

## MPOC spotlights key challenges and opportunities in Malaysian Palm oil industry

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Datoâ?? Carl Bek-Nielsen, Chairman of the Malaysian Palm Oil Council (MPOC) emphasised the critical issues facing the palm oil industry, alongside opportunities for sustainable growth and development.

Speaking at the Palm Oil Conference 2024, held on March 5th over the session, â??Forging a More Resilient and Sustainable Economic Future for the Palm Oil Industryâ?, Datoâ?? Carl highlighted a significant reduction in the expansion of oil palm plantations, with the total area under oil palm plantation now standing at less than 6 million hectares. Conversely, there has been a noticeable increase in the planted area for soybeans. This shift underscores the dynamic nature of the agricultural sector and the necessity for adaptability within the industry".

One pressing challenge highlighted by Datoâ?? Carl is the stagnating yield of the palm industry. While the world average for Crude Palm Oil (CPO) production stands at 3.15 tonnes per hectare, there exists a considerable gap with the best yields reaching 6.1 to 6.3 tonnes per hectare. Addressing this issue requires concerted efforts towards research and innovation to enhance productivity sustainably.

Sustainability remains a shared responsibility within the palm oil industry, with palm producers demonstrating leadership through initiatives such as Malaysian Sustainable Palm Oil (MSPO), Roundtable on Sustainable Palm Oil (RSPO), and Indonesian Sustainable Palm Oil (ISPO). Despite these advancements, Datoâ?? Carl cautioned against overzealousness, noting that some stakeholders have lost touch with the ground realities. He emphasised the importance of inclusive sustainability initiatives.

Furthermore, Dato' Carl expressed concerns over the European Union's Renewable Energy Directive (EUDR), stating, "The EUDR has the significant impact on palm oil smallholders' livelihoods in Malaysia, Indonesia and Thailand. This also includes various other agricultural sectors including coffee, rubber, and cocoa." He further added that we are engaging with stakeholders in the EU and speaking up on behalf of the smallholders, and will continue to do so until justice prevails.

"Urgent action and collaboration are required to mitigate adverse effects and ensure a sustainable future for all stakeholders," he said

In conclusion, Dato' Carl Bek-Nielsen underscored the need for collective action and innovation to address the challenges facing the palm oil industry while seizing opportunities for sustainable growth. MPOC remains committed to driving positive change and fostering a resilient and inclusive palm oil sector.

The Malaysian Palm Oil Council (MPOC) is an agency dedicated to promoting Malaysia as a global leader in certified sustainable palm oil. MPOC focuses on positioning Malaysian palm oil as a healthy, sustainable, and ethical choice for consumers worldwide by engaging with stakeholders, improving market access, and promoting the MSPO certification. MPOC has a network of 08 regional offices in various international locations and plays a crucial role in expanding Malaysia's palm oil industry by identifying and capitalizing on market trends.