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(APKASINDO)

“Smallholders As a Pivotal Player
Topic: Exploring the Challenges and Needs for EUDR”



Part 1 : Eye-Opening Perspective of Smallholders and Challenges of EUDR

Part 2: Finding the Missing Links



Part 1 : Eye-Opening Perspective of Smallholders and Challenges of EUDR

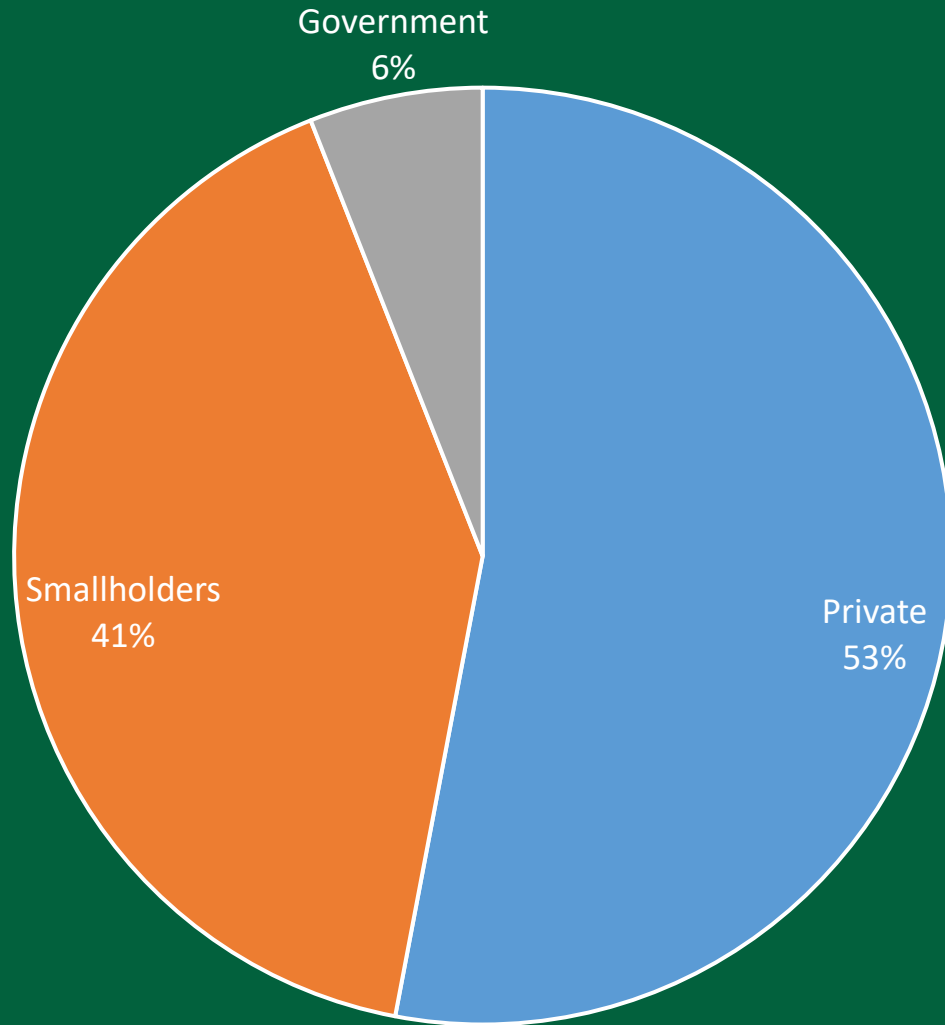


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Represents Oil Palm
Smallholders Across
Indonesia

APKASINDO



Smallholders: 6,72 mil ha
Private: 8.68 mil ha
Govt: 0.98 mil ha
Total: 16.38 mil ha



APKASINDO



2.6 million smallholders
4.2 million direct workers
12 million indirect
workers
Contributing 3.5% to
Indonesia's GDP



The Impact of Palm Oil Cultivation

Agricultural Sector
Development

Education
Improvement

Creating Job
Opportunities



Emerging New
Economic Hub In Rural
Areas

More Affordable Daily
Needs

Reforestation



Achieving
Sustainable
Development
Goals





**Indonesian
Sustainable
Palm Oil**

**Indonesian Sustainable
Palm Oil (ISPO) Certification**

**Mandatory for Private &
Government**

Voluntary for Smallholders

**Consisting of 10 Criteria And
33 Indicators (for
Smallholders)**

**(Encompasses Legals, GAP, Mgt
Biodiversity, Transparency And
Sustainability)**

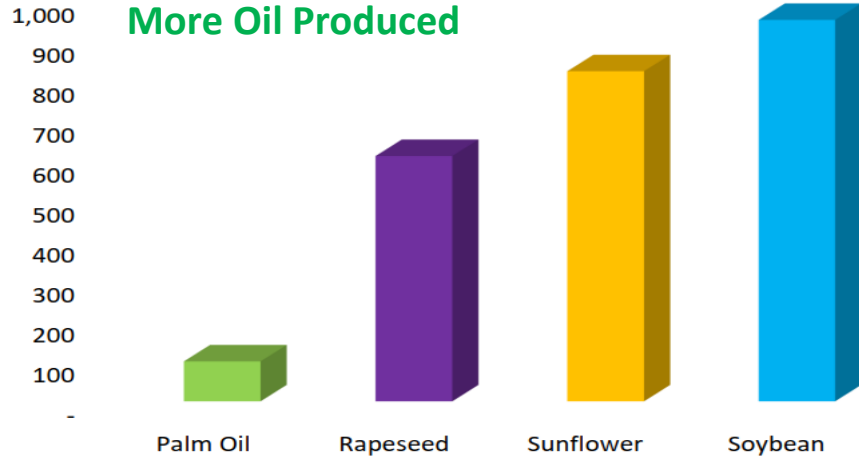
ISPO:

1. Assisting Oil Palm Smallholders to achieve Intensification and Implementing GAPs
2. Improving Supply Chain Traceability of Indonesian Palm Oil So May Improve Credibility From International Market
3. Increasing FFB Production of Oil Palm Smallholders Thus May Add Up Income



World Deforestation Index Vegetable Oil per ton

Less Land Needed,
More Oil Produced



Sumber : USDA; Oil World; data diolah

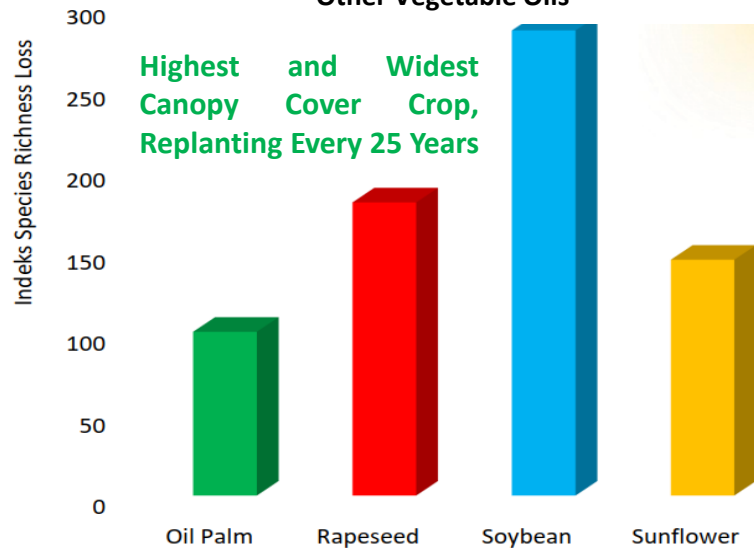
Palm Oil is the ONLY Vegetable Oil That Has Sustainable Certification

Types of Vegetable Oils	Volume (mil ton)		
	Do Not Have Sustainable Certification	Sustainable Certified	Sub Total
Palm Oil	56.6	18.9	75.5
Soybean	61.3	0	61.3
Rapeseed	27.9	0	27.9
Sunflower	22.1	0	22.1
Palm Kernel	4.5	4.2	8.7
Beans	6.5	0	6.5
Cotton	5.2	0	5.2
Coconut	3.6	0	3.6
Olive	2.8	0	2.8
Total	190.52	23.08	213.6

Sumber: RSPO, USDA (2022)

Species Richness Loss (SRL) Index of Palm Oil and Other Vegetable Oils

Highest and Widest
Canopy Cover Crop,
Replanting Every 25 Years



Sumber: Beyer et al., 2020; Beyer dan Rademacher, 2021

Source: PASPI



Part 2: Finding the Missing Links



Optimalisation of Trade consists of 3 aspects:

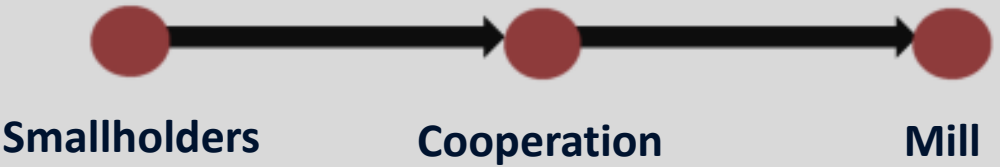
1. Market Access
2. Rules and Regulations
3. Cooperating and Supporting SMEs (smallholders)
on Economic and Technical

**Does the EU only focuses on No. 2
Limiting Trade Access?**

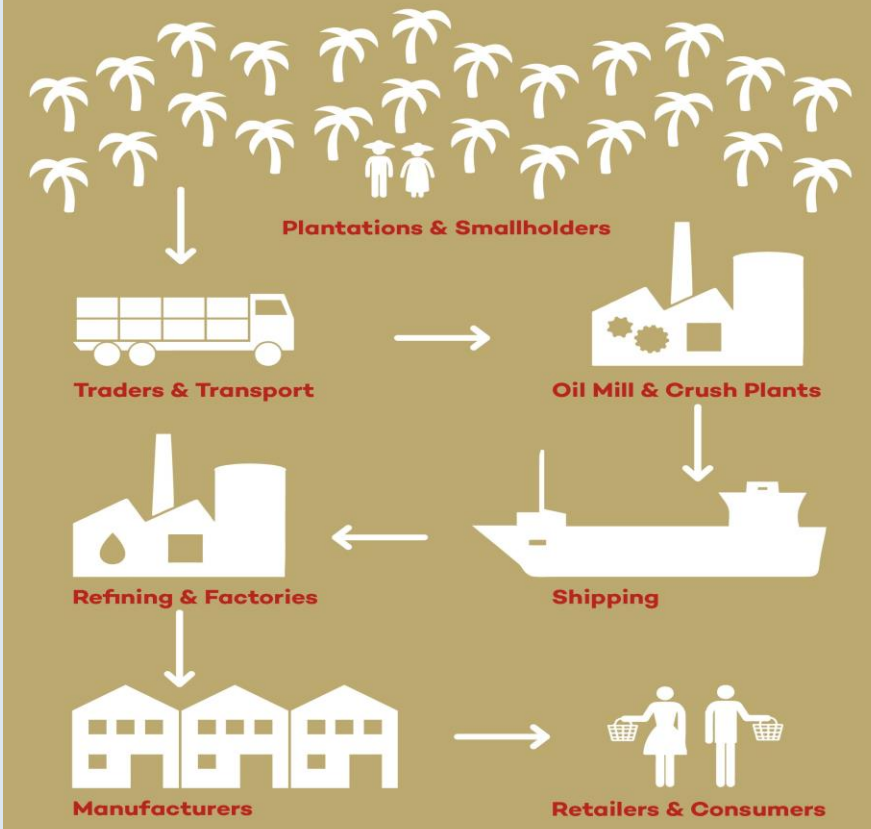
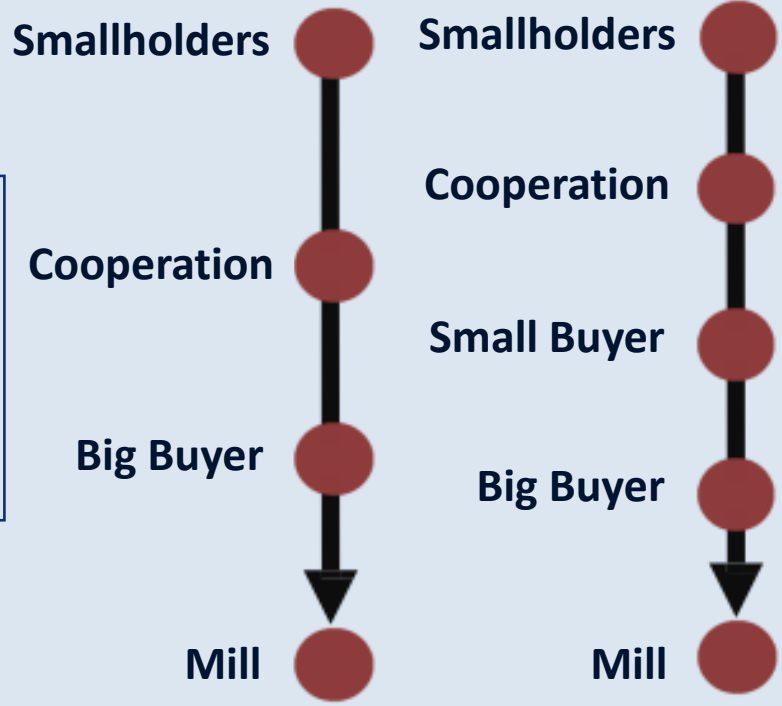


Supply Chain Oil Palm Smallholders

Ideal Supply Chain



Supply Chain Varieties for Smallholders



Sumber: BPDPKS & P2EBUGM

Due Diligence of Operations Obligations

Collect Info -> Risk Assessment -> Risk Mitigation

Cost and Time

EUR 5,000 – 90,000

Establishing the Due Diligence System

IDR 1,400,000,000 /
700,000kg FFB



Top Productive's Crop, Palm Oil as High Risk Assessed?

Comprehensive vs
Simplified due diligence?

Stated that Sustainable Certification (RSPO, ISPO, etc) only as supplementary document, not substituting operators' responsibility for due diligence

Sustainable Certification
Not Trustworthy?

Who will bear the cost? The beginning of the supply chain = **SMALLHOLDERS**



Before 31 December 2020?

Cut-off Date: 31 December 2020

If After Cut-off Date found from deforested land,
All produced, including ISPO certified would be
Perceived as Palm Oil From Deforested Area

Perception Creates Market Demand.
Diminish Demand, Diminish Millions
of Smallholders' Source of Income





PETISI KE UNI EROPA DARI PETANI SAWIT INDONESIA

Kepada Yth.
Duta Besar & Kepala Delegasi Uni Eropa untuk Indonesia
H.E. Vincent Piket
Sebagai Perwakilan dari Komisi Uni Eropa, Parlemen Eropa, Dewan Eropa
di - Jakarta

Kami yang bertandatangan di bawah ini, atas nama 17 juta Petani Sawit Indonesia dan keluarganya, menuntut Uni Eropa untuk berhenti memperlakukan secara tidak adil Petani sawit Indonesia sebagaimana tercantum dalam Peraturan Deforestasi UE ("EUDR"). Para Petani sawit sangat bergantung pada perkebunan kelapa sawit untuk meningkatkan kesejahteraan dan kehidupan keluarga kami yang lebih baik.

Sebagai Negara pembeli minyak sawit dari Indonesia, "EUDR" tidak sejalan dengan tujuan pembangunan berkelanjutan "SDGs" yang di tetapkan PBB. "EUDR" akan mengakibatkan petani sawit beserta keluarganya akan kembali miskin, kehilangan pekerjaan, pendapatan yang sangat rendah dan kondisi sosial ekonomi yang akan rusak. Selain itu "EUDR" mengategorikan secara sepihak negara kami Indonesia sebagai negara beresiko tinggi deforestasi merupakan upaya merendahkan martabat dan kedaulatan negara kami

Sehubungan "EUDR" masih belum final disetujui oleh Dewan Eropa, **KAMI MENUNTUT :**

1. Mencabut penargetan "EUDR" terhadap Petani Sawit Indonesia. Uni Eropa harus menarik pasal dalam Peraturan Deforestasi yang secara tidak adil menargetkan petani non-Eropa dan membebaskan petani dari "EUDR". Sepatutnya tidak ada diskriminasi dalam hal ini;
2. Mencabut pelabelan "Risiko Tinggi" untuk negara Indonesia yang menjadi objek dari peraturan ini;
3. Menghormati dan Mengakui Standar ISPO serta Peraturan terkait sawit yang berlaku di Indonesia. Dalam skema sertifikasi ISPO telah diwajibkan bagi semua pelaku industri minyak sawit Indonesia, termasuk petani. Regulasi di Indonesia sudah mendukung upaya intensifikasi melalui Peremajaan Sawit Rakyat (PSR) dan menolak deforestasi;
4. Memastikan Uni Eropa, kedepannya tidak lagi menyerang dan mendiskreditkan tanaman kelapa sawit sebagai tanaman penyebab deforestasi;
5. Permintaan Maaf: Uni Eropa secara tertulis, kepada jutaan petani sawit yang akan terdampak kebijakan diskriminatif "EUDR";

Ditandatangani Oleh :



Santri Tani Nahdlatul Ulama

KH. Tengku Rusli Ahmad, SE., MM
Ketua Umum



Asosiasi Petani Kelapa Sawit Indonesia

Dr. Gulat ME Manurung, MP, C.I.M.A., C.A.P.O
Ketua Umum



Asosiasi Petani Kelapa Sawit PIR

Setiyono
Ketua Umum



Asosiasi Sawitku Masa Depan

Tolen Kataran
Ketua Umum



Forum Mahasiswa Sawit Indonesia

Amir Arifin Harahap
Ketua Umum

Millions of Indonesia Smallholders Sent Petition to EU Embassy on 29th Mar 2023:

1. Withdrawal of Targeting EUDR Against Oil Palm Smallholders and other Non-EU Farmers
2. Withdrawal of "High Risk" Label for Indonesia
3. Respect and Recognise ISPO Standard
4. Ensure That EU Will No Longer Discredit Palm Oil as Causing Deforestation Crop
5. Written Apology From The EU To Millions Of Smallholders Who Are Affected By The EUDR





“Sustainable
Palm Oil,
Source of
Sustainable
Happiness”

