Sustainable Development Strategy for Improving the Competitiveness of Oil Palm Industry

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Abstract

In the Oil World 2014 report, Indonesia is the world’s largest palm oil producer with production of 28 million tons in 2014. Due to increasing market demand for palm oil, environmental and social issues are becoming more essential. This situation requiring a strategy and a policy that is able to balance between the increases of the economic benefits of production while the environmental and social impacts should be minimized. This study aims to identify and describe strategies and policies related to the development of the oil palm industry and its implementation at some companies in Indonesia and to identify factors affecting the competitiveness of the oil palm industry. This study uses ISM (Interpretive Structural Modeling) analytic method with the panel experts of oil palm industry stakeholders from the corporate, government, association, environmental NGOs and academia as respondents. The results show that the strategy is carried out on the development of a sustainable oil palm industry should increase the attention to the environmental and social aspects with regard to economic aspects. Factors of social, environment, and law enforcement by the government are the most important factors of the strategies.

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Sustainable Palm Oil Developments in Malaysia. Dr Mohd Basri Wahid 23 March 2009. Palm Oil – The Sustainable 21st Century Oil Food, Fuels & Chemicals. The Royal Society, London, UK. 1. Outline of Presentation. “Sustainable development seeks to meet the needs of the present generation without compromising the ability to meet the needs of those of the future”. It is all about managing present resources to meet future needs. 3. Brundtland's Commission (1987). “Sustainable development seeks to meet the needs of the present generation without compromising the ability to meet the needs of those of the future”. • Introduction of the Roadmap for oil palm industry to enhance its competitiveness. 42. New initiative within the industry (3). Factors can affect both towards improving the competitiveness of enterprises and downwards. Factors promote the conversion of opportunities into reality. The strategy of social and economic development «Kazakhstan-2050» considers as one of the main tasks of the formation in the republic of a powerful diversified, balanced, competitive industrial complex. At the same time improving the competitiveness applies to all levels of its hierarchy of products (goods and services), enterprise, industry, region and the country as a whole, but of special importance the company's competitiveness as a main component of the economy [2; 9]. The need for research and practical development problems of competition in the field of production has increased considerably. Palm oil producers are certified through strict verification of the production process with the stringent RSPO Principles & Criteria for Sustainable Palm Oil Production by accredited Certifying Bodies, and can be withdrawn at any time in case of infringement of the rules and standards. All organisations in the supply chain that use RSPO certified sustainable oil products are audited to prevent overselling and mixing palm oil with conventional (or non-sustainable) oil palm products. The SDG Industry Matrix includes several examples of collaborations which advance sustainable development. Of these, some of the largest global collaborations for Food, Beverage and Consumer Goods include: EAT INITIATIVE.