

SECTION 3

ALTERNATIVE CONSIDERATION

3.1 BUILT OPTION

TH Plantations Berhad has been involved in oil palm business for many decades and now desires to expand the hectare of its plantations. Hence, for this Project, approximately 8094.43 hectares of logged over forest will be planted with oil palm trees.

The Project has the potential to generate regional economic impacts. The Project will provide employment opportunities to the local community. The Project will uplift the quality of life of the people in the area which is the key issue in the sustainability platform. It's pertinent to note that the growth of the oil palm industry has led to a significant improvement in the social phenomenon of rural communities which rely on plantations as a source of employment and income. Furthermore, TH Plantations Berhad is in full understanding of the laws and regulations applicable to plantations.

As such, the "**Built Option**" is proven to be a better option as it balances economic and environmental considerations resulting in net benefits for the industry concerned, for the local people and also for the environment. Therefore, the need for this Project development to be approved and implemented is obvious.

3.2 NO PROJECT OPTION

A "**No Project**" option will cause the project site to remain as a logged-over forest. There is possibility of encroachment into the registered land area for illegal development. This potentially can result in more damages to the environment since it is not properly managed due to the "**No Project**" option for the Project site.

In terms of ecology system, the logged-over forest will take 100 years to return as climax forest under natural conditions. Leaving the land idle is a step backward towards economic development. The local communities will not be able to participate in the economic development and therefore, there is no benefit from increased employment and business opportunities.

3.3 DEVELOPMENT TECHNOLOGY

In line with the Eight Entry Point Project (EPPs) under the Palm Oil National Key Economic Area (NKEA) which divided into two strategic thrusts, the improvement of the plantations that presented a low degree of technology adoption, the technology level of the more efficient plantations and production levels must be used. The first strategic thrust aims to ensure sustainability and improve the productivity of the upstream sector and the second strategic thrust aims to develop the downstream sector of the palm oil industry, greatly expanding production of high value oleo derivatives.

A suitable agronomic management should be implemented that considers geographical information systems, efficient management of water resources, suitable land, and sanitation control programs. It is also of vital importance that the technical auditing and assistance units of the core palm producers, or something similar, play a principal role in accomplishing this goal (Fedepalma, 2012b).

Furthermore, better technology adoption is needed for pruning in the evaluated plantations through direct training and farmer-to-farmer technology transfers, which would help close the productivity gap using the knowledge of the technology levels achieved by the producers with good and excellent scores for the adoption of technology by other producers, by example or with demonstrations on their plantations (Castiblanco et al., 2013; Halbleib and Jepson, 2014).

The conventional development technology including machinery and equipment will be deployed for the development of the Project. With the implementation of the appropriate mitigation measures, the least environmental impacts and the increase of yield production will be achieved during project implementation.

Thus, the project site has the potential to stimulate regional economic impacts. Environmental considerations can be infused into the Project development and management to avert and minimize adverse impacts. Developing the oil palm plantation is a step towards prosperity and the development will benefit the people in the surrounding areas over the long term.