Overview

1. Background
   • Evolution of HCV under the RSPO
   • Smallholders
2. Strategies for SH
   • Key principles
3. New tools: examples
   • RSPO Simplified 7.3 HCV approach for ISHFs
   • Mobile technology
4. Challenges & next steps
1. Background

- Concern about deforestation and biodiversity loss
- Beyond Protected Areas...
- Led to voluntary certification schemes
- High Conservation Value (HCV) approach originated in FSC in 1999
- HCV: A management decision tool to identify, manage and monitor important environmental and social values

HCV adopted by RSPO 2005
Now in Criteria 5.2 & 7.3:
- Maintain and/or enhance HCVs
- No replacement of HCVs since 2005
But governance and quality a problem
Constantly evolving:
- RSPO approved HCV assessors
- Assessor Licensing Scheme
1. Background

- But how effective is HCV within the RSPO?
  - ALS has improved quality for larger, higher risk developments,
  - But it is costly and complex for smallholders,
  - Need for an equitable approach

- 40% of palm oil from smallholders (SHs)
- Challenges for SHs on HCV, sustainability and certification:
  - Cost
  - Technical
- Most SH simply don’t get certified
- Certification having minimal impact on deforestation caused by SHs
- Limits of supply chain approach: ‘3rd party suppliers’
2. Strategies for SHs

• **How to make HCV work for SHs?**
• Learn from/align with certification for SHs
• General principles:
  • Group-based, e.g. RSPO
  • Step-wise, e.g. RSS
  • Landscape scale
  • **Risk-based approaches**
  • Use of GIS / remote sensing data

2. Strategies for SH

• **Risk-based approaches**
  • Requirements should reflect risk of damaging HCVs
  • Risk of damaging HCVs depends on **location, scale** of operation and **intensity** of operation
  • Need to consider small scale of SHs, especially if in low risk locations.
• Scale Intensity Risk (SIR) in FSC

<table>
<thead>
<tr>
<th>HCV probability</th>
<th>Scale</th>
<th>Loss</th>
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<tbody>
<tr>
<td>High?</td>
<td>Small</td>
<td></td>
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2. Strategies for SH

- **GIS and remote sensing data**
  - A wealth of existing global and national GIS data now available
  - Especially land cover and biodiversity data
  - **Map HCV probability: i.e. high or low risk areas for HCV 1-4**
  - Understand limitations: Just a first screening (‘probability’), not definitive

- **Examples:**
  - Indonesia’s official online GIS databases
  - Global Forest Watch
  - ArcGIS Online

3. New tools:
Simplified HCV Approach for ISHF in the RSPO

- **Aim:** support ISHF comply with 5.2 and 7.3
  - Guidance for Group Managers on HCVs in existing plantings (5.2): applicable since Jan 2016
  - **Separate** approach for 7.3 new plantings: in development

- Higher risk of converting natural vegetation means 7.3 is higher risk than 5.2
3. New tools: RSPO Simplified 7.3 HCV Approach for ISHFs

Risk-based approach, where assessment required depends on risk of damaging HCVs
- May require independent assessor if higher risk

Provide tools for Group Managers to assess risk in their context:
- HCV 1-3 Probability Maps (env HCVs)
- Simplified surveys for HCV 4-6 (social HCVs)
- Reporting templates and manuals

Status:
- Taskforce reviewing draft procedures this week
- Draft maps ready for Indonesia, Honduras and Malaysia

3. New tools: RSPO Simplified 7.3 HCV Approach for ISHFs

HCV 1-3 Probability Indicators

**High probability of HCV 1-3 presence**
- Protected Areas, Intact Forest Landscapes, large areas of forest/natural vegetation (>1,000 ha) and precautionary buffers

**Medium probability of HCV 1-3 presence**
- Larger buffers around high probability areas, natural forest patches of 50-1,000 ha, connectivity corridors, and peatlands or other nationally important ecosystems

**Low probability of HCV 1-3 presence**
- All remaining areas: existing agriculture, scrubland/degraded natural areas and remnant natural forest patches <50 ha.
3. New tools: Mobile technology

- How to put new tools in hands of SHs?
  - Mobile applications and technology
  - Widely used in other sectors (e.g. Cocoa) and increasingly in palm
- Advantages:
  - Simplify and standardise data collection/reporting/auditing
  - Access to technical data, for example GIS
  - Low cost
  - GMs take ownership

- Many data collection tools available, for example, SNV/Akvo Flow.
- Another example:
  - Proforest Initiative, Blue Raster, HCVRN, SHARP and Daemeter.
  - GFW Small Grants Fund
  - Jaremar mill and Unpala cooperative in Honduras
  - Project to trial data collection and review with ISHFs GMs:
    - HCV data, farmer needs and labour issues
    - Existing ESRI apps for field data collection
    - **New web dashboard to review and export basic maps**
    - **Good uptake by GMs and positive feedback**
4. Challenges and next steps

- Need to increase access to tools and build capacity
- Tools to support management decision making (go beyond data collection)
  - An RSPO smallholder app?
- Solutions for SHs living in high risk locations. Financial support needed for:
  - More costly HCV assessments
  - Incentives/compensation to protect HCV (or HCS) areas
  - How far can the RSSF stretch?

Thank you for listening

Any questions?

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