



ROUNDTABLE MEETING ON SUSTAINABLE PALM OIL

Plenary 3:

Jurisdictional Transformation

Title: The implementation of the Sabah JCSPO Initiative: Brace for Turbulence Ahead

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A Shared Responsibility: Converting Commitments into Action



RECAP

RSPO

Certification

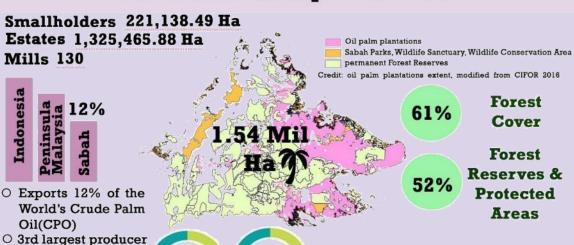
Objectives

- To transform Sabah's palm oil production and supply chains
- 2 Halting deforestations
- 3 Restoring ecosystem
- 4 Securing sustainable livelihoods

Goals

- To achieve no loss of High
 Conservation Value (HCV) & High
 Carbon Stock(HCS) forests for all oil
 palm in Sabah
- Free, Prior, Informed & Consent (FPIC) to enable zero conflict in oil palm producting landscapes in Sabah
- To strengthen smallholder sustainability and uplift livelihoods

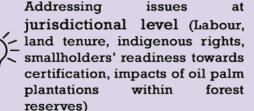
Palm oil landscape in Sabah



53.24

MSPO

WHY Jurisdictional Approach (JA)?





Better access to premium markets



Cost effective (individual certification is costly)



Competitiveness (Sabah is too small to compete on the basis of size, thus will compete in the basis of governance)

Financial Support thus far

Financial support needed over the period of five (5) years (2016-2020): RM 17.8 MILLION/approx. USD 4.2 MILLION

Total secured thus far: RM 12.6 MILLION/approx. USD 3 MILLION

Totally Protected Areas

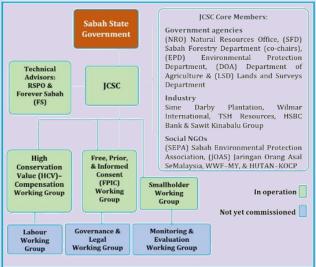
26% 30% Target by 2025



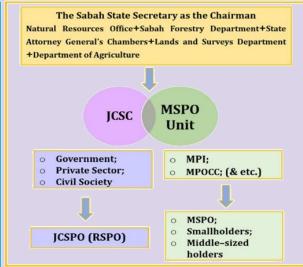
TARGET BY 2025... WHERE ARE WE NOW?

Reaffirmation of commitment by the current State Government of Sabah in 2018 (after the election)

Coordination of palm oil certification in Sabah



The organizational structure of the Jurisdictional Certification Steering Committee (JCSC)



Jurisdictional Certification Steering Committee (JCSC)+ MSPO Unit = concurrent implementation of the Sabah JCSPO Initiative & the MSPO Certification Scheme

- **Development of important documents** (some will be finalized soon and adopted for state—wide implementation)
- (a) First Five (5) Year Action Plan $\sqrt{}$
- (b) First Year Action Plan√
- (c) Smallholder Readiness Report√
- (d) Free, Prior, and Informed Consent (FPIC) Guide√;
- (e) Facilitated Land Application Process (FLAP) Report √



TARGET BY 2025... WHERE ARE WE NOW?

3 Establishment of a Permanent Secretariat









JCSC

Permanent Secretariat

A permanent Secretariat to oversee all matters pertaining to oil palm within the State is **crucial.**

Progress:

- 1. Fund from unilever and HSBC: USD 220,000.00 over the period of five (5) years;
- 2. A sub-committee to develop a ToR for the establishment of a permanent secretariat will be established;
- 3. Suitable candidates will be appointed as the (1) Secretariat Manager and (2) Assistant.



Implementation of the **Year One Action Plan**

Progress:

- 1. State-wide carbon mapping: **COMPLETED**
- 2. State-wide HCV assessment: **COMPLETED** (*in draft form*);
- 3. Field-testing of the FPIC Guide within the pilot areas (Telupid, Tongod, Beluran & Kinabatangan, TTBK): **COMPLETED** (The FPIC Guide is currently being revised based on the inputs derived from the field-testing process;
- 4. Living Landscape Programme (LLP) targeting 60,000 ha of middle–sized holders within the Sugut and Tawau landscapes for certification by 2023: **INITIAL STAGE**;



TARGET BY 2025... WHERE ARE WE NOW?





Implementation of the **Year One Action Plan**

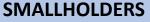
5. Smallholder pilot within **TTBK**: **ALMOST COMPLETED**

***this smallholder pilot is targeted to be completed by 2021

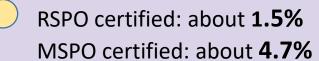


(1) RSPO: < 50.00 ha

(2) MSPO: **<40.46 ha**



Estimated **53,000 (221,138.49 ha)** in Sabah





Recognition



Recognized as **ONE OF THE MOST ADVANCED** jurisdictional initiative globally



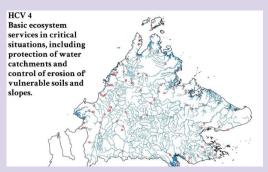
Recognized as the **ULTIMATE GOAL** in Sabah

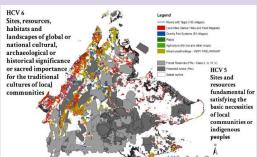


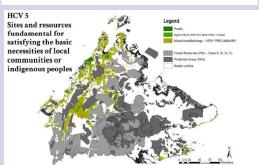
WORLD RECOGNITION (VARIOUS INTERNATIONAL PLATFORMS)

- o Tropical Forest Alliance (TFA) 2020 annual gathering at Jakarta (March 2016);
- o 2016 RSPO RT at Bangkok (November 2016);
- o 2017 RSPO EU RT at London (June 2017);
- 2017 TFA 2020 and Forest Trend's Climate Week Event at New York City (September 2017);
- o UNFCCC Forests Day Event in Bonn at COP 23 (November 2017);
- o TFA 2020 Annual Event in Accra, Ghana (June 2018);
- o Global Climate Action Summit in San Francisco, USA (September 2018); and
- o EU Malaysia Chamber of Commerce and Industry Conference in Kuala Lumpur (October 2018)

TARGET BY 2025... WHERE ARE WE NOW?



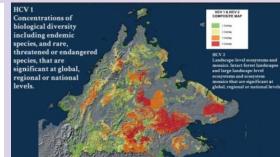




Advancement of GOAL 1 - To achieve no loss of High Conservation Value (HCV) and High Carbon Stock (HCS) 2. HCV 5 & 6 are demarcated areas forests for all oil palm in Sabah

PROGRESS:

- 1. Methodology review: COMPLETED in May 2019;
- 2. Report write-up: ALMOST COMPLETED;
- 3. Stakeholder consultation session: will be conducted once the report and HCV maps are ready.





SOME KEY CHALLENGES:

- 1. High Carbon Stock Assessment (HCSA) is UNFEASIBLE at the jurisdictional level;
- that are serving the basic needs of local communities. A step wise approach to HCV 5 & 6 are as follows:

Step-wise approach:

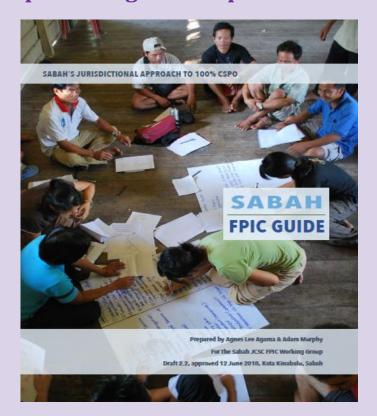
- 1. Meta Map (scoping):
 - o An indicative map to identify the locations of communities and certain landscape values, i.e., land use/land cover.
- HCV 5 & 6 assessment (second phase)
 - o to be conducted on a case-bybasis, a participatory approach that are coupled with the FPIC process



TARGET BY 2025... WHERE ARE WE NOW?



Advancement of **GOAL 2** – Free, Prior & Informed Consent (FPIC) to enable zero conflict in oil palm producing landscapes in Sabah



STEP-WISE PROCESS:

- 1. Adapting RSPO's FPIC Guide into Sabah FPIC Guide & SOPs;
- 2. Identifying suitable department/ministry to 'house' FPIC;
- 3. Integration of FPIC into Sabah's laws and institutions and organizational cultures of all stakeholders involved in palm oil production in Sabah.

PROGRESS:

- 1. Field-testing of the FPIC Guide within the pilot areas, i.e., TTBK: COMPLETED;
- 2. Revision and finalization of the FPIC Guide: IN PROGRESS;
- 3. "Housing" of FPIC in Sabah: the Ministry of Law & Native Affairs had agreed to co-convene a dialogue on this matter

SOME KEY CHALLENGES:

- 1. Poor engagement with some governmental bodies;
- 2. Testing the FPIC Guide in "real time" is UNFEASIBLE due to the lack of suitable locations or cases.



TARGET BY 2025... WHERE ARE WE NOW?

Advancement of GOAL 3 – to strengthen smallholder sustainability and uplift

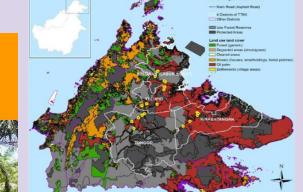
livelihoods

Smallholder Readiness for Roundtable

by 2025: results from field studies in Sabah's Telupid, Tongod, Beluran & Kinabatangan Districts

on Sustainable Palm Oil (RSPO)

Jurisdictional Certification of Palm Oil



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STEP-WISE PROCESS:

- 1. 2017: to build an integrated network;
- 2. 2019: MSPO certification;
- 3. 2025: RSPO Jurisdictional Certification

PROGRESS:

- 1. Good Management Practice: ALMOST COMPLETED;
- 2. The WG will continue to collaborating with Malaysian Palm Oil Board (MPOB) and Wild Asia to increase smallholders' readiness towards certification;
- 3. Finalization of the Facilitated Land Application Process (FLAP) report: ONGOING

SOME KEY CHALLENGES:

- 1. Only 17% of smallholders in TTBK had heard of RSPO;
- 2. 20-30% of smallholders employed non-legal labour;
- 3. About 13,000 smallholders in Sabah are UNREGISTERED.

CONCLUSION







Kick-start the implementation of the Year One Action Plan





2016

2017

2018

2019



- o First 5 Year Action Plan;
- Year 1 Action Plan
- 2.Establishment of the **Steering Committee (JCSC)**





- 1. Reaffirmation of commitment by the new Government:
- Sabah JCSPO Initiative: remains as the ULTIMATE GOAL
- Jurisdictional Certification o Sabah JCSPO Initiative & the MSPO certification scheme: concurrent implementation;
 - convening of the 2.The Sabah Implementation Dialogue (SID): building high impact partnerships (3)
 - 3. The development of the FPIC Guide & Smallholders' Readiness Report

Goals are achieved!

- o All oil palm plantations are RSPO & MSPO certified;
- o Procurement of 6 million metric tonnes of CSPO;
- o Fully functioning Permanent **Secretariat**;
- o Adoption of the state-wide **HCV&LUCA Map &Sabah RaCP**
- o Full implementation of FPIC, Smallholders interventions, & Smallholder Facilitated Land **Application Process**

Thank You