

# I-SPOC

## Supply Chain and End Users Working Group

Members Meeting

26 May 2021

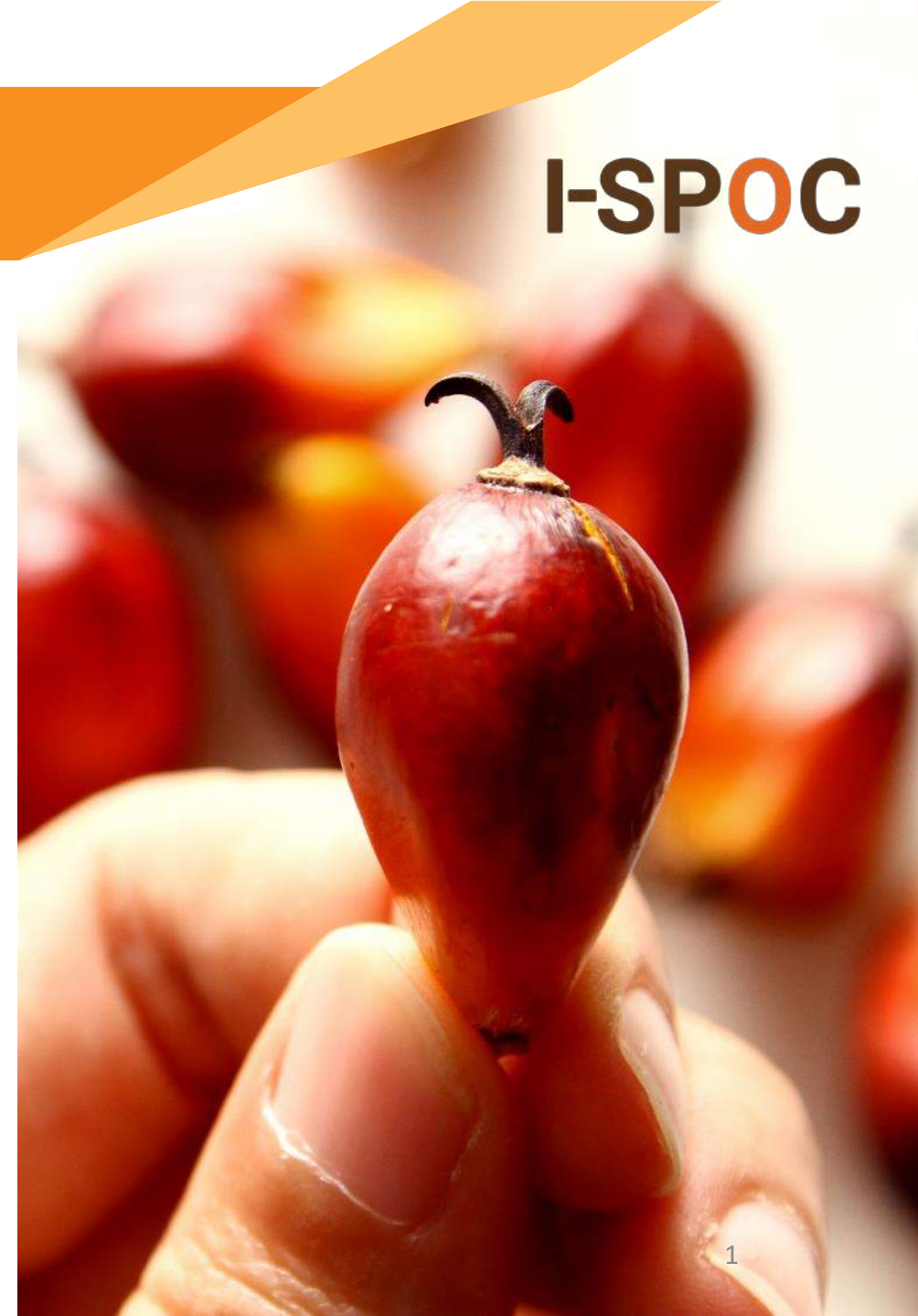
Co-Chairs



# Highlights

I-SPOC

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- 2 Annual Working Plan: 2020-21 Updates
- 3 Annual Working Plan: 2021-22 Priorities
- 4 Palm Oil Sustainability Framework for companies in India
- 5 Q&A



# Working Group Members

**I-SPOC**

- **AAK Kamani**
- **Colgate-Palmolive**
- **ECube Investment Advisors**
- **Ferrero**
- **Haldiram's**
- **Hindustan Unilever**
- **HSBC**
- **Karnataka Chemical**
- **P&G**
- **Navabharat**
- **Galaxy Surfactants**
- **Manorama Industries Ltd**
- **Reckitt**
- **Zoological Society of London**
- **Cheyenne Mountain Zoo**
- **L'Oréal**

# Alignment with the I-SPOC mission

## VISION

**SUSTAINABLE PALM OIL IS THE NORM**

## GOALS

Resilient & Healthy Landscapes & Communities  
Green & Inclusive Growth

## IMPACTS



PEOPLE

Sustainable livelihoods & poverty reduction  
Human rights protected, respected & remedied



PROSPERITY

Competitive, resilient & sustainable sector



PLANET

Conserved, protected & enhanced ecosystems that provide for the next generation

## I-SPOC Mission

To promote sustainable consumption and trade of palm oil and its derivatives in India along the supply chain, through industry collaboration.

# Role of I-SPOC

I-SPOC

## Context



We are seeing overwhelming global attention and action for a green and sustainable recovery from the COVID-19 pandemic.



This is evidenced by the volume of funding flowing towards nature-based solutions (e.g. The LEAF Coalition and Rimba Collective) and the use of global trade as a tool to fight climate change. **COP15 in China, COP26 in the UK and WEF in Singapore** have prioritized the theme of deforestation free supply chains and biodiversity protection.

## Key Messaging of this Working Group Solutions that work for India



### INDUSTRY TRANSFORMATION

I-SPOC can be a catalyst for sector-wide transformation by convening stakeholders across the supply chain around a shared vision of sustainable palm oil.



### RISK MANAGEMENT

Sustainability standards combined with enhanced assurance mechanisms are a powerful tool to deliver the due diligence necessary to underpin green trade deals.



### SHARED RESPONSIBILITY

To succeed, I-SPOC calls on all companies, investors and governments to scale up the adoption of certification, drive awareness, and strengthen the assurance ecosystem.

# Annual Working Plan: 2020-21 Updates

# Business Guide

# I-SPOC

## HOW TO TRANSITION TO SUSTAINABLE PALM OIL



### Why make the switch to sustainable palm oil?

Would you buy a product for your family to use knowing that it had been produced by people working under forced or child labour conditions, or from land that was taken from local or indigenous communities?

If the answer is 'no', then ask yourself- why are you not providing the same assurance to your customers and consumers?

By starting your sustainable palm oil journey, you are:

- **Doing the right thing** – protecting the rights of people living and working on plantations, ensuring no child labour in your supply chain, and protecting highly biodiverse forests from destruction by sourcing the most productive oilseed globally. In the end, this contributes to livelihood improvement for thousands of small-scale farmers who rely on oil palm for their income.

It also minimises climate change through a reduction of CO2 emissions, reduces the use of water, and promotes waste management in an environmentally and socially responsible manner.

- **Making good business sense** – a new report by [Climate Advisors](#), a consultancy specialising in climate and financial risk in the land sector, has shown that companies within the palm oil supply chain that commit to sustainable production have higher equity returns compared to their industrial counterparts. [Roundtable of Sustainable Palm Oil \(RSPO\)](#) members outperform non-members by 24.7 percentage points.
- **Providing accountability** – to customers, consumers, and stakeholders who demand transparency in their supply chains. This will only grow as millennials become more aware of the positive impacts sustainable investments have, thus fuelling increased demand.

### Taking the first steps

Like all journeys, this may take time. Have a roadmap. It can be steep or gradual depending on your capability, budget, and appetite. **You just have to get started!**

Start the conversation with top management, keep the message aligned, and cascade it down so that all employees are on board with a sustainable approach. The message must be clear and concise. Focus on the 'why', as this is key for the start of your journey. The 'what' and 'how' will follow once the organisation is clear about the 'why'.

## How to implement a sustainable sourcing policy

Moving to sustainable palm oil is not an overnight process. Once the intent and 'why' are clear, a sustainable sourcing policy needs to be developed and implemented. It requires a series of activities and initiatives to socialise and implement the policy together with internal and external stakeholders.



## Build internal capacity

- Appoint a responsible person who can help build organisational capability
- Create a policy/ commitment and share with stakeholders – independent third-party experts who can critique.

## A STEP-BY-STEP APPROACH FOR BUSINESSES:

01. Join and actively participate in action-oriented sustainability platforms, such as the [India Sustainable Palm Oil Coalition \(I-SPOC\)](#) and the [RSPO](#) to understand and support industry-wide efforts towards sustainable palm oil.
02. Commit to 'No Deforestation, No Peat, No Exploitation' (NDPE) policies for your company and your suppliers.
03. Make an ambitious, public, time-bound commitment to buy only certified sustainable palm oil as part of your membership to RSPO. You could start with buying RSPO Credits (both independent smallholders and mills), and then move to RSPO Mass Balance, followed by Segregated and Identity Preserved supply chains. The cost of RSPO premiums is part of the cost of goods sold.
04. Launch a webpage and/or other communication assets (articles, videos, graphics, etc.) to socialise your company's sustainability commitments.
05. Undertake training and capacity building for your employees and suppliers to explain the policy, commitment, expectations, and key actions.
06. Understand your supply chain, publish mills and their locations, and work with suppliers to ensure traceability to the mill and plantation base. Ensure supply chain transparency by publicly reporting on palm oil sources and usage, and progress and actions at least annually.
07. Support sustainable production by supporting smallholders, with buyer commitments and on-ground investments, training, and capacity building.
08. Identify and engage with institutional and individual investors, banks, and financial institutions who are looking to invest in companies built on sustainability principles. Several investors have applied 'Environmental, Social and Governance' (ESG) frameworks/policies and offer financial incentives for sustainability focused companies.
09. Undertake public communication and outreach activities on sustainable palm oil to educate end-consumers.
10. Support government and industrial policy action plans to promote deforestation-free supply chains at the national level.

## What happens when you discover a non-compliance in your supply chain?

Engage with the supplier and ask them to stop the violation, then create an action plan to mitigate the risk.

This process allows you to fix the issues whilst you still have purchasing leverage.

Blacklist is the last resort when the supplier is not willing to engage and/or is not meeting deadlines despite continued engagement.

The journey to 100% sustainable palm oil sourcing might be challenging but it has a strong business case and it is the right thing to do to make deforestation and exploitation free supply chains the norm. We are here to support you on this journey.

## TAKE ACTION

BECOME A MEMBER OF

**RSPO**  
[www.rspo.org](http://www.rspo.org)

BECOME A MEMBER OF

**I-SPOC**  
[www.indiaspoc.org](http://www.indiaspoc.org)

(RSPO is a founding member of I-SPOC)



For more information, contact:  
Kamal Prakash Seth  
India Representative, RSPO  
[kamal.prakash@rspo.org](mailto:kamal.prakash@rspo.org)

[www.indiaspoc.org/resources](http://www.indiaspoc.org/resources)

# Retailers Association of India

# I-SPOC



## SUSTAINABLE PROCUREMENT IN FOOD RETAIL IN INDIA - BUILDING BUSINESS RESILIENCE WITH SDGS

Friday, 9 Oct 2020 | 5:00 PM to 6:30 PM

### SPEAKERS

 <b>Anand Vijay Jha</b> Chief Public Policy Officer, Walmart India	 <b>Dheeraj Talreja</b> President - India, AAK Kamani	 <b>K Radhakrishnan</b> CEO, StarQuik (TATA Group)	 <b>Kumar Rajagopalan</b> CEO, Retailers Association of India
 <b>Kamal Prakash Seth</b> Country Head, Roundtable on Sustainable Palm Oil (RSPO)	 <b>Rijit Sengupta</b> CEO, Centre for Responsible Business (CRB)	 <b>Vidya Bhushan</b> Head - Edible Oils, Bunge India Pvt. Ltd.	 <b>Vinay Adhye</b> Business Head, Sahakari Bhandar (Reliance Retail)

Complimentary Registration

**REGISTER NOW** <https://bit.ly/36mh2Ct>

For more details, Contact: Susmita, [susmita@rai.net.in](mailto:susmita@rai.net.in)



# Sustainable Palm Oil Dialogue 2020

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The image shows a Zoom meeting interface with seven participants in a grid layout. The meeting title is "ISS 2020 - Sustainable Palm Oil Dialogue India" from the Centre for Responsible Business. The participants are:

- Bhavya**: Top-left tile, portrait of a woman with dark hair.
- Kamal**: Top-middle tile, portrait of a man with a beard wearing an orange vest, with a palm oil plantation background.
- Dheeraj**: Top-right tile, portrait of a man with glasses wearing a white shirt.
- Anita**: Middle-left tile, portrait of a woman with glasses wearing a white blazer, with a palm oil plantation background.
- Daniel**: Middle-middle tile, portrait of a man with a beard wearing a dark suit, with a palm oil plantation background.
- Girish Deshpande**: Middle-right tile, portrait of a man with glasses wearing a white shirt, with a bookshelf background.
- Reuben Blackie**: Bottom tile, portrait of a man with curly hair, with a background of green plants.

The Zoom interface includes a play button, a timer at 1:29:43, and the Zoom logo in the bottom right corner. There are also icons for heart, clock, and a small logo in the bottom right corner.

## Consumer Awareness Campaign

The power to bring change lies in YOU

**#KnowYourPalm**

Ask your favourite brands if their products contain Certified Sustainable Palm Oil (CSPO)

Take the pledge now and tell your family and friends to do the same

**TAKE THE PLEDGE**



[www.knowyourpalm.thebetterindia.com](http://www.knowyourpalm.thebetterindia.com)



**Social Reach: 13 Million/1.3 Cr**  
(Sep 2020-April 2021)



# Youth for Sustainability

[www.youthforsustainability.in](http://www.youthforsustainability.in)

300 youth volunteers working in 20+ YfS Clubs across the country focused on responsible consumption and production and climate action (SDGs 12 and 13)



# members



Current count  
**36**



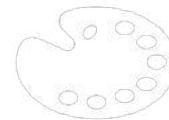
[www.yfsindiaalliance.com](http://www.yfsindiaalliance.com)

# Annual Working Plan: 2021-22 Priorities

## 1. Palm Oil Sustainability Framework and Advisory for Indian Companies

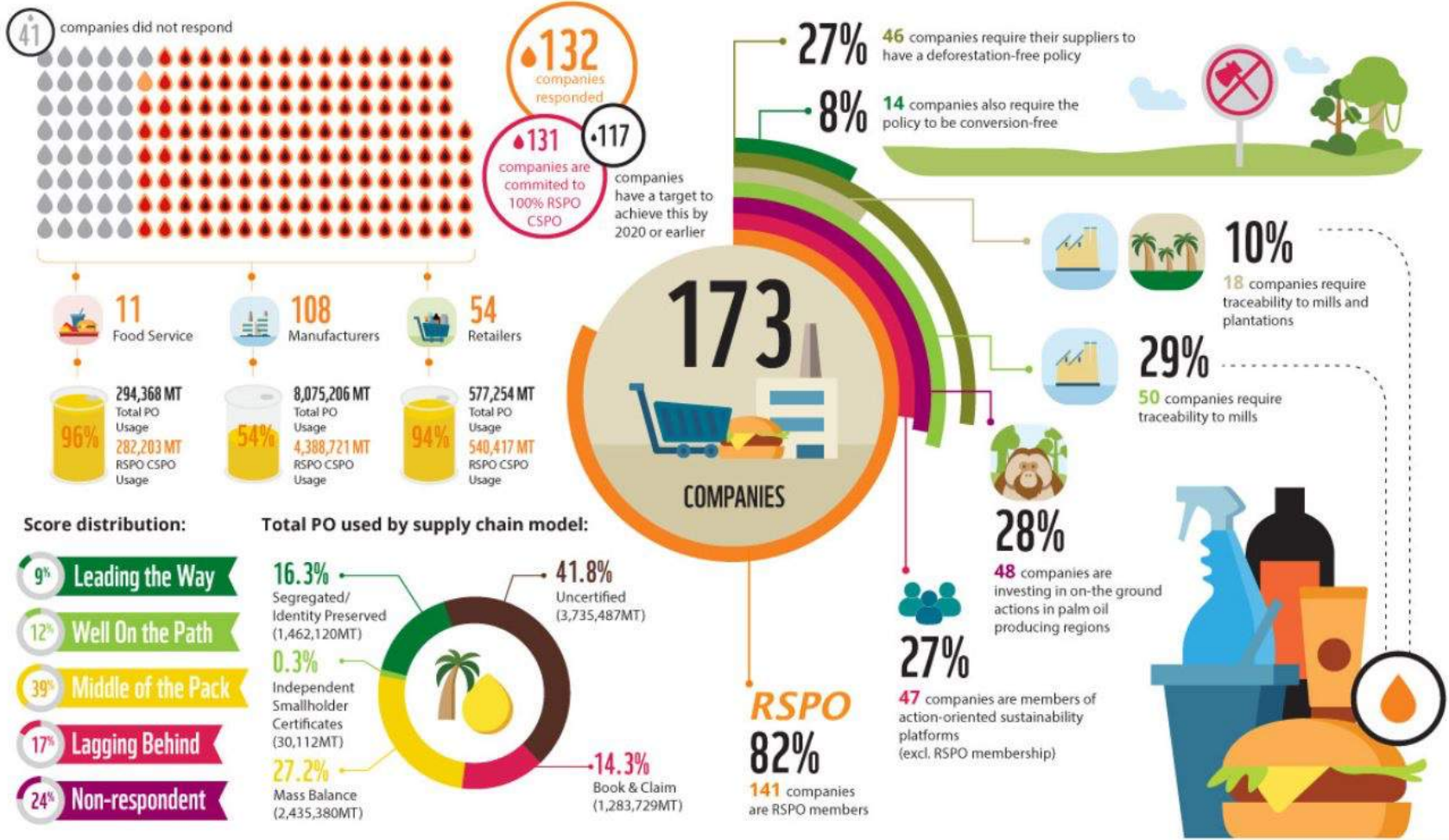


## 2. Multi-stakeholder Dialogues for Sustainable Procurement and NDPE Commitments



# Palm Oil Buyers Scorecard Launched

## WWF PALM OIL BUYERS SCORECARD 2019: KEY FINDINGS



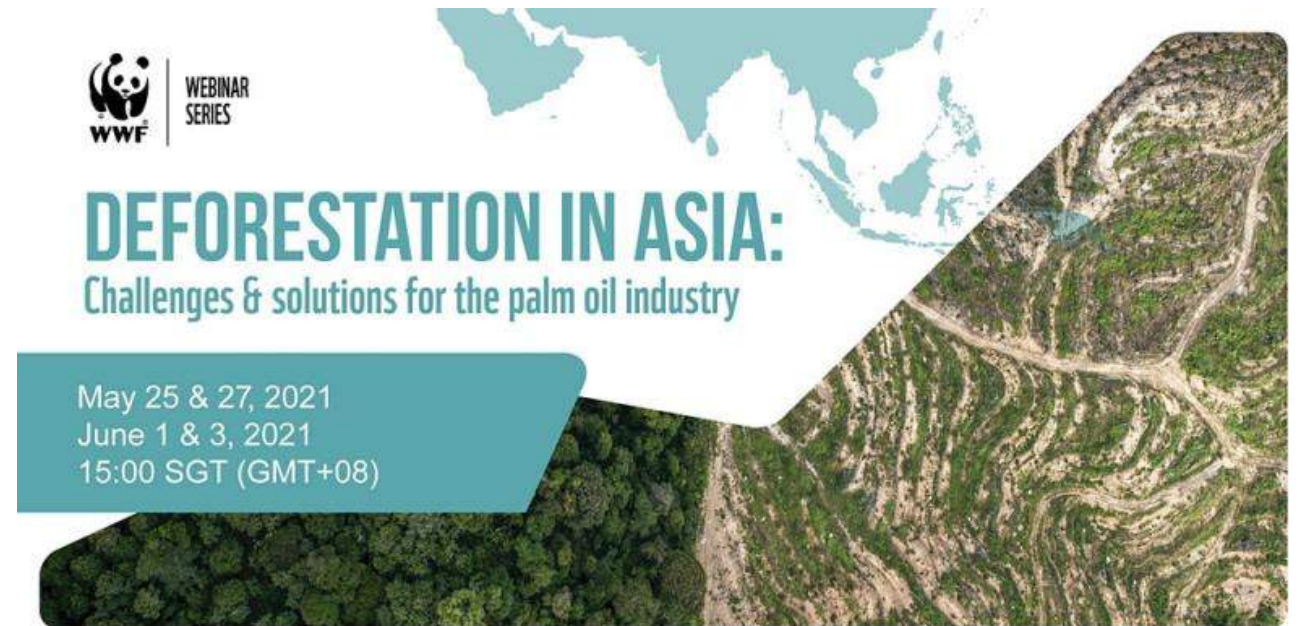
# Reports Launching – PO in Asia

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- The **Consumption Study** highlights the role of MNCs and local companies in driving sustainable uptake of palm oil in Asian markets
- The **Trade Flow Study** demonstrates a new model of supply chain tracing, how can this work complement other more direct traceability approaches to drive further transparency efforts across the supply chain.

- WWF has launched a four-part webinar series to discuss palm oil demand and trade patterns in Asia – uncovering opportunities for stakeholders to take ambitious action for sustainability.
- The sessions include leading businesses and financial institutions in Asia to provide multiple perspectives on progressing sustainable palm oil in the region.
- The first webinar “**Deforestation in Asia: Challenges & Solutions for the Palm Oil Industry**” was held on 25 May



- Developing a **sustainable procurement guide** for the Indian palm oil industry



- The document will provide guidance to importers/refiners; derivatives manufacturers; and consumer goods manufacturers to set sustainability goals, establish implementation systems and streamline reporting in alignment with the **Accountability Framework Initiative (Afi)**



# Palm Oil Sustainability Framework for Companies in India

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## Steps on the Sustainability Journey



Awareness raising



Company Engagement



Capacity Building for Companies



Strategic Discussion



Policy Development



Supply Chain Assessment



Corrective Actions and Sourcing Sustainably



Advocacy



Accountability Framework

Delivering on ethical supply chain commitments

# Q&A

A hand holding a small, yellowish-orange fruit, possibly a mango or similar tropical fruit, against a background of a vast palm tree plantation. The image is overlaid with a white diagonal banner containing the text "Thank you!".

**Thank you!**