

**RSPO**

Roundtable on Sustainable Palm Oil

## Developing and Testing Traceability of FFB Supply Chain in Indonesia – Contribution to RSPO Guidance

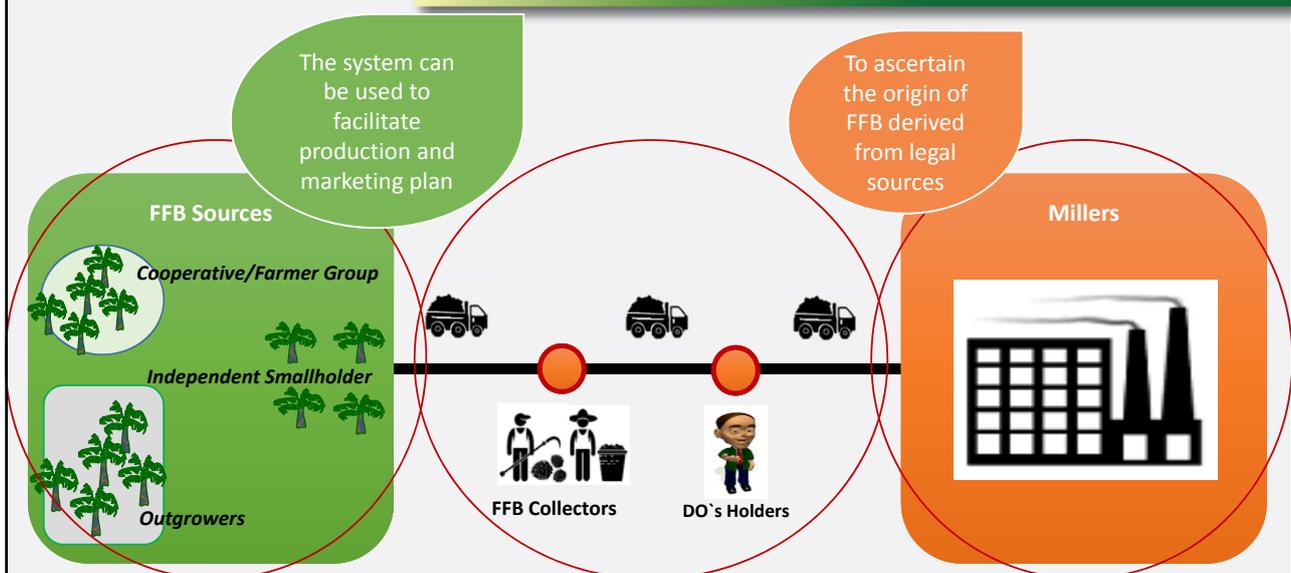
Putra Agung / WWF-Indonesia



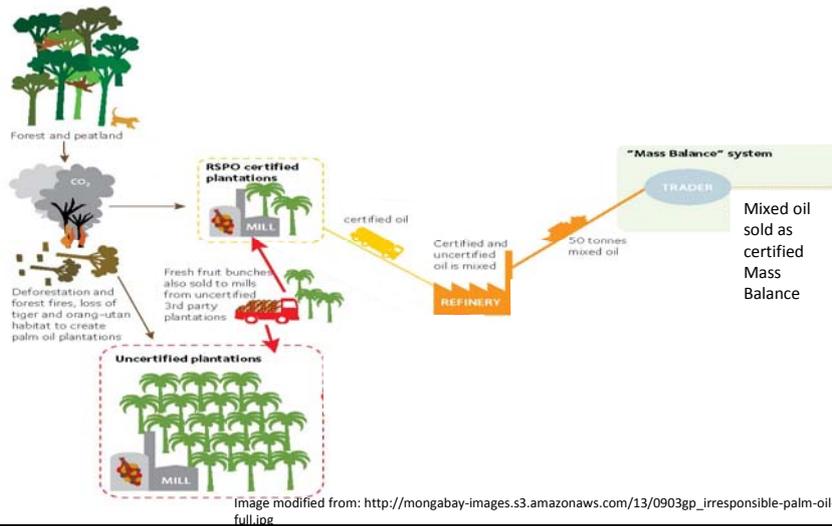
Global Vision | Regional Action  
2015 to 2020



## What is traceability system?



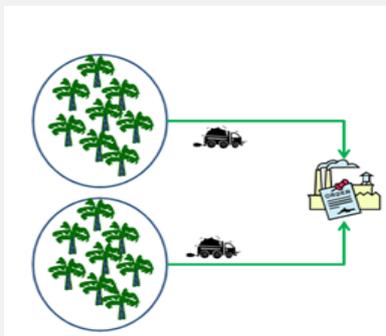
## Why do we need traceability system?



- There is a risk identified that CSPO mass balance supply chain system is mixed with potentially illegal oil from unknown source;
- Legality and Traceability system is developed to address the issue and to enhance RSPO credibility in the market;

## FFB supply chains practices in Indonesia

### 1. Plantation without mills

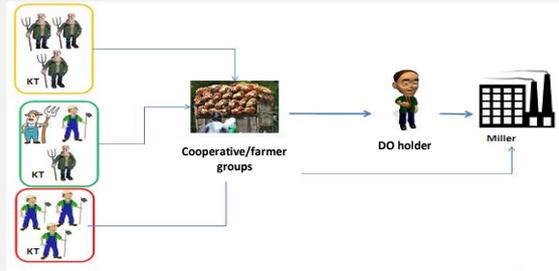
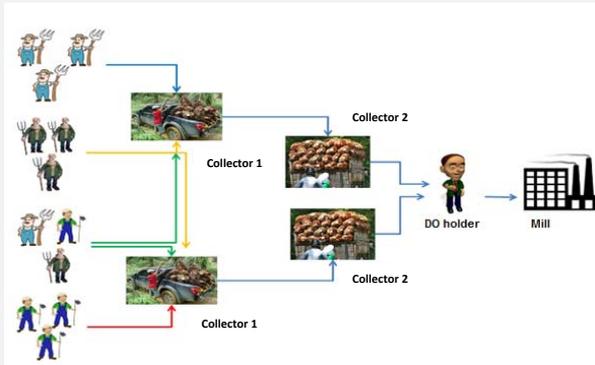


In average, medium plantations area are about 500 hectares and normally they have no mill. They supply their FFBs to nearby mills or plantations that own mill.

FFB sources coming from these plantations must be a legal entity and have sufficient capacity to harvest, transport, and deliver their FFBs to buyers.

# FFB supply chains practices in Indonesia

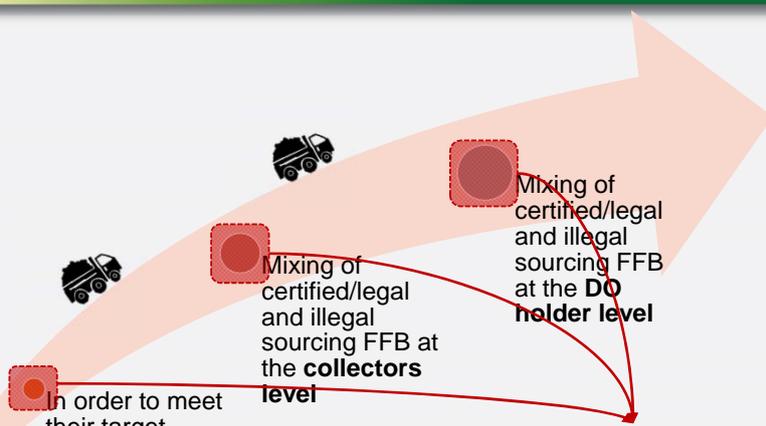
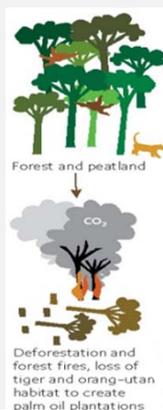
## 2. FFB traders



FFB traders divided into two categories: big traders and small scale traders; like cooperative or farmer group. They must pocket a delivery order (DO) agreement.

DO holders are bound to supply FFBs in a daily routine with a certain volume and time period that usually set for at least 6 to 12 months.

# Identified problems in FFB supply chains



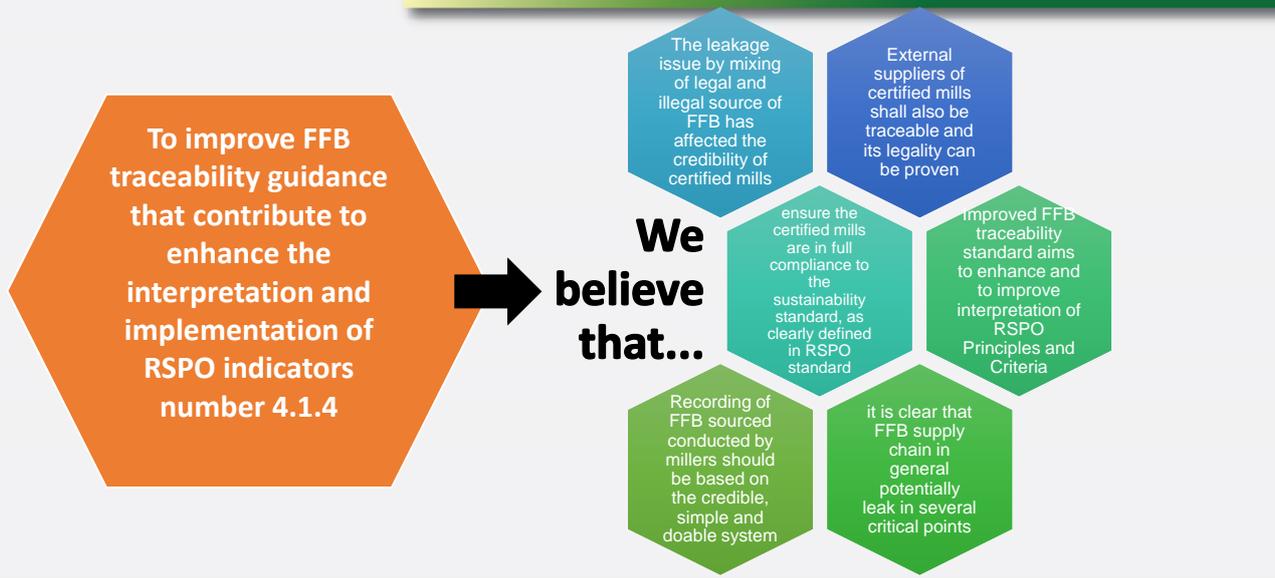
In order to meet their target, traders have extended suppliers to get supply from illegal sources

Mixing of certified/legal and illegal sourcing FFB at the **collectors level**

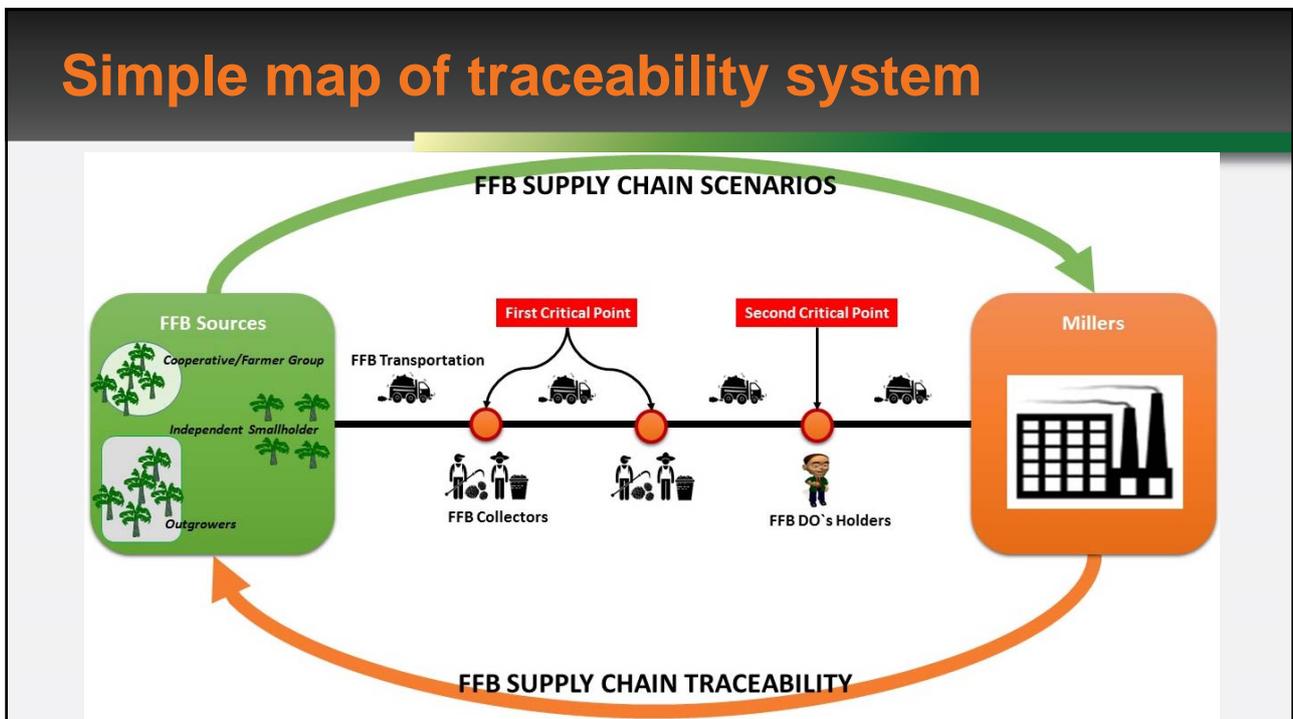
Mixing of certified/legal and illegal sourcing FFB at the **DO holder level**

**WHO and HOW** to identify and verify actors involve in FFB supply chain as well as to get them actively involve in sustainable production

## Contribution to RSPO Guidance

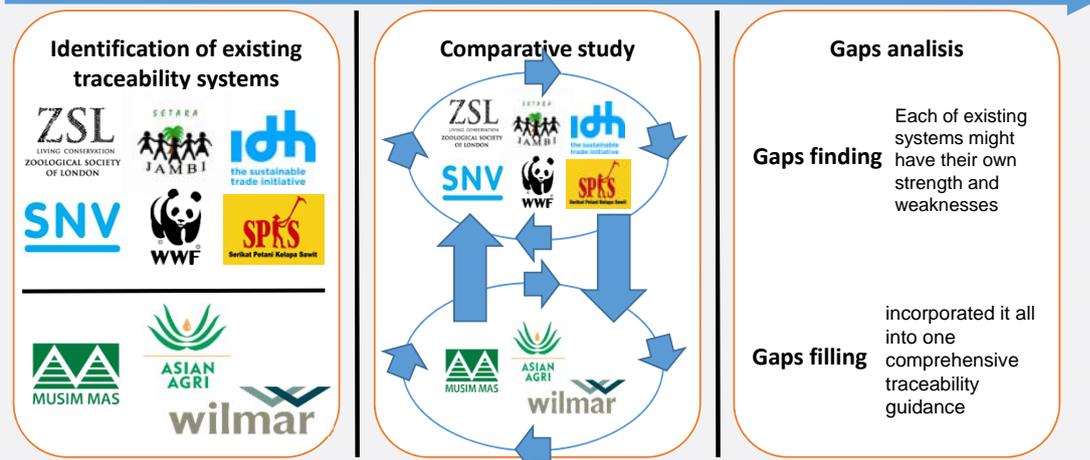


## Simple map of traceability system



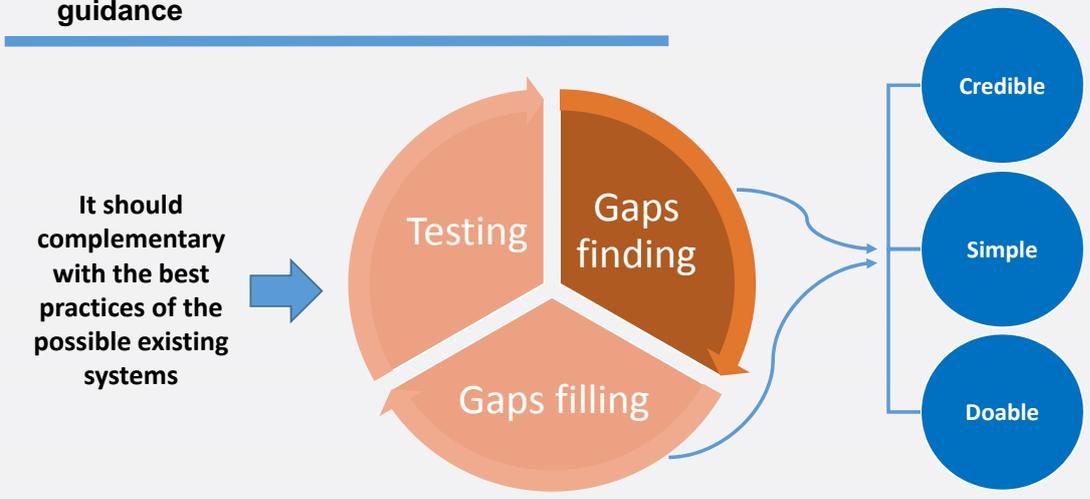
# FFB supply chain traceability study

## 1. Identification and conduct comparative study of existing traceability systems;



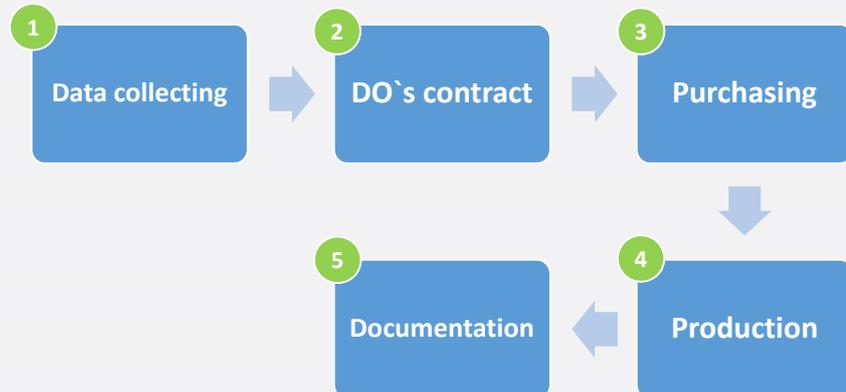
# FFB supply chain traceability study

## 2. Test the proposed incorporated traceability guidance



## Modalities we have so far

Basic mechanism for the implementation of traceability systems



## Thank you...!

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