Wilmar Support Smallholders in Colombia #WISSCo2

WILMAR EUROPE -in partnership with NesNaturaleza, C.I Biocosta S.A, FrieslandCampina and Olenex- has developed a programme to strengthen the knowledge of responsible practices of small and medium palm oil growers from the northern Colombian region. Five mills: Aceites S.A, Palmaceite S.A, Frupalma S.A, Palmagro S.A and Extractora El Roble S.A.S, joined this initiative and support the transfer of knowledge to their smaller palm oil suppliers. This is an example of true Shared Responsibility!

WISSCo2 is the third smallholder program that Wilmar Europe created in Latin America within its palm oil supply base. The first started in Honduras in 2016 and reached close to 3.500 palm oil growers, assisting them with adapting sustainable practices in their farm. The WISSCo2 program aims to reach 437 palm oil growers, in order to enhance their sustainable practices and to encourage them on their path to certification. The program is defined by 3 main activities:

A. Training of trainers (TOT) giving the supervisors and leaders of the mill the necessary tools to empower smallholders and to disseminate the knowledge acquired on sustainable practices;

B. Training of smallholders (TOSH) focused on delivering the "why" or the concept of sustainable practices not only for building knowledge but for creating awareness and

C. the Smallholders Assessment (SHA) consisting of audit visits carried out to assess the current compliance of sustainable practices in the farm and if necessary, to define an action plan to close to gaps against sustainable standards.

As enhancement to the trainings and assessments, we also held a survey amongst the participants, in order to understand their expectations and to define the progress of the program. This first year of WISSCo2 was challenging considering climate, environmental and market influences that the whole palm industry in Colombia faced, but particularly the small farmers:

- Decrease in palm oil prices in the international markets
- Due to extreme weather conditions the main road to the east region was closed for almost six months
- The bud rot disease affects palm production in the whole country, which so far caused Colombia a loss of 2,5 million dollars in the last decade
- Long dry weather in the north region reduced palm production

¹ Wilmar Europe
OleneX
Biocosta
FrieslandCampina
NesNaturaleza SAS

* Wilmar Europe a subsidiary of Wilmar International, with the aim to lead sustainable transformation in the palm oil sector in Latin America
* A joint venture between ADM & Wilmar is one of the main buyers of Latin American palm oil and a European market leader in refined vegetable oils and fats
* Colombian trader and owner of the five mills
* Producers and sells consumer products such as dairy-based beverages, infant nutrition, cheese and desserts in Europe, Asia and Africa
* Consulting firm based in Colombia and working in Colombian Palm oil sector since 2000.
Training of Trainers (ToT)

ToT 1 | Strengthen the leadership and communication
During the second week of January 2019, in Santa Marta, NesNaturaleza trained supervisors and sustainability leaders employed at the mills. The main objective was to strengthen the leadership and communication skills of the participants. During these 2 training days, the participants of each mill defined the training components, the goals, and responsibilities within the program. This ToT was attended by 21 persons coming from the five mills, and CI Biocosta.

Training of Smallholders (ToSH)

ToSH 1 | Wilmar Policy- ABC of Sustainability
The first ToSH began during the third week of February in 2019 and was fully focused on strengthening the knowledge of Wilmar’s No Deforestation, No development on Peat and No Exploitation of people and communities (NDPE) Policy. NES Naturaleza trained 169 growers while the supervisors disseminated the knowledge among other 241 farmers. The total number of persons reached was 410 equivalents to 94% of the total target of 437 growers.

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<thead>
<tr>
<th>MILE</th>
<th>Total Assistants TOSH1</th>
<th>Tosh 1 %</th>
<th>Tosh1 %</th>
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<tbody>
<tr>
<td>Palmacite</td>
<td>56</td>
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<td>43</td>
</tr>
<tr>
<td>El Roble</td>
<td>128</td>
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<tr>
<td>Palmagro</td>
<td>144</td>
<td>80</td>
<td>56</td>
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<tr>
<td>Frupalma</td>
<td>109</td>
<td>12</td>
<td>11%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>437</td>
<td>169</td>
<td>39%</td>
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ToSH 2 | Environmental services and economic benefits
During the week of June 17-22, the second training was carried out: Economic Benefits of the ecosystem. NES trained 257 farmers on the importance of biodiversity and its role in supporting palm plantations. Also included into the second smallholder training was to create more awareness of nature’s benefits that can help a plantation.

The mill supervisors trained another 128 farmers which totals to 385 persons trained under ToSH2, representing 88% of the total target. Daphne Hameeteman, the Sustainability Lead Europe of Wilmar, joined some of the ToSH2 sessions as well.
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ToSH 3 | Financial Management

During week three in October 2019, the third training session was carried out: Financial Management, NES Naturaleza organised 7 sessions, in which 177 growers were trained. The mill supervisors and leaders trained 165 additional farmers, scoring a total of 303 people, representing 69% of the total target. Results did not meet the expectations due to several reasons; (1) the Palm Oil Growers Association meeting in the region same week of the training, (2) challenges relating Bud Rot² disease affecting the smallholder’s plantations, (3) the drop in the FFB prices, and (4) extreme weather conditions.

In order to create awareness and expectation on the topics of the trainings, NES Naturaleza sent out short mobile messages (visuals). Those messages are part of training promotion action plan, defined after the first ToSH. The growers received those messages with the relevant training information 4 weeks before the sessions of ToSH2 and ToSH3.

WISSCo2 booklets

In order to strengthen the understanding of the different topics, we provided training booklets to the participants at every TOSH. For TOSH 1 we created the Guide for the implementation of the WILMAR NDPE Policy. During TOSH 2 we handed out the Guide to Good Environmental Practices for ecosystem. Supporting the TOSH 3 sessions, the participants received the Management Guide and was an active part of the training.

Smallholder Field Assessments (SHA)

A field assessment is a visit to the smallholder farm by the NES assessor or Mill supervisor, where he/she conducts an inquiry on the sustainability practices of the farmer. During the year 2019, the team visited eighty-one smallholders directly by NES Naturaleza and the supervisors took care of another 39 farms. These farmers represent 28% of the total training base of 437 farmers, covering >3,500 hectares of the total target >9,300 hectares. The programme overperformed the goal of 80 visits by another 40, totalling to 120 assessment visits.

The different SHA sessions were held through three different periods during the year. SHA1 took place between 11 and 28 February. On average, the major sustainability requirements were met by 49.6% and the minor requirements only hit 37.2%. The SHA2 was held from May 20 to 31 May of 2019, with an average score of 52.21% on major requirements while 32.15% on minor requirements. The last field assessment of the year, SHA3, was held in August 2019, resulting in 52.95% on major requirements and an increasing score of 38.73% for the minors.

Every farmer received their own report with the findings, including specific recommendations for closing gaps, allowing them to reach a 100% sustainability-score. Many of the Gaps were related to the documentation and record-keeping necessary to demonstrate sustainable practices.

Biocosta received a consolidated report of the findings in the farms with an action plan suggested to be followed by the mills.

In general, the overall compliance-score might seem low. However, we need to remember that these small farmers have never participated in an assessment before. Such an audit has been their first encounter with sustainability requirements. It is a great help for the smallholder to open the door to improved practices and new sales markets.
During the ToSH 3, we conducted a second survey containing seven questions on satisfaction of the programme. A total of 127 growers completed the questionnaire. 56% have attended two or more WISSCo2 training sessions and 99% of respondents considered the training topics useful. 76% claimed to have put the knowledge they obtained during the different training sessions into practice. 98% of the respondents confirmed to be interested to continue the program during 2020. Among the topics of interest for 2020 trainings the growers mentioned different topics such as • Data Management, • Cost Management, • Company Resource Management, • Agrochemicals Storage Management, • Environmental management. Those topics can be included in the programme. However, other topics such as social security issues and labour agreements cannot be part of the programme. Although they showed their interest these topics require a certain level of legal background.

An almost perfect score of 98% of the people who participated, confirmed that they will come back to the trainings in 2020.

WISSCo2 Surveys

During the first year of WISSCo2, 90 farmers were surveyed on 14 questions around demography, plantation management and social aspects.

From the first survey we know that 63% of the total farmers have followed an education above high school level and 94% own the land on which the palm tree is planted. 61% of the respondents are over 50 years old and 80% of them have more than one child.

Considering that 70% of the smallholders live with their partner, we can conclude that palm farming feed complete families.

A majority of 81% of farmers have planted their palm trees before 2005, 55% said they do not have immature plantations. 85% possess more than 5 years of experience in palm plantations.

Even though 76% have a yield higher than 10 Ton / Ha³, 60% of the respondent have been affected by the Bud Rot Disease.

Although 78% of the farmers mentioned that they do record-keeping, the farm visits didn't present the evidence of what farmers claimed in the survey.

59% of the growers had other activities different than palm plantations which allow them to pay their expenses.
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Additional Results

30 Growers RSPO certified
During this year, Palmaceite Mills, successfully certified ISCC/RSPO 30 of the 56 growers registered in the programme.

Twenty growers participated in at least one WISSCO2 Training and 52% of them took part in a field visit where the compliance gaps were identified.

Additionally, El Roble also had their RSPO audit for 9 growers, of which 7 are participating in the WISSCO2 program.

Although the RSPO certification was not a specific objective of WISSCO2, it is great to see that this training program has clearly contributed to the certification results.

Future; the coming six months

The plan for the next six months of the WISSCo2 project contains a fourth assessment period (SHA4) and a fourth smallholder training session (TOSH4) reinforcing the significance of record-keeping.

The ultimate goal is to enable the smallholder to use data from their operations. That enables them to take informed decisions, bringing them closer towards compliance and better profitability of their business.
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