June 2, 2005

Mr. Paul Wolfowitz President The World Bank 1818 H Street, N.W. Washington, DC 20433.

Dear Mr. Wolfowitz:

We would like to bring to your attention the serious health concerns and environmental problems resulting from the use of palm oil in food (please see enclosed report, "Cruel Oil"). We are especially concerned that use of palm oil may increase both cardiovascular disease in developing countries and deforestation and biodiversity loss in Southeast Asia.

Most health authorities agree that palm oil promotes heart disease. At least two meta-analyses have examined the effect of palmitic acid (found in palm oil) on serum cholesterol. In a 1997 study, British researchers concluded that, compared to carbohydrates, palmitic acid raises blood cholesterol levels.¹ In 2003, Dutch scientists conducted a meta-analysis² that examined what may be the best indicator of heart-disease risk: the ratio of total cholesterol to HDL ("good") cholesterol.³ Palmitic acid increased the total:HDL cholesterol ratio more than other saturated fatty acids. The same study found that palm oil increases the total:HDL cholesterol ratio more than the average U.S. dietary fat. That finding indicates that, in terms of blood cholesterol, palm oil is more conducive to heart disease than the average U.S. dietary fat and much more conducive than soy and other liquid oils.

The World Health Organization recently concluded that there is "convincing evidence" that palmitic acid increases the risk of cardiovascular disease.⁴ The National Heart, Lung, and Blood Institute in 1997 warned: "Saturated fat raises blood cholesterol the most...You are then at risk for having a heart attack or stroke....A high content of saturated fat can be found in some foods that come from plants such as: palm kernel oil, palm oil, coconut oil, cocoa butter."⁵ Similarly, the National Institute of Diabetes and Digestive and Kidney Diseases states: "Cut back on foods high in saturated fat or cholesterol, such as meats, butter, dairy products with fat, eggs, shortening, lard, and foods with palm oil or coconut oil."⁶

If current trends continue, palm oil's impact on public health in developing countries will increase greatly. According to a major study sponsored by Columbia University's Earth Institute, the burden of heart disease—in terms of both health and economics—will fall heavily on developing countries.⁷ Already, heart disease kills millions of people annually in China and India.⁸ Researchers estimate that in 2030 in China, half of the projected 9 million deaths from heart disease will occur among people in their prime working years, age 35 to 64. India and China also are the world's two biggest importers of palm oil; both more than doubled their imports between 1997 and 2001.⁹ The Columbia study concludes that without concerted interventions by the public health community, national governments, and private enterprise, a health crisis due to heart disease is looming in China, India, and other developing countries.¹⁰ Reducing consumption of palm oil, as was done in Mauritius, would be a good way to start addressing that crisis.

In addition to palm oil's harm to human health, oil palm agriculture destroys tropical rainforest and kills wildlife. Almost all oil palm is grown on huge plantations in tropical countries. The

area planted with oil palm has expanded radically in both Malaysia and Indonesia, the world's two biggest producers and exporters. Since the mid-1960s, production in Indonesia has grown over 30-fold and in Malaysia over 10–fold. Oil palm plantations have replaced about 7,000 square miles of rainforest in Indonesia,¹¹ especially on Sumatra and Borneo.¹² In Malaysia between 1990 and 2002, about 5,600 square miles of oil palm agriculture involved rainforest removal,¹³ especially on Borneo.

Because oil palm plantations often replace the tropical rainforest that provides wildlife habitat, Indonesia and Malaysia face a crisis of biodiversity loss. Some 32 percent of terrestrial mammal species are threatened in Indonesia, according to the 2004 IUCN Red List of Threatened Species compiled by the World Conservation Union.¹⁴ In Malaysia, that figure is 16 percent. Further loss of habitat will ultimately lead to the extinction of many unique and magnificent animal species, including the Sumatran tiger, Sumatran and Bornean orangutans, and Sumatran rhinoceros, as well as the disappearance of the Asian elephant from Indonesia. Each of those species is endangered or critically endangered—a status largely due to loss of habitat. They once flourished in exactly the areas where rainforests have since been cleared for oil palm.

Unless current trends are stemmed, oil palm plantations will continue to expand rapidly, devastating the remaining tropical rainforest. The demand for palm oil is forecast to double, with a production increase of 20 million tons, by 2020.¹⁵ To realize that expansion, governments will be seeking for new and expanded plantations¹⁶ that may well cover 26,000 more square miles of tropical rainforest in Indonesia and almost 3,000 more square miles in Malaysia.

The oil palm industry is destroying the habitat of rainforest creatures, as well as lands of indigenous peoples, in order to produce a product that promotes heart disease. We urge international donor agencies not to provide funding for that industry.

Thank you for your consideration.

Sincerely,

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Endnotes

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