

## Leading Palm Oil Players Aim to Deliver USD 1 Billion in Forest Conservation in Southeast Asia

*The Rimba Collective aims to protect and restore over 500,000 hectares of tropical forest landscapes in Southeast Asia, starting with Indonesia.*

**8 April 2021, Indonesia** – Lestari Capital today launched the Rimba Collective, an initiative with the aim of delivering USD 1 billion to forest protection and restoration in Southeast Asia over a 25-year duration.

Rimba Collective is poised to be one of the largest private sector-enabled forest conservation initiatives ever launched in Southeast Asia. The initiative, which aims to protect and restore over 500,000 hectares of tropical forests, was developed by Lestari Capital, an impact-focused enterprise, in collaboration with founding partners including Nestlé, PepsiCo, Procter & Gamble and Wilmar. It aims to expand to more corporate partners and users when it becomes operational at the end of 2021.

Rimba Collective complements the palm oil industry's efforts to end deforestation by integrating and embedding funding for conservation across the supply chain. The initiative creates a transformative and sustainable financial model for long-term forest conservation investments that simultaneously support economic development and job creation for local communities.

The initiative's project portfolio will initially focus on Indonesia, before expanding to projects across Southeast Asia. Projects funded by Rimba Collective will be prioritised based on the potential to protect and restore large, continuous areas of natural ecosystems and critical habitats, such as primary rainforest, peatland and mangroves. Other priorities include generating measurable ecosystem service benefits (such as carbon sequestration, water purification and soil health) and resilient livelihoods for local communities. All projects will undergo third-party verification.

Rimba Collective aligns with the Government of Indonesia's focus on protecting the country's natural capital whilst generating resilient jobs, attracting high quality international and domestic capital, and driving economic development to recover from the COVID-19 crisis. The initiative's 25-year project agreements will directly benefit 32,000 local people in forest-frontier communities, strengthening equitable livelihoods and providing a secure source of income. It also contributes to the Government's targets to expand social forestry, accelerate peat and mangrove restoration, and reduce deforestation.

The Rimba Collective officially launched the mechanism with its founding partners at a virtual event on 8 April 2021. The event included a panel discussion with the founding partners, project proponents and government representatives discussing their perspectives on the Rimba Collective and the exciting path ahead.

**Michal Zrust, Co-Founder, Lestari Capital, said,** "The mechanism has been developed jointly together with the Rimba Collective's founding partners and is the first of its kind. By linking conservation funding directly with company operations, it has the potential to be a game changer for forest protection and restoration. It directly complements existing efforts by other groups to build more sustainable palm oil supply chains, and we are offering the opportunity for other major companies in agricultural commodity supply chains to participate."

**Benjamin Ware, Global Head of Sustainable Sourcing & Climate Delivery, Nestlé, said,** "We know that addressing deforestation in our palm oil supply chain is not enough. For a lasting and meaningful impact, we are evolving from a no-deforestation strategy to a 'forest-positive' one. This means we will

buy from suppliers who are actively conserving and restoring forests while promoting sustainable livelihoods and respecting human rights. Our involvement in the Rimba Collective will enable us to speed up our proactive efforts to protect forests and peatlands as well as human rights. It is an important pillar to achieve our commitment to zero net greenhouse gas emissions by 2050.”

**Wern-Yuen Tan, Chief Executive Officer, PepsiCo APAC,** said, “At PepsiCo we believe nature provides one of the most powerful levers we can pull to restore our planet and help meet the world’s climate targets. By working together through Rimba Collective, companies are demonstrating shared responsibility in restoring vital ecosystems and providing meaningful livelihoods to those living in and around forests. This partnership allows us to have an impact that reaches far beyond any one company or supply chain and helps to demonstrate the importance of forests in building a regenerative food system.”

**Girish Deshpande, Sustainability Director, Procter & Gamble,** said, “At P&G we are committed to a forest positive approach to palm oils sourcing – through supply chains that protect eco-systems from conversion and deforestation and respect the rights of the people who live and work in palm landscapes. We recognise to achieve this we need to come together with multiple stakeholders to find solutions that help us address, at scale, the common conservation, protection and restoration challenges that face us all. We were delighted to be a founding partner and to continue to play a role in shaping and guiding the development of Rimba Collective’s forest protection and conservation ambitions.”

**Perpetua George, Group Sustainability General Manager for Wilmar,** said, “The Rimba Collective presents itself at an opportune moment, as we progress further towards fulfilling our commitment to establish a deforestation-free supply chain from 2020 onwards. We now have the vehicle that will support our efforts, while also allowing industry and governments to work hand-in-hand to protect and restore forests.”

For more information on Rimba Collective, visit [www.lestari.com/mechanisms/rimba-collective](http://www.lestari.com/mechanisms/rimba-collective).

#### **About Lestari Capital**

Founded in 2017 in Southeast Asia, Lestari Capital is an impact-focused enterprise that designs and builds innovative mechanisms to address the chronic under-funding of conservation and restoration initiatives through integration with supply chain market demands. Working in partnership with industry leaders, Lestari Capital aims to change the narrative around conservation funding in Southeast Asia and worldwide by integrating the value of ecosystem services into the cost of commodities.

Visit [www.lestari.com](http://www.lestari.com).

#### **Media Contact**

For further information on Rimba Collective, please email [rimbacollective@lestari.com](mailto:rimbacollective@lestari.com).