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PM: We will retaliate

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> 'M'sia, Indonesia will react if EU adopts proposal to stop using palm oil'

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KUALA SELANGOR: Prime Minister Datuk Seri Najib Abdul Razak has said the European Union (EU) "will face retaliation" if it proceeds with a proposed resolution to discontinue the use of palm oil in biodiesel by 2020.

He said he recently spoke to Indonesian President Joko Widodo at the Asean Summit about sending delegates from their respective countries to the EU parliament in the coming weeks to explain matters.

Najib's statement came after the European parliament recently called for the EU to phase the use of vegetable oils, including palm oil, in biodiesel that has allegedly led to deforestation.

"We (Malaysia and Indonesia) will convince these countries that whatever claims they have made are baseless. We will also tell them that we are not without our own capabilities.

"We also buy products from them. So, whoever boycotts oil palm products, they will face retaliation from us, Malaysia and Indonesia," he said during the Malaysian Palm Oil Industry 100 Years celebration here yesterday.



BERNAMAPIX

Najib presents an award to Jeremie Fauconnier, grandson of the late Henri Fauconnier, at the Malaysian Palm Oil Industry 100 Years celebration yesterday. Henri is known as the man who brought the first oil palm to the country. At left is Mah.

However, he did not elaborate on the form of action that would be taken.

Malaysia and Indonesia are the two largest producers of palm oil in the world, making up 85% of the total global production.

In his speech to some 5,000 industry players, Najib also announced an additional allocation of RM510 million for new planting and replanting for the Small Farmers Scheme.

This is in addition to RM1.75 billion that the government had allocated for

the period 2010 to 2020 under the scheme.

He added that China has agreed to increase its import of palm oil from Malaysia following his visit there.

Later in a press conference, Plantation Industries and Commodities Minister Datuk Mah Siew Keong said Malaysia and Indonesia plan to invite other palm oil producers to join them for the meeting with the EU.

He said the impact on Malaysia would be significant should EU cease importing oil palm products from the

country, noting that they are the largest importers.

"If they have unfair practice against us, we too can retaliate. Let's not get into specifics. But we will try to solve the matter," he said.

Mah added that EU's claim that palm oil products are leading to deforestation is inaccurate, stressing that Malaysia has strict standards.

"Many years ago, they said orang utan will be extinct by 2010. Today, 12,000 orang utan are in Sabah and Sarawak. This is proof we don't destroy forests," he said.