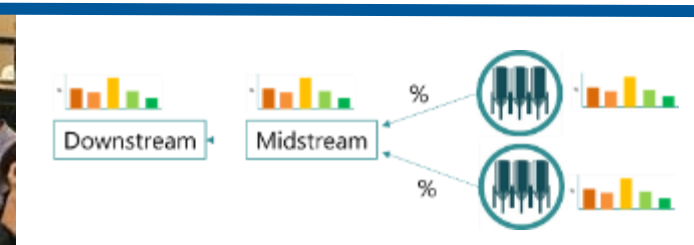
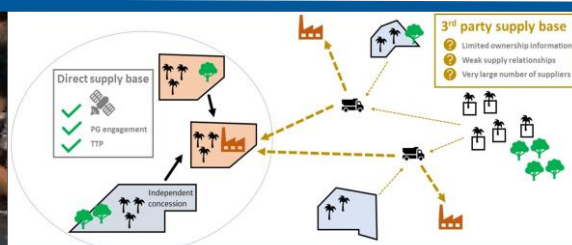
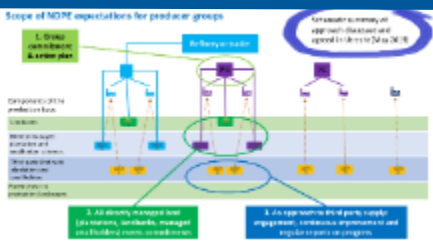


Palm Oil Collaboration Group

Third Virtual Meeting

Zoom
28th June 2021



Statement of compliance

This meeting shall not result in any discussion, activity or conduct that may infringe on any applicable competition law. By way of example, participants shall not discuss, communicate or exchange, any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, trading terms and conditions with third parties, including purchasing strategy, terms of supply, trade programs, or distribution strategy. If any participant has any question regarding the legality of proposed discussion the subject discussion should stop immediately.

Agenda



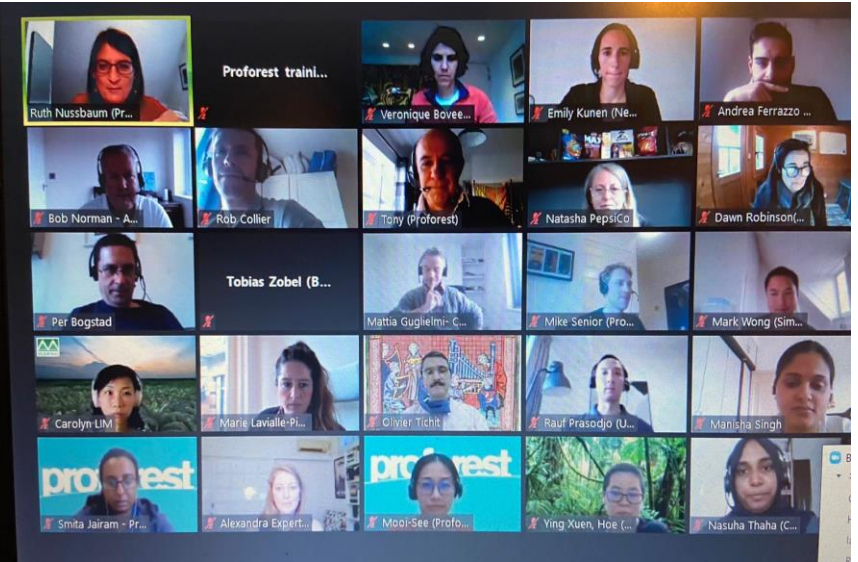
1. Welcome to the third POCG online workshop
2. Updates from POCG WGs
 - IRF AWG
 - PPBC (Production and Protection Beyond Concessions)
 - SIWG (Social Issues Working Group)
 - IVWG (Independent Verification Working Group)
3. Breakout session 1 – mill engagement
4. HRDD library of tools demo
5. Breakout session 2 – industry – wide initiatives links
6. Closing remarks and main takeaways



Back in November 2020 we had the opportunity to combine company and stakeholder sessions. We are now back to the normal format, but stakeholders are still engaged.

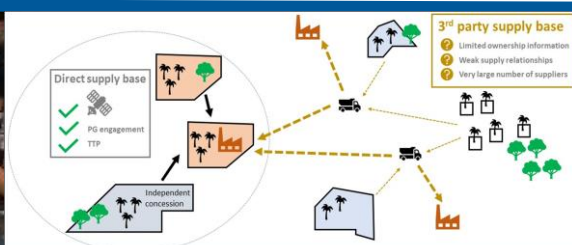
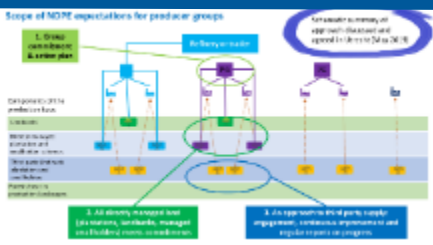
Bali – Paris – Kota Kinabalu

Utrecht - Bangkok – Zoom...and Zoom again...and Zoom again



NDPE Implementation Reporting Framework (IRF)

Active Working Group Update





The IRF AWG's role is to continue developing and advancing the IRF tool



Profiles and template

In 2021 companies started actively requesting IRF profiles for 2020 with common deadlines, agreed by the AWG:

- Partial profiles – **31st March**
- Full – **Before end of May**
- Updated template – on the website, with option to include period of reporting and direct download of the PDF format of the IRF profile

Social IRF

- Scope: Land, IP and LC rights; Labour and worker rights
- Pilot 2 took place in November, with upstream companies only
- Follow up call in February 2021
- Workshop (upstream companies, practitioners, topical experts) for full review of social IRF is in planning for mid-Q3 2021

PKO

- Universal Crusher List (UCL) under development and review
- Usage of current template for 2020 reporting
- Template revision to enable easier data entry for 2021 reporting
- Sub-working group is active and next call is upcoming

Mill engagement conversation ongoing through the AWG

- Preliminary prioritization analysis have advanced
- Sub-working group for strategy development to be taking place under the AWG
- IRF AWG will be leading the mill engagement strategy implementation

IRF AWG

Upcoming developments



Full review of the DF-P template – Q4 2021

Continue dissemination of the framework and aligning with existing initiatives – to be presented to AFi SEA.

Based on the already available and implemented data verification protocol, decide on capacity building needs and control system required to ensure credibility of the verification protocol and expand its roll-out.

Understanding IRF profiles brief coming on IRF website.

IRF Channel to be added on Proforest Academy which will be open to the public and can be used for capacity building on the tool.

IRF AWG calls moving to bi-monthly with more regular written updates, to allow more space for sub-working groups and rest of the POCG WGs

Latest update available on [IRF website:](#)



Throwback to 2020: Highlights

Despite the onset of Covid-19 pandemic, the AWG remained actively engaged in the IRF technical and strategy development. Below are some of the highlights of 2020 collaborative efforts:

<p>Sharing of IRF Profiles Companies began socialising the IRF templates and requested for profile submission. The annual reporting period was decided by the AWG. With the creation of IRF profiles, companies voluntarily partake in IRF data verification process, with one company proactively publishes the IRF profiles on public domain.</p>	<p>Templates Updates IRF NDP Spanish template was published online. IRF NDP English template was revised to include details on profile completeness, period of reporting and verification status. The results pages were modified to enable printing of profile in a presentable manner. The underlying formulas remain the same with the previous version.</p>	<p>No Exploitation Pilots No E specific IRF questions were shared with companies and expert stakeholders for feedback during the first pilot. The Functional No E templates, both land rights and labour rights templates were circulated through the second pilot with the same group of reviewers and stakeholders for feedback.</p>	<p>Data Verification Protocol The protocol was published online. Peterson worked closely with the AWG to develop the data verification protocol. Companies expressed interest to undergo the verification process to further enhance the credibility of the data reported within respective IRF profiles.</p>
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2021 and onwards: Focus Areas

<p>Mill Engagement Strategy Development Develop strategy to engage with unengaged/low performing mills to provide support needed to encourage NDPE progress on the ground. Companies to consider sectoral collaborative approach towards engaging unengaged/low performing mills.</p>	<p>IRF PKIO Reporting & Crushers Engagement Develop more transparency in the PKIO supply chain by first creating the Universal Crusher List with multiple stakeholders. Further discussion on strategy for crushers engagement to happen in alignment with mill engagement strategy development.</p>	<p>Further Development on No E Allocation Criteria Ongoing work to align stakeholders' expectations on the requirement specified in No E allocation criteria for both land rights and labour rights with continuous support from AWG members to adequately capture progress on the ground.</p>	<p>Other activities</p> <ul style="list-style-type: none"> IRF NDP templates revision (QPO & PKIO) IRF channel and member's portal development Ongoing alignment with existing reporting initiatives and tools Ongoing outreach and engagement work with new IRF template users Continuously driving uptake across sector
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A Move Towards Inclusion: A key message from Palm Oil Collaboration Group (POCG)

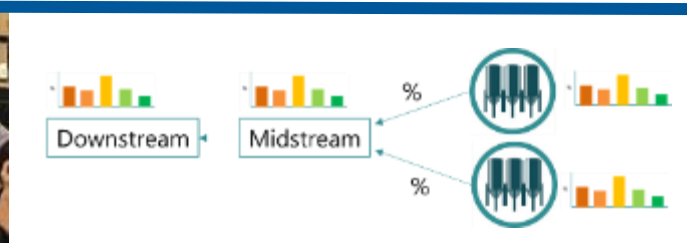
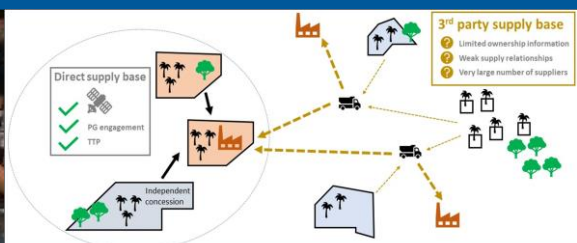
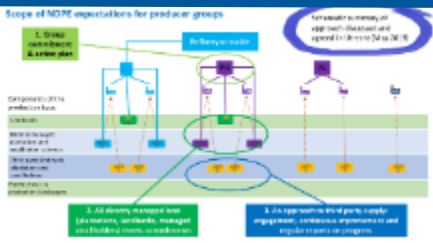
A consensus was reached among the POCG members during the workshop in November 2020. It was agreed that the collaborative effort should be invested to support progress and sector transformation, focusing on promoting engagement and improvement, rather than exclusion of lower performers and narrowing of the supply base, provided that there were clear 'red lines' which would result in mills being excluded. This message of

promoting inclusion was evident from the panel discussion comprised of panellists from Forest People Programme, Rainforest Action Network, Sime Darby, Procter & Gamble and Mars, and the breakout sessions with participation from companies, practitioners and stakeholders. It further reinforces the main objective of the IRF, which is to utilise the information gathered through IRF profiles to make informed decision and take actions to

The development of the NDPE IRF for palm oil is being undertaken by a coalition of companies and other stakeholders. For more information, go to www.ndpe-irf.org or contact info@proforest.net

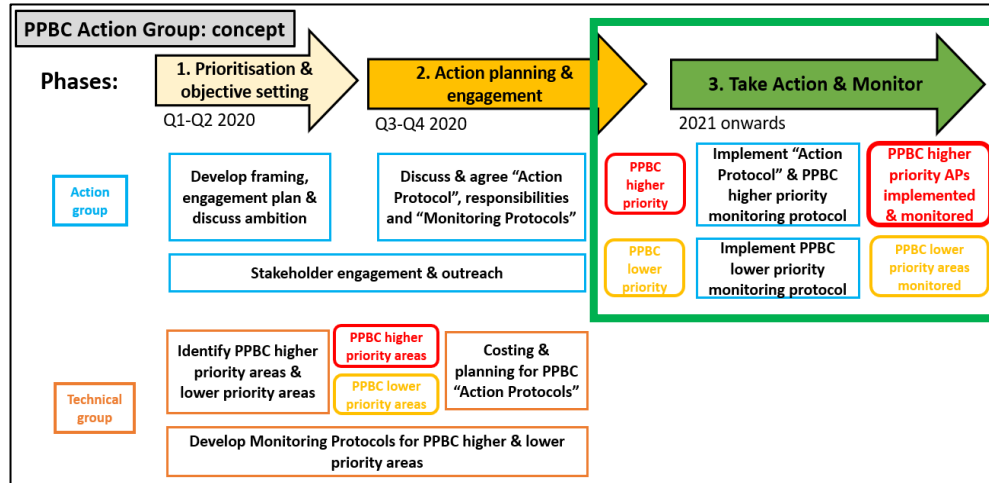
Soon to be available with Mandarin translation as well

Production and protection beyond concessions (PPBC) Update





PPBC Roadmap



- **Moving from prioritisation to action**
- 2021 workplan & priorities:
 - 1. Implementation and field tests**
 - 2. Outreach and fundraising strategies**
 - 3. Monitoring & reporting**

4 steps for companies to follow:

1. Identify company sourcing priorities & ambition
2. Understand drivers & intervention/pathways
3. Take action: Engage, manage & build capacity
4. Monitor & report progress (in line with POCG IRF and IV WGs)

A. Via existing relationships:

- Refineries & producer groups
- Government, Landscapes & jurisdictions
- Producer & mills

Progress: 7 existing initiatives engaged

B. In new priority areas without existing initiatives, via outreach workstream

Target: 3 new collaborations/tests in 2021



Malaysia Outreach:

Collective effort to engage government agencies and other stakeholders to identify field tests & collaboration opportunities in each region:

Peninsular Malaysia

- Engaged PLANMalaysia, Ministry of Plantation Industry & Commodities (MPIC) & Malaysian Palm Oil Board (MPOB)
- **Potential field test landscape in Pahang in discussion**

Sarawak

- Engaged Sarawak Oil Palm Plantation Owners Association (SOPPOA), Dayak Oil Palm Planters Association (DOPPA) & Sarawak Land Consolidation & Rehabilitation Authority (SALCRA)
- **Exploring dealer engagement & capacity building activities**

Sabah

- Engaged Sabah Jurisdiction Approach (JA) committee via WWF-Malaysia

Indonesia Outreach:

Collective effort to engage government agencies and other stakeholders to identify field tests & collaboration opportunities:

- Potential to align with & support key national government strategies and programmes e.g. Social Forestry & rural livelihood programmes
- *Support District Green Agendas* (with existing partners where already engaged)
- Refining a shortlist of districts to engage

International Outreach:

- Presentation from RAN on possible alignment with forest footprint approach
- Initial exploratory call with Rimba Collective

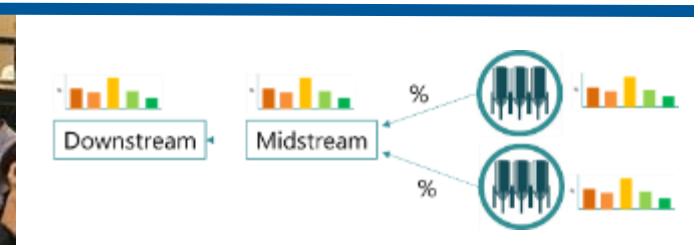
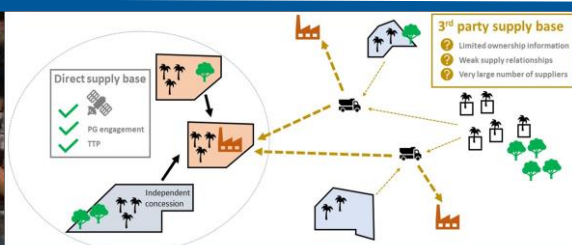
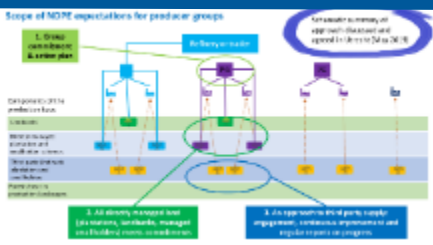
Support government social forestry & district action plans

Supplier engagement & capacity building

Smallholder & community livelihood programmes

Support forest conservation & monitoring in priority locations

Social Issues Working Group (SIWG) Update



Palm Oil Collaboration Group Social Issues Working Group

Conveners: Unilever, Mars, PepsiCo
Facilitator: Proforest



WG focus: Identification and action on opportunities for collaboration to address systemic challenges

2021 Priority topics & Workplan

- Tools for management systems and Human Rights Due Diligence;
- Malaysia: addressing forced labour risks, ensuring ethical recruitment;
- Indigenous Peoples and Local Community Rights (incl land rights)

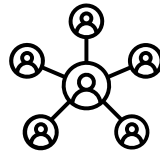
The objective of these subgroups is to **share knowledge and put forward initiatives to join or to scale up**, focusing on creating positive impact on the ground.



Social Issues Working Group (SIWG)



Topics gaining importance.
Participation increasing



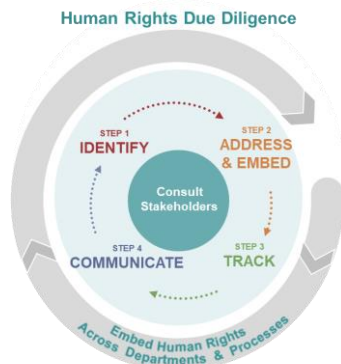
Collaboration and engagement are crucial



Tools Human Rights Due Diligence (HRDD) in management systems

- ✓ Library of HRDD tools launched
- ✓ Briefing on HRDD for palm oil companies produced

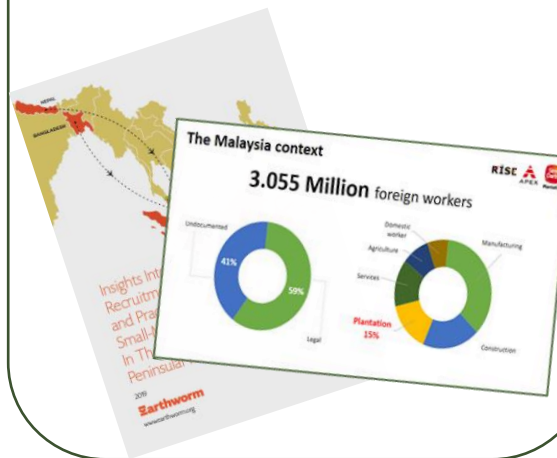
- ▶▶ Identification of
- Gaps in available tools
 - Collaboration opportunities including liaison with other initiatives



Malaysia: Responsible Recruitment

- ✓ Workshops to identify and prioritize potential collaborative actions
- ✓ Regular engagement with CGF to align around upcoming HRC projects

- ▶▶ Initiating discussions on implementing zero recruitment fees



Indigenous Peoples and Local Community Rights

- ✓ Draft of mapping of initiatives and guidance on addressing IPLCs rights, including land rights

- ▶▶ Outreach to organizations for comment
- Webinars for shared understanding
 - Linking to other initiatives

The screenshot shows a document titled 'Section 3. Respecting IPs and LCs rights under UNGPs steps'. It details 'HRDD step 1: Identify' and includes a table with columns for 'Producing company', 'Supply chain (buying) company', and 'Guidance'. A photograph of a community meeting is also visible in the bottom right corner of the document.

Key company expectations on respecting IPs and LCs rights (including land rights)		Guidance and tools	
Producing company	Supply chain (buying) company	Producing company	Supply chain (buying) company
Identify actual and potential human rights impacts on the LCs from company operations (including on their land and resource rights). Includes:			Guidance:
<ul style="list-style-type: none"> • Carrying out assessment • Human rights risk assessment • Environmental or impact assessment • Social baseline assessment • Land tenure and study • Participatory mapping • Consulting community if the company is expanding into new land, this is done as part of an HRC or as part of an HRC assessment. 			

Companies are invited to join ongoing working groups!

Come and help shape the work, access the knowledge shared, and be part of the collaborative approaches!

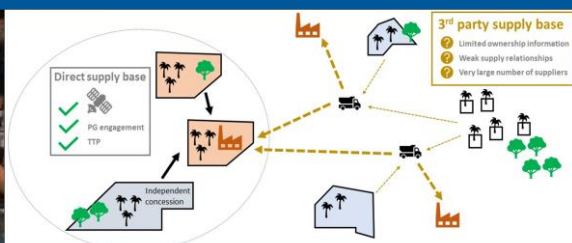
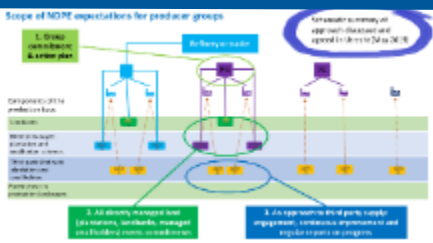
- **Human Rights Due Diligence**
- **Responsible Recruitment in Malaysia,**
- **Indigenous Peoples and Local Communities' rights**

Contact:

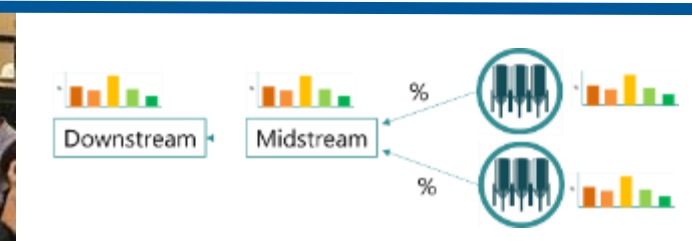
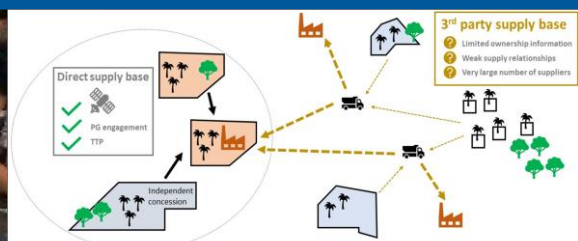
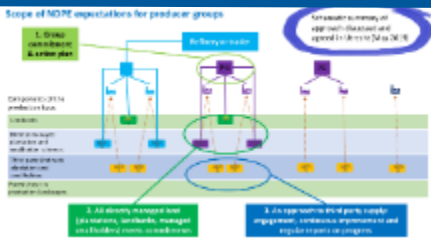
Sophia Chong: Sophia.chong@proforest.net



HRDD library of tools demo



Independent Verification Working Group (IVWG) Update



Independent Verification Working Group (IVWG)

Building industry alignment on minimum acceptable levels of IV for NDPE



- Convenors:** PepsiCo & Unilever
- CSO members:** RAN, WWF, NWF, Landesa, FPP, Verité, Serbundo
- POCG companies:** P&G, Hershey, Musim Mas, Apical, Cargill, Upfield
- Practitioners:** WRI, Earthworm, Control Union, RSPO, Daemeter, ISEAL
- Facilitator:** Proforest

IVWG Roadmap 2021-22

Broad Objective

To align scope, outputs, timelines and goals across all three sub-groups, addressing:

1. What should be verified?
2. How should it be verified?
3. The quality of the verification process

Planned Outputs

- Deliverable 1:** Working draft of guidance on best practice in IV for each of the three priority thematic areas
- Deliverable 2:** Initial understanding and support of stakeholders within and beyond POCG for alignment around common best practice in IV of NDPE claims
- Deliverable 3:** Piloting and refinement of the working draft to develop common best practice that could be applied at scale
- Deliverable 4:** Dissemination and promotion of common best practice
- Deliverable 5:** Plan for building capacity for uptake of IV best practice. In the longer terms it is anticipated that POCG would monitor, reflect and expand the scope of common guidance on IV.

IVWG Subgroups

Deforestation subgroup

Highlights:

Two iterations of **draft framework for IV of deforestation-free palm oil** covering verification of:

- Systems for physical monitoring
- Systems for attributing responsibility
- Responses to remedy

Labour Rights subgroup

Highlights:

- Developed and tested **guiding framework** to indicate where desk-based and field level verification should be prioritised
- **Learning from current practice, experience and challenges** for upstream companies in mill self-assessments

Land Rights subgroup

Highlights:

- Agreed focus on IV of Land rights, Land title and FPIC Quality
- Draft **decision tree to prioritise effort** on desk based and field level IV

Issues and Challenges:

- Alignment on standards/performance levels against which independent verification of compliance is being sought
- Different perspectives on the value of a risk-based approach to prioritize effort on IV
- Lack of representation of local stakeholders, particularly from Indonesia and Malaysia, in DF and Land Rights subgroups

Thank you for your participation!

