
Philippines: The increasing menace of oil palm plantations in Palawan

Palawan, located between the Sulu and South China seas, is one of the most beautiful islands of the Philippine archipelago. The island is 450 kilometers long and 40 kilometers at its widest portion. Along its gorgeous beaches - framed by mangroves and by the last remaining lowland evergreen forest - coral reefs are home to unique marine biodiversity.

Of the approximately 900,000 inhabitants of Palawan, around 20 percent are indigenous peoples who belong to three main ethnic groups - Tagbanua, Palawan and Batak - whose main livelihood is upland agriculture (rice, cassava, colocasia, corn, banana, coconut, etc.), hunting and gathering, and commercial collection of, non-timber forest products (see Bulletin N° 165).

The Provincial Government of the island boasts of Palawan being “a paradise like no others”. And indeed, besides its highly diverse forest, the place is home to seven protected areas, a declared “Game Refuge and Bird Sanctuary” since 1967 and a “Mangrove Reserve” since 1981. Since 1990 the whole Province of Palawan has been declared a Man and Biosphere Reserve by UNESCO. The province has also two World Heritage Sites: the Tubbataha Reef Marine Park and the Puerto-Princesa Subterranean River National Park, of which the Subterranean River has been recently voted as one of the Seven Wonders of the World.

However, such gorgeous scenery and unique biodiversity faces the risk of being jeopardized and plundered by industrial activities.

Mining, denounced in previous WRM bulletins (see 165 and 172), has become a big issue in Palawan. The enormous threats posed by mining have raised widespread opposition that has mounted to a strong campaign which up to now has collected over four million signatures, demanding the stop of mining in Palawan and other island ecosystems (see <http://no2mininginpalawan.com/>). On the other hand, indigenous peoples through their own network (Aldaw Indigenous Network (Ancestral Land/Domain Watch)) have also started their own online campaign both against mining and oil palm expansion (see <http://www.petitiononline.com/PA2010/petition.html>).

In fact, indigenous peoples and small-scale farmers are now being threatened by the expansion of industrial oil palm plantations which the Provincial Government started to promote in certain areas of Palawan in 2003 as part of the nationwide target that allocated 20,000 ha to be planted with oil palm in Palawan until 2011.

Despite the fact that in many other places – including neighboring Indonesia and Malaysia - industrial oil palm plantations have proven to impact negatively on the environment and the local communities, the local government of Palawan established the Palawan Palm Oil Industry Development Council in 2004 to make Palawan one of the oil palm producing provinces in Asia.

In a report from Forest Peoples Programme (FPP) (Oil Palm Expansion in South East Asia. Trends and implications for local communities and indigenous peoples; <http://www.forestpeoples.org/sites/fpp/files/publication/2011/11>

[/oil-palm-expansion-southeast-asia-2011-low-res.pdf](#)), Jo Villanueva gives an in-depth description of how the oil palm industry is being shaped in Palawan as part of the development of plantation crops with private investors and processing plants. In some provinces, oil palm expansion is already competing with other native palms such as the buri palms (*Corypha elata*) - a popular basketry material whose trunk contains edible starch while its leaf-bud or heart of palm trees (ubud) is also edible raw or cooked, as well as the kernels of the nuts.

In other cases oil palm plantations are taking over cultivated lands and overlap with ancestral domain territories converting forest and indigenous fallow land (benglay) to oil palm plantations. This reduces the number of rotational areas needed for the traditional agricultural swidden cycle which requires that areas used for cultivation be left to fallow for several years before they regain the soil nutrients and vegetation cover. When no sufficient areas are available for rotation, the sustainability of the indigenous farming system is jeopardized (Novellino, D. 2011*) Whenever large areas planted with diverse crops become mono-cropped lands they need chemical inputs like insecticides and pesticides that deplete nutrients from the soil and release carbon dioxide.

Oil palm expansion has led to massive land buying and selling, encroachment on indigenous communities' lands, deforestation – like in the municipality of Quezon where tropical forest is being converted into oil palm plantations – and land conversion with impacts on the food sovereignty of local communities (see ALDAW video)

In south Palawan, the Philippine-Singaporean-Malaysian joint venture Palawan Palm & Vegetable Oil Mills Inc. (PPVOMI) is the main actor of oil palm plantations and sells the whole production to its sister company Agumil Philippines Inc. (API), which will establish and operate an oil mill in Maasin, in the province of Brooke's Point for the processing of crude oil palm and palm kernel. At least 70% of its production will be exported to Singapore, China and Malaysia.

It is estimated that API would convert more than 8,000 hectares of agricultural land into oil palm plantations in the Municipalities of Brooke's Point, Sofronio Spaniola and Quezon.

Other plantations belong to contract growers of API – either cooperatives or individuals. Also the construction company Cavite Ideal International Construction and Development Corporation (Cavdeal) involved in the road-building project in South Palawan has turned into the palm oil business and has purchased about 5,100 hectares in the Municipalities of Brookes' Point and Sofronio Spaniola while the Filipino enterprise COH has purchased a total of 700 hectares in southern Palawan, also for the establishment of oil palm plantations.

Overall, the municipality of Española has the highest percentage of land under oil palm plantations though they are expanding to other municipalities such as Brooke's Point, Bataraza, Rizal, Quezon, etc.

The Philippines-based advocacy campaign network of indigenous peoples ALDAW has identified the peril of the expansion of oil palm companies and is making a call for the implementation of more restrictive regulations on oil palm expansion to halt deforestation, habitat destruction, food scarcity, and violation of indigenous peoples' rights.

ALDAW invited WRM to make a field trip in November to the municipalities of Española, Quezon and Brooke's Point in order to witness the increasing impacts of oil palm expansion. In our visit we met several members of Palawan indigenous communities in the village of Iraray II in the municipality of Española who complained that their coconut palm orchards were being destroyed by a pest that

bored large networks of tiny tunnels into the coconut palm's trunk and started to attack their coconut groves after oil palm plantations expanded in the area. Coconut is very important for local livelihood since it provides multiple products and the dried endocarp (copra) is sold to obtain cash. The destruction of coconut palms is a menace to the household based economy and it will surely increase rural poverty in the affected areas. We could see the bug on one of the yellowish leaves of a decaying coconut palm, a red insect that has been identified by Aldaw as the Red Palm Weevil (*Rhynchophorus ferrugineus*), native of south Asia. The insect might find it easier to attack coconut trees than oil palm trees sprayed with pesticide. FPP's study reports that in Iraray alone more than 1,000 coconut trees belonging to twenty farmers were affected.

In the municipality of Brooke's Point, the local government of Ipilan has issued a resolution on November 11, 2011 (Resolution N° 51) requesting the Municipal Government (Sangguniang Bayan) of Brooke's Point, the Provincial Government (Sangguniang Panlalawigan), the Palawan Council for Sustainable Development (PCSD), the Department of Environment and Natural Resources (DENR) and other concerned agencies "to take immediate measures countering the negative impact of oil palm plantations and halting the expansion of such development schemes within the jurisdiction of Barangay Ipilan and neighboring communities" on the grounds that in some locations oil palm development "is already competing and taking over cultivated areas (e.g. rice fields), which are sustaining local self-sufficiency", it is "also expanding into indigenous fallow land (benglay), thus adversely affecting the sustainability of the Palawan farming system (uma)"; and "the herbicides used in oil palm plantations are playing a tool on local biodiversity, causing the dead of several species of birds, as it has been confirmed by farmers and indigenous peoples".

Oil palm expansion has also serious implications for indigenous peoples' access to their ancestral lands not only because toxic chemical inputs, used in industrial oil palm plantations, would pollute watersheds and water supplies but also because rent agreements and land leases with oil palm companies lead to the loss of access and control over their land and its natural resources.

The resolution acknowledges that "there is scarcity of public records showing the processes and procedures ('rent agreements' and 'land leases') leading to the issuance of land conversion permits and environmental clearances to palm oil companies"; "members of indigenous communities have 'rented' portions of their land to the oil [palm] companies, without having a clear understanding of the nature of such 'agreements' and without receiving clear contracts countersigned by the companies".

Oil palm is being promoted in the name of "development". But whose development? Quoting ALDAW "when lowland farmers in Palawan talk about 'agricultural development' they are mainly concerned on how to improve their wet-rice cultivation and find a steady market for their coconuts and other minor farming produces. When upland indigenous people talk about 'agricultural development' they are referring to the availability of sufficient forest land to be converted into swidden fields for upland rice and other crops (sweet potatoes, cassava, taro, maize, sorghum, etc)".

By their sheer nature industrial oil palm plantations are not ecologically sound as long as they deplete biodiversity, and they are certainly not a sustainable livelihood option for small-scale farmers and indigenous peoples.

Opposition to oil palm expansion is mounting in Palawan, and a new international campaign will be launched soon to stop further expansion of such plantations

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produced by Dario Novellino, of ALDAW.

(*) The Status Of Oil Palm Plantations On Palawan Island (The Philippines), by D. Novellino 2011.
This paper has been submitted to Corporate Watch and it will be included in one of their forthcoming publications.