ABSTRACT

PT Andira Agro Tbk is an Indonesian palm oil company facing price volatility, declining financial performance, and rising market demands. These conditions have prompted the company to seek new market opportunities, specifically through expansion into the Dutch market. The Netherlands holds a strategic position as a gateway to European trade via the Port of Rotterdam and possesses a cosmetics and personal care market valued at approximately €3.8 billion in 2024. However, market access is subject to increasingly stringent requirements, particularly regarding the European Union Deforestation Regulation (EUDR), traceability, and sustainability certifications such as the Roundtable on Sustainable Palm Oil (RSPO) and International Sustainability and Carbon Certification (ISCC). This study aims to formulate a market entry strategy for PT Andira Agro Tbk to enter the Dutch cosmetics and personal care industry with palm kernel products, taking into account market demand, regulations, sustainability standards, and competitive conditions. The study employs a mixed-methods design, combining quantitative and qualitative approaches. Research data was primarily obtained from secondary sources, including academic literature, industry reports, international trade databases, EU regulatory documents, and PT Andira Agro Tbk's annual and sustainability reports. Primary data was also collected through a survey of 11 professionals holding positions in procurement, supply chain, and sustainability within the Dutch cosmetics and personal care industry. Analysis was conducted using several strategic frameworks: PESTEL, Porter's Five Forces, the Resource-Based View (RBV), SWOT, gap analysis, and market entry strategy analysis. These approaches were used to analyze the company's internal conditions, market attractiveness, competition, regulatory and sustainability requirements, export readiness, and the gap between the company's capabilities and the needs of the Dutch market. Research findings indicate that the Netherlands represents a market with commercial potential for PT Andira Agro Tbk, with estimated demand for palm kernel oil (PKO) in the cosmetics sector ranging from 23,000 to 25,000 metric tons (MT) annually projected to rise to 33,000–35,000 MT by 2030. However, the company is not yet prepared for direct market entry due to gaps regarding RSPO and ISCC certifications, EUDR-compliant traceability systems, relationships with EU buyers, and the company's capacity and position within the value chain. Survey results show that 91% of respondents require RSPO certification, while 82% consider sustainability certification a "must-have" criterion. Consequently, the recommended approach is a two-phase strategy: a domestic preparation phase encompassing the acquisition of RSPO certification, implementation of EUDR-compliant traceability systems, expansion of production capacity, and an evaluation of PKO processing feasibility followed by a market entry phase involving partnerships with Dutch trading partners and targeting mid-scale oleochemical processors. This strategy is expected to mitigate market entry risks while simultaneously building the company's capabilities to secure sustainable access to the European market.

Keywords: *Market Entry Strategy, PT Andira Agro Tbk, Netherlands, Palm Kernel, Cosmetics and Personal Care, Sustainability Certification, EUDR.*