

Why are Smallholders the key to sustainable palm oil?



1 Biggest & Fastest Growing Producers

Area cultivated by smallholders expected to grow to **more than 60% by 2030²**

40%¹ of the world's palm oil produced by smallholders

Difficult to secure loans or capital

Lack of access to technical advice & market info

2 Room for Increased Productivity & Better Sustainability Practices

45% lower yield³ compared to plantation companies

Face fewer regulatory demands⁴ compared to companies' voluntary and mandatory certification schemes, such as RSPO and ISPO

3 Barriers to Increased Productivity

4 Our smallholder programme aims to: Improve smallholders' sustainable practices, through

- ✓ Increasing access to high quality planting materials & improved management practices
- ✓ Increasing productivity per hectare
- ✓ Improving market access

Sources:

¹ RSPO, Smallholder Introduction

² Dr. Bungaran Saragih, Oil Palm Smallholders in Indonesia: Origin, Development Strategy and Contribution to the National Economy

³ TFA2020, Innovative Replanting Financing Models for Oil Palm Smallholder Farmers In Indonesia

⁴ Schoneveld et al., Modeling peat and forestland conversion by oil palm smallholders in Indonesian Borneo

Read more: <http://www.musimmas.com/sustainability/smallholders>