

Cargill, Golden-Agri Resources, Musim Mas, Sime Darby, and Wilmar announce an initiative with Forum for the Future to address human and labour rights

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While focus and efforts to address labour issues faced by rural workers throughout the agricultural sector are growing, systemic challenges persist. Recognising that individual companies in the private sector cannot resolve these challenges alone, Cargill, Golden Agri-Resources (GAR), Musim Mas, Sime Darby Plantations and Wilmar International Limited (Wilmar), convened by Forum for the Future, an independent non-profit working with private and public organizations to solve complex sustainability challenges, under the umbrella of the *Decent Rural Living Initiative*. The initiative seeks to improve the protection of human and labour rights of workers in the agriculture sector, the goal is to empower rural communities by establishing cross-industry and stakeholder partnerships to address worker-centric barriers and going beyond compliance.

The *Decent Rural Living Initiative* will initially focus on Indonesia, and the first consultative workshop will take place in May 2018. The action plans to emerge from engaging with diverse points of view will be announced before the end of 2018.

As the leading palm oil producers, processors and traders, Cargill, GAR, Musim Mas, Sime Darby Plantation and Wilmar, have individually forged various multi-stakeholder partnerships in meeting their individual No Deforestation, Peat, Exploitation (NDPE) commitments and influencing the betterment of overall practices in the palm oil industry through their own actions.

These efforts are delivering some success. As of 2017, 6.1 million hectares of forests have been spared from palm oil development in Indonesia, largely attributed to individual NDPE commitments of key companies within the sector, alongside government policiesⁱ. However, ensuring that these areas are not converted remains a challenge. The pressure for further land use change by other producers, and other sectors, who have not subscribed to global sustainability standards continues to grow. Companies with NDPE commitments currently account for only 74% of refining capacity combined in Indonesia and Malaysia, which still leaves a leakage market of approximately 19 million tonnes annuallyⁱⁱ. More needs to be done with support of stakeholders from the public, civil society, markets and beyond.

Meanwhile in our day to day operations in developing economies, as leading rural employers in particular, we see that rural communities with development needs often conflict with conservation objectives. Until an effective mechanism is found that incentivises conservation and meets livelihood needs, forest areas set aside by responsible companies remain under threat.

We the undersigned, seek stronger and more practical collaboration to find successes for the long term, for both the people that live in these rural areas, and for the remaining forests.



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ⁱ Chain Reaction Research, February 2017 <https://chainreactionresearch.com/reports/indonesian-palm-oils-stranded-asset>

ⁱⁱ Chain Reaction Research, November 2017 <https://chainreactionresearch.com/2017/11/01/report-unsustainable-palm-oil-faces-increasing-market-access-risks-ndpe-sourcing-policies-cover-74-percent-of-southeast-asias-refining-capacity>