

CHAPTER VI

CONCLUSION AND RECOMMENDATIONS

This chapter contains the conclusions of the research that has been conducted and suggestions for future research.

6.1 Conclusion

The conclusions drawn from the conducted research are as follows:

1. There are several elements influencing the occurrence of cooking oil scarcity. The value of each element will influence the value of other elements. Scarcity will occur if the stock available in the market is smaller than the demand. The elements influencing scarcity are CPO production, CPO stock in the market, CPO export, CPO demand for biodiesel, domestic cooking oil demand, CPO stock for cooking oil, cooking oil production, and cooking oil stock in the market.
2. In create the model cooking oil scarcity, there are three subsystems: the CPO Industry subsystem, which models from the palm oil plantation to CPO production; the cooking oil industry subsystem, which models from the population to cooking oil stock in the market; and the biodiesel industry and other industries subsystem, which models from CPO demand to its effect on the CPO stock in the market. Each subsystem will produce different outputs and interact with other subsystems.
3. There are two scenarios used: scenario one includes a policy limiting the number of exports, without any land expansion, and scenario two includes a policy on the moratorium of forest area conversion as well as a policy on palm oil plantation rejuvenation. The chosen scenario is scenario two, as it can increase CPO production and add profit.

6.2 Recommendations

Based on the conducted research, the following recommendations are proposed for further studies:

1. The report writing should use clear, concise language that is easily understood by the reader.
2. Consider collaborating with researchers from other fields to gain a broader perspective.

