

Danish government collaborates with Indonesia for Sustainable Palm Oil Production

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In Indonesia, a new partnership aims to make palm oil production more inclusive, sustainable, and resilient. By promoting sustainable palm oil production, it aims to increase smallholder livelihood security, protect the environment, and comply with global sustainability standards and regulatory frameworks, including the EU Deforestation Regulation (EUDR)

The **Rokan Hulu Landscape and Livelihoods Initiative** brings together global integrated palm oil group Musim Mas, sweet-packaged food company Ferrero, non-governmental organisations (NGOs) Preferred by Nature, Agriterra, and the [Sustainable Agriculture Network \(SAN\)](#). Funded by the [Danish government's Danida Green Business Partnerships \(DGBP\) programme](#), this initiative aims to enhance independent smallholder livelihoods, protect the environment, and promote sustainable palm oil production in line with global sustainability standards and regulatory frameworks, including the EU Deforestation Regulation (EUDR).

The Rokan Hulu Landscape and Livelihoods Initiative

This five-year project focuses on implementing scalable solutions for sustainable palm oil production. Its aim is to support 5,400 independent smallholders in adopting regenerative agricultural practices that improve farming conditions, reduce synthetic inputs, and strengthen climate resilience.

The Rokan Hulu Landscape and Livelihoods Initiative will also strengthen two farmer organisations and help 2,500 farmers achieve certification under the Roundtable on Sustainable Palm Oil (RSPO) and Indonesia Sustainable Palm Oil (ISPO)

standards.

Additionally, it aims to create diversified income opportunities for 2,000 community members—60 percent of whom will be women—while implementing measures to safeguard biodiversity and mitigate deforestation risks. A key element of the initiative is establishing a multi-stakeholder jurisdictional alliance to promote ecosystem restoration and ensure alignment with sustainability standards.

Preferred by Nature, an international NGO headquartered in Denmark with extensive experience in sustainable agriculture and forestry projects, will lead project coordination, capacity building, and training in sustainable practices. Dutch agri-agency Stichting Agriterro will focus on strengthening farmer organisations, enabling financial sustainability, and fostering cooperative business models, while international NGO SAN will provide expertise in regenerative agriculture and deliver on-ground support through its Indonesian partners Kaleka and Setara Jambi.

Both Musim Mas and Ferrero have a shared interest in securing a sustainable and traceable palm oil supply chain that complies with regulatory standards and meets voluntary commitments.

Olivier Tichit, Director of Communications and Sustainability at Musim Mas, said: "Empowering smallholders through training and support is key to building a resilient and sustainable palm oil supply chain. Musim Mas takes a landscape-based approach to sustainability. Across the Smallholder Hubs we operate, we work with governments, suppliers, smallholders, NGOs, and other players in the landscape to achieve sustainability transformation. This project will enable us to contribute in a new dimension with our new partners."

Nicola Somenzi, Head of Responsible Sourcing at Ferrero, said: "We aim to create a thriving supply chain which benefits farmers' livelihoods and communities, protecting people and nature. Beyond sourcing RSPO segregated palm oil for our products, our active participation in initiatives like this strengthens the foundation for a resilient and environmentally responsible supply chain that creates long-term value for all."