

Press Release Oil Palm Smallholders Union (SPKS)

EMERGENCY BASIC NEEDS PACKAGES GIVEN TO SMALL OIL PALM FARMERS AND FOREST CONSERVATION FIGHTERS

Jakarta, 25 September 2021 – In response to COVID-19 pandemic once again sweeping through Indonesia in recent months, the Indonesian Oil Palm Smallholders Union (Serikat Petani Kelapa Sawit / SPKS) has provided emergency support packages to 1600 of its farmer members in 13 districts across Indonesia. The funds for the emergency support packages came from a UK-based foundation.

SPKS Secretary General, Mansuetus Darto, said: "I am very concerned about the current condition of our oil palm smallholders. It's crucial that we need to work together, to collaborate, and to help each other during this difficult time. With all of the ongoing difficulties, and now with the COVID-19 pandemic, it is key to support our smallholders to enable them not only to survive, but also to be able to continue to carry out sustainable practices."

Mansuetus Darto explained that SPKS, as the only oil palm smallholder union committed to Deforestation-Free production and a member of the High Carbon Stock Approach (HCSA), received the emergency funding support of IDR 290 million from a UK-based foundation via the HCSA. This support will be distributed by SPKS to smallholders who manage less than 2 hectares of land, support forest conservation and the Deforestation-Free principles under HCSA.

Since July Indonesia has the highest Covid-19 cases in the world with 2.6 million positive cases, and this number continues to grow. The Communication Centre Team for the COVID-19 Handling Committee stated in <u>July 2021</u> that the increasing COVID-19 cases were not only on the island of Java but also had spread outside Java. There were 96 regencies/cities in the red zone (high risk) of which 27 regions were located outside Java including in Kalimantan and Sumatra and Sulawesi.

With the high number of COVID-19 cases, the central government adopted an Emergency Community Restriction (Pemberlakukan Pembatasan Kegiatan Masyarakat / PPKM) policy in July. This policy strictly limits community activities. As a result the COVID-19 pandemic in

Indonesia did not only affect health but also affect the welfare, livelihood, the daily activities and the economy of Indonesian people, including oil palm smallholders.

SPKS noted that since the COVID-19 outbreak in March 2020 until now, oil palm farmers have felt the impact on their income. Even though the current price of palm oil Fresh Fruit Bunch (FFB) is considered good (around Rp. 1500- Rp. 2500/kg) but the small-scale oil palm farmers still get much lower price of under Rp. 1500/kg because they need to sell their products through middlemen. Meanwhile, the prices of the basic needs and the cost to manage the farmers' small plantations have also increased during the COVID-19 pandemic.

The emergency support packages will be distributed to 1600 farmers, consisting of 1600 packages of basic daily needs (rice, sugar, frying oil, eggs and instant noodle), 7500 cloth masks and 5 cylinders of oxygen. The locations for the distribution are spread out in 11 districts, in Sanggau, Sekadau, Sintang, Paser, Kobar, Seruyan, Labura, Rokan Hulu, Kuansing, Siak, Pelalawan, Tanjabarat and Muba districts, where SPKS smallholder members are located.

"With this emergency support, we hope that our oil palm farmers will be able to maintain their sustainable practices while conserving forests as their traditional "hospitals" for rural communities," Mansuetus Darto added.

"Every segment of a supply chain is important. We need to be ready to support the sustainability of the whole supply chain, especially for smallholders since they don't have much to begin with; most of their resources have already been taken away from them or are not available to them anymore," stated Aida Greenbury, senior sustainability advisor at SPKS.

Albertus Darius, one of the oil palm farmers with 1.8 hectares of farm land who helps protect the forest in Sanggau district in West Kalimantan is very grateful to SPKS for the assistance they received in the current difficult situation.

Meanwhile, Iwan Himawan, an oil palm farmer who is the head of Krayan Bahagia village in Paser East Kalimantan said that the assistance is much needed to ease the farmers' family burden during the pandemic.

Muhammad Ridwan, a farmer from Desa Belutu in Siak district Sumatra echoed his fellow farmers from Kalimantan. He said that not much help has touched smallholders and greatly appreciated the support.

About SPKS:

SPKS is an oil palm farmer organization founded in 2006 with a total membership of more than 58,000 independent smallholders currently spread across 11 districts in Sumatra and Kalimantan, Indonesia. SPKS was established with the main vision of helping small farmers to be independent, prosperous, and sustainable. The overall purpose of SPKS is to cooperate and support its members to strengthen the sustainability foundation of their operations, to enhance the welfare and independence of smallholders while implementing responsible practices, including a no-deforestation approach through capacity and institutional building, as well as access to financial support, policy and decision makers and global market.

For more information on High Carbon Stock Approach: http://www.highcarbonstock.org/

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