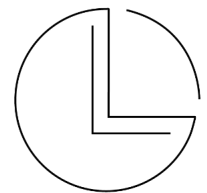




CATALYSING MARKETS FOR DELIVERING CONSERVATION: THE SCCM

The Global Landscapes Forum: 19 December 2017



LESTARI
CAPITAL

THE BEGINNING

- **THE ROUNDTABLE ON SUSTAINABLE PALM OIL COMPENSATION MECHANISM**
 - Developed to support compliance within the RSPO system
 - Identifies historical non-compliance
 - Utilises proxies to calculate liability either in hectares or dollars
 - Provides limited guidance on how to compensate the liability to conservation projects
- **HOWEVER CHALLENGES IN IMPLEMENTATION REMAIN**

SCCM STRUCTURE: AN ECOSYSTEM SERVICES PLATFORM

Demand Market Compensation

Long Term Supply Project Portfolio

RSPO Company 1
Liability:
10,000 ha RSPO Compensation

RSPO Company 2
Liability:
3,000 ha RSPO Compensation

Demand Agreement

Liability Financial Transfer



Supplier Agreement

Quarterly/Annual Financial Transfer

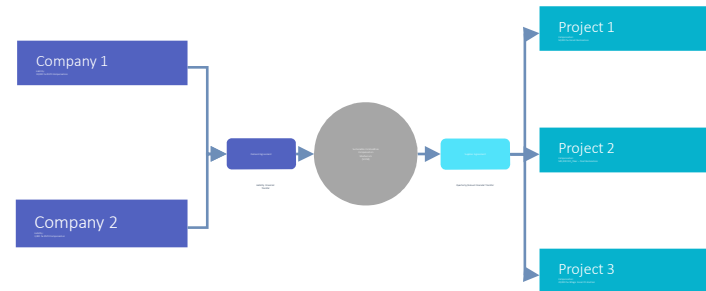
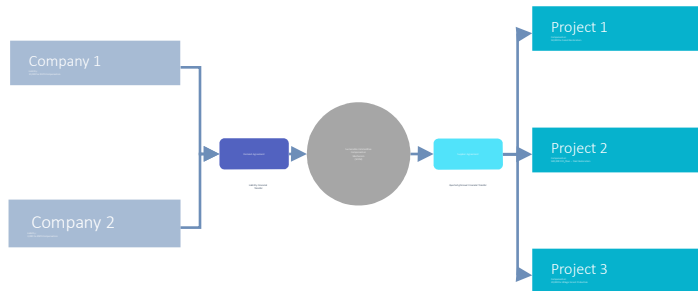
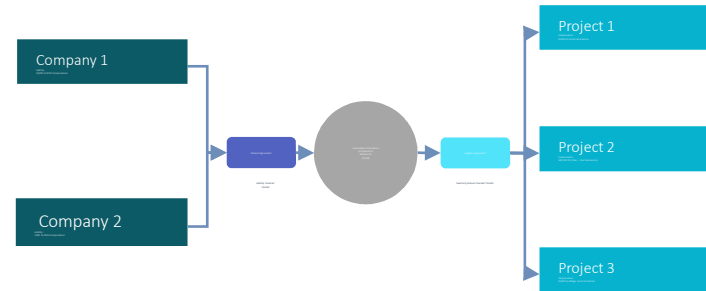
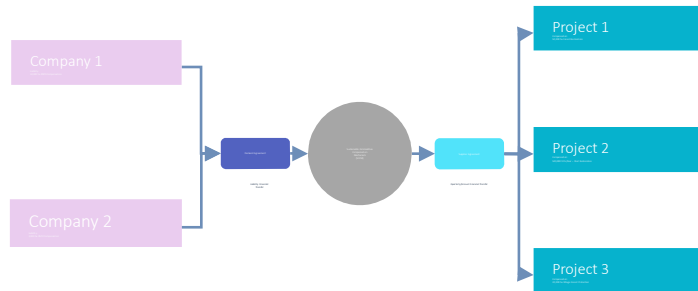
Project 1
Compensation:
50,000 ha Forest Restoration

Project 2
Compensation:
500,000 tCO₂/Year – Peat Restoration

Project 3
Compensation:
20,000 ha Village Forest Protection

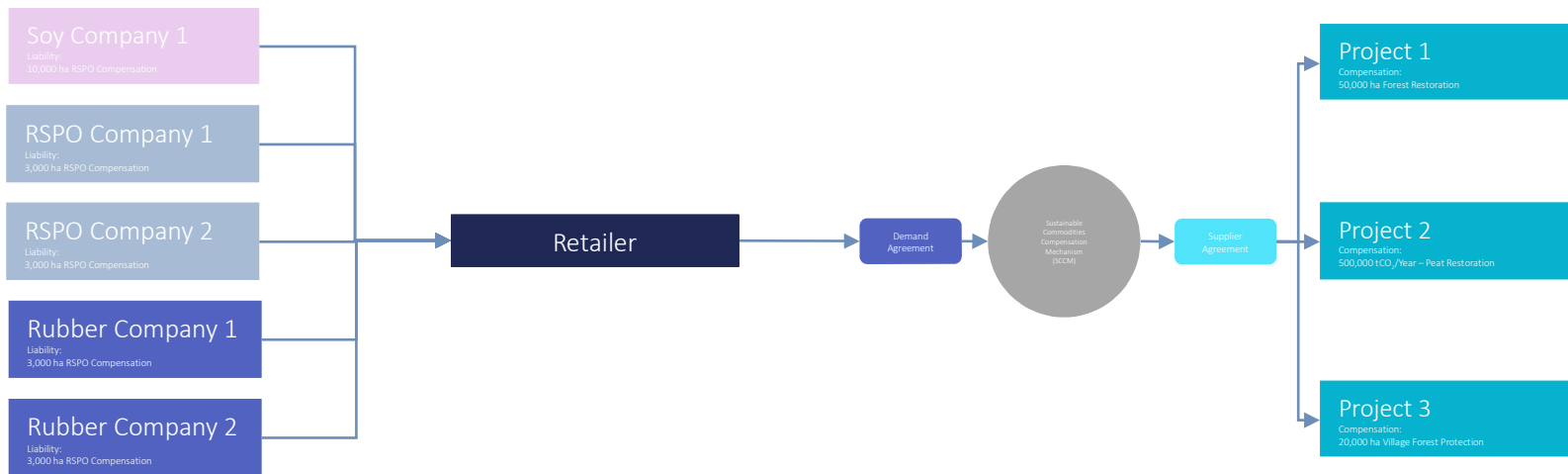
TAKEAWAY ONE

SCALE THIS!



TAKEAWAY TWO

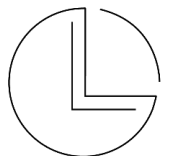
THINK ABOUT THE WHOLE SUPPLY CHAIN



TAKEAWAY THREE

THERE IS STILL A LONG WAY TO GO

- Improve sustainability standards to truly incorporate the cost of environmental impact.
- We need to speed up the development and reach of such systems to incorporate all costs by standardisation and transparency.
- The whole supply chain should be included.
- Ensure funding is efficiently spent, projects are fundable, and that we demonstrate impact on the ground.

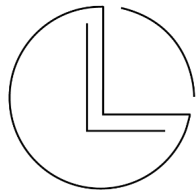


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THANK YOU

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