

# Sharing Responsibility and Success

Companies Collaborate to  
Support Palm Oil Landscapes

This report is part of a global study on private sector engagement at landscape and jurisdictional scale initiated by the Tropical Forest Alliance (TFA) and conducted in collaboration with Proforest, CDP and others. The study aims to advance understanding of the use of landscape and jurisdictional approaches as a key corporate strategy and to map the way forward to mobilize more private sector action and multi-stakeholder collaboration at scale.

Through interviews and desktop research, the study explores why and how manufacturers, retailers, traders and integrated companies have used landscape and jurisdictional approaches to address deforestation driven by palm oil, soy, beef, pulp, paper and packaging, and cocoa. It also delves into other possible uses of these approaches, including to meet corporate nature, climate and people goals, and explains how companies can leverage their efforts and collaborate with others to accelerate progress. The papers will be made available on [the Jurisdictional Approaches Resource Hub](#).

This study, part of TFA's support for [the Jurisdictional Action Network](#), was developed with generous support from Cargill and the governments of Norway, UK and the Netherlands.

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# SUMMARY NUMBERS & RECOMMENDATIONS

**62**

Companies\* taking landscape-scale action

**32**

Companies planning to take landscape action\*\*

**37**

Landscape and jurisdictional initiatives supported by companies

**29**

Landscape and jurisdictional initiatives supported by more than one company

**20**

Landscape and jurisdictional initiatives with more than one commodity

\* Downstream, midstream and integrated companies that have taken landscape-scale action in palm oil producing areas.

\*\* In the next two years, as reported to CDP's forest questionnaire in 2022.

## RECOMMENDATIONS FOR COMPANIES

1. Increase support and bring other companies into landscape and jurisdictional initiatives;
2. Prioritise action in committed and progressive jurisdictions; and
3. Integrate landscape-scale action into sustainability and business strategy.

## RECOMMENDATIONS FOR LANDSCAPE & JURISDICTIONAL APPROACHES' PROPONENTS

1. Enable landscape-scale action to contribute to corporate climate and nature goals;
2. Clarify claims and provide tools to monitor and report progress;
3. Align support to progressing jurisdictions;
4. Build and upscale the capacity of local facilitators and implementers; and
5. Develop a framework to integrate human rights components into landscape initiatives.

### WHAT ARE YOU INTERESTED IN?

How companies have engaged with landscape and jurisdictional initiatives

SECTION 3.1 

How many companies are taking landscape-scale action

SECTION 2.2 

Why companies take landscape-scale action for palm oil

SECTION 2.3 

Examples of landscape-scale action companies have taken initiatives

SECTION 3.2 

Opportunities to accelerate progress at landscape scale

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# ABBREVIATIONS AND ACRONYMS

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## **ASD**

Action for Sustainable Derivatives

## **BAPPENAS**

Badan Perencanaan Pembangunan Nasional (Indonesia's National Development Planning Ministry)

## **CGF FPCOA**

Consumer Goods Forum Forest Positive Coalition of Action

## **CSO**

Civil society organizations

## **ESG**

Environment, Social and Governance

## **EU**

European Union

## **EUDR**

European Union Deforestation Regulation

## **FKL**

Forum Konservasi Leuser (Leuser Conservation Forum)

## **GHG**

Greenhouse gases

## **HCV**

High conservation value

## **HCS**

High carbon stock

## **ISCC**

International Sustainability and Carbon Certification

## **ISPO**

Indonesian Sustainable Palm Oil

## **LTKL**

Lingkar Temu Kabupaten Lestari (Indonesia's Sustainable Districts Association)

## **MSPO**

Malaysian Sustainable Palm Oil

## **NDPE**

No Deforestation, No Peat and No Exploitation

## **POCG**

Palm Oil Collaboration Group

## **PPI**

Production, protection and inclusion

## **RSPO**

Roundtable on Sustainable Palm Oil

## **SBTI**

Science Based Targets Initiative

## **SBTN**

Science Based Targets Network

## **TFA**

Tropical Forest Alliance

## **USAID**

United States Agency for International Development

## **WRI**

World Resources Institute

## **WWF**

World Wide Fund for Nature

# 1. PALM OIL PRODUCTION AND SUSTAINABILITY

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Narong Suwan / CFPK

## 1.1 PALM OIL PRODUCTION AND DEMAND

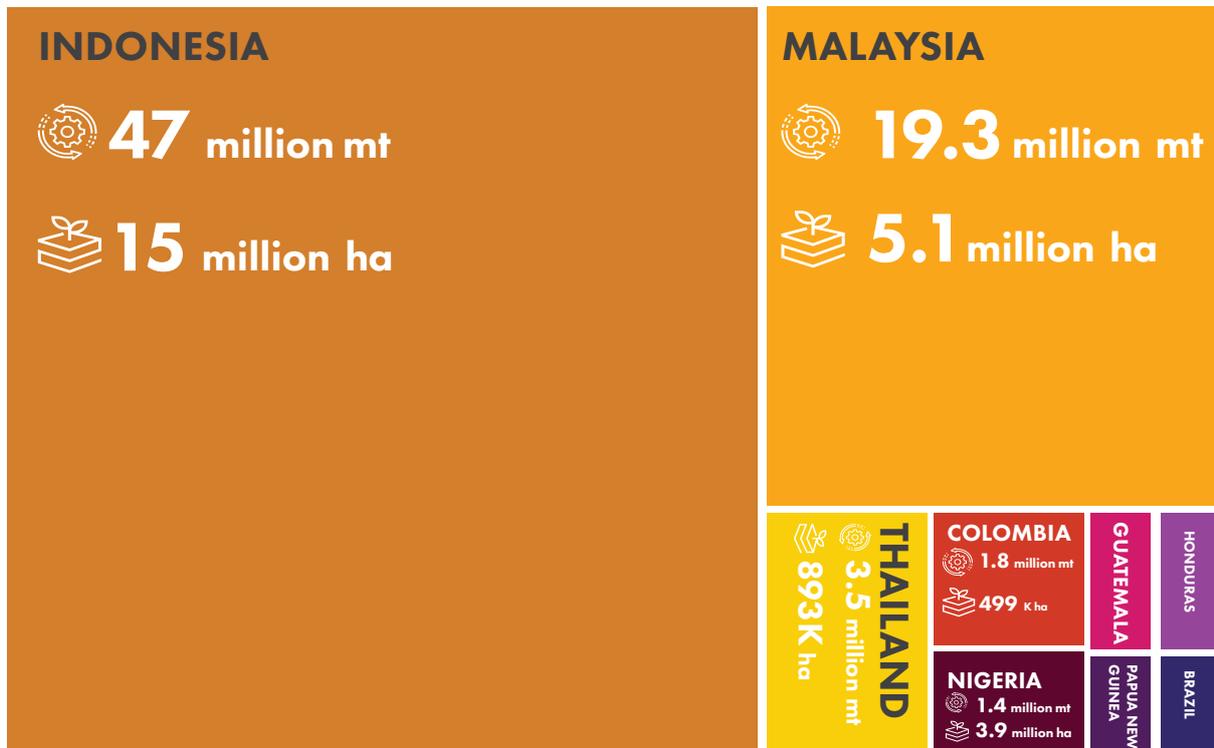
Palm oil is a product of the oil palm (*Elaeis guineensis*), a West African native plant, and its success on the international market is explained by its versatility in both food and non-food applications, its high yields, uninterrupted supplies all year long and competitive trading prices (Malaysian Palm Oil Council, n.d.). Between 2019 and 2021 crude palm oil represented 58% of vegetable oils traded in the world markets, ahead of soybean oil (14%) and rapeseed oil (7%) (IFPRI 2022). Palm oil accounts for the biggest share of vegetable oil by volume

produced, but covers only 6% of land used globally to grow oil crops, less than a quarter of that used to produce soybean (Ritchie and Roser 2021).

Indonesia and Malaysia are by far the biggest producers of palm oil, with the former producing 47 million metric tonnes (mt) in 2022, or 59% of the world's total, and the latter 19 million mt, or 24% (USDA 2023a). Other producing countries are Thailand, Colombia and Nigeria, which combined produce about 8% of total palm oil volume globally.

**FIGURE 1 PALM OIL PRODUCTION AND HARVEST AREA BY COUNTRY**

🌀 Production\* (mt, 2022)   📦 Area harvested\*\* (ha, 2021)



Sources: \* USDA, 2023a; \*\* Ritchie and Roser, 2021

Demand for palm oil more than doubled between 2001 and 2020, more than four times the growth in global food consumption (WEF and TFA 2021). In the same period, the market share of palm oil within global vegetable oil consumption rose from 26% to 36%, partially due to rising demand for palm oil to use in biofuels.

This trend is reflected in Indonesia, the biggest user of palm oil. The country consumed an estimated 18 million mt in 2022 (USDA 2023b), almost double its use in 2015 when it introduced its biodiesel policy.

The Indonesian government raised the palm oil content in biodiesel further from 30% to 35% in February 2023 (Jhadav and Chu 2023). India is the second biggest palm oil consumer (9.1 million mt), followed by China (6.7 million mt) and the European Union (5.1 million mt) (USDA 2023c).

The EU buys less than 8% of palm oil globally, but is the largest consumer of certified sustainable palm oil, accounting for 45% of the world's total (RSPO 2022a). An estimated 93% of palm oil imports into the EU are certified.

## 1.2 PALM OIL SUPPLY CHAIN AND SUSTAINABILITY CHALLENGES

Palm oil has a long supply chain – from the fruit harvested from the palm tree to supermarket shelves and people's homes. Plantations are managed by four types of producers: mill-owned and managed concessions; independent concessions; scheme smallholders, who are bound by contract to a mill; and independent smallholders (Proforest 2021).

Fresh fruit bunches are transported to mills, often through intermediaries, within 24 hours of collection to be crushed and processed into crude palm oil and palm kernel oil. These oils are processed further in refineries to produce cooking oil as well as various ingredients used in food, cosmetics and cleaning products, among others.

While smallholders manage on average only between 1.8 hectares (ha) and 6.5 ha each in Indonesia and Malaysia (Noor et al. 2017), they are key actors in palm oil production. An estimated 7 million smallholders produce palm oil fruit around the globe, with 2.7 million of these farmers located in Indonesia, 650,000 in Malaysia and 3.1 million in various countries in Africa (RSPO 2022b).



Oil palm expansion in the past two decades has driven deforestation globally, with an estimated 10.5 million ha of forests, including 3.5 million ha of primary forests, replaced by oil palm between 2001 and 2015 (WRI n.d). Since then, deforestation in major palm oil producing countries has declined. Indonesia achieved its second lowest annual palm oil-driven deforestation in 2022 with 18,830 ha of forests converted, compared to 16,530 ha the previous year (Nusantara Atlas 2023). Conversion of carbon-rich peatlands to oil palm plantations is also trending down. Indonesia recorded 8,012 ha of peat area converted to palm oil in 2022, the lowest level in the past two decades (Nusantara Atlas 2023). While these declines have been celebrated, the global commitment is to end deforestation by 2030, with the latest confirmation made by more than 100 countries at COP26 in Glasgow (Rannard and Gillet 2021). Civil society groups have also been calling for companies to restore or compensate for forests cleared for oil palm after they had committed to sustainability (Jong 2022; Jones 2023).

Palm oil development has also been associated with human rights abuses, including land rights conflicts, the use of forced or child labour, and threats against human rights defenders (Forest Peoples Programme 2022; RAN 2022). These environmental and social challenges have tainted the sector's reputation and are driving companies' efforts to attain sustainable commodity production on the ground.

### 1.3 SUPPLY CHAIN ACTIONS TO IMPROVE PALM OIL SUSTAINABILITY

Multiple efforts to address sustainability challenges across the palm oil supply chain have taken place, led by companies, civil society and governments, often in multi-stakeholder partnerships. The following sections highlight a selection of these efforts.

#### CERTIFICATION

The [Roundtable on Sustainable Palm Oil](#) (RSPO) is a multi-stakeholder forum founded in 2004 by CSOs and companies including WWF, the Malaysian Palm Oil Association, Unilever, AAK and Migros, and it is the most widely recognised certification scheme in the sector. In 2021, about 4.5 million ha of palm oil area and 14.7 million mt of output worldwide was RSPO certified (RSPO 2022b). But while the RSPO-certified volume has

been increasing, its market share has stagnated at around 20% of Indonesian and Malaysian production (UNFSS 2022).

The RSPO has adopted the high conservation value (HCV) and high carbon stock (HCS) approaches into their certification, with the latter incorporated into the RSPO's Principles and Criteria of 2018 (HCSA 2018). The certification body also established a standard for independent smallholders in 2019 and is setting up the technical infrastructure to progress towards jurisdictional certification (see [Box 6](#)).

[International Sustainability and Carbon Certification](#) (ISCC), which includes certification for palm oil used in biofuels, is another scheme used in the

sector. The ISCC issued its first certificate in 2010 and it currently certifies 1.88 million ha of oil palm (ISCC 2022).

### COMPANY SUSTAINABILITY COMMITMENTS

In response to intense pressures and growing concerns related to the social and environmental impacts of palm oil production, companies started to make No Deforestation commitments in 2008 (Greenpeace 2018). These commitments expanded to No Deforestation, No Peat and No Exploitation (NDPE), with major palm oil trader and producer Wilmar International the first company to announce this policy, doing so in 2013 (Wilmar 2013). These NDPE policies include commitments to halt and reverse deforestation and peatland conversion and to avoid exploiting smallholders, local communities and workers (POCG n.d). By 2020, over 300 companies in the palm oil supply chain had some form of a commitment to sustainable palm oil (Daemeter and TFA 2022), and NDPE policies covered 83% of palm oil refining capacity in Indonesia and Malaysia (Chain Reaction Research 2020). While these commitments have been applauded, their implementation is heavily criticized by CSOs, with one finding that none of the ten major brands that purchase a total of 5% of global palm oil in 2020 had taken adequate action (RAN 2022).

Companies are responding to calls to restore environmental damage and many are making additional commitments. PepsiCo, General Mills and Unilever are some that have made commitments to promote regenerative agriculture to improve soil (Schmidt 2023).

### CORPORATE PARTICIPATION IN COALITIONS

Many companies have set up coalitions as a way to collaborate precompetitively to address shared challenges. The [Consumer Goods Forum Forest Positive Coalition of Action](#) (CGF FPCoA) has brought together 21 retailers and manufacturers<sup>1</sup> to leverage collective action to remove deforestation and natural ecosystem conversion from commodity production, including through collaboration with stakeholders at landscape scale. Established



Lightscope on Unsplash

in 2020, the Coalition has developed the [Palm Oil Roadmap](#), building on individual members' policies and the sector's best practices.

Set up in 2019, the [Action for Sustainable Derivatives](#) (ASD) has more than 31 companies as members. They represent 1.1 million mt of palm oil derivatives used in the cosmetics, home and personal care, and oleochemicals industries. The coalition focuses its work on transparency, grievance monitoring and management, supply and market transformation, and positive change through collective action in production landscapes (see [Box 5](#)).

The [Palm Oil Collaboration Group](#) (POCG) brings together companies across the supply chain to accelerate effective implementation of NDPE commitments. Launched in 2019, the group has 38 members and is developing an implementation reporting framework for NDPE. The POCG also explores how to address social issues, protect forests beyond concessions, and do independent verification.

Musim Mas, Wilmar and Golden Agri-Resources are part of a group of traders that have developed and signed the [Agriculture Sector Roadmap to 1.5°C](#) in 2022, which focuses their actions in palm

<sup>1</sup> At the time of publication, the Coalition has the following companies as members: eight retailers — Carrefour, Jerónimo Martins, McDonald's, METRO AG, Sainsbury's, Sodexo, Tesco and Walmart — and 13 manufacturers — Asia Pulp and Paper (APP) Sinar Mas, Colgate-Palmolive Company, Danone, Essity, General Mills, Grupo Bimbo, Mars Incorporated, Mondelez International, Nestlé, Nestlé, PepsiCo, Reckitt and Unilever.

oil on smallholders, mills not associated with major producers, and smaller companies. Other sectoral platforms involving companies include the [Sustainable Palm Oil Choice](#), the [Dutch Alliance Sustainable Palm Oil](#) and [Palm Oil Network Switzerland](#).

### PRODUCER COUNTRIES' POLICIES

This section summarizes policies related to palm oil sustainability mainly in Indonesia and Malaysia, which combined produce 83% of global output. The governments of both countries have developed national mandatory certification for palm oil; these are the [Indonesian Sustainable Palm Oil](#) (ISPO) scheme, established in 2011, and the [Malaysian Sustainable Palm Oil](#) (MSPO) scheme of 2013. The MSPO requires all growers, including smallholders, to be certified, and ISPO is moving in a similar direction (UNFSS 2022). The MSPO had certified 6.6 million ha of palm oil area by April 2022, while ISPO has certified 5.45 million ha (Indonesia Palm Oil Facts n.d.).<sup>2</sup> While stakeholders have welcomed ISPO and the MSPO, particularly to improve practices in small and medium-sized companies and among smallholders, these national standards have gained limited international recognition as they are considered less stringent than those of the RSPO (UNFSS 2022).

Indonesia also developed a National Action Plan for Sustainable Palm Oil in 2019 and mandated its implementation in subnational jurisdictions. This process has allowed for the formation of

multi-stakeholder forums for sustainable palm oil in multiple districts and provinces (see [Box 3](#)). Other policies adopted by Indonesia include a permanent ban on new licences to develop primary forests and peatlands. To track progress towards sustainability, Indonesia's National Development Planning Ministry (Badan Perencanaan Pembangunan Nasional; Bappenas) launched the Sustainable Jurisdictions Indicators initiative in 2022 (Bappenas 2022).

In Malaysia, the federal government has made public commitments to halt deforestation and cap the total oil palm area at 6.5 million ha (RESCU 2022). However, none of Malaysia's 13 states has adopted this policy at subnational level and there are as yet no specific regulations to prevent palm oil expansion in primary forests and peatlands.

In other parts of the world, the [Africa Sustainable Commodities Initiative](#) (expanded from the Africa Palm Oil Initiative) brings together ten countries in West and Central Africa to mainstream sustainability principles into national regulations and to engage companies in the national multi-stakeholder platforms.

### CONSUMER COUNTRIES' POLICIES

In the second quarter of 2023, the EU adopted a new law to ensure palm oil, cocoa, coffee, beef, soy and other forest-risk commodities entering the market will be free from deforestation occurring after 31 December 2020 (Council of the EU 2023). The EU Deforestation Regulation (EUDR) will come into effect 2024. The United States is reviewing a similar bill to outlaw products linked to deforestation, including palm oil, under the Fostering Overseas Rule of Law and Environmentally Sound Trade Act (McCarthy 2022).

The EUDR poses the biggest risk of excluding smallholders in commodities with high number of small farmers and relatively low volume imported into the bloc, which is the case of palm oil in Indonesia and Malaysia (Spencer 2023). The regulation may incentivize midstream and downstream companies to prioritize buying from concessions within their supply chains or areas where there is low risk of deforestation – mainly because it had occurred already.



<sup>2</sup> Time period for ISPO certification is unclear; website accessed June 2023.

## 2. COMPANY ACTION AT LANDSCAPE SCALE IN PALM OIL PRODUCTION AREAS



### 2.1 GROWTH IN PRIVATE SECTOR ACTION AT LANDSCAPE AND JURISDICTIONAL SCALE

Companies have become increasingly interested in landscape and jurisdictional approaches as they look for tools to achieve sustainable production of agricultural and forestry commodities. They have realized that individual supply chain action, while critical, is insufficient, and that successful resolution of major challenges – deforestation, natural ecosystem conversion, land conflicts and human rights risks – requires on-the-ground collaboration of multiple stakeholders (TFA 2019).

Some downstream companies, often without operations in commodity production areas or direct relationships with smallholders, are starting to engage at landscape and jurisdictional scale both individually and collectively.

The CGF FPCoA has committed to transform an area equivalent to their production-base footprint<sup>3</sup> to “forest positive” by 2030 (CGF FPCoA 2021). More companies are also taking landscape-scale action, as reflected in the number of companies disclosing landscape engagement through CDP’s forest questionnaire, which quadrupled to 192 in 2022 from 47 in 2021.

In general, the business case for retailers and manufacturers to take landscape-scale action includes cost efficiency, supply chain security, risk mitigation, improving the resilience of smallholders and farmers, the possibility of achieving multiple ESG goals, meeting investor requirements and leadership in global disclosure platforms (CGF FPCoA 2022).

<sup>3</sup> Production-base footprint is the total hectares of land needed to produce the commodities used by a company/coalition/other entity

## BOX 1

### DEFINING LANDSCAPE APPROACHES

Landscape approaches involve the long-term collaboration of stakeholders within a defined natural or social geography, such as a watershed, biome, jurisdiction or company sourcing area. These management approaches seek to reconcile competing social, economic and environmental goals and build resilience through multi-stakeholder discussions to reach consensus among stakeholders and integrated landscape management (TFA et al. 2020; CDP 2022a). Sharing responsibilities between companies, producers, civil society, local governments and local communities on the ground means each can contribute according to their mandate and capacity. Outcomes are expected to be sustained in the long term as goals are determined together.

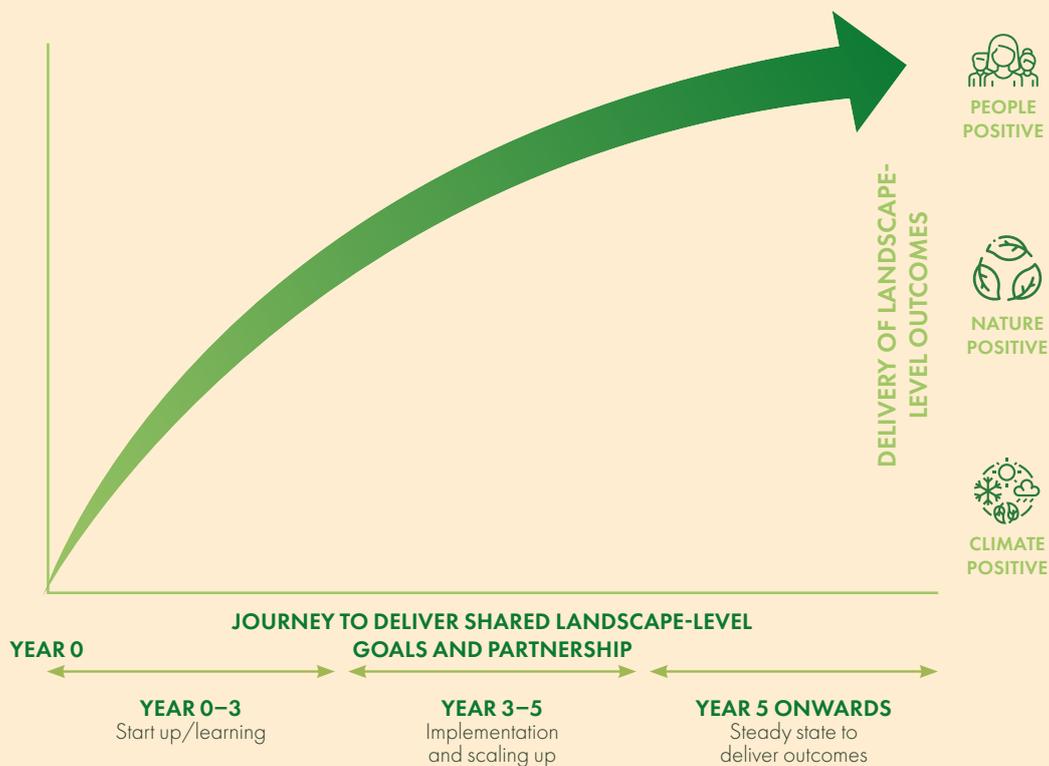
The jurisdictional approach is a type of landscape approach that operates within subnational or national administrative boundaries and with active involvement of government. Similar approaches characterized by multi-stakeholder collaboration at scale include territorial or catchment approaches or integrated land-use management. For the purpose of this study, the authors use the terminology of landscape and jurisdictional approaches.

Various organizations have identified components necessary for a landscape or jurisdictional initiative to operate effectively and achieve optimal results. These components include engaged stakeholders, agreement on shared goals, multi-stakeholder governance, financing and investment, monitoring and reporting and, particularly in jurisdictional initiatives, planning and policy frameworks (ISEAL 2022; LTKL 2022a). While some initiatives have made credible progress in developing these components, many are in the early stages.

Some initiatives are being developed under wider landscape- or jurisdictional-scale multi-stakeholder processes and are contributing to one of the components above, or working towards one or more of the shared goals. Others do not have formal multi-stakeholder processes in place but engage a variety of stakeholders and work towards multiple goals aligned with sustainable land-use practices.

This study considers and reviews diverse landscape and jurisdictional initiatives at different stages of development, with the basic tenets that they seek and promote multi-stakeholder collaboration to achieve shared sustainability goals in the landscape or jurisdiction.

**FIGURE 2** DEVELOPING LANDSCAPE INITIATIVES



Source: CGF FPCoA 2021

## 2.2 COMPANIES' LANDSCAPE-SCALE ACTION IN PALM OIL IN NUMBERS

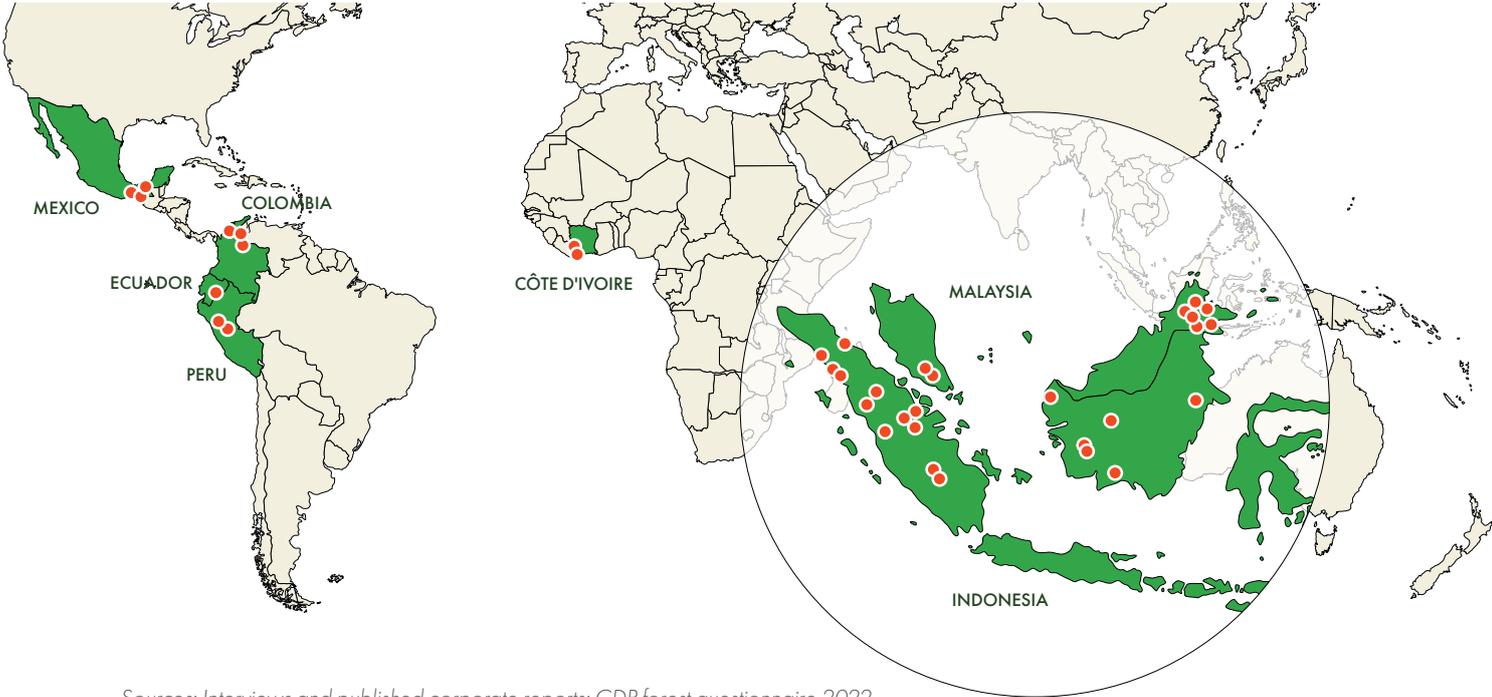
The study focuses on midstream and downstream companies<sup>4</sup> sourcing palm oil as well as integrated companies taking landscape-scale action in palm oil production areas. The study collated information from desktop reviews; interviews with 18 companies, 11 landscape initiative implementers and three relevant expert organizations; and submissions to CDP's forest questionnaire of 2022 (see [Annex 1](#) for the research methodology).

The number of companies disclosing engagement with palm oil landscape initiatives to CDP more than doubled to 38 companies in 2022, from 17 companies in 2021. They were engaged in 19

qualifying landscape and jurisdictional initiatives<sup>5</sup> reported to CDP in 2022. Desktop reviews and interviews identified a further 24 companies and 18 programmes.

In total, the study identified 62 downstream and midstream companies investing in 37 landscape and jurisdictional initiatives in palm oil areas (see [Annex 2](#) for the lists of companies and initiatives). Twenty-seven of these initiatives are supported by more than one company, while more than half – 20 initiatives – target at least one other commodity in addition to palm oil.

**FIGURE 3 PALM OIL LANDSCAPE INITIATIVES IDENTIFIED IN THIS STUDY**



Sources: Interviews and published corporate reports; CDP forest questionnaire 2022

The number of companies taking landscape-scale action in palm oil is expected to continue to grow. In 2022, 32 companies reporting to CDP said they were planning to engage at landscape scale for palm oil in the next two years. Of these, 10 stated that landscape action was important, but not an immediate priority, while seven mentioned a lack

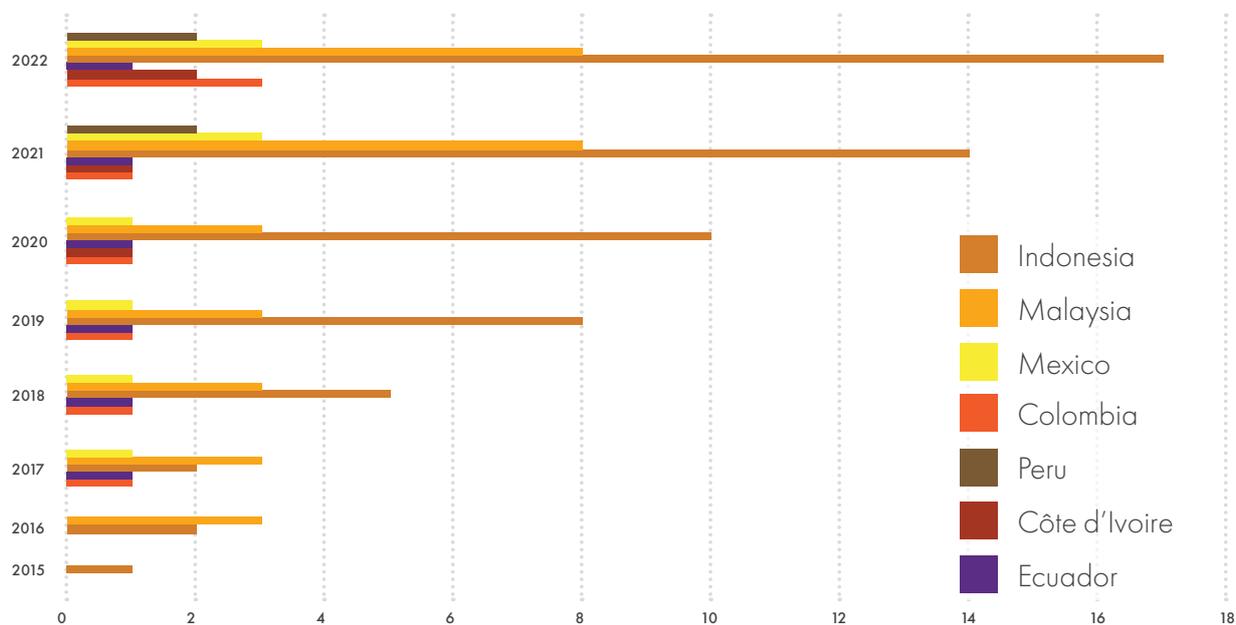
of knowledge on how to engage at this scale and four a lack of internal resources as reason for not yet investing. Aligned with this trend of increasing support for multi-stakeholder collaboration at landscape and jurisdictional scale, the number of initiatives has steadily grown over the years. This growth is supported partially by funding from the public and

<sup>4</sup> Integrated companies are those that play dual roles as producers and as processors or manufacturers of palm oil products.  
<sup>5</sup> Recognizing that landscape engagement is relatively new for many companies, the CDP team reviewed all submissions to assess whether the programmes met the basic CDP criteria for landscape and jurisdictional initiatives. Qualifying landscape initiatives are those that provide evidence of multi-stakeholder processes and collective goals for a defined territory. See Annex 1 on research methodology for more details.

philanthropic sectors targeted at achieving multiple goals related to sustainable land use (see [Box 2](#)). CSO partners that were interviewed said an additional seven new landscape initiatives were

expected to start in the next year, including in Brazil, Guatemala and Thailand, none of which currently host a palm oil landscape initiative supported by the private sector.

**FIGURE 4 PALM OIL LANDSCAPE INITIATIVES BY COUNTRY AND STARTING YEAR\***



\* Kutai Timur jurisdictional initiative in East Kalimantan, Indonesia, started in 2023. It is included in the list of landscape initiatives supported by companies but not in this graph.

Sources: Authors based on desktop research and interviews

## BOX 2

### PUBLIC AND PHILANTHROPIC DONOR SUPPORT FOR JURISDICTIONAL EFFORTS

The antecedents of the use of the jurisdictional approach in Indonesia were supported by various types of donors and include the translation of REDD+ action plans to provincial level, the implementation of NDPE commitments, and recognition of Indigenous Peoples' rights (Seymour et al. 2020). Support from public and philanthropic donors to palm oil producing regions has been essential in the development of at least one-third of the landscape and jurisdictional initiatives supported by companies that were identified in this study.

From the philanthropic sector, the David and Lucile Packard Foundation and the Climate and Land Use Alliance have included the jurisdictional approach in their strategies to protect forests and peatlands and reduce GHG emissions from palm oil production since 2014 (Seymour 2014; Morris 2017). Grants from these organizations, as well as others such as the Good Energies Foundation, have contributed to creating multi-stakeholder processes and other enabling conditions in palm oil producing jurisdictions including Siak district in Riau, Sintang and Ketapang districts in West Kalimantan, Seruyan and Kotawaringin Barat districts in Central Kalimantan, and Aceh and East Kalimantan provinces – all in Indonesia. They

have also contributed to strengthening the capacity of the Secretariat of Indonesia's Sustainable Districts Association (Lingkar Temu Kabupaten Lestari; LTKL) (see [Box 3](#)), helping it to serve as the backbone supporting multi-stakeholder and collective action at district level. The donors have also supported many LTKL partners.

The public sector has also provided funding to support action at jurisdictional scale. Support from the Dutch and Norwegian governments has been leveraged by IDH to catalyse company action in palm oil landscapes in Indonesia, Malaysia and Colombia. The United States Agency for International Development (USAID) is supporting twelve districts – most producing palm oil – in Indonesia to improve their sustainability and environmental governance under a \$33 million initiative that spans five years (USAID and Bappenas 2021). Switzerland, in early 2023, announced its support for ten districts in Indonesia to improve sustainability in agricultural areas and natural ecosystems until 2027 (Aurora and Seymour 2023). The donor country provides CHF9 million (\$9.9 million) while partners provide additional funding, including from companies, that brings the total value of the programme to CHF16 million (SECO n.d).

### 2.3 WHY COMPANIES ENGAGE AT LANDSCAPE SCALE IN PALM OIL

Companies’ early experience in implementing NDPE commitments demonstrated the need for support from other stakeholders if companies were to meet their commitments in an inclusive way. This is reflected in company submissions to CDP and interviews conducted for the study on why companies take landscape-scale action. Examples of companies’ support and action are presented in Chapter 3.

#### AVOIDED DEFORESTATION AND CONVERSION

About two-thirds of the 38 companies reporting landscape-scale action to CDP in 2022 supported avoided deforestation and conversion as a landscape goal and 22 companies supported providing alternative livelihoods to reduce pressure on forests (see [Figure 5](#)).

Opportunities to protect natural ecosystems and risk of deforestation and conversion are the main criteria companies use to select landscapes to invest in; these criteria were selected by 27 and 25 companies, respectively, reporting to CDP in 2022.

In the interviews, companies pointed out that landscape-scale actions could bring efficiency in meeting NDPE commitments, for example by not duplicating supplier engagement efforts, pooling resources in priority regions and engaging governments. Landscape engagement is also essential to manage water levels to improve peatland management, which cannot be achieved at farm level, according to several implementers. This is particularly essential in Southeast Asia, where many palm oil production landscapes include vast areas of carbon-rich peat.

**“ ABOUT TWO-THIRDS OF THE 38 COMPANIES REPORTING LANDSCAPE-SCALE ACTION TO CDP IN 2022 SUPPORTED AVOIDED DEFORESTATION AND CONVERSION AS A LANDSCAPE GOAL AND 22 COMPANIES SUPPORTED PROVIDING ALTERNATIVE LIVELIHOODS TO REDUCE PRESSURE ON FORESTS**

**FIGURE 5 TOP 15 LANDSCAPE GOALS SUPPORTED BY COMPANIES IN PALM OIL AREAS**



Source: Submissions to CDP’s forest questionnaire 2022



### SMALLHOLDER INCLUSION IN SUSTAINABLE PALM OIL SUPPLY CHAINS

Companies' participation in jurisdictional initiatives in palm oil regions helps ensure that the implementation of NDPE policies does not lead to the exclusion of smallholders (Daemeter 2023). Smallholder-related landscape goals supported by companies include increasing their adoption of sustainable production (22 out of 38 companies) and mapping smallholders (18 companies).

'Opportunity for smallholder inclusion', selected by 22 companies reporting to CDP in 2022, is the third most popular criterion companies used in selecting initiatives to invest in after 'opportunities to protect natural ecosystems' and 'risk of deforestation'.

### OPPORTUNITIES TO ENGAGE LOCAL GOVERNMENTS AND SUPPORT POLICIES

The importance of local governments, which hold licensing authority for agricultural activities in Indonesia and Malaysia, has brought a surge in multi-stakeholder efforts to mainstream sustainability and improve land-use governance at subnational level (Daemeter and TFA 2022). Local governments can also legally establish jurisdictional-scale targets, revise spatial plans, and allocate programmes and budgets to achieve these targets. According to CDP data, 17 companies are supporting the goal to have sustainability principles integrated into local policies. This integration could be in the form of policies to increase public spending on technical assistance for smallholders, and developing jurisdictional-scale monitoring systems, according to three companies interviewed. See Box 3 for more examples of subnational public policies supporting sustainable palm oil at jurisdictional scale.

### BOX 3 ACTIVE LEADERSHIP FROM SUBNATIONAL GOVERNMENTS

Active leadership of subnational governments stands out in palm oil producing jurisdictions compared to other commodities. Between 2015 and 2020, at least 22 district and provincial governments in Indonesia issued regulations related to sustainable commodity production (TFA and LTKL 2020). These policies include the regional action plan for sustainable palm oil in Sintang district in West Kalimantan for 2018–2023, which requires large-scale plantations to implement sustainable practices and support smallholders to adopt similar practices.

Local leadership has also been essential in developing multi-stakeholder bodies, for example in Sabah to coordinate efforts to achieve 100% RSPO certification across the state (TFA 2021 a). The initiative to adapt Indonesia's National Action Plan for Sustainable Palm Oil to subnational level has created multi-stakeholder palm oil forums in Pelalawan district in Riau province and in Sintang. The governments of Aceh Tamiang and Musi Banyuasin in Sumatra led the formation of a Center of Excellence in each of the two districts to coordinate action towards achieving the shared goals of sustainable land use, aligned with production, protection and inclusion (PPI) compacts (TFA 2021 b).

Other local government-led efforts include the piloting of ecological fiscal transfer from district to villages to incentivize forest protection in palm oil-rich Siak and Sanggau districts in Indonesia (LTKL 2022a). Local governments have also used their influence to convene stakeholders, including companies operating in their jurisdictions. The governments of Aceh Timur, Aceh Tamiang, Sintang and Sanggau districts, supported by CSO partners, brought together 89 small and medium-sized companies in workshops in 2022 to help prepare them for sustainable palm oil production (LTKL 2022b). This programme was supported by USAID and WRI Indonesia in its capacity as the secretariat of the Accountability Framework Initiative in Southeast Asia.

In Indonesia, the Sustainable Districts Association (LTKL) is supporting its nine members to achieve sustainable land use at scale. Established in 2017 as the green caucus of the National Association of District Governments (Apkasi), the association has taken a collective action approach and is facilitated by a secretariat. LTKL is also supported by a network of 25+ CSOs and service providers (LTKL 2022a).

It is worth noting that only six out of 18 companies interviewed mentioned the opportunity to engage local government as a reason to take landscape-scale action. Local government commitment is not presented as an option in criteria to invest at landscape scale in CDP's forest questionnaire in 2022.

### IMPROVED COMMODITY TRACEABILITY

Last year, CDP reported that while 87% of the 167 companies producing and/or sourcing palm oil in Indonesia reporting to it in 2021 had traceability systems, only a quarter had the capacity to trace more than 90% of their palm oil to at least municipal level or equivalent (CDP 2022b).

This challenge is reflected in the company submissions to CDP's forest questionnaire in 2022, with 16 companies reporting that they support improved commodity traceability as a landscape-scale goal. Five interviewed companies mentioned this expected outcome and how to achieve it by engaging concession holders at landscape and jurisdictional scale. The implementation of the EUDR requiring that palm oil entering the market is traceable to plantation level is likely to grow the appetite for such collaboration.

**“ COMPANIES HAVE ALSO TRIED TO USE LANDSCAPE AND JURISDICTIONAL APPROACHES TO MEET THEIR SOCIAL COMMITMENTS, MEANING BRINGING SMALLHOLDERS INTO SUSTAINABLE SUPPLY CHAINS**



Neneng Sitono / CIFOR

### ADDRESSING SOCIAL AND RIGHTS ISSUES

Companies have also tried to use landscape and jurisdictional approaches to meet their social commitments, meaning bringing smallholders into sustainable supply chains (discussed earlier in this section) and avoiding the exploitation of local communities and workers.

Fifteen companies reporting to CDP in 2022 supported improved engagement of local communities in multi-stakeholder processes as a landscape goal, while 12 companies supported securing land tenure rights and protection of workers' rights. Three corporate interviewees said they requested landscape implementers to integrate efforts to address human right issues in the initiatives they supported.

### OPPORTUNITIES FOR RESTORATION

As more companies aim to become forest or nature positive, more are committed to restoration. A third of companies reporting landscape engagement to CDP in 2022 included landscape restoration as a goal they supported. Interviewees mentioned the need to protect water sources and improve peat management in palm oil production areas and engagement of farmers and communities as key benefits of restoration. It is worth noting that only six companies reported to CDP that they support carbon removals through restoration as a landscape goal.



Miguel Prieto / CIFOR

# 3. HOW COMPANIES SUPPORT PALM OIL LANDSCAPE INITIATIVES

## 3.1 TYPE OF ENGAGEMENT



### SUPPLY CHAIN ACTORS INVESTING IN SHARED PRIORITY SOURCING AREAS

Palm oil buyers and traders are working together with producers in priority sourcing areas, supported by service providers and/or landscape initiative implementers that have traditionally worked with them.

Such collaboration is expected to increase efficiency in supporting smallholders, engaging suppliers and improving traceability, including by bringing in local governments and CSOs through multi-stakeholder processes. In Indonesia, a coalition comprising Cargill, L'Oréal, Musim Mas, Nestlé, PepsiCo and Unilever as members and Danone and Sinar Mas as supporters developed the [Siak Pelawan Landscape Programme](#), covering two districts

“ **COLLABORATION IS EXPECTED TO INCREASE EFFICIENCY IN SUPPORTING SMALLHOLDERS, ENGAGING SUPPLIERS AND IMPROVING TRACEABILITY, INCLUDING BY BRINGING IN LOCAL GOVERNMENTS AND CSOS THROUGH MULTI-STAKEHOLDER PROCESSES.** ”

### BOX 4

#### COMPANIES COLLABORATE ON SMALLHOLDERS' INCLUSION, CERTIFICATION IN MEXICO

Palm oil is a major commodity in Mexico's Chiapas state, with a plantation area in 2019 of 45,435 ha or 43% of the country's total. While recent palm oil expansion is a key driver of deforestation in southeast Mexico, it is also an important source of income for smallholders (Vega-Leinert et al. 2021).

Recognizing this challenge, in 2017 the [Holistic Program](#) was established by PepsiCo, Femexpalma, Oleopalma and Proforest, later joined by Cargill, Oleofinos and RSPO, to support the development of sustainable palm oil in the state. The companies have provided technical assistance to smallholders to establish four associations as a key step to getting certified by the RSPO. The initiative is also supporting 117 smallholders to obtain RSPO certification.

The companies have financed the development of HCV and HCS probability maps to identify areas that may need protection in Chiapas, covering over 70,000 ha of palm oil and buffer areas.

of the same names in Riau province (SPLP n.d.). The initiative, implemented by Proforest and Daemeter, has engaged 53 mills and 28 villages to implement land management plans to conserve and restore forest and/or peatlands since it was set up in 2018.

Supported by downstream companies, Earthworm Foundation is also facilitating landscape initiatives in Malaysia, Mexico and Peru to engage and assist palm oil mills to implement NDPE commitments. See Box 4 for another example of collaboration between supply chain actors in a shared landscape.

## COLLECTIVE ACTION THROUGH PRECOMPETITIVE COALITIONS

Coalitions of companies (see [Section 1.2](#)) are another avenue through which retailers, manufacturers and traders take landscape-scale action, often in collaboration with their peers. After the CGF FPCoA developed its Landscape Strategy in 2021, at least three members made their first landscape investment in palm oil producing areas. Of the 23 landscape initiatives in the Coalition's portfolio, 16

focus on palm oil. Five members of the POCG have committed to provide funding for a jurisdictional initiative in Kutai Timur district in West Kalimantan to match support from Switzerland (see [Box 2](#)).

In 2021, the POCG identified Kutai Timur as one of the priority regions for addressing deforestation outside of concessions, and the initiative, which is implemented by GIZ, Proforest and Tanah Air Lestari, started in early 2023.

### BOX 5 ASD MEMBERS BUILD ON JURISDICTIONAL WORK IN CENTRAL KALIMANTAN

In 2022, industry-led platform ASD<sup>6</sup> set up the Impact Fund, the first of its kind, to support members taking collective action at landscape and jurisdictional scale. Six ASD members, namely Croda International, Estée Lauder, Haleon (formerly GSK Consumer Healthcare), Natura & Co, Seppic and Stéarinerie Dubois, were the first contributors to the fund (ASD 2022). Since then, four other members, namely Clariant, The Clorox Company, Gattefossé and Zschimmer & Schwarz, have also contributed to the ASD Impact Fund.

Pooled resources from the companies have gone to support the Mosaik Initiative, implemented by [Kaleka](#) (formerly Yayasan Inobu). The initiative focuses on Seruyan and Kotawaringin Barat, two of the largest palm oil producing districts in Central Kalimantan, Indonesia. Contributing ASD members source on average 8% of their palm oil derivatives from the province.

Members of ASD intend to provide €1.5 million through the Tides Foundation, which manages the fund, to the Mosaik Initiative over five years to 2026. This contribution is expected to support more than 1,400 smallholders to obtain certification, implement regenerative agriculture on 65 ha of land and assist local communities to protect 6,500 ha of natural forests around their villages.

ASD members' support builds on Kaleka's collaboration with other companies, including Unilever, which has been supporting the Mosaik Initiative since 2016 (Unilever 2022). The Packard Foundation has supported Kaleka in its work in Central Kalimantan since 2016, and the implementer has also secured support from Switzerland for the initiative (Aurora and Seymour 2023). Seruyan district is also a pilot area for the implementation of the RSPO jurisdictional certification (RSPO 2022b).



### COMPANIES SUPPORTING RSPO JURISDICTIONAL CERTIFICATION PILOTS

Local and national government commitments to pilot RSPO's jurisdictional certification have become umbrellas for company support (TFA 2021 a). Companies have joined with other stakeholders to contribute to the development of the mechanism at RSPO level (see [Box 6](#) below), as well as in the pilot jurisdictions, such as Sabah state in Malaysia and Seruyan district in Indonesia.

Wilmar, Sawit Kinabalu, Sime Darby Plantations, TSH Resources and HSBC were members of the Jurisdictional Certification Steering Committee of Sabah (Payne 2016). Malaysian NGO Forever Sabah has worked with the state government to engage independent smallholders in four districts, supported by palm oil trader and refiner AAK since 2016 (TFA 2021 a).

<sup>6</sup> See Section 1.2 for more information on the ASD.

Unilever also supports WWF Malaysia’s Sabah Landscapes Programme, committing \$2.5 million over five years to restore forests in three landscapes that include orangutan and elephant habitats and riparian areas (Unilever 2022).

The company also supports the development of a multi-stakeholder process and smallholder training in Seruyan district, another RSPO jurisdictional certification pilot, through Kaleka.

## BOX 6

### RSPO JURISDICTIONAL CERTIFICATION

The RSPO started exploring jurisdictional certification in 2015, recognizing that governments could provide policy, strategy and leadership support that conventional certification could not (RSPO 2022b). The Jurisdictional Working Group was established in March 2018, with midstream and downstream companies represented by Bunge Lodders Croklaan, Procter & Gamble (P&G) and Yum! Brands as members (RSPO n.d.). Three jurisdictional certification pilots are currently supported by RSPO, namely Seruyan (district level), Sabah (state level) and Ecuador (country level, starting first with its Amazonian region).

Lessons from these pilots informed the development of the RSPO jurisdictional approach piloting framework, which was published in 2021 after two rounds of public consultations (RSPO 2021). The RSPO has adopted a stepwise approach to jurisdictional certification, comprising pilot, application, implementation and certification based on the prevailing RSPO Principles and Criteria. All pilot jurisdictions are advancing to the application stage (RSPO 2022b).

The framework identified several gaps for the full implementation of RSPO jurisdictional certification, including the need for a specific membership category for the so-called jurisdictional entity that represents the jurisdiction, jurisdictional certification systems and action for non-compliance, and reporting at jurisdictional level. The RSPO aims to have the new membership category in place by 2024.

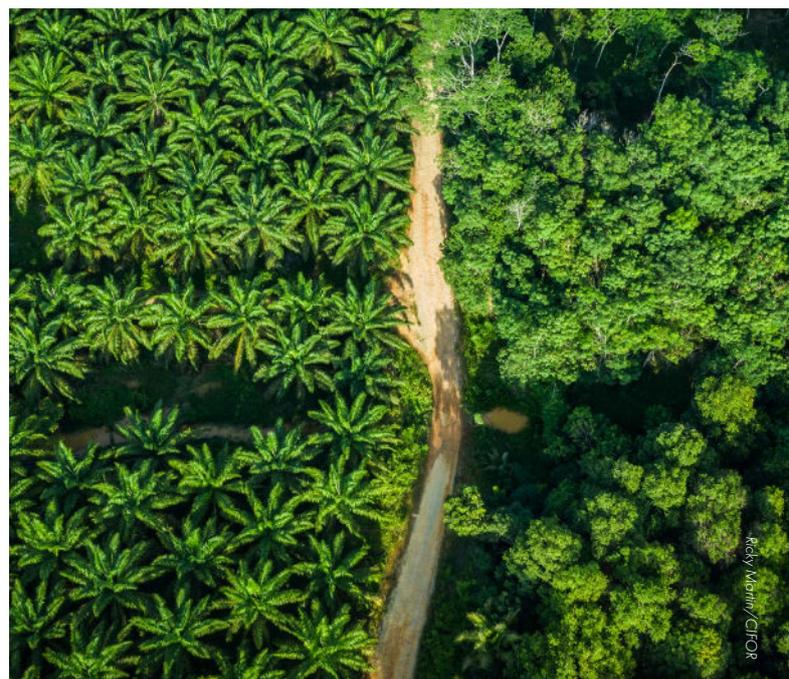
**“ WHILE INDIVIDUAL COMPANIES MOSTLY USE LANDSCAPE APPROACHES TO MEET SUSTAINABILITY COMMITMENTS IN A SPECIFIC COMMODITY, IMPLEMENTATION PARTNERS WORKING WITH COMPANIES NOTED HOW THESE APPROACHES COULD ADDRESS SUSTAINABILITY CHALLENGES IN MULTIPLE COMMODITIES.**

## CROSS-COMMODITY COLLABORATION

While individual companies mostly use landscape approaches to meet sustainability commitments in a specific commodity, implementation partners working with companies noted how these approaches could address sustainability challenges in multiple commodities. About half of the company-supported landscape initiatives identified in this study also focus on commodities other than palm oil (see [Annex 3](#)), though many of them started with palm oil.

In Tocache, Peru, the Coalition for Sustainable Production is stitching together programmes supported by integrated company Grupo Palmas in palm oil and ECOM in cocoa to help the jurisdiction achieve its sustainability goals (Coalición por una Producción Sostenible 2022). Earthworm Foundation’s work for palm oil trader Pro Fair Trade in the Soubré landscape in Côte D’Ivoire grew into a landscape initiative supporting also cocoa producers, who manage 77% of the landscape – compared to 1.3% for palm oil (TFA 2023). The initiative has been supported by Belgian chocolatier Godiva; pladis, a producer of biscuits and cakes; and Givaudan, a flavours and fragrance company.

Several initiatives in Riau province, a major palm oil and pulp and paper producer in Indonesia, also cover both these commodities to achieve better peatland management and collaboration with local communities (see [Annex 3](#)).



## 3.2 ACTIONS SUPPORTED BY COMPANIES

In its 2022 forest questionnaire, CDP listed 24 actions that palm oil companies might support when engaging at landscape scale. This section highlights the four groups of action most supported by companies, based on the submissions to CDP in 2022 (see [Figure 5](#)) and interviews conducted for this study. A few other notable activities are mentioned at the end of this section.

### SUPPORT FOR MULTI-STAKEHOLDER PROCESSES/PLATFORMS

Strongly aligned with the nature of landscape approaches, companies are taking various actions to support multi-stakeholder processes and platforms. These actions include providing financial

support (21 out of 38 companies), contributing to the development of landscape/jurisdictional goals and action plans (15 companies), and helping establish a multi-stakeholder landscape/jurisdictional entity (9 companies).

For example, financial support from companies to the Siak Pelalawan Landscape Programme enables implementers Proforest and Daemeter to contribute actively to multi-stakeholder processes in the two districts (Proforest 2020). Unilever supports Sabah’s Jurisdictional Certification Steering Committee and the development of the Center of Excellence in Aceh Tamiang in Indonesia as multi-stakeholder forums to coordinate action (Unilever 2022).

**FIGURE 6 TOP 15 LANDSCAPE-SCALE ACTION SUPPORTED BY COMPANIES IN PALM OIL AREAS**



Source: Submissions to CDP’s forest questionnaire 2022

## FOREST PROTECTION, RESTORATION AND MONITORING

Companies support various actions to help protect and restore forests and other ecosystems, including patrols, identifying alternative livelihoods that reduce pressure on forests, planting trees and monitoring land-use change. As many as 13 companies reporting to CDP in 2022 support these types of activities, and they were mentioned by two-thirds of the 18 companies interviewed for the study.

These actions are embedded in P&G's collaboration with WWF Malaysia to protect Malayan tigers in peninsular Malaysia. The initiative, established in 2021, includes restoring areas to build wildlife corridors between pockets of intact forests, patrols to prevent poaching and research on biodiversity (WWF and P&G n.d.). Earthworm Foundation has been using Starling, a satellite surveillance system it developed with Airbus, to identify areas with high risk of deforestation in the districts they are engaging in Riau and Aceh provinces in Indonesia. In Aceh Tamiang district, Unilever supports training for the government's forest management unit to review data from Radar Alerts for Detecting Deforestation, a system developed by the World Resources Institute and Global Forest Watch (Unilever 2022). This programme is also supported by IDH and PepsiCo.

## SUPPORT LAND-USE PLANNING

Companies have also supported land-use planning at landscape and jurisdictional scale, as mentioned by 12 out of 38 companies reporting to CDP. This action materializes in various forms. For example, Rainforest Alliance's programme in Sintang district in West Kalimantan, supported by retailers Sainsbury's and Metro, facilitates the development of landscape management plans in parts of the district (Sainsbury's 2022)

Another form of support is in the identification of HCV and HCS areas at landscape scale, for example in the Holistic Program in Chiapas, Mexico (see [Box 4](#)). In the Forest for Water initiative in Colombia, Cargill,

PepsiCo and AAK have financed the identification of HCV areas in river basins in Puerto Wilches and Santander. Musim Mas, PepsiCo and Unilever, in collaboration with CSO partners including IDH and Forum Konservasi Leuser (Leuser Conservation Forum; FKL), have also supported the district governments of Aceh Timur and Aceh Tamiang to conduct HCV and HCS assessments at landscape scale (Musim Mas, 2022). This assessment will help determine go and no-go areas for investments.

## ENGAGING SMALLHOLDERS AND GROWERS

The presence of smallholders is a key criterion for many companies in selecting landscape initiatives. Landscape-scale actions to support this stakeholder group include improving commodity traceability (supported by 11 companies reporting to CDP) and agricultural practices (10 companies), supporting certification (8 companies) and assisting smallholders to clarify and secure rights to the area they manage (6 companies).

### BOX 7 MUSIM MAS'S SMALLHOLDER HUBS

Integrated company Musim Mas is unique in this space as the palm oil processor and producer is an implementer of landscape-scale action, focusing on support for smallholders. Musim Mas built this programme from its five-year collaboration with the International Finance Corporation that engaged 30,000+ smallholders in four districts in North Sumatra and Riau provinces in Indonesia (Musim Mas 2021 a).

The smallholders hubs represent Musim Mas's approach to scale up its smallholder programme by training village extension officers on good agricultural practices and NDPE principles. Musim Mas developed the first smallholder hub in 2020, and have established four more to a total of five hubs in Aceh Tamiang, Aceh Singkil, and Subulussalam in Aceh, as well as in Dayun village in Riau and Sambas district in West Kalimantan – all in Indonesia.

The smallholder hubs have been developed in collaboration with local governments and many are feeding into wider landscape and jurisdictional initiatives implemented by other partners. Musim Mas has also attracted support from their customers such as General Mills, Nestlé, and AAK, who have financed part of this work (Musim Mas 2020a, 2021 b). By April 2023, the hubs had trained 377 extension officers and more than 4,500 smallholders (Lim 2023).

“ **THE PRESENCE OF SMALLHOLDERS IS A KEY CRITERION FOR MANY COMPANIES IN SELECTING LANDSCAPE INITIATIVES.** ”

With support from Unilever, Kaleka has mapped 8,117 smallholders managing 21,514 ha in Seruyan and Kotawaringin Barat districts in Indonesia and has integrated the data into the local government's database.

In Malaysia, Forever Sabah has been supported by AAK to provide technical assistance to smallholders. Earthworm Foundation engages palm oil concession holders to improve traceability in many landscapes it operates. For example, it aims to have 100% traceability to plantation level in the Southern Central Forest Spine Landscape in Malaysia by 2025.

It is worth noting that while many companies are supporting multi-stakeholder processes and platforms, which often involve or are led by local governments,

only four reported to CDP supporting activities for governments to develop sustainability policies. This may reflect the distance between downstream companies and local governments and the level of maturity of the landscape initiatives they are investing in. Still, it is a missed opportunity as the integration of sustainability principles into local policies would go a long way to transform practices on the ground.

Companies are also beginning to take action related to human rights at landscape scale, with six out of 38 companies reporting to CDP that they support such activities. Earthworm Foundation, supported by member companies, has engaged mills and palm oil concessions in Aceh Singkil district in Aceh, Indonesia; 42 of them have signed an agreement to collaborate to improve labour rights.

### 3.3 MONITORING AND REPORTING ON LANDSCAPE PROGRESS

Company submissions to CDP's forest questionnaire of 2022 show that 87% of the palm oil initiatives in which companies have reported taking landscape-scale action have a monitoring system in place to track progress against goals. However, most use their own frameworks, or indicators tailored to the needs of supporting companies, donors, governments and local stakeholders. This approach makes it difficult to compare progress from one landscape/jurisdiction to the next.

Several initiatives are trying to address this challenge. The CGF FPCoA has developed a shared landscape reporting framework, building on a model formulated by Proforest and ISEAL for Unilever, PepsiCo and Nestlé (Proforest 2022). Initiatives in CGF FPCoA's Portfolio, of which 16 operate in palm oil landscapes, have used the framework to report progress in 2022. The use of this shared framework provided preliminary internal indications on how the Coalition is progressing towards its landscape ambition (see [Section 2.1](#)). Two organizations are moving forward with different modalities to monitor and/or report landscape progress. IDH has used SourceUp, the platform that it initiated, to report on landscape goals in 10 palm oil landscape initiatives in Indonesia, Malaysia and Colombia. The LandScale assessment framework, co-led by Rainforest Alliance and Conservation International, is being tested among others in Sintang district in Indonesia and Tocache in Peru.

From the public sector, the Sustainable Jurisdictions Indicators in Indonesia are being trialled in nine districts, including Aceh Tamiang in Aceh, Siak in Riau, Seruyan in Central Kalimantan, Kutai Timur in East Kalimantan and Sanggau and Kapuas Hulu in West Kalimantan (Bappenas 2022). Aceh, Central Kalimantan, East Kalimantan and West Kalimantan provinces and Siak district in Indonesia are palm oil producing jurisdictions that disclosed their implementation of jurisdictional approaches to CDP in 2022.



# 4. PATHWAYS FOR CORPORATE ENGAGEMENT IN PALM OIL LANDSCAPES

In palm oil, three key factors positively influence the use of landscape and jurisdictional approaches by midstream and downstream companies. The first factor is the commitment of companies – large producers, traders, consumer goods manufacturers and retailers – to NDPE in palm oil production and sourcing (see [Chapter 1](#)).

To meet this commitment, these companies need to collaborate with other stakeholders on the ground. The second factor is palm oil's dependence on millions of smallholders: it is more time and cost-efficient to reach them at jurisdictional scale and through multi-stakeholder collaboration. The third is the decentralized land-use governance in

Indonesia and Malaysia, which combined produce more than three-quarters of the world's palm oil, which means local governments play a key role in ensuring the transformation of commodity production towards sustainability.

The following sections highlight lessons from company engagement in palm oil production areas and opportunities to further leverage and current challenges in mobilizing more private sector action at landscape scale. The chapter ends with recommendations for downstream and midstream companies, and for the wider community supporting the use of multi-stakeholder collaboration to achieve sustainability at landscape and jurisdictional scale.

## 4.1 LESSONS AND OPPORTUNITIES

### 1. LANDSCAPE ENGAGEMENT HELPS COMPANIES MEET THEIR SUSTAINABILITY COMMITMENTS

This study shows that in palm oil – as in other commodities – companies take landscape-scale action to meet their NDPE commitments in a way that is inclusive and supportive of smallholders and local communities (see [Section 2.3](#) and [3.2](#)).

While progress has been made in many areas (see [Section 1.2](#)), companies still have some way to go to fully implement their NDPE commitments and they need support from local governments, communities, CSOs and other stakeholders to do this. Corporate interviewees noted how multi-stakeholder

collaboration had drawn them closer to other supply chain actors and CSOs as it provided a neutral and consistent platform for engagement. As companies sourcing palm oil expand their commitments to become nature or forest positive, collaboration with stakeholders beyond supply chains will become even more essential.

### 2. PRECOMPETITIVE COALITIONS UNLOCK MORE COLLECTIVE ACTION

Three private sector coalitions have succeeded in developing collective action in palm oil production areas (see [Section 3.1](#)). This is only the beginning with more expected to come. The CGF FPCoA is set to scale up action in landscapes producing the commodities it focuses on, including palm oil, starting in 2024 (CGF FPCoA 2021). Signatories to the Agriculture Sector Roadmap to 1.5°C have also prioritized collaborative action, particularly to reach smallholders.

Members of the POCG have made their first investment in a jurisdictional initiative in Kutai Timur district in Indonesia; more are expected to take landscape-scale

**“ WHILE PROGRESS HAS BEEN MADE IN MANY AREAS, COMPANIES STILL HAVE SOME WAY TO GO TO FULLY IMPLEMENT THEIR NDPE COMMITMENTS AND THEY NEED SUPPORT FROM LOCAL GOVERNMENTS, COMMUNITIES, CSOS AND OTHER STAKEHOLDERS TO DO THIS.**



action as part of the group. Four more members of the ASD joined the Impact Fund after its launch to support palm oil landscape initiatives, showcasing the potential for expansion.

### 3. SUPPORT FROM NON-CORPORATE STAKEHOLDERS HELPS TO DE-RISK LANDSCAPE-SCALE ACTION

Support from public and philanthropic donors to palm oil areas (see [Box 2](#)) has been essential in the development of at least one-third of the landscape and jurisdictional initiatives supported by companies identified in this study. By financing the facilitation of multi-stakeholder processes, piloting approaches (for example, to improve peat management and restoration) and other enabling conditions, these donors have lowered the risks for companies to invest in these initiatives.

Companies will continue to benefit from the support of other stakeholders to palm oil production areas as many programmes are still ongoing. EU and other consumer countries are expected to provide further support to producer countries to implement deforestation regulations, and this support is likely to materialize at least partially at subnational level.

Philanthropic funding for climate change mitigation is also on an upward trend, increasing by 25% to more than \$3 billion in 2021, including \$500 million for the food and agriculture and forest sectors (ClimateWorks 2022).

### 4. LOCAL LEADERSHIP ACCELERATES PROGRESS ON THE GROUND

Opportunities to engage local governments and integrate sustainability principles into local policies are a key reason downstream and midstream companies engage at landscape scale (see [Section 2.3](#)). Several palm oil jurisdictions have progressed and shown clear leadership (see [Box 3](#)), even though incentives for local leaders to take action, including fiscal, market-based and regulatory incentives, are not strong (Daemeter 2023).

It is clear that in jurisdictions such as Siak and Aceh Tamiang districts in Indonesia and the state of Sabah in Malaysia, strong local government leadership and policies have succeeded in bringing in significant company support through neutral and credible implementers. Still, there are many more similar opportunities.

Indonesia's Sustainable Districts Association (LTKL) and its partners are planning to support dozens more forest- and peat-rich districts to integrate sustainability principles into their development plans after the country's elections in 2024.

At the national level, Indonesia's National Action Plan for Sustainable Palm Oil has opened the way for multi-stakeholder forums to develop at district and province levels, while the Sustainable Jurisdictions Indicators initiative is expected to strengthen efforts to monitor metrics at subnational level.

## 4.2 CHALLENGES

Interviews with companies and landscape initiative implementers as well as data analysis and desktop review highlight several challenges to mobilizing landscape-scale action by downstream and midstream companies. The study has tried deliberately to take the perspective of these companies, most of which do not have direct operations in the areas from which they source their commodities. The aim is to understand the barriers hindering companies from engaging at landscape and jurisdictional scale.

### 1. COMPANIES' LANDSCAPE-SCALE ACTION IS PROGRESSING, BUT YET TO BE MAINSTREAMED

There is clearly increasing momentum for downstream and midstream companies to support landscape-scale action in palm oil, which is ahead of other commodities in this regard. This study identified more downstream and midstream companies taking landscape-scale action in palm oil (at least 62 companies) than in cocoa (29 companies) and pulp and paper and packaging (26 companies) (TFA et al. 2023a and 2023b).

Still, collaboration with stakeholders beyond supply chains in production areas is yet to be mainstreamed. The number of companies engaging at landscape scale is relatively small compared to the 896 consumer goods manufacturers and 748 processors and/or traders listed as RSPO members as of end 2021 (RSPO 2022b).

### 2. LACK OF EVIDENCE FOR A BUSINESS CASE AND CLARITY AROUND COMPANY CLAIMS

The value of collaborating with stakeholders to address land-use and sustainability issues at landscape or jurisdictional scale has been articulated and is increasingly recognized by corporate sustainability teams (see [sections 2.1, 2.3](#)). Still, the business case – in the form of quantifiable metrics, claims and/or estimate of return of investments – for companies to take landscape-scale action is not yet fully evidenced.

This lack of quantifiable evidence stems from three key factors. First, landscape and jurisdictional approaches are used to tackle complex, systemic issues through multi-stakeholder collaboration, and it takes years to achieve measurable outcomes, while companies usually report on an annual basis. Second, it is still unclear what and how companies can claim for their contributions to landscape and jurisdictional initiatives. The nature of multi-stakeholder collaboration means any outcomes should recognize the contributions made by others.

The third factor is the context-specific nature of these initiatives, which influences the metrics used to measure progress. Landscape-scale metrics need to be comparable across landscapes/jurisdictions, but at the same time flexible to adapt to the priorities and shared goals determined by stakeholders in the landscape.

### 3. INCREASING PRESSURE FOR COMPANIES TO REFOCUS EFFORTS TO SUPPLY CHAINS

In the last several years, companies have been under increasing pressure to accelerate progress to achieve deforestation-free supply chains. Some of this pressure may influence companies to decide to refocus their efforts to supply chain level, rather than taking landscape-scale action. Emerging guidance on what would count against corporate climate goals under the Science Based Targets initiative (SBTi), for example, focuses on action at the production unit (TFA et al 2022). The EUDR, coming into force at the end of 2024, requires companies to provide evidence that palm oil entering the bloc is free from deforestation using data traceable to plot level. This regulation will push companies to invest



more in traceability, which could reduce resources going to landscape or jurisdictional interventions. These measures could accelerate progress in key building blocks to achieve sustainable supply chains, such as traceability. However, they miss the opportunity to create transformation at scale on the ground, with local stakeholders buy-in, and address key challenges like leakage, which will persist as a problem as long as sustainability is not mainstreamed.

#### **4. LACK OF FRAMEWORK TO IDENTIFY AND MONITOR HUMAN RIGHTS ISSUES AT LANDSCAPE SCALE**

As the use of landscape and jurisdictional approaches progresses in palm oil producing areas, several initiative implementers and companies have started

exploring how to use these approaches to address the No Exploitation component of NDPE (see [Section 2.3](#)).

There are clear benefits to working together with other stakeholders to address human rights issues. However, there is no shared framework to identify and monitor progress at landscape scale. Monitoring how these issues are addressed would also require boots on the ground and the development of supporting systems and mechanisms. Industry coalitions like the POCG are developing guidance and indicators for good labour practices and land management systems into the NDPE implementation reporting framework, including for collective action at landscape scale.

### **4.3 RECOMMENDATIONS**

As the study focuses on downstream and midstream companies, the following sections highlight one set of recommendations for these companies and another set for all stakeholders interested in progressing towards a nature and forest positive future at scale in palm oil production landscapes.

These recommendations focus on actions that are most effective and impactful to take up in the short term – within the next three years – to mobilize more landscape-scale action from downstream and midstream companies.



#### **4.3.1 RECOMMENDATIONS FOR COMPANIES**

##### **1. INCREASE SUPPORT AND BRING OTHER COMPANIES TO TAKE LANDSCAPE-SCALE ACTION**

It is important that companies take a long view of their landscape engagement and increase their support for action to create change at scale in palm oil production landscapes. While many palm oil initiatives have demonstrated positive outcomes at smaller scale, CSOs, local governments, companies and other proponents still need time to achieve and properly evidence the impact of these efforts at landscape/jurisdictional level.

Nevertheless, some progress has been recorded at jurisdictional scale through the development of multi-stakeholder platforms and/or policies

to support sustainable commodity production. Companies should also continue supporting multi-stakeholder processes and platforms, as these are key in ensuring local buy-in and effective coordination of efforts.

Leading companies and private sector platforms should be proactive in encouraging suppliers and other downstream and midstream companies to take landscape-scale action and mainstream the use of these approaches (see [Challenge 1](#)).

Peer-to-peer dialogue, whether bilaterally or within precompetitive coalitions, is essential to build confidence in taking action beyond supply chains in production landscapes with other stakeholders.



## 2. PRIORITIZE ACTION IN COMMITTED AND PROGRESSIVE JURISDICTIONS

Companies in general acknowledge the importance of engaging local governments as they are the key authority on land-use governance in major palm oil producing countries. However, the level of local government commitment in these issues is not a key consideration for most companies (see [Section 2.3](#)) when they select where to take landscape-scale action. This is a missed opportunity.

Companies can connect with coalitions of sustainable jurisdictions – such as Indonesia’s LTKL and the Governors’ Climate and Forests Task Force – to learn more about the commitments and progressive policies of subnational governments. Other resources include [SourceUp](#), which includes Protect, Produce and Include agreements in palm oil jurisdictions and a report by TFA and LTKL, [Mapping Commitment of Subnational Government to Sustainable Land Use in Southeast Asia](#), published at the end of 2020.

“ JUST AS INCORPORATING SUSTAINABILITY PRINCIPLES INTO LOCAL POLICIES HELPS MAINTAIN PROGRESS, INTEGRATING LANDSCAPE ACTION INTO CORPORATE STRATEGY INCREASES THE LIKELIHOOD THAT THE LONGER-TERM COMMITMENT NEEDED FROM COMPANIES WILL MATERIALIZE.

## 3. INTEGRATE LANDSCAPE-SCALE ACTION INTO SUSTAINABILITY, BUSINESS STRATEGIES

Companies could further showcase their commitment to the transformation of production landscapes to sustainability by integrating landscape-scale action into their sustainability and business strategies. Just as incorporating sustainability principles into local policies helps maintain progress, integrating landscape action into corporate strategy increases the likelihood that the longer-term commitment needed from companies will materialize. Several have already done so: Nestlé in its forest positive strategy committed to investment in sustainable production landscapes (Nestlé 2021), while PepsiCo has prioritized addressing systemic issues in priority landscapes (PepsiCo n.d.). Unilever also mentions the role of their investments in landscape initiatives to meet their goals on smallholder empowerment and the protection and regeneration of land and forests (Unilever n.d.). Members of the CGF FPCoA have also committed to develop plans within their companies to take landscape-scale action more widely (CGF FPCoA 2021). Integrated company Musim Mas, which manages plantations as well as acting as processor and trader of palm oil products, has taken landscape-scale action by developing smallholder hubs and making them the cornerstone of their efforts to ensure sustainable supply (Musim Mas 2020b).

Some organizations have explored preferential sourcing as a way to integrate jurisdictional-scale action into corporate business strategy and incentivize supply chain actors and other stakeholders to collaborate (Boshoven et al. 2021). Several companies have also explored this model. While not at district level, Unilever in 2017 announced it would start buying from a palm oil village that was part of a jurisdictional initiative the company supported in Kotawaringin Barat district in Central Kalimantan, Indonesia (Unilever 2017).

In 2021, L’Oréal sourced 27 percent of its volumes from independent palm oil smallholders participating in sustainable sourcing projects in which it had invested in Indonesia and Malaysia (L’Oréal, n.d.). Member companies of the POCG also plan to recognize company action at landscape and jurisdictional scale to support smallholders in complying to NDPE commitments.

## 4.3.2 RECOMMENDATIONS FOR STAKEHOLDERS

### 1. ENABLE LANDSCAPE-SCALE ACTION TO CONTRIBUTE TO CORPORATE CLIMATE AND NATURE GOALS

Guidance for corporate commitment to climate and nature, for example under the Science Based Targets initiative and Network (SBTi and SBTN), is in development.<sup>7</sup> Analysis conducted by several organizations found the GHG Protocol's draft guidance on the land sector and removals under the SBTi mechanism only allows companies to claim actions at the farm level for emission reductions (TFA et al. 2022). This does not incentivize companies to invest beyond their supply chains and misses an opportunity to create multi-stakeholder collaboration on the ground. SBTi is developing guidance for beyond value chain mitigation,<sup>8</sup> a mechanism by which companies can contribute towards society's goal of achieving net zero emissions. Actions under beyond value chain mitigation, however, will not count against companies' science-based targets (SBTi 2022).

Recent developments related to corporate nature targets are more encouraging: SBTN's guidance for land targets has included company landscape engagement as a proxy to improve the so-called ecosystem integrity index (SBTN 2023). The SBTN is expected to roll out guidance for the wider community to use in 2024 after incorporating lessons from piloting the beta version of the land targets guidance with 17 companies, including L'Occitane, Nestlé and Neste (Persio 2023).

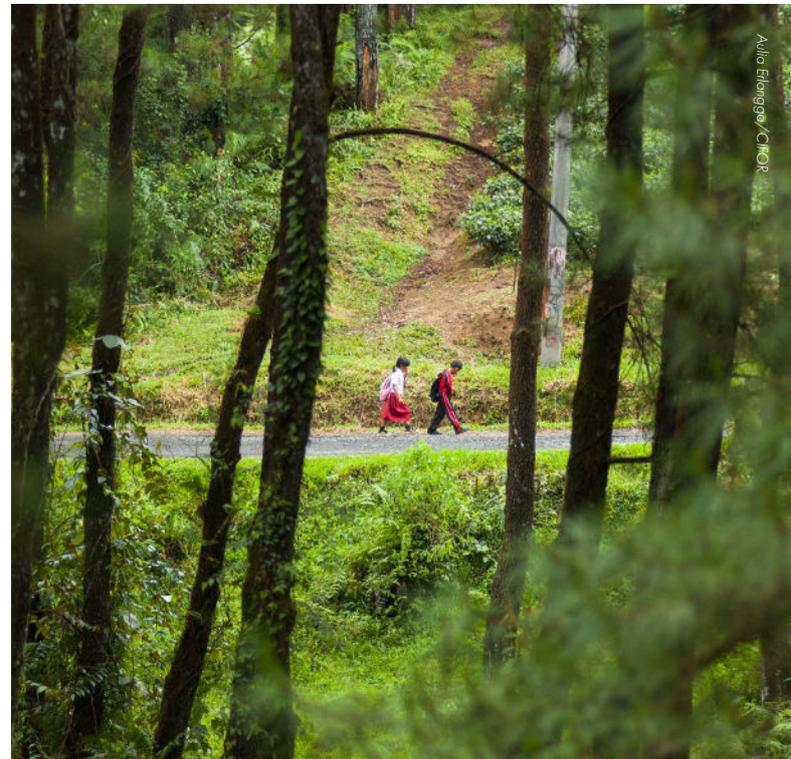
The possibility for companies to be able to count landscape-scale action at least partially against their climate and nature goals, and clarification of claims (see point 2) could unlock significant funding from companies sourcing commodities and also attract more from other companies. For example, the Lowering Emissions by Accelerating Forest Finance (LEAF) Coalition, which includes companies such as Amazon and Salesforce, is committed to purchasing \$1.5 billion of high-quality forest carbon credits produced at jurisdictional scale (Emergent 2022). Palm oil jurisdictions that

have submitted proposals to supply LEAF with forest carbon credits include Ecuador, which is also piloting RSPO jurisdictional certification.

### 2. CLARIFY CLAIMS AND PROVIDE TOOLS TO MONITOR AND REPORT PROGRESS

Work to address this key challenge is already underway and should continue to be supported. The ISEAL Alliance, collaborating with 18 organizations working to advance the use of landscape and jurisdictional approaches, has published guidance on how companies can make claims about the actions they are taking in landscapes (ISEAL 2023). Another guidance about how those actions contribute to landscape-scale outcomes is forthcoming.

On another front, the CGF FPCoA has started to use its shared framework for monitoring and reporting on landscape progress in the initiatives that its members support (see [Section 3.3](#)). CDP has provided detailed questions on companies' landscape engagement in its forest questionnaire since 2022 and continues to improve these.



<sup>7</sup> TFA, Proforest, and Emergent are developing a separate report to discuss how a company's landscape-scale action can contribute to its climate and nature goals. The report is expected to be released in the third quarter of 2023.

<sup>8</sup> A document on beyond value chain mitigation was released for public consultation on 19 June 2023 but was not analysed in depth for this report.

### 3. ALIGN SUPPORT TO PROGRESSING JURISDICTIONS

Companies, philanthropic donors and consumer countries should align efforts to support committed and progressing subnational and national jurisdictions, particularly where there are already active initiatives, and accelerate progress to achieve outcomes at scale. Alignment of efforts in progressive landscapes or jurisdictions has major potential to drive down costs with economies of scale and extend the reach of impacts.

For example, efforts to include smallholders in sustainable supply chains – critical to ensure regulations like the EUDR achieve its objectives without excluding smallholders – will be more cost-effective with the involvement of local governments and CSO partners. Conducting HCV and HCS assessment at jurisdictional scale could both support local governments in drafting their development plans and assist small and medium-sized palm oil producers to understand where they are exposed to deforestation risks.

### 4. BUILD AND UPSCALE THE CAPACITY OF LOCAL FACILITATORS AND IMPLEMENTERS

Increased interest and experience in landscape-scale action in palm oil areas provides an opportunity to build the capacity of local CSOs, helping them become the main implementers of landscape initiatives. There are already examples of how essential these CSOs are in supporting the development of a jurisdictional vision and the implementation of the action plan. The Leuser Conservation Forum is a key partner implementing landscape work in Aceh Tamiang supported by PepsiCo and Unilever (TFA 2021 b). Forever Sabah has supported the Land and Surveys Department of Sabah to streamline the application process for independent smallholders to obtain land title (TFA 2021 a). Sedagho Siak, a coalition of local and national CSOs, provided essential support to the development of Siak district's Green Siak strategy (Siak District Government 2022).

Better capacity of local CSOs, along with their ongoing presence and local knowledge, will accelerate progress to mainstream sustainable land-use practices at jurisdictional scale. Palm oil could be a model for the deliberate development of

such local capacity, benefiting from the experiences from jurisdictional initiatives in the past eight years.

### 5. DEVELOP A FRAMEWORK TO INTEGRATE HUMAN RIGHTS COMPONENTS INTO LANDSCAPE INITIATIVES

Linked to the challenge discussed in point 4, there is a need to develop a guidance for landscape initiatives to identify human rights challenges and ensure that local stakeholders consider them when they design shared landscape-level goals. Stakeholders should also develop a framework to address human rights challenges, such as land tenure insecurity and conflict, so that these can be jointly addressed in landscapes where they are systemic issues.

Leading CSOs in these issues include the Forest Peoples Programme, which published [a series of reports](#) in the past three years from jurisdictional initiatives in Central Kalimantan in Indonesia, Sabah in Malaysia and Ecuador. Proforest and Landesa also recently published a guidance on evolving best practices around safeguarding the rights of Indigenous Peoples and local communities in landscape initiatives. These best practices include identifying local issues and opportunities, planning and partnership, implementation, and monitoring and reporting (Proforest and Landesa 2023).



Richy Martin/CFOR

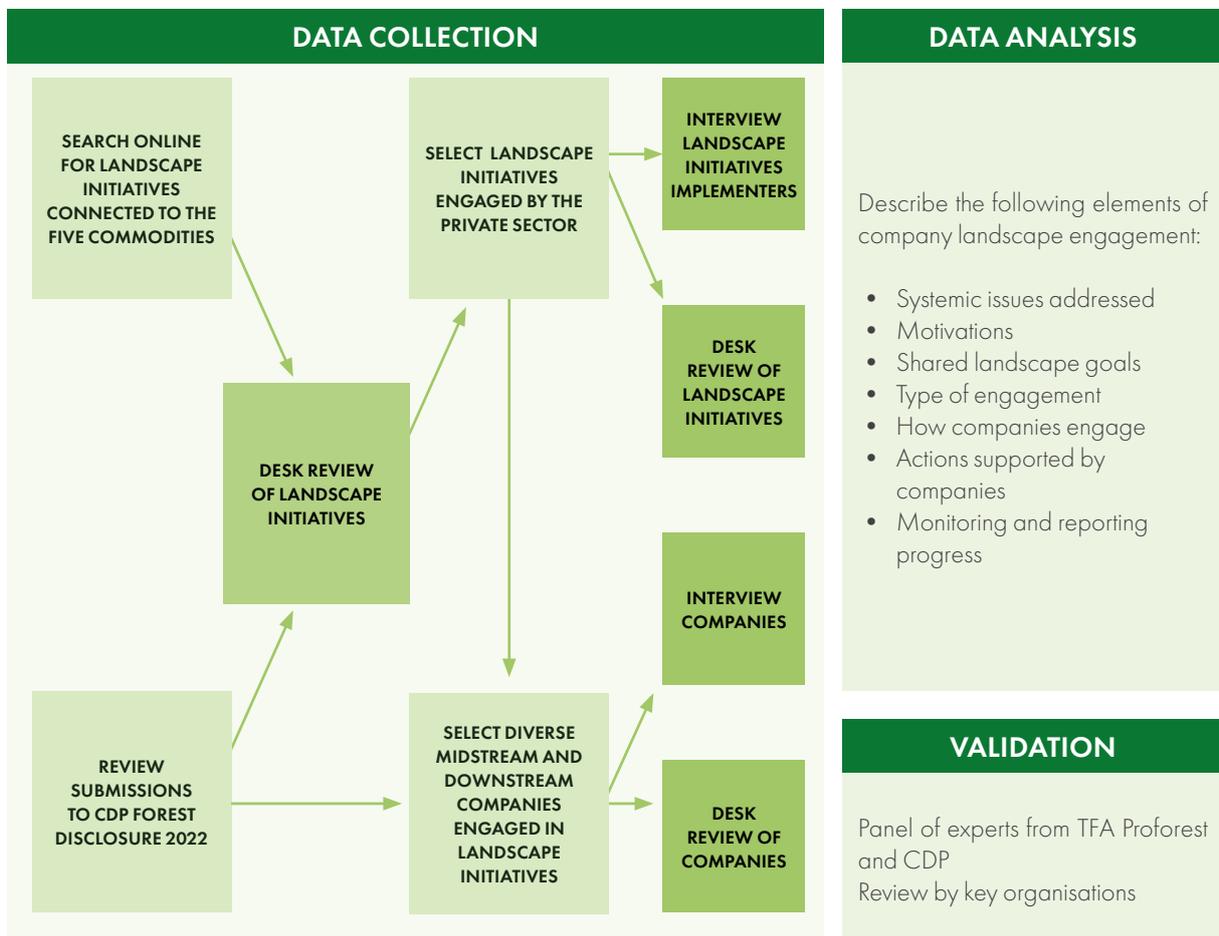
# 1. ANNEX 1

## METHODOLOGY

This paper is part of a global study on private sector engagement at landscape scale that aims to advance understanding of the use of landscape and jurisdictional approaches as a key corporate strategy towards nature-positive businesses. The study also aims to map the way forward to mobilize more landscape-scale action by downstream and midstream companies and multi-stakeholder collaboration at scale.

Through interviews, desktop research and analysis of company submissions to CDP’s forest questionnaire in 2022, the study explores why and how manufacturers, retailers and traders have used landscape and jurisdictional approaches to address deforestation driven by palm oil, cocoa, soy, beef, and pulp, paper and packaging.

**ANNEX FIGURE 1.1 METHODOLOGY FOR COMMODITY-SPECIFIC BRIEFS**



Recognizing that landscape engagement is relatively new for many companies, the CDP team reviewed all submissions to assess whether the programmes met the basic CDP criteria for landscape and jurisdictional initiatives (See [Annex Figure 1.2](#)). Qualifying landscape initiatives are those that provide evidence of multi-stakeholder processes and collective goals for a defined territory.

## ANNEX FIGURE 1.2 CDP CRITERIA FOR LANDSCAPE INITIATIVES



### 1. The scale of the approach is an environmental, productive, or geopolitical landscape/jurisdiction.

Heterogeneous land area composed of multiple and interacting ecosystems, people, functions, authorities, and land uses that are repeated in a similar form throughout.

BUILD BASED ON A **SHARED LONG-TERM VISION OF SUSTAINABILITY AND INTEGRATED IN A MANAGEMENT STRATEGY OR ACTION PLAN WITH:**



### 2. Multiple local stakeholder groups participate

in processes/platforms of discussion and decision making.



### 3. Collective goals and actions

on sustainable production (e.g. commodities), human well-being, and conservation.



### 4. Transparent reporting or information systems

on actions and progress are established and collectively acknowledged.

Source: CDP

The information provided by companies and the facilitators of landscape initiatives was codified, anonymized and analyzed to identify lessons learnt, challenges and recommendations. A group of experts from CDP, TFA and Proforest provided

inputs to preliminary findings and recommendations. The report also benefits from input into an advanced draft from representatives from the private sector, implementers of landscape initiatives, and other experts.

## 2. ANNEX 2

### COMPANIES TAKING LANDSCAPE-SCALE ACTION IN PALM OIL

The study identified downstream, midstream and integrated companies that have invested in landscape and jurisdictional initiatives focused on achieving sustainable land use in palm oil production at scale.

The list is based on desktop research, interviews and company submissions to CDP's forest questionnaire in 2022; it is not exhaustive.

**ANNEX TABLE 2.1 COMPANIES TAKING LANDSCAPE-SCALE ACTION IN PALM**

	COMPANY	BUSINESS TYPE	LANDSCAPE REGION
1	AAK AB	Refiner, trader	Indonesia, Malaysia
2	ADM Cares	Refiner, trader	Malaysia
3	Alicorp	Manufacturer	Peru
4	Avril	Trader, producer	Indonesia
5	Barry Callebaut AG	Manufacturer	Indonesia
6	Beiersdorf AG	Manufacturer	Malaysia
7	Bunge	Processor, trader	Malaysia
8	Cargill	Manufacturer, processor, producer, trader	Colombia, Indonesia, Malaysia
9	Clariant	Manufacturer	Indonesia
10	Clorox Company	Manufacturer	Indonesia
11	Colgate-Palmolive Company	Manufacturer	Indonesia, Malaysia, Mexico
12	Croda International	Processor	Indonesia
13	Danec Group	Refinery	Ecuador
14	Danone	Manufacturer	Indonesia
15	Estée Lauder Companies Inc.	Manufacturer	Indonesia
16	Evonik Industries AG	Manufacturer	Malaysia
17	FGV Holdings Berhad	Refiner	Malaysia
18	Fuji Oil Holding Inc.	Refiner	Indonesia
19	Gattefossé	Manufacturer	Indonesia
20	General Mills Inc.	Manufacturer	Indonesia
21	Givaudan	Manufacturer	Indonesia, Côte d'Ivoire
22	GlaxoSmithKline	Manufacturer, retailer	Ecuador
23	Godiva	Manufacturer	Côte d'Ivoire
24	Golden Agri-Resources (GAR)	Trader, refiner, producer, retailer	Indonesia
25	Groupe Rocher	Retailer	Indonesia, Malaysia
26	Grupo Bimbo	Retailer	Mexico
27	Grupo Palmas	Refiner, producer	Peru
28	Haleon (formerly GSK Consumer Healthcare)	Manufacturer	Indonesia

	COMPANY	BUSINESS TYPE	LANDSCAPE REGION
29	Hershey Company	Manufacturer	Indonesia, Malaysia
30	International Flavors & Fragrances Inc.	Manufacturer	Indonesia
31	IOI Group	Manufacturer	Indonesia
32	Johnson & Johnson	Manufacturer	Malaysia
33	KAO Corporation	Manufacturer, retailer	Indonesia
34	L'Oréal	Manufacturer	Indonesia
35	Louis Vuitton Moët Hennessy (LVMH)	Manufacturer, retailer	Indonesia
36	Mars, Inc.	Manufacturer	Indonesia
37	Metro AG	Retailer	Indonesia
38	Mondelēz International Inc.	Manufacturer	Indonesia
39	Musim Mas Holdings Pte Ltd.	Trader, refiner, producer	Indonesia
40	Natura Co	Manufacturer	Indonesia
41	Neste Oyj	Refiner	Indonesia
42	Nestlé	Manufacture, processor, retailer	Colombia, Indonesia, Malaysia, Mexico
43	OLEON Holding	Refiner	Indonesia
44	PepsiCo, Inc.	Manufacturer	Indonesia, Mexico
45	pladis	Manufacturer	Côte d'Ivoire
46	Procter & Gamble Company (P&G)	Manufacturer	Indonesia, Malaysia
47	PZ Cussons	Manufacturer	Indonesia
48	Reckitt Benckiser	Manufacturer	Indonesia, Malaysia
49	Sainsbury's	Retailer	Indonesia
50	Sawit Kinabalu	Refiner	Malaysia
51	Seppic	Manufacturer	Indonesia
52	SIFCA	Manufactures	Côte d'Ivoire
53	Sime Darby	Trader, refiner, producer	Malaysia
54	Sodexo	Manufacturer, retailer	Indonesia
55	Stéarinerie Dubois	Manufacturer	Indonesia
56	TSH Resources Berhad	Refiner	Malaysia
57	Unilever plc	Manufacturer	Indonesia, Malaysia,
58	Vandemoortele	Manufacturer	Indonesia
59	Walmart	Retailer	Indonesia, Malaysia
60	Wilmar International Limited	Trader, refiner, producer	Malaysia
61	Yum! Brands, Inc.	Retailer	Malaysia
62	Zschimmer & Schwarz	Manufacturer	Indonesia

Source: Published corporate reports and interviews

# 3. ANNEX 3

## PALM OIL LANDSCAPE INITIATIVES

#	LANDSCAPE INITIATIVE	COUNTRY	IMPLEMENTER	COALITION/ PLATFORM	COMMODITIES	STARTING YEAR
Asia						
1	<a href="#">Aceh Tamiang PPI Compact</a>	Indonesia	IDH, FKL	CGF FPCoA, Coalition for Sustainable Livelihoods	Palm oil, coconut	2019
2	<a href="#">Smallholder Hub in Aceh Subulussalam</a>	Indonesia	Musim Mas	--	Palm oil	2021
3	<a href="#">Smallholder Hub in Aceh Singkil</a>	Indonesia	Musim Mas, Earthqualizer	--	Palm oil	2020
4	<a href="#">Aceh Landscape</a>	Indonesia	Earthworm Foundation, Swisscontact, Koltiva	CGF FPCoA	Palm oil	2021
5	<a href="#">Biodiverse and Inclusive Oil Palm in North Sumatra</a>	Indonesia	SNV, Livelihoods Funds, Musim Mas, and ICRAF	CGF FPCoA	Palm oil	2021
6	<a href="#">Tapanuli Selatan Landscape Initiative</a>	Indonesia	Conservation International	CGF FPCoA, Coalition for Sustainable Livelihoods	Palm oil, cocoa, coffee	2022
7	<a href="#">Enhancing Capacity to Reduce GHG Emissions from Peatlands</a>	Indonesia	Winrock	CGF FPCoA	Palm oil, pulp and paper	2016
8	<a href="#">Siak Pelalawan Landscape Programme</a>	Indonesia	Daemeter, Proforest, Jejak.in	CGF FPCoA	Palm oil	2018
9	<a href="#">Riau Landscape</a>	Indonesia	Earthworm Foundation	CGF FPCoA	Palm oil, pulp and paper	2020
10	<a href="#">Sungai Linau Landscape conservation and livelihood</a>	Indonesia	Proforest, Yayasan Mitra Insani	--	Palm oil, pulp and paper	2021
11	<a href="#">Sembilang – Green Growth Plan</a>	Indonesia	IDH	--	Palm oil	2018
12	<a href="#">Hindoli landscape project</a>	Indonesia	IDH	--	Palm oil	2019
13	<a href="#">Mosaik Initiative</a>	Indonesia	Kaleka (formerly Yayasan Inobu)	CGF FPCoA, ASD	Palm oil, timber, coconut, rubber	2015
14	<a href="#">South Ketapang Landscape Initiative</a>	Indonesia	Global Environment Centre, AidEnvironment	--	Palm oil	2018
15	<a href="#">Ketapang PPI Compact</a>	Indonesia	IDH	--	Palm oil	2019
16	<a href="#">Sintang District</a>	Indonesia	Rainforest Alliance	CGF FPCoA	Palm oil	2022
17	<a href="#">Sambas landscape programme</a>	Indonesia	Earthqualizer, Musim Mas	--	Palm oil	2022
18	Sustain Kutim	Indonesia	GIZ, Proforest, Tanah Air Lestari	POCG	Palm oil, rubber	2023
19	<a href="#">Sabah Landscapes Program</a>	Malaysia	WWF Malaysia	CGF FPCoA	Palm oil, rubber	2016

20	<a href="#">Jurisdictional Approach for Sustainable Palm Oil initiative</a>	Malaysia	Sabah Forestry Department, Natural Resources Office (NRO)	—	Palm oil	2016
21	<a href="#">Forever Sabah Landscapes</a>	Malaysia	Forever Sabah	—	Palm oil	2016
22	<a href="#">Sabah Landscape</a>	Malaysia	Earthworm Foundation	—	Palm oil	2021
23	<a href="#">Southern Central Forest Spine Landscape Initiative</a>	Malaysia	Earthworm Foundation	—	Palm oil	2021
24	<a href="#">Wildlife Conservation Programme on Malaysian Tiger</a>	Malaysia	WWF Malaysia	CGF FPCoA	Palm oil, rubber	2021
25	<a href="#">Kinabatangan PPI Compact – Eastern Sabah</a>	Malaysia	IDH	—	Palm oil, cocoa, coconut, rubber, timber	2021
26	<a href="#">Kunak PPI Compact – Southern Sabah</a>	Malaysia	IDH	—	Palm oil, cocoa, coconut, timber	2021
Latin America						
27	Jurisdictional RSPO Ecuador	Ecuador	Conservation International, ProAmazonia and RSPO	—	Palm oil	2017
28	<a href="#">Holistic Program</a>	Mexico	Proforest, Femexpalma	—	Palm oil	2017
29	<a href="#">Agrovita</a>	Mexico	Proforest	—	Palm oil, cocoa, plantain	2021
30	<a href="#">Chiapas landscape</a>	Mexico	Earthworm Foundation, CONANP Encrucijada, Solidaridad	CGF FPCoA	Palm oil	2021
31	<a href="#">Tocache Jurisdictional Initiative</a>	Peru	Solidaridad, Earthworm Foundation, Rainforest Alliance, Earth Innovation, Helvetas, TFA	Coalition for Sustainable Production	Palm oil, cocoa	2021
32	<a href="#">Longitudinal Landscape</a>	Peru	Earthworm Foundation	—	Palm oil, cocoa	2021
33	<a href="#">Forests for Water</a>	Colombia	Proforest, Fedepalma	—	Palm oil	2018
34	<a href="#">Cesar PPI Compacto</a>	Colombia	IDH	—	Palm oil, coffee, dairy, beef, cocoa	2022
35	<a href="#">Magdalena PPI Compacto</a>	Colombia	IDH	—	Palm oil, coffee, dairy, beef, cocoa	2022
Africa						
36	<a href="#">Soubré Landscape</a>	Côte d'Ivoire	Earthworm Foundation	—	Palm oil, cocoa, rubber	2020
37	<a href="#">San Pedro</a>	Côte d'Ivoire	Proforest	—	Palm oil, cocoa, rubber	2022

Source: Submissions to CDP's forest questionnaire 2022, interviews and published corporate reports

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## ABOUT TROPICAL FOREST ALLIANCE

The Tropical Forest Alliance is a multi-stakeholder partnership platform initiated to support the implementation of private sector commitments to remove deforestation from palm oil, beef, soy, cocoa and pulp and paper supply chains. Hosted by the World Economic Forum, our 170+ alliance partners include companies, government entities, civil society, Indigenous Peoples, local communities and international organizations. With our partners, TFA works to mobilize collective action to advance the world's transition to deforestation-free commodity production. TFA hosts and manages the Jurisdictional Action Network of 2,200+ proponents of landscape and jurisdictional approaches to achieve sustainability at scale and the JA Resource Hub. Visit [www.tropicalforestalliance.org](http://www.tropicalforestalliance.org).



### About Proforest

Proforest is a global mission-driven organization, focused on the production base and supply chains of agricultural and forestry commodities including soy, sugar, rubber, palm oil, cocoa, coconut, beef and timber. We support companies with direct action to tackle environmental and social risks throughout a supply chain. We also work with governments, companies, and collaborative organisations, in order to address systemic issues beyond the supply chain, within a landscape or a sector, to deliver positive outcomes at scale for people, nature and climate. For more information: [www.proforest.net](http://www.proforest.net) or follow us [@proforest](https://twitter.com/proforest).



## ABOUT CDP

CDP is a global non-profit that runs the biggest world's environmental disclosure system for companies, cities, states and regions. Founded in 2000 and working with more than 680 financial institutions with over \$130 trillion in assets, CDP pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, and to reduce GHG emissions, safeguard water resources and protect forests. Fully TFCF aligned, CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative. Visit [cdp.net](http://cdp.net) or follow [@CDP](https://twitter.com/CDP) to find out more.