TAKING TRACEABILITY TO THE NEXT LEVEL

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Asian Agri is a leading national palm oil company that put partnership with smallholders as its main business model.

Established in 1979

Owned Estates: 100,000 ha
Plasma Smallholders’ estates: 60,000 ha
Independent Smallholders’ estates: 41,000 ha

Locations:
- North Sumatra
- Riau
- Jambi
ABOUT ASIAN AGRI

One of the largest ISCC, RSPO, & ISPO certified oil producers in the world.
The 1st company with RSPO & ISPO certified independent smallholders.

N. SUMATRA
- 43k Ha (Owned)
- 8 CPO Mills
- 2 KCPs
- 5 Biogas Plants
- R&D Center

JAMBI
- 18k Ha (Owned)
- 23k Ha (Plasma)
- 4 CPO Mills
- 3 KCPs
- 2 Biogas Plants

RIAU
- 39k Ha (Owned)
- 35k Ha (Plasma)
- 9 CPO Mills
- 4 KCPs
- 3 Biogas Plants
- R&D Center
- Training Center

1.000.000 MT CRUDE PALM OIL PER YEAR
SMALLHOLDERS CONTRIBUTION IN ASIAN AGRI

PLASMA SMALLHOLDERS 250,000 MT

3rd PARTY SUPPLIERS (including ISH) 250,000 MT

NUCLEUS 500,000 MT

Total area of 3rd Party suppliers: 243,000 Ha

ISH Partnership: 41,000 Ha
WHERE WE ARE HEADING

![Graph showing area (Ha) from 2012 to 2018]

- **Total Area:** 101,000 Ha
- **Plasma Smallholders:**
  - 2012: 2,791 Ha
  - 2013: 6,045 Ha
  - 2014: 11,242 Ha
  - 2015: 18,600 Ha
  - 2016: 24,500 Ha
  - 2017: 31,000 Ha
  - 2018: 41,000 Ha
- **Independent Smallholders**
- **Owned by Asian Agri**
Plantations are considered to be traceable if the following data is complete:

- Plantation’s GPS coordinate
- Name & address of the plantation
- Plantation area in hectare
- Process to overlay with the provincial spatial plan (RTRWP) map
- Yield data for quota lock mechanism

**Achievement History**

- 2012: Started ISH partnership
- 2015: Established traceability department for identification & verification
- 2016: Collaboration with IDH & Yayasan Setara Jambi for ISH traceability in Jambi
- 2017: Achieved 100% FFB traceability to plantations
- 2018: Collaboration with Meo Carbon & SNV for 3rd party traceability in North Sumatra & Riau (Phase I)
- 2019: Extended project with IDH and Yayasan Setara until Dec 2020
- 2020: Collaboration With Meo Carbon Solution & SNV on GRAS Tracking App Implementation (Phase II)
TRACEABILITY PARTNERS

N. Sumatra
Riau
Jambi

* Start 2018 Completed 2019
* Landscape analysis using GRAS tool
* Traceability system verification

* Started in 2016-2018, Extended 2019-2020
* Smallholder verification, polygon mapping, and training
* Certification preparation for independent smallholders
Meo Carbon Solution conducted verification on FFB traceability system in Asian Agri for all mills in North Sumatera and Riau. All details are provided to Meo Carbon Solution in order to get a better understanding of traceability in Asian Agri.
THREE PILLARS ASSESSMENT

For assessing traceability, the supply structure and three further categories (pillars) were identified: Supply chain mapping, delivery documentation and yield projection.
MILL SAMPLES: FFB SUPPLY CHAIN
≤ 50km RADIUS
Despite one of our mill located side by side with Tesso Nillo National Park (TNNP) area, our traceability system is able to prevent the inclusion of FFBs from TNNP. This has been verified by Meo Carbon Solutions and SNV.
Goal: Use of a comprehensive system compiling mapping and tracking at once

**PHASE II**
**MAPPING AND TRACKING**

**Stage 1 – Mapping of farm polygons**

**Stage 2 – Tracking of deliveries**
The collected polygons were uploaded to the GRAS System and checked against protected areas and deforestation.
A tracking app is planned to be used to collect delivery data and access all information in an interactive system.

Collection of delivery data from the **farmers**

Collection of delivery data at the **mill**

**Manage** and access data in an interactive system.
#1: FFBs are collected directly at the smallholders’ fields by the truck/collector and transported to the palm oil mill
#2: The FFBs are centrally collected at one collecting point and transported to the palm oil mill.
Mapping, delivery documentation and yield projections will be taken to the next stage in the traceability pillars.

**Stage 1**
- Sourcing area known

**Stage 2**
- One point coordinates of individual farmers' location

**Stage 3**
- Polygons of individual farmer fields

**Supply chain mapping**
- Information on smallholder batches is available on a database for the entire upstream supply chain

**Delivery documentation**
- Delivery slips for every batch from smallholders are available at the mill for every truck
- Delivery slips from smallholders for every batch are available upstream but not at the mill

**Yield projection**
- Yield projection calculation based on the on-site yield assessment of a sample of individual palm trees
- Yield projection based on polygons, regional yield averages and yield influencing factors
- Yield projection based on standard field sizes and yields
Thank You

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