Engaging Smallholders in Complex Supply Chains: A Palm Oil Case Study

Pierre Courtemanche, 8th Nov. 2016
Putting smallholders on the map

- 57,203 producers + 100,430 ha + 60,000 MTs / year

Report on Fields Ghana / Cocoa / Baseline Data

Putting smallholders on the map

- 13,185 producers + 17,919 ha + 50,000 MTs / year

Report on Fields Vietnam / Coffee / Baseline Data
Putting smallholders on the map

- 14,032 producers + 3,856 ha + 6,000 MTs / year

Prototyping a Solution in Palm Oil
Why is mapping smallholders a good idea in palm?

Example from Riau, Sumatra

- “Almost all CPO mills in Riau and in Sumatra have “Risky FFB catchment areas”...there are no safe distances in Riau and Sumatra.
- The location of a mill is not a good indicator for the risk of violating sustainability commitments or buying illegal product.
- Tracing supplies to the CPO mill only will not prevent illegally grown FFB from entering the mills...or prevent clearing of tropical forests.
- Companies will need to focus on tracing all FFB supplies to the plantation level.
- Eyes on the Forest found four RSPO Supply Chain Certificate holders to be involved in the trade of oil from mills which purchased illegal FFB.
- RSPO standards need to include verification on the origins of all FFB supply for a CPO mill, certified and non-certified...”

Eyes on the Forest: No One is Safe (April 2016)

What is the solution?

Certification
Farm mapping
Productivity improvement
FFB traceability

Engage at individual level and propose a new deal to the producers
Measure your Return on Investment
Progress on Mapping

The first palm oil mill in the world with all of its active, independent, smallholder suppliers GPS mapped and surveyed.

Progress on Mapping (2)

Important discrepancies between registered and mapped area:
Progress on Traceability

The first mill to be able to trace daily volumes of smallholder produced FFB back to the farm & farmer even when delivered via a middle-man/cash agent (1,818 traceable deliveries since June 2016)

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of deliveries</th>
<th>Sum</th>
<th>Average</th>
<th>Grade</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016, week 43</td>
<td>107</td>
<td>181.2</td>
<td>1.54636</td>
<td>21.59723</td>
<td></td>
</tr>
<tr>
<td>2016, week 41</td>
<td>85</td>
<td>148.77</td>
<td>1.66068</td>
<td>21.61952</td>
<td></td>
</tr>
<tr>
<td>2016, week 40</td>
<td>62</td>
<td>82.38</td>
<td>1.58421</td>
<td>21.54788</td>
<td></td>
</tr>
<tr>
<td>2016, week 43</td>
<td>140</td>
<td>218.35</td>
<td>1.79667</td>
<td>21.54974</td>
<td></td>
</tr>
<tr>
<td>2016, week 39</td>
<td>108</td>
<td>170.69</td>
<td>1.65536</td>
<td>21.47165</td>
<td></td>
</tr>
<tr>
<td>2016, week 38</td>
<td>87</td>
<td>143.61</td>
<td>1.64379</td>
<td>21.54822</td>
<td></td>
</tr>
<tr>
<td>2016, week 37</td>
<td>41</td>
<td>80.23</td>
<td>1.95682</td>
<td>21.52975</td>
<td></td>
</tr>
<tr>
<td>2016, week 36</td>
<td>65</td>
<td>117.19</td>
<td>1.80203</td>
<td>21.53084</td>
<td></td>
</tr>
</tbody>
</table>

Progress on Traceability (2)

Monitoring side selling and over selling by comparing deliveries, mapped areas and estimated yield.

![Graph showing traceable volume vs expected volume for 2016 (%)]
GeoTraceability presents:

The Digital Agronomist

A tool to mass-produce development plans tailored to individual farmers and communities

- It’s been developed
- It’s been tested
- It’s ready to go

The Farm Business Plan Builder

**Individual Farmer Business Plans**
- Tailored farm business plans for smallholder producers
- Thousands of reports generated at the click of a button
  - Activities
  - Schedule
  - Budget
  - Inputs
  - Labour
  - Yield Improvement

**Landscape Investment Plans**
- Planning and investment tool for organisations and businesses
  - Determine which activities will meet the projects objectives within the budget and time period required
  - Logistical planning to ensure labour and agricultural inputs are available when and where needed
  - Financial planning to give visibility of forecast costs & revenues overtime
  - Visibility on the funding sources
River outer boundary disappears between April 2014 and August 2014.

GeoT - Putting Smallholders on the Map

Projects in 13 countries
150,000 producers engaged
525,000 hectares mapped
250,000 MT traced yearly