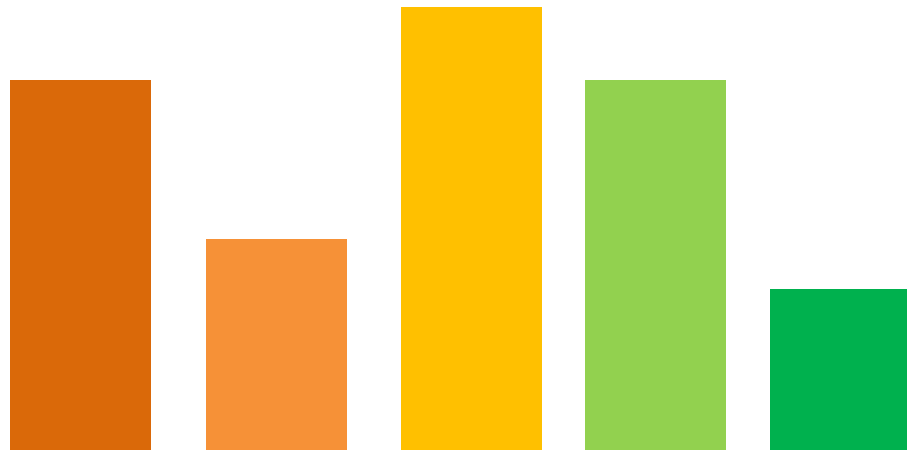




Bar Color	Relative Height
Brown	Medium
Light Orange	Low
Yellow	High
Light Green	Medium-High
Dark Green	Lowest

The Implementation Reporting Framework (IRF)

COMMITMENT | UNDERSTANDING | ACTION | IMPROVEMENT | TRUST



The Implementation Reporting Framework (IRF)

www.ndpe-irf.net

Introduction to the POCG & IRF

Commitment: Intro to NDPE

Understanding: What is the IRF

Action: Benefits of IRF tool

Improvement: How it works

Trust: Benefits of adoption



POCG & IRF

The Palm Oil Collaboration Group

is a group of companies that work together on ways to align and collaborate to be more effective in addressing challenges to full implementation NDPE commitments in the palm oil sector.

palmoilcollaborationgroup.net

POCG

4 WORKING GROUPS

Implementation Reporting Framework

Production and Protection Beyond Concessions

Social Issues

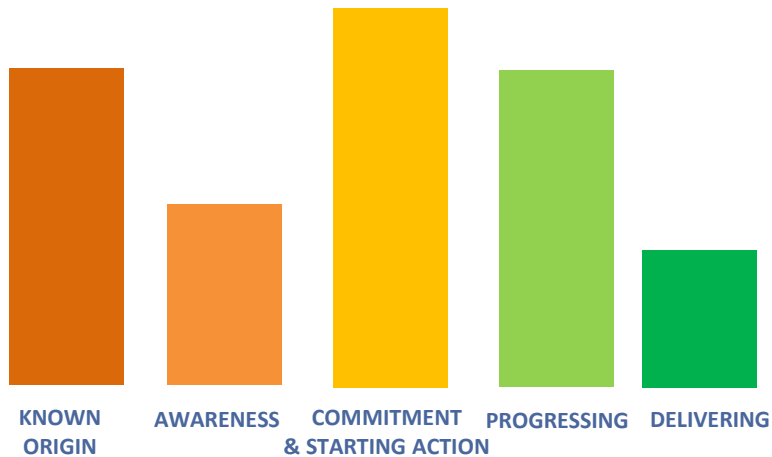
Independent Verification

+ LatAm Chapter



SUSTAINABILITY COMMITMENTS: Intro to NDPE

No Deforestation, No Peat and No Exploitation



NPDE is a commitment to sustainability made by companies, primarily in the palm oil sector, to halt and reverse deforestation to develop land, development on peat land or the exploitation of workers, local communities and small holder producers.



The palm oil sector has made a lot of progress in recent years. Companies started with voluntary standards as a way to certify volumes and communicate this to stakeholders and consumers.

We need to get to 100% of palm oil being produced responsibly, from about 20% of global production currently RSPO certified.



IRF is a complement to Independent Verification of performance, not an alternative.



SUSTAINABILITY COMMITMENTS

Companies and NGOs in the palm oil sector have focused on addressing the most urgent sustainability issues, which has driven the adoption of NDPE commitments to create transformational change in the palm oil supply chain.

Do you know ...

-  What proportion of the FFB going into your supply base meets your NDPE policy commitments?
-  If it doesn't meet requirements yet, how much progress has been made?



The **NDPE Implementation Reporting Framework** is a tool for answering these questions by providing a systematic way to monitor and report progress through a series of clearly defined categories

UNDERSTANDING



What is the IRF?

A single, shared, consistent reporting framework allowing individual companies and the industry collectively to:

- Understand what is required to deliver NDPE commitments
- Monitor and report on volumes at different stages of progress
- Identify areas that are not delivering
- Drive improvement



UNDERSTANDING & REPORTING

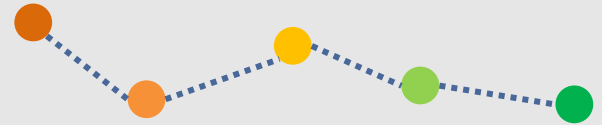


How IRF Works

1. Refineries fill out templates on mill-level progress for the mills they buy from
2. A profile is automatically created on volumes in each category
3. The profiles are shared with customers who aggregate profiles from each of their T1 suppliers



UNDERSTANDING: How IRF Works



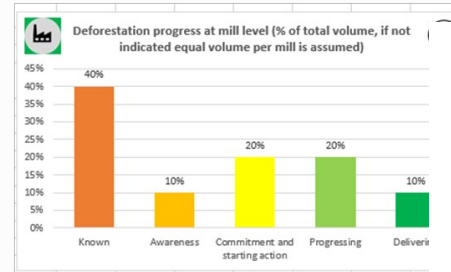
1 Template questionnaire

Mill parent company	Mill name	Mill has been subject to an independent or other NDPE assessment / verification	Mill or parent company has completed self-assessment	Mill or parent company has a policy committed to no deforestation or has signed up to the no-deforestation policy of a customer	Mill or parent company has a policy committed to no peat or has signed up to the no-peat policy of a customer	There is an action plan to implement the no-deforestation commitment across own estates and all suppliers, if applicable	There is an action plan to implement the no-peat commitment (across own estates and all suppliers, if applicable)	How much progress has been made with addressing grievances related to deforestation and peat?	Does the mill process FFB from own concessions / directly managed production?	If yes and you have detailed information, how much % is being sourced from directly managed production?	Est. % def. from directly managed (peat-free) (see provided excel)
Adminix Agroindustri	Singap			Yes	No	Yes			Yes		
Agro Intemas	Bumi Lela										

Actions a mill or company can take

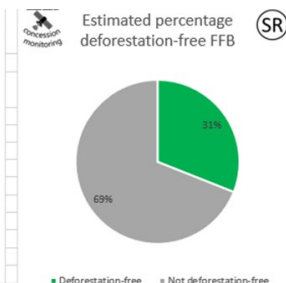
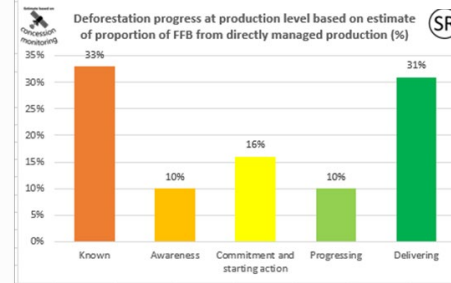
- Self-assessment completed
- 100% certified
- Deforestation monitoring on own concessions
- Part of group with commitments and plan
- Traceable, but no known action

2 Profile against volumes



Companies/refineries will produce four IRF profiles:

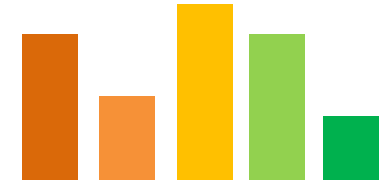
- ✓ No Deforestation
- ✓ No planting on Peat
- ✓ Land rights
- ✓ Labour rights



3 Aggregated profiles are shared

DOWNSTREAM





UNDERSTANDING: 5 Categories of Volumes

KNOWN ORIGIN

Self-assessment completed.
Traceable volumes, but no known action.

AWARENESS

Part of a group that has a commitment and action plan.
Awareness driven by workshop, site visit or self-assessment.
Grievances present or insufficient action taken.

COMMITMENT & STARTING ACTION

Developed and implementing own action plan.
Grievances are logged and action has begun.
Volumes certified by MSPO, ISPO or ISCC.

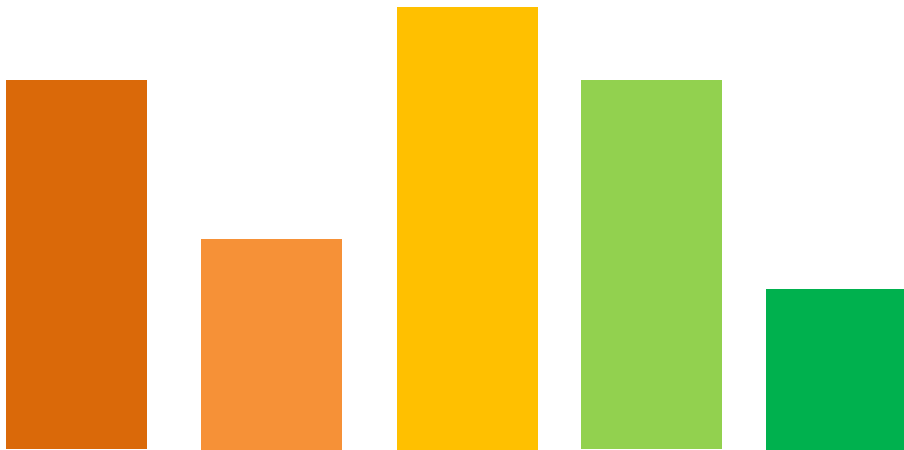
PROGRESSING

Deforestation monitoring on own concessions.
Grievances under active resolution process.
RSPO MB certified.
Timebound action plan for implementing commitments.

DELIVERING

Volumes meet all requirements as 100% certified.
No active grievances.
Own operations and 3rd party are delivering on NDPE commitments.

ACTION



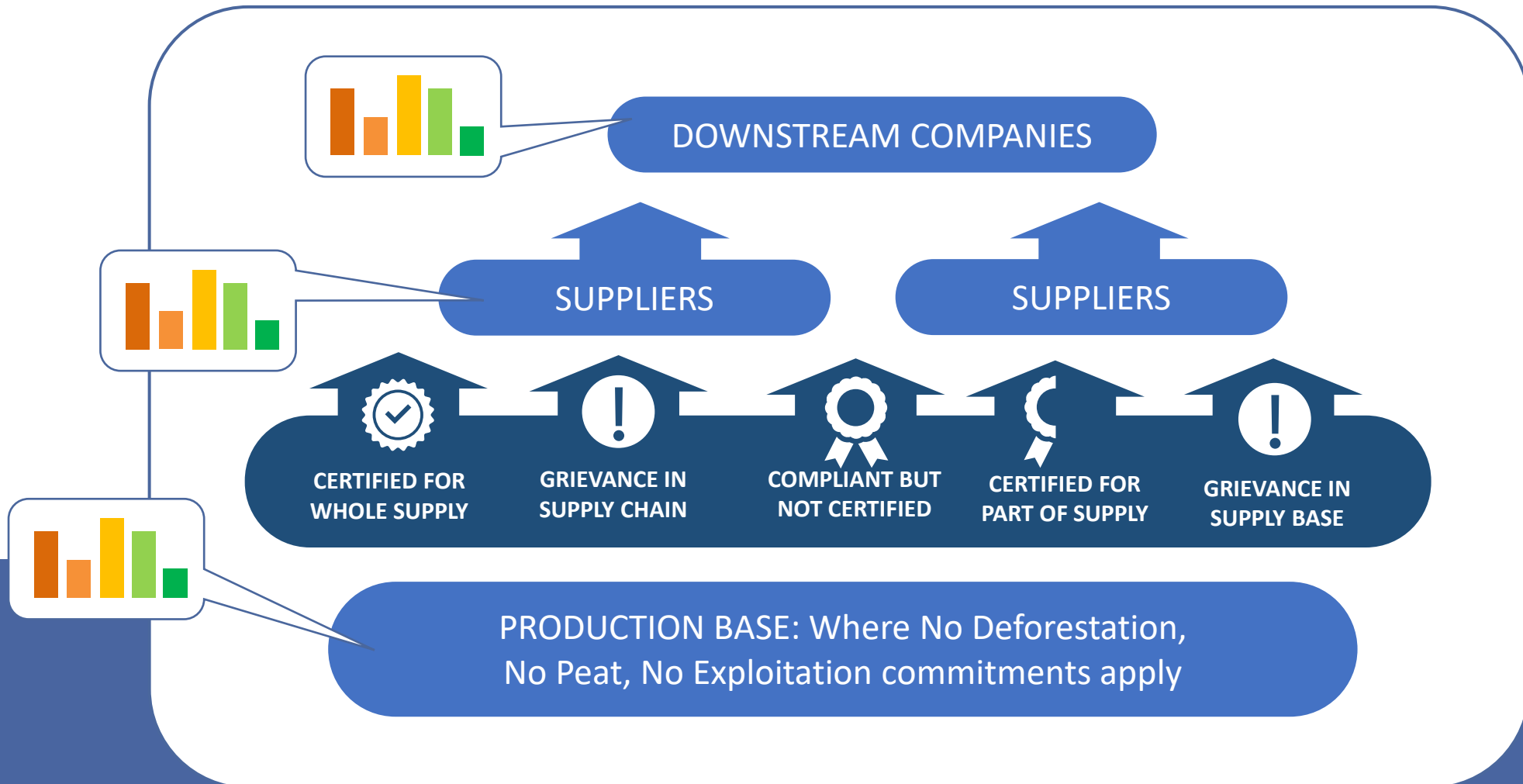
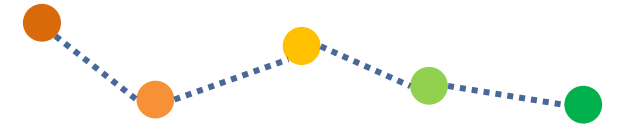
Identifying Interventions

IRF provides buyers with a consolidated view of how much of their volume is meeting NDPE commitments in full, and equally importantly, what is happening in the remaining volumes.

The IRF is a universal language that all players can use and understand, to track progress, as well as identify where action is needed to implement NDPE in full.



ACTION: How IRF Travels Through Supply Chain



IMPROVE



Benefits of IRF

- Demonstrates the progress the industry has made
- Recognises all progress in production base - from early to advanced interventions
- Supports industry collaboration and willingness to work together to address issues





Ultimately companies / refineries will be entitled to produce four IRF profiles:

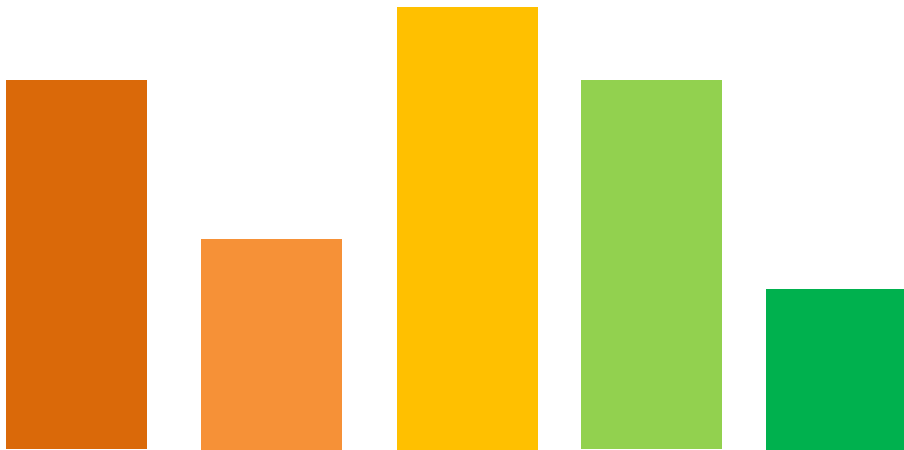
- No Deforestation
- No Planting on Peat
- Land Rights
- Labour Rights

“ If we don't know what is happening, it is not possible to plan effectively for further action to address gaps, nor to confirm that commitments are being implemented. ”

IMPROVE: Making Progress



TRUST



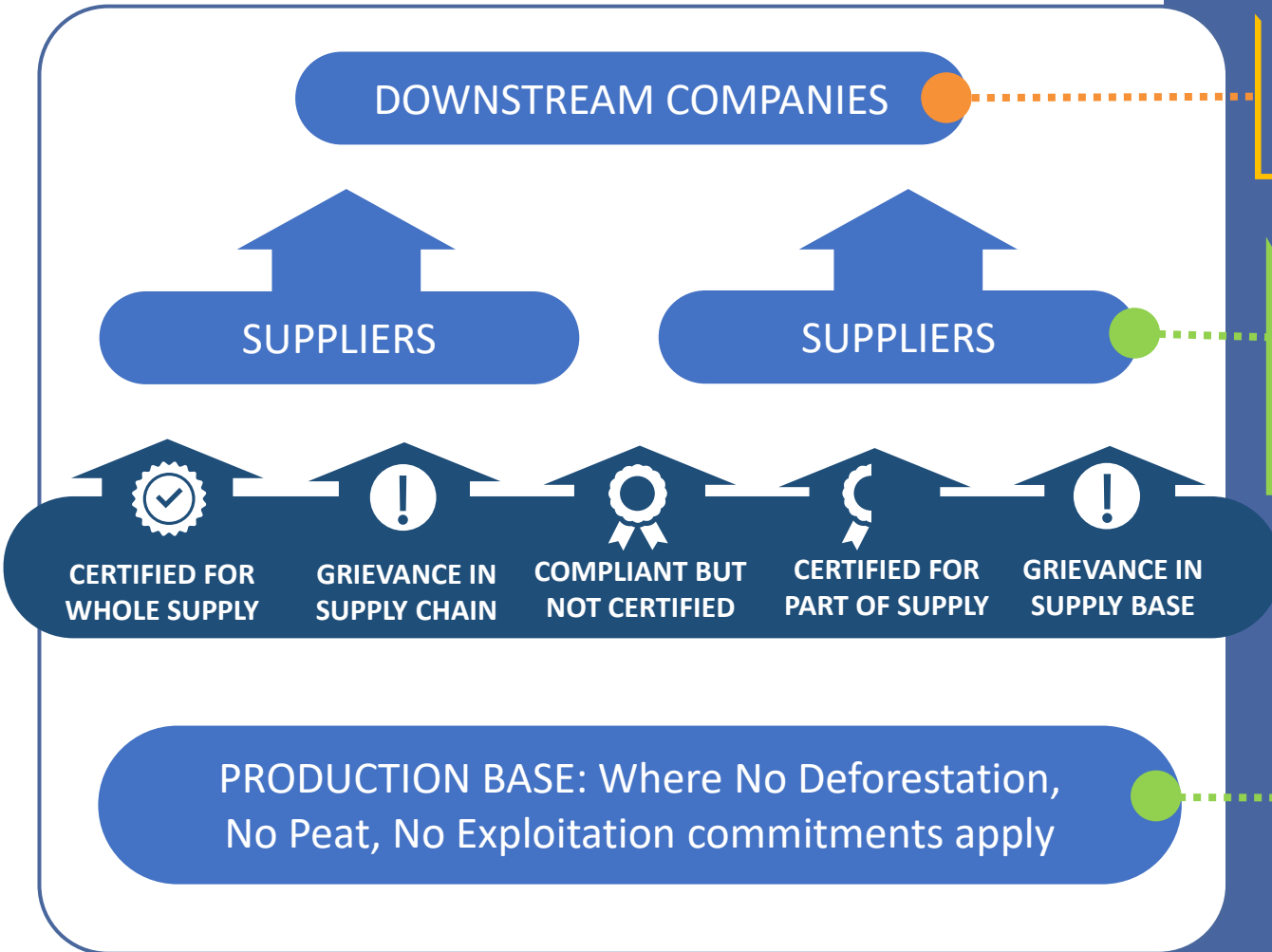
Building trust & transparency

The IRF is an aid to industry collaboration and willingness to work together to address issues.

It provides transparency for companies and the wider industry in reporting.



TRUST



Benefits Throughout Supply Chain

- Visibility of progress beyond certified volumes
- Tracks activities: for environmental & social issues
- Common language to communicate with suppliers
- Single view vs tracking issues separately
- Aggregated profile that shows progress
- Can be used by smaller buyers to get same visibility and opportunity
- Uniform way to engage with mills
- Uniform view of data for consistency in buying decisions
- Shows commitment and supports engagement with mid and upstream

TRANSPARENCY & COLLABORATION



DOWNSTREAM | MID-STREAM | UPSTREAM





The POCG is convened by PepsiCo and Cargill with many companies convening the different working groups.

Technical coordination and support for the POCG and the NDPE-IRF is provided by Proforest.

proforest



The Implementation Reporting Framework (IRF)

FOR MORE INFORMATION: ndpe-irf@proforest.net | www.ndpe-irf.net