It's Time to Stop the Fires and Deliver on 'No Deforestation, No Peat, No Exploitation' Commitments

World Rainforest Day

June 22, 2020

To the CGF Sustainability Team, CGF Forest Positive Coalition, and all CGF members,

Our planet is in crisis. Last September, a large group of civil society organizations <u>wrote</u> to demand evidence that the CGF and its member companies are prepared to take real action to eliminate and remedy deforestation and human rights abuses in their supply chains. Since then, fires, deforestation, and human rights abuses have gotten worse—destroying irreplaceable ecosystems and threatening communities across Latin America, Africa, and Southeast Asia. Yet, CGF and its member companies have done little to leverage their market and supply chain influence for tangible change. Most egregiously, the CGF and its member companies have largely continued sourcing from the same suppliers responsible for deforestation and human rights abuses without repercussion or accountability—providing market access, contracts, and funds to the perpetrators of these continued violations.

Ten years ago the CGF committed to end its role in deforestation by 2020. These commitments remain unfulfilled, and global deforestation continues unabated. With entire ecosystems and the agricultural systems that depend on them on the brink of collapse, CGF member companies must take ambitious and immediate action to eliminate and remedy deforestation, peatland destruction, and human rights violations throughout their supply chains and support necessary legal and policy reforms. Their failure to deliver results by continuing to perpetuate such harmful practices undermines the legitimacy and credibility of the CGF's promises.

The current pandemic underscores the urgency of protecting forests. The noxious haze from burning forests hospitalizes hundreds of thousands of people due to respiratory illness each year under normal circumstances—and research has shown the fires have increased premature death rates by approximately 100,000 people in a year in Indonesia, Singapore and Malaysia alone—a situation poised to be a public health catastrophe given COVID-19. These fires are preventable, and companies that continue to provide funding and contracts to those responsible for the fires will be held publicly accountable for this unfolding environmental and human rights crisis.

We strongly reiterate our call for CGF and its member companies to immediately adopt the steps outlined in our prior letter, re-attached below with a growing set of signatories. We request that the CGF formally and publicly respond to our letter, addressing the full set of recommendations.

We cannot sit silently by as our planet's last remaining forests are destroyed, gross human rights violations take place, and runaway climate change threatens our collective future. The Consumer Goods Forum (CGF) Coalition of Action (CoA) Palm Oil Roadmap in no way matches the urgency of the actions that need to be taken. An all out 'stop at nothing' set of actions are needed to achieve NDPE supply chains this year.

Our planet deserves real leadership and time is running out. When and how will the CGF respond?

Sincerely,
Concerned Members of Civil Society



Consumer Goods Forum c/o Ignacio Gavilan, Director of Sustainability 22/24 rue du Gouverneur General Eboue Issy-Les-Moulineaux, France 92130

September 23, 2019, Resent on June 22, 2020

Dear Members of the Consumer Goods Forum:

Ten years ago, the Consumer Goods Forum (CGF) made a commitment to end deforestation in member companies' supply chains by 2020, with an emphasis on high-risk commodities such as soy, beef, palm oil, and pulp and paper. In 2014, additional companies joined this pledge as part of the New York Declaration on Forests. These commitments represented a recognition that deforestation is a serious environmental and social concern, and a major contributor to the climate crisis – the greatest existential threat to humanity and the planet. As 2020 approaches, it is apparent that CGF companies will fail to achieve their goal of Zero Net Deforestation.

The world watches in horror and outrage as some of the largest remaining forested areas on the planet – from the Amazon to Indonesia to the Arctic – are on fire. This destruction, a manifestation of the climate crisis, is being driven by widespread deforestation – often for agricultural commodities and industrial animal agriculture including animal feed. The IPCC and IPBES have stated that the way our food is produced and consumed is a leading driver of the crisis. It is in this context of global climate emergency that we call for CGF members to take bold and urgent action to halt deforestation, species loss, and human rights abuses within supply chains.

Alongside the fires that continue to rage across the Amazon, the recent IPCC Special Report on Climate Change and Land Use confirmed once again what has been known for years: deforestation and peatland

degradation – primarily caused by an unsustainable model of industrial agricultural production – is contributing to massive greenhouse gas emissions responsible for the climate crisis. We are at a critical point in history, when fundamental changes to our global food system - both what we eat and how it is produced - are urgently needed to end deforestation, deliver forest protection and restoration, respect the rights of indigenous peoples, local communities, and workers, and tackle the climate breakdown. As the report states, "reducing deforestation and forest degradation rates represents one of the most effective and robust options for climate change mitigation."

The IPCC report confirms that forest protection goes hand in hand with recognizing and respecting the land rights of Indigenous Peoples and local communities. In addition to driving the climate crisis, deforestation has been directly linked with gross human rights abuses, including a global epidemic of murder, violence, and criminalization against land and environmental defenders. According to Global Witness, in 2018, 164 people were murdered, more than 3 people per week – and countless more criminalized – for defending their land. Agribusiness was the second deadliest sector.

Voluntary policies that CGF members have adopted have not translated into halting widespread deforestation, habitat loss, and human rights abuses. To the contrary, in the decade since the CGF made its Zero Deforestation commitment, rapid environmental degradation, critical habitat loss, and violence against Indigenous Peoples and local communities have all grown worse. The failure of CGF members to meet their Zero Deforestation commitment reveals the reality that rampant deforestation, violence against land, environmental and human rights defenders, and labor exploitation have become intrinsic to the extractive business model of industrial agriculture when undertaken at the scale demanded by global commodity markets. CGF members must be able to demonstrate greater efforts to reduce harm, remediate damage and redress abuses across all commodities and at the corporate group level, in addition to supporting legislative and regulatory measures in demand-side markets.

Far too often companies fail to act until civil society raises concerns about non-compliance, even though current remote sensing technology enables deforestation to be detected in real-time. Instead of taking effective measures, such as establishing comprehensive monitoring and enforcement systems, incentivizing suppliers to comply with No Deforestation, No Peat, and No Exploitation (NDPE) policies, sanctioning suppliers when they do not comply with NDPE policies, obtaining third—party verification of compliance, and making deforestation and human rights risks a matter of standard due diligence and risk assessment, too many companies are taking half-measures or are employing public relations strategies to shield themselves from reputational damage.

The pathway to forest resilience lies in protecting the rights of Indigenous Peoples and local communities, restoring the damage done to forests, and transitioning to community-centered models of production. Considering the ongoing failures of the CGF to achieve zero net deforestation by 2020, we, the undersigned, call on CGF members to take bold and urgent action to halt deforestation and redouble efforts on forest protection and ecosystem restoration, species loss, and human rights abuses within supply chains by prioritizing the following actions:

Reduce consumption of high-risk commodities to only what it can source from producer groups
and traders that comply with 'no deforestation, no peat, no exploitation' standards at the group
level.

- Communicate a mandatory requirement for CGF members' suppliers to halt conversion of tropical rainforests for agricultural commodities. Require all suppliers to adopt group level NDPE policies.
- Ensure recognition and respect for local communities' customary land rights and compliance with international standards of Free, Prior, Informed Consent (FPIC) in commodity supply chains. Thorough due diligence, risk assessment, and monitoring systems should be established to ensure that operations and suppliers are not violating communities' land rights and that FPIC standards are followed in accordance with international human rights norms.
- Accelerate the enforcement of a moratorium on clearance of High Conservation Value (HCV)
 areas, High Carbon Stock (HCS) forests, and peatlands. Establish comprehensive, proactive, and
 transparent monitoring systems that rapidly detect non-compliance across supply chains, and
 require implementation of the High Carbon Stock Approach for agricultural development
 involving land-use change. Assessments should use the Integrated HCV- HCSA Assessment
 Manual and be approved by the HCVRN Quality Review Panel before development.
- Publish guidelines to address non-compliance in supply chains, including thresholds to determine the status of sourcing and suspension or termination of non-compliant suppliers, as well as formal grievance redress processes for human rights, land conflict, and labor violations. Guidelines should include thresholds for when CGF members will suspend or terminate non-compliant group level suppliers for breaches of social and environmental requirements; conversion cut-off dates, after which any clearance would need to be restored for companies to be considered for the resumption of sourcing; time-bound recovery plans that all non-compliant suppliers must meet prior to the resumption of sourcing; and requirements for non-compliant suppliers to provide independent verification that operations meet NDPE standards prior to any resumption of sourcing.
- Adopt human rights and grievance redress policies protecting human rights defenders from
 violence and intimidation, including pledging zero tolerance for murder and violence against
 defenders. Implement robust human rights due diligence and grievance redress processes in
 accordance with the UN Guiding Principles on Business and Human Rights and require suppliers
 and business partners to deliver remedy for harm.
- Update business practices to actively provide incentives and support to upstream suppliers to
 enable and ensure compliance, including providing material support for suppliers to address
 human rights grievances as they arise and ensure buying practices are not contributing to
 deforestation and human rights abuses e.g., through price or timing demands.
- Publish annual reports detailing the progress of CGF member companies. Reports should detail
 how companies have proactively worked to eliminate deforestation, peatland development, and
 human, land, and labor rights violations from commodity supply chains and implemented timebound plans to achieve 100% independent verification of compliance for commodity specific
 NDPE policies.

- Support legislative and regulatory measures in demand-side markets to address deforestation linked to the international trade in agricultural commodities. Voluntary company commitments alone are insufficient to create the systemic changes required to end deforestation. Regulatory measures obliging all companies to carry out supply chain due diligence provide a more level playing field for those taking the lead in eliminating deforestation from their supply chains.
- Support and fund the necessary transition toward ecological and just food systems and largescale forest conservation and restoration.

Neither the planet nor the CGF can afford to wait any longer to take the necessary steps to end deforestation, rights abuses, and violence in supply chains. With the whole world watching, we strongly urge CGF members to live up to their commitment to ending deforestation in supply chains and to publicly implement the priority actions provided, by the end of the first quarter of 2020. Similarly, retailers should phase out all suppliers that fail to meet the zero-deforestation commitment by the end of 2020, while actively supporting and engaging in legitimate processes to remediate ecosystem damage and provide redress for human rights abuses.

Sincerely,

ELSAM

The Undersigned

50by40 Jaringan Masyarakat Gambut Sumatera (JMG-

Mighty Earth

Orang Utan Republik Foundation

OPPUK

Aktionsbündnis Regenwald statt Palmöl // Action Sumatera)

Alliance Rainforest instead of Palm Oil Lady Freethinker

Alfred Lahai Gbabai Brownell Sr. - 2019 Goldman Maryknoll Office for Global Concerns

Prize Winner for Africa

Alliance FOR RURAL DEMOCRACY/LIBERIA Mondiaal FNV

Amazon Watch

National Consumers League NATURAL RESOURCES WOMEN'S PLATFORM/LIBERIA Amnesty International

Animal Legal Defense Fund **Back Information Center**

Better Food Foundation Orang-Utans in Not e.V. (Orangutans in Peril)

Center for Biological Diversity Orangutan Foundation International

Centre for Orangutan Protection Oxfam

Pivot Food Investment Child Labor Coalition

Clean Water Action | Clean Water Fund Minnesota Profundo **PUSAKA** Compassion in World Farming USA

El Llamado del Bosque Rainforest Action Network (RAN)

Rainforest Foundation Norway Encompass Rainforest Resource and Development Centre (RRDC)

Environment Victoria ROSCIDET

Environmental Investigation Agency Sarawak Campaign Committee (SCC) **ERA/FoE Nigeria** Shamayim: Jewish Animal Advocacy

Factory Farming Awareness Coalition Sinergia Animal Fair World Project Farm Forward

Feedback

Forest Peoples Programme
FOUR PAWS International
Friends of the Earth Japan
Friends of the Earth US

Friends of the Orangutans Malaysia

Global Witness Grassroots

Green Advocates International/LIBERIA

Green America HUTAN Group

International Labor Rights Forum (ILRF)

International Rights Advocates

Japan Tropical Forest Action Network (JATAN)
Jaringan Masyarakat Gambut Riau (JMGR)

Strategies for Ethical and Environmental

Development

Sumatran Orangutan Society

SumOfUs

Tenaganita Womens Force

The Humane League

The Land and Sea Institute

The Netherlands Trade Union Confederation (FNV)

The Orangutan Project-USA

True Health Initiative

Tuk Indonesia

Union of Concerned Scientists (UCS)

Watch Indonesia!

Wervel, Brussels, Belgium

Westpapua-Netzwerk

Women's Earth and Climate Action Network (WECAN)

World Animal Protection

Yayasan HAkA