



GROWING A BETTER PLANET



Collins Higgins Commodities
wins the 2025 Award for
advancing sustainable cinnamon
farming in Indonesia.

AWARD WINNER 2025

Sustainable, traceable cinnamon supply chains in Indonesia

FSA CASE STUDY BY COLLINS HIGGINS COMMODITIES



Siregar, a cinnamon farmer in Huta Rimbaru, North Sumatra, observes his 15-year-old tree.



Overview

Collins Higgins Commodities (CHC) was registered as a PMA¹ (Foreign Owned Entity) in Indonesia in 2014. Since 2017, CHC has been researching and managing Indonesian cassia/cinnamon (*Cinnamomum burmannii*) supply chains. The company directly manages early stage of the supply chain from farmers to export through local CHC teams living within the sourcing communities.

In 2020, CHC became the first company in Indonesia to achieve verification under SAI Platform's Farm Sustainability Assessment (FSA) across all commodities, and the first globally to receive FSA verification for cinnamon. Today, CHC works with more than 900 FSA-verified farmers across six Farm Management Groups, using the FSA Silver level as its benchmark for sustainable sourcing.

CHC's quality, sustainability, and traceability teams are based in the heart of Indonesia's cassia-producing regions, Kerinci and West Sumatra on the island of Sumatra, while its buying team, laboratory, factories, and export operations are located in Medan.

¹ PMA is an acronym for the term 'Penanaman Modal Asing'. A PMA is a company in Indonesia which either has partial or complete ownership by foreigners.

Use of the FSA

In 2020, during the onset of COVID, CHC began its sustainability journey through project support from McCormick and the Indonesian Spice Trade Alliance. The initial purpose of introducing the FSA to farmers was to meet McCormick's Purpose Led Performance Sustainability Goal of 100% sustainably sourced branded cinnamon by 2025.

Leading customers of McCormick were increasingly insisting on sustainably sourced spices. This business objective has now been achieved through CHC using the FSA.

By 2023, CHC's sustainability initiative had transformed into a commercial business model delivering lasting impact by using the FSA. CHC can now trace back to the farm level every pallet (8 sacks or 480kg) of sustainably sourced raw material cinnamon that is shipped to customers normally in 25 tonne lots.

Sustainability Initiative Pillars

The FSA has paved the way for CHC to engage with their cinnamon farmers and wider communities in an approach that broadens this sustainability initiative.

CHC's sustainability initiative is founded on the following pillars:

- **Education and Training** - Empowering more women with business skills in the supply chain.
- **Sustainable and Traceable Supply Chains** - Supporting the regeneration and quality improvement of sustainably sourced and traceable raw materials.
- **Clean and Reliable Supply Chains** - Reducing contamination in the raw material supply chain.

FSA Impact Highlights

- **Women's Empowerment Initiative** - 280 women received training in business and financial management. As a result, 15 individuals or groups established cinnamon nurseries to supply seedlings to FSA farmers.
- **Strengthened Record Keeping** - Farmers and suppliers now maintain more accurate sales records, enabling better profit tracking and financial planning.
- **Chemical Residue Management** - Training on minimising contamination from nearby crop chemicals has led to a measurable 10% reduction in chemical residues across the supply chain.
- **Enhanced Post-Harvest Practices** - Farmers adopting improved drying techniques for cinnamon—achieving optimal moisture levels—have seen up to a 5% increase in returns.
- **Pay Equity** - The programme promotes and upholds equal pay for equal work across all roles.
- **Quality Improvement** - Adoption of best post-harvest practices has increased the percentage of in-spec cinnamon by 20%.
- **Community-Based Sourcing** - FSA farmers now source seedlings from local women-owned nurseries, reinforcing community support and economic inclusion.
- **Sustainability Milestone** - McCormick achieved its publicly stated PLP sustainability goal for cinnamon in 2025.

Collaboration and Leadership

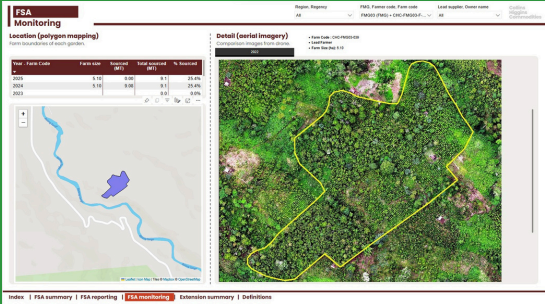
CHC has played a pivotal role in promoting sustainable cinnamon sourcing in Indonesia through the Farm Sustainability Assessment (FSA). From 2020 to 2023, CHC led on-the-ground implementation of FSA under the USDA-funded Indonesian Spices Trade Alliance. This initiative marked the first and only FSA programme for cinnamon in the region at the time.

In Kerinci (2022–2023), CHC collaborated with the Kerinci Regency Government and the Ministry of Forestry's local Farm Management Unit. For the 2024–2025 expansion into West Sumatra, CHC partnered with the Strengthening of Social Forestry (SSF) Project—an effort backed by the Indonesian government and the World Bank's Global Environment Facility (GEF)—to integrate FSA with women's empowerment and community-led forest management.

Since CHC's pioneering work began, at least three other cinnamon sourcing companies have adopted FSA verification in Indonesia. This progress reflects not only CHC's leadership but also the deep collaboration between its field teams and local farmers committed to sustainable practices.

Innovative Interventions

CHC uses a scientifically developed allometric model—created in partnership with McCormick—to allocate purchase quotas to FSA farms by estimating cassia bark yield from live trees. This approach strengthens confidence in the authenticity of FSA-verified cinnamon for both farmers and consumers.



To manage FSA data, CHC built an in-house digital system for recording, traceability, and monitoring. Farmer privacy and data ownership are respected, with all participants in Farm Management Groups (FMGs) briefed on informed consent and media use during FSA training.

CHC's drone team conducts time-series imaging of cinnamon gardens to verify cultivated areas, harvest volumes, and purchasing data against assigned quotas.

The Role of the FSA in CHC's Future

The structure of Farm Management Groups (FMGs) within the FSA framework forms the backbone of CHC's system for managing cinnamon supply and traceability in Indonesia. Training and data from FSA farmers have been instrumental in meeting emerging requirements—particularly around identifying and mitigating human rights risks in the cinnamon supply chain.

Beyond cinnamon, CHC is now being approached to extend FSA implementation to white pepper farmers in Bangka Island and cacao farmers in Sulawesi, in preparation for the European Union Deforestation Regulation (EUDR) traceability standards.

Looking ahead, CHC envisions three key outcomes:

- Continued consumer demand for sustainably grown, farmer-traceable spices from Indonesia.
- Greater farmer recognition of the benefits of verified sustainable practices.
- CHC's expansion as a benchmark for traceability integrity through its internal FSA monitoring system.



From left to right: Zera Inoriani, Susi Daniati, Elrawati and Super attend an Advanced Loan Management training session during the Women's Empowerment 1 program in Sungai Penuh, Kerinci Regency, Sumatra.