

Dutch Advertising Code Authority bans margarine's anti-palm oil message

The Dutch Advertising Code Authority (Reclame Code Commissie) has sent margarine brand The Flower Farm back to the drawing board. The company must now substantially change its product packaging and messaging. It had recently launched so-called shea butter products with a core marketing message of 'not palm please'. The Authority's ruling came in response to a complaint filed by the European Palm Oil Alliance, a body which represents palm oil producers and processors, and MVO, an association for the Dutch oils and fats sector. The complaint was supported by several civil societies including Solidaridad, The Sustainable Trade Initiative IDH and the Orangutan Land Trust.



The anti-palm oil margarine is promoted through an advertising campaign claiming among other things that eating this product reduces deforestation.

Misleading messaging

The Authority identified clear breaches of its code, calling some of the messaging 'misleading, unsubtle, unprovable and one-sided'. It even labelled it 'dishonest advertising'.

The company must amend the product's packaging and website, and it may no longer broadcast the TV commercial, video for children or Instagram videos.

The Authority's central argument recognises the significant steps taken to resolve issues in palm oil production, in particular the broad support for industry sustainability standards, the Round Table for Sustainable Palm Oil (RSPO), and the successful work being done to combat deforestation.

Civil society backing

Nico Roozen, Solidaridad's honorary president, represented the civil societies at the hearings and he is happy with the ruling. "It's important that the Authority is seen to draw a clear boundary: palm-oil-free products are permitted, but one-sided marketing against palm oil is not. The Authority is right to state that 'blunt and simplistic messaging to raise consumer awareness is not an excuse for omitting crucial information'."

The only alternative to palm oil is sustainable palm oil, as far as the civil societies are concerned. No vegetable oil can match it for efficacy. It is also the go-to cooking oil for millions of poor consumers whose interests must be considered. Boycotting palm oil would polarise societies and there is no sustainable alternative which can count on widespread backing.

The ruling

The Advertising Code Authority calls the campaign 'misleading and dishonest' because it withholds essential information from consumers. It points to steps being taken by the industry to make it more sustainable, including the support for the RSPO and deforestation-free palm oil. The Authority adds that the loss of fauna is due to hunting and poaching as well as the expansion of plantations.

The increase in oil palm cultivation is not just dependent on land clearing – existing oil palm plots are being farmed more intensively, and coffee, cocoa and rubber plantations are being converted to the crop. In other words, nuanced and realistic messaging around different aspects of the industry is called for.

A sunflower oil product

Roozen realises The Flower Farm has a difficult task ahead. Its shea butter products are positioned as palm oil alternatives, after all. The product doesn't even have its own brand name: everything is anti-palm oil. The packaging's main message – 'eat plants' – is an odd one-liner. Both palm oil and shea are vegetable-based products: palm oil is extracted from the fruit of a tree and shea from the fruit of a shrub.

'No palm please', 'no palm' and 'palm-oil-free spread' have been identified as undesirable marketing messages. The company will need to redesign the packaging from scratch.

Is shea butter a viable alternative for The Flower Factory? According to the small print on the packet, it contains '60% vegetable oils and fats in varying proportions (sunflower oil, shea butter)'. The term varying proportions offers no clarity in terms of percentage or weight, but food products normally list their ingredients in descending order by weight: sunflower oil seems to be the main ingredient in this case.

A touch of shea

Initial test results confirm that shea accounts for a small proportion of the product: in the liquid ingredients it accounts for less than 3% and in the solids 5 to 15%. This is more a sunflower product of European origin than a shea butter one from the African savannah. Unclear ingredient labelling is another way of deceiving consumers.

More importantly, shea butter will never replace palm oil. Current global production per year stands at 70 million metric tonnes of palm oil and 700,000 metric tonnes of shea oil. The expansion of shea production may not cause deforestation, but could lead to water shortages in the African savannah. It would put pressure on the water supply to village communities,

already insecure in many cases. Like all products, shea has sustainability challenges of its own.

Small-scale trade war

A boycott won't deliver any solutions. The only alternative to palm oil is sustainable palm oil. "Anti-palm oil marketing could be called a small trade war," says Roozen. "Banning products can only lead to further polarization. It may even turn into a full-scale trade war with Asian reprisals, which would be in nobody's interests. Instead, let's look for real solutions to these urgent challenges."

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