



PRESS STATEMENT

Workers' and Labour Rights Are Protected Under the MSPO Scheme but there are Cultural and Socio-Economic Challenges In Malaysia

1. The Malaysian Palm Oil Certification Council (MPOCC) views the US ban against a Malaysian plantation company over forced labour allegations with great concern.
2. News reports have stated that US Customs and Border Protection (CBP) agency have blocked entry of palm oil products over forced labour allegations after a year-long investigation that alleges abuse, deception, physical and sexual violence, intimidation and threats and the retention of workers' identity documents.
3. Under the Malaysian Sustainable Palm Oil (MSPO) certification scheme, which is mandatory across the board for the industry, there are clear and strong requirements on workers' rights and health and safety and that no forms of forced or trafficked labour are used.
4. In addition, all MSPO certificate holders must abide by Malaysian laws and regulations which includes the Immigration Act 670 and Anti-Trafficking in Persons and Anti-Smuggling of Migrants Act (2007) (ATIPSOM).
5. As independent third parties, the Certification Bodies (CBs) who certified the affected entity would have to investigate this matter and upon the findings of the investigation, action can then be taken.
6. Any violations of the principles and criteria under the MSPO certification that are substantiated may result in the certification being suspended or revoked all together.
7. However, it is a cultural norm in the rural Asian and Malaysian communities, for children to accompany their parents or guardians at work in the agricultural sector during off-school hours for social safety reasons, especially if both parents work at the same time and place. In this circumstance, they may wish to help their parents to pick some loose fruits. This shall not be misconstrued



as forced or child labour which is not allowed under the Employment Act 1955 and further stipulated in Act 670.

8. An outright ban on the palm oil imports does not just penalise and hurt the entity involved. In reality, it affects the livelihood of the smallholders and settlers who works hard on the small piece of land allocated to them to put food on the table and to send their children to school.
9. A more holistic solution would be for the concerned stakeholders to engage with the industry players and regulatory agencies to follow through on the issues raised and to seek realistic and sustainable solutions.
10. MPOCC will continue to monitor the development of these allegations while contributing proactively towards strategic solutions to solve the labour issues in the palm oil industry. This is part of the continual efforts to rebuild the reputation of the palm oil sector.

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