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SST incentives for oil palm operators in Sarawak

KUCHING: The state government will have a discussion with the federal government on providing incentives through sales and service tax (SST) to oil palm operators in Sarawak.

Deputy Minister of Food Industry, Commodity and Regional Development (M-FICORD) Martin Ben said the imposed tax is under the provision of the federal government.

"The tax is a federal matter and we will bring up this issue to DOPPA (Dayak Palm Planters Association) as they represent smallholders but these are the basis on how we can return the revenue later.

"How we get that income from the tax later, probably through the products produced by smallholders. That will need to be

studied by the Malaysian Ministry of Plantation and Commodities," said Martin during a press conference of the roundtable session at BCCK yesterday.

He added that discussion with the federal government would be held as the tax was imposed by them.

Martin said that one way could be through incentives from the products collected from the smallholders.

"Even the big industry players are asking for the return and maybe we will focus first on

helping the smallholders.

On a different matter related to the setting up of national rice fields on a large scale for domestic use, Martin opined that this is positive for Sarawak.

"I think if it is taken care of and operates well, this is good. We have also identified some of the locations for the rice fields to be set up.

"If there are empty lands somewhere, maybe we can do something with it together with agencies here in Sarawak," said Martin.

Deputy Prime Minister Datuk Seri Ahmad Zahid Hamidi had said the government would establish rice fields in Sarawak.

According to the Minister of Rural and Regional Development (KKDW), the effort aimed to ensure that the supply was sufficient for domestic consumption and food security.

He said FELCRA would work with the state government to establish paddy fields to ensure a sufficient supply for domestic consumption and it would be done on a large scale.

“The tax is a federal matter and we will bring up this issue to DOPPA (Dayak Palm Planters Association) as they represent smallholders but these are the basis on how we can return the revenue later.”



MARTIN (centre) together with representatives from Solidaridad, DOPPA, SEA and PVATM Sarawak after signing the MoU.

Expedite market access involving smallholders

KUCHING: Those responsible for the sustainability agenda in the palm oil industry are asked to speed up market access for palm oil products, especially involving smallholders in Sarawak.

In stating this, Minister of Food Industry, Commodity and Regional Development (M-FICORD) Datuk Seri Dr Stephen Rundi Utom said this action was important because the produce from smallholders could increase the sustainability, productivity of produce in Sarawak, thus increasing their livelihood.

"Give quick market

accessibility for palm oil products, especially for smallholders in Sarawak for a more sustainable palm oil industry, he said at a round table meeting for Transition Towards Sustainable Palm Oil Production in Sarawak at the Borneo Convention Centre Kuching (BCCK), yesterday.

Dr Rundi's text of speech was read by his deputy minister Martin Ben, who represented him at the round table meeting.

He noted that the Sarawak government fully supported the initiative of any solution-oriented civil society organisation (CSO)

such as Solidaridad Network (Solidaridad) on the action.

"So far, Solidaridad has succeeded in uniting the parties involved in the supply chain involving smallholders with the parties involved in facing challenges and producing innovative products to increase production and encourage their transition.

"At the same time, this collaboration can also take steps towards sustainability and generate an inclusive economy that will benefit the community," he said.

Dr Rundi also stressed that,

as the ministry was responsible for leading the development of agriculture and commodities especially in the rural areas of Sarawak, he hoped that more efforts would be made to help smallholders.

"The initiative will assist M-FICORD in transforming and maintaining agriculture and the rural economy through modernisation and commercialisation that aims for Sarawak to become a food exporter by 2030," he explained.

After the round table session, a memorandum of understanding (MoU) signing ceremony between

the four parties was also held between Solidaridad, the Solvent Extractor's Association (SEA) of India, the Dayak Palm Planters Association (DOPPA) and the Malaysian Armed Forces Veterans Association (PVATM) Sarawak.

This MoU is an agreement of the cooperation of the parties to succeed in the sustainability agenda of the oil palm industry in Sarawak.

Dr Rundi hopes to be able to speed up access to the sustainable palm oil market, especially from small native palm oil farmers, in Sarawak.