

PRODUCTIVE ALLIANCES

Association and inclusive business models for rural areas, where the private sector plays a critical role in the development and formalization of the countryside.

BENEFITS

For small, medium and large producers-scale

Ease of access to financial services because the company supports loans.

Integration of smallholders to the higher links of the supply chain

- Long-term commitment that leads to stability.
- Strengthens the producers' organizations.
- Formal employment and investment opportunities.

Access to loans, inputs, information and greater protection against price volatility.



CHARACTERISTICS

Joint work between small and medium-scale producers with the milling companies (anchor companies), seeking mutual benefit. The anchor companies ensure the market and transfer technology.

BENEFITS

FOR ANCHOR COMPANIES

Reduce transactions costs, achieve a supply of commodities, develop new business lines (technical assistance), and improve their relationship with the community.

COMPANIES

The constant competition for provisioning encourages the companies to develop loyalty strategies and strengthen alliances.

4,500

small scale producers with greater social and economic inclusion.

Over 133

association schemes between small, medium and large-scale producers

SOCIAL BENEFIT OF OIL PALM

For every 1% increase in the planted area, there is a

ENVIRONMENT

6,7% increase in per capita public investment

HEALTH CARE

1,99% increase in affiliates to the health care system

ASSOCIATION AND INCLUSIVE BUSINESS MODELS

Which allow small-scale producers to access financial services, revolving loans, social security, improve their homes, etc.

EDUCATION

2,69% ↑ **2,08%** primary and secondary

INCOME GENERATION

0,9% increase in terms of minimum wages.

ILLEGAL CROPS*


A 1% increase in the planted area is related to a

14% reduction in the hectares planted with coca (except for Tumaco and Tibú).

* in municipalities with no large extensions of palm

LABOR FORMALIZATION

For every **10%** increase in the planted area,

The labor formalization rate increased by **3,33%** 

GREATER INSTITUTIONAL PRESENCE

As it is a highly formal crop,



oil palm is related to a higher presence of service provision

public and private entities and institutions.