

From Commitments to Action at Scale

A Joint Report from CDP
and the Accountability
Framework initiative

25th May, 2022



Accountability
Framework

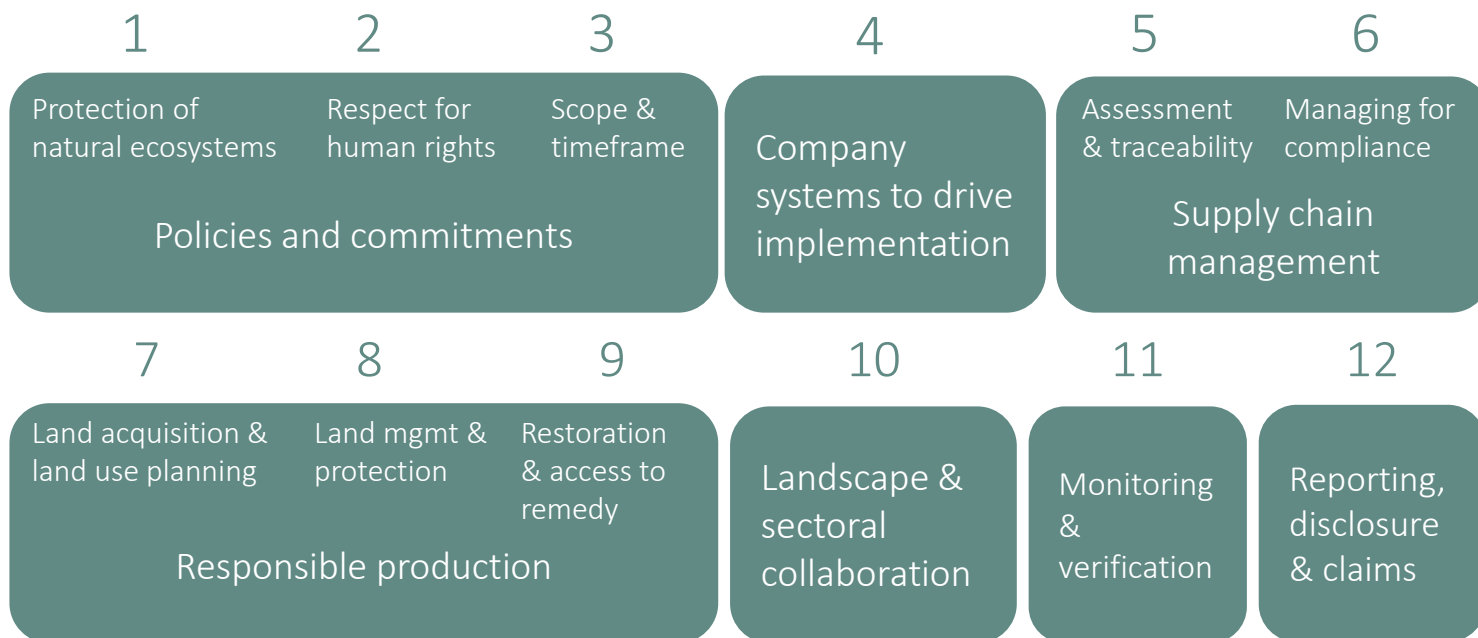


The Accountability Framework initiative

Coalition of **26 civil society organizations** working to increase clarity and consistency of expectations for agriculture and forestry supply chains free of deforestation, ecosystem conversion, and human rights abuses

The Accountability Framework

Roadmap of principles, definitions, guidance to support companies & industry groups in meeting supply chain goals



Collaboration for alignment & standardization



ABOUT CDP



DISCLOSURE

AUTHORITIES



2021

~680 investors, (\$130 trillion assets)
~200 buyers, (\$5.5 trillion pp)

1



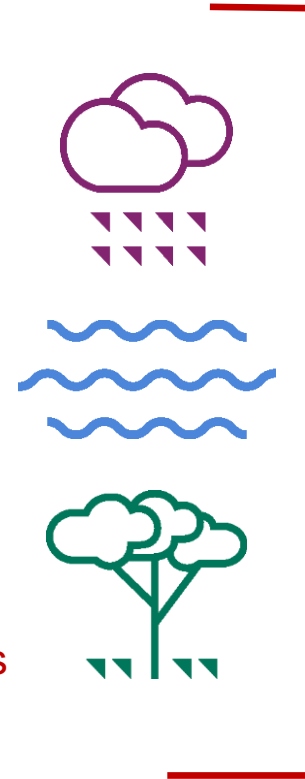
DISCLOSERS



2021

~13,000 companies
~1000 cities, states and regions

2

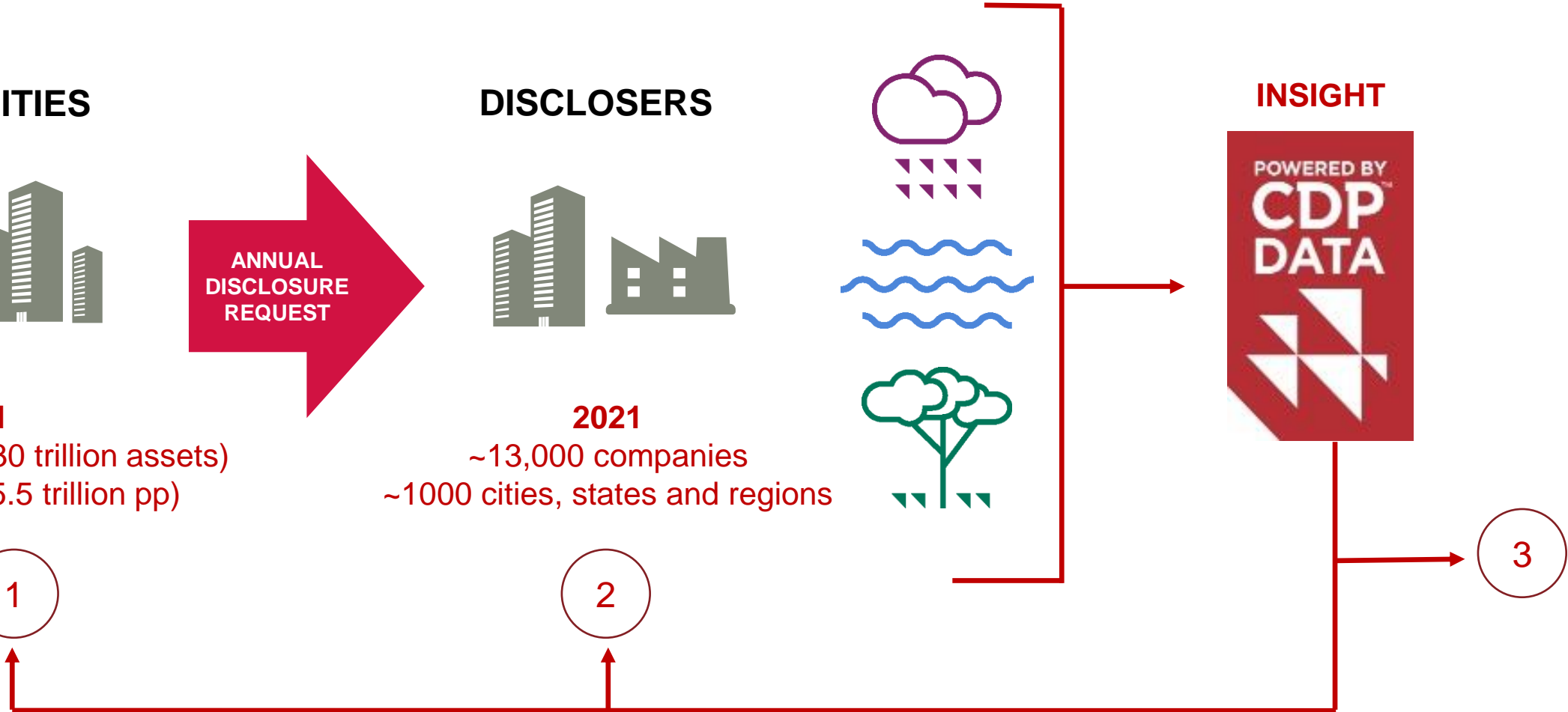


INSIGHT



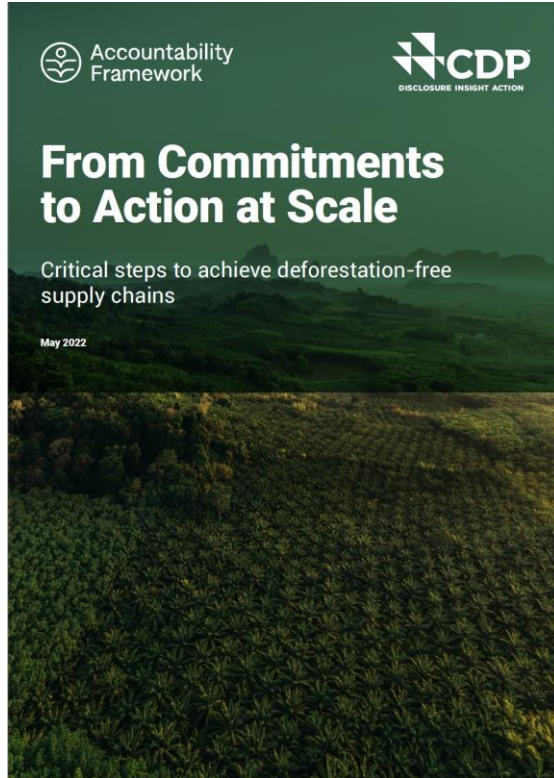
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ACTION





KEY FINDINGS: THE NEED FOR ACTION AT SCALE



675 companies that produce or source palm oil, timber products, cattle products, soy, natural rubber, cocoa, or coffee

2/3 of companies have a policy related to deforestation

2/3 of companies engage direct suppliers to manage deforestation risks

3/4 of companies have a traceability system for at least one commodity

2/3 of companies use certification for some of their commodity volumes



1/3 have public company-wide no-deforestation or no-conversion policies

1/4 provide technical or financial assistance to direct suppliers

1/4 of companies have sufficient traceability or monitoring systems to implement commitments made or assess progress against them

Only **7%** report that >90% of one commodity is certified by a scheme that provides assurance of no-deforestation/no-conversion



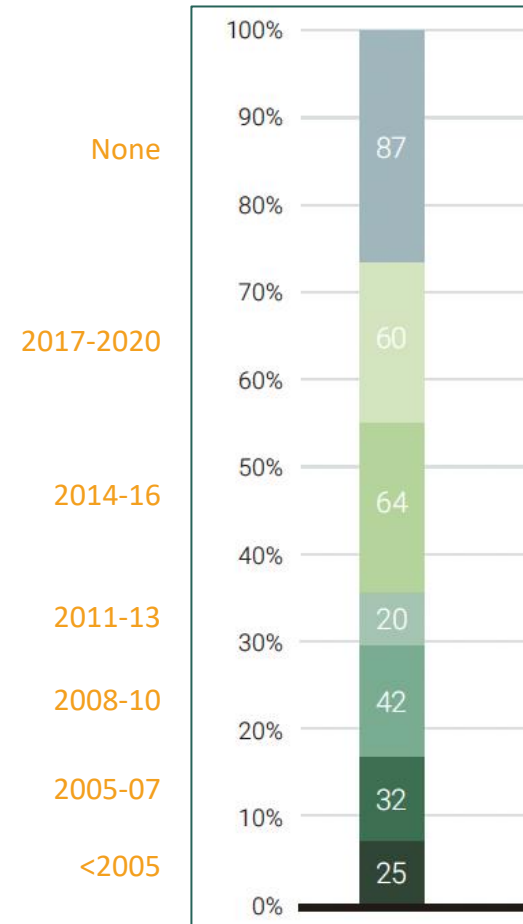
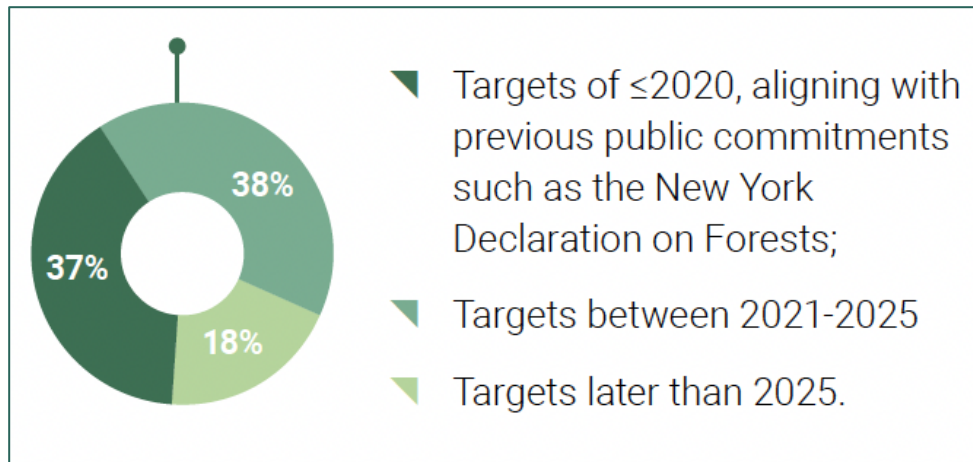
INSIDE THE REPORT: TIMEBOUND COMMITMENTS



Target date = date by which companies intend to have fully implemented commitments

- 205 companies with 330 commodity-specific commitments
- 92% of those include target dates

Cutoff date = point in time after which deforestation or conversion renders commodities produced on the converted land non-compliant with commitments

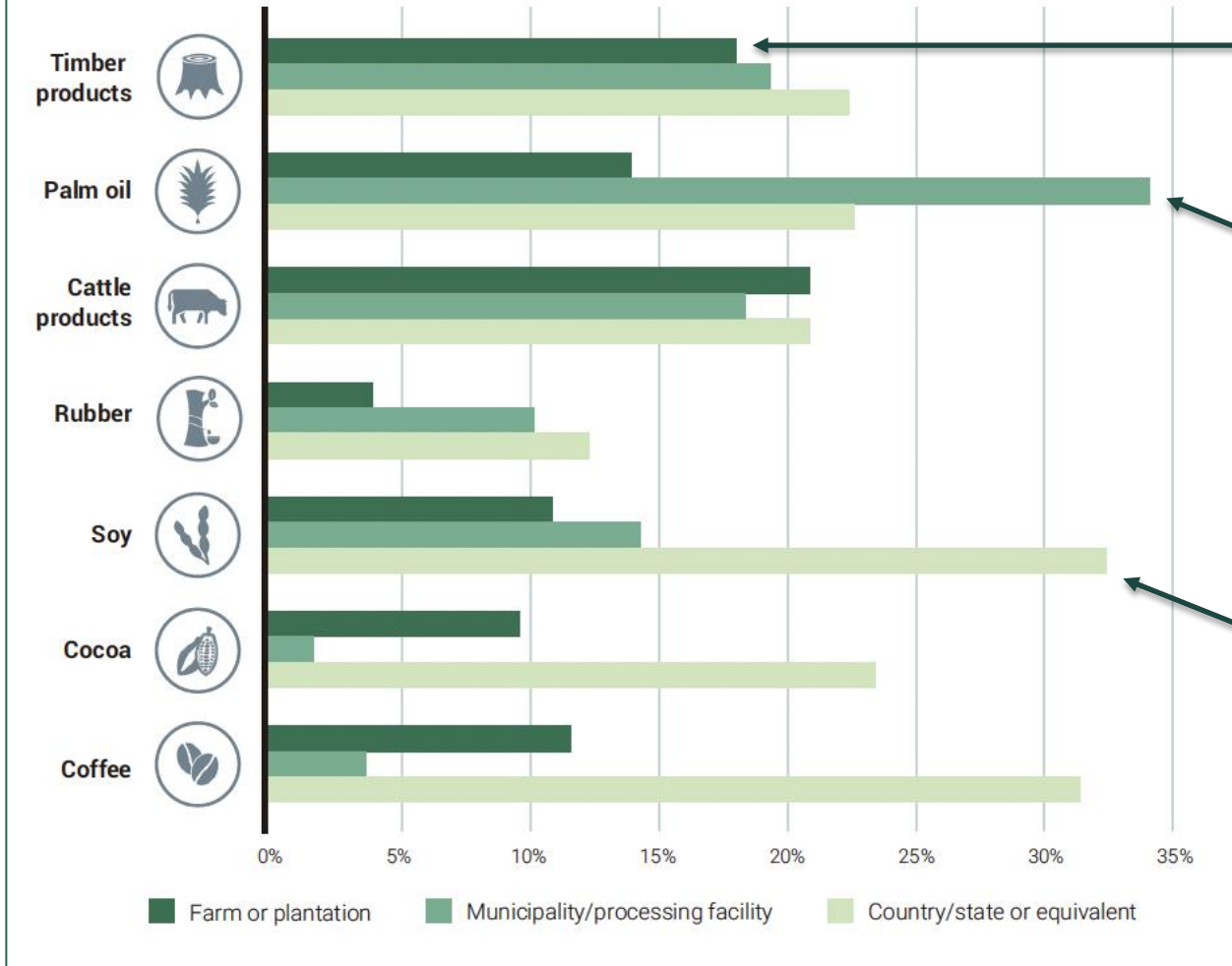


74% of commitments included a cutoff date of 2020 or earlier



INSIDE THE REPORT: TRACEABILITY

Figure 5. Percentage of companies sourcing each commodity disclosing traceability of 50% or more of their commodity volumes to a given supply chain stage.



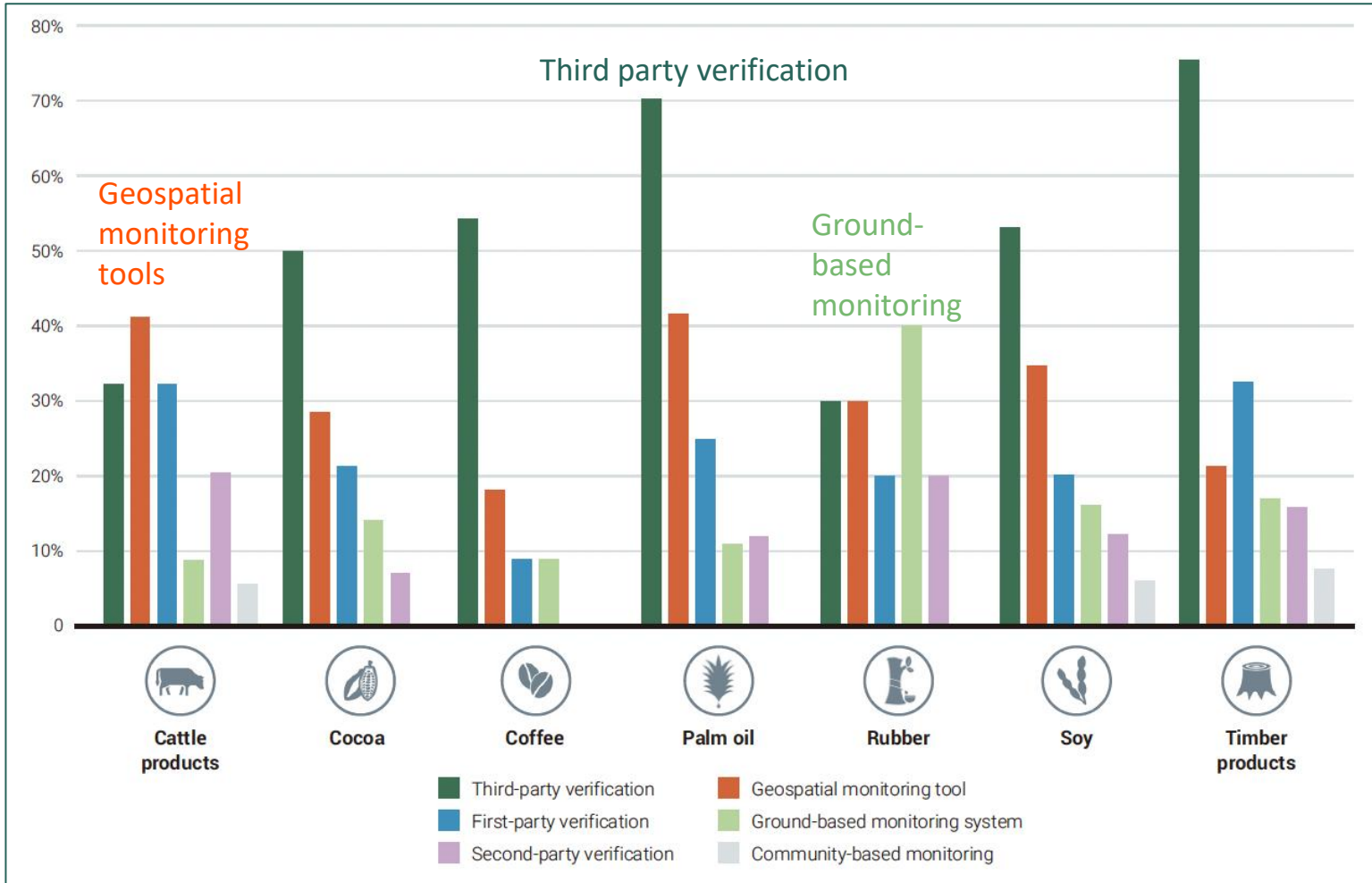
For each commodity, up to 20% of companies can trace half their volumes to point of origin

For some commodities, companies have traceability to a processing facility or municipality

Across all commodities, many companies cannot trace half their volumes past the level of a country or first subnational jurisdiction



INSIDE THE REPORT: MONITORING



Of **247** companies with a company-wide no-deforestation/conversion policy or commitment

72% report having a monitoring system related to those policies/commitment.



INSIDE THE REPORT: MANAGING SUPPLIER NON-COMPLIANCE



242 companies responded to questions about responses to supplier non-compliance with no-deforestation/no-conversion policies

Response to non-compliance	% of responding companies
Retain and engage	65%
Suspend and engage	46%
Exclude	37%

What is engagement?

Providing information on actions that can be taken to address non-compliance

Developing timebound targets to bring suppliers into compliance

Re-integrating suppliers based on successful completion of those implementation plans