Particulars

Organisation Name	R.E.A. Holdings Plc
Corporate Website Address	http://www.rea.co.uk
Primary Activity or Product	Oil Palm Growers
Related Company(ies)	None
Country Operations	Indonesia
Membership Number	1-0045-07-000-00
Membership Type	Ordinary Members
Membership Category	Oil Palm Growers
Primary Contacts	Mr Geetha Govindan Address: 1st Floor, 32-36 Great Portland Street London United Kingdom W1W 8QX
Person Reporting	Sophie Persey

Related Information

Other information on palm oil:

In February 2013, REA published its first carbon footprint report. This described the net GHG emissions associated with the production of palm oil from REA's two longest established mills, which was calculated using the RSPO PalmGHG tool.

In late July/early August 2013, REA will publish its first sustainability report. This has been produced in accordance with the Global Reporting Initiative framework.

Both reports are/will be available to download on REA's website (Click here to visit the URL)

Reporting Period

01 January 2012 - 31 December 2012

Oil Palm Growers

Operational Profile

1. Main activities as a palm oil grower

- Palm oil grower & miller
- Palm oil mill/palm kernel crusher operator

Operations and Certification Progress

2. Total landbank available

2.1. Total landbank licensed

70584

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2.2. Total landbank for oil palm cultivation

44765

2.3. Total landbank for conservation

20211

3. About your estate operations

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3.1. Total area of estate plantations - planted

31801

3.2. Mature area

26688

3.3. Imature area

5113

3.4. Area certified

34489

3.5. Number of estates/Management Units

2

3.6. Number of estates/Management Units certified

2

4. In which countries are your estates?

4.1. Indonesia

Kalimantan Timur

4.2. Malaysia

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4.3. Other

5. Schemed smallholder operations that supply your organisation

5.1. Area of scheme smallholder plantations - planted

5299

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5.2. Area of scheme smallholder plantations that are certified

3481

6. New plantings and developments

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6.1. Area planted in this reporting period

1924

6.2. Have New Planting Procedures notifications been submitted to the RSPO for the plantings this year?

Yes

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7. Third party Fresh Fruit Bunches sourcing

7.1. Tonnes of outside FFB purchased from sources that are not company, scheme smallholders or contracted outgrowers

11883

7.2. How much of this is certified?

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8. Fresh Fruit Bunches processing operations

8.1. Number of Palm Oil Mills operated

3

8.2. Number of Palm Oil Mills certified

2

8.3. Number of Palm Kernel crushers and/or Palm Kernel mills operated
2
8.4. Number of Palm Kernel crushers and/or Palm Kernel mills certified
1
9. Total Fresh Fruit Bunches processing production capacity
9.1. Total annual Crude Palm Oil production capacity
151516
9.2. Total annual Palm Kernel production capacity
30734
9.3. Total annual Palm Kernel Oil production capacity
11549
9.4. Total annual Certified Crude Palm Oil production capacity
121587
9.5. Total annual Certified Palm Kernel production capacity
24476
9.6. Total annual Certified Palm Kernel Oil production capacity
9342
9.7. Total annual FFB production capacity
597722
Marketing

10 Which supply chain options do you sell RSPO-certified palm oil products through?

Book & Claim

Time-Bound Plan

11 Date of first RSPO estate certification (planned or achieved)

2011

12 Time-bound plan - Year expected to achieve 100% RSPO certification of estates

2020

13 What are your interim milestones towards achieving RSPO certification commitment (year and progressive CSPO%)

2015: Undertake an RSPO audit for Satria Oil Mill (which was commissioned in the third quarter of 2012) and its supply base, which includes the northern estate of PT SYB and the PT. KMS estates. Once this has been achieved, 35,497Ha of the 44,765Ha (79%) within the REA group's existing land bank which is considered to be suitable for development with oil palm will be RSPO certified.

2019: Undertake an RSPO audit for PT. PBJ. At present, only approx 327Ha of the 6,800Ha considered to be suitable for development within this concession have been planted with oil palm and there is not yet a REA mill in close enough proximity to process the FFB produced at this site. It is the group's intention that an RSPO audit will be undertaken 1 year after a mill is commissioned at this site. According to current business plans commissioning of a mill at the PBJ site is due to take place in 2018. Achieving RSPO certification for PT. PBJ would result in 42,297Ha of the 44,765Ha (94%) within the REA group's existing land bank which is considered to be suitable for development with oil palm being RSPO certified.

2020: Undertake an RSPO audit for PT. CDM. To date, development within this concession has been limited and there is not yet a REA mill in close enough proximity to process the FFB produced. According to current business plans, a mill will be commissioned at this site in 2019. Therefore, it is the intention that this site would undergo an RSPO audit within 1 year of the mill being commissioned. Achieving RSPO certification for this site would result in 100% of the land considered suitable for development with oil palm within REA's existing land bank being RSPO certified.

Timebound plan - Year expected to achieve 100% RSPO certification of associated smallholders and outgrowers)

2015

14 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)

It is REA's intention to obtain RSPO certification for the existing plasma and PPMD scheme oil palm plantings that supply REA's 3 existing palm oil mills by the end of 2015. Achieving this would result in 95% of the area that has been planted under REA's plasma and PPMD schemes to date being RSPO certified.

REA is planning to expand the area planted under both its plasma and PPMD schemes in the next few years. Targets for obtaining RSPO certification for these areas will be developed once the timeline for planting/development of these areas is known.

15 Time-Bound plan - Year expected to achieve 100% RSPO certification of independently sourced FFB

2015

16 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)

We are currently in the process of producing an inventory of all the independent smallholders that provide us with FFB. We have also engaged remote sensing specialists to produce mapsyo help us to identify potential areas of immature smallholder oil palm plantings in the area surrounding REA's mills. This will inform ground truthing. Since REA is the only palm oil company operating mills within an area of approx 100km, we will be obliged to accept FFB from all of these independent smallholders once their plantings mature. Therefore, we are conscious that we need to engage these smallholders as soon as possible.

The next step will be to socialise the RSPO standard to these independent smallholders and establish farmer groups.

Once farmer groups have been established, we can then design and implement a training programme to assist them to comply with the RSPO standard in order that they are ready to undertake an RSPO audit by 2020.

17 Which countries that your organization operates in do the above commitments cover?

Indonesia

Actions for Next Reporting Period

18 Outline actions that will be taken in the coming year to advance your plans for certification

- Undertake an internal RSPO audit of Satria oil mill, PT. SYB northern estate and PT. KMS to identify the actions necessary to bring these areas in line with the RSPO standard.

- Invest in the infrastructure necessary to bring these areas, which are still in the process of being developed, into line with the RSPO standard.

- Implement a training programme for REA's associated smallholders to educate them about the RSPO standard and ensure that their practices comply with this standard.

19 Outline actions that will be taken in the coming year to promote sustainable palm oil

Participation in national and international meetings, workshops and conferences to disseminate information regarding various actions that REA is undertaking in an effort to produce palm oil in a sustainable manner. Examples include:

- Presentation on carbon footprint reporting at the CSR Asia conference in Bangkok (September 2013)

- Presentation on the process of producing a sustainability report to the Tropical Growers Association in London (October 2013).

20 Does your company have a public commitment relating to the GHG emissions of your operations?

Yes

Public commitment relating to the GHG emissions report:

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21 Do you publicly report the GHG emissions of your operations? - Existing operations (as per Criterion 5.6)

Yes

Report the GHG emissions of operations - existing operations (as per Criterion 5.6)

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21 Do you publicly report the GHG emissions of your operations? - Expected emissions associated with new plantings

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Report the GHG emissions of operations - Expected emissions associated with new plantings (as per Criterion 7.8)

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Reasons for Non-Disclosure of Information

22 If you have not disclosed any of the above information, please indicate the reasons why

Data Unknown

Reasons

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Challenges

1. Significant economic, social or environmental obstacles

- We have yet to find a buyer which is willing to purchase our RSPO certified CPO and PKO through the mass balance scheme, even though we obtained Supply Chain Certification over a year ago.

2. How would you qualify RSPO standards as compared to other parallel standards?

No	
Robust:	
Yes	
Simpler to Comply	to:
No	