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# The market campaign strategy of Greenpeace in decreasing rainforest deforestation in Indonesia: a case study of the usage of palm oil in Nestlé's products

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Abstract. This research aims to portray the influence of Greenpeace's movement in decreasing the rate of deforestation in Indonesia, using the study case of Greenpeace's campaigns towards Nestlé. It focuses on a Greenpeace's market campaign strategy towards Nestlé since March 2010 and on identifying its impacts. The type of research employed is descriptive analytic research, with data collecting techniques comprised of interviews and library researches. The result concludes that the Greenpeace's market campaign strategy is identified as part of the New Social Movement. As an Environmental NGO, Greenpeace's movement has a positive impact on the process of reducing deforestation in Indonesia. This can be seen on the transformation of Nestlé's policy in protecting rainforests. Furthermore, Nestlé also stops buying palm oil products from any palm oil companies linked to deforestation. The impacts have been depicted by the declining number of deforestations in Indonesia within a few periods of time. This success has been also strengthened by the establishment of the Forest Moratorium, signed by President Susilo Bambang Yudhoyono and continued by President Joko Widodo, with the support and advocacy of Greenpeace.

#### 1. Introduction

The end of the Cold War and the holding of the 1992 United Nations Conference on Environment and Development (UNCED) made international environmental issues both politically and intellectually more prominent in the international relations realm[1]. One environmental issue that receives special attention, especially in Indonesia, is the problem of deforestation. Deforestation is an activity of deforestation or forest conversion with other purposes such as agriculture, animal husbandry, land opening, and et cetera.

Indonesia has a forest capital of 134 million hectares, equivalent with 70% of its land area. This condition makes it the third-largest tropical rainforest country in the world, after Brazil and Congo[2]. This has led to its responsibility for the preservation of the world's lungs. According to the results of the Forest Watch Indonesia (FWI) analysis, the rate of deforestation in Indonesia in three periods decreased by two million hectares per year in the 1980-1990s, around 1.5 million per year during 2000-2009 and around 1.1 million hectares in 2009-2013. However, the case of deforestation in Indonesia is still an on-going issue that needs to be tackled.

The above-mentioned case of deforestation in Indonesia is inseparable from the increasing development of the oil palm plantation industry. In the 2007 United Nations Environment Program

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world after China and the United States[5].

(UNEP) report, it was found that oil palm plantations are a significant factor in forest destruction in Indonesia. They produce palm and cheap vegetable oil, which are widely used in beauty products and processed foods[3]. Their rapid expansion throughout Indonesia in the last decade has now seized 10.5 million hectares of forest land, which has the potential to have an enormous environmental impact. Palm oil plantations expansion often occurs at the expense of primary and secondary forests and encroachment into peatlands, leading to the loss of biodiversity in large numbers and detrimental effects to local communities whose livelihoods depend on forests. It also adversely impacts climate change in Indonesia and the world[4]. In 2007, deforestation in Indonesia was recognized as a global

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Greenpeace is an independent organization that campaigns to use creative non-violent confrontations in expressing global environmental problems. In the study of international organizations, Greenpeace is classified as a non-governmental organization (NGO). Responding to deforestation in Indonesia, Greenpeace conducted investigations during 2007-2010 that succeeded in elaborating the link between the causes of deforestation and multinational companies as the actors who are responsible for the process of deforestation. One of the multinational companies that Greenpeace targeted is Nestlé.

problem because of its impact on climate. It is the third-largest emitter of greenhouse gases in the

Nestlé is the largest food and beverage company in the world since 1866, based in Vevey, Switzerland, selling more than one billion products every day. According to Nestlé, the use of palm oil has nearly doubled in the last three years, with 320,000 tons for various well-known products, including KitKat, which is produced on a large scale[3]. Nestlé obtained its supply of palm oil from an Indonesia's multinational company of the Sinar Mas Group, and became a major buyer of palm oil from this company. A movement then emerged from Greenpeace, an anti-Nestlé campaign, carried out both through social media and with direct action. It aims to reduce the rate of deforestation in Indonesia. Greenpeace considers that Nestlé has a role in the process of deforestation in Indonesia by continuing to buy palm oil products from companies that conduct forest destruction. This massive campaign conducted by Greenpeace began in March 2010. With all these backgrounds, this research focused on answering two research questions, comprising of 1) what are the campaign strategies adopted by Greenpeace in driving down the rate of deforestation in Indonesia? and 2) what are the repercussions of the Greenpeace movement on suppressing the rate of deforestation in Indonesia?

# 2. Methodology

The type of research used by the authors is qualitative research. This research method will explain how the Greenpeace movement influences the process of deforestation in Indonesia. In addition to that, qualitative research methods will help to find out the interests of the actors involved. More specifically, the scope of the type of research used is descriptive type, as it uses a pattern of describing the state of empirical facts with relevant arguments. Furthermore, the results of the description are followed by analysis to draw analytic conclusions.

This study employs a qualitative method. The method of collecting data is undertaken through document review and interviews. The researcher interviewed three staff of Greenpeace Indonesia. The researchers apply the qualitative methods in analyzing data. The period of study is focused in 2010.

### 3. Results and discussion

3.1. The effect of Greenpeace campaign movement strategy in suppressing deforestation rate in Indonesia

Greenpeace's movements are not only carried out in one country but also its movements have crossed national borders, so they are referred to as transnational social movements. In its campaign movement against Nestlé, the movements have been carried out in an effort to reduce the rate of deforestation in Indonesia and are spearheaded by Greenpeace International. Similar movements have also been carried out in various countries such as in the Netherlands, Germany, Britain, China, and Switzerland. In Indonesia, its movements have been undergone through several strategies explained below.

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3.1.1. Lobbying the government of Indonesia strategy. Greenpeace's strategy to reduce deforestation in Indonesia is also inseparable from its efforts to lobby the Indonesian government to issue a Forest Moratorium for the protection of forests and peatlands in Indonesia. Based on the results of an interview with Koko Kocharuzaman, the Greenpeace Southeast Asia-Indonesia Forest Research & Mapping Leader in Jakarta, from the beginning Greenpeace was established, the demand for forest protection is the existence of a Moratorium. One of Greenpeace's strategies in lobbying with the government was, in 2011, meeting with President SBY and other environmental NGOs such as WALHI (Wahana Lingungan Hidup Indonesia), to discuss the draft law related to the Forest Moratorium. Greenpeace also maintains close relations with the Ministry of Forestry and the Environment. Subsequent efforts were also conducted in the administration of President Joko Widodo, by inviting him and other environmental NGOs to the Tohor River in Riau to build canals for peatlands conservations there.

3.1.2. Market campaign strategy. This is illustrated in the Greenpeace movement towards Nestlé, in which Greenpeace believes that the role of the state and market is one of the causes of deforestation in Indonesia. Therefore, the movement strategy that was carried out also used a market approach. The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) explained that NGOs have an essential function to raise environmental awareness. These functions are Awareness Raising, Campaigning, and Advocacy[6]. Greenpeace uses market campaign strategy as one of the strategies that have a high success rate in achieving its goals.

Based on interviews with Ahmad Saleh Suhada, Greenpeace Indonesia's Forest Campaign Solution Coordinator, it is found that the Market Campaign strategy is a campaign in which system is based on a market approach. The aim is to end deforestation. Greenpeace's campaign against Nestlé in 2010 was a form of Market Campaign since the initial identification showed that Nestlé is one of the consumers that buy from companies committed to deforestation. It mostly engaged by purchasing palm oil products, which are then processed into a mixture of milk, chocolate, and various other products.

Greenpeace's actions, to establish Nestlé as the main responsible actor for deforestation, were carried out to change the producer's corporate policy, in this case, the Sinar Mas Group Ltd. Accordingly, Greenpeace pressured Nestlé as it was the largest buyer of the company. Through this company, it is pressured to change and to push back the company to change and transform its policies, especially not to clear forests and convert peatland, respect the rights of indigenous peoples, and identify forests that have high biodiversity value. This Market Campaign Strategy has succeeded in raising awareness from the global community, and the strategy has become part of Greenpeace's unique movement, which creates a significant impact. It is found that by changing the market, changing demand, and changing access to production, it will help in transforming the policies of both the company and the state.

3.1.3. Media strategy. In conducting campaigns, Greenpeace always involves volunteers who are not only consisted of environmental activists but also some of them are direct victims of forest destruction. This method is called the bearing witness, inviting people who are directly affected by the issue. This pattern is relevant to the tactics and strategy in the Transnational Social Movement (TSM). As stated by Suharko that TSM activists usually tend to use very dramatic forms of demonstration with disruptive tactics, planned well in advance and completed with costumes and symbolic representations[7-14].

Related to Greenpeace's action against Nestlé, Greenpeace used a very creative action, in which the demonstrators held a protest by wearing orangutan costumes as a symbol of victims of deforestation in Indonesia. Similarly, the action was carried out in various countries, especially in front of the office or at Nestlé's corporate headquarters in various countries such as in Switzerland, the Netherlands, Indonesia, China, and Germany. On April 15, 2010, Greenpeace activists staged a protest at the annual Nestlé meeting held at one of Nestlé's offices in Lausanne, Switzerland. They disrupted the Annual General Meeting by carrying a banner with the message of "Nestle, give the orangutan a break" in the

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middle of a speech by Nestlé leader Peter Brabeck-Letmathe. This was done as a warning to executives, investors, and the media that Nestlé is contributing to deforestation in Indonesia.

Greenpeace's media strategy in the Nestlé case study is one of the successful campaigns with a significant impact. Gamson and Wolfsfeld describe the three main objectives of the media in social movements, such as mobilization, validation, and scope enlargement. Mobilization is essential not only for participants but also for the messages or values they carry. Media coverage is also crucial for validating relevant messages, as it also leads to a broad scope in the larger public sphere[8].

The majority of media strategies used by Greenpeace campaigns is social media, and they also frequently penetrate the mass media both on a national and global scale. Regarding its campaign against Nestlé, on March 17, 2010, it published a parody video of one of Nestlé's products, KitKat, known with the slogan "Have a Break, Have a KitKat,". The video was published on YouTube and Greenpeace's official website. It depicts an office employee who consumes KitKat whose contents are not chocolate but orangutan fingers instead. The one-minute video ends with a parody of the KitKat slogan "Have a Break? Give the orangutan a break" and asks Nestlé to stop buying palm oil products from companies that destroy tropical forests. After the video was circulated on social media, Nestlé reacted by asking YouTube to delete the video, and visitors to the site could no longer access it[9].

Greenpeace's social media campaigns on YouTube, Vimeo, Facebook, and Twitter have caused an 'anti-Nestlé' attitude to become viral in cyberspace. On March 19, 2010, this issue finally entered the mainstream media such as Skynews, The Guardian, The Independent, New York Times, NBC, Wallstreet Journal, and medias in Indonesia, such as Antara News and Liputan6. One example is on March 29, 2010, in which Wallstreet Journal published the headline "Nestle Takes a Beating on Social Media Sites" [10-13]. Greenpeace's campaign strategy using the media has succeeded in bringing the public into collective action, which is part of a New Social Movement.

3.2. Impact of the Greenpeace movement in suppressing deforestation rates in Indonesia. In order to reduce the rate of deforestation in Indonesia, the Greenpeace's efforts can be said to be successful. It has not only succeeded in influencing corporate policy but has also successfully lobbied the Indonesian government in creating a Forest Moratorium. After Greenpeace's various efforts in urging Nestlé to stop trading with companies that are still in the Sinar Mas Group or other companies that contribute to deforestation, it affected the decline of Nestlé's shares at the time of the campaign which began on March 17 to 19, 2010. In response to that, Nestlé finally took decisive action by addressing this issue.

Nestle's response, which was previously confrontational and closed in the media by removing and blocking all negative public comments on its Facebook page, has an impact on the company's diminishing credibility in the public. On the other hand, it increased public sympathy for the Greenpeace movement in suppressing the rate of deforestation in Indonesia. On March 19, 2010, it finally issued an apology for its response to Greenpeace's campaign on social media. On May 17, 2010, it confirmed that under the new sourcing guidelines, the source of palm oil of their products would only be purchased from suppliers or companies that do not violate the law, conserve tropical forests and peat forests, and support local communities.

Furthermore, there are several steps Nestlé would take to achieve a sustainable solution for palm oil, comprising of 1) Nestlé has joined the coalition for the Moratorium on Deforestation for palm oil in Indonesia; 2) Nestlé has become an active member of the RSPO (Roundtable on Sustainable Palm Oil; 3) Nestlé has stopped buying palm oil from harmful suppliers (Sinar Mas); 4) Nestlé has promised to use the Sustainable Sourced Palm Oil certificate in 2015; 5) Nestlé has made rapid progress in certifying palm oil and have covered 18% of purchases and will cover 50% in 2011; 6) Nestlé has conducted an in-depth analysis of its supply chain to ensure transparency and formulated a detailed action plan; 7) Nestlé began auditing suppliers of its palm oil; and 8) Nestlé has intensified collaboration with international organizations to build a global movement to support the development, implementation and disclosure of sustainable forestry practices.

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After successfully changing Nestlé's policy to stop deforestation by cutting off its palm oil supply chain, the Sinar Mas Group, in the end, the action was followed by other companies. Within the period of 2008-2013, more than 130 companies cancelled contracts with Sinar Mas Group subsidiary Asia Pulp & Paper and implemented policies that ensured their palm oil supply chains were free from deforestation activities[5]. On February 9, 2011, the world's second-largest palm oil producer, Sinar Mas Group's subsidiary, Golden Agri-Resources, announced a new forest conservation policy, and the company agreed to stop forest clearance and develop peatlands for oil palm plantations. The subsequent impact of the Greenpeace movement on suppressing the rate of deforestation in Indonesia was also implied in the issuance of the Indonesian Forest Moratorium. On May 20, 2011, the Indonesian Government issued Presidential Instruction No. 10/2011 concerning the postponement of the issuance of new permits and improvement of governance in primary natural forests and peatlands[11] which was extended again for two years in 2013. During the Joko Widodo administration, the President also extended the Forest Moratorium. Based on WALHI's data, during the moratorium period, changes in the allocation of forest areas through the mechanism of releasing forest areas for the RTRW tended to increase. In 2011, there was a release of 159,300 hectares of forest area, but in 2012, it increased more than ten times or as much as 1.8 million hectares. Then, in 2013, 2.4 million hectares were released. At its peak, in 2014, there was a release of up to 3.2 million hectares[12].

After all, the Greenpeace movement contributes on the decreasing rate of deforestation in Indonesia. This is based on the results of an interview with Greenpeace Southeast Asia - Indonesia Forest Research & Mapping Leader in Jakarta, who said that the rate of deforestation and illegal logging in Indonesia has decreased. This is also supported by data from the Ministry of Forestry in the 2014 Ministry of Forestry Work Plan document stating that the rate of deforestation and forest degradation in 2009-2011 had been reduced to 450 thousand hectares compared to 3.5 million hectares in 1998-2002. Finally, through a press release, the Ministry of Forestry said the deforestation rate in Indonesia was at 613 thousand hectares in 2011-2012.

#### 4. Conclusion

It can be drawn as the conclusion that the Greenpeace movement in its efforts to reduce the rate of deforestation in Indonesia is carried out using strategies in the context of the New Social Movement. The strategy uses the collective action in it by involving three actors, comprising of public, private, and "third party or NGO" sector, in which they are the Indonesian government, Nestlé, and Greenpeace respectively.

The Greenpeace movement towards Nestlé carries a common goal of reducing the rate of deforestation, which is indeed a common issue that must be solved together. The strategy used was to lobby the Indonesian government to declare Forest Moratorium, and then to proceed with involving the media as a tool to succeed its campaign against Nestlé. This media role is one of the implementations of the New Social Movement as a manifestation of a new form of democracy. The efforts made by Greenpeace in reducing the rate of deforestation in Indonesia have been successful. Its movement has succeeded in changing Nestlé's policy in breaking its palm oil supply chain and successfully lobbied the Indonesian government in carrying out the Forest Moratorium during Susilo Bambang Yudhoyono's administration and extending it in the current administration under Joko Widodo.

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