



Who we are

INDEPENDENT SMALLHOLDERS

Independent smallholders are self-organised, self-managed & self-financed & have more autonomy to choose how to use their lands, which crops to plant & how to manage them.

Characteristics of independent smallholders crop



ESTABLISHMENT

- Seedlings sourced directly from private nurseries
- Development costs, e.g. land preparation, mostly self-funded



MAINTENANCE

- Self-harvested and maintained
- Maintained by casual workers or contractors
- Organised via dealership who maintains and harvests crop



TRANSPORT

- Direct transport using own vehicle
- Dealers organises transportation of fresh fruit bunches (FFB)

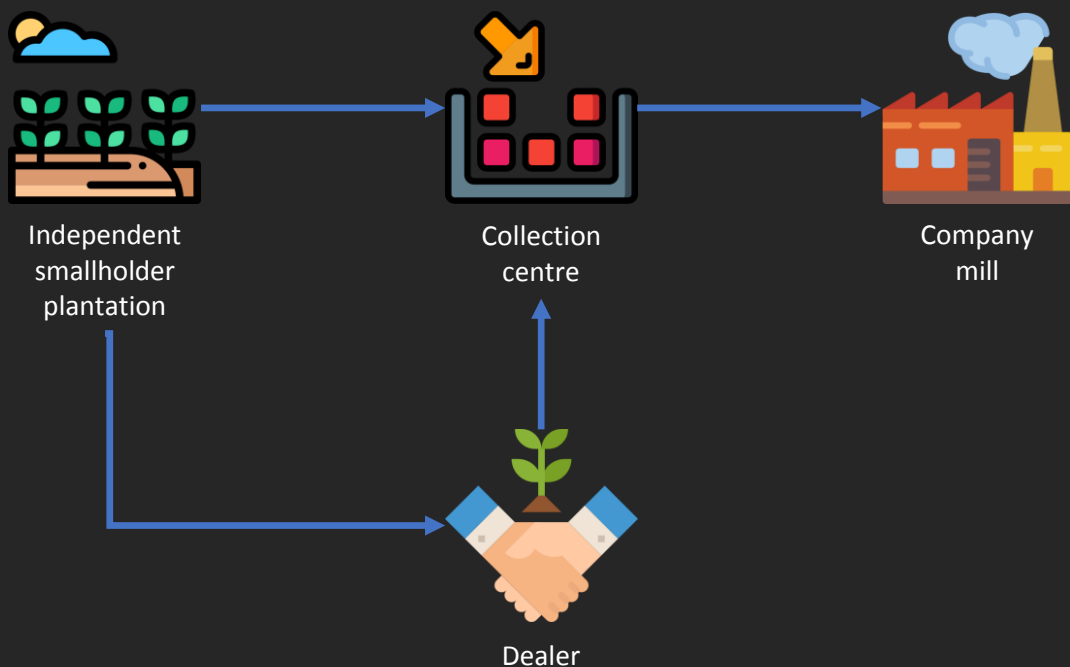


POINT OF SALE

- Dealership
- Direct to mill or mill appointed dealer

Independent smallholders are free to negotiate to obtain the best price for their crop, therefore having greater bargaining power, particularly where they form a well-organised group. However, in reality, the number of potential buyers for their crop may be limited.

SUPPLY CHAIN



ISSUES & CHALLENGES FACING SMALLHOLDERS



Lack of financial support & affordability to seedlings and fertilisers

Govt provides support but not all smallholders received them which means they need large capital to explore, plan and maintain their crop.

Smallholders' dependency on dealers/middlemen

Dealers' role include (1) help send smallholders' FFB to mills within 24 hours to maintain quality; (2) separate unripe from the ripe; and (3) provide labour services for spraying, harvesting, and fruit collection.



5 ELEMENTS OF INEFFICIENCIES AMONG DEALERS



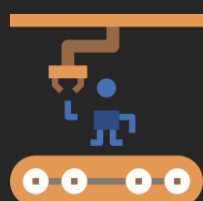
Offering OER without following standard procedures

Not offering KER to smallholders



Dirty conditions at the ramp

Delay in conveying FFB harvested by smallholders



Conveying unripe FFB

WHY RSPO CERTIFICATION

INCREASE YIELDS, PENETRATE
INTERNATIONAL MARKETS, IMPROVE
LIVELIHOODS, REDUCE RISK OF
LAND CONVERSION



IMPROVED MANAGEMENT PRACTICES



BETTER QUALITY
FRESH FRUIT
BUNCHES (FFB)



INCREASED YIELD
AND ACCESS TO
MARKET

RSPO SMALLHOLDERS CERTIFICATION

BY THE NUMBERS



131,754

TOTAL
SMALLHOLDERS



377,339

TOTAL
SMALLHOLDERS
AREAS (ha)



5,874,809

TOTAL
SMALLHOLDERS
FFB CERTIFIED (mt)

AM I AN INDEPENDENT SMALLHOLDER?

Independent smallholders are free to choose how they use their lands, types of crops to plant, and how they manage.

AS AN INDEPENDENT SMALLHOLDER, I UNDERSTAND...



Must comply to the group management requirements

Group decision is made through consensus



This is voluntary



I am an independent smallholder



No subsidies involved



I have land title/right of use of the land

Main motivations to join Certification



Marketing
Tools

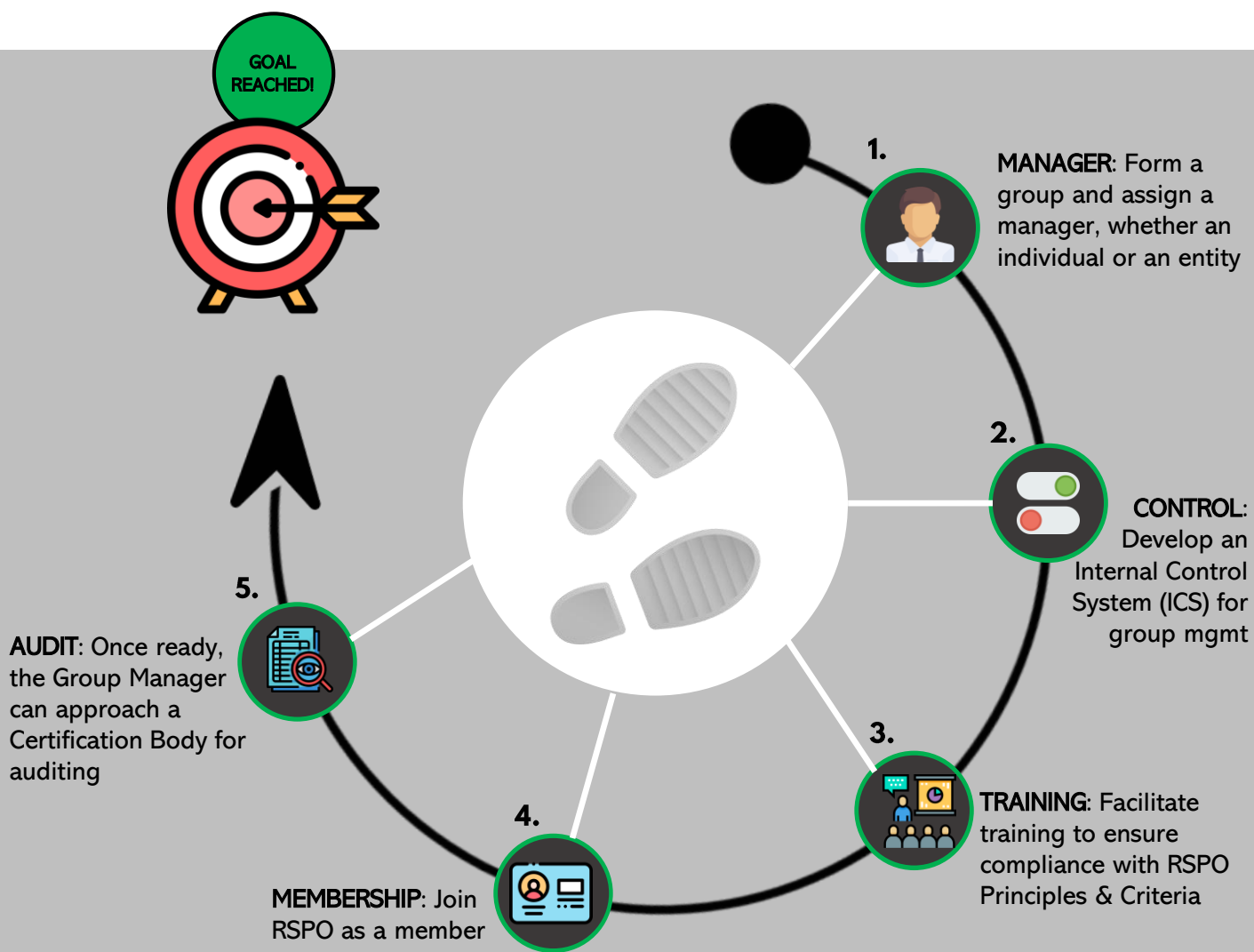


Financial

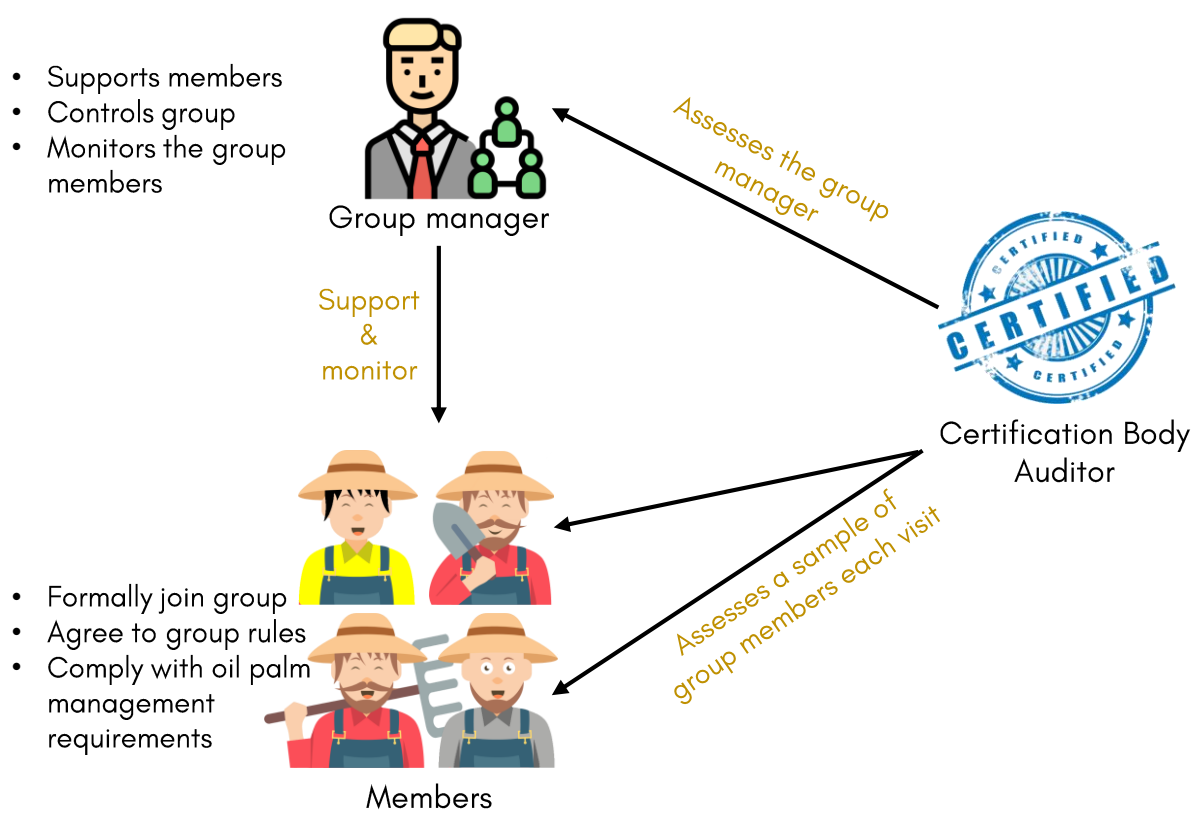


Better
Practices

STEPS TOWARDS CERTIFICATION



INDEPENDENT SMALLHOLDER GROUP



BENEFITS OF PARTICIPATION IN CERTIFICATION

Certification potentially increases smallholders' financial capital, giving them more income. Participation increases volume and quality of production, opening opportunities for a higher income. Understanding the Good Agricultural Practices means timely application of fertilizer at the right dosage, increasing plantation's productivity.

DIRECT EFFECT



Provides farmers with necessary training to become certified. Farmers' organisations are trained by **certification facilitators** (companies or NGOs) and in the process, **increase** networking opportunities and **improve** skills and knowledge.

Majority smallholders think that farmer organisation's staff are better trained and their services improved. They also have more opportunities to participate in the organisations.

IMPROVED KNOWLEDGE TRANSFER



Smallholders are trained on **Good Agricultural Practices** – one of RSPO certification requirements - to ensure methods are applied **safely and sustainably** to create better quality fruits.

Mills are encouraged to educate and train their suppliers. This would improve the relationships and collaborations between both parties.

SAFE WORKING ENVIRONMENT



Smallholders given information on safe use of **chemical pesticides** and safe ways to deal with **chemical waste**. They are also introduced to healthy and safe working conditions, first aid, and ways to deal with fire, which in turn, contribute to better health conditions.

Also, smallholders get access to elements of physical capital such as safety tools, chemical storage systems and sanitary rooms.

Natural Capital. Thanks to the rigid and careful planning and implementation of the process, certification also indirectly goes a long way in conserving soil and water quality, thus protecting the biodiversity of the land used for oil palm cultivation.

RSPO SMALLHOLDER SUPPORT FUND (RSSF)

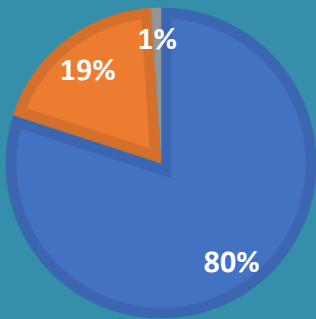
Support programme for smallholders by RSPO

Between 2013 and 2018, RSSF received a total of 101 applications and has approved 39 smallholder projects.

RM20.1 million
disbursed to smallholders

18,100
number of smallholders

certification impact audit



covering **105,898** hectares in
Indonesia, Malaysia, Thailand,
Africa and Latin America

What can RSSF be used for?

Certification

almost 50% of the RSSF grant goes towards the activities which assist smallholders in preparing for certification.

Audit Cost

100% of the audit cost for all potential certification processes of independent smallholders groups with the option to include one surveillance audit for each applicant. This is one-off only.

Impact Project

any project other than the projects and audit costs mentioned above including initiatives to develop tools that help smallholders comply with RSPO certification such as mapping, HSV assessments and participation in jurisdictional areas.

Who can apply for RSSF?



A legal entity or registered smallholder group

Those with sufficient experience in working with smallholders or group manager



Those wanting to support and promote the production of sustainable palm oil i.e. NGOs, partners, etc.

How to apply for RSSF?

