

EU RULES

'Thailand keen to fight palm oil discrimination'

KUALA LUMPUR: Thailand has expressed its commitment to working with Malaysia and Indonesia, the world's largest palm oil producers, to fight the European Union's (EU) "discrimination" against the commodity.

Prime Minister Datuk Seri Anwar Ibrahim said the government had set regulations to ensure that the palm oil produced met the international food safety standards of importing countries, including EU requirements.

"I'm pleased that the new (Thai) Prime Minister Srettha (Thavisin) has given his assurance that Thailand will come on board to work together in presenting our case, particularly to the EU.

"In my recent meeting with Dutch Prime Minister Mark Rutte, he had given his assurance, as the largest palm oil importer in Europe, to show better understanding and empathy to the concerns of the industry."

Anwar said this in his speech at the launch of the Malaysian Palm Oil Board International Palm Oil Congress and Exhibition.

He said Malaysian agro commodity products, primarily palm oil, timber, cocoa and rubber exports, would also be subjected to the European Union Deforesta-

tion-free Regulation (EUDR), which is expected to take effect from January 2025.

The EUDR was introduced to prevent sales to or in the EU of palm oil, soya, coffee, cocoa, rubber, timber and beef grown or raised on land deforested after 2020.

Under the regulation, companies involved in trading these products and their derivatives must adhere to strict due diligence requirements when exporting to or selling in the EU.

"While we agree with the spirit behind this regulation, we urge that the implementation must be carried out in a fair and balanced manner.

"Working with Indonesia, the establishment of the EUDR Ad-Hoc Joint Task Force aims to make sure that the outcome of this regulation will not have an adverse impact on the livelihood of our agri commodity producers, especially smallholders," said Anwar, who is also finance minister.

The Council of Palm Oil Producing Countries had previously approached Thailand to join, along with African countries like Ghana and Nigeria as observer countries.

If countries like Thailand and

Papua New Guinea join the council, it would gather about 93 per cent of world palm oil producing states, council deputy secretary general Datuk Mohamad Nageeb Ahmad Abdul Wahab was reported as saying.

Meanwhile, Anwar said almost all oil palm estates and mills operating in the country had obtained the Malaysian Sustainable Palm Oil (MSPO) certification.

He said Malaysia believed that sustainable production was the way forward for the palm oil industry.

"So we introduced the mandatory MSPO certification scheme in 2015, revising the standards with the 2022 MSPO (certification scheme) which focuses on transparency; safety and employment conditions; as well as environment, biodiversity and ecosystem protection.

"Malaysia takes pride as the world's second largest palm oil producer, accounting for 31 per cent of 87.39 million tonnes of palm oil produced globally last year," he said.

He said the overwhelming performance of the oil palm sector was also contributed by smallholders, who accounted for 28 per cent of the total area for palm oil production.