

WILMAR SUPPORTS SUSTAINABLE ENTREPRENEURS (WISSE) Second Progress Report September 2019 – March 2020

DEAR FRIENDS

Wilmar Supports Sustainable Entrepreneurs - WISSE, is the fourth program supported by Wilmar Europe in Latin America. As a result of the successful WISSH program in Honduras, where more than 3,500 smallholders were trained in sustainable practices, we now take a next step by bringing smallholders towards RSPO and ISCC certification.

The WISSE program started in September 2019 in Honduras, and is a smallholder development program, implemented for the smallholders supplying the mills Palmasa, Asapalsa, Hondupalma and Honducaribe.

WISSE is the first program under the [Mariposa](#) initiative, which is a crowdfunding project created by [Olenex](#) for its customers. By implementing programs like WISSE, Olenex customers directly contribute to change on the ground in the palm oil industry in Latin America; a great example of #SharedResponsibility.

In the three years program, more than 1,800¹ smallholders will be trained on how to be a sustainable entrepreneur. Out of these, the objective is to bring 900 smallholders to certification. A crucial role in the certification process of smallholders is the Group Manager (GM).

Group manager: *The group manager of a smallholder group leads this group through the certification process. The GM is responsible for the administrative tasks and monitoring and control included in this process. The GM can be a person part of a cooperative, but the smallholder group can also decide that the mill is going to be their group manager. In both cases will the group manager take the action plan created by NES, as a guideline to direct the smallholders to certification standard compliance.*

The deliverables in WISSE vary from training sessions for the group managers (GM) and smallholders, training booklets, field assessments, to a *virtual toolbox* with manuals, procedures, templates, policies and technical guidelines.

In this report we will update you on the activities and progress made in the first seven months of WISSE. Additionally, a video impression can be found [here](#).

¹ 1867 have registered for WISSE so far



Table 2: Number of Smallholders assessed, pre-audits year 1

MILL	# SMALLHOLDERS ASSESSED	COOPERATIVES ASSESSED	Average compliance	
			% Critical compliance	% Normal Compliance
ASAPALSA	19	0	49	23
HONDUCARIBE	0	8	77	72
PALMASA	8	0	87	86
HONDUPALMA/ PAIGUAY	11	1	Independent Smallholder Standard / Eligibility	
TOTAL	38	9	71	61

Honducaribe: Preaudits and assessments are done according to the needs of the Mill/GM and the smallholders. Therefore, in the case of Honducaribe the preaudit done by NES Naturaleza prepared them for the ISCC re-certification, as well as for their very first RSPO audit.

As a background, Honducaribe is a mill owned by smallholders that began operations in 2015, at the same time the WISSH program was created. The smallholders always participated actively in the WISSH training sessions and made big steps on their sustainability journey. Therefore, we are proud to share that at the end of 2019 Honducaribe has completed their first RSPO audit. Audit reports and corrections to the gaps found have been presented and upon a positive review, Honducaribe should be certified by end of June.



“We thank and value the support provided by WILMAR in a very significant way since it has facilitated our route to sustainability, starting in 2016” **Arnold Cruz Sierra, Honducaribe**

Asapalsa: Asapalsa wanted to focus on ISCC certification. Therefore, besides smallholders, their audit also included the mill. NES identified the gaps and provided solutions, in order to reach certification by May 2020. It is important to note that Asapalsa itself does not have palm plantations and depends 100% on their smallholders who are at the same time shareholders of the mill.

Palmasa: Palmasa mill and its associated smallholders have received the ISCC certificate during the WISSH program. Therefore, the most obvious next step for Palmasa and its smallholders is to go for RSPO certification. The preaudits NES undertook completely focussed on their compliance with RSPO principles and criteria 2018.

However, at the moment Palmasa and its smallholders are still evaluating by which RSPO standard they want to get certified: 1) the P&C2018 (mill and supply base) or the Independent Smallholder (ISH) standard 2019. In both cases, WISSE will assist the certification process of the considerable number smallholders suppliers.

Hondupalma is the only *mill* that did not receive a preaudit, because they are already RSPO and ISCC certified. In addition, the smallholders supplying Hondupalma had already created their own Cooperative called Paiguay, which will now act as the group manager. Therefore, in this case the preaudits were done at Paiguay and some of their smallholders.

After the field assessments to Paiguay and its smallholders, the NES assessors provided two action plans: one for growers owning < 50 hectares, and one for those owning more hectares. The action plans were also shared with Hondupalma as they will provide technical and administrative support to Paiguay during this smallholder certification process.



In the last two columns of table 2, the critical and normal compliances are indicated. It is important to note that it was the first time the Paiguay growers received an assessment. For RSPO, the smallholders were assessed on eligibility for the Independent Smallholder Standard (ISH). In the coming years they have to work towards ISH compliance.

Next steps: After receiving the pre-audit of NES Naturaleza on a sample size of the smallholders, it was planned that every group manager would do additional assessments in March, based upon their learnings from NES. However because of the COVID-19 crisis, the Honduran Government mandated a lockdown and that any activity that gathers people would be postponed. Therefore, most additional assessments are postponed until the situation turns to normal again.

3. FIRST TRAINING OF SMALLHOLDERS (TOSH1)

During the week of February 24-28, 2020, NES Naturaleza conducted the first smallholder training. All training sessions under WISSE are a follow up on those created under WISSH. The first WISSE training focused on *Sustainability Standards*.

NES highlighted the relation between *climate change* and the need for *good agricultural practices*, and which role *certification standards* can play. It was explained how standards can provide the guidance to perform agriculture in a sustainable manner.

For every smallholder training session, WISSE always designs a training booklet, which visualizes the training concepts. Each smallholder attending the training receives a booklet, see example included.

In the 10 smallholder training sessions in February, 528 smallholders participated. As indicated in table 3 below, this represents 28% of the total number of producers registered in the WISSE program.



The remaining 72% of the smallholders will be receiving the same training session from the sustainability leads from the mills. This multiplication was scheduled for the second week of March, but like the smallholder assessments, these training sessions could not occur because of the Corona crises. The multiplication will now be rescheduled for the second half of the year. In addition, Training of Smallholders 2 (TOSH2) which was planned for the third week of May, will be postponed as well.

Table 3: Number of smallholders participating in first training session

Smallholder Training Participation			
Mills	Smallholders registered	Participants NES Training	% Trained
Asapalsa	450	158	35%
Hondupalma /Paiguay	800	102	13%
Honducaribe	279	186	67%
Palmasa	338	82	24%
Total	1867	528	28%

4. FIRST TRAINING OF GROUP MANAGER (TOGM1)

During the same week WISSE carried out TOSH1, it also held the first training for group managers. In TOGM1 we strengthened the technical capacity of the GM leaders by elaborating on different *Geographical Information Systems* (GIS) tools. Examples of these are QGis, ArcGis, Hansen Data, Geo RSPO and Global Forest Watch.



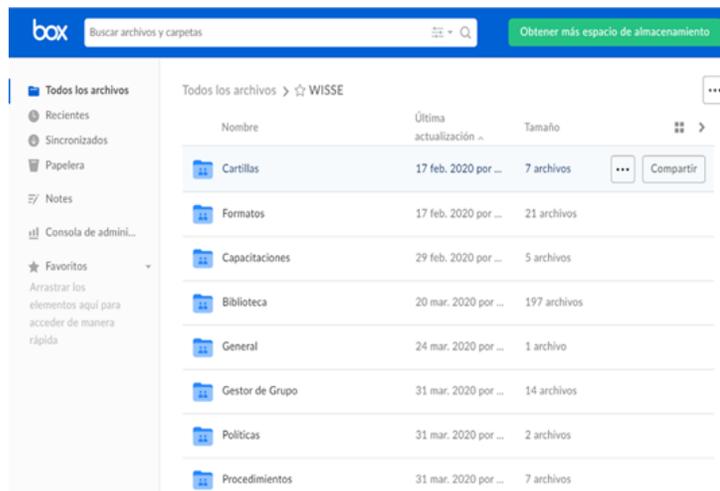
TOSH1 & TOGM Photos

These tools are very important in the certification process, as they indicate a level of sustainability risk. These online systems are used to verify *land use change*, which can be an indication of deforestation or plantings in unauthorized areas. Alternatively, they are used to identify high biodiversity areas that needs to be protected and to identify the need for remediation when e.g. planting close to riparian areas.

5. VIRTUAL TOOLBOX

In order to accommodate the Group Manager and the smallholder in their certification journey, we created a virtual toolbox. This online application is accessible by both the group managers and the smallholders.

Within the toolbox you can find Standard Operational Procedures (SOPs) required by the certification standards, action plans, templates, technical guidelines and palm oil



research papers from several Latin-American countries⁴.

Although we delivered the toolbox to the GMs during TOGM1, we also organized a webinar two weeks later to reinforce the knowledge on how to use it. For close to two hours, the participants went through the tools in the toolbox, asked questions and proposed ideas. We asked them to further review the toolbox individually and share comments by the end of March.

Some of the comments WISSE received on the tool were the following:



"In general, we find that the procedures and templates are well elaborated and with detailed activities, many of which we will undoubtedly use for the Asapalsa documentation system"
Alejandra Muñoz, Asapalsa.

"Thank you for sharing this information. It will be very useful for our certification systems with smallholders and we hope to get the most out of it"
Erlin Benavides, Palmasa.



"It meets my expectations to be able to carry out the certification process with the growers" **Milton Hernandez, Manager of Paiguay.**

6. GOING FORWARD

The Coronavirus is a major threat affecting people globally. Many governments indicated nationwide lockdowns that affect not only economic systems but also the production systems that needs to find new ways to keep its pace. The palm oil sector in Honduras is no exception. Clearly, we are all hoping that the situation during the second half of the year will improve so that WISSE training and assessment sessions can continue, on the ground.

However, also today WISSE cannot stop. Sustainability is needed more than ever so we are trying to find creative ways to engage with the smallholders. We are trying, for example, to create innovative tools that will allow the smallholders to do the self-assessment in a simple way. This creates self-

⁴ Those are important guidelines in the technical management of the plantation

awareness on certain aspects that need improvement. We will also continue to create training booklets as important tool to bring across the different topics to the smallholders. Furthermore, we focus now on finalizing the risk management system that will add great value to the GMs and smallholders, when assessing compliance with the certification standards. The creation of this system and the preparation of the smallholders takes time. Therefore, the actual implementation of the risk management system is only planned for year two.

To really experience the first seven months of WISSE to the fullest, please watch this [video](#).



Please direct your questions at palmsustainability@olenex.com