

# FUTURE MARKET PERSPECTIVES FOR ISSC CERTIFIED SYSTEMS USER IN SOUTH EAST ASIA: INDONESIA'S PERSPECTIVES


PRESENTATION AT 10<sup>th</sup> ISCC  
REGIONAL COMMITTEE  
MEETING SOUTH EAST ASIA  
21 OCTOBER 2020

- ❖ EU Communication (2019) on stepping up EU action to protect and restore the world's forests
- ❖ EU Report on the EU's role in protecting and restoring the world's forests (Stanislav Polčák)
- ❖ EU Draft Report on the EU legal framework to halt and reverse EU-driven global deforestation (Delara Burkhardt)

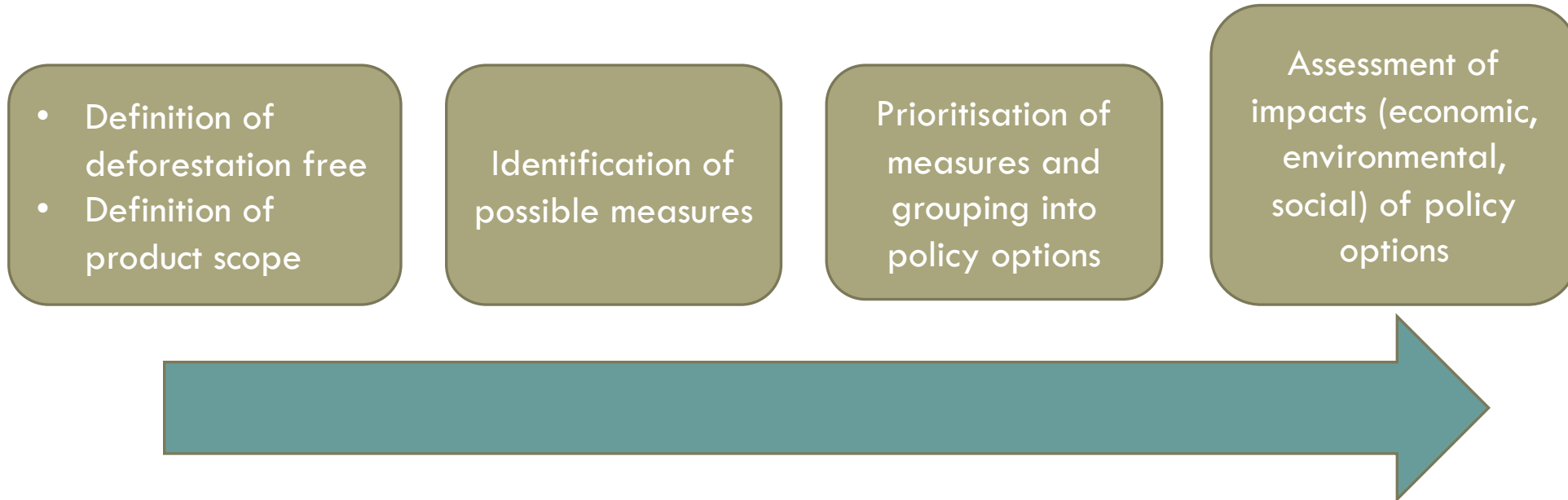
- 
1. Reducing the footprint of EU consumption on land, while also encouraging the consumption of products deriving from a deforestation-free supply chain;
  2. Reducing pressure on forest through collaboration with third countries;
  3. Empowering international cooperation to fight deforestation and forest degradation;
  4. Redirecting finance to support more sustainable land-use practices; and
  5. Enhancing the information on forests and commodity supply chains along with the access to that information.

- ❖ Main driver of deforestation (80%) is agricultural land expansion
- ❖ Global deforestation: soy, beef, palm oil
- ❖ Small forest footprints: cocoa, coffee
- ❖ EU imports and consumes 7 – 10% of commodities that are associated with deforestation in the countries of origin

- ❖ As a follow up, the Commission launched a public consultation on the EU's legislative initiative "Deforestation and forest degradation – reducing the impact of products placed on the EU market " from 3 September – 10 Desember 2020
- ❖ The Commission will investigate the supply-chain transparency and minimising the risk of deforestation and forest degradation

- 
1. Mandatory labelling;
  2. Voluntary commitments and labelling;
  3. Due diligence;
  4. Verification schemes; and/or
  5. Other methods that may focus on the production methods involved

# U



I

- ❖ FERC (Forest and Ecosystem Risks Commodity) : soy, beef, palm oil, maize, cocoa, coffee, rubber, leather
- ❖ Main export commodities for Indonesia: Palm Oil, Rubber, Coffee, Cocoa, Leather
- ❖ Deforestation: Indonesia vs EU



I

Identification of possible measures in determining deforestation free supply chain:

- ❖ IUU approach
- ❖ Due diligence systems
- ❖ Verification systems

COUNTRY	CERTIFICATES
Afghanistan	1
Albania	2
Andorra	1
Argentina	35
Australia	13
Austria	55
Azerbaijan	1
Bahrain	2
Belarus	9
Belgium	49
Benin	1
Bolivia	1
Bosnia and Herzegovina	5
Brazil	11
Bulgaria	73
Burkina Faso	2
Cambodia	1
Canada	12
Chile	6
China	147
Colombia	32
Costa Rica	5
Croatia	54
Cyprus	9
Czech Republic	163
Denmark	46
Ecuador	1
Egypt	6
Estonia	7
Finland	17
France	89
Gabon	1
Georgia	1

Germany	112
Ghana	4
Gibraltar	1
Greece	112
Guatemala	26
Guernsey	1
Honduras	19
Hong Kong	25
Hungary	207
Iceland	1
India	10
Indonesia	229
Iraq	1
Ireland	11
Israel	1
Italy	208
Japan	12
Jersey	1
Jordan	1
Kazakhstan	1
Korea, Republic of	7
Kuwait	5
Latvia	19
Lebanon	4
Lithuania	52
Luxembourg	4
Macedonia, Republic of	2
Malaysia	165
Malta	2
Mexico	1
Moldova, Republic of	1
Morocco	4
Netherlands	161

Netherlands Antilles	1
New Zealand	2
Nicaragua	2
Norway	9
Oman	1
Pakistan	1
Paraguay	5
Peru	4
Poland	52
Portugal	47
Qatar	2
Romania	133
Russian Federation	39
Saudi Arabia	7
Serbia	21
Singapore	46
Slovakia	92
Slovenia	25
South Africa	6
Spain	303
Sweden	22
Switzerland	52
Taiwan, Province of China	8
Togo	2
Trinidad and Tobago	1
Tunisia	6
Turkey	2
Ukraine	73
United Arab Emirates	15
United Kingdom	156
United States	87
Uruguay	11
Vietnam	1

- 
- ❖ In March 2018, Indonesia has received the very first ISCC certificate for independent smallholders (ISCC Impact Report, 2018)
  - ❖ Proofed that independent smallholders can be included in deforestation-free supply chains – important key messages to the EU

- ❖ Mutual recognition between ISPO (new) and ISCC?
- ❖ Joint efforts in developing measurement towards EU definition of deforestation-free supply chain
- ❖ Supports to the possibilities of introducing a common certification mark on sustainability based on the existing measurements (ISPO, FLEGT License, IUU – approach) ?
- ❖ Roadmap for other FERC commodity who has not been certified such as Rubber, Coffee, Cacao, Leather

**Table 1.** Standards score on the process to ensure protection of biodiversity

**Requirements prior to significant intensification or expansion of cultivation, infrastructure or processing;**

Does the standard require the identification of biodiversity values that would be potentially affected by operations, and the assessment of potential impacts on those biodiversity values?

ISCC EU 2	ISCC Plus 2	SAN 2	RSPO 3	MSPO 1	ISPO 1
--------------	----------------	----------	-----------	-----------	-----------

Does the standard require identification of measures to maintain or minimize and mitigate negative impacts from operations on biodiversity values?

2	2	1	3	1	1
---	---	---	---	---	---

Does the standard specify any particular measures to be applied in given circumstances to minimize and mitigate negative impacts from operations on biodiversity values?

2	2	3	3	1	1
---	---	---	---	---	---

**LEGENDA**

- 3** Strong
- 2** Good
- 1** Medium
- 0** Weak / non-compliant / non-existent
- ?** Information missing / not accessible
- N.A.** Not applicable / relevant
- Yes or No**

---

**Requirements after expansion of cultivation or infrastructure - for existing plantations, infrastructure and processing operations;**

Does the standard require regular monitoring and reporting on implementation of plans for biodiversity conservation?



Does the standard require regular monitoring of actual impacts on biodiversity and adaptive management as necessary for improvement?



**LEGENDA**

- 3** Strong
- 2** Good
- 1** Medium
- 0** Weak / non-compliant / non-existent
- ?** Information missing / not accessible
- N.A.** Not applicable / relevant
- Yes or No**

**Table 6.** Standards score on ensuring compliance to the legal context

Does the standard include requirements to comply with relevant international conventions? (e.g. RAMSAR, CITES)

ISCC EU 2	ISCC Plus 2	SAN 0	RSPO 2	MSPO 1	ISPO 0
--------------	----------------	----------	-----------	-----------	-----------

Does the standard explicitly require compliance with national legislation on protection of biodiversity (where these requirements are more rigorous or restrictive than those of the voluntary standard)?

2	2	3	3	3	3
---	---	---	---	---	---

Does the standard require respect for local and customary laws providing for protection of biodiversity (where these requirements are more rigorous or restrictive than those of the voluntary standard)?

0	0	0	1	0	0
---	---	---	---	---	---

**LEGENDA**

- 3** Strong
- 2** Good
- 1** Medium
- 0** Weak / non-compliant / non-existent
- ?** Information missing / not accessible
- N.A.** Not applicable / relevant
- Yes or No

**Table 9.** Standards score on assurance of accreditation

The accreditation or oversight body is independent from the scheme owner. It is responsible for decisions on the accreditation status of a certification body, including application, approval, suspension or termination.

ISCC EU 3	ISCC Plus 3	SAN 1	RSP0 3	MSPO 1	ISPO ?
--------------	----------------	----------	-----------	-----------	-----------

Accreditation of certification bodies takes place through one of the following approaches:

- **Accreditation** by a national accreditation body affiliated to the International Accreditation Forum (IAF) or;
- **Accreditation** by a full member of associate member of ISEAL or;
- **Certification** bodies accredited by Accreditation Services International (ASI)
- **Accreditation** by bodies having a bilateral agreement with the European co-operation for Accreditation (EA) or;
- **Certification** bodies accredited by American National Standards Institute (ANSI)

3	3	3	3	3	3
---	---	---	---	---	---

The accreditation organization monitors, conducts review and/or surveillance of accredited certification bodies.

3	3	1	3	0	?
---	---	---	---	---	---

**LEGENDA**

- 3** Strong
- 2** Good
- 1** Medium
- 0** Weak / non-compliant / non-existent
- ?** Information missing / not accessible
- N.A.** Not applicable / relevant
- Yes or No**



- ❖ Collaboration with existing sustainable platforms e.g. NAP – SPOI (National Action Plan for Sustainable Palm Oil) for palm oil as bench mark, and used as reference to design a sustainable road map for other commodities?
- ❖ Collaboration to integrate sustainability initiatives with SDG(s) component and TSD Chapter in the I-EU CEPA
- ❖ Collaboration with small holder farmers to make sure the EU forest policy will not exclude them from the business (B to B engagement)

THANK YOU

[sulaiman.syarif@embassyofindonesia.eu](mailto:sulaiman.syarif@embassyofindonesia.eu)

