

NDPE IMPLEMENTATION REPORTING FRAMEWORK (NDPE IRF)

IRF progress updates

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

NDPE IRF Progress Updates and Highlights

A simple concept note was proposed in 2018 with an ambitious goal to capture the complexity of NDPE progress in the palm sector. With the unwavering support from the conveners, companies, practitioners, and stakeholders involved, the concept note has now evolved into a reporting tool with great potentials to enhance the transparency of the supply chain and to promote an enabling environment for meaningful companies' collaboration in the sector.

To this date, together, the members of the IRF Active Working Group (AWG) have participated in 4 physical workshops, 2 virtual workshops, monthly virtual Zoom meetings since the beginning of 2020, and countless other sub-working groups meetings. For the past 3 years, the AWG have played an important role from designing the methodology, piloting the tool, to officially implementing the IRF as the reporting tool across the palm supply chain in 2020. The AWG will continue to work collaboratively to realise transformation in the sector.

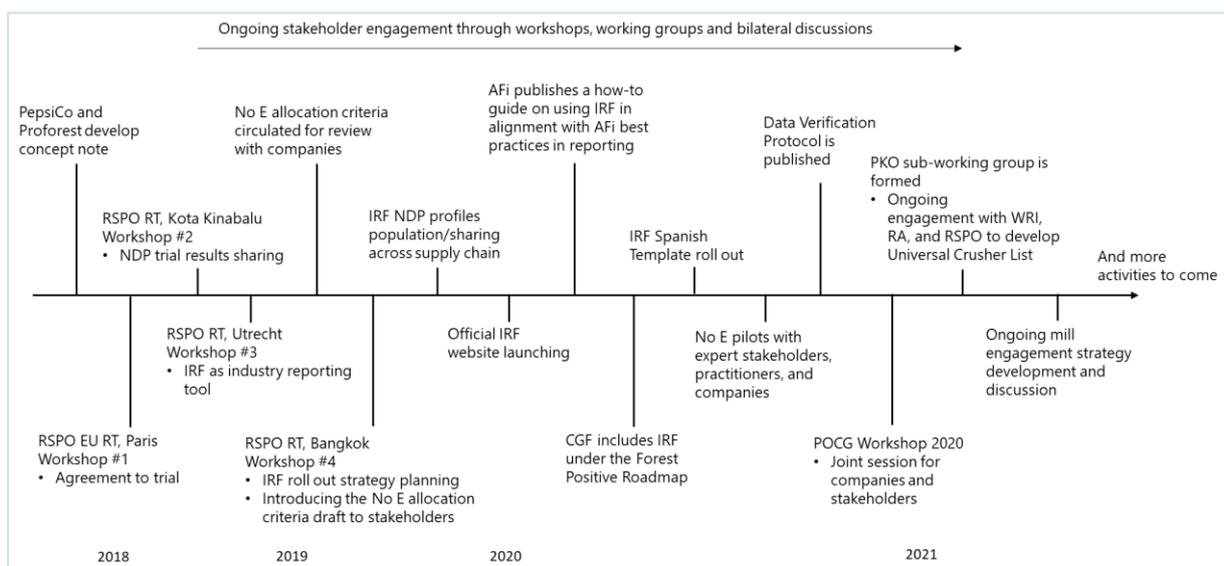


Image 1: NDPE IRF timeline of technical development and uptake progress from 2018 to 2021.

Throwback to 2020: Highlights

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

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

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

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

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

promote NDPE progress within one's supply base.

Therefore, in 2021, developing a mill engagement strategy has become one of the priorities of the AWG. The strategy will be built on the strengths and experiences of companies' existing mill engagement effort, while capitalising on the leverage that different supply chain actors have and the opportunities that are present in the landscapes/regions. Some of the ongoing activities to facilitate discussion surrounding mill engagement strategy include analysing some preliminary mill engagement datasets from a regional and country specific context, as well as sharing on mill engagement best practices among the AWG members. A sub-

working group focusing on delivering the mill engagement strategy will soon be established, to enable a more focused and effective working group discussion and coordination.

The continuous and regular engagement with stakeholders, companies and practitioners is a crucial factor to sustain the ongoing interest in the wider conversation and to build on the momentum to take actions to promote progress within the supply base. As such, regular updates will be published on the IRF website to keep stakeholders informed on the progress and development in the AWG.

Stay tuned for the next IRF update for more information about the latest discussion in the AWG and follow the IRF website at <https://ndpe-irf.net/> for the latest updates.