



PRESS RELEASE
PALM OIL SMALLHOLDER UNION (SPKS)

To Save Small Farmers, EUDR Should Not Be Weakened

Jakarta, November 12, 2024. Indonesia as a palm oil producing country in the world, in which Palm oil farmers have a significant role in it by managing 6.7 million ha of palm oil plantations. However, the important position of palm oil farmers tends to be mere objects by the government and the palm oil industry. As a result, palm oil farmers live in hardship amidst the situation of palm oil at the global level. The government and industry are proud of palm oil as a source of state income, however they give minimal attention to small farmers and plasma farmers.

This condition is the opposite of reality. There are still many plasma plantation cooperatives in large debts due to unfair partnership and having conflicts with plantation companies. In addition, many people do not get the 20% plasma allocation regulated by the government. In this context, so many plantation companies do not fulfill their obligations to build community allocated plantation covering 20% of the company's concession area. SPKS noted that approximately 35% of plantation companies did not build plasma for the surrounding community. In addition, small-scale independent farmers are not being empowered by large plantation companies. In fact, these small farmers are located around the large plantation companies that do not comply with plantation partnership regulations. As a result, these independent oil palm farmers continue to lose 30% of their income every month due to being attacked by middlemen who regulate prices.

The emergence of the EUDR (European Union Deforestation Regulation) has brought a breath of fresh air to oil palm farmers in Indonesia. The Oil Palm Farmers Union views the EUDR as a stimulus for improving plantation governance that respects the human rights of small-scale oil palm farmers. However, the hopes of these small farmers were silenced by the decision to postpone the EUDR until 2026.

Sabarudin, Chairman of the Oil Palm Farmers Union, said that the postponement of the EUDR was the same as postponing the rescue of oil palm farmers who conflicted with plantation companies, and also postponing the resolution of conflicts with indigenous peoples whose land was evicted by large plantations. So many poor small-scale farmers have lost their hopes of enjoying the benefits of the oil palm business, and have lost their hopes to be saved from the clutches of middlemen who have been working with corporations.

SPKS encourages that there be no covert negotiations between the EU and palm oil producing countries. The EU must be transparent and open up dialogue with civil

society and affected small-scale farmers so that policies and decisions taken by the EU government have a positive impact on grassroots communities. The requirements for the palm oil industry must not be weakened. Weakening the requirements in the EUDR will only make the palm oil industry freer and more arbitrary for small farmers in the Region, Sabarudin emphasized.

It is known that the Palm Oil Farmers Union supports the EUDR because it has prepared plantation polygons and coordinate points for its member plantations. SPKS considers that its members can comply with the EUDR requirements and are entitled to access the European Union market. This also refutes the arguments of the industry and the Indonesian government, that small farmers are unable to meet EUDR standards. So, there is no reason to delay or weaken the EUDR.

About SPKS:

The Palm Oil Smallholder Union (SPKS) is an organization of palm oil smallholders in Indonesia committed to strengthening sustainability, welfare, and independence of smallholders through capacity building, economic institutional development, and facilitating smallholders' access. SPKS has 76,700 members spread across 10 provinces, 21 regencies, and 419 villages. SPKS focuses on supporting improvements in sustainable palm oil governance at the smallholder level. SPKS is committed to ISPO and RSPO certification for its members.

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