
[OLAM Palm Gabon pretends to use the Forest Definition to implement its 'Zero Deforestation' pledge](#)

The Singapore-based OLAM company has secured access to 500 thousand hectares of land in Gabon to set up large-scale oil palm plantations, a country with 85% of forest coverage. How can OLAM then claim to follow a “zero deforestation” commitment?

Industrial oil palm plantations expansion is a notorious driver of tropical deforestation and this has since years been a burning issue for investors in the oil palm business and for consumers. But the problem seems to be solved. At least, that is what the oil palm industry wants us to believe. Their recipe is called “zero deforestation”, an idea launched by big conservation NGOs in Brazil in 2007. In the past years, several of the biggest oil palm plantation companies have made commitments to keep their business with “zero deforestation”.

For oil palm companies assuming a **“zero deforestation” pledge** is definitely attractive. First, because such a commitment **takes the attention away from the large-scale deforestation these companies have provoked before**. It is therefore helpful for cleaning up their images and reputations, and **opens the doors for receiving more money from banks and more sales to concerned consumers**. The name is also very attractive because it speaks for itself: “zero deforestation”, over and out! However, a fundamental question remains: how can companies uphold such a commitment in practice and expand their business - especially those that operate in forested countries? **The Singapore-based OLAM company, for example, has secured access to 500,000 hectares of land in Gabon to set up large-scale oil palm plantations, a country with 89% of forest coverage. How can OLAM then claim to follow a “zero deforestation” commitment?**

OLAM’s Zero Deforestation Pledge versus the Reality on the Ground

OLAM is active in Gabon in a joint venture with the Gabonese state and is the main industrial oil palm company in the country. (1) The Gabonese government has a 49% stake in the OLAM Gabon company. In December 2016, the US conservation NGO Mighty Earth evidenced in a report that OLAM had deforested approximately 20,000 hectares in Gabon for its industrial oil palm plantations. (2) Only three months later, in February 2017, Mighty Earth signed an agreement with OLAM by which the company commits itself to a moratorium on further deforestation. (3)

It is hard to believe that OLAM changed its mind only to get rid of the bad record that Mighty Earth evidenced. **The appetite for more lands and thus forests to increase production and profits is an intrinsic part of the business logic of monoculture plantation companies**. The issue then is to uncover the strategies and tactics OLAM pursues to be able to claim “zero deforestation,” legitimized by conservation NGOs like Mighty Earth, while continuing its profitable business in a forested country like Gabon.

One important tactic is the way OLAM defines “zero deforestation”. In its so-called “Living landscape” document, (4) it explains that **“zero deforestation” means adopting “net-positive principles”**, resulting in a “net positive impact”. The “net” word might appear insignificant, but it is

crucial. It **allows companies to continue destroying areas, including forests, as long as they compensate for that destruction by protecting other “comparable” areas** in terms of biodiversity and vegetation type, which they claim would be at risk of destruction. The word “positive” in the formulation “net positive impact” goes even further: it is supposed to express that a company not only compensates for its destruction, but it also protects other at-risk places, creating a “net positive” impact in comparison with the previous situation. This idea has increasingly been adopted by corporations and is the **basic principle that goes behind the mechanism of “biodiversity offsetting”** (5). However, this is wrong. Each place is unique in its own diversity, and is rooted in a specific time and space; and thus, it cannot be compared to or replaced by other areas. Moreover, these places, are often used by and for communities’ livelihoods, and therefore should not be destroyed! But OLAM goes further and claims that its “net positive principles” are producing a “triple positive impact”, resulting in: “prosperous farmers and farming systems”, “thriving communities” and are “regenerating the world”.

These claims however stand in stark contrast with the situation communities living around OLAM’s plantations are facing in their daily struggle to survive. **Communities face more restrictions than before on the access to and use of forests in OLAM’s concession areas**, which now the company could use as compensation. These areas are traditionally used by communities for agriculture, hunting, fishing and collecting non-timber products. Moreover, **OLAM is now advancing its plantations into so-called savannas or prairies**. This heavily affects local communities because these are very useful, valuable areas for them to hunt, fish, collect mushrooms, among others (6). This reminds what happened in Brazil years ago, when national and international big conservation NGOs focused on defending the protection of the Amazon forest only, making agribusinesses moving its focus on the much less protected Brazilian savannah biome called “*cerrado*”, starting the large-scale destruction of this equally extremely valuable biome.

A False but Profitable Solution for OLAM: Define a Forest based on the Carbon per Hectare!

One of the most perverse and dangerous tactics OLAM and its partner in business, the Gabonese government, suggest is to **change the Gabonese forest definition to benefit OLAM’s business**. In 2018, the Gabonese Ministry of Agriculture proposed to modify the current forest definition based only on tree coverage - as most definitions worldwide are following FAO’s definition (7) - into an unprecedented one. The proposal would consider a forest not only as an area with trees but also would set a **parameter of a minimum quantity of carbon that a forest area should contain**. According to the proposal, (8) made by Lee White, the current Ministry of Forests, from Gabon’s National Agency for National Parks (ANPN), “a forest is an ecosystem with a surface of at least 4 hectares of endemic forest trees with an average of at least 5 trees of dhp [diameter at breast height, in French] > 70cm/ha and/or a biomass of > 118 Tons of Carbon/Ha”.

If this definition gets adopted, it would create a dangerous precedent. Not only is including the carbon parameter within a forest definition risky, but also the suggested minimum quantity of 118 tons of carbon per hectare would simply exclude secondary forests and forests in regeneration from the forest definition. **The overall purpose becomes then very evident: OLAM can expand its plantations into areas of secondary forests and forests in regeneration while claiming to be upholding its international “zero deforestation” commitment towards banks and consumers.**

The proposed new forest definition reinforces two underlying causes of deforestation. First, it **strengthens the problems of the forest definition promoted by FAO**, which determines a forest as a bunch of trees only, perpetuating business and profits of the logging, timber processing and pulp and paper industries. FAO’s definition also perpetuates the marginalization and discrimination of the

many forest communities' views in relation to their forests: a complex unity of life, with plants, animals and human communities, which they usually call their home; it weakens even more their struggles to conserve and defend their forest territories. Second, **it follows and further reinforces the false solutions that use forests to supposedly combat climate change**, by reinforcing the vision that what really matters is the carbon stored in the trees. This is what REDD, the main international forest policy from the past 10 years, defends. REDD imposes a series of restrictions on forest-dependent communities for use of their forest. Similar to what the communities inside OLAM's oil palm concession areas are experiencing now.

What about the Oil Palm Plantations and RSPO?

The Roundtable of Sustainable Palm Oil (RSPO), since its creation 15 years ago, makes the false claim that it can make the industrial oil palm sector sustainable without structurally changing the destructive and violent model of large-scale monoculture plantations that it is based on. The rejection to this model was once again expressed by 110 national and international organisations in an open letter to RSPO at the eve of the last RSPO general assembly in 2018. (9) Nevertheless, **RSPO insists that it can transform the model by “improving” it, also as a way to respond to the critiques**. Deforestation is probably the most urgent issue raised by RSPO members, among which are banks, including the International Financial Corporation (IFC) of the World Bank, and palm oil buying companies.

The pressure resulted in RSPO adopting during its last assembly a new standard, from which one of the main changes is the promotion of a “zero deforestation” policy. Before November 2018, RSPO only demanded that in the certified plantation areas, the vegetation types that were defined by the company as “High Conservation Value” (HCV) and “High Carbon Stock” (HCS) forests, most often primary forests that supposedly store more carbon than other ecosystems, to be protected. Meanwhile, secondary forests often very valuable for communities could be destroyed. But under the new RSPO standard, besides primary forests, secondary forests and forest in regeneration also fall into the category of forests that cannot just be destroyed to make place for oil palm plantations. Hence, in practice, RSPO adopted a “zero deforestation” policy, depending on how and who defines these forest categories in reality. OLAM is an RSPO member, it has part of its plantations RSPO-certified and is in a process to certify all of its plantations in a way to have RSPO endorsing its “zero deforestation” policy. The question that remains then is **what RSPO has to say about the tactic pursued by OLAM and the Gabonese government to change the forest definition to continue destroying forests?** And what about the other development banks, like the IFC/World Bank, planning to concede a major loan to OLAM Gabon?

The case of OLAM in Gabon shows that “zero deforestation” is far from a simple, straightforward commitment to halt deforestation. In the hands of the oil palm sector, companies like OLAM and the RSPO certification scheme, it appears to be much more an opportunistic public relations tool than a tool to address the deforestation crisis. While creating a smokescreen for banks and consumers, **it promotes that oil palm companies, especially those active in forested countries, use their political power and influence to impose new tactics and strategies that ensure they can and will continue their business and make profits, while upholding an image of a company that protects forests**.

What is worse, on the ground, **“zero deforestation” commitments tend to deepen the problems faced by forest-dependent communities in and around the oil palm concession areas**. In Gabon, these communities struggle to maintain and regain the control over their territories, including the forest areas OLAM did not destroy yet.

- (1) WRM Bulletin 230, [“Green” oil palm plantations are a scam: The case of OLAM](#), May 2017
- (2) Mighty Earth, [Palm Oil's Black Box](#), December 2016
- (3) While OLAM first reacted in 2016 on Mighty Earth's report stating that “We agree with Gabon's sovereign right to convert a tiny percentage of its least valuable forested land for agriculture, so long as it is responsibly and transparently done” (see in Mongabay, [Palm oil giant defends its deforestation in Gabon, points to country's right to develop](#), December 2016), three months later it apparently changed its mind and assumed a very different commitment, declaring to “suspend further land clearing of forest in Gabon for palm and rubber plantations for a year (a period that can be extended).” (Mighty Earth, [OLAM and Mighty Earth agree to Collaborate on Forest Conservation and Sustainable Agriculture in Highly Forested Countries](#), February 2017)
- (4) OLAM, [OLAM living Landscapes Policy](#), April 2018
- (5) For more information about biodiversity offsetting see the [case of Rio Tinto on Madagascar](#)
- (6) Later this year (2019), Gabonese NGO Muyissi Environnement and WRM will publish a briefing about the impacts on the ground on communities due to OLAM's zero deforestation commitment.
- (7) WRM, [Forest Definition](#)
- (8) WWF-Gabon, la rédefinition de la forêt, quels enjeux pour le Gabon? November, 2018
- (9) WRM, Statement [“RSPO: 14 years failing to eliminate violence and destruction from the industrial palm oil sector”](#)