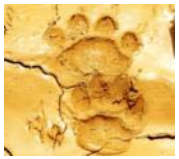
HCV HIGH CONSERVATION VALUE *resource network*

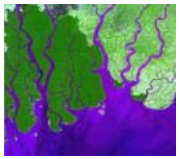
Agriculture, palm oil and the maintenance of tropical forests – The role of sustainability standards

Workshop on Forest Governance and Sustainability Standards in the Congo Basin

COMIFAC and GTZ – Kinshasa September 2010

Dr Christopher Stewart – HCV Resource Network



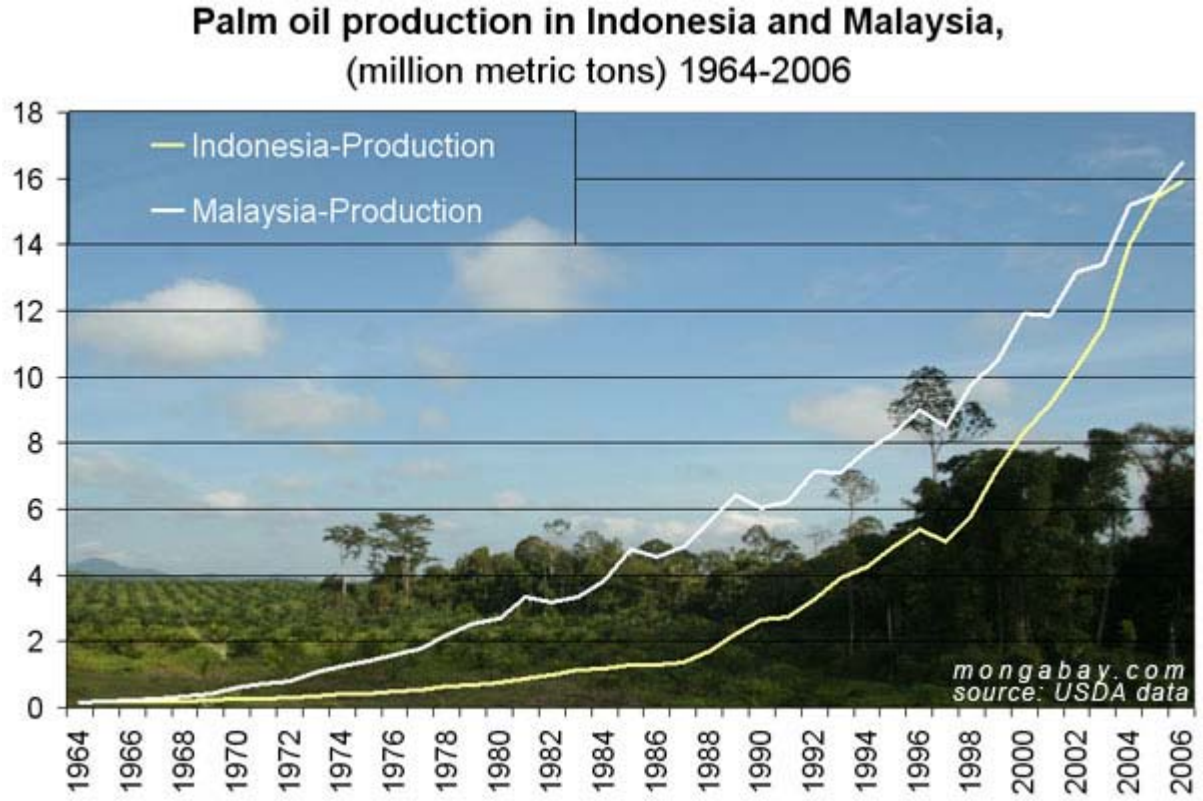
christopher@hcvnetwork.org www.hcvnetwork.org

Aims of this presentation

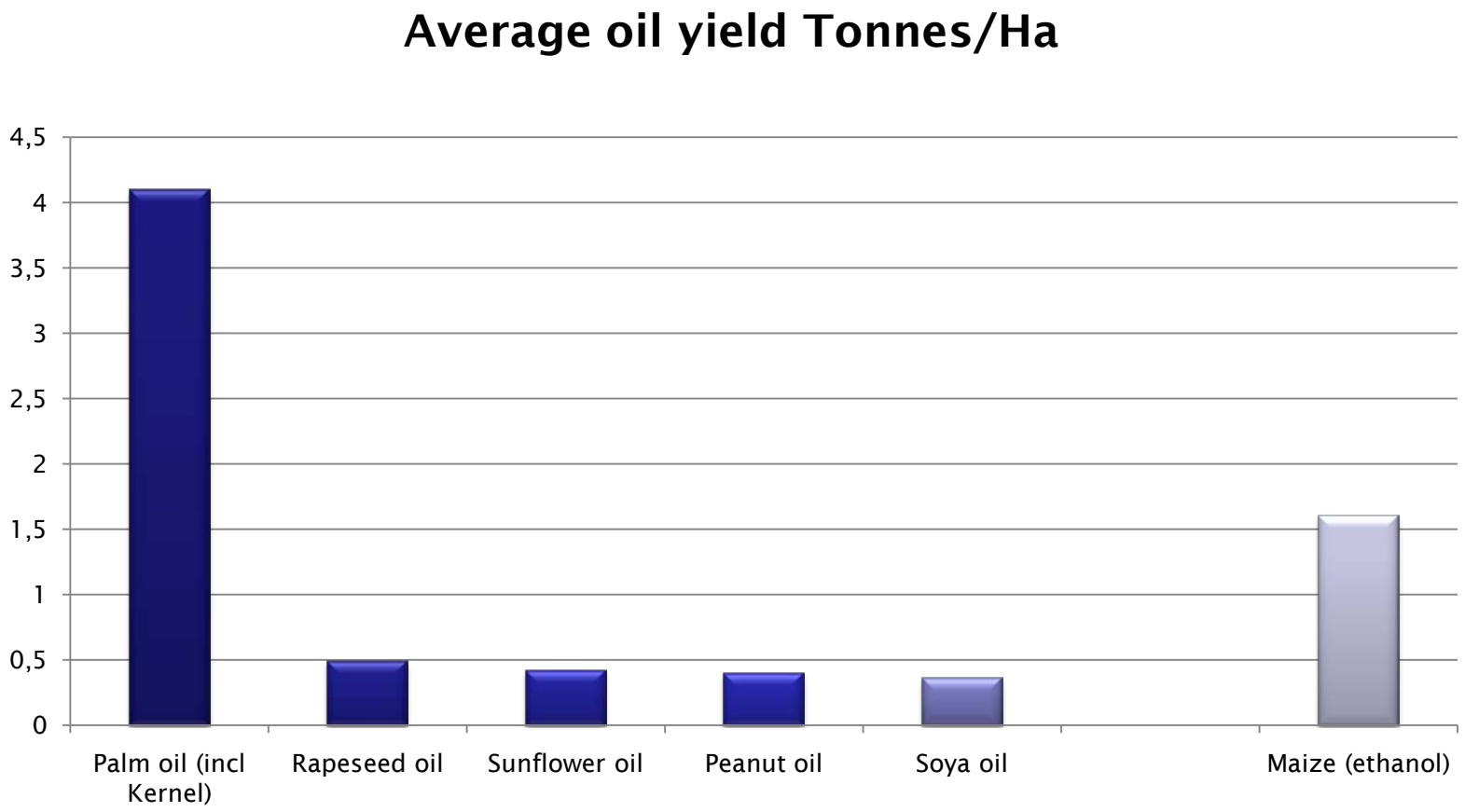
- Palm oil production – overview and challenges
- Response of the industry – RSPO
- Towards sustainable palm oil?
- Role of certification systems – what they can and cannot do
- Linkages through the High Conservation Value concept

Palm oil – a rapidly growing business

- 85% of global production in 2 rainforest nations:
  - 7.3 Million Ha, 22M T in Indonesia (2009)
  - 4.5 Million Ha, 18M in Malaysia (2008)



…a ‘miraculous’ crop



Data from Johnston et al (2009)

In favour of palm industry

- Perennial, productive, low input crop
- Resistant to disease and pests
- Jobs and rural development
- Prosperity for (some) smallholders
- Importance for GDP e.g. for Malaysia:
  - 6% of total GDP
  - 31Bn $ export value
  - 58% of commodity exports

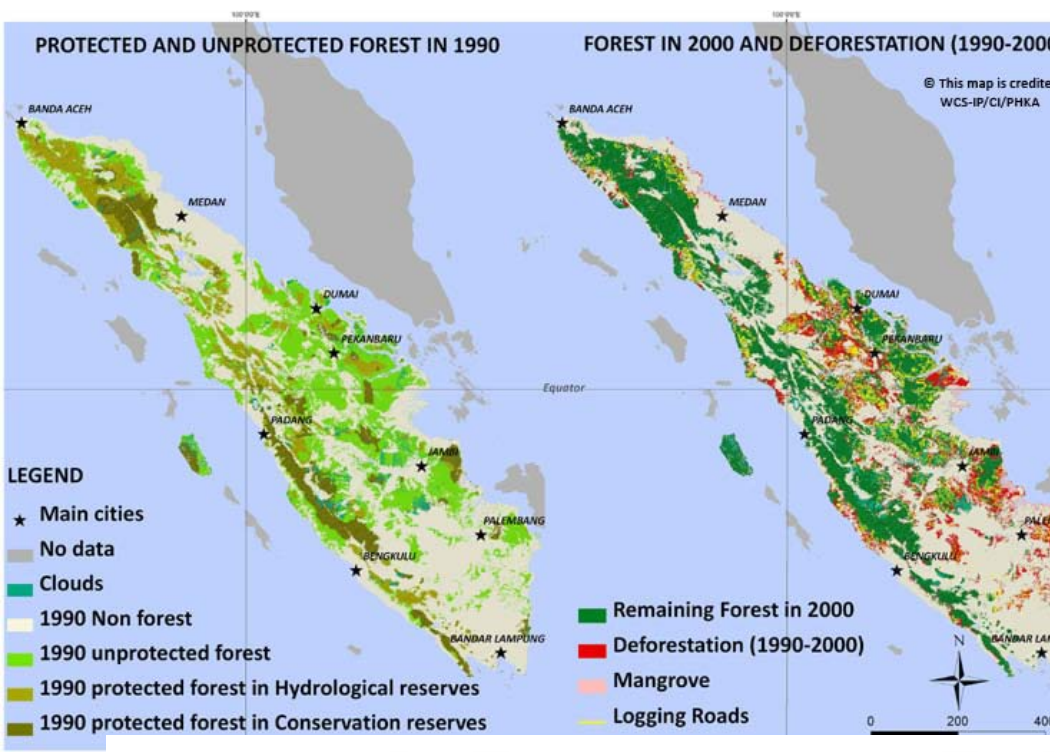
Palm oil in Congo Basin

- Historically industry much more important (esp. in DRC)
- Smallholder production is widespread, low-intensity
- Big plans in the air…
  - Gabon: 200,000 Ha, 1000 km of roads …announced 2010
  - Cameroon: 2.3 Bn FCFA expansion project 2010
  - DRC: Chinese investments…?

However…

- Oil Palm has been a major driver of deforestation
- Business model using harvested timber to pay for plantation establishment
- At least ½ of recent expansion has been at expense of forest*
- Major social impacts are well documented:
  - Communities displaced, migrant worker problems
  - Traditional cultures undermined
  - Pollution and health issues

- (Source: Koh and Wilcove '09)



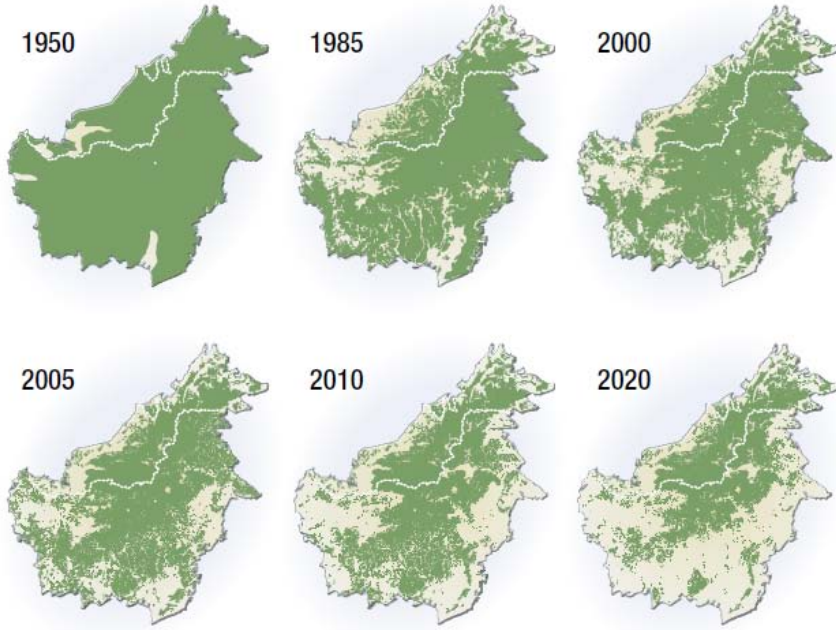


Figure 5: Extent of deforestation in Borneo 1900–2005, and projections towards 2020. Source: WWF.

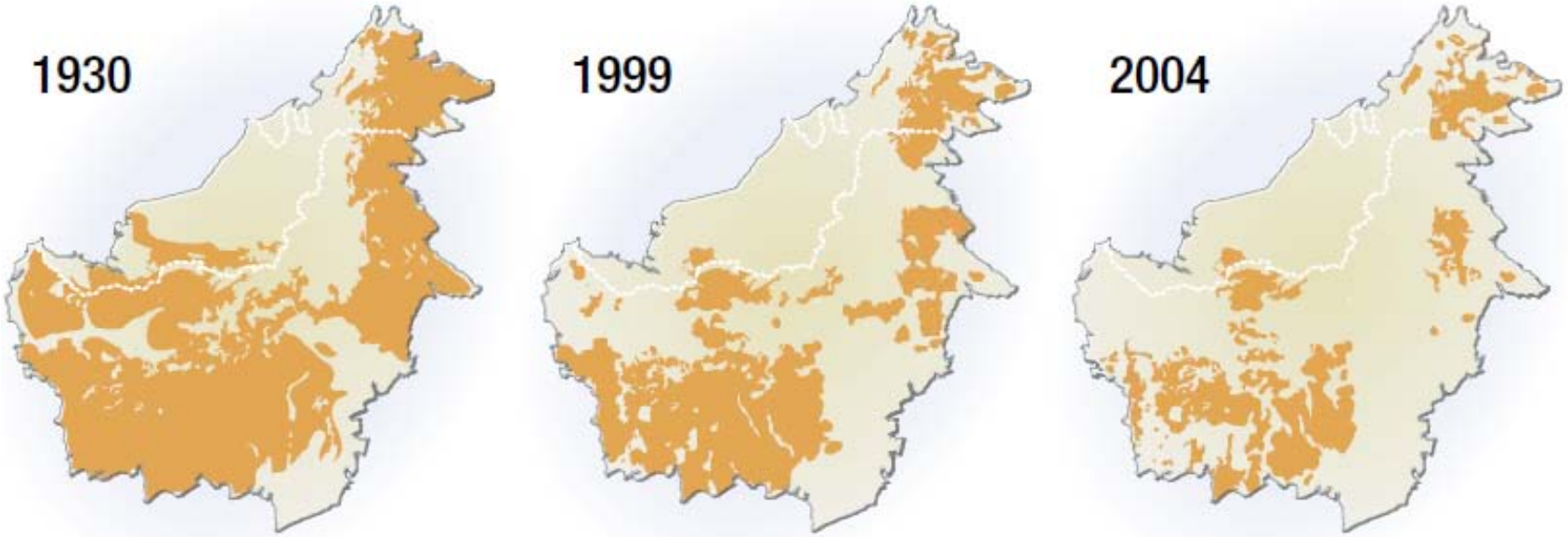


Figure 4: Changes in orangutan distributions 1930–2004. Source: WWF.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UNEP


RAPID RESPONSE ASSESSMENT
THE LAST STAND OF THE ORANGUTAN
STATE OF EMERGENCY: ILLEGAL LOGGING, FIRE AND PALM OIL IN INDONESIA'S NATIONAL PARKS


Killer
Destroying rainforests for palm oil


GREENPEACE
Unilever
STOP DESTROYING
RAINFORESTS FOR PALM O


General Mills
WARNING!
GENERAL MILLS
DESTROYS RAINFORESTS
RAINFOREST ACTION NETWORK
RAN.org

Response of the Palm Oil industry

- Migros: 1st sustainability standard for Palm Oil (2002)
- Creation in 2004 of Roundtable for Sustainable Palm Oil (RSPO)
  - Multistakeholder organisation and certification scheme
- RSPO Standard V1 launched Oct 2008

RSPO

Roundtable on Sustainable Palm Oil

RSPO standard – P&C

- P1: **Transparency**
- P2: Compliance with **laws and regulations**
- P3: **Economic and financial viability**
- P4: Use of **best practices** by growers and millers
- P5: **Environmental responsibility** and conservation of natural resources and biodiversity
  - EIA (P5.1), consideration of rare species and HCVs (P5.2)
- P6: **Employees,individuals and communities** affected by growers
- P7: Responsible **development of new plantings**
  - Primary forest and HCVs (P7.3)
- P8: Commitment to **continuous improvement**

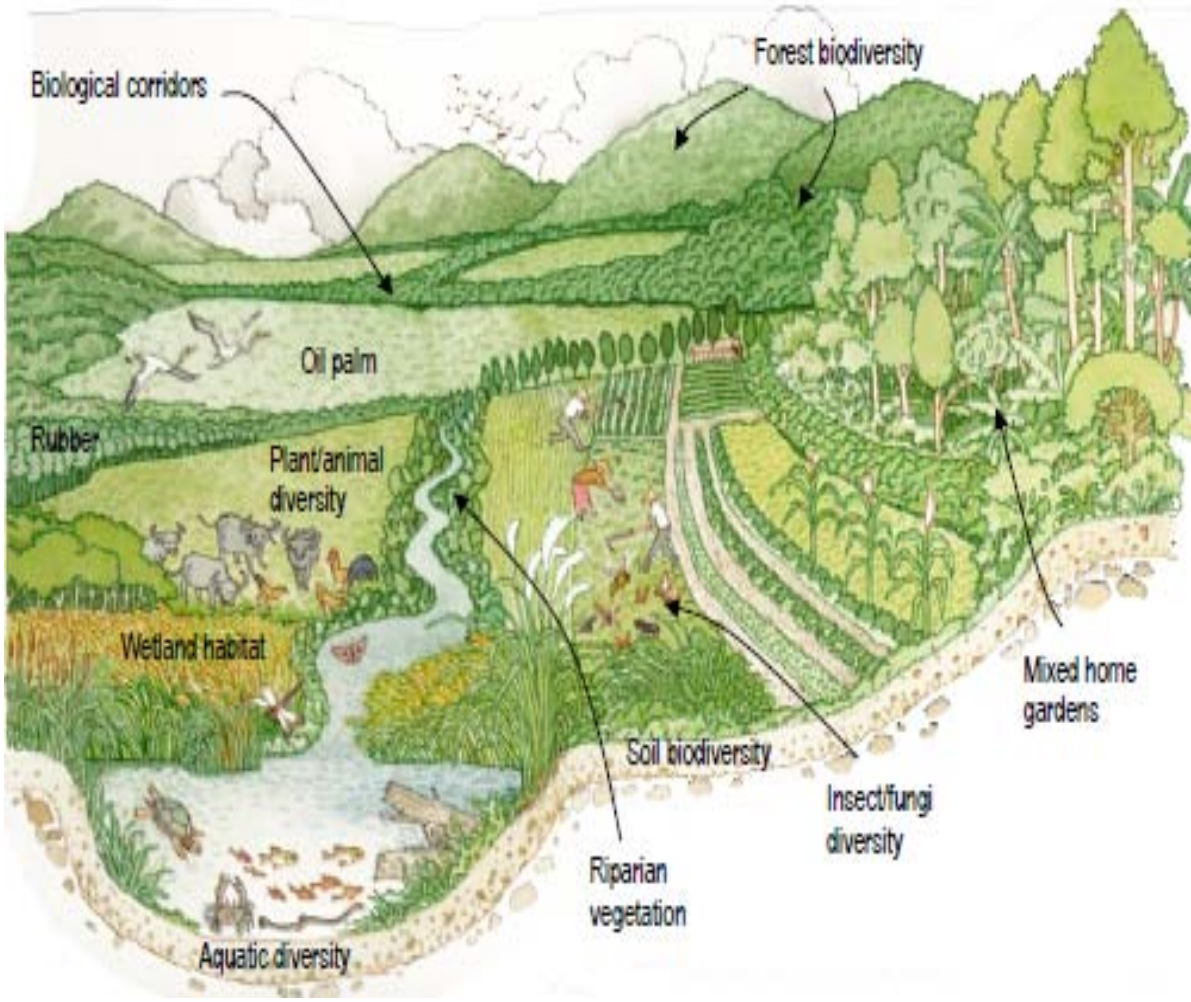
HCV within RSPO P&C

- Existing plantations:
  - P 5.2: **Rare/threatened spp. and HCVs** within plantations or affected by plantations/mills must be taken into account in management.
- Plantation expansion:
  - P 7.3: New plantings (Nov 2005) do not replace primary forest or areas required to maintain or enhance one or more **High Conservation Values.**
    - Development should actively seek to utilise previously cleared and/or degraded land.

Progress in RSPO scheme

- 19 certified producers, 71 PO mills
- Production area = 600,000 Ha
- Production volumes 3,7MT PO and PKO
- 44 supply chain organisations
- WWF “scorecard” has driven up RSPO uptake

A sustainable vision for palm?



Sustainable agriculture zoning requirements

- Macro-scale
  - Biodiversity and ecosystem services included in zoning criteria, balanced with development needs
  - Trade-offs made explicit, space is made for consultation and participation in decisions
  - Responsible regional zoning takes account of priorities and threats
  - No conversion of HCVs
- Micro scale:
  - Site level assessments (biodiversity, social values)
  - Participation of local communities in decisions
  - Site scale planning - HCV areas are managed according to a holistic plan
  - Good management practice

What voluntary schemes can and cannot do

- CAN:
  - **Encourage** industry to form effective partnerships with NGOs, communities, Govt agencies
  - **Promote** credible EIAs, good site level planning, good management practice, participatory decision making
  - **Discourage** expansion of good companies into inappropriate areas
- CANNOT:
  - Provide **long-term guarantees**
  - Substitute for government role in **land use planning**
  - Create an effective governance structure without **supportive legal framework**

Main challenges to be met for environmentally sustainable Palm Oil

- Scale of implementation is usually much smaller than required for effective conservation (cooperation needed between producers, sectors)
- Capacity for implementing good conservation practice is limited (poor information, poor assessments and audits)
- How to deal with 1000's of smallholders?
- Companies are not changing fast enough (greenwashing)
- Legal framework not always helpful to voluntary biodiversity efforts (permits, taxes etc)
- Concessions are granted in inappropriate areas including deep peat and valuable forest (poor zoning)
- 'Good' companies are only one part of one land use sector!

Using HCV as part of certification to improve outcomes

Many processes use HCV

- **Active commodity certification schemes**
  - **Forestry:** Forest Stewardship Council **FSC**
  - **Palm oil:** Round Table for Sustainable Palm Oil, **RSPO**
  - **Carbon:** Climate Carbon and Biodiversity Alliance, **CCBA**
  - **Biomass and bioenergy:** Int'l Sustainability & Carbon Certification, **ISCC**
- **Natural resource sustainability standards**
  - **Soy:** Round Table on Responsible Soy, **RTRS** (+ Basel Criteria)
  - **Sugar cane:** Better Sugar Cane Initiative, **BSI**
  - **Biofuels: RTFO, RSB** (guidance only), Cramer Principles
- **Purchasing and investment policies**
  - Many banks incl. World Bank, many manufacturers and retailers
- **National /regional land use planning**
  - National/regional guidelines (Russia, China, Bulgaria, Romania… Indonesia*)
  - NGO national conservation priority mapping (e.g. WWF, TNC)

The six High Conservation Values (I)

Biodiversity

HCV 1 - Significant **concentrations of biodiversity** values (protected areas and RTE, endemic, migratory species).

Landscapes

HCV 2 – **Large, landscape level forests/areas** where most species exist in **natural patterns of distribution and abundance.**

Ecosystems

HCV 3 - **Rare, threatened or endangered** ecosystems.

The six High Conservation Values (II)

Ecosystem services

HCV 4 - **Basic ecosystem services** in critical situations**.**

Livelihoods

HCV 5 – **Basic needs of local populations** in critical circumstances

Cultural identity

HCV 6 – **Local communities' cultural identity**.

The HCV Resource Network

- A voluntary association of people and organisations using the HCV approach, bound by a **Charter** and its **Guiding Principles**:
  - *Definition of 6 HCVs*
  - *HCV assessment processes*
  - *"Safeguards framework"*

- **Made up of:**
  - Steering Group (16 orgs.)
  - Technical Panel (25 experts)
  - Secretariat (ProForest)
  - **Participants**

Network Steering Group

Tetra Pak

FSC

IUCN The World Conservation Union

WWF

FAUNA & FLORA International
Conserving wildlife since 1903

mondi

The Nature Conservancy

FUNDO BRASILEIRO PARA A BIODIVERSIDADE
FUNBIO

ITTO

World Business Council for Sustainable Development

Solidaridad

GREENPEACE

wilmar

UNEP WCMC

Forest Peoples Programme

The HCV Resource Network

4 Key Strategic Aims:

- Provide a credible central point of reference
- Support development and implementation of the HCV concept
- Provide a governance and quality control function
- Promote the use of HCV in emerging and potential applications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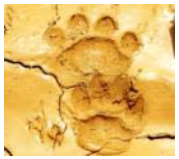
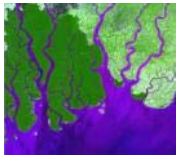
Thank you



christopher@hcvnetwork.org www.hcvnetwork.org