

Asian Agri Indonesia

Sectors: Agriculture for Palm Oil

● On record

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| Sectors | Agriculture for Palm Oil |
| Headquarters | |
| Ownership | Asian Agri is part of the Royal Golden Eagle group (see profile) and is privately held. |
| Subsidiaries | PT Inti Indosawit Subur – Indonesia |
| Website | http://www.asianagri.com/ |

About Asian Agri

Asian Agri is an Indonesian palm oil company, founded in 1979 by Sukanto Tanoto, a tycoon who also has interests in the paper, pulp, oil & gas industries through the Royal Golden Eagle group of companies. It is among the world's leading producers of palm oil, employing some 25,000 people. It manages 28 oil palm plantations in Sumatra covering a total of 160,000 hectares of land. The company greatly benefited from the government's transmigration scheme especially in Riau and Jambi.

Asian Agri's subsidiary PT Inti Indosawit Subur has been a [member](#) of Roundtable on Sustainable Palm Oil (RSPO) since 2006. In 2011, its Buatan estate received the RSPO certification. It plans to be 100% certified by 2018.

The company has a [zero burning](#) policy and in September 2014 it committed to a [moratorium on forest clearance](#) and new peatland development until the following assessments have been made and conservation and management plans have been developed and implemented: a HCV and HCS forest assessment, peatland mapping and assessment and social conflict mapping/SEIA.

For a list of 12 subsidiaries, click [here](#).

Impacts

Environmental and climate impacts

In 2013 WWF published a [report](#) which documents how Asian Agri purchased palm oil fruit that was illegally grown within the boundaries of the Tesso Nilo Forest Complex, an area that includes Tesso Nilo National Park and surrounding forest concessions where it is illegal to plant palm oil.

The company has for many years been involved in driving deforestation. In response to pressure from customers and Greenpeace, Asian Agri adopted a moratorium on clearing HCV and HCS, including peat in line with the standard definition used by Wilmar, GAR, Cargill and others. However, Asian Agri's parent company Royal Golden Eagle continues to engage in extensive deforestation, and implementation needs to be monitored as well.

Other impacts

Asian Agri and its owner, Sukanto Tanoto, were involved in [major tax fraud](#). This case is reported to be the biggest tax evasion case in Indonesian history; the verdict requires the RGE-controlled Asian Agri Group to pay fines of US\$ 448 million. A number of company officials were sentenced with up to 11 years in prison.

Governance

Updates

Financiers
