

Smallholder Oil Palm Farmers

Talk about the Facts





Smallholder Oil Palm Farmers: Talk about the Facts

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10 Facts about Oil Palms



Farmers' crops being taken
to palm oil factory



1 The oil palm industry creates jobs for people in developing countries. In Indonesia, oil palm plantations employ 2.7 million workers, and the oil palm business as a whole employs 3.06 million. Thus, the oil palm industry plays an important role in driving the national economy.

Source: Ministry of Agriculture RI, InfoSAWIT Data Centre

2 The oil palm industry is sustained by small farmers as plantation owners. In Indonesia, the oil palm land area owned by farmers comes to 3.3 million hectares, or 46% of the total area cultivated in oil palms.

Source: Ministry of Agriculture RI, InfoSAWIT Data Centre

3 As raw material for biodiesel, palm oil has a lower greenhouse gas emission track record than other commodities. Using a life cycle analysis approach, greenhouse gas (GHG) emissions from rapeseed are estimated at equivalent to 1,562 kg of carbon; GHG emissions from soybeans at 1,387 kg carbon equivalent; and GHG emissions from palm oil at only 835 kg carbon equivalent.

Source: MPOC

4 With a life cycle of 25 to 30 years, oil palms can absorb great amounts of carbon dioxide over a long period, much like natural forests, and their natural canopy makes them very friendly to the environment.

Source: MPOC, InfoSAWIT Data Centre

5 The productivity of oil palms is higher than that of other vegetable oil commodity crops:

- Oil palm : 3.5 ton/ha/year
- Soybean : 0.36 ton/ha/year
- Sunflower : 0.36 ton/ha/year
- Canola : 0.55 ton/ha/year

Source: MPOC, MAKSI, InfoSAWIT Data Centre

6 Oil palms are superior in terms of land use efficiency. The amounts of land needed for several commodities to

produce 1 ton of vegetable oil are as follows:

- Oil palm : 0.26 ha
- Soybean : 2.22 ha
- Sunflower : 2 ha
- Canola : 1.52 ha

The total area of oil palm plantations in Indonesia is 7.9 million hectares, compared with 19.7 million ha of conservation forest and 29.9 million ha of protected forest.

Source: MPOC, MAKSI, InfoSAWIT Data Centre

7 The Indonesian government imposes strict controls on oil palm cultivation. Indonesian plantation companies comply with government regulations and with relevant international standards such as ISO, HACCP, RSPO, and other environmental standards.

Source: InfoSAWIT Data Centre

8 Palm oil is used as a raw material for many important products, including foodstuffs, cosmetics, and medicines, and also as an energy source. Nearly 50 countries around the world use palm oil to meet their people's needs.

Source: InfoSAWIT Data Centre

9 Oil palms are a source of raw material for environmentally friendly renewable energy. Use of palm oil-based fuel can reduce dependence on fossil fuels and reduce greenhouse gas emissions.

Source: InfoSAWIT Data Centre

10 Oil palm waste can be used in many ways, including liquid fertilizer, solid fertilizer (compost), mulch, animal feed, active charcoal, and even furniture. The reuse of this waste makes the palm oil industry greener and more efficient.

Source: InfoSAWIT Data Centre





From left: Rachmat Samekto, Walimin, Ruman and H. Sumarno (smallholders of PT Sari Lembah Subur)

I. History of Smallholder Plantations in Indonesia

A. Nucleus Estate and Smallholder Development Program (Perusahaan Inti Rakyat Perkebunan, PIR-Bun)

The Nucleus Estate and Smallholder Development Project, or Proyek Perkebunan Inti Rakyat (PIR), is aimed at enhancing the prosperity of farmers by increasing their income from the oil palm plantation business. In the PIR-Bun pattern, private and state plantation companies act as the nucleus or core plantation, while oil palm farmers serve as the plasma or commodity supplying participants.

The nucleus estate establishes an economic unit that consists of a core plantation including processing unit, plasma plantations, and housing for plasma farmers, complete with public infrastructure and social facilities, following the operational and technical guidelines of the relevant technical agencies. The nucleus estate also provides guidance to the plasma farmers in applying proper growing practices.

Once the oil palm plantations are producing, the nucleus estate absorbs the crops grown by the plasma farmers at fair prices in line with guidelines set by the government (Ministry of Agriculture), and assists in the process of repaying the participating farmers' loans.

The farmers' role is to cultivate their plots under the guidance of the nucleus estate, and then sell their crops to the nucleus estate following the price formula set by the government in consultation with the nucleus estate and the plasma farmers' organization (cooperative). The plasma farmers repay the costs of developing the plasma plantations through deduction of a portion (30%) of the proceeds from their crops each month until the loan is paid off.

The PIR project received financial support from the World Bank; between 1977 and 1983 it provided support for over seven projects, with a financing commitment of US\$ 655 million. The first trials of the PIR project were in Alue Merah (Aceh) and Tabalong (South Kalimantan).

B. Nucleus Estate and Transmigrant Smallholder Program (Perusahaan Inti Rakyat Transmigrasi, PIR-Trans)

Later, the PIR-Bun pattern was also used to support the transmigration program declared by the government in 1986, and the name was changed to PIR-Trans through Presidential Instruction No.1 of 1986 on development of plantations in the PIR pattern in connection with the transmigration program, with the aims of increasing production of non-oil and gas commodities, reducing the numbers of the poor, enhancing farmers' incomes, promoting regional development, and supporting the success of the transmigration program.

This Presidential Instruction was followed by Decree of the Minister of Agriculture No.333/Kpts/KB.510/6/1986 on procedures for development of plantations in the PIR-Trans pattern, which stipulated that the participants eligible for PIR-Trans were transmigrants, local residents, and shifting cultivators from the nearby forest zones.

Through the PIR-Trans program, each farmer was entitled to two hectares of plantation land with ownership rights certificate (SHM) status. The income of farmers participating in the PIR-Trans program increases each month. Typically, the proceeds from sales of fresh fruit bunches (FFB) produced from plasma farmers' plots are allocated as follows: 30% for installment to repay loan, 20% set aside for plant maintenance costs, production costs, and road maintenance costs, and the remaining 50% as the farmers' net income.

C. Primary Cooperative Credit for Members (Kredit Koperasi Primer untuk Anggota, KKPA)

In the 1990s, a new pattern was introduced: Primary Cooperative Credit for Members (Kredit Koperasi Primer untuk Anggota, KKPA), in which the nucleus estate was responsible as the guarantor for repayment of bank loans, with the installments taken from the proceeds from the plasma farmers' sales of their FFB.

In Bangka, the KKPA pattern was further developed and modified into the Smallholders Oil Palm Plantation (Kebun Kelapa Sawit Rakyat, KKSRR) pattern, involving the local government. In the KKSRR pattern, plasma farmers provide land and manpower, the local government provides the financing for land clearance and production facilities, and the nucleus estate provides seedlings and guidance to the farmers. Compared with the PIR and KKPA patterns, in the KKSRR pattern the farmers are more self-reliant and play a greater role from the very start of the plantation development, with guidance and assistance from the nucleus estate and the relevant government agency (Agriculture Service).

PT Sari Lembah Subur in Pelalawan Regency, Riau province, provides school buses to support education





Computer Laboratory in Rawang Sari Elementary School at Rawang Sari village, Genduang district, Pelalawan regency, Riau province.



II. Focusing on the Lives of Plasma Farmers

A. Oil Palm Cultivation in Plasma Plantations

The 1980s saw the first development of community-managed oil palm plantations. The government encouraged large-scale national oil palm plantations to develop oil palms through the Nucleus Estate and Transmigration Smallholder pattern, commonly referred to as PIR-Trans.

At first, it was not easy to persuade transmigrants from Java to grow oil palms, as they had never done this before. But eventually, those who persisted benefited from the results.

This success is largely due to the pattern of management of the plasma plantations provided by the core plantations. The core plantations provide intensive outreach assistance in oil palm cultivation techniques, financial management, and cooperative management. The core plantations even have a special organization that placed agricultural extension officers (at Plantation Assistant level) to assist plasma farmers and the cooperatives that manage the plasma farmers' groups, to ensure that the plasma plantations are properly managed.

The core plantations also show their concern for education in the plasma farmer communities by providing educational facilities and infrastructure such as laboratories and libraries. Here is Nipto Anim, Head of Pangkalan Lesung District, Pelalawan Regency, Riau Province expressing his thanks to PT Sari Lembah Subur:

"On behalf of the community, I'd like to express our gratitude to PT Sari Lembah Subur for its recent assistance to schools in Pangkalan Lesung District in the form of laboratories and libraries. I hope that this assistance can be further increased and be even more beneficial for pupils at these schools. I also hope that this support of facilities and infrastructure from PT Sari Lembah Subur will improve the quality of education in Pangkalan Lesung District, because although the government provides funding, it is far from adequate. Therefore, this aid from this company is a tremendous help to the operations of our schools at primary, junior high, and high school levels. I also hope that the company's concern will not create a gap that gives rise to social jealousy. With this assistance, we hope that company and the community will have a sense of mutual ownership, living together and helping one another."



FFB pricing was carried out every month, which was attended by representatives of farmers, governments and plantation company.



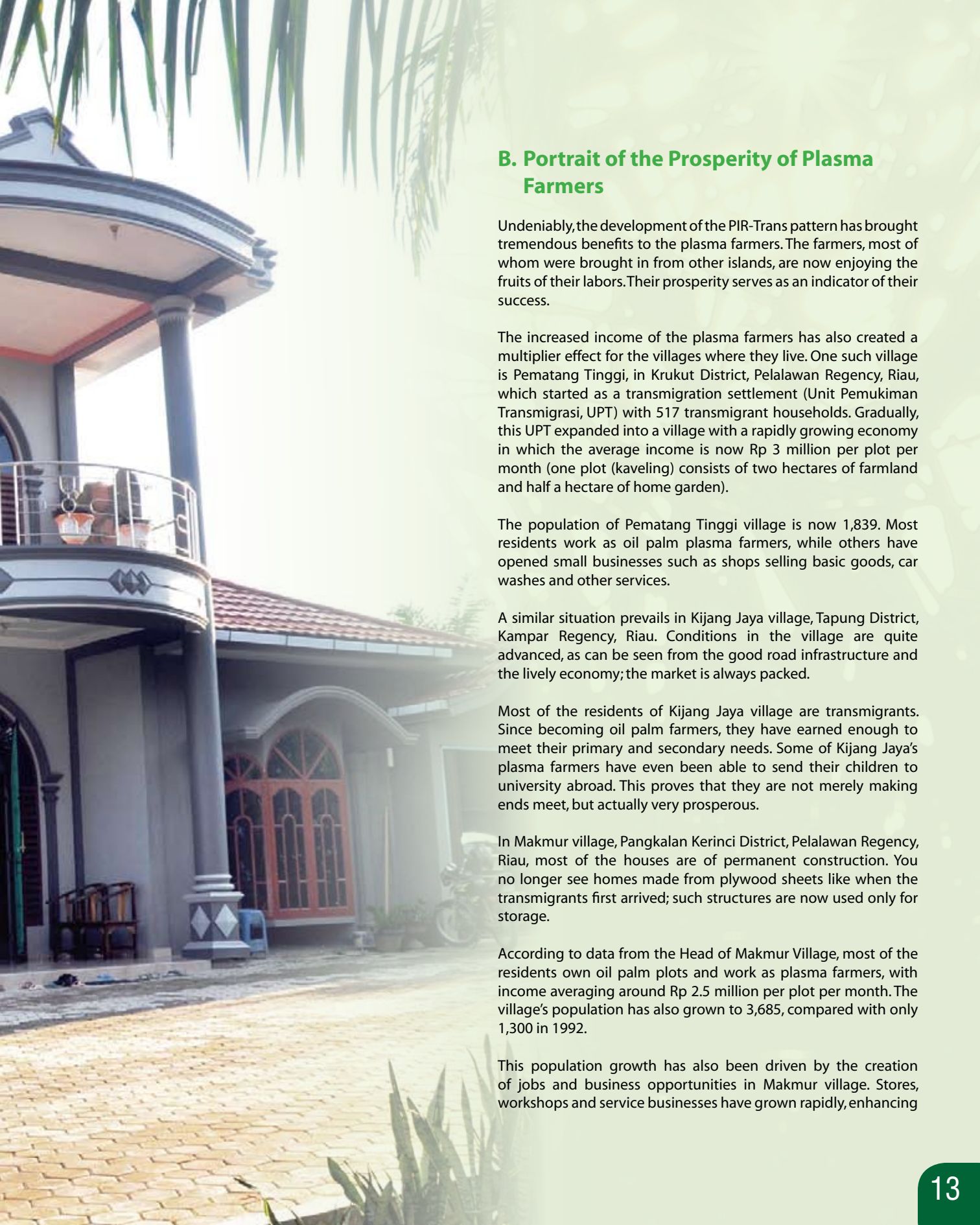
Manager of Amanah village unit cooperative checking the payment of smallholder.



To protect the quality of FFB, they are checked before being transported to the palm oil factory



Home of a successful plasma farmer in Makmur village,
Pangkalan Kerinci, Pelalawan Regency, Riau



B. Portrait of the Prosperity of Plasma Farmers

Undeniably, the development of the PIR-Trans pattern has brought tremendous benefits to the plasma farmers. The farmers, most of whom were brought in from other islands, are now enjoying the fruits of their labors. Their prosperity serves as an indicator of their success.

The increased income of the plasma farmers has also created a multiplier effect for the villages where they live. One such village is Pematang Tinggi, in Krukut District, Pelalawan Regency, Riau, which started as a transmigration settlement (Unit Pemukiman Transmigrasi, UPT) with 517 transmigrant households. Gradually, this UPT expanded into a village with a rapidly growing economy in which the average income is now Rp 3 million per plot per month (one plot (kaveling) consists of two hectares of farmland and half a hectare of home garden).

The population of Pematang Tinggi village is now 1,839. Most residents work as oil palm plasma farmers, while others have opened small businesses such as shops selling basic goods, car washes and other services.

A similar situation prevails in Kijang Jaya village, Tapung District, Kampar Regency, Riau. Conditions in the village are quite advanced, as can be seen from the good road infrastructure and the lively economy; the market is always packed.

Most of the residents of Kijang Jaya village are transmigrants. Since becoming oil palm farmers, they have earned enough to meet their primary and secondary needs. Some of Kijang Jaya's plasma farmers have even been able to send their children to university abroad. This proves that they are not merely making ends meet, but actually very prosperous.

In Makmur village, Pangkalan Kerinci District, Pelalawan Regency, Riau, most of the houses are of permanent construction. You no longer see homes made from plywood sheets like when the transmigrants first arrived; such structures are now used only for storage.

According to data from the Head of Makmur Village, most of the residents own oil palm plots and work as plasma farmers, with income averaging around Rp 2.5 million per plot per month. The village's population has also grown to 3,685, compared with only 1,300 in 1992.

This population growth has also been driven by the creation of jobs and business opportunities in Makmur village. Stores, workshops and service businesses have grown rapidly, enhancing



the village's economy.

C. Farmers Apply Environmental Principles

Sustainable cultivation is practiced in most oil palm plantations in Indonesia – not just by the large plantations, but in smallholder plots as well.

The plasma farmers in Pematang Tinggi village employ eco-friendly cultivation practices by reducing the use of agricultural chemicals. As a replacement, they use organic fertilizer made from oil palm residue and animal waste. The use of chemicals is also reduced by using lawnmowers instead of herbicides.

The plasma farmers in Kijang Jaya village use a system of arranging cut-off oil palm branches in a semi-circle around the oil palm trunks. This helps to prevent erosion when it rains, thus controlling flooding.

Farmers also apply integrated pest management by planting host plants such as *Turnera Subulata* and *Antigonon* along the sides of plantation roads to mitigate attacks of the oil palm-leaf-eating caterpillar known as ulat api. Even before that, owls were used to control rat infestation in the oil palm plantations.

Farmers also protect watersheds by avoiding planting oil palms near river banks. This helps reduce sedimentation in order to mitigate the risk of erosion and landslides, thereby maintaining water quality.



Irrigation system in plasma and core plantations



Owls to control rats in oil palm plantations



A modern mini-market can now be found at an oil palm plantation, managed by the Bhirawa Bhakti Village Unit Cooperative, Buana Bhakti village, Kerinci Kanan, Siak, Riau.



D. Profiles of Plasma Farmers



Rachmat Samekto

**Chairman of Amanah Village Unit Cooperative (KUD),
oil palm farmer, smallholder of PT Sari Lembah Subur**

My participation in the transmigrant farmer program began with a recommendation from the Head of the Yogyakarta Regional Transmigration Office. In 1988, when I first became an oil palm plasma farmer, I also wanted to open a garage, because I had some expertise in that area. Once we arrived here in Pematang Tinggi village, I was given 2.5 hectares of land, which already had a house and plants to manage. Every month our family received rice, cooking oil, sugar and kerosene.

Now, with my income averaging over Rp 8 million per month, I've been able to send all three of my children to college. I also once had the unusual experience of earning Rp 12 million per month at the time of the monetary crisis.

Nearly all the farmers in Pematang Tinggi village have decent incomes. We've also been able to build our own diesel-fired power plant, since the state electricity grid doesn't reach our area.

People may say that oil palm farmers live miserable lives, but that's just not true. My success has been entirely due to growing oil palms, and my family is prosperous and my children have graduated from college.

Suwandi

**Head of Pematang Tinggi Village, Krukut District,
Pelalawan Regency, oil palm farmer, smallholder of
PT Sari Lembah Subur**

As a native of this region who has enjoyed the benefits of raising oil palms, and also earned a college degree, I'm living proof of the success of the plasma farmer program. Recognizing this, I want to develop Pematang Tinggi village and continue striving for the ideals of my parents, who came here as plasma farmers.

Through the harmonious relationship between the company and the plasma farmers, farmers' lives have improved steadily from year to year. In my experience living here in Pematang Tinggi village, Pelalawan, the standard of living is tremendously influenced by the presence of the oil palm plantations.

So it's not true to say that the transmigration program involving oil palm plasma farmers simply transfers poverty from one region to another. In fact, many farm families manage to educate their children at university and have better than average living standards.

With assistance from the company such as lending of heavy equipment and continuous guidance in good cultivation practices, I feel the farmers here have no problems in managing their plantations. Even before 2000, all the plasma farmers in this area managed to pay off their loans and received certificates for the land they own.





Linchi

Oil palm farmer, smallholder of PT Sari Lembah Subur

In 1988, I started managing a two-hectare plot of oil palms which is part of PT Sari Lembah Subur's plasma program. With the various types of assistance from the nucleus estate in proper farming techniques, I've had no problems cultivating my oil palms.

After more than 20 years as an oil palm plasma farmer, I've been able to fulfill my family's main needs, such as housing, food and education. My average monthly income is Rp 10 million, from six hectares of land. My two children are studying in high school and college. I also have a business buying and selling FFB.

Around 90% of the residents of Genduang village, Pangkalan Lesung are oil palm farmers. It's clear that oil palms make an economic contribution that improves people's living standards.

Parjiono

Oil palm farmer, smallholder of PT Sari Lembah Subur

My eldest child is now studying mathematics at Taman Siswa University, and the tuition is paid from my oil palm profits. My net income averages Rp 5 million a month. In 1988, I moved here to Bukit Lembah Subur village from Klaten to join the plasma program.

If I was still living back home, I probably wouldn't own two hectares of land. Obviously, I'm very grateful, because I can now meet my family's needs and send my kids to school.

Some people say that oil palms create misery for farmers, but that's simply not so, because nearly all the plasma farmers here have been able to pay off the price of their land. If anybody wants proof, they can come and visit our village.

I'm also using compost from cattle manure, which has increased our output to five tons a month. Once every two months, I'm given enough manure for one plot. Using this compost has helped reduce costs and is much better for the environment.



Basuki

Oil palm farmer, smallholder of PT Sari Lembah Subur

With my income of Rp 3 million per month per plot of oil palms, I'm able to support my wife and two children. I started as an oil palm plasma farmer in Rawangsari village, Pangkalan Lesung in 1993. Once I paid off the purchase price of my original land, I expanded the business by buying more land and now have 10 hectares of oil palms.

We also have a cattle breeding enterprise behind the house. This is to earn extra income by selling cattle, and also to reduce the use of chemical fertilizers by using the cattle manure and urine as compost. Since we started using this compost, I've been able to reduce my use of chemical fertilizer from eight or nine sacks per two-hectare plot to just four sacks.

When I lived in Kediri, I was a farmer, but I never earned enough, so I joined the plasma program. Now I earn enough every month from the oil palm business to meet my family's primary and secondary needs.





H. Zulkifli

Chairman of the Berkhat Ridho Village Unit Cooperative, oil palm farmer, smallholder of PT Buana Wiralestari Mas

The PIR-Trans program initiated by the government is very helpful in alleviating poverty, compared with direct cash assistance. PIR-Trans really raises farmers' living standards.

As proof of this, farmers' children study at high school and even continue to college. One of my children is just finishing medical school, and the other is studying law at one of the best universities in Pekanbaru.

When I first became an oil palm farmer, I had nothing, but Allah be praised, gradually we were able to build a two-story house and buy a car and a motorcycle.

The members of our cooperative, KUD Berkhat Ridho, have an average net monthly income of Rp 5 to 7 million, after deducting their production costs, including harvesting labor and fertilizer purchases. We currently have 350 member households, cultivating 700 hectares.

Untung Sujarwo

Chairman of the Makmur Sejahtera Village Unit Cooperative, oil palm farmer, smallholder of PT Buana Wiralestari Mas

Our cooperative, KUD Makmur Sejahtera, receives support from the local Cooperative Service with capital from the Rural Credit Bank (Bank Perkreditan Rakyat, BPR). The cooperative's services, such as savings and loan facilities, help the farmers greatly in buying land and cultivating it.

The cooperative has been a great help in supporting the income of oil palm farmers. I've been involved in the PIR-Trans program since 1994. Things were pretty tough at first, but now we're enjoying the fruits of our labors. I've achieved a good level of prosperity and now have eight hectares, bringing in net income of Rp 4 million per month per plot.

The income from growing oil palms has enabled me to support my family – my wife and four children. We hope that the oil palm plantations will continue to progress and bring even greater benefits and prosperity.





Dadang Sutisna

Head of Cipta Karya Farmers' Group, oil palm farmer, smallholder of PT Buana Wiralestari Mas

I've gained many benefits since joining the PIR-Trans program. My family's economic situation used to be quite poor. Even though my parents had a bad experience of failure when they joined an earlier transmigration program, I was still advised to join the PIR-Trans program.

Before setting off for the PIR-Trans program, we received briefing and training in Jakarta, as well as motivation about working in the oil palm plantations.

I currently have eight hectares, or four plots, with net income of around Rp 4 million per month per plot. I'm very thankful, because I can now send my two children to school. The elder one has finished university, and the other is in the seventh semester of college.

I've also been chosen head of the Cipta Karya Farmers' Group to help the farmers in managing their plantations. Our farmers' group has 17 members.

By participating in this partnership program, the farmers can get certificates to their own land and receive many facilities from the nucleus estate.

Jalaluddin Lubis

Oil plasma farmer, smallholder of PT Buana Wiralestari Mas

It's fair to say that growing oil palms has produced great results for the people here, most of whom are plasma farmers. From my income of Rp 3 million per plot per month, my children have been able to continue their education to college; one is still in elementary school. My second child is currently studying at a university in Riau.

I now have three plots. At the peak of the harvest season, we can earn more higher for that. I've been a plasma farmer since 1996.

Though you couldn't actually say I'm rich, I feel we're making a decent living from oil palms. It wasn't too difficult for me to learn about growing oil palms, because I'm originally from Medan, the area where oil palms were first grown.

We also receive assistance in cultivation techniques, both theory and practice, from the nucleus estate, such as fertilizing and harvesting.



Adlis M.N

Chairman of Koptamasta Village Unit Cooperative, oil palm farmer, smallholder of PT Rama Jaya Pramukti

In 2001, the plasma farmers here decided to establish a cooperative called Petapahan Community Farmers Cooperative (Koperasi Tani Masyarakat Petapahan, Koptamasta), with the objective of increasing the incomes of the residents of Petapahan village.

I feel that oil palms have made a tremendous contribution to improving people's living standards here. The cooperative has been able to meet the needs of its 413 members.

In its activities, the cooperative has a good working relationship with PT Rama Jaya Pramukti, based on our mutually beneficial partnership. The assistance from the company takes the form of plantation management such as maintaining the crops, harvesting the oil palms, and transporting FFB.

As a native of Petapahan, I'm very pleased with the economic changes here, because people can now afford to send their children to university. As another measure of their prosperity, local residents also have vehicles, which they use both for business and personal purposes.

Basically, growing oil palms can bring great benefits if you persevere. Oil palm plantations have been shown to reduce the unemployment rate and helped the government's poverty alleviation programs.



Siswadi

Oil palm farmer, smallholder of PT Inti Indosawit Subur

I'm originally from Rantau Prapat, near Medan, and was previously a rubber farmer. By raising oil palms, I now earn a net profit of Rp 2 million per month per plot. In 1992, I joined the oil palm plasma program in Buana Pati village, Kerinci Krututan. Five years later, I received the ownership certificate for my land.

My land holdings have now grown to four plots, or eight hectares, bringing in a total of Rp 8 million per month. My two children are currently in elementary school and junior high school. Their school expenses come to an average of Rp 1.5 million per month, and our other living expenses are around Rp 3.5 million per month. The rest I put into savings.

They've started giving us information on sustainable oil palm cultivation methods, but we still need support from the company in putting this into practice.



Suparno

**Head of Makmur Village, Pangkalan Kerinci District, Pelalawan Regency,
oil palm farmer, smallholder of PT Inti Indosawit Subur**

With my monthly income of Rp 2.5 million per month per plot, I've been able to send my first child to university in Yogyakarta. I didn't know much about the ins and outs of growing oil palms at first. Luckily, the nucleus estate (PT Inti Indosawit Subur) provided assistance by teaching the plasma farmers proper cultivation techniques.

As a result, the farmers have been able to develop their palm plantations by increasing FFB production. We produce larger crops year by year.

Most of the people living in Makmur village, Pelalawan are transmigrant farmers who choose to grow oil palms. We now have a population of 3,658 earning their living from oil palms.



Samidi Tjitro Sentono

Oil palm farmer, smallholder of PT Inti Indosawit Subur



Before I had my own oil palms, I worked as a day laborer in the fields, in 1991. I then signed up for the plasma program with PT Inti Indosawit Subur. After waiting seven months, I was officially accepted into the plasma program in 1993. After paying installments to the nucleus estate for six years, I finally received the formal title to my land.

I now have ten plots, bringing in net income averaging Rp 15 million per month. I employ three workers to prune around the trunks, fertilize, and harvest the crop.

If I were still living in Java, my life probably wouldn't be like it is. With my earnings from growing oil palms, I've been able to send my three children to college. The oldest one is now working at the village cooperative, the second has just started working for the state electric company PLN, and the youngest is just finishing university in Riau, majoring in accounting. As well as growing oil palms, I also own a truck that's used to transport farmers' FFB, and a shop selling daily goods.



Siman

Head of Maju Bersama Farmers' Group, oil palm farmer, smallholder of PT Inti Indosawit Subur

Before becoming an oil palm farmer, I worked for the state railroad, and then in a rubber processing plant for PT Lonsum. But I always intended to have my own business after working for five years. In 1990, I started as a plasma farmer, and four years later I received the ownership certificate for my land.

I now own three plots of land. As well as growing oil palms, I run a FFB transporting service using two trucks, and also participate in a cattle farm together with some other farmers in the Maju Bersama Farmers' Group. My total monthly income is Rp 35 million to support my wife and two children.

My success as a plasma farmer is entirely due to my 20 years of hard work. I've received help from the government and the nucleus estate, but unless we make the best use of this assistance, it's hard to change a plasma farmer's life.



Sunarto

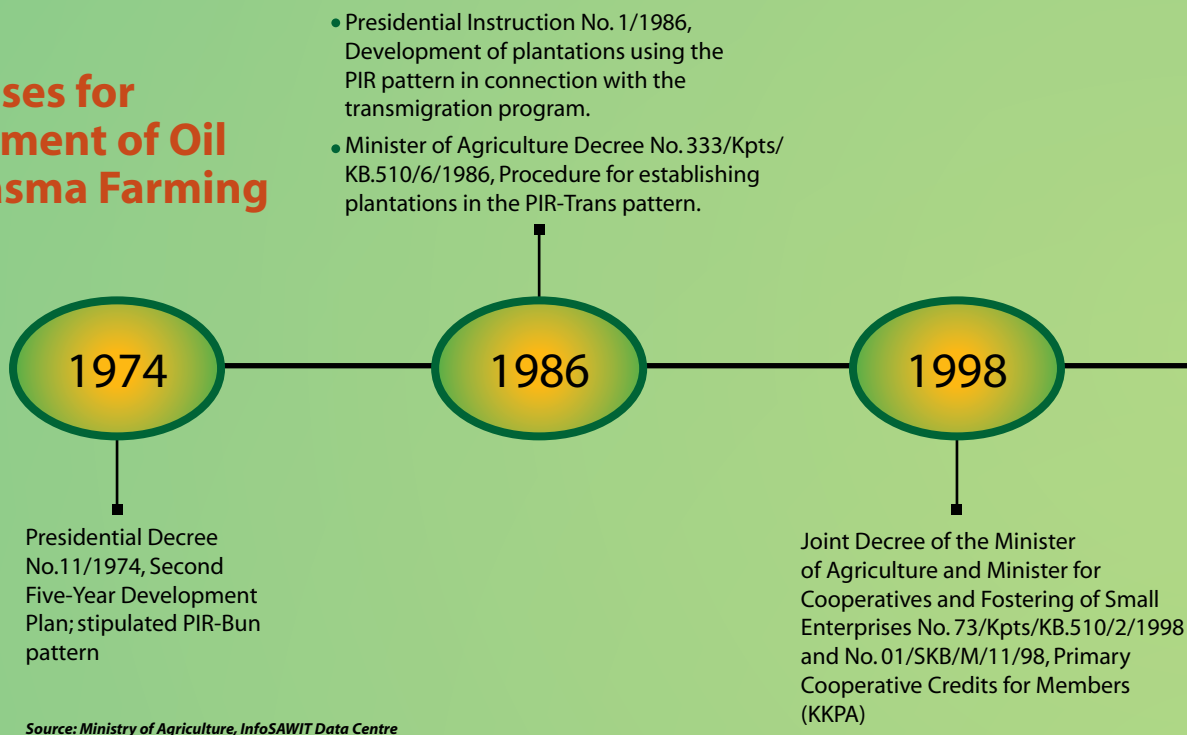
Oil palm farmer, smallholder of PT Inti Indosawit Subur

Since 1991, I've lived in Buana Bhakti village, taking part in the transmigration program. At first, I worked at PT Inti Indosawit Subur earning Rp 1,500 a day. After working there for three years, I joined the company's plasma program. My first income as an oil palm farmer was Rp 100,000 per month; that was when the price of FFB was still Rp 25 per kg.

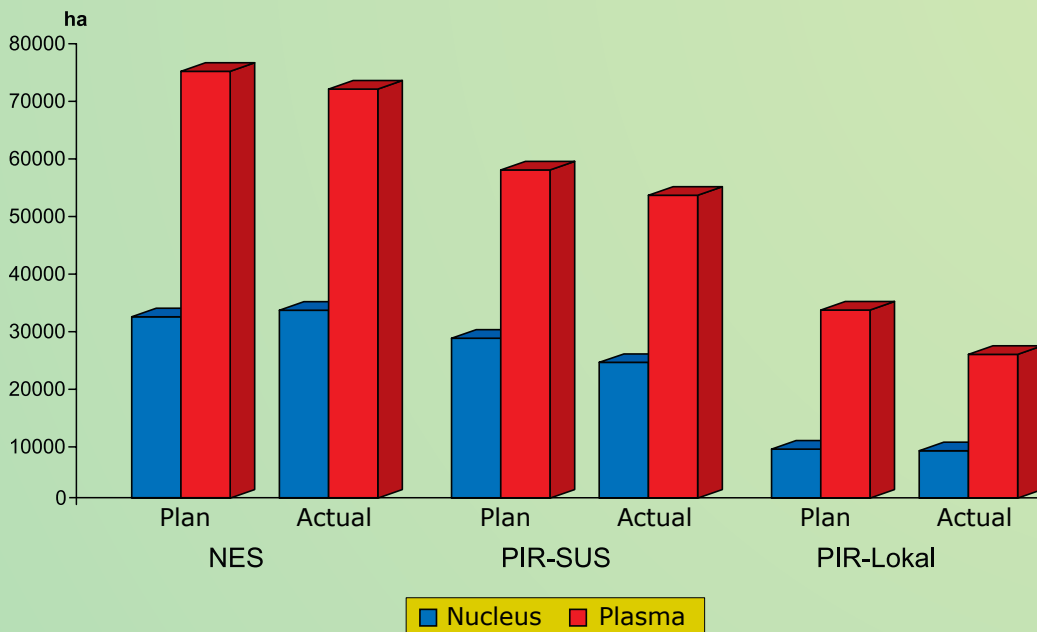
Now, I'm earning Rp 3 million per month per plot. From growing oil palms, I've been able to send both my children to university. The older one has now started a chicken farm, and the younger one is just finishing school. I'm able to fulfill my family's primary and secondary needs, and I've also been able to buy a car and six new plots of land.

There are a lot of rumors going around about oil palm plantations. The government should address these promptly, because they could disrupt our lives as oil palm farmers. It's been proven that we've earned our living from growing oil palm plantations for decades. Farmers are also now starting to use more environmentally sound methods, such as organic fertilizer made from cattle and chicken manure.

Legal Bases for Development of Oil Palm Plasma Farming



Plan and Actual of Smallholder Scheme



Law Number 18 of 2004,
Plantations

Minister of Agriculture
Regulation No. 26/2007

2004

2006

2007

- Minister of Finance Regulation No. 117/PMK.06/2006, Loans for development of Bio-Energy and Plantation Revitalization.
- Minister of Agriculture Regulation No. 33/Permentan/OT.140/7/2006, Development of Plantations through the Plantation Revitalization Program.

Revenue of Oil Palm Farmer and Village Unit Cooperative, plasma of PT Buana Wiralestari Mas

NO	Unit Village Cooperative	Area (Ha)	Total Family	Revenue (2007-2010)							
				2007		2008		2009		until April 2010	
				Revenue/year (Rp)	Family Revenue/month (Rp)	Revenue/year (Rp)	Family Revenue/month (Rp)	Revenue/year (Rp)	Family Revenue/month (Rp)	Revenue/year (Rp)	Family Revenue/month (Rp)
1	Makarti Buana Jaya	1.011,00	506	34.409.503.169	5.666.914	45.505.532.864	7.494.324	36.671.229.590	6.039.399	9.550.972.970	4.718.860
2	Berkat Ridho	700,00	350	21.135.945.853	5.032.368	29.795.637.226	7.094.199	25.729.446.660	6.126.059	6.585.426.119	4.703.876
3	Kijang Mas	774,00	388	27.641.225.147	5.936.689	36.226.904.494	7.780.693	28.983.276.070	6.224.930	7.719.194.455	4.973.708
4	Makmur Sejahtera	1.270,00	636	40.729.897.668	5.336.727	54.595.244.198	7.153.465	44.034.085.770	5.769.665	12.275.639.624	4.825.330
5	Panca Warga	1.224,80	611	41.399.713.992	5.646.442	51.893.284.745	7.077.644	43.681.113.294	5.957.599	11.229.366.096	4.594.667
6	Budi Karya	999,00	517	36.433.883.819	5.872.644	48.469.579.328	7.812.634	36.359.899.136	5.860.719	10.094.790.033	4.881.427
7	Lestari Jaya	1.022,00	511	31.518.743.135	5.140.043	42.191.424.060	6.880.532	36.075.944.932	5.883.227	9.905.067.935	4.845.924
8	Manunggal Abadi	1.146,99	574	36.526.780.030	5.302.959	48.547.535.285	7.048.132	42.144.621.285	6.118.557	11.151.193.607	4.856.792
TOTAL				8.147,79	4.093	269.795.692.813	5.493.031	357.225.142.201	7.273.091	293.679.616.737	5.979.306
										78.511.650.838	4.795.483

Source: PT Buana Wiralestari Mas, InfoSAWIT Data Centre

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Oil Palm Plantation



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