

Indonesia embarks on rejuvenating 778 Hectares of Palm Oil Smallholders' Plantation

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In Indonesia, three village unit cooperatives (KUD) partnered with Asian Agri to form a Partnership Agreement (PKS) to distribute funding assistance for the People's Palm Oil Replanting Program (PSR) with the Palm Oil Plantation Fund Management Agency (BPDPKS) and the banking sector.

As part of Asian Agri's partner cooperative program, 300 hectares of land are being replanted in Kampung Bukit Agung, Kerinci Kanan District, Siak Regency, Riau, KUD Sumber Rezeki, Kampung Bukit Agung, Kerinci Kanan District, Siak Regency, Riau, KUD Jaya Makmur, Kampung Kumbara Utama, Kerinci Kanan District, Siak Regency, Riau, and KUD Bukit Makmur, Sencano Jaya Village, Batang Peranap District, Indragiri Hulu Regency, Riau.

BPDPKS Director of Fund Collection, Sunari, said, "As is known that PSR is a national strategic program as part of the Government's efforts to increase the productivity of national oil palm plantations. Therefore, through the signing of the cooperation agreement between the 3 parties in this X (ten) phase, it is hoped that synergies will be established between BPDPKS, banks, and Cooperatives or Smallholder Groups to be able to accelerate the target achievement of the PSR program."

The Indonesian Government is supporting Asian Agri's partner smallholders in funding this replanting program through BPDPKS and the banking sector. Oil palm plantations that are ready to be replanted will greatly benefit from the funds.

Asian Agri's Head of Partnerships, Rudy Rismanto explained that carrying out 100% of the partner smallholder replanting program is one of the first pillar targets in the Asian Agri 2030 sustainability commitment that Asian Agri has launched since February 2022. In achieving the Asian Agri 2030 target, we are always committed to providing assistance to partner smallholders, both providing knowledge about the best oil palm plantation practices, providing high-quality Topaz seeds to optimize productivity, assisting the loan process to finance the process of rejuvenating smallholders' oil palm plantations, to assisting them to do other businesses outside of oil palm plantations as alternative income.