

Who are the oil palm smallholders?

Small scale farmers growing oil palm as principal source of income, mainly with family labour. Identified by size of holding and typology

Size of holding – less than

- RSPO - 50 hectares
- Malaysia – 40 ha (100 ac)
- Ecuador – 75 ha
- Indonesia – 25 ha (Agrarian Law), 2 ha (Law 19/2013)

Typology

- **Scheme smallholders:** “Farmers who do not have enforceable decision-making power on how they operate their land and their production practices, and/or the freedom to choose how they use their land, the types of crops to plant, and how they manage them” (RSPO)
- **Independent smallholders (ISH):** Farmers not associated with companies/mills and have freedom to decide on choice of crop to be planted and how to manage their farm

Smallholders produce 40% of the world's palm oil. However, they often lack expertise, capacity, and resources to produce palm oil sustainably

Oil Palm Area under ISH

Indonesia	30%
Malaysia	15%

Smallholder CSPO Production June 2022 – RSPO

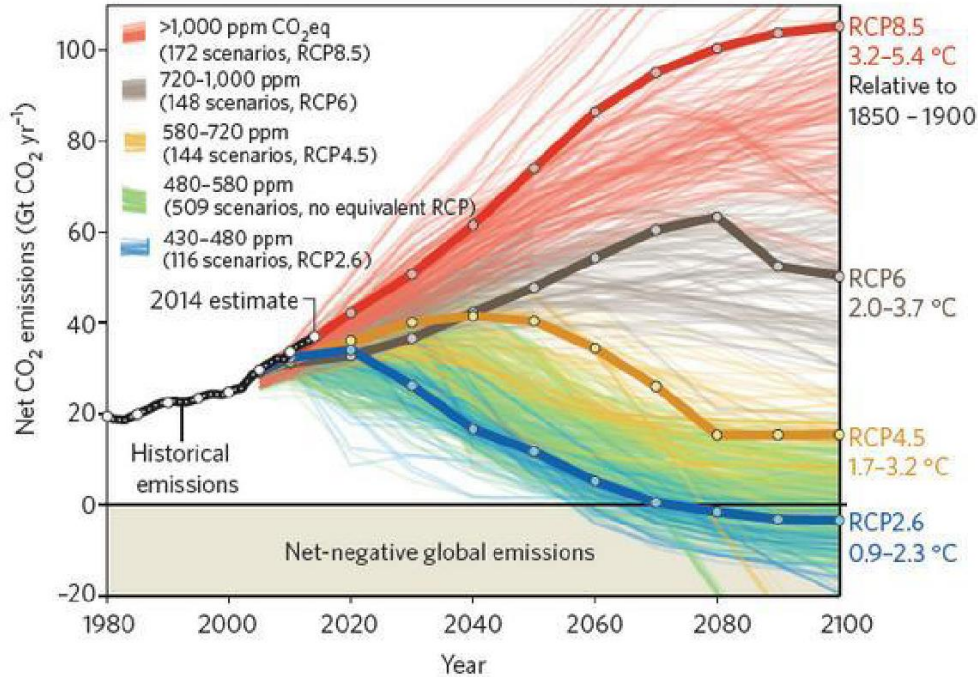
	ISH	Scheme	Total
No. SH certified	24,788	135,071	159,859
Certified area (ha)	74,351	332,407	406,758
CSPO ('000 MT)	286.1	1,372.7	1,658.8
% of global CSPO	1.5%	7.1%	8.6%

Smallholder MSPO Certified Area – July 2022*

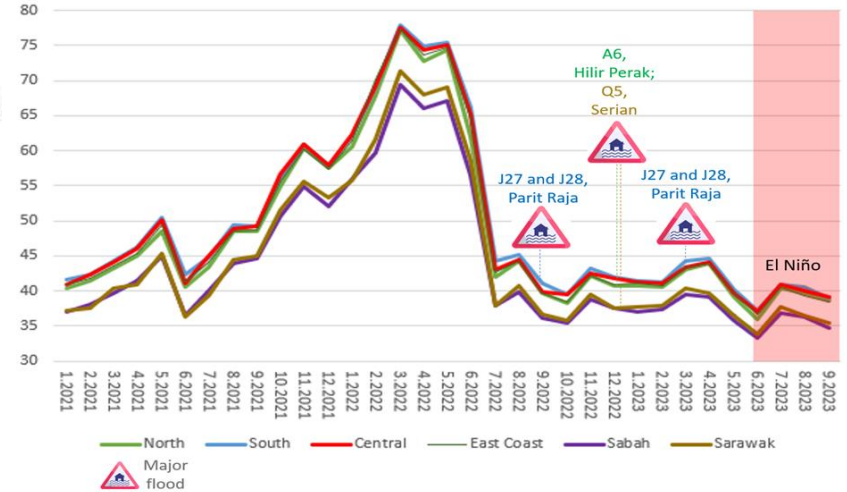
	ISH	Scheme	Total
Certified area (ha)	676,170	692,180	1,368,350
% of total planted area	82.2%	100.0%	84.3%

* Ahmad Parveez, NST 01.09,22

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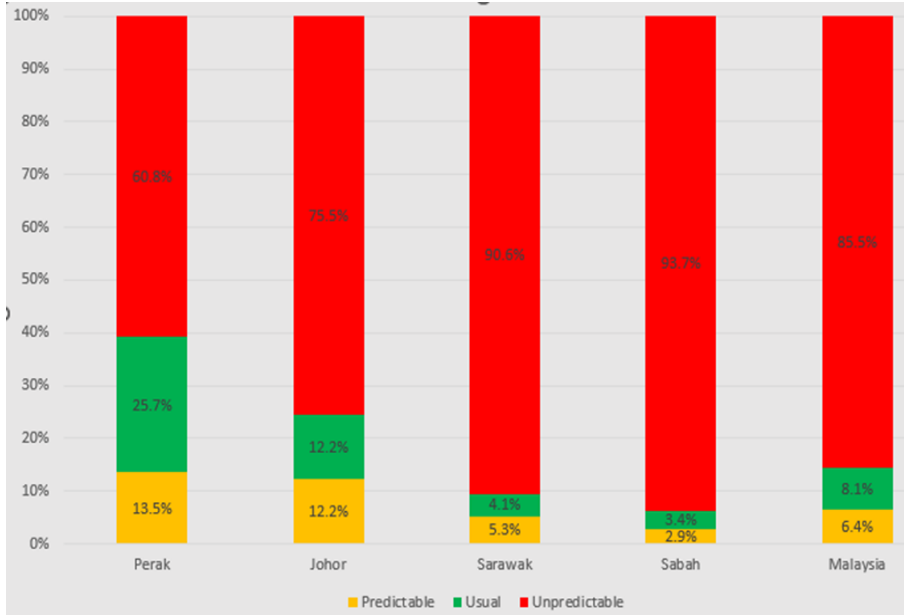


The changes of Net CO₂ emission and global surface temperature according to different RCPs used in the CMIP5 simulation experiments.
(Source: IPCC AR5)



Sources: MPOB (2023); DOSM (2023a,b,c)

Predicted under both RCP 4.5 & RCP 8.5, in both simulation location, yield of oil palm were **declined**.



Smallholders are vulnerable to Climate Change Negative impacts – require adaptive and flexible management practice plus long-term decision making.