CATALYSING MARKETS FOR DELIVERING CONSERVATION: THE SCCM

The Global Landscapes Forum: 19 December 2017
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

- **RSPO Company 1**
  - Liability: 10,000 ha RSPO Compensation

- **RSPO Company 2**
  - Liability: 3,000 ha RSPO Compensation

**Long Term Supply**
Project Portfolio

- **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!

Company 1

Project 1

Project 2

Project 3

Company 2

Company 1

Project 1

Project 2

Project 3

Company 2

Company 1

Project 1

Project 2

Project 3

Company 2

Company 1

Project 1

Project 2

Project 3

Company 2
TAKEAWAY TWO

THINK ABOUT THE WHOLE SUPPLY CHAIN

Soy Company 1
Liability:
10,000 ha RSPO Compensation

RSPO Company 1
Liability:
3,000 ha RSPO Compensation

RSPO Company 2
Liability:
3,000 ha RSPO Compensation

Rubber Company 1
Liability:
3,000 ha RSPO Compensation

Rubber Company 2
Liability:
3,000 ha RSPO Compensation

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 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.
THANK YOU

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