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ANIFAH-REVIEW

M'SIA WANTS POLAND TO REVIEW DUTIES ON PALM OIL

KUALA LUMPUR, June 3 (Bernama) -- Malaysia wants Poland to review the duties on the country's palm oil so that it will be at par with Indonesian palm oil, Primary Industries Deputy Minister Datuk Anifah Haji Aman said.

Duties on Indonesian crude palm oil (CPO) is 0 percent against 10 percent for Malaysia and 0 to 17.5 percent for Indonesian refined palm oil against 25.8 percent for Malaysia.

In a statement here today, Anifah said that during his meeting with top Polish officials, he drew their attention to the differential in duties between palm oil and other oils, which is adversely affecting imports of palm oil into the country namely 25.8 percent for palm oil against 15.8 percent to 20 percent for other oils.

Anifah had just returned from a 13-day economic and technical mission to Poland, Ukraine and Romania from May 10-22, where he held discussions with the relevant authorities on how to enhance bilateral trade relations in terms of trade in commodities in general and palm oil and cocoa in particular.

Anifah said that the delegation was informed that the discriminatory duty would be removed after Poland joins the European Union (EU) in May 2004.

During the meeting with Polish officials, he also mentioned about the undertaking contract signed on April, 2003 to set up refineries and oleochemical plant as part of the package for the purchase of Main Battle Tank, so that interested Malaysian parties could participate.

"I also discuss the counter purchase arrangement involving palm oil and rubber products, valued at US\$111.2 million, as part payment for the contract of Main Battle Tank.

"I recommended that a special team be formed to negotiate the totality of counter purchase agreement and to work out the details between the supplier of the Main Battle Tank and the supplier of palm oil in Malaysia," he said.

Anifah said that Poland would gain by importing palm oil which was comparatively cheaper and develop blending possibilities with their rapeseed, for example to produce biofuel and margarine products.

He suggested further research collaboration be carried out in blending both oils.

In Kiev, Ukraine, Anifah mentioned that if the authority could relax entry visa, more private sector will trade and invest in that country.

He also said that the Malaysian private sector wanted Ukraine to standardise trading procedures namely the arbitration procedure.

Anifah also mentioned that Prime Minister Datuk Seri Dr Mahathir Mohamad would be visiting Ukraine this month to enhance bilateral relations.

During his meeting with relevant Romanian authorities, Anifah urged Romania to import palm oil directly from Malaysia rather than through third country which will be more costly.

He also discussed Malaysia's offer of US\$10 million (RM38 million) credit under Palm Oil Credit Payment Arrangement (PPOCPA) scheme and requested the country to avail herself of the facility as soon as possible.

However Romanian authorities said that they needed to study the offer further and hopefully could be concluded in due course, he said.

Anifah suggested that both countries embark on counter trade whereby

Malaysia would export palm oil and import Romania's products such as lorries, trucks and machineries through a consortium.

He also requested Romania to reduce its tariff on cocoa from 33 percent to 5.0 percent to be at par with EU countries.

Overall, Anifah said there was great potential for the palm oil market in the three countries. -- BERNAMA

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