

Golden Agri-Resources closes year with new milestone in Supply Chain Traceability and Transformation

Since achieving [100 percent Traceability To Plantation \(TTP\) for GAR-owned mills in 2017](#), Golden Agri-Resources (GAR) has been working with third party suppliers to help them achieve full traceability. In a new milestone, over 80 percent of these mills have hit their full traceability targets as of end 2019. This means GAR is on track to hit its target of a fully traceable palm supply chain by end 2020.

“We have strengthened our collaborative efforts with stakeholders and third-parties to educate suppliers. Together, we have built supplier engagement programmes that are major factors of our success,” said Agus Purnomo, Managing Director, Sustainability and Strategic Stakeholder Engagement, GAR.

[TTP](#) offers buyers certainty as to exactly where and how the palm oil was grown. The TTP engagement process also helps transform the supply chain by helping suppliers including smallholders adopt and improve responsible practices, and is in line with [UN Sustainability Development Goal 12](#) - Responsible Consumption and Production. It also boosts smallholder livelihoods by increasing their access to markets.

The [Ksatria Sawit Programme](#) which was launched in 2019 is one example of this successful collaboration. Working with agtech company, [Koltiva](#), GAR aims to reach areas where suppliers are buying predominantly from smallholders, rather than big plantations, and then educates those suppliers on how to trace the many agents and farmers they source from.

“The programme focuses on encouraging and enabling suppliers to implement traceability in their operational processes. We introduce them to our partner, Koltiva, to provide suppliers with in-depth knowledge and information on the process of supply chain mapping and how to use the app and software to accurately verify a product’s source. Koltiva will then work closely with the suppliers to map their supply chain,” said Purnomo.

In 2019, the Ksatria Sawit workshops attracted more than 200 participants in eight cities in Indonesia including Indragiri Hulu, Pekanbaru, Medan, Lampung, Bangka, Jambi, Bangko, and Pasaman. Through this over 60 mills, 1,200 dealers and 50,000 farmers across Indonesia are now committed to producing fully traceable palm oil.

GAR continues to work with current suppliers through existing engagement programmes including a nationwide supply chain forum, [SMART SEED](#), held in Pekanbaru, and a regional-scale sustainable training program, SMART SPOT (Sustainable Palm Oil Training) in Pangkalan Bun, Aceh Singkil, and Langkat.

The company also conducts tailored training programmes based on requests from individual suppliers and the programme, called SMART STAR, was run for two suppliers in 2019. GAR maintains a schedule of regular site visits to its suppliers and visited 160 mills from 2015 to 2019. All these efforts are key contributions to transforming not only GAR’s own palm oil supply chain but also the wider Indonesian industry.

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About Golden Agri-Resources Ltd (GAR)

GAR is one of the leading palm oil plantation companies with a total planted area of 498,395 hectares (including plasma smallholders) as at 31 December 2018, located in Indonesia. It has integrated operations focused on the production of palm-based edible oil and fat.

Founded in 1996, GAR was listed on the Singapore Exchange in 1999 and has a market capitalisation of US\$2.3 billion as at 31 December 2018. Flambo International Limited, an investment company, is currently GAR's largest shareholder, with a 50.35 percent stake. GAR has several subsidiaries, including PT SMART Tbk which was listed on the Indonesia Stock Exchange in 1992.

GAR is focused on responsible palm oil production. In Indonesia, its primary activities include cultivating and harvesting of oil palm trees; processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; refining CPO into value-added products such as cooking oil, margarine, shortening, biodiesel and oleo-chemicals; as well as merchandising palm products throughout the world. It also has operations in China and India including a deep-sea port, oilseeds crushing plant, production capabilities for refined edible oil products as well as other food products such as noodles.

For more information, please contact:

Media enquiries

Wulan Suling

T: +62 818 909 900

Email: wulan.suling@sinarmas-agri.com