SUSTAINABILITY CERTIFICATION IN OIL PALM INDUSTRY: ISSUES AND CHALLENGES FOR INDEPENDENT SMALLHOLDER FARMERS IN MALAYSIA

Aifaa Nazmi Bin Ali*
Centre for Language Studies,
Universiti Tun Hussein Onn Malaysia
Malaysia
GW190062@siswa.uthm.edu.my

Mimi Nahariah Azwani Binti Mohamed
Centre for Language Studies,
Universiti Tun Hussein Onn Malaysia
Malaysia
azwani@uthm.edu.my

Siti Sarah Binti Omar
Faculty of Technology Management and Business
Universiti Tun Hussein Onn Malaysia
Malaysia
sarah@uthm.edu.my

*Corresponding Author email: GW190062@siswa.uthm.edu.my

Submission: 20 December 2020 Revised: 24 January 2021 Accepted: 09 March 2021

Peer-review under responsibility of 6th Asia International Conference 2020 (Online) Scientific Committee
http://connectingasia.org/scientific-committee/
© 2021 Published by Readers Insight Publisher,
Office # 6, First Floor, A & K Plaza, Near D Watson, F-10 Markaz, Islamabad, Pakistan,
editor@readersinsight.net
This is an open access article under the CC BY license (http://creativecommons.org/licenses/by/4.0/).
ABSTRACT

Sustainability certification such as Roundtable on Sustainable Palm Oil (RSPO) certification outlines the agricultural practices that need to be followed by all the stakeholders within the supply chain so that the loss of environmental resources can be reversed, and social effects can be reduced. Despite its crucial role, the supply chains, particularly the independent smallholder farmers, do not seem to take sufficient efforts to obtain this certification. The reason for this lack of efforts may be due to communication barriers, leading to lack of awareness in the existence of such certification. This paper is a systematic literature review of the available studies on sustainability certification and issues in obtaining the certification. The studies selected were published between 2015 and 2020. The review identified three-layered challenges that led to communication barriers to obtaining the sustainability certification. The layers included engagement, pre-certification, and post-certification. The identification of these layers provides insight into the communication barriers that hinder the independent smallholder farmers from accessing information and obtaining the certification. It is hoped that the issues and challenges identified could help the researchers to propose a framework that can reduce and resolve the communication barriers in obtaining the sustainability certification.

Keywords: Sustainability Certification, Independent smallholder farmers, Palm Oil, Roundtable on Sustainable Palm Oil, Malaysia Sustainable Palm Oil

RESEARCH HIGHLIGHTS

This research highlight the issues and challenges faces by smallholders, especially independent smallholder in Malaysia in order to achieve sustainability certification in the palm oil industry. The rise in sustainability certification today is due to the fact that consumers have become more concerned about the quality of what they eat, the carbon footprint of their food, and the welfare of the workers who are involved in these industries (Azhar et al., 2019). But, in the field, certification always have negative notion as it is time and resource consuming, and its implementation cost are not worth to what benefits come after (Bhuiyan and Alam, 2005). Still, it is undeniable that certification is the key to gain access to new market that have been derived towards sustainable palm oil and certification act as tool to symbolize reputation and the quality of the products (Senawi et al., 2019).

Research Objectives

This paper aims to identify the possible challenges that the independent smallholder farmers may face in terms of obtaining certification.

Methodology

The paper is a review of the previous studies to examine the complexity of obtaining certification among smallholder farmers, particularly in oil palm industry. The studies reviewed were published between 2015 and 2020.
Discussion (Results)

In a study conducted by Brandi et al. (2015) on challenges for smallholder certification under the RSPO in Indonesia, it was found that lack of knowledge about the certification and financial support were the main barriers in obtaining the RSPO certification. These barriers occurred due to insufficient support by relevant organizations in assisting the smallholders in the certification process. Rietberg and Slingerland (2016) examined the barriers to smallholder RSPO certification in Indonesia. Similarly, their study raised the issue on lack of knowledge about the certification. The study also raised the crucial role of an organization in supporting and assisting the smallholder farmers to obtain the certification. In another study, Aznie et al. (2018) investigated the challenge faced by the independent smallholders in Malaysia. The findings showed that the challenges that the smallholders faced included getting supplies in terms of seed, fertilizer, and insecticide, due to limited financial support. The study also raised the issue of the lack of organizational support, government or non-government, in assisting the independent smallholders to manage their palm oil cultivation.

Conclusion (Findings)

The review identified three-layered challenges that led to communication barriers to obtaining the sustainability certification. The layers included engagement, pre-certification, and post-certification. The identification of these layers provides insight into the communication barriers that hinder the independent smallholder farmers from accessing information and obtaining the certification.

Acknowledgement

The study was funded by an Industrial Grant [M017], awarded by KANZU Knowledge Consultant. The authors would like to express their gratitude to KANZU Knowledge Consultant for the opportunity to obtain this research grant, making this research possible.

References


Author's Biography

Alfaz Nazmi Ali is a postgraduate student from Universiti Tun Hussein Onn Malaysia, under Centre of Language Studies. He is currently supervised by Dr. Mimi Nahariah Azwani Mohamed and Dr. Siti Sarah Binti Omar. Graduate from Universiti Sains Malaysia in Penang, now his doing postgraduate in his hometown doing research about commodity agriculture which is oil palm with his community. His field of study is on sustainability certification on palm oil, communication among independent smallholder farmers and social sciences.

Dr. Mimi Nahariah Azwani Mohamed is a senior lecturer at the Centre for Language Studies, Universiti Tun Hussein Onn Malaysia (UTHM). She is the Person of Reference (PoR) of the Malaysia English Assessment (MEA – Listening), administered by the Ministry of Higher Education, and has reviewed journal articles for a number of national and international journals and conferences, including one journal by ELSEVIER. Dr Mimi is the Head of Language for Specific Purposes (LSP) Focus Group and a member of KANZU Research Focus Group. She is also a senior researcher with Malaysia Research Institute for Vocational Education & Training (MyRIVET). In addition, she is a member of Global Engineers’ Language Skills (GELS) Network led by three researchers from University of Cambridge (UK), KTH Royal Institute of Technology, Stockholm (Sweden) dan Institut Mines-Telecom – Didalang (France), respectively (https://www.language-unit.eng.cam.ac.uk/news/GELS).

Dr. Siti Sarah Omar is a lecturer at the Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia (UTHM) Johor Malaysia since 2008. She is also a Certified Professional Entrepreneurial Educator awarded by Ministry of Higher Education Malaysia. She obtained her PhD Degree (Management-Entrepreneurship) in 2015 from University of Southampton, United Kingdom. She holds Master of Science (Human Resource Development) from Universiti Teknologi Malaysia (UTM-2006) and Bachelor Degree of Business Administration with Honors from International Islamic University Malaysia (IIUM-2002). Prior to joining UTHM she had two years teaching experience at Universiti Tunku Abdul Rahman (UTAR) in Kuala Lumpur. Her expertise is in the field of Entrepreneurial Networking, Human and Social Capital, Human Resource Management and Development as well as Talent Management.