



PRESS RELEASE

Smallholders Commence Replanting of Palm Oil Plantations in Siak with Asian Agri Assistance

Siak, Riau, 25 February 2020 - Three village cooperatives (Koperasi Unit Desa/KUD) assisted by [Asian Agri](#), namely KUD Jaya Makmur, KUD Bhakti Mandiri, and KUD Mulus Rahayu in Kerinci Kanan Subdistrict, Siak Regency, Riau Province, today conducted the felling of old oil palm trees to mark the commencement of [replanting](#) the 630 hectares of oil palm plantations they collectively own.

Kerinci Kanan District Head, M. Hassanal Lutfi, Asian Agri Regional Head of Plantation in Riau, Pengarapen Gurusinga, Asian Agri Head of Partnership, Rudy Rismanto, and Deputy Head of Asian Agri Partnerships, Rafmen, were present at the event.



Asian Agri's replanting program with its smallholders is in line with the government's aim to increase palm oil productivity without opening new plantations and by optimizing existing land instead.

M. Hassanal Lutfi stated in his speech that the government will provide full support to the smallholders to ensure the replanting is a success.

"On this occasion, we witness the synergy between the government, smallholders, Asian Agri as a partner company, and financial institutions. We hope that this will inspire other smallholders to also proceed with replanting immediately", he added.

Pengarapen Gurusinga encouraged smallholders whose [oil palm plantations](#) were no longer productive to not hesitate in replanting their oil palm plantations. "Replanting programs aim to rejuvenate oil palms and improve plantation productivity as well as the welfare of smallholders".

Quality seeds are one of the crucial elements in the replanting program. However, smallholders often lack access to quality plant materials if they were to carry out the replanting by themselves. Asian Agri has been developing its own seeds called [Topaz](#) which significantly help the smallholders to increase their yields without having to increase their plantation areas.



During the event, Rudy Rismanto symbolically handed the Topaz seeds to the Chairs of KUD Jaya Makmur, KUD Bhakti Mandiri, and KUD Mulus Rahayu, so that the planting materials for replanting the oil palms are of high quality.

Sudiyono, Chairman of KUD Jaya Makmur expressed his gratitude to the local government, financial institutions, and Asian Agri as a partner. "Our [partnership with Asian Agri](#) has been established since KUD Jaya Makmur was formed. Asian Agri assisted us during the [replanting preparation](#) phase and provided clear guidance so that we do not have to worry about replanting", Sudiyono added.

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.

For further information, please contact:

Maria Sidabutar
Head Corporate Communications
E-mail: maria_sidabutar@asianagri.com
DID: +62 21 2301 119