



PRESS RELEASE

## **Apical, IDH Sign partnership for the Sustainable Living Village Programme in Aceh Singkil**

**Aceh Singkil, Indonesia, 10 February 2022** - Apical, a leading global vegetable oil processor with an expanding global footprint, together with non-profit organisation, IDH the Sustainable Trade Initiative (IDH), has officially signed a Memorandum of Understanding (MoU) for promoting the Production, Protection, and Inclusion (PPI) Compact in the Aceh Singkil District. The PPI Compact targets will be achieved mainly through the implementation of one of Apical's key programmes, the Sustainable Living Village (SLV) Programme. Apical is part of Royal Golden Eagle or RGE, a global group of resource-based manufacturing companies founded by Sukanto Tanoto.

The SLV Programme is a stakeholder-inclusive programme that nurtures sustainable livelihood models through collaboration with partners, communities, and villagers, with an aim to improve community resilience and livelihood sustainability. The SLV Programme will implement activities contributing to the PPI Compact, such as conducting a comprehensive baseline study on Environmental, Social and Governance (ESG) issues to identify threats and opportunities for village-to-landscape level intervention; mapping of stakeholders' plots on the field and identifying High Conservation Value and High Carbon Stock areas; as well as facilitating the incubation of the business case for SLV financing to be feasible and bankable.

The MoU represents a mutual commitment to drive positive social impact for the community and environment, and marks the beginning of a three-year partnership. The MoU was signed by the Programme Director of IDH, Nassat Idris and the Director of Sustainability at Apical Group, Bremen Yong Kin Kong. The signing of the MoU was witnessed by the District Secretary of Aceh Singkil, Drs Azmi MAP and Head of the Planning Agency of Aceh Singkil, Ahmad Rivai S.H.

Aceh Singkil plays a crucial role in protecting the Leuser Ecosystem, consisting of 2.6 million hectares of tropical forest and home to various Sumatran animal species such as the orang utan, rhinoceros, Sumatra tiger, and the elephant. In Singkil, rapid illegal land conversion for oil palm plantations poses a challenge to this vital ecosystem's sustainability.

"The Government of Aceh Singkil welcomes and appreciates all parties, IDH, Apical and the communities, that have initiated and are actively involved in the SLV programme. We hope that the SLV Programme will help to elevate positive socio-economic welfare for all," explained Mr Azmi.



In February 2022, centred on creating positive social, environmental and business impact, Apical launched its sustainability roadmap, Apical2030. Under the fourth strategic pillar of Apical2030, Inclusive Progress, the SLV programme aims to nurture communities by empowering livelihoods.

The SLV programme strives to alleviate poverty, as well as uplift and nurture communities by fostering inclusion and enhancing livelihoods, while ensuring environmental sustainability. Tailored initiatives suited to different communities will be developed with the aim of enhancing capacity building and empowering the community by collaborating with local partners, such as Yayasan Ekosistem Lestari and Forum Konservasi Leuser.

“We are grateful to be given this opportunity to collaborate with IDH and the communities to implement custom-made programmes that are suited to the locals’ specific needs. We understand that different communities have different concerns and that CSR programmes are not one-size-fits-all. With the SLV, we hope that we are able to alleviate poverty, as well as enhance and nurture the community’s livelihoods by bridging knowledge gaps and driving capacity building,” said Mr Yong.

IDH and Apical have a mutual understanding to develop a co-funding partnership to promote the PPI Compact with the SLV programme as the main pillar. The Compact, which has been implemented in Aceh Tamiang, proves to be an effective model that is scalable in supporting the Aceh Province’s initiative to promote sustainable palm oil production in twelve sourcing districts within Aceh.

“Efforts to ensure environmental sustainability, and social and economic equity are vital in fostering positive long-term changes that will improve the environment and elevate income levels. We look forward to working with Apical as part of a coalition in promoting sustainable palm oil with part of the focus on smallholder inclusion. This pilot will be extended to contribute towards provincial-level targets on sustainable palm oil,” added Mr Idris.

The SLV programme is focused on nurturing communities through empowering livelihoods by creating positive environmental impact, bridging knowledge gaps and generating socio-economic opportunities to reduce inequality gaps in society.

“We are planning to roll-out the tailor-made programmes under the SLV initiative in several Aceh communities by Q2 2023, with a goal of supporting 30 villages through the program by 2030,” added Mr Yong.

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## **About Apical**

Apical is a leading vegetable oil processor with an expanding global footprint. Our vertically integrated mid-stream refining and value-added downstream processing makes us an integral supplier that supports the food, feed, oleochemicals and renewable fuel needs across industries.

To date, with integrated assets in strategic locations spanning Indonesia, China and Spain, Apical operates numerous refineries, oleochemical plants, renewable fuel plants and kernel crushing plants. Through joint ventures, Apical also has processing and distribution operations in Brazil, India, Pakistan, Philippines, UAE, USA and Vietnam.

Apical's growth is built on the foundations of sustainability and transparency, and motivated by our strong belief that we can make a more meaningful impact even as we continue to advance our business and deliver innovative solutions to our customers.

For more information, please visit the Apical website: <https://www.apicalgroup.com/>

## **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 catalyse 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 more information, go to [www.idhsustainabletrade.com](http://www.idhsustainabletrade.com)

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