

Sample Procedures on Mapping and Monitoring FFB Supply Chain

Why is it important to know your FFB origins?

To implement the No Deforestation policy, mills are responsible to monitor its own FFB sourcing area. Monitoring at this level requires that a mill to map the location of where it buys FFB from and put in place systems to manage, analyse and respond to monitoring information on deforestation events. These are sample statements that companies can choose and adapt to complement its existing policy and procedures.

<Company Name> is committed to helping the palm oil industry develop while protecting forests and peatlands in areas where we operate. We will collaborate with dealers, growers, traders, processors, brands, NGOs, and other stakeholders to help us implement the following procedures:

- The company is committed to understand and transform the practices of our suppliers who supply fresh fruit bunches (FFB) to our mill in line with our buyers' No Deforestation commitments.
- As a first step, the company shall take appropriate measures to map our supply chain, a
 process more commonly known as "Traceability to Plantation". This entails developing
 procedures to record the source of FFB that we buy, including GPS points and/or estate
 boundary maps.
- The company shall put in place due diligence systems when screening new suppliers to ensure FFB coming into our supply chain is not linked to any deforestation that took place after the industry accepted cut off date of 31 December 2015.
- The company shall also put in effect control measures to manage existing FFB suppliers and respond appropriately when a grievance related to deforestation is made known.
- The company shall assign specific staff with responsibility to oversea the implementation of these procedures.

Reference:

Why is traceability important: https://toolsfortransformation.net/wp-content/uploads/2017/03/FFB-traceability-Importance-of-FFB-suppliers%E2%80%99-traceability.pdf

What is deforestation/ land use change: https://toolsfortransformation.net/wp-content/uploads/2017/07/LUC_OilPalm_27Jul2017.pdf



List of Palm Oil Refineries in Malaysia and Indonesia with No Deforestation policy:

- 1. Wilmar International
- 2. Musim Mas
- 3. Golden Agri-Resources (GAR)
- 4. Royal Golden Eagle (Apical)
- 5. Mewah International
- 6. FGV Holdings (FELDA)
- 7. Sime Darby
- 8. HSA Group/Pacific Inter-Link
- 9. IOI Group
- 10. Permata Hijau Group
- 11. Salim Group
- 12. Kuala Lumpur Kepong (KLK)
- 13. Lois Dreyfus Company
- 14. Astra Agro Lestari
- 15. Nisshin OilliO
- 16. Wings Group
- 17. IFFC0
- 18. First Resources
- 19. BLD Plantation
- 20. Kwantas Corporation

Reference:

NDPE policies cover 83% of palm oil refineries: <u>https://chainreactionresearch.com/wp-content/uploads/2020/04/NDPE-Policies-Cover-83-of-Palm-Oil-Refining-Market.pdf</u>