Project
FONAP Add on Criteria
with Small Producers in
Malaysia
On the way to a pilot project. Report from an onsite visite in Kampar (Perak), September 20 to 21, 2018, hosted by NGO Wild Asia.
Project partner:

• A social enterprise, a not-for-profit company earning income from providing services, and reinvest in programmes to bring about social and environmental change

• Social business est. in 2003
  • Head office: Kuala Lumpur
  • Branches: Malaysia (Sandakan, Beluran, Kinabatangan), Taiwan and Japan
  • Technical and Administration: 16 persons
  • Regional Team Members: 25 (Perak, Johor and Sabah)

• Since 2005, supporting growth of traceable and sustainable palm oil through advisory support, technical services, training and developing new working models to drive sustainable production
Leading the FONAP project: Sheila Senathirajah, Wild Asia Programme Director Palm Oil Initiative
The Wild Asia Group Scheme (WAGS)

• Involves **smallholders** (land owners with less than 40 ha of planted area) and **small growers** (land owners with more than 40 ha but under 500 ha of planted area)

  • 264 smallholders in the State of Perak in Peninsula Malaysia
    • Chinese, Malay and Orang Asli (indigenous)

  • 271 smallholders and 5 small growers in Kinabatangan in the State of Sabah in Malaysian Borneo
The Wild Asia Group Scheme (WAGS)

Implement different types & levels of education & training modules to support growers.
The Wild Asia Group Scheme (WAGS)

Builds partnerships to support Growers to meet legal requirements, improve their quality, and continually improve.

*Turns complex and challenging requirements into a coherent programme.*
The location

State of Perak
Visiting WAGS smallholders in Kampar area

Chinese farmer
Mr. Chong (59)
Chinese farmer: Mr. Chong (59)
Chinese farmer: Mr. Chong (59)

Foto: Almut Feller, Ferrero
Visiting WAGS smallholders in Kampar area

Indigenous community Orang Asli Herzyza a/p Dongkin (38)
Indigenous community Orang Asli: Herzyza a/p Dongkin (38)
Visiting WAGS smallholders in Kampar area

Chinese organic farmer Neoh Ah Seng (47)
Chinese organic farmer: Neoh Ah Seng (47)
Key challenge: bagworm infestation
Key challenge: bagworm infestation
Natural solution: beneficial plants ...
Natural solution: and beneficial insects

Großes Foto: Sascha Tischer
Wespenfotos: MPOB
Andere Fotos: United Plantations
Natural solution: and beneficial insects
Key challenge: rats and other rodents
Oil palm planted area by category in Malaysia

2017: 5.81 Million Hectares

Source: MPOB
Challenge: smallholder supply chain

Smallholder Farmer

Provides assistance, material, finance, information

Has a key role: potential to initiate change with hundreds of smallholders at once

Dealer / Collection Center

Mill
Tian Siang Mill
Tian Siang Mill

- 1st independent mill, which is RSPO supply chain certified
- Buying 100% from smallholders
- Main suppliers: 3 big dealers incl. TJC (WAGS smallholders) and others
- On average, 500,000 t FFB per year
- Long fibre plant since 2011, biogas plant since 2012
- Hosting trainings and providing support for smallholders
## FONAP Add on Criteria and determined Sub-Criteria

<table>
<thead>
<tr>
<th>FONAP Add On Criteria</th>
<th>Sub-Criteria</th>
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<tbody>
<tr>
<td>FAOC#1 - Use of FFB from legal sources only</td>
<td>FFB are not grown on illegally occupied lands</td>
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<tr>
<td></td>
<td>FFB are from known origins</td>
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<td>FFB are not grown in any Protected Areas</td>
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<tr>
<td>FAOC#2 - Ban on the use of highly hazardous pesticides</td>
<td>Pesticides categorized as WHO Class 1a or 1b, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat are not used</td>
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<td>FAOC#3 - Stopping cultivation on peatlands and other areas with a high carbon content</td>
<td>FFB are not grown on peatlands</td>
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<td></td>
<td>FFB not grown on HCV/HCS areas</td>
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<tr>
<td>FAOC#4 - Application of strict greenhouse reduction targets</td>
<td>Public reporting of GHG emissions using Palm GHG on new and existing plantations</td>
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TJC smallholder farmers mapping at the Wild Asia office in order to:
• Identify exact farmer locations and correct farm sizes
• Support traceability
• Double check data from farmers with available official information
FONAP Project Items

Item 1

• **Desktop study** on FONAP criteria vs. other existing criteria/standards
  • MSPO, Zero-Deforestation-Commitments, RSPO, POIG

Item 2

• **Impacts** of application of FONAP criteria on WAGS producers
  • Done in July and August 2018
  • Draft report developed by Wild Asia (in review process with WWF)
  • Finalized report to be shared soon
FONAP Project Items

Item 3
• **Strategic consultation**
  • Stakeholder consultation of Wild Asia in collaboration with WWF Malaysia in presumably January 2019 incl. smallholder farmers, dealers, mills, bigger plantations such as United Plantations, local representatives from MPOB, FONAP representatives, Wild Asia
  • Transparent dialogue, get everyone on board, aligning on project purposes

Item 4
• **Pilot test**
  • Details on pilot and selection of farmers once item 1 to 3 concluded
  • Inclusion of varying profiles of farmers to test application of criteria on a broad range of farmers
Together with the Wild Asia project team, the FONAP delegation explored further details on project items, which could be taken into consideration for the pilot testing
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