

Lessons from the field: learning from indigenous smallholders

Working on sustainable sourcing of palm oil in the UK, we are quite removed from the practical realities being played out in countries where the commodity is being produced, and from the lives of people directly involved in producing it.

Here, we are operating thousands of miles and several stages in a complex supply chain away from where oil palm trees are grown, fruits harvested, and oil extracted to begin its journey to becoming a composite part of one of our favourite snacks. Despite knowing what palm oil is, how important sustainable production of it is to people and the planet, and what businesses in the UK can do to ensure they are sourcing it responsibly, being able to observe the crop being produced first-hand and interact with the people doing so shows some of the practical realities of conversations we have and policies we implement here in the UK.

As part of the 2022 Wild Asia Smallholder Study Journey, we were able to spend some time with Orang Asli people of the Semai tribe in Kampar, Perak, Malaysia. Their village, Kg Chenderong Kelubi, was the first indigenous village to be supported by Wild Asia in achieving RSPO certification for their oil palm plots under the [Wild Asia Group Smallholder \(WAGS\) scheme](#).

Oil palm as a family business



Participants of the Wild Asia Smallholder Study Journey with some of the people of Kg Chenderong Kelubi.

Plots or plantations owned by indigenous people in Malaysia are often family-run, and being with a family group that has clearly gained so much from oil palm (and is working to cultivate it sustainably) gave us a glimpse into the reality of what this crop really means to those people producing it.

It is sometimes easy to think of smallholders as mere statistics to cite in the many discussions we have about sustainability and palm oil – over seven million smallholders around the world make a living from oil palm, and smallholdings make up around 40% of the total production area in Malaysia and Indonesia alone. To be with some of the people that make up a fraction of those statistics showed the huge impact oil palm has had on people’s lives. For the people of Kg Chenderong Kelubi, it has meant being lifted out of poverty, being able to feed their families and send their children to school – things many of us take for granted. With Wild Asia’s support, they have been able to do this in a sustainable and even regenerative way.



Intercropping of lemon, pineapple and oil palm on the BIO Farm at Kg Chenderong Kelubi.

Working with nature

Long Tijah Ap Dongkin and her sister, Azina, two of the residents of Kg Chenderong Kelubi, showed us some of the ways they work with nature to produce oil palm. At their village, we saw how they are working with Wild Asia to take a step beyond sustainability to implement chemical-free agriculture and regenerative practices, through Wild Asia’s [WAGS BIO scheme](#).



Harvesting fresh fruit bunches involves very intense physical labour – just trying it for half an hour was difficult enough.

These practices aim to develop soil health, supporting the underground microbial, bacterial and fungal diversity that supports all life above it. They work to rehabilitate and enhance the natural ecosystems on which crops depend, and include minimal soil disturbance, use of compost and intercropping – here, bananas, pineapples and lemon were amongst the crops interspersed between the oil palms, with the aim of boosting soil (and, by extension, plant) health.

A short trip down the road from the village on their larger oil palm plot, we not only got a tiny taste of the back-breaking work that goes into managing and harvesting oil palm, but also saw how the workers use cages with palm fruit bait to catch freshwater fish in flooded areas, and forage for edible plants. The anti-bacterial properties of palm fruits can also be used to treat a common harvesting injury – thorn pricks from the palm fronds.



A cage used to catch fish on the plantation, using palm fruits as bait.

Learning from indigenous practices

There is a lot that indigenous smallholders can teach us and the wider oil palm industry about the value of working in harmony with nature – and the cost of working against it.

Studies have reportedly shown a link between poor agricultural practice on oil palm plantations and damage from pests. Oil palms under stress, which can be caused by poor or unsustainable management, emit signals that attract pests like the bagworm caterpillar. In response to the resultant attacks, which are becoming an increasingly big problem on plantations, some use pesticides that are lethal not only to the pests they target, but to humans too; there are serious consequences to this negative feedback loop of poor agricultural practice.

In contrast, some indigenous smallholders have been known to use fire ant nests to introduce natural predators to control their pest prey. Examples have been reported of smallholder plots appearing like islands of thriving plantation amongst seas of dying estates – possibly as a result of different approaches to agricultural practices and pest control.

Challenges – cultural context, cost and traceability

The context of indigenous smallholder farming demonstrates the challenges they face even when compared to non-indigenous smallholders. The plots of land owned by indigenous groups in Malaysia today are often relics of a colonial past, where they were forcibly moved and given land unfavourable to agriculture (such as peatland). Land has since been handed down generations, as is custom amongst indigenous groups, leading to a possible lack of clarity over official land tenure (as the land was never bought).

In addition, if land is considered to be unsuitable for sustainable agriculture (including peatland, in some cases), it is not as simple for indigenous people who have an inherited connection with their land to simply sell it and move elsewhere, as may be the case for others. So there are some cultural nuances that provide important context to the indigenous smallholder story.

Some challenges are experienced by many smallholders, and are not specific to indigenous people. These include the link between financial capital and yield – many smallholders are unable to afford to plant their entire plot at once, therefore doing so bit-by-bit.

This means that they end up with a plot composed of oil palms of various ages, contributing different yields; oil palms take about four years until they produce fruits suitable for harvest, and produce their best yields between the ages of seven and 18. This means that yields for



Bough bowing is a phenomenon seen on peatland areas, where the boggy ground can cause trees to be unstable, and trunks to bend as they attempt to grow upwards.

This photo was taken at the plantation managed by the Kg Chenderong Kelubi smallholders – land given to their relatives generations ago, that clearly comes with difficulties in managing.

smallholders tend to be lower than those of large estates that can afford to cultivate large numbers of oil palms of the same age.

One of the most prominent issues facing smallholders today is that of traceability. The demand for traceable supply chains from industry and government continues to increase, fueled even more fiercely now by an evolving regulatory landscape of consumer markets requiring an element of traceability to origin.

We saw, during the Wild Asia Smallholder Study Journey, just how practically challenging these asks are for smallholder farmers in the Kampar area of Perak. Small trucks travel to a number of villages to collect fresh fruit bunches (FFB) from different plantations, which are taken to collection centres or dealerships, where the truck (and volume of FFB) is weighed. Not only can FFB from different plantations be mixed in these trucks, but they are also mixed when left temporarily in large piles in dealership yards, and again in the large trucks that then transport them to mills – so there are a few factors even at this stage that mean maintaining a physical link between FFB and its point of origin is incredibly difficult.



FFB from local smallholders in a dealership yard, waiting to be transported to a mill. Mixing of FFB from different plantations at this stage is one reason why traceability to plantation is so challenging.

70% of smallholders involved in WAGS (includes the residents of the village of Kg Chenderong Kelubi) sell their FFB in this way, and these intermediaries mean that traceability to plantation is very challenging in such supply chains, if not impossible at this stage. Steps are being taken that may help to address this issue – for example, in Malaysia a national certification for dealerships is being developed. However, the reality that the farm of origin is unknown in many of these supply chains is played out across producing regions and countries. Meanwhile, market demands for traceability are continuing to develop. It is therefore essential that time and resources continue to be used to implement systems that support smallholder supply chains in meeting these requirements to prevent their exclusion. Ultimately, it is the livelihoods of people, families and villages, like Kg Chenderong Kelubi, that could be at stake.