

Keresa's RSPO Group Scheme for Smallholders

A Model for Business-Community Initiatives

A project by Keresa Plantations & Mill

This project is funded through the Palm Oil Producer Support Initiative (POPSI), an initiative of Solidaridad, WWF and RSPO. For more information on the Palm Oil Producer Support Initiative see www.solidaridadnetwork.org/popsi or mail popsi@solidaridadnetwork.org

Summary

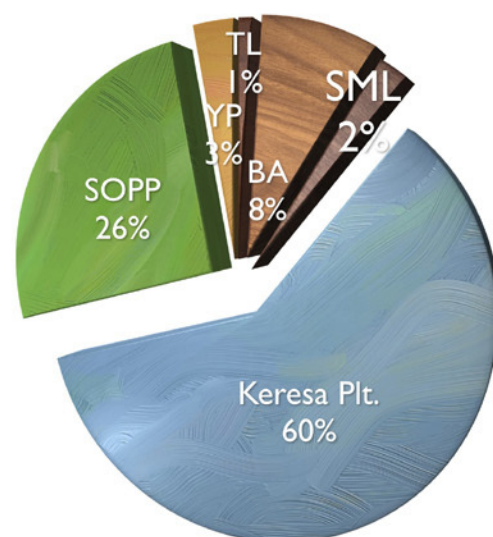
The motivation of the group scheme is to be able to demonstrate a model for sustainable development, which is based on a **business-community partnership**. The model is designed to be replicable and applicable to any other CPO mill that is interested to foster a mutually beneficial relationship with its smallholders.

The drive for the group scheme team is to ensure that the group scheme will be certifiable under the **RSPO Certification System for Independent Smallholders**. The certified FFB sold under the group-scheme will be of interest to RSPO-certified mills and the opportunity to increase the volume of traded certified CPO.

The group scheme will also design ways to demonstrate the benefits of the certification process and to communicate this to the producers involved in the group. All benefits need to be measurable and quantifiable in the long run to demonstrate success of the project.

Putting into Perspective

For Keresa smallholders only make up less than 2% of their supply base (see graph below). However, the company feels that the investments into the community through the group scheme is a meaningful way of contributing to the society. As the initiative is aligned to their business goals - to improve the quality and quantity of RSPO certified FFB - the senior management is supportive of this initiative. The motivation of the group scheme is to be able to demonstrate a model for sustainable development, which is based on a **business-community partnership**. The model is designed to be replicable and applicable to any other CPO mill that is interested to foster a mutually beneficial relationship with its smallholders.



Graph 1: Summary of the supply chain of Keresa Mill in Bintulu Sarawak. The "SML" represents the smallholder crop.

Progress as it unfolds ...

The project began in September 2010 and has focussed on discussions, extension work and communication between Keresa Plantation and the smallholders. The project also decided to focus on a pilot group first.



Photo1: The pilot producer group & village leader with some of his members.



Photo 2: Typical family group assisting on family plots.



Photo 3: Keresa's agronomist providing direct field advice to smallholders during his monthly visits.



Photo 4: One of the challenges of sustainable development: getting the balance right in regards to environmental protection and sustainable development.