

SUSTAINABILITY, THE WAY FORWARD FOR PALM OIL INDUSTRY

The 2nd Palm Oil Sustainability EU-Malaysia International Discourse keeps the discussion doors open on the production of the crop. Working together and engaging with Malaysian stakeholders can help the local industry reach greater heights.

alm oil production plays an important role in the Malaysian economy, and it must be addressed in a balanced manner. "The EU and its member states will continue to support Malaysia's efforts to minimise the environmental impact that palm oil cultivation can have in order to enhance sustainable production of this commodity," HE Maria Castillo Fernandez, Ambassador and Head of EU Delegation to Malaysia said, setting the stage for a fruitful discussion on the topic at the 2nd Palm Oil Sustainability EU-Malaysia International Discourse.

The event was part of EUMCCI's 2018 Europa Awards on Sustainability initiative and held in conjunction with the 9th International Greentech and Eco Products Exhibition and Conference Malaysia (IGEM 2018). It was organised by the EUMCCI at the KL Convention Centre in October and among the guests were several EU ambassadors representing their respective countries.

This discourse comes at a pivotal moment in the trade of palm oil. Early this year, the European Parliament voted to ban the use of palm oil for the production of biofuels in the EU. In June, EU negotiators said the use of palm oil will be capped at 2019 levels until 2023, and reduced to zero by 2030. The aim is to stop deforestation of rainforests mainly in Malaysia and Indonesia.

HE Maria said it was important to continue discussing and sharing on the topic and, to signal the importance of the discourse, she noted that the EU ambassadors have turned up for the event in force. "Palm oil is a crucial commodity where food security is concerned. It is also key for the local economy as it helps eradicate rural poverty. Besides this we see a lot of business opportunities and occasions to share technology from the EU with producers in Malaysia.

"Our goal is to produce palm oil in a sustainable manner. We would like to see the commodity in Malaysia branding itself as a premium and sustainable product," she said.

Officiating the event was guest of honour YB Teresa Kok, Minister of Primary Industries who iterated that Malaysia, as a world leader in sustainable palm oil

EU-BIOMASS & BIOGAS SYMPOSIUM

The EUMCCI also organised a minisymposium. The session kicked off with Thomas Brandt, General Manager, Malaysia-German Chamber of Commerce and Industry, who gave the floor an Overview of Oil Palm Biomass and Biogas Potential in Malaysia.

There is tremendous potential in the biomass sector from Malaysia's palm oil industry, its wood industry and its municipal waste resources. In the palm oil industry alone, a biomass potential of up to 80 million tons a year provides opportunities for the production of storable bio-energy in the form of pellets and briquettes. The Government has also given priority in this area with its "National Biomass Strategy 2020" initiative launched in 2011.





Levinus de Legé, Managing Director, ECN. China

· ECN is a consortium of Dutch enterprises with a mission to develop sustainable solutions for Malaysian palm oil residues. The Palmares consortium of Dutch companies aims to build partnerships with

Malaysian counterparts.

. It offers a wide variety of products that can be produced from wastes coming out from crude palm oil mills, such as black fuel pellets, CNG, LNG, steam, fuel and chemicals.

Ir Kees Kwant, Senior **Expert Bioenergy and Biobased Economy** of the Netherlands **Enterprise Agency. Ministry of Economic** Affairs, the Netherlands

- · Waste is now a resource. The goal of the Circular Economy is to move into a competitive and low carbon economy by 2050.
- Government intervention is important to respond to societal dynamics. Collaboration with all stakeholders is crucial in achieving this aim.
- In Malaysia we have a lot of resources that can be used for biogas production.



Dr Ir PAM Claassen. Senior Scientist and Vice Chair AFSG Works **Council of Wageningen Food and Biobased** Research

- · Dr Claassen's work looks at plant production systems, and food and biobased research.
- . The programme has a collaboration with University Putra Malaysia.
- The research looks at the application of mesocarp fibres from natural residues.

Board, World Biogas Association & Manager **Business Development. DMT Environment** Technology

- founded in 2016. Its main
- goals are on climate change. labour and energy needs.
- · The association records the annual global temperature dating back to 1880. Global temperatures are heading for a 2-degree increase. The use of fossil fuel is still the main way to produce energy.
- · Managing food wastes sustainably can reduce greenhouse gas emission by up to 518 million tonnes.
- By digesting wastes and producing biogas, we can make big savings on greenhouse emissions.
- · There is potential for the use of biogas as transport fuel.
- · Palm oil biomass can create wealth from waste.
- Biogas can be cleaned and upgraded to natural gas standards - when it becomes bio-methane. This can be done at the palm oil mills.
- · Bio-methane LNG can give carbon dioxide savings. It is also cost-effective.





LIVELY DISCUSSIONS ON THE INDUSTRY'S CURRENT ISSUES

The event saw two panel discussions that were moderated by Thomas Brandt, General Manager of Malaysia-German Chamber of Commerce and Industry, and Roberto Benetello, Chief Executive Officer of EUMCCI.

The discourse featured international and local industry experts as panellists.

PANEL DISCUSSION 1

Topic: The role of the palm oil industry in realising the SDGs

Panellists

- Dr Sanath Kumaran, Acting Chief Executive Officer, Malaysian Palm Oil Certification Council
- . Dato' Carl Bek-Nielsen, Chief Executive Director, United Plantations Bhd
- . Khor Yu Leng, Research Director Southeast Asia, Segi Enam Advisors Pte Ltd
- · Jose Angel Olivero, Sales Director, Lípidos Santiga

Highlights



Khor Yu Leng

 Producing countries are not making enough



Minister YB Yeo stops to take pictures at the booths.