

# CGF Forest Positive Coalition of Action

Palm Oil Roadmap: Version 1.4

May 2021



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***A note on design:*** The CGF Forest Positive Coalition Roadmaps are intended to be living documents which are regularly reviewed and updated. Therefore, they remain in a ‘working format’ for the time being. As it becomes clearer in what way and how often they are updated, the design and layout will be improved.





# **Section 1:**

## **About the CGF Forest Positive Coalition of Action**

# About the CGF Forest Positive Coalition of Action



The Consumer Goods Forum (CGF) has created the Forest Positive Coalition of Action, led by 20 companies with a collective market value of around US\$2 trillion, to leverage collective action and accelerate systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains, while supporting sustainable forest management, conservation and restoration.

In 2010, the CGF Board made a resolution to mobilise resources to help its members achieve zero-net deforestation by 2020. The strategy was rooted in remediating individual company supply chains, often through certification – ensuring that the sourcing of key commodities would not deplete tropical rainforests. While progress was made by CGF members in reaching this goal, companies realised that acting individually would not accelerate progress as much as collective action.

The Forest Positive Coalition was launched to leverage the collective action of its member companies to use their collective influence to drive and accelerate efforts to remove deforestation from not only their own commodity supply chains, but across their suppliers' entire supply base.

The Coalition believes that its collective reach will enable members to make progress on four goals:

1. Accelerate efforts to remove commodity-driven deforestation from individual supply chains.
2. Set higher expectations for traders to act across their entire supply base.
3. Drive transformational change in key commodity landscapes.
4. Define measurable outcomes on which all members agree to track and report individually and collectively.

# Members and Governance



**Co-Sponsors:** Alexandre Bompard, CEO, Carrefour, and **Grant F. Reid**, Chairman and CEO, Mars, Incorporated

**Co-Chairs:** **Chris McGrath**, Vice President and Chief of Global Impact, Sustainability, and Well-being, Mondelēz International, and **Bertrand Swiderski**, Sustainability Director, Carrefour



# Partnerships

- ▶ The Coalition is supported by the **Tropical Forest Alliance (TFA)** and **Proforest**, both of which provide key logistical and implementation support
- ▶ The Coalition also works with the CGF's **Human Rights Coalition – Working to End Forced Labour (HRC)** to align the Coalition's Theory of Change, Roadmaps and strategies with the CGF's **Priority Industry Principles** against forced labour



# Four Elements of New Strategy



Underpinning the actions of the Coalition is the new Theory of Change, based on the 7 Levers of Change (see Box). This reimagining of the strategy – based on extensive consultation – is also supported by a Coalition Charter and will help Coalition members drive more impactful collaborations.

**Moving from deforestation-free to forest positive businesses:** The 2020 commitment focused on deforestation, but over the last ten years companies have realised that addressing the loss of natural vegetation is complex, involving an interplay of environmental, social and economic factors all of which need to be considered. Coalition members recognise that being a forest positive business means making systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains, while supporting sustainable forest management and restoration, to ensure the business is positively impacting the world's forests, supporting the rights of workers and local communities and improving their livelihoods.

Based on 18 months of consultations, 7 Levers of Change were identified which are needed to support the transition to forest positive. Some of these can be led by supply chain companies, while others need leadership from other stakeholders.

1. **Supply Chain Management** – from producers through traders and buyers, implement policies and practices that incent conversion free production and dis-incent production linked to conversion.
2. **Jurisdictional Wins** – intense focus on the supply side levers (1, 2 and 3) in a specific geography to create success stories to protect key places and catalyze further action.
3. **Forest Positive Policies** – for producer countries, narratives about standing forests as a resource, not an obstacle to economic development that catalyzes political will. For developed countries, trade policies supportive of protection and restoration.
4. **Reduce Dependence** – identify ways to shift demand away from materials driving forest risk to those with low forest risk – avoiding other sustainability impacts.
5. **Demand Shift** – create a desire to protect forests in consumers and then wherever it exists, convert that latent desire into product choices.
6. **Capital Markets** – for financial institutions attached to supply chains, shift capital towards conversion free production and away from conversion.
7. **Carbon Markets** – expand the scope of global carbon markets (both compliance and voluntary) and recognize forest carbon in those markets –e.g. REDD+.



# Four Elements of New Strategy

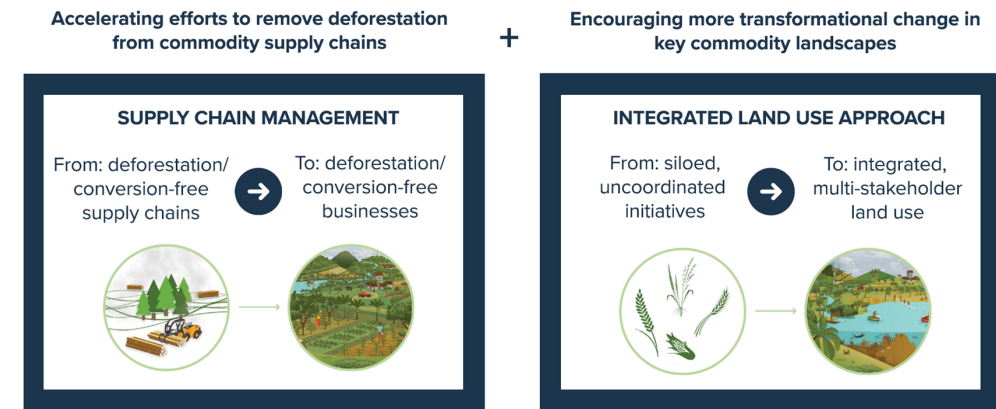


**From commitments to action:** The goal of the Coalition is to drive actionable change on the ground to deliver real, forest positive results. Coalition members commit to actions and to also regularly reviewing progress to adjust course when needed. This commitment being operationalised through the development and implementation of the **Commodity Roadmaps**, which set out the Coalition's planned actions for the coming 2-3 years and will be regularly reviewed and updated.

**From own supply to suppliers and landscapes:** One of the most important findings from the review of the 2010 resolution was that there is a limit to the progress that can be made by focusing only on individual supply chains. Therefore, based on a review of the different levers of change needed to move to a forest positive future, the approach of the new Coalition is based on a Theory of Change that builds on:

## Deforestation Theory of Change

Together, we can create a #forestpositive future



- ▶ Working with suppliers on deforestation-free businesses
- ▶ Collaborating to support progress in production landscapes



# Four Elements of New Strategy



**Maximising collective impact through Coalition-wide Actions:** The Commodity Roadmaps will guide specific actions for each commodity, but based on inputs from stakeholders we have also developed Actions across the Coalition to make sure we maximise our collective leverage across companies and commodities. The four Coalition-wide Actions are:

- Supplier and trader engagement
- Transparency and accountability
- Production landscapes
- Government and stakeholder engagement

Further information and updates on each of these will be provided on the CGF Forest Positive Coalition [website](#) and through regular stakeholder engagement meetings.



# The Commodity Roadmaps



The Coalition is creating Roadmaps for four commodities: palm oil, soy, paper, pulp and fibre-based packaging (PPP), and beef. The Roadmaps have been developed to set out in detail what these commitments and actions are for each commodity, complementing the Coalition-wide Actions and providing commodity-specific detail. Development of each Roadmap has been undertaken by working groups of member companies and has involved active participation of all the members of the group. There has also been input from stakeholders, and ongoing discussions will continue to inform updates and revisions to the Roadmaps.

The Roadmaps are designed to be living documents which member companies will discuss, review and update regularly. This will be informed both by experience of implementation and by input from stakeholders and supply chain companies. Supporting implementation of the Roadmaps will be the CGF Sourcing Guidelines for each commodity. These were created to support implementation of the 2010 resolution, but will be updated and expanded.

Each Roadmap has been developed to reflect the specific realities and challenges of the commodity. The roadmaps build on five main elements that combine action both within and beyond supply chains. Our members will:

1. **Manage their individual supply chains**, working proactively to ensure their own supply bases meet the aligned commitments of our roadmaps.
2. **Work with our suppliers**, engaging to implement the same commitments across their entire commodity operations.
3. **Monitor production bases**, actively identifying and responding to conversion as quickly and effectively as possible.
4. **Engage in landscapes**, working collaboratively with other actors to support forest conservation and restoration with positive outcomes for local communities.
5. **Promote transparency and accountability**, committing to regular reporting against agreed on indicators.

Subsequently, each of these five elements include:

- **Commitments** all members agree to achieve
- **Actions**, both individual and collective, that member companies will implement to deliver on the commitments
- **Key performance indicators** (KPIs) on which member companies agree to report to provide transparency and demonstration of progress



## **Section 2: Introduction to the Palm Oil Roadmap**

# Introduction to the Palm Oil Roadmap



Since the CGF Deforestation Resolution in 2010, the palm oil sector has made significant progress towards eliminating deforestation. Data from WRI Global Forest Watch confirmed a decrease in tree cover loss in Indonesia, the largest global producer, for the third year in a row in 2019<sup>1</sup> while deforestation inside palm oil concessions has been decreasing for several years<sup>2</sup>. Many efforts have contributed to this progress, involving collaboration between the private, public and non-profit sectors. These include:

- Roundtable for Sustainable Palm Oil (RSPO) certification which now covers around 20% of global production and, in 2018, significantly strengthened its standard with input from CGF and many other stakeholders and new standards have been developed, such as the High Carbon Stock Approach
- Producer government policies to limit palm oil expansion and protect forests, such as the Indonesian government moratorium on new clearance of forest or expansion on peatlands.
- Supply chain engagement, traceability and monitoring tools and partnerships
- Satellite deforestation monitoring and risk assessment
- Development of landscape-level and jurisdiction approaches, including capacity building for smallholders
- Reporting initiatives, such as the Accountability Framework and NDPE Implementation Framework
- Multi-stakeholder engagement via forums such as the Africa Palm Oil Initiative and Indonesian National Action Plan

Despite this, the sector is still associated with deforestation, some still within concessions but also with a growing proportion occurring outside large concessions. Continuing the transformation of the sector to Forest Positive will require addressing this reality and avoiding creating a two-tier market, where customers choose between segregated 'sustainable' or conventional supplies. Our ambition is the transformation of the whole palm oil sector and the end of deforestation.

<sup>1</sup><https://www.wri.org/blog/2020/06/global-tree-cover-loss-data-2019>

<sup>2</sup>Austin et al (2019) Environmental Research Letters. <https://doi.org/10.1088/1748-9326/aaf6dbC>



# Introduction to the Palm Oil Roadmap



From our experiences since 2010, we have learned a lot:

- Working pre-competitively in collaborative approaches makes more impact;
- We must eliminate deforestation from our own supply chains and look beyond to achieve scale and consistent approaches across the palm oil sector;
- We must work sector-wide and at landscape levels to address root causes (which also affect other sectors);
- A common knowledge base will enable all stakeholders to share the same facts, based on tools such as satellite monitoring to understand where deforestation is happening and what the drivers are;
- Large palm oil concessions remain a deforestation risk but increasingly deforestation in small concessions and in the wider landscape outside concessions is the challenge that must be addressed;
- Smallholders need support to help them to earn a living while protecting forests; and
- Governments in producing countries play a central role in land governance and CGF companies want to reinforce their policy objectives to protect forests and develop their economies.

While the focus of this document is forest protection, the palm oil sector also faces human rights issues, including forced labour and land conflicts linked to lack of Free, Prior and Informed Consent. Therefore, the Forest Positive Coalition is working closely with the CGF's Human Rights Coalition—Working to End Forced Labour which is focusing initially on forced labour. Starting with palm oil, two working groups across the Coalitions have had joint discussions and the Human Rights Roadmap is being developed in close alignment with this Forest Positive Roadmap to ensure that member companies can implement the two together, with the potential to integrate the documents once both have been developed.

Reflecting on our lessons learned since 2010, it is time for a new, positive approach based on responsible production, fair labour practices, respect for land rights, forest restoration and green, sustainable economic growth.

## Section 3: The 5 Elements of the Palm Oil Roadmap

1. Own Supply Chain
2. Suppliers & Traders
3. Monitoring & Response
4. Landscape Engagement
5. Transparency & Accountability





# Element 1: Own Supply Chain

Commitments & Actions

Transparency & Accountability



# 1. Own Supply Chain: Commitments & Actions

Overview: A central pillar of the FP Coalition approach is to progress from focusing on Forest Positive supply to Forest Positive Suppliers (Section 1). Nevertheless, it is an important foundation that each member is committed to ensuring that their own supply is Forest Positive. For retailers the focus will be on the supply base for their own brands.

## Coalition Members Commitments

- 1.1 Commit publicly to full implementation of the CGF Forest Positive (or NDPE) goal including timebound plan
- 1.2 Understand supply base including origins (production, mills, producer groups) and risk of deforestation or conversion
- 1.3 Develop and implement a timebound action plan to deliver commitments and identify and resolve any issues

Notes: Delivering Forest Positive deforestation-free means sourcing from plantations and farms that operate legally and in addition ensure the following requirements are met:

- *Comply with existing **RSPO Principles & Criteria**, or equivalent standards*
- *Protect high conservation value (**HCV**) areas*
- *Protect high carbon stock (**HCS**) forests*
- *Do not establish new developments on **peatlands** regardless of depth*
- *Involve **no burning** in the preparation of new plantings, re-plantings or any other developments, including the management of existing plantations*
- *Respect **human rights** in line with the UN Guiding Principles on Business and Human Rights, and endorse and support the Universal Declaration of Human Rights*
- *Engage in free prior and informed consent (**FPIC**) of indigenous and local communities concerning activities on their customary lands where plantations are planned for development*
- *Operate an open, transparent and consultative process to **resolve complaints and conflicts***

The Coalition is working on adding landscape collaboration and restoration to the Forest Positive definition.

## Coalition Actions

1. Q4 2020 onwards: Update CGF Palm Oil Sourcing Guidelines with guidance for manufactures, retailers and derivatives users focusing on delivering and reporting on CGF PO Coalition KPIs and transparency requirements. This will build on AFi and discussions with stakeholders as well as existing approaches (eg NDPE IRF) and shared platforms (eg POTC and ASD).
2. 2021: Review Guidance with particular focus on accessibility for smaller companies or companies based in more challenging regions with lower starting points

## Individual Actions

1. Q4 2020: Public commitment to FP Coalition forest positive (or NDPE) goal including a cut-off date and target date consistent with AFi guidance
2. Q4 2020-Q1 2021: Review current performance against the actions and KPIs using the CGF Sourcing Guidelines or equivalent
3. Q4 2020-Q1 2021: Commit to and take timebound action if not fully delivering, making a summary of the timebound plan publicly available
4. Q1 2021 and ongoing: Report on progress using agreed KPIs at least annually



# 1. Own Supply Chain: Transparency & Accountability

Overview: The goal is for every member's own supply chain to be as transparent as possible, including the progress made and remaining work to be done. Many of the Coalition members have already been reporting much of this information for some years and this will continue, but with a strong focus on reporting across all the suppliers and all the mills in the supply base to show overall progress on achieving Forest Positive (or NDPE) compliance. All members are committed to annual reporting on KPIs, with the recommendation to report quarterly where information is available

## Public Information from Members

- Policy commitments to the Forest Positive (NDPE) goals
- Timebound action plan summary
- Mill list using the conventions of the Universal Mill List to make group links
- Direct supplier list

KPIs	For Manufacturers	For Retailers (and complex derivative SCs)
<ul style="list-style-type: none"> <li>• Progress of mills toward forest positive (or NDPE)</li> </ul>	<p>Report for all mills in own supply base on % meeting Forest Positive (or NDPE) goal and progress for those not fully complying using the NDPE IRF or equivalent (min: annually, rec: quarterly)</p> <p><i>The CGF Sourcing Guidelines will provide guidance on how to ensure that the information is consistent and credible taking into account different approaches</i></p>	<p><i>Addressed through own brand manufacturers and upstream supplier engagement (see Element 2.1)</i></p>
<ul style="list-style-type: none"> <li>• % traceable to mill</li> </ul>	<p>Report % by volume and publish mill list including group linkages based on the Universal Mill List (min: annually, rec: quarterly)</p>	<p><i>Addressed through own brand manufacturers and upstream supplier engagement (see Element 2.1)</i></p>
<ul style="list-style-type: none"> <li>• % traceable to FFB sources</li> </ul>	<p>Report % of mills in own supply base or % of volume with FFB traceable to known production including both direct and indirect sources (min: annually, rec: quar)</p> <p><i>Traceability to known sources at production level should be risk-based so 'known' must be clearly defined in the CGF Sourcing Guidelines and granularity will vary from the scale of region to individual smallholder</i></p>	<p><i>Addressed through own brand manufacturers and upstream supplier engagement (see Element 2.1)</i></p>
<ul style="list-style-type: none"> <li>• % physically certified (MB/SG)</li> </ul>	<p>Report by volume for physical (Mass Balance or Segregated) RSPO certified or POIG verified. Credits can also be reported if used.</p>	<p>Report by volume or value for physical (MB/SG) RSPO or POIG certified for Own Brand products. Credits can also be reported if used.</p>



A photograph of a dense palm grove, likely a coconut plantation, with tall palm trees and lush green fronds. The sky is a clear, bright blue. The image serves as the background for the text overlay.

## Element 2: Suppliers & Traders

Commitments & Actions

Transparency & Accountability



## 2. Suppliers & Traders: Commitments & Actions

Overview: Central to the FP Coalition ToC is that transformation of palm oil production to Forest Positive across the whole sector can only be achieved if upstream suppliers also implement Forest Positive commitments across their entire palm oil business, thereby creating the scale and momentum needed. Therefore, the Coalition members (manufacturers and retailers) are committed to doing business with upstream suppliers who in turn are committed to Forest Positive implementation across their business – the **Forest Positive Suppliers Commitment**. While this applies across all suppliers, it is a priority to engage the large traders and suppliers who play a very significant role in many supply chains

### Coalition Members Commitments

2.1 Communicate and implement the 'Forest Positive Suppliers' Commitment with suppliers/traders

2.2 Collaborate with suppliers/traders to address barriers to sector-wide progress

Notes: There is a **Coalition-wide Action on Supplier/Trader Engagement** to leverage the combined influence of the Coalition and to provide alignment between different commodities. This includes developing an aligned 'Forest Positive Coalition Ask' which will be further developed for each commodity, including:

1. Public commitment to 'deforestation and conversion-free' across entire palm oil commodity business including a public time-bound action plan with clear milestones.
2. Process for regular supplier and trader engagement
3. Mechanism to identify and to respond to grievances
4. Support initiatives delivering forest positive development at landscape and/or sectoral level
5. Regular public reporting against key KPIs

### Coalition Actions

- Q3 2020: Document Coalition Members' expectations of suppliers, setting out an aligned Coalition 'Forest Positive Ask' including: progress delivering on Forest Positive (or NDPE) for the production (mill) base across their entire palm oil business, response to deforestation, and disclosure.
- Q3 2020: Identify and work with initiatives/platforms which can collect data and measure and evaluate key trader performance against the Coalition Forest Positive Ask (eg POTC)
- Q4 2020/2021: Identify the key suppliers/traders in Coalition members' supply bases and engage individually (see individual actions) and as a Coalition to communicate the Coalition Forest Positive Supplier Commitment and Ask, discuss progress in performance and identify areas for collaboration to drive sector-wide transformation
- 2020-2021: Share or develop guidance for members and suppliers on implementation, building on AFi, and including scorecards, training, NDPE IRF, use of shared platforms such as ASD and POTC etc. and recognising different starting points/contexts for different companies
- 2020-2021: Identify and engage other CGF companies that are in Coalition members' palm oil supply chains but are not yet Coalition members and encourage them to join the CoA and drive progress

### Individual Actions

- Q3/4 2020: Engage with direct suppliers and major upstream suppliers/traders to communicate the FP Suppliers Commitment and detailed Coalition 'Forest Positive Ask' and track performance.
  - For manufacturers the main focus will be on direct suppliers
  - For retailers (and users of complex derivatives) the main focus will be on their own brand suppliers and the major upstream traders/suppliers that supply their suppliers
- Q3/4 2020: Work with procurement team to ensure there are internal systems in place that drive consequences for supplier/trader progress and performance
- Q1 2021 and ongoing: Report performance of suppliers/traders against the agreed KPIs, including progress over time (use current performance as a baseline if first report)
- 2021: Ensure implementation of internal systems to drive consequences for supplier/trader progress and performance

## 2. Suppliers and Traders: Transparency & Accountability

Overview: The goal is to combine aligned Coalition member transparency with increased transparency from suppliers/traders to make it easy to track progress with sector-wide transformation, but also (and equally important) to identify areas where challenges remain or progress is slow so that the Coalition can take further action. This will require a combination of Coalition-wide KPIs and specific requirements for palm oil.


Since implementation by Coalition members' needs to be closely linked to procurement cycles which are generally annual, the recommended reporting frequency is also annual. This will be further reviewed based on experience.

### Public Information from Members

- Direct supplier list including own brand supplier list (where applicable)
- List of identified major upstream suppliers/traders prioritized (where applicable)
- Note that Own Brand manufacturers should make available the information set out in Element 1

KPIs	For Manufacturers	For Retailers (& complex derivative SCs)	Rec
<ul style="list-style-type: none"> <li>• % Direct suppliers engaged and informed of 'Forest Positive Supplier' Commitment and Coalition 'Ask'</li> </ul>	% by volume or number of direct suppliers	% by volume or value or number of direct suppliers (showing proportion of own brand manufacturers and other suppliers)	Ann
<ul style="list-style-type: none"> <li>• Direct supplier performance against the elements of the Coalition Ask and changes over time including progress on delivery across entire palm oil business</li> </ul>	Performance (including changes over time) against the elements of Coalition Ask for all direct suppliers	Performance (including changes over time) against the Coalition Ask for all Own Brand suppliers <i>Note: for Own Brand manufacturers the KPIs set out in Element 1 should be used as a basis for reporting</i>	Ann
<ul style="list-style-type: none"> <li>• Upstream suppliers/traders prioritised and engaged (directly or via a collective approach) and informed of Coalition Ask</li> </ul>	<i>Not reported – focus on direct suppliers</i>	Volume or number of upstream suppliers/traders prioritised and % of prioritised suppliers/traders engaged	Ann
<ul style="list-style-type: none"> <li>• Upstream trader performance against the elements of the Coalition Ask and changes over time including progress on delivery across entire operations</li> </ul>	<i>Not reported – focus on direct suppliers</i>	Performance (including changes over time) against the elements of the Coalition Ask for major upstream suppliers/traders	Ann





## Element 3: Monitoring & Response

Commitments & Actions

Transparency & Accountability



# 3. Monitoring & Response: Commitments & Actions

Overview: While the focus of the Coalition as a whole is on building a Forest Positive palm oil sector, action on monitoring and response will be focused on deforestation during the first year to make the maximum progress on meeting the original CGF 2020 deforestation commitment. However, this is likely to evolve as the Human Rights Coalition further develops its aligned Roadmap on Forced Labour, and the scope of Forest Positive is further elaborated by the Coalition.

For deforestation, rapid development of remote monitoring technology means almost real-time information on deforestation is widely available. However, alerts on their own are only a first step: in order to inform action they need to be linked to data on ownership or responsibility for the land being cleared, and verification that deforestation is real and potentially linked to oil palm. Several service providers and NGOs are now providing this type of information to Coalition members, but there is considerable variation and an initial action of the Coalition is to work on consistency.

In parallel, greater clarity and alignment on response could greatly increase the positive impact so the Coalition will also work on developing a Response Framework to guide individual company response, building on member company experience, AFI guidance and ongoing processes (eg the Sundaland initiative).

## Coalition Members Commitments

3.1 Collaborate with other coalition members to ensure high quality consistent information on deforestation linked to oil palm is available

3.2 Develop and implement effective and proactive responses to all confirmed occurrences guided by an aligned response framework

Notes: A subgroup group has been convened to lead the PO Roadmap-specific Action in 2020 including:

- Working with existing providers to develop guidance on information needed on deforestation inside and outside concessions, including group links, and evaluation of the platforms against the guidance
- Developing a Response Framework which will provide guidance on responding to alerts of:
  - ✓ Deforestation in concessions linked to groups with existing mills
  - ✓ Deforestation in concessions without known links to existing mills
  - ✓ Deforestation outside known concessions

Progress will be reviewed in Q1 2021 to see if the subgroup is still needed.

## Coalition Actions

- Q3/4 2020: Develop a set of Coalition Attributes in consultation with existing providers and use them to develop guidance on effective and credible monitoring to be used by Coalition members and their suppliers.
- Evaluate existing platforms providing monitoring information (including verification of alerts) against the Coalition Attributes to support members in understanding which platforms meet Coalition needs
- Q3/4 2020: Develop a Response Framework which provides a basis for an aligned and consistent approach for Coalition members (a) to respond more effectively to identified grievances both within and outside of oil palm concessions, and (b) to monitor effectiveness of actions taken including engagement, suspension and re-entry.
- Q3/Q4 Finalise KPIs for manufacturer and retailer members building on the guidance being developed on effective monitoring and response
- 2021: Based on the outcomes of the evaluation of existing platforms, develop a solution that ensures that information on deforestation linked to oil palm is as effective, consistent and as available as possible
- 2021: Review the effectiveness of the Response Framework and improve based on experience
- 2021: Further develop ideas and guidance on restoration and compensation

## Individual Actions

- Q3/4 2020: Support the development of guidance and KPIs on Monitoring and Response
- Q4 2020 – Q1 2021: Revise or develop individual internal grievance mechanisms to be aligned with the Coalition Response Framework
- Ongoing: Take effective individual action when a deforestation grievance is identified

### 3. Monitoring and Response: Transparency & Accountability

Overview: The goal of the KPIs is to confirm that Coalition members or their suppliers have access to, and are using, aligned information which allows systematic and effective action to be taken in response to new deforestation, expansion on peat or burning, without creating a heavy burden of bureaucracy or administration.

It also includes collective work to build a better understanding the effectiveness of different actions to support improved, evidence-based response by Coalition companies

#### Public Information from Members

- Summary of grievance mechanism
- Summary of CGF guidance on monitoring platforms (once complete)
- Summary of CGF Response Framework (once complete)

KPIs	For Manufacturers	For Retailers (and complex derivative SCs)
<ul style="list-style-type: none"> <li>• Information being used to monitor deforestation</li> </ul>	<p>The Monitoring and Response subgroup are working with existing providers of information and alerts on deforestation to develop guidance on credible and effective monitoring platforms. As part of this work, KPIs are being developed to guide reporting by manufacturer and retailer members on the information being used to monitor deforestation across their supply base, directly and/or via upstream suppliers and traders. The intent is to finalise the KPIs in Q4 2020</p>	
<ul style="list-style-type: none"> <li>• Response to information on new deforestation</li> </ul>	<p>The Response Framework being developed by the Monitoring and Response subgroup will include guidance on what should be reported both individually and collectively by the Coalition. This will likely include information on the number and type of verified alerts associated with the supply base and a summary of the actions – both individual and collective - taken in response including at group level. The intent is to finalise the KPIs in Q4 2020</p>	
<ul style="list-style-type: none"> <li>• Effectiveness of actions taken</li> </ul>	<p>Collective Coalition report on progress across all known palm oil mills or by combined supply base of all Coalition members, including coverage of monitoring and changing rates of deforestation Collective Coalition information on progress such as % of companies in supply base moving from being subject of a grievance to making progress implementing commitments</p>	





## Element 4: Landscape Engagement

Commitments & Actions

Transparency & Accountability



## 4. Landscape Engagement: Commitments & Actions

Overview: Central to the FP Coalition ToC is that transformation of palm oil production to Forest Positive across the entire sector cannot be delivered by supply chain companies in isolation. Addressing deforestation and building Forest Positive production requires collaboration between companies, producers, local communities, government and civil society organisations.

To build this collaboration in practice, Coalition members will focus on actions in production landscapes. Some members are already engaged in one or more initiatives, while others are just beginning to think about how to engage. A major focus of the Coalition approach will be real-time learning and alignment to accelerate progress. This will be coordinated by the Tropical Forest Alliance (TFA) which was co-founded by the CGF to provide a platform for companies, governments and civil society to work together. Although there is a lot to learn, TFA is already very active in convening to support landscape and regional initiatives allowing rapid development.

### Coalition Members Commitments

4.1 Work collaboratively with TFA partners to identify and engage in priority landscapes to address deforestation and to support forest conservation and restoration efforts with a positive outcome for communities

4.2 Support development of independent credible approaches to designing, implementing and monitoring landscape initiatives

Notes: There is a Coalition-wide Action on Production Landscapes, coordinated by TFA, to leverage the combined influence of the Coalition and to provide alignment between different commodities. See the Coalition website for further details as this Action is developed.

### Coalition Actions

With coordination by TFA

- Q3/4 2020: Agree expectations for Coalition Members engaging with landscape initiatives, including objectives, timeframes, role of both manufacturers and retailers, resources needed and mechanisms for providing resources, and develop KPIs for individual and collective reporting
- Q3/4 2020: Process to identify priority landscapes to address deforestation and peat conversion (higher risk, higher importance) through initiatives such as the Palm Oil Collaboration Group PPBC WG
- 2020-21: Support development of independent credible approaches and initiatives for designing, implementing and monitoring landscape initiatives (eg LandScale, IDH SourceUp/VSA, ISEAL, GCF, LTKL, PCI)
- 2021-22: Share learning and/or develop common approaches to smallholder capacity building, mill-level FFB management systems, government engagement, landscape planning, forest conservation and restoration, smallholder inclusion and livelihoods

### Individual Actions

- Q3/4 2020: Discuss and agree internally on resources available to support landscape initiatives building on agreed expectations for CoA members
- Q3/4 2020: Begin development of internal plans to engage with Landscape initiatives if not already underway
- 2021: Implementation of Landscape initiative engagement plans
- 2021: Build understanding and share learning within and beyond the FP Coalition

## 4: Landscape Engagement: Transparency & Accountability

Overview: The goal will be to provide transparency that promotes rapid engagement and learning. Some of the KPIs will be developed as part of this process, building on the work already underway through initiatives such as IDH's SourceUp/VSA, ISEAL and Landscale.

### Public Information from Members

- Summary of landscape initiative engagement

KPIs	For Manufacturers	For Retailers (& complex derivative SCs)	Rec
<p>KPIs to be agreed. Likely to build on:</p> <ul style="list-style-type: none"> <li>• Information on support being provided to initiatives by Coalition members individually and collectively, including for livelihoods and smallholder inclusion</li> <li>• the number of high priority landscapes identified in the production base of companies and the sector,</li> <li>• The proportion of priority landscapes with active initiatives and progress being made</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Develop KPIs based on experience of current CoA manufacturer members already engaged in landscape initiatives and from relevant initiatives</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Discussion to explore and agree role of retailers in landscape initiatives and then develop KPIs</i></li> </ul>	
<ul style="list-style-type: none"> <li>• Collective reporting</li> </ul>	<p><i>There is support from CoA members for collective reporting. Also useful to link to reporting on landscape engagement by other commodity CoAs (Soy, PPP)</i></p>		





# Element 5: Transparency & Accountability

Commitments & Actions



## 5. Transparency & Accountability: Commitments & Actions

Overview: Accelerating progress and building credibility through ongoing transparency and accountability is an important part of the Coalition approach. This builds on the insight from the review of the implementation of the original 2020 deforestation commitment, that there are limitations to the effectiveness of relying on commitment to a long-term goal with little interim information provision, monitoring of progress or collective review of actions to make them more effective.

### Coalition Members Commitments

5.1 Track, verify and report on progress with implementation of the Roadmap for own supply, suppliers (including response to grievances) and priority landscapes

#### Notes:

There is a Coalition-wide Action on Transparency and Accountability, to provide consistency between different commodities and leverage the combined influence of the Coalition. See the Coalition website for further details as this Action is developed.

### Coalition Actions

- Q3/4 2020: Agree on minimum transparency, monitoring and reporting requirements for Coalition members
- Q4 2020- Q1 2021: Propose tools or approaches to track and report progress through development of Guidance (see previous sections). Develop templates to support common and consistent reporting (particularly for data for shared reporting by CGF).
- Q4 2020 - 2021 Support development of guidance on independent verification (eg with the Palm Oil Collaboration Group Independent Verification Working Group)
- Ongoing: Support provision of credible and consistent information on key issues such as rates of deforestation in the sector (drawing on existing sources such as WRI, forest alert systems etc.)

### Individual Actions

- Report publicly at least annually, and more frequently where agreed, on all the KPIs agreed by the Coalition (see elements 1-4)
- Support shared reporting if/when agreed by the Coalition providing agreed data in a timely way

# Glossary



- AFI: the Accountability Framework <https://accountability-framework.org/>
- ASD: Action for Sustainable Derivatives <https://www.bsr.org/en/collaboration/groups/action-for-sustainable-derivatives>
- CGF: The Consumer Goods Forum <https://www.theconsumergoodsforum.com/>
- GCF: Governors Climate and Forest Task Force <https://www.gcftf.org/>
- DoC WG: The Deforestation outside Concessions Working Group of the PO Collaboration Group (see below)
- FFB: Fresh Fruit Bunches are the fruits of the oil palm from which palm oil and palm kernel oil is extracted. FFB is harvested and delivered to mills for processing
- ISEAL: The global membership organisation for credible sustainability standards <https://www.isealliance.org/>
- IV WG: The Independent Verification Working Group of the PO Collaboration Group (see below)
- Landscale: A standardized approach for assessing and communicating sustainability status and trends across landscapes <https://www.landscale.org/>
- LTKL: Lingkar Temu Kabupaten Lestari (The Indonesian Green District Association) <https://kabupatenlestari.org/en/>
- NDPE: No deforestation, no new expansion on peat, no exploitation – a most widely used commitment made by companies in the palm oil sector <https://chainreactionresearch.com/report/ndpe-policies-cover-83-of-palm-oil-refineries-implementation-at-75/>
- NDPE IRF: The NDPE Implementation Reporting Framework <https://ndpe-irf.net/>
- PCI: Produzir, Conservar, Incluir (Mato Grosso Landscape Program) <http://pci.mt.gov.br/>
- PO Collaboration Group: A group of companies from all parts of the palm oil production and supply chain that convene to discuss how to accelerate implementation of social and environmental commitments. The group has several working groups addressing specific challenges. Further information from [POCollaborationGroup@proforest.net](mailto:POCollaborationGroup@proforest.net)
- POTC: The Palm Oil Transparency Coalition <https://www.palmoiltransparency.org/>
- TFA: The Tropical Forest Alliance <https://www.tropicalforestalliance.org/>
- VSA: Verified Sourcing Areas <https://www.idhsustainabletrade.com/landscapes/verified-sourcing-areas/>



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