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## MEDIA STATEMENT FROM THE MALAYSIAN PALM OIL NGO COALITION (MPONGOC)

## MALAYSIAN NGOs WANT RSPO'S NOVEMBER MEETING TO STOP THE WRANGLING AND MAKE THE VISION WORK

**KOTA KINABALU**, 6<sup>th</sup> September 2013: The Malaysian Palm Oil NGO Coalition (MPONGOC) is increasingly concerned over rumblings that key players plan to exit the Roundtable on Sustainable Palm Oil (RSPO), describing the Roundtable's annual meeting this November as a "make or break" session.

MPONGOC sees the RSPO as a credible solution to many issues related to the development of the global palm oil industry, despite criticisms against it by some stakeholders.

The Coalition also reacted to news of the launch of the Malaysian Sustainable Palm Oil (MSPO) by next year, saying that promoters of the scheme have yet to grasp the entire array of Malaysian concerns over unfettered oil palm expansion.

"The RSPO concept is that standards are set through a global stakeholder consultation process and therefore accepted internationally. Main stakeholders who do not accept the RSPO standards are some local producers who are not willing to put in the extra efforts and costs needed to raise their social and environmental standards, and extreme western NGOs who want to ban any oil palm expansion.

"Almost everyone else trusts the RSPO concept, the process, the system and the standards. MPONGOC is concerned that the MSPO standards, which are touted as being cheaper to implement, may side-step the hard things that need to be done.

"Also, the MSPO process did not engage with civil society, so may not necessarily be perceived globally as transparent and therefore buyers of Malaysia's palm oil are unlikely to accept such standards as legitimate," the Coalition said in a statement.

Elaborating the Coalition's stand, Indigenous Peoples Network of Malaysia (JOAS) President Thomas Jalong said any Malaysian standard as proposed via MSPO must fully reflect the voices and aspirations of the Malaysian people and in particular its indigenous communities and civil society through rigorous and sustained engagement with MPONGOC.

He cited the recently released Human Rights Commission of Malaysia (SUHAKAM) National Inquiry Report into the Land Rights of Indigenous Peoples in Malaysia that stressed the need to recognise indigenous customary rights to land as being critical in protecting and promoting human rights.

"Based on statements recorded from witnesses, the Inquiry found land rights violations that involved the palm oil industry to be significant, including allegations of encroachment into Native Customary Rights land without the community's knowledge or without free, prior and informed consent.

"The need for policy towards people-centred inclusive sustainable development is one of 18 key recommendations that the Report made," Jalong said.

Apart from JOAS, other groups that make up MPONGOC are Borneo Rhino Alliance (BORA), Bornean Sun Bear Conservation Centre (BSBCC), Land Empowerment Animals People (LEAP), Malaysian Nature Society (MNS) Sabah branch, Partners of Community Organisations (PACOS) Trust and WWF Malaysia. The Borneo Conservation Trust (BCT) is an observer.

MPONGOC aims to influence land use policy and decision making, and is also working towards advocating consumer responsibility, apart from objectives that include building capacity for smallholder verification and best practices and supporting community-based organisations to engage with the industry on their own terms.

MPONGOC acknowledged that while RSPO standards have some gaps, it should not cause stakeholders to abandon the model whilst waiting for a perfect solution. The RSPO is an international multi-stakeholder organisation and certification scheme that aims to transform markets to make sustainable palm oil the norm.

BORA Executive Director Datuk Dr Junaidi Payne said on the one hand many western NGOs have been unduly critical of RSPO, imagining irrationally that all the issues associated with expansion of oil palm plantations could be solved within a few years.

"On the other hand, some of the highly profitable palm oil producers remain unduly recalcitrant, still cutting corners and avoiding implementation of the most difficult RSPO criteria and guidelines.

"MPONGOC also wishes to remind the major buyers and users of palm oil that there is still weakness in efforts to insist on and purchase palm oil produced to high social and environmental standards," he said.

He said the original intent of the RSPO concept as a voluntary multi-stakeholder effort to uplift standards and halt conversion of high conservation value forest to mono-culture, has been lost

"You cannot change corporate culture and practices other than by a sustained and genuine collaborative effort.

"The leaders of corporations must realise that maximising shareholder profit is a valid goal in-house, but is not realistic long-term as the sole corporate function of the entire industry," Junaidi said.

LEAP Executive Director Cynthia Ong said the Malaysian government has been slow to see the potential benefits of the RSPO model and standards.

"One cannot indefinitely blame western NGOs for calling for better standards while pretending that the calls are merely a plot by producers of other vegetable oils.

"We Malaysians also want to see enhanced standards in the industry that is our second biggest land user after natural forests," she said.

It was previously reported that palm oil effluents (POME) are choking the Kinabatangan
River, and that 40,000 hectares of forest reserves in Sabah have been encroached by illegally
planted oil palm.

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