



# NISCOPS: Sustainable Palm Oil Solutions at Scale

Driving supply chain sustainability in oil palm producing and consuming markets

The National Initiatives for Sustainable and Climate-Smart Oil Palm Smallholders (NISCOPS) is a long-term engagement between key palm oil producer and consumer countries, implemented in a partnership of IDH and Solidaridad. The programme complements market-driven supply chain initiatives in palm oil producing countries, and facilitates joint action at national level by governments, private sector and civil society in developing climate-smart agriculture in palm oil landscapes, capable of improving the lives of smallholder farmers. NISCOPS is active in producer countries Ghana, Nigeria, Indonesia, Malaysia, Colombia, with market interventions in Europe and Asia, including India.

NISCOPS strives towards three main impact areas:

1. Improved land use:  
More palm landscapes sustainably managed and climate resilient
2. Better incomes for smallholders
3. Inclusive markets for smallholders producing sustainably

# The NISCOPS programme

## What is NISCOPS?

NISCOPS is a global programme focused on driving demand for sustainable palm oil, produced by smallholder farmers. It works throughout the palm oil supply chain with a variety of stakeholders, including smallholder farmers, governments, private sector actors, civil society and knowledge institutes. The programme started in 2019, and represents a 10 year commitment by the Dutch government in addressing the development challenges faced by smallholders in the palm oil sector. The UK government came on board in 2024 for the second phase.

- **NISCOPS 1** (2019–2023) focused on Ghana, Indonesia, Malaysia and Nigeria, with market interventions in Europe and India.
- **NISCOPS 2** (2024–2028) adds an additional palm oil producing country, Colombia, and a focus on EU, UK and Indian markets as potential drivers of both improvements in the sustainability of palm oil and smallholder inclusivity. Navigating and finding solutions to the impact of legislation, such as the EUDR and corporate and public procurement policy, plays a keyrole in this work.

## Our vision

**Landscapes where oil palms are grown and managed sustainably, and smallholders measurably benefit from their inclusion in oil–palm markets.**

## Key impact areas

NISCOPS aims to shape long-lasting, positive impacts for smallholders by ensuring market access, creating an enabling policy environment and contributing to climate resilience and environmental protection. The programme is focused on three key impact areas: **improved land use** (including regenerative agricultural practices), **better incomes** (more equitable access to markets) and **inclusive markets** (such as supporting traceability compliance).

The programme works ‘up’ from field implementation and learning, and ‘down’ from policy and market drivers, to create a positive feedback loop between production practice and policy implementation. Activities at field, market and policy level are all designed to contribute to scaling up positive social and environmental impact in the palm oil sector.

## Map of NISCOPS countries





# Achievements to date 2019–2023

In the period 2019–2023, NISCOPS led to improvements in farmer livelihoods and climate adaptation and mitigation, underpinned by engagement with national governments on relevant policy issues. The programme has collaborated with government institutions at national, regional, and district levels. Key impacts to date across the producing countries include:

## Indonesia

Cooperation with the Indonesian government resulted in the development of guidelines on credible greenhouse gas emission data and helped map illegal palm oil plantations in Aceh Tamiang, Timur and Langkat (North Sumatra), along with a proposed strategy for restoration. NISCOPS also helped drive the development of a formal strategy in Aceh Province, facilitating the signing of a landscape agreement (PPI Compact) for Aceh Timur by key stakeholders and demonstrating a strong commitment to achieve forest protection and sustainable supply chain in the district.

- **11,047 farmers trained** on sustainable farming practices and diversification methods, bringing **23,302 hectares** (ha) of farmland under climate adaptive practices;
- **12,512 ha of deforested land restored** to agroforestry or replanted with trees;
- **13,485 ha of forest area** in Aceh Singkil is being monitored;
- The landscape initiative for addressing deforestation, funded by NORAD, has proven its effectiveness and become a best practice in reducing deforestation in Aceh Tamiang. This approach is now being scaled up in other districts (Aceh Timur, Aceh Singkil, Aceh Utara, and Subulussalam) as well as at the provincial level in Aceh, using funding from the NISCOPS programme.

## Achievements NISCOPS I



**19,844**

ha of deforested land has been protected or restored



**108,039**

ha of farmland under sustainable management / climate adaptive practices



**46,268**

smallholder associations established

## Malaysia

In cooperation with the Malaysian government and partners, NISCOPS initiated a monitoring system to



support deforestation-free palm oil, after having agreed a single definition on deforestation for the whole of Malaysia. The monitoring system looks at all the different classifications of forest in Malaysia.

- **15,221 smallholder farmers trained** on sustainable farm practices and diversification methods;
- **54,156 ha of land**, including forest and peatland, brought under sustainable management.

## Nigeria

Two smallholder-inclusive business models have been piloted with the private sector, highlighting the positive impact of market incentives, such as stable offtake and pricing for farmers. The establishment of a multi-stakeholder platform and a desk office, in partnership with the state government, to coordinate aid investors and smallholder farmers have also been key in strengthening green growth and sustainable development.

- **14,000 farmers trained** on sustainable farm practices and diversification methods, bringing 18,581 ha of farmland under climate adaptive practices;
- **6,351 ha of degraded land restored**. Technological upgrades of **8 artisanal mills** facilitated an increased oil extraction rate;
- **175,344 seedlings** distributed for replanting **1,227 ha**.

## Ghana

Local authorities have increased their capacity in sustainable production methods for oil palm production and processing. Another notable result is the small-scale oil palm processing innovation which increases oil recovery to up to 20%, converts palm oil mill effluent to energy, and provides improved working conditions for women who use the facility.

- **6,000 farmers trained** on sustainable farm practices and diversification methods, bringing **12,000 ha of farmland** under climate adaptive practices;
- **14 districts** have improved mechanisms to support sustainable land use, land restoration and agroforestry;
- **80% GHG emission reduction** at artisanal mills.

# Scaling our solutions

Building on our progress to date, NISCOPS continues to implement and scale solutions to drive sustainable oil palm production and market interventions across the regions.

## Impact interventions

In the programme period 2024–2028, NISCOPS aims to benefit approximately 110,000 smallholder farmers. Our main interventions include:

- Working through multi-stakeholder partnerships (MSPs) to map, protect and restore forests and ensure that working practices of smallholders are better adapted to climate change;
- Ensuring inclusive interventions which benefit women and youth;
- Raising smallholders' income through improvements in productivity, pricing, farm diversification, value distribution, access to finance and access to markets for smallholder-inclusive and No Deforestation, No Peat and No Exploitation (NDPE) palm oil;
- Influencing the development of smallholder accessible standards, and working with the Indian government on minimum import criteria for palm oil in the largest Asian markets;
- Testing traceability approaches that will support smallholder compliance with EU and UK regulations.

NISCOPS also includes scaling solutions for potential unintended consequences of the European Deforestation Regulation (EUDR), namely segregation of the palm oil supply chain at the expense of smallholder farmers in countries deemed to be high risk, and further leakage of deforestation to African and Asian markets.

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## Global NISCOPS Targets



The programme is active in Europe and Asia markets (focused on India) and works to facilitate market support for the work being delivered in producer countries. Policy influencing plays an important role, and NISCOPS supports initiatives by the implementing partners, IDH and Solidaridad, such as the Sustainable Palm Oil Dialogue and publication of in-depth report such as the Palm Oil Barometer.

## Partner with us!

NISCOPS is a unique programme with a proven track record in piloting and scaling sustainability solutions in the palm oil sector. Smallholder inclusion is core to the production of climate-smart, deforestation-free, responsible palm oil.

Achieving this goal requires partnering with key stakeholders to drive forward the uptake of sustainable palm oil in producing and consuming countries and markets. If you are interested in finding out more, please contact us.

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