GEOTRACEABILITY FOR **PALM OIL**:
SUPPLIER **SPONSORSHIP** PROGRAM

GEOTRACEABILITY
PART OF **OPTEL**

THE CHALLENGE

The oil palm crop is grown by **millions of smallholder farmers**, particularly in Indonesia and Malaysia, where smallholders manage 40% of land under palm oil production. These growers are critical to the future of the palm oil sector and the thousands of companies who are indirectly linked to them through the supply chain.

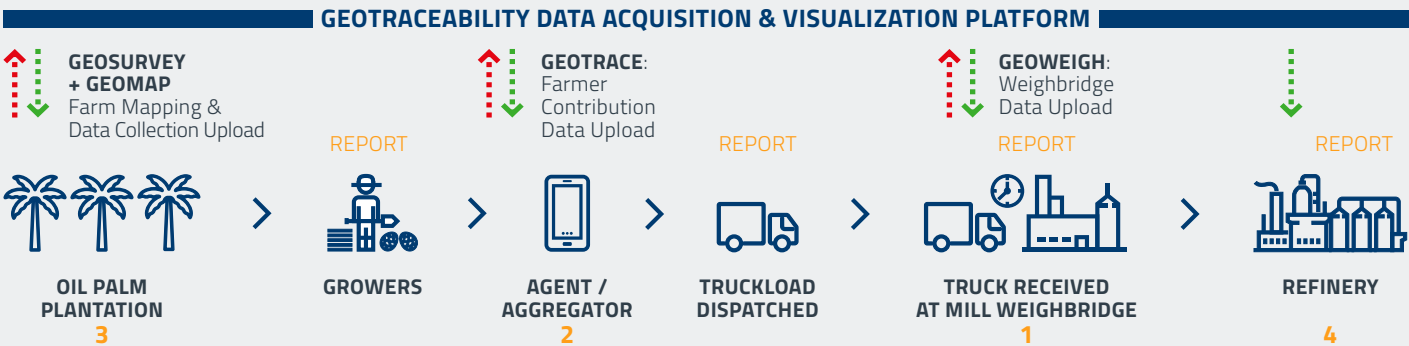These **smallholders** present sourcing challenges, for example they may:

- be **unregistered**
- not have **correct** legal papers
- have **encroached** into forests

Smallholders are often invisible to the **mills, refineries and consumer goods companies** which all depend on them. This makes smallholder engagement and support **extremely challenging**.

A STEP-BY-STEP SOLUTION

We need **a process to make smallholders and other suppliers visible** to their buyers, simultaneously helping mills to better manage and engage with their supply base and putting smallholders on the map as **responsible business units**.

GEOTRACEABILITY DATA ACQUISITION & VISUALIZATION PLATFORM

GEOSURVEY + GEOMAP
Farm Mapping & Data Collection Upload

GEOTRACE:
Farmer Contribution Data Upload

GEOWEIGH:
Weighbridge Data Upload

REPORT

REPORT

REPORT

REPORT

OIL PALM PLANTATION
3

>

GROWERS

>

AGENT / AGGREGATOR
2

>

TRUCKLOAD DISPATCHED

>

TRUCK RECEIVED AT MILL WEIGHBRIDGE
1

>

REFINERY
4

1. WEIGHBRIDGE DATA UPLOAD
Traceability system setup begins by capturing all deliveries at the weighbridge and categorizing them by supplier type.

2. TRUCKLOAD DATA UPLOAD
The next step is to train the agent or delivery order holder on our Android App designed to capture all farmers who contributed to a truck load which is then dispatched to the mill.

3. FARMER & FIELD DATA
Once the traceability system is operating, the next stage is to survey farmers and map their field with a GPS device.

4. FULLY TRACEABLE SUPPLY CHAIN
When fully deployed, the GeoT software provides the highest level of physical traceability available for oil palm Fresh Fruit Bunches (**FFBs**).

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A SOLUTION FOR SUSTAINABLE CHANGE IN THE PALM SECTOR

Since 2015, Golden Agri-Resources (GAR), a leading palm-based agribusiness, has had a commitment to achieving **full traceability to plantation by 2020**. GAR achieved traceability to mill at the end of 2015 and started a two-step process of traceability to plantation, first to its own mills, and then for its third-party supplier mills. Based on the experience of tracing FFB supply to its own mills, GAR recognized that **independent mills would struggle** to provide the level of traceability data palm oil customers are demanding.

The solution – a **sponsorship program** that allows end-user companies to invest in the establishment of **palm oil traceability systems** within individual supplier mills.

OPPORTUNITY

GeoTraceability and GAR have launched a sponsorship program to **accelerate efforts to increase traceability and transparency in the palm oil supply chain**. For only US$12,000, end users can invest in the installation of the GeoTraceability software and training, that enables mill owners to trace smallholders and other suppliers they are sourcing from. Traceability is an essential first step to broader sustainability transformation of the palm oil sector. This contribution will play a **concrete part** in that transformation process.

PROGRAM GOALS

ULTIMATE GOAL

Include smallholder FFB growers in a **sustainable** and **transparent palm oil supply chain**.

MID-TERM GOAL

Obtain full traceability on all FFBs delivered to Palm Oil Mills and **establish the link with growers and plantations**.

SHORT-TERM GOAL

Obtain **visibility** on the different categories of suppliers delivering FFBs to **Palm Oil Mills**.