

Malaysia partners 2 international supply chain managers for palm oil export

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PUTRAJAYA, Nov 14 – Malaysia strikes key palm oil partnership deals with two major supply chain managers in the United Arab Emirates (UAE) and China to facilitate greater palm oil penetration in China, India and the Indian sub-continent.

The deals are sealed through the Bohai Commodity Exchange (BOCE) Malaysia/ASEAN platform, which inked two memoranda of understanding (MoUs) with Dubai-based Hakan Agro DMCC and China's BOCE Global here, today.

The event was witnessed by Prime Minister Tun Dr Mahathir Mohamad, Primary Industries Minister Teresa Kok Suh Sim, and Foreign Minister Datuk Saifuddin Abdullah.

Speaking to reporters after the MoUs signing ceremony, Kok said Hakan Agro, with extensive business exposure in the Indian sub-continent, Middle East and the UAE, would facilitate exports of more than one million metric tonnes of Malaysian palm oil in their core markets in the Indian sub-continent in 2020.

BOCE Global meanwhile aimed to import about 1.5 million metric tonnes into China by 2020, she said.

"They aim to target primarily the inner regions of China which are less exposed to palm oil, yet offer significant growth potential due to the large population in the inner regions and which are also registering significant economic growth," Kok said.

At the signing ceremony, BOCE Malaysia/ASEAN was represented by its chairman Datuk Seri Khairuddin Abu Hassan, Hakan Agro was represented by its managing director Sudhakar Tomar, while BOCE Global chairman Yan Dong Sheng signed on its behalf.

"I am pleased that such well-established and experienced international supply chain managers are stepping in to help Malaysia diversify its palm oil markets," said Kok.

BOCE Malaysia/ASEAN is Malaysia's first commodities e-commerce trading platform operated by a Malaysian company — Commodities Global Trade Sdn Bhd, which holds the exclusive rights under China's Bohai Commodity Exchange.

Kok said the MoUs were timely and most welcomed as Malaysia was pressured by the European Union's potential displacement of palm biofuels and the recent spat with Indian oils and fats trade associations.

"Their online trading platform could open up opportunities for a greater inflow of finished, ready-to-use palm-based products, which is key to adding significant value to our overall export revenue from palm oil and related products," she said.

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