of Malaysia's nearly 300 land mammal species, 6 are critically endangered and 41 threatened. The numbers of threatened species climb higher when terrestrial reptiles, amphibians and birds are included. Moreover, certain animals, such as the orang-utan, are exclusively found in these countries so as their rainforest habitat vanishes, so will they.

Five mammals exemplify the impending disaster: the Sumatran Tiger, Sumatran and Bornean orang-utans, Asian Elephant and Sumatran Rhinoceros. Each of those species is endangered, with the three eponymous Sumatran species critically endangered. They once flourished in precisely those areas where rainforests have since been cleared for palm oil.

The demand for palm oil is forecast to double by 2020. To achieve that production increase, massive tracts of rainforest will need to be cleared and planted every year. New plantings on the islands of Sumatra and Borneo could kill off the remaining orang-utans, rhinos, and tigers.<sup>3</sup>

Other threatened species under increased pressure in these areas include: Banteng (a wild ox), Barking deer, Giant Flying Squirrel, Proboscis Monkey, Pigtailed monkey, Asian Tapir, gibbons, langurs, Clouded Leopard, Rueck's Blue-flycatcher and the Sumatran Ground Cuckoo.

Many of these species face the possibility of imminent extinction. A World Bank report states that Indonesia is "almost certainly undergoing a species extinction spasm of planetary proportions."<sup>4</sup>

**5. That sustainable palm oil can be produced with lower impact on the environment and wildlife and with better labour laws on plantations; and**  
In response to the urgent and pressing global call for sustainably produced palm oil, the Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders.

RSPO is a not-for-profit association that unites stakeholders from seven sectors of the palm oil industry - oil palm producers, palm oil processors or traders, consumer goods manufacturers, retailers, banks and investors, environmental or nature conservation NGOs and social or developmental NGOs - to develop and implement global standards for sustainable palm oil. In 2005/6 the RSPO developed eight guiding principles:

- Principle 1: Commitment to transparency
- Principle 2: Compliance with applicable laws and regulations
- Principle 3: Commitment to long-term economic and financial viability
- Principle 4: Use of appropriate best practices by growers and millers
- Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

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<sup>3</sup> Center for Science in the Public Interest, How Palm Oil Harms Health, Rainforest and Wildlife. May 2005

<sup>4</sup> World Bank. Indonesia: Environment and Natural Resource Management in a Time of Transition. Washington, DC. 2001

Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and mills

Principle 7: Responsible development of new plantings

Principle 8: Commitment to continuous improvement in key areas of activity

**6. That manufacturers should be encouraged to use sustainable palm oil in their production process and can subsequently use the status of "Certified Sustainable Palm Oil" as a business benefit.**

As the Committee would be aware, Woolworths have recently announced their commitment to the sustainable sourcing and labelling of Palm Oil. This includes:

1. Moving to RSPO (Roundtable on Sustainable Palm Oil) certified sustainable palm oil by 2015 for all Woolworths private label products;
2. On pack labelling of palm oil and derivatives in all Woolworths private label products; and
3. Applying to become the first Australian retail member of the RSPO.

This commitment from Australia's largest retail company is evidence that industry believe consumers are (or soon will be) seeking to make informed decisions through appropriate labelling, as well as products and brands which source sustainable palm oil. Through this decision, many manufacturers will be directed to comply. Providing statutory mandating of labelling, through the support of the Food Standards Amendment (Truth in Labelling – Palm Oil) Bill 2009, will support decisions already being made by retailers and manufacturers.

As part of the Zoos' Community Education program on Palm Oil, Taronga's management are using their business associates and relationships with sponsors to open a dialogue about these issues. This includes Unilever, one of the world's largest owners of food brands. Unilever is already sourcing the equivalent of 30% of its palm oil from sustainable sources, and has committed to sourcing all of its palm oil from sustainable sources by 2015. Taronga is in an ongoing dialogue with Unilever (including the Chairman and Global CEO) on this key objective of the Zoos - to help support the creation and ongoing momentum of a certified sustainable palm oil industry. This collaborative approach is evidence that certain members of industry are already committed to sustainable palm oil and certification programs.

The Taronga Conservation Society Australia believes that industry, community (consumers) and conservation agencies are aligned in relation to the appropriate labelling of palm oil. Providing a statutory framework through the Food Standards Amendment (Truth in Labelling – Palm Oil) Bill 2009 supports this collaborative good will which is already established.

If the Committee would like any further details on information contained in this submission, please do not hesitate to contact my office on 02 9978 4665.

Yours sincerely

Cameron Kerr  
Director and Chief Executive