



PRESS STATEMENT ON 'SHOPPERS THREAT TO ORANGUTANS'



http://news.bbc.co.uk/2/hi/uk_news/4273774.stml

We refer to a recent BBC news item entitled 'Shoppers threat to orangutans' which was based on reports by Friends of the Earth. They claim that the palm oil industry is environmentally cruel because it encroaches on the habitat of the orangutan. These allegations are not well founded and contain a number of factual inaccuracies.

On behalf of the Malaysian palm oil industry, we would like to correct the inaccuracies and accusations as follows:

1. Malaysia produces more than 15% of the world's total vegetable oils and fats, providing the total calorific requirements of more than 165 million people per year. Such an output is produced by a mere labour force of 0.4% of the world population. Even more interestingly, it utilizes less than 1.8% of the total area of seven major oilseed crops.
2. There is ample evidence that large areas of oil palm plantation claimed to be under tropical rainforest are actually established on degraded and logged-over forests or have been planted in areas previously cultivated with other perennial plantation crops such as rubber, cocoa and coconut. Almost two thirds of Malaysia is still covered by forest and perennial tree cover (total area under cover of permanent forest reserve - 19.54 million hectares), while the extent of acreage under commodity crops like oil palm, rubber, cocoa and coconuts are 10.20%, 4.30% and 2.20% respectively, resulting in more than three-quarters of Malaysia still being under forest and tree cover.
3. There is certainly no shortage of legislation in Malaysia for regulating the oil palm industry. For example, the clearing of land in excess of 500 hectares for agriculture has to comply to an Environmental Impact Assessment (EIA) study

and an approval by the Department of Environment. Other major environmental laws in place that demonstrate Malaysia's concern for environmental conservation include the Land Conservation Act 1960, Environmental Quality Act 1974, Pesticides Act 1974, National Parks Act 1984, and Environmental Quality Act 1986. Malaysia is also a signatory to the Convention on Biological Diversity 1992, International Tropical Timber Agreement and Charter of the Indigenous-Tribal Peoples of Tropical Forests. This has resulted in an industry that is both compliant and works hard to minimize pollution to the environment, while protecting the rights of the indigenous people and the wildlife in our rich rainforests. The Government of Malaysia's proactive stand on environmental issues has resulted in the creation of a dedicated Ministry of Environment and Natural Resources reinforced in March 2004 to monitor and lay down new standards and policies with regard to environmental and natural resources management.

4. There is no evidence of a threat to wildlife caused by oil palm plantations. On the contrary, being a perennial tree crop cultivated in the tropical areas, there is far greater biodiversity in oil palm plantations than in the case of annual cereals, vegetables and other short-term cropping systems of the world. A typical oil palm plantation is teemed with 268 species of flora and fauna, which include microbes, insects, arthropods, reptiles, fish, birds and small mammals such as the relatively rare leopard cat *Felis Bengalalis*. In addition to the rearing of fish, cattle, sheep and even deer together with intercropping with fruit trees, timber species, table food crops such as dry land rice and vegetables, thereby adding to the rich diversity of life in the plantations.

5. The world is monitoring many agricultural industries for compliance with environmental standards. Fortunately, the cultivation of oil palm is already much in advance in its journey to be environment-friendly in nature. This has provided the related downstream industries with a head start towards ensuring their products in turn are in tune with this positive image. R & D findings have highlighted the energy efficiency and high productivity of oil palm vis-à-vis other edible oilseed crops in terms of input-output values. Additionally, the physiological comparison of oil palm versus covered forest has demonstrated that oil palm plays an important role in the reclamation of previously forested areas and can fulfill many of the traditional functions of forest cover.

6. In Malaysia, palm oil is a strategic, well-planned agricultural industry that has responded positively to the many environmental challenges. The rapid commercial expansion of the oil palm planting in the last three decades undertook the environmental requirements when it commenced water pollution control in the 60's with the effluent ponding system to treat palm oil mill effluent. The industry is not just a pure commercial venture but one that has played an important role in social development thus contributing significantly towards achieving the nation's long term economic and political stability. Similarly, it has a

strong history of taking initiatives to address its environmental footprint with good agricultural management practices - many of which have been put in place through partnerships with the private sector and organizations worldwide such as the World Wide Fund for Nature (WWF). The industry is a product of the vision and determination of many stakeholders in the government as well as the private sector who have led the way with strategic policies, including environmental management policies.

7. The strong Malaysian involvement within the Roundtable on Sustainable Palm Oil (RSPO) is a serious effort made towards achieving more eco-sensitive practices. Palm oil was among the first agricultural commodities back in 2002 to start a multi-stakeholder process to discuss and define sustainability of the crop. RSPO is a new global multi-stakeholder initiative on sustainable palm oil that was formally established under Article 60 of the Swiss Civil Code on 8 April 2004. It is a unique platform for pragmatic co-operation with a basic goal of promoting the production and use of sustainable palm oil in association with the WWF. The concept of sustainable palm oil production and use is gradually gaining ground. In fact, the emphasis on biodiversity protection will be a standard feature as evidence in the " Best Management Practices" (BMPs) for the oil palm industry. Key stakeholders of the Malaysian palm oil industry have given their support to the RSPO, whether as founding or more recent members.

8. Good examples of creating a greater balance between the economy and the ecology within the framework of the plantation ecosystem have long been part of oil palm cultivation in Malaysia. Preserving jungle reserves and wildlife sanctuaries as well as promoting green corridors are common examples of efforts in enhancing biodiversity enrichment widely found in the plantation context. The industry is far better regulated and the orangutan far better protected than is suggested in the report. For example, since 2000, about 27,000 hectares of the flood plain of Kinabatangan, which has a rich and abundant diversity of flora and fauna have been gazetted as the Kinabatangan Wildlife Sanctuary under the Land Ordinance. The Lower Kinabatangan floodplain is one of Sabah's most impressive natural ecosystems. A recent survey showed that thousands of orangutans remain in and around the protected area. Besides orangutans, the area also contains a rich mosaic of inhabitants such as Pygmy elephants, Proboscis monkeys, Gibbons, Sumatran rhinos and Hornbill birds. Several agricultural landowners locally are already collaborating with WWF to plant trees in areas of previously cleared land between forest patches, in order to re-connect forest with intervening tree cover. As the trees grow, wildlife should benefit from greater freedom to move between the forest patches. Working to maintain a balance between the conservation of this unique floodplain and its wise use has been key to the conservation efforts. WWF's project to help conserve Kinabatangan entitled "A Corridor of Life", outlines a strategy that is focused on creating a healthy environment in which agriculture, people and

nature conservation co-exist, and work in partnership to achieve significant results of biodiversity protection for all concerned.

9. Malaysia has long made concerted efforts to ensure the conservation of its biodiversity and natural resources by creating and supporting projects both inland and at sea. Some examples are the Sepilok Orangutan Rehabilitation Center, Turtle Island Reserve, Sipadan Island Reserve and Danum Valley. Sepilok, renowned for its orangutan rehabilitation project has expanded its objectives to include public education on conservation and research on other endangered species.

10. The overall contribution of the palm oil industry to Malaysia can be seen not just from the economic impact, but also from the perspective of a wider social responsibility such as providing job opportunities, social welfare and modernizing communities on the fringes of development. Often, such contributions are overshadowed by environmental concerns articulated by activists who disregard the whole macro perspective, or simply by groups and individuals whose limited knowledge of the situation on the ground has led to misconceived ideas. The challenge for conservation is its successful implementation in the broader context of social and economic development.

As a serious participant in the global market, the Malaysian oil palm industry has evolved over time to be a thought-leader in terms of environmental management. The industry has long championed that a balance can and must be achieved between commercial needs and preservation of the environment, which is the goal for all players in the industry to produce sustainable palm oil.

RELEASED BY:

[MALAYSIAN PALM OIL ASSOCIATION \(MPOA\)](#)
[MALAYSIAN PALM OIL BOARD \(MPOB\)](#)
[MALAYSIAN PALM OIL PROMOTION COUNCIL \(MPOPC\)](#)

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