



# Zero Deforestation

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A guide to setting robust policy commitments  
in palm oil supply chains

Thematic Guide No.1



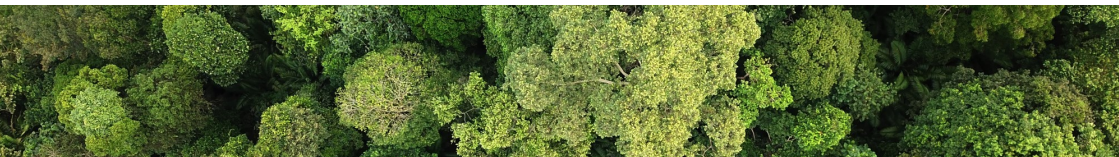


# What is a Zero-Deforestation Policy?

This guide is designed to help companies set robust and credible zero-deforestation commitments. It is relevant whether you are a palm oil producer, processor, trader or a buyer of products containing palm oil derivatives.

- Palm oil, along with other soft commodities such as soy, timber, and beef, can be a key driver of tropical forest degradation and loss. **Deforestation** causes greenhouse gas emissions, threatens biodiversity and can cause conflict with local communities.
- Setting a clear zero-deforestation policy is a vital step for companies to demonstrate that they commit to avoiding these negative consequences.
- A **zero-deforestation** policy commits an organisation to no gross deforestation or severe degradation of natural forests. This is distinct from a zero-net-deforestation approach which allows for deforestation in one area if it is compensated for by replanting in another area.
- Commitments to zero deforestation have now been taken by key palm oil producers and buyers, and sector initiatives, including the **Roundtable on Sustainable Palm Oil (RSPO)** and the New York Declaration on Forests (NYDF).
- Robust zero-deforestation commitments should also form part of a wider **No Deforestation, No Peat and No Exploitation (NDPE)** policy.
- Vital to NDPE commitments is the identification and preservation of **High Conservation Value (HCV)** and High Carbon Stock areas which offer important environmental and social functions.
- The **High Carbon Stock (HCS) Approach** was specifically developed to help producer companies operationalise their zero-deforestation commitments in the tropics.

Read our full report '*Palm oil crushers and refiners: Managing deforestation risk through a supply chain bottleneck*' at [www.spott.org/reports](http://www.spott.org/reports)





# Create your Zero-Deforestation Policy



**Prepare or revise your zero-deforestation policy** defining robust, time-bound commitments.



**Ensure your policy defines the criteria or types of forest that are not to be deforested** (e.g. primary forests, Intact Forest Landscapes, secondary forests, disturbed forests, HCV areas, HCS areas, etc.).



**Include explicit prohibition on conversion of natural forests to other uses** and measures to support the protection of forests and conservation areas.



**Commit to restoring any degraded ecosystems to their prior condition and/or provide suitable compensation to restore ecosystem values** (e.g. in case of non-compliant deforestation or conversion which has already occurred).



**Define the scope of your policy, applying it at the group level of your company**, including any and all subsidiaries, joint ventures, affiliates and related entities.



**Extend your zero-deforestation commitment to all your suppliers**, including those you source from directly and indirectly. Suppliers should be required to also apply the commitment at the group level.



**Specify a cut-off date** beyond which any deforestation by your organisation and suppliers is considered as non-compliant. Cut-off dates should be set in the past to avoid incentivising deforestation and no later than 1<sup>st</sup> January 2020.



**Publish your zero-deforestation policy** on your website with a clear date of publication.



**Develop a clear, time-bound monitoring and implementation plan** in line with the High Carbon Stock Approach.



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Developed by ZSL (Zoological Society of London), SPOTT is a free, online platform supporting sustainable commodity production and trade. By tracking transparency, SPOTT incentivises the implementation of corporate best practice.

SPOTT assesses commodity producers, processors and traders on their public disclosure regarding their organisation, policies and practices related to environmental, social and governance (ESG) issues. Investors, buyers and other key influencers can use SPOTT assessments to inform stakeholder engagement, manage ESG risk, and increase transparency across multiple industries.

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Find more SPOTT Thematic Guides for the palm oil sector here:

- [Thematic Guide No.2: Traceability](#)
- [Thematic Guide No.3: Supplier Engagement](#)

Find all our reports at [www.spott.org/reports](http://www.spott.org/reports)

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