

WTO rejects M'sia's complaint against EU in palm oil dispute

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A complaint by Malaysia against the European Union over the bloc's rules concerning the use of palm oil-based biofuels has largely failed at the World Trade Organisation (WTO), reported dpa.

The dispute dates to 2018 when the EU issued regulations on the minimum amount of renewable fuels that member countries must use in their transport sectors.

The EU stipulated that the use of biofuels for which forests had been cleared for planting could not be used to achieve the target. This primarily concerned palm oil crops.

Malaysia, which has a major palm oil production industry, alleged the measures violated fair trade practices and launched a lawsuit at the WTO in 2021.

A panel backed the EU's overall position in a judgment issued on Tuesday, although it did criticise the design of the regulations.

One member of the panel split from the rest and voted in favour of Malaysia.

Malaysia can appeal the judgement. However, the WTO's appellate body has been vacant for four years due to a fight over reforms to the institution's dispute settlement process.

Cases are put on hold in the event of an appeal.

- Bernama -dpa

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