

**GREENPEACE**



**HOW**

**KFC**

**IS**

**JUNKING THE JUNGLE**

**BY DRIVING RAINFOREST  
DESTRUCTION IN INDONESIA**



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2



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**1. Peatland forest in Sumatra**

© Kemal Jufri / Greenpeace

**2. Sumatran tiger**

© Alamy

**3. Forest clearance for plantation development in Sumatra. May 2011**

© Donang Wahyu / Greenpeace

**4. Barge loaded with rainforest logs on way to pulp mill, Sumatra.**

© Greenpeace

**5. Stockpiles of timber at APP's PT Indah Kiat pulp and paper plant in Perawang, Sumatra.**

© Greenpeace / Daniel Beltrá

**6. Inside an Asia Pulp & Paper mill in Sumatra, Indonesia.**

**7. Some KFC packaging is made from rainforest fibre supplied by Asia Pulp & Paper**

© Greenpeace



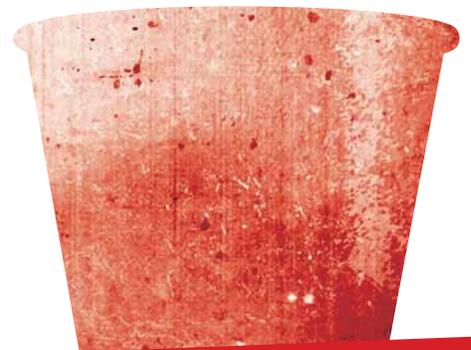
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# INTRODUCTION

KFC is one of the most prominent fast food brands around the world. Its parent company Yum! Brands Inc., a company based in Louisville, Kentucky, USA claims to be the world's largest fast food company <sup>1</sup> and last year reported revenue of more than US\$12 billion.<sup>2</sup>

Greenpeace International research has revealed that KFC is sourcing paper for its packaging products from rainforests. This has been confirmed in China, the UK and Indonesia. Products found to contain rainforest fibre include cups, food boxes, French fries holders, napkins and the famous chicken buckets. Greenpeace research has tracked a number of these products back to Asia Pulp & Paper (APP), a company that continues to rely on rainforest clearance in Indonesia. By purchasing from APP and by using paper made from rainforests, KFC and its parent company Yum! are driving the destruction of forests in countries like Indonesia. These forests are a key defence against climate change and are habitat for many protected species including the critically endangered Sumatran tiger.

Unlike a number of other major international companies, KFC and Yum! have no sustainability policies to exclude commodities connected to rainforest destruction. In fact, the group has consistently failed to even answer questions about its sourcing of products such as palm oil, soya and paper products. This is in contrast to Yum!'s main competitor McDonalds which has played an important role addressing deforestation in the Brazilian Amazon. While its supply chain still contains significant risks, McDonald's has introduced policies to begin to address its forest impacts.<sup>3</sup>

Greenpeace is calling on KFC, and its parent Yum! to immediately implement policies to exclude deforestation from their supply chains and to suspend the use of any products from APP while it continues to clear Indonesia's natural forests.



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Stockpiles of logs at APP's Indah Kiat Perawang pulp mill.  
© Greenpeace

# ASIA PULP & PAPER - DRIVING RAINFOREST DESTRUCTION

APP is the pulp and paper division of the Sinar Mas group<sup>4</sup> and claims to be the third largest pulp and paper manufacturer in the world.<sup>5</sup> It aspires to be number one,<sup>6</sup> and by the rapid scale of its expansion it could very well be on track.<sup>7</sup> Yet APP's operations come at a devastating cost for the people dependent upon Indonesia's forests, for endangered species like the Sumatran tiger and for the future of the world's climate. Indonesia's own data from the National Council on Climate Change (DNPI) position it as the world's third largest GHG polluter;<sup>8</sup> it attributes some 85% of these emissions to land use – almost entirely from deforestation and peatland degradation.<sup>9</sup>

In February of this year Greenpeace International released the results of a year-long investigation into APP which found that the company is systematically violating Indonesia's laws protecting ramin, an internationally protected tree species.<sup>10</sup> The investigation, undertaken at APP's largest pulp mill in Indonesia, Indah Kiat Perawang, on the island of Sumatra, has exposed how illegal ramin logs are regularly mixed into

its supply of rainforest logs from natural rainforest clearance. By processing ramin for pulp, APP is also undermining CITES,<sup>11</sup> the same international conservation agreement governing trade in protected species that covers ivory and tiger body parts.

These revelations come on the back of years of evidence showing that APP's empire is built upon the systematic clearance of natural forest to feed its increasing fibre consumption.<sup>12</sup> Despite repeated claims that APP will end its reliance on natural forest clearance the company has comprehensively failed to reach this goal. APP has been blacklisted by a host of major international brands, a number of which tried and failed to encourage the company to reform its practices. NGOs such as Rainforest Alliance and WWF have also attempted to work with APP to reform its practices, but without success.<sup>13, 14</sup>

Global companies that have ruled out supply from APP include **Nestlé**<sup>15</sup>, **Kraft**<sup>16</sup>, **Xerox**<sup>17</sup>, **Unilever**<sup>18</sup>, **Adidas**<sup>19</sup>, **Mattel**<sup>20</sup>, **Mondi**<sup>21</sup>, **Metcash**<sup>22</sup>, **Hasbro**<sup>23</sup> and **Danone**<sup>24</sup>.

## APP is chasing the fast food sector

In its quest to become the world's largest pulp and paper company, the food packaging sector is an important market for APP. Approximately half the world's pulp production goes into making packaging paper and board.<sup>25</sup> Of this, packaging for food and beverage

containers represents over two thirds (72%).<sup>26</sup>

A significant proportion of APP's paper production<sup>27</sup> is dedicated to packaging and most of its paperboard brands are certified for use in food grade packaging.<sup>28</sup> Some mills have developed special food grade products such as Foopak,<sup>29</sup> or focus exclusively

on food packaging, like Jin Feng Yuan Paper (Shanghai) Co., Ltd (liquid packaging and cup board).<sup>30</sup> APP China's brand new 600,000 tonnes/year paperboard mill Guangxi Jingui Pulp & Paper Co., Ltd<sup>31</sup> is to be 'one of the world's largest forest-pulp-paper production base and [will] strive to become APP's base for paper packaging of liquids'.<sup>32</sup>



**I do not want to later explain to my granddaughter Almira that we, in our time, could not save the forests and the people that depend on it. I do not want to tell her the sad news that tigers, rhinoceroses, and orangutans vanished like the dinosaurs.**

**Indonesian President Susilo Bambang Yudhoyono, September 2011<sup>33</sup>**



## **Sumatran tigers – under threat**

The Sumatran tiger is the last species of tiger left in Indonesia, with the other two tiger species having become extinct more than 40 years ago.<sup>34</sup> Today, only 400 Sumatran tigers exist in the wild<sup>35</sup> and the species has suffered a rapid loss of habitat in the past decade.

In 2003, 80% of Sumatra's peat swamp forest was identified as tiger habitat. Between 2003 and 2009, Sumatra lost nearly a third or 800,000 hectares of these same peat swamp forests. Some 22% of this loss occurred in areas currently allocated to APP's log suppliers.<sup>36</sup>

Greenpeace mapping analysis of data from the Indonesian Ministry of Forestry shows that APP's pulpwood suppliers have been a significant driver of the clearance of Sumatra's peat swamp forests, a key habitat for the endangered Sumatran tigers. This has pushed tigers into closer contact with humans, often with tragic consequences for both sides.<sup>37</sup>

Some of the rainforest fibre identified in KFC packaging is coming from APP mills which are fed from cleared Sumatran tiger habitat. KFC and its parent company Yum! are therefore helping to drive the Sumatran tiger closer to extinction.



**2. An endangered Sumatran tiger, found trapped in an acacia plantation belonging to Arara Abadi, a supplier to APP in Pelalawan District in July 2011. Rainforest mapped as tiger habitat was being cleared in this same area. Tragically a rescue effort failed and the tiger later died.** © Melvinas Priandra / Greenpeace



# New Evidence: APP'S ON-GOING RELIANCE ON RAINFOREST CLEARANCE



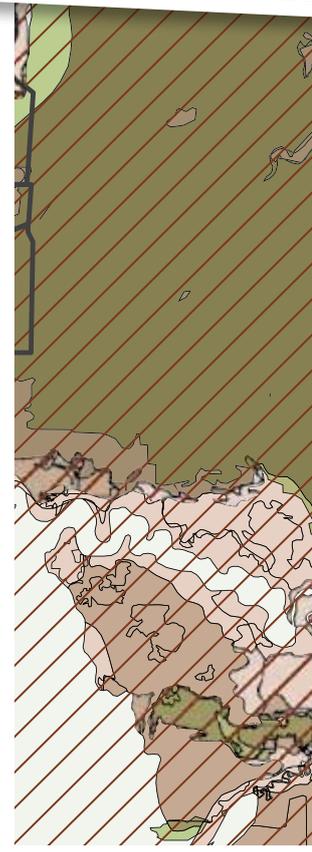
1

0°9'9"S 102°47'7"E



APP has committed on three separate occasions to end its use of natural forest fibre. In 2004 the company pledged to use only plantation fibre by the end of 2007.<sup>38</sup> In 2007, it changed the date, this time giving the end of 2009 as a target.<sup>39</sup> The most recent statements from APP have moved this commitment back to 2015<sup>40</sup> – **the company therefore acknowledges it will continue to clear rainforests until at least 2015.** And, of course, given its history there is no reason to believe this latest commitment will be met.

In 2012, natural forest clearance has continued, including areas of peat swamp forests mapped as habitat for the Sumatran tiger. The Kerumutan Peat Swamp Forest<sup>41</sup> in Riau is one of Indonesia's last remaining areas of extensive forested peatland. The landscape has been designated a regional priority for the survival of tigers in the wild.<sup>42</sup> APP is supplied from six concessions in Kerumutan, totalling over 150,000 hectares.<sup>43</sup> Mapping analysis shows that these concessions cover significant areas of deep peat and forested tiger habitat.<sup>44</sup> PT Mutiara Sabuk Khatulistiwa is one of these suppliers. It was identified in a confidential 2007 Sinar Mas Forestry document as a target supply area, with a size of 45,000 hectares.<sup>45</sup> Analysis reveals that 100% of the area is mapped as peatland greater than 3 metres deep, and more than 90% of the area was forested tiger habitat in 2006.<sup>46</sup> Forest clearance and peatland drainage has been repeatedly documented by Greenpeace, most recently in February 2012 (see pictures right). These peat swamp forests are also habitat for the protected tree species ramin, the same species repeatedly identified waiting to be pulped at APP's largest mill, Indah Kiat, Perawang.

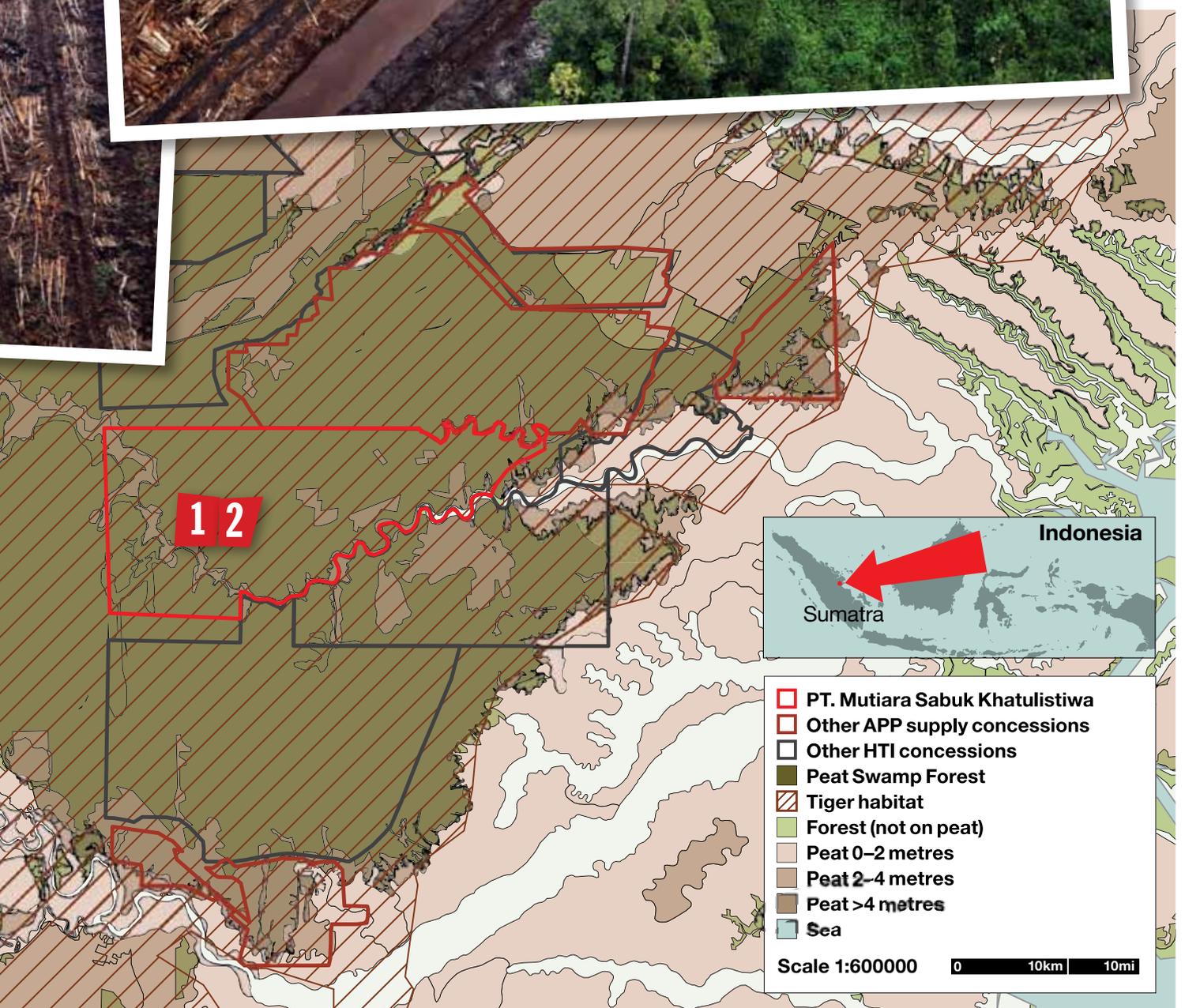


1. Rainforest clearance in PT MSK, an Asia Pulp and Paper (APP) supplier concession, February 2012 © Kemal Jufri / Greenpeace

2. Excavators stockpile rainforest logs following forest clearance in PT MSK. The area is mapped as deep peat. February 2012. © Kemal Jufri / Greenpeace

2

0°9'6"S 102°47'14"E



12



- PT. Mutiara Sabuk Khatulistiwa
- Other APP supply concessions
- Other HTI concessions
- Peat Swamp Forest
- Tiger habitat
- Forest (not on peat)
- Peat 0-2 metres
- Peat 2-4 metres
- Peat >4 metres
- Sea

Scale 1:600000    0    10km    10mi



# KFC

## AND THEIR ROLE IN FOREST DESTRUCTION



IPS TESTING EXPERTS

Report to Greenpeace UK  
IPS FI 02300-11

November 2, 2011  
Page 13 of 15

Table 16. Fiber Analysis, Including Species Percentages, of KFC Stws Lunch Box (A)

Fiber Type	Softwood	Raw Count	28
Bleaching	Bleached	Weight Factor	0.90
Pulp Process	Kraft	Final Count	25
		% by Weight	6%

Species:  
Principal - Hard Pine (Except Red & Scotch), (Spruce and/or Hemlock)  
Some - Fir  
Trace - Douglas-fir, (White and/or Red Pine)

Fiber Type	Hardwood	Raw Count	906
Bleaching	Bleached	Weight Factor	0.42
Pulp Process	Kraft	Final Count	381
		% by Weight	85%

Species	Total Vessels Counted	Calculated Percent By Weight
Mixed Tropical Hardwoods*	67	~62%
Acacia	36	~33%
Eucalyptus	5	~5%
Maple	1	Trace

\* 14 different types were detected with one resembling species in the

1

2

KFC is the largest fast food brand within the Yum! company, which also includes Pizza Hut and Taco Bell. Yum! boasts over 37,000 outlets in 120 countries with 4 new outlets opening each day outside the US.<sup>47</sup> Its aggressive expansion into developing countries has been successful in recent years, particularly in China where it now derives more sales than from its US outlets.<sup>48</sup>

In 2006, KFC reached the milestone of selling more than one billion chicken dinners for the year.<sup>49</sup> Yum! spent over half a billion dollars on advertising in 2011<sup>50</sup> and KFC can boast as being the world's first brand visible from outer space after deploying a huge 87,000-square foot banner in the Nevada desert in USA in 2006.<sup>51</sup>

Disappointingly, KFC and Yum! spend far less time and resources dealing seriously with the environmental impact of their business. Yum! acknowledges that '...it's our responsibility to understand and mitigate our environmental impact globally'.<sup>52</sup> Yet a thorough examination of Yum!'s public materials shows no

evidence that the company has a comprehensive policy to tackle environmental impacts in its supply chain, rather it relies upon a few isolated examples or pilots of 'best practice'. Repeated formal requests from Greenpeace in the US, the UK, India and in the Netherlands over many years for information about sustainability commitments have gone unanswered.

Greenpeace investigations have revealed that KFC uses paper products that contain rainforest fibre in at least three countries: the UK, China and Indonesia. A number of the KFC products in the UK and Indonesia have been traced through chain of custody research back to APP. The presence of rainforest fibre was confirmed through fibre species analysis of KFC products sampled in those countries, by specialists at the Institution for Paper Science and Technology, in Germany or Integrated Paper Services, US. Further fibre analysis of a Pizza Hut packaging product from Indonesia, another Yum! Brand, also tested positive for significant levels of rainforest fibre.

1. Rainforest destruction in Sumatra © Greenpeace
2. Fibre analysis is conducted to identify the presence of rainforest fibre in paper/packaging samples. @ Greenpeace
3. Example of independent fibre analysis. Multiple KFC products recorded more than 50% rainforest fibre content

7
50
0.70
15
3%

21
0.70
15
3%

21
0.70
15
3%

21
0.70
15
3%

21
0.70
15
3%

21
0.70
15
3%



KFC packaging and paper products from the UK, China and Indonesia all tested positive for MTH (mixed tropical hardwood)/rainforest fibre.

## EVIDENCE OF THE COLONEL'S DIRTY LITTLE SECRET



### UK

KFC UK's website states that 'We are confident about the origin and impact of material used in our packaging because all of our suppliers are certified as 100% sustainable by independent third parties such as the FSC or SFI, and can demonstrate through their entire supply chain that their product is renewable'.<sup>53</sup>

However, Greenpeace investigations have revealed that KFC's foodboxes, like the 'Streetwise Lunchbox' and 'Snackbox', have been manufactured from APP paperboard produced at the Indah Kiat Serang mill<sup>54</sup> on Java island, Indonesia. Neither these, nor any other products from this mill, are credibly certified. This mill is known to receive significant amounts of pulp from APP's largest pulp mill, Indah Kiat Perawang on Sumatra, which continues to be supplied by rainforest timber, including from forested peatland and tiger habitat.<sup>55</sup> In August of 2011, Greenpeace commissioned fibre testing for the packaging of various KFC products.

Seven out of the 10 KFC food boxes sampled in the UK showed mixed tropical hardwood (MTH), i.e. rainforest fibre, as the main hardwood component of these products. Three of these products recorded levels of over 50% MTH including the KFC Popcorn box and the KFC Streetwise lunch box. The other key fibre source found was acacia, the predominant plantation species APP's suppliers are planting to replace cleared natural forests.

In March 2012, 3 out of 3 KFC food boxes collected from KFC outlets in the UK also tested positive for MTH as part of the hardwood component, mixed with acacia.

### China

Since at least 2010, several of APP's companies have been boasting on their websites about providing packaging products to KFC in China.<sup>56</sup> On the ground, undercover investigations and inquiries by Greenpeace have corroborated this on a number of occasions.<sup>57</sup> Greenpeace commissioned fibre testing for a number of products obtained from KFC China stores between 2010 and 2012, including paper cups, tissues and perhaps the most iconic of KFC's packaging; the Chicken Bucket. Rainforest fibre was repeatedly identified in products over this period. One bucket contained more than 50% rainforest fibre.

### Indonesia

In April 2012, Greenpeace investigations revealed that APP's paper mill PT Pindo Deli (Java, Indonesia) supplies KFC Indonesia with luncheon napkins (see image to the left). Fibre species analysis in April 2012 found some mixed tropical hardwoods in this product, mixed with a high content of acacia.

A separate APP company, PT Pabrik Kertas Tjiwi Kimia has also been promoting their new grease-proof packaging line by featuring a range of KFC products (paper bag, sandwich wrap and chicken fillet box).<sup>58</sup> Several KFC products sampled from Indonesia tested positive for MTH after being sent for expert analysis. These products include paper cups and French fries holders, with MTH positive results recorded from samples collected as recently as March 2012.

Research into another of Yum!'s brands, Pizza Hut, has provided evidence that rainforest fibre is also being used in the production of their paper-based packaging. Fibre analysis of triangular pizza boxes collected in April this year in Jakarta from a Pizza Hut store has revealed significant levels of MTH present. The boxes have been produced by PT Letter Mas Industry, a confirmed customer of APP.<sup>59</sup>

# Yum!



Yum! Brands and KFC International head office, Louisville, Kentucky, USA.

## CREATING RECIPES FOR DEFORESTATION



KFC's parent company Yum! stands out within the fast food sector for failing to deal seriously with its environmental impact upon forests. No brand in the group has taken comprehensive action to source commodities sustainably, yet this has not stopped the group's companies, including KFC, from trying to jump on the green bandwagon.

In the UK, KFC stopped using palm oil as part of its cooking processes in 2011, claiming that its position was influenced by concern for rainforests, *'you won't find us using palm oil in our restaurants now... hopefully the orang-utans will find their homes have been left well alone.'*<sup>60</sup>

The real story is rather different. KFC continues to cook products in palm oil in markets such as India, with no evidence of sustainable sourcing. The company is not a member of the Roundtable for Sustainable Palm Oil (RSPO) in any country in which it operates. At Yum!'s AGM in 2011, the board of directors helped vote down a proposal to procure sustainable palm oil for KFC, Pizza Hut and Taco Bell restaurants.<sup>61</sup>

Numerous reports and campaigns from environmental groups have exposed Yum!/KFC's failure to source other products, such as soya and pulp and paper responsibly. In 2006, following the release of a Greenpeace report showing the links between major food companies and forest destruction in the Amazon, a number of companies, led by McDonalds, demonstrated leadership by refusing to purchase soya that originates from newly deforested areas.<sup>62</sup> KFC failed to even respond to correspondence on

the issues. McDonald's has more recently introduced a land management commitment covering all commodities linked to deforestation, which specifically addresses wood fibre used in packaging. It has criteria that rule out supply from Asia Pulp and Paper due to a refusal to accept wood fibre from cleared forests.<sup>63</sup>

In the US, KFC has come under sustained criticism from US environmental groups. The NGO 'Dogwood Alliance' has run a campaign for years taking aim at the environmental issues behind fast food packaging – not surprisingly KFC stands out as the laggard.<sup>64</sup> Dogwood claims:

*'KFC's packaging is directly contributing to the destruction of our Southern forests [of the US]. While other leading fast food companies are working hard to adopt sustainable packaging policies, KFC continues to make its famous buckets from trees that were "harvested" from endangered forests across the South, including The Green Swamp – a unique, irreplaceable forest in Brunswick County, North Carolina... It was a vital resource for hunting, fishing and sustainable forestry since long before The Colonel perfected his secret recipe...'*<sup>65</sup>

Yum! Brands Inc. based in Louisville, Kentucky, USA has the ability to determine purchasing policy for its brands and outlets across the world just as it controls branding and other aspects of the business. For this reason Greenpeace is calling upon Yum!'s US based CEO, David Novak to finally take these issues seriously and demonstrate the leadership he is known for within business circles on other issues.



# HOW YUM! IS FAILING TO TACKLE DEFORESTATION



Greenpeace highlights links between KFC and deforestation for soya in the Amazon, 2006.  
© Greenpeace/Markus Mauthe



David Novak (pictured above, right) is Chairman and CEO of KFC's parent company Yum! and has been involved with the company for 25 years.<sup>66</sup> In 2012, Forbes reported that Novak was compensated nearly US\$30 million by Yum!.<sup>67</sup> He is highly regarded in the business world for his leadership skills, recently releasing a book on management leadership. Yet Novak is also reportedly 'hyper-competitive' and liable to go 'for the jugular' in urgent situations.<sup>68</sup> Unfortunately, Novak's competitiveness does not extend to environmental performance. Under Novak, Yum! has comprehensively failed to take responsibility for products it purchases that drive deforestation whilst other companies in the field are taking the issue seriously.

**APRIL 6 2006**

**The Colonel is exposed for 'Eating up the Amazon'**

A Greenpeace report reveals that KFC's supply chain includes soya products responsible for deforestation in the Amazon.

**JULY 25 2006**

**McDonalds takes action whilst KFC keeps mum**

McDonalds makes an announcement to stop selling chicken fed on soya grown in newly deforested areas. Tens of thousands of emails sent to Yum!'s CEO elicit no response from company.

**NOV 8 2007**

**Yum!'s palm oil purchases remain in the dark**

Greenpeace writes to Yum!'s Pizza Hut to ask about the source of the palm oil used in many of its products. Yum!'s Pizza Hut ignores this request

**JULY 6 2010**

**KFC is shown to be involved in pulping Indonesia's rainforest**

A Greenpeace report on Sinar Mas, 'Pulping the Planet', identifies KFC China as a customer of APP. KFC fails to respond.

**SEPT 2010**

**Burger King wakes up to the impacts of palm oil**

Burger King announces it will end purchases of palm oil from Sinar Mas and initiates a review of its rainforest policy to include all of its products.

**FEB 18 2011**

**Yum!'s Pizza Hut tries to keep a lid on it**

Pizza Hut management refuse to receive a petition signed by over 7,000 US citizens urging the company to stop sourcing palm oil from rainforest destruction.

**MARCH 9 2011**

**McDonald's gets with the Forests Program**

McDonalds announces its global Sustainable Land Management Commitment which includes standards for paper procurement barring practices currently employed by APP

**APRIL 2011**

**The Colonel and friends fend off forest-friendly investors**

At Yum!'s AGM, the board of directors help vote down a proposal to procure sustainable palm oil for KFC, Pizza Hut and Taco Bell restaurants

**APRIL 7 2011**

**The Colonel tries for a very thin coat of greenwash**

KFC UK and KFC Australia are reported to drop palm oil from their restaurant fryers. However no official statement or media release is forthcoming and no details on implementation or which products are covered is revealed

**MAY 2011**

**KFC's head remains firmly in the sand**

Greenpeace writes to Mark Bristow, then Head of Technical/Quality Assurance for KFC UK and Ireland regarding Yum!'s links to deforestation in Indonesia. A response is promised via phone but none is received.

**JUNE 2011**

**KFC India joins the ranks...**

...of national KFC offices ignoring Greenpeace's inquires. A letter sent to KFC India's corporate communications office, asking for the company's plan to avoid products linked to deforestation in their supply chain, receives no reply.

**JANUARY 2012**

**Yum! ignores the public**

From April 2011 to January 2012, over 36,000 people send emails to Yum!'s CEO and other senior staff asking Yum! to end purchasing of commodities linked to deforestation, including from APP. Again, no response from Yum!.



Peatland swamp forest in Sumatra.  
© Kemal Jufri / Greenpeace

.....  
***‘For those things which we find hard to put a price on – biodiversity, carbon, natural capital – the market has failed us. As a result we live in a world where temperatures are rising, natural resources are being depleted, species loss is accelerating and the gap between rich and poor is increasing. This is completely unsustainable. Business has to decide what role it wants to play. Does it sit on the sidelines waiting for governments to take action or does it get on the pitch and start addressing these issues?’***  
.....

**Paul Polman, CEO Unilever <sup>70</sup>**  
.....

# TIME FOR BUSINESSES TO TAKE RESPONSIBILITY

A growing number of companies have taken steps to remove APP from their supply chain either as part of their broader sustainability efforts or simply because, as Staples noted, APP is a 'great peril' to their brand.<sup>69</sup>

Below are just some of the companies that have ended or ruled out purchases from APP whilst KFC and others continue to purchase or trade their products.

## THOSE STILL TRADING WITH APP



**TESCO\***

**PaperlinX**

**BARNES & NOBLE**  
BOOKSELLERS

**Krispy Kreme**  
DOUGHNUTS®

**WAL★MART\***



\* selling APP brands in China

## BRANDS WHICH HAVE MADE COMMITMENTS TO END PURCHASES FROM APP OR INTRODUCED SUSTAINABILITY POLICIES WHICH RULE OUT APP

**P&G**

**K**  
kmart

**Hasbro**

**McDonald's**

**Nestle®**

**adidas**

**Detmold**  
Consumer Goods  
PACKAGING

**Woolworths**  
the fresh food people

**STAPLES®**

**Tchibo**

**KRAFT**

**MATTEL**

**xerox**



**Unilever**

**BILO**

**LEGO**

**Cartamundi**

**Kroger**

**Collins Debden**

**DELHAIZE**

**Metcash**

**ING** \*\*

\*\* has blacklisted APP for banking services

# RESPONSIBLE BUSINESS IS PART OF THE SOLUTION

***‘Deforestation is one of the principal drivers of climate change, accounting for 17% of greenhouse gases today. The consumer goods industry, through its growing use of soya, palm oil, beef, paper and board, creates many of the economic incentives which drive deforestation.’***

**The Consumer Goods Forum, November 2010<sup>71</sup>**

*The Consumer Goods Forum is a global industry network that brings together the CEOs and senior management of over 400 retailers, manufacturers and other stakeholders across 70 countries with combined sales of EUR 2.1 trillion and employs over 10 million people.*

Greenpeace is calling on KFC’s parent company Yum! and other companies to:

## Stop the destruction

- Immediately suspend direct and indirect purchases of any paper products, including but not limited to food packaging, from any APP group company until APP implements commitments to stop clearance of natural forests and peatlands.
- Publicly support political action for permanent protection of peatland and natural forest areas in Indonesia.

## Start the solution

Implement a global, zero-deforestation procurement policy:

- Establish targets and timelines for reducing the use of paper and packaging and increasing the use of recycled fibre. Where this is not possible, use virgin fibre that is Forest Stewardship Council (FSC) certified.
- Report annually on the percentages of types of papers from these different sources.
- Conduct an analysis to determine which other commodities – such as palm oil, beef or soya – should be prioritized to cut deforestation out of your supply chain. Implementing plan for that prioritization.

## Ensure Your Suppliers:

- Do not procure commodities produced or traded illegally.
- Avoid business with companies linked to deforestation.
- Respect the free and prior consent of indigenous peoples and other traditional forest users.
- Adopt and enforce ‘no-kill’ policies to avoid deaths of endangered wildlife within plantations and other infrastructure.
- Avoid commodities linked to conflict, including conflict wood, which was produced or traded in a way that drives violent conflict.
- Invest in business practices that prevent deforestation and support clean, low-carbon development.

## ABOUT REFERENCES

Unless listed below, full references for annotated endnotes can be found in 'The Ramin Paper Trail' at: [http://www.greenpeace.org/international/global/international/publications/forests/2012/Indonesia/Greenpeace\\_TRPT\\_report.docx](http://www.greenpeace.org/international/global/international/publications/forests/2012/Indonesia/Greenpeace_TRPT_report.docx)

Note that APP's 2008-2009 sustainability report (referenced as APP (2011c)) is no longer available on APP's website; a version downloaded in November 2011 can be viewed via <http://www.greenpeace.org/international/en/campaigns/forests/asia-pacific/app/ramin/routes/> and following the link to 'related downloads'.

## ENDNOTES

- 1 Yum! claims to be the world's largest restaurant company (eg: [www.yum.com/company/inthenews/pressreleases/092311.asp](http://www.yum.com/company/inthenews/pressreleases/092311.asp)). This claim is based on system units: McDonald's reported revenue of \$27bn for 2011 was much larger than Yum!'s.
- 2 Yum! website: [www.yum.com/company/](http://www.yum.com/company/) accessed 12/5/12
- 3 McDonalds website 'Sustainable Land Management commitment' [www.aboutmcdonalds.com/mcd/sustainability/signature\\_programs/sustainable\\_land\\_management\\_commitment.html](http://www.aboutmcdonalds.com/mcd/sustainability/signature_programs/sustainable_land_management_commitment.html) accessed 12/5/12
- 4 Sinar Mas website 'Pulp and paper products' [www.sinarmas.com/en/business-units](http://www.sinarmas.com/en/business-units), accessed 4/1/2012
- 5 Lifschitz (2010): 4
- 6 APP (2011c): 6
- 7 See eg. APP (2010), APP (2011c)
- 8 Comparing DNPI data (published 2009, source for 2010 report) with data from other top emitting countries (China, USA, Brazil, India, Russia) positions Indonesia as the world's 3rd largest GHG polluter in 2005. For a fuller explanation see Greenpeace International, 'Protection Money', endnote 5, p56 [www.greenpeace.org/international/en/publications/reports/Protection-Money/](http://www.greenpeace.org/international/en/publications/reports/Protection-Money/)
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A Sumatran tiger (*Panthera tigris sumatrae*). © Fotosearch

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