

Ten elements for deforestation-free company policies on agro-commodities

Companies can mix and apply these recommendations in tailor-made policies.

1. **Identify your impacts and leverage.** How much soy, palm oil, cacao, coffee, etc., does your company use and what risks are involved? Guidance to map supply chain risks includes a Natural Capital Protocol. In known high-risk chains or areas, recommendations #2 and #3 could be applied immediately.
2. **Adopt quality standard systems.** Such systems have inclusive principles and criteria and robust governance and verification. Include quality standards in company guidelines, preferably standards in the ISEAL global movement (www.isealliance.org), and use them in combination with special attention to high-risk items. Verifying only some elements (such as no deforestation) is not a responsible option.
3. **Pay the right price and create volume.** End customers ultimately have to pay the price for sustainable production, including the (often hardly noticeable) additional costs of certification. Help create volume in the market for responsible products.
4. **Support stronger natural capital protection.** Moratoria can be effective measures, but they do not prevent expansion into other vulnerable zones, and additional steps are required before they can be safely lifted. Permanent legal protection of high conservation value areas is preferred. Companies can support private reserves or strengthen existing conservation initiatives.
5. **Identify where to make a difference.** Responsible companies that source only from low-risk zones may not make sufficient changes in high-risk areas. In those areas, companies could possibly support farmers to meet sustainability requirements by providing compensatory payments for conservation. Companies can also support forest regeneration and can establish and maintain wildlife corridors.
6. **Monitor compliance.** Support independent field monitoring of deforestation and conversion at the landscape level, and promote corrective actions. Putting pressure on suppliers to respect the law and high conservation value areas is important, and applying quality standards (see #2) that include regular audits can support compliance at the farm level.
7. **Invest in “smart” production solutions.** Companies can promote integrated, climate-smart land use, e.g., using the waste products from one type of land use as inputs in another, or using the interest on investment funds to help farmers maintain forest cover and improve long-term productivity.
8. **Promote resource efficiency.** Avoiding food and energy waste in value chains makes a real difference. Think innovatively, explore “cascading” options for raw material use, and invest in “landless” alternatives for producing, food, feed, fuel and other products.
9. **Communicate.** Tell suppliers and partners when you expect them to take action and how you can help them achieve it. Good examples of “through-the-chain” communication are given in *Assessing and managing environmental and social risks in an agro-commodity supply chain: Good practice Handbook* (International Finance Corporation 2013).
10. **Reach out.** Share lessons learned, build coalitions and become an example to others!

Heleen van den Hombergh is senior advisor on agro-commodities at IUCN NL, Amsterdam, the Netherlands. See an expanded version of this article at www.iucn.nl/files/publicaties/deforestation-free_company_policies.pdf.