

BASF, The Estée Lauder Companies, RSPO and Solidaridad boost Sustainable Palm Oil Production in Indonesia

24 November 2023 | News

Through Project Lampung, a collaborative sustainability initiative, Solidaridad, BASF, The Estée Lauder Companies (ELC), and The Roundtable on Sustainable Palm Oil (RSPO) have made real progress strengthening the sustainable palm oil supply chain and supporting smallholder farmers. Since its launch in 2018, Project Lampung has provided technical education and training to 1,003 independent palm oil smallholders and helped 313 farmers receive official RSPO certification, the first such group in the Way Kanan Regency.



Through Project Lampung, a collaborative sustainability initiative, Solidaridad, BASF, The Estée Lauder Companies (ELC), and The Roundtable on Sustainable Palm Oil (RSPO) have made real progress strengthening the sustainable palm oil supply chain and supporting smallholder farmers. Since its launch in 2018, Project Lampung has provided technical education and training to 1,003 independent palm oil smallholders and helped 313 farmers receive official RSPO certification, the first such group in the Way Kanan Regency.

“Primary objectives of Project Lampung, to have nearly one-third of the supported smallholder farmers achieve certification according to the Smallholder Standard of RSPO within three years in collaboration with the Indonesian government.” said Marcelo Lu, BASF Care Chemicals, Senior Vice President.

This is the very first project in Way Kanan aimed at enhancing the capacity of palm oil smallholders. Before the intervention, the smallholders had limited exposure to sustainable palm oil production practices, and the cooperative did not have a strategic focus on supporting smallholders. Through a program of continuous education, these independent palm oil farmers

have improved their knowledge on sustainable production, including, for example, an awareness about the importance of planting certified seedlings. The project ensured access to certified seedlings in order to support these farmers in improving productivity.

“This project has proven to be pivotal in sparking sustainable production of palm oil in the Way Kanan district. At the heart of this project are the small palm oil farmers themselves. It is only they who can transform the palm oil supply chain and we were happy to assist them with the technical support and knowledge needed to adopt climate smart production practices.” stated Yeni Fitriyanti, Country Manager for Solidaridad Indonesia. “Apart from the benefit of increased sustainable palm oil production, small farmers in Way Kanan are now able to advocate for their own interests in the supply chain.”

With the support of a strengthened cooperative the project partners worked with the Indonesian government and other local organizations to conduct a Social Impact Assessment and an Environmental Impact Assessment. They also mapped farmers' fields and uploaded all relevant data to the RSPO database to verify that no deforestation or land conversion had taken place.

Roberto Canevari, Executive Vice President, Global Supply Chain, The Estée Lauder Companies. “We are proud to collaborate with smallholder farmers and our partners at BASF, RSPO and Solidaridad to strengthen sustainability in palm oil supply chains.”

To further the impact of this project, ELC purchased 220 RSPO credits from these newly certified farmers in the Lampung region. These credits will help further fuel local farmers' incomes and livelihoods while supporting ELC's commitments to source its palm-based ingredients responsibly. Since 2015, 100% of the palm-based ingredients* ELC sourced by ELC are certified under one of RSPO's certification types.

“We are encouraged by this certification milestone that demonstrates the impact of multi-stakeholder collaboration between the private sector, civil society, and the Indonesian government in strengthening the smallholders in Lampung and ensuring their inclusion in sustainable supply chains,” stated Guntur Cahyo Prabowo, Head of Smallholder RSPO Indonesia. “Through the RSSF (RSPO Smallholder Support Fund) and the Shared Responsibility of our Members, we look forward to enabling more smallholder groups to achieve certification and realize our vision to make palm oil sustainable.

While the project was originally anticipated to take three years, it ended up taking five due to the Covid-19 pandemic. The collaboration evolved during that time to help accommodate shifting priorities for the farmers and best support them during this challenging period.