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Project gets Oil Palm Farmers on the Road to RSPO Certification in Indonesia

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Around 700 small farms belonging to 500 independent smallholder farmers in the West-Kalimantan region of Indonesia began their journey towards RSPO certification, thanks to a programme developed by Solidaridad and Credit Union Keling Kumang (CUKK) with the support of BASF and Henkel.

This project serves the dual goals of increasing the supply of sustainable palm oil and directly improving the livelihoods of smallholder farmers.

Reaching towards certification

The "Improved Livelihoods for Smallholder Farmers in West-Kalimantan" project is a response to the issues of income fluctuation, the need for environmentally sustainable farming practices, and to lagging yield improvements. Farmers were supported in implementing best management practices on their plantations, both reducing environmental damage and increasing their own return on investment. Building on the foundation of the two previous phases of the programme, Phase 3, supported by Henkel and BASF, saw the project scale up significantly, with 2,118 farmers being trained in best management practices (BMP) in small oil palm plantations. On average, farmers achieved an increase of up to 20% per hectare in their yields per year.

Running between 2016 and 2019, the project made use of CUKK's structures and innovative outreach models, to reach over 6,400 CUKK members with pricing information and BMP, covering up to an estimated 16,000 hectares.

A key achievement of the project was the awarding of Indonesia's Plantation Registration Letter (STDB) to 140 small farmers, representing 158 farms, an important step towards RSPO certification. Building on this, 250 farmers have been supported in applying for RSPO certification; a process that is planned to be completed in 2021.

Smallholders at the heart of sustainable solutions

Jutta Stute, Stakeholder Manager Global Sustainability Palm Products Home and Personal Care at BASF said: "Progress on sustainable palm can solely be effective through inclusion of smallholders as an integral part of the supply chain. Our joint efforts in this project support the sustainable production of palm oil to establish sustainable supply chains that increase the social and economic benefits for farmers."

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Christine Schneider, Global Sustainability Manager Laundry & Home Care at Henkel said: "We are committed to support a sustainable palm oil industry. This project is yet another impressive demonstration of the impact of programmes that enable smallholders to increase productivity on their plantations while at the same time contributing to improving their living conditions. Together, by supporting local partners and initiatives, we drive tangible progress along the value chain."

Kulbir Mehta, Country Manager of Indonesia at Solidaridad said: "This project goes deeper than RSPO certification alone. With this project we looked at sustainability not just as protecting the environment, but as creating sustainable and equitable situations for the farmers involved. The goal was to make sure that they who produce this vital product in an environmentally-friendly way receive a fair return, and the right support."

Next steps towards RSPO

The project will be continued by Solidaridad through 2021 with the goal of seeing the full RSPO certification of 500 farmers across 700 hectares, not only granting these farmers greater access to local and global markets, but helping to set an example for others and increasing the global supply of sustainable palm oil.

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