

Year Two Highlights 2019



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Year Two: Good Growth Partnership Highlights

October 2019

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United Nations Development Programme
One United Nations Plaza, New York, NY 10017, USA

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“A total overhaul in the way we produce, demand and finance our agriculture system is urgently needed to prevent any further damage to our planet. It has never been more urgent to work with changemakers in government and major actors from across the supply chain on multi-stakeholder platforms like the Good Growth Partnership to achieve deeper collaboration, coordination and understanding on how to forge a sustainable path forward.

**– Naoko Ishii, CEO and Chairperson
Global Environment Facility**

Photo: © Maria Paz Gonzáles/PNUD Perú



“The Good Growth Partnership has set an example where collaboration between different sectors and expertise plays a role in making sustainable commodity supply chains a reality.

–Aditya Bayunanda, Director of Policy, Sustainability, and Transformation at WWF-Indonesia

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FOREWORD

Collaborating for systemic change

As I near 30 years as a development practitioner, I have become increasingly determined to unravel the complex and significant challenges that threaten the sustainability of our planet. In this field of work we often come up against expectations for quick and easy fixes, for results tomorrow. However, when it comes to deforestation in commodity supply chains, I have learned that systemic change is required and this is elusive.

The need to recognize complexity and influence systemic change has long been understood by UNDP, GEF and partners. It is why the Good Growth Partnership's central approach to tackling deforestation pivots on integrating sustainable commodity production, demand and finance solutions.

We are now at the halfway point of the Good Growth Partnership's implementation phase, so it is important to reflect on its progress. Over the past two years, the GEF, UNDP, UN Environment, IFC, Conservation International, WWF and our executing partners have invested a lot of time and thought into dismantling institutional barriers. This has given way to a new culture of collaboration which in itself is a success.

The Partnership has taken its integrated approach to Brazil, Paraguay, Liberia and Indonesia where we continue to support sub-national and national government-led multi-stakeholder platforms, which are committed to implementing long-term action plans for the sustainable



Andrew Bovarnick opens the Good Growth Conference in Lima in May 2019. Photo: © Maria Paz Gonzáles/PNUD Perú

production of palm oil, beef and soy. These plans are not UNDP's or the GEF's, but are owned and driven by the countries and their stakeholders.

At a landscape level, the Good Growth Partnership has helped to identify, and is now working to protect more than half-a-million hectares of high conservation value forest. Through technical guidance on policy, effective land use planning, conservation agreements, private sector partnerships and the strengthening of farmer support services we are helping to catalyse the systemic transformation necessary to change the way commodities are produced.

Critically, efforts to harness the demand and influence of commodity traders, buyers, manufactures and the institutions that finance them are making significant headway.

Worldwide, knowledge and evidence of 'what works' is being collected and shared throughout the Partnership by UNDP's Green Commodities Community. At the Good Growth Conference, which was led by the President of Peru, we made a concerted effort to provide a setting where powerful cross-sector connections could be established. Through experiential learning in the heart of the Amazon, and a guided meditation session delivered by a Buddhist monk, our aim was to build the human connections needed to reduce conflict and inspire real change.

In 2017, we initiated this Partnership believing that the forces of sustainable demand, consumption and investment could contribute to systemic reform and reduce deforestation at the production end of the supply chain. Halfway through the four-year GEF funded Good Growth Partnership, we are seeing evidence

that this approach works. Yet, while our progress is promising, we cannot afford to lose sight of the bigger picture. The forest fires in the Amazon, and beyond, are a reminder of what is at stake. We must continue to collaborate and ensure that our impact contributes to the meaningful results needed to truly transform the world's food and agriculture systems.

Andrew Bovarnick
Global Head of the UNDP's Green Commodities Programme,
Director of the Good Growth Partnership

The Good Growth Partnership convenes a wide range of stakeholders and initiatives throughout soy, beef and palm oil supply chains to reduce deforestation and enable sustainable development.

Our efforts on the ground currently focus on several landscapes in four commodity producing nations: **Brazil's Matopiba region** in the country's tropical savannah ecoregion known as **the Cerrado**; important ecosystems in the Indonesian islands of **Sumatra and Kalimantan**; the biodiversity-rich northwest of **Liberia**; and the semi-arid **Chaco** region of **Paraguay**. These landscapes are prioritized by the

Partnership due to their high conservation value and proximity to agricultural production and deforestation.

Simultaneously we are working with **key buyer and consumer stakeholders** in regional and global commodity markets to influence responsible demand.

In the **United States, Europe, Asia and throughout our partner commodity producing nations**, the Partnership is focused on engaging major multinational corporations, financial institutions, global banks and public regulators to strengthen corporate policies and investment standards.

Since its inception in 2017, **the Good Growth Partnership** has brought together **a growing coalition of committed changemakers to achieve greater results** throughout its focal commodity supply chains and landscapes. This alliance has **enabled efficiency, avoided overlap** and allowed each partner to work to their strengths while simultaneously connecting the dots and layers that **influence sustainability** throughout the entire supply chain.



The Good Growth Partnership is funded by the **Global Environment Facility (GEF)**. The Partnership contributes to the GEF's commitment to assist developing countries in meeting the objectives of multilateral environmental agreements.



The United Nations Development Programme (UNDP) is leading the Partnership, with a specific focus on coordination and integration, knowledge sharing and sustainable production. The UNDP convenes key stakeholders to improve the legal and regulatory environment for commodity production. The UNDP also works directly with farmers to improve practices which help to protect high conservation value areas and enhance productivity.



Conservation International is working on the ground with producers, companies and policymakers to improve spatial mapping and land use planning, implement and validate legal requirements, and increase support for producers that improve practices and protect high conservation value areas in Brazil, Indonesia and Liberia.



The International Finance Corporation (IFC) is leading the Partnership's transactions project, which aims to develop and test models to enhance the sustainable flow of finance throughout the Partnership's focal commodity supply chains.



Alongside IFC, **UN Environment Finance Initiative** is contributing to the transactions project, working closely with banks and helping to make sustainable financing more accessible for businesses and farmers who require additional capital to invest in more environmentally sound practices.



World Wildlife Fund (WWF) is working to raise awareness and strengthen demand for sustainably produced beef, palm oil and soy among consumers, policymakers, companies and investors.

EXECUTING PARTNERS: PROVIDING SPECIALIZED, INNOVATIVE AND LOCAL SOLUTIONS



ISEAL Alliance is leading the implementation of Evidensia, an online knowledge hub which aims to synthesize and communicate available information about sustainable production and voluntary sourcing initiatives and commitments.



In coordination with WWF, **Proforest** is supporting companies' efforts to source responsible soy from Brazil and is leading a multi-stakeholder process in 10 African countries to ensure sustainable development of the palm oil sector.



Trase, a partnership between **Stockholm Environment Institute** and **Global Canopy**, is bringing unprecedented transparency to global supply chains. In partnership with WWF, Trase is transforming how data is used for decision-making by tracking the flows of commodities from production landscapes to consumer markets and highlighting the associated deforestation risks.



To reduce environmental threats in the agricultural frontier and to promote sustainable soy production in Brazil, **the Brazilian Foundation for Sustainable Development (FBDS)** is working on landscape planning to encourage soy cultivation in already deforested or degraded lands, through the creation of ecological corridors and zoning for soy expansion.

OTHER EXECUTING PARTNERS INCLUDE:

GlobeScan, Genderflection, Edelman Indonesia, Accenture, GreenPoint Group.

GOVERNMENT PARTNERS

JOINING FORCES WITH NATIONAL AND REGIONAL LEADERS IN THE TRANSITION TOWARD 'GOOD GROWTH'



Brazil

Ministry of Environment*, **Ministry of Agriculture***, Ministry of National Integration, Forestry Service, Secretariat for Biodiversity and Forests, Secretariat for Rural Development, Instituto Natureza do Tocantins, Secretary of Environment of the State of Bahia and the Institute of Environment and Water Resources of the State of Bahia.



Indonesia

Ministry of Agriculture*, Coordinating Ministry of Economic Affairs, Ministry of Environment and Forestry, Ministry of National Development Planning, Ministry of Agrarian Affairs and Spatial Planning, Ministry of Foreign Affairs, Ministry of Home Affairs, Ministry of Trade, the Indonesian Sustainable Palm Oil Standard, the Provincial Forest and Estate Crops Agencies in North Sumatra, West Kalimantan and Riau, District Heads and forest agencies of Pelalawan, South Tapanuli and Sintang.



Paraguay

Ministry of Environment and Sustainable Development*, Ministry of Agriculture and Livestock, the National Forestry Institute, the Public Ministry, regional government departments including Alto Paraguay and Boquerón and the municipal Chaco governments of Filadelfia, Mariscal Estigarribia and Loma Plata.



Liberia

Ministry of Agriculture*, Forestry Development Authority, Environmental Protection Agency, Liberia Land Authority and the National Bureau of Concessions.

Note: *Government project partners and lead government agencies

STRATEGIC PARTNERS: COLLABORATING TO ENHANCE IMPACT

Supported by the



The German Federal Ministry of Economic Cooperation and Development (BMZ) via the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and Switzerland's State Secretariat for Economic Affairs (SECO) support the sustainability efforts and multiplier effects of the work implemented by the Good Growth Partnership. This includes the biennial Good Growth Conference as well as the coordination of crucial multi-stakeholder and lesson learning processes at national and district levels.

The Good Growth Partnership continues to work closely with the New York Declaration on Forests (NYDF), the Partnership for Action on Green Economy (PAGE) and the Tropical Forest Alliance (TFA) in a greater effort to align key initiatives and networks. With the NYDF's support, in October last year, the Partnership facilitated a high-level multinational dialogue in Washington, D.C. With PAGE's support for the Good Growth Conference, the Green Commodities Community launched an international solutions journalism initiative. During a meeting in February 2019, the Partnership and the TFA agreed to conduct biannual check-in meetings to maintain collaboration, identify synergies and to share knowledge and lessons learned. In May, the Good Growth Partnership coordinated with the TFA to cross-promote respective events being held in Latin America. Good Growth partners also participated in TFA panels and dialogues throughout the year.

OTHER STRATEGIC PARTNERS AND COLLABORATORS INCLUDE: Collaboration for Forests and Agriculture (CFA), Conservation and Financial Markets Initiative (CFMI), the Conservation Society of Sierra Leone, Bogor Agricultural University, National University of Asuncion, Gurya Paraguay, Fauna and Flora International, Partnership for Forests (P4F), Solidaridad and The Sustainable Trade Initiative (IDH).

There is clear consensus for systemic-level change if we are to stop the spiralling deforestation trends. Everyone in the forest community needs to be held to account, and we are only going to accelerate progress by working better together. The Tropical Forest Alliance will continue to catalyse collective action and be a platform that amplifies our partners efforts to remove deforestation from their supply chains. The Good Growth Partnership plays a vital role in demonstrating the success of national and regional initiatives, highlighting #ForestPositive stories and inspiration to the wider forest community.

– Justin Adams, Executive Director, Tropical Forest Alliance

Photo: © Maria Paz Gonzáles/PNUD Perú



Instead of treating production, demand and investment interventions as separate tracks, the Good Growth Partnership **looks at where the layers of the supply chain integrate and overlap to enhance financial incentives and demand** for sustainably produced agricultural commodities.



Convening Stakeholders

Helping NGOs, national and sub-national governments to convene diverse stakeholders around a common vision and an agenda for action and implementation

Land Use Planning

Enabling and advocating for clear land use policies to dissuade expansion into forests and other critical land areas while identifying suitable land available for cultivation

Supporting Farmers

Working with governments to coordinate farmer support services to improve agricultural practices and market access

Enabling Sustainable Transactions

Designing economic incentives and new business models for financing to encourage sustainable production and responsible demand

Generating Responsible Demand

Increasing market awareness and demand for reduced deforestation commodities among buyers, traders, consumers and investors

Sharing Knowledge

Sharing knowledge and lessons learned throughout the supply chain to stimulate and coordinate best practice replication and strategies which scale-up impact

This year marks the halfway point in the **GEF's Integrated Approach Pilot** to take deforestation out of agricultural commodity supply chains by focusing on the key drivers of sustainable production, demand and finance.

The success of this programme relies on the commitment of partner organizations to align their efforts for greater impact so that the sum is greater than the parts. This means sharing resources and networks, aligning activities and building stronger institutional links between partner organizations. Ongoing inter-agency workshops, multi-stakeholder events and strategic planning missions have enabled **an unprecedented level of coordination throughout the Partnership's focal commodity supply chains.**

Globally, the Partnership continues to strengthen and integrate relationships with multinational actors that have influence over the production, financing and demand of sustainable agricultural commodities. Finance sector events hosted by the Partnership are directly exposing investors to commodity traders, buyers and producers. New data delivered by the global Trase platform is improving supply chain

transparency and influencing national and international decision makers. Knowledge and evidence of 'what works' is being harnessed and shared throughout the network of partners. Critically, institutional barriers have been dismantled and are giving way to a new culture of collaboration between development agencies and sectors.

Unlike last year, the 2019 Highlights report is not organized into separate partner projects. Instead, it showcases the combined efforts made in each of the four project countries and throughout our focal commodity supply chains. This report of collective progress is a testament to how each partner organization has come together as an integrated force for change.



Photos: © Maria Paz Gonzáles/PNUD Perú, WWF-US, UNDP-GCP & TFA.

Bringing together, aligning and fostering collaboration across partner organizations at global and national levels is a complex task which requires navigating through different business models and ways of working, conflicting priorities as well as challenging country contexts. Nonetheless, at its midpoint, the Partnership can be proud of having achieved a level of trust and maturity that allows it to quickly identify and leverage opportunities for greater synergies and impacts.

Pascale Bonzom, Global Project Manager, Good Growth Partnership

26 **Policy frameworks and/or action plans**

are being supported to reduce deforestation in commodity supply chains.

114 **Financial institutions**

have participated in Partnership events, workshops and training. Many have reported improved capacity to engage portfolio companies on reduced deforestation sourcing and disclosure.

64 **Companies engaged**

in project activities and co-financed work are making new commitments to source reduced deforestation soy, beef and/or palm oil.

125 **Countries**

have increased transparency into the origins of the beef and soy volumes they are sourcing from Brazil and Paraguay thanks to the Trase database.

190+ **Media articles**

have been published globally, and in project countries, to generate awareness on reduced deforestation commodities and to promote the integrated supply chain approach.

233+ **Organizations**

have been connected, via the Partnership, in multi-stakeholder dialogue and action planning.

4,500+ **Rural households**

are directly benefiting from agriculture training, policy change and community conservation agreements.

5,000 **Hectares of high conservation value forest**

is now protected in Liberia under a community conservation agreement signed this year.

18 **Commodity platforms**

and forums established, enabled and/or supported by the Good Growth Partnership are facilitating multi-stakeholder dialogue and sustainable action planning.

56 **Publications and knowledge products,**

have been collectively produced by the Partnership to share lessons and encourage best practice in commodity supply chains.

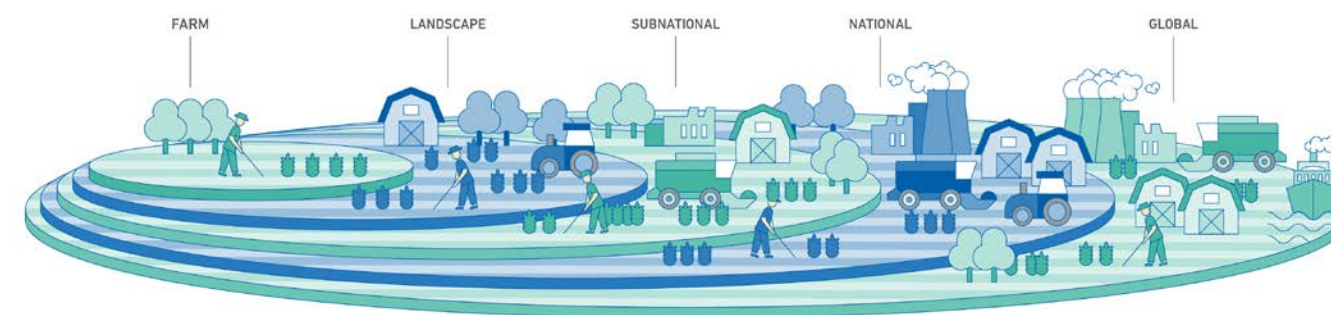
Commodity-driven deforestation is happening too rapidly for any one actor to reverse the trend alone. Only by working together across sectors and organizations can we bring about the shifts necessary to achieve sustainable commodity supply chains. The Good Growth Partnership is an example of how that can be done at scale across key geographies and commodities.

– Samantha Putt del Pino, Deputy Leader, Global Markets Practice, WWF International

From silos to systemic change: the Good Growth Partnership's integrated supply chain approach aims to deliver sector wide transformation.

Photo: © María Paz Gonzáles/PNUD Perú

TO ENSURE SUSTAINABLE PRODUCTION PRACTICES AT THE SCALE OF LANDSCAPES, PROVINCES AND COUNTRIES, WE NEED TO ADDRESS THE ENABLING CONDITIONS



The Good Growth Partnership works at the plantation and farm, regional, national and international levels of the supply chain to better align incentives for best practice and to accelerate solutions for systemic change. This holistic approach is intended to catalyse a shift beyond 'project by project' or individual company efforts. Diagram: UNDP-Green Commodities Programme

Accelerating **systemic change**

In recent years, major producers and buyers of agricultural commodities have made ambitious commitments to eliminate deforestation from their supply chains. Yet, it is now clear that even if some of these companies achieve their individual targets, deforestation will continue and many of the other underlying environmental and social challenges will also remain.

To inspire a more systematic and collaborative approach to reducing deforestation in commodity supply chains, the Good Growth Partnership continues to engage hundreds of private sector actors and associations. Through a series of private sector

workshops, multi-stakeholder dialogues and initiatives, this year the partners strengthened their coordination with producers, buyers, traders and manufacturers while forging new opportunities for collaboration with policymakers. This deeper cross-sectoral collaboration is designed to create wide-scale change, rather than just pockets of best practice.

“There is clear evidence that if we don’t change the way we use land and produce food, we are putting the future at grave risk. We need to prioritize lasting solutions that put us on a more sustainable track.

–Naoko Ishii, CEO and Chairperson, Global Environment Facility



• Panel discussion at a Washington, D.C. Good Growth Partnership private sector event: 'How can companies implement their sourcing commitments and also meet global demand while conserving native vegetation in the Chaco and Cerrado?' From left: John Buchanan, VP of Sustainable Production at Conservation International; Guillermo Terol, Operations Officer at IFC; Karla Canavan, VP Commodity Trade and Finance for WWF and John Hartmann, Business Operations and Supply Chain Leader at Cargill. Photo: Margaret Arbuthnot/WWF-US.

Washington Roundtable: Aligning global efforts to reduce deforestation

In October 2018, on the eve of the IPCC's dire warning to keep temperatures below 1.5 degrees Celsius, the Global Environment Facility, the New York Declaration on Forests and the Good Growth Partnership convened leaders from major food brands and commodity traders in Washington, D.C. [Participants considered how to better align international efforts to reduce deforestation in commodity supply chains.](#) Private sector representatives clearly recognized that better coordination with national and subnational government priorities in producer countries is key and that the Partnership plays a crucial

role in connecting companies to governments. The limitations of market based solutions were also discussed and company representatives called on producer governments to enforce consistent sustainability standards to 'level the playing field.'

"A lot of the activity is about controlling our own supply chains but we need to change the way commodities are produced within a whole country. We need to change the system in which commodities are produced."

–Kevin Rabinovitch, Global Vice President of Sustainability, Mars

Geneva Workshop: Finding opportunities and solutions in finance

In February 2019, [the Good Growth Partnership convened investors, buyers and traders in Geneva](#) to identify ways global finance can influence the sustainable production of agricultural commodities. Participants considered how to create incentives for farmers who avoid land conversion; how to design effective compensation schemes; the effectiveness of green bonds; fintech options for smallholders and the role of financing models such as the Tropical Landscape Finance Facility. The discussion around financing sustainable supply chains has substantially evolved in the past years, from philosophical questions

about its importance to on-the-ground operationalization. This workshop was an illustration of this tendency, and participants recommended for the Good Growth Partnership to organize similar events with a more diverse group, including technology providers and fintech companies, to concretely discuss how solutions could be implemented.

"The private sector cannot fully address the externalities emerging from their supply chain because financial and market incentives are often lacking. This is where partnerships with the public sector can help to level the playing field."

–Gustavo Fonseca, Director of Programs at the Global Environment Facility



• Andrew Bovarnick, Global Head of the UNDP's Green Commodities Programme, introduces the Good Growth Partnership's supply chain approach at an international finance sector workshop in Geneva. Participants included representatives from BNP Paribas, Rabobank, Louis Dreyfus Company, Mondelez International and Syngenta. Photo: Aline Da Silva/UNDP



• Leif Pedersen, Senior Commodities Advisor at UNDP, and Roberto Cornejo Crosby, Value Chains Coordinator at Grupo Palmas, participate in a plantation field visit. The Good Growth Partnership works closely with the private sector in key commodity producing countries to find new ways of doing business. Photo: Rebecca Lake/UNDP

New supply chain partnerships underway in project countries

In all four Partnership project countries more than 300 private sector organizations have been engaged through workshops, dialogues and action planning. A number of new supply chain partnerships intended to improve smallholder farmer capacity, legality and access to finance are currently underway. This year in Indonesia, Conservation International, UNDP and other partners facilitated the development of the Coalition for Sustainable Livelihoods. The Coalition is collaboratively engaging government, private sector and civil society stakeholders, including companies like Mars Wrigley, Mondelez International and PepsiCo, to align landscape and supply chain efforts with existing national and regional platforms and policies. The aim is to drive sustainable economic development that also reduces poverty and improves natural resource management.

In July, the Partnership supported the launch of the world's first financial facility to offer green bonds for sustainable soy production in Brazil. Launched by UN Environment and affiliated partners, the Responsible Commodities Facility plans to provide low-interest credit lines — valued at US\$1 billion — to Brazilian soy and corn farmers who commit to using degraded pastures and avoid clearing forests and native grassland for agriculture.

“In order to address the negative effects of climate change and to stop the dramatic loss of biodiversity that we have witnessed in the last 30 years, we need to urgently and rapidly move to food production and financing models that do not depend on conversion of forests and natural habitat.

—Bruno Pozzi, Director of the Europe Office, United Nations Environment Programme (UN Environment)

Mainstreaming market demand for sustainability

Led by WWF, this year the partners continued to engage with global brands and retailers that are direct or indirect buyers of Brazilian soy, Paraguayan beef and Indonesian palm oil. These brands include McDonald's, Yum! Brands, Tesco, Carrefour and Walmart among others. WWF has deep relations with these companies and provides regular guidance to them on their sourcing policies and practices. This includes how sustainable procurement policies can be applied to global operations and subsidiaries, such as KFC in Indonesia and McDonald's in Latin America, where consumer demand for sustainable foods and consumer goods is still nascent compared to Western markets.



300+ Multinational and national private sector companies, associations and financial institutions were engaged by the Good Growth Partnership this year in workshops, bilateral meetings, platform dialogues, at the Good Growth Conference and through the Green Commodities Community.

Participating private sector companies included: Archer Daniels Midland, BNP Paribas, China National Cereals, Oils and Foodstuffs Corporation, &Green Fund, Louis Dreyfus, McDonalds, Super Indo and IKEA.



• Demand project managers stand at the headquarters of Ahold Delhaize, a Dutch international food retailer. This year WWF continued to engage multinational retailers to improve their understanding of deforestation supply chain risks. Photo: WWF-US

When new data from Global Forest Watch revealed that annual deforestation rates in Indonesia reduced by 60 per cent, many reacted with cautious optimism. The positive news provided some hard-earned evidence that the country's forest policies are starting to have an effect. This slowdown in deforestation can partly be explained by the now permanent nationwide ban on the clearing of carbon-rich peatlands. Wetter conditions and the emergence of domestic awareness campaigns also helped to reduce the threat of fire and forest loss. Can this progress be maintained? Only time, collaboration and careful monitoring will tell.



- Musdhalifah Machmud, Deputy Minister for Food and Agriculture at Indonesia's Coordinating Ministry for Economic Affairs, presents the final draft National Action Plan for Sustainable Palm Oil. Photo: UNDP-Indonesia

Sustainable palm oil becomes a **national priority**



140+
Organizations
connected through
platform dialogue.

In March, the Indonesian Sustainable Palm Oil (ISPO) Commission announced it had certified a record amount of land under palm oil cultivation. The ISPO certification is among the Indonesian government's priority strategies to produce more sustainable palm oil. Over the past two years, the Good Growth Partnership has been working closely with national and regional policymakers to harness this political determination. This includes the Partnership's ongoing technical support for the [Indonesian Sustainable Palm Oil Platform \(FokSBI\)](#) and its National Action Plan (NAP) for Sustainable Palm Oil.

This year, the draft NAP was finalized and presented to the Coordinating Ministry of Economic Affairs. The plan includes input from hundreds of supply chain stakeholders, community representatives and the public. Key features of the NAP include commitments to establish a comprehensive database of the country's estimated 2 million small-scale farmers and an expansion of the ISPO certification scheme. Once legalized, the NAP will provide a framework for action and improve coordination between authorities, the private sector and civil society.

“As long as FokSBI [the Indonesian Sustainable Palm Oil Platform] can continue to facilitate the acceleration of sustainable palm oil in Indonesia, it will certainly be welcomed by the private sector.

– Joko Supriyono, Vice President Director of Astra Agro Lestari & Chair of the Indonesian Palm Oil Association (GAPKI)



The Good Growth Partnership has developed a sustainable land use scenario in Pelalawan, Riau, which will protect Essential Ecosystem Areas home to endangered wildlife. Photo: © Agusriady Saputra/UNDP-Indonesia

Protecting critical ecosystems with a new legal framework

Defining and protecting forest areas with high carbon stock is a powerful way to significantly curb greenhouse gas emissions and mitigate climate change. Over the past two years, the Good Growth Partnership has been working with the Indonesian Government to develop definitions and strengthen regulations which will help to inform responsible land use decisions that reduce carbon emissions and support the protection of biodiversity.

In 2018, the Good Growth Partnership facilitated the development of the Essential Ecosystem Area (Kawasan Ekosistem Essensial /KEE) regulation. This legal framework is designed to provide guidelines for the protection of important ecosystems located outside existing conservation areas.

This year, the draft KEE regulation was assessed by the Ministry of Environment and Forestry (MoEF) and the Ministry of Law, in preparation for legalization. To date, the MoEF has identified around 104 million hectares of potential KEE in Indonesia, an area roughly the size of Egypt, which could be protected under the new regulation. While a significant

amount of this land is already allocated for production, the KEE regulation will enable companies and communities to legally protect critical ecosystems within these areas.

In January, the Good Growth Partnership obtained approval to provide technical support in the revision of Pelalawan District's spatial plan. In collaboration with the World Agroforestry Centre (ICRAF) and the Pelalawan Development Planning Agency, a number of multi-stakeholder dialogues were conducted to select the most optimum sustainable land use scenario for Pelalawan. The scenario proposes the protection of nearly **250,000 ha of peatland**, which is currently allocated for productive purposes.



Nearly 250,000 hectares of 'productive forest' has been proposed for protection in the Sumatran province of Riau.

“Management of wildlife and conservation areas cannot be achieved at the landscape level alone. It requires cooperation, communication and collaboration between a range of actors including government agencies, civil society and universities.

–Wiratno, Director General of Natural Resources and Ecosystem Conservation at the Ministry of Environment and Forestry

New tool to enhance land use transparency in Indonesia

In December, the Good Growth Partnership embarked on a collaboration with Bogor Agricultural University (IPB) to develop a land use change monitoring (LUCM) tool. Using an automatic algorithm and satellite imagery, the software is being designed to provide annual land cover mapping and early warning signals on land cover changes across the archipelago. Open to the public, the online tool will encourage communities at the frontiers of land use change to cross-check, provide visual evidence and elaborate on the data generated by the system. A prototype of the tool is currently being tested.



3 landscapes have been selected to pilot the land use change tool.



The land use change monitoring tool will be tested in North Sumatra, Riau and West Kalimantan. Photo: © Agusriady Saputra/UNDP-Indonesia



- The South Tapanuli Sustainable Palm Oil Action Plan was drafted and legalized this year with support from the Good Growth Partnership. Led by the regional government, stakeholders agreed to achieve 100 per cent ISPO and RSPO smallholder certification by 2028 in a bid to reduce forest encroachment. Photo: Rahman Harahap/Conservation International

Progress made on district and provincial action plans for sustainable palm oil

2 district action plans legalized

This year, multi-stakeholder dialogue continued in the districts of Pelalawan, Sintang and South Tapanuli. Through a consultation process, which was facilitated via FoKSBI with support from the Good Growth Partnership, Sintang and South Tapanuli legalized their respective action plans for sustainable palm oil. Championed and led by district government leaders, the action plans will improve coordination between provincial, district and national government agencies. Specifically, the action plans focus on enhancing smallholder legality, promoting downstream industries and strengthening environmental governance. The focus for 2020 will be

on legalizing the provincial action plans, drafting and legalizing the Pelalawan District strategy, as well as monitoring the implementation of each plan.



- Stakeholders discuss the Regional Action Plan for Sustainable Palm Oil in Sintang District, West Kalimantan. Photo: Asep Hermawan/WWF-Indonesia

“We encourage local NGOs, civil society and community-based organizations to play a stronger role in the development of Sintang District. This is an important forum to build trust with the palm oil industry and resolve conflict between actors.”

—dr. H. Jarot Winarno, M. Med. PH,
Sintang District Head

New laws support farmers and protect lakes

In Pelalawan, 40,000 small-scale farmers are set to benefit from a new regulation, namely the Pelalawan Regent Regulation on Oil Palm Partnership, drafted with support from the Good Growth Partnership. Once endorsed by the Governor of Riau, and legalized by the Regent of Pelalawan, the regulation will require all companies operating in Pelalawan District to partner with smallholder



10
lakes protected.

farmers, provide farmer training and also establish transparent pricing for fresh fruit bunches.

Major regulatory achievements this year included the facilitation of an environmental law, in West Kalimantan's Sintang District, which will protect lakes from the production of palm oil. The new law, drafted with support from the Good Growth Partnership, requires buffer zones between plantations and freshwater sources to mitigate the risk of chemical runoff. The law also prohibits the removal of plant life which river organisms depend on for sustenance and shade. This new regulation will protect at least 10 lakes and a population of over 8,000 people who depend on fish as a source of protein.



- Thanks to a new law supported by WWF-Indonesia and the Good Growth Partnership, fresh water lakes in the District of West Kalimantan will now be protected from harmful chemicals, runoff and land degradation. Photo: © Zulkifli HZ/WWF-Indonesia



• Conservation International conducted smallholder field training in South Tapanuli with support from the Good Growth Partnership. Photo: © Rahman Harahap/Conservation International.

Farmers trained for sustainable production

More than 1,000 farmers and government extension workers

in South Tapanuli and Sintang districts completed training on good agricultural practices this year. For many of these farmers, the series of workshops and field demonstrations provided the first opportunity for them to understand their legal obligations and learn more about techniques to enhance their yields while ensuring efficient use of natural resources. In Indonesia, many oil palm smallholders face compliance barriers due to informality and poor production practices. As global demand for sustainable palm oil grows, the Good Growth Partnership is working to address these barriers and enhance smallholder competitiveness.



1,000+
Farmers trained

“The field school activities and pilot plot area inspired me to treat my plants well and use the fertilizer according to the correct procedure and measurement. As a result, my production has increased from the average 120 kg per/harvest to 180 kg. I now understand that it isn’t always all about the size of the palm plantation. We need to protect the forest for our community’s water sources.

– [Zulkipli Nababan, smallholder from South Tapanuli](#)

Shifting consumer demand in Southeast Asia’s largest economy

64 articles generated from media field trip

Although Indonesia is the world’s largest exporter of palm oil, around 29 per cent* of the annual production is consumed domestically. As demand for palm oil used in biofuel, food and cooking oil rises, domestic consumption is projected to reach 20 million tonnes by 2025. Based on current yields, such an increase in demand would potentially require up to 6 million hectares of land.** To encourage Indonesia to meet this demand sustainably, WWF-Indonesia has been working to

promote sustainable sourcing of palm oil products among Indonesian supermarket chains and food stores. This includes plans to establish a sustainable retailers platform in 2020. To increase public awareness and drive further demand for sustainable palm oil among Indonesian consumers, WWF-Indonesia is implementing ongoing thematic social media campaigns as well as hosting journalist and influencer field trips in production areas.

“By choosing what we consume, we are sending a message to the corporations and the government that we are aware of the importance of sustainability principles.

–Nadine Alexandra Dewi Ames, actress and environmentalist



• Celebrity environmental activist Nadine Alexandra Dewi Ames traveled to Sintang, in West Kalimantan, in November to learn more about the Good Growth Partnership’s efforts to improve sustainable palm oil production. WWF is working with high-profile Indonesian influencers to generate more demand for certified sustainable palm oil. Photo: © Dissy Ekapramudita/WWF-Indonesia

*Indonesia Palm Oil Association, “Refleksi Industri Industri Kelapa Sawit 2018 & Prospek 2019.”

**Khatiwada, Palmén & Silveira (2018) “Evaluating the palm oil demand in Indonesia: production, trends, yields, and emerging issues, Biofuels.”



- In January, WWF launched the Asia Sustainable Finance Initiative (ASFI) which aims to help shift Asia's financial flows towards sustainable economic, social, and environmental outcomes.
Photo: © Agusriady Saputra/UNDP-Indonesia

Harnessing responsible investment in Asia

Training delivered to nearly 500 representatives from over 60 financial institutions

This year, WWF-Singapore's sustainable finance team accelerated their efforts to harness the power of institutional investors to drive sustainability in Asian commodity supply chains. The team held three industry-wide workshops for investors in Singapore, Japan and Malaysia, as well as eight deep dive bilateral trainings to promote responsible investment practices. After attending the workshops, 80 per cent of participants said they were more likely to consider engaging with portfolio companies on environmental issues.

In January 2019, WWF-Singapore expanded its influence in the finance sector by launching the [Asia Sustainable Finance Initiative \(ASFI\)](#). The multi-stakeholder platform brings together more than a dozen knowledge partners from industry, academia and science-based organisations to help Asia-based financial institutions

implement environmental, social and governance (ESG) best practice. ASFI deploys resources via an online knowledge hub and through in-person workshops. The initiative focuses on six key areas: standards, research and tools, engagement, capacity building, regulations and guidelines, and green financial solutions. Among the array of new resources available on the knowledge hub is WWF-Singapore's new responsible investing framework: [Resilient and Sustainable Portfolios](#). The framework supports asset managers to develop robust ESG capabilities amid emerging expectations to manage sustainability risks, opportunities and impacts.

“While international palm oil buyers have significantly enhanced sustainability requirements in recent years, buyers in Asia have been slower to move. Empowering investors to engage with these companies on issues like traceability will be critical to building demand for sustainable palm oil at a regional scale.

– Lauren Lynch, Sustainable Finance Engagement Manager at WWF-Singapore

Finding common ground for sustainability

2 official missions to Europe

Over the past two years, the European Commission and several European countries have weighed up plans to restrict imports of palm oil amid growing concern about the environmental impact of the crop. This year, the Good Growth Partnership, led by UNDP, joined two Indonesian government missions to Brussels and Utrecht to support dialogues with the [Amsterdam Declarations Partnership](#) and its Palm Oil Working Group. The Indonesian government requested more support from Amsterdam Declarations Partnership countries for the implementation of Indonesia's National Action Plan for Sustainable Palm Oil. The Good Growth Partnership will continue to participate in dialogue with the Indonesian government and the Amsterdam Declarations Partnership to support greater levels of alignment and understanding on issues related to sustainable palm oil.

“The EU is globally recognized for raising the bar on sustainability. But sustainable palm oil needs a market, therefore it is critical that the EU and Indonesia continue to maintain open channels of dialogue.

– Tri Widjayanti, UNDP National Project Manager for the Sustainable Palm Oil Initiative

Growing demand for sustainable palm oil in India

2 roundtable discussions

As the world's largest consumer and importer of palm oil, and also the largest market for Indonesian palm oil, India has the potential to play a significant role in driving sustainable practices in the palm oil sector. However, sustainability is a relatively new concept for Indian palm oil consumers. To ramp up awareness and demand for sustainable sourcing in India, ISEAL Alliance convened a series of roundtables in Mumbai and New Delhi as part of the [Good Growth Partnership's Asia Learning & Exchange Program](#). The ongoing dialogue with business, researchers, government officials and sustainability practitioners builds on the momentum of the newly launched Sustainable Palm Oil Coalition for India which is led by WWF-India, RSPO, Rainforest Alliance and the Centre for Responsible Business.



- The palm oil business roundtable, held in Mumbai in May 2019, discussed moving towards deforestation-free supply chains. Photo: RSPO-India

Home to numerous endangered species, the Upper Guinean Forest once blanketed a vast stretch of land throughout Western Africa. Today, what remains of this biodiversity hotspot is heavily concentrated in Liberia. In September 2018, President George Weah signed the Land Rights Act into law. The move was hailed as a ‘landmark victory’ by some activists desperate to protect the interests of local communities. However, amid a backdrop of economic instability, effective implementation of the law will be the next step in a challenging road ahead. As foreign plantation firms consider divesting from unviable concessions, fulfilling Liberia’s promise of sustainable palm oil requires a genuine commitment to rural development and forest protection.



Agriculture Minister Dr. Mogana Flomo (middle) sits with UNDP-Liberia Deputy Country Director Cleophas Torori (right) and National Bureau of Concession Deputy Commissioner, Atty. Ramses T. Kumbuyah (left) during a special plenary meeting of the National Oil Palm Technical Working Group in November. Photo: © UNDP-Liberia.

A national vision for sustainable palm oil



60+
Organizations
engaged in dialogue

Realizing the economic potential of sustainable palm oil in Liberia requires a shared vision and commitment from all stakeholders involved in the supply chain. This includes representation of local communities whose livelihoods are central to the nation’s economic development agenda. This year, the Good Growth Partnership supported the transition of the existing Oil Palm Technical Working Group (OPTWG) to a more representative national forum for sustainable palm oil, which is now known as the National Oil Palm Platform of Liberia (NOPPOL). Through this forum, co-chaired by the Ministry of Agriculture and the Forest Development Authority, stakeholders from the public, private and civil society sectors worked through challenges

and agreed on the key barriers limiting sustainable palm oil. By incorporating input from the North Western Oil Palm Landscape Forum (NWOPLF) — which represents the counties of Bomi, Bong and Grand Cape Mount — the NOPPOL functions as a high-level space to systematically address sustainable oil palm development challenges throughout the country. This year, the forum began work on the development of a national strategy for sustainable oil palm which will be accompanied by a costed action plan.

“Since the official launch of the Good Growth Partnership in Liberia, our partners at the Ministry of Agriculture have shown their commitment to establishing a national action plan for sustainable palm oil. Big challenges remain, but Liberian palm oil is here to stay. We must ensure that Liberia moves forward with a shared vision of equitable and sustainable economic growth.”

—Ronald Cumberbatch, Liberia
Project Manager for the Good Growth Partnership



• A conservation agreement was signed in February, 2019, with three Zodia clan concession communities in the Garwulah District of Grand Cape Mount County. Photo: UNDP-Liberia

Conservation agreement signed to protect Zodia forests

Deforestation and land management are pervasive sources of conflict in Liberia's north-western counties. This year, the Good Growth Partnership continued its efforts to facilitate dialogue between members of the Zodia Community Forest, government agencies, plantation companies and civil society organizations. In February, the year-long discussions and negotiations culminated in the signing of a conservation agreement

to sustainably manage the **20,000 ha community forest**, including 5,000 ha of high conservation value/high carbon stock areas in Zodia clan. In exchange for agreeing to protect the Zodia forest, the community will benefit from a range of sustainable employment schemes including the creation of 40 green jobs in frontline conservation. The selected local conservationists, tasked with overseeing the agreement, have been trained in forest patrolling, monitoring and surveying as well as data collection. Additional support in the conservation agreement includes the establishment of a savings and loan association which includes a

start-up fund, stipends for volunteer teachers and scholarships, provision of livestock and the renovation of a community health clinic. To date, the conservation agreement in Zodia clan has directly benefitted 632 households and more than 2,800 community members.



Members of the Zodia clan agreed to sustainably manage **20,000 hectares of community forest**



• Zodia community members witness the signing of the conservation agreement. More than 2,800 community members will directly benefit. Photo: UNDP-Liberia

“I am very happy with the conservation agreement that we signed. As members of the Zodia clan we now appreciate that by protecting our forest, we can receive benefits that help us to meet our development needs. My appeal is that this agreement be renewed because it has helped to significantly reduce destructive activities and deliver tangible benefits to the local communities.

–Philip Zodia, Secretary of the Zodia Land Management Committee

“When conservation offers concrete benefits to forest dependent communities, it becomes an increasingly viable and attractive choice for the sustainable management of natural resources. Inevitably there is going to be a short-term opportunity cost that comes with conservation, but there are plenty of economic benefits to gain. By working directly with Liberian communities in a participatory way, we are demonstrating the tangible development opportunities of forest protection and the value of ecosystem services in the long term.

–George Ilebo, Technical Director Conservation International-Liberia



• Africa Palm Oil Initiative Regional Meeting in the Republic of Congo, October 2018. Photo: Proforest

Establishing good growth palm oil markets in West and Central Africa

Policy framework advancements made in 7 countries

As a frontier region of global palm oil expansion, laying the groundwork for the development of sustainable palm oil markets in West and Central Africa is paramount. On behalf of the [Tropical Forest Alliance \(TFA\)](#), Proforest launched the [Africa Palm Oil Initiative \(APOI\)*](#) in 2014 to ensure the sustainable development of Africa's palm oil sector. With support from the Good Growth Partnership and the UK government's Partnerships for Forests programme (P4F), the initiative brings together local stakeholders from governments, the private sector, civil society, indigenous and community groups from 10 palm-oil-producing countries.

In October 2018, the APOI organized the 5th regional meeting in Brazzaville, Republic of Congo. APOI countries discussed collaboration and forging

partnership towards implementing their national principles and actions for sustainable palm oil. In Sierra Leone, the Partnership supported a workshop to review the National Action Plan on Sustainable Palm Oil and a series of public lectures on "Zero Deforestation in Sustainable Oil Palm Production" to raise awareness and sensitize the public. APOI achieved a significant milestone in Gabon this year when the government formally endorsed the Roundtable on Sustainable Palm Oil as a national standard for sustainable palm oil development.**

“During the first few years of the APOI, the many stakeholders involved made significant progress in addressing commodity-driven deforestation. In the next phase, we must maintain our current momentum. The main focus will be to galvanize more actions that demonstrate impact. We want to see real change and a positive shift in the way that palm oil is produced in West and Central Africa.

–Abraham Baffoe, Africa Regional Director, Proforest

*The Africa Palm Oil Initiative is supported by the UK's Department for International Development through the Partnership for Forests (P4F) Programme, and by the GEF through the Good Growth Partnership via WWF.

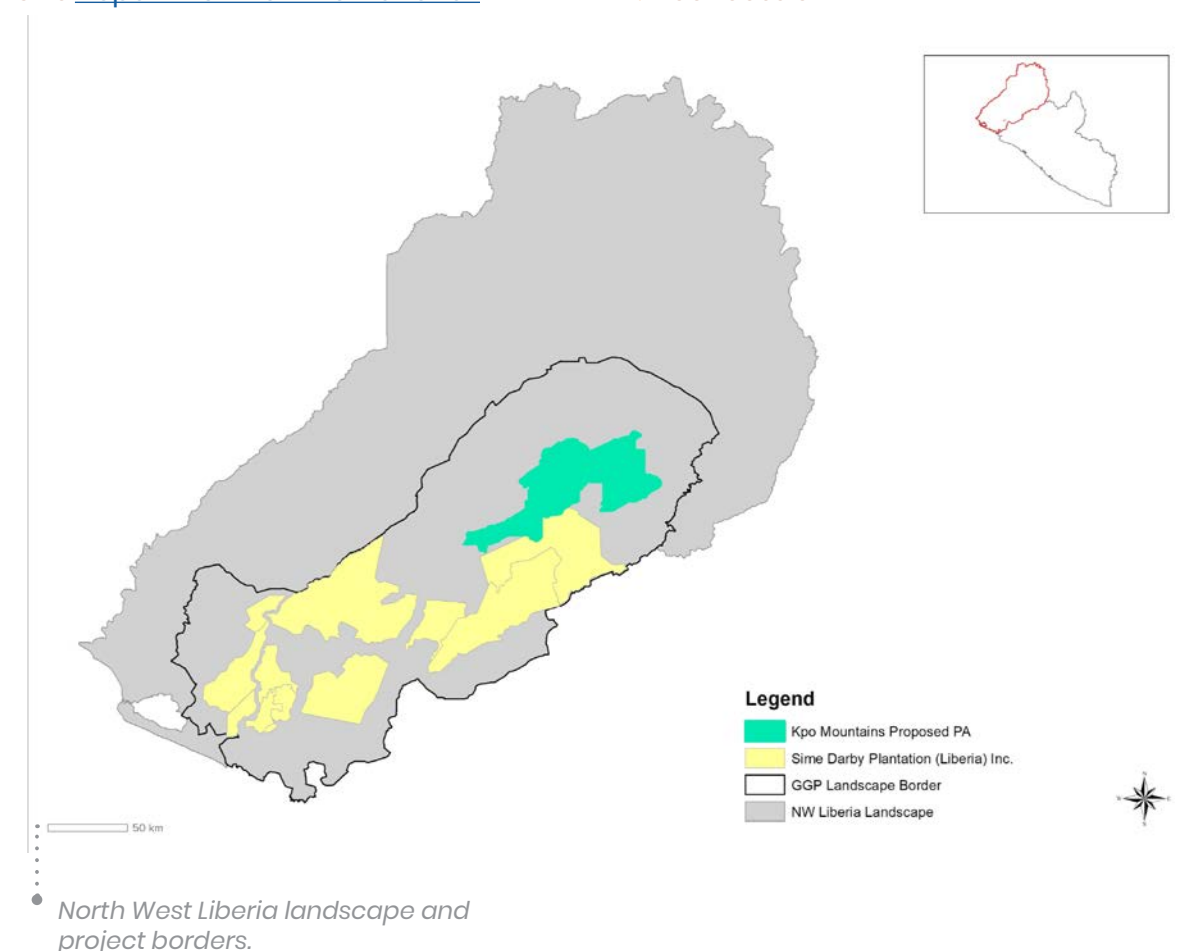
**The APOI national palm oil platform in Gabon is facilitated by WWF through co-financing from P4F (via Proforest) and WWF-Netherlands.

Sustainable landscape approach pilot

Target to protect 1 million ha of forest

One of the most important elements of economic development in Liberia is job creation, particularly within remote communities where poverty is persistent. However, without effective management and oversight of industries such as palm oil, Liberia risks destroying vast primary forests which provide critical ecosystem services to local communities. To demonstrate that sustainable development can be achieved within plantation concession areas, Conservation International-Liberia – with funding from the UK's [Department for International](#)

[Development \(DFID\)](#) through [Partnerships for Forest \(P4F\)](#) – is piloting a model that integrates sustainable community palm oil production and other agricultural production practices with forest conservation. The project aims to improve income for producers, strengthen livelihoods and food security for local communities, while also ensuring ecosystem maintenance. The sustainable landscape approach pilot will support and complement the existing land use planning activities currently being implemented in Liberia by the Good Growth Partnership. Over the coming year, the project will establish a landscape management body, conduct a series of economic and biophysical studies, facilitate new community conservation agreements, and ultimately present a business case that demonstrates the value of forest conservation within a plantation concession.



BRAZIL

The Cerrado

In line with the government's commitment to accelerate rural agribusiness development, industrial farming in Brazil's Cerrado eco-region is growing at breakneck speed. The creation of the Cerrado's 'soy frontier', coupled with unprecedented demand from China, offers prosperity and economic growth in the short term. However, the impacts on the environment, biodiversity and local communities in the sprawling savannah and beyond, are already becoming clear. As global companies warn of falling short on their 2020 deforestation commitments, efforts to unite stakeholders in the soy supply chain are needed more than ever.

Photo: © Bento Viana/WWF-Brasil



• In partnership with the Institute for Forest and Agricultural Management and Certification, Matopiba Coalition is working with agribusiness leaders to identify and measure the value of ecosystem services and natural capital in the Matopiba. Photo: © Flavio Forner/Conservation International

Valuing natural capital in the Matopiba Region

Eight of Brazil's 12 major river basins and three aquifers all rely on the Cerrado as a source of water. Below ground, the Cerrado's deep rooted vegetation and soils sequester huge amounts of carbon, a critical function in the battle against global warming. However, four Cerrado states — Maranhão, Tocantins, Piauí and Bahia, known collectively as Matopiba — are seeing a rapid reduction in native vegetation as soy, cotton, corn and cattle production rises. This is having a devastating impact on the biome's ability to absorb greenhouse gas emissions and replenish the country's freshwater reserves.

Working with agribusiness leaders to identify, measure and value the ecosystem services in the Cerrado is critical to climate regulation and the circulation of freshwater throughout



3
Matopiba Coalition
meetings held in
São Paulo

Brazil. Through its support for the multi-stakeholder forum Matopiba Coalition, the Good Growth Partnership helped to define a vision and workplan for the sustainable development of the Matopiba region. This year, Matopiba Coalition joined forces with the Institute for Forest and Agricultural Management and Certification (IMAFLOA). The partnership with IMAFLORA was conceived to develop and analyse scenarios to support decision-making processes under the Natural Capital Protocol, a framework that enables organizations to identify their impacts and dependencies on nature.

Expanding land ownership registration in the Cerrado



1,590
new registrations
targeted

Since 2012, landowners in the Cerrado have been required to leave 20 per cent of their land in its natural state. Farmers are also obliged to register their property with the national Rural Environmental Registry (CAR) to show how much is cultivated and how much is under conservation. According to the Brazilian Forestry Service, more than 5.5 million landholders are registered in the CAR's electronic database, together managing an area of 466 million hectares. To help expand the reach of this georeferencing programme in the Cerrado states of Tocantins and Bahia, Conservation International worked closely with local government agencies to identify gaps and opportunities in the system.



The Partnership mapped farmland in the Matopiba to strengthen eco-corridors and sustainable development opportunities. Photo: © Conservation International/Flavio Forner

Mapping farmland to enhance traceability and improve land use planning

All permanent Matopiba protected areas mapped

This year, Conservation International focused its attention on mapping farmland that overlaps with forest, old growth woodland and river basins in the Cerrado. In partnership with [The Nature Conservancy](#), traditional communities in the region, threatened by the expansion of the agricultural frontier, were also mapped and engaged. Referencing government databases, the team identified approximately 120 rural properties in Tocantins and Bahia as priorities for engagement through the Matopiba Coalition. The maps, and subsequent farmer interviews, will be used to inform responsible land use planning and the maintenance of eco-corridors. The data will also help to identify soy suppliers and improve traceability from farm to market.

“While there are many actors in this space, overall there is significantly greater alignment and coordination in the Cerrado than before the launch of the Good Growth Partnership. During this time, global awareness of the Cerrado and its ecological importance has grown thereby reaffirming the Partnership’s efforts.

– Maurício Bianco, Vice President, Conservation International–Brazil



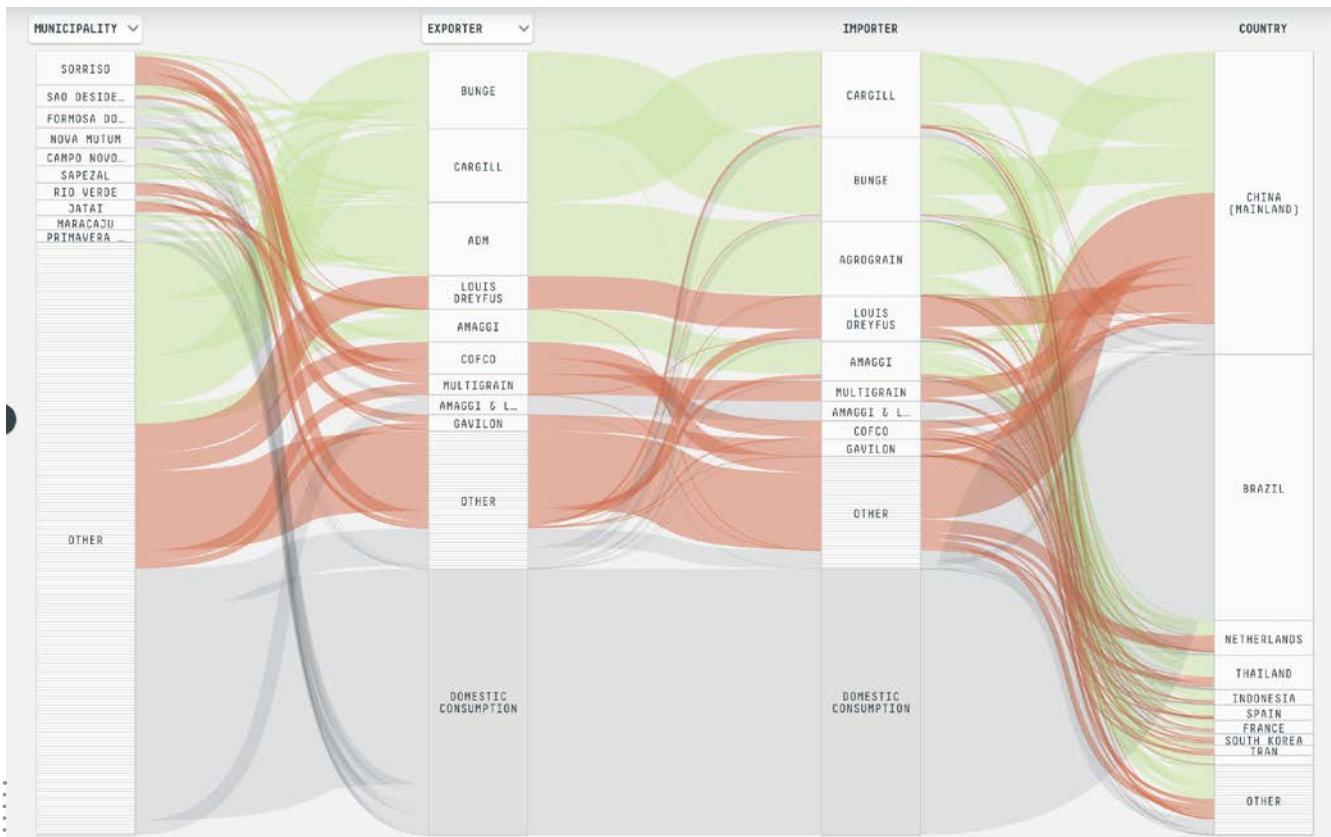
The Responsible Soy Toolkit provides critical reference material for major traders of Brazilian soy, including Amaggi Group and Cargill, as they refine their sustainability plans and policies. Photo: © Conservation International/Flavio Forner

Companies use Soy Toolkit to guide responsible soy policies and implementation

7 briefing notes and discussion papers published on new website

Soy buyers and traders are better equipped to implement responsible soy sourcing policies thanks to new resources published this year by Proforest in the Responsible Soy Toolkit. Briefing notes and discussion papers are available for download in English, Portuguese and Mandarin on the new Soy Toolkit website: www.soytoolkit.net. Development of the Soy Toolkit involved engagement and collaboration with some of the key

private sector and civil society groups working in this space including: the Soft Commodities Forum, the Consumer Goods Forum, the Tropical Forest Alliance and CDP. Training videos will be added in the coming year. Topics include: assessing and planning implementation; understanding supply chain risks; engaging suppliers; establishing purchase control systems; monitoring, verification, and reporting; understanding social risks and addressing gender considerations. The Soy Toolkit was presented at the 2019 [Round Table on Responsible Soy](#) annual meeting which gathered over 270 people to discuss soy sustainability. Major traders of Brazilian soy, including Amaggi Group and Cargill, have publicly referenced the Soy Toolkit in their updated sustainability plans and policies, revealing the influence these guidance materials can have on driving transformational change.



• New data delivered by Trase links individual companies, importers and traders to their sourcing regions within the Cerrado. Photo: Trase.earth

Trase platform enhances transparency in Brazil's soy supply chain



All 5,570
Brazilian municipalities
mapped by Trase

Thanks to new updates on the supply chain transparency platform Trase (www.trase.earth), buyers and consumers interested in Brazilian soy are now able to visualize and download all Brazilian soy exports from 2003 to 2017. This includes data on which companies are buying and selling the soy from which biomes or municipalities, and which countries are the final importers and consumers. Government projections of soy production in Brazil

indicate that around 10 million ha of land may be converted to soy within the next decade. Much of this will be concentrated in the already vulnerable Cerrado biome. By linking soy traders and buyers to soy plantations, Trase data can help to identify and manage risks and also highlight opportunities for investment to strengthen conservation efforts in the Cerrado.

“Soy is one of Brazil’s most important agricultural crops. Trase can play a central role in informing companies and consumers about the implications of their purchasing decisions, helping share responsibility for sustainable production across the entire supply-chain.

– André Guimaraes, Executive Director of Amazon Environmental Research Institute

Influencing production practices with responsible finance

30+ financial institutions represented at Good Growth Partnership seminar

Continued growth of Brazil's agriculture sector is dependent on the provision of capital. As more investors recognize the economic and environmental costs of deforestation, the Good Growth Partnership is working with them to help accelerate a shift toward responsible investment that will safeguard the future of the Cerrado ecosystem.

To better understand the opportunities, UN Environment Finance Initiative (UNEP-FI) analysed how the Brazilian finance sector is currently complying with existing environmental regulations. In Brazil there are already plenty of existing environmental policies and regulations that attempt to curtail deforestation. The key challenge identified through UNEP-FI's analysis is a significant lack of enforcement and technical capacity to comply with the existing legislation.

To address the knowledge gaps, in July UNEP-FI hosted a seminar in partnership with FEBRABAN, The Brazilian Federation of Banks, which represents 122 banks and accounts for 97 per cent of the total assets of the national banking system in Brazil. Participants at the event considered how financial institutions could go beyond minimum national compliance expectations and meet

international best practice standards. To support the Brazilian financial sector in this process, UNEP-FI is developing a series of tools, guidance and capacity building programmes that enable effective implementation of environmental, social and governance (ESG) risk management measures. By the end of the project implementation period UNEP-FI aims to engage and train the country's major agribusiness finance providers in ESG risk, with a specific focus on deforestation.



• The Good Growth Partnership is working closely with Brazilian investment managers to integrate environmental, social and governance principles into their lending practices. Photo: Resultante

“The response we got from the Brazilian finance sector is that they are dependent on foreign capital and are therefore eager to align themselves with international best practice. This is exactly what we wanted to hear. It's a clear indication of the integrated supply chain approach at work.

– Lara Yacob, UNEP-FI Good Growth Partnership Programme Manager

This year, Paraguay experienced one of its worst floods in recent history. The El Niño weather phenomenon, which scientists say was exacerbated by climate change, caused intense summer rains and displaced thousands of people. In the midst of these erratic weather patterns, cattle ranchers in the country's usually semi-arid Chaco landscape are shouldering the dual responsibility of feeding the world while reducing the industry's impact on the environment. For farmers in this proud agricultural heartland, the necessary transition toward more sustainable ranching practices is not without challenges. However, the gains to be made from conserving one of the last great wildernesses on Earth are proving too important to ignore.

Photo: © Yluux



Within the Chaco, the Good Growth Partnership is focusing on three of the most vulnerable landscapes, including buffer zones and areas adjacent to the Defensores del Chaco National Park, as well as the productive landscape between the Rio Negro National Park and the Cerro Chovoreca Natural Monument. Photo: © UNDP-Paraguay

Agreeing on a common vision for the Chaco

Moving Paraguay's sustainability agenda forward requires a collective vision which is inclusive of economic growth. When it comes to reducing land conversion in the Chaco, this means building relationships and breaking down barriers between local, national and global stakeholders before any progress can be made.

Last year, the Good Growth Partnership facilitated the launch of a **Chaco beef platform** which brought together ranchers, government representatives, private sector actors, academia and indigenous communities. With so many



29 partners newly connected via beef platform

stakeholders involved in the global beef supply chain, generating awareness and securing support for sustainable livestock production in the Chaco biome is critical. A multi-stakeholder analysis of the causes behind unsustainable beef production was published in March 2019. This analysis is being used to inform a government-led Chaco Action Plan for Sustainable Beef which aims to introduce incentives for good practice, establish a national sustainability standard and also strengthen legal framework for responsible land use.



• The Good Growth Partnership's farmer training in the Chaco promotes sustainable intensification techniques designed to limit the need for further expansion. Photo: © IFC

Meeting rising demand for beef with less land

The Chaco is one of the largest dry forests in the world, but it is disappearing at a significant rate. A vast amount of this land conversion is due to the rapid expansion of the Paraguayan cattle industry. One way farmers, ranchers and policymakers can tackle this phenomenon is through sustainable intensification. Unlike traditional extensive cattle grazing in the Chaco, which exploits the vast landscape, intensifying productivity has the potential to more than double

production on existing pastures. Paraguay can also increase the volume of high-quality beef, thereby exporting premium cuts to high-end markets.

To demonstrate the business case for sustainable intensification, IFC worked with 11 cattle ranchers to trial a range of sustainable intensification techniques including rotational grazing, control of fire ants and spittlebugs, fixed time artificial insemination, cool season supplemental fodder, feedlot programmes and sanitary plans. In one year, average beef production increased by 42 per cent, from 126 to 179 kilograms of beef per hectare. Preliminary estimates also indicate that greenhouse gas emission intensity was

reduced by more than 30 per cent after applying intensification techniques.

Through a series of training workshops, this year, UNDP promoted sustainable intensification techniques including better pasture management and silvopastoral agroforestry to **484 farmers in the Chaco.**

Insights generated by UNDP and IFC will inform a Chaco-wide farmer support strategy, currently being developed by the Partnership in collaboration with local stakeholders.



42% +
Production increase in the same amount of land



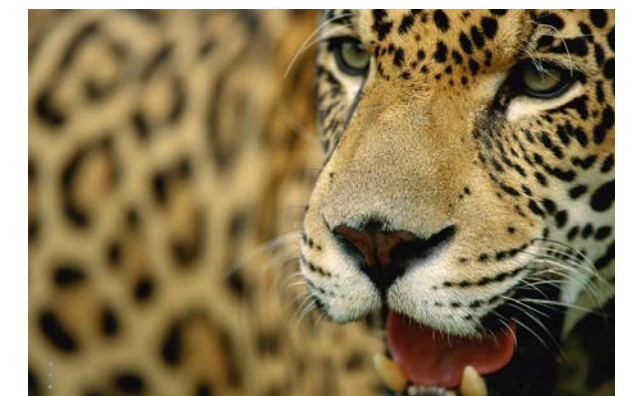
484
Farmers trained in intensification techniques.

“This is not just a win for farmers, it is a win for the environment. We are proving that producers can be more efficient by producing more beef with the same amount of land.

–Lorena Ramirez, IFC Associate Operations Officer

Strengthening policies for habitat protection and forest conservation

In just over two decades, the global jaguar population decreased by 25 per cent. In Paraguay, habitat loss for the native big cat species mostly occurs outside of protected areas. Ongoing land use change in the Chaco, and the large spatial needs of the jaguar, mean that the species is increasingly affected by human activities and subject to retaliatory killing for preying upon livestock. Providing technical support for relevant conservation and land use management policies is one way the Good Growth Partnership is helping to protect endangered species like the jaguar. This year, in close collaboration with the Ministry of Environment and Sustainable Development (MADES), the Partnership identified two priority regulations for project support; namely the protocol to improve the management and protection of jaguars and the sustainable production criteria of buffer zones around protected areas.



• Paraguay is moving to protect its dwindling jaguar population with a new protocol and buffer zones around protected areas. Photo: © WWF/Staffan Widstrand



Practitioners from Paraguay, Brazil and other regional beef producing countries used the Good Growth Conference in Peru as an opportunity to exchange knowhow and experience in meeting the growing demand for sustainable beef. Photo: © Maria Paz Gonzáles/PNUD Perú

Exchanging knowhow and solutions across Latin America

Although Latin America and the Caribbean account for only around 10 per cent of the global population, these regions produce almost one quarter of the world's beef and buffalo meat. While the rapid growth of the livestock industry has been a boon for national economies, the downside to this expansion is deforestation and extensive land degradation. As demand for sustainable beef begins to emerge in key international consumer markets, countries like Paraguay have plenty to learn and share with their

regional counterparts. This year, the Good Growth Partnership facilitated a number of forums in Paraguay and abroad, which provided a space for dialogue as well as the exchange of ideas and knowhow. In collaboration with the UN REDD programme, the Good Growth Partnership supported the [South-South Exchange on Sustainable Livestock and Forests](#). The two-day regional workshop, held in November 2018, brought together industry and government stakeholders from Argentina, Brazil, Colombia, Costa Rica, Ecuador, Honduras, Mexico, Panama, Paraguay, Peru and Uruguay.

In October, Paraguayan representatives, supported by the Partnership, attended

the Global Conference on Sustainable Beef in Kilkenny, Ireland (October 9-12). Additional south-south dialogue on sustainable beef was facilitated during the [Good Growth Conference](#) in May. These meetings and exchanges culminated in São Paulo, at the Latin America Sustainable Beef Vision Summit organized by the Global Roundtable of Sustainable Beef in July 2019. As a follow-up, the Partnership will organize a south-south learning visit for stakeholders from the Chaco and Brazil's Tocantins state in the coming months.



12 countries participated in regional sustainable livestock dialogue

“Paraguay is home to large swaths of wetlands and forests. The country is the world's fourth largest exporter of soy and the eight largest exporter of beef. Both sectors contribute to more than 30 percent of Paraguay's Gross Domestic Product (GDP). For the Paraguayan Government, addressing deforestation promises multiple wins for climate change, for inclusive sustainable development, for economic growth, and for farmers. But success will come only if we all act together, now.

–Silvia Morimoto, UNDP Resident Representative in Paraguay

Aligning for sustainable investment in Paraguay

2nd international finance forum

One example of alignment across the Good Growth Partnership is the participation of IFC, UNDP and WWF in Paraguay's [Sustainable Finance Roundtable](#). Paraguay's major banks are responsible for over 80 per cent of the agricultural and livestock loan portfolios. Through the Roundtable, these banks are assisted to incorporate environmental standards into their lending procedures and develop new credit lines for producers. This year, partners participated in Roundtable events and supported the second Sustainable Finance International Forum. Preparations are underway to deliver IFC Performance Standards training to the Roundtable in November.



Paraguay's Sustainable Finance Roundtable is a critical space for engagement with the country's finance sector. Photo: The Ministry of Environment and Sustainable Development



A new resolution for environmentally responsible finance

Compulsory environmental and social governance (ESG) criteria for Paraguay's financing institutions is now being rolled out thanks to a partnership between UNEP-FI and the government. Resolution 8, which has been formally adopted by the Central Bank of Paraguay, requires all financial institutions to integrate ESG criteria into their decision-making processes by 2020. To provide a basis for common understanding of ESG concepts and methodologies, UNEP-FI hosted a training workshop in May with members of the Sustainable Finance Roundtable. A comprehensive training programme focused on implementing Resolution 8 and deforestation risk management in the finance sector is also planned for

early 2020. This training is part of the Resolution 8 implementation strategy, which is being designed by the Good Growth Partnership and delivered in collaboration with the Central Bank of Paraguay, the Ministry of Finance and the Ministry of Environment and Sustainable Development.



• UNEP-FI conducted two introductory environmental and social risk analysis training workshops, in collaboration with the Sustainable Finance Roundtable of Paraguay in May. Photo: UNEP-FI

• The environmental, social and governance (ESG) criteria adopted by the Central Bank of Paraguay will help to measure the sustainability and ethical impact of investments in the agribusiness sector. Photo: The Ministry of Environment and Sustainable Development

“Paraguay’s Central Bank is committed to playing its role in ensuring that our country’s agriculture sector continues to lead the way in producing sustainable commodities. By implementing mandatory ESG criteria for our supervised institutions we can ensure that our economy continues to prosper in a responsible way. As global demand for sustainability increases we need to be ready to capitalize on this.

–Diego Duarte,
Central Bank of Paraguay

Trase data tracks beef to the source of production

Thanks to the transparency platform Trase (www.trase.earth), buyers and consumers interested in Paraguayan beef are now able to track beef production volumes and financial flows from biome or governmental department of origin, to the exporting trade companies, and the country of import. Trade flows from 2014–2017 can be analysed according to the Forest 500 score of the trader companies, revealing which volumes are being bought and sold by companies with stronger or weaker sustainability commitments. This year, Trase released an updated version of the supply chain model for Paraguayan beef which maps the supply chain to subnational regions. Previously only national level data was available. Trase is now working with stakeholders in Paraguay to demonstrate how this data can be used to make informed sustainability decisions.



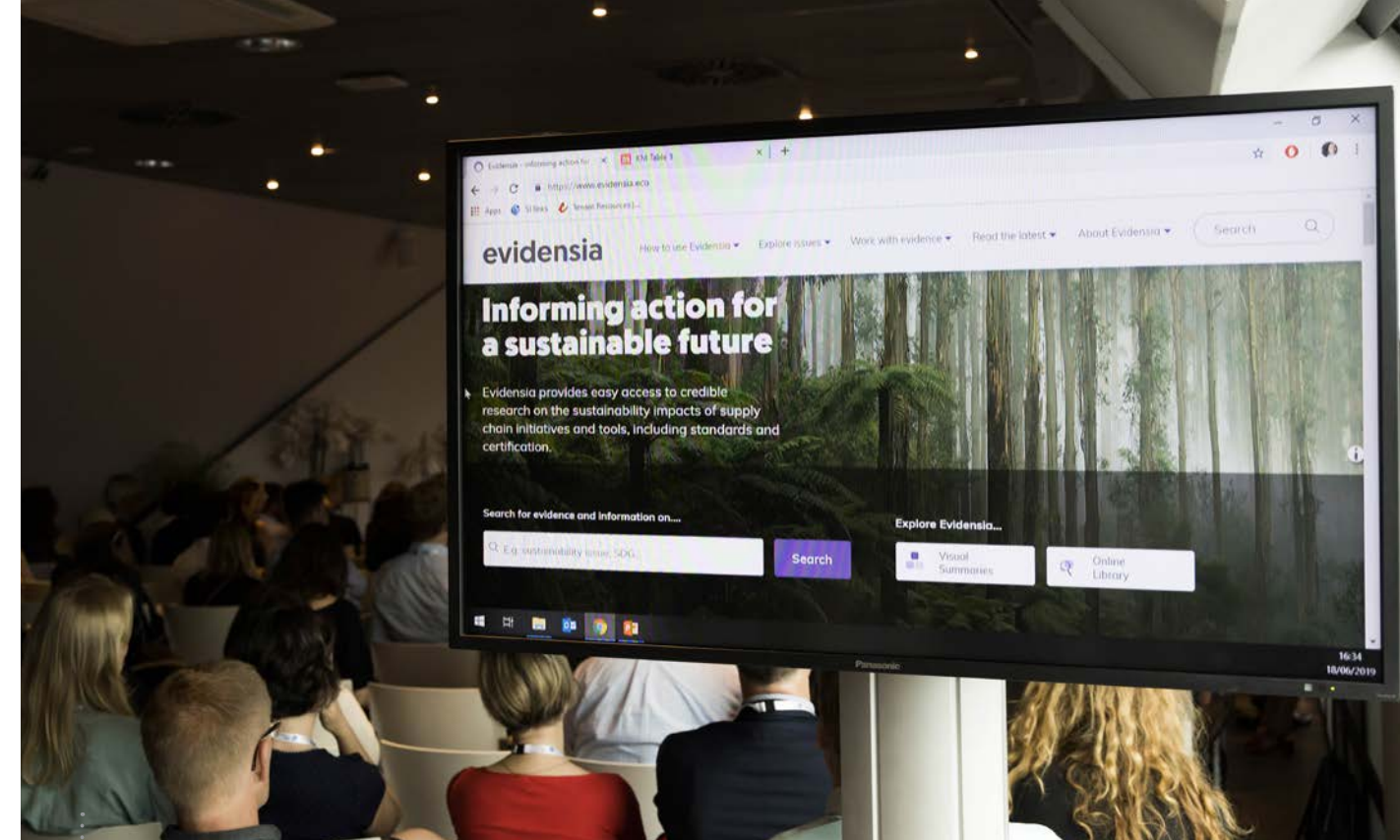
• The Trase team travelled to Paraguay in November to show organizations, including GUYRA, how to use the Trase.earth platform. Photo: Trase

INNOVATIVE TOOLS & RESOURCES

Collective insights for impact

Drawing on the Partnership's extensive network of sustainable commodity experts and national practitioners, a series of online tools and knowledge products were developed and enhanced this year to improve supply chain transparency, access to evidence and best practice.

Photo: © María Paz Gonzáles/PNUD Perú



Launch of Evidensia at the ISEAL Annual Sustainability Standards Symposium, June 2019, Den Haag, the Netherlands. Evidensia will host all of the Good Growth Partnership knowledge, evidence and learning products on its database. Photo: ISEAL Alliance

Evidensia puts evidence to use in policy and practice

With increasing commitment by governments and businesses to tackle sustainability challenges, there is a growing need for understanding what works. However, well organized and credible information about the impacts, effectiveness and business value of sustainability initiatives is often hard to find. In June 2019, [ISEAL Alliance](#) and partners set out to change this with the launch of **Evidensia.eco**. Designed to meet the needs of business leaders, policy makers and researchers, the online information hub provides reliable research and analysis through interactive tools, expert analysis, maps and an easy to navigate resource library.



“Evidensia has been developed to help businesses, governments and practitioners make critical decisions in their development work by working with researchers to develop this knowledge. We need to know what drives effectiveness and what delivers sustainability impacts if we’re to advance and address the issues we are all concerned about. And, critically, we need to know where we have gaps in our evidence and understanding to make this progress.

–Vidya Rangan, Senior Manager, Impacts at ISEAL Alliance



- Public database Trase allows users to follow trade flows to identify sourcing regions, profile supply chain risks and assess opportunities for sustainable production. This year at least 2000 individual users visited the Trase website each month. Illustration: trase.earth

Market intelligence for strategic decision-making

Keeping up with changes and market trends in global commodity markets is critical for strategic and sustainable decision-making. Each quarter, WWF publishes analysis and insight on trade and investment flows, company acquisitions, market influences and key actors in beef, soy and palm oil supply chains via a series of commodity market intelligence updates. [‘Finance and the Cerrado,’](#) examined growing investment into infrastructure and agribusiness in Brazil’s soy frontier and included new data on the largest soy consuming countries and companies. The second update, [‘U.S.-China Trade Uncertainties Shift Market Signals for Soy,’](#) provided a real-time analysis of the potential for trade disputes between the world’s two largest economies to impact demand for Brazilian soy. [‘Palm Oil and the Financial Sector,’](#) provided insights on sustainable investment in the palm oil sector, with a focus on the policies of Asia’s regional banks. Subsequent market intelligence updates can be downloaded via the Good Growth Partnership website.

New Trase data uncovers deforestation risks

The supply chain transparency platform, Trase (www.trase.earth), received major updates this year, enhancing its value to companies and other stakeholders as a groundbreaking tool to support sustainable decision-making. The Trase team also worked with companies and governments to better understand their data needs, resulting in tweaks to improve the platform’s functionality and to support sustainable sourcing decisions. Trase allows users to track agricultural commodities through the supply chain and back to their production geography. The data also allows users to identify environmental and social risks associated with each production geography, including deforestation, water scarcity, land-based CO2 emissions and land conflicts. The Partnership’s support has enabled Trase to expand and include national-level models for six additional countries and 11 commodities, including Indonesian palm oil. By the end of next year, Trase aims to generate and publish data accounting for 70 per cent of the total global trade in forest risk commodities.

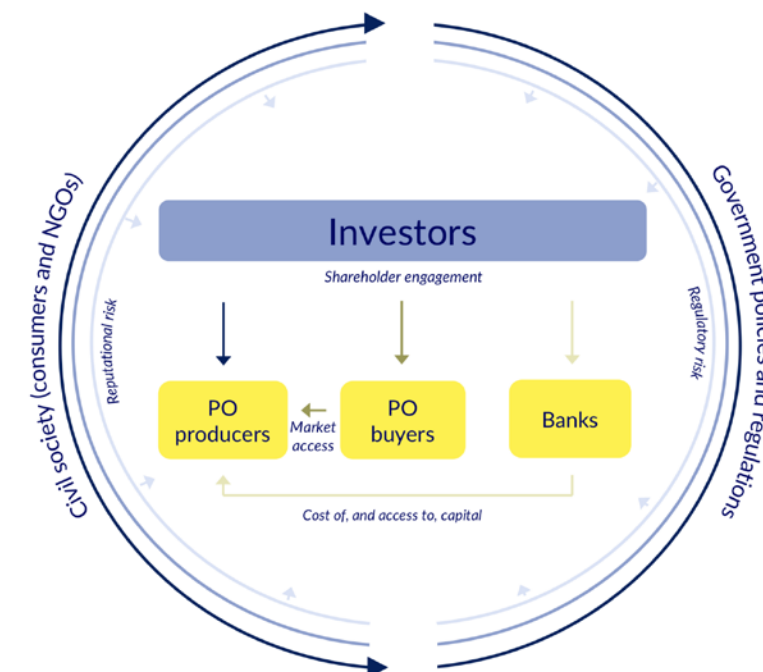
Read more about Trase’s work in the Brazil and Paraguay country chapters.

Keep palm: primer for responsible investment in Southeast Asia

Last year, [the Sustainable Palm Oil Primer for Investors](#) was published in partnership with WWF-SG and CLSA, the leading and longest-running brokerage and investment group in Asia with over 1,000 institutional investor clients. This year, additional blog posts via Thomson Reuters and BRINKAsia promoted the publication and further underscored the need for investors to engage with the sector. Briefing packs were also developed and shared with a group of investors to support their engagement with ASEAN banks and to enhance the rigor of regional palm oil lending policies and overall environmental social and governance (ESG) practices.

“As an asset manager we have engaged with the palm oil industry since 2010. Robeco welcomes WWF’s call to action to institutional investors and banks to engage with portfolio companies and clients to encourage the adoption of best practice sustainability criteria. Rather than divest from the companies who are shaping the future of food, the finance sector should contribute towards climate resilient, sustainable food systems – a key determinant of whether we meet the Sustainable Development Goals by 2030.

– Peter van der Werf, Director, Active Ownership at Robeco



- In April 2019, WWF released a global statement asking investors not to divest from the palm oil industry and to instead use their influence to address deforestation and other environmental and social issues within the sector. Guides such as the Sustainable Palm Oil Primer for Investors, which was created with support from the Good Growth Partnership, are critical to enhancing understanding and promoting best practice among lenders, banks and investment firms. Infographic: © WWF

THE GREEN COMMODITIES COMMUNITY

Learning through sharing

Challenges, barriers and solutions to reducing deforestation are regularly uncovered in commodity supply chains around the world. Through its network of dedicated practitioners, the Green Commodities Community is harnessing this collective knowhow to accelerate the transformation of marine and agriculture commodities.

Photo: © Maria Paz Gonzáles/PNUD Perú



THE GREEN COMMODITIES COMMUNITY

The Good Growth Partnership directly contributes to 10 of the 17 UN Sustainable Development Goals. From gender equality and alleviating poverty to climate action and life on land, sustainable agriculture is at the heart of the 2030 development agenda. © Maria Paz Gonzáles/PNUD Perú

A global community of practice

210
Virtual workshop participants
representing more than 40 international organizations

Drawing on 10 years of in-country experience and multi-stakeholder collaboration, the [UNDP's Green Commodities Community](#) supports on-the-ground practitioners, captures lessons learned and facilitates dialogue across major agriculture and marine commodity systems. Throughout the year, the Community offered 30 virtual workshops to its growing cohort of **210 participants** who represent more than 40 international organizations. Learning themes included financing national extension services and linking jurisdictional approaches with national action planning.

“For me, the group coaching sessions for national commodity platform managers have been particularly useful. Fundamentally our issues are the same, despite the fact we are all dealing with very different commodities, policies and diverse cultures. The Green Commodities Community reminds you that you are not alone.

–Rini Indrayanti UNDP-Indonesia
Sustainable Palm Oil Platform Manager,
Community Member since 2017



“Having the opportunity to be immersed in the forest, with different stakeholders from diverse backgrounds, was extremely enriching. It was a unique opportunity to deep dive into multi-stakeholder, landscape and financing approaches. I returned to Lima inspired and with the certainty that the work we do is important and can indeed have impact.

–Martin Peter, Director of Economic Development Cooperation in Peru, SECO



Good Growth Conference

In May 2019, the inaugural [Good Growth Conference](#) convened in Lima and the Amazon with a mandate to put sustainability at the heart of commodity supply chains. The unique learning and networking opportunity brought together more than 260 policymakers, producers, local community leaders, companies, development practitioners and conservationists.

The immersive approach to learning, conducted in the heart of one of the world’s most important ecosystems, is a defining feature of the biennial gathering designed by the UNDP’s Green Commodities Community. Spending time in the Amazon helped conference delegates gain a deeper connection to their work as well as the resilience and inspiration needed to sustain collective efforts for change.

During the high-level Lima session, delegates contributed to dialogue geared toward accelerating action. The President of Peru and participating Ministers from Peru, Ecuador and Paraguay used the opportunity to exchange honest perspectives and reignite their sustainability commitments.

Following the opening session, participants journeyed into the Amazon where they shared knowledge and gained first hand perspectives from local sustainability champions. The small Amazonian village of Sauce, in San Martin, provided a base for the week of interactive workshops and field trips which equipped delegates with the tools and knowhow needed to reduce deforestation.

For more information about joining the Green Commodities Community or the Good Growth Conference please contact Matias.Ferreira@undp.org

260+
participants

21
participating
countries

90
organizations

represented from public and private sector institutions and civil society

30
sessions, workshops
and interactive panel
discussions

5
field trips

25+
media articles

generated from the conference

86%
of surveyed conference
delegates

said they gained new knowledge which will influence their work

72%
of surveyed conference
delegates

requested to join the Green Commodities Community

View videos and photos from the Good Growth Conference at goodgrowthpartnership/ggc



• The Good Growth Partnership will combine its gender research and learning in a global guidance document slated for distribution at the end of 2019. Photo: © Mike Matarasso/Conservation International

Advancing the participation of women in agriculture

4 gender analyses completed

Women comprise over 40 per cent of the global agricultural workforce. Yet they face a variety of constraints, such as limited access to land, agricultural inputs, technologies, finance and networks. It is well known within the development community that closing the gender gap, particularly at the production end of the supply chain, can drastically increase yields, food security and resilience to the impacts of climate change. For those reasons, efforts to improve the representation of women and their access to resources in key commodity producing countries are necessary to achieving the production of sustainable commodities. To date, four gender analyses have been completed by Good Growth Partnership projects, including an analysis conducted by the Demand

Project in Indonesia, Southeast Asia, Sierra Leone and Brazil. Recommended actions include the incorporation of gender considerations in WWF Singapore's engagement with investors and trainings, the collection of gender-focused data, increasing participation of women in community meetings and platform discussions, including women in land use planning decisions as well as the development of gender sensitive farmer training material. Throughout the year, virtual workshops and panel discussions, facilitated by the Green Commodities Community, enabled the exchange of knowledge and lessons learned related to empowering women in commodity supply chains.

“We need women’s representation because it’s the right thing to do, it’s the fair thing to do. It’s also important that we capitalize on their creativity, their intelligence and their practice to combine what we are already doing to address sustainability challenges.

– Leisa Perch,
International Gender Consultant



Good Growth Conference Women Speak Their Truth panelists (group photo top left): **Rini Indrayanti of UNDP–Indonesia, Sandra Andraha of UNDP–Costa Rica, Jessica Donovan–Allen of Conservation International–Liberia, moderator and lead conference designer Lise Melvin of UNDP, Maike Moellers of GIZ, Karin Kreider of ISEAL Alliance, Monica Andrade of UNDP–Ecuador and international gender expert Leisa Perch.** This impressive group of female changemakers discussed the realities and opportunities of being women in the fields of agriculture and sustainable development. [A video from the discussion is available on the Good Growth Partnership website.](#)

Photos: © Maria Paz Gonzáles/PNUD Perú





• Ecuadorian journalist Isabel Riofrio reported for Mongabay Latin America during the week long Good Growth Conference. Photo: © Maria Paz Gonzáles/PNUD Perú

Good Growth Journalism Initiative

To further [explore the potential of solutions journalism in the context of climate change and deforestation](#), the UNDP's Green Commodities Community facilitated a learning experience for eight international journalists on the sidelines of the Good Growth Conference.

The initiative began with a two-day workshop in Lima, where selected journalists had the opportunity to consider the powerful role international media plays in reporting on deforestation.

For the participating journalists, the opportunity to learn from development practitioners, at the frontiers of deforestation and commodity production, proved to be a unique experience which broadened their perspectives. Since returning to their home countries, the journalists have

collectively published more than a dozen articles and have maintained commitments to collaborate on reporting projects in the future.

More than 80 journalists applied to participate in the Good Growth Journalism Initiative. This global network of environmental, finance and investigative reporters is being fostered through the Green Commodities Community, which is hosting quarterly solutions journalism virtual workshops and exchanges via a dedicated Facebook group.

“How can we encourage people to question whether their purchases are linked to deforestation or made in a sustainable way? These are the issues people need to talk about. It is also something that needs to be ingrained in our own habits, our own ideas of consumption.

– Isabel Riofrio,
Mongabay, Latin America



One of the biggest takeaways I gained from participating in the Good Growth Journalism Initiative was being exposed to what's already being achieved in Peru and neighbouring countries. I heard Costa Rica's remarkable story. The country managed to reverse what was one of the highest deforestation rates in the world with radical reforms backed by political willpower. It's a lesson countries in Africa ought to learn.

–Eromo Egbejule, The Africa Report

Photo: © Maria Paz Gonzáles/PNUD Perú



The Good Growth Partnership has made significant progress in creating the enabling conditions for the sustainable production, demand and financing of agricultural commodities.

However, as deforestation and unsustainable production persist, there is plenty more work to be done.

We will continue to track our progress and lessons learned as we foster new partnerships and scale our approach.

1 Cultivating sustainable production

With district, provincial and national multi-stakeholder platforms now established in all four project countries, the focus in year three will be on consolidating nationwide support to reduce deforestation.

In Brazil, the project team will partner with the Critical Ecosystem Partnership Fund (CEPF) to expand and create new protected areas in the Cerrado biome. To complement this work, IFC will identify degraded land in the State of Tocantins and establish a series of soy cultivation pilots that argue the case for expansion into already degraded areas.

In Indonesia, after a six year process, the project hopes to achieve legalization of the National Action Plan for Sustainable Palm Oil. This will be a landmark achievement for the world's largest producer of palm oil and the beginning of a coordinated government-led effort for sustainable palm oil from Jakarta to Sumatra and West Kalimantan.

In Liberia, a national sustainable oil palm strategy will be produced through multi-stakeholder dialogue facilitated by the NOPPOL. This will include national interpretations of RSPO principles and criteria. This strategy will be critical to ensuring that the development of Liberia's palm oil sector does not impede community rights nor the protection of the Guinean Forests of West Africa.

In Paraguay, the Chaco Action Plan for sustainable beef will be finalized with an

emphasis on sustainable intensification and land use planning. Policies on jaguar protection and the Environmental Legal Code will be revised and strengthened with multi-stakeholder input.

Meanwhile, farmer training pilots will continue in all four countries aided by a Farmer Support Toolkit currently being developed by the UNDP's Green Commodities Programme. The Production Project will also continue to work with government partners to define and protect a targeted 950,000 ha of high conservation value forest, an area almost the size of Iceland.

2 Generating responsible demand

In 2020, the Good Growth Partnership will work closely with buyers and traders to assess and communicate corporate progress against their respective deforestation commitments. While most deforestation targets are far from being achieved, 2020 is a chance for corporate leaders to take stock and reevaluate their impact. In year three, Demand Project partners will also facilitate new guidelines and forums, such as the Indonesian Sustainable Retailers Platform which will be launched to encourage more demand for sustainable palm oil in the domestic market. Meanwhile, commodity roundtables, investor association meetings, media campaigns and events facilitated by Demand Project partners will continue to build awareness and influence demand trends. Knowledge products such as the Trase Yearbook and Soy Toolkit training videos will be translated and made



• A Landscape Analysis Tool will be piloted next year to better understand the drivers of deforestation and the effectiveness of efforts to achieve sustainable commodity production. Photo: © Rahman Harahap/Conservation International

available online, furthering efforts to improve transparency in key commodity supply chains. Commodity Market Intelligence Updates will continue to explore and provide strategic insights on shifting market trends.

3 Enabling sustainable transactions

As responsible investment principles evolve and move to the forefront of investor decision-making, the Enabling Transactions project will capitalize on this momentum to reduce deforestation in commodity supply chains. UNEP-FI will continue to build awareness about the investment risk of deforestation in project countries. This will be supported by a training programme and a decision support tool for banks wanting to integrate deforestation risks into their lending procedures. In Brazil and Paraguay, IFC will continue building a business case for the sustainable production of beef and soy. This will include a series of pilot projects that test incentives for compliance with laws, such as the Forest Code in Brazil and business models that reward farmers for intensification and the use of degraded land.

4 Adaptive management & knowledge sharing

With ongoing adaptive management and coordination, partners will continue to strengthen their combined efforts to accelerate the transformation of the world's food and agricultural systems. Next year, activities to increase learning and facilitate knowledge exchange will continue with renewed energy and insights generated during the inaugural Good Growth Conference. A new cycle of virtual workshops requested by members of the Green Commodities Community will be delivered and preparations for the next conference will begin. Efforts to increase the representation of women and engage female stakeholders in farming communities will be bolstered by recommendations delivered in a gender knowledge product slated for distribution at the end of 2019. Meanwhile, online knowledge platform Evidensia will help to increase awareness of effective initiatives and tools that have a track record in reducing deforestation.



“It has become evidently clear that we need to transform our economic systems if we are to continue to prosper within safe planetary boundaries. The food system and land use is on the top of the list.

– Naoko Ishii, CEO and Chairperson
Global Environment Facility

Photo: © Maria Paz Gonzáles/PNUD Perú

Acknowledgements

The annual Good Growth Partnership Highlights Report is the result of efforts made by many individuals and organizations within the global programme. Thank you for your continued support and partnership.

INDONESIA

CI Indonesia

Anugrah Atiqah Ayu, Castro Bradford, Dewantoro Rohadiono, Idris Nassat, Iskandar Dedy Popo, Limbong Asbron Pardamean, Magdalena Lena, Mahani Hani, Mandalu Isner Marulitua, Manullang Jusniar, Meilinda Linda, Nainggolan Albert Budiman, Pakpahan Yohanna, Putra Ketut, Rabbani Ahsan, Ramachandra Anurag, Sai Bharaty, Santoso Iman, Saragih Sari, Sinaga Melysa, Sitio Masdany, Tambunan Siswaty, Zulfadhli Zul.

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UN Environment

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WWF-Indonesia

Aditya Bayunanda, Angga Prathama Putra, Dedi Wahyudy, Dewi Satriani, Elisabeth Diana Supit, Hermas Rintik Maring, Indria Wahyuni, Irwan Gunawan, Ismu Widjaya, Joko Sarjito, Maggie Meutia, Muhammad Munawir, Ni Sadharwati, Niki Nofari, Nursamsu, Rachmad Hafiz Zulfifar Alkadrie, Sundari Utami, Swastuti Handayani.

LIBERIA

CI Liberia

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UNDP Liberia

Dorsla Farcarthy, Galah Toto, Gradijah Bou Hussein, Moses Massah, Pa Lamin Beyai, Ronald Cumberbatch.

BRAZIL

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FBDS

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IFC

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Proforest

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Trase (also for Paraguay)

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UN Environment

Paula Alves, Paula Peirao, Raquel Costa.

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Rosenely Diegues Peixoto, Haroldo de Oliveira Machado Filho.

WWF-Brazil

Carolina Siqueira, Edegar Oliveira, Frederico Machado.

PARAGUAY

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UN Environment

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UNDP Paraguay

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GLOBAL

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Amanda Sennert, Danielle King, Fabiano Godoy, Gabriel Levin, Jessica Furmanski, John Buchanan, Mandy Devine.

IFC

Dieter Fischer, Susan Pomar Nuijten.

ISEAL Alliance

Kristin Komives, Rita Mendez, Udit Khare, Vidya Rangan.

Proforest

Abraham Baffoe, James Parker, Nadia Goodman.

UN Environment

Ivo Mulder, Jonathan Gheysens, Lara Yacob, Makiko Ashida.

UNDP

Aline da Silva, Andrew Bovarnick, Caroline Petersen, Charles O'Malley, Colleen McNally-Murphy, Cristina Baeza, Kathleen Wood, Laura Acuña, Leif Pedersen, Lise Melvin, Marlon Flores, Matias Ferreira, Nadia Puerta, Nicolas Petit, Pascal Fabie, Pascale Bonzom, Rebecca Lake, Simon Cooper, Vanessa Briceño.

WWF

Adnan Hanif, Elizabeth Schueler, Jordan Swift, Margaret Arbuthnot, Owen Hauck.

WWF Singapore

Jeanne Stampe, Keith Lee, Lauren Lynch, Lise Pretorius.



GOOD GROWTH PARTNERSHIP

Working across production, financing and demand, the Good Growth Partnership convenes a wide range of stakeholders and initiatives to reduce deforestation and enable sustainable development in three global commodity supply chains: soy, beef and palm oil.

Launched at the United Nations New York headquarters in 2017, the Partnership is funded by the Global Environment Facility, led by the United Nations Development Programme and implemented in collaboration with Conservation International, the International Finance Corporation, UN Environment and World Wildlife Fund.

In partnership with the governments of Brazil, Indonesia, Liberia and Paraguay, as well as civil society and major private sector players, together we aim to place sustainability at the heart of commodity supply chains.