

Press release

2013/09/17

Focus on sustainable palm oil supply chains in Central America

Henkel and Solidaridad foster smallholder program to support a sustainable palm oil industry

Henkel's Laundry & Home Care business sector, development organization Solidaridad and other partners will start a three-year program in Honduras (Central America) to improve livelihoods of 5,000 workers and 7,500 farmers and their families. It is the goal to build up sustainable supply chains for both palm oil and palm kernel oil that can be certified against the Principles and Criteria of the Roundtable on Sustainable Palm Oil (RSPO). The project is aiming to change 80 percent of the total palm oil production area in Honduras, this is one of the first projects to cover such a big part of the palm oil production area in one country.

Starting this year and continuing until the end of 2015, the small-scale producers involved in the project will receive direct training and support on best agricultural practices and improved farm management practices. The trainings for workers cover key areas of health and safety, environmental and social impact management and support on adoption of the Principles and Criteria of the RSPO Standard. Important partners in implementing the project on the ground are the World Wide Fund for Nature (WWF), SNV Netherlands Development Organization and the Proforest Initiative.

Working together with international partners

The program has a total budget of 2.7 million euros with eight Honduran companies and Solidaridad being the main sponsors, while Henkel is the first consumer goods manufacturer contributing to the program.

"We are committed to sustainable business practices across the entire value chain. This includes the sustainable management of raw materials and the conservation of natural resources," says Bruno Piacenza, Executive Vice President Laundry & Home Care at Henkel. "We support this multi-stakeholder oil palm smallholder program in Central America as it is a further important step to advance a sustainable oil palm economy".

The majority of oil palm farms on a global scale are smallholdings. Currently, the productivity of smallholders in palm oil production is estimated to be 40 percent below average compared with larger enterprises. Educating smallholders to employ sustainable palm oil production practices is expected to lead to higher oil palm fruit yields and increased farmer incomes. The trainings will help solve ecological as well as social issues in the palm oil industry in Central America.

Strong partners for sustainable supply chains

In order to foster a sustainable palm oil economy, Henkel has actively participated in the RSPO since 2003 and became an official member in April 2008. In close cooperation with the trading platform GreenPalm, Henkel initiated the certificate trading system for palm kernel oil and was the first company in the world to purchase palm kernel oil certificates in 2008.

“We are delighted that Henkel has committed to supporting this program with the focus on 80 percent of the palm oil area in Honduras. We hope this type of capacity building will raise the sustainability performance within the whole area.” says Marieke Leegwater, programme manager palm oil at Solidaridad. “Palm oil plays a significant role for economic progress in Central America. Taking Honduras as an example, palm oil production can lead to land tenure issues and can present a threat to areas with high biodiversity if the areas for development are not carefully selected”.

As early as 2009, Henkel committed to covering its product ranges throughout the company with certificates for sustainable palm kernel oil and to complete this step by 2015. To underscore this clear commitment to sustainable palm oil production, Henkel has been purchasing certificates for sustainable palm kernel oil for its entire product portfolio of laundry detergents and household cleaners since 2012.



Photo material is available at <http://www.henkel.com/press>
More information about Solidaridad at www.solidaridadnetwork.org

About Henkel

Henkel operates worldwide with leading brands and technologies in three business areas: Laundry & Home Care, Beauty Care and Adhesive Technologies. Founded in 1876, Henkel holds globally leading market positions in both the consumer and industrial businesses with well-known brands such as Persil, Schwarzkopf and Loctite. Henkel employs about 47,000 people and reported sales of 16,510 million euros and adjusted operating profit of 2,335 million euros in fiscal 2012. Henkel's preferred shares are listed in the German stock index DAX.

About Solidaridad

Solidaridad is an international organization dedicated to responsible food production to feed the growing world population and to provide the world with an alternative to fossil fuels. Solidaridad is convinced that the agricultural sector can produce more efficiently and feed the growing world population in 2050. That is why Solidaridad is investing in enterprising farmers in developing countries to improve land use, increase production and do no harm to people and the environment. Solidaridad focuses on the production chains that matter worldwide and where changes have great impact: coffee, tea, cacao, fruit and vegetables, cotton, textiles, soy, palm oil, sugar cane, gold and cattle breeding. Solidaridad is a founder of several fair-trade companies, FLO/Max Havelaar, Utz Certified and Made-By and initiator or active member of the round tables for soy (RTRS), palm oil (RSPO), sugar cane (Bonsucro), cotton (BCI) and beef (GRSB).

The Solidaridad Palm Oil Programme focuses on inclusion of independent smallholders and improvement of labor conditions in the palm oil supply chain. The program started in 2009 in close collaboration with the RSPO and currently consists of more than 10 projects across all major palm oil producing regions. Solidaridad aims to raise support for its activities with companies like Henkel using palm (kernel) oil-based ingredients to manufacture their products.

Contact	Henkel AG & Co. KGaA Bettina Klinken Corporate Communications	Solidaridad Matthijs Nieuwenhuis Corporate Communications
Phone	+49 211 797-83 12	+31 30 2720313
Fax	+49 211 798-98 32	
E-mail	bettina.klinken@henkel.com	Matthijs.Nieuwenhuis@solidaridad.nl