

Asian Agri Helps Launch Sustainable Palm Oil Initiative (SPOI) Centre

Pelalawan, 25 April 2019 – Asian Agri, among various other stakeholders in the palm oil industry, continues to support the implementation of sustainable plantation management with the inauguration of the Sustainable Palm Oil Initiative (SPOI) Centre in Ukui, Pelalawan, Riau today.

The SPOI Centre is a joint effort by Asian Agri, Tanoto Foundation, and the United Nations Development Programme (UNDP). Its aim is to assist both plasma and independent smallholders to manage their oil palm plantations sustainably and obtain Indonesian Sustainable Palm Oil (ISPO) certification so they can improve their quality of life.

Drs. H. Zardewan, MM, Pelalawan Vice Regent, was present at the SPOI Centre inauguration.

"I warmly welcome the establishment of the SPOI Centre. I hope the smallholders in Pelalawan Regency will make full use of it so they can learn how to implement sustainable plantation management and achieve optimum yields. I want to thank Asian Agri, Tanoto Foundation and UNDP for their endless support towards improving the palm oil industry," Zardewan said.

Also present at the SPOI Centre inauguration was Satrijo Tanudjojo, Global CEO of Tanoto Foundation, who explained that quality education accelerates equal opportunity, which is key to poverty reduction.

The SPOI Centre is a place where smallholders can learn and replicate sustainable practices which have been carried out previously by other smallholders, he said.

The SPOI programme has been operating since 2017, specifically in the operational areas of PT Inti Indosawit Subur, which is part of the Asian Agri Group.

Under the programme, Asian Agri and Tanoto Foundation have collaborated to provide technical training in sustainable plantation management and assisted 27 smallholder groups to complete the ISPO certification process. They have also improved healthcare access for mothers and children in four villages in Ukui.

The programme has resulted in the successful achievement of ISPO certification by the Amanah Association smallholder group in 2017, which was followed by the KUD Bukit Potalo smallholder group in 2018.

Ir. Azis Hidayat, MM, Head of ISPO Commission Secretariat, also conveyed his appreciation to Tanoto Foundation and Asian Agri for the establishment of the SPOI Centre in Pelalawan.

ISPO enthusiastically supports the collaboration and hopes that other palm oil companies will follow in their footsteps to help accelerate the improvement of the national palm oil industry, he said.

"This partnership to establish the SPOI Centre is a strategic collaboration between stakeholders which will raise the competitiveness of the national palm oil industry.

"We are also sure that sustainable palm oil management in Indonesia will improve the economic, cultural and environmental success of smallholders," said Maria Sidabutar, Head of Asian Agri's Corporate Communications.

About Asian Agri:

Asian Agri is one of Indonesia's largest palm oil producers since 1979. Today, the company manages 100,000 hectares of land and employs over 25,000 people. A pioneer of the Indonesian government's Trans-National Government Migration (PIR-Trans) programme, Asian Agri works with 30,000 plasma smallholders in Riau and Jambi who operate 60,000 hectares of palm oil plantations, as well as independent smallholders, bringing about positive impact on their quality of life and economic development.

Implementing a strict "no burn" policy and best practices in sustainable plantation management, Asian Agri has helped its smallholder partners improve productivity, yield and supply chain traceability, while assisting them obtain certifications. The company's mills are technologically advanced and energy self-sufficient, minimising greenhouse gas emissions.

Asian Agri is a member of the Roundtable on Sustainable Palm Oil (RSPO). More than 86% of both owned plantations in North Sumatra, Riau & Jambi provinces and 100% of scheme smallholder plantations in Riau & Jambi provinces have been RSPO certified. All plantations, including those owned by smallholders, have been certified by ISCC (International Sustainability & Carbon Certification). The company has also been 100% ISPO (Indonesian Sustainable Palm Oil) certified.

The company's operations are ISO 14001 certified, while its Learning Institute and nursery research center in Riau province, Indonesia are both ISO 9001 certified. Asian Agri's R&D Center in North Sumatra was also given a certification by the International Plant-Analytical Exchange at the WEPAL lab at Wageningen University in The Netherlands, for its high standards.

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