Responsible Sourcing Implementation Framework
Measuring and reporting NDPE volumes for palm oil
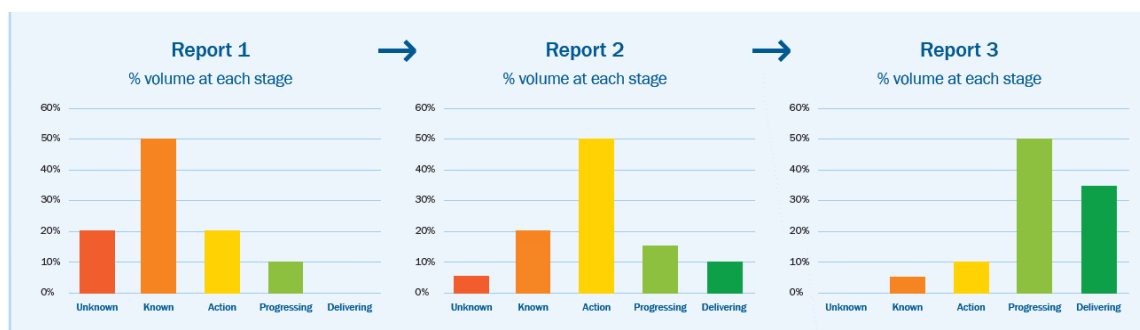## Update 1, July 2018

1   Background

In June 2018 a group of companies who all use palm oil agreed to trial an approach that aims to accelerate delivery of responsible sourcing commitments by building greater implementation transparency. The approach allows monitoring and reporting on progress in delivering NDPE-compliant volumes through an Implementation Framework. This is the first update for participating companies and includes (a) a reminder of what the Implementation Framework is and (b) an outline of plans for the coming months.

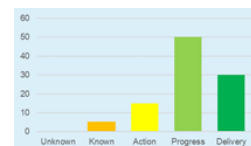## 2   What is the Implementation Framework?

The implementation framework is a tool that allocates all volumes of product to one of five categories:

- Delivering: production delivers responsible sourcing commitments in full
- Progress: work is underway with verified progress in achieving full delivery of commitments
- Action: commitments are not being fully delivered but actions are underway to address issues
- Known: the origin and associated risks of not meeting commitments are both known
- Unknown: it is not known where the product was produced

The Framework should provide much greater clarity about both the current situation and progress towards full implementation. By assigning volumes to different categories, it becomes much possible to understand in more depth what remains to be done, and tracking volumes over time clearly shows progress as shown in the example below. It will also be possible to develop verification of progress to provide greater credibility to stakeholders.

The Implementation Framework and how it works is described in detail in Proforest Briefing Note 12 which is available from https://www.proforest.net/proforest/en/publications/responsible-sourcing-and-production-briefings/bn12_rsbn_final_web.pdf .

3 Proposed approach to further development

Phase 1: Proof of concept (July – November 2018)

The first stage in the process will be to further develop and test the approach. This will involve two main activities

- Elaborate the criteria and process for assigning volumes to each of the categories in the Framework. This will be done through discussions between participants and Proforest building on all the existing work companies are doing including certification, supplier engagement, actions on the ground and landscape initiatives. The aim will be to come up with a pragmatic starting point by September which can be further elaborated based on experience.
- Test the approach in existing supply chains involving the companies supporting the development process. This will be the focus on September and October with the aim of reporting back to the group at the RSPO RT in November.

Phase 2: Engagement and scale-up (2019)

If the proof of concept is successful, then the next phase will be to scale up implementation to the whole supply chain of participating companies, and bring in more companies to provide critical mass across the sector. Some key aspects of this phase will be:

Engaging with producers and mills: The most important actors in delivering responsible production are the producers and the mills they supply, so it is crucial that all the mills and, as far as possible, the producers in the supply base understand the approach and where they are in lower categories they can develop and implement an action plan to improve. In many cases this will require active support from other actors in the supply chain.

Streamlining and aligning information: It will be very important to ensure that there is an efficient way of collecting, communicating and updating information through supply chains to avoid replication and redundancy. This should build on existing approaches, including certification and supplier engagement programmes.

Phase 3: Ongoing implementation, verification and reporting (2020)

If the second phase is successful, then the focus can move to routine use of the approach to: (a) take action to accelerate improvement where it is needed, (b) include independent verification of information and (c) deliver transparency through public reporting.