

## Asian Agri Committed to Developing Independent Oil Palm Smallholders

**Jakarta, February 10, 2015** – As one of the companies who has successfully managed the largest plasma scheme in Indonesia, Asian Agri now seeks to reaffirm its commitment outside of plasma.

Asian Agri declared their independent smallholder development program in 2011. In 2015, Asian Agri reaffirms the company's commitment to developing smallholders, particularly independent smallholders. This program aims to assist in developing smallholder capacity, in order to improve their productivity and welfare, which in turn will accelerate regional growth. Asian Agri's Independent Smallholder Program is targeting 60 thousand families to partner with them by 2020.

This was presented during a press conference themed "Asian Agri Committed to Developing Smallholders", held on Tuesday, 10th February 2015, in Jakarta. The speakers at this event were Bayu Krishnamurti, Agricultural Observer from Bogor Agricultural Institute, Gamal Nasir, General Director of Estate Crops- Ministry of Agriculture and Asian Agri's General Manager, Freddy Widjaya.

**Gamal Nasir, General Director of Estate Crops** said, "The oil palm industry's challenge right now is low yields. We invite other companies to also participate in working with independent smallholders as their business partners. This is also a solution for environmental, social and economic issues. The Independent Smallholder Program initiated by Asian Agri is certainly hoped to set an example for other oil palm companies".

**Bayu Krishnamurti, Agricultural Observer from Bogor Institute of Agriculture** added,"Sustainable plantation practices are now an obligation in the oil palm industry starting from upstream to downstream and "Beyond Sustainability" is what's expected from industry players".

"Asian Agri's Independent Smallholder program is an example of our "beyond sustainability" program," Bayu said.

During the event, Asian Agri's General Manager Freddy Widjaya asserted, "the independent smallholder program aims to educate them on the sustainable plantation practices in order to improve their quality of life and families' welfare, which will of course impact on surrounding communities. This is consistent with the 3C Principles that Asian Agri upholds in its business operations, which are: Good for Community, for the Country and for the Company,".

## **About Asian Agri:**

Asian Agri is one of Indonesia's leading private companies, producing crude palm oil (CPO) since 1979 and currently employs 25,000 people. Since 1987, Asian Agri pioneered the Indonesian government Nucleus Estate Settlements/ Perkebunan Inti Rakyat Transmigrasi (PIR - Trans) program. Currently, Asian Agri manages 100,000 Ha of land and partners with 29,000 smallholder families in Riau And Jambi who operate 60,000 Ha of oil palm estates.

Asian Agri's success in being a leading CPO company has been recognised internationally through their ISO 14001 certification for all their operations. Their Learning Institute in Pelelawan, Riau and their nursey in Kampar, Riau are also ISO 9001 certified. Asian Agri's Research and Development Centre in Tebing Tinggi has also been certified for meeting high standards by the International Plant - Analytical Exchange at WEPAL in Wageningen University in the Netherlands.

Aside from their success as a leading CPO producer using the most sophisticated technology, Asian Agri is also committed to environmental conservation.

Asian Agri's plantations in Riau (Buatan, Soga, and Ukui estates) and in Jambi (Tungkal Ulu and Muara Bulian estates), and also its plasma estates (Buatan and Ukui plasma estates in Riau as well as Tungkal Ulu and Muara Bulian plasma estates in Jambi) are RSPO certified (Roundtable on Sustainable Palm Oil).

Simultaneously, ISCC (International Sustainability & Carbon Certification) has been achieved by all the estates, both those that are Asian Agri owned, as well as their plasma and KKPA (Members' Primary Credit Cooperative) schemed smallholders

Palm oil mills and plantations in Buatan,Ukui,Soga,Tungkal Ulu and Muara Bulian are also ISPO certified (Indonesian Sustainable Palm Oil).

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