



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

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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.

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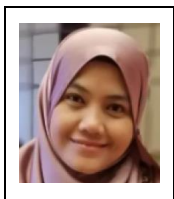
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