

# Asean to EU: Rethink bias vs palm-oil farming

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Asean leaders urged the European Union (EU) to review its recently approved resolution on palm oil and deforestation, arguing it puts to risk Southeast Asia's large palm-oil industry.

In his statement as chairman of the Asean Summit, President Duterte said he and his fellow leaders are concerned over the approval of the Resolution on Palm Oil and Deforestation of Rainforest by the EU early April.

Asean leaders said they were worried by the resolution, as it "discriminates against palm-oil cultivation by singling it out as being the largest contributor to deforestation, to the detriment of the palm-oil industries in the region."

The EU adopted a resolution calling on its Committee on the Environment, Public Health and Food Safety to honor the bloc's commitment to several international treaties, such as those within the framework of COP 21, the United Nations Forum on Forests and the UN Convention on Biological Biodiversity.

Citing land-use conversion and numerous incidents of wildfire, these environmental agreements fingered palm-oil cultivation as the main contributor to deforestation. The EU resolution recommended the imposition of a tighter importation policy on palm oil, including the implementation of "different customs duty schemes that more accurately reflect the real costs associated with the environmental burden".

Aside from this, it pushed for the introduction and application of "nondiscriminatory tariff and nontariff barriers" on palm oil based on its carbon footprint, and a "polluter pays" principle in relation to deforestation.

Such declaration served as a drawback to a number of Asean countries, including Malaysia and Indonesia, which are considered the top producers of palm oil in the world. The Philippines is also expected to bear the brunt of this resolution, given its interest in the palm-oil industry.

Late last year after Duterte visited Malaysia for talks with Prime Minister Najib Razak, Malaysian firm Alif Oil Trading Co. said it was keen on venturing into a \$1-billion palm-oil plantation north of Mindanao, which would require 128,000 hectares of land.

The President wanted to integrate the palm-oil cultivation under the administration's efforts to close deals with the communist rebels in Mindanao, noting that vast areas of lands they occupied are suitable for palm plantations.

"We urged the European Union to recognize the certification of the sustainable palm-oil schemes in the countries concerned, which is a manifestation of our [Asean] commitment to the UN Sustainable Development Goals," the statement read. The Philippines imported 266,000 metric

tons of palm kernel olein from Malaysia in 2014, valued at \$234.15 million, according to the Philippine Statistics Authority.

The Philippines hosted the 30th Asean Summit, which concluded last Saturday.