Journey towards MSPO: Challenges faced by the Plantation Sector

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Overview of the presentation

Introduction to MPOA

Challenges faced

What’s next

Our commitment
Introduction to MPOA

MPOA represents 117 plantation companies, which account for 1.87 million ha or 40% of the total planted oil palm area in Malaysia.
• Provide representation for the industry at both domestic and international levels.
• Lobby the special interests and needs of the industry.
• Provide long term strategic thinking and direction
• Shape R&D policies and priorities
• Support national marketing and promotion efforts
• Disseminate industry-relevant information to members
## MPOA Membership According to States

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<thead>
<tr>
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<td>Negeri Sembilan</td>
<td>2</td>
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<td>5</td>
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<td>12</td>
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<td>16</td>
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<td>16</td>
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<td>Perak</td>
<td>17</td>
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<tr>
<td>Kuala Lumpur</td>
<td>18</td>
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MPOA members are the biggest contributor to MSPO ha in Malaysia

Total ha of MSPO certified planted area: 1.24 million ha (Oct 2018)
MPOA Security Services

MPOA Securities has 50 member companies with a total of 588,000 ha
Challenges faced

What are the challenges faced by the plantation sector?
Issues and challenges faced are mainly by the medium and smaller plantations.
1. Mindset of the industry

“Why do I have to do this?”

“What do I get from being MSPO certified?”

“Who is going to cover the cost?”

“We feel like we are being punished”
Certification is to acknowledge that we are on the right path and to announce to the world that we do not compromise the sustainability of our industry.
2. Lack of resources

- Time
- Finance
- Workforce and experienced personnel
3. Documentation

Lack of proper documentation

- Many are unaware of documents /requirements needed for auditing.
- Lack of competent personnel leads to lack of proper documentation
4. Branding

- Not fully convinced yet
5. Legality

Land title

There are still some plantation owners with legal land title issues due to heritage/ownership transfers.

Land encroachment

Oil palm plantations encroaching rivers/ very close to riverbanks – no bufferzone
6. General awareness of MSPO

Yes, this is still a BIG issue

- Though much has been done for the industry, reaching out to the whole industry is still insufficient.
What’s next

MPOCC was invited to give a briefing on MSPO at all MPOA Branch AGM’s.

This was successfully conducted throughout this year. There were many Q&A during the sessions.
MPOA members have also taken initiatives to educate surrounding estates (mainly smallholders) by conducted sharing sessions on MSPO processes and good field practices.
Our commitment

MPOA is fully committed towards MSPO.

All our members look forward to being fully certified before the 2019 deadline.
Something to ponder on:

- How is the industry going to address those who are not certified by the end of the deadline?
Thank you