

# Reimagining Landscapes

How Unilever is helping to make sustainable living commonplace in palm oil production landscapes













Our Approach to Landscape Programmes

North Sumatra

'We will reduce the impact that our products and our operations have on the environment and we will do our part to bring the planet back to health.'

Alan Jope, Unilever CEO

Sabah

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# Foreword

Forests are essential to life on Earth. They produce the oxygen we breathe, absorb carbon from the atmosphere, influence weather patterns, nurture ecosystems, provide habitats for a diverse range of wildlife species, and support the livelihoods of their surrounding communities. But with deforestation and land degradation increasing at alarming rates, many of the forests we rely on for our lives, are fighting for theirs.

At Unilever, we've committed to a deforestation-free supply chain in palm oil, paper and board, tea, soy, and cocoa by 2023. We're focusing on these commodity supply chains because they contribute to more than 65% of Unilever's total impact on land, with an agricultural footprint of almost three million hectares (ha). These crops are also among those most often linked to deforestation and conversion of natural ecosystems to farmland. To ensure a deforestation-free supply chain, we need to be able to trace our ingredients all the way back to where they are grown, so we are concentrating our efforts on the critical first mile - the area from where our commodities are sourced to where they are first processed.

Using the Unilever Compass and our People and Nature Policy as our guiding lights, we have been partnering with civil society organisations and agricultural experts to support the development and implementation of training programmes that upskill the smallholders in our supply chain, improve their farming practices, and support them towards sustainable certification.<sup>a</sup>

We focused our initial efforts on our own supply chain, however experience quickly taught us that, to achieve the industry-wide transformation we seek, we must partner with others to scale and accelerate our work beyond the boundaries of our own business.

So, in 2016, we began investing in landscape programmes across key palm oil production areas in Malaysia and Indonesia. We chose to support programmes in these landscapes and jurisdictions because they form part of our supply chain, have existing government commitments towards sustainability and offer clear opportunities for us to help support forests, ecosystems, and their surrounding communities. Each of the programmes also plays a strategic role in Unilever's own journey to achieve many of our people and nature commitments. We hope to scale our efforts in this space through initiatives like the Rimba Collective, a private sector-led group of palm oil industry actors committed to supporting the protection and restoration of at least 500,000 ha of forests and lands in Asia over the next five years.

We've started to see progress in recent years in Southeast Asia, with the region going against the general trend and recording decreasing levels of deforestation linked to palm oil.<sup>D</sup> We believe that government-led efforts to collaborate with various stakeholders, including private sector players and civil society organisations, have contributed to this success and that the subsequent positive impacts demonstrate the value of sustainability policies and partnerships.

There's still much to do, but we're proud of how far we've come, and we're convinced that by continuing to work together with others, we can scale and accelerate our positive impacts for people and planet and help make sustainable living commonplace.

#### Willem Uijen

**Chief Procurement Officer** Unilever

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Kalimantan

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We're pleased to be supporting these collaborative approaches to sustainable development and want to inspire others to join us. In sharing this report, we hope to offer fresh insights into our partnership work on the ground as we detail some of the learnings and early successes we've achieved through each of the landscape programmes we support.





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# **Unilever's Protect and Regenerate Nature Goals:**

- Achieve a deforestation-free supply chain in palm oil, paper and board, tea, soy, and cocoa by 2023
- 100% sustainable sourcing of our key agricultural crops, including palm oil
- Help protect and regenerate 1.5 million ha of land, forest, and ocean by 2030

- Empower farmers and smallholders to protect and regenerate farm environments
- Implement water stewardship programmes in 100 locations in water-stressed areas by 2030
- 100% of our ingredients will be biodegradable by 2030





# Sustainable Palm Oil Matters<sup>a</sup>

a. 2021 data.



# 778,000

metric tonnes of certified physically sustainably sourced palm oil is purchased annually by Unilever - Mass Balance or Segregated as certified by the Roundtable on Sustainable Palm Oil (RSPO)

# 30,000

certified smallholder farmers benefit from our purchase of their independent smallholder RSPO credits

1. Harvested fresh fruit bunches in a palm oil farm | 2. Farmers in Central Kalimantan prepare saplings for planting. Credit: Inobu





**Unilever's Protect** and Regenerate Nature Goals

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# **Our Support** for Landscape Programmes

In December 2015, the United Nations Framework **Convention on Climate Change Conference of Parties** gathered in Paris and called for better protection for the world's forests and ecosystems. Unilever was one of seven consumer goods companies to respond to the call with a commitment to support landscape and jurisdictional programmes in selected areas within our supply chain.

Since 2016, we have been partnering with local governments, civil society organisations, communities, smallholder farmers, palm oil producers and buyers, and on-the-ground facilitators to support the design and implementation of strategic programmes we believe can positively transform five different palm oil production landscapes. We have made long-term commitments to each landscape programme, as we understand that it will take time and continuous work from everyone involved to generate the desired impact and firmly embed sustainability into the architecture of each jurisdiction or landscape.

#### Indonesia

#### **1. Aceh Province**

We are partnering with organisations including IDH and Forum Konservasi Leuser (FKL) to support the Aceh Tamiang and Aceh Timur districts

#### 2. North Sumatra Province

We are partnering with organisations including **Conservation International and Konservasi** Indonesia to support the Tapanuli Selatan district

#### **3. Riau Province**

We are partnering with organisations including Daemeter and Proforest to support the Siak and Pelalawan districts

#### 4. Central Kalimantan Province

We are partnering with organisations including Inobu to support the Seruyan and Kotawaringin **Barat districts** 

1. Aerial view of the Mangrove Forest, Aceh, Indonesia

# Within these landscapes there are:

2.75 million ha of forest

1.99 million ha of oil palm farms and plantations which could benefit from sustainable and regenerative agriculture practices

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# Indonesia

Malaysia

5. Sabah State

We are partnering with organisations including the World Wide Fund for Nature (WWF) to support Malaysia's Sabah state

265,000

smallholder farmers cultivating oil palm

168 palm oil mills

million ha of land and water area







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'A landscape approach is about bringing together all stakeholders within a place – within a district, within a province – to achieve a shared vision of sustainable development. That means bringing together government, businesses, communities and civil society to support sustainable production, to better manage resources and to understand how development and nature can work together hand-in-hand. The recognition central to the landscape approach is that no one organisation or company can do this on their own. We all need to be working together.'

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Melissa Thomas,

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**Conservation International** 

# The Value of Landscape Approaches

### **The Difference between** Landscape and Jurisdictional **Approaches**

The terms 'jurisdictional' and 'landscape' approach are sometimes used interchangeably, but they differ in one key way; a jurisdictional approach is restricted to a specific jurisdiction, while a landscape approach works within the boundaries of a chosen ecosystem. In a

jurisdictional approach, the government of the jurisdiction is heavily involved in the multi-stakeholder process, and the work ends at the boundary of that jurisdiction. With a landscape approach, the scope of the initiative is determined by the boundaries of the ecosystem that the partners seek to protect. So, a landscape approach could span several jurisdictions, or might be contained in a small part of just one. In this report, we use 'landscape' throughout for ease.

Both approaches have value because they both acknowledge that it is only through partnership that we can scale and accelerate solutions to complex social and environmental problems. While Unilever as a business can - and does - set sustainability

requirements for its suppliers and support them on their sustainability journeys, we have little control over the wider issues that arise within a jurisdiction. This is one of the reasons why working together with governments already committed to sustainability is essential to addressing the wider challenges connected to deforestation and land degradation, such as broader environmental and social issues. Civil society organisations are equally critical players in landscape and jurisdictional initiatives, as they contribute their unique knowledge of sector issues and are experts in their field. By facing challenges as a collective, we can pool expertise, resources, and capacity to create truly sustainable solutions.



# **Our Continuous Impact**

150,000

trees being planted across five programmes

150,000

ha of natural ecosystems protected with our support

# 67,000

ha of plantations and smallholder farms being certified

1,500 ha of degraded land and forest being restored

# 5,000

independent smallholder farmers to become RSPO certified, following training in good agricultural practices

1. Landscape areal in Sumatra, Indonesia | 2. Sappling being planted.

Note: These figures are based on contractual commitments or progress reports that have been provided by our project implementors.





# Identifying Landscapes to Support

When we choose a landscape to support, we look for specific elements that mean we can make helpful and effective contributions, while also progressing towards our own sustainability goals and the transformation we seek to achieve in the industry. Our selection criteria include:

- Our supply chain can be linked to the landscape
- The local government is committed to sustainability
- There are important forest and natural ecosystems to protect
- Smallholder farmers are present in the landscape
- An existing project we can link to is helpful, but not vital

Our teams and our implementation partners, often NGOs with a strong understanding of the landscape, help us to identify districts or jurisdictions where we can have the most positive impact. Next, we work closely with local stakeholders to design and implement programmes that fit with the landscape vision for the area.

Our investments support a wide range of activities and are provided to our partners on the ground, who are experts on the locations, work closely with the local community, and help us in the implementation of the programmes.

We regard certain building blocks as key components when we select or help to design a successful landscape programme:

#### Focusing on strategic sourcing areas:

We support landscape programmes in areas from which we directly or indirectly source key commodities (such as palm oil). We also support a landscape programme in the area supplying our Unilever oleochemicals plant in North Sumatra, which we constructed in order to have a more direct supply chain and to have a positive impact in the areas from which we source.

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#### Supporting a multi-stakeholder forum:

We support the creation and operation of a multistakeholder forum in each landscape programme to guide progress towards sustainability. Each forum includes as many stakeholders as possible - local governments, civil society organisations, and private sector actors - because we know we all need to coordinate to progress efficiently towards common goals.

#### Helping to protect and restore forests and **biodiversity**:

We help to protect forests in various ways, including by developing intelligent deforestation monitoring systems and supporting collaborative processes to respond to deforestation. We support the reforestation of elephant migration corridors, replant and maintain trees, and help communities to obtain social forestry licences, so they have an economic reason to keep trees standing. We also invest in programmes that help communities increase their incomes in new ways.

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#### **Developing sustainable agriculture:**

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We support our suppliers to accelerate and increase the availability of sustainable agriculture commodities. We help them to obtain certification for their plantations and mills from schemes such as the RSPO and from national schemes, such as the Indonesian Sustainable Palm Oil (ISPO) and Malaysian Sustainable Palm Oil (MSPO).

#### Supporting smallholder empowerment initiatives:

We provide training and support farmer groups to reduce pressure on forests. We also support our suppliers to map and monitor their own supply chains and acquire land titles and cultivation licenses - all essential parts of achieving a deforestation-free supply chain for Unilever.

#### Working with local government:

Through the partners we work with, technical experts in their fields, we work with local government to identify opportunities where this expertise and landscape investments can assist with government programmes on sustainable development, where the needs of the environment and community are balanced. By building sustainability into the architecture of the landscape, we help ensure that sustainable practices continue beyond the life of any individual project.

#### Safeguarding human rights:

We're investing in understanding the situation on the ground for the millions of Indonesians and Malaysians who work in palm oil, whether in large plantations, on family-run smallholdings, or in mills to ensure no one is exploited, no one is left behind, and that land conflicts may be resolved.

'Through landscape investments, we strive to build sustainability into jurisdictions to ensure good practices continue beyond the life of any individual project.'





**Our Approach** to Landscape Programmes

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# The Role of Smallholders in Landscape Approaches

As demand for palm oil grows, pressure on forests does too. Helping independent smallholder farmers to increase the number and yield of crops they grow on their existing land can alleviate their need to expand into forests, meaning empowered smallholders can be a positive force at the forefront of global efforts to protect and regenerate nature.

Indonesia's independent oil palm smallholders represent over 22.5% of the planted area<sup>a</sup> and usually farm about 2 ha each. However, few have access to training and information, they may struggle to afford fertiliser or equipment, and have little capital with which to look after the soil and increase their yield. They also generally have lower yielding tree varieties and therefore lower productivity, roughly half that of larger plantations.

In Malaysia, 260,000 independent smallholders farm 16.7% of the planted area, while a further 16.6% of the planted area is farmed by smallholders that are supported by the government.<sup>b</sup> Their farms are usually larger than in Indonesia, with each farmer typically cultivating 10-20 ha, but are still often family run and also have low levels of productivity.

Training in good agricultural practices is just one step on the road to sustainability. Many smallholders in Indonesia and Malaysia need help to obtain legal documentation for their land – in Indonesia, legal title documents and the government cultivation registration certificate, the STD-B, are prerequisites for certification - and we provide smallholders with an administrator to help support this process.

These documents can also help smallholders obtain a loan or grant to replace old or low-yielding palm trees. Replanting is an expensive process, but it will increase production significantly and boost the supply of sustainably produced palm oil in the market.





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# **Unilever's Support** for Smallholder Development

From 2017 to 2021, we trained more than 3,000 smallholders and helped more than 2,000 to become RSPO certified. We are scaling up our smallholder programmes and since the start of 2022 have mapped a further 10,000 farmers.

To streamline our efforts, we are pooling many of our smallholder programmes into new hubs linked to independent mills and their smallholder suppliers. Through these smallholder hubs we will channel our good agricultural training and business management initiatives, as well as new modules on issues such as regenerative agriculture and gender equality.

We are designing three hubs - one each in Indonesia's Aceh, North Sumatra, and Riau provinces. The North Sumatra hub will support 40,000 smallholders, the Riau hub covers five to six districts, while the Aceh hub – in Aceh Tamiang – is training government agricultural officers and independent smallholders on good agricultural practices. This hub has already started operations via our partnership with IDH, the production, protection, and inclusion agreement (the PPI Compact), and collaboration with our suppliers such as Musim Mas, as well as consumer goods company PepsiCo. It will be scaled up further.

By engaging this sector of the industry, we hope to achieve increased sustainability, traceability, and transparency.



<sup>1.</sup> Smallholder farmer with his harvest. Credit: Inobu 2. Smallholder farmer and his family in Central Kalimantan | 3. Smallholder farmer and visitors at his oil palm demonstration plot. a. Musim Mas n.d. | b. ISEAS 2020.

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# **Our Approach to Sustainable Palm Oil**

Supporting landscape programmes is just one way we're taking action to support the transformation of the palm oil industry.<sup>a</sup> Our plan for sustainable palm oil includes our deforestation-free commitment, as well as:

#### Buying certified sustainable palm oil:

In 2021, 90% of our core volumes were certified sustainable and we remain one of the largest purchasers of certified RSPO palm oil and palm kernel oil (Mass Balance and Segregated), as well as the largest buyer of RSPO independent smallholder credits.

#### Using the latest technology to help us with monitoring and traceability:

We need to understand the source of our products to identify and address environmental and human rights risks and build trust with suppliers. Tracing product back to the smallest suppliers is difficult, but we are working with Google, Premise, GreenToken, and Orbital Insight on technology solutions to improve visibility and traceability.

#### **Direct sourcing:**

We are further investing in our oleochemical plant in North Sumatera to bring us closer to suppliers and help us positively influence the landscape. We also invest in our suppliers, including PT Perkebunan Nusantara (PTPN), to support higher levels of RSPO certification and a deforestation-free supply chain.

#### Reducing or limiting our raw material demand as far as possible:

One way in which we are doing this is through a €118 million (\$120 million) joint investment with Genomatica, a biotechnology specialist, to commercialise alternatives to palm oil and ingredients derived from fossil fuels.<sup>b</sup> This investment enables us to diversify our supply chain, even as palm oil remains an important commodity for us.





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# **Measuring Progress in** Landscape Initiatives

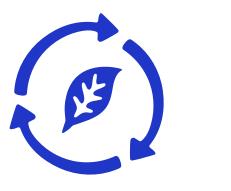
Unilever, together with PepsiCo, Nestlé, ISEAL, and Proforest, is developing a way to help companies and jurisdictions report on the progress they have made towards sustainability through landscape approaches.<sup>c</sup>

Businesses like ours are increasingly using landscape approaches as a way to further realise commitments to sustainable commodities, and we need a way to measure our progress, to show how landscape approaches help us meet our sustainability goals, and to compare initiatives.

A landscape initiative is a journey and many actions occur along the way, such as helping the government with capacity building before obvious results are realised, and we want to be able to measure and record this initial work, as well as the later outcomes. The new approach we and our partners have devised combines existing methods with new indicators on structural activities. such as those relating to governance.

We measure our progress in a landscape approach against four areas of action. These are being developed further by the Consumer Goods Forum Forest Positive Coalition of Action and we are actively contributing to this process.

Four areas of action



**Forest and** natural ecosystem restoration



**Forest and** natural ecosystem conservation



Livelihoods and people



**Partnerships** 

1. Smallholder farmer harvesting oil palm fruit | 2. Unilever, WWF Malaysia and Sabah Softwoods representatives at restoration site. a. Unilever n.d. b. | b. Geno 2022 | c. Proforest 2022.













**Unilever's Protect** and Regenerate Nature Goals

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# **Aceh Province: Aceh Tamiang and Aceh Timur Districts**

We are partnering with organisations including IDH and Forum Konservasi Leuser (FKL) to support the Aceh Tamiang and Aceh Timur districts.

### Key Facts: Aceh Tamiang and Aceh Timur

	Aceh Tamiang	Aceh Timur
Forest cover (ha)	56,000 <sup>a</sup>	252,000 <sup>g</sup>
Oil palm planted area (ha)	45,000 <sup>b</sup>	71,000 <sup>h</sup>
Population living below the poverty line	13.34% <sup>c</sup>	14.45% <sup>i</sup>
Number of smallholder farmers	10,032 <sup>d</sup>	16,594 <sup>j</sup>
Number of palm oil mills in our supply chain	9 <sup>e</sup>	6 <sup>k</sup>
Unilever palm oil suppliers who source in the landscape	Musim Mas, Bumi Sama Ganda, Golden Agri-Resources <sup>f</sup>	Kuala Lumur Kepong, Sime Darby, Bunge <sup>l</sup>

#### 1. Lush tropical rainforest of Southeast Asia.

a. Descartes Lab 2021a | b. Descartes Lab 2021b | c. BPS Aceh Tamiang 2022 | d. Ditjen Perkebunan 2020 | e. Unilever 2021 | f. Unilever 2021 | g. Descartes Lab 2021a | h. Descartes Lab 2021a | i. BPS Aceh Timur 2022 | j. Ditjen Perkebunan 2020 | k. Unilever 2021 | l. Unilever 2021.







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**Aceh Tamiang and Aceh Timur Districts** 

Aceh province is a biodiversity hotspot. It contains the largest intact tropical rainforest in Sumatra; the 2.6 million ha Leuser Ecosystem, which contains the Leuser National Park and is home to unique and endangered wildlife, including the Sumatran tiger, rhinoceroses, and elephants. Aceh is where palm oil was first commercially grown in Indonesia yet, today, it remains one of Indonesia's poorest provinces, having been hit hard by decades of civil war and the 2004 tsunami.

Unilever was drawn to the districts of Aceh Tamiang and Aceh Timur by a desire to help protect the Leuser Ecosystem from ongoing threats. Existing sustainable development commitments from governments and civil society gave us confidence we could help make a transformative difference in these areas. Our suppliers have told us they buy annually from 44 palm oil mills in Aceh province, a relatively small proportion of the total number of mills in our supply chain, but one accompanied by high stakes.

In 2019, the Aceh Tamiang government committed to targets to reduce deforestation and increase production of sustainable palm oil as part of a production, protection, and inclusion agreement (PPI Compact) with IDH, the government's forest management unit, FKL, GAPKI-Aceh (the Aceh branch of the Indonesian Palm Oil Association), and the Aceh Tamiana Farmers and Fishers Group.<sup>a</sup> The government also oversees a multi-stakeholder platform, the Centre of Excellence for Sustainable Plantations (Pusat Unggulan Perkebunan Lestari; PUPL), which, it is hoped, will eventually be funded through subscriptions, or its own business ventures.

Unilever began supporting work in Aceh province in December 2020. Our support included a financial commitment to contribute. together with our partner IDH, a combined sum of €1.5 million over three years.<sup>b</sup> IDH undertakes the work on the ground alongside local NGO, FKL, which, with a staff of 400, has one of the largest NGO-managed forest protection team in any Indonesian landscape. Other companies, including palm oil producer, Musim Mas, and PepsiCo, are also supporting this same programme in Aceh Tamiang and Aceh Timur.<sup>c</sup>

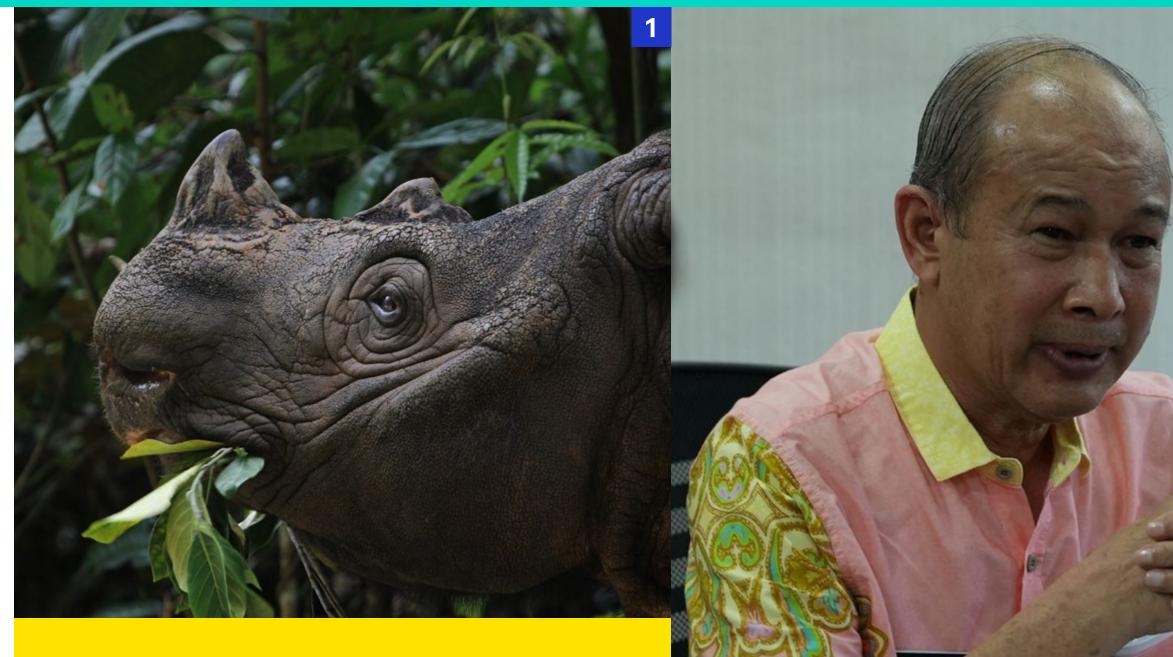
Our work in Aceh Tamiang includes multiple projects which range from helping farmers to increase their incomes, to monitoring and verifying deforestation and helping restore the Leuser Ecosystem through agroforestry and nature regeneration schemes carried out in partnership with communities.

Efforts have also begun in Aceh Timur. The Aceh Timur authorities and IDH have begun to develop sustainability targets and plans for a multi-stakeholder forum. A radar deforestation monitoring system is also in place, and FKL is mitigating conflict between humans and elephants.

To increase forest protection in both districts, we are continuing to map high conservation value (HCV) and high carbon stock (HCS) forests, together with our partners, including Yayasan Ecosystem Lestari and Forest Peoples Programme.

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## **Bupati Mursil: Delivering** a Sustainable District

Mursil is the regent, or bupati, of Aceh Tamiang. He leads the district's sustainable development and policy-making agendas, which are underpinned by the PPI Compact, a production, protection, and inclusion agreement developed with IDH and civil society. "[The PPI] is a way for us to guarantee that the production activities conducted by the farmers in Aceh and the products from such activities are not damaging the environment, he says. "Palm oil is extraordinarily important for Aceh Tamiang, so we continue to try to support farmers to increase their production, without increasing their land use."

Aceh Tamiang has been particularly successful in legalising the land of smallholder farmers, providing them with their cultivation licences (STD-B) and land title at no cost. Mursil says by doing this, the district is helping

farmers and creating clarity on the boundary between forests and farmland. Farmers are required to put up markers showing where their land ends, so everyone knows where forest begins and clearance is prohibited. Mursil says the work conducted under the PPI Compact, which contains timebound targets, has been a huge

success so far. "The achievements are extraordinary. The success rate is close to 100% of the initial plan. There are only a few obstacles, and we will find the solutions to these."

Mursil welcomes partners, such as Unilever, to continue supporting the district with these efforts. "We hope Unilever will keep supporting our farmers, because Unilever's presence is also supported by our farmers," he says.





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#### Aceh Tamiang and Aceh Timur Districts

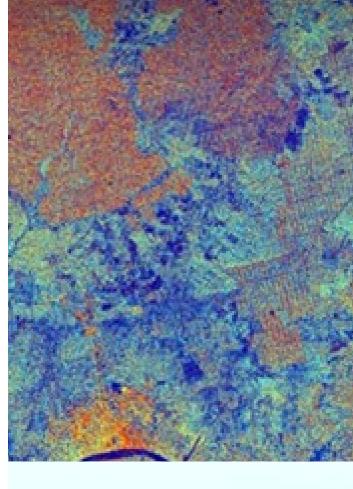
# High-Tech Monitoring of Deforestation through Partnerships

Unilever joined nine other companies – all major producers or buyers of palm oil – to support the World Resources Institute (WRI) and Global Forest Watch in the development of a publicly available system to monitor deforestation in Indonesia and Malaysia.<sup>a</sup> The system, called Radar Alerts for Detecting Deforestation (RADD), is based on radar technology that can penetrate clouds and smoke, something existing technology could not do. This new functionality means we can identify deforestation faster, because there's no need to wait for clear skies. RADD also offers higher resolution visibility, meaning we can detect the loss of even just a few trees.

A monitoring system is, however, just the first step. The next step is to decide what to do when deforestation is identified. In Aceh Tamiang, a team led by the government's forest management unit receives and reviews the deforestation alerts. It filters out tree loss outside forests (RADD picks up all tree loss) and verifies findings with high resolution photographs. Next, the team on the ground investigates. Unilever has supported training for this forest management unit and FKL, who together report deforestation to the district's multi-stakeholder forum, the PUPL.

Work in Aceh Tamiang has progressed quickly thanks to the government's commitment to halting deforestation and the solid foundations laid by IDH and FKL. Our next focus is to support the government to establish a process for responding to and enforcing rules around verified illegal deforestation. A response plan has been agreed and Aceh Tamiang's forest management unit has begun publicising it.

1. Screenshot of the earth to monitor deforestation | 2. Forest rangers verifying a deforestation alert on the ground in Aceh | 3. Rudi Putra, Senior Advisor, Leuser Conservation Forum (FKL). a. WRI 2019 | b. Purnamasari 2018 | c. Demopoulos and Indrarto 2021 | d. Lomonico 2021. 'Radar Alerts for Detecting Deforestation allows us to identify deforestation faster; we don't need to wait for clear skies.'





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# Rudi Putra and FKL: Protecting the Leuser Ecosystem

The Leuser Ecosystem is Sumatra's largest tropical rainforest and the world's third largest.<sup>b</sup> It is the only remaining place in the wild in which Sumatran orangutans, rhinos, tigers, and elephants co-exist and is also an important watershed and carbon sink.<sup>c</sup> The Leuser Ecosystem provides water for irrigation and drinking, protects areas downstream from flooding, and absorbs 1,700 gigatons of carbon per year.<sup>d</sup>

Conservationist and environmental activist, Rudi Putra, leads FKL, one of two key forest protection NGOs operating in the Leuser forests. Rudi has been working to protect the forests for more than two decades and has been instrumental in removing illegal palms from forest areas. Under his leadership, FKL has restored 10,000 ha of damaged forest since it began work in 2013. In the last two years, the NGO has also intensified its forest patrols together with the government forest management unit, to counter an increase in illegal wildlife poaching, in which Sumatran tigers are a target. Rudi says that although 20% of Leuser's forests have been felled, "there's still 80% of the forest to protect – there's no time for crying."



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# **Building Blocks for a Sustainable** Landscape in Aceh Province

#### Working with local government and supporting a multi-stakeholder forum:

Together with our partners, we are helping to embed sustainable development into the Aceh Tamiang and Aceh Timur districts, in an effort to ensure forests are protected and restored and local incomes increase. Through our work with IDH, we have supported the Aceh Tamiang government and its forest management unit to set policy and monitor deforestation. We also support Aceh Tamiang's multi-stakeholder forum, the PUPL, which has the critical role of bringing together the government, companies, NGOs, and farmers to work towards common sustainable development goals. Together, members of the PUPL have accelerated the process of issuing crucial legal land and business operation documents, with 3,200 farmers receiving these to date. This work has been such a success, our partners have been asked to share their processes and experiences with other districts, including Tapanuli Selatan in North Sumatra. Unilever is also

helping to establish a database to record where land and labour conflict is arising from largescale oil palm development. This will help partners to identify and help resolve issues in support of Aceh Tamiang's transition to fully sustainable palm oil.

#### Helping to protect and restore forests and biodiversity:

We work in Aceh Tamiang to help protect and restore its rich forests and biodiversity. The government's forest management unit patrols the forests, with the support of civil society organisations like FKL. We are supporting the work of this unit to help it conserve 5,000 ha of forest. We are also supporting FKL in its endeavours to restore an additional 500 ha by planting 60,000 trees in degraded forests and other areas previously illegally planted with oil palm. FKL, together with local communities, is using a mixture of crop trees in this replanting initiative to provide fruit for residents to consume and sell This provides the community with food, additional income, and with trees that support biodiversity and is known as

an agroforestry scheme. The additional income farmers can generate through this scheme means they are less likely to expand their cultivated area into forest land. So far, Unilever has helped FKL and local communities to plant more than 7,500 trees as part of this initiative. We are also providing agroforestry training to 100 community members, including at least 50 women.

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#### Supporting smallholder empowerment initiatives and developing sustainable agriculture:

Aceh Tamiang has a relatively high number of independent smallholder farmers, who together produce more than half the district's palm oil. Unilever is helping to train these farmers in good agricultural and regenerative agriculture practices to help them increase yield using existing land and reduce pressure on forests. This training is carried out via the Aceh province's smallholder hub, supported by Unilever, Musim Mas, and PepsiCo. Through this hub we have supported the training of all Aceh Tamiang's government agricultural

We are also supporting the RSPO certification of smallholder farmers in Aceh Tamiang. The first step in this process is to map them and then help them obtain their legal documents, which are prerequisites for mandatory ISPO and voluntary RSPO certification. To date, we have helped 3,200 farmers gain their documents and are supporting at least 500 to obtain ISPO and **RSPO** certification.

Mills and estates are also key parts of our supply chain. Together with IDH, we are supporting training on No Deforestation, No Peat Conversion, and No Exploitation (NDPE) practices, as well as on ISPO and RSPO standards for two mills and two estates, to help them attain ISPO and RSPO certification.

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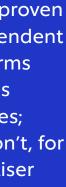
officers, who then go on to train the smallholders. So far, we have supported the training of 2,200 smallholders, all in the Semadam subdistrict, a part of our supply chain adjacent to the Leuser Ecosystem.



# Smallholder Training in Good and **Regenerative Agricultural Practices**

As the name suggests, good agricultural practices are farming techniques that are proven to increase yield without the need to expand cultivated area. By empowering independent smallholders to increase yields, we reduce the incentive for them to expand their farms into forests. The training we support on good agricultural and regenerative practices covers pruning, harvesting, and fertilising; managing soil, weeds, pests, and diseases; and planting practices, such as choosing and spacing trees.<sup>a</sup> Many smallholders don't, for example, know how much fertiliser to apply, meaning that, at best, they waste fertiliser and, at worst, trees and the environment are harmed.







Better World

#### Aceh Tamiang and Aceh Timur Districts

# **Our Continuous Impact** in Aceh Tamiang and **Aceh Timur Districts**

#### Achievements with our partners

# 763,000

ha of HCV and HCS forest mapped in Aceh Tamiang and Aceh Timur to enhance forest protection

# 5,000

ha of forest protected by the government forest management unit, with our support

# 3,200

independent smallholders assisted to obtain legal title and STD-B, both prerequisites for certification

# 7,500

trees planted out of 60,000 planned for a 500 ha site

# 500

of the 2,200 independent smallholders trained in good and regenerative agricultural practices

# 2,200

independent oil palm smallholders mapped for training in good agricultural practices

# 372

out of a targeted 500 independent smallholders approved for RSPO and ISPO certification and set to obtain higher prices for their crop

Deforestation monitoring and verification system established for local stakeholders

Two cooperatives established; after two years of operation, cooperatives can access finance and the state replanting fund

Handbook published to help independent smallholders to obtain their required legal documents

Preparation of a district regulation on riverbank protection underway with our support

PUPL sets up a cooperative to function as the platform's business entity, with our support

Awareness raising in local communities that the forest is out of bounds for palm oil



Unilever's Protect and Regenerate Nature Goals Our Approach to Landscape Programmes

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#### North Sumatra

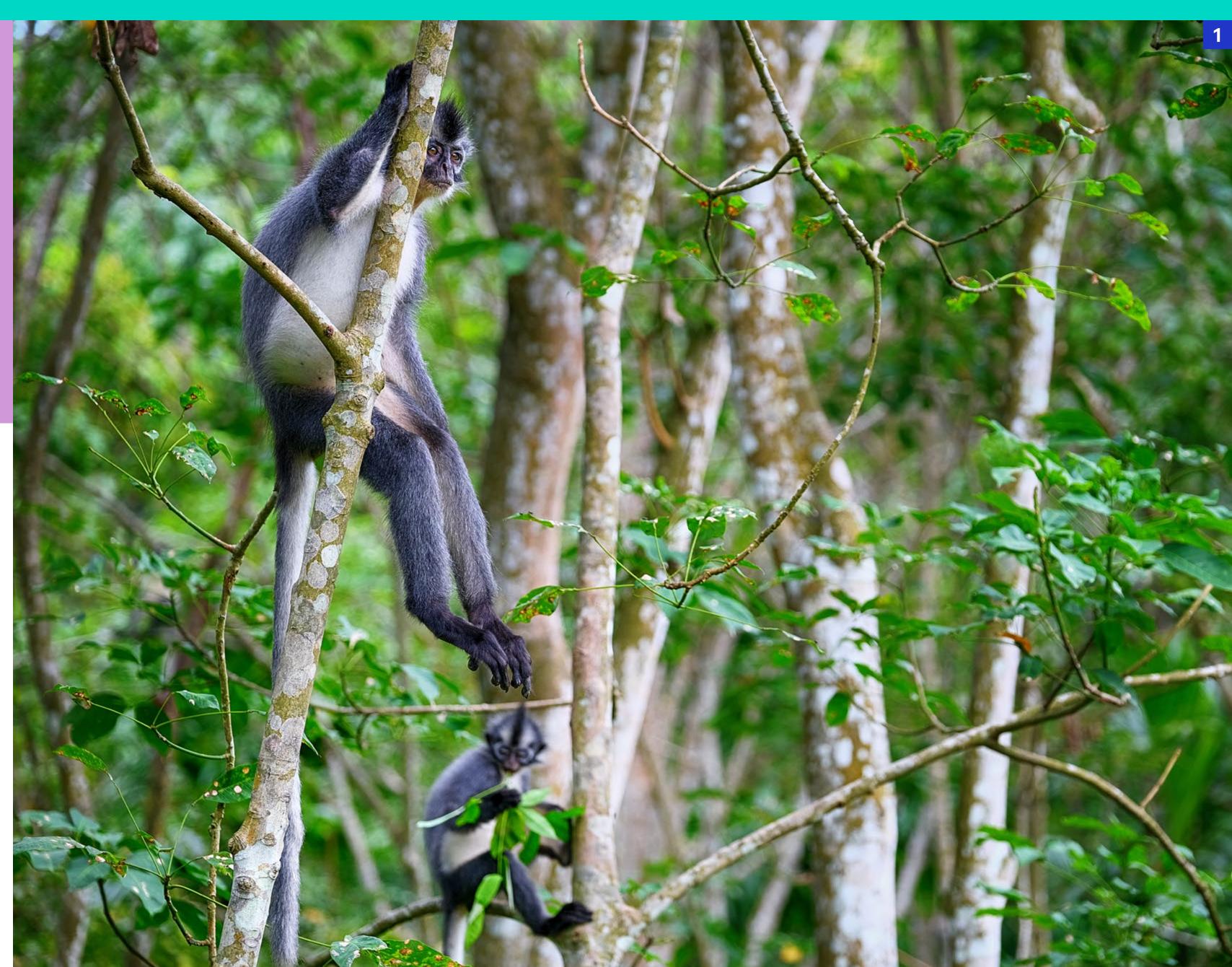
# North Sumatra Province: Tapanuli Selatan District

We are partnering with organisations including Conservation International and Konservasi Indonesia to support the Tapanuli Selatan district.

### Key Facts: Tapanuli Selatan

	Tapanuli Selatan
Forest cover (ha)	206,000 <sup>a</sup>
Oil palm planted area (ha)	37,000 <sup>b</sup>
Population living below the poverty line	8.8% (2021) <sup>c</sup>
Number of smallholder farmers	3,011 <sup>d</sup>
Number of palm oil mills in our supply chain	3 <sup>e</sup>
Unilever palm oil suppliers who source in the landscape	PTPN, Apical, Cargill <sup>f</sup>

1. Thomas Leaf Monkey found in North Sumatera's forest.a. Descartes Lab 2021a | b. DescartesLab 2021b | c. BPS Tapanuli Selatan 2022 | d. Ditjen Perkebunan 2020 | e. Unilever 2021 | f. Unilever 2021.





**Our Approach** to Landscape Programmes

Aceh

**Tapanuli Selatan District** 

Tapanuli Selatan in North Sumatra is one of the few places on Earth in which the Tapanuli orangutan, Sumatran tiger, and tapir live.<sup>a</sup> We are working to help relieve pressure on forests and protect the habitats of these unique creatures by supporting communities to develop additional sources of income using existing land and strengthening sustainability within district action plans.

As part of this work, Unilever supports the CSL, a provincial-level forum of multiple stakeholders working towards sustainable development in the provinces of North Sumatra (Indonesia's third-largest palm oilproducing province) and Aceh.<sup>b</sup> Its work includes two pilot district-level initiatives, one in Tapanuli Selatan and the other in Aceh Tamiang.

In 2018, we began operating our oleochemical plant, UOI, in Sei Mangkei, in the district of Simalungun, located in the same province as Tapanuli Selatan, North Sumatra. We established this plant to be closer to our palm oil suppliers and to better understand the origins of the products we buy. Tapanuli Selatan is an important part of our supply network, and more than half of the district remains forested. As part of our work here, we partner with Conservation International, which has been active in the region for nearly 20 years, and its main delivery partner, Konservasi Indonesia, to deliver programmes that benefit the community and to help protect important forests, habitats, and wildlife. Through this partnership we work with multi-stakeholder platforms, like the Indonesian Forum for Sustainable Palm Oil (Forum Kelapa Sawit Berkelanjutan Indonesia; FoKSBI), to ensure smallholders have the support they need. We also collaborate with the Development Planning Agency (Bappeda) to ensure local land-use plans can contribute towards sustainable development.

In addition, we procure palm oil from state-owned PT Perkebunan Nusantara III (PTPN III), which has its own plantations and mills across various provinces and districts in Indonesia. The company also sources fresh fruit bunches, the fruit from which palm oil is made, from plasma smallholders and independent smallholder suppliers, especially in North Sumatra. Since 2018, we have been working with PTPN III to support local mills and smallholders to meet our NDPE commitments and we are also helping PTPN III to complete RSPO certification for plantations and mills across Sumatra, including in Tapanuli Selatan.<sup>c</sup>

1. North Sumatra's tropical rainforest landscape | 2. Dolly Pasaribu, Head of District (Bupati) of Tapanuli Selatan government | 3. Extension officer teaches smallholder farmers good agricultural practices. a. Rahman et al 2019 | b. Conservation International n.d. | c. Unilever 2018.



Riau

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# **Bupati Dolly Pasaribu: Welcoming Support for** Tapanuli Selatan

Dolly Pasaribu, the bupati of Tapanuli Selatan, is grateful for the support that comes from outside the district to bolster the government's own resources. "We, the government of South Tapanuli [Tapanuli Selatan], are very happy to receive input and accept cooperation from friends in order to support our vision, namely the productive and sustainable use of natural resources." "We really ... thank Unilever, Conservation International and Konservasi Indonesia who are collaborating with the South Tapanuli [Tapanuli Selatan] District government."

Bupati Pasaribu says palm oil is an important source of income for the smallholder farmers in his district and therefore an important focus of the multistakeholder collaboration. "[Approximately] 1,015 oil palm smallholders [have been] trained in good cultivation practices... In the near future, 800 of our oil palm smallholders will also participate in RSPO certification processing."

A forest farmer group within the district has also received a social forestry permit for 159 ha which it intends to reforest, giving the community longterm access to the land. Through this work, which Pasaribu notes was "supported by all our friends", we have supported the creation of an agroforestry demonstration plot and a nursery and have helped to distribute 12,000 seedlings.



**Unilever's Protect** and Regenerate Nature Goals

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# Fitri Hasibuan: **Bringing Positive Change with** Konservasi Indonesia

Fitri Hasibuan, Senior Programme Director at Konservasi Indonesia, the main delivery partner of Conservation International in Indonesia, began her career helping farmers in Timor Island, in the east of the country, to improve their productivity, food security, and nutrition in what was a natural progression from her agriculture degree. She found, however, that she wanted to understand more about the environment and sustainability, so completed a master's degree in environmental management.

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She worked at Conservation International for nine years, where she managed the NGO's sustainable agriculture and landscape programme and

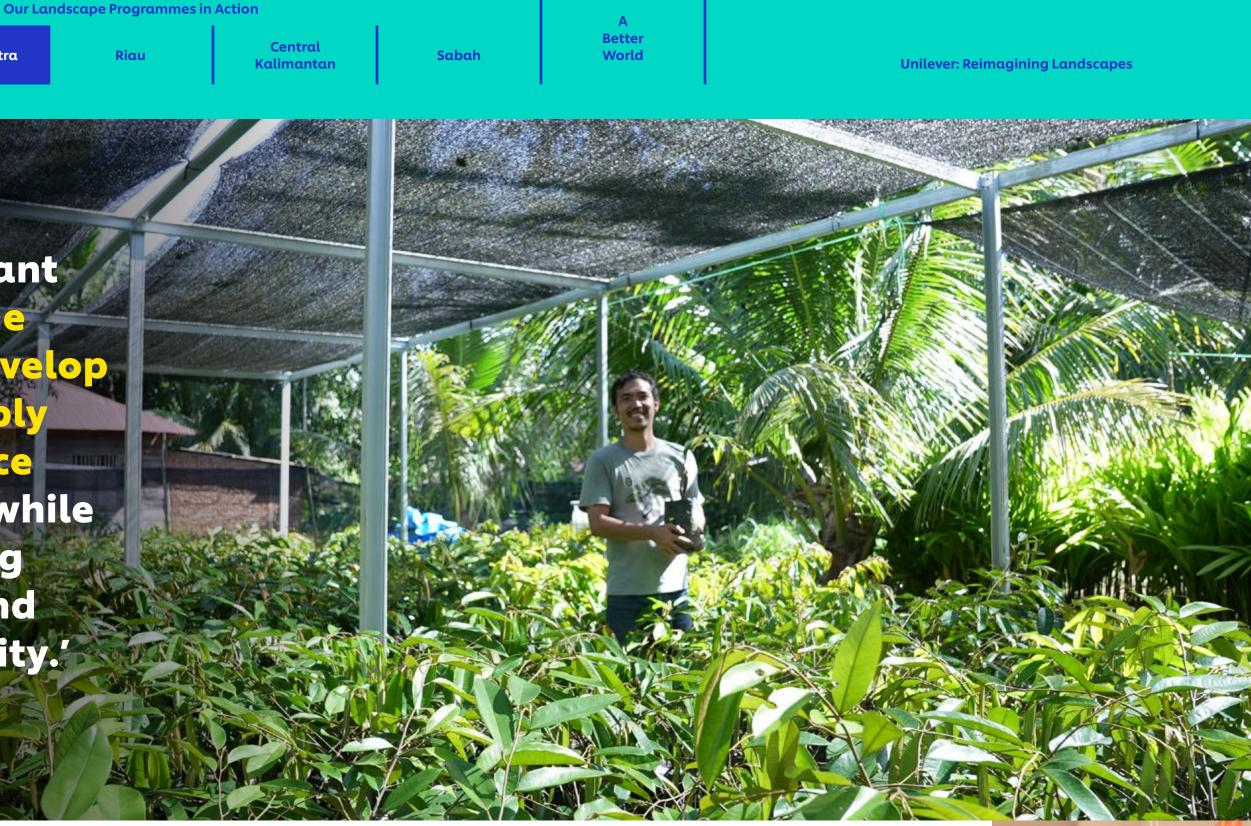
helped develop its model for sustainable landscapes. Now with Konservasi Indonesia, she's proud to have helped build constructive partnerships with government and communities and is motivated by seeing the positive changes that support can bring to farmers. "Seeing the palm oil smallholders increase their productivity and have a stable price – it really makes you feel happy and motivated," she says. Her biggest hope is that the communities they support will see not only their incomes increase, but also their quality of life through "clean water, fresh air, and land less prone to disasters, like floods or fires".

'We all want to help the region develop sustainably and reduce poverty, while protecting forests and biodiversity."

**Tapanuli Selatan District** 

Supporting a Common Vision through the **Coalition for** Sustainable Livelihoods (CSL)

1. Fitri Hasibuan, Senior Program Director, Konservasi Indonesia | 2. Plant nursery in North Sumatra by Konservasi Indonesia | 3. RSPO certification training for smallholder farmers in North Sumatra. Photo credit: Konservasi Indonesia | 4. Smallholder farmer at work.



The CSL is a multi-stakeholder forum bringing together stakeholders from government, private sector, and civil society to deliver initiatives and projects across North Sumatra and Aceh.

Its members share a common aim; we all want to help the region develop sustainably and reduce poverty, while protecting forests and biodiversity. We support governments to sustainably manage natural resources by scaling up successful projects and using the lessons learnt to help shape future policy.

The CSL also sets up ad hoc working groups to tackle specific issues and has an advisory group for both Tapanuli Selatan and Aceh Tamiang, its two pilot districts for a jurisdictional initiative.

Unilever has participated in the CSL since 2018 and, in 2019, intensified support by providing funding to strengthen the secretariat, which manages the forum's day-to-day work and ensures everyone remains on track with commitments.







**Unilever's Protect** and Regenerate Nature Goals

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# **Building Blocks for a Sustainable** Landscape in Tapanuli Selatan District

#### Helping to protect and restore forests and biodiversity:

Through Konservasi Indonesia, we work with the local forest management unit which is responsible for managing and protecting 127,000 ha of forest – to train staff in biodiversity monitoring. With our support, Tapanuli Selatan is building databases on the district's biodiversity and social economy. We have also agreed to help the forest management unit update its management plan and are supporting training in the importance of regular monitoring with satellite data.

**Unique Tapanuli** Wildlife

The endangered Tapanuli orangutan, Pongo tapanuliensis, was identified as the third genetically distinct orangutan species in 2017. The population of 800 lives only in the Batang Toru Ecosystem, which straddles three of North Sumatra's districts. including Tapanuli Selatan. The orangutans live in areas designated by government as protected forest, as well as in areas that are not designated as forest estate.<sup>a</sup>

Tapanuli Selatan also contains the Angkola Forest, which includes the Batang Angkola Ecosystem, home to endangered Sumatran tigers, as well as tapirs and pangolins.<sup>b</sup> These forests also provide water for local communities and protect against flooding and landslides.

### **Our Continuous Impact in Tapanuli Selatan District**

#### Achievements with our partners

# 127,000

ha of forest supported for protection by the forest management unit

### 800

independent smallholders achieving RSPO certification and premium prices for palm oil through the establishment of two farmer cooperatives

### 1,600

trees planted out of a targeted 22,600 on 159 ha of degraded land and illegal palm oil plantations

### 1,000+

independent smallholders trained in good agricultural practices

Agroforestry business plan created for the Tapanuli Selatan Government for the newly reforested area

Forest farmers group consisting of 65 members established and supported to obtain social forestry permit



Central

**Tapanuli Selatan District** 

#### Working with local government:

Through our partnership with Conservation International and Konservasi Indonesia, we have supported the Tapanuli Selatan government to produce a strategic plan for the district's land use. As part of this planning process, we supported the government to map the district's HCV and HCS forests. To improve the management and protection of these important forests, which are located outside areas officially designated as forest estate, we have provided technical input and recommendations to support the creation of a new district policy. We have also assisted the local government in identifying areas for restoration through agroforestry schemes and supported the creation of an ecotourism plan; both ways of creating income from standing forests.

#### **Supporting communities to diversify** and increase their incomes:

Helping the communities of Tapanuli Selatan to develop new sources of income in order to relieve pressure on forests is an essential part of our forest protection work. We are working with communities to halt illegal palm oil production using legal agroforestry schemes, through which we plant and maintain crop trees to support biodiversity and wildlife and provide fruit for farmers to consume and sell. In Rianiate, a village in the district, we helped Konservasi Indonesia to set up a 65-member forest farmer group, which we have supported with business and agroforestry training. This group is growing durian, avocado, mango, and mangosteen and demand from the local market is expected to be solid, as the site is in a tourist area and the nearest town is relatively large. A 159 ha plot of land has been prepared for restoration, with 100 ha to be dedicated to agroforestry and the remainder to endemic trees. We are helping to train a nursery manager

to take care of the seedlings and have, so far, planted 1,600 trees out of a targeted 22,600. We have also assisted Konservasi Indonesia in supporting the community's application for a social forestry permit, which will give residents formal rights to use and maintain the restored forest.

#### Supporting smallholder empowerment initiatives and developing sustainable agriculture:

In Tapanuli Selatan we are supporting more than 1,000 smallholder farmers with training in good agricultural practices to boost productivity and help them care for the land, which will increase farmer incomes and secure our supply of sustainable palm oil. Once these farmers have completed their training, which includes good agricultural practices and ISPO and RSPO principles and criteria. This includes helping farmers to first establish a formal group, or cooperative, before applying for joint certification.

So far, we have helped set up two farmer cooperatives in Tapanuli Selatan, members of which are already enjoying increased incomes from improved productivity following their training. The first cooperative group is expected to be RSPO certified in January 2023, after which members will be able to achieve higher prices. The second group is moving through the certification process faster than the first, because the associations and government have been trained in the processes. In addition to training, we provide an assistant to help with the administrative and technical requirements of certification. We are currently supporting the RSPO certification of 800 farmers in Tapanuli Selatan.



**Unilever's Protect** and Regenerate Nature Goals

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Our Approach to Landscape Programmes

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#### North Sumatra

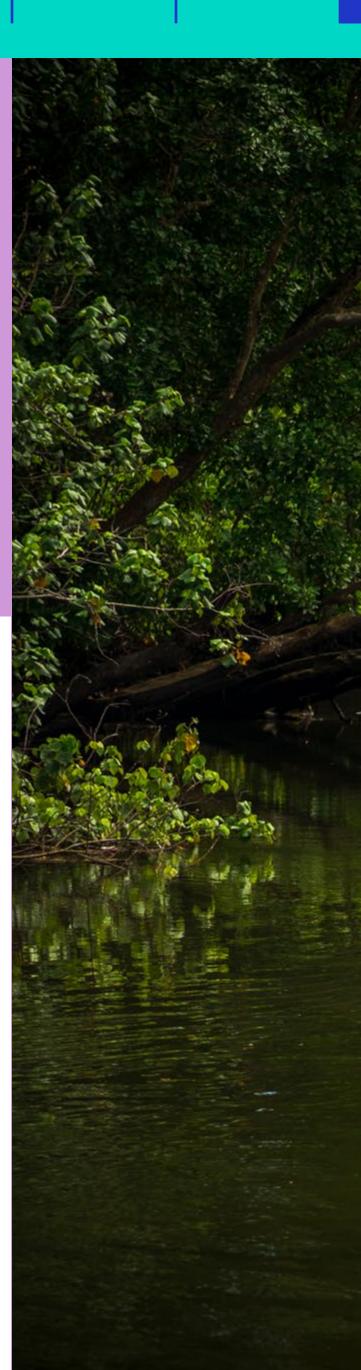
# **Riau Province: Siak and Pelalawan** Districts

We are partnering with organisations, including Daemeter and Proforest, to support the Siak and Pelalawan districts.

### Key Facts: Siak and Pelalawan

	Siak	Pelalawan
Forest cover (ha)	87,000 <sup>a</sup>	235,000 <sup>g</sup>
Oil palm planted area (ha)	240,000 <sup>b</sup>	298,000 <sup>h</sup>
Population living below the poverty line	5.18% (2021) <sup>c</sup>	9.63% (2021) <sup>i</sup>
Number of smallholder farmers	77,770 <sup>d</sup>	48,683 <sup>j</sup>
Number of palm oil mills in our supply chain	22 <sup>e</sup>	24 <sup>k</sup>
Unilever palm oil suppliers who source in the landscape	Musim Mas, Apical, Cargill <sup>f</sup>	Golden Agri- Resources, Bunge, Wilmar <sup>l</sup>

<sup>1.</sup> Fisherman in a mangrove swamp in Indonesia.

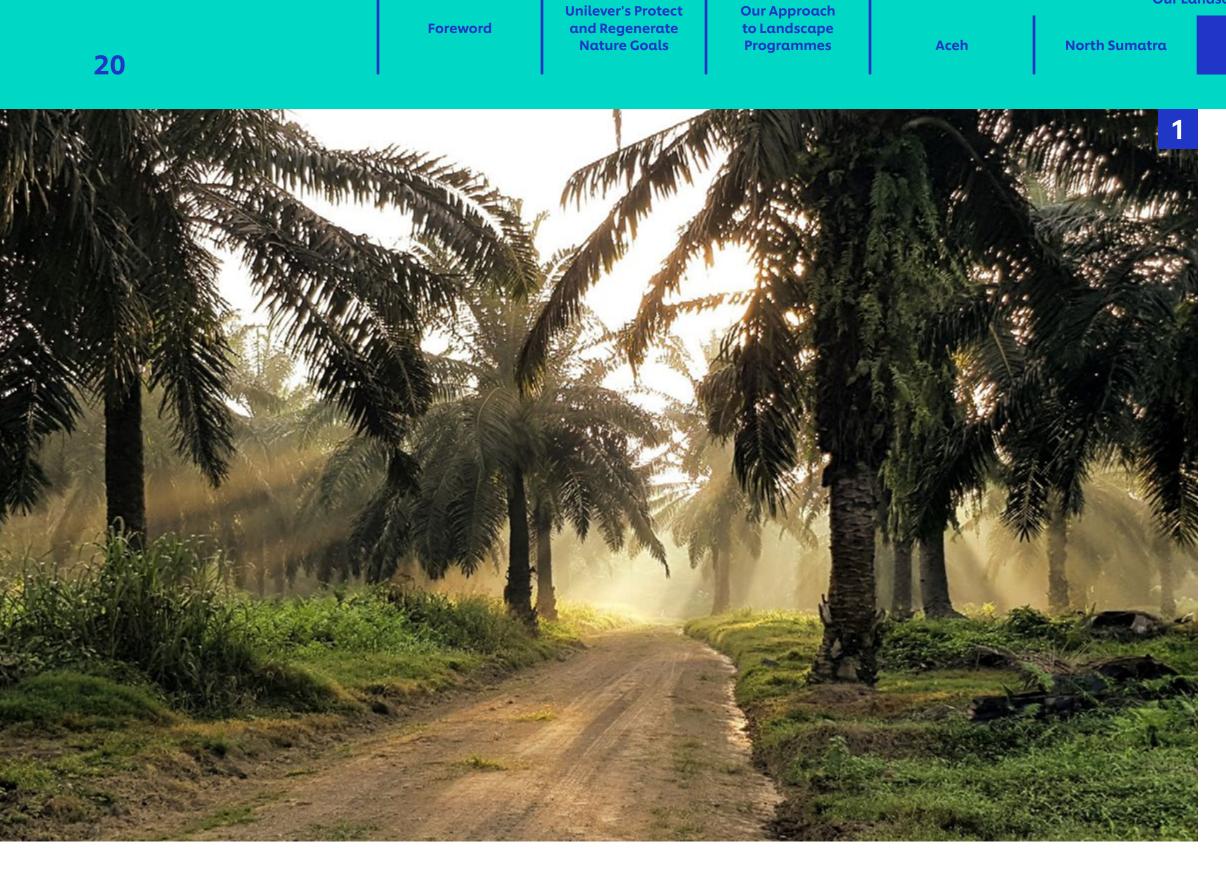


Riau





a. Descartes Lab 2021a | b. Descartes Lab 2021b | c. BPS Siak 2022 | d. Ditjen Perkebunan 2020 | e. Unilever 2021 | f. Unilever 2021 | g. Descartes Lab 2021a | h. Descartes Lab 2021a | i. BPS Pelalawan 2022 | j. Ditjen Perkebunan 2020 | k. Unilever 2021 | l. Unilever 2021.



Siak and Pelalawan Districts

The districts of Siak and Pelalawan contain 1.25 million ha of peatland, with peat being the world's largest terrestrial carbon store.<sup>a</sup> These districts are also home to Sumatran tigers, elephants, and sun bears, which are found in the forests of the Tesso Nilo and Zamrud national parks.<sup>b</sup> Siak and Pelalawan are also two of the largest producers of palm oil in Riau, which, itself, is the largest producing palm oil province in Indonesia.

The Siak and Pelalawan district governments and civil society organisations have made significant commitments to sustainable development. Siak is channelling its efforts through its Green Siak initiative, to which it has dedicated a government coordinating team, and a roadmap binding plantations to NDPE requirements. Pelalawan is a pilot district for the National Action Plan for Sustainable Palm Oil, which regulates the development and management of sustainable palm oil. It has developed its own District Action Plan for Sustainable Palm Oil and established a multi-stakeholder forum to implement this.

Our work in Riau's Siak and Pelalawan districts is channelled through the Siak Pelalawan Landscape Programme. This coalition of eight palm oil producers and buyers, each of which produces in, or sources from, the Siak and Pelalawan districts, Riau

was established in 2018 to support the district governments' efforts to protect the remaining swathes of tropical forest and peatland. The Siak Pelalawan Landscape Programme, which supports both Green Siak and Pelalawan's District Action Plan, is driven by Unilever, Cargill, L'Oréal, Musim Mas, Neste, and PepsiCo, and supported by Sinar Mas Agribusiness and Food Golden Agri-Resources (Sinar Mas), Danone, and Musim Mas. The work is implemented by Proforest and Daemeter.<sup>c</sup>

Members of the Siak Pelalawan Landscape Programme are committed to supporting, investing in, and delivering four critical long-term goals:

- Support the protection and enhancement of forests, peatlands, and natural ecosystems
- Help smallholders and communities to improve their incomes
- Ensure labour and land rights are respected within the palm oil industry
- Pursue sustainability in palm oil through improving district policies and plans

The work we support ranges from assisting villages with programmes for sustainable palm oil production, to increasing incomes for smallholders and discussing responsible sourcing and production with palm oil mills. We also work with the government at several levels, including with the national Peatland and Mangrove Restoration Agency (Badan Restorasi Gambut dan Mangrove, or BRGM). This agency works with villages across Indonesia that are located on peat and our coalition is supporting a restoration programme targeting 66 high-priority villages. We started supporting seven of these villages in 2020; three in Siak and four in Pelalawan. Our support was scaled up to 15 villages in 2021 and 28 in 2022. We have committed to help 50 villages over five years.



## Green Siak: A Government Perspective

Wan Muhammad Yunus heads up Bappeda Siak, the district's development planning agency, as well as the secretariat of Green Siak, a government team born in the wake of the district's calamitous peatland fires of 2014 and 2015. He remembers the fear and the disruption of these disasters clearly and understands the importance of sustainable development, the need to balance the economy with the environment and the wellbeing of the people. He says Green Siak's overarching goal is to ensure the district's natural resources are used for the community "without sacrificing the environment".

Yunus and Green Siak's vision is to ensure the Siak district is a peaceful and safe environment for everyone. As a father of three (he has one adult son and two younger daughters) he has a vested interest in Siak's future. He's keen to promote sustainable development across the district, to ensure everyone understands that natural resources must not be exploited, to remind farmers not to burn to clear land, and to encourage plantation owners to protect water, particularly on peatland. The next step, he says, is for the Siak Pelalawan Landscape Programme partners to help develop an action plan for sustainable palm oil in the district.



Siak and Pelalawan Districts

# **Building Blocks for a Sustainable** Landscape in Siak And Pelalawan Districts

#### Working with local government and supporting multi-stakeholder forums:

The Siak Pelalawan Landscape Programme is supporting work to build partnerships and multi-stakeholder forums at many levels in the Siak and Pelalawan districts. We have exchanged data and information with both governments to understand what work is already underway and where we can help. We've also established written agreements to support government goals, avoid duplication of efforts, and progress our own sustainability targets. The trust that has resulted from this ongoing collaboration led authorities to further collaborate in setting up the Siak secretariat for Green Siak and the multistakeholder forum for the Pelalawan District Action Plan, and to help put together the agenda for sustainable palm oil production.

We have also been asked by both district governments to partner with the Ministry of National Development Planning, also known by its Indonesian acronym, Bappenas, on a funding and incentives programme for districts committing to sustainability. Bappenas has since selected Siak and Pelalawan as pilot districts to trial an incentives initiative, which includes rewards such as payments for ecosystem services.

Additionally, the Siak and Pelalawan Landscape Programme has engaged with all 54 mills across the Siak and Pelalawan districts to provide training and forge good relationships. We assess each for NDPE compliance and upskill farmers to ensure responsible production.

#### Helping to protect and restore forests and biodiversity:

We are trialling a process of monitoring, verifying, and responding to deforestation using the RADD system of radar technology, which identifies deforestation more quickly than any other current technology publicly available. The coalition partners have helped WRI to set up the RADD system in Siak and support ongoing training.

In Siak, if deforestation occurs in a plantation from which a coalition partner sources, that partner must initiate its corporate NDPE grievance mechanism. To date, however, most alerts have come from outside partners' sourcing areas, so we are supporting training of government agricultural officers to verify the deforestation on the ground and are helping the government find ways to reduce deforestation in these areas. We have also supported WRI to set up the RADD system in Pelalawan. The next step is to build a village support programme for this district and combine it with a system to verify and respond to deforestation.

# agriculture:

Together with WRI and the Siak government, we supported palm oil farmers' cooperative Beringin Jaya to become the first smallholder group operating on peat to attain RSPO certification through the implementation of best peat management practices.<sup>a</sup> This achievement, which took place in 2021, is significant because the sustainability standards for operating on peat are much stricter than those for mineral soil, due to the problems created by draining peat for plantations, which include greenhouse gas emissions, fire-prone landscapes, and disturbed hydrology.

The farmers of Beringin Jaya now refrain from burning vegetation to clear land as they are aware that fires on peat can spread quickly. In addition, they have also adopted a system of fertilising trees and aerating soil that both preserves peatland and supports the trees.

We are also working with national-level governments, through Proforest and Daemeter, to understand how we can help these farmers to obtain land titles and business licences for their farms.

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**Unilever: Reimagining Landscapes** 

#### Supporting smallholder empowerment initiatives and developing sustainable



'The Siak and Pelalawan Landscape Programme has engaged with all 54 mills across the Siak and Pelalawan districts to provide training and forge good relationships.'





**Our Approach** to Landscape Programmes

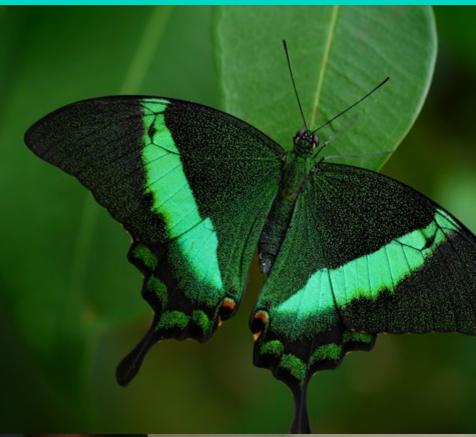
North Sumatra



# Intan Kurniati Ningsih: **Influencing Behaviour** and Sustainability

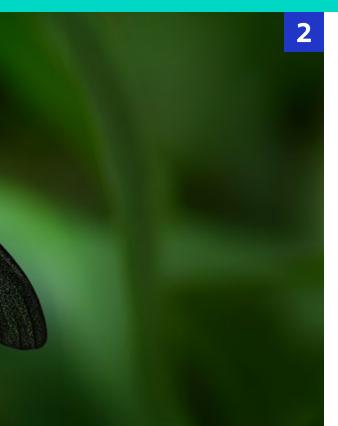
Since 2018, Intan Kurniati Ningsih has worked as a project manager at Proforest and co-lead for the Siak Pelalawan Landscape Programme. During an internship in responsible sourcing and production at Proforest, she developed an interest in commodities and development. She believes palm oil purchasers, among the biggest actors in the palm oil supply chain, must understand both the positive and negative effects of the commodity.

Much of her work with the Siak Pelalawan Landscape Programme has been in helping mills to understand the benefits of sustainability and deforestation-free production. "I'm most proud of the work I do with the mills on the programme, trying to make them aware of NDPE commitments and trying to influence their behaviour and how they operate, by explaining how it supports long-term sustainability and business."





Riau



#### **Siak and Pelalawan Districts**

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# **Building Forest-Positive** Villages

Supporting villages is at the heart of our coalition's work in Siak and Pelalawan. We are working to create forest-positive villages, meaning villages that are deforestation-free and where farmers and communities conserve and restore peatland and forests to improve livelihoods. Our holistic approach towards forest and peatland protection requires us to engage with everyone in the villages in which we work. We want to understand the local communities' needs, identify all the crops grown (not just palm oil), and pinpoint where we can best support sustainable development.

One of the ways we do this is by training facilitators and placing one in each village. The facilitator explores the issues in the village and the needs of the community and looks for ways to build sustainability into the palm oil industry. The facilitator assists the village in developing a land-use plan, identifying which areas of forest and peat are for conservation and which areas are used for farming or other activities.

In Siak and Pelalawan, Proforest and Daemeter adapt a peat care village programme used by the BRGM (Indonesia's Peatland and Mangrove Restoration Agency - or Badan Restorasi Gambut dan Mangrove Republik Indonesia). The programme is designed to harmonise existing programmes

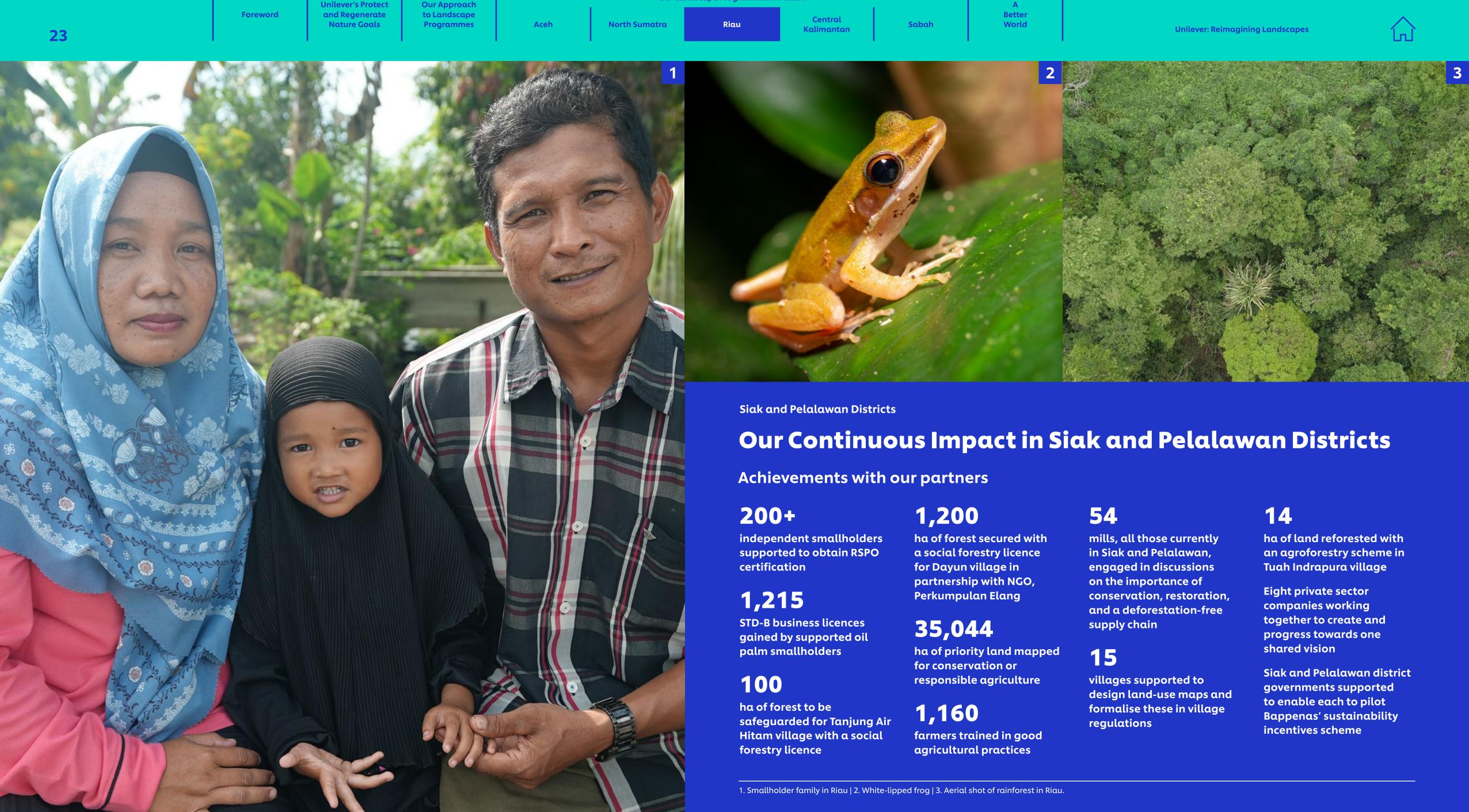
and activities in peatland villages. To adapt it for villages in Siak and Pelalawan, Proforest and Daemeter add further elements, such as training on the importance of forest conservation and helping oil palm farmers to attain legal title to their land. Once consensus on a plan has been reached, this is formalised as a village regulation.

So far, our coalition has supported 28 villages through the mapping and regulation stages, and farmers are now being trained in sustainable forest maintenance and peatland management practices. We also support training in good agricultural practices based on the proven methods of palm oil producer and coalition member, Musim Mas, alongside other, international guidance. Our aim is to increase the farmers' yields of fresh fruit bunches to alleviate pressure on neighbouring forests and peatland. As part of this, we support a demonstration farming plot in each village, which helps the community to learn how to develop new sources of income.



<sup>1.</sup> Intan Kurniati Ningsih, Project Manager, Proforest | 2. Green swallowtail butterfly | 3. Women farmers in Riau pack pineapple snacks for sale.

**Our Approach** 





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# Central Kalimantan: Seruyan and Kotawaringin Barat Districts

We are partnering with organisations including Inobu to support the Seruyan and Kotawaringin Barat districts.

### Key Facts: Seruyan and Kotawaringin Barat

	Seruyan	Kotawaringin Barat
Forest cover (ha)	411,000 <sup>a</sup>	229,000 <sup>g</sup>
Oil palm planted area (ha)	308,000 <sup>b</sup>	214,000 <sup>h</sup>
Population living below the poverty line	6.85% (2020) <sup>c</sup>	3.59% <sup>i</sup>
Number of smallholder farmers	6,582 <sup>d</sup>	14,409 <sup>j</sup>
Number of palm oil mills in our supply chain	18 <sup>e</sup>	10 <sup>k</sup>
Unilever palm oil suppliers who source in the landscape	Golden Agri-Resources, Wilmar, Musim Mas <sup>f</sup>	Apical, Cargill, Sime Darby <sup>l</sup>

<sup>1.</sup> Oil palm smallholder farmers in Central Kalimantan.

a. Descartes Lab 2021a | b. Descartes Lab 2021b | c. BPS Siak 2022 | d. Ditjen Perkebunan 2020 | e. Unilever 2021 | f. Unilever 2021 | g. Descartes Lab 2021a | h. Descartes Lab 2021a | i. BPS Pelalawan 2022 | j. Ditjen Perkebunan 2020 | k. Unilever 2021 | l. Unilever 2021.



Riau

Central Kalimantan



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Seruyan and Kotawaringin Barat Districts

We support the districts of Seruyan and Kotawaringin Barat in Central Kalimantan province, a landscape that is home to endangered species such as the orangutan,<sup>a</sup> as well as hornbills and the endangered proboscis monkey.<sup>b</sup> Seruyan and Kotawaringin Barat are two of the largest palm oil producing districts in the province, and product from both districts enters our supply chain.

Crucially, the district and provincial governments are committed to

sustainability. Seruyan committed to jurisdictional sustainability in 2015 and is also supported by the RSPO, which selected it to pilot its own developing jurisdictional approach scheme. Kotawaringin Barat committed to implementing a jurisdictional approach in 2016.

Together with Inobu, a not-for-profit research organisation with significant experience working in sustainability in Central Kalimantan, we are supporting a multi-stakeholder process to build a framework for sustainable development and are helping both the provincial and district governments to restore degraded peatland, riparian, and dry lowland areas. We have also supported a comprehensive human rights assessment in both districts and are supporting the mapping of village boundaries. Additionally, we are helping to train smallholders in regenerative and good agricultural practices to increase yields, incomes, and achieve RSPO certification.



### **Local Government: The Many Benefits** to Landscape Approaches

Kamaludin is the head of Kotawaringin Barat's Investment and One Stop Service Centre, which supports potential investors in the district by simplifying licensing processes and providing them with relevant information about the district. He's seen first-hand the benefits of a collaborative landscape approach to sustainable development.

"It actually increases the farmers' incomes, so we really appreciate it. There is no need to increase the size of the land; just by utilising the existing land and maximising it, we can

legally increase the capacity and production of the land." He says companies that support certification, like Unilever, benefit too by obtaining a supply of high-quality palm oil.

Kotawaringin Barat has more than 15,000 independent smallholders farming a combined 20,000 ha and Kamaludin says he'd like to see more farmers supported towards sustainable production. "Many farmers want to join the process. The problem is that we do not have available funding."

Riau

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# Silvia Irawan: **Sustainability** for Everyone

Dr Silvia Irawan, executive director of Inobu, is most proud of the fact that, in Seruyan and Kotawaringin Barat, sustainability is now something that everyone in government talks about. "Every district government official - not just in one department, we work with everyone - everyone talks about it and everyone gets excited about it." She now wants to see village communities and farmers increasingly talking about it too. "Our hope is that they talk about it, that they demand it from their leaders, that it becomes something that everyone wants.'



Irawan co-founded Inobu in 2014 to get better understanding of which activities would really address deforestation. Inobu discovered that the topic of farmers motivated people in government and civil society alike, and that the challenge around RSPO certification was not that it was difficult, but that it was costly. Since 2016, Inobu has been working to scale up certification and reduce costs for all farmers by freely distributing training materials - to farmers in the districts in which they work, and elsewhere too. By broadening access to RSPO certification for farmers, Inobu has given many smallholders the opportunity to earn significantly more money.

Irawan's hope for Seruyan and Kotawaringin Barat is that, eventually, all earnings come from sustainable businesses, including fresh fruit or fruit products. "Oil palm is a way of bringing in responsible buyers to invest in the jurisdiction - and in product development - to create an industry and tip the economy towards sustainability," she says.

1. Locals on Seruyan River in Central Kalimantan | 2. Kamaludin, Head of Kotawaringin Barat's Investment and One Stop Service Centre | 3. Silvia Irawan, Executive Director, Inobu. a. IUCN n.d. b | b. IUCN n.d. c.



**Unilever's Protect** and Regenerate Nature Goals

**Our Approach** to Landscape Programmes

Seruyan and Kotawaringin Barat Districts

# Margini: A Palm Smallholder's **Perspective on Training**

Margini is a successful palm oil smallholder. She's from Central Java, but moved to Central Kalimantan in 1985 looking for a job. She found work and managed to save up to buy a first plot of land. Then, she married and had twins, and though she and her husband were able to save enough to buy a second plot and build a house, looking after the children and earning money meant neither had time to tend the land as much as they wished.

"We only began to think about farming when my children entered elementary school. We took care of the land by cleaning it up for two to three hours daily, while waiting for the children to come home from school. I treated, fertilised, and sprayed the plants. Thank God that they are already bearing fruits," she says.

Inobu's village facilitator happened to move in next door to Margini and invited her to join Inobu's training programme. She was the only woman in the first training sessions she participated in. "We were taught how to fertilise and care for the land, how to spray and use PPE, and how plastic waste should not be thrown in the field. Before the training from Inobu, we didn't use PPE, we just fertilised the land randomly without considering the time and dosage." Margini says now, "the fruits are great".



# **Building Blocks for a Sustainable** Landscape in Seruyan and **Kotawaringin Barat Districts**

#### Establishing a multi-stakeholder forum:

The multi-stakeholder working groups we support in Seruyan and Kotawaringin Barat perform a similar role to the multi-stakeholder forums we support in other landscapes. Each working group focuses on a specific goal, such as empowering smallholders or resolving social conflict. The groups are overseen by an overarching working group and secretariat led by the Kotawaringin Barat secretariat and the Seruyan development planning agency, Bappeda. Inobu has found that the multi-stakeholder groups function best when participants are focused on achieving specific targets together.

#### Helping to protect and restore forests and biodiversity:

Production and protection must go hand in hand. We support Inobu to consult with communities to create village spatial plans, which are essentially agreements setting out the areas the residents farm and the areas that they commit to protecting. Seruyan, as an RSPO pilot for jurisdictional certification, is required by the RSPO to protect HCV and HCS forests. As well as identifying areas for production and for protection, we support activities that help residents to increase their incomes. We can't protect forests unless the needs of communities are met.

We work with community members to restore degraded forests with new trees. This is a popular programme as 70% of the trees we invest in produce crops the residents can eat or sell. We also invest in trees that support wildlife and biodiversity. This new planting also addresses residents' concerns about

1. Smallholder farmer on her motorcycle | 2. Smallholder farmer family in Central Kalimantan

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Central Kalimantan Sabah

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flooding and fires. Locals have experienced severe floods in recent years and the landscape is covered with low-growing scrub that is fire prone. These new trees, if correctly planted and maintained, can alleviate both these issues. In Seruyan, this restoration programme is included in the government's district plan, which contains targets for restoring degraded land and riverbanks. We also support Inobu in assisting communities to apply for social forestry permits, which are awarded by the national government and give villages the formal right to manage and use state forests.

#### Supporting smallholder empowerment initiatives and developing sustainable agriculture:

Together with Inobu, we have already trained more than 1,000 independent smallholder farmers in Seruyan and Kotawaringin Barat, supported them to obtain RSPO certification, and are working to certify 2,500 more. This includes certifying KUD Tani Subur in Kotawaringin Barat, a highly successful cooperative comprising 703 certified farmers, who together own 1,420 ha of land. The farmers formed the cooperative in 1984 and were among the first smallholders we supported to reach certification when we started partnering with Inobu in 2016. To help smallholders reach ISPO and RSPO standards, we provide training in good agricultural practices that are proven to increase palm fruit yields, protect forests, and prevent fires.

Smallholders say the training – and subsequent increased yields and income - has motivated them and they feel supported by Inobu, whom many still seek advice from even after their training is complete.

# 'We can't protect forests unless the needs of communities are met."

For some, the training is their first exposure to sustainable agriculture essentials, such as using personal protective equipment (PPE), following correct fertilising methods and harvesting timings, caring for the land, and planting 15m away from rivers.

Through its work in Seruyan and Kotawaringin Barat, Inobu has proven it is both possible and profitable to certify smallholders with support from companies like Unilever. Its successes have led to interest from other NGOs, the private sector, and cooperatives and farmer groups from other regions, who often approach Inobu for certification support. Inobu has since streamlined and accelerated its certification processes and has developed a surveying and mapping app, which will be integrated into an online STD-B system used by government.







**Our Approach** to Landscape Programmes

#### Seruyan and Kotawaringin Barat Districts

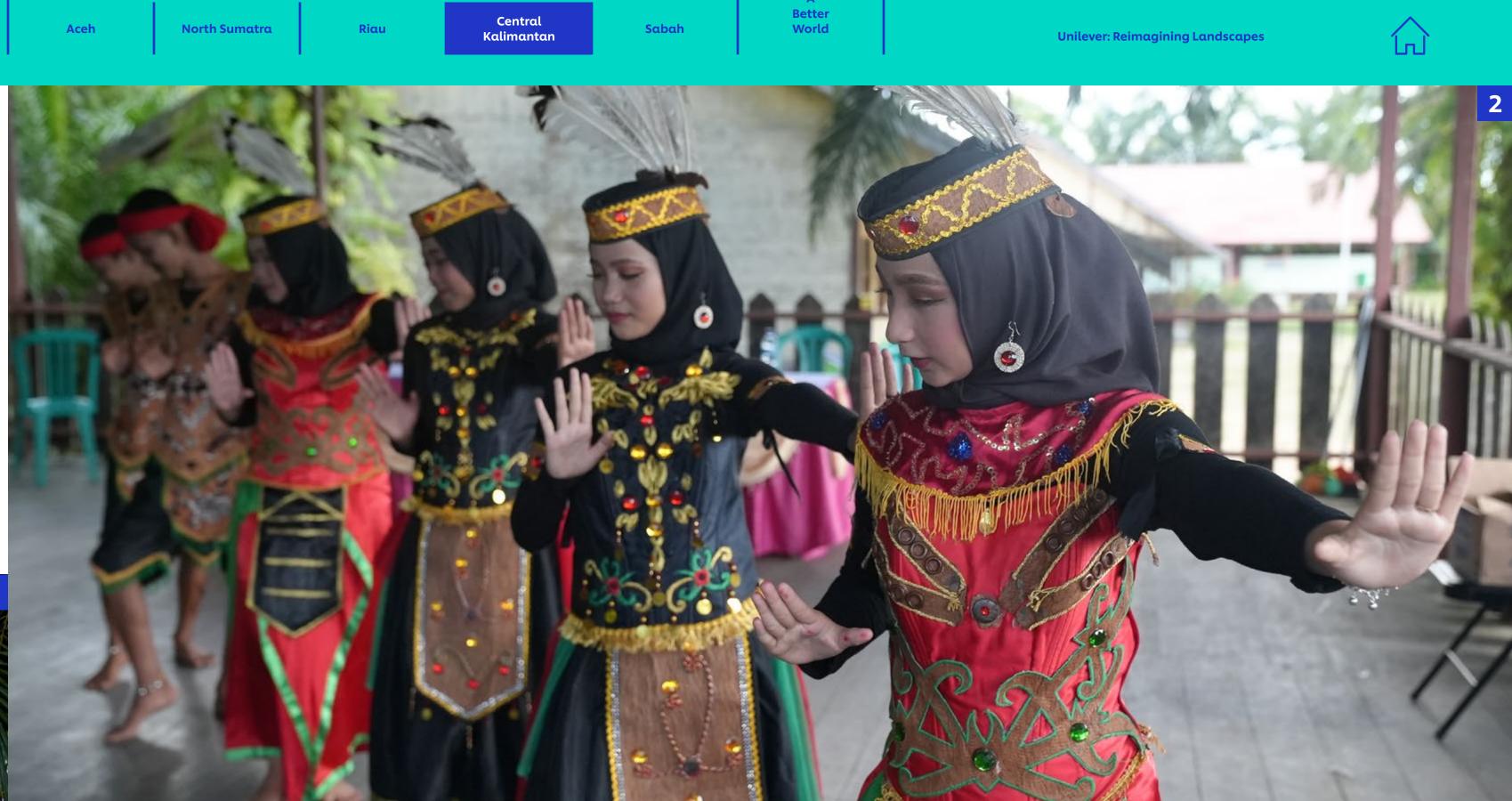
#### Safeguarding human rights:

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We are supporting Inobu and Aliansi Masyarakat Adat Nusantara (The Indigenous Peoples' Alliance of the Archipelago; AMAN) to map the customary boundaries of three villages in Kotawaringin Barat. By 'customary', we mean 'traditional'; the boundaries might not yet be recognised in law, but the villages have long occupied the land. We have already completed the work in two villages, and the results included an understanding of how to protect forests.

With our support, Inobu has mapped conflicts in 20 villages and has helped the government set up processes for recording, monitoring, and resolving them. The aim is to create a transparent system with information on cases available online. The next step is for Inobu to support the government in conducting two pilots of conflict resolution, one relating to land rights and one environmental, to test the processes, adapt them where necessary, and establish a proven framework.





# Human Rights Impact Assessment

Jurisdictional approaches can help address human rights challenges in palm oil, resolving systemic issues and allowing us to ensure the highest human rights standards are upheld in our supply chains. In June 2021, Forest Peoples Programme, a human rights NGO, conducted a human rights assessment of eight villages mostly populated with Indigenous Dayak people, on behalf of Inobu.<sup>a</sup> Four of them are in Seruyan and four in Kotawaringin Barat.

Unilever and partners wanted to understand the situation, particularly regarding land conflict, and to ensure that communities had given free, prior, and informed consent when plantation licences were awarded. Most cases are historic; few, if any, licences have been awarded since 2014/2015. We also wanted to understand how labour laws are enforced.

Forest Peoples Programme shared its report with the villages it surveyed, as well as with

the Seruyan plantation department and the local agencies of ministries. The NGO felt that the agencies welcomed the data as they did not have the resources to carry out such surveys themselves. We held a meeting with downstream companies to explain the situation on the ground and are now supporting Inobu to look more deeply at labour issues and the rights of women and children in the plantation industry.





**Our Approach** to Landscape Programmes

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Seruyan and Kotawaringin Barat Districts

# **Our Continuous Impact in Seruyan** and Kotawaringin Barat

#### Achievements with our partners

### 1,000+

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independent smallholder farmers have obtained RSPO certification

### 1,581

legal business or land titles obtained by assisted smallholders

### 2,500

independent smallholder farmers on more than 5,000 ha are being further supported for RSPO certification

# 5,858

smallholders on 20,541 ha mapped and integrated into the local government-run SIPKEBUN database

# 31,236

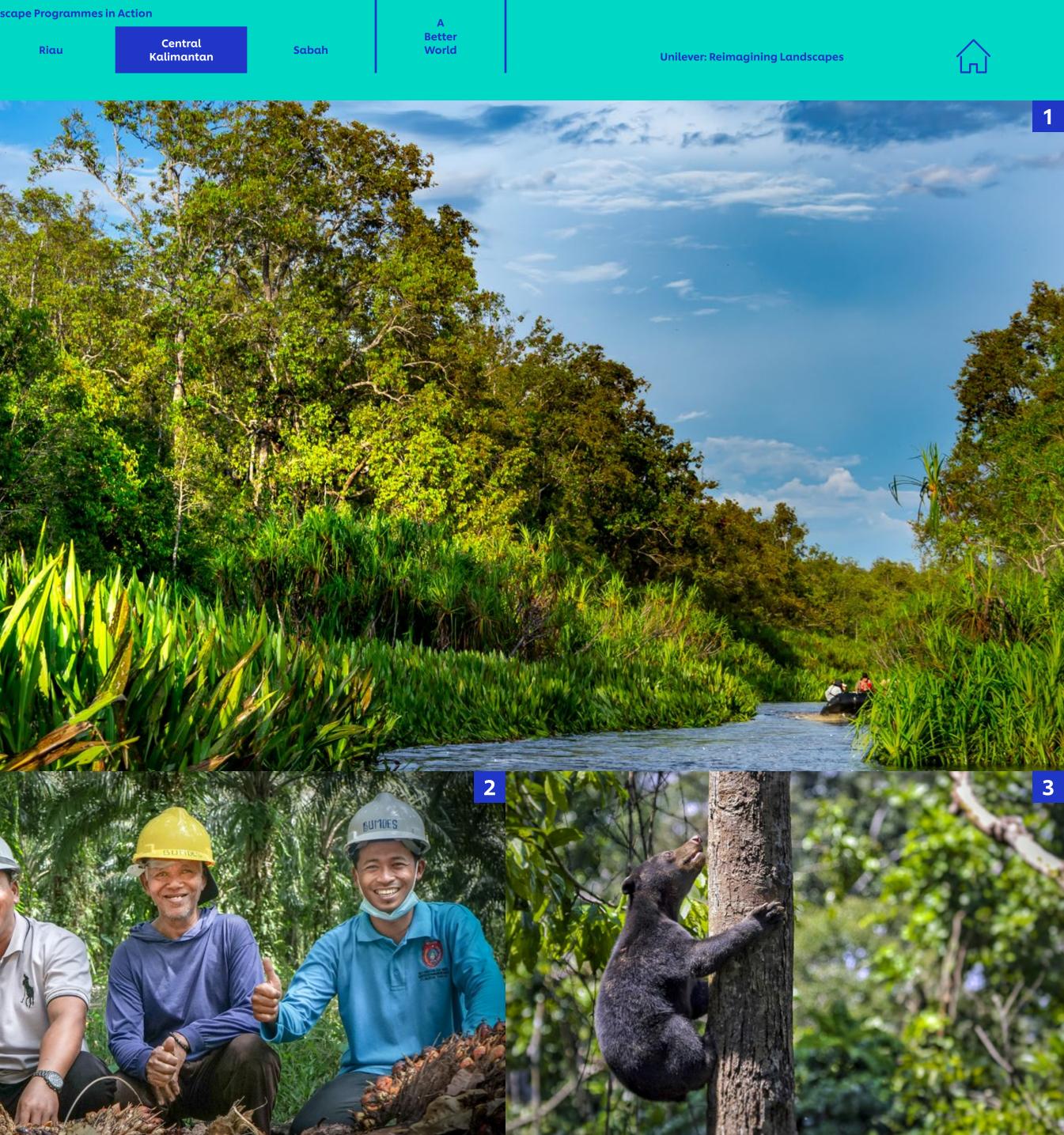
trees planted on 147 ha (out of a targeted 200 ha) together with local communities and government

Two villages supported with landuse mapping and alternative livelihood schemes

Local communities supported to work towards social forestry applications

Recommendations from a jurisdictional-level human rights assessment to be implemented with our support; assessment methods disseminated to other jurisdictional and landscape initiatives

Process set up, with AMAN, to register and mediate land rights issues





Unilever's Protect and Regenerate Nature Goals Our Approach to Landscape . Programmes

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# Sabah, Malaysia

We are partnering with organisations including the World Wide Fund for Nature (WWF) to support Malaysia's Sabah state.

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### Key Facts: Sabah

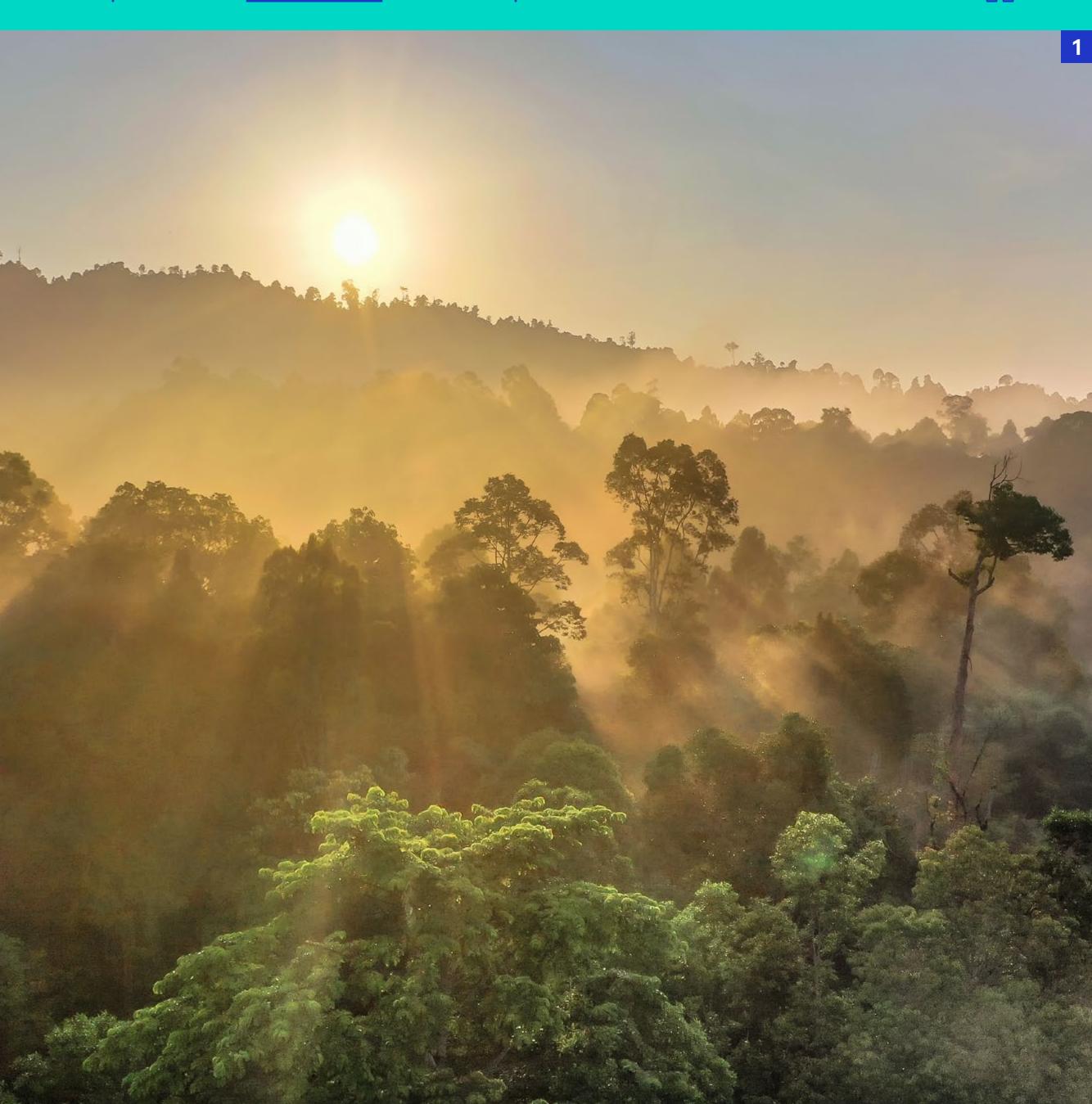
	Sabah
Forest cover (ha)	3.22 million <sup>a</sup>
Oil palm planted area (ha)	1.54 million (2020) <sup>b</sup>
Population living below the poverty line	25.3% (2020) <sup>c</sup>
Number of smallholder farmers	34,000 (13% of total planted area) (smallholdings are usually 10–20 ha) <sup>d</sup>
Number of palm oil mills in our supply chain	135 <sup>e</sup>
Unilever palm oil suppliers who source in the landscape	Kuala Lumpur Kepong, Wilmar, Sime Darby, Bunge <sup>f</sup>

<sup>1.</sup> The rainforest of Borneo.

a. Descartes Lab 2021a | b. Descartes Lab 2021b | c. BPS Siak 2022 | d. Ditjen Perkebunan 2020 | e. Unilever 2021 | f. Unilever 2021 | g. Descartes Lab 2021a | h. Descartes Lab 2021a | i. BPS Pelalawan 2022 | j. Ditjen Perkebunan 2020 | k. Unilever 2021 | l. Unilever 2021.









**Our Approach** to Landscape Programmes

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Sabah, Malaysia

Sabah is blessed with rich forests and abundant wildlife, as well as a broad coalition of partners comprising government, community, and private sector bodies that want to help to protect and restore them. The state is also Malaysia's largest producer of palm oil, by volume, and is part of our supply chain.

Sabah has firmly committed to sustainability. It intends to be 100% RSPO certified by 2025,<sup>a</sup> targets 100% MSPO certification, is a pilot for RSPO jurisdictional certification, and has committed to protecting 30% of its forests. It also has a multistakeholder forum in which NGOs, government, and the private sector all participate.

In Sabah, we support WWF's Sabah Landscapes Programme, which forms part of a wider, governmentled, jurisdictional effort. Unilever supports forest restoration in Tawau, Kinabatangan, and Lower Sugut, with orangutan and elephant habitats and riparian areas covered by the programme. We have committed \$2.5 million (€2.47 million) over five years to this work.

Through our work with WWF and other funders, we also support NDPE training and help organise smallholders and outgrowers into cooperatives for group certification – for the MSPO and RSPO. We also help with advocacy for landscape approaches to encourage others to join, as we believe that collaboration is essential if we are to succeed in transforming the palm oil sector.









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# **The Sabah Rainforest**

Sabah's rainforest is one of the world's oldest, dating back millions of years. Only 11,000 critically endangered Bornean orangutans<sup>D</sup> and less than 1,500 endangered Bornean elephants<sup>c</sup> remain in the forest, which also hosts sun bears, clouded leopards, helmeted hornbills, and proboscis monkeys. Sabah's plant life is equally fascinating and includes not only mangroves and towering trees – including a recently discovered 100.8m *Shorea faguetiana*, the world's tallest known tropical tree. There are also orchids, one-metre-wide Rafflesia flowers and carnivorous pitcher plants.



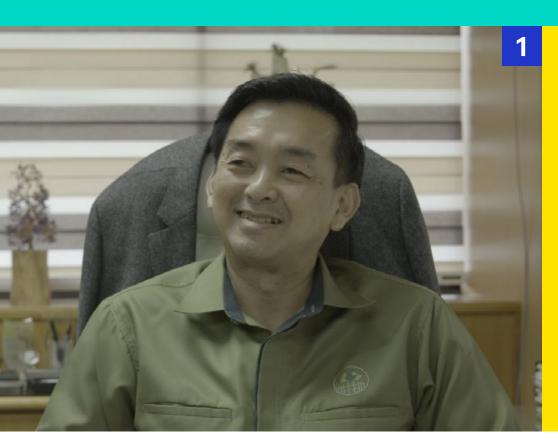


**Unilever's Protect** and Regenerate Nature Goals

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**Datuk Frederick** Kugan: **Progressing to** Jurisdictional Certification

Datuk Frederick Kugan is the Chief Conservator of Forests for Malaysia's Sabah state. A forester by background, he works within the Sabah Forestry Department, which has a policy of sustainable forest management. Kugan believes Sabah's good governance of palm oil could be a particular selling point for the state and describes its multi-stakeholder forum, the Jurisdictional Certification Steering Committee (JCSC), as

Sabah, Malaysia

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# **Building Blocks for a Sustainable** Landscape in Sabah State

#### Supporting a multi-stakeholder forum:

We support Sabah's Jurisdictional Certification Steering Committee (JCSC), the government-led multi-stakeholder forum coordinating Sabah's state-wide programme. Sabah, and Malaysia more broadly, have committed to forest protection and certification, and the JCSC provides a supportive structure for this work. The JCSC manages the overall framework so that partners can remain focused on their own roles. Six working groups have been set up to tackle specific issues, for example, producing guidelines on free, prior, and informed consent. The forum is now creating a map of areas to be prioritised for conservation.

#### Supporting smallholder empowerment initiatives and developing sustainable agriculture:

We are supporting WWF, alongside HSBC, to map and train outgrowers and farmers to meet the standards required for MSPO and RSPO certification. At the beginning of our support in Sabah, we set ourselves a target to, together with WWF, increase the supply of sustainable palm oil by more than 100,000 metric tonnes. This requires us to help to certify 20,000 ha of palm land

in Tawau and 10,000 ha in Lower Sugut. By supporting group certification, we have found a way to streamline certification, saving time and resources.

We also support work with palm oil mills, because of their ability to influence their suppliers of fresh fruit bunches. If a mill is already RSPO certified, it must continuously improve its supply chain by increasing its sourcing of sustainably produced palm oil. This means mills can be influential in raising standards of growers, who can be encouraged by the knowledge that they will receive a premium price for certified production.

In support of Sabah's aim to be 100% RSPO certified by 2025, Unilever aims to purchase the RSPO independent smallholder credits from the certified grower cooperatives in the Tawau-Kunak landscape. We believe that our purchases of these credits can directly incentivise and support the livelihoods of independent smallholders by creating a market for sustainable smallholder grown oil palm. This also helps to encourage growers to be both MSPO and RSPO certified and serves as a showcase of the benefits of certification.

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**Unilever: Reimagining Landscapes** 

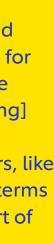
"an asset that forms a very sound platform in order to transition Sabah towards full certification in the future".

Kugan says jurisdictional certification in Sabah is about certifying the entire palm oil landscape on a state level and addressing all the related issues. He says one of the challenges of working towards jurisdictional certification is ensuring all stakeholders, in

particular smallholders, are included and supported towards certification. He says for this to happen, teams need access to the right support. "We are looking at [bringing] in support, not only from locals but also maybe from the markets and from buyers, like Unilever, who have been very helpful in terms of assisting the state in initiating this sort of initiative."

'We are looking at [bringing] in support, not only from locals but also maybe from the markets and from buyers, like Unilever.'







**Our Approach** to Landscape Programmes

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North Sumatra

Sabah, Malaysia

# Wildlife Corridor and Forest Restoration

With WWF, we are planting and maintaining native trees to support the migration of wildlife in a landscape in Tawau. The area, which is 1,067 ha of a 7,000 ha corridor, is located on land owned by timber and palm oil company, Sabah Softwoods Berhad, between the Ulu Kalumpang Forest Reserves and Ulu Segama forests.

Our role is to support WWF, Sabah Softwoods Berhad, and the Sabah Forestry Department to replant native trees in this corridor. To date, we have together planted 20,095 trees on 209.44 ha. This planting particularly benefits orangutans – they need trees for food, sleeping, and safety - by reconnecting the Ulu Kalumpang Forest Reserve and Ulu Segama Forest Reserve. The trees also help connect isolated orangutans with others to maintain healthy breeding populations.

We have committed to working with WWF for five years, which is the length of time it takes to establish new trees. We support maintenance of the saplings and quarterly clearing of the fast-growing blanket of weeds, which would otherwise smother them. After five years, the trees are 10–15 m tall and are considered established. It is important to stress that planting new trees is not enough; a five-year maintenance period is crucial for the young trees to survive.

We are also supporting WWF to replant 70 ha in the Sugut Forest Reserve and to restore riparian forests in the Tawau-Kunak landscape. WWF will use an agroforestry scheme to restore the forests, meaning some of the trees planted will provide crops the farmers can consume themselves or sell, giving them additional food and income. The replanting will also reduce riverbank erosion and improve water quality and wildlife protection.

1. Herd of elephants in Sabah. Credit: WWF-Malaysia/Mazidi Abd Ghani | 2. John Payne, Executive Director, Bring Back our Rare Animals (BORA) |

3. Seedlings being grown at Sungai Lipad.





Sabah

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# John Payne: Bringing Innovative **Conservation to Sabah**

John Payne, executive director of Bringing Back Our Rare Animals (BORA), has been working in wildlife conservation in Sabah since the 1970s. He traces his interest in nature to annual visits to London Zoo as a child.

After studying zoology at London University, he took on a job with WWF in Sabah, and eventually became its leader. Since rebranding BORA, formerly the Borneo Rhino Alliance, in 2020, he has taken a new approach to habitat restoration, focusing on species that provide food for animals, rather than the wood species that are typically planted to revitalise degraded land.

In Borneo, there are about 150 species in the genus *Ficus*, the wild native fig, and Payne believes this is an obvious choice for

forest restoration. "If you look at the most important food plants of wild orangutans, compiled by orangutan researchers over the past 50 years, two plant genera stand out: Ficus and Spatholobu...If you go into any rainforest area, there are always many species of *Ficus*, and some are fruiting at any given time."

Unilever supports BORA's work at Sungai Lipad, a test site where it experiments to find the best methods of growing and propagating *Ficus*. Through this partnership, we have planted more than 4,000 plants on 130 ha and have also set up a seed bank and a centre to save genetic material, the Sabah Ficus Germplasm Centre.



**Our Approach** to Landscape Programmes



Sabah, Malaysia

# Safeguarding human rights:

By committing to MSPO and RSPO certification Sabah made a clear and positive commitment to uphold labour standards. The state has many foreign workers,<sup>a</sup> including in the palm oil sector. Unilever is committed to upholding human rights and has supported Universiti Kebangsaan Malaysia to carry out an analysis of palm oil labour issues in Sabah.

In the report, commissioned for a working group of the state's multi-stakeholder forum (the JCSC), researchers made recommendations to tackle the issues they found, including, for example, amending migration and employment policies to safeguard migrant workers. The government-led multistakeholder forum is planning the next steps.

# Our Continuous Impact in Sabah, Malaysia

Achievements with our partners

# 50,000

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native trees on over 1,000 ha being financed and planted in Tawau and Lower Sugut, providing nesting sites, food trees, and safe passage for orangutans and elephants

### 4,000

trees being planted on 130 ha with BORA

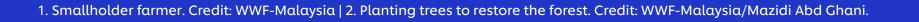
### 60,000

ha of oil palm plantations being supported to gain **RSPO and MSPO certification** 

Three oil palm cooperatives set up for outgrowers and smallholders as a step to helping farmers gain MSPO and RSPO certification

**BORA supported to experiment with** *Ficus* trees for forest restoration to support orangutan populations in Kinabatangan and Sungai Lipad Sabah State supported to work towards **RSPO jurisdictional certification** 

(system of certification currently being finalised by the RSPO) through the JCSC



Sabah

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**Unilever's Protect** and Regenerate Nature Goals

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# **A Better World**

At Unilever, we believe that putting people and forests first is essential if we are to leave a better world for future generations. We are committed to building a deforestationfree supply chain in palm oil, paper and board, tea, soy, and cocoa by 2023; to protect and regenerate 1.5 million ha of land, forests and oceans by 2030; and to sustainably source 100% of our key agricultural crops, including palm oil. We want our customers to know that when they purchase a Unilever product they are buying into sustainable sourcing that supports the protection and regeneration of nature, empowers smallholders, and improves livelihoods of entire communities.

We acknowledge we cannot achieve these stretching ambitions alone. Only by collaborating with others can we accelerate and scale the work required to overcome systemic environmental and social challenges. For this reason, landscape programmes are key to our approach to making sustainable living commonplace. By working together with local governments, civil society, and communities on targeted landscape programmes we can

contribute beyond the boundaries of our own supply chain to support wider efforts to end deforestation and have positive impacts on people and planet.

Sustainable palm oil is so much more than a commodity. In each of the five programmes featured in this report, we support the development of a multi-stakeholder forum that creates an overarching vision and stimulates essential stakeholder collaboration. We support the development of policies for land use to help governments balance economic development with environmental and social sustainability. We are developing high-tech forest monitoring systems with local actors, to respond to deforestation faster than ever, while simultaneously working to restore important habitats. We are supporting smallholder farmers in their efforts to become certified, raising standards and incomes in the process. We promote access to social forestry licences, giving communities an economic reason to keep trees standing. And we ensure our programmes are designed to resolve land conflicts and uphold human rights for all.





Sabah

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## **The Way Forward**

We want to continue our progress in this space, because resolving the systemic issues driving forest loss requires continuous and joint effort between companies, the government, and civil society. And there is much work still to be done.

We see a need to intensify work on labour and human rights issues and additional funding is needed to help smallholder farmers pursue training in regenerative agriculture and certification to improve productivity and clarify land tenure. We are encouraged to be part of groups, such as the Consumer Goods Forum's Forest Positive Coalition of Action, which are helping to identify additional high priority areas to benefit from our collaborative landscape work. We are also working to scale the progress made to date through our involvement through various initiatives such as the Rimba Collective, of which we are a founding member. Our brands are accelerating efforts to achieve our forest and nature commitments too, through the Unilever Climate & Nature Fund, in which we are investing €1 billion in the 10 years to 2030.<sup>a</sup>

To support the industry transformation we seek, we openly share our learnings with other companies, so they too may join, or initiate, landscape projects and create sustainability models that go beyond certification and their own supply chains.

There is much work ahead, but, by working together, we are confident we can create the transformation needed to support people, forests, and wildlife to thrive on our journey to making sustainable living commonplace.



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