



**M P O C**

# **Countering misperceptions of Malaysian palm oil: where are we headed?**

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# Presentation

1. What are the most pressing current misperceptions?
2. Way Forward: What is Malaysian palm oil industry doing to address these misperceptions?
3. Follow up discussions & debate in Roundtable

# 1. Environment/Sustainability

## Palm oil industry is causing wanton destruction of forests

Parameter	Total emissions in 2010	NGOs' statements
Total emissions*	49 Gt CO <sub>2</sub> eq/yr (100 % )	-
Fossil fuel usage*	32.5 Gt CO <sub>2</sub> /yr (66.4% )	-
Agriculture, Forestry & other land use (AFOL)*	11.8 Gt CO <sub>2</sub> /yr (24%)	-
Soya ( 1.13m ha of land cleared in 2010)**	0.0746 Gt CO <sub>2</sub> /yr (0.15%)	
Oil palm( 0.631 m ha of land cleared in 2010)**	0.0416 Gt CO <sub>2</sub> /yr <b>(0.08% of total emission )</b>	<ul style="list-style-type: none"> <li>•Tropical deforestation contributes to <b>18%</b> of GHG emissions</li> <li>•Clearing 300 soccer fields per hour</li> <li>•By 2022, 98% of forest in Indonesia will be destroyed due to OP cultivation</li> <li>•9m ha of oil palm area in Indonesia will expand to 25 m ha in 2025 (nearly 3X more In 10 years!!)</li> </ul> Source: ***

**CONTRADICTIONARY VIEW: OIL PALM FIELDS IN WORLD ARE NET CARBON SINKS  
REMOVING 1,719 Mt CO<sub>2</sub> e per year** (Source: Yusof, Yew , JOPEH 2015, 6:1-9.)

\* IPCC Climate Change synthesis Report 2014 , \*\* Oil World, \*\*\* www.rainforest-rescue.org



# High-handed approach to “No Deforestation” adoption

- Greenpeace, Golden Agri Resources & The Forest Trust (TFT) developed High Carbon Stock Approach (HCS)
- HCS combines carbon & biodiversity conservation + community rights & livelihood to determine what land can or cannot be developed
- Greenpeace calls upon companies in palm oil production & trade to commit to “No Deforestation” & implement “Forest Conservation Policy” by following HCS
- Rather high-handed approach to propose a system without stakeholder (palm oil fraternity) consultation & asking palm oil companies to adopt
- Very contrary to approach adopted by Malaysian Government and Malaysian Palm Oil Industry to develop MSPO

# MSPO

- Malaysian Sustainable Palm Oil
- Contains 4 Malaysian Standards (MS)
- Produced following ISO Standards protocol involving stakeholder consultation
- Adoption is voluntary
- Alternative to other palm oil sustainability systems e.g. RSPO, ISCC
- To be launched in 2015
- Setting up of MPOCC to implement MSPO

# Way Forward: Addressing deforestation issues

1. MSPO as an alternative sustainability certification system where one of the indicators in the System will be that oil palm is not allowed to be grown on Protected Forest Reserve land (note: this is an on-going practice and not new)
2. Branding of Malaysian Palm Oil
3. Increasing awareness that oil palm is not major driver of deforestation

## 2. Environment/Sustainability

### No Planting on Peat

- A great lack of knowledge on tropical peat and its cultivation, particularly, on GHG emissions
- EPA's NODA (Notice of Data Availability) has used a value of 95 tonnes CO<sub>2</sub>/year for the peat emission calculation
- EPA's peer reviewers found that this value is too high; 40 tonnes CO<sub>2</sub>/year is more reasonable
- Their lower emission findings are supporting MPOB and MPOC's views
- MPOB and Tropical Peat Research Laboratory Unit will continue to study tropical peat for oil palm cultivation and their implications

# 3. Health

## Saturated fat is bad for health

- The assumption that saturated fat at ANY level of intake is deleterious is no longer supported by scientific evidence
- Variations in human genetics, life stages and lifestyles lead to variations in responses to diet, including saturated fat
- Intake of specific saturated fats at appropriate for overall good health and nutrition is the future of diet and health



# Addressing saturated fats issues

1. More clinical tests
2. Awareness programmes

# 4.No Palm Oil Labeling

- European Union's Food Information to Consumers (FIC) mandates labeling palm oil on the ingredients list
- Some producers and food retailers e.g. Galler, Delhaize, Limagrain, Casino are using additional claims that depicts "No Palm Oil"; thus discriminating against palm oil
- 'No Palm Oil' Labels are misleading, mischievous and also illegal from food legislations viewpoint
- Such actions discriminatory & inconsistent with FIC

# Way Forward: No Palm Oil Labeling

1. Engaging with Governments
2. Engaging with stakeholders (producers)
3. Court Actions



## Way Forward: Long Term View

### Branding Malaysian Palm Oil

Position Malaysian Palm Oil as the premium brand –

- Malaysian-sourced Palm Oil is superior, responsible, and a better choice for customers and consumers.
- Malaysia can supply what the consumer wants: MSPO; RSPO; ISCC; Deforestation Free and other good attributes