



Ministry of Foreign Affairs



Solidaridad

NI-SCOPS: National Initiatives to Stimulate and Scale up Smallholder Climate-smart Agriculture in Oil Palm Landscapes in Asia and Africa

What is NI-SCOPS?

National Initiatives for Sustainable and Climate-Smart Oil Palm Smallholders (NI-SCOPS) is a Dutch government supported, public private partnership programme, initiated in 2019 and focused on Indonesia, Malaysia, Nigeria, and Ghana. It works in close collaboration with those countries' governments, through jointly negotiated, government to government agreements.

Delivering on the Amsterdam Declaration commitments, the aim of NI-SCOPS is to demonstrate that the palm oil sector can contribute to the SDGs and Paris Agreement climate ambitions, while improving the livelihoods of smallholder farmers and workers. NI-SCOPS focuses on landscapes with large numbers of independent smallholders and mills, which are unlikely to be able to get certified. The aim is that these palm oil-producing areas, or landscapes, will become more economically robust and socially just, while protecting and restoring valuable natural resources, leading to a reduction of greenhouse gas (GHG) emissions from agriculture and land-use change. NI-SCOPS works with these smallholders and mills, strengthening existing partnerships, and building new ones, with the close support of national and subnational governments, reporting transparently on progress in each country.

Current palm oil supply chain limitations

Most international palm oil sustainability initiatives are voluntary and market-driven, using the buying power of brands to demand sustainability improvements from producers. Such initiatives, like RSPO, have 'raised the bar' in the sector and have been able to transform 20-25% of global output to 'certified sustainable' in the last decade. But this is not enough, particularly in addressing issues beyond the certified farm unit: i.e. land rights, deforestation, and community livelihoods. Besides raising the bar for voluntary corporate action, we must raise the floor, leaving no one behind. NI-SCOPS is inclusive; targeting landscapes and producer groups where certification is difficult or uneconomical. It 'raises the floor' by partnering with (local) governments to guide all land users on the path to climate-smart agriculture and forest conservation.

What is the NI-SCOPS approach?

The national initiatives are public-sector partnership programmes, co-owned by national and local governments, connecting the programme to national goals, policies, and frameworks. All four producing countries have established national working groups that include all relevant ministries and agencies and have reached bilateral agreements with the Netherlands in 2019 and 2020. In addition, cooperation agreements have been signed between the national governments and IDH and Solidaridad to implement the NI-SCOPS programme.

NI-SCOPS creates a multi-stakeholder platform at the province, or district, level, where agreement is reached on climate-smart development: improving livelihoods and income, increasing resilience to climate shocks, and reducing emissions from farming and deforestation. Farmers, companies, and governments all commit to change to, and support more, sustainable practices. NI-SCOPS facilitates and monitors this transition, and supports the generation of national and international development and climate finance, to scale uptake. In this way, palm oil-producing areas or landscapes will become more economically robust and socially just, while protecting and restoring valuable natural resources, leading to a reduction of greenhouse gas (GHG) emissions from agriculture and land-use change.

The initiatives comprise interventions at a national (policy and stakeholder engagement), sub-national state, or province-level (spatial planning) and district-level (climate-smart agriculture and forest conservation/restoration). KPIs have been agreed at the national level for each of the pillars of climate smart agriculture, i.e.:

1. Food security & improved livelihoods for oil palm smallholders;
2. Improved Adaptive Capacity;
3. Mitigation (Reduced Greenhouse Gas Emissions) through climate-smart agricultural practices and forest conservation and restoration.

IDH, Solidaridad, and local partners use the same, scientifically robust methods to measure results and impact against these KPIs. Besides the nationally applicable and standardized KPIs, IDH and Solidaridad apply their own detailed landscape monitoring tools, providing all partners with detailed information on inputs, outputs, and outcomes of the initiatives.

With the commitments of the public and private sector made and baselines successfully conducted; the initiatives are now ready to scale up!

Government and Private engagement

What is the role of government?

The national governments of the four producing countries assume responsibility to deliver and report on the KPIs, with support from the NI-SCOPS implementation team. Internal collaboration between ministries (environment, agriculture, trade, planning) has already improved through the establishment of National Technical Committees, where senior staff from all relevant government agencies and ministries are represented. Local governments in the selected landscapes have started to invest in-kind; for example, by improving physical infrastructure, or by appointing personnel to local projects.

NI-SCOPS provides a way out of the increasingly polarized debate on palm oil, both for producer and consumer countries. By sharing the responsibility, NI-SCOPS opens doors for government-to-government dialogue on sustainable commodity trade and climate change while addressing environmental and socio-economic issues. Consumer countries get the opportunity of collaborating and funding change embedded in national policies, which helps to meet internationally set climate change reduction targets.

What is the role of the private sector?

Brands and traders committed to NDPE or zero-deforestation policies (e.g. through participation in the Tropical Forest Alliance and New York Declaration on Forests) and/or jurisdictional or landscape approaches, are keen to support NI-SCOPS. Companies can sign partnership agreements with IDH or Solidaridad, and promote landscape governance, especially in areas where uptake of certification by smallholders remains low.

Who are the partners?

Solidaridad and IDH coordinate and implement the National Initiatives, with national partners in Indonesia, Malaysia, Nigeria, and Ghana. Seed funding for the inception (2019) and part of the first implementation phase (2020-2023) has been provided by the government of the Netherlands.

How can you become a NI-SCOPS partner?

Solidaridad and IDH are actively seeking new partnerships with states, companies and other value chain actors with an interest in developing sustainable palm oil chains. There are three different ways you can engage with the NI-SCOPS programme:

A: As a Steering Group Donor to Solidaridad and/or IDH, you co-fund one or more initiatives for at least 25% of the multi-year budget. In return, you will be able to report on the results of the programme (improved livelihoods, adaptation, and mitigation), and you will also be invited to participate in biannual steering group meetings, with access to the National Technical Committees also. The Steering Group is consulted on the annual plans of the initiatives and, once the current scopes of the Initiatives are fully funded, you would have a say in where additional Initiatives are established in the future.

B: As a Silent Donor you can provide Solidaridad and/or IDH with grants for one or more initiatives, and in return receive (and claim) the results achieved with your contribution. You will receive the relevant annual plans, progress reports, and have access to the KPI dashboard of the initiative(s) you support. The IDH-Solidaridad secretariat will manage the grant on your behalf, so this option requires very little staff capacity from your end.

C: As a Donor Country, you can also support NI-SCOPS through bilateral agreements with any of the partner countries. This requires the signing of an MoU designating a portion of the aid to pay for NI-SCOPS activities undertaken by the national government in question, or by Solidaridad and/or IDH as implementation partners. The Netherlands has gone through this process already, so the NI-SCOPS secretariat can support such a process, if desired, at cost price.

In what way can a G2G relationship with one or more production countries be established?

In line with the partnership options above, the government engagement options are:

1. Join NI-SCOPS as a steering group donor (option A above) and obtain observer status in NI-SCOPS technical meetings and official events and presentations, in-country and internationally (CoP26, Glasgow);
2. Indirectly through a Knowledge partnership, PPP, or funding one or more landscape projects as a 'silent donor' (option B above);
3. Directly, through a separate bilateral MoU/LoI at the national level (option C above).

Why should you invest in NI-SCOPS?

By getting involved, you stand to benefit in at least three ways:

Demonstrable Global Impact: NI-SCOPS engages at the landscape level in selected states and provinces, and is closely connected to policy and decision making processes at the national level, in all four countries. It has explicit international and national government endorsement and major private sector players are collaborating with Solidaridad and IDH to help scale the positive impact. This holistic and inclusive approach generates more impact in less time, compared to traditional climate, or development, interventions. To ensure credibility, progress is reported annually, using scientifically robust KPIs that have been approved by producer country governments.

Achieve Climate and Sustainable Development Policy Commitments: NI-SCOPS is closely aligned with producer countries' Nationally Determined Contributions under the Paris Agreement. It also generates evidence (through the reporting on adaptation and mitigation KPIs) that their efforts contribute to combating climate change. Supporting NI-SCOPS means measurably contributing to the Paris Agreement and the SDGs.

Opportunity for Dialogue with Producer Countries and develop political momentum: Governments that support NI-SCOPS obtain access to decision-makers in key producer country ministries (trade, agriculture, planning, environment) that are involved in governance and implementation of NI-SCOPS. This provides opportunities to develop bilateral cooperation and agreements under the NI-SCOPS umbrella.

For the location and key activities of the national initiatives, please see the country summaries.