



SPOTT
SUSTAINABLE PALM OIL
TRANSPARENCY TOOLKIT

ZSL

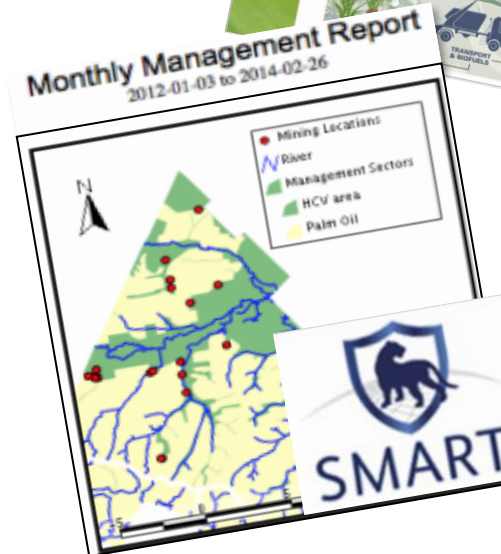
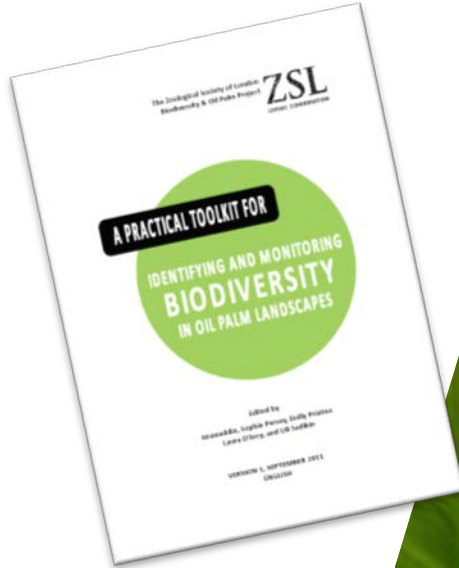
**LET'S WORK
FOR WILDLIFE**

Turning Commitment into Reality

RSPO RT13: Impacts Plenary
18th November 2015

Elizabeth Clarke
ZSL Business and Biodiversity

Tools to implement better practice



Do commitments translate in to reality on the ground?

- **Variability in implementation, assessments, audits, reporting**

Significant source of risk to business and environment

- **Investors' and financiers' ESG process**
- **How to identify and address environmental risk?**
- **Industry-wide improvement (beyond “usual suspects”)**
- **Positive feedback loop of incentives between the (right) commitment and (evidenced) implementation**

Supply chain hub
From Guardian Sustainable Business

theguardian

Sustainable palm oil: how successful is RSPO certification?



**BANKING ON
EXTINCTION:**

Oil Palm, Orangutans and
the Certified Failure of
HSBC's Forest Policy



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What is SPOTT?

The Sustainable Palm Oil **Transparency Toolkit** (SPOTT) provides practical tools and information for all stakeholders in the supply chain, including scored assessments of the world's largest palm oil producing companies by the Zoological Society of London (ZSL).

[Learn More →](#)

Monitor and manage
environmental risks from
palm oil production.

The Zoological Society of London (ZSL) presents the Sustainable Palm Oil **Transparency Toolkit**.
Assess corporate transparency via our **interactive company scorecard**, **assessments** and **reports**.
Read the **latest reports and case studies** for **innovative advice** from ZSL and many other experts.

Navigate the SPOTT site according to **your role as a stakeholder** in the supply chain for palm oil.
Consult our **libraries of links and infographics**, **images and videos**, and a popup glossary of palm oil terms.
Sign up to our **email newsletter** and stay up to date with current developments in the palm oil sector.

150k+
website visits
this year from
190 countries

www.sustainablepalmoil.org/spott

- Monitor and manage environmental risks from palm oil production
- Grower transparency and performance
- Assessed on publicly available data
- Freely accessible, online resource
- Regularly updated, with quarterly assessments and newsletters
- Monitor: Positive engagement between finance sector and growers, manufacturers and growers
- Manage: Information on, and advice for, all palm oil supply chain stakeholders





SEARCH:

* Scores have been **weighted**

| Company ▾ | Score ▾ | RSPO member? ▾ | Landbank ▲ | Market Cap ▾ | Trend | Updated ▾ | Total |
|--|---------|-----------------|--------------|------------------|-------|------------|--------|
| Sime Darby Plantation Sdn Bhd | 66.07% | Yes, since 2004 | 995,538.00ha | \$17,654,669,312 | ▲ | 05/11/2015 | 37/56* |
| Felda Global Ventures Holdings Sdn Bhd | 44.64% | Yes, since 2004 | 741,480.00ha | \$2,225,346,048 | — | 05/11/2015 | 25/56* |
| Golden Agri Resources Ltd | 67.86% | Yes, since 2011 | 451,084.00ha | \$1,724,584,064 | ▲ | 05/11/2015 | 38/56* |
| Eagle High Plantations Tbk PT | 14.29% | Yes, since 2008 | 425,000.00ha | \$933,372,608 | — | 05/11/2015 | 8/56* |

- November 2014: **26** companies representing **29%** of landbank (FAO 2013)
- November 2015: **50** companies representing **49%** of landbank selected from:
 - Bloomberg data on revenue and market cap
 - Landbank hectarage figures
 - Nominations via anonymous online survey
 - Volunteers (Agropalma, Musim Mas, REA Holdings)

Over 50 indicators across 7 categories

- consolidation
- clarity
- communication
- no re-invention



RSPO reporting requirements



Landbank



Environmental management



Fragile, marginal and peat soils



Zero burning



Greenhouse gas emissions



Traceability



COMPANY PROFILE: SIME DARBY PLANTATION SDN BHD

Total Score: **66.07%**

- › [Click here for full assessment](#)
- › [Trend Tracker](#)
- › [Media Monitor](#)

Updated 05 Nov 2015

| | |
|------------------------------------|--|
| Parent company: | Sime Darby Group |
| Landbank: | 995,538 hectares |
| Stock market ticker: | SIME MK |
| Market cap: | 17,654,669,312 USD |
| ISIN: | MYL419700009 |
| Revenue from oil palm cultivation: | 21.7% |
| RSPO member? | Yes (member page) |
| Activities: | Oil palm cultivation, processing of crude palm oil (CPO) and palm kernel (PK), producing palm oil derivatives and biofuel, refining, trading |
| Links to other SPOTT growers: | Sime Darby Plantation Sdn Bhd holds the majority stake in New Britain Palm Oil, FELDA holds 0.97% stake in Sime Darby Group |
| Website: | http://www.simedarbyplantation.com/ |

COMPANY ASSESSMENT: SIME DARBY PLANTATION SDN BHD

SPOTT assesses companies against more than 50 indicators across seven categories. Use the timeline to review past assessments. Click on an icon or bar to expand the category for further information, links to sources and best practice advice

← [Previous](#)

Jun 14 | Oct 14 | Jan 15 | Apr 15 | Jul 15 | Oct 15

Total: **66.07%** **37 / 56***

| | | |
|---|---------------|----------------|
| RSPO reporting requirements | 80% | 12 / 15 |
| Landbank | 83.33% | 5 / 6 |
| <p>Q: 2.1.1.1. Does the company have a publicly available statement detailing its land acquisition criteria?</p> <p>A: Yes</p> <p>1 / 1 Source Advice</p> | | |
| <p>Q: 2.1.1.2. Does this statement apply to all of the company's scheme smallholders and independent FFB suppliers?</p> <p>A: No information could be found using the research protocols</p> <p>0 / 1 Advice</p> | | |
| <p>Q: 2.2.1.1. Has the company publicly disclosed its total landbank for oil palm cultivation?</p> | | |



DOWNLOAD THE DATA:

Download the assessments in comma separated values (.csv) format:

Highlight assessments and dates: (CTRL/SHIFT to select multiple)

| Agropalma Group |
|--------------------------------|
| Anglo-Eastern Plantations plc |
| Archer Daniels Midland Company |
| Asian Agri Group |
| Astra Agro Lestari Tbk PT |
| Austindo Nusantara Jaya Tbk PT |

| |
|--------------|
| October 2015 |
| August 2015 |
| July 2015 |
| June 2015 |
| May 2015 |
| April 2015 |

Download

Consultation with Technical Advisory Group and user groups to improve website functionality

COMPARE THE COMPANIES:

Compare up to five companies on specific indicators and dates of assessment:

Company 1: Archer Daniels Midland Company

Company 2: Bumitama Agri Ltd

Company 3: Cargill Inc

Company 4: Darmex Agro Group PT

Company 5: Eagle High Plantations Tbk PT

Dates: October 2015
August 2015
July 2015
June 2015
May 2015

Indicators: 7.5. Does the company prioritize certified sustainable palm oil (CSPO)

Compare

RESULTS:

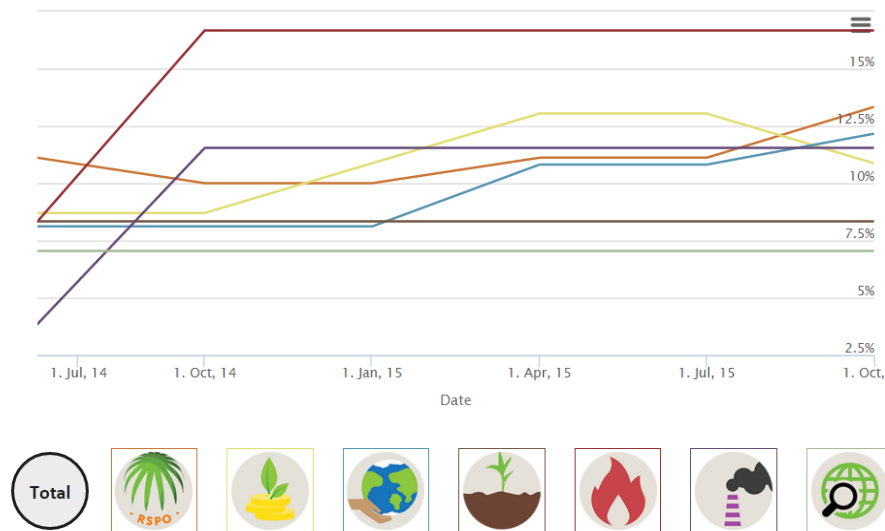


Traceability

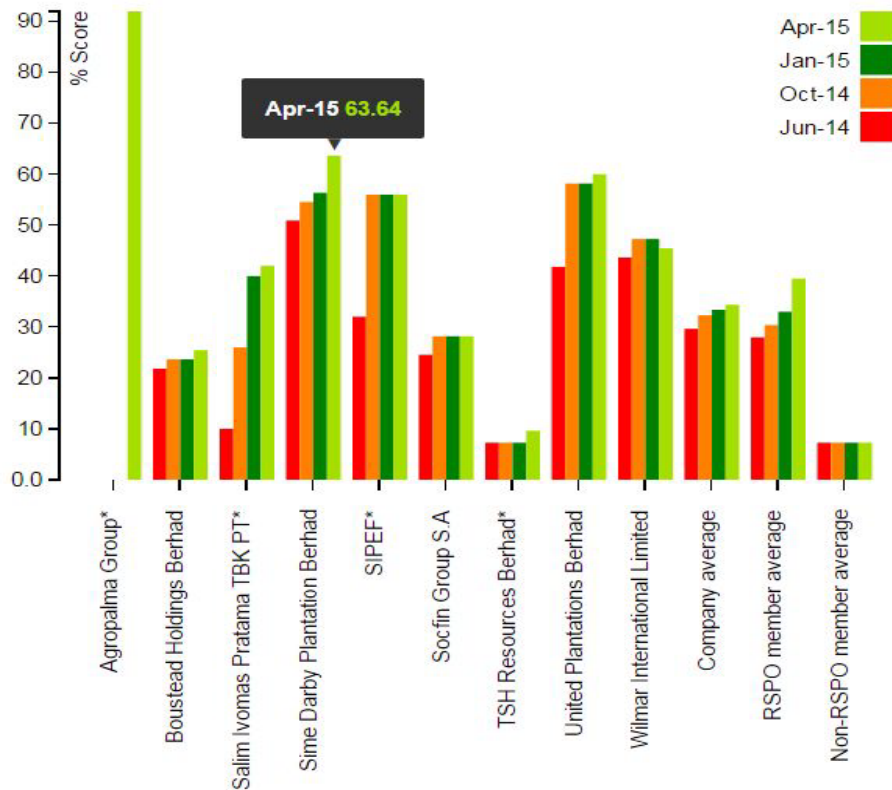
| Q: 7.5. Does the company prioritize certified sustainable palm oil (CSPO) from Segregated or Identity Preserved supply chain models over Mass Balance or GreenPalm? | Score | Advice |
|---|-------|------------------------|
| Archer Daniels Midland Company 1A: Mass Balance, Segregated | 1/2 | Source |
| Bumitama Agri Ltd 2A: Mass Balance, Book & Claim | 0/2 | Source |
| Cargill Inc 3A: Book & Claim, Mass Balance, Segregated | 1/2 | Source |
| Darmex Agro Group PT 4A: PT Darmex Agro Group is not an RSPO member | 0/2 | Source |
| Eagle High Plantations Tbk PT 5A: Mass Balance | 0/2 | Source |

TREND TRACKER: SIME DARBY PLANTATION SDN BHD

SPOTT's Trend Tracker displays score changes across seven indicator categories over time. Return to the [full company assessment](#) for more detail, and check the [Updates](#) page to see what changed.



Reset





中文



MY



ID



Select Language | ▼



Country name, topic, topic, etc



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Resources for the Supply Chain

In addition to company assessments and best practice advice, SPOTT contains links to hundreds of useful resources organised for different stakeholders in the palm oil supply chain. Follow the links for more information depending on your role or interests:

- [Business and Finance](#)
- [Policy and Research](#)
- [Shopping and Sourcing](#)
- [Glossary of Terms](#)



MEDIA MONITOR: SIME DARBY PLANTATION SDN BHD

SPOTT's Media Monitor gathers reports and stories from global media, covering specific company activities related to the environmental management (deforestation and wildlife conflict) and zero burning (fires and haze) categories.

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WILDLIFE CONFLICT AND DEFORESTATION

[Next →](#)

July 2014
New palm oil sustainability
manifesto met with
criticism from
environmentalists
[Visit External Site](#)

July 2014
Response to Greenpeace's
article on the sustainable
palm oil manifesto
[Visit External Site](#)

February 2013
Seeds of destruction -
Expansion of industrial oil
palm in the Congo basin:
Potential impacts on forests
and people
[Visit External Site](#)

October 2015
Singapore request for haze
information tricky for
Indonesia
[Visit External Site](#)

October 2015
News report on class action
against Sime Darby
[Visit External Site](#)

October 2015
Sime Darby hotspot
dashboard
[Visit External Site](#)

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Environmental management

64.29%

9 / 14

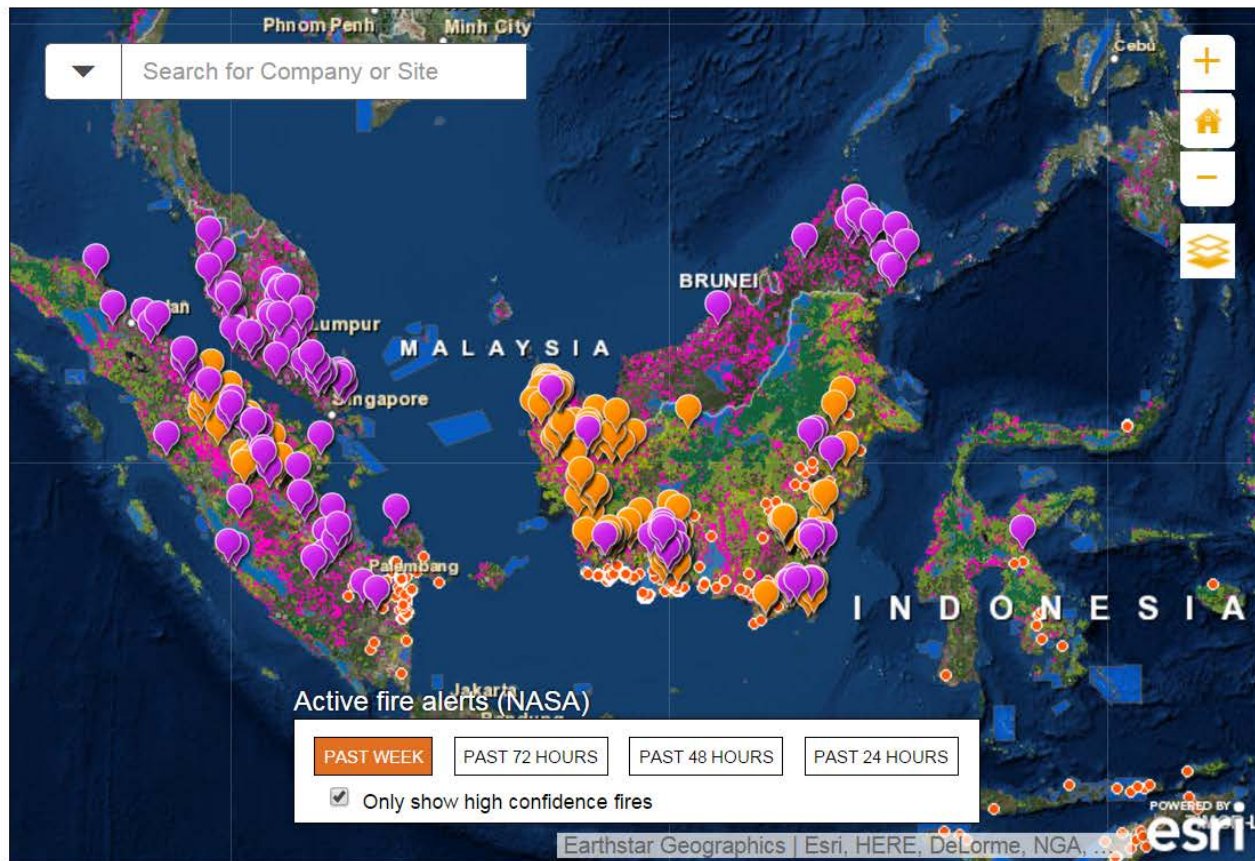
Q: 3.9. Has the company been mentioned in any relevant media stories and/or reports that make reference to wildlife conflict or deforestation within the company's plantation estates and/or its scheme smallholders' or independent FFB suppliers' plantations?

No score

A: Please find the relevant media stories listed below: July 2013: Komisi II DPRD Muba Tinjau Lahan PT Inti Agro Makmur March 2015: Vast agribusiness concessions mask unprecedented deforestation



Monitoring implementation (b)



- ☒ SPOTT featured concessions ⓘ
 - ☒ Company disclosures (39%)
 - ☒ Government maps (61%)
- ☒ Other available oil palm concessions ⓘ
 - ☒ RSPO certified areas
 - ☒ Government allocated areas
- ☐ Scheme smallholder sites
Data not yet available.
- ☒ Mill locations ⓘ
 - Mill
- ☒ Indonesia primary forest (2005) ⓘ
 - Degraded
 - Intact
- ☒ UNEP WCMC Protected areas ⓘ
 - Protected areas (WDPA)
- ☒ Tree cover loss alerts (since 2014) ⓘ
 - Monthly clearance alerts



Data provided by Global Forest Watch Commodities. Visit us at <http://www.globalforestwatch.org>

Verifying implementation within the concession-site, e.g. Business SMART:

- **Adaptive management of threats to HCVs**
- **Developed with growers**
- **Endorsed by the RSPO**
- **Internal monitoring and management**
- **Flexible system using free software**
- **Capable of Monitoring, Reporting and Verifying KPIs**
- **Capable of improving auditing**

What caused it?
Was it managed?





- Measuring sustainability progress requires reporting across:
 - Scope and location of operations
 - Commitments and policies to manage risks
 - Progress in implementation
- Different interpretations of transparency and no widely accepted minimum standard:
 - What should be 'publicly available'
 - How this should be made 'publicly available'
 - Variability in quality of commitments being made
 - Variability in quality of information being reported (its accuracy and usefulness as an indication of implementation and risk management)
- Need agreed definitions and reporting requirements in order to measure progress towards responsible production that truly manages environmental risk
- As a necessity, SPOTT has been looking at the transparency and robustness of commitments, policies and processes first; but the RSPO, its members and the producers of high environmental impact commodities globally, need to move towards better evidencing of implementation

- 40/50 companies are RSPO members; and perform better by 38% (30% if weighted for RSPO-related indicators)
- But 14 companies currently rank below a non-RSPO member (despite 26 more points available)
- Large split between RSPO members in terms of transparency and performance: how do we close the gap?
- A review of 36 RSPO ACOPs for SPOTT (1 did not submit):
 - Apparent under-reporting of landbank (comparing data sources) and different interpretations of definition
 - Not reporting for all regions for company operations
 - Fail to complete the 'operations and certification progress' section, omitting key hectareage figures
 - Only report progress for operations directly relevant to their membership category
 - Time bound plans are missing, do not reflect current scope of operations or are unambitious
 - Joint ventures, partnerships, scheme smallholder hectareage and certified hectareage not reported
- Ability to measure impact of RSPO across membership is compromised by lack of consistency in ACOP submission.
(See General Assembly 12 - Resolution 6g)



RSPO reporting requirements

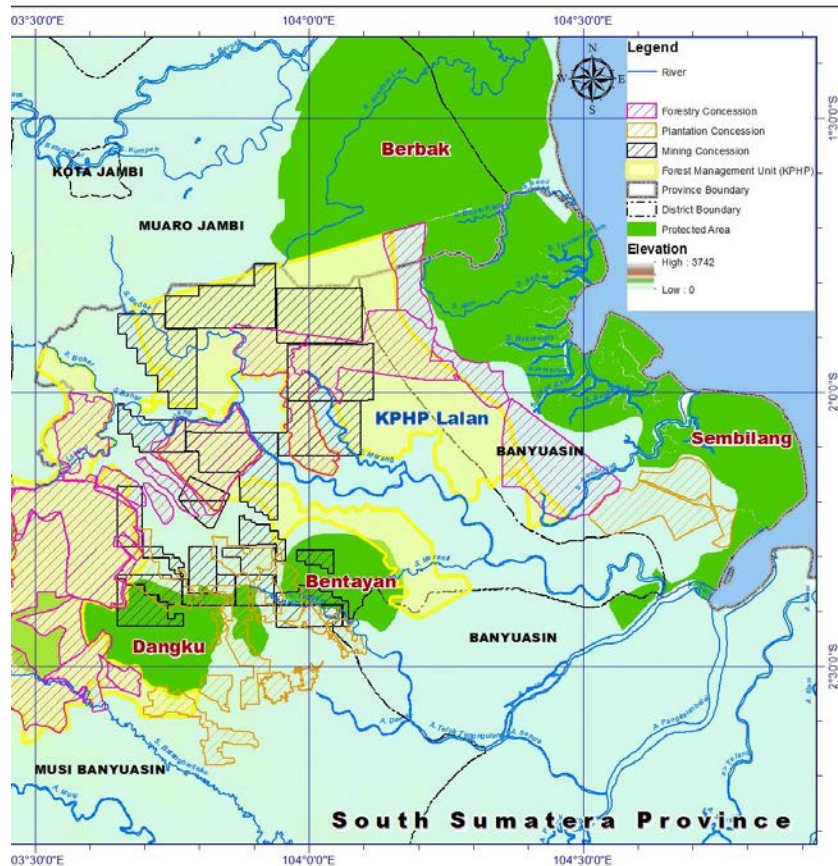
Total Score: 15



Traceability

Total Score: 12

- How can we be sure of a positive impact on environment with business interventions?
 - Consistent and robust reporting; monitoring of implementation; more site- and science-based research of impacts; site-based tools for growers to measure impacts and adapt approach
- Environmental impact at a landscape level; not in isolation at the concession-level
 - Landscape and jurisdictional approaches
- Can we make SPOTT work for landscapes, drawing investment and purchasing power – and environmental risk monitoring and management – to where it is most needed?



www.sustainablepalmoil.org/spott

1,500+
subscribers
receiving
updates



SPOTT Email Newsletter

Sign up to our quarterly newsletter and email alerts on palm oil transparency

[Learn More](#)



SPOTT Annual Report

Read our first annual report detailing our journey and impacts on the industry

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SPOTT Frequently Asked Questions

Check our SPOTT FAQs for more information, or ask your own via our contact form

[Learn More](#)

