

## NEWS RELEASE

### **INDONESIA NOW LEADS AS WORLD'S LARGEST RSPO CSPO PRODUCER**

*Indonesia is also world's largest CSPO producer from schemed smallholders*

**Jakarta, 3 May 2012** –The Roundtable on Sustainable Palm Oil (RSPO), an international multi stakeholder initiative that promotes the production and use of sustainable palm oil, acknowledges the imperative role smallholders play in transforming the market. Smallholders hailing coming from Malaysia, Indonesia and Papua New Guinea were first certified in 2010, two years after RSPO certification began.

Recently, the RSPO achieved a milestone of over 6 million metric tonnes of CSPO (annual production capacity) in less than 4 years since RSPO certification began. The 20% growth rate achieved within just half a year, in terms of both CSPO production area (1,221,240 hectares to date) and CSPO annual production capacity (6,017,193 metric tonnes to date), is unparalleled for a sustainable commodity.

PT.Inti Indosawit Subur in Buatan, Riau, Indonesia, which was recently certified by RSPO recording 54,282 metric tonnes of CSPO, carves a leadership positioning for Indonesia as it becomes not only the largest CSPO producer in the world (over taking Malaysia) in terms of both volume and production area, but also the largest CSPO producer from schemed smallholders.

Darrel Webber, RSPO Secretary General commented that: "This is indeed a feather in the cap for Indonesia, who is undoubtedly at the apex of transformation towards sustainability. Not only does the country now lead the pack as the number one producer of CSPO - the contribution demonstrated by the schemed smallholders towards sustainable practices is highly commendable. The primary challenges for smallholders to become certified include lack of awareness on benefits of being certified; funding support and lack of expertise or capacity building. To this end, the RSPO is committed to mobilizing strategic initiatives aimed at addressing these primary issues.

"Smallholders also need to be made aware of the advantages of being certified which includes access to international demand markets for sustainable palm oil; longer term efficiencies in terms of yield and productivity as well as effective cost management. A recent report by WWF [http://www.rspo.org/en/business\\_cases](http://www.rspo.org/en/business_cases) clearly attests that the benefits of embracing sustainability outweigh the costs incurred which reinforces that responsible practices are not only good for the environment but is also commercially advantageous." Webber added.

The RSPO Advisor, Prof. DR. Bungaran Saragih also expressed his gratitude toward the achievement of Indonesian schemed smallholders: "This achievement is a testimony that Indonesia is on the right path in contributing towards international sustainability practices. In 2011, a significant volume of 38% of total Crude Palm Oil (CPO) production in Indonesia was produced by smallholders recorded at 8.627.883 metric tonnes. It is therefore highly critical to include smallholders in the transformation towards sustainability. The success of this is interdependent on the support from various stakeholders, including the mills, government and the market. We are witnessing significant



Roundtable on Sustainable Palm Oil



*commitment from smallholders, but there is an urgent requirement to proactively mobilize and facilitate the transformation.”*

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**About the 2011 RSPO CSPO Growth Interpretation Narrative (2011 GIN)**

*The latest 2011 RSPO CSPO Growth Interpretation Narrative (GIN), the first and only report in the market on certified sustainable palm oil aimed at analyzing, shaping and facilitating commitment and discussions towards sustainable palm oil.) reported the upward trend in the supply and sale of sustainable palm oil and is available on: <http://www.rspo.org/en/home>. A summary of quick facts is also available <http://www.rspo.org/file/QUICKFACTS-APR12.pdf>*

**About RSPO**

*In response to the urgent and pressing global call for sustainably produced palm oil, the Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders. The seat of the association is in Zurich, Switzerland, while the secretariat is currently based in Kuala Lumpur with a satellite office in Jakarta. RSPO is a not-for-profit association that unites stakeholders from seven sectors of the palm oil industry - oil palm producers, palm oil processors or traders, consumer goods manufacturers, retailers, banks and investors, environmental or nature conservation NGOs and social or developmental NGOs - to develop and implement global standards for sustainable palm oil.*

*Such multi-stakeholder representation is mirrored in the governance structure of RSPO such that seats in the Executive Board and project level Working Groups are fairly allocated to each sector. In this way, RSPO lives out the philosophy of the "roundtable" by giving equal rights to each stakeholder group to bring group-specific agendas to the roundtable, facilitating traditionally adversarial stakeholders and business competitors to work together towards a common objective and making decisions by consensus.*

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