



Food and Agriculture Organization
of the United Nations

2018

OILCROPS COMPLEX

POLICY CHANGES AND INDUSTRY MEASURES

Annual compendium

FILIÈRE OLÉAGINEUSES

ÉVOLUTION DES POLITIQUES ET DES MESURES SECTORIELLES

Recueil annuel

SECTOR OLEAGINOSAS

CAMBIOS DE POLÍTICAS Y DE MEDIDAS DEL SECTOR INDUSTRIAL

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Trade and Markets Division (EST)
Division des produits et échanges (EST)
Dirección de Comercio y Mercados (EST)

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Introduction

The purpose of this compendium is to offer, in a single document, an overview of salient policy changes and related private sector measures concerning global and national markets for oilseed, oils/fats and meals in a particular year – in this case 2018.

The compendium reproduces, in tabular form, all the policy and industry news items published throughout 2018 in the *FAO Oilcrops Monthly Price and Policy Update (MPPU)*. The main purpose is to facilitate the work of policy makers, market experts, analysts and other stakeholders by providing a short, concise overview of policy developments relevant to the oilcrops industry at the global, regional and national level.

Although every care has been taken to cover the most salient and relevant developments, the list of items presented is not exhaustive. Furthermore, drawing on a variety of sources, the accounts provided concentrate on key facts, refraining from in-depth analytical impact assessments.

The news items are presented in two major groups: 1) policy changes implemented (or under consideration) by national governments; and 2) voluntary industry initiatives, which include measures taken by private companies, sector associations, civil society groups and research and financial institutions.

In the tables, national policy changes are grouped by policy domains and, thereunder, by country (in alphabetical order), including reference to the month of implementation and to the product concerned. Industry measures, on the other hand, are presented by topic and, thereunder, in chronological order, with indication of the concerned country.

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Highlights

In what follows, the most relevant policy changes and trends observed in 2018 are summarized below in bullet form. More detailed information is available in the ensuing tables (available in English only).

GOVERNMENT POLICIES

Farmers support: In 2018, [China](#) expanded its support to soybean growers while trimming maize production subsidies, reflecting both continued efforts to lower the country's dependence on imported soybeans and ongoing reforms to scale back the nation's grain reserve system. As for the Government's sales of soybeans, soyoil and rapeseed oil from public reserves, volumes offered at auctions contracted compared to past years, in line with past decisions to phase out public procurement of oilcrops. In [India](#), oilseeds and pulses – i.e. crops characterized by marked domestic supply deficits – received increased attention by policy makers who approved higher than customary increases in minimum support prices and initiated reforms in the country's procurement system in a bid to shield producers from depressed market prices. In [Brazil](#), the customary subsidies for farm loans, marketing support programmes and crop insurance schemes were renewed, while, in [the United States of America](#) (United States), a new Farm Bill covering the period 2019–2023 was adopted in December 2018. The Bill extended the various existing farm safety net schemes, while introducing small changes to enhance the effectiveness of these support tools. Furthermore, in the fall of 2018, US farmers impacted by China's introduction of retaliatory tariffs on selected US imports, notably soybeans, were granted compensatory payments. In [the European Union](#) (EU) and [Australia](#), relief payments were authorized for farmers hit by extreme drought. In [Mexico](#), the public procurement scheme for oilseeds remained in place, although its scope was reduced compared to previous years; conversely, oilseed growers benefited from higher income support payments.

Sector development: Numerous countries, especially developing nations in the Asia-Pacific region and Africa, continued to implement a variety of sector development measures, mainly pursuing the following long-term objectives: i) reducing the dependence on imports; ii) raising export earnings; iii) fostering local value addition; and iv) promoting more sustainable and resilient production methods. [Indonesia](#), for example, saw the launch of an ambitious replanting scheme for oil palm smallholders. The nationwide, multi-year scheme is aimed at fostering output growth by boosting productivity levels, as opposed to environmentally controversial area expansion. Among developed nations, the [EU](#) renewed its commitment to promote the cultivation of protein crops with a view to reduce the bloc's reliance on imported genetically modified (GM)-soybean, while [Canada](#) continued to support the development of its export-oriented rapeseed industry.

Pest control measures: The approval of herbicides and norms regarding their use remained under the scrutiny of policy makers in several countries, reflecting persistent concern about potential environmental and health risks. In the [United States](#), the use of Dicamba, one of the herbicides widely applied in soybean cultivation, was reauthorized, tied to a number of restrictions. As for Glyphosate, a US court fined a manufacturer for failing to warn users about the product's cancer risks, whereas in [Brazil](#), a recently imposed temporary utilization ban was rescinded to safeguard national economic interests. Meanwhile, [Canada](#) and the [EU](#) further restricted the use of neonicotinoids. A number of EU member states also launched joint programmes for the prevention and control of a bacterial disease affecting olive trees, while a group of African nations joined forces to combat aflatoxin contamination.

Biofuel policies: Higher mandatory consumption targets for biodiesel were implemented or scheduled for ensuing years in a number of countries (i.e. [Argentina](#), [Brazil](#), [Colombia](#), [Indonesia](#), [the Republic of Korea](#), [Malaysia](#), [Thailand](#) and the [United States](#)), triggered in part by the narrowing price gap between vegetable and mineral oils, which made biodiesel more competitive. Besides contributing to environmental objectives, higher national targets were also aimed at boosting the uptake of locally produced vegetable oils, thereby reducing domestic supply pressure and stabilizing prices. A case in point is [Indonesia](#), where the scope of biodiesel subsidies was expanded and mandatory biodiesel use was extended to other sectors – with a view to foster domestic palm oil uptake. [Argentina](#), where biodiesel production remained mostly export oriented, raised its export tax on the fuel in a bid to allay trade partners' concerns over the alleged subsidization of the country's biodiesel industry. In the [United States](#), lawmakers retroactively extended the country's biodiesel tax credit until December 2017, but did not deliberate on its renewal for 2018. [India](#) adopted ambitious long-term consumption goals for biodiesel, focusing on domestically produced raw materials, in particular used cooking oil. The [EU](#) issued a new bioenergy directive redefining biofuel consumption targets from 2020 onward. The new package combines caps for crop-based biofuels (including vegetable oil-based biodiesel) with ambitious targets for non-food biomass-based biofuels. It also determines that fuels deemed to bring about strong land use changes will need to be phased out entirely. [Norway](#) as well took steps towards banning all biofuels whose production entails high deforestation risks from the domestic biofuel market. The governments of [Indonesia](#) and [Malaysia](#) challenged these initiatives.

Trade policy measures: In 2018, a number of bilateral trade disputes affected global trade in oilcrops and derived products. Most importantly, the emergence of differences between the United States and China over their respective trade policies resulted in the implementation of new trade measures meant to balance overall trade between the two countries. New instruments included retaliatory import duties by China on US soybeans, which, given the size of China's purchases, affected not only transactions between the two nations but also global trade patterns, with repercussions on the internal markets of various countries. Furthermore, long-lasting disputes over trade in vegetable oil-based biodiesel persisted in 2018, with i) exports from Argentina and Indonesia facing additional countervailing duties in the United States, and ii) the Philippines initiating anti-dumping investigations on palm oil imports from Indonesia and Malaysia.

Regarding import access, China – to mitigate the impact of its new tariffs on US soybeans – eased market access for oils and meals from other origins, while Turkey lowered (at least temporarily) its import duties on vegetable oil over concerns about domestic supply shortages. Conversely, a number of countries maintained or, as in the case of India, raised their import tariffs on oilcrops and derived products to protect local farmers, encourage domestic oilcrop production and support domestic processors and refiners.

On the export side, tumbling world prices of palm oil prompted Indonesia and Malaysia to suspend their palm oil export duties in a bid to stimulate international demand and curb domestic stocks. By contrast, Argentina raised its export taxes on oilseeds, oils and meals (thereby reversing earlier policies) as part of wider fiscal tightening policies. In the process, the country's oilseed crush industry lost the protection it used to enjoy via tax differentials. Furthermore, Ukraine decided to phase out the tax refunds it traditionally granted to oilcrop exporters, while China stopped providing export tax rebates for soymeal in a bid to help meet the domestic demand for protein meals.

Moreover, a number of comprehensive trade agreements were under negotiation or became effective in 2018 – often involving important oilseed-exporting/importing nations, particularly concerning palm oil. As for bilateral oilcrop-specific trade initiatives, 2018 saw fewer initiatives than previous years.

Market regulation: Although featuring less prominently than in past years, a number of countries continued using a variety of instruments to regulate domestic markets. In China, the Government supported industry efforts to lower the prescribed protein content in compound animal feed, a move aimed at trimming the feed sector's dependence on imported soymeal. Meanwhile, Senegal and Sri Lanka put in place market control measures aimed at stabilizing domestic retail prices of, respectively, groundnut oil and coconut products.

Food standards: The presence of harmful trans fats (which are generated when vegetable oils are hydrogenated to increase their stability) in food products continued to attract the attention of policy makers across the globe. While maximum permitted levels of trans fat were lowered in the EU and the Eurasian Economic Union, lawmakers in the United States and Thailand adopted legislation banning the production and sale of foods containing partially hydrogenated oils or fats. At the intergovernmental level, the WHO issued an action plan helping member countries to eliminate trans fats from their food supply chain. Furthermore, measures aimed at reducing people's intake of saturated fat were under consideration in a number of countries, while steps to control aflatoxin contamination were taken in China. The year 2018 also saw fresh efforts to combat adulteration of edible oils, in particular in India.

GMO policies: While a number of new GM oilcrop varieties were formally approved in Argentina, Australia and Brazil, the concerned seed companies chose to postpone their commercial release, pending the outcome of regulatory reviews in all major import markets. Meanwhile, in Brazil, the revocation of seed patent rights for a popular GM soybean variety led to disputes over already collected royalty payments. The United States regulated the disclosure of GM material on food product labels, which will become mandatory in 2022. Highly processed ingredients from GM crops, including refined vegetable oil, were exempted from the new labelling requirement. The EU determined that crops obtained through genome-editing techniques fall under its GMO regulations, whereas the United States and China chose not to regulate the new plant breeding method.

Production sustainability: The debate on the need to move towards more sustainable methods of production intensified further in 2018, which, in addition to palm oil, also concerned soybeans. Amid intense public scrutiny, lawmakers in Indonesia, Malaysia and other palm oil producing countries stepped up efforts to promote more sustainable production practices. Indonesia approved a long-awaited, nation-wide moratorium on new oil palm plantation concessions. Moreover, new tools to monitor the conditions of the country's forests were put in place, and funds for the protection and restoration of peatland areas were released. Furthermore, Indonesia and Malaysia both implemented measures to accelerate the adoption of mandatory national certification schemes for palm oil. Policies to encourage the adoption of sustainable production practices were also under consideration in Ecuador. As for soybeans, in Brazil's Cerrado region, formal inquiries into soybean expansion involving the conversion of protected land were launched. Moreover, in France, a newly released action plan on climate change control included provisions for ending the importation of agricultural products that contribute to deforestation, with soybeans and palm oil featuring among the targeted crops.

Transport sector: In Brazil, the Government introduced minimum freight rates – a measure that raised costs of overland grain transportation considerably. On a positive note, official statistics indicated a growing reliance of traders in the Centre-West grain belt on the country's recently developed northern export corridors, which helped decongesting the traditional, southbound routes. Elsewhere, Canada updated its national transportation legislation, with a view to ensuring farmers' timely access to reliable rail services.

INDUSTRY MEASURES

Sustainable production: In 2018, industry standards for sustainable palm oil production kept evolving amid close public scrutiny, as evidenced by several fresh private initiatives promoting the adoption of more responsible practices along the value chain. While several large palm oil companies set up projects to train smallholders on sustainable production practices and support their inclusion in formal certification schemes, numerous global agri-trade firms and food manufacturers renewed their undertakings towards “responsible” sourcing practices. In some instances, commitments to intensify supplier monitoring included pledges to publicly disclose the identity of suppliers. Furthermore, a number of companies ventured into satellite-based mapping tools designed to systematically trace the provenance of supplies, thus allowing buyers to verify whether individual suppliers adhered to their requirements. Related to this, in 2018, the number of cases where buyers suspended their relationship with suppliers failing to comply with their sustainability policies increased compared to earlier years.

In late 2018, the Roundtable on Sustainable Palm Oil (RSPO), a globally recognized, industry-led standard-setting/certification body for palm oil, adopted a revised, stricter set of standards, including a ban on the clearance of secondary forest and certain peatland areas. Furthermore, as RSPO took steps to strengthen the credibility of its certification, verification and grievance system, fresh cases of alleged conduct breach prompted both the voluntary withdrawal of some members and RSPO action against others. The certification body also decided to guarantee anonymity to individuals filing complaints against its members.

Despite these efforts, the extent to which certification actually contributed to furthering sustainable production practices remained subject to debate. A number of observers as well as industry officials pointed out that the prevalence of opaque corporate structures allowing companies to conceal ties with unsustainable forms of production continued to undermine the key purposes of certification.

Meanwhile, it was estimated that, similar to previous years, barely one-fifth of global palm oil production was certified as sustainable. More importantly, growth in global demand for certified oil remained modest, suggesting persistently low levels of consumer awareness, especially in developing countries. According to RSPO data, global supplies of certified palm oil continued to exceed actual sales, with roughly half of all certified produce not finding a buyer. To address these issues, stakeholders along the palm oil value chain forged new alliances to promote the consumption of certified palm oil in two major consuming countries, [India](#) and [China](#) (respectively the world’s largest and third largest importers of palm oil). In both countries, national platforms to raise the awareness of businesses and consumers about certified oil were set up in 2018.

Sustainability discussions received increased attention also in other sectors, especially with respect to international soybean trade. In this regard, [Brazil](#), the world’s top soybean supplier, saw the launch of a multi-stakeholder alliance to help end soybean expansion entailing the conversion of native vegetation in the Cerrado, the region where roughly half of the country’s soybeans are grown. Participating companies pledged to dissociate their soybean value chains from recently forested areas and explored means to reward farmers who refrained from clearing areas that could otherwise be legally deforested. Moreover, under a “responsible” lending scheme set up by a private consortium, farmers committing to sustainable forms of production expansion were given access to preferential loans conditions.

International trade: Amid the evolving trade relations between the United States and China, Chinese state-controlled grain trading companies continued to expand their presence in overseas markets and transport infrastructure, especially in [Brazil](#), thus contributing to limit the nation’s reliance on foreign traders. Meanwhile, palm oil exporters in [Malaysia](#) joined forces to foster their sales to markets other than the EU, driven by concerns over the likely introduction of EU-wide palm oil-specific import barriers. In [Brazil](#), farmers associations in the country’s Centre-West grain belt joined ongoing public/private efforts to expand the country’s northern export routes. They signalled their willingness to co-finance the construction of a northbound railroad and established ties with the Panama Canal Authority to promote grain shipments from northern [Brazil](#) through the Canal to destinations in the Pacific Ocean.

Marketing practices: In the EU, two new instances of food retailers opting to remove palm oil from their own-brand food products were recorded. Moreover, a global, voluntary “palm oil-free” certification scheme (International Palm Oil Free Certification Accreditation Programme) gained regulatory approval in a number of countries. With regard to seed markets, a long-standing dispute between Argentine farmers and seed suppliers over royalty payments has been resolved. Concerning futures markets, various commodity exchanges introduced enhancements to their contracts for oilcrops and their by-products. Furthermore, global commodity traders reported the first, successful blockchain-based transactions.

Research & Development: Similar to previous years, in 2018, industry-led and academic research activities resulted in the development of i) new oilseed varieties offering higher performance or disease tolerance, and ii) oils and meals with improved functionality and/or beneficial nutritional and health profiles. Seed firms worldwide showed increased interest in genome-editing techniques (as opposed to traditional genetic modification methods), driven by both cost considerations and expected higher levels of consumer acceptance. Apart from new oilseed varieties, research activities also focused on the development of new oil/meal-based products, covering new food/feed uses as well as industrial applications. Novel products included food-grade protein from sunflower meal, de-oiled rapeseed lecithin, as well as plastics, polyesters, drugs and other industrial materials developed in part from waste material. Work on methods to detect adulteration in edible oils, notably olive oil, also continued to receive attention.

Biofuel measures: With regard to biofuels, industry efforts increasingly focused on the use of waste products, notably used cooking oil, as raw materials for biodiesel production – a development facilitated by technological advances in the processing of low-quality feedstock.

Introduction

L'objectif de ce recueil est de proposer, dans un document unique, une vue d'ensemble des principales évolutions en matière de politiques et des mesures connexes prises par le secteur privé, pertinentes pour les marchés mondiaux et nationaux des graines, des huiles et des farines d'oléagineux au cours d'une année donnée – dans ce cas en 2018.

Le recueil reproduit, sous forme de tableau, tous les articles concernant les politiques et les mesures sectorielles publiés par la FAO tout au long de 2018 dans son bulletin mensuel *Oilcrops Monthly Price and Policy Update (MPPU)*. Son but principal est de faciliter le travail des décideurs, des experts du marché, des analystes et autres parties intéressées en leur fournissant un aperçu, bref et concis, de l'évolution des politiques pertinentes pour le secteur des cultures oléagineuses à l'échelle nationale, régionale et mondiale.

Même si toutes les précautions ont été prises pour couvrir les évolutions les plus saillantes et les plus pertinentes, la liste des éléments présentés n'est pas exhaustive. En outre, en s'appuyant sur diverses sources, le recueil se concentre sur les principaux faits et s'abstient d'évaluer en détail leur impact.

Les informations sont scindées en deux grands groupes: 1) évolutions des politiques mises en œuvre (ou à l'étude) par des gouvernements nationaux et 2) initiatives volontaires du secteur, y compris les mesures prises par des entreprises privées, des associations sectorielles, des groupes de la société civile et des institutions financières et de recherche.

Dans les tableaux, les évolutions des politiques nationales sont regroupées par domaine politique, puis par pays (par ordre alphabétique) et sont accompagnées d'une référence à leur mois de mise en œuvre et aux produits concernés. Les mesures sectorielles sont quant à elles présentées par thème, puis par ordre chronologique, et sont accompagnées d'une indication du pays concerné.

Remerciements: Ce rapport a été préparé par l'équipe oléagineux de la Division des produits et échanges (EST) sous la direction de P. Thoenes et avec l'aide de D. Yang et M. Milo. Le soutien de E. Vecchione, qui a formaté ce rapport, est apprécié.

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Faits saillants

Les paragraphes ci-après résument les évolutions des politiques et les tendances les plus pertinentes observées en 2018 sous forme de liste à puces. Des informations plus détaillées sont fournies dans les tableaux qui suivent (disponibles en anglais seulement).

POLITIQUES PUBLIQUES

Soutien aux producteurs: En 2018, la Chine a accru son soutien aux producteurs de soja alors qu'elle a réduit les subventions accordées à la production de maïs, reflétant à la fois la poursuite des efforts visant à réduire la dépendance du pays à l'égard des importations de soja et les réformes en cours destinées à réduire le système national de réserves céréalières. Concernant les ventes de soja, d'huile de soja et d'huile de colza réalisées par le gouvernement à partir des stocks publics, les volumes proposés lors des ventes aux enchères ont reculé par rapport aux années précédentes, conformément aux décisions prises dans le passé visant à éliminer progressivement les achats publics des produits oléagineux. En Inde, les oléagineux et les légumineuses – c.-à-d. deux cultures caractérisées par des déficits importants de l'offre domestique – ont reçu une attention accrue de la part des décideurs politiques qui ont i) approuvé des augmentations plus élevées que d'habitude des prix minimum de soutien, et ii) entrepris des réformes dans le système d'achats publics en vue de protéger les producteurs face à la dépression des prix du marché. Au Brésil, les subventions habituelles en faveur des prêts agricoles, les programmes de soutien à la commercialisation et les programmes d'assurance-récolte ont été renouvelés, alors qu'aux États-Unis d'Amérique (États-Unis) une nouvelle Loi agricole couvrant la période 2019-2023 a été adoptée en décembre 2018. Cette loi prolonge les différents plans de protection sociale agricole en vigueur et introduit de petits changements visant à améliorer l'efficacité de ces outils d'appui. En outre, à l'automne 2018, les agriculteurs américains touchés par les mesures de rétorsion adoptées par la Chine sur certaines importations américaines, notamment le soja, ont bénéficié d'indemnités compensatoires. Dans l'Union européenne (UE) et en Australie, des indemnités de soutien ont été autorisées pour les agriculteurs touchés par la sécheresse extrême. Au Mexique, le système d'achats institutionnels de graines oléagineuses est resté en vigueur, bien que sa portée ait été réduite par rapport aux années précédentes. En revanche, les producteurs de graines oléagineuses ont bénéficié de paiements accrus au titre du soutien aux revenus.

Développement du secteur: De nombreux pays, en particulier des pays en développement de la région Asie-Pacifique et d'Afrique, ont continué à mettre en œuvre un éventail de mesures de développement du secteur, en poursuivant principalement les objectifs à long terme suivants: i) réduire la dépendance à l'égard des importations; ii) augmenter les recettes d'exportation; iii) favoriser la valeur ajoutée au niveau local; et iv) promouvoir davantage les méthodes de production durables et résilientes. L'Indonésie, par exemple, a lancé un ambitieux programme de reboisement pour les petits exploitants du palmier à huile. Le programme national, qui s'échelonne sur plusieurs années, vise à favoriser la croissance de la production en augmentant les niveaux de productivité plutôt qu'en accroissant les superficies exploitées, qui soulève des préoccupations sur le plan environnemental. Parmi les pays développés, l'UE a renouvelé son engagement en faveur de la promotion de culture de protéagineux en vue de réduire sa dépendance à l'égard des importations de soja génétiquement modifié, tandis que le Canada continue de soutenir le développement de son secteur du colza, axé sur les exportations.

Mesures de lutte phytosanitaire: L'approbation des herbicides et des normes relatives à leur utilisation demeure assujettie à l'examen des décideurs politiques dans plusieurs pays, reflétant l'inquiétude persistante concernant les risques potentiels pour l'environnement et la santé. Aux États-Unis, l'utilisation du Dicamba, l'un des herbicides appliqués largement dans la culture de soja, a été réautorisée, associée à un certain nombre de restrictions. Quant au le Glyphosate, un tribunal américain a condamné un fabricant pour avoir omis d'avertir les utilisateurs sur les risques de cancer liés à l'utilisation de ce produit, tandis qu'au Brésil, une récente interdiction temporaire d'utilisation a été annulée pour préserver les intérêts économiques nationaux. Parallèlement, le Canada et l'UE ont limité davantage l'utilisation des néonicotinoïdes. Un certain nombre d'États membres de l'UE ont également lancé des programmes conjoints pour la prévention et le contrôle d'une maladie bactérienne affectant les oliviers, tandis qu'un groupe de nations africaines ont uni leurs forces pour lutter contre la contamination par les aflatoxines.

Politiques relatives aux biocarburants: Des cibles accrues en matière d'utilisation obligatoire de biodiesel ont été fixés ou sont prévus pour les années à venir dans un certain nombre de pays (à savoir: Argentine, Brésil, Colombie, la République de Corée, Indonésie, Malaisie, Thaïlande et États-Unis), induit par notamment le resserrement des écarts de prix entre les huiles végétales et minérales, qui rend le biodiesel plus compétitif. Outre le fait de contribuer à l'atteinte des objectifs environnementaux, les cibles nationales plus élevées visent également à accroître l'absorption d'huiles végétales produites localement, de façon à réduire la pression sur l'offre intérieure et à stabiliser des prix. C'est le cas notamment en Indonésie, où la portée des subventions accordées au biodiesel a été élargie et l'utilisation obligatoire de biodiesel a été étendue à d'autres secteurs – en vue de favoriser l'utilisation de l'huile de palme nationale. L'Argentine, où la production de biodiesel est demeurée

essentiellement axée sur les exportations, a relevé la taxe imposée sur les exportations de carburant en vue d'atténuer les inquiétudes des partenaires commerciaux concernant les subventions prétendument accordées à l'industrie du biodiesel du pays. Aux États-Unis, les législateurs ont rétroactivement prolongé le crédit d'impôt sur le biodiesel jusqu'en décembre 2017, mais n'ont pas délibéré sur son renouvellement pour 2018. L'Inde a adopté des objectifs ambitieux d'utilisation du biodiesel sur le long terme, en mettant l'accent sur les matières premières produites sur le marché intérieur, en particulier les huiles de cuisson usagées. L'UE a publié une nouvelle directive relative aux bioénergies qui redéfinit les objectifs d'utilisation de biocarburant à partir de 2020. Le nouveau dispositif combine des plafonds pour les biocarburants d'origine agricole (y compris le biodiesel à base d'huile végétale) avec des objectifs ambitieux pour les biocarburants produits à partir de biomasse non alimentaire. Il détermine aussi que les combustibles considérés comme occasionnant des changements d'affectation des terres importants devront être retirés progressivement. La Norvège a également pris des mesures visant à exclure du marché national des carburants les biocarburants dont la production est associée à un risque élevé de déboisement. Les Gouvernements indonésiens et malaisiens ont contesté ces initiatives.

Mesures de politique commerciale: En 2018, un certain nombre de différends commerciaux bilatéraux ont affecté le commerce mondial des graines oléagineuses et de leurs produits dérivés. En particulier, l'émergence de divergences entre les États-Unis et la Chine concernant leurs politiques commerciales respectives a entraîné l'adoption de nouvelles mesures commerciales visant à équilibrer l'ensemble des échanges entre les deux pays. Les nouveaux instruments comportent des droits de rétorsion à l'importation de la part de la Chine sur le soja des États-Unis, qui en raison de l'ampleur des achats de la Chine, ont affecté non seulement les transactions entre les deux nations mais également les régimes commerciaux à l'échelle mondiale, avec des répercussions sur les marchés internes de divers pays. En outre, des différends de longue date concernant le commerce du biodiesel à base d'huile végétale ont persisté en 2018, notamment: i) les exportations de l'Argentine et de l'Indonésie demeurent confrontées à des droits compensatoires supplémentaires aux États-Unis, et ii) les Philippines ont initié des enquêtes anti-dumping sur les importations d'huile de palme en provenance d'Indonésie et de Malaisie.

En ce qui concerne l'accès aux importations, la Chine – pour atténuer l'impact de ses nouveaux tarifs sur le soja des États-Unis – a facilité l'accès à son marché des huiles et des farines provenant d'autres origines, alors que la Turquie a abaissé (au moins temporairement) ses droits sur les importations d'huile végétale par crainte de pénuries de l'offre intérieure. En revanche, un certain nombre de pays ont maintenu ou, comme dans le cas de l'Inde, ont augmenté les droits à l'importation imposés sur les graines oléagineuses et leurs produits dérivés afin de protéger les agriculteurs locaux, d'encourager la production intérieure et de soutenir les transformateurs et les raffineurs nationaux.

Du côté des exportations, la baisse des prix mondiaux de l'huile de palme a incité l'Indonésie et la Malaisie à suspendre leurs droits sur les exportations d'huile de palme en vue de stimuler la demande internationale et de plafonner les stocks intérieurs. À l'inverse, l'Argentine a augmenté ses taxes à l'exportation sur les graines oléagineuses, les huiles et les farines (mettant ainsi fin aux politiques antérieures) dans le cadre de vastes politiques de resserrement budgétaire. Au cours du processus, l'industrie nationale de la trituration des graines oléagineuses a perdu la protection dont elle bénéficiait par le biais de taxes différentielles. En outre, l'Ukraine a décidé d'éliminer progressivement les remboursements fiscaux qu'elle avait l'habitude d'accorder aux exportateurs d'oléagineux, alors que la Chine a cessé d'accorder des abattements d'impôt sur les exportations de farines de soja en vue d'aider à satisfaire la demande intérieure de farines protéiques.

Par ailleurs, un certain nombre d'accords commerciaux compréhensifs étaient en cours de négociation ou sont entrés en vigueur en 2018 – impliquant souvent des pays importants en matière d'importation/exportation d'oléagineux, notamment en ce qui concerne l'huile de palme. Concernant les initiatives commerciales bilatérales spécifiques aux graines oléagineuses, il y a eu moins d'initiatives en 2018 que lors des années précédentes.

Réglementation du marché: Bien qu'occupant une place moins importante qu'au cours des années passées, un certain nombre de pays ont continué de réguler les marchés intérieurs à l'aide d'un large éventail d'instruments. En Chine, le gouvernement a appuyé des mesures prises par l'industrie visant à réduire la teneur en protéines dans les aliments composés pour animaux, une initiative dont le but est de réduire la dépendance du secteur des aliments pour animaux à l'égard des farines de soja importées. Parallèlement, le Sénégal et le Sri Lanka ont mis en place des mesures de contrôle visant à stabiliser les prix de détail intérieurs de l'huile d'arachide (Sénégal) et des produits dérivés de la noix de coco (Sri Lanka).

Normes alimentaires: La présence de gras trans mauvais pour la santé (qui sont générés lorsque les huiles végétales sont hydrogénées afin d'accroître leur stabilité) dans les produits alimentaires a continué d'attirer l'attention des décideurs politiques du monde entier. Alors que les niveaux maximaux autorisés pour les acides gras trans ont été abaissés dans l'UE et la Communauté économique eurasienne, les législateurs des États-Unis et de la Thaïlande ont adopté une législation interdisant la production et la vente d'aliments contenant des huiles et des graisses partiellement hydrogénées. Au niveau intergouvernemental, l'OMS a diffusé un plan d'action aidant les pays membres à éliminer les gras trans de leur chaîne d'approvisionnement. En outre, des mesures visant à réduire la consommation de graisses saturées étaient à l'étude dans de nombreux pays, tandis que des mesures de contrôle de la contamination par les aflatoxines ont été prises en Chine. L'année 2018 a également été marquée par de nouveaux efforts déployés pour lutter contre le frelatage des huiles comestibles, en particulier en Inde.

Politiques en matière d'OGM: Bien qu'un certain nombre de nouvelles variétés oléagineuses GM (génétiquement modifiées) aient été officiellement approuvées en Argentine, en Australie et au Brésil, les compagnies de semences concernées ont choisi de reporter leur lancement commercial, dans l'attente des résultats des examens réglementaires dans tous les

principaux marchés d'importation. Par ailleurs, au Brésil, la révocation des droits de brevet sur les semences concernant une variété populaire de soja GM a engendré des différends sur les paiements de redevances déjà recueillis. Les États-Unis ont réglementé la publication d'informations relatives au matériel GM utilisé, sur les étiquettes de produits alimentaires, qui deviendront obligatoires en 2022. Les ingrédients ultratransformés issus de cultures génétiquement modifiées, y compris l'huile végétale raffinée, ont été exemptés de la nouvelle obligation d'étiquetage. L'UE a jugé que les cultures obtenues par l'intermédiaire des techniques d'édition génomique relevaient de sa réglementation sur les OGM, alors que les États-Unis et la Chine ont choisi de ne pas réglementer cette nouvelle méthode de sélection végétale.

Durabilité de la production: Le débat sur la nécessité d'évoluer vers des méthodes de production plus durables s'est encore intensifié en 2018, et concerne non seulement l'huile de palme mais également le soja. Dans un contexte d'examen attentif de la part du grand public, les législateurs en Indonésie, en Malaisie ainsi que dans d'autres pays producteurs d'huile de palme ont intensifié leurs efforts visant à promouvoir des pratiques de production plus durables. L'Indonésie a approuvé un moratoire attendu depuis longtemps, à l'échelle du pays, sur les nouvelles concessions de plantations de palmiers à huile. En outre, de nouveaux outils pour surveiller les conditions des forêts du pays ont été mis en place et des fonds destinés à la protection et à la restauration des tourbières ont été débloqués. Par ailleurs, l'Indonésie et la Malaisie ont mis en œuvre des mesures visant à accélérer l'adoption de régimes de certification nationaux obligatoires pour l'huile de palme. Des politiques destinées à encourager l'adoption de pratiques de production durables ont également été examinées en Équateur. Pour ce qui est du soja, dans la région du Cerrado au Brésil, des enquêtes officielles ont été lancées sur l'expansion des superficies consacrées au soja et impliquant la conversion de terres protégées. En outre, en France, un plan d'action relatif à la lutte contre les changements climatiques publié récemment comprend des dispositions visant à mettre fin aux importations de produits agricoles qui contribuent à la déforestation, le soja et l'huile de palme figurant parmi les cultures ciblées.

Secteur des transports: Au Brésil, le Gouvernement a introduit des taux de fret minimum – une mesure qui a fait augmenter considérablement les coûts de transport terrestre des graines. Un point positif, les statistiques officielles font état d'une importance croissante des couloirs d'exportation du nord récemment développés pour les négociants de la ceinture agricole du Centre-Ouest du Brésil, ce qui a permis de désengorger les routes traditionnelles en direction du sud. Ailleurs, le Canada a mis à jour sa législation nationale sur les transports, en vue d'assurer aux agriculteurs un accès en temps opportun à des services ferroviaires fiables.

MESURES ET INITIATIVES DE L'INDUSTRIE

Production durable: En 2018, les normes industrielles concernant la production durable d'huile de palme n'ont cessé d'évoluer sous l'œil attentif du grand public, comme en témoignent plusieurs nouvelles initiatives privées favorisant l'adoption de pratiques plus responsables le long de la chaîne de valeur. Alors que plusieurs grandes compagnies d'huile de palme ont mis sur pied des projets visant à former les petits exploitants aux pratiques de production durable et à appuyer leur inclusion dans les régimes de certification formelle, plusieurs entreprises commerciales agroalimentaires mondiales et de nombreux fabricants de produits alimentaires ont renouvelé leurs engagements envers l'approvisionnement «responsable». Dans certains cas, les engagements visant à surveiller les fournisseurs comprenaient des engagements à rendre publique l'identité des fournisseurs. En outre, un certain nombre de sociétés se sont lancées dans l'utilisation d'outils de cartographie par satellite conçus pour tracer systématiquement la provenance des approvisionnements, permettant ainsi aux acheteurs de s'assurer que les fournisseurs individuels respectent leurs exigences. À cet égard, en 2018, le nombre de cas où les acheteurs ont suspendu leurs relations avec des fournisseurs qui ne respectaient pas leurs politiques de durabilité a augmenté par rapport aux années antérieures.

À la fin de 2018, la Table ronde pour une huile de palme durable (RSPO), l'organisme de normalisation et certification de l'huile de palme dirigé par l'industrie et mondialement reconnu, a adopté une nouvelle série de normes plus strictes, y compris une interdiction relative au défrichement des forêts secondaires et de certaines tourbières. En outre, la RSPO ayant pris des mesures visant à renforcer la crédibilité de son système de certification, de vérification et d'examen des plaintes, des nouveaux cas présumés de violation ont suscité le retrait volontaire de certains membres ainsi que des mesures coercitives de la RSPO envers d'autres membres. L'organisme de certification a également décidé de garantir l'anonymat aux personnes déposant des plaintes contre ses membres.

Malgré ces efforts, la mesure dans laquelle la certification contribue effectivement à faire progresser les pratiques de production durable continue de faire l'objet d'âpres discussions. Un certain nombre d'observateurs ainsi que des représentants de l'industrie ont signalé que la prévalence de structures d'entreprise opaques permettant aux sociétés de dissimuler leurs liens avec des méthodes de production non durables ont continué de compromettre les objectifs clés de la certification.

Parallèlement, il a été estimé que, comme lors des années précédentes, à peine un cinquième de la production mondiale d'huile de palme a été certifiée comme étant durable. Plus important encore, la croissance de la demande mondiale d'huile certifiée est restée modeste, ce qui semble indiquer que les niveaux de sensibilisation des consommateurs restent faibles, en particulier dans les pays en développement. Selon les données de la RSPO, l'offre mondiale d'huile de palme certifiée a continué de dépasser les ventes réelles, tant dis que à peu près la moitié de l'ensemble des produits certifiés n'a pas

trouvant d'acheteur. Pour faire face à ce problème, les parties prenantes le long de la chaîne de valeur de l'huile de palme ont créé de nouvelles alliances afin de promouvoir la consommation d'huile de palme certifiée dans deux grands pays consommateurs, l'Inde et la Chine (respectivement les premier et troisième plus gros importateurs d'huile de palme). Dans ces deux pays, des plateformes nationales visant à sensibiliser les entreprises et les consommateurs aux huiles certifiées ont été mises en place en 2018.

Les discussions relatives à la durabilité ont reçu une attention accrue également dans d'autres secteurs, en particulier en ce qui concerne le commerce international de soja. À ce propos, le Brésil, premier fournisseur de soja de la planète, a vu le lancement d'une alliance multipartite visant à mettre fin au développement des superficies consacrées au soja qui entraînent la conversion de la végétation indigène dans le Cerrado, la région dans laquelle environ la moitié du soja du pays est cultivée. Les entreprises participantes se sont engagées à dissocier leurs chaînes de valeur de soja des zones récemment boisées et à explorer des moyens de récompenser les agriculteurs qui s'abstiennent de défricher des zones qui pourraient autrement être légalement déboisées. En outre, dans le cadre d'un régime de prêt «responsable» mis en place par un consortium privé, les agriculteurs qui s'engagent à développer leur production de façon durable peuvent accéder à des prêts à des conditions préférentielles.

Commerce international: Dans un contexte d'évolution des relations commerciales entre les États-Unis et la Chine, les sociétés de négoce de graines contrôlées par l'État chinois ont continué à renforcer leur présence sur les marchés et les infrastructures de transport outre mer, en particulier au Brésil, contribuant ainsi à limiter la dépendance du pays à l'égard des négociants étrangers. Par ailleurs, les exportateurs d'huile de palme en Malaisie ont uni leurs forces en vue de stimuler leurs ventes sur d'autres marchés que celui de l'Union Européenne, en raison des inquiétudes relatives à l'introduction probable de barrières spécifiques à l'importation d'huile de palme à l'échelle de l'UE. Au Brésil, des associations d'agriculteurs dans la ceinture agricole du Centre-Ouest ont uni les efforts publics/privés actuels visant à renforcer les voies d'exportation du nord du pays. Elles ont manifesté leur volonté de cofinancer la construction d'une voie ferrée vers les ports du nord et d'instaurer des liens avec l'Autorité du Canal de Panama pour favoriser les expéditions de graines à partir du nord du Brésil en passant par le Canal vers des destinations dans l'océan Pacifique.

Pratiques de commercialisation: Dans l'UE, deux nouveaux cas de détaillants alimentaires ayant décidé de retirer l'huile de palme de leurs produits alimentaires de marque distributeur ont été signalés. En outre, un système global de certification volontaire «sans huile de palme» (International Palm Oil Free Certification Accreditation Programme) a obtenu l'approbation réglementaire dans plusieurs pays. Pour ce qui concerne les marchés des semences, un différend de longue date entre les agriculteurs argentins et les fournisseurs de semences concernant des paiements de redevances a été résolu. Pour ce qui est des marchés à terme, diverses bourses de marchandises ont introduit des améliorations à leurs contrats pour les oléagineux et leurs sous-produits. En outre, des négociants mondiaux ont pour la première fois mené de transactions fondées sur la technologie des chaînes de blocs ("blockchain").

Recherche et développement: Comme dans les années précédentes, en 2018, des activités de recherche menées par l'industrie et des universités ont abouti au développement: i) de nouvelles variétés d'oléagineux plus performantes ou offrant un niveau de tolérance plus élevé aux maladies, et ii) d'huiles et de farines à fonctionnalité améliorée et/ou dotées de profils nutritionnels et sanitaires plus bénéfiques. Les entreprises semencières à l'échelle de la planète ont manifesté un intérêt accru envers les techniques d'édition génomique (par opposition aux méthodes traditionnelle de modification génétique), guidés par des considérations de coût ainsi que des niveaux d'appréciation accrus prévus de la part des consommateurs. Outre les nouvelles variétés d'oléagineux, les activités de recherche ont également porté sur la fabrication de nouveaux produits à base d'huile/de farine, couvrant de nouveaux usages pour l'alimentation humaine/animale ainsi que des applications industrielles. Parmi ces nouveaux produits figurent les protéines de qualité alimentaire à base de farine de tournesol, de lécithine de colza déshuillée, ainsi que des plastiques, des polyesters, des médicaments et d'autres matériaux industriels fabriqués en partie à partir de matières résiduelles. Les travaux sur les méthodes visant à détecter le frelatage d'huiles alimentaires, notamment d'huile d'olive, ont également continué de faire l'objet d'une attention particulière.

Mesures relatives aux biocarburants: Pour ce qui concerne les biocarburants, les efforts de l'industrie se sont davantage axés sur l'utilisation des déchets, notamment les huiles de cuisson usagées, comme matières premières pour la production de biodiesel – un développement facilité par les progrès technologiques dans la transformation des matières premières de qualité inférieure.

Introducción

La finalidad de este compendio es facilitar, en un único documento, un panorama general de los principales cambios de política y medidas conexas adoptadas por el sector privado en relación con los mercados mundial y nacionales de semillas oleaginosas, aceites, grasas y harinas en un año determinado, en este caso 2018.

El compendio reproduce, en forma tabular, todas las políticas y noticias del sector industrial aparecidas durante 2018 en la publicación FAO *Oilcrops Monthly Price and Policy Update (MPPU)*. El objetivo principal es facilitar la labor de los responsables de las políticas, expertos de mercado, analistas y otras partes interesadas, proporcionándoles un panorama general breve y conciso de las novedades de política pertinentes a la industria de las semillas oleaginosas a nivel mundial, regional y nacional.

Aunque se ha hecho todo lo posible para cubrir las novedades más destacadas y pertinentes, la lista de noticias presentadas no es exhaustiva. Además, basándose en una variedad de fuentes, los informes presentados se concentran en factores clave, absteniéndose de evaluaciones profundas sobre su impacto.

Las noticias se presentan divididas en dos grupos principales: 1) cambios de política aplicados (u objeto de examen) por los gobiernos nacionales, y 2) iniciativas voluntarias del sector industrial, que incluyen las medidas adoptadas por las empresas privadas, asociaciones del sector, grupos de la sociedad civil e instituciones de investigación y financieras.

En los cuadros, las novedades en materia de políticas nacionales se agrupan por ámbitos de política y por países (en orden alfabético), incluidas las referencias al mes de aplicación y al producto de interés. Por otro lado, las medidas del sector industrial se presentan por tema y en orden cronológico, con indicación del país involucrado.

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Aspectos más destacados

En las siguientes líneas se presentan de manera resumida los cambios de política y tendencias más relevantes observadas en 2018. En los cuadros que figuran a continuación (disponibles sólo en inglés) se proporciona información más detallada.

POLÍTICAS GUBERNAMENTALES

Apoyo a los agricultores: En 2018, China amplió su apoyo a los productores de soja al tiempo que reducía los subsidios a la producción de maíz, lo que refleja tanto los esfuerzos continuos para reducir la dependencia del país de la soja importada como las reformas en curso para reducir el sistema nacional de reservas de cereales. En cuanto a las ventas del Gobierno de soja, aceite de soja y aceite de colza de las reservas públicas, los volúmenes ofrecidos en las subastas se contrajeron en comparación con los de años anteriores, en consonancia con las decisiones adoptadas anteriormente de eliminar gradualmente las compras públicas de cultivos oleaginosos. En la India, las semillas oleaginosas y las legumbres, es decir, los cultivos caracterizados por un marcado déficit de oferta interna, recibieron una mayor atención por parte del Gobierno, quien aprobó aumentos superiores a los habituales de los precios de apoyo mínimos y emprendió reformas en el sistema de adquisiciones públicas con la intención de proteger a los productores de la caída de los precios del mercado. En el Brasil se renovaron las subvenciones habituales para los préstamos agrícolas, los programas de apoyo a la comercialización y los planes de seguro de las cosechas, mientras que en los Estados Unidos de América (Estados Unidos) se aprobó, en diciembre de 2018, una nueva Ley Agrícola que abarca el período 2019-2023. La ley amplió los diversos sistemas existentes de redes de seguridad agrícola, al tiempo que introdujo pequeños cambios para mejorar la eficacia de estos instrumentos de apoyo. Además, en el otoño de 2018, se concedieron pagos compensatorios a los agricultores estadounidenses afectados por la introducción por parte de China de aranceles de retorsión sobre determinadas importaciones estadounidenses, en particular la soja. En la Unión Europea (UE) y Australia, se autorizaron los pagos de ayuda a los agricultores afectados por la sequía extrema. En México, el plan de compras públicas de semillas oleaginosas se mantuvo, aunque su alcance se redujo en comparación con años anteriores; por el contrario, los productores de semillas oleaginosas se beneficiaron de pagos más elevados de apoyo a los ingresos.

Medidas de desarrollo del sector: Numerosos países, en especial los países en desarrollo de la región de Asia y el Pacífico y de África, siguieron aplicando diversas medidas de desarrollo del sector, principalmente con los siguientes objetivos a largo plazo: i) reducir la dependencia de las importaciones; ii) aumentar los ingresos de exportación; iii) fomentar el valor añadido local, y iv) promover métodos de producción más sostenibles y resilientes. En Indonesia, por ejemplo, se puso en marcha un ambicioso plan de replantación para los pequeños productores de palma aceitera. El plan nacional plurianual tiene por objeto fomentar el crecimiento de la producción mediante el aumento de los niveles de productividad, en contraposición a la ambientalmente controvertida expansión de las superficies. Entre los países desarrollados, la UE renovó su compromiso de promover los cultivos proteaginosos con vistas a reducir la dependencia del bloque de la soja transgénica importada, mientras que el Canadá siguió apoyando el desarrollo de su industria de colza orientada a la exportación.

Medidas de control de plagas: La aprobación de los herbicidas y las normas relativas a su uso siguieron siendo objeto de examen por los gobiernos en varios países, lo que indica una preocupación persistente por los posibles riesgos para el medio ambiente y la salud. En los Estados Unidos, el uso de dicamba, uno de los herbicidas ampliamente aplicados en el cultivo de la soja, se volvió a autorizar vinculado a una serie de restricciones. En cuanto al glifosato, un tribunal estadounidense impuso una multa a un fabricante por no advertir a los usuarios sobre los riesgos de cáncer del producto, mientras que en el Brasil se revocó una prohibición impuesta recientemente de utilización temporal para salvaguardar los intereses económicos nacionales. Mientras tanto, el Canadá y la UE limitaron aún más el uso de neonicotinoides. Varios Estados miembros de la UE también pusieron en marcha programas conjuntos para la prevención y el control de una enfermedad bacteriana que afecta a los olivos, mientras que un grupo de naciones africanas unieron sus fuerzas para combatir la contaminación por aflatoxinas.

Políticas en materia de biocombustibles: En varios países – en específico la Argentina, el Brasil, Colombia, la República de Corea, los Estados Unidos, Indonesia, Malasia y Tailandia – se aplicaron o programaron objetivos de consumo obligatorio más elevados para el biodiesel, debido en parte a la reducción de la diferencia de precios entre los aceites vegetales y minerales, que hizo que el biodiesel fuera más competitivo. Además de contribuir a los objetivos medioambientales, los objetivos nacionales más ambiciosos también tenían por objeto impulsar el uso de los aceites vegetales producidos localmente, reduciendo así la presión de la oferta interna y estabilizando los precios. Un ejemplo de ello es Indonesia, donde se amplió el alcance de las subvenciones al biodiesel y se extendió el uso obligatorio del biodiesel a otros sectores con miras a fomentar la absorción nacional de aceite de palma. La Argentina, donde la producción de biodiesel sigue estando orientada principalmente a la exportación, aumentó su impuesto a las exportaciones de combustible con la intención de disipar las preocupaciones de

los socios comerciales sobre la supuesta subvención de la industria del biodiesel nacional. En los Estados Unidos, los legisladores prorrogaron retroactivamente el crédito fiscal al biodiesel hasta diciembre de 2017, pero no deliberaron sobre su renovación para 2018. La India adoptó ambiciosos objetivos de consumo a largo plazo de biodiesel, centrándose en las materias primas de producción nacional, en particular el aceite de cocina usado. La UE publicó una nueva directiva sobre bioenergía que redefine los objetivos de consumo de biocombustibles a partir de 2020. El nuevo paquete combina límites máximos para los biocombustibles basados en cultivos (incluido el biodiesel basado en aceites vegetales) con objetivos ambiciosos para los biocombustibles no alimentarios basados en la biomasa. Además, establece que los combustibles que se consideren que provocan fuertes cambios en el uso de la tierra tendrán que ser eliminados por completo. Noruega también tomó medidas para excluir a los biocombustibles cuya producción entraña un alto riesgo de deforestación del mercado nacional de biocombustibles. Los Gobiernos de Indonesia y Malasia cuestionaron estas iniciativas.

Medidas de política comercial: En 2018, varias controversias comerciales bilaterales afectaron al comercio mundial de cultivos oleaginosos y productos derivados. Más importante aún, el surgimiento de diferencias entre los Estados Unidos y China sobre sus respectivas políticas comerciales dio lugar a la aplicación de nuevas medidas comerciales destinadas a equilibrar la balanza comercial entre los dos países. Entre los nuevos instrumentos figuraban los derechos de importación de retorsión de China sobre la soja estadounidense, que, dada la magnitud de las compras chinas, afectaban no sólo a las transacciones entre las dos naciones, sino también a las corrientes del comercio mundial, con repercusiones en los mercados internos de varios países. Además, en 2018 persistieron las disputas de larga data sobre el comercio de biodiesel basado en aceite vegetal: i) las exportaciones de la Argentina e Indonesia se enfrentaban a derechos compensatorios adicionales en los Estados Unidos, y ii) Filipinas iniciaba investigaciones antidumping sobre las importaciones de aceite de palma procedentes de Indonesia y Malasia.

En cuanto al acceso a las importaciones, China, para mitigar el impacto de sus nuevos aranceles sobre la soja estadounidense, facilitó el acceso al mercado de aceites y harinas de otros orígenes, mientras que Turquía redujo (al menos temporalmente) sus derechos de importación sobre el aceite vegetal debido a la preocupación por la escasez de suministros internos. Por el contrario, varios países mantuvieron o, como en el caso de la India, aumentaron sus aranceles de importación sobre los cultivos oleaginosos y los productos derivados para proteger a los agricultores locales, fomentar la producción nacional de cultivos oleaginosos y apoyar a los elaboradores y refinadores nacionales.

Por lo que respecta a las exportaciones, la caída de los precios mundiales del aceite de palma llevó a Indonesia y Malasia a suspender sus derechos de exportación del aceite de palma en un intento por estimular la demanda internacional y reducir las existencias nacionales. Por el contrario, la Argentina aumentó sus impuestos a la exportación de semillas oleaginosas, aceites y harinas (revertiendo así políticas anteriores) como parte de políticas más amplias de ajuste fiscal. En el proceso, la industria de trituración de semillas oleaginosas del país perdió la protección de la que disfrutaba en el pasado mediante las diferencias impositivas. Además, Ucrania decidió eliminar gradualmente los reembolsos de impuestos que tradicionalmente concedía a los exportadores de cultivos oleaginosos, mientras que China dejó de ofrecer desgravaciones fiscales a la exportación de harina de soja con la finalidad de ayudar a satisfacer la demanda interna de harinas proteicas.

Además, en 2018 se estaban negociando o estaban por entrar en vigor varios acuerdos comerciales integrales, en los que a menudo participaban importantes países exportadores e importadores de semillas oleaginosas, en particular en lo que respecta al aceite de palma. En cuanto a las iniciativas comerciales bilaterales específicas para los cultivos oleaginosos, en 2018 hubo menos iniciativas que en años anteriores.

Regulación del mercado: Aunque menos relevantes que en años anteriores, varios países siguieron utilizando diversos instrumentos para regular los mercados nacionales. En China, el Gobierno apoyó los esfuerzos de la industria para reducir el contenido de proteínas prescrito en los piensos compuestos, una medida encaminada a reducir la dependencia del sector de los piensos de la harina de soja importada. Mientras tanto, el Senegal y Sri Lanka pusieron en marcha medidas de control del mercado destinadas a estabilizar los precios al por menor de los productos de aceite de maní y de coco, respectivamente.

Normas alimentarias: La presencia de grasas trans nocivas (que se generan cuando se hidrogenan los aceites vegetales para aumentar su estabilidad) en los productos alimenticios siguió atrayendo la atención de los responsables de la formulación de políticas de todo el mundo. Mientras que los niveles máximos permitidos de grasas trans se redujeron en la UE y la Unión Económica Euroasiática, los legisladores de los Estados Unidos y Tailandia adoptaron una legislación que prohibía la producción y venta de alimentos que contuvieran grasas o aceites parcialmente hidrogenados. A nivel intergubernamental, la OMS publicó un plan de acción para ayudar a los países miembros a eliminar las grasas trans de sus cadenas alimentarias. Además, en varios países se estaban estudiando medidas encaminadas a reducir el consumo de grasas saturadas por parte de la población, mientras que en China se estaban adoptando medidas para controlar la contaminación por aflatoxinas. El año 2018 también fue testigo de nuevos esfuerzos para combatir la adulteración de los aceites comestibles, en particular en la India.

Políticas en materia de OMG: Si bien en la Argentina, Australia y el Brasil se aprobaron oficialmente algunas nuevas variedades de cultivos oleaginosos modificados genéticamente, las empresas productoras de semillas interesadas optaron por aplazar su comercialización, a la espera de los resultados de los exámenes regulatorios en los principales mercados de importación. Mientras tanto, en el Brasil, la revocación de los derechos de patente de semillas de una popular variedad de soja transgénica dio lugar a disputas sobre pagos de regalías ya cobrados. Los Estados Unidos reglamentaron sobre

la divulgación de material transgénico en las etiquetas de los productos alimenticios, que será obligatoria en 2022. Los ingredientes altamente elaborados procedentes de cultivos modificados genéticamente, incluido el aceite vegetal refinado, quedaron exentos del nuevo requisito de etiquetado. La UE determinó que los cultivos obtenidos mediante técnicas de edición del genoma entran en el ámbito de aplicación de sus reglamentos en materia de OMG, mientras que los Estados Unidos y China optaron por no reglamentar el nuevo método de fitomejoramiento.

Sostenibilidad de la producción: Los debates sobre la necesidad de avanzar hacia métodos de producción más sostenibles se intensificaron aún más en 2018, y, además del aceite de palma, se refirieron también a la soja. A raíz de un intenso análisis público, los legisladores de Indonesia, Malasia y otros países productores de aceite de palma redoblaron sus esfuerzos para promover prácticas de producción más sostenibles. Indonesia aprobó una anhelada moratoria nacional sobre las nuevas concesiones de plantaciones de palma aceitera. Además, se crearon nuevos instrumentos para seguir de cerca la situación de los bosques del país y se liberaron fondos para la protección y restauración de las turberas. Además, Indonesia y Malasia aplicaron medidas para acelerar la adopción de sistemas nacionales de certificación obligatorios para el aceite de palma. En el Ecuador también se están examinando políticas para alentar la adopción de prácticas de producción sostenible. En cuanto a la soja, en la región de Cerrado en Brasil, se iniciaron investigaciones oficiales sobre la expansión del cultivo de soja que implicaba la conversión de tierras protegidas. Además, en Francia, un plan de acción sobre el control del cambio climático recientemente publicado incluía disposiciones para poner fin a la importación de productos agrícolas que contribuyen a la deforestación, entre los que figuraban la soja y el aceite de palma.

Sector del transporte: En el Brasil, el Gobierno introdujo tarifas mínimas de flete, una medida que elevó considerablemente los costos del transporte terrestre de granos. Como aspecto positivo, las estadísticas oficiales indican una creciente importancia de los corredores de exportación del norte del país para los comerciantes en las zonas agrícolas del centro-oeste, lo que contribuyó a descongestionar las rutas tradicionales hacia el sur. En otros lugares, el Canadá actualizó su legislación nacional en materia de transporte, con miras a garantizar que los agricultores puedan contar con servicios ferroviarios fiables en el momento oportuno.

MEDIDAS E INICIATIVAS DEL SECTOR INDUSTRIAL

Producción sostenible: En 2018, los estándares de la industria para la producción sostenible de aceite de palma siguieron evolucionando como consecuencia del intenso debate y análisis público, como lo demuestran varias iniciativas privadas recientes que promueven la adopción de prácticas más responsables a lo largo de la cadena de valor. Mientras que varias grandes empresas de aceite de palma ponen en marcha proyectos para capacitar a los pequeños productores en prácticas de producción sostenible y apoyar su inclusión en los sistemas formales de certificación, numerosas empresas agroindustriales y fabricantes de alimentos de todo el mundo han renovado sus compromisos en favor de un aprovisionamiento "responsable". En algunos casos, los compromisos para intensificar el seguimiento de los proveedores incluían compromisos de revelar públicamente la identidad de los proveedores. Además, varias empresas se aventuraron en herramientas cartográficas por satélite diseñadas para rastrear sistemáticamente la procedencia de los suministros, lo que permitió a los compradores verificar si los proveedores individuales cumplían sus requisitos. Con relación a lo anterior, en 2018, el número de casos en los que los compradores suspendieron su relación con los proveedores que no cumplían con sus políticas de sostenibilidad aumentó en comparación con años anteriores.

A finales de 2018, la Mesa redonda sobre el aceite de palma sostenible (por su acrónimo inglés RSPO), organismo de normalización y certificación del aceite de palma, reconocido mundialmente y dirigido por la industria, adoptó un conjunto de normas revisadas y más estrictas, entre las que se incluyó la prohibición del desbroce de bosques secundarios y de determinadas zonas de turberas. Además, a medida de que la RSPO tomaba acciones para fortalecer la credibilidad de su sistema de certificación, verificación y presentación de reclamaciones, nuevos casos de presunto incumplimiento provocaron el retiro voluntario de algunos miembros y la adopción de medidas contra otros miembros por parte de la RSPO. El organismo de certificación también decidió garantizar el anonimato de las personas que presenten denuncias contra sus miembros.

A pesar de estos esfuerzos, la medida en que la certificación contribuyó realmente a fomentar las prácticas de producción sostenible siguió siendo objeto de debate. Varios observadores, así como funcionarios de la industria, señalaron que la prevalencia de estructuras corporativas opacas que permiten a las empresas ocultar sus vínculos con formas de producción insostenibles sigue socavando los principales propósitos de la certificación.

Mientras tanto, se estimó que, al igual que en años anteriores, apenas una quinta parte de la producción mundial de aceite de palma estaba certificada como sostenible. Más aún, el crecimiento de la demanda mundial de aceite certificado siguió siendo modesto, lo que indica que los niveles de sensibilización de los consumidores siguen siendo bajos, especialmente en los países en desarrollo. Según los datos de la RSPO, los suministros mundiales de aceite de palma certificado continuaron superando las ventas reales y la mitad, aproximadamente, de todos los productos certificados no encontraron un comprador. Para abordar estos problemas, las partes interesadas a lo largo de la cadena de valor del aceite de palma forjaron nuevas alianzas para promover el consumo de aceite de palma certificado en dos de los principales países consumidores, la India y China (el primer y el tercer importador de aceite de palma del mundo respectivamente). En ambos países, en 2018 se crearon plataformas nacionales para sensibilizar a las empresas y los consumidores sobre el aceite certificado.

Los debates sobre la sostenibilidad también recibieron mayor atención en otros sectores, especialmente con respecto al comercio internacional de soja. En este sentido, el Brasil, el principal proveedor de soja del mundo, fue testigo del lanzamiento de una alianza formada por los distintos actores para ayudar a poner fin a la expansión de la soja basada en la conversión de la vegetación nativa en el Cerrado, la región donde se cultiva aproximadamente la mitad de la soja del país. Las empresas participantes se comprometieron a disociar sus cadenas de valor de la soja de las zonas recientemente forestadas y examinaron medios para recompensar a los agricultores que se abstuvieran de desbrozar zonas que, de otro modo, podrían ser legalmente deforestadas. Además, en el marco de un programa de préstamos "responsables" establecido por un consorcio privado, a los agricultores que se comprometen con formas sostenibles de expansión de la producción se les da acceso a condiciones de préstamos preferenciales.

Comercio internacional: En medio de la evolución de las relaciones comerciales entre Estados Unidos y China, las empresas comerciales de cereales controladas por el estado chino continuaron expandiendo su presencia en el mercado y la infraestructura de transporte de otros países, especialmente en el Brasil, contribuyendo así a limitar la dependencia de la nación de los comerciantes extranjeros. Mientras tanto, los exportadores de aceite de palma de Malasia unieron sus fuerzas para fomentar sus ventas a mercados distintos de la UE, movidos por la preocupación de la probable introducción de barreras a la importación específicas para el aceite de palma en toda la UE. En el Brasil, las asociaciones de agricultores de la zona agrícola del centro-oeste del país se unieron a las iniciativas públicas y privadas en curso para ampliar las rutas de exportación del norte del país. Señalaron su voluntad de cofinanciar la construcción de un ferrocarril hacia los puertos del norte y establecieron vínculos con la Autoridad del Canal de Panamá para promover el envío de cereales desde el norte de Brasil hacia destinos en el Océano Pacífico a través del canal.

Prácticas de comercialización: En la UE, se registraron dos nuevos casos de minoristas de alimentos que optaron por eliminar el aceite de palma de sus productos alimenticios de marca propia. Además, un esquema de certificación global y voluntario de "libre de aceite de palma" (Programa Internacional de Acreditación de Certificación de Libre de Aceite de Palma) obtuvo la aprobación regulatoria en una serie de países. Con respecto a los mercados de semillas, se ha resuelto una disputa de larga data entre los agricultores argentinos y los proveedores de semillas sobre los pagos de regalías. En cuanto a los mercados de futuros, varias bolsas de productos básicos introdujeron mejoras en sus contratos de cultivos oleaginosos y sus subproductos. Además, los comerciantes mundiales de productos básicos informaron de las primeras transacciones exitosas basadas en cadenas de bloques.

Investigación y desarrollo: Al igual que en años anteriores, en 2018 las actividades de investigación dirigidas por la industria y el mundo académico dieron lugar al desarrollo de i) nuevas variedades de semillas oleaginosas que ofrecían un mayor rendimiento o tolerancia a las enfermedades, y ii) aceites y harinas con una funcionalidad mejorada y/o perfiles nutricionales y de salud beneficiosos. Las empresas productoras de semillas de todo el mundo mostraron un mayor interés en las técnicas de edición del genoma (en contraposición a los métodos tradicionales de modificación genética), guiados por consideraciones de costo y los mayores niveles previstos de aceptación por parte de los consumidores. Además de las nuevas variedades de semillas oleaginosas, las actividades de investigación se centraron también en el desarrollo de nuevos productos basados en el aceite y la harina, que abarcan nuevos usos para la alimentación humana y animal, así como aplicaciones industriales. Entre los nuevos productos se incluyen proteínas de calidad alimentaria procedentes de harina de girasol, lecitina de colza desaceitada, así como plásticos, poliésteres, medicamentos y otros materiales industriales desarrollados parcialmente a partir de residuos. También se siguió prestando atención a los métodos para detectar la adulteración en los aceites comestibles, en particular en el aceite de oliva.

Medidas relativas a los biocombustibles: Con respecto a los biocombustibles, los esfuerzos de la industria se centraron cada vez más en el uso de productos de desecho, en particular el aceite de cocina usado, como materia prima para la producción de biodiesel, un desarrollo facilitado por los avances tecnológicos en la elaboración de materias primas de baja calidad.

Table 1. Overview of domains covered

Government policies		Industry measures
AGRICULTURAL SUPPORT POLICIES	• Production support (incl. procurement schemes)	INDUSTRY STANDARDS
	• Relief measures	
	• Sector development measures	
	• Pest control measures & regulations	<ul style="list-style-type: none"> • Sustainable oil palm • Sustainable soy • Sustainable coconut
BIOFUEL POLICIES		INTERNATIONAL TRADE & DOMESTIC LOGISTICS
TRADE POLICIES		MARKETING PRACTICES
<ul style="list-style-type: none"> • Import measures — non-tariff • Import measures — tariffs & levies • Export measures — tariff & non-tariff • Trade disputes • Comprehensive trade agreements • Sector-specific bilateral initiatives 		RESEARCH & DEVELOPMENT
		<ul style="list-style-type: none"> • Pest control • Varietal research & seed releases • Product development
		BIOFUEL / BIOENERGY
MARKET REGULATION		
FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES		
SEED & GMO POLICIES		
OTHER POLICIES		
<ul style="list-style-type: none"> • Production sustainability / environmental policies • Transport infrastructure & regulations • Tax policies • Social policies • Land governance 		

Table 2. Government policies implemented in 2018

No.	Domain	Country	Month	Product	Description*
1	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Brazil	March	Soybeans, other oilcrops	In March, the country's Agriculture and Livestock Ministry announced fresh funding for its Rural Insurance Premium Subsidization Programme, which is available to farmers growing soybeans and other oilcrops. Furthermore, the Ministry launched an on-line portal, 'Macrologística', designed to facilitate agribusiness through monitoring and dissemination of data on domestic production, storage and trade logistics. The portal also provides up-to-date information on bottlenecks along commodity value chains, optimum transport routes and new investment opportunities.
2	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Brazil	June	All crops, livestock	The Brazilian Government presented its agricultural support programmes for 2018/19. The package envisages an increase in outlays for the following schemes: i) farm loans (including a downward correction in concessional interest rates and greater attention to: investments in on-farm grain storage, low carbon agriculture and the livestock/aquaculture sector); ii) marketing support programmes; and iii) crop insurance systems. The soybean minimum reference price to be used under the Government's income protection programmes has been raised by 2.4 percent to BRL 36.84 per 60 kg (USD 157 per tonne), which compares to an average increase across entitled commodities of 6.5 percent.
3	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	China	April	Soybeans	Government sources confirmed that agricultural support programmes providing farmers in the country's north-eastern soybean growing provinces (Jilin, Heilongjiang, Liaoning and Inner Mongolia) with higher subsidies for planting soybean than for growing maize will remain in place during 2018/19 (see also <i>MPPU June/July/Oct./Dec.'17 & Mar.'18</i>). The support programme, which will cover about 2 million hectares in total, is aimed at encouraging crop rotation (with acreage shifting from maize to other crops, especially soybeans) and land fallow – amid efforts to reduce the country's burdensome maize stockpile. According to observers, however, based on prevailing domestic prices, profits from growing maize could still be significantly higher than those from soybean – even allowing for increased soybean subsidies.
4	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	China	May	Soybeans	Private sources reported that government efforts to stimulate soybean cultivation in China's northeastern provinces have been stepped up this year. Reportedly, in Heilongjiang and Jilin, this year's area-based payments will amount to CNY 350 per mu (USD 763 per ha). The payment comprises: i) a soybean producer subsidy of CNY 200, which exceeds payments provided in 2017 and 2016 by, respectively, 15 and 70 percent and is twice the amount provided to maize producers; and ii) a CNY 150 premium for farmers that plant soybeans instead of maize (see also <i>MPPU Oct./Dec.'17 & May'18</i>). Based on market prices observed in early May and depending on yield levels, the CNY 350 per mu subsidy is estimated to add 50–75 percent to the gross income per mu from growing soybeans. The provincial soybean-planting campaigns represent a continuation of China's 5-year structural adjustment policy to shift land from maize to alternative crops. On the other hand, this year's higher payments have also been linked to: i) a drop in the domestic soy/maize price ratio, which risked eroding the profitability of soybeans for Chinese farmers; and ii) increased policy efforts to reduce China's reliance on soybean imports – also in light of the on-going Sino-US trade dispute. While official sources have reported a further expansion in the country's soybean acreage this season, some private sources questioned the Government's estimates.

No.	Domain	Country	Month	Product	Description*
5	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	China	September	Soybeans	China's State Council envisages a further expansion in domestic soybean plantings over the next five years, hand-in-hand with a reduction in maize sowings, a state-owned news agency reported.
6	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	China	November	Soybeans	Trade mitigation: In a bid to boost soybean output, the Government of Heilongjiang, the country's top soybean growing province, has increased area-based payments granted to soybean growers in 2018 to CNY 320 per mu (USD 696 per ha), which compares to CNY 173 per mu (USD 376 per ha) paid last year. At the same time, the northeastern province sharply reduced its 2018 subsidies for maize growers. Furthermore, China's central Government announced a reduction in the price support for wheat growers. These moves are part of a set of measures meant to mitigate the impact of China's retaliatory tax on U.S. soybeans on domestic markets, while reducing the country's reliance on imported soybeans for feed.
7	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	February	Copra	The Central Government raised the minimum support prices (MSP) for milling and ball copra to, respectively, INR 75 000 (USD 1 153) and INR 77 500 (USD 1 191) per tonne – up 15 percent from last year's rates. The new MSP are meant to ensure remunerative prices for coconut farmers and encourage investment in coconut cultivation. India's national farmer and consumer cooperatives would continue to act as central nodal agencies responsible for procurement operations in coconut growing states.
8	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	February	Oilseeds	In response to price falls below the MSP level, India's cabinet has approved a doubling in the procurement of oilseeds (and pulses) by state governments. More specifically, the amount state agencies are allowed to guarantee for procurement operations has been raised to INR 190 billion (USD 2.9 billion), for a five-year period ending in 2021/22. Procurement operations will continue to be handled by designated cooperatives under the existing Price Support Scheme (PSS), which is implemented at the request of concerned state governments. The move is aimed at protecting farmers from making distress sales immediately after harvest, when market prices tend to plunge. Apart from providing remunerative prices to farmers, India's PSS is also meant to safeguard the interests of consumers, by making products available at reasonable prices and with low costs of intermediation.
9	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	March	Oilcrops	According to local press reports, the Government of India is considering to reform the country's public procurement scheme for agricultural crops. New procurement mechanisms under consideration would focus on all 23 crops for which minimum support prices (MSP) are set by the Government, including oilseeds – unlike the current practice where public procurement concentrates heavily on wheat and rice. Under India's Price Support Scheme (PSS) also oilcrops, pulses and cotton are supposed to benefit from public procurement, but in practice public purchases of these commodities have been intermittent and hence insufficient to prevent farmers from making distress sales at harvest time (see also MPPU July/Dec. '17 & Mar. '18). Recognizing that the enforcement of MSPs requires coordinated efforts and cost sharing arrangements between individual states and the Centre, the Central Government pledged to reform the country's PSS. Reportedly, in the future, local governments will be able to choose between three mechanisms: i) a Market Assurance Scheme involving decentralized, discretionary procurement/disposal operations handled by state agencies, comprising direct payments to farmers; ii) a Price Deficiency Payment Scheme (PDPS), under which farmers are provided with the difference between market prices and MSPs, whenever market rates fall below the benchmarks; and iii) using private agencies to carry out routine acquisitions at MSP levels. Policy makers are still discussing how to share the financial burden of the proposed schemes between the Centre and individual states and how to address remaining institutional and technical challenges inherent to each system. Currently, a PDPS covering selected oilcrops is under implementation on a trial basis in Madhya Pradesh, while other states, most recently Odisha, engaged in temporary procurement operations (see MPPU Feb./Sep./Oct. '17).

No.	Domain	Country	Month	Product	Description*
10	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	June	Oilcrops	According to the local press, in the 2017/18 season, the Central Government procured a record amount of pulses and oilseeds from farmers at minimum support prices. Following bumper 2017/18 harvests, prices of most crops fell below the government-announced support prices. Reportedly, until 22 June 2018, total procurement of oilseeds at support prices amounted to 1.97 million tonnes or 6.4 percent of total production.
11	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	June	Sunflowerseed	To shield growers from sharp price drops, in Haryana State, procurement of sunflowerseed at government-set minimum prices started on 11 June, i.e. ahead of the originally scheduled date.
12	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	July	Grains, oilcrops	The Indian Government significantly raised the minimum support prices for the major 2018/19 Kharif crops. The announcement came at a time when plantings were already in full swing. For oilcrops, the new per-tonne support prices (including crop-specific bonuses) and the corresponding year-on-year increases (in percent) are as follows: soybeans INR 33 990 (USD 485), 12 percent; groundnuts INR 48 900 (USD 698), 10 percent; sunflowerseed INR 53 880 (USD 769), 31 percent; sesameseed INR 62 490 (USD 892), 18 percent; and nigerseed INR 58 770 (USD 839), 45 percent. According to private sources, actual market prices stood well below the new support prices for groundnuts and sunflowerseed, but well above for soybeans and sesameseed. The support prices for cereals, cotton and pulses also saw important increases, possibly intensifying competition for acreage. Although support prices are announced for a large number of crops, public procurement operations are mostly limited to rice and wheat (see also <i>MPPU May'18</i>).
13	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	September	Oilcrops, other selected crops	In line with earlier announcements (see <i>MPPU May'18</i>), India's Central Government has reformed its procurement policy with a focus on crops where domestic demand exceeds local supplies, notably oilseeds, copra and pulses. To cover gaps in the existing public procurement and compensation mechanisms and help raise farmers' incomes, three types of procurement will be implemented. First, the Centre's Price Support Scheme (PSS) will be extended to oilseeds, copra and pulses, with nodal procurement agencies undertaking physical procurement and farmers receiving the official minimum support prices (MSP) for their crops (see <i>MPPU Aug.'18 for the latest Kharif crop MSP rates</i>). Importantly, PSS purchases will only be effected up to 25 percent of a state's oilseeds production. Second, the Centre will implement a Price Deficiency Payment Scheme (PDPS) earmarked specifically for oilseeds. Under the scheme, farmers will be paid the difference between the relevant MSP and actual selling prices (recorded within notified periods in specified markets), with payments being made directly into farmers' bank accounts. Third, again oilseed-specific but this time at state-level and on a pilot basis only, a Private Procurement and Stockist Scheme (PPSS) will be rolled out in select districts. Under this scheme, when market prices drop below MSP level, a private player can procure crops (in notified markets and periods) at the existing MSP rates. Subsequently, such buyers will be compensated through a service charge equivalent to up to 15 percent of the MSP. Regarding PPSS, market experts pointed out that past experience of engaging private players in procurement operations for wheat and rice has been mixed so far, with commercial viability, delays in state payments and storage space shortages identified as main challenges.
14	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	October	Oilcrops	Following the recent launch of a new procurement scheme for oilseeds and pulses (see <i>MPPU Oct.'18</i>), the Indian Government approved proposals from 11 states for procurement operations during the Kharif (summer crops) marketing year that started in October. Reportedly, the decision was taken after sharp price falls in key growing regions. According to official sources, over 2.6 million tonnes of oilseeds will be procured.

No.	Domain	Country	Month	Product	Description*
15	AGRICULTURAL SUPPORT POLICIES – <i>Production support (incl. procurement schemes)</i>	India	October	Rapeseed, mustardseed, safflowerseed	In October, the Indian Government announced the new state-mandated minimum prices for Rabi (winter) crops. For rape and mustardseed, the support price was raised by 5 percent, from INR 40 000 per tonne to INR 42 000 (or USD 597), while the safflowerseed price saw a 21 percent increase, from INR 41 000 per tonne to INR 49 450 (or USD 703). With the new price levels, farmer returns are deemed to exceed production costs by 90 percent in the case of rape/mustardseed and 50 percent for safflowerseed, which compares to estimated margins of 113 percent for wheat.
16	AGRICULTURAL SUPPORT POLICIES – <i>Production support (incl. procurement schemes)</i>	India	December	Oilseeds, other selected crops	The Private Procurement and Stockiest Scheme (PPSS) – launched recently by the Federal Government to enhance the procurement of oilseeds and other selected crops (see <i>MPPU Oct. '18</i>) – has not resulted in concrete actions, according to media reports. Meant to engage the private sector in procurement operations, the scheme was set to be tested via eight pilot projects in different states. However, the concerned states refrained from submitting pilots, citing lack of interest by private operators. Reportedly, the rule that the remuneration of private parties cannot exceed 15 percent of the relevant minimum support price (MSP) – while market prices for oilseeds are said to have dropped 20 percent below state-mandated prices – has made the scheme commercially unviable. Under the PPSS, private operators are expected to bear all handling, storage, distribution and sale costs.
17	AGRICULTURAL SUPPORT POLICIES – <i>Production support (incl. procurement schemes)</i>	Malaysia	October	Oil palm	Tax concession: Government officials informed that, under the country's newly introduced Sales and Service Tax (SST) regime, oil palm growers will not be subject to taxation. As opposed to the previous taxation scheme, where a Goods and Service Tax (GST) was levied on both locally produced and imported fresh oil palm fruit branches (FFB), the SST will only be collected on imported FFB, so as to protect the interests of the domestic oil palm industry.
18	AGRICULTURAL SUPPORT POLICIES – <i>Production support (incl. procurement schemes)</i>	Mexico	March	Oilcrops	Mexico's federal programme to encourage domestic oilseed production (known under the name 'Pro-Oleaginosas') remains in place in 2018, with producer payments staying at MXN 700 (USD 35) per tonne of product delivered to domestic processors (as opposed to MXN 1 500 provided two years back). 'Proagro', a scheme providing farmers with liquidity to invest in productive activities has also been confirmed, with per-hectare allocations for small, medium-size and large farm holdings raised by, respectively, 14 percent, 33 percent and zero percent. While a government scheme to stimulate forward sales also remains in place, market participants are reported to favour better-priced alternatives offered by the domestic and international market.
19	AGRICULTURAL SUPPORT POLICIES – <i>Production support (incl. procurement schemes)</i>	Mexico	May	Soybeans, rapeseed, safflowerseed & selected grains	In May, Mexico's Agricultural Ministry increased the target prices used to determine support payments under its income target programme for grain and oilseed farmers in the 2017/18 fall/winter and 2018/19 spring/summer seasons. Reportedly, target prices have been raised to offset increases in production costs. Oilseed growers are expected to benefit the most, with target prices for soybean, rapeseed and safflower set at MXN 8 400 per tonne (USD 442), up 27 percent from last season's level. In addition, to help producers cope with depressed crop prices, farmers who chose to sell maize, wheat, sorghum and soybeans through the Ministry's forward contract programme will be entitled to subsidies. Under the latter programme, the bulk of the funds has been earmarked for grain producers.
20	AGRICULTURAL SUPPORT POLICIES – <i>Production support (incl. procurement schemes)</i>	United States	November	All crops, livestock	Legislators from the Senate and the Lower House announced that an agreement in principle has been reached on the 2018 Farm Bill. The bill includes programmes of critical importance for US farmers. The last 5-year bill expired on 30 September 2018, and lawmakers have until the end of the current year to finalize the approval process.

No.	Domain	Country	Month	Product	Description*
21	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	United States	December	All crops, livestock	In December, President Trump signed into law a USD 867 billion Farm Bill covering the five-year period 2019–2023. The bill will continue to fund key farm safety net schemes, while renewing the country's domestic food aid programme without significant changes. The bill reauthorizes the existing crop insurance and conservation programmes and will fund a set of trade promotion measures as well as research on bioenergy production and organic farming. Farmers will have the option to choose between the Agricultural Risk Coverage and Price Loss Coverage programmes in four out of five years, to make sure the tools they are using are better aligned with their risk management needs. The bill also introduces a number of improvements to both programme prices and yields to enhance the effectiveness of these tools. Furthermore, the marketing loan rates of several crops have been increased to support farmers who need to access low-interest post-harvest financing. The loan rate for soybeans has been raised by 24 percent, while that for groundnuts and 'minor oilseeds' has been left unchanged. The current limits on individual farm subsidies have been maintained.
22	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Zimbabwe	May	Soybeans	In a bid to stimulate domestic soybean production, the Government of Zimbabwe has raised the price for soybeans delivered to the state-run Grain Marketing Board from USD 610 to USD 780 per tonne. Meanwhile, the country's oil crushers are seeking permission from the Government to buy soybeans at the import parity price of USD 400 per tonne, in a bid to maintain cooking oil prices at a level affordable to consumers (see also <i>MPPU Sep.'17</i>).
23	AGRICULTURAL SUPPORT POLICIES – Relief measures	Australia	August	All crops	In Australia, a number of federal and state-level relief packages to assist farmers hit by this year's widespread drought have been announced.
24	AGRICULTURAL SUPPORT POLICIES – Relief measures	European Union	August	All crops, livestock	On 2 August, the European Commission announced set of support measures for European farmers affected by the current season's extreme drought. Farmers will be allowed to receive their direct and rural development payments earlier than scheduled and have been granted more flexibility in using fallow land and other areas that would normally not be available for production in order to feed their animals. Additional support can be provided under the existing state aid rules. In particular, extraordinary purchases of fodder may qualify for aid in cases of either material damage or income loss. Member states will be allowed to provide compensation for damage without notifying the Commission. The EU's Rural Development programme also provides a range of possibilities to assist farmers facing exceptional circumstances.
25	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States	August	Crops, livestock products	Trade mitigation: The U.S. Government announced a set of measures to assist farmers suffering from trade damage following China's introduction of retaliatory tariffs on certain US agricultural exports. As a one-time, short-term relief package, USDA has been authorized to implement support programmes worth USD 12 billion, in line with an estimated USD 11 billion impact of China's new tariffs. To help producers meet the costs arising from market disruptions, three types of measures will be implemented: i) incremental, output-based payments to producers of selected crops (including soybeans) to compensate farmers for price-induced losses and to expand new markets at home and abroad; ii) government purchases of unexpected surplus of affected commodities for distribution to public nutrition programmes; and iii) trade promotion activities conducted in conjunction with the private sector to assist in developing new export markets. According to government officials, the special aid package complies with the WTO-mandated thresholds for trade-distorting farm support. While farmer representatives welcomed the support measures, they also expressed concern about the long-term risks associated with potential export market losses.

No.	Domain	Country	Month	Product	Description*
26	AGRICULTURAL SUPPORT POLICIES – <i>Relief measures</i>	United States	August	Crops, livestock products	Trade mitigation: The US Government provided details about its support programme for farmers impacted by China's introduction of retaliatory tariffs (see also <i>MPPU Aug.'18</i>). To assist farmers to meet the costs of disrupted markets, three measures will be implemented. First, under the Market Facilitation Program (MFP), producers will be granted USD 4.7 billion of direct payments. Roughly USD 3.6 million have been earmarked for soybean producers, with the remainder going to the sorghum, maize, wheat, cotton, dairy and meat sectors. Programme enrolment under MFP opened on 4 September and will close in January 2019. Based on the severity of trade disruption and the period of adjustment to new trade patterns, the initial payment rate for soybeans – the most affected commodity – has been set at USD 60.62 per tonne, to be paid on half of each producer's actual 2018 production. Additional payments will be announced in the coming months, if warranted. MFP payments per farmer are capped at a combined USD 125 000 for soybeans, maize, cotton, sorghum and wheat. Second, a USD 1.2 billion Food Purchase and Distribution Program will procure various impacted agricultural products – excluding soybeans – for distribution to recipients through existing nutrition and child assistance schemes. Third, the Agricultural Trade Promotion Program (USD 200 million) will enable eligible stakeholders to identify and develop new export markets for all affected commodities on a cost-sharing basis. Activities envisaged comprise consumer advertising, public relations, point-of-sale demonstrations, trade fairs and exhibitions, market research, and technical assistance. The United States' aid package provoked strong interest among trade partners. At the WTO, member states asked for details on the methodology of the programme, its duration, and its consistency with WTO rules. The United States stressed that its relief programme was a one-time measure, limited to the September 2018–January 2019 period, adding that it would not entail export subsidies nor involve public stockholding operations.
27	AGRICULTURAL SUPPORT POLICIES – <i>Relief measures</i>	United States	November	Selected crops, livestock	Trade mitigation: As of mid-November, USDA paid out nearly USD 840 million to farmers, as part of a first tranche of payments worth USD 6 billion intended to compensate farmers for losses incurred due to China's imposition of tariffs on U.S. agricultural exports (see also <i>MPPU Aug. & Oct.'18</i>). Reportedly, soybeans, wheat, maize, dairy and hog producers benefitted the most from the subsidies. While details about a second USD 6 billion tranche are still to be provided, the USDA confirmed that it has no intention to renew the aid package in 2019.
28	AGRICULTURAL SUPPORT POLICIES – <i>Relief measures</i>	United States	December	Selected crops, livestock	Trade mitigation: The U.S. Government has authorized a second round of payments from the USD 12 billion aid package designed to compensate farmers for losses incurred due to the Sino-US trade tensions (see <i>MPPU Aug./Oct./Dec.'18</i>). Including the additional disbursements, USDA expects direct payments to farmers to total USD 9.6 billion, of which around USD 7.3 billion will be for soybeans growers, who are entitled to receive USD 1.65 per bushel (USD 60.62 per tonne) on half of their actual 2018 production. In addition, USD 1.2 billion have been earmarked for food purchases and around USD 0.2 billion for measures to develop foreign markets.
29	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	Canada	September	Rapeseed	Canada's Federal Government announced up to CAD 12.1 million (USD 9.24 million) in funding – over five years – to the country's Canola Council under its Canadian Agricultural Partnership programme. The research investment, which will be complemented with CAD 8.1 million (USD 6.19 million) from the industry, is aimed at advancing the sector's growth and profitability by creating new and improved products. The focus will be on: adapting food processing techniques; exploring uses for rapeseed meal in livestock production; yield optimization; crop protection from pest; and dissemination activities. The scheme is expected to contribute to the industry's strategic plan of lifting Canada's annual rapeseed output to 26 million tonnes by the year 2025. For comparison, this year's production is estimated at a record 21.3 million tonnes.

No.	Domain	Country	Month	Product	Description*
30	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Canada	December	Oilcrops	Canada's Federal Government announced a CAD 3.7 million (USD 2.8 million) investment into the Eastern Canada Oilseeds Development Alliance, ECODA. The funds have been earmarked for the following activities: i) development of new oilseed crop varieties for eastern Canada; ii) product innovation to boost market opportunities and value added products; iii) improved land use and crop rotation options; and iv) improved pest resistance and soil preservation.
31	AGRICULTURAL SUPPORT POLICIES – Sector development measures	China	February	Soy-foods & soy-based feed	According to media reports, in 2018, soyfood manufacturers and feed producers in China's Jilin Province will benefit from state subsidies aimed at fostering the development of soybean processing and feed production in the country's Northeast. The provision of direct support payments to specialized local industries appears to be in line with China's on-going policy re-orientation away from nationwide crop procurement programmes (see also <i>MPPU June '16</i>). Details on the amount and modalities of the payments are still to be provided. Reportedly, soybean processors holding food production licenses and having an annual capacity of more than 5 000 tonnes would be eligible for the subsidies.
32	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Egypt	January	Olive oil, olives	Egypt signed the Sixth International Agreement on Olive Oil and Table Olives (see <i>MPPU Feb. '17</i>), thereby regaining full membership in the International Olive Council, IOC. According to media reports, under the agreement, Egypt will benefit from financial grants to support domestic olive production, including a new initiative to promote cultivation in the Western Desert. In recent years, the country's partly export-oriented olive oil industry has expanded gradually.
33	AGRICULTURAL SUPPORT POLICIES – Sector development measures	European Union	February	Soybeans & other protein crops	As a first phase in the formulation of a strategy for promoting protein-rich crops (in particular soybeans) across the EU, the European Commission has sought the views of industry experts and other stakeholders on the sector's state of play. The initiative stems from concerns over the bloc's heavy reliance on soybean imports as well as growing consumer preference for non-GMO food and feed (see also <i>MPPU July & Aug. '17</i>). Among other things, the Commission wishes to assess the effectiveness of policy instruments such as voluntary coupled support, i.e. the possibility of linking direct farmer support payments to the production of protein crops.
34	AGRICULTURAL SUPPORT POLICIES – Sector development measures	European Union	November	Protein-rich crops	As part of efforts to develop a strategy for promoting protein-rich crops including soybeans (see <i>MPPU Mar. '18</i>), the European Commission has published a report that reviews the supply and demand situation for plant proteins in the EU and explores ways to increase production in an economically and environmentally sustainable manner. The report includes an analysis of existing and new policy instruments to help realize the potential of protein crops in the union.
35	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Fiji	September	Coconut	The Government of Fiji launched a programme to develop the country's coconut industry and enhance the supply of copra. Reportedly, interventions will focus on rejuvenating the country's coconut palms, largely relying on public-private partnerships.
36	AGRICULTURAL SUPPORT POLICIES – Sector development measures	The Gambia	November	Groundnut	With assistance from the Turkish Cooperation and Coordination Agency (TIKA), a Gambian groundnut oil processing factory has been equipped with a laboratory to test its products for aflatoxin, a family of toxins linked to cancer in humans. Controlling aflatoxin contamination in groundnut is expected to help mitigate national health risks and enhance exporters' access to the European market.
37	AGRICULTURAL SUPPORT POLICIES – Sector development measures	India	July	Oil palm	The Government of Telangana State encouraged farmers to embark on oil palm cultivation. By promoting palm oil production for the domestic market, the local initiative would contribute to reducing India's dependence on imported vegetable oils. Across the state, 283 000 ha of land have been identified as being suitable for oil palm cultivation.

No.	Domain	Country	Month	Product	Description*
38	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	India	September	Oilcrops	With a view to help reduce the country's dependence on edible oil imports, the Agricultural Ministry has proposed new strategies to raise domestic oilcrop production over the next four years. Measures envisaged include, in a large scale: i) the promotion of oilseed cultivation in non-traditional areas, cropping seasons and states; and ii) the introduction of oilseed production in rice fallow areas during the rabi season. The Ministry proposed to provide direct assistance worth INR 3 000 to 5 000 (USD 41 to 68) per hectare – in the form of agriculture inputs like seed, fertilizer and pesticides – to farmers who take up oilcrop production as an intercropping model. Recently, the Government decided to merge, from the current crop year, the National Mission on Oilseeds and Oil Palm with its National Food Security Mission, whose former coverage was limited to rice, wheat and pulses.
39	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	India	November	Groundnut	The Government of Gujarat state plans to assist farmers in setting up cooperatives to run their own groundnut mills and other value addition units so as to shield farmers from market prices fluctuations and reduce their dependence on private millers.
40	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	Indonesia	April	Oil palm	The Indonesian Government pledged to expand a country-wide oil palm replanting programme launched last year (see <i>MPPU Dec.'17</i>) to cover 185 000 hectares of smallholder plantations in 2018 – as opposed to the original target of 20 000 hectares. The ultimate goal is to replace palms on 5.61 million hectares across the country. The scheme's objective is to foster output growth among smallholders by boosting their productivity level, thereby discouraging environmentally controversial expansion of planted area. Replacing palm trees older than 25 years with improved varieties could lift average smallholder yields from 2–3 tonnes of palm oil per ha to 4 tonnes. The Government's replanting programme is entirely financed by Indonesia's Oil Palm Plantation Fund (BPDP-KS), an instrument set up in 2015 to manage a new levy collected on the country's palm oil exports. In fact, to date the bulk of BPDP-KS funds has been allocated to biodiesel subsidies – a policy that is being challenged by the country's main union of palm oil smallholders. Recently, also the country's anti-graft agency has called for a more balanced distribution of those funds among stakeholders. Reportedly, last year, BPDP-KS proceeds from levies collected on palm oil exports amounted to IDR 14.2 trillion (USD 1 billion).
41	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	Indonesia	September	Palm oil	Complementing efforts to raise domestic demand for palm oil (notably for biodiesel production), the Indonesian Government is supporting initiatives to establish palm oil processing facilities overseas. According to the media, joint ventures to set up refineries – that would source crude palm oil primarily from Indonesia – in Pakistan (for food-grade oil production) and in the United States and Europe (for aviation fuel production) have been promoted.
42	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	Malaysia	September	Coconut	The Malaysian Government plans to set up a special body to manage and regulate the country's coconut industry and, in this context, sought advice from other coconut producing countries in Asia. While the industry is believed to have good growth potential thanks to increased demand for coconut-based products globally, producers face challenges in production caused by low productivity and competition for land with other crops.
43	AGRICULTURAL SUPPORT POLICIES – <i>Sector development measures</i>	Montenegro	March	Olive oil	With assistance from the Turkish development cooperation agency, Montenegro envisages to strengthen domestic olive oil production, in a bid to penetrate world markets more effectively. Under the initiative, local producers will receive training from Turkish experts on new production techniques concerning fertilization, irrigation, pruning and pest control.

No.	Domain	Country	Month	Product	Description*
44	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Pakistan	April	Olive tree	Public efforts to promote olive tree cultivation continue to be pursued in different parts of the country under the oversight of Pakistan's Agricultural Research Council (see <i>MPPU Oct.'15 & Feb./Sep.'16</i>). In Punjab province, free-of-charge distribution of saplings is continuing in the Pothohar Plateau and the local government has confirmed its target of planting 2.4 million trees by 2020. Eligible growers are given access to subsidies and training programmes. Elsewhere, in Balochistan, 120 000 trees are being planted, with olive plantations expected to cover an area of approximately 5 700 hectares, while, in Gilgit-Baltistan, government officials announced plans to plant three million olive trees as part of an environmental conservation project. These and parallel initiatives concerning rapeseed, sunflowerseed and oil palm, are all aimed at lowering the country's dependence on vegetable oil imports.
45	AGRICULTURAL SUPPORT POLICIES – Sector development measures	the Philippines	July	Coconut	A congressional bicameral committee has approved a bill creating a PHP 100 billion (USD 1.86 billion) trust fund to be used over 25 years to the benefit of the country's 3.5 million coconut farmers. The funds originate primarily from a levy collected from coconut farmers during the 1970s to support the development and rehabilitation of the country's coconut industry (see also <i>MPPU Jan.'15 & July'16</i>). Managed by the Philippine Coconut Authority, the funds will be earmarked for the following activities: scholarship programmes; shared facilities; empowerment of coconut farmer organizations and cooperatives; health schemes; infrastructure; planting, replanting and establishment of nurseries; intercropping; research & development; credit schemes; marketing and creation of new products; and fertilizer distribution.
46	AGRICULTURAL SUPPORT POLICIES – Sector development measures	the United Republic of Tanzania	July	Oilcrops	Reportedly, the East African nation is pursuing plans to modernize – with assistance from Malaysia – domestic production of oil palm, sunflowerseed, groundnut, sesame, coconut palm and coconut, with a view to reduce the country's dependence on edible oil imports and improve the livelihood of smallholder farmers.
47	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Uganda	March	Oil palm	The Government of Uganda intends to expand its efforts in promoting oil palm cultivation across the country in partnership with UN-agency IFAD and a group of private investors. As part of the country's Vegetable Oil Development Programme, oil palm cultivation has been developed since 2005 in two districts (Kalangala and Buvuma) on an area of 10 000 hectares, comprising both nucleus estates and smallholder farms. Reportedly, the project attracted multiple investments along the palm oil value chain, creating jobs and improving local livelihoods. Under a second phase, oil palm cultivation is expected to concentrate on four regional hubs, covering 43 new districts. The initiative has not been spared from scrutiny by civil society groups, which identified a number of challenges regarding the project's environmental and social sustainability.
48	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Uzbekistan	January	Oils, fats	Local media reported that the Government has issued a road map for the accelerated development of the country's oils and fats industry. The plan provides for the expansion of the industry's resource base and the modernization of equipment used. Specific measures include a one-year exemption from the payment of value added tax for oil/fat manufacturers, beginning in January 2018. Furthermore, the Government would set a fix price for the sale of cottonseed oil to socially vulnerable parts of the population (see also <i>MPPU Dec.'17</i>). Such price would be determined taking into account manufacturers' production and marketing costs.

No.	Domain	Country	Month	Product	Description*
49	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	Brazil	August	Glyphosate	In August, a Brazilian judge suspended the use of product containing glyphosate, a herbicide extensively employed for soybeans and other crops in Brazil and world-wide. Under the injunction, existing and new registrations of products containing the chemical were to be suspended as of September 2018, until the country's health authority ANVISA issued the findings from its re-evaluation of the herbicide's safety. Eventually, after Brazil's Solicitor General filed an appeal backed by the Agriculture Ministry, arguing that the suspension would harm farmers and potentially result in a loss of around USD 25 billion in export earnings, the injunction was overruled. The Appeals Court maintained that the injunction would harm the country's economy.
50	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	Canada	August	Nicotinoids	In Canada, a final decision on the phase-out and virtual ban of outdoor agricultural uses of three pesticides belonging to the neonicotinoids group is expected next year (see also <i>MPPU Dec. '16</i>). Widely used to protect rapeseed, soybeans and other crops from insect attack, the chemicals have been linked to pollinator damage and harm to aquatic environments. Elsewhere, temporary bans on neo nicotinoids are in place in the EU, while no comparable steps have been taken in the United States (see also <i>MPPU June '17</i>).
51	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	East African Community	August	Aflatoxin	Members of the East African Community plan to develop a policy framework to address the human and animal health threats posed by aflatoxin contamination. Reportedly, aflatoxins from fungi are widespread in the region and cause contamination of staple foods, especially groundnuts. Under the initiative, policy makers and other stakeholders will be sensitized on the need and possible measures to prevent aflatoxins from developing and to mitigate the impact of contamination. If successfully implemented, prevention and control measures have the potential to enable intra-regional trade and overseas exports of agricultural products.
52	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	European Union	January	Xylella fastidiosa	First detected in the South of Italy in 2013, <i>xylella fastidiosa</i> is regarded as a main threat to European olive cultivation (see also <i>MPPU Jan. '18</i>). Recently, the European Commission provided the following update regarding the spread of the disease: i) Spain, the world's largest olive oil producer, notified a first outbreak in 2016 in the island of Mallorca; as the pest subsequently spread across the Balearic Islands, in December 2017, the entire territory was declared as area under containment and movement of specified plants out of the Balearics is currently not authorized. In June 2017, the disease was also detected on the Iberian Peninsula, in Alicante (Valencia), where movement restrictions are in place; ii) in Italy, the demarcated area has been updated on several occasions and survey activities are ongoing; in May 2015, the infected zone was declared area under containment; movement of specified plants out of the demarcated area is currently not authorized; iii) in France, authorities reported a first outbreak on the Island of Corsica in 2015; since then, additional outbreaks have been detected in Provence-Alpes-Côte d'Azur (PACA); while survey activities continue, the entire territory of Corsica was declared as area under containment in December 2017, and the movement of specified plants out of Corsica and PACA is currently not authorized.; iv) in Germany, authorities notified an isolated case of the disease in June 2016 in Saxony; v) as for the rest of the EU territory, all member states must carry out annual surveys for the presence of the disease in their territory involving a list of specified plants. On a related note, last December, the 10 countries most directly threatened by the disease agreed on a roadmap aimed at reinforcing measures to prevent and control the disease (see <i>MPPU Jan. '18</i>). The roadmap focuses on three main areas: i) knowledge improvement through the support of applied research programmes; ii) increasing surveillance to ensure early detection and rapid eradication of new outbreaks; and iii) awareness raising and information actions.

No.	Domain	Country	Month	Product	Description*
53	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	European Union	April	Nicotinoids	EU Member States' representatives backed a proposal by the European Commission to further restrict the use of three substances known as nicotinoids, for which a scientific review by the European Food Safety Authority found that their outdoor use harms bees (see also <i>MPPU Feb. & June '18</i>). Nicotinoids have been widely employed in agriculture – in particular in rapeseed cultivation – over the past 20 years. The new restrictions go beyond the measures already in place since 2013, in that all outdoor uses of the chemicals will be banned. The regulation is expected to come into force by the end of the year. Individual Member States may grant emergency exceptions for restricted uses of the chemicals.
54	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	United States	July	Glyphosate	In July, a federal judge ruled that lawsuits linking glyphosate use to cancer could proceed to trial. Separately, in August, a federal court awarded USD 289 million to a man who claimed that his cancer was caused by prolonged contact with glyphosate. According to the ruling, the herbicide's producer failed to warn users about the cancer risks posed by the product.
55	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	United States	September	Dicamba	The U.S. Environmental Protection Agency (EPA) is expected to soon release its decision on whether to renew its license for dicamba, a weed killer increasingly used in GM soybean and cotton fields (see also <i>MPPU Oct. '17, Dec. '17 & Jan. '18</i>). Reportedly, some industry representatives urged EPA to limit the herbicide's use to the spring months, i.e. before crops are planted. On a related note, a U.S. Appeals Court is looking into claims that EPA failed to analyse the risks dicamba applications posed to nearby crops when it renewed the herbicides' license two years ago.
56	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	United States	October	Glyphosate	A U.S. court confirmed an earlier verdict that found glyphosate-based herbicides responsible for a man's terminal cancer, but decided to lower the USD 250 million punitive damages portion of the award to USD 39 million (see also <i>MPPU Oct. '18</i>).
57	AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i>	United States	November	Dicamba	In the United States, the use of dicamba-based herbicides has been re-authorized for a period of two years (see also <i>MPPU Oct. '18</i>). The U.S. Environmental Protection Agency extended, until 20 December 2020, the registration for over-the-top use (i.e. use on growing plants) of dicamba to control weeds in fields of soybean and cotton genetically modified to resist the herbicide. To minimize potential off-site damage to non-targeted crops, the authorization includes provisions limiting the number of allowed applications as well as the period and times of the day when the herbicide can be applied.
58	BIOFUEL POLICIES	Argentina	May	Biodiesel	In May, the Argentine Government raised the export tax on (soybean oil-based) biodiesel from 8 percent to 15 percent, effective 1 July 2018. The upward adjustment was aimed at bringing the tax closer to the export duty for soybean oil, which, in May, stood at 24.5 percent. Past duty differentials were among the reasons that led the United States to impose countervailing and anti-dumping duties on biodiesel imports from Argentina and the EU to launch a new investigation on whether Argentine producers benefit from state subsidies (see <i>MPPU May '18</i>). The higher export duty is expected to make it more difficult to sell Argentine biodiesel to countries where blending occurs on a discretionary rather than mandatory basis. Regarding Argentina's internal market, private sources reported that the Government is considering to raise the country's mandatory biodiesel blending rate from currently 10 percent to 12 percent (and eventually 15 percent), in a bid to foster domestic consumption.
59	BIOFUEL POLICIES	Argentina	September	Biodiesel	During the August–September period, the government-set price that oil companies need to pay for biodiesel has been raised thrice, reaching ARS 26 509 (USD 725) per tonne as of 10 September 2018. Reportedly, the adjustments were triggered by the recent changes in the Argentina's export tax for soybean oil, the country's main biodiesel feedstock.

No.	Domain	Country	Month	Product	Description*
60	BIOFUEL POLICIES	Argentina	November	Biodiesel	After upward adjustments in August and September 2018 (see <i>MPPU Oct.'18</i>), the government-set price that oil companies are required to pay for biodiesel has been raised further to ARS 27 529 per tonne (USD 733) in October and ARS 28 112 (USD 748) in November 2018.
61	BIOFUEL POLICIES	Brazil	February	Biodiesel	Following recommendations made by Brazil's National Energy Policy Council (CNPE), the Government raised the nationwide mandatory blending rate for biodiesel from 8 percent to 10 percent (see also <i>MPPU Dec.'17</i>). From 1 March 2018, all petroleum diesel is required to include 10 percent of vegetable oil-based diesel. While biodiesel manufacturers can use any vegetable oil as feedstock, the share of soybean oil in total feedstock uptake remains capped at 80 percent. Furthermore, one-fifth of all feedstock must be sourced from small family farms. The higher mandate is estimated to raise Brazil's annual biodiesel consumption by almost 30 percent – from 3.8 million to 4.9 million tonnes, according to industry estimates. During 2018, the biofuel industry's uptake of soybean oil is forecast at 3.7 million tonnes, which compares to 2.9 million tonnes in 2017. Accordingly, domestic soybean crush related to biodiesel would rise from 14.5 million to 18.5 million tonnes. Reportedly, for 2019 and beyond, further increases in the country's mandatory blending rate are envisaged, conditional upon positive test results on motor engines. The industry's current blending capacity is reported to be around 7 million tonnes per year, which would be compatible with higher blending rates.
62	BIOFUEL POLICIES	Brazil	July	Biodiesel	Striving to expand domestic biodiesel consumption, the Brazilian Government has raised the allowed voluntary percentage of biodiesel mixture in regular diesel for certain groups of users. Large consumers served by their own point of supply (such as carriers and transport companies) are now allowed admixture rates of up to 20 percent, whereas new rates of 30 percent have been set for agricultural, industrial and rail uses, and 100 percent for experimental and other special applications. The nationwide mandatory blending rate for regular transport diesel remains unchanged at 10 percent.
63	BIOFUEL POLICIES	Brazil	October	Biodiesel	The National Council for Energy Policies proposed a gradual increase from 10 percent to 15 percent in the mandatory share of biodiesel in regular transport diesel consumed in Brazil. The proposal envisages annual increases by 1 percent starting in June 2019. The additional 5 percent blending would raise Brazil's biodiesel consumption by approximately 85 percent between 2018 and 2023, lifting national biodiesel production to 8.8 million tonnes – compared to the current level of 4.8 million tonnes. To date, soybean oil has been the principal feedstock used.
64	BIOFUEL POLICIES	Colombia	March	Biodiesel	On 1 March 2018, Colombia's mandated blend limit for biofuel in petrol and diesel has been raised in a bid to curb CO2 emissions in the country's cities and address oversupply problems that threaten to disrupt production of biofuels and their respective feedstock. The required mix of palm oil-based diesel in regular diesel has been raised to 10 percent and applies throughout the country. Previously, mandates ranged from 2 percent to 9 percent, depending on the region.

No.	Domain	Country	Month	Product	Description*
65	BIOFUEL POLICIES	European Union	January	Biodiesel	With regard to the pending reform of the EU's Renewable Energy Directive (RED), the European Parliament voted in favour of a proposal that would freeze production of crop-based biofuels at 2017 levels, while capping their share in total road/rail transport fuels at 7 percent. At the same time, the joint share of "advanced" fuels (defined as fuels with a lower impact on land use), waste-based biofuels, renewable electricity and fuels of non-biological origin should amount to at least 1.5 percent in 2021, rising to 10 percent in 2030. Furthermore, EU lawmakers proposed to remove, by 2021, palm oil-based biodiesel from the list of biofuels that count towards the bloc's renewable fuel targets (while all other vegetable oils could be used as feedstock until 2030). Likely marking the end of the EU's palm-based diesel imports, the latter proposal attracted strong criticism from palm oil producing countries in Southeast Asia. As for the bloc's overall renewable energy targets, the Parliament's proposal envisages that, by 2030, a minimum of 35 percent of total energy consumption comes from renewable sources, while the share of renewables in transport should be at least 12 percent. Moreover, energy efficiency would need to be raised by 35 percent. The final shape of the EU's RED will only emerge after tripartite negotiations have taken place between the Parliament, the Commission and the Council of Ministers (see also <i>MPPU Dec. '16, June '17 & Jan. '18</i>).
66	BIOFUEL POLICIES	European Union	June	Biodiesel	In mid-June, the EU's Parliament, Council and Commission reached a provisional, informal agreement regarding the bloc's renewable energy policy after 2020. The package, which is part of a broader policy aimed at reducing the bloc's GHG emission levels comprises: i) binding overall and sector-specific targets for renewable energy use; ii) caps on the amount of crop-based (or 'first generation') biofuels in transport at 2020 levels, with a maximum of 7 percent; iii) ambitious and binding targets for 'advanced' biofuels; iv) significant, mandatory presence of waste-based biofuels, such as used cooking oil and animal fats; and v) a freeze on the use of biofuels that bring about strong indirect land use changes (ILUC) at 2019 levels, with a mandatory phase-out by end-2030. With regard to the latter point, the European Commission has been assigned the responsibility to develop – by February 2019 – a precise methodology to define the 'green credentials' of individual biofuels, so as to distinguish high-risk ILUC biofuels produced on high carbon-stock land from others produced with lower risk of causing adverse effects. While it remains to be seen how individual biofuel feedstock will be affected under the new classification, Malaysia and Indonesia stated that they would consider retaliatory measures in case palm oil-based fuel fell under the 'high-ILUC/low sustainability' category, adding that they consider the EU's envisaged measures are discriminatory. Meanwhile, the two palm oil producers intensified their efforts to identify new markets for their biofuel exports. Furthermore, representatives from the EU biofuel industry questioned the rationale for restricting the contribution of those first generation biofuels that can be produced in a sustainable manner. The text of the new EU directive still has to be formally approved by the European Parliament and the Council, following which the bloc's member states would have 18 months to transpose the directive into national law.
67	BIOFUEL POLICIES	European Union	November–December	Biofuels	The EU's Council and Parliament have formally approved key chapters of the bloc's bioenergy policy reform, including the plan to phase-out, by 2030, the consumption of crop-based biofuels that bring about strong indirect land use changes (see also <i>MPPU Aug. '18</i>).

No.	Domain	Country	Month	Product	Description*
68	BIOFUEL POLICIES	India	June	Biodiesel	India's recently released National Policy on Biofuels envisages indicative targets of 20 percent gasoline blends for ethanol and 5 percent diesel blends for biodiesel by 2030, which compares to current penetration rates of around 3 percent and less than 0.2 percent for ethanol and biodiesel respectively. Road and rail transport is estimated to account for about half of total biodiesel consumption, with off-road farm transport and various stationary and portable applications accounting for the remainder. Today's low biodiesel penetration rate is attributed to multiple constraints, notably the lack of a dedicated, integrated supply chain, limited feedstock availability, and restrictions on imports. India's six biodiesel plants hold a combined installed capacity of 574 000 tonnes per year, whereas actual output in 2018 is estimated at merely 165 000 tonnes. Currently, the main feedstock used are palm stearin, UCO and animal fats. The Government's new biofuel policy focuses on fuels produced from domestic raw materials. In the case of biodiesel, the recommended feedstock comprise non-edible oilseeds, used cooking oil (UCO), animal tallow, acid oils and algae. The policy includes strict rules to prevent UCO from re-entering the food chain and envisages the establishment of appropriate collection mechanisms to increase the supply of UCO for biodiesel production (see also <i>MPPU Aug. '18</i>). Moreover, it recommends the use of wastelands and inter-cropping for feedstock generation, with a focus on non-edible oil bearing trees and crops as well as other biomass, for which suitable supply chain mechanisms and fair price mechanisms are to be put in place. With regard to non-edible oilcrops, trials with <i>Jatropha curcas</i> , an oilplant promoted under India's National Biodiesel Mission, have given rise to multiple questions about the crop's agronomic and economic viability (see also <i>MPPU June '13</i>).
69	BIOFUEL POLICIES	India	July	Biodiesel, used cooking oil	The Food Safety and Standards Authority of India (FSSAI) initiated discussions with India's Biodiesel Association on setting up a system for the collection of used cooking oil and its conversion into biodiesel, local media reported. Private sources estimated that, out of 23 million tonnes of cooking consumed annually in the country, up to 3 million could be recovered and used as biodiesel feedstock.
70	BIOFUEL POLICIES	Indonesia	February	Biodiesel	To date, government subsidies for mandatory sales of biodiesel (i.e. diesel blends containing 20 percent of palm oil-based biodiesel) have only been made available to the energy sector and for transport fuels sold to the public through state-owned company Pertamina, also known as Public Service Obligation (PSO) sales. According to local media reports, the Government is now considering to expand the scope of its biodiesel subsidies to the country's mining industry and to the non-PSO sector, i.e. fuels sold through private sector outlets. The move would be part of ambitious plans to further expand domestic consumption of palm-biodiesel. While, for PSO sales, the Government would continue to fully cover the price gap between conventional diesel and biodiesel, the subsidy for non-PSO distributors could be capped at IDR 4 000 per liter (USD 0.29). Reportedly, the Government is also considering to reinstate biodiesel blends in the country's locomotive sector, where mandatory blending had been suspended last year following cases of engine failure. Based on recent positive performance tests, low-concentration blends (containing up to 5 percent of biodiesel) may be introduced in mid-2018.

No.	Domain	Country	Month	Product	Description*
71	BIOFUEL POLICIES	Indonesia	March	Biodiesel	<p>Biodiesel production will continue to enjoy government support in Indonesia. In 2018, producers of palm oil-based diesel are set to continue receiving subsidies, tied to government efforts to stimulate domestic demand for palm oil so as to prevent oversupply of the commodity and stabilize its price on the global market. According to media reports, official estimates place domestic biodiesel consumption at 3.06 million tonnes in 2018, compared to 2.24 million tonnes last year. Furthermore, next July, mandatory biodiesel use is set to be expanded to include the mining sector and a state-owned railway operator. Annual uptake by the mining and locomotive sector would amount to about 500 000 tonnes, while road transportation and power plants would absorb 2.55 million tonnes. Blending rates will range between 5 percent (locomotive), 10 percent (mining) and 20 percent (transport and energy sectors). Long-term plans to raise domestic admixture levels in the transportation and energy sectors to 30 percent are upheld. In the meantime, also exports of biodiesel may rise, following the recent elimination of the EU's anti-dumping duties on Indonesian biodiesel.</p> <p>Further to its recent decision to extend mandatory biodiesel use to the country's mining and railway sector, the Indonesian Government plans to require all diesel fuel sold in the country to contain biodiesel, starting 1 September 2018 (see also <i>MPPU Mar. & Apr. '18</i>). While, currently, blending obligations only apply to subsidized diesel outlets, under the new rule, fuel pumps countrywide would only be allowed to sell diesel blends containing biodiesel. Besides allowing Indonesia to lower its mineral fuel imports (and thus reduce the nation's current account deficit), the envisaged measure is aimed at boosting domestic palm oil consumption, thereby helping stabilize palm oil prices and lower the oil palm industry's dependence on the export market. Moreover, the biodiesel industry's capacity utilization rate, which currently is lingering around 25 percent, would improve. Reportedly, encouraged by a more favourable mineral oil-to-palm oil price ratio, the Government is also considering to bring forward the planned shift in the country's mandatory blending rate, from 20 percent to 30 percent, to 2019 (i.e. one year earlier than anticipated) – despite resistance from both regulators and the automotive and oil industries. Furthermore, the Government started offering incentives for the development of a new 100% palm oil-based fuel called "green diesel". Produced using hydro-treated vegetable oils, the fuel is said to be free from the adverse effects found in esterification-based biodiesel (see also <i>MPPU Nov. '15</i>). With regard to total domestic consumption, the latest official estimates project next year's biodiesel use at 5.3–5.4 million tonnes, compared to estimates for 2018 ranging between 2.9 and 3.5 million tonnes. Actually, according to observers, the existing B20 target has yet to be met fully. The delay is attributed to logistical bottlenecks and to past gaps between mineral oil and palm oil prices, which reduced the effectiveness of the financial support provided to the industry.</p>
72	BIOFUEL POLICIES	Indonesia	May	Biodiesel	

No.	Domain	Country	Month	Product	Description*
73	BIOFUEL POLICIES	Indonesia	September	Biodiesel	In support of recent measures to foster domestic production and consumption of palm oil-based biodiesel (see <i>MPPU Aug. '18</i>), the Government decided to widen the ability of the country's Oil Palm Estate Fund to subsidize the price gap between conventional diesel and biodiesel (NB: the fund was set up in 2015 to collect a levy on each tonne of crude palm oil exported). While previously only sales involving state-owned companies (so-called PSO sales – see <i>MPPU Mar. '18</i>) could benefit from subsidies, now incentives will reach all biodiesel manufacturers, thereby ensuring uniform pricing in the PSO and non-PSO sector. In the meantime, official sources reported that, as of mid-September, the implementation of the nation-wide B20 mandate (i.e. sales of diesel including 20 percent of biodiesel) had reached 80 percent of the Government's target. Reportedly, <i>Pertamina</i> – the country's dominant, state-owned diesel distributor – managed to distribute B20 biodiesel to 95 percent of its petrol stations. Reaching the target fully would require overcoming a number of outstanding logistical issues, especially in the eastern part of the country, market experts said. According to official estimates, biodiesel production could climb to 7 million metric tonnes next year – 40 percent higher than the 5 million tonnes estimate provided for the current year.
74	BIOFUEL POLICIES	Indonesia	December	Biodiesel	According to media reports, after last year's shift to 20 percent biodiesel blends in the country's transport sector (see <i>MPPU Aug. '18</i>), the Government plans to further boost domestic biodiesel consumption, with the aim to enhance the uptake of crude palm oil amid fluctuations in the commodity's global market price. In particular, the viability of raising the content of biodiesel in fuels to 30 and even 100 percent is being analysed. In the meantime, state-owned oil company <i>Pertamina</i> is said to consider setting up three new biodiesel refineries.
75	BIOFUEL POLICIES	Republic of Korea	January	Biodiesel	Effective January 2018, the Republic of Korea raised the mandatory inclusion rate for biodiesel in transportation diesel from 2.5 percent to 3 percent. The new rate is set to remain in place until end 2020. Domestic biodiesel output is expected to increase accordingly and, with it, the country's imports of palm oil, the primary feedstock for domestic biodiesel production.
76	BIOFUEL POLICIES	Malaysia	July	Biodiesel	Malaysia's long-standing plan to raise the country's mandatory blending rate for biodiesel is back on the agenda. The planned move from B7 to B10 (which would require transport diesel to be mixed with 10 rather than 7 percent of palm oil-based biodiesel) has been postponed several times, as large price discounts of mineral oil over palm oil made implementation of higher mandates costly (see <i>MPPU Dec. '16</i>). Recently, however, the price gap between mineral oil and palm oil has narrowed, making higher blending rates more viable. According to official sources, the Government could outline its plans on how to implement new mandates by the end of this year. Higher blending rates would allow to reduce domestic palm oil supplies, hence lowering stocks and supporting prices. The country's biodiesel industry confirmed that it could raise output anytime, as producers are currently operating well below installed capacity.
77	BIOFUEL POLICIES	Malaysia	November	Biodiesel	Acknowledging the recent narrowing in the gap between palm oil and mineral oil prices, the Malaysian Government decided to implement its long-standing plan to raise the country's mandatory blending rate for biodiesel (see also <i>MPPU Aug. '18</i>). Reportedly, the new policy – which would require transport diesel to be mixed with 10 rather than 7 percent of palm oil-based biodiesel – will be phased in from 1 December 2018, with mandatory blending taking effect on 1 February 2019. In addition to the compulsory 10 percent-blends in the transport sector, a 7 percent blending rate is set to become mandatory for the industrial sector from July of next year. The measures are expected to boost domestic demand for palm oil and support the oil's price, which, due to large domestic inventories, has dropped to multi-year lows.

No.	Domain	Country	Month	Product	Description*
78	BIOFUEL POLICIES	Thailand	March	Biodiesel	With a view to support oil palm growers affected by depressed prices (stemming from burdensome domestic supplies), the Government of Thailand is planning to raise mandatory blending of palm oil-based biodiesel in the automotive and railway sectors from 7 percent to 10 percent. Performance tests of the higher blends are currently being conducted with support from the industry. According to the press, the shift to the higher blending rate is envisaged for early next year. In recent years, the country has seen repeated adjustments in mandated rates – both upward and downward – as the Government strived to stabilize domestic palm oil prices (see <i>MPPU Sep. '16, Aug. '17 & Jan. '18</i>).
79	BIOFUEL POLICIES	Turkey	January	Biodiesel	On 1 January 2018, mandatory blending of transport diesel with 0.5 percent biodiesel has become effective nation-wide. Based on domestic diesel consumption of about 22.3 million tonnes, biodiesel uptake would amount to approximately 115 000 tonnes per year. Reportedly, refiners acquiring biodiesel would be entitled to excise duty exemptions. The country's installed biodiesel production capacity is reported at 235 000 tonnes.
80	BIOFUEL POLICIES	the United Kingdom of Great Britain and Northern Ireland	April	Biodiesel	On 15 April, a number of changes in the UK's Renewable Transport Fuel Obligation (RTFO) have come into effect. Transport fuel manufacturers will be required to guarantee biofuel blending rates of at least 9.75 percent and 12.4 percent in, respectively, 2020 and 2032 – compared to the present target of 4.75 percent. At the same time, the new legislation establishes a 4 percent cap on the contribution of crop-based (or 'first generation') biofuels until 2021, after which thresholds of 3 percent and 2 percent will apply in, respectively, 2026 and 2032. RTFO will also, for the first time, support and reward the production of sustainable renewable aviation fuel.
81	BIOFUEL POLICIES	United States	February	Biodiesel	The U.S. Congress passed a one-year extension of the USD 1 per gallon tax credit granted to biodiesel blenders, which had expired on 31 December 2016. The retroactive extension to 2017 will trigger a cash transfer of approximately USD 2.6 million to the US biodiesel supply chain, matching last years' biodiesel market of 2.6 million gallons. The U.S. biodiesel industry had sought an extension of the 12-year old subsidy through the current year (2018) and possibly beyond. The industry had also urged lawmakers to convert the blenders credit into a domestic producers credit, in a bid to prevent foreign biodiesel from qualifying for the subsidy (see <i>MPPU June '17</i>).
82	BIOFUEL POLICIES	United States	February	Biodiesel	The U.S. Department of Energy decided to support research on the development of enhanced sugarcane and elephant grass (<i>miscanthus fuscus</i>), in a bid to contribute to efforts to identify alternative feedstock for the production of transport biodiesel and aviation fuel. Reportedly, a team of researchers is working on raising the oil content in the stem of the two crops to 20 percent, using genetic engineering techniques. Allegedly, if fully successful, the targeted crops would produce up to 15 times more biodiesel per unit of land compared to soybeans.
83	BIOFUEL POLICIES	United States	May	Biodiesel	From 1 May, the state of Minnesota requires petroleum diesel to be blended with 20 percent biodiesel during the April–September period – exactly double the previous blending requirement of 10 percent. During the winter months, the mandate is set to revert back to 5 percent. To implement the higher requirements, state officials must ensure that the following conditions are met: sufficient feedstock supply; adequate blending infrastructure; and the existence of tailored fuel standards.

No.	Domain	Country	Month	Product	Description*
84	BIOFUEL POLICIES	United States	June	Biodiesel	The Environmental Protection Agency (EPA) proposed its target for 'biomass-based diesel' in 2020 (see also <i>MPPU Dec. '17</i>). The proposed 2.43 billion gallons blending mandate compares to a volume of 2.1 billion gallons applied in both 2018 and 2019. Furthermore, EPA proposed a 2019 target for the 'advanced biofuel' category – for which biodiesel also qualifies – of 4.88 billion gallons, which compares to a 2018 mandate of 4.29 billion gallons. The proposed increases would lead to rising demand for soybean oil and other biodiesel feedstock. As for the other biofuel categories, EPA proposed to keep the 2019 target for 'conventional biofuel' (mostly ethanol derived from maize starch) frozen at 2015 levels, while significantly raising mandatory blending of 'cellulosic biofuel'. EPA's deadline for issuing the final volumes is 30 November. Regarding the proposal for biomass-based diesel, the country's biodiesel producers had called for a 2020 volume of at least 2.8 billion gallons. The industry also urged EPA to reduce the uncertainty it caused by issuing retroactive small-refiner hardship exemptions. In this regard, the National Biodiesel Board estimated that the exemptions granted in 2016 and 2017 reduced actual demand for biodiesel by 375 million gallons. However, EPA has decided against reallocating exempt volumes.
85	BIOFUEL POLICIES	United States	November	Biodiesel	The U.S. Environmental Protection Agency (EPA) finalized the biofuel blending obligations for 2019. Compared to the previously proposed targets (see <i>MPPU Dec. '17 & Aug. '18</i>), the volume for the 'advanced biofuel' category – under which biodiesel qualifies – has been raised slightly (from 4.88 billion gallons to 4.92 billion gallons), while the requirements for 'conventional biofuel' and 'biomass-based biodiesel' have been left unchanged. Biodiesel industry representatives maintained that the new standards fall short of the attainable production levels. Furthermore, EPA opted not to reallocate blending obligations previously waived under the agency's small refinery exemption programme, thus not satisfying calls made by both biofuel producers and farmers groups.
86	BIOFUEL POLICIES	United States	November	Biodiesel	The USD 1 per gallon tax credit traditionally accorded to biodiesel blenders expired back in December 2017 (see <i>MPPU Mar. '18</i>). In this regard, the Lower House is currently reviewing a proposal for a long-term extension of the incentive. Over the past five years, Congress allowed the tax incentive to expire, eventually granting retroactive one-year extensions. Industry representatives long advocated for a multi-year renewal to provide certainty and predictability for producers and feedstock suppliers.
87	TRADE POLICIES – <i>Import measures - non-tariff</i>	China	January– February	Soybeans	On 1 January 2018, stricter standards for imports of raw, unprocessed soybeans from the United States have taken effect (see <i>MPPU Jan. '18</i>). Under the new procedure, USDA's Animal and Plant Health Inspection service is expected to notify China when a shipment exceeds 1 % of foreign material. All US soy consignments, including those exceeding the threshold, will be allowed to enter the country while the U.S. sets up procedures to meet the new requirement. However, the new rules could entail additional processing at Chinese ports to remove impurities, hence raising total shipment costs. In February, USDA issued guidelines for US growers and exporters on how to reduce weed presence in soybean consignments by adopting a set of strict production and handling practices.

No.	Domain	Country	Month	Product	Description*
88	TRADE POLICIES – <i>Import measures - non-tariff</i>	China	August– November	Soybean, soymeal, soyoil, rapeseed meal, fishmeal, fishoil	Trade mitigation: China's state-owned grain corporation Sinograin and government officials from Argentina agreed to increase China's imports of Argentine soymeal and soyoil, pending inspections of Argentine crushing facilities by Chinese officials. With a view to diversify sources of protein for use in animal feed, the Chinese Government also approved the resumption of rapeseedmeal imports from India (which had been banned in 2011 over quality concerns), subject to inspection and quarantine requirements. China and India also signed an agreement allowing Chinese officials to inspect imports of Indian fishmeal and fishoil. Furthermore, Chinese customs authorities approved imports of rapeseedmeal from Kazakhstan. Moreover, Chinese government officials conducted talks with Brazilian soy processors with regard to possible imports of Brazilian soymeal at preferential conditions. On the same subject, earlier this year, China i) started allowing soymeal imports from Ethiopia, and ii) agreed to import shelled sunflowerseed from Bulgaria. All of the above measures have been linked to Chinese efforts to mitigate the impact of China's retaliatory tax on U.S. soybeans on domestic markets, while reducing the country's reliance on imported soybeans for feed.
89	TRADE POLICIES – <i>Import measures - non-tariff</i>	China	December	Soybeans, selected protein meal	Trade mitigation: The Chinese Government introduced additional measures to mitigate the impact of its retaliatory import tariff on U.S. soybeans on the domestic market (see also <i>MPPU Dec. '18</i>). The Government announced plans to remove, from 1 January 2019, import tariffs on meals that can replace soybean meal in animal feed, notably meal obtained from rapeseed, cottonseed, sunflowerseed and palm kernel. Furthermore, to increase the diversity of its soybean supply origins, imports of soybeans from Bolivia have been allowed. Moreover, following the start of a new round of trade talks with the United States (aimed at resolving the two countries' controversies by 1 March 2019), China's state-owned enterprises have been directed to resume purchases of U.S. soybeans. To date, acquisitions of around 2.3 million tonnes have been confirmed. Commercial U.S. soybean imports, however, remained nil, given that China's 25 percent retaliatory import tariff remained in place.
90	TRADE POLICIES – <i>Import measures - non-tariff</i>	Russian Federation	December	Sunflower oil	The Government of the Russian Federation expanded an existing ban on goods imported from Ukraine. Reportedly, the move has come in response to a recently prolonged Ukrainian embargo on Russian products. The goods targeted under the Russian Federation's ban include sunflower oil.
91	TRADE POLICIES – <i>Import measures - non-tariff</i>	Viet Nam	September	Soybeans, wheat	The U.S. Government reported that it received non-compliance notifications from Viet Nam's Ministry of Agriculture regarding wheat and soybean consignments contaminated with seeds of perennial weed <i>cirsium arvense</i> . Reportedly, Viet Nam's authorities informed that, starting 1 November 2018, the country would enact strict plant quarantine measures, including the rejection of contaminated shipments.
92	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	India	February	Food & processed food products	The Government of India modified its general levies charges on all imports as follows: the 2% Education Cess and the 1% Secondary and Higher Education Cess were abolished and replaced with a Social Welfare Surcharge of 10 percent of the basic customs duty charged on imports, including purchases of food and processed food products. The new levy has entered into effect on 2 February 2018.
93	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	India	February	Selected vegetable oils	On 2 February 2018, the import tariff for selected crude vegetable oils has been raised from 12.5 percent to 30 percent, while the duty for the corresponding refined oils was increased from 20 percent to 35 percent. The tax rise concerns oil from cottonseed, safflowerseed, linseed, castorseed, sesame seed, palmkernel, coconut, olive, groundnut and maize, i.e. those oils that were excluded from last year's tax hikes (see <i>MPPU Sep. & Dec. '17</i>).

No.	Domain	Country	Month	Product	Description*
94	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	India	March	Palm oil	The import duties for crude and refined palm oil – which were raised twice last year – have been increased further, with effect from 1 March 2018. The tariffs for crude and refined palm oil were raised to, respectively, 44 percent and 54 percent (from previously 30 percent and 40 percent) – i.e. the highest level in more than a decade. The third increase in tariffs in less than six months is meant to push up domestic prices of edible oils and back local oilseed growers and processors. Unexpectedly, since the hike in duties, sharp increases in edible oils deliveries from Bangladesh and Sri Lanka have been reported, mainly involving shipments of palm oil originating in Indonesia and Malaysia. Apparently, traders have taken advantage of the South Asian Free Trade Agreement (SAFTA), which, by maintaining a duty-free zone in the region, allowed traders to circumvent India's high import tariffs.
95	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	India	June	Soy-, sunflower-, groundnut- & rapeseed- oil	In June, the Indian Government further raised the import duties for crude and refined soybean, sunflower, groundnut and rapeseed oil (see also <i>MPPU Mar.'18</i>). At 35 percent for refined grades and 45 percent for crude grades, the tariffs for the referenced oils now stand at the highest level in more than a decade – just as the country's palm oil import tariff. The measure is aimed at curbing imports while protecting the interests of the country's oilseed growers and processors. Unexpectedly, since the hike in duties, sharp increases in edible oils deliveries from Bangladesh and Sri Lanka have been reported, mainly involving shipments of palm oil originating in Indonesia and Malaysia. Apparently, traders have taken advantage of the South Asian Free Trade Agreement (SAFTA), which, by maintaining a duty-free zone in the region, allowed traders to circumvent India's high import tariffs.
96	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	Pakistan	April	Soybean oil	Pakistan's fiscal budget for 2018/19 includes provisions for a rise in the custom duty on crude soybean oil from formerly PKR 9 050 per tonne to PKR 12 000 (USD 73 and 97 respectively). In addition, the Government envisaged an increase in the 'additional custom duty' applied to all oils and fats from 1 percent to 2 percent. The measures are aimed at protecting local soft oil production.
97	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	Philippines	November	Palm oil	Following a sharp rise in the volume of palm oil imports from Malaysia and Indonesia – which is believed to have led to a decline in domestic prices of coconut and derived products – the Philippine Government has initiated anti-dumping investigations, local media reported. Currently, palm oil from Malaysia and Indonesia enters the Philippines duty-free, in line with the ASEAN Trade Goods Agreement. Reportedly, under WTO rules, the country may temporarily impose protective tariffs, invoking a claim of injury to its industry.
98	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	Turkey	June	Sunflowerseed, sunflower oil	To stimulate imports and ensure that domestic demand for edible oils is met, the Government decided to temporarily lower the import tariffs for sunflower seed and oil. From 5 June to 1 August, the import duty for the seed was reduced from 27 to 13 percent, while that for oil stood at 23 percent instead of 36 percent.
99	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	Turkey	June	Sunflower-seed/ oil/meal	As part of measures to sustain the value of the country's currency vis-à-vis the US dollar, the Government of Turkey decided to leave import duties on sunflower seed, oil and meal at their current, reduced level of, respectively, 13 percent, 23 percent and zero. Originally, the temporary tariff reduction was meant to end on 1 August 2018 (see <i>MPPU Aug.'18</i>).
100	TRADE POLICIES – <i>Import measures - tariffs & levies</i>	Turkey	December	Sunflowerseed	The Turkish Government has approved, for the period January–June 2019, a 300 thousand tonnes duty-free quota for sunflowerseed imports, which habitually attract a tax of USD 59 per tonne. Reportedly, the measure is aimed at supporting domestic crush operations.
101	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Argentina	January	Soybeans, soymeal, soyoil	In line with pledges made in October 2016 (see <i>MPPU Nov.'16</i>), the Government lowered the country's export tax on soybean by 0.5 percentage points, to 29.5 percent, effective 2 January 2018. For the next two years, the tax will be reduced by a further 0.5 percentage point each month, eventually settling at 18 percent in December 2019. The same half-point-per-month reduction will apply to the export tax on soymeal and soyoil, which was lowered to 26.5 percent in January and will drop to 15 percent over the next two years. Reportedly, the tax cut is part of a number of measures taken over the last two years to increase competitiveness and predictability in the oilcrops sector.

No.	Domain	Country	Month	Product	Description*
102	TRADE POLICIES – Export measures - tariff & non-tariff	Argentina	April	Soybeans, soybean products	From 6 April 2018, Argentina's export tax on soybean and soybean products is applied at the date of shipment as opposed to the day a purchase contract is signed. The change allows exporters to take advantage of the monthly tax cuts that are under implementation since January 2018 (see <i>MPPU Mar'18</i>), thus encouraging forward sales.
103	TRADE POLICIES – Export measures - tariff & non-tariff	Argentina	August	Soybeans, sunflowerseed, groundnut (incl. respective oils/ meals)	In mid-August, as part of a wider fiscal tightening programme, the Argentinian Government suspended for six months its policy of gradually reducing export taxes for soybean and soyoil. Subsequently, on 3 September, the Government reduced the tax applied to shipments of all three, soybeans, soybean and soyoil, to 18 percent – from the prevailing levels of, respectively, 25.5 percent, 23 percent and 23 percent. Simultaneously, a new export levy of 12 percent was introduced, with a maximum limit of 4 ARS (11 US cents) for each US dollar in export value. Applied to all primary product exports and driven primarily by treasury needs, the latter levy is added to the 18 percent export tax in place for soybeans and derived products. Based on the export prices and exchange rate levels prevailing at the beginning of September, soybeans and derived products have seen an effective tax hike of roughly 3 percentage points. It is important to note that, with the introduction of a uniform tax throughout the soybean complex, the country's crushing industry no longer avails of the protection previously enjoyed in form of tax differentials. Conversely, the relative export competitiveness of soybeans has improved. The attractiveness of soybeans exports has also improved relative to grains, which could lead to larger than originally expected soybean plantings in the imminent 2018/19 season. As for the other oilseeds, the new 4 ARS export levy also applies to sunflowerseed and groundnut, whereas only 3 ARS (8 US cent) are assessed on the respective oils and meals. The lower rate also applies to biodiesel exports. The new tax rates and levies are expected to stay in place until 31 December 2020.
104	TRADE POLICIES – Export measures - tariff & non-tariff	China	October	Soymeal	Trade mitigation: With a view to protect domestic supplies, on 1 November, the Government discontinued an 11 percent value-added tax rebate hitherto applied to soybean exports. The move is part of a set of measures meant to mitigate the impact of China's retaliatory tax on U.S. soybeans on domestic markets, while reducing the country's reliance on imported soybeans for feed.
105	TRADE POLICIES – Export measures - tariff & non-tariff	India	January	Soymeal	In December 2017, the Government raised the export incentive for soybean shipments from 5 percent to 7 percent. Under the country's foreign trade policy, selected "high potential" goods benefit from export rewards, payable as a percentage of realized FOB values.
106	TRADE POLICIES – Export measures - tariff & non-tariff	India	March	Edible oils	Exportation of vegetable oils is set to be liberalized further in India. After lifting the ban on bulk exports of selected vegetable oils in March 2017 (see <i>MPPU Apr'17</i>), the Government now decided to allow bulk exports of all edible oils with the exception of mustardseed oil. Being an item of mass consumption in the country, mustard oil may only be exported in consumer packs up to 5 kg and at a minimum price of USD 900 per tonne. The new policy is aimed at encouraging oilseed production by opening additional marketing avenues for edible oils. Moreover, the measures may contribute to better utilization of idle capacity in the country's edible oil industry. However, market experts do not expect sizeable increases in shipments in the near term, as domestic edible oil prices currently range significantly above world market levels.
107	TRADE POLICIES – Export measures - tariff & non-tariff	Indonesia	March	Palm oil	Until end March 2018, Indonesia's sliding export tax on crude palm oil will stay at zero, given that (for the eleventh month in succession) Indonesia's reference price remained below the threshold that triggers taxation. Irrespective of the zero export tax, Indonesia's exports remain subject to a fixed levy of USD 50 per tonne (see <i>MPPU Aug. '15</i>).
108	TRADE POLICIES – Export measures - tariff & non-tariff	Indonesia	May	Palm oil	In Indonesia, where benchmark values for palm oil remained below the USD 750 per tonne threshold that triggers taxation, the tax on crude palm oil exports has been kept at zero for both April and May – marking the thirteenth month in succession with no export tax.

No.	Domain	Country	Month	Product	Description*
109	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Indonesia	August	Palm oil	In Indonesia, the export tax on crude palm oil stays at zero, as benchmark prices remained below the threshold that triggers taxation. The month of August marks the sixteenth month in succession with no export tax.
110	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Indonesia	October	Palm oil	In Indonesia, the export tax on crude palm oil remained at zero, as benchmark prices continued to range below the threshold that triggers taxation. The month of October marks the eighteenth month in succession with no export tax in Indonesia.
111	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Indonesia	October	Primary products	As part of policies to address on-going currency and current account problems, the country's trade ministry has laid out new rules that require commodity exporters to guarantee funding for shipments exclusively through local banks. The new regulation has taken effect on 7 October.
112	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Indonesia	November	Palm oil	Concerned about the steady, sharp fall in palm oil export prices and its adverse impact on the country's export-oriented oil palm industry, the Indonesian Government decided to suspend the country's <u>levy</u> on palm oil exports, which amounts to USD 50 and USD 20–40 per tonne respectively for crude and refined palm oil. The move is aimed at maintaining the products' competitiveness in overseas markets. Introduced in 2015, the levy is used to subsidize the country's biodiesel programme as well as sector development activities, such as palm replanting schemes (see <i>MPPU July'15</i>). Reportedly, the levy will be reintroduced as prices rise: once palm oil prices recover to USD 500 per tonne, exports of crude and refined palm oil will be charged with, respectively, USD 25 and USD 5–10 per tonne, whereas levies of USD 20–50 will be collected when prices reach at least USD 550 per tonne. Meanwhile, the export tax on crude palm oil remained at zero in November and December, as benchmark prices continued to range below the threshold that triggers taxation. The month of December marks the twentieth month in succession with no export tax in Indonesia.
113	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Indonesia	December	Palm oil	The Government of Indonesia modified the parameters applying to the collection of <u>levies</u> on palm oil exports (see also <i>MPPU Dec.'18</i>). When the palm oil benchmark price falls in a range of USD 570–619 per tonne, the levy will amount to USD 10–25 per tonne, whereas USD 20–50 will be collected when the reference price exceeds USD 619. Previously, exporters paid USD 20–50 per tonne regardless of price levels. Since last November, when palm oil prices dropped below the USD 570 threshold, no export levies have been charged in a bid to maintain the competitiveness of the country's palm oil exports. The trade ministry's reference price for December stood at USD 549 per tonne. (NB: When the palm oil reference price exceeds USD 750, Indonesia also charges a <u>tax</u> on crude palm oil exports; the rules governing that tax have remained unchanged).
114	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Indonesia	December	Palm oil	In Indonesia, palm oil benchmark prices continued to range below the thresholds that trigger taxation. Accordingly, in January 2019, the export tax on crude palm oil remains at zero for the twenty-second month in succession.
115	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Malaysia	January	Palm oil	Malaysia decided to suspend its variable tax for a period of three months, starting 8 January 2018 (although taxation would be reintroduced if domestic palm oil stocks were to drop below 1.6 million tonnes). The tax suspension was implemented in a bid to stimulate international demand, curb domestic stocks and support the price of Malaysian palm oil. The latter has fallen to 16-month lows in December 2017, while inventories climbed to two-year highs. By making Malaysian palm oil more competitive, the tax suspension has prompted a conspicuous rise in the country's shipments since last January, in particular with regard to sales to price sensitive markets such as India and China.

No.	Domain	Country	Month	Product	Description*
116	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Malaysia	May	Palm oil	Malaysia extended the 3-month tax suspension introduced in early January until the end of April, in a bid to maintain Malaysian palm oil exports competitive (see <i>MPPU Mar.'18</i>). According to the Malaysian Palm Oil Board, export taxation has resumed on 1 May, with rates set at 5 percent for both May and June.
117	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Malaysia	August	Palm oil	After suspending its duty on palm oil exports for four months at the start of the year to stimulate demand and support prices, Malaysia reintroduced export taxation at 5 percent in May. While the rate remained unchanged in June and July, it was lowered to 4.5 percent in August, reflecting a slide in the reference market price.
118	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Malaysia	October	Palm oil	After fresh drops in the reference market price for palm oil, Malaysia suspended its export tax on the commodity for the months of September and October. Since the beginning of this year, palm oil export taxes have only been applied during the May–August period.
119	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Malaysia	November	Palm oil	Following fresh drops in the reference market price for palm oil, Malaysia decided to keep its export tax on the commodity at zero for the months of November and December.
120	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Malaysia	December	Palm oil	In Malaysia, palm oil benchmark prices continued to range below the thresholds that trigger taxation. Accordingly, in January 2019, the export tax on crude palm oil remains at zero for the fifth consecutive month.
121	TRADE POLICIES – <i>Export measures - tariff & non-tariff</i>	Ukraine	May	Soybeans, rapeseed	The abolition of the VAT refund on exports of soybeans and rapeseed (see <i>MPPU Jan.'17</i>) has been postponed to 31 December 2021, but only for farmers and companies exporting their own crops – implying that traders will no longer be eligible for refunds as of 1 September 2018. In the case of sunflowerseed, all tax refunds have been suspended since March 2018.
122	TRADE POLICIES – <i>Trade disputes</i>	Argentina, Peru	November	Biodiesel	Argentina requested formal consultations with Peru at the WTO over the anti-dumping duties Peru put in place on imports of biodiesel from Argentina in February 2016 (see <i>MPPU Nov.'16</i>). Prior to the introduction of the trade barrier, Peru represented Argentina's second largest export market after the United States.
123	TRADE POLICIES – <i>Trade disputes</i>	European Union, Indonesia	January	Biodiesel	In August 2015, the WTO's dispute settlement body set up a panel to examine whether the EU's anti-dumping duties on biodiesel imports from Indonesia – introduced in 2013 for five years – were consistent with the existing international trade agreements (see <i>MPPU Oct.'15</i>). The panel released its ruling in January 2018. Largely upholding claims by Indonesia, the panel found the disputed measure to be inconsistent with WTO law and recommended that the EU bring the measure into conformity with its obligations under the WTO Anti-Dumping Agreement and the GATT 1994. The EU and Indonesia may appeal the panel's findings, in which event the WTO's Appellate Body would have to review the case. The latest ruling follows last year's WTO findings in favour of Argentina, regarding the EU's anti-dumping duties on biodiesel imports from that country. In that instance, the EU agreed to cut its import tariffs, which prompted a resumption in biodiesel imports from Argentina (see also <i>MPPU Nov.'16</i> & <i>Oct.'17</i>).
124	TRADE POLICIES – <i>Trade disputes</i>	European Union, Argentina	January	Biodiesel	The European Commission informed that it launched a new investigation concerning imports of biodiesel originating from Argentina, citing evidence submitted by the EU's biofuel industry that Argentine biodiesel producers benefit from state subsidies, causing injury to EU producers. Allegedly, Argentina's subsidies come in the form of artificially cheap goods and services (notably soybeans), price support for biodiesel, direct transfers and preferential loans, and government revenue forgone or not collected. By comparison, the anti-dumping duties imposed in 2013 were related to Argentina's differential export tax system. The Commission's new investigation has to be concluded by end February 2019, while provisional anti-subsidy duties may be applied from November 2018 onward.

No.	Domain	Country	Month	Product	Description*
125	TRADE POLICIES – <i>Trade disputes</i>	European Union, Argentina, Indonesia	March	Biodiesel	Abiding by a ruling of the European Court of Justice (see <i>MPPU Nov. '16</i>), the European Commission has removed anti-dumping duties on biodiesel imports from 13 Argentine and Indonesian producers that were in place since 2013. The Commission had appealed against the ruling, but dropped the petition earlier this year. Also the WTO had ruled in favour of challenges filed by Argentina and Indonesia (see <i>MPPU Nov. '16 & Mar. '18</i>). Notwithstanding, last January, the Commission launched – upon request of the bloc's biodiesel producers – a new investigation on whether Argentine producers benefit from state subsidies (see <i>MPPU Mar. '18</i>). Industry experts pointed out that the recent resumption of low-cost biodiesel imports from Argentina and Indonesia would impact profitability for European producers – possibly leading to production cuts and hence reduced uptake of rapeseed oil, the EU's main biodiesel feedstock.
126	TRADE POLICIES – <i>Trade disputes</i>	European Union, Argentina	May	Biodiesel	In the context of on-going trade investigations regarding the alleged subsidization of biodiesel production in Argentina, the European Commission ordered to register, as of 25 May 2018, all imports of biodiesel from Argentina. While the decision does not prejudice the outcome of the case, the measure would facilitate retroactive application of any future anti-subsidy measures. Reportedly, since the investigation's launch last January, biodiesel imports from Argentina have increased sharply, especially after the bloc removed anti-dumping duties that had been in place since 2013 (see <i>MPPU May '18</i>).
127	TRADE POLICIES – <i>Trade disputes</i>	European Union, Argentina	September	Biodiesel	The European Commission decided to postpone the introduction of provisional countervailing duties on imports of allegedly subsidized biodiesel from Argentina (see also <i>MPPU May & Aug. '18</i>). Despite the preliminary finding that Argentinian exports are favoured by subsidies and therefore potentially threaten the EU's biodiesel industry, the Commission informed that it intends to collect additional information in order to proceed with its investigations. Market participants had expected that the Commission would collect duties from October. Accordingly, Argentina's biodiesel shipments to the EU are reported to have dropped in recent weeks.
128	TRADE POLICIES – <i>Trade disputes</i>	European Union, Argentina	December	Biodiesel	According to media reports, the European Commission is considering to reinstate anti-subsidy duties on imports of biodiesel from Argentina, citing an imminent threat of material injury caused to the EU's biodiesel industry (see also <i>MPPU Oct. '17 & Mar./Oct. '18</i>). Reportedly, retaliatory duties could range from 25 percent to 33, depending on the company concerned. The move would require approval by the bloc's member states. The deadline for introducing definitive measures is 27 February 2019.
129	TRADE POLICIES – <i>Trade disputes</i>	India, United States	July	Soybean oil, palm olein, wheat	In response to the United States' introduction of higher duties on imports of steel and aluminium from India, the Government of India has filed a WTO notification, which includes a list of US products that could be subject to retaliatory import duties. The list includes wheat, crude soybean oil and refined palm olein.
130	TRADE POLICIES – <i>Trade disputes</i>	United States, Argentina, Indonesia	February	Biodiesel	The U.S. Department of Commerce (DOC) issued its <i>final</i> determinations in the <i>anti-dumping</i> duty investigations of biodiesel imports from Argentina and Indonesia (see also <i>MPPU Dec. '17</i>). DOC determined that Argentine and Indonesian exporters sold biodiesel in the United States at, respectively, 60–86 percent and 93–277 percent less than fair value. Accordingly, the country's customs offices will be instructed to collect cash deposits from importers based on those final rates. DOC's determination remains subject to a second ruling by the U.S. International Trade Commission (expected on 6 April 2018) on whether U.S. biodiesel producers were injured by dumped imports. According to media reports, Argentina and Indonesia are considering to file cases against DOC at both the WTO and the U.S. Court of International Trade. It is important to note that the above <i>anti-dumping</i> duties have come in addition to <i>final anti-subsidy</i> (or <i>countervailing</i>) duties imposed last year on the same products (see <i>MPPU Dec. '17</i>). With combined rates of up to 159 percent for Argentine biodiesel and 341 percent for Indonesian produce, imports from the two countries are expected to come to a halt.

No.	Domain	Country	Month	Product	Description*
131	TRADE POLICIES – <i>Trade disputes</i>	United States, Argentina, Indonesia	April	Biodiesel	In April, the U.S. International Trade Commission asserted that biodiesel imports from Argentina and Indonesia have harmed the US industry, thereby paving the way for the application of anti-dumping duties as determined by the U.S. Department of Commerce last February (see <i>MPPU Mar.'18</i>). According to press reports, Indonesian biodiesel exporters reacted by filing an appeal to the U.S. Court, while the Indonesian Government is considering to submit the case to the World Trade Organization.
132	TRADE POLICIES – <i>Trade disputes</i>	United States, Argentina	November	Biodiesel	The U.S. Department of Commerce initiated a 'changed circumstances review' to examine the anti-dumping and countervailing duties it placed on imports of Argentine biodiesel in late 2017 and early 2018 (see <i>MPPU Mar. & May'18</i>). The review process has been opened on request of the Argentine Government, following the latter's decision to i) raise the country's export tax on soybean-based biodiesel, ii) lift the domestic biodiesel price, and iii) lower the country's export tax on soybean products (see <i>MPPU Aug. & Oct.'18</i>). A reduction or repeal of the retaliatory tariffs can be expected to lead to a resumption of biodiesel imports from Argentina, which would likely hurt US biodiesel producers and dampen domestic soybean uptake. A 'changed circumstances review' can take up to 270 days, meaning that a final determination should be reached by August 2019.
133	TRADE POLICIES – <i>Trade disputes</i>	United States, China	April	Soybeans	On 4 April 2018, the Chinese Government published a provisional list of tariffs that, if implemented, would apply to selected agriculture and food imports from the United States –including soybeans. The duties would be introduced in retaliation of possible US import tariffs concerning a number of Chinese products. China – the world's largest soybean buyer – satisfies 90 percent of its soybean requirements through imports, with US beans accounting for more than one-third of its purchases. Considering the importance of soybean trade for both countries, China's announcement triggered temporary prices responses and shifts in buying patterns at the national and global level. The two countries are engaged in negotiations aimed at settling their trade dispute (which originated from a field unrelated to agricultural markets), in a bid to avert recourse to retaliatory tariff measures.
134	TRADE POLICIES – <i>Trade disputes</i>	United States, China	July	Soybeans	On 6 July, after several rounds of bilateral trade talks, the United States imposed a 25 percent import tariff on mostly industrial Chinese products worth USD 34 billion, prompting China to levy import taxes on the same value of US products, including several agricultural goods (see also <i>MPPU May'18</i>). Of particular relevance is China's 25 percent retaliatory tariff on imports of US soybeans, both black and yellow, which brought the total duty charged on such imports to 38 percent (NB: for China, by far the world's largest soybean buyer, the United States is the second largest supplier; on the other hand, about 60 percent of the United States' soybean exports are directed to China). Besides triggering an abrupt slowdown in China's soybean purchases from the United States, the measure has affected prices for soybeans and several other commodities in a number of countries, giving rise to a succession of adjustments in global trade flows. Additional adjustments in overall trade patterns can be expected if the concerned tariff barriers remain in place. The trade tension between the two countries could escalate further, considering that the United States confirmed its intention to start collecting tariffs on an additional USD 16 billion of Chinese imports as of 23 August – a measure China is expected to reciprocate. While grains and oilseeds do not feature in the list of commodities targeted under the second round of tariffs, China's catalogue includes US fishmeal.

No.	Domain	Country	Month	Product	Description*
135	TRADE POLICIES – <i>Trade disputes</i>	United States, China	September	Selected oilseeds, oils and meals	After both sides imposed special tariffs on each other's exports worth USD 50 billion in the July–August period (see <i>MPPU Aug.'18</i>), on 24 September, following fresh failures in bilateral talks, the two countries introduced additional tariffs. In the new round of trade measures, the United States introduced import tariffs of 10 percent on Chinese products worth USD 200 billion, adding that the rate could be raised to 25 percent on 1 January 2019. Affected commodities include a number of oilcrops and oilmeals, imports of which, however, have been negligible in recent years. At the same time, China introduced new tariffs on U.S. products worth USD 60 billion. For the oilcrops complex, China's additional tariffs amount to 10 percent for certain oilseeds (excluding soybeans, which had been targeted in the earlier round), vegetable oils/meals and fishoil/meal, and 5 percent for a number of other oilseeds, vegetable oils, and meals of animal origin. Again, in the recent past, China only imported small quantities of the earmarked oilseed products from the United States.
136	TRADE POLICIES – <i>Comprehensive trade agreements</i>	Canada, Japan	December	Rapeseed oil/ meal	Based on the recent entry into force of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) agreement, Canadian industry officials envisage new export opportunities for Canadian rapeseed oil and meal in Japan. Considering that, under CPTPP, Japan's import tariffs on the named products will be eliminated over the next five years, the Canola Council of Canada intends to promote the replacement of rapeseed sales to Japan with exports of value-added oil and meal and expects new rapeseed crush facilities to be set up in Canada. Under the envisaged scenario, Canada would increasingly compete with Australia, which has enjoyed a free trade agreement with Japan since January 2015.
137	TRADE POLICIES – <i>Comprehensive trade agreements</i>	China	July	Soybeans, soymeal, rapeseed, fishmeal	China announced the removal, as of 1 July 2018, of tariffs on a large number of products – including soybeans, soybean meal, rapeseed and fishmeal – imported from Bangladesh, India, the Lao People's Democratic Republic, the Republic of Korea and Sri Lanka. The measure follows amendments in trade facilitation instruments under the Asia-Pacific Trade Agreement (APTA) that were planned since March 2018. For the above listed commodities, the tariffs applied prior to the removal were the Most Favoured Nation (MFN) rates of, respectively, 3 percent, 5 percent, 9 percent and 2 percent. Considering that, in recent years, none of the five trade partners sold substantial amounts of the named commodities to China, the tariff removal is unlikely to impact China's trade, at least in the near term – even against the backdrop of the on-going Sino-US trade dispute (see <i>below</i>) and its repercussions on China's sourcing of soybeans and other feedstuffs.
138	TRADE POLICIES – <i>Comprehensive trade agreements</i>	India, ASEAN, Malaysia	December	Palm oil	In line with a free trade agreement signed with ASEAN in 2009, India has lowered its tariff on palm oil imports from ASEAN nations, effective 1 January 2019. For crude and refined palm oil, the rate has been reduced, respectively, from 44 percent to 40 percent and from 54 percent to 50 percent. Under a separate, bilateral treaty with Malaysia (Malaysia India Comprehensive Economic Cooperation Agreement), shipments of refined Malaysian palm oil will be taxed at a reduced rate of 45 percent, from 1 January 2019. As these reductions will narrow India's duty difference between palm oil and competing vegetable oils (see <i>MPPU Mar.'18</i>), the country's purchases of palm oil are expected to rise in the coming months, with Malaysian exporters of refined palm oil enjoying an additional advantage. In the meantime, Indian farmer and industry representatives have expressed concern that the import concessions will discourage domestic oilseed production, halt the expansion of palm plantations and hurt local oil refiners.
139	TRADE POLICIES – <i>Comprehensive trade agreements</i>	India, Malaysia	December	Palm oil	The Comprehensive Economic Cooperation Agreement signed between the two countries in 2011 provides for a cut, from 1 January 2019, in India's import duties on Malaysian palm oil. The new preferential tariff rates for crude and refined palm oil will be, respectively, 40 percent and 45 percent. For comparison, India's current MFN rates for crude and refined palm oil stand at 44 and 54 percent.

No.	Domain	Country	Month	Product	Description*
140	TRADE POLICIES – <i>Comprehensive trade agreements</i>	Indonesia, Pakistan	November	Palm oil	The two nations are conducting negotiations to convert an existing preferential trade pact into a more comprehensive free trade agreement, which could foster Indonesia's palm oil shipments to Pakistan and strengthen Pakistan's role as a regional trade and investment hub for palm oil products.
141	TRADE POLICIES – <i>Comprehensive trade agreements</i>	Indonesia, Switzerland	October	Palm oil	The two countries concluded free trade negotiations as part of a Comprehensive Economic Partnership Agreement between Indonesia and EFTA (the European Free Trade Association comprising Iceland, Liechtenstein, Norway and Switzerland). Indonesia's palm oil shipments are expected to benefit from the agreement, subject to provisions regarding the sustainability of production and provided they do not harm Swiss oilseed production.
142	TRADE POLICIES – <i>Comprehensive trade agreements</i>	Republic of Korea, Mercosur	March	Soybeans, maize	After consultations with the President of Brazil, the Government of the Rep. of Korea announced its intention to restart trade talks with the Mercosur trade bloc in the first half of 2018, focusing, inter alia, on the bloc's soybean and maize exports to the Rep. of Korea.
143	TRADE POLICIES – <i>Comprehensive trade agreements</i>	Turkey, Republic of Serbia	January	Sunflowerseeds, sunflower oil	Under a recently signed free trade agreement between the Republic of Serbia and Turkey, the former will enjoy duty free quotas for exports of sunflower seed and crude/refined sunflower oil to Turkey.
144	TRADE POLICIES – <i>Comprehensive trade agreements</i>	United States, Mexico, Canada	September	All crops	The three countries agreed to replace NAFTA, the free trade agreement signed in 1994, with the United States-Mexico-Canada Agreement. The new trade accord will not affect market access for oilcrops as all previous trade facilitation provisions are expected to remain in place without modification. The new agreement is poised to expire after 16 years.
145	TRADE POLICIES – <i>Comprehensive trade agreements</i>	Viet Nam	January	Oilseeds, oilseed products	In line with provisions of a number of regional and bilateral free trade agreements concerning the country, the Government of Viet Nam lowered or eliminated the nation's import tariffs on oilseed and oilseed products starting in January 2018. Countries or country groups benefitting from the tariff adjustments include: ASEAN, Australia, Chile, China, EAEU, India, Japan, the Rep. of Korea and New Zealand.
146	TRADE POLICIES – <i>Sector-specific bilateral initiatives</i>	China, Kazakhstan	May	Rapeseed, rapeseed meal	According to media reports, the two countries agreed to relax sanitary requirements related to agricultural product trade – a development that could boost Kazakhstan's shipments of rapeseed and rapeseed meal to China. (See also <i>MPPU Jan. & Apr. '17</i>).
147	TRADE POLICIES – <i>Sector-specific bilateral initiatives</i>	China, Malaysia	September	Palm oil	A recently signed memorandum between China's state-owned grain trading group COFCO and a government-owned Malaysian palm oil corporation aims at the promotion of palm oil related ventures and increased trade between the two countries. According to media reports, the agreement reached envisages i) joint projects on the health benefits of palm oil products, ii) investments in the manufacturing of specialty oils/fats, and iii) collaborative efforts to develop the market for high-value palm oil products in China. (See also <i>MPPU Oct. '18</i>)
148	TRADE POLICIES – <i>Sector-specific bilateral initiatives</i>	China, Russian Federation, Brazil	October	Oilcrops	Trade mitigation: Government and industry officials from China and the Russian Federation discussed about possibilities to develop oilcrop production in the Federation's far-eastern districts for eventual exportation to China. On the same subject, China's state-owned grain trading group COFCO is continuing to expand its presence in Brazil's Centre-west grain belt. The company's overall annual purchases and exports of maize and soybean in Brazil are estimated to have reached 13 million tonnes. Both moves have been linked to Chinese efforts to mitigate the impact of China's retaliatory tax on U.S. soybeans on domestic markets, while reducing the country's reliance on imported soybeans for feed.

No.	Domain	Country	Month	Product	Description*
149	TRADE POLICIES – <i>Sector-specific bilateral initiatives</i>	Malaysia, Switzerland	September	Palm oil, rapeseed	Official sources reported that Malaysia and Switzerland agreed to cooperate on issue relating to palm oil. The two countries decided to set up an expert committee to explore opportunities towards sustainable production, bilateral trade, exchange of information about relevant technologies, and possible collaboration in downstream palm oil industry applications. Contributing to address the issue of increasingly negative consumer perception, the bilateral initiative is aimed at securing Malaysia's palm oil exports to Switzerland – without harming Switzerland's rapeseed producers. Switzerland maintains its target of covering about one third of domestic vegetable oil consumption through locally produced rapeseed.
150	MARKET REGULATION	China	February	Rapeseed oil	The last round of rapeseed oil sales from state reserves comprised only four auctions, held between mid-January and early February 2018. In total, some 154 thousand tonnes of rapeseed oil have been offered, virtually all of which found a buyer. Average auction prices ranged from CNY 6 000 to CNY 6 343 per tonne (respectively, USD 947 and 1 001). During the two preceding campaigns, sales from government reserves were considerably higher, amounting to, respectively, 2.3 and 2 million tonnes. The sharp drop in disposals points to a contraction in public stocks, which would go hand in hand with the government's decision to terminate nationwide rapeseed procurement and stockpiling (see <i>MPPU July'15</i>).
151	MARKET REGULATION	China	June	Soybean, soyoil, rapeseed oil	This year, public sales from state-held inventories of soybean and soybean oil started in June, whereas those of rapeseed oil resumed – after a first round in January and early February – in July. As for soybeans and soybean oil, up to end-July, total volumes offered amounted to, respectively, 3.1 and 0.3 million tonnes, of which 33 percent and 19 percent, respectively, have found a buyer. The average price achieved for soybeans was CNY 3 008 (USD 437) per tonne, and CNY 5 001 (USD 727) per tonne for soybean oil. Regarding rapeseed oil, in the first round, total offers, the actual purchase rate and the average price achieved amounted to, respectively, 212 000 tonnes, 98 percent, and CNY 6 211 (USD 902) per tonne, whereas the corresponding figures for the month of July were 122 000 tonnes, 47 percent and CNY 6 039 (USD 877).
152	MARKET REGULATION	China	September	Soybeans, soyoil, rapeseed oil	By end-September, this year's cumulative sales of soybeans from state-held inventories stood at 1.64 million tonnes, which compares to a total offer of 5.26 million tonnes. The average sales prices realized was CNY 3 017 (USD 435) per tonne. For soybean oil and rapeseed oil, the total volumes offered amounted to, respectively, 0.62 and 0.48 million tonnes, of which, respectively, 21 percent and 17 percent found a buyer. The average per-tonne prices achieved were CNY 5 000 (USD 720) for soybean oil and CNY 6 029 (USD 869) for rapeseed oil.
153	MARKET REGULATION	China	October	Protein feed	Trade mitigation: The central Government backed new voluntary standards approved by the country's Feed Industry Association to promote a shift towards high-efficiency low-protein animal diets. Under the revised norms, the recommended minimum protein inclusion rate in feed formulations has been lowered by 1.5 percentage points for pig feed and 1 percentage point for poultry feed. According to government officials, the new guidelines could lower China's annual soybean requirement by up to 14 million tonnes, which would correspond to a 15 percent fall from current consumption levels. The move is part of a set of measures meant to mitigate the impact of China's retaliatory tax on U.S. soybeans on domestic markets, while reducing the country's reliance on imported soybeans for feed.
154	MARKET REGULATION	China	December	Soybeans	Trade mitigation: During 2018, cumulative offers of soybeans from government reserves have been raised to 5.66 million tonnes (as opposed to 0.55 million tonnes last year), with actual sales totalling 2.01 million tonnes (compared to 0.22 million tonnes in 2017). The move is part of a set of measures meant to mitigate the impact of China's retaliatory tax on U.S. soybeans on domestic markets, while reducing the country's reliance on imported soybeans for feed.

No.	Domain	Country	Month	Product	Description*
155	MARKET REGULATION	Senegal	March	Groundnut	The Government of Senegal signed a memorandum of understanding with industry stakeholders to regulate the marketing of raw and refined groundnut oil in the country. The agreement defines sale and purchase obligations of artisanal processors and industrial refiners, while the Government will be in charge of operating safety reserves and regulating imports. The initiative is aimed at improving domestic market transparency and efficiency while improving consumer access to edible groundnut oil.
156	MARKET REGULATION	Sri Lanka	February	Coconut	Confronted with persistently high market prices for coconut, the Government confirmed its plan to temporarily permit the importation of fresh unhusked coconut (see also <i>MPPU June '17</i>). Reportedly, the country's quarantine law has already been revised to enable traders to import coconut kernels. In Sri Lanka, consumer prices surged as domestic coconut output tumbled on the back of prolonged drought and pest attacks. The release of publicly held coconut stocks (see <i>MPPU Oct. '17</i>) barely calmed the market. As for the government-imposed price of LKR 75 per nut (USD 0.48), the responsible state agency informed that legal action has been taken against traders who sold nuts for more than the controlled price. Meanwhile, the country's coconut growers association voiced its opposition to any type of coconut importation, stating that foreign purchases would damage the local industry and its reputation for high-quality coconut products.
157	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Canada	February	Saturated fat	The Canadian Government invited public comments on proposed front-of-package labeling regulations that would be aimed at addressing the increasing prevalence of nutrition-related chronic diseases in the country. Under the proposed rules, consumers would be provided with relevant information as to whether a food exceeds certain thresholds in any of the three nutrients of concern – saturated fat, sodium and sugar. The industry would have until December 2022 to comply with the new labelling regulations.
158	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	China	March	Groundnut, cottonseed	China invited comments on its draft Code of Practice for the Prevention and Reduction of Aflatoxin Contamination in Food. The proposed regulation applies, inter alia, to groundnuts and cottonseed.
159	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	China	April	Olive oil	A new fraud case concerning olive oil has been reported from China. According to media sources, a provincial food safety office uncovered a fraud scheme in which cooking oil companies misled consumers by deliberately overstating the percentage of olive oil contained in bottled oil blends. In general, olive oil is valued by consumers for its health properties and fetches significant price premiums over other edible oils. China's imports of olive oil have risen constantly in recent years.
160	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Eurasian Economic Union	January	Trans fat	As of 1 January 2018, in the Russian Federation and the remainder of the Eurasian Economic Union, the maximum permitted percentage of trans fats in food product has been set at 2 percent of total fat content. Lowered gradually from 20 percent in 2013, the new threshold applies to margarines, fat-vegetable spreads and rendered mixtures, milk fat substitutes, cacao butter and cacao butter equivalents. Trans fat levels as a percent of total fat must be indicated on product labels.
161	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	European Union	March	Olive oil	The European Commission invited public comments on two proposed amendments to the bloc's labelling regulations for olive oil. One concerns information on certain physiochemical parameters when acidity levels are mentioned on labels and the other determines under which conditions the harvest year should be shown on product labels.

No.	Domain	Country	Month	Product	Description*
162	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	European Union	October	Trans fat	The European Commission proposed setting an EU-wide maximum limit of 2 percent for trans fats (other than trans fat naturally occurring in animal fat) in food products. Under the draft regulation, food operators would have until 1 April 2021 to ensure compliance with the new requirement. Industry stakeholders have been given 4 weeks to submit comments on the proposal. In recent years, the presence of hydrogenated vegetable oils – the primary dietary source of industrial trans fats – has been regulated in several countries, including a number of EU member states (see also <i>MPPU Feb. '16, Oct./Dec. '17 & May/Aug. '18</i>). According to an EU consumer organization, while average levels of industrial trans fat in foods decreased in general, content of the unhealthy fatty acid can remain high in specific products in some countries. The group regretted the envisaged long transition period.
163	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	February	Edible oils	In India, the Government of Kerala State banned 28 brands of edible oil based on probes showing that coconut oil bottled in Tamil Nadu had been adulterated with other, unspecified vegetable oils. Adulteration of coconut oil with cheaper produce is widely practiced in times of scarce coconut oil supplies (see also <i>MPPU June & July '16</i>). To address the problem, Kerala's authorities plan to analyze edible oils systematically. Funds have been earmarked for setting up local laboratories, including mobile food testing units. On a related note, a coconut oil manufacturer in Kerala has launched officially certified coconut oil blends, allegedly guaranteeing both product safety and affordable prices. Reportedly, the blends containing either sunflower oil or palm olein are sold at, respectively, INR 126 and INR 105 per liter (USD 1.94 and 1.61), which compares to prices of over INR 200 (USD 3.07) for unmixed coconut oil.
164	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	March	Oils & fats labelling	New labelling and display regulations for pre-packaged foods proposed by India's Food Standard and Safety Authority (FSSAI) envisage mandatory front-of-package declaration of nutritional data. Labels will have to include information on the amount of total fat and trans fats as well as on per-serving percentage contributions to recommended dietary allowances, including special mention when specific thresholds are exceeded. FSSAI also opened for comment proposals to: i) revise the existing standards for mustard/rapeseed oil, palm oil and hydrogenated cooking oil; ii) include peroxide values in the standard of all vegetable oils; and iii) issue new standards for the various fractions of palm oil. The various proposals are aimed at improving consumer information and allowing to ascertain oil authenticity, in addition to addressing industry needs.
165	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	June	Coconut oil	On 2 June, the food safety authorities of Kerala State banned the manufacture, storage, sale and distribution of 45 brands of coconut oil with immediate effect, according to local press reports. The decision was taken after samples were found adulterated and unsafe for human consumption (see also <i>MPPU Mar. '18</i>).
166	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	July	Edible oil labelling	According to media reports, the country's Food Safety and Standards Authority (FSSAI) proposed to make it mandatory for manufacturers of blended oils to disclose the exact blend in percentage terms on product labels and to add the following mention: 'Blended Edible Vegetable Oil' and 'Not to be sold loose'. The measure is aimed at enabling consumers to make informed choices. FSSAI also issued new norms, effective 1 July, for food business operators to monitor the quality of edible oils during frying.
167	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	November	Edible oils	India's Food and Drug Administration ordered the closure of an edible oil branding and repackaging facility after detecting sales of adulterated oil. Reportedly, the concerned operator blended relatively expensive mustard oil with cheaper edible oils and failed to test his products periodically before sale.
168	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	December	Coconut oil	New cases of coconut oil adulteration have been detected in the state of Kerala. After banning close to 100 brands between May and June 2018, in December, local food authorities banned the manufacture, storage, distribution and sale of another 74 brands.

No.	Domain	Country	Month	Product	Description*
169	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Morocco	December	Olive oil	According to media reports, the country's Interior Ministry has intensified its efforts to combat sales of adulterated olive oil. Reportedly, sales of unregulated products containing blends of different vegetable oils as well as toxic substances have been detected in several parts of the country.
170	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Thailand	July	Trans fat	Thailand's ban on the production, importation and sale of partially hydrogenated oils (PHOs) and foods containing the same has come into force on 13 July 2018 (see also <i>MPPU Jan. '17</i>). Generated when plant oils are processed to increase their stability and functionality, PHOs represent the primary dietary source of artificial trans fat in processed foods. The ban builds on evidence of trans fat intake raising the risk of coronary heart diseases. To allow for an orderly transition in the marketplace the industry has been granted a 180-day grace period, which shifts actual enforcement to 9 January 2019.
171	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	United States	May	Trans fat	In line with legislation passed in 2015, as of 18 June 2018, food products manufactured in the United States are no longer allowed to contain partially hydrogenated oils, or PHOs (see <i>MPPU July '15</i>). Generated when plant oils are processed to increase their stability and functionality, PHOs represent the primary dietary source of artificial harmful trans fat in processed foods. For certain specified applications of PHOs, the U.S. Food and Drug Administration (FDA) decided to extend the compliance date to 1 June 2019. More importantly, to allow for an orderly transition in the marketplace, FDA also allowed more time for all products produced prior to 18 June 2018 to work their way through distribution. For these foods the compliance date has been extended to 1 January 2020.
172	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	United States	November	Edible oils	According to the U.S. Food and Drug Administration, credible evidence supports a qualified health claim that consuming edible oils rich in oleic acid – such as olive oil and high-oleic variants of sunflower, rapeseed, safflower, soybean and algal oil – may reduce the risk of coronary heart disease.
173	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	World Health Organization member countries	May	Saturated fatty acid, trans fat	The World Health Organization (WHO) issued a call for public comments on draft guidelines about the intake of saturated fatty acids and trans-fatty acids, with the aim to reduce the risk of cardiovascular diseases in adults and children. Furthermore, the organization released a step-by-step guide for the elimination of harmful industrially-produced trans-fatty acids from the food supply chain. The guide recommends six strategic actions, namely: reviewing dietary sources of trans fats and the landscape for required policy change; promoting the replacement of trans fats with healthier fats and oils; legislating regulatory actions to eliminate trans fats; assessing trans fat content in the food supply chain and monitoring changes in trans fat uptake; creating awareness of the negative health impact of trans fats; and enforcing compliance of policies and regulations. The WHO's target is to eliminate the harmful compound worldwide by 2023.
174	SEED & GMO POLICIES	Argentina	March	Soybeans	Cultivation of a new GM soybean variety resistant to herbicides containing glyphosate, glufosate and isoxaflutole ('MTS-FG072' owned by Bayer SA) has been approved in Argentina. The approval comes on the heels of a long-awaited agreement sealed last February between the country's main farmers and seed producer associations, which paved the way for new seed varieties to reach Argentina's farmers (see <i>MPPU Mar. '18</i>).
175	SEED & GMO POLICIES	Australia	February	Rapeseed	Australian regulators approved genetically modified (GM) omega3-rich rapeseed for both human consumption and use in livestock/aquaculture feed (see also <i>MPPU June '17</i>). Hoping that the approval will smoothen regulatory reviews in other countries, the seed firm that developed the new product started planning the variety's commercial release in Australia, the United States, Canada and possibly China. The company intends to produce the crop under a closed-loop grain handling and oil processing system.

No.	Domain	Country	Month	Product	Description*
176	SEED & GMO POLICIES	Brazil	February	Soybeans	Seed patent dispute: In Brazil, a federal court ordered that patent rights for Monsanto's GM soybean variety 'IntactaRR2Pro' (which was granted in 2012 for a period of 10 years) be revoked, citing a recommendation issued by Brazil's patent regulator, INPI. In a written opinion, the patent agency backed the position of a domestic soybean growers association (Aprosoja), which claimed that the patent was inconsistent with national patent regulations. Monsanto intends to appeal the court order, which bars the company from collecting royalties on sales of the seed. According to industry estimates, about 20 million hectares are currently planted with the soybean variety in question, with each hectare planted generating royalty payments of about BRL 130 (USD 39.69).
177	SEED & GMO POLICIES	Brazil	March	Soybeans	Three new GM soybean varieties (dicamba/glyphosate resistant 'Intacta2Xtend' by Monsanto, and two lines of high-oleic acid event 'DP-305423-1' by DuPont) have received regulatory approval in Brazil. Full commercial launch of the new varieties is expected in about 2 years, pending the results of farm trials and the outcome of regulatory reviews in key soybean import markets.
178	SEED & GMO POLICIES	Brazil	July	Soybeans	Seed patent dispute: Pending the outcome of litigation over a patent dispute between Brazilian soybean growers and seed company Monsanto, a judge in Mato Grosso State ordered Monsanto to deposit royalties collected on soybean variety 'IntactaRR2Pro' in an escrow account (see also MPPU Mar.'18). Soybean growers expect Monsanto to collect BRL 800 million (USD 205 million) in royalties in the 2017/18 crop cycle.
179	SEED & GMO POLICIES	European Union, United States, China	July	Gene-edited crops	Gene-editing: The Court of Justice of the European Union ruled that crops and other organisms obtained through recently improved genome editing techniques (also known as 'gene-editing' or 'mutagenesis') fall under EU laws regulating the use of GMOs. The ruling subjects the named organisms – as well as food and feed products containing them – to lengthy approval processes and stringent traceability, labelling and monitoring requirements. Only such organisms that have conventionally been used in a number of applications and have a long safety record may be exempted. Mutagenesis refers to a set of techniques that, unlike trans-genesis, make it possible to alter the genome of a living species without the insertion of foreign DNA, while causing mutations by changing (or 'editing') a few pieces of DNA code. Seed companies and research institutes around the world have shown interest in the new technique as it allows for faster and more precise breeding (see also MPPU Dec.'16, Jan.'18 & May'18). While the EU's biotech industry pointed out that gene-editing hardly differs from mutagenesis that occurs naturally (or from long-established techniques that use chemical, radiation or other physical stimuli to induce mutations), the Court maintained that the risks linked to the new breeding methods might prove to be similar to those resulting from the production and release of GMOs. The Court's position differs from that adopted in the United States; where, in March 2018, USDA chose not to regulate innovative plant breeding techniques such as genome editing, thereby lowering the cost for meeting regulatory requirements and expediting market entry. Other countries, including China, have taken a similar approach. According to private sources, in the last ten years, the highest number of patent applications using the new breeding techniques has been filed in China, followed, at some distance, by the US and the EU, where uncertainties regarding regulation and consumer acceptance persisted.

No.	Domain	Country	Month	Product	Description*
180	SEED & GMO POLICIES	United States	May	GM crops	Food product labelling: In the United States, discussions about product coverage under a GMO labelling legislation passed in 2016 go on (see <i>MPPU Aug. '16 & Oct. '17</i>). Responding to a USDA call for public comments, food industry representatives reiterated that all ingredients that have undergone genetic modification should be subject to labelling, whereas farmers maintain that labels should exclude food ingredients refined and processed to the point that they no longer contain transformed genes. Food manufacturers argued that comprehensive labelling is important for both consistency and for meeting consumer expectations on transparency, adding that excluding refined ingredients would result in 78 percent fewer products being disclosed on labels. Industry players also see a need for further clarifications in the following areas: i) content thresholds triggering labelling; ii) mutual recognition arrangements for imported foods; iii) the treatment of organisms obtained through gene-editing techniques; and iv) exemptions applying to very small food manufacturers as well as to incidental additives, food from animals fed with GM feed, food served in restaurants and organic food.
181	SEED & GMO POLICIES	United States	December	GM food	Food product labelling: Ending a rule making process that began in 2016 and included a public comment period (see also <i>MPPU Aug. '16, Oct. '17 & Aug. '18</i>), USDA has released detailed regulations for labelling food products that include genetically modified material. The new national standard requires food manufacturers, importers and certain retailers to ensure that 'bioengineered' foods are appropriately disclosed via either text, symbol, electronic/digital link or text message. Products with up to 5 percent inadvertent or technically unavoidable presence of bioengineered substances for each ingredient are exempt. The term 'may be bioengineered' cannot be used. Importantly, the final rule does not require labelling of highly refined ingredients from GM crops (such as refined vegetable oils, high fructose maize syrup and refined beet or cane sugar), provided no modified genetic material is detectable. Notwithstanding, manufacturers are allowed to make voluntary disclosures on such products in the interest of transparency, labelling their products as 'derived from bioengineering' (NB: voluntary bioengineered disclosure is not permitted for foods derived from animals fed bioengineered feed). In this regard, food industry representatives had favoured more comprehensive labelling requirements, arguing that excluding refined ingredients could confuse consumers and erode trust in brands and the technology. On a separate point, consumer advocacy groups remarked that the final rule does not define 'non-GMO' and thus does not provide guidance on when a food can be voluntarily labelled as 'non-GMO'. The implementation date of the new standard is 1 January 2020 (or 1 January 2021 for small food manufacturers). However, compliance will become mandatory only on 1 January 2022. Regulated entities may voluntarily comply before that date. Businesses with annual sales below USD 2.5 million will be exempt from the new labelling requirements.
182	OTHER POLICIES – Production sustainability / environmental policies	Brazil	May	Soybeans	In May, Brazil's environmental agency IBAMA issued fines worth USD 29 million to five large trading firms as well as dozens of farmers for failing to respect embargoes that were put on illegally deforested land located across the country's Cerrado region. The case concerned grains grown on land declared off-limits for farming to allow native vegetation to regrow. IBAMA detected the concerned areas using geospatial data.
183	OTHER POLICIES – Production sustainability / environmental policies	Ecuador	May	Oil palm	The Government of Ecuador presented a five-year action plan to make the country's palm oil supply chain more sustainable. A key objective of the USD 1.2 billion programme is to make RSPO (Roundtable on Sustainable Palm Oil) certification the norm, nation-wide. The Government is planning to place taxes collected from palm oil exporters into a public/private-controlled fund for the support of smallholders shifting to more sustainable production methods and, eventually, certification. The envisaged jurisdictional certification would rely entirely on RSPO's internationally recognized norms as opposed to a purpose-made national standard (see also <i>MPPU Nov. '16</i>).

No.	Domain	Country	Month	Product	Description*
184	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	European Union	November–December	Biofuels	The EU's Council and Parliament have formally approved key chapters of the bloc's bioenergy policy reform, including the plan to phase-out, by 2030, the consumption of crop-based biofuels that bring about strong indirect land use changes (see also <i>MPPU Aug. '18</i>).
185	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	France	July	Soybeans, palm oil	The French Agricultural Ministry launched a public consultation on its draft National Strategy to Combat Imported Deforestation (SNDI). As part of the Government's 2017 Plan Climat (developed following the UNFCCC Paris Agreement), the proposed strategy is aimed at ending the importation of forestry and, especially, agricultural products that contribute to deforestation. Initially, the strategy would focus on the following agricultural commodities: soybeans, palm oil, bovine meat, cocoa and rubber.
186	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	France	November	Soybeans, palm oil	Following a public consultation process, the French Government has finalized its 'National Strategy to Combat Imported Deforestation'. The new policy could affect imports of, inter alia, soybeans and palm oil (see also <i>MPPU Oct. '18</i>). Aimed at ending 'imported deforestation' by 2030, the Government's action plan envisages 17 measures, covering the following areas: i) financial assistance for exporting countries that introduce strict forest protection policies; ii) the introduction of 'zero-deforestation' labels across domestic industries, starting with the agricultural and forestry sectors; iii) the implementation of zero-deforestation public procurement policies; iv) the gradual phasing-out of biofuels linked to deforestation; and v) actions in support of an EU-wide policy on imports that pose risks for forests.
187	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	France	December	Palm oil-based biodiesel	The French National Assembly voted to end – on environmental grounds – tax incentives provided when palm oil-based biodiesel is added to regular transport diesel. Under the parliamentary decision, as of 2020, palm oil-based biodiesel would be treated as regular diesel rather than green fuel and would no longer count towards the EU's targets for renewable energy in transport.
188	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	January	Oil palm	Quoting official sources, a civil society group reported that – as a result of the national moratorium on oil palm expansion announced by the Indonesian President in 2016 (see <i>MPPU June & Aug. '16</i>) – there are 1.5 million hectares for which the processing of new oil palm concessions has been put on hold. At the same time, observers pointed out that four new permits for areas comprising high-density forest cover were issued last year in the provinces of Papua and West Papua. According to Government officials, the permits in question had been approved in principle by the previous administration in 2013–14.
189	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	January	Palm oil	National palm oil certification: In Indonesia, where ISPO certification (Indonesia Sustainable Palm Oil) is mandatory since 2015, the latest available estimate puts certification at 17 percent of total plantation area. Reportedly, to raise the level of certification, the Government is working on a presidential regulation to strengthen supervision mechanisms and improve coordination between concerned government agencies.
190	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	February	Peatland	Further to setting up, in 2016, an agency responsible for coordinating the restoration of damaged peatland (see <i>MPPU Feb. '16</i>), in February 2018, the Government channeled USD 21.7 million in state funds to the governors of seven provinces designated as priority intervention areas for field programmes to accelerate peat restoration, a civil society group reported. The provinces concerned are Central, West and South Kalimantan, South Sumatra, Riau, Jambi and Papua. The drainage and subsequent burning of peatland for agriculture and plantations represent a major source of carbon emissions. On a related note, a group of Indonesian researchers has developed a methodology for mapping peatland using remote sensing technologies, combined with established on-the-ground measurements. Reportedly, measuring the extent and depth of peat soils is essential for assessing ecological damage resulting from disturbances. Allegedly, the Indonesian Government intends to use the new methodology in the protection, sustainably management and restoration of peatland areas.

No.	Domain	Country	Month	Product	Description*
191	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	April	Oil palm	Land governance: The Government of Indonesia announced that a unified database integrating various land-use maps – including a map on oil palm plantations – will be completed later this year (see also <i>MPPU Aug. '16</i>). The new tool could be crucial in the management of Indonesia's forests and natural resources. In particular, the integrated map could help identify overlapping land concessions and address the problem of illegal plantations inside forest areas.
192	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	April	Palm oil	Mandatory certification: In Indonesia, small oil palm farmers have been given time until end 2020 to achieve ISPO (Indonesian Sustainable Palm Oil) certification. However, based on a recent study by Indonesia's Bogor Institute of Agriculture, smallholders – who account for 40 percent of the country's oil palm plantation area – may not be ready to adopt the national standard. Reportedly, small growers are faced with a variety of challenges, in particular a lack of assistance in adopting agricultural best practices and unclear land ownership status (NB: in order to qualify for certification, farmers are required to prove legal ownership of their land). Especially in those instances where smallholders manage plantations inside forest areas, obtaining the required land titles may prove difficult. Another problem is that many farmers lack access to ISPO-compliant seedlings and fertilizer (the use of which has been made mandatory in a bid to boost productivity on small farms).
193	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	September	Oil palm	Under consideration since more than two years (see <i>MPPU June, Aug. '16 & Mar. '18</i>), a three-year nationwide moratorium on new oil palm plantation licenses has finally been signed by Indonesia's President in September. The initiative is part of wider efforts to protect the country's environment and complements a ban on primary forest and peat land clearing that is in place since 2011 (see <i>MPPU Aug. '11, June '13, May '15 & June '17</i>). The new moratorium is aimed at improving the governance of sustainable production, guaranteeing environmental preservation and providing legal clarity, as well as at incentivizing farmers to raise yields on land currently under cultivation. Importantly, the moratorium does not only applies to new requests for licenses but also to permits that are currently under review. Accordingly, governors, mayors and district chiefs have been instructed to re-evaluate long-standing permits that have been issued but not yet implemented, in particular licenses that involve forest areas. Civil society groups, which had called for a permanent ban, asked for the data gathered under the permit review to be made publicly available. They also spotted perceived weaknesses in the moratorium's law-enforcement and requested that police forces, the Attorney General Office and the country's anti-graft agency be involved in the investigations.
194	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Indonesia	December	Oil palm	Land governance: The Indonesian Government published a unified, national map of land-use cover, in a bid to resolve claims related to overlapping concessions (for mining, plantation and forest conservation) that have given rise to social conflicts and environmental problems. The detailed map reconciles 85 thematic maps managed by 19 different government agencies. Reportedly, the addition of maps on customary forests, indigenous territories, mining concessions and oil palm plantations is still under consideration, while regulations governing data sharing and access are currently being drafted (see <i>MPPU May, '18</i>).
195	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Malaysia	January	Palm oil	National palm oil certification: In Malaysia, as of January 2018, 59 extraction plants and 633 000 hectares of plantations (or 11 percent of the country's total area under oil palm) are certified sustainable according to the country's Malaysian Sustainable Palm Oil (MSPO) scheme. Back in August 2017, no more than 4 percent of the country's total plantation area was MSPO-certified. MSPO certification is set to become mandatory during the course of next year. To facilitate this process, growers and millers undergoing certification are eligible for financial support from the Government (see <i>MPPU Dec. '17</i>).

No.	Domain	Country	Month	Product	Description*
196	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Malaysia	September	Palm oil	According to local media, Malaysia's Primary Industry Ministry sought the assistance of the government of Sabah state to ensure that local smallholders obtain Malaysian Sustainable Palm Oil (MSPO) certification, which is due to become mandatory across the country on 1 January 2020. Last year, Sabah's authorities announced plans to proceed with a separate certification scheme (see MPPU Dec.'17). Based on official data, across the country, merely 5.2 percent of the 2.27 million hectares of smallholder's plantations had achieved MSPO certification as of July 2018.
197	OTHER POLICIES – <i>Production sustainability / environmental policies</i>	Norway	December	Biofuels	The Norwegian Parliament requested the country's Government to formulate a comprehensive proposal for measures to exclude from the market biofuels whose production entails high deforestation risk, effective 1 January 2020. With regard to palm oil, Parliamentarians have linked indirect land use effects arising from palm oil production to deforestation. Reportedly, in 2017, close to half of all biofuels consumed in the country were based on palm oil. The country's current biofuel policy includes blending mandates for transport fuel (set at 20 percent in 2020) and a road tax exemption for biofuel supplied above mandated volumes. On a related subject, the Norwegian Government has announced that, from 2020, airlines operating in the country will be required to use fuel blends containing 0.5 percent of waste/residue-based biofuels.
198	OTHER POLICIES – <i>Transport infrastructure & regulations</i>	Brazil	February	Soybeans, maize	According to data published by Brazil's national agency for waterway transportation, ANTAQ, the volume of soybeans and maize shipped through the country's northern export corridors (known as 'Arco Norte') reached 51.2 million tonnes in 2017 – posting a year-on-year increase of 80 percent. Growing reliance of Centre-West grain-producing states on barge terminals in the Amazon Basin and seaports along the country's Northern coast is said to go hand in hand with a decongestion in the country's traditional southbound routes. Reportedly, last year, the Arco Norte accounted for 41 percent of Brazil's combined soybean and maize shipments – compared to only 23 percent in 2010. After heavy industry investments, about 60 percent of Arco Norte's total shipping capacity is reported to be in the hands of private companies. (See also MPPU June/July/Aug./Sep./Oct./Dec.'17 & Jan.'18)
199	OTHER POLICIES – <i>Transport infrastructure & regulations</i>	Brazil	May	Grains, oilseeds	Freight rates: In May, a nationwide 10-day strike by Brazil's truck drivers to protest high fuel prices paralysed large parts of the economy. Reportedly, the country's agricultural production, processing, distribution and exportation networks faced serious disruptions. In an effort to appease truckers, the Brazilian Government introduced temporary reductions in fuel taxes and imposed minimum freight rates. The latter measure has been challenged in the country's Supreme Court by agriculture and industry groups. Freight costs play a crucial role in many sectors because Brazil's transport matrix is highly dependent on road transport. Reportedly, uncertain about how transport costs are going to develop, farmers are delaying purchases of fertilizers and other inputs for the next season, while traders are reluctant to sign forward contracts for the forthcoming crop – despite expectations of stronger sales due to the ongoing U.S.-China trade dispute. Private sources reckon that the current, state-imposed minimum freight rates push up average transportation costs for soybean and maize by 17–28 percent.
200	OTHER POLICIES – <i>Transport infrastructure & regulations</i>	Brazil	August	Grains, oilcrops	Freight rates: In accordance with recently passed legislation authorizing the Brazilian Government to set minimum truck freight rates (see MPPU Aug.'18), on 5 September, the country's National Transport Agency (ANTT) raised nationwide minimum freight prices by 5 percent on average – in response to a 13 percent rise in the price of diesel. Reportedly, after the move, loading of grains and oilseeds at ports has slowed further, given the increase in costs faced by farmers and exporters. Trade sources estimate that the increase in rates has raised average freight costs per tonne of grain from BR 225 (USD 60.57) to BR 236 (USD 63.53). According to the media, confronted with higher road transportation costs, a group of farmers in Mato Grosso state is considering to help fund the construction of the proposed Grain Railroad (Ferrogrão) that would link Mato Grosso with trans-shipment ports in the Amazon basin.

No.	Domain	Country	Month	Product	Description*
201	OTHER POLICIES – <i>Transport infrastructure & regulations</i>	Canada	May	Grains, oilseeds	Canada's federal Government renewed and expanded the country's transportation law (known as Transportation Modernization Act), to ensure that Canadian farmers have timely access to reliable rail services (including under adverse weather conditions), while preserving shipping rate competitiveness and providing sufficient economic incentives for rail companies to continue investing in rail infrastructure.
202	OTHER POLICIES – <i>Transport infrastructure & regulations</i>	Indonesia	March	Palm oil	The Government of Indonesia delayed until 2020 regulations requiring exporters of palm oil to use exclusively Indonesia-flagged vessels. Aimed at fostering the local shipping industry and saving foreign exchange, the new rule was originally scheduled to take effect in April 2018. Reportedly, concerns over the availability of local vessels have led to the postponement in the implementation date.
203	OTHER POLICIES – <i>Tax policies</i>	China	May	Oilseeds, oilmeals, edible oils	On 1 May 2018, China's value-added tax on sales and imports of agricultural products – including oilseeds, oilmeals and edible vegetable oils – has been lowered from 11 percent to 10 percent. The measure, which is part of a broader tax reduction package and follows a first, more substantial VAT cut in 2017 (see <i>MPPU June '17</i>), is aimed at facilitating economic growth in the agricultural sector, especially in the processing industry.
204	OTHER POLICIES – <i>Social policies</i>	Malaysia	September	Plantation crops	Labour wages: The Malaysian Government announced that a new minimum wage of MYR 1 050 (USD 253) per month will take effect nationwide on 1 January 2019, adding that, over the next four years, pays are set to reach MYR 1 500 (USD 361). Currently, the minimum wage stands at MYR 1 000 in Peninsular Malaysia and MYR 920 in Sabah and Sarawak. According to industry sources, the new wage policy eased the concerns of employers in the labour-intensive plantation industry, as wages paid in the sector tend to exceed the newly stipulated level.
205	OTHER POLICIES – <i>Land governance</i>	Indonesia	October	Oil palm	An in-depth assessment of the Indonesian oil palm industry carried out by the country's Corruption Eradication Commission (KPK) identified major flaws in the nation's plantation licensing system. The agency's report highlights a number of associated problems, including i) rapid and widespread environmental degradation, ii) heightened corruption risks, and iii) the potential loss of tax and non-tax revenues.
206	OTHER POLICIES – <i>Land governance</i>	Indonesia	December	Oil palm	The Indonesian Government published a unified, national map of land-use cover, in a bid to resolve claims related to overlapping concessions (for mining, plantation and forest conservation) that have given rise to social conflicts and environmental problems. The detailed map reconciles 85 thematic maps managed by 19 different governing agencies. Reportedly, the addition of maps on customary forests, indigenous territories, mining concessions and oil palm plantations is still under consideration, while regulations governing data sharing and access are currently being drafted (see <i>MPPU May '18</i>).

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Note that for related historic information the reader is directed – between brackets, in italic print – to past issues of the *Oilcrops Monthly Price and Policy Update (MPPU)*, which can be retrieved on-line at <http://www.fao.org/economic/est/publications/oilcrops-publications/monthly-price-and-policy-update/en/>.

Table 3. Industry measures and initiatives reported in 2018

No.	Domain	Month	Country	Description*
1	INDUSTRY STANDARDS – Sustainable oil palm	February	Colombia	Advanced RSPO standard: RSPO informed that a Colombian agri-business company completed the first sale of palm oil certified according to its RSPO-Next standard, a voluntary add-on module launched by RSPO in 2016 to meet the needs of members exceeding the body's core sustainability standards (see <i>MPPU Mar.'16</i>). Reportedly, the audit process included certification and compliance with RSPO-Next requirements for the 122 smallholder farms that supply the company's mill. The successful sale shows that some buyers are searching for palm oil produced according to the highest sustainability standards.
2	INDUSTRY STANDARDS – Sustainable oil palm	February	Global	Industry sourcing policies: New cases of global consumer goods companies/food manufacturers suspending their commercial relationship with specific palm oil suppliers over claims of unsustainable production practices have been reported. The companies cited concerns about allegations that certain suppliers were not complying with their sustainability policies and commitments. On a related note, global consumer goods company <i>Unilever</i> has publicly disclosed all the suppliers and mills it buys palm oil from – a list comprising more than 1400 mills and over 300 direct suppliers. By embracing complete supply chain transparency and strengthening collaboration with its partners and other stakeholders, the company hopes to be able to proactively identify problems and address them quickly and effectively. Apparently, businesses worldwide are faced with increasing pressure from governments, civil society groups and consumers to disclose actions taken to ensure that their supply chains are free from unsustainable practices.
3	INDUSTRY STANDARDS – Sustainable oil palm	March	China	National industry alliance: The Roundtable on Sustainable Palm Oil (RSPO), a global standard setting body for palm oil, signed an agreement with China's Chamber of Commerce for Foodstuffs and Native Products (FFNA) to promote initiatives related to sustainable palm oil. In particular, the two institutions agreed to cooperate on promotional activities, exchange visits and the preparation of recommendations for policy makers. Generally, in developing countries – including China, the world's second largest importer of palm oil – awareness of and demand for certified sustainable palm oil tends to be considerably lower than in developed nations.
4	INDUSTRY STANDARDS – Sustainable oil palm	March	Global	Certified palm oil – production and sales: RSPO (Roundtable on Sustainable Palm Oil), the globally recognized, self-regulating industry body for world-wide palm oil certification, reported that, in March 2018, global annual production capacity of certified palm oil stood at 12.08 million tonnes, which is equivalent to about 17 percent of global production. Furthermore, total actual sales of certified product during 2017 were reported at 6.16 million tonnes, which compares to total supplies of 11.86 million tonnes. Consequently, similar to past years, approximately half of the available certified product did not find a buyer and was sold as conventional palm oil, i.e. without capturing a price premium. As for the different sale channels, during the month of January 2018, the three methods involving physical supply chains – i.e. segregated, identity-preserved and supply-mass-balanced transactions – accounted for 70 percent of total sales, while the remaining 30 percent were marketed via book&claim mechanisms (which contribute only indirectly to sustainable production systems). Such distribution marks a slight improvement over time, given that, back in December 2016, the corresponding shares stood at 65 percent and 35 percent.
5	INDUSTRY STANDARDS – Sustainable oil palm	March	Global	Industry sourcing policies – third-party assessment: According to a survey conducted by <i>Greenpeace</i> , a number of global consumer goods companies declined to disclose where they source their palm oil from – despite corporate pledges to achieve 100% traceability by 2020 (in support of commitments to stop buying from companies that apply unsustainable production methods). In this regard, <i>Greenpeace</i> renewed its call for brands to actively support the transformation of the industry by sourcing only from traders/suppliers able to prove that all the palm oil they sell comes from producers verified as compliant with 'no deforestation–no peat–no exploitation' standards. Since the publication of <i>Greenpeace's</i> report, one of the surveyed companies fully disclosed its sources of supply, welcoming the NGO's request for further supply chain transparency, which the company viewed as an essential component of sustainable and responsible sourcing.

No.	Domain	Month	Country	Description*
6	INDUSTRY STANDARDS – Sustainable oil palm	March	Malaysia	Certification assistance: In Malaysia, a large palm oil plantation company joined forces with the country's Palm Oil Certification Council (MPOCC) to help all of its suppliers obtain certification by the end of 2019 – the date by which all producers are required to comply with the national MSPO (Malaysian Sustainable Palm Oil) standard. The partnership's objective is to engage, share knowledge and lend support to suppliers while they prepare for mandatory MSPO certification. Reportedly, more than 260 mill suppliers are going to benefit from the initiative.
7	INDUSTRY STANDARDS – Sustainable oil palm	April	Germany	Responsible sourcing commitments: German chemical company BASF pledged that, in the course of 2018, it will offer palm-based products for the cosmetics industry exclusively as certified sustainable. The company envisages to source its palm and palmkernel oil via the RSPO 'Mass Balance' standard, one of RSPO's supply chain models that support the physical flow of certified raw materials. Furthermore, the company informed that, in 2017, it managed to trace almost 80 percent of its overall oil palm exposure of more than 500 000 tonnes.
8	INDUSTRY STANDARDS – Sustainable oil palm	April	Global	RSPO – member accountability: RSPO reported new efforts to ensure that grower members regularly submit detailed data regarding their concessions. The organization considers access to such information as a prerequisite for monitoring its members' environmental accountability. RSPO intends to compare member data with satellite images and other geospatial information with a view to facilitate timely assessments of potential cases of environmental non-compliance. RSPO also informed that it is working on means to determine whether plantation owners manage any HCV (High Conservation Value) areas effectively. Through these measures, RSPO hopes to strengthen the credibility of its certification, verification and grievance systems.
9	INDUSTRY STANDARDS – Sustainable oil palm	April	Indonesia	Peatland development: Environmental advocacy group <i>Rainforest Action Network</i> claimed that approximately 10 000 hectares of peat forest have been cleared illegally in Borneo, Indonesia, for future palm oil plantations – despite national regulations as well as company commitments against further peat development and deforestation. Reportedly, most of the concerned land bank was marked as 'peatland prioritized for protection' on maps prepared by Indonesia's Peat Restoration Agency.
10	INDUSTRY STANDARDS – Sustainable oil palm	May	Nigeria	National certification standard: The RSPO informed that its Principles & Criteria have been 'interpreted' for Nigeria. National interpretations allow to adapt the general standard to a country's specific market conditions and requirements. The successful completion of the Nigeria National Interpretation document is seen as an important milestone for the future of certified sustainable palm oil in the region.
11	INDUSTRY STANDARDS – Sustainable oil palm	June	Global	RSPO – member suspension: RSPO, the industry-led, globally recognized palm oil certification body, decided to temporarily suspend global food and drinks company <i>Nestlé</i> from its members, citing conduct breaches. As a result, for three weeks the company could not claim to use certified sustainable palm oil in its products. Reportedly, the company had failed to comply with obligations to submit annual reports detailing past actions and future plans on how it was ensuring the use of certified sustainable palm oil. <i>Nestlé's</i> membership was reinstated after the company submitted a time-bound action plan to achieve 100% RSPO certified sustainable palm oil by 2023, while working actively on solutions within the RSPO system. The incident led a number of civil society groups to renew their calls on the RSPO to strictly enforce its standards. Some underlined that – irrespective of certification – all palm oil end-users needed to step up their efforts to prevent palm oil linked to unsustainable practices from entering their supply chains. All brands were urged to take direct responsibility for identifying the producers of their palm oil and for ensuring that all those producers apply sustainable practices.
12	INDUSTRY STANDARDS – Sustainable oil palm	June	Global	Responsible sourcing commitments: Global beverage company <i>PepsiCo</i> renewed its commitment to exclusively source sustainably produced palm oil by 2020. Reportedly, the company's annual purchases of palm and palmkernel oil amount to around 450 000 tonnes. The company reported that 50 percent of its palm oil supply is on track to be RSPO-certified by the end of 2018.

No.	Domain	Month	Country	Description*
13	INDUSTRY STANDARDS – Sustainable oil palm	June	Southeast Asia	<p>Industry commitments – third-party assessment: A report released by an environmental advocacy group, claims that a number of palm oil firms operating in Indonesia, Malaysia and Papua New Guinea use unclear corporate structures to conceal their ties to unsustainable production practices such as rainforest and peatland clearance. Allegedly, such practices allow growers to continue using harmful production methods, while still marketing their products through companies that are committed to 'No Deforestation-No Peat-No Exploitation' sourcing policies. On a similar note, a group of environmental NGOs claimed that palm oil sourced from illegally cleared rainforest areas in Indonesia has flown through traders to major consumer good brands, despite widespread company commitments to purchase exclusively sustainably produced oil.</p> <p>Industry sourcing policies: The media reported that <i>Golden Agri-Resources</i>, one of the largest palm oil companies in Southeast Asia, is testing new GPS-based technologies to establish traceability for the palm oil it sources from third-party mills in Indonesia. Reportedly, 60 percent of the company's supplies come from more than 400 third-party mills who in turn buy their palm fruit from thousands of growers. The company acknowledged that the traceability standards it applies to its own mills are difficult to extend to the other suppliers, one of the main reasons being the 'unregulated nature' of the middlemen who buy palm fruit from farmers to sell it to mills. Reportedly, the fact that farmers are free to sell to any intermediary makes tracing the provenance of individual batches of palm fruit very challenging. Furthermore, it is not feasible to obtain assurances from middlemen that they exclusively buy from verified sustainable plantations. Similarly, global agribusiness firm <i>Cargill</i> has entered into a partnership with the World Resources Institute to test the institute's satellite mapping tool called Global Forest Watch Pro. Reportedly, the device could allow management to track issues all along the company's supply chain and address concerns in line with its grievance procedure. <i>Cargill</i>'s supply chain is said to rely on 11 company-owned mills and over 1 500 third-party mills. Currently, the company appears to attach greater importance to achieving full traceability than to obtaining 100% RSPO-certification.</p>
14	INDUSTRY STANDARDS – Sustainable oil palm	June	Southeast Asia, global	
15	INDUSTRY STANDARDS – Sustainable oil palm	July	Brazil	<p>Government policies – third-party impact assessment: In 2010, Brazil's Federal Government launched the Sustainable Palm Oil Production Program (SPOPP), which, inter alia, was aimed at encouraging producers in Legal Amazonia to expand oil palm cultivation without clearing primary or secondary forest, using already cleared, degraded land instead. According to a recently published study, during the 2006-2014 period, in Pará State (where commercial palm oil cultivation in the Amazon Basin is concentrated), 91 percent of production expansion has occurred on former pasture land, not forest, and the direct conversion of intact forests is reported to have declined since the inception of SPOPP. However, referring to a possible acceleration in oil palm expansion in the near future, the researchers warned that pressure to deforest could increase. In particular, the study points out that SPOPP lacks the means to prevent 'indirect deforestation', that is the clearing of rainforest for grazing purposes, followed by conversion into plantations.</p>
16	INDUSTRY STANDARDS – Sustainable oil palm	July	China	<p>National industry alliance: The RSPO, the Chinese Chamber of Commerce of Foodstuffs and Native Produce (FFNA) and the World Wildlife Fund (WWF) jointly launched the China Sustainable Palm Oil Alliance to create a platform for cooperation among stakeholders in the palm oil supply chain and promoting sustainable palm oil in China (see also <i>MPPU May'18</i>). Reportedly, a number of key players in China's supply chain pledged to promote the adoption of certified sustainable palm oil in the domestic market. Although China is the world's third-largest importer and fourth-largest consumer of palm oil, certified palm oil only accounts for a small share of the domestic market. However, the RSPO said it noticed a very positive momentum towards its target to achieve a 10% market share by 2020. Reportedly, Chinese membership in the body has surged in the past few years.</p>
17	INDUSTRY STANDARDS – Sustainable oil palm	July	Ghana	<p>RSPO – smallholder support: The RSPO has set up – jointly with the Farmers Association of Ghana – a national platform to facilitate collaboration between potential project partners or market players and independent smallholder oil palm farmers. The initiative is aimed at enabling more smallholders to engage in modern, sustainable supply chains, including product certification. The average yield level of smallholder producers is estimated to be well below potential, due to poor agronomy, limited use of fertilizer and low-yielding planting material. The platform has been created to encourage millers, government agencies, NGOs and other development partners to provide the required training and extension assistance to small growers. Reportedly, Ghana's smallholders provide more than 70 percent of the palm fruit processed in the country.</p>

No.	Domain	Month	Country	Description*
18	INDUSTRY STANDARDS – Sustainable oil/palm	July	India	Responsible sourcing commitments: 3F Industries, an Indian company operating in the edible oil imports and production sector pledged to procure certified palm oil and its derivatives, the RSPO informed. The company also committed to proactively create awareness about sustainably produced palm oil among Indian businesses and consumers. Reportedly, the firm imports, produces and processes about 200 000 tonnes of palm oil products per year.
19	INDUSTRY STANDARDS – Sustainable oil/palm	July	Indonesia	RSPO certification – third-party impact assessment: The effectiveness of existing certification schemes and related initiatives in furthering sustainable palm oil production remains under public scrutiny (see also <i>MPPU Jan.'18</i>). According to news media, a new study undertaken to assess how effective the RSPO has been in achieving its sustainability goals by comparing certified and non-certified concessions in Kalimantan, Indonesia, claims that no significant differences were found between the two types of plantations for most of the sustainability metrics investigated. The findings are notable, given that the RSPO – thanks to its comprehensive set of requirements – is generally regarded as the leading certification scheme for palm oil. Reportedly, the RSPO called into question the validity of the study's findings, citing ample evidence in independent assessments showing the positive impact of its certification activities. Recognizing that many areas for improvement remain, the body informed that it had commissioned studies to determine the actual performance of its certification scheme against its stated standards.
20	INDUSTRY STANDARDS – Sustainable oil/palm	July	Indonesia, India	Cross-border industry alliance: Private sector and civil society groups in India and Indonesia have joined forces to promote the production and trade of sustainably produced palm oil. Recognizing Indonesia's state-backed national certification scheme, Indonesian Sustainable Palm Oil (ISPO), and the Indian Palm Oil Sustainability Framework (IPOS) as central sustainability initiatives, the initiative is aimed at expanding the market for sustainably produced palm oil in the two countries and in the region as a whole. Private sector representatives from both countries pledged to work together to reduce trade barriers and protect the competitiveness of the palm oil industry. In particular, the partners envisage to conduct public awareness campaigns. Officials from the Indonesian Government, which has backed the initiative, have been quoted as saying that the project ought to address the Indian consumers' misconception that palm oil is of inferior quality because it costs less than other oils. India is the world's largest importer and second-largest consumer of palm oil. Considering India's weight in the global palm oil market, the WWF recently highlighted the critical role Indian companies could play in promoting sustainable production practices in the countries where oil palm is cultivated (see <i>MPPU Oct.'17</i>).
21	INDUSTRY STANDARDS – Sustainable oil/palm	July	Liberia	RSPO – member withdrawal: A large oil palm company based in Liberia decided to voluntarily withdraw its RSPO membership. Reportedly, RSPO had filed a number of complaints against the company concerning the clearance of land without the free, prior and informed consent (FPIC) of customary land owners. At the same time, the company presented a new action plan to strengthen and restore confidence in its sustainability credentials. Reportedly, the plan is time-bound, encompasses social and environmental components, and will be implemented with the support of independent partners including the NGO The Forest Trust.
22	INDUSTRY STANDARDS – Sustainable oil/palm	July	Malaysia	Certification assistance: In Malaysia, a large palm oil company has developed an on-line reporting tool to help suppliers meet the MSPO national certification criteria. Reportedly, the tool allows suppliers to assess their performance based on both MSPO requirements and the company's own 'no deforestation-no peat-no exploitation' policies. The tool was developed in collaboration with the Malaysian Palm Oil Certification Council, MPOCC. (See also <i>MPPU May'18</i>)
23	INDUSTRY STANDARDS – Sustainable oil/palm	August	China, Ecuador	Industry sourcing policies: A Chinese and an Ecuadorian food company pioneered the marketing of RSPO-certified palm oil in their respective countries. Allegedly, the companies, which committed to sourcing 100% RSPO-certified palm oil and using the RSPO trademark on their product packaging, reported positive results, which, according to RSPO, indicates that sustainability is becoming a factor in consumer purchases in those markets.

No.	Domain	Month	Country	Description*
24	INDUSTRY STANDARDS – Sustainable oil palm	August	Global	RSPO standards – internal & third party evaluation: The palm oil sector's history of environmental and social impacts has come under unprecedented public scrutiny in recent years and is attracting the attention of international media and policy makers. In this context, RSPO, the globally recognized, voluntary palm oil certification programme has come under pressure to strengthen its standards on sustainable palm oil production. The body is currently engaged in a review of its principles and criteria and remains committed to release revised standards for 2019-2023 before the end of the year. Reportedly, public consultations have so far resulted in more than 10 000 comments. RSPO is characterized by a diverse membership comprising producers (both large plantation companies and smallholders), mills, traders, consumers, advocacy groups, banks and investors – i.e. groups with differing and often difficult to reconcile interests. As a result, the body needs to find a balance between making sustainable production mandatory and minimizing negative effects on rural development and poverty alleviation, as pointed out by a civil society group. Market experts cautioned that if the body does not succeed in imposing stricter production standards, buyers could be forced to look for alternative ways of monitoring their supply chains to meet their 'no deforestation–no peatland–no exploitation' pledges, which would be costly and time-consuming, in addition to raising credibility issues. On the same subject, a group of institutional investors has called on RSPO to strengthen its standards, including by banning all forms of deforestation and adopting stricter rules regarding carbon-rich peatland, pesticide use and workers' rights. Furthermore, regarding the right to 'free, prior and informed consent' of local communities, investors called for additional direction on protections for human rights defenders. Moreover, RSPO should require companies to disclose concession maps in digital format and to submit management plans for the conservation of forests within their concessions. The investors also underlined the importance of a robust accountability system and an expedient and credible complaints and sanctions mechanism. Coordinated by social society group Ceres, the investors' initiative was meant as an input to the on-going review of the RSPO's principles and criteria.
25	INDUSTRY STANDARDS – Sustainable oil palm	August	Indonesia	Peatland fire outbreaks: Private media reported that, after two relatively fire-free dry seasons, fires on peatland (and the resulting haze problems) have returned on Indonesia's Borneo and Sumatra islands – despite wide-ranging programmes enacted by the Government to restore peatland following the heavy fires of 2015 (see <i>MPPU Feb. '16 & Mar. '18</i>). Reportedly, the new fires developed both on smallholder farms and in concessions of large companies and in some instances include areas that had been prioritized for peat protection and peat restoration activities.
26	INDUSTRY STANDARDS – Sustainable oil palm	September	Global	Industry sourcing policies: Global beverage company <i>PepsiCo</i> has suspended its palm oil purchases from an Indonesian palm oil producer over allegations that the latter breached labour and human rights, including child labour, insufficient pay, and safety breaches. Reportedly, <i>PepsiCo</i> has taken steps to ensure that none of its direct suppliers source palm oil from the concerned producer, who, in turn, stated that he complied fully with the RSPO complaints panel process and that his estates and mills operate in conformity with all relevant Indonesian laws and RSPO (Roundtable on Sustainable Palm Oil) criteria. On the same subject, global foods and drinks company <i>Nestlé</i> informed that it would accelerate its 'no deforestation' commitment by implementing 100% satellite monitoring coverage of its oil supply chain worldwide. Reportedly, the company would rely on a service developed by Airbus and The Forest Trust as a global verification system evidencing, in almost real-time, where deforestation takes place. By end of the year, all of the land supplying <i>Nestlé</i> with palm oil is expected to be covered by the system. Furthermore, a large Malaysian palm oil producer and oleochemicals firm that is also active in Indonesia and Liberia committed to strengthen its policies on supply traceability, zero-deforestation, peatland protection, workers' rights and safety and health at the workplace, adding that it would release an action plan to ensure compliance by the end of the year.
27	INDUSTRY STANDARDS – Sustainable oil palm	September	Global	Local RSPO certification agents: RSPO held a workshop for accredited certification bodies (CBs) aimed to align its partners' interpretation and understanding of RSPO standards and procedures. Participating CBs originated from Malaysia, Indonesia, Thailand and Africa.
28	INDUSTRY STANDARDS – Sustainable oil palm	September	Global	RSPO – GHG emission savings: A RSPO-commissioned study focusing on plantations established according to the body's recommended planting methods (or New Plantation Procedures, NPP) claims that the avoidance of land clearance and peatland conversion, together with carbon dioxide sequestration from set-aside conservation areas, can lead to a drastic reduction of GHG emission levels in plantations.

No.	Domain	Month	Country	Description*
29	INDUSTRY STANDARDS – Sustainable oil palm	September	Global	RSPO – protection of human rights defenders: RSPO adopted a new policy on human rights defenders, whistle-blowers, complainants and community spokespersons. Under the new policy, the listed groups of persons can lodge confidential complaints with the body's complaints panel concerning activities undertaken by RSPO members that may undermine the safety or security of the said individuals.
30	INDUSTRY STANDARDS – Sustainable oil palm	September	Global	Third-party industry review: In a new report, environmental advocacy group <i>Greenpeace</i> claims that deforestation-linked palm oil continued findings its way into global consumer brands. Allegedly, leading consumer good firms, commodity traders and palm oil companies conform only in part to their own zero-deforestation and human rights protection pledges and risk not meeting their self-imposed 2020 deadlines. <i>Greenpeace</i> called on consumer brands to stop buying palm oil from traders and producers associated with deforestation until these manage to effectively monitor their complex supply chains. The organization also underlined the importance of public transparency, stakeholder engagement and independent compliance verification. Moreover, the circumstance that, in addition to relying on their own plantations, large traders buy from many other suppliers – whose operations fall outside their direct control – represents one of main challenges facing the industry, according to <i>Greenpeace</i> .
31	INDUSTRY STANDARDS – Sustainable oil palm	September	Indonesia	Third-party industry review: The Indonesia-based Center for International Forestry Research (CIFOR), has published a study that analyses how three possible scenarios for future oil palm development would affect Indonesia's Borneo island. The scenarios considered foresee i) business as usual, ii) strict conservation plans, or iii) expansion guided by sustainable area intensification. The latter scenario envisions that plantations are only expanded on suitable areas, while yields are lifted to about 5 tonnes of crude palm oil per hectare through improved cultivars and intensive management methods. The study looks at how carbon storage, habitat quality, water yield and palm oil/timber production are affected under each scenario. One of the study's main conclusions is that – by protecting remaining forests, converting only degraded and non-forested land, and implementing crop-enhancements – Indonesia could preserve the economic value of its land while still meeting future demands for palm oil. Moreover, more detailed studies at the village and household level are recommended to better understand the impacts of oil palm expansion on local communities and the environment.
32	INDUSTRY STANDARDS – Sustainable oil palm	September	Malaysia	Certification assistance: Global consumer goods company <i>Unilever</i> pledged to foster support work in Sabah state, Malaysia by aiding in the restoration of wildlife habitats and helping 60 000 hectares of smallholder oil palm plantations achieve RSPO certification. The initiative supports the state's jurisdictional approach to certification (see <i>MPPU Dec.</i> '17).
33	INDUSTRY STANDARDS – Sustainable oil palm	September	Sri Lanka	National industry alliance: With a view to promote common interests and advocate sustainable growth through responsible production, stakeholders in the country's oil palm value chain have set up the Palm Oil Industry Association. The new body will focus on measures to protect the image of palm oil and intends to work closely with the Government and industry experts to address concerns raised by the country's Central Environment Authority regarding the adoption of good agricultural practices, notably by promoting measures to prevent ground water depletion and soil erosion as well as limit agro-chemical use. In Sri Lanka, where a limit of 20 000 hectares has been imposed on oil palm cultivation, clearing of existing natural forests remains strictly forbidden. As a result, oil palm cultivation is confined to converted, unproductive rubber and tea plantation land.
34	INDUSTRY STANDARDS – Sustainable oil palm	October	Global	Industry sourcing policies: Global packaged foods company <i>Mondelez International</i> informed that it called on its palm oil suppliers to commit to zero-deforestation policies and comprehensive oil palm concession mapping, adding that it has excluded 12 upstream suppliers from its supply chain because of breaches. On a related matter, global foods and drinks manufacturer <i>Nestlé</i> announced that it would end sourcing palm oil from suppliers that fail to comply with its sustainability policies as the company embraces satellite technology that allows tracing deforestation.

No.	Domain	Month	Country	Description*
35	INDUSTRY STANDARDS – Sustainable oil palm	October	India	National market alliance: India has seen the launch of a Sustainable Palm Oil Coalition, India-SPOC, as a collaborative effort between the Centre for Responsible Business, WWF-India, Rainforest Alliance and the Roundtable on Sustainable Palm Oil (see also MPPU Aug. '18). As the world's largest consumer and importer of palm oil, India could play a significant role in driving sustainable practices in the palm oil sector worldwide. The initiative is aimed at addressing barriers and challenges to sustainable palm oil, taking into consideration the characteristics of India's palm oil industry. Activities will focus on best practices for production, complementary policy measures, trade linkages, and consumer sensitisation to sustainability. Producers, civil society groups, consumer goods manufacturers, retailers, traders and financial institutions will be invited to collaborate. Recently, a comparable initiative has been launched in China, the world's third largest palm oil importer (see MPPU Aug.18).
36	INDUSTRY STANDARDS – Sustainable oil palm	November	Global	RSPO – revised standard: Following an in-depth multi-stakeholder review of its principles and criteria, RSPO, the global, industry-led palm oil certification body, has adopted a new certification standard aimed at strengthening environmental protection, social development and economic prosperity across the palm oil value chain. The revision of the existing standard was framed around four key elements: i) halting deforestation, ii) protecting peatlands, iii) strengthening human and labour rights, and iv) enhancing transparency in the RSPO system – with the ultimate objective to increase market uptake of sustainable palm oil. New features include specific provisions to protect children and the adoption of zero-deforestation requirements in high forest cover landscapes using the High Carbon Stock Approach. The latter bans the clearance of secondary forests and certain peat areas (which was allowed under RSPO's former standard), while respecting land users' rights and upholding indigenous peoples' rights to self-determination. The new standard has come into effect immediately, though existing RSPO grower members were given a one-year transition period for its adoption. The review process also resulted in the subsequent development of a separate standard specifically covering independent smallholders, due for approval in November 2019. Environmental and civil society groups welcomed the release of the new standard, urging RSPO to proceed with its immediate implementation and effective enforcement, ensuring close supplier oversight, independent verification, and a strict compliance and grievance system.
37	INDUSTRY STANDARDS – Sustainable oil palm	November	Global	RSPO – impact report: According to RSPO's 2018 Impact Report, as of June 2018, the organization's members covered 3.2 million hectares of certified area, globally, producing 13.6 million tonnes of certified sustainable palm oil. High Conservation Value (HCV) land set aside and managed by RSPO members is estimated to amount to 263 000 hectares – reportedly a 39% increase from the previous reporting year. The report also highlights the reduction of carbon dioxide emissions found through GHG assessment submissions received since 2015, linking the same to the conservation of peatlands.
38	INDUSTRY STANDARDS – Sustainable oil palm	November	Indonesia	Plantation mapping tool: The Centre for International Forestry Research (CIFOR) plans to release an interactive map showing the spread of plantations and road networks in Indonesia's Papua region. The atlas, which is expected to shed light on the status of the region's forests, is meant to inform the policymaking and planning of local officials, raising their awareness about possible adverse impacts on the environment and indigenous communities.
39	INDUSTRY STANDARDS – Sustainable oil palm	November	Malaysia	RSPO – grievance case: RSPO suspended the membership of a Malaysian palm oil mill and four of its suppliers over alleged labour right abuses. Reportedly, a complaint filed back in 2015 had identified instances of forced labour, poor living conditions and unfair terms of employment. Inter alia, the concerned company outsourced its foreign workers to contractors, an act that violates Malaysian law and could be considered as trafficking.
40	INDUSTRY STANDARDS – Sustainable oil palm	December	Colombia, the Netherlands	Cross-border industry alliance: The Dutch oils and fats industry association MVO and Colombia's national oil palm growers federation FEDEPALMA (with support from civil society group <i>Solidaridad</i> and the sustainable trade initiative <i>IDH</i>) joined forces to promote trade in sustainably produced palm oil between Colombia and the Netherlands. Besides being Europe's largest palm oil importing country, the Netherlands are the destination for around 70 percent of Colombia's palm oil shipments. (See also MPPU Jan. '18)

No.	Domain	Month	Country	Description*
41	INDUSTRY STANDARDS – <i>Sustainable oil palm</i>	December	Indonesia, Malaysia	RSPO – smallholder support: Reportedly, a project jointly implemented by the Roundtable on Sustainable Palm Oil – the global, industry-led palm oil certification body – and the UN's Environment Programme to promote improved livelihoods and sustainable production among oil palm smallholders in Indonesia and Malaysia has delivered the following results: i) improved knowledge and capacity on good agricultural practices, sustainable agriculture and pricing/grading mechanism; ii) increased access to agricultural inputs; iii) improved access to low-interest loans; iv) higher awareness about the benefits of certification; and v) better knowledge of barriers limiting access to certification, notably legal issues concerning land ownership. Regional market alliance: NASPON, the industry-led North American Sustainable Palm Oil Network launched in late 2017 (see <i>MPPU Jan.'18</i>), set up three new work-streams to further its ability to impact sustainable palm oil uptake in the region. New work will focus on the supply and uptake of derivatives of certified palm oil and palm kernel oil, segregated material supply chains, and the development of educational material.
42	INDUSTRY STANDARDS – <i>Sustainable oil palm</i>	December	North America	Industry sourcing policies: Asian agribusiness group <i>Wilmar</i> , which pledged to stop purchasing palm oil from suppliers found to be in violation of its sustainability policy, has adopted a new supplier monitoring and engagement programme, enlisting the support of an environmental advocacy group. Allegedly, the initiative will help the company monitor third-party plantations and allow for faster action against non-compliant suppliers. The initiative includes remediation measures for past deforestation or peatland developments. The company expects to finish mapping its supply chain by end 2019. Among key challenges faced, <i>Wilmar</i> listed the opaque ownership structures some companies have in place. Civil society campaigners have urged the company to make its suppliers' concession maps publicly available.
43	INDUSTRY STANDARDS – <i>Sustainable oil palm</i>	December	Southeast Asia	Certified organic soybean: In Togo, a group of agricultural entrepreneurs is planning to market 10 000 tonnes of certified organic soybean in the 2018/19 season. Reportedly, a number of NGOs and government agencies are backing the initiative by providing assistance in regard to business plan development and provision of quality seed.
44	INDUSTRY STANDARDS – <i>Sustainable soy</i>	March	Togo	Sustainable production – country coalition: In Brazil, a coalition of traders, environmental groups, research institutes and government departments launched a tool designed to help producers identify already cleared land to plant soybeans in the country's Amazon and Cerrado biomes. The group claims that the tool can help participants in the soybean value chain expand soybean cultivation in a sustainable way, thereby containing forest degradation and other environmental/social risks. Economic viability considerations are also captured by the tool, as information on a location's yield history, its logistical features and similar parameters is gathered by the system. One of the tool's main values is seen in bringing together information from multiple sources on one single platform. Reportedly, there are plans to expand coverage by including Argentina's Chaco region, another zone where soybean expansion is associated with environmental degradation risks.
45	INDUSTRY STANDARDS – <i>Sustainable soy</i>	April	Brazil	

No.	Domain	Month	Country	Description*
46	INDUSTRY STANDARDS – Sustainable soy	August	Brazil, Argentina	<p>Private sector initiatives: New efforts to promote sustainable soybean production (thereby meeting growing demand for sustainably produced soy in Europe and elsewhere) have been reported from Brazil. In the Cerrado region, a vast savannah zone in the country's Centre-West, clearance of native forests and vegetation progressed rapidly in the last 15–20 years to free space for the cultivation of soybeans and other crops and pasture land – a development fuelled by attractive land prices, less stringent forest preservation requirements compared to those applied in the Amazon basin, and the absence of binding private sector initiatives to protect the environment. Experts pointed out that unchecked crop expansion in the biodiverse Cerrado ecosystem, which is home to important aquifers and river systems, could result in soil degradation, water table and aquifer pollution, changes in regional (and possibly continent-wide) rainfall patterns, and sharp reductions in carbon dioxide storage. Reportedly, vast areas of dry forests in Argentina's Gran Chaco region are confronted with identical challenges. In Brazil, to address these issues, two new initiatives have been launched by the private sector: i) the Cerrado Manifesto, and ii) a programme on responsible lending. According to media reports, the number of companies voluntarily adhering to the Cerrado Manifesto – an initiative launched last year by environmental organizations to promote measures that help end the conversion of native vegetation in Brazil's Cerrado biome – continues to grow. Besides calling for stricter and more effective environmental legislation, the Manifesto calls on companies in the soy and meat supply chains to a) adopt policies to end the conversion of native vegetation, and b) dissociate their production chains from recently deforested areas. Reportedly, over 100 investors and corporate firms, including several global food chains and supermarkets, have signed on to the agreement. However, market observers pointed out that global commodity traders, which are very active in the Cerrado, have been slow in joining the initiative. Moreover, in contrast to the Amazon Soy Moratorium (which does enjoy the participation of global commodity traders), it remains unclear whether signatories to the Cerrado Manifesto – besides pledging to take measures that contribute to the elimination of native vegetation loss from their supply chains – also explicitly commit to stop purchasing farm products grown on freshly cleared land. With respect to responsible lending, global commodity trader <i>Bunge</i>, <i>Banco Santander</i> and <i>The Nature Conservancy (TNC)</i> announced that they jointly developed an innovative financing mechanism for soy farmers in Brazil's Cerrado region. The programme promotes crop production that foregoes further deforestation or conversion of native vegetation by offering long-term loans to farmers willing to commit to the approach. The initiative is aimed at limiting production expansion to land that has been cleared already, thus going beyond the existing environmental regulations. <i>TNC</i> estimates already cleared land in the Cerrado suitable for soybean production at 25 million hectares. Under the programme, loans will be provided to individual, family or corporate farmers in eligible locations. (<i>On past private sector initiatives, see MPPU June '11, June '16 & May '18</i>)</p>
47	INDUSTRY STANDARDS – Sustainable soy	December	Brazil	<p>Sustainable production incentives: The Cerrado Working Group (GTC), which brings together representatives of Brazil's soy industry, international trading firms and consumer good companies, and environmental NGOs, is exploring the viability of setting up a fund to reward farmers in the country's ecologically rich Cerrado biome for preserving native vegetation on their soybean farms – hence protecting areas that could otherwise be legally deforested. Actually, Cerrado farmers are only required to preserve 20–35 percent of their farms' native cover – much less than farmers in the neighbouring Amazon basin. The proposal under consideration envisages payments of about USD 150 per ha per year for preserving areas that qualify for deforestation, using land already converted to pasture land instead. Funding would be provided by stakeholders across the soy supply chain, including Brazil's association of vegetable oil industries (ABIOVE), global trading firms, major foreign consumer brands and large retailers. The administration and monitoring of such scheme is expected to be costly and technically challenging. Reportedly, NGOs would assist in fund-raising activities and help all segments of the supply chain secure independent verification of deforestation/conservation levels. (<i>See also MPPU Dec. '18</i>)</p>
48	INDUSTRY STANDARDS – Sustainable soy	December	Global	<p>Responsible sourcing commitments: Supermarket chain <i>Lidl-UK</i> pledged to exclusively source soybeans from sustainable, deforestation-free sources in its supply chain. Reportedly, since September 2018, the retailer is backing its soybean purchases by 'Book & Claim' certificates issued by the Roundtable for Responsible Soy (RTRS). In a subsequent phase, the company intends to move towards physically traceable supply chains.</p>

No.	Domain	Month	Country	Description*
49	INDUSTRY STANDARDS – Sustainable coconut	July	Philippines	Private industry – development effort: Global oils/fats manufacturer AAK intends to collaborate closely with Filipino coconut farmers to guarantee quality and supply for a new processing facility located in Luzon. Reportedly, the company strives to improve the sustainability of coconut production in the country. Under similar initiatives in Africa, farmers were encouraged to form cooperatives and received assistance in setting up bank accounts. The company plans to produce for both the domestic and export market.
50	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	February	Thailand, Lao People's Democratic Republic	Overseas investment: A Thai palm oil trader is planning to set up an oil palm plantation and a processing unit for biodiesel production in neighbouring Laos. Reportedly, the move is driven by a lack of appropriate opportunities – in particular the limited availability of land for plantations – in Thailand. Reportedly, the Thai company is also engaged in R&D work, focusing on the development of oil palm varieties that are tolerant to the drier weather conditions prevailing in Laos.
51	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	March	Brazil, Panama	Trade promotion – soybeans: Brazil's <i>Aprosoja</i> , the Association of Soybean and Maize Producers of Mato Grosso, signed an agreement with the Panama Canal Authority to promote the recently expanded Central American waterway as a key route for grain shipments travelling from Northern Brazil to destinations in the Pacific Ocean. Under the agreement, ways to increase the Canal's participation in Brazil's rising grain exports will be explored, focusing on the on-going expansion of shipments out of Brazil's new northeastern terminals, which are closer to the Panama Canal (see <i>MPPU Mar</i> '18). For the time being, the bulk of Brazil's grains are shipped from the country's southern ports and the Atlantic Ocean. However, with regard to sales to Asia, availing of the Canal has the potential to reduce total travel time significantly. The new partnership will concentrate on Panamax vessels, given the similarity between the drafts in the Amazon River ports and the Canal's locks. Reportedly, the agreement is the first memorandum of understanding signed between the Panama Canal and a partner in a Latin American country.
52	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	March	China, Brazil	Overseas investment: A consortium led by state-owned <i>China Communications Construction Company (CCCC)</i> has begun construction of the port of São Luis in Brazil's northeastern state of Maranhão. The fresh investment in Brazil's port infrastructure is expected to further enhance the country's ability to ship grains/oilseeds via the rapidly expanding northern export corridor known as 'Arco Norte' (see also <i>MPPU Mar</i> '18). At the same time, the initiative will allow China to further expand its presence in the country that satisfies half of China's soybean import requirements, supplying about 50 million tonnes annually. The investment follows earlier Chinese ventures in Brazil's infrastructure and grain trade (see <i>MPPU Feb</i> '16, <i>June/Oct./Dec.</i> '17 & <i>Jan.</i> '18). On a similar note, private sources suggested that, in 2017, China's state-owned grain trading group <i>COFCO International</i> advanced to fourth position in the ranking of Brazilian exporters of soy, soymeal and maize – after <i>Bunge</i> , <i>Cargill</i> and <i>Marubeni</i> , and before <i>Louis Dreyfus</i> and <i>ADM</i> .
53	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	May	China	Overseas investment: Amid escalating trade tensions between China and the United States, market observers reported fresh efforts by China's state-owned grain trading group <i>COFCO</i> in positioning itself to raise soybean purchases in Brazil. To increase its 'origination capabilities', the company is said to have strengthened its local team of buyers. While increasing its ability to source directly from farmers, the company also remains involved in the improvement of the country's shipping infrastructure. Reportedly, <i>COFCO</i> is applying for the renewal of its port concessions with a view to pave the way for further investments. (See also <i>MPPU Feb.</i> '16 & <i>June/Oct./Dec.</i> '17)
54	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	June	Malaysia	Trade promotion – palm oil: The Malaysian Palm Oil Council (MPOC) informed that it will increase its efforts to promote sales of Malaysian palm oil to markets other than the European Union, citing concerns about the possible introduction of import barriers in the EU.
55	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	July	Spain	Trade promotion – olive oil: Spain's olive oil industry has launched a campaign to promote olive oil sales across Europe, America and Asia. The three-year initiative enjoys co-financing from the European Union. Promotional activities will be directed mainly to consumers in Spain, Germany, the United Kingdom, Belgium, the Netherlands, China, Japan, and the United States.

No.	Domain	Month	Country	Description*
56	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	August	Brazil	Storage infrastructure: According to media reports, two Brazilian banks have launched new credit lines specifically earmarked for the construction, expansion or renovation of on-farm grain storage facilities.
57	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	August	China, Malaysia	Bilateral trade initiative – palm oil: China's state-owned trading and food processing group COFCO has signed a joint venture agreement with a large Malaysian plantation company to set up plants in Malaysia for the production of palm oil-based products for the Chinese market.
58	INTERNATIONAL TRADE & DOMESTIC LOGISTICS	November	Brazil	Farmer – infrastructure co-funding: Confronted with poor road infrastructure and, more recently, government-set minimum truck freight rates, Mato Grosso's soy farmers have reiterated their interest in co-funding the construction of 'Ferrogrão', a 933-kilometer railroad project that would connect the region's striving grain areas with transshipment ports in the Amazon basin (see also <i>MPPU July '17 & Jan./Oct. '18</i>). According to Mato Grosso's soybean growers association, out of an estimated total construction cost of BRL 12.7 billion (USD 3.4 billion), producers could raise BRL 2.5 billion (USD 0.66 billion). Official sources estimate that the railway would move 13 million tonnes of cargo in its first year of operation, and 45 million tonnes by 2050. Currently, more than 70 percent of Mato Grosso's grains harvest leaves the state via its southbound roads to reach ports in more than 2 000 km distance. Industry experts expect the planned rail-link to reduce grain freight costs by BRL 50 per tonne (USD 13) on average.
59	MARKETING PRACTICES	February	Argentina	Royalty payments: Last February, after protracted negotiations and the decision of U.S. seed company <i>Monsanto</i> to suspend sales of new soybean and maize varieties in Argentina (see <i>MPPU June/July '16 & Feb./July '17</i>), the country's main farmers and seed producers associations reached an agreement on the payment of royalties for GM seed varieties. According to local media reports, farmers have agreed to continue paying plant breeders' rights when they replant GM seed – conceding that the country's 1973 seed law, which exempts farmers from paying royalties when they re-use seeds obtained from their own harvests, is no longer practicable. The two sides concurred that, when seeds are replanted, fix royalty payments will be applied during the first three years, following which, rates could be adjusted downward. Whether and when the country's seed legislation will be modified accordingly remains to be seen. At any rate, the recent deal should allow Argentine farmers to regain access to state-of-the-art GM seed material.
60	MARKETING PRACTICES	February	Global	Blockchain-based transactions: Recently, global commodity trader <i>Louis Dreyfus</i> completed the first agricultural commodity transaction based on a blockchain-driven platform. The transaction involved a cargo of U.S. soybeans shipped to China, covering all aspects of the operation – from financing through to commercial contract execution and related logistical processes. The different parties – the trader, the buyer, the banks issuing and confirming the relevant letter of credit and other stakeholders – relied exclusively on the new platform and its digital technology. According to the trader, using the innovative tool greatly reduced time spent on processing documents and allowed for a larger trading scope. Reportedly, all participants achieved significant efficiency gains. Benefits listed included the ability to monitor the operation's progress in real time, ease of data verification, reduced risk of fraud, and a shorter cash cycle. Allegedly, the platform's success demonstrates the great potential of distributed ledger technologies to advance commodity trading and financing.
61	MARKETING PRACTICES	February	Malaysia	Futures markets: On 28 February 2018, the Malaysian commodity exchange <i>BursaMalaysia</i> introduced a number of enhancements to its crude palm oil futures contract, including an increase in position limits, extended trading hours, additional tradeable contract months, and new product traceability requirements.
62	MARKETING PRACTICES	February	Singapore	Futures markets: <i>The Asia Pacific Exchange (Apex)</i> has been approved by Singapore's monetary authority to operate as the city-state's third derivative exchange and clearing house. Reportedly, <i>Apex</i> will commence trading in the second quarter of 2018, starting with a USD-denominated and physically delivered futures contract for palm olein

No.	Domain	Month	Country	Description*
63	MARKETING PRACTICES	March	European Union	Palm oil marketing strategies: In the EU, two retail chains decided to remove palm oil from their own-brand food products, citing concerns over growing consumer apprehension about the use of allegedly unsustainable cultivation practices in producing countries.
64	MARKETING PRACTICES	March	Malaysia	Futures markets: Malaysia's commodities futures exchange <i>Bursa Malaysia Berhad</i> announced a number of changes to its crude palm oil contract, namely: increased position limits; extended trading hours; a more flexible trading tenure; and new product traceability requirements.
65	MARKETING PRACTICES	April	United States	Futures markets: The <i>Chicago Mercantile Exchange (CME Group)</i> has raised the maximum daily price change permitted on its soybean contracts by 10 US cents to 75 US cents per bushel, while the limit for soymeal has been increased by USD 5 to USD 25 per tonne.
66	MARKETING PRACTICES	May	Malaysia	Futures markets: <i>Bursa Malaysia</i> has launched an enhanced USD-denominated futures contract for refined, bleached and deodorized palm olein, to provide more trading opportunities and flexibility to a wider group of investors, both domestic and foreign.
67	MARKETING PRACTICES	May	United States	Futures markets: The Chicago Mercantile Exchange Group considered raising the maximum storage rates warehouses are allowed to charge holders of maize and soybean futures, to address concerns that its contracts are not adequately reflecting the underlying U.S. cash grain markets.
68	MARKETING PRACTICES	July	Global	'Palm oil-free' certification: POFCAP, the voluntary International Palm Oil Free Certification Accreditation Programme, informed that it gained regulatory approval in 9 countries (Australia, Austria, France, Finland, Italy, Spain, Sweden, United Kingdom, United States), with applications pending in 5 others. Companies opting to display the Programme's certification trademark are assessed and certified palm oil and palm oil derivatives free.
69	MARKETING PRACTICES	August	China	Futures markets: On 13 August, the <i>Dalian Commodity Exchange</i> cut margin requirements for a number of contracts, including soyoil and palm oil, and narrowed its trading limits on all contracts. Furthermore, on 22 August, the exchange halved its intra-day transaction fees for a number of contracts, including futures for soyoil, palm oil and soymeal as well as for soymeal options. On 30 August, the exchange also reduced the number of delivery dates for soybean futures from nine to six and limited the forward curve to 12 months, instead of 18.
70	MARKETING PRACTICES	November	United States	Futures markets: According to media reports, the US futures exchange operator CME Group contemplated the launch of a Brazilian soybean contract, given that the recent US-China trade conflict altered the global soybean trade pattern, causing the price paths for Brazilian and US soybeans to diverge. Market experts confirmed that premiums placed on Brazilian soybeans are difficult to hedge via the Chicago Board of Trade's existing US-specific soy contracts.
71	R&D – Pest control	February	Canada	Clubroot (rapeseed): In recent years, clubroot, a soil-borne disease affecting rapeseed and other cruciferous crops, has become a key concern to farmers, especially in Canada but also in parts of Europe. The clubroot pathogen is a fungus-like organism whose spores can survive in soil for up to 20 years. Reportedly, there are no cost-effective control measures that can remove the pathogen from a field once it has become infested. Methods to curtail the spread of the disease and reduce its incidence and severity include careful scouting and record keeping, sanitation, soil amendments, crop rotation and the use of resistant varieties. According to media reports, seed firms are struggling to develop new resistant varieties (a process that requires up to 10 years), because of the pathogen's capacity to adapt quickly. To prevent rapid genetic shifts and subsequent loss of effective resistance, Canada's rapeseed industry association recommended pursuing varietal resistance research judiciously within an integrated management approach that includes practicing a diverse crop rotation with at least two years between rapeseed crops. Reportedly, contrary to these recommendations, Canada's recent record crops have been achieved in part by shortening crop rotation cycles.

No.	Domain	Month	Country	Description*
72	R&D – Pest control	April	European Union	Xylella fastidiosa: Recently, two additional manifestations of the bacterial disease that threatens olive cultivation in the EU have been reported from Spain, one in the outskirts of Madrid and the other in Andalusia (see also <i>MPPU Mar.'18</i>). Andalusia is Spain's leading olive growing region, producing close to 1 million tonnes of olive oil, or almost one-third of global production. Meanwhile, the number of infected trees in Italy's containment zone is reported to have increased further, while on the French island of Corsica xylella has been detected for the first time on olive trees. Researchers have identified cicada and spittlebug as common vector insects responsible for the spreading of the disease.
73	R&D – Pest control	June	European Union	Xylella fastidiosa: A group of researchers supported by the European Commission developed a remote, airborne imaging method capable of scanning orchards and detecting olive trees infected by the <i>xylella fastidiosa</i> bacterium before any visible symptoms appear, thus allowing for rapid and accurate mapping of infected plants. Reportedly, once trees are infected, they may show no symptoms for up to one year, during which time ordinary sap-feeding insects may be transmitting the infection. Therefore, early detection is deemed crucial for controlling damage and preventing the disease from spreading.
74	R&D – Pest control	August	Italy	Xylella fastidiosa: After three years of field trials, a group of Italian researchers presented an organic treatment for the containment of the bacterial disease affecting olive trees. The treatment rests on the bactericidal properties of a patented compound containing zinc, copper and citric-acid hydracids. Reportedly, best results are obtained when the treatment is combined with the removal of affected parts of the trees, regular pruning and routine soil harrowing.
75	R&D – Varietal research & seed releases	February	Australia	Omega3-rich rapeseed: Australian regulators approved genetically modified (GM) omega3-rich rapeseed for both human consumption and use in livestock/aquaculture feed (see also <i>MPPU June'17</i>). Hoping that the approval will smoothen regulatory reviews in other countries, the seed firm that developed the new product started planning the variety's commercial release in Australia, the United States, Canada and possibly China. The company intends to produce the crop under a closed-loop grain handling and oil processing system.
76	R&D – Varietal research & seed releases	March	Global	Gene-editing: Seed companies are showing increased interest in gene-editing techniques, as opposed to genetic modification methods (see <i>MPPU Dec. '16 & Jan. '18</i>). <i>Monsanto</i> informed that it entered a partnership with a start-up company to advance agricultural R&D on soybean, rapeseed and other crops by leveraging gene-editing technologies. Reportedly, the technology allows to precisely and rapidly develop improved crop varieties, without making recourse to DNA transfer within and across species boundaries. Therefore, gene-editing could help meet growing consumer demand for GMO-free farm products.
77	R&D – Varietal research & seed releases	August	Argentina	Drought-tolerant soybean: An Argentinian seed company announced the release of a new soybean variety that it claims to be more drought-tolerant than conventional varieties. The new variety has obtained regulatory approval in Argentina and the company plans to conduct trials on farmers' fields in the forthcoming 2018/19 growing season.
78	R&D – Varietal research & seed releases	August	European Union	Gene-editing: The media reported that German's multinational biotech firms <i>BAYER</i> and <i>BASF</i> both shelved plans to develop and market gene-edited plant varieties in Europe following the EU's surprise decision to regulate such crops as genetically modified organisms (see <i>MPPU Aug. '18</i>). Reportedly, the EU's regulatory approach to GE plants has resulted in prohibitively high market access costs. Other news reported that German's Bioeconomy Council (a panel of scientists that advises the German Government) and a number of research institutions in the United Kingdom invited the European Commission to relax its regulations for GE crops. They warned that if strict rules on these crops continued to apply, industry funding could recede and GE research could shift to countries where such restrictions were not in place.
79	R&D – Varietal research & seed releases	August	United States	Gene-editing: A US biotech company has developed, using innovative mutagenesis-based gene editing (GE) techniques, a high-oleic soybean variety alleged to offer improved nutritional and functional properties than conventional soybeans. In general, compared with traditional genetic modification methods, the development of GE crops requires considerably less time and carries much lower costs. Furthermore, in the United States, gene-editing of crops is not subject to cumbersome regulatory procedures (see <i>MPPU Aug. '18</i>). The concerned company expects to start marketing high-oleic soybean oil in late 2018 or early 2019. Being among the first GE products to reach the U.S. market, the launch will allow testing consumer acceptance of such type of food.

No.	Domain	Month	Country	Description*
80	R&D – Varietal research & seed releases	September	Kazakhstan	Hybrid sunflowerseed & soybean: Hybrid sunflowerseed and soybean varieties developed through conventional breeding methods are ready for countrywide testing in Kazakhstan, local media reported. Reportedly, breeding activities focused on the following traits: early maturation, high yield potential, high oil content and herbicide resistance.
81	R&D – Varietal research & seed releases	October	Australia	Rapeseed: Reportedly, a new genetically modified rapeseed variety that allows later and more frequent herbicide applications is ready to be launched in Australia. Reportedly, the variety's commercial release is kept pending until Chinese authorities approve the new event for import.
82	R&D – Varietal research & seed releases	October	United States	Low-gossypol cottonseed: Using genetic modification techniques, US researchers have developed a cotton variety with low gossypol presence in the seed. Gossypol is a toxic compound that naturally occurs in conventional cottonseed varieties. The new variety could help lower cottonseed refining costs and would allow expanding cottonseed use in the livestock and aquaculture feed industries as well as in human food applications. Last October, the variety has been deregulated by the U.S. Animal and Plant Health Inspection Service.
83	R&D – Varietal research & seed releases	November	United States	Camelina: In the United States, plant scientists are conducting research on genetically modified camelina sativa to boost the plant's oil output and reduce the amount of energy refineries require to convert the oil into fuel. (See also <i>MPPU Oct. 17</i>)
84	R&D – Product development	March	Global	Non-GMO oilseed emulsifier: Global agribusiness firm <i>Cargill</i> started selling certified GMO-free, de-oiled rapeseed lecithin on the European market. Used as emulsifier in the bakery and food snack industry, the product is said to offer comparable functionality to conventional GMO soy-based lecithin.
85	R&D – Product development	March	Ireland	Olive waste-based feed: An Irish firm claims to have developed a process for turning olive waste products into animal feed. Reportedly, olive feed can significantly improve the flavour, tenderness and nutritional profile of meat, by increasing the levels of oleic acid, monounsaturated fat and glutamic acid. The initial target for the new feed is Japanese Wagyu beef. The new feedstuff is conceived as a finishing feed, owing to its high caloric content and ability to support weight gain. Waste from olive oil extraction processes is normally an environmental pollutant that is subject to strict disposal regulations.
86	R&D – Product development	March	Russian Federation	Sunflower-based food-grade protein: A Russian firm developed a process to produce high-value food-grade protein from sunflowerseed press cake, a by-product of oil production that is normally used as feed. Based on mechanical separation and membrane filtration processes, the technology developed by the company removes fibre, polysaccharides and fat to obtain concentrates with up to 95 percent protein content. The latter can be used in sports nutrition products and various functional food products.
87	R&D – Product development	April	Canada	Carinata meal: New strains of <i>brassica carinata</i> , an oilcrop that thrives in arid climates and on marginal farmland not suited for other agricultural crops, may offer a high-protein alternative feed ingredient to rapeseed meal, according to a group of scientists in Canada (see also <i>MPPU June '17</i>). Analyses of the new strains' chemical profile, anti-nutrient compounds, energy values and protein fractions seem to suggest that carinata meal can improve crude protein levels and other milk values in cows (compared to rapeseed meal). To date, most research efforts on industrial applications for carinata have focused on uses of its non-edible oil as feedstock for biofuels, especially aviation fuel (see <i>MPPU Dec. '17</i>).
88	R&D – Product development	April	United States	High-oleic soybean/soyoli: Following the EU's regulatory approval of <i>DuPont's</i> high-oleic soybean variety 'Plenish' in December 2017 and China's import authorization for <i>Monsanto's</i> 'VistiveGold' high-oleic soybeans in mid-2017, the US industry expects worldwide production, trade and consumption of high-oleic soybean oil to take off in the coming years. In the United States, where high-oleic soybean varieties have been planted on 250 000 hectares 2017, sowings are projected to climb to 6.5 million hectares by 2027. High-oleic soybean oil – which is deemed to be more stable and offer improved functionality and nutritional properties than conventional soyoil, without requiring partial hydrogenation – is expected to be in high demand, given that the U.S. Food and Drug Administration mandated the complete removal of partially hydrogenated oils from the country's food supply chain by June 2018 (see also <i>MPPU June '13 & Apr./July 2015</i>).

No.	Domain	Month	Country	Description*
89	R&D – Product development	May	Global	Protein-rich rapeseed: Seed company <i>DowDuPont</i> intends to launch a high protein-content rapeseed variety next year, targeting pig, poultry as well as aquaculture farms in Canada, China and the United States. While conventional rapeseed meal is sold at a 30–35 percent discount to soybean meal, for the protein-rich variety, the discount would be lowered to 10 percent, the seed company claims. (See also <i>MPPU Mar.'16 & July'18</i>)
90	R&D – Product development	June	Global	Vegetable oil-based plastic: Household goods company <i>IKEA</i> and biofuel producer <i>Neste</i> informed that they joined forces to develop bio-based plastic products from sustainably produced vegetable oils and used cooking oil. The joint, commercial scale operation is scheduled for launch in the fall of 2018. Some years ago, Malaysia and Indonesia also reported about research initiatives to produce plastics from palm oil (see <i>MPPU Apr./May'15</i>).
91	R&D – Product development	June	Italy	Olive oil provenance: Italian researchers presented a scientific method that allows certifying the authenticity and geographic provenance of olive oil – a commodity prone to fraudulent labelling and adulteration. Under the technique, which has been compared to taking an oil's fingerprint, detailed genetic information as well as external parameters such as soil and climate data of the area where the oil originates are recorded using nuclear magnetic resonance (NMR). Similar techniques have been developed for the authentication of groundnut oil as well as to verify the purity of biodiesel (see <i>MPPU June'17</i>).
92	R&D – Product development	July	Global	Oil palm waste recycling: Researchers from Nottingham University's Malaysia branch presented two new processes to produce building materials and bioenergy from oil palm processing waste. The first method consists of a zero-waste management system for palm oil mills that converts all solid biomass waste and palm oil mill effluent (or POME) into building material and bioenergy, whereas the second one focuses on the recycling of POME, which can be highly polluting when discharged into the environment.
93	R&D – Product development	August	United States	Food-grade sunflowermeal: A US food ingredients company has developed food-grade sunflowerseed meal, by upgrading the product that is left after oil is extracted from seeds. Traditionally used exclusively as animal feed, sunflowerseed meal – in its re-purposed form – can provide consumers with a cheap, sustainable source of plant-based protein, according to the company
94	R&D – Product development	August	United States	Omega3-rich rapeseed: In the United States, omega3-rich oil derived from a recently developed GM rapeseed variety (see <i>MPPU Jan.' & Mar.'18</i>) has been deregulated by the country's Animal and Plant Health Inspection Service, which determined that the product is unlikely to pose plant pest risks. Approval by the country's Food and Drug Administration is anticipated to follow prior to the start of the 2019 growing season. The oil, which can help reduce the aquaculture industry's reliance on fish oil-based feed, already gained regulatory approval in Australia, while official reviews are still underway in Canada and China.
95	R&D – Product development	October	Global	Waste oil recycling: Reportedly, in Germany, a group of researchers has developed a catalytic process that allows converting waste oils into chemical building blocks for drugs and plastics. On the same subject, scientists in Australia and the UK have developed a controlled-release fertilizer using recycled rapeseed oil. Furthermore, US researchers have developed new industrial uses for soybean oil in the form of wax. Reportedly, fully recyclable and biodegradable soyoil-based wax can replace petroleum-based paraffin wax.
96	R&D – Product development	November	United States	Bakery shortenings: After the introduction of a trans fat ban in the United States (see <i>MPPU Aug.'18</i>), the country's food industry has come under pressure to replace partially hydrogenated vegetable oils used in the production of shortenings. Reportedly, the industry is focusing its attention on high-oleic oils and special modification techniques such as enzymatic interesterification and optimal crystallization conditions.
97	R&D – Product development	December	Canada	Rapeseed meal-based bioplastics: Reportedly, Canadian researchers developed innovative technologies to produce biodegradable plastics from protein extracted from rapeseed meal. Support from investors is currently being sought for the technology's commercial-scale application. (See also <i>MPPU Apr./May'15 & Aug./Dec.'18</i>)
98	R&D – Product development	December	Germany	Plant oil-based polyester: In Germany, researchers developed a technology to obtain polyester from fats and oils, more specifically castor oil, by functionalizing polymerization.

No.	Domain	Month	Country	Description*
99	R&D – Product development	December	United States	Soyoil-based sealant: US researchers have developed a soybean oil-based hydrophobic sealant that can be used to protect new and existing concrete to improve roads. Reportedly, a variety of other applications is currently being tested.
100	BIOFUEL / BIOENERGY	February	Global	Low-quality biodiesel feedstock: Recent studies confirm that technologies for producing biodiesel from low-quality feedstock – such as low-priced waste oils – are now available and in use, offering alternative paths for biodiesel production. Reportedly, the most advanced and cost-effective methods to process low-quality feedstock employ liquid-formulated enzymes/lipases.
101	BIOFUEL / BIOENERGY	February	Uruguay	Certified sustainable biodiesel: A Finish company has gained Roundtable on Sustainable Biomaterials (RSB) certification for its production of biodiesel from brassica carinata oil in Uruguay. RSB is a European Commission-approved voluntary scheme that can be used to show compliance with the sustainability criteria of the EU's Renewable Energy Directive (see <i>MPPU Aug. '11</i>).
102	BIOFUEL / BIOENERGY	April	Finland	Certified sustainable biodiesel: A Finish company has gained certification by the Roundtable on Sustainable Biomaterials (RSB) for both sustainability and low indirect-land-use-change risk (ILUC) regarding its biofuel production from crude tall oil. RSB's double certification allegedly minimizes the risk of biofuels causing indirect impacts such as deforestation or increased food prices in third countries.
103	BIOFUEL / BIOENERGY	May	Argentina	Biofuel feedstock – groundnut waste: In Argentina, a large peanut producer began commercial operation of a groundnut shell-powered bioenergy plant, according to media reports. The facility is expected to consume 50 000 tonnes of groundnut waste per year and the power produced will be fed into the national grid. The project is part of the Argentine Government's renewable energy programme RenovAr.
104	BIOFUEL / BIOENERGY	July	India	Biofuel feedstock – used cooking oil: In India, global foodservice retail company <i>McDonald's</i> started recycling into biodiesel its used cooking oil for powering the company's refrigerated supply delivery trucks, local media reported.
105	BIOFUEL / BIOENERGY	December	Ethiopia	Jatropha-based biodiesel: According to media reports, a first of 10 planned Ethiopian biodiesel plants is ready for commercial operation in the country's Oromia region. Commissioned by public-private partnership African Power Initiative (API) after running a pilot refinery plant, the facility will source feedstock from farmers who are reforesting 1.4 million hectares of land with jatropha curcas, a drought-resistant shrub that produces inedible oil.
106	BIOFUEL / BIOENERGY	December	India	Biofuel feedstock – used cooking oil: In the state of Haryana, construction of a biodiesel plant using primarily used cooking oil (UCO) as feedstock is nearing completion, local media reported. The company running the facility has been authorized to collect UCO in Delhi (National Capital Region), Haryana and Punjab. The plant has a nameplate capacity of 100 tonnes per day. Besides helping to reduce dependence on imported crude mineral oil, the recycling of UCOs is expected to help reduce their illegal discharge and prevent re-entry into the food chain. Over the past few years, India's biodiesel market has been partly deregulated, rescinding price ceilings and allowing producers to sell their fuel directly to consumers (see <i>MPPU July '15 & Oct. '18</i>).

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Note that for related historic information the reader is directed – between brackets, in italic print – to past issues of the *Oilcrops Monthly Price and Policy Update (MPPU)*, which can be retrieved on-line at <http://www.fao.org/economic/est/publications/oilcrops-publications/monthly-price-and-policy-update/en/>.

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