

Review Paper (SS-1)

ENVIRONMENTAL MANAGEMENT IN MALAYSIAN PALM OIL INDUSTRY : A QUALITATIVE ANALYSIS OF ENVIRONMENTAL NON-GOVERNMENTAL ORGANISATIONS' PRESSURE

Mohd. Rafi Yaacob

School of Business and Management, University Technology MARA (UiTM), Terengganu Branch, 23000 Dungun, Terengganu (MALAYSIA)

*E-mail : ymohdrefi@yahoo.co.uk

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ABSTRACT

Over the last three decades, Malaysia has been the largest producer and exporter of palm oil in the world. In Malaysia palm oil is the most important agricultural and contributes substantially to the economy. Nevertheless, the growth of the industry has some costs. Deforestation, depletion of flora and fauna, air and water pollution and conflicts on native customary lands (NCLs) are amongst environmental and social impacts of the industry. Environmental regulatory pressure on the industry since early 1980s has changed the industry's environmental practices to be more environmentally responsible in its activities. Many environmental aspects of the industry have been internalised by palm oil companies. Despite some improvement in handling environmental issues, the industry has been criticised especially from Environmental Non Government Organisations (ENGOS) who have argued that the industry is not proactive enough to address environmental and social issues exacerbated by the industry. Hence, against this background, the main aim of this study is to investigate ENGOS perception of environmental strategies in Malaysian palm oil companies and how and to what extent they impose pressure on the industry to more environmentally and socially responsible. Data of this paper were based from face to face interviews with 4 important individuals from different ENGOS in the country. From the qualitative analysis of the tape-recorded interviews facilitated by NVivo software, it seemed clear that although various means had been used by ENGOS, by and large they have limited power to exert influence on the industry. Nonetheless, study also showed an increasing advocacy and activism amongst them, especially from ENGOS who worked at the grass root level. This could not be taken lightly by palm oil companies if they want to project their images as corporate responsible companies on green and social issues. Some recommendations to increase corporate environmentalism in the industry were also included at the end of this paper.

Key Words : Environmental management, Qualitative analysis, Non Government Organisation, Environmental regulatory pressure

INTRODUCTION

Over the last three decades there has been increasing pressure from stakeholders on businesses to be environmentally responsible.² Business organisations could not help but take this consideration seriously because it has a far-reaching impact on their very survival. There is growing evidence that more environmentally proactive businesses are much more efficient and competitive than those that are not. Moreover, businesses who are environmentally and socially responsible would gain good reputation and at the same time avoid advocacy campaign from stakeholders especially ENGOs.

Over the last three decades Malaysia has been the largest producer and exporter of palm oil in the world. In Malaysia palm oil is the most important agricultural commodity and contributes substantially to the economy. In 2003 its earnings from foreign exchange amounting to more than RM20 billion (US\$ 5 billion) amounting for 45.9 per cent of the export earning from primary commodities and 6.5 per cent of the country's total export earnings. In terms of land use, it constituted 3.8 million hectares or about 50% of the total cultivated area in Malaysia in 2003 (MPOA, 2003).¹² In addition the industry provides employment to about 567,400 workers in the private plantations, government land schemes and independent smallholders, taken together of those who are linked to the oil palm industry, approximately 1 million out of the total 10 million Malaysian workforce are engaged in or dependent upon the palm oil industry.³

Nevertheless, the growth of the Malaysian Palm Oil Industry (MPOI) has some environmental costs. Deforestation, depletion of flora and fauna, air and water pollution are amongst environmental impacts of the industry. For example, up until now in average only 80 per cent palm oil mills nation wide comply with Environmental Quality Act, 1977, palm oil premises pertaining to palm oil mill effluent

(POME). In terms of land use, according to the Malaysian Palm Oil Association (MPOA), 34 percent, or 1.21 million hectares of palm oil plantations in Malaysia involve forest conversion.⁵ However, others had argued a higher figure; from 1995 to 2000, based upon the government statistics, Simeh and Ahmad¹⁷ stated that 86 percent of all deforestation in Malaysia was attributable to palm oil development alone.

Again this background, this research is intended to bring insights into how ENGOs in Malaysia exert pressure on the MPOI to be more environmentally responsible. In addition, this study also investigates ways forward to improve corporate environmentalism in the industry.

LITERATURE REVIEW

Stakeholder Theory

The Stakeholder Theory of strategic management emerged in the mid 1980s. One focal point in the movement was the publication of Edward Freeman's book, *Strategic Management: A stakeholder approach*, in 1984.⁷ The central task in a strategic management process is to manage and integrate the relationships and interests of shareholders, employees, customers, communities and other groups in a way that ensures the long-term success of the firm.⁷

A manager needs to understand the concerns of its stakeholders in order to develop objectives that stakeholders would support for his or her organisation's long-term success. Therefore, the manager should actively explore their relationships with all stakeholders in develop effective business strategies. The number of stakeholders and variety of their interests can be quite large; thus, a company's decisions can become very complex.^{9,16} But in practice, it is difficult and costly to identify and meet all the stakeholders' demands. Consequently, it is crucial for the manager to identify and analyse the meaning and significance of each individual group and to

determine their respective power, in order to be prepared for the conflict that may follow from the prioritizing of competing groups of stakeholders.¹¹

Stakeholders can be divided into two categories, external and internal. External pressures include regulators, public, community, and suppliers. Internal stakeholders include shareholders, management, and employees. In another categorisation, stakeholders are divided into primary and secondary. Primary stakeholders refer to those who are critical to the company's existence and activities, in which are included stockholders, creditors, suppliers, customers, competitors, retailers and employees. Secondary stakeholders are those people and groups in society who are affected, directly or indirectly, by the company's primary activities. Local communities, federal, state, and local governments, social activist groups, media and business support groups, are included in this category.¹⁶

Each stakeholder has different interests in an organisation and how their interest will be entertained by an organisation largely depends on their power. Stakeholder power, simply means the ability to use resources to make an event happen or to secure a desired outcome. Apart from power, Mitchell et al. believed legitimacy and urgency also play their part. They defined legitimacy as: "[A] generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs."¹⁴ Mitchell et al. argued that there is an emphasis on the legitimacy of a claim on a firm, based upon contract, exchange, legal title, legal right, moral right, at-risk status, or moral interest in the harms and benefits generated by companies' actions. Power and legitimacy are distinct attributes that can combine to create authority (the legitimate use of power) but that can exist independently as well. Additionally, an element of urgency is also vital. Urgency is the degree

to which a stakeholder's claim calls for immediate attention. The inclusion of urgency would add a dynamic component to the process whereby stakeholders attain salience in the minds of managers.

Environmental Non Governmental Organisations (ENGOS)

The primary purpose of ENGOS is to promote social and environmental goals, rather than the achievement or protection of economic power in the marketplace, or political power through the electoral process.¹⁵ They have grown in numbers, power and influence since 1980s and their activism has been responsible for major changes in corporate behaviour and the government's action. Many ENGOS - Greenpeace, Friends of the Earth (FoE) and World Wildlife Fund for Nature (WWF) - are international organizations with national bases in many countries across the world. The WWF has been involved in over 4,000 projects in 140 countries since its foundation in 1961, while Greenpeace has over 45 million members world-wide and offices in 30 countries.¹⁰

ENGOS are increasingly putting pressure on businesses and effecting corporate policies on environmental issue. Generally, ENGOS influence business in three key ways:

(a) Forcing change, through boycotts, direct action and lobbying

A case in point is Shell Oil Company, who used lower environmental standards in its operations in Nigeria's delta region. From 1982 through 1992, 1.6 million gallons of oil were spilled from Shell's Nigerian fields and various Niger Delta communities experienced Shell's gas flaring for 30 years. Shell was also accused by the ENGOS of implicitly supporting human rights abuses, given its perceived close association with the repressive Nigerian military regime. For example, at one of the many demonstrations against the company in Ogoniland, 80 villagers were killed by the Nigerian Mobile Police Force. Furthermore, in late 1995 the government executed the leader

of the movement of the Ogoni People, Ken Saro-Wiwa. The ENGOs world-wide protests, against such violent repression, finally forced the company to change its policies and practice. In 1997 Shell released its revised business principles, which included for the first time explicit support for human rights, and in the same year it published its first public report on community and environmental issues in Nigeria. That report established new targets, including an end to gas flaring in the delta within ten years.

Although not all ENGOs are successful in realising change in corporate policy, by putting issues on the agenda, conflict can lead to governmental intervention for instance the case of biotechnology in India.

(b) Facilitating change

Many ENGOs are increasingly favouring cooperation over traditional protest and confrontation in order to encourage environmental sensitive corporate practices.¹⁸ By partnering with business, they are facilitating change in business environmental practices. The business-ENGO collaboration is not solely based on corporate philanthropy but on strategic partnerships, dealing with the internal operational issues of participating businesses. For instance, in the case of deforestation and ENGO relations with the timber trade, such collaboration has facilitated the Forest Stewardship Council (FSC) accreditation and certification for timbers that are produced according to sustainable logging practices. A further example is the Greenpeace collaboration with Foron, a household appliances company in Germany, in 1992-1993. Initiatives taken by this collaboration led to marketing of an ozone-safe refrigerator motivating industry-wide adoption of eco-technology.

For businesses, the reasons for collaboration fall into three broad categories :

- There is the management of corporate responsibility - businesses interact with

and respond to ENGOs as a means of demonstrating corporate accountability and their legitimacy as power global economic and political actors.

- There is the need for corporations to manage conflict and protect corporate reputation. For reasons of marketing, recruitment, employees and risk management, it is productive to cultivate the public impression of a socially and environmentally responsible business in a society.
- Companies can access new resources by partnering ENGOs; these resources relate to credibility, expertise, marketing ideas and networking.

(c) Sustaining change

The ENGOs are actually sustaining change in the marketplace by going it alone and / or establishing new trading relationships and new systems of regulation. These changes have an impact on the operating environment of business. For example in a timber trade case study, ENGOs such as WWF helped set up a new globally applicable system for the endorsement of products from well-managed forest - the FSC accreditation, certification and labelling scheme. Instead of waiting for intergovernmental regulatory agreements or better implementation of existing governmental regulations, the NGOs established their own system.

METHODOLOGY

According to Easterby-Smith, Thorpe and Lowe social research has philosophically two approaches : either positivism or social constructionism. A positivism approach reflects that the social world exists externally and its properties should be measured through objective methods. The quantitative paradigm is based on positivism. On the contrary, a social constructionism approach views the world as socially constructed and subjective. The social constructionism is one of a group of approaches that Habermas⁶ has referred to as interpretive

methods. As far as ontology of the approach is concerned, there are multiple realities based on one's construction of reality which is constantly changing over time. Unlike the quantitative approach, in the qualitative approach the investigator and the object of study are interactively linked so that findings are mutually created within the context of the situation which shapes the inquiry.⁶ This suggests that the reality has no existence prior to the activity of investigation, and the reality ceases to exist when investigator no longer focus on it. Qualitative research stresses the process and meanings of topic of interest. Techniques used in qualitative studies include in-depth and focus group interviews and participant observation. Samples are not meant to represent large populations; rather small purposeful samples are used to provide valuable information. Since the early 1980s there has been a trend away from positivism towards constructionism.⁶

In all seven invitation letters were addressed to the Malaysian non environmental organisations (ENGOs). The semi-structured interview protocol was also attached with each invitation letter. Out of seven ENGOs in Malaysia only four organisations agreed to participative— Malaysian Nature Society (MNS), World Life Fund (WWF), Borneo Research Institute of Malaysia (BRIMAS) and SAM (Friend of Earth of Malaysia). Each organisation was represented by an individual who held senior position. The interview protocol contained open-ended questions. Amongst questions asked by the researcher were: interviewee's position in the organisation, how long they had been working for their organisation, what the nature of their job. How they perceived the effect of the palm oil industry and the environment. The crux of the interview was related to questions pertaining to their organisation's power against the MPOI, how their organisations exerted pressure on the industry to be more environmentally responsible

in their activities, and how the MPOI reacted to their pressure. Opinions concerning ways to increase corporate environmentalism in the MPOI in the future were also discussed.

In order to improve the accuracy of the data collected in semi-structured interview, each interview was tape recorded; however, this was subject to gaining the permission of interviewees. The interviews took approximately between one to two hours. All interviews were conducted at interviewees' premises at their convenience. Once an interview was completed the taped interview was transcribed on a word processor, by doing some the researcher gained more insights into the topic of study, and provide new ideas for the subsequent interviews. Once transcribed and checking any errors, transcript of interviews were sent to respective interviewees either through ordinary mail or e-mail, this depended on which means preferred by interviewees. By doing so the interviewees could then make alterations to the data and send back to the researcher. Out of 4 transcripts half interviewees (2) sent back their transcripts with minor alterations. The researcher then amended the transcription of the interview accordingly.

Then the data were reduced by breaking them down into manageable units of codes and labels. In this research coding and labelling data were based on content analysis methods of data interpretation. A content analysis is the systematic analysis of written and oral information to build generalisations.¹ The content analysis was used for identifying, coding and categorising the primary patterns in the data. All coding was undertaken while simultaneously listening to the taped interviews and reading from transcripts. Free codes were used in the initial stages and these were further processed into coding trees when patterns emerged.¹³ The nodes for coding the data were structured around a set of themes pertaining regulatory pressure on the MPOI. In this study, QSR Nvivo 7, the latest version of Nvivo

package was employed for this qualitative analysis.

Qualitative Analysis and Findings

Results of this qualitative analysis are by no means exhaustive, however due to the sheer volume of quotes making up the study, a representative sampling of only one or two relevant quotes will punctuate the results.

The Palm Oil Companies' Environmental Strategies

As far as environmental strategies of MPOI were concerned, participants of all ENGOs seemed to agree that most MPOI companies adopted a reactive environmental strategy. The following are their comments when they were asked about palm oil companies' environmental strategy:

At the moment, the companies not really care much about the environmental impact of it or socially impact of it. They are even now aggressively expanding.

(The senior officer of BRIMAS)

I have to say they don't very active at all. A lot of projects we do our partners are with

companies almost all of them multi national companies (MNCs). Who have stated environmental policies, at their plants.

(The senior executive of MNS)

Environmental Non Governmental Organisations (ENGOs) strategies to exert pressure on the MPOI

Although all the interviewed participants shared the common vision of environmental conservation, they adopted different strategies to exert pressure on the MPOI, and the governments, in regard to environmental conservation. Their strategies, which are shown in **Table 1**, are largely dictated by their organisational philosophies. In general the strategies taken by these four ENGOs to exert pressure on the industry and the government in dealing with environmental issues in Malaysia could be divided into two categories. On one hand, both MNS and WWF preferred close cooperation with the MPOI and the government, but on the other hand BRIMAS and SAM generally chose confrontational means.

Table 1 : Strategies taken by ENGOs to Exert Pressure on the Malaysian Palm Oil Companies

Approach	ENGOs			
	MNS	WWF	BRIMAS	SAM
Collaboration / Partnership	●	●	○	○
Empowering communities	○	○	●	●
Legal action / boycott	○	○	●	●
Member of the RSPO	○	●	○	○
Lobbying the government	●	●	●	●
Sit on MPOB Council	●	○	○	○
Communicate to wider audience	●	●	●	●
Link to international ENGOs campaign	●	●	●	●

● Practiced ○ Not practiced

In order to increase corporate environmentalism in Malaysia it was observed that MNS and WWF had established a relationship with palm oil companies through collaboration, consultation and involvement in

various activities. For example, MNS got involved in a small project with one big palm oil company but unable to sustain their relationships. The MNS senior executive said:

We have not been involved in palm oil

companies in regular basis. X (a big palm of company) had been with us for a few times supporting some programmes but all tiny programmes....In the field educational programme.....That's quite a few years ago.

By the same token, WWF also cooperated with several palm oil companies in a flood plain project in one of states in Malaysia to establish a corridor for wildlife along the river. This project would reconnect various blocks of the wildlife sanctuary, forest reserve and certain areas of private land for wild life which would reduce human-wildlife conflict. At the time of the interview with the representative of WWF, three palm oil companies who were involved had agreed to allocate a certain portion of their estates for the project.

It was observed that these two ENGOs (MNS and WWF) have resorted to a soft approach and reject any action to boycott or take legal action taken against MPOI. They believe the MPOI is crucial for the Malaysian economy, and at the same time recognise that there are a huge number of workers depending on the industry. Employees as well as palm oil companies would suffer if negative campaigns were launched against the industry. This was what a senior officer of WWF said :

We don't want to deal with hard approach, we can still talk. Because you have to realise if you say no, if our organisation bans palm oil, boycott palm oil, a lot of people also affected. Of course we don't want that. I'm a Malaysian. Why would I want to do that?

In addition, WWF also tried to engage the MPOI through its membership in the Roundtable for Sustainable Palm Oil (RSPO). In fact WWF is one of the founding members and instrumental in the establishment of the RSPO. Similarly, MNS sits in the MPOB council in order to engage in dialogue and inculcate awareness of environmentalism in the MPOI. Each ENGO used the RSPO and MPOB as a platform to achieve their visions for better environmental conservation in Malaysia.

Besides direct contact with palm oil players, both organisations have also resorted to an indirect approach to pressuring the MPOI. They have tried to influence the Malaysian government to implement better environmental policy. Moreover to put more pressure on the palm oil industry and the government, both ENGOs disseminate facts about environmental issues locally and internationally. In this regards, as an affiliate of WWF international, WWF Malaysia uses its international links to deliver its messages across the globe and at the same time uses its international reputation to encourage various palm oil buyers, both in China and in European countries, to put pressure on the MPOI to be more environmentally responsible.

On the other hand, BRIMAS and SAM have resorted to a critical and confrontational approach. They have not established any collaboration with palm oil companies. Their emphasis is more on working closely with grassroots activists who have been affected by environmental degradation, and have experienced social disruption due to palm oil activities in their native customary lands, especially in Sarawak (East Malaysia). These groups have empowered local communities against the MPOI through education and consultation. They have also helped affected communities to take legal action against the MPOI and in a number of cases have provided community member's legal assistance when they were arrested by the authorities. The BRIMAS senior officer explained:

[T]hey seek us for legal advice or how to deal with the companies who encroached to their lands.some of them don't know what to do. When they come up they seek our advice, besides giving our advice what should they do in terms of action they should take, .. we also provide them awareness raising there where the training comes in, they build up their capacities, awareness of their rights and also communities become more aware and more empowered to defend their lands.

In addition he elaborated :

And then we also get communities together we form communities organisations, action groups we have this net work now this network known network called as Tanah Adat Bangsa Asas. It is a loose network of different organisation or different communities-based organisation and from this one network we try to push pressure on the state I mean change the policy.

SAM's approach is in many ways similar to that of BRIMAS :

We take various approaches...we refer to our indicator, i.e. community. ...Why those community affected by these kinds of development? So we take various means, mechanisations to assist the community affected by those kinds of development. We take legal actions, media.....We also look at law, policy, we educate people what is the environment and so forth. We have less approach on the industry (The senior officer of SAM)

Unlike MNS and WWF, both BRIMAS and SAM not only avoided any direct approach to the MPOI, they also distanced themselves from any organisations that are linked with the MPOI. The RSPO is one case in point. The senior officer of SAM said his organisation has been invited to participate in the RSPO on several occasions, but nevertheless SAM showed no interest. However, he said SAM would support other associated ENGOs in the RSPO.

In addition, these ENGOs were also trying to get support from professionals, the public and politicians. They acknowledge that some politicians realise the negative impact of environmental degradation and are sympathetic to the cause of local communities affected by the MPOI. They hope these politicians will be able to make the right decisions for the betterment of the environment and local communities affected by unsustainable development. By doing so these ENGOs have tried to influence the government to amend existing policy or to strengthen enforcement to put more pressure on the industry to be more

environmentally and socially conscious. The senior officer of SAM and the senior officer of BRIMAS said they tried to influence the government at both state and federal levels, however, they did not elaborate on how successful they were. In the case of palm oil industry, through the interviews with both ENGOs it was observed that both the states and federal governments were biased towards the industry, so it is not surprising that both ENGOs have had little or no effect on government policy. Taking the fact that these two ENGOs on many occasions were at loggerheads with the government over the environmental and social issues, they have been accused by the MPOI, and both state and federal governments, as being trouble-makers and a nuisance. In the past, some of SAM activists were labelled as foreign agents and subversives, those who try to incite hatred of the government and it's development projects. Several of SAM's activists have been detained by the authorities under the Internal Security Act (ISA).

A further approach used by both SAM and BRIMAS to exert pressure on the MPOI and the government has been through dissemination of information about the environmental and social costs of the MPOI through their websites. They also collaborate with both local and international ENGOs to exert pressure on the MPOI and the government. The BRIMAS senior officer said:

"[W]e also have campaigns from our international friends and international ENGOs from time to time play international leads, we have to take pressure locally we also have local group from peninsula as well, to put pressure on the federal government also international ENGOs put pressure (on the federal government)".

The Extent of regulatory Pressure on the MPOI

The extent to which the stakeholders exert pressure on the MPOI varies, dependant on which of the different stakeholder group is

involved. Although various approaches had been taken by the four ENGOs in the study, by and large their respondents admitted to a degree of powerlessness over the MPOI in terms of environmental management. They exerted only weak pressure on the MPOI to be more environmentally and socially responsible, even for those who had a direct contact or collaboration with the MPOI. They could not help but admit :

[W]e don't really exert pressure. In MNS we try to work along side companies so we try to show by example. And for companies who work with us they often find benefits of getting a lot of awareness, support and accolade around the world. And companies who don't (work with us) we hope, will feel embarrass that they being left out. That's all we can do. MNS is not getting involved in any companies like that. We sit under palm oil board we try to convince companies to do the right thing but we focus more on (the) government, to work with the government, a lot to do with the land use.

(The senior executive of MNS)

The situation was also true for BRIMAS, "Ours is more on building communities, we (em)power (community). As for our organisation we actually cannot do much", said the senior officer of BRIMAS.

As for SAM, though in the past they managed to generate significant support from the public, and public pressure forced the government to change its policy and abandon controversial development projects (such as the cases of Bukit Merah and Penang Hill) and logging activities (in Ulu Muda, Kedah), in the case of palm oil industry development the organisation itself has little or no impact on the government's policy. Nevertheless, its senior officer claimed their efforts have political influence on decision makers. However the researcher believes that this influence is issues based, since when it comes to the palm oil industry SAM's representative could not provide strong evidence as to what extent SAM exerts direct pressure on the MPOI and the

government to change their policies. In the case of indigenous people against palm oil industry in Sarawak, SAM's senior officer claimed his organisation's efforts had empowered local communities to exert pressure on the MPOI and the state government, which again indicates that his organisation's pressure in actually indirect.

Ways to increase corporate environmentalism

When the respondents were asked about ways to increase corporate environmentalism in the industry in Malaysia, almost all respondents wanted a very strong government commitment on the environment. In terms of environmental laws, they suggested proper implementation, stringent legislation and better enforcement of environmental regulations.

This was what the senior officer of SAM said :

Government policy itself must be awakened, must have better policy, policy must stringent enough. Because at present, our government policy is what including in WTO (World Trade Organisation), the latest is FTA (Free Trade Agreement), they want to loosen the law to promote industry and in turn promote economy. For us when the government loose up the law, they relax policy and so forth...ideally they relax the law to give more room for economic activities but in future it effects on people, it is more dangerous, so (the question is) either they are going to go for sustainable future or destructive future? The best way (to increase corporate environmentalism) is to strengthen the law and policy. If they do that, industry could not help but to comply. The industry must comply.

When it came to the government authority's power as well as monitoring, an interviewee proposed a mandatory requirement for each and every company to apply for ISO 14000 certification.

[T]he government should enforce the law,

unfortunately we(sic) don't have enough enforcement officers. They cannot do surveillance or monitor all these plantations and mills. But you can do this.... the government said to renew your licence you must show your ISO 14001 (certification). And make sure that you renew every year. (And due to this) enforcement is done by companies themselves. ...it is easier for the government to monitor them. Otherwise, the government needs thousands enforcement officers, but still inadequate.

(The senior manager of WWF, Sabah)

Moreover, some suggestions of the stakeholders were directed at MPOI, in that environmentalism should begin from the palm oil companies themselves. This self regulation they believed to be the best way to ensure the industry's environmentalism. "I mean it must start from company itself" said the senior officer of BRIMAS. The same was echoed by his ENGO counterpart :

[L]et say companies do such a thing (self-regulated). Not need for us to worry or not need for us to monitor them, because they are not going to create problem.... no need for us to worry. They know corporate responsibility, they understand, (for example) there are some Japanese firms run their business in Malaysia. If we go (to their premises) we don't know where to find fault. They have high self regulation to the extent that they create no problem and not need for us to worry about them. If that is the situation, so no issue. What makes NGOs worry is due to various (environmental) issues created by our companies. They don't have their own self regulation.

(The senior officer of SAM)

CONCLUSION

Interviews with senior officers of four well-known ENGOs in Malaysia provided an insight into ENGOs pressure against the MPOI. Overall, there were two types of strategies adopted by ENGOs in Malaysia-cooperation and confrontation. Cooperation amongst others involved partnership in environmental projects as well as being a member in environmental organisation or

committee where palm oil companies or its association be members. Those who resorted confrontation chose indirect approach by empowering local communities affected by the industry to increase activism including legal action and or boycott. Though there are some differences amongst these two types of ENGOs, both lobbied the government, communicated to wider audiences and linked their organisations to international ENGOs campaign of environmental issues. In terms of pressure, as expected the analysis showed ENGOs exerted less influence on the industry. But nevertheless various advocacy campaign from ENGOs could not be treated lightly by Malaysian palm oil industry. In order to increase corporate environmentalism in the MPOI almost all respondents wanted a very strong government commitment on the environment. In terms of environmental laws, they suggested proper implementation, stringent legislation and better enforcement of environmental regulations.

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Environment is God's gift, preserve it
