



IOI GROUP

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IOI PELITA LAND DISPUTE RESOLUTION PROCESS

IOI Pelita and Stakeholders Reaching a Breakthrough

The IOI Pelita land dispute with local communities in Tinjar, Sarawak, has been going on for 14 years and is considered to be one of the long-running disputes in the State of Sarawak. Actually, this dispute started back in 1997, long time before IOI Corporation Berhad (IOI) entered into the joint venture with the Land Custody and Development Authority of Sarawak (LCDA) in 2006.

Over the years there were many attempts to resolve the dispute but they have not succeeded. The case is complex as it involves eight community groups and approximately 505 households, together with the Sarawak State Government, which considers the land as State Land.

Three years ago, IOI Pelita launched a 3-stage resolution plan which was approved by RSPO (Roundtable on Sustainable Palm Oil). Since then, IOI Pelita has been following the resolution plan closely, with the involvement and assistance from RSPO, LCDA, Sarawak State Government and two NGOs, namely Grassroots and CICOM (Communities Information and Communications Centre).

As a result of the close involvement and assistance from these stakeholders, a significant breakthrough in the dispute resolution process was reached on 17 March 2021 in Miri at a dialogue session held by the State of Sarawak government with all the eight community groups. The dialogue session was chaired by the Acting Residen of Miri, Mr. Abdul Aziz Mohamad Yusuf, and attended by, among others, the Assistant State Minister of Local Government and Housing, YB Datu Dr Penguang Manggil, and IOI Pelita's representatives.

In resolving the communities' communal and individual land claims made during the community participatory mapping stage, IOI Pelita offered during the session to relinquish their interest over all the remaining land which has not been planted with oil palm by them. This amounts to a sizable approximately 5,000 hectares out of the total land area of approximately 9,000 hectares.

In conjunction with the intended relinquishment of interest by IOI Pelita, the Sarawak State Government has made a far-reaching and unprecedented offer to declare that area of approximately 5,000 hectares of land a Native Communal Reserve and subsequently grant the communities communal and individual land titles, which give better legal rights and protections to the communities than the native customary rights.

IOI Pelita's offer is conditional on all parties to the dispute reaching an agreement on the exact terms of the final dispute settlement. These terms will be discussed at the upcoming last stage of the resolution process, the negotiation stage, where expert advice will also be offered to the communities. The negotiation stage will commence as soon as the current interstate travel restrictions due to the pandemic are lifted.

