

520 Indonesian farmers on path to achieve RSPO certification with the help of Sawit Terampil programme

The programme introduced by Sinar Mas Agribusiness and Food and its partners has helped to increase productivity for participating smallholders by an average of 14 percent, driving rural economic development and enhancing sustainable palm oil production.

Jakarta, 26 May 2023 – More than 500 farmers holding over 900 hectares of palm oil plantations in Aceh Utara and Langkat have applied for Roundtable on Sustainable Palm Oil (RSPO) certification, the first two farmer groups to reach this milestone after receiving support from the Sawit Terampil programme. The initiative, which was launched by Sinar Mas Agribusiness and Food and its partners MARS and Fuji Oil in 2020, provides comprehensive support for independent smallholders through group coaching and individual guidance to help them improve their agricultural practices.

The capacity-building training and mentoring sessions teach independent smallholders to implement more sustainable cultivation methods and prepare to meet Indonesian Sustainable Palm Oil (ISPO) and RSPO certification requirements. ISPO certification is a key milestone for smallholders, following government mandates that palm oil growers and millers operating in the country must be at least ISPO-compliant by 2025, as well as preparing them to meet RSPO requirements.

The initiative is supported by Smart Research Institute (SMARTRI), the Company's research arm offering mentorship on best agronomy practices, and implementing partner Koltiva. Neste Oil and Yayasan Inisiatif Dagang Hijau (IDH) were the latest partners to join the project in 2022.

Moving towards certification-readiness

Smallholders manage 41 percent of Indonesia's palm oil plantation area, making them a key contributor to increasing sustainability standards in the industry. However, many farmers lack access to formal agronomy training, administrative knowledge and support that can help improve their farming practices and meet requirements for certification.

Sawit Terampil has been designed to address these challenges. By the end of Q1 2023, the project had reached approximately 4,800 farmers with training and coaching opportunities, already exceeding the target of 4,500 participants set for the end of 2023. More than 6,600 coaching sessions have been conducted, amounting to over 11,600 coaching hours since the initiative was launched.

Many of these farmers have made progress on the administrative requirements to reach certification readiness. 120 farmers in Langkat and Subulusaalam holding 112 plots of land have verified their land legality – a crucial step towards certification. In Aceh and North Sumatra, more than 2,500 farmers holding over 2,700 plots of land have completed their certification survey, a prerequisite to verifying their land legality. In total, upwards of 3,000 farmers have taken steps towards certification-readiness through their participation in the Sawit Terampil programme.

Progress on production and productivity

The coaching sessions have delivered material results that can help to support smallholders' livelihoods by increasing their yields, reducing input costs and enhancing farming efficiency. Sawit Terampil data shows that farmers who have undertaken training increased their plantation

productivity by 14 percent on average, from 18,5 ton/ha/year to 21,02 ton/ha/year, with the number of trees per hectare remaining constant. Langkat Regency saw the highest productivity increase of 19 percent. The national average for plantation productivity among smallholders is [9,6 ton/ha/year](#).

Head of Sustainability and Strategic Projects at Sinar Mas Agribusiness and Food, Götz Martin said, "Driving rural economic development is at the heart of our work and helping farmers to upskill and gain certification is a key part of this effort. We are pleased with the progress we have seen in the Sawit Terampil programme to date, and hope to work with more partners in future to benefit and empower communities."

Nassat Idris, Chairman of Yayasan Inisiatif Dagang Hijau (IDH), the latest partner to join the initiative, said, "IDH's support for the Sawit Terampil programme is in line with our goal to facilitate partnerships and bring the government, private sector and communities together to create better jobs, better incomes and a better environment. We are encouraged by the tangible benefits that Sawit Terampil has brought to independent smallholders and their communities. We hope to continue working together with all stakeholders on the journey to empower farmers and rural communities, and to scale up the impacts through our programme."

Participants have reported positive outcomes from the project. "Since I joined the Sawit Terampil Programme, I have learned where I can and can't plant because of land legality or high carbon areas. Previously, we thought we could grow palm anywhere since it was on our land," said Ardiyanto from Langkat Regency, Sumatera Utara.

Another farmer from the same area, Sutyem, said, "I have told my friends who didn't join Sawit Terampil that I have seen a lot of progress in my income from oil palm plantations. Before I joined this program, the results were very far away from what I see now. In the past, the output was only 700-800 kg [per month], but thank God, now my production has reached more than 2 tonnes."

===END===

About Sinar Mas Agribusiness and Food

Sinar Mas Agribusiness and Food, part of the Golden Agri-Resources (GAR) group of companies, is a leading global agribusiness based on palm oil production, with a planted area of more than 536,399 hectares (including plasma smallholders) as of 31 March 2023. The company has an integrated operation producing food made from raw vegetable oils.

Sinar Mas Agribusiness and Food is focused on sustainable palm oil production. In Indonesia, its primary activities include cultivating and harvesting of oil palm trees; processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; merchandising and refining CPO into value-added products such as cooking oil, margarine, shortening, and biodiesel; as well as trading of palm oil products worldwide. It also has operations in China and India including a deep-sea port, oilseeds crushing plants, production capabilities for refined edible oil products as well as other food products such as noodles.

Its parent company, GAR was founded in 1996 and listed on the Singapore Exchange in 1999 with a market capitalisation of US\$2.7 billion as of 31 March 2023. Flambo International Limited, an investment company, is currently GAR's largest shareholder, with a 50.56 percent stake. GAR has several subsidiaries, including PT SMART Tbk which was listed on the Indonesia Stock Exchange in 1992.

For more information about our company, visit www.goldenagri.com.sg



About IDH

IDH puts people, planet, and progress at the heart of trade by leveraging the power of markets to create better jobs, better incomes, a better environment, and gender equity for all. To catalyze change at scale, IDH innovates, convenes, and invests in inclusive and sustainable solutions that enable businesses to create value for people and planet, while improving their own performance. To create the greatest impact in the shortest amount of time, IDH focuses on empowering people within corporations the global financial sector and governments that have the most influence over value chains.

Headquartered in the Netherlands, IDH has around 380 employees globally, operating in 20 landscapes and 12 commodities and sourcing regions with over 1000 public and private partners. In 14 years of operation, IDH has generated over 390 M in private sector investment and support for new business models that create better jobs, better incomes, a better environment, and gender equity for all.

For media enquiries, please contact:
communications@sinarmas-agri.com