Voluntary Sustainability Initiatives

Gauging the potential of VSIs to reduce deforestation and forest degradation in developing countries

Thuy Phung
Regional Forum on Developing and Financing Low Emissions Development Strategies (LEDS) for the Agriculture, Forestry and Other Land Use (AFOLU) Sector
Bangkok, July 8, 2015
SUPPLY CHAIN

We are making our supply chain more secure by working with smallholder farmers to improve farming practices and livelihoods.

http://www.unilever.com/sustainable-living
Study Objective

• Assess VSI’s **substantive and procedural requirements**
VSIs Assessed

15 Commodity VSIs

11 Company VSIs
Assessment Criteria

1. Definitions
2. Geographic Area
3. Timelines
4. Baselines
5. Monitoring & Measurement, Reporting, Verification (MRV)
6. Noncompliance
7. Chain of Custody
8. Subsidiary Relationships

Main weaknesses identified
Geographic Area

Roundtable for Responsible Soy (RTRS)

Roundtable for Sustainable Palm Oil (RSPO)
Roundtable for Responsible Soy (RTRS)
Roundtable for Sustainable Palm Oil (RSPO)
Traceability

• Few **trace** supply back to the farm level
• Unclear **subsidiary relationships**

Adapted from: RSPO Supply Chains – Identity Preserved
Monitoring & MRV

• Few have detailed *monitoring* plans or performance indicators
• Not all require third-party *verification* and unannounced audits
Recommendations for VSIs

- Enhance **monitoring, transparency** and traceability
- Issue **clear and robust guidance**
- Increase **capacity** to implement VSIs
- Set **cut-off date** well in the past
  - Implement **offsets** for past damage
  - Set **minimum forest cover** on certified areas – attract donor support
Recommendations for Governments

• Promote landscape level planning
• Establish supportive policies and regulations
• Work with VSIs to extend practices to SMEs and engage smallholders
Key Takeaways

- **VSIs** need to improve their designs and requirements
- **Governments** need to improve the regulatory frameworks
Full report & annex available at
http://www.leafasia.org