Catalyst for Change: Challenges and Solutions

Dr Simon Lord
Group Director of Sustainability
NBPOL
slord@nbpol.com.sg
Smallholders matter

These small individual producers account for between 30 – 60% of the industry.

They are an integral part of the supply chain.

These small producers face challenges that are unique and complex.
The session dissected the challenges faced by smallholders.

To understand the future of oil palm we need to understand the challenges.

Pre-cluster meeting - 9 papers – Liberia, Indonesia, Malaysia, PNG, Thailand and Solomon Islands.

The sessions tried to dissect theses challenges and suggest solutions.
Challenges - simple

Access and cost of good seed
Implementation of GAP
Knowledge base lacking
HCV / SEIA / assessments
Cost of Certification
Inadequate capital for maintenance
Challenges - complex

Lack of a premium / Incentive
Independent vs schemed
Role of Cooperatives
Governance
Poor Infrastructure
Influence of Companies
Generational issues
FFB certification
Solution Drivers

1. Increased yield
2. Partnerships

Stop thinking about “The Smallholders”
Start thinking about “Our Smallholders”

RSPO Certification as a bridge
Built by companies
Objective Evidence

The Road between a mill and a smallholder is a symbol of the relationship between a company and its smallholders. The better the road, the better the relationship.
Smallholders are older than RSPO
For mutual Long term Wealth creation

Move from
People Planet profit

To
People Planet Prosperity