

**WILMAR SUPPORTS SUSTAINABLE ENTREPRENEURS (WISSE)  
Second Annual Report  
September 2020- September 2021**

DEAR FRIENDS,

We have now reached **the second year-end of program implementation of WISSE: Wilmar Supports Sustainable Entrepreneurs**. This 2021 has been a challenging year not only because of the Covid crisis, which is still influencing the agroindustry, essentially because of the **consequences of the oil palm plantations stressed by the damage carried out by the hurricanes**. These have generated a **loss in yields close to 15% to 17%** compared to the previous year's same period. In addition, the hurricanes ETA and IOTA and the resulting floods completely devastated significant plantation areas and left many other plantations with diseases affectation at the end of 2020.

Despite all these extreme situations, **the four mills enrolled in WISSE -Hondupalma, Honducaribe, Palmasa and Asapalsa-** together with their independent **smallholders kept their commitment to the program** and fulfilled all the activities planned for this second year

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Our [previous report](#) mentioned that **57% of the total area planted with oil palm trees enrolled in the WISSE program was flooded**. As a result, we had to **adjust the goals of the WISSE programme**. The producers confirmed the below estimations and see the redefined timeline in [Table 2](#).

**TABLE 1: NEW GOALS DEFINED AFTER ETA AND IOTA**

MILL						
	STANDARD	MILL	Y1	Y2	Y3	TOTAL
Asapalsa	RSPO	2022	0	0	30	30
	ISCC	2020	0	47	50	97
Hondupalma/ (Parguey Group Manager)	RSPO	2022	0	80	80	160
	ISCC	2020	0	0	30	30
Honducaribe	RSPO	2020	103	0	0	103
	ISCC	2018	0	0	0	0
Palmasa	RSPO	2020	0	40	60	100
	ISCC	2018	80	17	83	180
Total smallholders certified in one or two standards						540

The months after the hurricane and floods, the **Mariposa Program** also **joined efforts and supported the smallholders with boots as personal protective equipment** for entering the flooded plantations. For more information on this, see the [third WISSE report](#).

**TABLE 2: NEW TIMETABLE YEAR 2**

	YEAR 2 (SEPTEMBER 2020- AUGUST 2021)																							
	Q1 Project (Q4 2020)				Q2 Project (Q1 2021)				Q3 Project (Q2 2021)				Q4Project (Q3 2021)											
	September	October	November	December	January	February	March	April	May	June	July	August												
Design and illustration Handbook TOSH4 and TOSH 5	S1	S2	S3	S4	S1	S2	S3	S4	S1	S2	S3	S4	S1	S2	S3	S4	S5	S6	S7	S8	S9	S10	S11	S12
Printing booklets TOSH4 and TOSH5																								
Second WISSE Report																								
TOSH3( Pre-recorded + cartoon video+ short messages)																								
TOGM 3 GM Training ( Decision making)																								
Risk Assessment tools development																								
Multiplication Decision making																								
TOSH4 /TOGM4 ( crossed checking)																								
Animated video																								
Multiplication Crossed checking																								
self-Risk Assessment tools review by GM																								
TOSH5 /TOGM5 ( Child labour)																								
Animated video #4																								
Multiplication Child Labour																								
Risk tool implementation adjustment																								
RSPO SHA HONDUCARIBE/ PAIGUAY (Group Manager)																								
Multiplication SHA																								
RSPO SHA ASAPALSA/ PALMASA (Group Manager)																								
Multiplication SHA																								

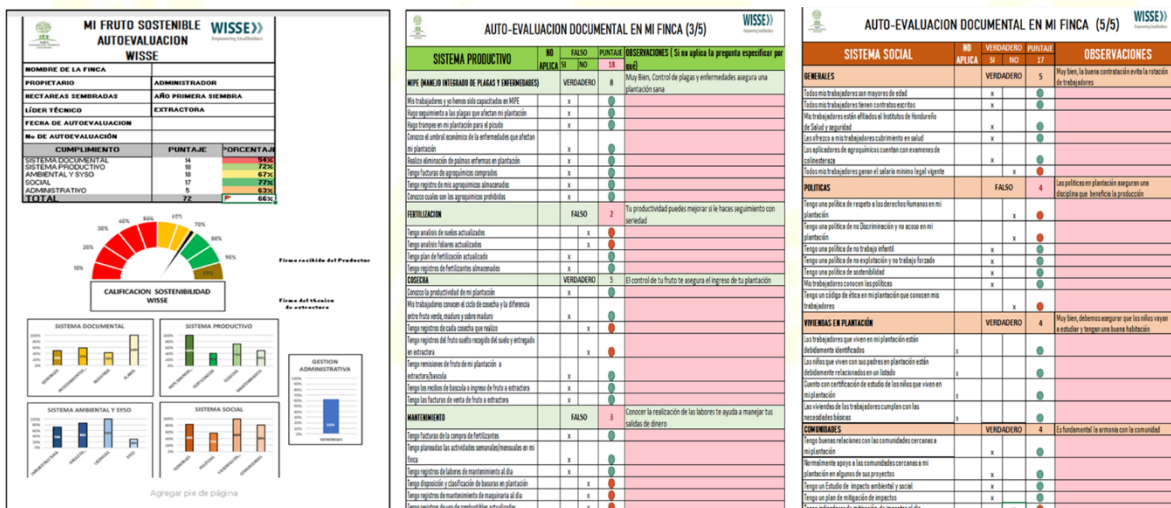
## 1. Risk Assessment Tool

WISSE has developed a **Risk Assessment Tool** during this second year to **evaluate the smallholders' commitment to sustainable practices**. The tool allows to score the smallholders' progress through **five crucial elements**:

- Administration**, related mainly to land tenure, HCV and LUCA documentation, as well as a grievances system and training program;
- Documentation system**, which aims to evaluate the implementation of the correct documents and delivered during WISSE in the first year, as well as a record-keeping mechanism for the main plantation activities;
- Productivity system**, which evaluates the core plantation business on the pest and diseases management, fertilization as well as harvest and maintenance;
- Environmental and Health & Safety**, which explore commitment to good practices related to the conservation of the ecosystems and the protection of the people in charge of plantations;
- Social systems**, not only engaging with workers but also with communities surrounding the plantation.

Each of these elements has subthemes that are also scored independently. Those permit the smallholder **to focus on root causes of gaps found** and the group manager to give technical advice where the producer is weakest.

PICTURE 1. RISK ASSESSMENT TOOL



Leaders of the group manager first fine-tuned the assessment tool. Then, during the trial of the tool in the virtual SHA assessment, final adjustments were done to be ready for its use in the field.

## 2. Virtual Smallholder Assessments (SHA)

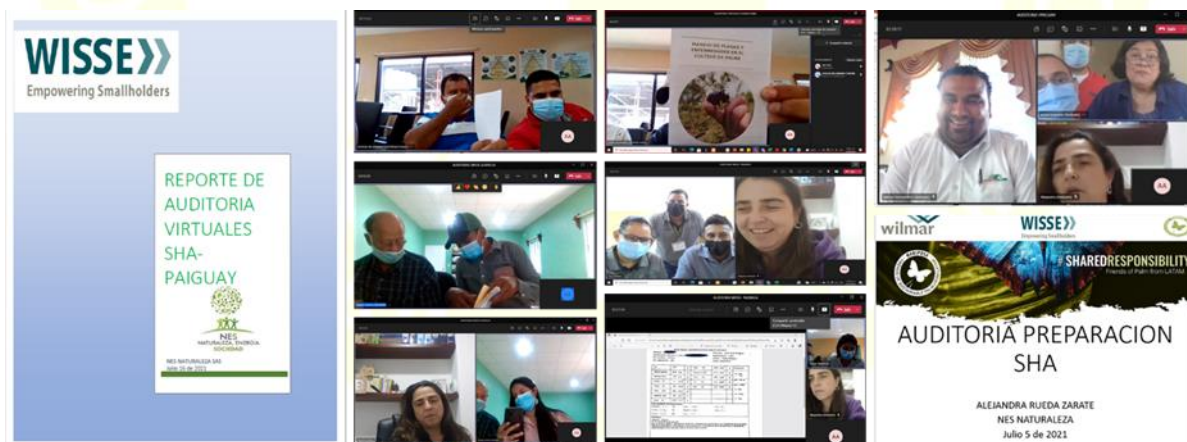
We managed to do several pre audits and smallholder assessments (SHAs) during the first year, visiting the producers on their plantation. Unfortunately, **during the second year and due to the COVID-19, we could not travel to Honduras**. Still, we managed to do **Virtual Assessments** following the **same methodology the certification bodies of the international standards had followed**. Via these virtual assessments, NES Naturaleza assessed 35 smallholders who showed their progress on the web platforms. In addition, it is essential to note that **the group managers were also directly evaluated to know their gain on monitoring and controlling sustainability implementation from producers**.

The **virtual SHAs** were an excellent opportunity to work with the **Risk Assessment Tool** mentioned above, which the producers found very easy and understandable. They learned that **the tool would be applied every six months to follow their progress to achieve certification**. Each **Group Manager** received two reports: one on the whole group and one with the results of the individual smallholders assessed. **Those reports will help the group march towards the group certification**.

Before the virtual audits, the group manager also received a short training on the audits and on how to use **the Risk Assessment Tool**. The results of the group manager assessment were also explained in the report deliver to them.

Finally, the **virtual SHAs allowed us to understand the smallholders' current situation** after ETA and IOTA and the difficulties some are still facing with their plantations.

**PICTURE 2. VIRTUAL SMALLHOLDER ASSESSMENTS**



The **Risk Assessment Tool** provides a **score for sustainability compliance**. On average, the **smallholders scored 57,6% during the SHA's, with the lowest score on the administrative tasks** (see table 3 below).

An **important lesson** we learned came from the **SHAs** we did with the **Honducaribe Group Manager**. We assessed eight smallholders with less than ten hectares planted, of which most were affected by the floods. Nevertheless, **they showed persistence and courage by going back to their plantations and continue their oil palm business, but now sustainably.**

**TABLE 3. SMALLHOLDERS ASSESSMENT RESULTS OF THE VIRTUAL SHAs**

SMALLHOLDERS ASSESSMENT RESULTS DIRECTLY FROM WISSE							
MILLS	SMALLHOLDERS	GENERAL SCORE	DOCUMENT SYSTEM	PRODUCTION SYSTEM	ENVIRONMENTAL	SOCIAL	ADMINISTRATIVE
PAIGUAY	10	40%	39,1%	51,2%	34,7%	47,6%	27,5%
PALMASA	9	71%	73,1%	80,0%	71,3%	71,1%	59,9%
ASAPALSA	9	75,77%	83,8%	74,7%	74,1%	80,2%	65,4%
HONDUCARIBE	8	44%	36,6%	45,0%	60,9%	48,3%	28,3%
<b>TOTAL</b>	<b>36</b>	<b>57,6%</b>	<b>58,2%</b>	<b>62,7%</b>	<b>60,3%</b>	<b>61,8%</b>	<b>45,3%</b>

The structure of the **WISSE programme** is such that after the initial SHAs of NES, **the Group Managers will assess the rest of the smallholders: the multiplication.** Therefore, after participating in the SHAs, the group managers were motivated to do the multiplication by themselves. This practice resulted in a **fantastic result of 193 additional SHAs at three mills which means 168% more than the 76 SHAs expected for multiplication: Palmasa applied the assessment tool to 71 producers, Paiguay did 86 assessments and Asapalsa, 36.**

Since **Honducaribe** did the Virtual SHA at the end of August, **their multiplication process will be part of year 3 of the program.** In total, we managed to apply the Risk Self-assessment tool to **228 producers** during year 2 of the program. This number means **that 42% of total producers expected for certification was assessed by the tool.**

**PICTURE 3. SHAs MULTIPLICATION WITH RISK ASSESSMENT TOOL**



### 3. Training of Group manager (TOGM)

During the second year, **three virtual training sessions for the group managers were organized.**

The **first training** developed in October 2020 was mainly focused on **record-keeping**, explaining the **value of data and information for decision-making** and how they help work without uncertainties and manage the different risks that could arise in plantation management.

The **second** was held on February 2021, and it concerned **cross-checking** as activity auditors constantly exercise to **verify compliance with the different standards**. The emphasis was on the **importance of monitoring and controlling the sustainable activities** from the group manager and their role in securing compliance with the various requirements.

The **third training** in April 2021 was related to the **respect and protection of children**, where **WISSE** always highlighted respecting children’s rights. In addition, **we explained the RSPO guide** on the same topic and the obligations of parents and society therein. By following this guidance, we indirectly protect our planet’s future.

**PICTURE 4: IMAGE OF TOGM VIRTUAL TRAININGS**



In this second year, **four group managers and 32 supervisors were trained**. In addition, we asked the participants to complete **evaluations forms** on each topic (see Table 4 below).

**TABLE 4: NUMBER OF SUSTAINABILITY LEADERS OF GROUP MANAGERS TRAINED UNDER WISSE**

MILL	YEAR 1		YEAR 2		
	TOSGM1	TOSGM2	TOSGM3	TOSGM4	TOSGM5
PALMASA	7	9	10	8	9
ASAPALSA	7	7	7	7	8
HONDUPALMA	7	7	7	8	7
HONDUCARIBE	7	5	8	8	7
<b>Total</b>	<b>28</b>	<b>28</b>	<b>32</b>	<b>31</b>	<b>31</b>

#### 4. Trainings of Smallholders (TOSH)

In year one, **WISSE** hosted **TOSH1 and TOSH2**. **TOSH3** was planned for Q4 2020. But since the hurricanes and floods created challenging situations for many smallholders to run their plantations, which resulted in significant economic distress, this **got delayed**. Nevertheless, **WISSE** still motivated **1700 smallholders** in the second year to **participate in three TOSH sessions**.

The **first topic** was developed in October 2020, just a few weeks before the two hurricanes hit Honduras and affected their plantation. Therefore, **the multiplications done by the Group Managers and Supervisors suffered a delay until January**. The **training topic of TOSH 3** was very appropriated to their situation as it was about taking **Informed Decisions**; e.g. based on data and research, where would be the best location to do new plantings?

**TOSH4** took place in February 2021. In concordance with the TOGM, it was related to **Verification of Sustainability**, providing the smallholders with **different tools to show compliance to a certification body or an auditor**. The **final TOSH of this year** stipulated to **Respect Children’s rights**. Even though it was the same topic as the training for the group managers (TOGM), the content was somehow adjusted, **emphasizing concerns in a plantation situation**.

During this TOSH5, WISSE accomplished to train 94% of the total growers in the program.

**TABLE 5: SMALLHOLDERS TRAINED UNDER WISSE**

SMALLHOLDERS TRAINED UNDER WISSE												
GENERAL INFORMATION		YEAR 1					YEAR 2					
		TOSH 1			TOSH2		TOSH3		TOSH4		TOSH5	
MILL	TOTAL PRODUCERS	MULTIPLICATION			MULTIPLICATION		MULTIPLICATION		MULTIPLICATION		MULTIPLICATION	
		GROWERS TRAINED	TOTAL TRAINED	%	GROWERS TRAINED	%	GROWERS TRAINED	%	GROWERS TRAINED	%	GROWERS TRAINED	%
PALMASA	338	254	336	99	325	96,2	338	100	294	87	323	96
ASAPALSA	450	540	698	155	455	101,1	450	100	450	100	450	100
HONDUPALMA	800	534	636	80	615	76,9	763	95	733	92	758	95
HONDUCARIBE	279	93	279	100	226	81,0	156	56	156	56	232	83
<b>Total</b>	<b>1867</b>	<b>1421</b>	<b>1949</b>	<b>104</b>	<b>1621</b>	<b>86,8</b>	<b>1707</b>	<b>91</b>	<b>1633</b>	<b>87</b>	<b>1763</b>	<b>94</b>

Every TOSH has its respective **training material**, which the group managers use to distribute and reinforce the topics. Consequently, for the **three TOSHes in year two**, we created and shared **12 small messages, five training evaluations and pre-recorded pieces of training**.

**PICTURE 5: TRAINING MATERIAL**



**Booklets and animated videos** were also part of the training material in the second year, and the producers and the supervisors very well appreciated them. The pictures below show that the **smallholders kept committed** and eager to learn about sustainable practices despite all difficulties.



**PICTURE 6: PICTURES OF SMALLHODERS TRAINED**



## 5. Bud Rot Disease training

Perceiving that **Bud Rot Disease** is one of the **main concerns now for the producers**, in addition to TOSGM, **WISSE** wanted to increase the **knowledge on the identification and management of the disease**. Therefore, in May 2021, **WISSE** invited an expert to have a **conversation with the sustainability leaders of the mills and, consequently, the Group Manager**. During the time shared with the expert, each leader showed the situation of the growers on Bud Rot Disease, and the expert gave interesting advice for the management.

## 6. Certification Results

In the **first year**, we **certified 203 smallholders under the WISSE programme**. However, we **only certified an additional 52 smallholders during the second year** due to the challenging situation: 47 from Asapalsa and 5 from Palmasa. **All of these were ISCC certifications**. In addition, **Asapalsa as a mill also received the status of ISCC certified**. As a result, **we expect to achieve 58 additional smallholders' certifications by the end of 2021**.

**TABLE 6: NEW SMALLHOLDER CERTIFICATIONS UNDER WISSE**

New smallholders' certification under WISSE					
Mill	Standard	Smallholders Certified Year 1	Smallholders Certified Year 2	Goal total program	%
Asapalsa	ISCC	0	47	97	48%
Hondupalma/(Parguey Group Manager)	ISCC	0	0	160	0
Honducaribe	RSPO	103	0	103	100%
Palmasa	ISCC	100	5	180	58%
<b>Total</b>	<b>0</b>	<b>203</b>	<b>52</b>	<b>540</b>	<b>47%</b>

Due to the external difficulties of COVID and the hurricanes, **it is challenging to determine the exact reduced number of smallholder certifications by the end of year 3**, the end of WISSE. However, as of today, **the group managers indicated to aim for 540 certified smallholders.**

**With still one year to go, we are now at 47% of this goal.**

*WISSE is the first program under the [Mariposa](#) initiative, a crowdfunding initiative 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](#). Please direct your questions at [palmsustainability@olenex.com](mailto:palmsustainability@olenex.com)*