



PRESS RELEASE

Sumber Bahagia Village Cooperative Starts Palm Oil Replanting Program With Support from Indonesian Government and Asian Agri

Ukui, Pelalawan, 1 July 2020 – Sumber Bahagia Village Unit Cooperative (KUD) oil palm smallholders will rejuvenate over 420 hectares of oil palm plantations via a replanting program supported by the Indonesian Oil Palm Estate Fund Agency (BPDPKS) and Asian Agri.

Located in Silukuan Hulu Village, Ukui Subdistrict, Pelalawan Regency, Riau Province, Sumatra, the smallholders held a thanksgiving event coupled with the symbolic felling of the oil palm trees to mark the start of the replanting program.

The replanting program of Sumber Bahagia is supported by Asian Agri through its business unit PT Inti Indosawit Subur - Ukui Plasma Estate and BPDPKS, providing funding of Rp 25,000,000 per hectare for 410 of the total 422 hectares of the estate, for a total Rp 10,250,000,000.

Sumber Bahagia Cooperative Head Vincensius Jado said that the replanting will use superior Topaz seeds produced by Asian Agri. We thank Asian Agri for the socialization, guidance and assistance given to the smallholders in the preparation stage of the replanting for approximately 6 months. We now have a better understanding and are confident to conduct replanting in partnership with the company.”

The implementation of smallholder's commitment to conduct the replanting via environmentally friendly methods is also witnessed by the management of the Agency of Agriculture and Animal Husbandry of Pelalawan Regency, BRI Pangkalan Kerinci, village heads and community leaders in Ukui, as well as Asian Agri.

Silikuan Hulu Village Head Sarlin expressed his appreciation to all stakeholders, for the fruitful collaboration and continued support that help enable smallholders to begin their replanting program.

Hery Hadisyah Putra, Head of Management, Marketing and Counseling of Agriculture and Animal Husbandry Agency of Pelalawan Regency, advised smallholders to be mentally and financially prepared given the challenges during the replanting period. Smallholders should partner only with companies they consider to have a proven track record in oil palm replanting.

Dedy R. Pardede, Group Manager for Ukui Estate of Asian Agri said, “We thank you our partner smallholders for their continued partnership and trust. We at Asian Agri will consistently provide guidance and assistance. We are confident that with everyone’s cooperation, this replanting program will yield long-term success.”

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) program, 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, minimizing 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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