

## PRESS RELEASE

### Financial Access publishes Research Paper

#### “Current practices and innovations in smallholder palm oil finance in Indonesia and Malaysia

##### Long-term financing solutions to promote sustainable supply chains”

Amsterdam, 26 October 2017 – Financial Access, together with SNV Netherlands Development Organisation, has undertaken profound research on **past and current policies and financing schemes for oil palm smallholders in Indonesia and Malaysia** and prepared a **research paper** and an **info brief** which have been published by the Center for International Forestry Research (CIFOR).

The outcomes of these models for smallholders were also evaluated, in terms of **income security, sustainable practices** and **environmental impact**. Finally, financing schemes that could contribute to more sustainable smallholder oil palm development were analyzed, and compared to past and existing schemes. The focus of this study is on past and current policies and smallholder financing schemes, who play a crucial role in the palm oil production industry and account for the **vast majority of oil palm cultivation** in Malaysia, and even more so in Indonesia.

The report proposes potential models to increase the **mobilization of long-term finance to smallholders in the palm oil sector**. Furthermore, it identifies and reflects on the **key enabling conditions** that would help overcome the bottlenecks in smallholder long-term financing and **create an enabling environment** for sustainable oil palm investments. These are: 1) incentives to **meet sustainability requirements** including **Good Agricultural Practices, RSPO certification** and **deforestation-free production**; 2) **land tenure security**; 3) **improved market**

**linkages** between smallholders and mills; 4) **support for FSPs** to assess and manage risks; and 5) strong and effective **smallholder organizations**.

The full research paper and an info brief have been published by the Center for International Forestry Research (CIFOR) and are available at:

- Research Paper:  
<https://www.cifor.org/library/6612/current-practices-and-innovations-in-smallholder-palm-oil-finance-in-indonesia-and-malaysia-long-term-financing-solutions-to-promote-sustainable-supply-chains-2/>
- Infobrief:  
<https://www.cifor.org/library/6585/current-practices-and-innovations-in-smallholder-palm-oil-finance-in-indonesia-and-malaysia-long-term-financing-solutions-to-promote-sustainable-supply-chains>

## Financial Access

Financial Access (FA) is a financial services firm primarily active in East and West Africa and Southeast Asia, with expertise in agricultural and supply chain finance, and banking operations. FA provides financing and advisory services via operational hubs in Amsterdam, Nairobi, Kampala, Jakarta and Bangkok. FA was taken private from ING Bank via a management buy-out in 2007 and has executed more than 250 advisory mandates in over 40 countries. The impact of FA's activities is socially and environmentally responsible and commercially sustainable.

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