

Cargill invests \$200 M for new palm oil refinery in Indonesia

03 June 2021 | News

Cargill is building a new \$200 million palm oil refinery in Lampung, Indonesia, which will accelerate Cargill's efforts to develop a sustainable palm supply chain and provide verified deforestation-free products to customers.



With the new refinery, Cargill will be able to meet customers' evolving expectations around sustainability and transparency by guaranteeing traceability to plantation and improved product quality standards.

Cargill is building a new \$200 million palm oil refinery in Lampung, Indonesia, which will accelerate Cargill's efforts to develop a sustainable palm supply chain and provide verified deforestation-free products to customers.

The new refinery will play a key role in connecting sustainable crude palm oil production in Indonesia to demands in North America and Europe through a fully integrated supply chain from plantation to customer.

With the new refinery, Cargill will be able to meet customers' evolving expectations around sustainability and transparency by guaranteeing traceability to plantation and improved product quality standards.

Palm oil, an important ingredient in nourishing the world's population, has experienced strong demand in recent years, with Indonesia as the largest producer and exporter. Palm oil is a high-yielding and highly versatile oil that is not only used as cooking oil, but also used to create flavor and texture in many foods, and works as a stabilizing, binding, and foaming agent in many everyday household products.

Construction for the new state-of-the-art facility has commenced and operations are expected to be completed in late 2022. Palm oil from the Lampung refinery will be produced according to the principles set out in Cargill's Policy on Sustainable Palm Oil and will help provide greater transparency through increased traceability-to-plantation.

"This project is a key step for Cargill to increase the availability of sustainably sourced and produced edible oil ingredients for our customers, helping Cargill to fulfil its purpose to nourish the world safely, responsibly and sustainably," said Robert Aspell, President of Cargill Asia Pacific. "In addition, this fully integrated supply chain offers our customers assurance that stringent production requirements and the highest product quality are achieved."

The refinery project in Lampung builds on Cargill's mission to provide greater insight into the local and global palm supply chain and will further strengthen Cargill's position as a supplier of choice for sustainable palm oil.