

The potential of certified oil palm trunks:

A sustainable future for wood



Malaysia's palm oil industry has a strong competitive edge with regards to efforts to support sustainable palm oil production. As one of the large-scale producers and exporters of palm oil, with 5.65 million hectares oil palm tree planted area, Malaysian producers are exporting about 24.5 million tonnes of certified palm oil and palm-based products in 2023.

The total export revenue of palm oil and palm-based products from Malaysia is around RM95bn. The oil palm tree, primarily cultivated for its fruit, holds an often-overlooked resource in its

trunk. After the commercial lifespan of 25 years is reached, the oil palms are replanted, and the trunk of the oil palm tree is typically considered waste and left to decompose. However, with continuous research and development as well as advancements in technology, oil palm trunks (OPTs) can be transformed into valuable materials: certified palm wood.

SUSTAINABLE SOURCING WITH MSPO AND RSPO CERTIFICATIONS

Repurposing certified OPT into palm wood products offers a sustainable alternative to traditional timber

sources. With certifications under Malaysian Sustainable Palm Oil (MSPO) and Roundtable on Sustainable Palm Oil (RSPO), stringent standards ensure the sourcing of OPTs adheres to sustainable practices, including responsible land management, conservation of biodiversity, and fair treatment of workers. The MSPO certification, guarantees that the oil palm cultivation in Malaysia meets environmental, social and economic criteria, ensuring the sustainable development of the palm oil industry. Additionally, RSPO certification ensures that oil palm plantations

are sustainable minimising negative impacts on the environment and communities. These dual certifications ensure that the utilisation of palm wood not only minimises environmental impact but also upholds social and ethical standards, contributing to the promotion of sustainable forestry practices globally.

ENVIRONMENTAL BENEFITS

Deforestation, driven by the demand for timber, agricultural expansion, and urbanisation, leads the environmental crisis. Trees, essential for absorbing carbon dioxide and regulating the climate, are being felled at alarming rates, significantly contributing to greenhouse gas emissions. As forests disappear, global temperatures rise, extreme weather issues being reported and biodiversity declines. With the undeniable relationship between deforestation and climate change, there is a pressing need for sustainable timber alternatives. This has prompted a re-evaluation of traditional practices, leading to a search for innovative alternatives like certified palm wood, to provide sustainable alternatives.

As research and development efforts continue to expand, certified palm wood has emerged as a viable solution.

Despite initial perceptions, it exhibits strength and durability comparable to traditional timber woods, addressing the demand for robust materials in various applications. By repurposing waste material, this practice not only reduces greenhouse gas emissions associated with decomposition but also eases the pressure on natural forests.

ECONOMIC OPPORTUNITIES AND COMMUNITY DEVELOPMENT

The utilisation of certified OPT for the production of palm wood not only benefits the environment but also presents economic opportunities. By adding value to a considered waste resource, the production of palm wood can generate additional income for farmers and plantation owner, contributing to economic growth and sustainable development.

The repurposing of certified OPT into wood products represents a promising solution for enhancing sustainability across industries. By introducing this renewable resource which is sourced from certified MSPO and RSPO plantations, IOI Palm Wood not only reduces waste and environmental impact but also creates economic opportunities. **P**



Inspiring the next “material revolution” by creating sustainable and high-performance materials from oil palm waste, **Peter Fitch**, together with IOI, have set up IOI Palm Wood to commercialise this untapped potential.

LEGEND

- 1 The total export revenue of palm oil and palm-based products is around RM95bn
- 2 The MSPO and RSPO certifications ensure the sourcing of OPTs adheres to sustainable practices
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