



IKEA VIEW

PALM OIL

IKEA uses relatively small quantities of palm oil, mainly in candles but also as a food ingredient. We are committed to ensuring that the palm oil we use is grown and processed in a responsible way. IKEA is an active member of the Roundtable on Sustainable Palm Oil (RSPO), a multi-stakeholder organisation whose mission is to make sustainable palm oil the norm. IKEA sources approximately 98,5% RSPO certified sustainable palm oil from segregated sources. Our goal is 100%.

An important industry

Producing palm oil is often associated with environmental damage such as deforestation and biodiversity loss, and social concerns including poor labour rights and dangerous working conditions. IKEA believes that palm oil has the potential to be a sustainable raw material. It is one of the most productive vegetable oils and can have a positive impact on livelihoods when grown responsibly.

“Many smallholders are today fully dependent on the income from their palm oil plantation. At the same time the severe environmental impact is evident when sustainability practices are not followed,” says Lena Pripp-Kovac, Head of Sustainability Range & Supply at IKEA of Sweden.

Collaboration to ensure positive impact

IKEA promotes a collaborative approach to ensure the greatest positive impact. We believe that RSPO certification is currently the best platform available to achieve sector level change in the palm oil industry.

FACTS

IKEA uses approximately 40,000 tonnes of palm oil annually, which is a reduction compared to recent years. About 94% of the total volume is used in home furnishing products, mainly in candles. Around 6% can be referred to food.

As of 2015, all palm oil used in our home furnishing products such as candles is certified sustainable palm oil from segregated RSPO sources. In total we use approximately 98,5% RSPO certified sustainable palm oil from segregated sources. Our goal is 100%.

The Roundtable on Sustainable Palm Oil (RSPO) is a multi-stakeholder organisation whose mission is to advance the production, procurement, finance and use of sustainable palm oil products. IKEA is an active member of RSPO.

Until we have reached 100% certified segregated palm oil, we buy RSPO Credits for the volume not secured as segregated. Buying credits supports sustainable palm oil production.

Currently, end of 2017, 98,5% of our palm oil is certified sustainable palm oil from segregated RSPO sources. Thus, palm oil is physically separated from non-sustainable oil during the whole supply chain from mill to manufacturing of the final product.

Taking it one step further

The IKEA palm oil sourcing strategy includes two additional criteria that go beyond RSPO requirements. Firstly, we have now mapped all mills connected to our candle suppliers and have confirmation from palm oil producers that the palm oil used in IKEA products does not contribute to destruction of high value forests. Secondly, no palm oil used in IKEA candles has come from plantations that have been newly developed on peat, since peat wetlands are important carbon stores with high biodiversity value.

IKEA is increasingly active in verifying its palm oil supply chain according to the criteria above, and are together with an external partner evaluating our supply chain and visiting selected mills and plantations to verify compliance. Although our findings to date have shown that deforestation and planting on peat is not taking place there still are challenges around human rights issues.

“IKEA is positive that RSPO is developing its principles and criteria to strengthen the areas above as well as human rights issues, such as forced and bonded labour. We also welcome the fact that RSPO is focusing more on its smallholder approach. We believe that smallholder farmers are the key to sustainably produced palm oil,” says Lena Pripp-Kovac.

“We believe that smallholder farmers are the key to sustainably produced palm oil”

Lena Pripp-Kovac, Head of Sustainability, Range & Supply at IKEA of Sweden.