



Food and Agriculture Organization  
of the United Nations

2019

# 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

*Compendio anual*





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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 2019.

The compendium reproduces, in tabular form, all the policy and industry news items published throughout 2019 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 2019 are summarized in bullet form. More detailed information is available in the ensuing tables (available in English only).

## GOVERNMENT POLICIES

**Farmer support:** In 2019, the United States of America authorized – for the second consecutive year – direct farm payments, marketing support activities and trade promotion measures to offset the incidence of China’s retaliatory tariffs on US exports, with total outlays amounting to USD 16 billion. Canada launched a variety of measures aimed at supporting farmers affected by China’s decision to suspend import permits for rapeseed of Canadian origin. Furthermore, Canada temporarily eased the conditions for government loan repayments for farmers impacted by low commodity prices and reduced marketing opportunities. The Government of Brazil, while renewing its customary package of subsidized farm loans and marketing support measures, raised its outlays for crop insurance programmes and announced a number of initiatives designed to stimulate lending operations by the private sector. China continued the subsidies for the cultivation of oilseeds with the aim to lower the country’s dependence on imported soybeans, in addition to renewing pledges to scale back state reserves of grains and oilseeds. In India, income support measures for small and marginal farmers were renewed, while crop procurement operations to stabilize prices remained of a temporary nature and were limited to groundnut and copra purchases in selected regions. The Philippines and Thailand provided temporary financial support to farmers beset by depressed prices of copra and palm oil. Furthermore, in Argentina, Australia, Brazil and the United States of America, extra-ordinary relief payments and other forms of assistance were authorized for farmers affected by extreme weather events. Indonesia’s scheme in support of smallholders replacing unproductive oil palms with improved varieties – an ambitious multi-year initiative aimed at fostering output growth via yield improvements (as opposed to environmentally controversial area expansion) – remained in place; however, programme implementation was hampered by the inability of many small growers to prove their land ownership – a prerequisite for participating in the scheme. Meanwhile, also Malaysia set up a soft loan fund earmarked to assist small producers to replace aged oil palms.

**Sector development:** Numerous countries, especially developing nations in the Asia-Pacific region and Africa, continued to implement a variety of sector development measures, pursuing the following long-term objectives: i) raising productivity; ii) supporting crop diversification; iii) promoting more sustainable and resilient production methods; iv) reducing the dependence on vegetable oil imports; v) fostering local value addition; and vi) raising export earnings. Crop-specific programmes concentrated on coconut palm, oil palm, rapeseed and olive trees. Initiatives included national as well as regional projects and involved public-private partnerships, research organizations and NGOs. Among developed nations, Canada and the United States of America supported various research and extension activities aimed at expanding, respectively, their rapeseed and soybean sectors.

**Pest control measures:** Approvals of individual pesticides and the norms put in place to regulate their use remained under the scrutiny of policy makers in several countries, reflecting persistent concern about potential environmental and health risks. With regard to glyphosate, regulatory agencies in Brazil, the European Union and the United States of America reaffirmed the chemical’s non-carcinogenicity. Notwithstanding, a number of countries, including two EU member states, announced plans to phase out the use of glyphosate as a precautionary measure. Meanwhile, dimethoate-based insecticides (used primarily in olive orchards) would be banned across the European Union starting in July 2020, due to genotoxic risks. Furthermore, the bloc’s efforts to contain the spread of *Xylella fastidiosa*, a bacterial disease affecting olive trees, continued. In Canada, restrictions regarding pesticides belonging to the neonicotinoids group remained in place.

**Biofuel policies:** In 2019, higher mandatory consumption targets for transport biodiesel were implemented or scheduled for implementation in Brazil, Finland, Indonesia, Malaysia, Thailand and the United States of America – further supporting the growth in the global uptake of vegetable oil and animal fats (especially palm and soy oils, but also waste oils/fats) as biofuel feedstock. Such policies were accompanied by revisions of national fuel standards and engine tests with higher blends. In Indonesia and Malaysia, the world’s leading suppliers of palm oil, the planned shifts towards compulsory domestic blending rates of, respectively, 30 and 20 percent was in part triggered by concerns about slowing growth in global palm oil demand and, as a result, deteriorating export prospects. The two countries also stepped up research on the feasibility of blending oils/fats into jet fuel, with an eye on forthcoming international regulations requiring the inclusion of renewable feedstock in aviation fuel. In Indonesia, the biodiesel industry continued to benefit from subsidies funded from a tax collected on palm oil exports – a mechanism also Malaysia and Thailand considered introducing. Meanwhile, Thailand continued regulating pump prices of biodiesel in a bid to keep the fuel competitive. In the United States of America, lawmakers passed a 5-year extension of the tax credit for biodiesel blenders, thereby providing a stable framework for the sector’s future growth. Elsewhere, India, besides confirming its long-term consumption goals for biodiesel, authorized commercial sales of pure transportation biodiesel. Furthermore, the country continued favouring the use of waste oil as biodiesel feedstock, amid efforts to reduce health hazards associated with the repeated use of cooking oils. Meanwhile,

the European Union adopted stringent sustainability criteria for biofuels meant to count towards the bloc's green fuel targets. Under the new guidelines, conventional palm oil would be progressively phased out and eventually excluded from the list of permitted biofuel feedstock, owing to the alleged high deforestation risks associated with its production – a policy challenged by the governments of Indonesia and Malaysia. Regarding international trade in biodiesel, in 2019, the European Union and the United States of America eased their restrictions on imports from Argentina.

**Trade policy measures:** In 2019, bilateral trade disputes continued to impact global trade in oilcrops and derived products. Most importantly, the United States of America and China upheld their respective trade policy measures intended to correct imbalances in overall trade between the two countries. In particular, China's retaliatory import duties on US-origin soybeans remained in place, further impacting both bilateral trade flows and the global patterns of trade. While consultations between the two countries were underway, both governments refrained from introducing additional trade restricting measures, and China authorized purchases of limited quantities of US-soybeans, involving temporary waivers of retaliatory tariffs. Eventually, under a deal announced in December 2019, China agreed to import set volumes of US agricultural goods during 2020–2021, while the United States pledged to abstain from further tariff increases – while neither country would roll back the existing tariffs. Elsewhere, Canada called for formal consultations with China at the World Trade Organization after China suspended the import permits of Canadian rapeseed suppliers, citing phytosanitary concerns. Furthermore, the United States of America introduced special tariffs on selected EU imports, including Spanish olive oil, in retaliation for subsidies the European Union had granted to its aviation industry.

Regarding import measures, China further eased market access for oils and meals from a variety of non-US origins to mitigate the impact of reduced soybean supplies from the United States of America. Likewise, in a bid to guarantee domestic supplies, a number of countries adopted temporary or permanent measures facilitating the importation of vegetable oils, while others, including India and Turkey, continued regulating imports of oilcrops and derived products with a view to protect local farmers, encourage domestic oilcrop production or support local processors and refiners.

On the export side, amid depressed world prices of palm oil, Indonesia and Malaysia decided to keep their palm oil export duties suspended, in a bid to stimulate international demand and curb domestic stocks. Furthermore, Indonesia simplified its customs procedures applied to palm oil shipments, while Malaysia adopted a variety of measures, comprising i) adjustments in the tax scale applied to palm oil exports; ii) countertrade deals involving palm oil; iii) support to private sector initiatives targeting the import markets of China and India; iv) trade missions to explore new market opportunities in Africa, the Middle East and Asia; and v) new incentives promoting exports of high value-added products. Elsewhere, Canada provided support to traders affected by the disruption in rapeseed exports to China (Canada's top export market) and stepped up its efforts to expand and diversify the country's rapeseed markets. In South America, Argentina raised its export taxes on oilseeds and derived products as part of wider fiscal tightening policies, whereas Bolivia derestricted soybean exports in a bid to raise the competitiveness of the country's export-oriented soy industry.

As for bilateral, oilcrop-specific trade initiatives, Indonesia committed to step up its coconut oil imports from the Philippines, while Uruguay initiated talks with China over shipments of non-GM soybeans.

**Market regulation:** In 2019, countries continued using a variety of instruments to regulate domestic markets. As part of policies to curb inflation, Argentina decided to freeze retail prices of selected food items, including vegetable oils. In China, public procurement, stockholding and auction sales of soybeans, soyoil and rapeseed oil continued, although sale volumes dropped significantly compared to previous years. Meanwhile, Brazil reported a reduction in the number of public grain storage facilities. Indonesia and Malaysia banned the sale of food and cosmetic products carrying 'palm oil-free' labels to counter negative product perceptions among consumers and protect the interests of their palm oil industries. Malaysia also promoted the use of 'pro-palm oil' labels in the domestic market and launched promotional campaigns in overseas markets. In the European Union, a private storage assistance mechanism for olive oil was activated in an effort to stem a decline in the product's market prices, while Spain introduced a tax on olive oil sales to help finance local and overseas promotional activities.

**Food standards:** The presence of harmful trans fats (which are generated when vegetable oils are hydrogenated to increase functional stability) in food products continued to attract the attention of policy makers across the globe. The European Union and India announced that maximum permitted levels for trans fats would come into force in their respective territories as of 2021. Singapore decided to ban partially hydrogenated vegetable oils as ingredients in food products starting in the same year, while countries belonging to the PanAmerican Health Organization pledged to ban trans fats from 2025. Furthermore, China and the European Union adopted maximum residue levels for specific pesticides and mycotoxins in oilcrop products, while Malaysia set out to meet the increasingly stringent international standards for toxic contaminants in processed palm and palmkernel oil. The year 2019 also saw fresh initiatives, especially in China and the European Union, to promote healthy dietary habits, including lower intake of saturated fats. Moreover, efforts to combat adulteration of edible oils, particularly olive oil and coconut oil, were stepped up in Europe, Latin America and Asia, leading to stricter quality controls and more stringent manufacturing standards, certification requirements and labelling regulations.

**GMO policies:** Argentina, Bolivia, Brazil, China, the European Union, Paraguay, the Philippines, the United States of America and Viet Nam authorized new GM oilcrop varieties for importation and/or cultivation. In a number of cases, however, their commercial release was delayed pending the outcome of regulatory reviews in all major import markets. In this regard, in 2019, China announced several new approvals (and renewals of expiring authorizations) of GM crops for importation. The country



also embarked on the review of locally developed GM traits for domestic cultivation – marking a departure from past policies driven by consumer concerns over perceived health risks. Elsewhere, [Australia](#) decided to further liberalize cultivation of GM rapeseed varieties, while [Japan](#) issued a protocol regulating genome editing techniques. In the [United States of America](#), federal agencies were directed to ease the rules governing GM crop authorization, with a view to shorten approval times and reduce developer costs and, thus, foster the development of improved varieties.

**Production sustainability:** The political debate on the need to move towards more sustainable crop production methods intensified further in 2019. Amid rising public scrutiny, [Indonesia](#) and [Malaysia](#) intensified their efforts to promote sustainable palm oil production practices, with a view to help raise the commodity's environmental profile in the global marketplace. While both countries pressed ahead with the establishment of mandatory national sustainability certification schemes, implementation delays were reported, notably with regard to the certification of smallholders. The slow uptake by small producers was attributed to cost considerations and to issues with land titles and cultivation permits – a circumstance that prompted Malaysia to offer tailor-made training programmes and financial assistance to small and medium-sized growers. On a separate note, Malaysia committed to make plantation concession maps accessible to the general public, in a bid to foster transparency about the operations of individual plantations. Malaysia also announced that, as of January 2020, palm oil sales would be subject to a cess in support of the Government's environmental agenda, which comprised public reforestation and wildlife promotion schemes. In Indonesia, on the other hand, measures to enhance productivity and yields on existing plantations received greater attention and a provisional moratorium on concessions to clear primary forest and convert peatland was made permanent. Furthermore, first cases were reported about oil palm estates held liable for fires that occurred on their land were reported. Meanwhile, [Norway](#) freed funds earmarked to assist in the preservation of Indonesia's tropical rainforests. Elsewhere, a group of West African countries embarked on a programme promoting environmentally and socially responsible palm oil production in the region. Turning to soybean cultivation, 2019 saw [Brazil](#) launching a project on environmental conservation and low carbon farming in the country's ecologically fragile Cerrado region. Meanwhile, the [European Union](#), concerned that imports of certain agricultural commodities, including oilseeds and vegetable oils, were contributing to global deforestation, launched a medium-term action plan aimed at reducing the bloc's global consumption footprint on land. Envisaged actions include measures to foster the consumption of products from deforestation-free supply chains.

**Transport sector:** The Government of [Brazil](#) announced plans to further develop the country's transport infrastructure, in particular regarding the northern export corridors. In the meantime, further hikes in the Government-set minimum freight rates (to compensate truck drivers for higher fuel costs) added to overland grain transportation costs. [Canada](#) reported fresh public investments in the nation's grain storage facilities, railroads and port infrastructure.

**Other policy measures:** Triggered by the recovery in palm oil benchmark prices in the last quarter of 2019, in December, [Malaysia](#) announced the resumption of windfall profit taxation in the palm oil industry, adding that part of the proceeds would be channelled back to the industry, notably in the form of subsidies for producers of palm oil-based biodiesel.

## INDUSTRY MEASURES

**Sustainable production:** In 2019, private sector measures and voluntary standards for sustainable [palm oil](#) production continued to evolve under close public scrutiny, as evidenced by several new initiatives promoting the adoption of responsible practices along the palm oil value chain. In producing countries, a number of private companies offered training to smallholders on sustainable production methods, while actively supporting their inclusion in formal certification schemes. Meanwhile, advocacy groups pressed plantation owners to step up their palm rejuvenation activities, with a view to favour productivity improvements over expansion into forests and peatland. At the same time, palm oil buyers across the world adopted newly developed tools to map palm oil supply chains using satellite, radar, block-chain and other technologies designed to trace the provenance of supplies as well as to track deforestation and forest fires down to individual suppliers, thus facilitating swift corrective actions.

Regarding the enforcement of voluntary industry standards, concerned private sector bodies strived to strengthen their monitoring and verification systems, which, in some instances, led to the withdrawal of individual companies' sustainability certificates and/or the divestment of lenders from companies involved in alleged breach of standards. The globally recognized, industry-led Roundtable on Sustainable Palm Oil (RSPO), in 2019 issued new guidelines on minimum wages and other rights of plantation workers and stepped up its efforts to safeguard fragile peatland. RSPO also participated in new initiatives aimed at raising consumer awareness about sustainable certified palm oil, especially in China, India and countries in Africa. Furthermore, to promote greater inclusion of small-scale growers, RSPO released a separate certification standard for independent smallholders, designed to address their specific needs and constraints. Moreover, in November 2019, the group launched a pilot scheme obliging all member buyers and other downstream players to commit to specific purchase targets – a measure aimed at tackling the chronic shortfall of end-user demand for certified palm oil over available supplies.

Despite these efforts, the overall volume of certified sustainable palm oil increased only marginally in 2018–2019, while the level of consumer awareness remained low, in particular among developing nations. As for industry pledges to exclusively source sustainably produced palm oil, several manufacturers and retailers of consumer goods acknowledged that they were struggling

to meet their self-imposed targets, while buyers reported difficulties in sourcing guaranteed deforestation-free products. Meanwhile, the extent to which palm oil certification helps furthering sustainable production practices remained subject to debate. While in developed countries' retail markets the number of consumer goods carrying 'palm oil-free' labels continued to rise – some market experts warned that such initiatives could i) idle efforts to foster more sustainable forms of production, and ii) favour the spread of unsustainable practices. In this regard, it was also pointed out that replacing palm oil with other vegetable oils could result in an unintended global net increase in adverse environmental effects.

Also with respect to international soybean trade, sustainability discussions received increasing attention, especially regarding Brazil's Cerrado region, where, allegedly, part of the crop's expansion continued to be associated with the clearing of native Savannah vegetation and biodiversity losses. While international traders proposed to set up a voluntary moratorium on trade in soybeans grown on converted Cerrado land, farmers opposed such calls arguing that they were legally entitled to convert part of their land – adding that the longstanding soy moratorium concerning the Amazon basin should be rescinded on the same grounds. With regard to the Cerrado region, industry officials suggested that growers be rewarded for voluntary preserving land that qualified for being cleared – a proposal backed by a number of European buyers. Meanwhile, a number of EU retailers confirmed that they faced difficulties in sourcing the required quantities of guaranteed deforestation-free soybeans.

Industry efforts to set up sustainable coconut/coconut oil supply chains also proceeded, focusing on the development of criteria to measure environmental protection, social equality as well as economic viability. Meanwhile, first transactions of certified products via a supply chain using the 'mass balance' approach were reported from the Philippines and Indonesia.

Finally, several instances of global agri-trade firms taking out loans tied to their sustainability performance were recorded. Under such packages, concerned companies agreed to comply with specific sustainability targets regarding the traceability of their trade flows and the provision of active support to programmes fostering responsible production.

**International trade:** In 2019, a number of private sector initiatives to promote bilateral trade and technical cooperation along commodity supply chains helped to strengthen ties between exporters in Argentina, Brazil, Indonesia and Malaysia and importers in China and India. Amid persisting trade differences between the United States of America and China, Chinese state-owned trading companies further expanded their presence in overseas markets through investments in agricultural assets and transport infrastructure – especially in Brazil and the Black Sea region.

**Marketing practices:** The European and US olive oil industries launched several initiatives designed to improve product traceability, in an attempt to help prevent fraudulent practices and raise consumer confidence in product quality. Industry efforts concentrated on the use of block-chain technologies and advanced laboratory tests. In the United States of America, producers also urged the Government to introduce mandatory grading standards for different types of olive oil, with a view to rein in mislabelling of grades, product adulteration and other unfair business practices. Furthermore, US producers of organic groundnuts set up an association tasked to promote and market their certified organic goods. With respect to palm oil, in several markets, the number of food products carrying 'palm oil-free' labels continued to rise, prompting campaigns by producing countries to foster recognition of the commodity's positive qualities among consumers. Concerning futures markets, 2019 saw the launch of a Black Sea sunflower oil contract in the United States of America and of rapeseed meal options in China. Moreover, a Chinese exchange opened its contracts for soybean products and palm oil to foreign investors. Elsewhere, a tool offering insurance against price volatility risks of agricultural crops was launched in the United Kingdom of Great Britain and Northern Ireland. With regard to seed markets, in Brazil, a long-standing legal dispute concerning patent rights over a specific GM soy variety (and related royalty payments by farmers) remained unresolved.

**Research & Development:** Similar to previous years, in 2019, industry-led and academic research activities across the world resulted in the development of i) new oilseed varieties offering higher performance and disease tolerance, and ii) oils and meals with improved functionality and/or beneficial nutritional and health profiles. Particular attention was given to breeding for resilience to weather-related stresses linked to climate change. While, for annual crops, recourse to genome-editing techniques advanced further, growers of coconut palm benefited from improvements in tissue culture-based propagation. Meanwhile, food manufacturers worldwide concentrated on replacing both hydrogenated oil and saturated oils/fats in food products. Furthermore, efforts to eliminate toxic compounds found in certain refined oil products were stepped up. In addition, sustained calls in favour of replacing petroleum derivatives with renewable organic substances continued to stimulate the search for new industrial applications of oils/fats, leading to advances in the production of oils/fats-based polymers, adhesives, coatings, rubber-compounds as well as asphalt. The recycling of waste materials generated in olive and palm oil processing also continued to receive attention.

**Biofuel measures:** As for biofuels, 2019 saw fresh industry initiatives in China and India regarding the collection and use of waste products – notably used cooking oil – as raw materials for biodiesel production. Furthermore, new industry pledges to gradually reduce the carbon-footprint in the shipping and aviation sectors gave rise to a variety of private sector projects exploring the viability of oils/fats (including used cooking oil) as feedstock for maritime and jet fuels – a development that prompted warnings by environmental advocacy groups about potential sustainability issues associated with portended surges in global demand for products like palm and soybean oil.

**Transport infrastructure:** In Brazil, national and international grain trading firms expressed interest in operating a newly paved highway linking the grain growing areas of Mato Grosso to transshipment ports in the Amazon basin. The move complemented past bids to finance the construction of a railroad in the same region.



# 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 2019.

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 2019 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.

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# Faits saillants

Les paragraphes ci-après résument les évolutions des politiques et les tendances les plus pertinentes observées en 2019 sous forme de liste à puces. Des informations plus détaillées sont fournies dans les deux tableaux qui suivent (disponibles en anglais seulement).

## POLITIQUES PUBLIQUES

**Appui aux agriculteurs:** En 2019, les États-Unis d'Amérique ont autorisé – pour la deuxième année consécutive – des versements directs aux agriculteurs, des activités de soutien à la commercialisation et des mesures de promotion commerciale pour compenser l'incidence des droits de rétorsion imposés par la Chine sur les exportations américaines, le total des dépenses s'élevant à 16 milliards d'USD. Le Canada a adopté un éventail de mesures visant à soutenir les agriculteurs touchés par la décision de la Chine de suspendre les permis d'importation pour le colza d'origine canadienne. En outre, le Canada a temporairement assoupli les conditions de remboursement des prêts publics pour les agriculteurs qui font face à une baisse des prix des produits de base et à une réduction des débouchés commerciaux. Le Gouvernement du Brésil a non seulement renouvelé les mesures d'appui à la commercialisation et les prêts agricoles subventionnés, mais il a également relevé ses dépenses pour les programmes d'assurance-récolte et annoncé plusieurs initiatives visant à stimuler les opérations de prêts par le secteur privé. La Chine a maintenu les subventions accordées à la culture de graines oléagineuses en vue de réduire la dépendance du pays à l'égard des importations de soja, et a également réaffirmé son engagement à réduire les réserves publiques de céréales et de graines oléagineuses. En Inde, les mesures de soutien du revenu pour les petits agriculteurs et les producteurs marginaux ont été renouvelées, alors que les opérations d'achats publics visant à stabiliser les prix restent temporaires et ont été limitées aux achats d'arachide et de coprah dans certaines régions. Les Philippines et la Thaïlande ont fourni un soutien financier temporaire aux agriculteurs confrontés à la baisse des prix des huiles de palme et de coprah. Par ailleurs, en Argentine, en Australie, au Brésil et aux États-Unis d'Amérique, des indemnités de soutien exceptionnelles et d'autres formes d'aide ont été autorisées pour les agriculteurs touchés par les événements météorologiques extrêmes. En Indonésie, le programme d'appui aux petits exploitants qui remplacent les palmiers à huile improductifs par des variétés améliorées – une ambitieuse initiative pluriannuelle visant à favoriser la croissance de la production par le biais de rendements accrus (plutôt qu'en accroissant les superficies exploitées, qui soulève des préoccupations sur le plan environnemental) – est resté en place; toutefois, la mise en œuvre du programme a été entravée par l'incapacité de nombreux petits exploitants à démontrer leurs droits de propriété foncière – une condition préalable pour participer à ce dispositif. La Malaisie a également mis en place un fond visant à octroyer des prêts à taux réduits aux petits producteurs afin de les aider à remplacer leurs vieux palmiers à huile.

**Développement du secteur:** De nombreux pays, en particulier des pays en développement des régions Asie-Pacifique et Afrique, ont continué de mettre en œuvre un éventail de mesures de développement du secteur, visant à atteindre les objectifs à long terme suivants: i) accroître la productivité; ii) soutenir la diversification des cultures; iii) promouvoir des méthodes de production plus durables et résilientes; iv) réduire la dépendance à l'égard des importations d'huile végétale; v) encourager l'ajout de valeur au niveau local; et vi) augmenter les recettes d'exportation. Des programmes axés sur des cultures spécifiques, en particulier sur les cocotiers, les palmiers à huile, le colza et les oliviers, ont été mis en place. Les initiatives comprenaient des projets nationaux et régionaux, notamment par le biais de partenariats public-privé et avec la participation d'organisations de recherche et d'ONG. Parmi les pays développés, le Canada et les États-Unis d'Amérique ont appuyé diverses activités de recherche et de vulgarisation visant à favoriser la croissance du secteur du colza au Canada et de celui du soja aux États-Unis d'Amérique.

**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. En ce qui concerne le glyphosate, les organismes de réglementation au Brésil, dans l'Union européenne et aux États-Unis d'Amérique ont réaffirmé sa non-cancérogénicité. Néanmoins, un certain nombre de pays, dont deux États membres de l'UE, ont annoncé des plans visant à éliminer progressivement l'utilisation du glyphosate comme mesure de précaution. Parallèlement, les insecticides à base de diméthoate (principalement utilisé dans les oliveraies) seront interdits dans toute l'Union européenne à partir de juillet 2020, en raison des risques génotoxiques associés. Par ailleurs, l'Union européenne a poursuivi ses efforts pour contenir la propagation de *xylella fastidiosa*, une maladie bactérienne affectant les oliviers. Au Canada, les restrictions relatives aux pesticides appartenant au groupe des néonicotinoïdes ont été maintenues.

**Politiques relatives aux biocarburants:** En 2019, des objectifs accrus en matière d'utilisation obligatoire de biodiesel ont été fixés ou sont prévus au Brésil, en Finlande, en Indonésie, en Malaisie, en Thaïlande et aux États-Unis d'Amérique – qui

devraient favoriser la croissance mondiale de l'utilisation des huiles végétales et matières grasses animales (en particulier les huiles de soja et de palme, mais aussi les huiles et matières grasses usagées) comme matière première pour la fabrication de biocarburants. Ces politiques se sont accompagnées de révisions des normes nationales applicables aux carburants et des essais moteur avec des mélanges à plus forte concentration. En Indonésie et en Malaisie, les principaux fournisseurs mondiaux d'huile de palme, le passage à des taux de mélange domestique obligatoires de respectivement 30 et 20 pour cent a été en partie suscité par des préoccupations concernant le ralentissement de la croissance de la demande mondiale d'huile de palme et, en conséquence, la détérioration des perspectives d'exportation. Les deux pays ont également intensifié les recherches sur la faisabilité de mélanger les huiles et matières grasses dans le kérosène, avec à l'esprit les réglementations internationales à venir exigeant l'inclusion de matières premières renouvelables dans les carburants destinés à l'aviation. En Indonésie, l'industrie du biodiesel a continué à bénéficier des subventions financées à l'aide d'une taxe perçue sur les exportations d'huile de palme – un mécanisme à l'étude en Malaisie et en Thaïlande. Parallèlement, la Thaïlande a continué de réguler les prix du biodiesel à la pompe dans le souci de maintenir sa compétitivité. Aux États-Unis d'Amérique, les législateurs ont adopté une extension de 5 ans du crédit d'impôt accordé aux mélangeurs de biodiesel, fournissant ainsi un cadre stable pour la croissance future du secteur. Ailleurs, l'Inde a confirmé ses objectifs d'utilisation à long terme de biodiesel et autorisé la vente commerciale de biodiesel pur destiné au secteur des transports. En outre, le pays a continué d'encourager l'utilisation d'huiles usagées comme matière première pour la production de biodiesel, dans le cadre des efforts déployés pour réduire les risques pour la santé associés à l'utilisation répétée d'huiles de cuisson. Parallèlement, l'Union européenne a adopté des critères de durabilité sévères pour les biocarburants en vue de contribuer à la concrétisation des objectifs du bloc en matière de carburants "verts". En vertu des nouvelles directives, l'huile de palme classique devrait être progressivement éliminée et finalement exclue de la liste des matières premières admises pour la fabrication de biocarburants, compte tenu des risques présumés élevés de déboisement associés à la production d'huile de palme – une politique contestée par les gouvernements de l'Indonésie et de la Malaisie. En ce qui concerne le commerce international de biodiesel, en 2019, l'Union européenne et les États-Unis d'Amérique ont assoupli leurs restrictions sur les importations en provenance d'Argentine.

**Mesures de politique commerciale:** En 2019, le commerce mondial des oléagineux et de leurs produits dérivés a continué de subir l'incidence des différends commerciaux bilatéraux. Tout particulièrement, les États-Unis d'Amérique et la Chine ont maintenu leurs mesures de politique commerciale respectives destinées à corriger les déséquilibres dans les échanges entre les deux pays. En particulier, les droits de rétorsion à l'importation imposés par la Chine sur le soja en provenance des États-Unis d'Amérique sont restés en vigueur, entravant davantage les flux commerciaux bilatéraux et la structure des échanges mondiaux. Alors que des consultations entre les deux pays sont en cours, les deux gouvernements se sont abstenus d'introduire de nouvelles mesures de restriction des échanges, et la Chine a levé temporairement les droits de rétorsion et autorisé des achats de quantités limitées de soja américain. Finalement, selon les termes d'un accord annoncé en décembre 2019, la Chine a accepté d'importer des volumes fixes de produits agricoles en provenance des États-Unis d'Amérique en 2020/21, tandis que les États-Unis se sont engagés à s'abstenir d'augmenter de nouveaux les droits de douane – bien qu'aucun des deux pays n'envisage de faire baisser les tarifs existants. Ailleurs, le Canada a demandé la tenue de consultations officielles avec la Chine à l'Organisation mondiale du commerce après que la Chine a suspendu les permis d'importation des certains fournisseurs canadiens de colza, en raison de préoccupations phytosanitaires. En outre, les États-Unis d'Amérique ont adopté des tarifs spéciaux sur certains produits d'importation de l'Union européenne, y compris l'huile d'olive espagnole, en représailles des subventions accordées par l'Union européenne à son secteur de l'aéronautique.

En ce qui concerne les mesures d'importation, en vue d'atténuer l'impact de la réduction de l'offre de soja des États-Unis d'Amérique, la Chine a assoupli davantage l'accès au marché pour les huiles et les farines provenant d'autres origines. De même, en vue de garantir les disponibilités intérieures, un certain nombre de pays ont adopté des mesures temporaires ou permanentes visant à faciliter l'importation d'huiles végétales, tandis que d'autres, y compris l'Inde et la Turquie, ont continué de réglementer les importations des graines oléagineuses et de leurs produits dérivés en vue de protéger les agriculteurs locaux, d'encourager la production intérieure d'oléagineux ou de soutenir les transformateurs et raffineurs locaux.

S'agissant des exportations, la chute des prix mondiaux de l'huile de palme a incité l'Indonésie et la Malaisie à maintenir la suspension de leurs droits d'exportation sur l'huile de palme, en vue de stimuler la demande internationale et de freiner la constitution de stocks intérieurs. En outre, l'Indonésie a simplifié ses procédures douanières appliquées aux expéditions d'huile de palme, tandis que la Malaisie a adopté une série de mesures, y compris: i) l'ajustement du barème d'imposition appliqué aux exportations d'huile de palme; ii) des accords de compensation impliquant de l'huile de palme; iii) un appui aux initiatives du secteur privé visant les marchés d'importation de la Chine et de l'Inde; iv) des missions commerciales en vue d'explorer de nouveaux débouchés en Afrique, au Moyen-Orient et en Asie; et v) de nouvelles mesures d'incitation pour promouvoir les exportations de produits à forte valeur ajoutée. Ailleurs, le Canada a fourni un soutien aux négociants touchés par la perturbation des exportations de colza à destination de la Chine (le principal marché d'exportation du Canada) et a intensifié ses efforts visant à élargir et à diversifier les marchés du colza du pays. En Amérique du Sud, l'Argentine a augmenté ses droits sur les exportations de graines oléagineuses et de leurs produits dérivés dans le cadre plus large de politiques de rigueur budgétaire, tandis que la Bolivie a supprimé les restrictions pesant sur les exportations de soja en vue d'accroître la compétitivité du secteur national du soja axé sur les exportations.

S'agissant des initiatives commerciales bilatérales spécifiques aux graines oléagineuses, l'Indonésie s'est engagée à intensifier ses importations d'huile de noix de coco des Philippines, alors que l'Uruguay a entamé des pourparlers avec la Chine concernant des expéditions de soja non génétiquement modifié.

**Réglementation du marché:** En 2019, les pays ont continué de réguler leurs marchés intérieurs à l'aide d'un large éventail d'instruments. Dans le cadre de ses politiques de lutte contre l'inflation, l'Argentine a décidé de geler les prix de détail de certains produits alimentaires, y compris les huiles végétales. En Chine, les commandes publiques, la constitution de stocks et les ventes aux enchères de soja, d'huile de soja et d'huile de colza se sont poursuivies, bien que le volume des ventes ait chuté de façon significative par rapport aux années précédentes. Le Brésil a signalé une réduction du nombre d'installations publiques de stockage des graines. L'Indonésie et la Malaisie ont interdit la vente de denrées alimentaires et de produits cosmétiques étiquetés "sans huile de palme" afin de lutter contre les perceptions négatives des consommateurs à l'égard des produits contenant de l'huile de palme et de protéger les intérêts de leurs filières de production d'huile de palme. La Malaisie a également encouragé l'utilisation d'étiquettes "en faveur de l'huile de palme" sur le marché intérieur et lancé des campagnes de promotion sur les marchés extérieurs. Dans l'Union européenne, un mécanisme d'assistance au stockage privé pour l'huile d'olive a été activé en vue d'enrayer une baisse des prix sur le marché, tandis que l'Espagne a introduit une taxe sur les ventes d'huile d'olive pour aider à financer des activités de promotion à l'échelle locale et à l'étranger.

**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. L'Union européenne et l'Inde ont annoncé que des teneurs maximales autorisées pour les gras trans entreraient en vigueur dans leurs territoires respectifs à partir de 2021. Singapour a décidé de bannir les huiles végétales partiellement hydrogénées comme ingrédients dans les produits alimentaires à partir de la même année, tandis que les pays appartenant à l'Organisation panaméricaine de la santé se sont engagés à interdire les gras trans à partir de 2025. En outre, la Chine et l'Union européenne ont adopté des teneurs maximales en résidus de certains pesticides et mycotoxines dans les produits oléagineux, tandis que la Malaisie s'est attachée à satisfaire aux normes internationales toujours plus rigoureuses concernant les contaminants toxiques présents dans les huiles de palme et de palmiste transformées. L'année 2019 a également été caractérisée par de nouvelles initiatives, notamment en Chine et dans l'Union européenne, afin de promouvoir de saines habitudes alimentaires, notamment une diminution de la consommation de gras saturés. Par ailleurs, les efforts déployés pour lutter contre le frelatage des huiles comestibles, en particulier de l'huile d'olive et de l'huile de coco, ont été intensifiés en Europe, en Amérique latine et en Asie. Cette intensification s'est traduite par des contrôles qualité plus stricts et des normes de fabrication, des exigences de certification et des réglementations sur l'étiquetage plus rigoureuses.

**Politiques en matière d'OGM:** L'Argentine, la Bolivie, le Brésil, la Chine, l'Union européenne, le Paraguay, les Philippines, les États-Unis d'Amérique et le Viet Nam ont autorisé l'importation ou la culture de nouvelles variétés de graines oléagineuses génétiquement modifiées (GM). Dans un certain nombre de cas, toutefois, leur lancement commercial a été retardé dans l'attente des résultats des examens réglementaires dans tous les principaux marchés d'importation. À cet égard, en 2019, la Chine a annoncé plusieurs nouvelles autorisations (et renouvellements d'autorisations arrivées à échéance) pour l'importation de cultures GM. Le pays a également entrepris l'examen de traits transgéniques mis au point localement pour la culture intérieure – ce qui marque un changement par rapport aux politiques passées qui étaient influencées par les inquiétudes des consommateurs relatives aux risques perçus pour la santé. Ailleurs, l'Australie a décidé de libéraliser davantage la culture de colza génétiquement modifiées, tandis que le Japon a publié un protocole régissant les techniques d'édition génomique. Aux États-Unis d'Amérique, les agences fédérales ont été exhortées à assouplir les règles régissant l'autorisation des cultures GM, en vue de raccourcir les délais d'approbation et de réduire les coûts de développement et, par conséquent, de favoriser l'élaboration de variétés améliorées.

**Durabilité de la production:** Le débat sur la nécessité d'évoluer vers des méthodes de production plus durables s'est encore intensifié en 2019. Dans un contexte d'examen attentif de la part du grand public, l'Indonésie et la Malaisie ont intensifié leurs efforts visant à promouvoir des pratiques de production d'huile de palme plus durables, en vue de contribuer à rehausser son profil environnemental sur le marché mondial. Bien que les deux pays aient poursuivi la mise en place de régimes de certification de durabilité nationaux obligatoires, des retards dans leur mise en œuvre ont été signalés, notamment s'agissant de la certification des petits exploitants. La lenteur de l'adoption de ces régimes par les petits producteurs a été attribuée à des considérations de coût et à des problèmes de titres fonciers et d'autorisations de cultiver – une situation qui a incité la Malaisie à proposer des programmes de formation sur mesure et une assistance financière pour les petites et moyennes exploitations. Par ailleurs, la Malaisie s'est engagée à rendre accessibles au grand public les cartes des concessions de plantations, en vue de favoriser la transparence concernant les opérations de plantations individuelles. La Malaisie a également annoncé qu'à partir de janvier 2020, les ventes d'huile de palme seraient assujetties à une taxe parafiscale en vue de soutenir les objectifs environnementaux du gouvernement, à travers notamment des programmes publics de promotion du reboisement et de protection de la faune. En Indonésie, les mesures visant à accroître la productivité et les rendements dans les plantations existantes ont fait l'objet de davantage d'attention et le moratoire provisoire sur les autorisations de défrichage des forêts primaires et de conversion des tourbières est devenu permanent. En outre, les premiers cas d'exploitations de palmiers à huile tenues responsables pour des incendies survenus sur leurs terres ont été signalés. Parallèlement, la Norvège a dégagé des fonds destinés à contribuer à la préservation des forêts tropicales humides de l'Indonésie. Ailleurs, un groupe de pays d'Afrique de l'Ouest a lancé un programme visant à promouvoir la production d'huile de palme responsable sur le plan social et environnemental dans la région. S'agissant de la culture de soja, en 2019, le Brésil a lancé un projet sur la conservation de l'environnement et l'agriculture à faibles émissions de carbone dans le Cerrado, une région écologiquement fragile. Parallèlement, l'Union européenne, préoccupée par le fait que les importations de certains produits agricoles, y compris les graines oléagineuses et les huiles végétales, puissent contribuer à la déforestation mondiale, a lancé un plan d'action à moyen terme visant à réduire l'empreinte environnementale sur les terres associée à la consommation du bloc. Parmi les actions envisagées figurent des mesures visant à favoriser la consommation de produits provenant de chaînes d'approvisionnement sans déforestation.

**Secteur des transports:** Le Gouvernement du Brésil a fait part de son intention de continuer à développer les infrastructures de transport du pays, en particulier les couloirs d'exportation du nord. Parallèlement, les nouvelles hausses des taux de fret minimum décidées par le gouvernement (pour indemniser les chauffeurs de camion qui subissent la hausse des coûts du carburant) ont fait grimper les coûts de transport terrestre des graines. Le Canada a annoncé de nouveaux investissements publics dans les installations nationales de stockage, les chemins de fer et les infrastructures portuaires du pays.

**Autres mesures de politique:** Compte tenu de la hausse du prix de référence de l'huile de palme au cours du dernier trimestre de 2019, la Malaisie a annoncé, en décembre dernier, le rétablissement de la taxe sur les bénéfices exceptionnels dans le secteur de l'huile de palme, et ajouté qu'une partie des recettes serait reversée au secteur, notamment sous la forme de subventions accordées aux producteurs de biodiesel à base d'huile de palme.

## MESURES ET INITIATIVES DE L'INDUSTRIE

**Production durable:** En 2019, les mesures et normes industrielles du secteur privé 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 de l'huile de palme. Dans les pays producteurs, un certain nombre de sociétés privées ont offert des formations aux petits exploitants sur les méthodes de production durable, tout en soutenant activement leur inclusion dans les régimes de certification formelle. Par ailleurs, des groupes de défense ont fait pression sur les propriétaires de plantations afin qu'ils intensifient leurs activités de régénération des palmiers, en vue de favoriser une amélioration de la productivité plutôt qu'une expansion dans les forêts et les tourbières. Parallèlement, des acheteurs d'huile de palme partout dans le monde ont adopté des outils récemment mis au point de cartographie des chaînes d'approvisionnement de l'huile de palme utilisant des satellites, des radars, des chaînes de bloc ("blockchains") et d'autres technologies, afin de retracer la provenance des approvisionnements et de surveiller le déboisement et les incendies de forêt au niveau des fournisseurs individuels, facilitant ainsi la mise en place rapide d'actions correctives.

En ce qui concerne l'application des normes volontaires de l'industrie, les organismes concernés du secteur privé se sont efforcés de renforcer leurs systèmes de surveillance et de vérification, qui, dans quelques cas, ont entraîné le retrait des certificats de durabilité de certaines entreprises et/ou le désinvestissement des bailleurs de fonds au détriment des entreprises soupçonnées d'avoir violé les normes. La Table ronde pour une huile de palme durable (RSPO), l'organisme de normalisation et de certification de l'huile de palme dirigé par l'industrie et mondialement reconnu, a publié de nouvelles directives concernant les salaires minimums et autres droits des travailleurs des plantations, et a renforcé ses efforts visant à sauvegarder les tourbières fragiles. RSPO a également participé à de nouvelles initiatives visant à sensibiliser les consommateurs au sujet de l'huile de palme certifiée durable, notamment en Chine, en Inde et dans des pays africains. En outre, afin de favoriser une plus grande inclusion des petits cultivateurs, RSPO a publié une norme de certification distincte pour les petits exploitants indépendants, conçue pour répondre à leurs besoins et contraintes spécifiques. Par ailleurs, en novembre 2019, le groupe a lancé un programme pilote obligeant tous les membres acheteurs et autres acteurs en aval à s'engager sur des objectifs d'achat spécifiques – une mesure visant à lutter contre le déficit chronique de la demande des utilisateurs finaux pour l'huile de palme certifiée par rapport à l'offre disponible.

Malgré ces efforts, la croissance de la production mondiale d'huile de palme certifiée durable est restée marginale en 2018/19, tandis que le niveau de sensibilisation des consommateurs est resté faible, en particulier dans les pays en développement. Bien que les opérateurs économiques se soient engagés à s'approvisionner exclusivement en huile de palme produite de manière durable, plusieurs fabricants et détaillants de biens de consommation ont reconnu qu'ils avaient des difficultés à satisfaire les objectifs qu'ils s'étaient eux-mêmes imposés, tandis que les acheteurs ont signalé des difficultés à s'approvisionner en produits garantis sans-déboisement. Par ailleurs, la mesure dans laquelle la certification de l'huile de palme contribue effectivement à faire progresser les pratiques de production durable continue de faire l'objet d'âpres discussions. Bien que sur les marchés de détail des pays développés le nombre de biens de consommation étiquetés "sans huile de palme" continue d'augmenter, certains experts du marché ont mis en garde contre le fait que de telles initiatives pouvaient: i) ralentir les efforts visant à promouvoir des formes de production plus durables; et ii) favoriser la propagation de pratiques non durables. À cet égard, il a également été souligné que le remplacement de l'huile de palme par d'autres huiles végétales pouvait entraîner une augmentation nette involontaire des effets négatifs sur l'environnement au niveau mondial.

S'agissant du commerce international de soja, les discussions relatives à la durabilité ont également reçu une attention accrue, notamment en ce qui concerne la région du Cerrado au Brésil, où, apparemment, une partie de la croissance de la production continue d'être associée à un défrichement de la végétation indigène de savane et à des pertes de biodiversité. Alors que les négociants internationaux ont proposé d'instaurer un moratoire volontaire sur le commerce de soja cultivé sur des terres converties du Cerrado, les agriculteurs s'y sont opposés, faisant valoir qu'ils avaient légalement le droit de convertir une partie de leurs terres – en ajoutant que le moratoire, établi de longue date, sur le soja produit dans le bassin du fleuve Amazone, devait être abrogé pour les mêmes motifs. S'agissant de la région du Cerrado, les représentants de l'industrie ont suggéré de récompenser les producteurs qui s'abstenaient de manière volontaire de convertir des terres qui pouvaient être



légalement défrichées – une proposition appuyée par certains acheteurs européens. Parallèlement, de nombreux détaillants de l'Union européenne ont confirmé qu'ils éprouvaient des difficultés à se procurer des volumes suffisants de soja garanti sans déforestation.

Les efforts du secteur visant à mettre en place des chaînes d'approvisionnement durables de noix de coco/d'huile de coco se sont également poursuivis, et se sont concentrés sur l'élaboration de critères pour apprécier la protection de l'environnement, l'égalité sociale ainsi que la viabilité économique. Les premières transactions de produits certifiés via une chaîne d'approvisionnement fondée sur la méthode du bilan massique ("mass balance") ont été signalées aux Philippines et en Indonésie.

Enfin, plusieurs cas d'entreprises mondiales de commerce agricole contractant des emprunts liés à leur performance en matière de durabilité ont été enregistrés. Dans ce cadre, les sociétés concernées acceptent de se conformer à des objectifs particuliers en matière de durabilité concernant la traçabilité de leurs flux commerciaux et l'octroi d'un soutien actif aux programmes encourageant la production responsable.

**Commerce international:** En 2019, plusieurs initiatives du secteur privé visant à promouvoir les échanges bilatéraux et la coopération technique le long des chaînes d'approvisionnement en produits de base ont contribué à renforcer les liens entre les exportateurs en Argentine, au Brésil, en Indonésie et en Malaisie et les importateurs en Chine et en Inde. Dans un contexte persistant de différend commercial entre les États-Unis et la Chine, les sociétés de négoce contrôlées par l'État chinois ont continué de renforcer leur présence sur les marchés étrangers, par le biais d'investissements dans des actifs agricoles et des infrastructures de transport – en particulier au Brésil et dans la région de la mer Noire.

**Pratiques de commercialisation:** Les secteurs de l'huile d'olive en Europe et aux États-Unis d'Amérique ont lancé plusieurs initiatives visant à améliorer la traçabilité des produits, en vue de contribuer à prévenir les pratiques frauduleuses et d'améliorer la confiance des consommateurs dans la qualité des produits. Le secteur a concentré ses efforts sur l'utilisation de technologies de chaînes de bloc et des examens approfondis en laboratoire. Aux États-Unis d'Amérique, les producteurs ont également exhorté le gouvernement à instaurer des normes obligatoires de qualité pour les différents types d'huile d'olive, en vue de lutter contre l'étiquetage trompeur des types d'huile, l'altération des produits et d'autres pratiques commerciales déloyales. En outre, les producteurs américains d'arachides biologiques ont créé une association chargée de promouvoir et de commercialiser leurs produits certifiés biologiques. En ce qui concerne l'huile de palme, sur plusieurs marchés, le nombre de produits alimentaires étiquetés "sans huile de palme" n'a cessé d'augmenter, ce qui a incité les pays producteurs à mettre en œuvre des campagnes visant à promouvoir les qualités de l'huile de palme auprès des consommateurs. Pour ce qui est des marchés à terme, 2019 a vu le lancement d'un contrat sur l'huile de tournesol de la mer Noire aux États-Unis d'Amérique et des options sur la farine de colza en Chine. En outre, une bourse chinoise a ouvert ses contrats sur les produits à base de soja et sur l'huile de palme aux investisseurs étrangers. Ailleurs, un outil offrant une assurance contre les risques liés à la volatilité des prix des cultures agricoles a été lancé au Royaume-Uni de Grande-Bretagne et d'Irlande du Nord. En ce qui concerne les marchés des semences, au Brésil, un différend juridique de longue date concernant les droits de brevet associés à une variété de soja transgénique particulière (et les paiements de redevances connexes par les agriculteurs) est resté en suspens.

**Recherche et développement:** Comme lors des années précédentes, en 2019, les activités de recherche menées par l'industrie et des universités ont abouti au développement: i) de nouvelles variétés de graines oléagineuses 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. Une attention particulière a été accordée à la sélection à des fins de résilience face à des stress liés aux conditions météorologiques et associés aux changements climatiques. Bien que, pour les cultures annuelles, le recours aux techniques d'édition génomique ait encore progressé, les producteurs de cocotiers ont bénéficié d'améliorations en matière de propagation à base de culture tissulaire. Parallèlement, les fabricants de produits alimentaires dans le monde entier se sont efforcés de remplacer les huiles hydrogénées et les huiles et matières grasses saturées dans les produits alimentaires. Par ailleurs, les efforts visant à éliminer les composés toxiques présents dans certains produits à base d'huiles raffinées ont été intensifiés. En outre, des appels soutenus en faveur du remplacement des dérivés du pétrole par des substances organiques renouvelables a continué de stimuler la recherche de nouvelles applications industrielles des huiles et des matières grasses, qui ont abouti à des progrès dans la production de polymères, d'adhésifs, de revêtements, de composés de caoutchouc et d'asphalte à base d'huiles et de matières grasses. Le recyclage des déchets générés au cours de la transformation de l'huile d'olive et de l'huile de palme a également continué de bénéficier d'une attention accrue.

**Mesures relatives aux biocarburants:** Pour ce qui concerne les biocarburants, en 2019, de nouvelles initiatives sectorielles ont vu le jour en Chine et en Inde, axées sur la collecte et l'utilisation des déchets – notamment les huiles de cuisson usagées – comme matières premières pour la production de biodiesel. En outre, de nouveaux engagements de l'industrie en faveur d'une réduction progressive de l'empreinte carbone dans les secteurs de la navigation et de l'aviation ont donné lieu à un vaste éventail de projets du secteur privé visant à examiner la viabilité des huiles et des matières grasses (y compris les huiles de cuisson usagées) comme matières premières pour les carburants nautiques et les carburateurs – des projets qui ont incité les groupes de défense de l'environnement à émettre des avertissements quant à d'éventuels problèmes de durabilité associés à de possibles hausses de la demande mondiale pour des produits tels que l'huile de palme et l'huile de soja.

**Infrastructures de transport:** Au Brésil, des entreprises nationales et internationales de commerce des graines ont exprimé leur intérêt à gérer une autoroute récemment pavée reliant les zones de production du Mato Grosso aux ports de transbordement dans le bassin de l'Amazonie. Cette initiative est venue compléter les soumissions passées pour financer la construction d'un chemin de fer dans la même région.

# 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 2019.

El compendio reproduce, en forma tabular, todas las políticas y noticias del sector industrial aparecidas durante 2019 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 2019. En los cuadros que figuran a continuación (disponibles sólo en inglés) se proporciona información más detallada.

## POLÍTICAS GUBERNAMENTALES

**Apoyo a los agricultores:** En 2019, los Estados Unidos de América autorizaron, por segundo año consecutivo, pagos directos a las explotaciones, actividades de apoyo a la comercialización y medidas de promoción del comercio para compensar la incidencia de los aranceles de represalia de China sobre las exportaciones de los Estados Unidos de América, con un desembolso total que asciende a USD 16.000 millones. El Canadá puso en marcha diversas medidas destinadas a apoyar a los agricultores afectados por la decisión de China de suspender en parte los permisos de importación de colza de origen canadiense. Además, el Canadá flexibilizó temporalmente las condiciones de reembolso de los préstamos del Gobierno a los agricultores afectados por los bajos precios de los productos básicos y la reducción de las oportunidades de comercialización. El Gobierno del Brasil, al tiempo que renovó su habitual paquete de préstamos agrícolas subvencionados y medidas de apoyo a la comercialización, aumentó sus desembolsos para programas de seguro de las cosechas y anunció varias iniciativas destinadas a estimular las operaciones de préstamo del sector privado. China siguió otorgando subvenciones al cultivo de semillas oleaginosas con objeto de reducir la dependencia del país de la soja importada, además de renovar las promesas de reducir las reservas estatales de cereales y semillas oleaginosas. En la India se renovaron las medidas de apoyo a los ingresos de los agricultores pequeños y marginales, mientras que las operaciones de adquisición de cultivos para estabilizar los precios siguieron siendo de carácter temporal y se limitaron a la compra de cacahuetes y copra en determinadas regiones. Filipinas y Tailandia prestaron apoyo financiero temporal a los agricultores afectados por la baja de los precios de la copra y el aceite de palma. Además, en la Argentina, Australia, el Brasil y los Estados Unidos de América se autorizaron pagos extraordinarios de socorro y otras formas de asistencia a los agricultores afectados por fenómenos meteorológicos extremos. Indonesia mantuvo el plan de apoyo a los pequeños agricultores para sustituir las palmas de aceite improductivas por variedades mejoradas, una ambiciosa iniciativa plurianual encaminada a fomentar el crecimiento de la producción mediante el aumento del rendimiento (en contraposición a la ambientalmente controvertida extensión de la superficie); sin embargo, la ejecución del programa se vio obstaculizada por la incapacidad de muchos pequeños agricultores de demostrar la propiedad de la tierra, un requisito previo para participar en el plan. Entretanto, también Malasia estableció un fondo de préstamos en condiciones de favor destinado a ayudar a los pequeños productores a sustituir las antiguas palmas de aceite.

**Medidas de desarrollo del sector:** Numerosos países, especialmente los países en desarrollo de la región de Asia y el Pacífico y de África, siguieron aplicando diversas medidas de desarrollo del sector con los siguientes objetivos a largo plazo: i) aumentar la productividad; ii) apoyar la diversificación de los cultivos; iii) promover métodos de producción más sostenibles y resilientes; iv) reducir la dependencia de las importaciones de aceites vegetales; v) fomentar la adición de valor local, y vi) aumentar los ingresos de exportación. Los programas de cultivos específicos se concentraron en el cocotero, la palma aceitera, la colza y el olivo. Las iniciativas comprendieron proyectos nacionales y regionales y en ellas participaron asociaciones público-privadas, organismos de investigación y organizaciones no gubernamentales (ONG). Entre las naciones desarrolladas, el Canadá y los Estados Unidos de América apoyaron diversas actividades de investigación y extensión encaminadas a ampliar sus sectores de la colza y soja, respectivamente.

**Medidas de control de plagas:** La aprobación de distintos plaguicidas y de las normas establecidas para regular su uso siguieron siendo objeto de examen por parte de los responsables de las políticas en varios países, lo que refleja la persistente preocupación por los posibles riesgos para el medio ambiente y la salud. En lo que respecta al glifosato, los organismos reguladores del Brasil, los Estados Unidos de América y la Unión Europea reafirmaron la no carcinogenicidad del producto químico. No obstante, varios países, incluidos dos estados miembros de la Unión Europea, anunciaron planes para eliminar gradualmente el uso del glifosato como medida de precaución. Mientras tanto, los insecticidas a base de dimetoato (utilizados principalmente en los olivares) se prohibirán en toda la Unión Europea a partir de julio de 2020, debido a los riesgos genotóxicos. Además, prosiguieron los esfuerzos de este grupo de países por contener la propagación de la xylella fastidiosa, una enfermedad bacteriana que afecta a los olivos. En el Canadá se mantuvieron las restricciones relativas al uso de los plaguicidas pertenecientes al grupo de los neonicotinoides.

**Políticas en materia de biocombustibles:** En 2019, el Brasil, los Estados Unidos de América, Finlandia, Indonesia, Malasia y Tailandia establecieron o programaron metas más elevadas de consumo obligatorio de biodiesel para el transporte, lo que contribuyó en mayor medida a aumentar el uso mundial de aceites vegetales y grasas animales (especialmente aceites de palma y de soja, pero también aceites y grasas de desecho) como materia prima para la producción de biocombustibles. Estas políticas fueron acompañadas de revisiones de las normas nacionales en materia de combustibles y pruebas de motores



con mezclas con una mayor proporción de materias primas renovables. En Indonesia y Malasia, los principales proveedores mundiales de aceite de palma, los cambios previstos hacia unas tasas de mezcla nacionales obligatorias del 30 por ciento y el 20 por ciento, respectivamente, se debieron en parte a la preocupación por la ralentización del crecimiento de la demanda mundial de aceite de palma y, por consiguiente, al deterioro de las perspectivas de exportación. Los dos países también intensificaron las investigaciones sobre la viabilidad de la mezcla de aceites o grasas en el combustible para aviones, pensando en las próximas reglamentaciones internacionales que exigen la inclusión de materias primas renovables en el combustible de aviación. En Indonesia, la industria del biodiesel siguió beneficiándose de subvenciones financiadas con la recaudación de un impuesto a las exportaciones de aceite de palma, mecanismo que también Malasia y Tailandia consideraron introducir. Entretanto, Tailandia siguió regulando los precios del biodiesel en las gasolineras en un intento por mantener su competitividad. En los Estados Unidos de América, los legisladores aprobaron una prórroga de cinco años del crédito fiscal para los mezcladores de biodiesel, con lo que se estableció un marco estable para el crecimiento futuro del sector. En otros lugares, la India, además de confirmar sus objetivos de consumo de biodiesel a largo plazo, autorizó la venta comercial de biodiesel puro para transporte. Además, el país siguió favoreciendo el uso de aceites de desecho como materia prima del biodiesel, en medio de los esfuerzos por reducir los peligros para la salud asociados al uso reiterado de aceites de cocina. Entretanto, la Unión Europea adoptó estrictos criterios de sostenibilidad para los biocombustibles que podrán contar para los objetivos de combustibles ecológicos del grupo de sus países. Con arreglo a las nuevas directrices, el aceite de palma convencional se irá eliminando progresivamente y al final quedará excluido de la lista de materias primas permitidas para la fabricación de biocombustibles, debido a los supuestos elevados riesgos de deforestación asociados a su producción; esta política fue cuestionada por los Gobiernos de Indonesia y Malasia. En cuanto al comercio internacional de biodiesel, en 2019, los Estados Unidos de América y la Unión Europea atenuaron sus restricciones a las importaciones procedentes de la Argentina.

**Medidas de política comercial:** En 2019, las controversias comerciales bilaterales siguieron repercutiendo en el comercio mundial de semillas oleaginosas y productos derivados. Lo que es más importante, los Estados Unidos de América y China mantuvieron sus respectivas medidas de política comercial destinadas a corregir los desequilibrios en el comercio general entre ambos países. En particular, se mantuvieron los derechos de importación de represalia de China sobre la soja de origen estadounidense, lo que repercutió aún más en los flujos comerciales bilaterales y las pautas del comercio mundial. Mientras se celebraban consultas entre los dos países, ambos gobiernos se abstuvieron de introducir medidas adicionales de restricción del comercio, y China autorizó compras de cantidades limitadas de soja de origen estadounidense, que implicaban exenciones temporales de los aranceles de represalia. Finalmente, en virtud de un acuerdo anunciado en diciembre de 2019, China acordó importar volúmenes establecidos de productos agrícolas estadounidenses durante 2020-2021, mientras que los Estados Unidos de América se comprometieron a abstenerse de nuevos aumentos de los aranceles, sin que ninguno de los dos países redujera los aranceles existentes. Por otra parte, el Canadá pidió que se celebraran consultas oficiales con China en la Organización Mundial del Comercio en respuesta a la decisión de China de suspender los permisos de importación a unos proveedores de colza canadienses, basado en preocupaciones fitosanitarias. Además, los Estados Unidos de América introdujeron aranceles especiales sobre determinadas importaciones de la Unión Europea, incluido el aceite de oliva español, en represalia por unas subvenciones que la Unión Europea había concedido a la industria aeronáutica europea.

En cuanto a las medidas de importación, China facilitó aún más el acceso al mercado de aceites y harinas de diversos orígenes no estadounidenses para mitigar los efectos de la reducción de la oferta de soja de los Estados Unidos de América. Asimismo, en un intento por garantizar el suministro interno, varios países adoptaron medidas temporales o permanentes para facilitar la importación de aceites vegetales, mientras que otros, entre ellos la India y Turquía, siguieron regulando las importaciones de semillas oleaginosas y productos derivados con miras a proteger a los agricultores locales, fomentar la producción nacional de cultivos oleaginosos o apoyar a los procesadores y refinadores locales.

En lo que se refiere a las exportaciones, a raíz de la caída de los precios mundiales del aceite de palma, Indonesia y Malasia decidieron mantener suspendidos sus derechos de exportación de aceite de palma, en un intento por estimular la demanda internacional y reducir las existencias nacionales. Además, Indonesia simplificó su régimen aduanero aplicado a los envíos de aceite de palma, mientras que Malasia adoptó diversas medidas, entre ellas: i) ajustes en la escala de impuestos aplicados a las exportaciones de aceite de palma; ii) acuerdos comerciales de compensación en relación con el aceite de palma; iii) apoyo a las iniciativas del sector privado dirigidas a los mercados de importación de China y la India; iv) misiones comerciales para explorar nuevas oportunidades de mercado en África, el Oriente Medio y Asia, y v) nuevos incentivos para promover las exportaciones de productos de alto valor añadido. En otros lugares, el Canadá prestó apoyo a los comerciantes afectados por la crisis de las exportaciones de colza a China (el principal mercado de exportación del Canadá) e intensificó sus esfuerzos por ampliar y diversificar sus mercados de colza. En América del Sur, la Argentina aumentó sus impuestos a la exportación de semillas oleaginosas y productos derivados como parte de políticas más amplias de restricción fiscal, mientras que Bolivia eliminó las restricciones a las exportaciones de soja en un intento por aumentar la competitividad de la industria nacional de la soja orientada a la exportación.

En cuanto a las iniciativas comerciales bilaterales relacionadas con los cultivos oleaginosos, Indonesia se comprometió a aumentar sus importaciones de aceite de coco de Filipinas, mientras que el Uruguay inició consultas con China sobre envíos de soja no modificada genéticamente.

**Regulación del mercado:** En 2019, los países siguieron utilizando diversos instrumentos para regular los mercados nacionales. Como parte de las políticas para frenar la inflación, la Argentina decidió congelar los precios al por menor de determinados productos alimenticios, entre ellos los aceites vegetales. En China prosiguieron las adquisiciones públicas, la acumulación

de existencias y las ventas en subastas públicas de soja, aceite de soja y aceite de colza, aunque los volúmenes de venta disminuyeron considerablemente en comparación con años anteriores. Mientras tanto, el [Brasil](#) informó de una reducción del número de instalaciones públicas de almacenamiento de granos. [Indonesia](#) y [Malasia](#) prohibieron la venta de productos alimenticios y cosméticos con etiquetas "sin aceite de palma" para contrarrestar la percepción negativa de tales productos por parte de los consumidores y proteger los intereses de sus industrias de aceite de palma. Malasia también promovió el uso de etiquetas "pro aceite de palma" en el mercado interno y lanzó campañas de promoción en los mercados externos. En la [Unión Europea](#) se activó un mecanismo de asistencia al almacenamiento privado de aceite de oliva con el fin de frenar el descenso de los precios de mercado del producto, mientras que [España](#) introdujo un impuesto sobre las ventas de aceite de oliva para ayudar a financiar las actividades de promoción locales y en el extranjero.

**Normas alimentarias:** La presencia de grasas trans nocivas (que se generan cuando se hidrogenan los aceites vegetales para aumentar la estabilidad funcional) en los productos alimenticios siguió atrayendo la atención de los responsables de las políticas en todo el mundo. La [India](#) y la [Unión Europea](#) anunciaron que a partir de 2021 entrarían en vigor niveles máximos permitidos de grasas trans en sus territorios. [Singapur](#) decidió prohibir los aceites vegetales parcialmente hidrogenados como ingredientes de productos alimenticios a partir de ese mismo año, mientras que los países pertenecientes a la Organización Panamericana de la Salud se comprometieron a prohibir las grasas trans a partir de 2025. Además, [China](#) y la [Unión Europea](#) adoptaron niveles máximos de residuos de determinados plaguicidas y micotoxinas en los productos oleaginosos, mientras que [Malasia](#) se propuso cumplir las normas internacionales cada vez más estrictas sobre contaminantes tóxicos en los aceites refinados de palma y de almendra de palma. En el año 2019 también se emprendieron nuevas iniciativas, especialmente en [China](#) y la [Unión Europea](#), para promover hábitos alimentarios saludables, incluida la reducción del consumo de grasas saturadas. Además, en Europa, América Latina y Asia, se intensificaron los esfuerzos por combatir la adulteración de los aceites comestibles, en particular del aceite de oliva y el aceite de coco, lo que dio lugar a controles de calidad más estrictos y a normas de fabricación, requisitos de certificación y reglamentos de etiquetado más rigurosos.

**Políticas en materia de OMG:** La [Argentina](#), [Bolivia](#), el [Brasil](#), [China](#), los [Estados Unidos de América](#), [Filipinas](#), el [Paraguay](#), la [Unión Europea](#) y [Viet Nam](#) autorizaron nuevas variedades de cultivos oleaginosos modificados genéticamente para la importación o el cultivo. Sin embargo, en varios casos, su lanzamiento comercial se retrasó en espera del resultado de los exámenes reglamentarios en todos los principales mercados de importación. A este respecto, en 2019, [China](#) anunció varias nuevas aprobaciones (y renovaciones de autorizaciones que expiraban) de cultivos modificados genéticamente para la importación. El país también emprendió el examen de los rasgos MG desarrollados localmente para el cultivo nacional, lo que supone un cambio con respecto a las políticas anteriores impulsadas por la preocupación de los consumidores por los riesgos percibidos para la salud. En otros lugares, [Australia](#) decidió seguir liberalizando el cultivo de variedades de colza modificadas genéticamente, mientras que el [Japón](#) publicó un protocolo que regula las técnicas de edición del genoma. En los [Estados Unidos de América](#), se instruyó a los organismos federales que relajaran las normas por las que se rige la autorización de los cultivos modificados genéticamente, con miras a acortar los plazos de aprobación y reducir los costos de desarrollo y, de ese modo, fomentar el desarrollo de variedades mejoradas.

**Sostenibilidad de la producción:** En 2019 se intensificó aún más el debate político sobre la necesidad de avanzar hacia métodos de producción de cultivos más sostenibles. A raíz de una creciente vigilancia pública, [Indonesia](#) y [Malasia](#) intensificaron sus esfuerzos por promover prácticas sostenibles de producción de aceite de palma, con miras a contribuir a elevar el perfil ambiental del producto en el mercado mundial. Aunque los dos países siguieron adelante con el establecimiento de planes nacionales obligatorios de certificación de la sostenibilidad, se informó de retrasos en la aplicación de estos, en particular con respecto a la certificación de los pequeños agricultores. Los retrasos en la aceptación por los pequeños productores se atribuyó a consideraciones de costo y a cuestiones relacionadas con los títulos de propiedad de la tierra y los permisos de cultivo, circunstancias que impulsaron a Malasia a ofrecer asistencia financiera y programas de capacitación adaptados a las necesidades de los pequeños y medianos productores. Por otra parte, Malasia se comprometió a hacer accesibles al público en general los mapas de concesiones de plantaciones, en un intento por fomentar la transparencia de las operaciones sobre las distintas plantaciones. Además, anunció que, a partir de enero de 2020, las ventas de aceite de palma estarían sujetas a un gravamen en apoyo del programa ambiental del Gobierno, que comprendía planes públicos de reforestación y de promoción de la vida silvestre. Por otra parte, en Indonesia se prestó mayor atención a las medidas destinadas a aumentar la productividad y el rendimiento de las plantaciones existentes, y una moratoria provisional de las concesiones para la tala de bosques primarios y la conversión de turberas pasó a ser permanente. Además, se notificaron los primeros casos de plantaciones de palma aceitera que se consideraron responsables de los incendios ocurridos en sus tierras. Entretanto, [Noruega](#) liberó fondos asignados a ayudar a la preservación de los bosques tropicales de Indonesia. En otros lugares, un grupo de países de África occidental emprendió un programa regional de promoción de una producción de aceite de palma responsable ecológicamente y socialmente en la región. En cuanto al cultivo de la soja, en 2019 el [Brasil](#) puso en marcha un proyecto de conservación del medio ambiente y de agricultura con bajas emisiones de carbono en la región ecológicamente frágil del Cerrado. Entretanto, la [Unión Europea](#), preocupada porque las importaciones de ciertos productos agrícolas, entre ellos las semillas oleaginosas y los aceites vegetales, estaban contribuyendo a la deforestación mundial, puso en marcha un plan de acción a mediano plazo destinado a reducir la huella ecológica del consumo total de este grupo de países. Entre las medidas previstas figuran normas para fomentar el consumo de productos procedentes de cadenas de suministro libres de deforestación.

**Sector del transporte:** El Gobierno del [Brasil](#) anunció planes para seguir desarrollando la infraestructura nacional de transporte, en particular en lo que respecta a los corredores de exportación del norte. Entretanto, las nuevas subidas de las tarifas mínimas de flete fijadas por el Gobierno (para compensar a los camioneros por el aumento de los costos del combustible)

aumentaron los costos del transporte terrestre de granos. El Canadá comunicó nuevas inversiones públicas en las instalaciones de almacenamiento de granos, los ferrocarriles y la infraestructura portuaria del país.

**Otras medidas de política:** Impulsada por la recuperación de los precios de referencia del aceite de palma en el último trimestre de 2019, Malasia anunció en diciembre la reanudación del impuesto sobre las ganancias imprevistas en la industria del aceite de palma, añadiendo que parte de los ingresos se canalizaría de nuevo a la industria, en particular en forma de subvenciones para los productores de biodiesel a base de aceite de palma.

## MEDIDAS E INICIATIVAS DEL SECTOR INDUSTRIAL

**Producción sostenible:** En 2019, las medidas y las normas voluntarias del sector privado para la producción sostenible de aceite de palma siguieron evolucionando bajo una atenta vigilancia pública, como lo demuestran varias nuevas iniciativas que promueven la adopción de prácticas responsables a lo largo de la cadena de valor del aceite de palma. En los países productores, varias empresas privadas ofrecieron capacitación a los pequeños agricultores sobre métodos de producción sostenible, al tiempo que apoyaron activamente su inclusión en los planes de certificación oficiales. Entretanto, los grupos de defensa presionaron a los propietarios de plantaciones para que intensificaran sus actividades de rejuvenecimiento de las palmas, con miras a favorecer el aumento de la productividad en lugar de la expansión hacia los bosques y las turberas. Al mismo tiempo, los compradores de aceite de palma de todo el mundo adoptaron herramientas desarrolladas recientemente para cartografiar las cadenas de suministro de aceite de palma utilizando satélites, radares, cadenas de bloques y otras tecnologías destinadas a rastrear la procedencia de los suministros, así como a seguir la deforestación y los incendios forestales hasta el nivel de los proveedores individuales, facilitando así la adopción rápida de medidas correctivas.

En lo que respecta a la aplicación de las normas voluntarias del sector industrial, los órganos del sector privado interesados se esforzaron por fortalecer sus sistemas de seguimiento y verificación, lo que, en algunos casos, dio lugar al retiro de los certificados de sostenibilidad de algunas empresas o a la desinversión de los prestamistas de las empresas implicadas en el presunto incumplimiento de las normas. La Mesa redonda sobre el aceite de palma sostenible (RSPO), organismo reconocido mundialmente y dirigido por el sector industrial, en 2019 intensificó sus esfuerzos por salvaguardar las frágiles turberas y publicó nuevas directrices sobre los salarios mínimos y otros derechos de los trabajadores de las plantaciones. La RSPO también participó en nuevas iniciativas encaminadas a sensibilizar a los consumidores acerca del aceite de palma sostenible certificado, especialmente en China, la India y los países de África. Además, para promover una mayor inclusión de los pequeños productores, la RSPO publicó una nueva norma de certificación para los pequeños productores independientes, concebida para atender a sus necesidades y limitaciones específicas. Además, en noviembre de 2019, el grupo puso en marcha un plan experimental que obliga a todos los compradores miembros y otros intermediarios posteriores en la cadena de comercialización a comprometerse con objetivos de compra específicos, con objeto hacer frente al déficit crónico de la demanda de usuarios finales de aceite de palma certificado con respecto a los suministros disponibles.

A pesar de esos esfuerzos, el volumen total de aceite de palma sostenible certificado aumentó sólo marginalmente en 2018-2019, mientras que el nivel de sensibilización de los consumidores siguió siendo bajo, en particular entre los países en desarrollo. En cuanto a los compromisos de la industria de abastecerse exclusivamente de aceite de palma producido de manera sostenible, varios fabricantes y minoristas de bienes de consumo reconocieron que estaban enfrentando dificultades para lograr los objetivos que se habían impuesto a sí mismos, mientras que los compradores comunicaron dificultades para abastecerse de productos libres de deforestación garantizados. Entretanto, siguió siendo objeto de debate la medida en que la certificación del aceite de palma contribuía a fomentar prácticas de producción sostenible. Si bien en los mercados minoristas de los países desarrollados seguía aumentando el número de bienes de consumo que llevaban etiquetas "sin aceite de palma", algunos expertos en mercados advirtieron que esas iniciativas podían: i) hacer que se perdieran los esfuerzos por fomentar formas de producción más sostenibles, y ii) favorecer la difusión de prácticas no sostenibles. A este respecto, también se señaló que la sustitución del aceite de palma por otros aceites vegetales podría dar lugar a un aumento neto mundial no deseado de los efectos ambientales adversos.

También con respecto al comercio internacional de la soja, los debates sobre la sostenibilidad recibieron una atención creciente, especialmente en lo que respecta a la región del Cerrado del Brasil, donde, supuestamente, parte de la expansión del cultivo siguió asociándose con el desbroce de la vegetación nativa de la sabana y la pérdida de biodiversidad. Aunque los comerciantes internacionales propusieron establecer una moratoria voluntaria del comercio de la soja cultivada en tierras convertidas del Cerrado, los agricultores se opusieron a esos llamamientos argumentando que estaban autorizados legalmente a convertir parte de sus tierras, y añadieron que la moratoria de larga data de la soja en la cuenca del Amazonas debía rescindirse por los mismos motivos. En cuanto a la región del Cerrado, los funcionarios del sector sugirieron que se recompensara a los agricultores por conservar voluntariamente las tierras que podían ser desbrozadas, propuesta que fue respaldada por algunos compradores europeos. Mientras tanto, varios minoristas de la Unión Europea confirmaron que tenían dificultades para obtener las cantidades necesarias de soja libre de deforestación garantizada.

También prosiguieron los esfuerzos de la industria por establecer cadenas sostenibles de suministro de coco/aceite de coco, centrándose en la elaboración de criterios para medir la protección del medio ambiente, la igualdad social y la viabilidad económica. Mientras tanto, se informó de las primeras transacciones de productos certificados a través de una cadena de suministro utilizando el modelo de "balance de masas" en Filipinas e Indonesia.

Por último, se registraron varios casos de empresas agrocomerciales mundiales que obtuvieron préstamos vinculados a sus resultados en materia de sostenibilidad. En el marco de esos paquetes, las empresas interesadas convinieron en cumplir con objetivos de sostenibilidad específicos en relación con la trazabilidad de sus flujos comerciales y la prestación de apoyo activo a los programas de fomento de la producción responsable.

**Comercio internacional:** En 2019, varias iniciativas del sector privado para promover el comercio bilateral y la cooperación técnica a lo largo de las cadenas de suministro de productos básicos ayudaron a fortalecer los vínculos entre los exportadores de la Argentina, el Brasil, Indonesia y Malasia y los importadores de China y la India. A raíz de las persistentes diferencias comerciales entre los Estados Unidos y China, las empresas comerciales estatales chinas ampliaron aún más su presencia en los mercados de ultramar mediante inversiones en activos agrícolas e infraestructura de transporte, especialmente en el Brasil y la región del Mar Negro.

**Prácticas de comercialización:** Las industrias del aceite de oliva de Europa y los Estados Unidos pusieron en marcha varias iniciativas destinadas a mejorar la trazabilidad de los productos, en un intento por ayudar a prevenir las prácticas fraudulentas y aumentar la confianza de los consumidores en la calidad de los productos. Los esfuerzos de la industria se concentraron en el uso de tecnologías de cadena de bloques y pruebas de laboratorio avanzadas. En los Estados Unidos, los productores también instaron al Gobierno a introducir normas de clasificación obligatorias para los diferentes tipos de aceite de oliva, con miras a frenar el etiquetado erróneo de las calidades, la adulteración del producto y otras prácticas comerciales desleales. Además, los productores estadounidenses de cacahuets orgánicos establecieron una asociación encargada de promover y comercializar sus productos orgánicos certificados. En lo que respecta al aceite de palma, en varios mercados siguió aumentando el número de productos alimenticios que llevan etiquetas "sin aceite de palma", lo que impulsó la organización de campañas por parte de los países productores para promover el reconocimiento de las cualidades positivas del producto entre los consumidores. En cuanto a los mercados de futuros, en 2019 se introdujo un contrato de venta de aceite de girasol del Mar Negro en los Estados Unidos y otro de opciones de harina de colza en China. Además, una bolsa china abrió sus contratos de productos de soja y aceite de palma a los inversores extranjeros. En lo que respecta a otros lugares, en el Reino Unido de Gran Bretaña e Irlanda del Norte se introdujo una herramienta que ofrece un seguro contra los riesgos de la volatilidad de los precios de los cultivos agrícolas. En cuanto a los mercados de semillas, en el Brasil se quedó sin resolver una larga controversia jurídica relativa a los derechos de patente sobre una variedad específica de soja modificada genéticamente (y los correspondientes pagos de regalías por parte de los agricultores).

**Investigación y Desarrollo:** Al igual que en años anteriores, en 2019, las actividades de investigación dirigidas por la industria y el mundo académico en todo el mundo dieron lugar al desarrollo de: i) nuevas variedades de semillas oleaginosas que ofrecen un mayor rendimiento y tolerancia a las enfermedades, y ii) aceites y harinas con una funcionalidad mejorada y/o perfiles nutricionales y de salud beneficiosos. Se prestó especial atención a la mejora de la resiliencia al estrés relacionado con el clima debido al cambio climático. Mientras que, en el caso de los cultivos anuales, el recurso a las técnicas de edición del genoma avanzó aún más, los cultivadores de cocoteros se beneficiaron de las mejoras en la propagación basada en el cultivo de tejidos. Mientras tanto, los fabricantes de alimentos de todo el mundo se concentraron en reemplazar el aceite hidrogenado y los aceites y grasas saturados en los productos alimenticios. También se intensificaron los esfuerzos para eliminar los compuestos tóxicos que se encuentran en ciertos productos de aceite refinado. Además, los llamamientos sostenidos en favor de la sustitución de los derivados del petróleo por sustancias orgánicas renovables siguieron estimulando la búsqueda de nuevas aplicaciones industriales de los aceites y las grasas, lo que dio lugar a avances en la producción de polímeros, adhesivos, revestimientos y compuestos de caucho, así como de asfalto, basados en aceites y grasas. También se siguió prestando atención al reciclado de los materiales de desecho generados en la elaboración de los aceites de oliva y de palma.

**Medidas relativas a los biocombustibles:** En cuanto a los biocombustibles, en 2019 se emprendieron nuevas iniciativas industriales en China y la India relacionadas con la recogida de productos de desecho – en particular el aceite de cocina usado – y su utilización como materia prima para la producción de biodiesel. Además, las nuevas promesas de la industria de reducir gradualmente la huella de carbono en los sectores de la navegación y la aviación dieron lugar a diversos proyectos del sector privado que exploraban la viabilidad de los aceites y grasas (incluido el aceite de cocina usado) como materia prima para los combustibles marítimos y de aviación, lo que dio origen a advertencias de los grupos de defensa del medio ambiente acerca de posibles problemas de sostenibilidad relacionados con los auges previstos en la demanda mundial de productos como el aceite de palma y de soja.

**Infraestructura de transporte:** En el Brasil, las empresas nacionales e internacionales de comercio de granos manifestaron su interés en la gestión de una autopista recién pavimentada que une las zonas de cultivo de Mato Grosso con los puertos de transbordo de la cuenca del Amazonas. Esta medida complementaba las ofertas anteriores para financiar la construcción de un ferrocarril en la misma región.

# Table 1. Overview of domains covered

Government policies		Industry measures and initiatives	
AGRICULTURAL SUPPORT POLICIES		SUSTAINABLE STANDARDS	
<ul style="list-style-type: none"> <li>• Production support (incl. procurement schemes)</li> <li>• Relief measures</li> <li>• Sector development measures</li> <li>• Pest control measures &amp; regulations</li> </ul>		<ul style="list-style-type: none"> <li>• Oil palm</li> <li>• Soybean</li> <li>• Coconut</li> <li>• Cross-commodity</li> </ul>	
BIOENERGY POLICIES		INTERNATIONAL TRADE INITIATIVES	
TRADE POLICIES		MARKETING PRACTICES & INDUSTRY NORMS	
<ul style="list-style-type: none"> <li>• Import measures — non-tariff</li> <li>• Import measures — tariffs &amp; levies</li> <li>• Export measures — tariff &amp; non-tariff</li> <li>• Trade disputes</li> <li>• Comprehensive trade agreements</li> <li>• Sector-specific bilateral initiatives</li> </ul>		RESEARCH & DEVELOPMENT	
		<ul style="list-style-type: none"> <li>• Pest control</li> <li>• Varietal research &amp; seed releases</li> <li>• Product development</li> </ul>	
		BIOFUEL / BIOENERGY	
MARKET REGULATION & PROMOTION		TRANSPORTS & LOGISTICS	
FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES			
SEED & GMO POLICIES			
OTHER POLICIES			
<ul style="list-style-type: none"> <li>• Production sustainability / environmental policies</li> <li>• Transport infrastructure &amp; regulations</li> <li>• Tax policies</li> <li>• Social policies</li> </ul>			



## Table 2. Government policies implemented in 2019

No.	Domain	Country	Month	Product	Description *
1	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Brazil	March	Soybeans	The Ministry of Agriculture informed that, during the 2018/19 crop cycle, soybean farmers participating in government-supported crop insurance schemes received more than BRL 1 billion (USD 249 million) in indemnities following crop failures due to unfavourable climatic conditions. Reportedly, in 2018/19, total government outlays for soybean-specific insurance contracts amounted to BRL 157million (USD 39 million).
2	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Brazil	May	All crops, livestock	The Government presented its agricultural support programmes for the 2019/20 season, highlighting that particular attention had been given to the needs of small and medium-sized farms and to the following areas: crop insurance; low-carbon agriculture; technical innovation; irrigation; soil improvement; new credit tools; forest protection; and dairy, pork and poultry production. In the new season, farmers will be granted access to various types of concessional loans adding up to BRL 222.7 billion (USD 59.2 billion). Total government outlays for interest rate subsidies have been set at BRL 10 billion (USD 2.66 billion), only marginally higher than last season. While all the major credit programmes will be expanded, the interest rates for larger producers have been raised. Marketing assistance programmes have also been reauthorized, although with reduced budgetary allocations (in part reflecting lower world market prices). By contrast, outlays for crop insurance programmes are set to expand sizeably for the second year in succession: in 2019/20, these programmes are expected to cover 15.6 million hectares through some 212 000 policies worth a total of BRL 42 billion (USD 11 billion). Finally, producers will be provided with additional options to apply – with governmental assistance – for private loans.
3	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Brazil	October	All crops, livestock	In October, the Government launched a set of measures aimed at expanding financing for the agriculture sector. The measures will focus on: i) stimulating the provision of production loans by the private sector; ii) reducing interest rates via better guarantees for lending institutions; and iii) enhancing competition across rural credit operations. The new policies envisage the equalization of interest rates between lending institutes and the possibility of issuing securities in foreign currencies. The Government will also set up – with financial participation from farmers – a fund that would allow producers to offer joint guarantees when renegotiating debts.
4	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Brazil	October	Arable crops	In October, the Government announced an increase in public outlays for its rural insurance premium subsidization programme from BRL 370 million to BRL 420 million (USD 100.1 million).

No.	Domain	Country	Month	Product	Description *
5	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	China	February	Selected grains, oilseeds	In February, China's State Council released a policy statement including commitments to deepen agricultural supply-side structural reforms. The document envisages the launch of a new farm subsidy policy system, together with continued efforts to reduce state reserves of maize and rice. At the same time, cultivation of soybeans and other oilcrops would be encouraged, also to help reduce dependence on imports (see also <i>MPPU Dec. '18 &amp; Jan. '19</i> ). Domestic oilseed production would be raised via the introduction of high oil- and protein-yielding varieties as well as by improving the scale of cultivation. In line with the Council's statement, ministry officials announced plans to expand, with the help of subsidies, domestic planting of soybeans and other oilcrops by around 330 000 hectares in 2019. Soybean and groundnut crops will be promoted primarily in northern China, while rapeseed cultivation will be encouraged in the Yangtze River Basin. By 2022, domestic soybean cultivation is expected to occupy 10 million hectares, which compares to 8.4 million hectares planted in 2018. On a separate note, private media reported that purchases of maize and soybeans for public reserves have been authorized in Heilongjiang Province. Reportedly, in the case of soybeans, 200 000 tonnes may be procured during the months of March and April in three provincial zones at purchase prices ranging between CNY 3420 and 3460 per tonne (USD 510 and 516).
6	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	China	August	Soybeans	According to local media, for the current crop year, the subsidy offered to soybean growers in the country's key growing province Heilongjiang will amount to CNY 270 per mu (USD 573 per ha), including a payment provided for planting soybeans instead of maize – which compares to CNY 320 per mu (USD 680 per ha) granted last year. Reportedly, the subsidies were adjusted downward over concerns that they could result in bigger than desired cuts in maize production.
7	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	March	Oilcrops	According to the media, as of 21 March, the Central Government's nation-wide procurement of Kharif oilcrops at guaranteed minimum prices stood at 730 000 tonnes, which compares to a target of 2.6 million tonnes (see <i>MPPU Oct. &amp; Dec. '18</i> ).
8	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	June	Copra	According to media reports, the Government of Tamil Nadu has begun procurement of 50 000 tonnes of copra from farmers under the national Price Support Scheme. For 2019, the procurement prices for milling copra and ball copra have been set at, respectively, INR 95 210 and INR 99 200 per tonne (USD 1 343 and 1 399) – up 27 percent from last season's level. The enhanced rates are expected to help stabilize copra prices in the market.
9	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	July	Oilcrops	In July, the Indian Government significantly raised the minimum support prices (MSPs) for 2019/20 Kharif (summer) oilseed crops, in an effort to incentivize domestic production and thus curb the country's vegetable oil imports. The new per-tonne support prices, including crop-specific bonuses, and the corresponding year-on-year increases (in percent) are as follows: soybeans INR 37 100 (USD 523), 9.1 percent; groundnuts INR 50 900 (USD 718), 4.1 percent; sunflowerseed INR 56 500 (USD 797), 4.9 percent; sesameseed INR 64 850 (USD 915), 3.8 percent; and nigerseed INR 59 400 (USD 838), 1 percent. While also the MSPs for pulses saw substantial increases, the support price for rice – the main Kharif crop – has been raised by only 3.7 percent. Reportedly, specialized agencies designated by the Central Government will continue to undertake procurement of oilseeds from small and marginal farmers. Furthermore, under the Government's income support programme PM-KISAN, all small and marginal farmers will be entitled to receive an annual sum of INR 6 000 (USD 85).



No.	Domain	Country	Month	Product	Description *
10	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	India	October	Rapeseed	In October, the Government announced an increase in the state-mandated minimum support prices (MSP) for winter/Rabi crops, applicable in the 2020/21 marketing year. For rapeseed, the MSP has been raised by 5.4 percent to 44 250 INR per tonne (USD 616). Reportedly, during the month of October, wholesale prices ranged below the new MSP. Market observers expect the higher MSP to result in a further year-on-year increase in rapeseed plantings.
11	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Indonesia	January	Oil palm	In Indonesia, recent efforts to halt the expansion in oil palm plantations went hand in hand with the launch of palm replanting programmes aimed at enhancing productivity and yields on existing estates. According to the media, the government's ambitious scheme to support, between 2018 and 2025, the replanting of 2.4 million hectares cultivated by smallholders (i.e. about one fifth of the nation's area under oil palm) with quality seedlings is running well behind schedule. Reportedly, as of November 2018, the Government, which offered to provide a IDR 25 million (USD 1 753) subsidy per hectare, had released funds for the replanting of no more than 15 000 hectares. (See also <i>MPPU Dec. '17 &amp; May '18</i> )
12	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Indonesia	March	Oil palm	Based on newly released data, the country's two-year old oil palm replanting programme has fallen behind schedule (see also <i>MPPU Mar. '19</i> ). Reportedly, during the last two years, the Government supported the replanting of 48 600 hectares by smallholders – as against a target of 205 000 hectares. According to industry experts, main obstacles to implementation include that i) smallholders often lack the land titles required to participate in the programme, and ii) the payments received by growers cover only about half of total replanting costs. The country's oil palm replanting scheme is entirely funded by levies collected on the country's palm oil exports.
13	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Indonesia	September	Oil palm	According to media reports, the Agriculture Ministry decided to lower its annual oil palm replanting target, citing difficulties faced by smallholder growers to prove land ownership – a prerequisite for participating in the government-sponsored programme. Aimed at raising productivity levels instead of adding new plantations, the scheme's original objective was to replace aging trees with plantlets of more performant varieties on 2.4 million hectares of plantation by the year 2025. Based on the new, reduced annual replanting target of 180 000 hectares, it would take 12–13 years to achieve the final target, industry experts estimated. Reportedly, to tackle the administrative problems encountered, the Ministry has pledged to assist farmers in regularizing their land rights situation. (See also <i>MPPU May '18 &amp; Mar./May '19</i> )
14	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Malaysia	April	Oil palm	Media sources reported that the Government is set to provide MYR 6.23 billion (USD 1.5 billion) of financial aid to state-owned oil palm agency FELDA (Federal Land Development Authority). At the same time, the agency is expected to restructure and delay some of its debt. Reportedly, the Government also set aside MYR 2 billion (USD 0.48 billion) to write off debt interests for FELDA's small settlers.
15	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Malaysia	April	Oil palm	The Federal Government set up a soft loan fund worth MYR 550 million (USD 134 million) to help smallholders replant their unproductive oil palms. Under the scheme, smallholders that replace old palms with higher-yielding plantlets will have access to loans bearing interest rates of 2 percent, with a tenure of 12 years, including a 4-year moratorium on repayment. The measure reflects concerns that the current depression in palm oil prices could slow down replanting activities among small producers. Malaysian smallholders benefitted from replanting incentives also in past years (see <i>MPPU Jan. '13, June '14 &amp; Oct. '15</i> ).

No.	Domain	Country	Month	Product	Description *
16	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Mexico	March	Selected grains, oilseeds	The Government has launched a number of new agricultural support programmes in replacement of the existing ones. As was the case previously, government support will focus on small and marginalized farmers growing grains and beans. Meanwhile, growers of soybean, safflower, rapeseed and sunflowerseed remain eligible for support under the Target Income scheme, which (tied to participation in a hedging programme) provides farmers with supplementary payments when market prices drop below a set target price. For oilcrops, the latter remains at the level fixed in 2018, i.e. MXN 8 400 per tonne (USD 442).
17	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Pakistan	March	Oilcrops	Reportedly, the Federal Government approved spending of PKR 290 billion (USD 1.9 billion) over the next five years for the development of the agricultural sector, including the promotion of oilseed cultivation. Meanwhile, the Provincial Government of the Punjab decided to extend its oilcrop promotion programme, which comprises producer subsidies of PKR 5 000 per acre (USD 81 per ha) for cultivating up to 10 acres of rapeseed or sunflowerseed.
18	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Philippines	March	Coconut	As a means to assist coconut farmers beset by weak copra prices, the Department of Agriculture announced that it would provide financial support for the sale of fresh coconut across the country.
19	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Thailand	March	Oil palm	The Thai Government renewed its assistance to oil palm growers affected by depressed local prices resulting from excess domestic production and the protracted weakness in global prices. Beneficiaries will receive direct payments of THB 1 500 per rai (USD 7.51 per hectare), with a cap of 15 rai (2.4 ha) per household. Reportedly, 100 000 growers will benefit from the new campaign (following a previous campaign that reached 150 000 households).
20	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Thailand	August	Oil palm	In a bid to support oil palm growers affected by depressed farm gate prices, the Thai Government has approved a price support package worth THB 13.4 billion (USD 438 million). Funds will be used to provide – up to a limit of 25 rai (4 hectares) per family – cash compensations to registered oil palm farmers whenever the market price for fresh palm fruit drops below the government's guaranteed level of THB 4 per kg (USD 131 per tonne). The programme is expected to benefit about 300 000 growers between August 2019 and September 2020. Other measures under consideration include the enforcement of B10 (transport diesel containing 10 percent of palm-oil-based biodiesel) by end-year and additional crude palm oil procurement by the country's Electricity Generating Authority. Reportedly, the Government also stepped up its efforts to end palm oil smuggling from neighbouring Malaysia.
21	AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes)	Thailand	November	Palm oil	As part of its FY 2020 budget, the Thai Government allocated THB 4.38 billion (USD 143 million) for assisting farmers in marketing their main crops, including palm oil. Reportedly, the funds will be used to delay the release of crops onto the market, thereby countering price declines after harvest time. (NB: the package is separate from the commodity-specific price guarantees and subsidy schemes approved in August 2019 – see <i>MPPU Sep. '19</i> ).
22	AGRICULTURAL SUPPORT POLICIES – Relief measures	Argentina	June	Arable crops	The Government announced that it would support grain producers in the country's Chaco province who have been affected by extensive floods in the 2018/19 season. Eligible farms would receive up to ARS 179 360 (USD 4 220) to facilitate the purchase of inputs for the forthcoming crop.

No.	Domain	Country	Month	Product	Description *
23	AGRICULTURAL SUPPORT POLICIES – Relief measures	Australia	September	All crops, livestock	The Government announced an aid package of AUD 100 million (USD 68.1 million) for farmers and communities affected by severe drought in 2019. The assistance also includes payments for water infrastructure upgrades and related projects, as well as measures to simplify and extend the government's Farm Household Allowance programme. Furthermore, the Government committed to soften aid eligibility requirements so as to allow more farmers to benefit from the various assistance programmes.
24	AGRICULTURAL SUPPORT POLICIES – Relief measures	Australia	November	Arable crops	In November, the Government of Australia announced that it would offer subsidized loans to farmers affected by drought. In addition, farmers would be able to buy water for growing fodder at discounted rates, while measures to improve rural infrastructure would also be implemented.
25	AGRICULTURAL SUPPORT POLICIES – Relief measures	Brazil	September- October	Arable crops	During the months of September and October, the Agriculture Ministry authorized relief payments under its Harvest Guarantee Programme worth a total of BRL 468 million (USD 111.5 million), with assistance earmarked for some 520 000 smallholder farmers in the country's drought affected northern and north-eastern regions.
26	AGRICULTURAL SUPPORT POLICIES – Relief measures	Canada	May	Rapeseed	Trade mitigation: The Government informed that it would offer financial assistance to rapeseed farmers affected by China's recent decision to suspend the import permits of selected Canadian rapeseed suppliers. More specifically, for 2019, the Government plans to raise the maximum amount of federal loans available to individual farmers from CAD 400 000 (USD 299 000) to CAD 1 million (USD 747 000), while, for rapeseed growers, the interest-free portion of such loans would be increased to CAD 500 000 (USD 373 000), compared to CAD 100 000 (USD 75 000) at present. Furthermore, the application deadline for a federal income stabilization programme would be extended by two months. The Government will also support efforts to diversify into other export markets – given that, currently, about 40 percent of the country's exports of rapeseed, oil and meal are destined to China. In particular, Canada's Trade Ministry intends to launch trade promotion missions to Japan and the Republic of Korea. Meanwhile, based on a recent official survey, Canada's rapeseed plantings could drop to a 3-year low this season – in part fuelled by farmer concerns over export prospects.
27	AGRICULTURAL SUPPORT POLICIES – Relief measures	Canada	June	Rapeseed	Trade mitigation: Further to the support measures introduced in early May (see <i>MPPU May'19</i> ), the Government announced an additional CAD 150 million (USD 115 million) in insurance support to Canadian rapeseed exporters. The new aid is aimed at helping companies exporting rapeseed manage uncertainties associated with the exploration of new markets (following recent disruptions in exports to China). Adequate insurance coverage is critical for exporters trying to access fresh working capital from banks. Granted by Canada's export credit agency, additional insurance protection will be used to cover potential defaults on commercial sales contracts.
28	AGRICULTURAL SUPPORT POLICIES – Relief measures	Canada	August	Arable crops	In August, Canada's Agriculture and Agri-Food Ministry announced that crop producers who have been impacted by low prices, reduced marketing opportunities or falling incomes, would be granted an additional six months to repay outstanding 2018 cash advances linked to the ministry's financial loan guarantee programme (Advance Payments Program). Reportedly, a special Stay-of-Default scheme would provide additional flexibility to repay cash advances, particularly for grains, oilseeds and pulses.

No.	Domain	Country	Month	Product	Description *
29	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	May	Selected crops, livestock products	Trade mitigation: In May, USDA announced a USD 16 billion aid package for farmers affected by market disruptions due to tariffs imposed by trading partners. The measure, which resembles a package introduced last year for 2018 crops (see <i>MPPU Aug./Oct. '18</i> ), includes: i) a 'Market Facilitation Program (MFP)' that will provide USD 14.5 billion in direct payments to affected farmers; ii) a USD 1.4 billion 'Food Purchase and Distribution Program' earmarked to purchase surplus commodities for distribution through existing social assistance schemes; and iii) USD 100 million for a 'Agricultural Trade Promotion Program' to assist in the development of new export markets on behalf of producers. As opposed to last year's package, MFP payments for 2019 crops would be provided on a per acre basis (i.e. irrespective of the type of crop planted), so as not to influence planting decisions. Regarding last year's package, USDA informed that MFP payments to producers totalled USD 8.57 billion as of 7 June 2019.
30	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	June	All crops, livestock	In June, the Government announced a USD 3 billion Disaster Relief Act to compensate farmers who were impacted by natural disasters throughout 2018 and 2019. Details of the programme remained to be disclosed.
31	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	July	Selected crops	Trade mitigation: The USDA provided further details about its 2019/20 USD 16 billion aid package aimed at compensating – for the second consecutive season – farmers affected by market disruptions due to tariffs imposed by trading partners (see <i>MPPU Aug. '18 &amp; July '19</i> ). Under the package's Market Facilitation Program, MFP, farmers will receive payments ranging from USD 15 to USD 150 per acre. Diverging from last season's programme, payments will be determined according to geographic location rather than by crop. Reportedly, the pay-outs will be broadly distributed in a bid to reach all affected farmers and have been capped at USD 500 000 per person or legal entity. While this year's programme covers 29 commodity groups, including soybeans and other oilseeds, only crops planted by 1 August 2019 will be eligible. A first tranche of payments has been scheduled for mid-to-late August. The subsequent payments will be decided as market conditions and trade opportunities evolve. According to private sources, soybeans and maize are likely to attract, respectively, 33 percent and 30 percent of the first-tranche payments.
32	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	August	Selected crops	The USDA introduced an administrative flexibility to defer the accrual of interest on insurance premiums for the spring 2019 crop year. The measure seeks to ease the consequences of delayed or prevented plantings as well as reduced crop yields caused by severe flooding or extreme drought conditions throughout 2019.
33	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	August	All crops, livestock	In the recently released 'Family Farmer Relief Act of 2019' the maximum debt producers filing for bankruptcy are allowed to have has been raised from previously USD 4.4 million to USD 10 million. Reportedly, the bill is aimed to help avoid mass liquidations and further consolidation in the agricultural sector as farmers are faced with declines in net farm incomes and an increasingly unpredictable trade environment.
34	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	September	Arable crops	The USDA announced that all farmers subscribed to the federal crop insurance scheme who in 2019 had a prevented planting indemnity related to flooding or excess soil moisture would be automatically granted a 10–15 percent "top-up" payment (see also <i>MPPU Sep. '19</i> ).



No.	Domain	Country	Month	Product	Description *
35	AGRICULTURAL SUPPORT POLICIES – Relief measures	United States of America	November	Selected crops, livestock products	Trade mitigation: In November, USDA announced the release of a second tranche of payments under its Market Facilitation Program, which is part of the 2019/20 relief package that was introduced to compensate farmers affected by market disruptions arising from the US-China trade tensions (see <i>MPPU July&amp;Sep. '19</i> ). Following the release of a first tranche worth USD 7.3 billion in August 2019, under its second tranche, USDA will offer pay-outs worth USD 3.6 billion. Depending on how market conditions and trade opportunities evolve, a third tranche of payments may follow in early 2020.
36	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Canada	January	Soybeans	In Canada, a new 5-year programme to promote innovation and research in soybean has been launched as part of the public-private Canadian Agricultural Partnership. The initiative is expected to help the country's soybean industry to become more productive and elastic, while widening the crop's geographic range and benefiting the environment. The programme will be implemented under the lead of the Canadian Field Crop Research Alliance.
37	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Cote d'Ivoire, Ghana, Liberia, Sierra Leone	March	Oil palm	The governments of Cote d'Ivoire, Ghana, Liberia and Sierra Leone joined forces with NGO <i>Solidaridad</i> to implement the Sustainable West Africa Palm Oil Programme (SWAPP). The objective of the 5-year project, which is funded by the Dutch and Swiss Governments, is to promote socially responsible and environmentally sustainable oil palm expansion in the four countries. Concentrating on sustainable growth across the palm oil value chain, the programme aims at improving the livelihoods of smallholder farmers.
38	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Egypt	May	Olive tree	The Agricultural Ministry announced plans to boost domestic olive oil production by promoting the planting of 100 million olive trees over the next three years. Reportedly, plots totalling 45 000 acres are ready to be assigned to local and foreign investors. The initiative is aimed at reducing the country's reliance on edible oils imports.
39	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Egypt	November	Soybeans	Egypt's Agriculture Ministry informed that it plans to raise the country's area under soybean cultivation from 37 000 feddans (15 500 ha) in 2018/19 to 80 000 feddans (33 600 ha) in 2019/20 – and further to 150 000 feddans (63 000 ha) in 2030. The initiative is aimed at reducing the nation's dependence on vegetable oil imports. According to ministry officials, insufficiently remunerative prices have prevented farmers from expanding soybean cultivation.
40	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Fiji, Papua New Guinea, Samoa, the Solomon Islands, Vanuatu	August	Coconut	Supported by the Pacific Community (SPC) and the Australian Centre for International Agricultural Research, government agencies in Fiji, Papua New Guinea, Samoa, the Solomon Islands and Vanuatu joined forces to launch a 5-year project for the safeguard and deployment of coconut diversity in support of coconut-based livelihoods across the region.
41	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Ghana	February	Coconut	Ghana's Ministry of Agriculture renewed its efforts to promote the cultivation of coconut as a cash crop for export and domestic consumption. Under the Ministry's Planting for Export and Rural Development initiative, PERD, hybrid coconut seedlings (resistant to the Cape St. Paul wilt disease and of high-yielding type) are distributed for free to smallholders in the country's coastal Central Region.
42	AGRICULTURAL SUPPORT POLICIES – Sector development measures	India	July	Coconut	In Kerala State, the coconut sector will receive support from a three-year project worth INR 247 million (USD 3.5 million). Funded jointly by the Indian Council for Agricultural Research and Kerala's Government, the project is aimed at reviving coconut farming by supporting farmers with scientific protocols for value addition and processing. Project implementation has been entrusted to the Kerala Agriculture University.

No.	Domain	Country	Month	Product	Description *
43	AGRICULTURAL SUPPORT POLICIES – Sector development measures	India	August	Oilseeds	A programme to enhance oilseed production has been launched in Punjab State. Jointly funded by the Central and State Governments, the programme will focus on yield improvement measures, such as providing farmers with high quality seeds, enhancing production both vertically and horizontally, and promoting mechanization to minimize post-harvest losses.
44	AGRICULTURAL SUPPORT POLICIES – Sector development measures	India	November	Oilcrops	With a view to help reduce the country's dependence on edible oil imports, India's Central Government decided to extend a programme promoting the cultivation of oilcrops (including oil palm) and pulses in rice fallow areas to six additional states, taking the number of states participating in the intercropping scheme to twelve. On a related note, the Government is working on a road map for India to attain self-sufficiency in edible oil production. Reportedly, to fund a series of sector development initiatives, the inter-ministerial working group set up to launch a nationwide oilseed mission is considering to levy a 2–10% cess on the country's crude/refined edible oil imports.
45	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Nigeria	June	Oil palm	The Government plans to invest, over the next eight years, NGN 180 billion (USD 499 million) to promote the country's oil palm sector and end the nation's dependence on imported palm oil. According to media reports, the government is eyeing an eight-fold increase in domestic palm oil production, aiming at an annual output of 5 million tonnes from 6 million hectares by 2027. Reportedly, the following measures are envisaged to stimulate the sector's growth: the provision of subsidized loans to growers; extended tax breaks for oil palm plantations and processors; the removal of tariff rebates and duty increases for refined palm oil imports; and restrictions on crude and refined palm oil imports by local crushers and refiners.
46	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Pakistan	March	Oilcrops	Reportedly, the Federal Government approved spending of PKR 290 billion (USD 1.9 billion) over the next five years for the development of the agricultural sector, including the promotion of oilseed cultivation. Meanwhile, the Provincial Government of the Punjab decided to extend its oilcrop promotion programme, which comprises producer subsidies of PKR 5 000 per acre (USD 81 per ha) for cultivating up to 10 acres of rapeseed or sunflowerseed.
47	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Pakistan	October	Olive tree	The Government confirmed its plans to promote olive tree cultivation in the country in a bid to curb the nation's edible oil import bill, while at the same time promoting climate change adaptation efforts. Reportedly, the plan envisages the planting of 50 million olive trees, concentrating on smallholder farmers in drought-stricken areas in Punjab, Baluchistan, Sindh and Khyber-Pakhtunkhwa. Also included in the plan are the construction of rainwater-harvesting ponds and the introduction of efficient irrigation methods.
48	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Philippines	August	Coconut	The Philippine Coconut Authority (PCA) engaged in the identification of new potential areas for coconut palm cultivation, with a view to increasing the country's output of non-traditional, high-value coconut products. Reportedly the agency is concentrating on shoreline areas in various provinces as well as public lands earmarked for property development. In addition, PCA is working on a comprehensive coconut industry roadmap that would include palm rejuvenation schemes, the provision of innovative production technologies to farmers, market development studies, and other research and development activities.

No.	Domain	Country	Month	Product	Description *
49	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Philippines	December	Coconut oil	The Philippine Government started working on a national action plan to promote growth in coconut oil production and exports. Reportedly, the following strategic issues will be addressed: i) the promotion of virgin coconut oil consumption and exports; ii) ensuring sustainable production practices and setting up appropriate certification for exports; iii) reducing the sector's vulnerability to climate change; and iv) promoting organic production and certification. Reportedly, the action plan will also include a framework for collaboration among different stakeholders in the coconut oil value chain.
50	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Samoa	October	Coconut	According to media reports, the Samoan Government strives to replant up to 90 percent of the country's coconut plantations during the 2020–2024 period. With about 80 percent of the country's coconut palms having passed the productive age, a community-based replanting programme is required to safeguard the country's export-oriented coconut industry, government officials said.
51	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Tanzania	February	Oil palm	Reportedly, the Government of Tanzania set aside the equivalent of USD 4.3 million to promote palm oil cultivation amid efforts to reduce the country's dependence on edible oil imports. Planned support measures include the establishment of a demonstration farm in the Kigoma region.
52	AGRICULTURAL SUPPORT POLICIES – Sector development measures	Tunisia	November	Olive oil	According to the media, the Tunisian Government set out to renew its efforts in support of the country's export-oriented olive oil industry. Reportedly, the Export Promotion Fund's coverage of maritime transport costs (for shipments to countries other than Spain and Italy) would be raised from 30 percent to 50 percent for bulk shipments and from 50 percent to 70 percent for packaged olive oil. Moreover, under the Packing Olive Oil programme, special incentives will be provided to small producers willing to expand their exports, while premiums will be granted for both exports of olive oil in three-litre bottles and sales of organic olive oil. Furthermore, payment ceilings applying to individual producers under the different programmes will be raised and means to renegotiate or defer growers' debts will be explored. On the agronomic side, a plan to combat the <i>Xylella fastidiosa</i> disease has been adopted. As for domestic consumption, TND 50 million (USD 17.7 million) will be allocated for sales to poor people at preferential rates.
53	AGRICULTURAL SUPPORT POLICIES – Sector development measures	United States of America	October	Rapeseed	USDA's National Institute for Food and Agriculture has approved funding for research and extension activities aimed at enhancing rapeseed production and profitability in the north-central part of the country. In particular, the grant will be used to develop new winter rapeseed varieties adapted to the Great Plains and to advance production and pest management of the crop in the upper Midwest.
54	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	Brazil	February	Glyphosate	In a new assessment of potential health risks associated with glyphosate use, Brazil's Health Regulatory Agency determined that the herbicide is not carcinogenic. However, the agency reckoned that health risks remain for those exposed to the chemical in agricultural applications and therefore recommended new limits on exposure, safer application practices, and bans for products with high glyphosate concentration. A 90-day public consultation period has been opened, after which a final decision on glyphosate sales will be taken ( <i>see also MPPU Oct. '18</i> ).
55	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	Canada	April	Neonicotinoids	Based on its latest re-evaluation of risks to pollinators, Canada's Pest Management Regulatory Agency determined that seed treatments with three pesticides belonging to the neonicotinoids group would continue to be allowed. At the same time, restrictions for other permitted uses, prohibition of selected applications, and maximum residue limits would remain in place. ( <i>See also MPPU Oct. '18</i> )



No.	Domain	Country	Month	Product	Description *
56	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	European Union	May	<i>Xylella fastidiosa</i>	The European Food Safety Authority (EFSA) updated its assessment of the risks posed by <i>xylella fastidiosa</i> to plants (notably olive trees) and crops in the European Union. The agency found that, while chemical and biological control measures may temporarily reduce disease severity, there still is no known way to eliminate the bacterium from a diseased plant in field conditions. EFSA confirmed the importance of control measures, such as those implemented by the European Commission, to prevent further spread and possibly eradicate outbreaks. In particular it underlined the importance of i) controlling insects known to transmit the pathogen, and ii) minimising the delay between detection and implementation of control measures such as removing infected plants and establishing demarcated areas. Reportedly, the European Commission committed a large part of its 2019 budget for plant health measures to fight the disease. (See also MPPU Mar./May/Aug. '18 & Mar./May '19)
57	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	European Union	June	Dimethoate	The European Commission announced that member countries may not renew authorizations of the active substance dimethoate (– an insecticide used on a wide range of plants, including to combat the olive fruit fly in conventional farming –) beyond July 2020. The decision is based on the European Food Safety Authority's determination that it is not possible to exclude genotoxic risk to humans stemming from exposure to dimethoate residues, while high risks exist for a variety of non-targeted insects and animals.
58	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	European Union	August	Glyphosate	Sales of glyphosate-based pesticides are bound to be banned as a precautionary measure in a number of EU states. The German Government has announced that sales and use of glyphosate would be systematically reduced from 2020 onward and then banned completely at the end of 2023. The Austrian Parliament also voted in favour of a bill banning the chemical. Moreover, in France, where the Government recently announced that most uses of the weed-killer would be banned from 2021 (see MPPU July '19), in August, some 20 mayors introduced outright bans in their municipalities. At the EU-level, in 2017, the European Commission extended the herbicide's authorization for a period of five years until December 2022, with nine member states voting against the extension (see also MPPU Dec. '17). The process for a further renewal beyond 2022 is expected to start at the end of 2019. Industry experts expect the abovementioned national bans to affect the competitiveness of farmers in the named countries. Exports of agricultural products to the EU could also be affected, unless the European Commission extends the authorization of glyphosate at the EU-level or grants import tolerances for the herbicide to third countries.
59	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	European Union	September- October	<i>Xylella fastidiosa</i>	The EU Court of Justice determined that Italy failed to comply with certain EU-wide requirements to contain the spread of <i>xylella fastidiosa</i> , the bacterium that affects olive trees and other plants, causing their death by desiccation. On a separate note, in France, the first two cases of olive trees infected with the <i>xylella fastidiosa</i> pathogen have been reported from two distinct locations in the Côte d'Azur region (see also MPPU Mar. & May '18). The country's Agriculture Ministry informed that, to prevent the spread of the disease, the infected trees would be destroyed, while containment measures would be introduced within a 5-km radius of the two reported sites.
60	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	France	May	Glyphosate	In France, starting on 1 January 2021, the use of glyphosate will no longer be permitted. Exceptions could be granted for agricultural production in cases where no alternatives are available, but would be limited in scope and duration, the Agricultural Ministry informed. The measure has been criticized by the farm sector, which flagged possible risks for consumers in terms of food safety, quantity and quality.

No.	Domain	Country	Month	Product	Description *
61	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	Germany	December	Glyphosate	German's federal consumer protection and food safety authority decided to extend the approval of glyphosate-containing herbicides by one year, until mid-December 2020, while confirming its plan to outlaw the chemical on 31 December 2023. By end-2023, the Government envisages a reduction in the herbicide's use by about 75 percent (see also <i>MPPU Sep. '19</i> ).
62	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	Italy	January	<i>Xylella fastidiosa</i>	The Italian Government determined that olive trees affected by <i>xylella fastidiosa</i> must be felled in compliance with EU regulations. Farmers who fail to do so face prosecution. Since the pest's outbreak in 2013, official quarantine requirements and containment measures met with strong opposition by growers and environmental activists (see also <i>MPPU July '16 &amp; Jan./Mar. '18</i> ).
63	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	North Africa & Near East	August	<i>Xylella fastidiosa</i>	In order to mitigate the potential threat of <i>xylella fastidiosa</i> (the disease associated with the olive tree quick decline syndrome) to countries across the Mediterranean, FAO is supporting preventive measures in Algeria, Egypt, Lebanon, Libya, Morocco and Tunisia. So far, the disease has not been reported in North Africa and the Near East. Applying modern detection technologies, FAO is assisting countries to test imported planting materials – the main pathway for the introduction of the bacteria – in a more accurate, economic and simplified way. The organization also organized a series of training sessions for stakeholders on surveillance, diagnosis and management practices relating to the disease. Furthermore, FAO is assisting at-risk countries in updating their phytosanitary legislation and strengthening phytosanitary measures at ports of entry to prevent the disease's spread through trade. FAO also provides training in the design of contingency plans, in case any detection of the disease occurs.
64	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	United States of America	March	Glyphosate	In March, a federal court reviewing a new case linking the use of glyphosate to cancer found that the pesticide had been a substantial factor in causing the disease and determined compensatory damages to be paid by the product's manufacturer (see also <i>MPPU Dec. '18 on an earlier case</i> ). Subsequently, in April, the U.S. Environmental Protection Agency reaffirmed that there are no risks to public health when the herbicide is used in accordance to its current label and that glyphosate is not carcinogenic. On ecological grounds, however, the agency recommended management measures to i) ensure applications are properly targeted, and ii) reduce weed resistance problems, given that the number of weeds showing resistance to glyphosate is growing rapidly.
65	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	United States of America	May	Glyphosate	The United States has seen a third consecutive jury verdict against the manufacturer of 'Roundup', the glyphosate-based herbicide alleged to cause cancer (see also <i>MPPU Oct. '18 &amp; May '19</i> ). According to the jury, the herbicide was defectively designed and the manufacturer acted negligently and failed to warn consumers about possible cancer risks (NB: in 2015, the WHO's Agency for Research on Cancer classified glyphosate as 'probably carcinogenic to humans', while regulators in the United States of America and Europe found that the herbicide was unlikely to pose a carcinogenic hazard to humans).
66	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	Viet Nam	April	Glyphosate	The Government has taken steps to ban the production, importation and, eventually, the use of glyphosate-based herbicides, citing concerns over their impact on human health. Reportedly, the bans include a zero tolerance approach on any traces of glyphosate in grain imports.
67	AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations	Global (184 IPPC contracting parties)	April	<i>Xylella fastidiosa</i>	The FAO-administered International Plant Protection Convention (IPPC) issued protocols on procedures and methods for the diagnosis of <i>xylella fastidiosa</i> , a deadly bacterium affecting olive trees and other crops.

No.	Domain	Country	Month	Product	Description *
68	BIOENERGY POLICIES	Argentina	October	Biodiesel	Following two prior increases implemented in late 2018 (see <i>MPPU Jan'19</i> ), Argentina's Energy Secretariat raised the minimum price that oil refining companies are required to pay for biodiesel by a further 6 percent to ARS 35 365 per tonne (USD 593), effective 1 October 2019. As for the freeze on pump prices introduced last August in a bid to contain inflation, the Government has taken steps to gradually lift the measure, local media reported.
69	BIOENERGY POLICIES	Brazil	April	Biodiesel	The rise in mandatory blending of regular transport diesel with biodiesel from 10 percent to 11 percent that was originally scheduled for June 2019 (see <i>MPPU Dec.'18</i> ) has been postponed to the second half of the year, according to local media. Reportedly, the delay was triggered by unexpected complications faced in automotive test with blends containing 15 percent of biodiesel.
70	BIOENERGY POLICIES	Brazil	August	Biodiesel	The Brazilian Government has raised the mandatory national blending requirement for biodiesel. From September 2019, transport diesel must contain 11% of biodiesel, compared to the 10% requirement in place since March 2018 (see <i>MPPU Mar.'18</i> ). The country's Mines and Energy Ministry also published the results of engine tests that clear the path for an increase in the blending requirement to 15% (planned for 2023). Addressing concerns raised by car manufacturers, the country's oil industry regulator ANP also issued a resolution that will require a higher oxidation stability as the biodiesel blends increase so as to avert engine wear. The forthcoming one-percent increase in the blending rate is estimated to lift Brazil's biodiesel production from 4.7 million tonnes (in CY 2018) to 5.4 million tonnes (CY 2019), with soyoil accounting for most of the increase in feedstock demand. According to industry sources, the higher biodiesel volumes will require an additional local crush of 200 000 tonnes of soybeans per month.
71	BIOENERGY POLICIES	Brazil	August	Biodiesel	Since 2005, Brazil's social procurement programme (known as 'Selo Combustível Social' or SCS) requires the country's biodiesel producers to source 15–30 percent of their feedstock (depending on the region and product concerned) from small-scale farmers. In August 2019, the relevant legislation has been amended to widen the number of small farmer cooperatives that may qualify as suppliers of raw materials to the biodiesel industry. The revision is expected to permit 40 000 new family farms to participate in the biodiesel production chain. For comparison, in 2018, a total of 61 000 family farms participated in the programme, supplying biodiesel producers with 3.9 million tonnes of feedstock worth BRL 5.1 billion (USD 1.2 billion).
72	BIOENERGY POLICIES	Brazil	November	Biodiesel	Further to the recent increase in the country's nationwide biodiesel blending mandate from 10% to 11% (see <i>MPPU Sep.'19</i> ), in November, the Brazilian Government approved raising the mandate to 12%, effective 1 March 2020. Thereafter, blend levels would rise by a further one percentage point each year, until they reach 15% in March 2023. The new policy is expected to boost local demand for soyoil, the country's main biodiesel feedstock. Industry sources project Brazil's 2020 biodiesel production at 5.1 million tonnes, which would translate into a soyoil uptake of about 5 million tonnes – a level equivalent to nearly two-thirds of Brazil's 2019 supply. Looking further ahead, in 2028, official sources project biodiesel production to reach 9.7 million tonnes, based on current forecasts of national diesel consumption and a biodiesel blending rate of 15%. Meanwhile, Brazil's oil and fuels regulator, ANP, has launched tests with diesel motor fuels containing 20–30% biodiesel.

No.	Domain	Country	Month	Product	Description *
73	BIOENERGY POLICIES	European Union	January	Biodiesel	In January, the European Commission determined that US soybeans certified via the US' voluntary Sustainability Assurance Protocol comply with the sustainability criteria contained in the EU's Renewable Energy Directive (RED). The recognition allows biodiesel produced from US soya to count towards the EU's renewable energy targets, hence entailing eligibility for tax incentives. The US being the EU's main soybean supplier, the decision could expand market opportunities for US soybeans inside the bloc. The approval shall apply until 30 June 2021; after that date, the US protocol would need to be modified to meet the requirements set out in the EU's revised RED.
74	BIOENERGY POLICIES	European Union	February	Biodiesel	On 13 February, the European Commission introduced definitive anti-subsidy duties ranging from 25 to 33 percent on imports of biodiesel from Argentina (see also <i>MPPU Dec.'18</i> ). At the same time, the Commission agreed to exempt eight Argentine producers that have undertaken to sell their biodiesel at set minimum prices. The floor price will be linked to average monthly soybean quotations. Supposedly, the undertakings cancel out the alleged unfair advantages Argentine exporters used to enjoy over European producers.
75	BIOENERGY POLICIES	European Union	February	Biofuel	Linked to recent legislation on the EU's renewable energy policy after 2020 (see <i>MPPU Aug.'18</i> ), in February, the European Commission released its proposed criteria for identifying biofuel feedstock that carry high indirect land-use change (ILUC) risks, meaning that cultivation entails significant expansion into land with high carbon stock levels. In its draft regulation, which will be finalized after a four-week public consultation period, the Commission has determined that – different from soybean, rapeseed and sunflowerseed – oil palm cultivation is associated with significant levels of deforestation. Consequently, from 2030, palm oil-based biodiesel would no longer count towards meeting the EU's green fuel targets. Consumption of palm oil-based biodiesel would be frozen at each EU country's 2019 level, while the fuel's gradual phase-out would begin in 2023. The Commission's proposal allows for three exemptions: i) palm oil production that is accompanied by yield intensification and avoids expansion onto non-agricultural land, ii) palm oil production that entails cultivation of food and feed crops on unused or severely degraded land, and iii) palm oil produced by smallholders – which all would be classified as low ILUC-risk feedstock. The proposal met with strong opposition from palm oil producing countries, whereas environmental NGOs questioned both the proposed criteria and the rationale behind the exemptions. Reportedly, the Council of Palm Oil Producing Countries (CPOPC), which comprises Colombia, Indonesia and Malaysia, is planning to jointly challenge the proposed legislation through bilateral consultations and within WTO and ASEAN. The EU is the world's second largest importer of palm oil, with about half of the bloc's purchases being used for biodiesel production.
76	BIOENERGY POLICIES	European Union	March	Biofuel	On 13 March, the European Commission formally adopted the sustainability criteria for biofuels it presented back in February (see <i>MPPU Mar.'19</i> ). The regulation remains subject to scrutiny by the European Parliament and Council. While the new rule would not prevent member states from using and importing biofuels listed in the 'high ILUC-risk' category, notably palm oil-based biodiesel, member states would not be able – with a few exemptions – to count these towards their national renewable energy targets. The Commission is expected to review, by mid-June 2021, all aspects of the new regulation, in particular the criteria for certifying certain biofuels as 'low ILUC-risk' fuels. Furthermore, the Commission agreed to review the data underlying its ILUC-risk classification in light of evolving circumstances and latest available scientific evidence. In the meantime, the world's leading palm oil producing countries reiterated their complete disagreement with the EU's classification of palm oil as high ILUC-risk feedstock, adding that they would challenge the measure and consider retaliatory measures in case their concerns were not addressed.



No.	Domain	Country	Month	Product	Description *
77	BIOENERGY POLICIES	European Union	June	Biofuel	New EU regulations defining high/low ILUC-risk (indirect land use change) biofuel feedstocks came into force on 10 June (see also <i>MPPU May'19</i> ). While palm oil producing countries condemned the new measure for its allegedly discriminatory and protectionist nature, EU farmer organizations expressed concern that the regulation might not be effective in reducing the use of imported high ILUC-risk biofuel feedstock.
78	BIOENERGY POLICIES	European Union	August	Biodiesel	The European Commission imposed countervailing duties of 8–18 percent (depending on the supplier concerned) on imports of biodiesel from Indonesia. According to an investigation conducted by the Commission, Indonesia's biodiesel producers benefit from grants, tax incentives and access to raw materials (notably palm oil) below market prices – a condition believed to inflict a threat of economic damage to EU producers. The new import duties have been imposed on a provisional basis as the investigation continues, with a possibility to determine definitive measures by mid-December. Due to the new duties, Indonesian industry officials lowered their forecast for this year's EU-bound biodiesel shipments from 1.4 to 1 million tonnes. For the record, from 2013 to 2018, imports of biodiesel from both Indonesia and Argentina to the EU had been subject to <u>anti-dumping</u> duties. However, following the removal of the latter, the EU decided to launch fresh investigations, focusing on the alleged biodiesel subsidization in the two countries (see also <i>MPPU Mar./May'18 &amp; Mar.'19</i> ).
79	BIOENERGY POLICIES	European Union	December	Biofuel	In December, the European Commission confirmed the preliminary countervailing duties it had imposed last August on imports of palm oil-based biodiesel from Indonesia (see <i>MPPU Sep.'19</i> ). According to the Commission, Indonesian producers were able to sell their product at unfairly low prices because they benefited from grants, tax breaks and access to raw materials below market price. Reportedly, the Indonesian Government is considering taking legal action against the EU's decision.
80	BIOENERGY POLICIES	Finland	February	Biofuel	The Finnish Parliament has approved a law that envisages a gradual rise in domestic biofuel consumption targets. By 2030, the share of biofuels in transportation fuel is set to reach 30 percent, including a blending target of 10 percent for 'advanced biofuels' (i.e. fuels produced from feedstock other than agricultural crops).
81	BIOENERGY POLICIES	Finland	June	Biofuel	The Finnish Government joined other Nordic countries in announcing ambitious goals related to climate change, including the obligation to blend aviation fuel with 30 percent renewable fuel by 2030. Feedstock for renewable jet fuel include used cooking oil and animal waste fat. (See also <i>MPPU Jan.'19</i> )
82	BIOENERGY POLICIES	France	November	Biodiesel	As part of the 2020 budget debate, the French Parliament voted in favour of removing tax breaks for palm oil used as biodiesel feedstock, thus rejecting a Government-backed proposal to delay the withdrawal of the tax advantages until 2026. The removal had originally been agreed under France's 2019 budget (see <i>MPPU Jan.'19</i> ).
83	BIOENERGY POLICIES	India	May	Biodiesel	India's Central Government authorized nationwide sales of pure biodiesel (B100) for transportation purposes – while barring the sale of ready-made blends of whatever percentage. B100 may not be sold as a standalone ready-for-use fuel, meaning that the onus of blending B100 with conventional diesel rests on the buyer. In this regard, the industry recommends a ratio of 80% diesel and 20% biodiesel. Gas stations selling B100 are required to display warnings that disproportionate blending may cause damage to engines. All biodiesel sold in India needs to be indigenously produced and has to comply with official standards. Reportedly, at the pump, biodiesel currently costs 14 percent less than conventional diesel. (See also <i>MPPU Oct.'18</i> )

No.	Domain	Country	Month	Product	Description *
84	BIOENERGY POLICIES	India	August	Biodiesel	According to media reports, India's Central Government launched a scheme allowing state-owned fuel companies to procure biodiesel made from used cooking oil (UCO) across 100 Indian cities. Reportedly, UCO-based biodiesel will initially be procured at a guaranteed price of INR 51 per litre (USD 0.72), switching to respectively INR 52.70 and INR 54.50 (USD 0.74 and 0.77) in the second and third year. The programme includes a mobile phone application for the collection of UCO and a 'Repurpose UCO' sticker to be displayed by participating hotels, restaurants and eateries. The launch of a formal chain for the collection and recycling of UCO is aimed at both lowering the country's mineral oil imports and reducing human health hazards that arise from the repeated use of cooking oils. In order to meet the government's separate 2030 target of blending regular diesel with 5 percent biodiesel across the country, the annual biodiesel requirement is estimated around 4.4 million tonnes. Assuming that 1.25 million tonnes of UCO are collected yearly from bulk consumers (i.e. roughly 5 percent of total domestic edible oil consumption), approximately 1 million tonnes of biodiesel could be obtained – thus meeting nearly one quarter of the overall requirement. It is important to keep in mind that, last year, India's biodiesel production capacity was estimated at no more than 0.6 million tonnes per year, while actual output was reported at merely 165 000 tonnes. (See also MPPU Aug./Oct.'18 & Jan./Mar./July'19)
85	BIOENERGY POLICIES	Indonesia	April	Biodiesel	In a move to further increase domestic uptake of palm oil amid increasingly uncertain export prospects, the Government launched technical trials with B100 (i.e. pure palm oil-based biodiesel), according to local media. Back in September 2018, the use of B20 (i.e. diesel blends containing 20 percent biodiesel) became mandatory throughout the country (see also MPPU Aug.'18 & Jan.'19). Industry experts pointed out that any increase in domestic biodiesel production would require higher government outlays for the subsidization of oil refining companies. To date, such subsidies have been covered entirely by a levy collected on palm oil exports at the country's borders.
86	BIOENERGY POLICIES	Indonesia	June	Biodiesel	According to local media, Indonesia began testing transportation diesel with a bio-content of 30 percent, in line with renewed government efforts to further develop the domestic market for palm oil amid slowing growth in global demand. Reportedly, the Government is considering raising the current mandatory blending requirement of 20 percent to 30 percent, sometime next year (see also MPPU Jan. & May'19). Industry experts estimate that a nationwide shift from B20 to B30 would push annual biodiesel consumption from currently 5.5 million tonnes to 8 million tonnes. Reportedly, the Energy Ministry plans to extend the ongoing B30 tests to trains, vessels and heavy machinery in the mining industry.
87	BIOENERGY POLICIES	Indonesia	August	Biodiesel	Local media confirmed that the Government is considering to further increase the biodiesel content of domestic transport diesel (see MPPU July'19). Reportedly, the mandatory blending rate could be increased to 30 percent next January (from 20 percent at present) and further to 50 percent towards the end of 2020. Besides contributing to efforts to curb the nation's energy imports, the plans are aimed at boosting domestic palm oil uptake at a time of uncertain palm oil export prospects. The shift to B30 is estimated to require a more than 50% increase in domestic biodiesel production, potentially absorbing an additional 3.5 million tonnes of palm oil in 2020. Market observers pointed out that the anticipated level of domestic palm oil consumption could lead to shortages on the global market.

No.	Domain	Country	Month	Product	Description *
88	BIOENERGY POLICIES	Indonesia	October	Biodiesel	The Government confirmed its plan to raise the nationwide biodiesel blending mandate from 20 percent to 30 percent in January 2020. It also released the results of road tests of diesel fuel containing 30 percent of (palm oil-based) biodiesel which indicate that the higher blend is safe for cars. Furthermore, the Energy Ministry published the biodiesel consumption quotas for individual oil refining companies in 2020, which entail a 45 percent year-on-year increase – from 5.83 million tonnes in 2019 to 8.47 million tonnes in 2020.
89	BIOENERGY POLICIES	Indonesia	December	Biodiesel	Further to the shift from B20 to B30 (i.e. diesel with a mandatory bio-content of, respectively, 20 percent and 30 percent) scheduled for 1 January 2020, Government officials announced plans to implement a bio-diesel programme with 40% bio-content between 2021 and 2022, adding that road test using B40 diesel would be conducted during 2020. Furthermore, technical studies on mixing palm oil-based fuel with aviation fuel are planned. Government estimates reported by the media set the country's biodiesel consumption in 2022 at 8.92 million tonnes, which compares to 6.35 million tonnes in 2019. For the time being, due to palm oil supply constraints, a B50 mandate is considered as the upper limit – unless the industry manages to accelerate the replanting of senile palms, eventually achieving yield improvements (see <i>MPPU Nov.'19</i> ).
90	BIOENERGY POLICIES	Indonesia, European Union	December	Biodiesel	On 16 December, Indonesia formally requested WTO dispute consultations with the European Union regarding measures adopted by the EU and certain member states in the renewable energy sector relating to biofuels (see above <i>items on the EU and France</i> ) – notably the classification of palm oil as a 'high indirect land use change (ILUC)-risk' biofuel feedstock (see <i>MPPU Mar./July'19</i> ). Indonesia deems the measures adopted by the EU and France to be discriminatory to its palm oil sector and hence inconsistent with existing WTO rules. Government officials claimed that, besides directly hurting Indonesia's palm oil exports, the EU's policies could tarnish the image of palm oil products globally, eventually harming all palm oil producing countries.
91	BIOENERGY POLICIES	Malaysia	February	Biodiesel	Further to the ongoing implementation of higher biodiesel blending mandates for road transport and industrial uses (see <i>MPPU Dec.'18</i> ), the Government is considering to raise mandatory blending rates further in 2020. The target is to elevate domestic uptake of crude palm oil for biodiesel by an additional 1.3 million tonnes per year, thereby helping to stabilize prices and reduce stocks of the commodity. The corresponding blending rates would be 20 percent for road transport and 10 percent for the industrial sector (compared to current rates of, respectively, 10 and 7 percent). To support higher consumption, the government is also exploring the possibility of setting up a biofuel stabilization fund, which would be used to keep local biodiesel prices competitive. The fund would be fed by levies collected on exports, similar to the scheme in place in Indonesia and to plans under consideration in Thailand.
92	BIOENERGY POLICIES	Malaysia	April	Biodiesel	The Malaysian Palm Oil Board asserted that palm oil is suitable for direct blending into aviation fuel and therefore advocates its approval by the International Civil Aviation Organization (ICAO), which currently only accepts palm fatty acid distillate as palm oil-based feedstock for aviation biofuel. ICAO determined that, from 2027, blending of aviation fuel with biofuel would start to become mandatory across the globe.
93	BIOENERGY POLICIES	Malaysia	June	Biodiesel	In view of the increase in the country's mandatory biodiesel blending rate from 10 percent to 20 percent planned for next year, the Federal Government set up an inter-ministerial committee tasked to monitor and ensure that domestic crude palm oil prices remain stable and local biodiesel prices stay competitive. Reportedly, the committee will look into the possibility of setting up a biodiesel stabilization fund. (See also <i>MPPU Mar.'19</i> )

No.	Domain	Country	Month	Product	Description *
94	BIOENERGY POLICIES	Malaysia	November	Biodiesel	With a view to foster domestic palm oil uptake, Malaysia envisages to start producing palm oil-based jet-fuel within five years, local media reported. To achieve this goal, in its FY 2020 budget, the Government set aside funds to explore the use of palm oil derivatives as aviation fuel feedstock. In the meantime, the Malaysian Palm Oil Board has approached potential investment partners in China, Japan and the United States of America (see also <i>MPPU May'19</i> ). While bio-jet fuels will be needed to reduce carbon footprints, their production comes with additional costs and complexities – hence the need for more research and development before moving into commercial production. Meanwhile, demand for bio-jet fuel is expected to expand, considering that the International Civil Aviation Organization ICAO (the UN's standards setting body for civil aviation) is aiming for a significant share of renewable fuel in total aviation fuel by 2050.
95	BIOENERGY POLICIES	Norway	February	Biofuel	Regarding the Norwegian Parliament's call to ban the importation of non-sustainable biofuel feedstock, government sources informed that the issue will be taken up in trade talks between the European Free Trade Association, to which Norway is a member, and Malaysia. Trade ministry officials underscored that lawmakers did not call for a blanket ban on palm oil, instead recommending that biofuel feedstock be sourced exclusively from sustainable bases – an approach said to be in line with Malaysia's current policies.
96	BIOENERGY POLICIES	Norway	June	Biofuel	The Norwegian Environment Agency published data on domestic biofuel sales, broken down by conventional (first-generation) fuels and advanced (second-generation) biofuels. The figures show that, in 2018, overall biofuel sales decreased by 25 percent, primarily reflecting a significant drop in imports of palm oil – a development attributed to the 2017 policy change that banned public procurement and use of high-ILUC-risk biofuel feedstock (see <i>MPPU July'17</i> ). Reportedly, between 2017 and 2018, Norway's consumption of palm oil-based biofuels dropped by 70 percent, while the uptake of 'advanced biofuels' – produced primarily from imported slaughter waste and used deep-fry oil – increased by 38 percent.
97	BIOENERGY POLICIES	Thailand	April	Biodiesel	Ministry officials confirmed the Government's intention to raise mandatory blending of regular diesel with palm oil-based biodiesel from 7 percent to 10 percent in the first half of 2019 – a move that would help absorb excess domestic palm oil production (see also <i>MPPU May'18</i> ). Furthermore, the Government agreed to subsidize the purchase of 160 000 tonnes of crude palm oil by the country's Electricity Generation Authority.
98	BIOENERGY POLICIES	Thailand	May	Biodiesel	In May, government officials presided over the commercial launch of B10 and B20 biodiesel, i.e. transport diesel containing, respectively, 10 and 20 percent of palm oil methylester. The Government's declared policy is to promote B10 as the country's main diesel fuel, replacing the current B7 mix by 2021 – in a bid to absorb surplus palm oil production and bolster local prices of fresh palm nuts and crude palm oil (see also <i>MPPU May'18 &amp; May'19</i> ). The Energy Ministry anticipated that – combined with increased palm oil uptake by state-owned power generating companies – the higher fuel blends will raise domestic uptake for fuel/energy production to 2.5 tonnes annually, compared to the current level of 1.5 million tonnes. Reportedly, to incentivize consumers to shift to B10 and B20, the new blends will be sold at a discount to both conventional diesel and B7 blends, thanks to adjustments in the country's excise tax structure.



No.	Domain	Country	Month	Product	Description *
99	BIOENERGY POLICIES	Thailand	October	Biodiesel	The Government's Oil Fund Office has approved subsidies for the production and sale of diesel fuel containing 10 or 20 percent of palm oil-based biodiesel. The measure is aimed at encouraging the use of biodiesel before mandatory sales will shift from 7 percent-blends to 10 percent-blends on 1 January 2020. Reportedly, B10 and B20 would be subsidized by, respectively, THB 1.80 and THB 2.55 per litre (USD 0.06 and 0.08), while, from January 2020, the litre of B10 and B20 would be priced at THB 26 and 23 (USD 0.86 and 0.76) respectively. Ultimately, the subsidization policy is expected to help absorb the domestic surplus of crude palm oil.
100	BIOENERGY POLICIES	Thailand	November	Biodiesel	As a result of the shift in mandatory blending from B7 to B10 (i.e. transport diesel with a bio-content of, respectively, 7 percent and 10 percent) in January 2020, the country's biodiesel industry is expected to absorb 2.2 million tonnes of palm oil – or two thirds of domestic production – annually. Besides helping to stabilize palm oil prices, the Government's biofuel policy is expected to reduce airborne dust emissions and help the country save on mineral oil imports. Official sources confirmed that domestic sales of B10 and B20 would be subsidized (see also <i>MPPU July</i> '19).
101	BIOENERGY POLICIES	United States of America	July	Biodiesel	The U.S. Department of Commerce (DOC) completed the 'changed circumstances review' it conducted to assess whether the anti-dumping and countervailing duties applied to imports of biodiesel from Argentina continued to be warranted (see <i>MPPU Dec.</i> '18). The DOC preliminarily determined that recent changes in Argentina's export tax regime have eliminated certain government subsidies provided to the country's biodiesel producers, hence warranting a reduction in the United States of America' countervailing rates. With regard to the anti-dumping duties, however, DOC determined that the circumstances warranting changes did not exist. Accordingly, DOC agreed to reduce the existing countervailing duty rates from their current average of 72 percent to 10 percent, whereas the present anti-dumping rates of 75 percent would remain in place.
102	BIOENERGY POLICIES	United States of America	July	Biofuel	In July, the Environment Protection Agency (EPA) published draft minimum amounts of renewable fuels that would need to be supplied to the market in 2020 as well as draft blending obligations for biomass-based biodiesel in 2021. For 'biomass-based diesel', EPA proposed to leave the 2021 requirement unchanged from 2020, i.e. at 2.43 billion gallons, while for the 'advanced biofuel' category, under which biodiesel also qualifies, a volume of 5.04 billion gallons was proposed for 2020, up slightly from the current year's 4.92 billion gallons. EPA's deadline for finalizing the volume obligations is 30 November 2019.
103	BIOENERGY POLICIES	United States of America	October	Biofuel	The Environmental Protection Agency (EPA) proposed and sought comments on adjustments to the way annual renewable fuel blending obligations will be determined in the coming years. More specifically, comments were invited on a proposed mechanism to offset small refinery exemptions when determining future blending obligations. EPA's proposal would not alter the biofuel utilization mandates it proposed for 2020 and 2021 (see <i>MPPU Sep.</i> '19). Representatives of the renewable fuel industry criticized the proposal because it would link the calculation of biofuel obligations to exemption levels recommended by the U.S. Energy Department rather than using actual exemption levels.

No.	Domain	Country	Month	Product	Description *
104	BIOENERGY POLICIES	United States of America	December	Biofuel	In December, the Government signed into law a new budget deal including a historic five-year extension of the USD 1 per gallon tax credit for biodiesel blenders. The tax incentive's retroactive reinstatement – from its expiry on 1 January 2018 through 31 December 2022 – is expected to provide a stable framework for the sector's further growth. For the last six years, the tax credit was allowed to expire, with retroactive extensions granted for one year at a time. Reportedly, at an annual cost of almost USD 2 billion, the 15 year-old programme is among the country's most expensive energy subsidy policies.
105	BIOENERGY POLICIES	United States of America	December	Biofuel	In December, the Environmental Protection Agency (EPA) finalized the volume of renewable fuels that will have to be supplied to the market in 2020 as well as the blending obligations for biomass-based biodiesel in 2021. As for 'biomass-based diesel', EPA confirmed that the 2021 requirement would remain unchanged from 2020, i.e. at 2.43 billion gallons. With regard to the 'advanced biofuel' category, under which biodiesel also qualifies, 5.09 billion gallons will be required in 2020 – up from the 2019 level of 4.92 billion gallons (and 170 million gallons above EPA's initial proposal – see MPPU Sep.'19).
106	BIOENERGY POLICIES	United States of America	December	Biofuel	From December 2019, Iowa State requires all state agencies, when buying vehicles and diesel engines, to purchase models that have manufacturer support to use diesel with at least 20 percent bio-content (generally known as B20). Introduced by the nation's leading producer of biodiesel, the measure is expected to stimulate support for B20 (and higher blends) among diesel equipment and engine companies across the United States of America.
107	TRADE POLICIES – Import measures – non-tariff	Burkina Faso	September	Vegetable oils	In September, the Government announced plans to suspend special import permits for vegetable oils. The measure would be aimed at stimulating domestic oilseed production.
108	TRADE POLICIES – Import measures – non-tariff	Canada	April	Selected oilseeds and meals	Canada's Food Inspection Agency introduced stringent quality requirements for selected feed ingredients – including oilseeds and associated meals – imported from countries identified as posing potential concerns with regard to African Swine Fever.
109	TRADE POLICIES – Import measures – non-tariff	China	March	Rapeseed	China's Customs Authority suspended the import permits of selected Canadian rapeseed suppliers, citing phytosanitary concerns. The measure, which has led to a virtual standstill in China's rapeseed purchases from the world's largest supplier, is expected to severely affect Canada's rapeseed industry, considering that China is Canada's top export market for rapeseed, rapeseed oil and meal.
110	TRADE POLICIES – Import measures – non-tariff	China	June	Selected oilseeds and meals	Trade mitigation: Alongside its protracted trade negotiations with the United States of America, China's General Administration of Customs signed a protocol with the Russian Federation's Veterinary and Phytosanitary Surveillance Service on phytosanitary standards aimed at facilitating imports of a number of products – including soybeans, rapeseed and sunflowerseed meal – into China. In this regard, Russia's Agriculture Ministry expects in particular an increase in soybean shipments, hand in hand with the planned expansion of soybean production in the country's Far Eastern districts (see MPPU Dec.'18). According to information from the Russian Union of Oils and Fats, in the longer term, exports of soybeans to China would eventually be replaced with shipments of soybean meal and oil.

No.	Domain	Country	Month	Product	Description *
111	TRADE POLICIES – Import measures – non-tariff	China	July-August	Soybeans, soyoil, rapeseed oil, palm oil, soymeal	Trade mitigation: Alongside its protracted trade negotiations with the United States of America, Government efforts to expand the country's import options for oilseeds and derived products continued. In July, China's customs authority approved the importation of soybeans from the <u>Russian Federation</u> (see also <i>MPPU July '19</i> ). Furthermore, the Commerce Ministry announced plans to remove soybean oil, rapeseed oil and palm oil from its list of products subject to import tariff quota management. In addition, in August, an official delegation visited <u>Argentina</u> to inspect the country's soymeal crushing plants (see also <i>MPPU Dec. '18</i> ), hence signalling a departure from past policies: to date, due to China's large domestic crushing capacity, the country's soymeal imports have been negligible and none of it was sourced from <u>Argentina</u> – the world's leading soymeal supplier.
112	TRADE POLICIES – Import measures – non-tariff	China	September-October	Soybeans, soymeal, rapeseed meal, sunflower meal, palm kernel expeller, cottonseed meal	Trade mitigation: In parallel to its trade talks with the United States of America, the Chinese Government further pursued efforts to diversify the country's import options for oilseeds and derived products through bilateral agreements with third countries (see also <i>MPPU Sep. '19</i> ). In particular, in September, China formally approved the importation of soymeal from <u>Argentina</u> , the world's leading supplier of the commodity (NB: Argentinian soymeal was previously denied access to China). Reportedly, before first shipments can take place, concerned Argentinian plants need to obtain final authorization and registration by China's customs authorities. Argentine government officials expect soymeal sales to China of up to 5 million tonnes in 2020, which compares to lower industry estimates of 2.3 million tonnes. In the month of September, China also authorized purchases of soy, rape and sunflower meal from the <u>Russian Federation</u> (see also <i>MPPU July&amp;Sep. '19</i> ). Moreover, China signed a MoU with <u>Thailand</u> that is expected to foster China's imports of Thai palm kernel expeller. Subsequently, in October, China signed a sanitary protocol with <u>Brazil</u> to facilitate sales of Brazilian cottonseed meal to China. The two countries also agreed to explore the possibility of trading soybean meal. In addition, Brazil's agricultural research body EMBRAPA and the Chinese Academy of Science signed a MoU aimed at promoting scientific collaboration between the two institutions, including work on the genetic enhancement of soybeans.
113	TRADE POLICIES – Import measures – non-tariff	China	November	Rapeseed meal	Trade mitigation: In November, the two countries signed a protocol setting sanitary requirements for exports of rapeseed meal from <u>Ukraine</u> to China. The agreement will be valid for five years. Industry sources expect that the deal would stimulate <u>Ukraine's</u> rapeseed processing and meal sales to China at the expense of EU-bound rapeseed shipments.
114	TRADE POLICIES – Import measures – non-tariff	China	November-December	Soybeans, cottonseed meal	Trade mitigation: Further efforts to diversify or expand the country's sources for feed ingredients have been reported from China (see also <i>MPPU Sep. &amp; Nov. '19</i> ). In November, China's customs authorities approved the importation of cottonseed meal – a soymeal substitute – from <u>Brazil</u> . Furthermore, on 1 January 2020, China eased its customs regulations on imports of soybean through selected northern border checkpoints, reflecting efforts to smoothen imports from neighbours such as <u>Kazakhstan</u> and the <u>Russian Federation</u> .
115	TRADE POLICIES – Import measures – non-tariff	China	December	Soymeal	Trade mitigation: Chinese officials are in advanced talks with counterparts in <u>Brazil</u> about a protocol setting sanitary standards that would allow Brazilian crushers export soybean meal to China (see also <i>MPPU Mar. '19</i> ). A date for the agreement's signature and implementation was not announced.
116	TRADE POLICIES – Import measures – non-tariff	Ethiopia	November	Palm oil	The Ethiopian Government has raised the number of private and state-owned companies that are authorized to import refined palm oil for subsequent distribution to local markets under government-set prices. Reportedly, the selected companies will benefit from duty-free privileges and preferential access to foreign exchange (see also <i>MPPU Aug. '15</i> ).

No.	Domain	Country	Month	Product	Description *
117	TRADE POLICIES – Import measures – non-tariff	Islamic Rep. of Iran	December	Selected oilseeds and oils/fats	To ensure adequate domestic supplies, the Iranian Government decided to subsidize the importation of a number of basic goods, including edible oils and oilseeds. Reportedly, importers will be provided with USD 14 billion in the form of official-rate foreign exchange.
118	TRADE POLICIES – Import measures – non-tariff	Philippines	March	Palm oil	After considering to introduce temporary import restrictions for palm oil, the Philippine Government has agreed to set up a technical working group with Malaysian and Indonesian counterparts to address its concerns over the alleged smuggling and dumping of palm oil and its adverse effects on the domestic coconut and oil palm industry. Reportedly, the profitability of domestic copra production has been hurt severely following steep falls in local oils/fats prices.
119	TRADE POLICIES – Import measures – non-tariff	Republic of Korea	January	Selected meals and oils/fats	The Republic of Korea renewed, for calendar year 2019, its voluntary tariff rate quotas for feed ingredients, including soybeanmeal, cottonseedmeal and animal/vegetable fat (see also <i>MPPU Mar.'15</i> ). The tariff concessions are intended to assist domestic livestock producers by reducing the cost of inputs.
120	TRADE POLICIES – Import measures – tariffs & levies	Argentina	May	Soybeans	The Government informed that soybeans imported for subsequent re-export in the form of oil/meal would be exempted from a recently implemented increase in the country's 'statistics duty'.
121	TRADE POLICIES – Import measures – tariffs & levies	China	December	Selected meals and oils/fats	Trade mitigation: Further efforts to diversify or expand the country's sources for feed ingredients have been reported from China (see also <i>MPPU Sep. &amp; Nov.'19</i> ). In December, when the country's Tariff Commission set tentative Most Favoured Nations (MFN) import tariffs for selected commodities in the year 2020, the duties for oilcakes/meals other than soymeal were suspended, while those for bovine animal tallow, palm stearin and fish oil capsules were lowered from the prevailing levels.
122	TRADE POLICIES – Import measures – tariffs & levies	India	July	Palm stearin, palm fatty acid distillates	With a view to support the country's oil refining industry, the Government withdrew the import duty exemption previously granted for palm stearin and palm fatty acid distillates (PFAD). Since July 2019, imports of the said products are subject to a tariff rate of 7.5 percent. The rates for other soft oils, including palm olein, remained unchanged. Palm stearin and PFAD are primarily used in manufacturing oleochemicals and soaps. India's refiners produce considerable volumes of palm stearin and other palm products by refining imported palm oil, and the modified tariff rate is expected to help local processors market these products competitively.
123	TRADE POLICIES – Import measures – tariffs & levies	India	August	Vegetable oils	According to the media, the Indian Government is considering to introduce a cess on all vegetable oil imports, with a view to set up an 'Oilseed Development Fund' tasked to boost the country's stagnating oilcrop production. Reportedly, the proposed cess would be collected from importers in the form of a 5 percent tariff surcharge.
124	TRADE POLICIES – Import measures – tariffs & levies	India	September	Palm oil	Effective 4 September 2019 and for a period of 180 days, the Government introduced a 5 percent 'safeguard tariff' on imports of refined palm oil from Malaysia – thereby ending the preferential treatment Malaysian exporters enjoyed since the beginning of 2019 (see <i>MPPU Jan.'19</i> ), which led to a surge in India's palm olein imports that allegedly harmed local refiners. The safeguard measure has resulted in a harmonized total import duty of 50 percent for refined palm oil from all origins, while imports of crude palm oil will continue to be taxed at 40 percent.



No.	Domain	Country	Month	Product	Description *
125	TRADE POLICIES – Import measures – tariffs & levies	India	October	Palm oil	According to media reports, the Government is considering to raise the integrated general sales tax (IGST) on imported refined palm oil from 5 percent to 12 percent, with a view to offset a reduction in import tariffs on palm oil supplied by members of the ASEAN bloc that is scheduled for January 2020. Under the ASEAN trade agreements, India is required to lower its tariffs on crude and refined palm oil to, respectively, 37.5 percent and 45 percent (compared to the prevailing rates of rates of 40 percent and 50 percent), which will entail a reduction in the duty differential between the two oils.
126	TRADE POLICIES – Import measures – tariffs & levies	Turkey	July	Sunflowerseed	In July, the Turkish Government raised the country's import tariff for sunflowerseed to 20 percent. The duty had been temporarily lowered to 13 percent in June of last year, with a view to support domestic crush operations. The higher duty is set to remain in place until end-January 2020.
127	TRADE POLICIES – Export measures – tariff & non-tariff	Argentina	April	Soyoil, sunflowerseed oil	The Government informed that it would support efforts by the country's oilseed processing industry to promote sales of Argentine soy and sunflowerseed oil to India.
128	TRADE POLICIES – Export measures – tariff & non-tariff	Argentina	October	Selected grains, oilseeds	The Agriculture Ministry reduced the time span granted to traders for paying taxes on exports of grains and oilseeds from 45 to 30 days, and determined that exporters of key commodities – comprising soybeans, soyoil, soymeal and sunflowerseed – have to pay export dues within five days after the date of sale, rather than on the date of shipment.
129	TRADE POLICIES – Export measures – tariff & non-tariff	Argentina	December	Soybeans, soyoil, soymeal, sunflowerseed	On 14 December, citing fiscal policy reasons, the newly formed Government removed the export tax limit of 4 ARS for each US dollar in export value that had been in place for selected commodities since September 2018, including oilseeds and derived products (see MPPU Oct.'18). As a result, Argentina's export tax on soybeans, soyoil and soymeal exports has risen to 30%, while that for sunflowerseed shipments reached 12% – compared to the prevailing tax levels of, respectively, 25% and 7%. Subsequently, on 21 December, Argentina's Congress authorized the government to raise, for a period of two years, the export tax on soybeans, soyoil, soymeal and sunflowerseed by an additional 3 percent – to, respectively, 33% and 15%. Reportedly, small farmers would qualify for full or partial reimbursements of the additional 3% tax, depending on their annual production volume. According to industry sources, the higher export duties would lead to lower plantings, with 2020 soybean output possibly falling by 1–1.5 million tonnes compared to earlier forecasts. Meanwhile, the Government has launched consultations with the farm industry on the possibility of reintroducing export tax differentiation, which would be aimed at encouraging the production and export of soyoil and meal as opposed to beans.
130	TRADE POLICIES – Export measures – tariff & non-tariff	Bolivia	June	Soybeans	To assist soybean farmers affected by both adverse weather conditions and the recent decline in international soybean prices, the Government decided to i) restrict up to 60 percent (or 1.6 million tonnes per year) of the country's soybean exports, and ii) authorize the cultivation of two new genetically engineered soybean events. The new export regime will replace a permit system that required producers to sell soybeans at regulated prices until domestic demand was satisfied. Furthermore, banks were invited to review and possibly renegotiate the terms of outstanding farm loans. The measures aim at raising the export competitiveness of the country's soybean industry, which accounts for 45 percent of agricultural land and dominates the country's agricultural exports.

No.	Domain	Country	Month	Product	Description *
131	TRADE POLICIES – Export measures – tariff & non-tariff	Bolivia	June	Soybeans	Following the recent liberalization of Bolivia's soybean exports (see <i>MPPU July'19</i> ), government officials expect the country's annual soybean shipments to range between 1 and 1.6 million tonnes. Under the new legislation, traders are required to apply for certificates in order to export, thus allowing the Government to track the volume of shipments and enforce the rule that limits exports at 60 percent of domestic output. Reportedly, industry officials urged the government to also consider liberalizing exports of soymeal and crude/refined soyoil.
132	TRADE POLICIES – Export measures – tariff & non-tariff	Canada	June	Rapeseed	Further to the producer support measures introduced in early May (see <i>MPPU May'19</i> ), the Government announced an additional CAD 150 million (USD 115 million) in insurance support to Canadian rapeseed exporters. The new aid is aimed at helping companies exporting rapeseed manage uncertainties associated with the exploration of new markets (following recent disruptions in exports to China). Adequate insurance coverage is critical for exporters trying to access fresh working capital from banks. Granted by Canada's export credit agency, additional insurance protection will be used to cover potential defaults on commercial sales contracts.
133	TRADE POLICIES – Export measures – tariff & non-tariff	Canada	July	Selected grains, oilseeds	The Canadian Government committed funding for a variety of projects aimed at strengthening, diversifying and expanding the country's grains and oilseeds exports. The investments are expected to help position exporters to take full advantage of new opportunities created through new trade agreements. The projects will be funded through Canada's Agricultural Partnerships AgriMarketing Program, which supports industry-led promotional activities. At over CAD 4 million (USD 3.02 million), the Canola Council of Canada will receive the largest allotment, in a bid to promote rapeseed exports.
134	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	January	Palm oil	According to media reports, the Indonesian Government is considering to end mandatory use of surveyors for inspecting shipments of certain commodities, including palm oil. By simplifying export procedures, the competitiveness of exports would be improved. Furthermore, means to streamline customs procedures are being explored with the view to shorten vessel dwelling times at ports.
135	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	February	Palm oil	In Indonesia, palm oil benchmark prices continued to range below the USD 750 per tonne threshold that trigger taxation. Accordingly, in February and March 2019, the export tax on crude palm oil remained at zero, marking the 24th month in succession of tax-free exports. Indonesia's export levy on palm oil shipments, which kicks in when the reference price exceeds USD 570 per tonne, also remained at zero. (See also <i>MPPU Jan. '19</i> )
136	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	March	Palm oil	The Government confirmed that the use of independent surveyors for inspecting shipments of palm oil will no longer be mandatory – a move aimed at improving the commodity's export competitiveness (see also <i>MPPU Mar. '19</i> ).
137	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	April	Palm oil	Palm oil benchmark prices continued to range below the USD 750 per tonne threshold that triggers export taxation in Indonesia. Accordingly, in April and May 2019, the export tax on crude palm oil remains at zero, marking the 26th month in succession of tax-free shipments. Meanwhile, the country's export levy on foreign palm oil sales remains suspended until further notice. It is important to note that, in case no levies are collected for an extended period of time, subsidization of the country's biodiesel production and of the country's nation-wide oil palm replanting programme would be affected.

No.	Domain	Country	Month	Product	Description *
138	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	June	Palm oil	In Indonesia, where palm oil exports are subject to both a tax and a levy, the respective palm oil benchmark prices continued to range below the thresholds that trigger export duties. Accordingly, exports remain tax exempt in June and July, marking 28 months since the export tax' suspension in March 2017. As for the levy charged on palm oil exports, the due will remain suspended until further notice. According to official sources, proceeds collected until the levy was suspended in November 2018 are sufficient to continue financing the government's biodiesel subsidization and oil palm replanting programmes (see also <i>MPPU May'19</i> ).
139	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	August-September	Palm oil	In Indonesia, palm oil benchmark prices continued to range below the thresholds that trigger export taxation. Accordingly, in August and September, palm oil exports will remain free of tax. The additional levy applied to Indonesian palm oil exports also remains suspended.
140	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	September	Palm oil	Though moving upward, palm oil benchmark prices continued to range below the threshold levels that trigger export taxation. As a result, in October, Indonesia's tax on crude palm oil exports remained at zero, marking the 30th month in succession of tax-free exports. As for the variable export levy, the Government announced that – although the recent improvement in market prices was supposed to trigger the levy's reactivation – the toll on foreign crude palm oil sales would remain suspended until 1 January 2020. Reportedly, the decision is aimed at supporting the country's exports and protecting growers' incomes. Industry representatives pointed out that the duties' prolonged suspension has led to an increase in the share of crude palm oil in the country's overall palm oil shipments.
141	TRADE POLICIES – Export measures – tariff & non-tariff	Indonesia	December	Palm oil	With crude palm oil reference prices remaining below the USD 750 per tonne threshold that triggers export taxation, the country's tax on palm oil exports remained suspended in December 2019 and January 2020. By contrast, the export levy that kicks in when prices exceed USD 570 per tonne has been re-activated on 1 January 2020 (NB: due to depressed prices, no levies had been collected since November 2018; even when prices started recovering in November and December of last year, the Government opted to maintain the levy at zero, in a bid to support exports – see <i>MPPU Nov.'19</i> ). With the January reference price set at USD 730 per tonne, the levy collected on each tonne of palm oil exported will move in the USD 20–50 range.
142	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	February	Palm oil	In Malaysia, palm oil benchmark prices continued to range below the thresholds that trigger taxation. Accordingly, in February and March 2019, the country's export tax on crude palm oil remained at zero, marking the seventh consecutive month of tax-free exports.
143	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	April	Palm oil	Malaysia stepped up its efforts to penetrate new markets thereby enhancing the nation's palm oil exports. Countries in Southeast Asia, Africa and Central Asia are eyed as potential import markets. Recently, ministry officials reported new palm oil-based countertrade deals with the Russian Federation and maintained that other countries – including China, India, The Islamic Rep. of Iran, Pakistan and Turkey – would be equally open to such arrangements. Regarding China, according to a recently signed MoU, the country accepted to purchase an additional 1.9 million tonnes of Malaysian palm oil and palm oil-based products over the next 5 years. The two countries also agreed to set up, in China, an aviation biofuel plant worth MYR 2 billion (USD 0.48 billion), as well as to invest up to MYR 200 million (USD 48 million) in the production of unsaturated fat, depending on market feasibility.
144	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	April	Palm oil	With palm oil benchmark prices continuing to range below the MYR 2 250 per tonne threshold (USD 538) that triggers taxation, in April and May 2019, the export tax on crude palm oil remains at zero, marking the 9th consecutive month of tax-free exports.

No.	Domain	Country	Month	Product	Description *
145	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	June	Palm oil	In Malaysia, where palm oil benchmark prices have ranged below the threshold that triggers export taxation since September 2018, the Government decided to keep the tax exemption in place until 31 December 2019 – irrespective of price developments. The measure is aimed at improving the export competitiveness of Malaysian palm oil and encouraging sales to new markets (notably in Africa, the Middle East and the Russian Federation), while helping to lower the nation's stockpiles. Government officials pointed out that, in addition to facing low prices, oil palm growers are affected by a shortage of foreign workers.
146	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	August-September	Palm oil	In Malaysia, palm oil benchmark prices continued to range below the thresholds that trigger export taxation. Accordingly, in August and September, Malaysian palm oil exports will remain free of tax. Earlier this year, the Malaysian Government had announced that the country's palm oil shipments would remain tax-exempt until 31 December 2019 to boost exports and allow industry players to expand into new markets.
147	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	September	Palm kernel oil	The Government temporarily exempted the export duty on crude and refined palm kernel oil shipments, with a view to stimulate exports of the two commodities and reduce their inventories in the local market. The measures, which will be in place from 1 October 2019 until 30 June 2020, is part of efforts to encourage the palm oil industry to produce and market high value-added downstream products.
148	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	September	Palm oil	In a bid to stimulate palm oil shipments, the Government announced the following change in the commodity's 6-year old export tax regime: from 1 January 2020 onward, whenever the oil's per tonne benchmark price will fall into the MYR 2 250–2 400 range (USD 541–577), an export duty of 3 percent will apply – as opposed to the current rate of 4.5 percent. In the subsequent tire of MYR 2 401–2 550 (USD 578–614), the rate will increase to 4.5 percent, and then rise at 0.5 percent increments up to a maximum of 8 percent should prices exceed MYR 3 450 (USD 830) per tonne.
149	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	November	Palm oil	The Government of Malaysia backed private sector initiatives geared towards greater palm oil market penetration in China, India and the Indian sub-continent. Newly signed collaboration agreements with firms specialized in supply chain management are expected to help Malaysia diversify its palm oil exports. On a related note, the Malaysian Government plans to support research, training and promotional activities on palm oil in Pakistan, with the objective to allay consumer misperceptions about palm oil. In this regard, possibilities to collaborate with the Department of Food Science and Technology of the Karachi University would be explored.
150	TRADE POLICIES – Export measures – tariff & non-tariff	Malaysia	December	Palm oil	Suspended since August 2018 due to declining prices, the tax on crude palm oil exports was eventually re-activated on 1 January 2020. With the palm oil reference price bouncing up to MYR 2 571 (USD 631) per tonne, exports will be taxed at 5%, in line with the recently revised tax scale (see <i>MPPU Nov. '19</i> ).
151	TRADE POLICIES – Trade disputes	Canada, China	September	Rapeseed	The Canadian Government informed that it requested formal bilateral consultations with China at the World Trade Organization (WTO) to resolve quality concerns raised by China over rapeseed imported from Canada (see also <i>MPPU May '19</i> ). Reportedly, prior efforts of direct engagement failed to lead to resolution. China's decision, in March 2019, to suspend the import permits for two major Canadian rapeseed suppliers has led to a virtual standstill of Canada's shipments to China. On a related note, trade sources also reported an abrupt drop in Canada's soybean sales to China and linked the decline to stricter inspections by Chinese customs authorities, although – in the case of soybeans – no formal notification was issued by China. To mitigate the adverse effects of reduced marketing opportunities on farmers, the Canadian Government implemented a number of domestic support measures (see <i>MPPU May/Jul./Sep. '19</i> ).



No.	Domain	Country	Month	Product	Description *
152	TRADE POLICIES – Trade disputes	China, United States of America	April	Distillers grains	Following up on a request received from a U.S. grain trade association, China's Commerce Ministry is evaluating the possibility of reviewing the anti-dumping and countervailing duties applied by China on imports of distillers grains (DDGS) from the United States since 2016 (see also <i>MPPU Feb. &amp; Dec. '17</i> ). The U.S. industry's request was submitted while the two countries were engaged in comprehensive bilateral trade negotiations.
153	TRADE POLICIES – Trade disputes	China, United States of America	June	Distillers grains	Following a review of the country's anti-dumping/countervailing duties on imports of distillers grains (DDGS) originating in the United States (see <i>MPPU May '19</i> ), China's Ministry of Commerce opted not to remove the duties in question, citing continued potential damage to domestic producers.
154	TRADE POLICIES – Trade disputes	Indonesia, European Union	December	Biodiesel	On 16 December, Indonesia formally requested WTO dispute consultations with the European Union regarding measures adopted by the EU and certain member states in the renewable energy sector relating to biofuels (see above <i>items on the EU and France</i> ) – notably the classification of palm oil as a 'high indirect land use change (ILUC)-risk' biofuel feedstock (see <i>MPPU Mar./May/July '19</i> ). Indonesia deems the measures adopted by the EU and France to be discriminatory to its palm oil sector and hence inconsistent with existing WTO rules. Government officials claimed that, besides directly hurting Indonesia's palm oil exports, the EU's policies could tarnish the image of palm oil products globally, eventually harming all palm oil producing countries.
155	TRADE POLICIES – Trade disputes	United States of America, China	February	Soybeans	In the course of a new round of trade policy negotiations between the United States and China, the United States decided to postpone until further notice the tariff increase over USD 200 billion worth of Chinese goods it had announced last December (see also <i>MPPU May/Aug./Oct./Dec. '18 &amp; Jan. '19</i> ). At the same time, unofficial sources reported that China pledged to purchase a total of 20 million tonnes of US soybeans during the 2018/19 marketing season, while its retaliatory duty on imports of US soybeans remained in place (NB: for comparison, during the previous three marketing years, China's annual imports of US soybeans amounted to 31.5 million tonnes on average). According to USDA, as of 28 February 2019, China had bought 9.37 million tonnes of soybeans from the United States.
156	TRADE POLICIES – Trade disputes	United States of America, China	May-June	Selected oilseeds, oils and meals	In May, stalling trade talks between the two countries resulted in both sides introducing additional trade measures affecting their respective imports. On 10 May, the United States raised import tariffs on USD 200 billion worth of Chinese goods from 10 percent to 25 percent, while, on 1 June, China started taxing USD 60 billion of US imports at rates between 10 and 25 percent. Commodities affected by the United States' higher duties include a number of oilcrops and oilmeals, imports of which, however, have been negligible in recent years. Similarly, the new Chinese tariffs apply to a number of US-produced oilseeds and derived products (as well as fishoil/meal and meals of animal origin), which, however, are imported only in small quantities. Eventually, on 29 June, the two sides decided to resume their negotiations. While fresh talks are underway, the United States pledged not to target Chinese exports with new tariffs, while China agreed to purchase undisclosed amounts of US agricultural goods.

No.	Domain	Country	Month	Product	Description *
157	TRADE POLICIES – Trade disputes	United States of America, China	July-August	Soybeans	Following China's introduction of a 25% retaliatory tariff on US-origin soybeans in July of last year (see <i>MPPU Aug. '18</i> ), China's imports of US soybeans were confined to purchases by state-owned companies on government orders. When US and China resumed their trade talks in June 2019, China's trade authorities allocated special import quotas – including a temporary waiver of the punitive 25% tariff – to selected private businesses. However, in August, following a new impasse in the trade negotiations, the Chinese Government revoked the said tariff exemptions. Furthermore, on respectively 1 and 23 August, the US and China announced that they would implement additional retaliatory tariffs on each other's exports of selected goods starting 1 September 2019. China's list of affected goods included both yellow soybeans and other US-origin soybean varieties, which would bear an additional tariff of, respectively, 5 percent and 10 percent.
158	TRADE POLICIES – Trade disputes	United States of America, China	September- October	Soybeans	Trade talks between the two countries resumed in mid-September. The US pledged to postpone an increase in retaliatory tariffs scheduled for October, while China committed to resume purchases of US agricultural goods, including soybeans. More specifically, China's trade authorities successively allocated special import quotas for soybeans – comprising waivers of the relevant retaliatory tariffs – to a number of state-run, private as well as foreign-owned businesses. According to the USDA, by end-October, soybean sales to China (for delivery in the 2019/20 marketing year) had reached 7.1 million tonnes, which compares with 0.9 million tonnes a year earlier. However, with comprehensive trade negotiations still underway, China refrained from committing to a specific, time-bound volume of US-origin soybean purchases. Reportedly, the two countries started working on a partial ("phase-one") trade deal to be signed in the coming months. Whether or not such deal could include a full or partial rollback of some of the corrective tariffs introduced by the two countries remains subject to discussion.

No.	Domain	Country	Month	Product	Description *
159	TRADE POLICIES – Trade disputes	United States of America, China	November-December	Soybeans	Amid on-going trade talks, during the months of November and December 2019, China continued buying soybeans from the United States, as the China's customs authorities issued fresh import quotas to state-run and private companies – including waivers of the retaliatory tariffs in place since July 2018 (see also <i>MPPU Nov.'19</i> ). Eventually, on 13 December, the two countries announced that agreement on a “phase one” trade accord had been reached. The deal, which was signed on 15 January 2020 and will take effect in mid-February, includes provisions for China to increase – over the course of two years – its imports of US agricultural goods by at least USD 32 billion compared to the level recorded in 2017. Accordingly, China's purchases of US agricultural goods (comprising both bulk commodities and consumer products) would need to reach at least USD 80 billion during 2020–2021. To meet the said purchasing targets, China would likely continue with its policy of granting temporary tariff waivers – assuming the existing tariffs on US goods remain in force. Furthermore, China agreed to suspend planned tariff increases, relax its health standards regarding certain food imports, and expedite the approval of GM-crop imports (see also <i>below item on China</i> ). The United States, on the other hand, committed to suspend an already planned escalation in tariffs, while reducing existing import tariffs on certain Chinese goods – although the United States' 25% surcharge on about half of all Chinese imports would remain in place. The bilateral agreement includes an enforcement mechanism to ensure that both sides honour their commitments. Reportedly, further phased reductions of the remaining tariffs might be considered, depending on the implementation of “phase one” and progress in future stages of the negotiations. While the new trade deal is expected to offer some respite to global markets, market observers debated how China's purchases of US goods would reach the agreed levels – recalling that, while soybeans used to account for about half of China's US agricultural purchases (by value), China's upcoming demand for US beans may be affected by both the recent outbreak of African swine fever and the availability of competitively priced Brazilian soy. Attention was also drawn to the point that the almost two year-long trade conflict has spurred China to invest in a number of alternative supply chains (see <i>MPPU Dec.'18, Jan./Sep./Nov.'19 as well as below item on China</i> ). In addition, it remains to be seen how the bilateral trade deal will be received by the two countries' respective trade partners.
160	TRADE POLICIES – Trade disputes	United States of America, European Union	April	Selected oilseeds and oils/fats	Pending final rulings by the WTO dispute settlement body, the two countries released provisional lists of products that could face punitive tariffs in retaliation for state support that both nations provided to their respective aircraft industries. The list published by the United States includes olive oil, while the European Union's list features several oilcrops, vegetable oils and animal fats.
161	TRADE POLICIES – Trade disputes	United States of America, European Union	October	Olive oil	The U.S. Trade Representative published a list of products imported from the European Union that would attract corrective tariffs as of 18 October 2019, in retaliation for subsidies – ruled illegitimate by the WTO – that the EU granted to its aviation industry (see also <i>MPPU May'19</i> ). The list includes virgin and non-virgin olive oil produced in Spain and sold in containers of up to 18 kg, which would face an additional import tariff of 25 percent. Olive oil imported from other EU countries would not be affected. Combined with the recent decline in global olive oil prices, the corrective tariff could threaten the subsistence of a large number of farm households in southern Spain, according to market observers. In recent years, the United States consumed about 320 000 tonnes of olive oil annually, of which roughly 60 percent originated from Spain.
162	TRADE POLICIES – Comprehensive trade agreements	ASEAN	October	Coconut products, palm oil	In October 2019, ASEAN members signed a MoU aimed at strengthening the collective bargaining position of member nations and expanding exports to international markets. Under the agreement, specific trade promotion activities are envisaged for coconut products and palm oil.

No.	Domain	Country	Month	Product	Description *
163	TRADE POLICIES – Comprehensive trade agreements	European Union, Mercosur	June	Farm products	Ending two decades of negotiations, on 28 June, the European Union and the Mercosur bloc (comprising Argentina, Brazil, Paraguay and Uruguay) reached agreement in principle on a comprehensive free-trade treaty. The agreement will progressively enhance market access for goods and services while promoting cooperation in customs issues, food safety, and sustainable trade. Next steps include the agreed text's legal revision, followed by parliamentary ratification in all participating countries. Regarding the EU's agricultural trade with Mercosur, the EU agreed to eliminate tariffs on 82 percent of its agri-food imports; for the remaining 18 percent, it will offer import quotas or preferential tariffs, while around 100 farm products will remain excluded from the deal. The treaty's detailed provisions still have to be analyzed by market participants.
164	TRADE POLICIES – Comprehensive trade agreements	European Union, Mercosur	July	Olive oil	The recently signed EU/Mercosur trade agreement is expected to facilitate agricultural trade between the two blocs (see <i>MPPU July'19</i> ). With regard to olive oil, market participants expect the 10% import tariff currently applied by Mercosur countries to be removed once the agreement is fully implemented. Furthermore, the special geographical indication status enjoyed by several EU products would be recognized inside the Mercosur area. In addition, if a pest or disease were to be reported in one part of the EU, then shipments from other non-affected EU regions would be allowed to continue. In turn, Mercosur members would gain improved access to the EU's common market, including the protection of names of traditional Mercosur products. The trade agreement also includes safeguard mechanisms that allow trade partners to bar imports of specific products when these threaten to hurt domestic producers.
165	TRADE POLICIES – Comprehensive trade agreements	European Union, Viet Nam	June	Selected grains, oilseeds	On 30 June, the European Union and Viet Nam signed a Free Trade Agreement that will lift tariffs on 99 percent of goods traded, including wheat, rice, maize and soybean products. Upon entry into force, the EU will eliminate 71 percent of duties on imports from Viet Nam and Viet Nam will eliminate 65 percent of duties in return, while the remainder will be phased out gradually over a period of 7 and 10 years for the EU and Viet Nam respectively. The deal will come into force once it is ratified by lawmakers on both sides.
166	TRADE POLICIES – Comprehensive trade agreements	India, ASEAN	December	Palm oil	In line with a free trade agreement signed with ASEAN in 2009, India further reduced its tariff on palm oil imports from the bloc, effective 1 January 2020. The duties for crude and refined palm oil have been lowered from, respectively, 40% and 50% to 37.5% and 45%. Considering that India's MFN import duties for competing oils (notably soyoil and sunflower oil) remained unchanged, the new preferential duties granted to ASEAN suppliers are expected to make imports of palm oil more attractive. As for the rates charged on crude and refined palm oil, the new duty structure entails a tax differential of 7.5% compared to 10% previously – a change likely to affect the competitiveness of India's refining industry.
167	TRADE POLICIES – Sector-specific bilateral initiatives	China, Brazil	December	Soymeal	Reportedly, the two countries are in advanced talks about a protocol setting sanitary standards that would allow Brazilian crushers export soybean meal to China (see also <i>MPPU Mar.'19</i> ). A date for the agreement's signature and implementation was not announced.



No.	Domain	Country	Month	Product	Description *
168	TRADE POLICIES – Sector-specific bilateral initiatives	China, Russian Federation	June	Selected oilseeds and meals	The Russian Federation's Veterinary and Phytosanitary Surveillance Service and China's General Administration of Customs signed a protocol on phytosanitary standards aimed at facilitating exports of a number of products – including soybeans, rapeseed and sunflowerseed meal – to China. In this regard, Russia's Agriculture Ministry expects in particular an increase in soybean shipments, hand in hand with the planned expansion of soybean production in the country's Far Eastern districts (see <i>MPPU Dec. '18</i> ). According to information from the Russian Union of Oils and Fats, in the longer term, exports of soybeans to China would gradually be replaced with shipments of soybean meal and oil. In general, shipments of oils and fats feature high among the Ministry's export expansion goals.
169	TRADE POLICIES – Sector-specific bilateral initiatives	Indonesia, India	February	Sugar, palm oil	Indonesia has offered improved market access for Indian sugar in exchange for reduced Indian import duties on palm oil imported from Indonesia. When India revised its palm oil duty structure last January (see <i>MPPU Jan. '19</i> ), Indonesian exporters of refined palm oil started facing higher duties than their Malaysian competitors. Therefore, Indonesia invited India to lower its ad valorem tariff to 45 percent, matching the duty applied to Malaysian imports. India is Indonesia's top buyer of refined palm oil.
170	TRADE POLICIES – Sector-specific bilateral initiatives	Indonesia, Mozambique	August	Palm oil	A preferential trade agreement signed by the two countries to promote bilateral trade provides for the gradual removal of import duties on numerous commodities. Products for which Mozambique will lower its tariffs include Indonesian palm oil. According to market observers, Indonesia could use the trade agreement as a way to penetrate markets in southern and western Africa.
171	TRADE POLICIES – Sector-specific bilateral initiatives	Malaysia, China	April-June	Palm oil	Malaysia signed an agreement with a Chinese state-owned enterprise to resume construction of Malaysia's East Coast Rail Link. According to government officials, as part of the agreement, China would increase its imports of palm oil from Malaysia. On a related note, the Malaysian Palm Oil Certification Council (MPOCC) signed a MoU with China's Green Food Development Center (CGFDC) to work on the mutual recognition of procedures for palm oil imports from Malaysia.
172	TRADE POLICIES – Sector-specific bilateral initiatives	Philippines, Indonesia	April	Coconut products	Government officials from the Philippines and Indonesia signed a number of MoUs intended to enhance trade and investment between the two countries. One of the agreements provides for increased purchases of Philippine coconut oil and other coconut products by Indonesian companies.
173	TRADE POLICIES – Sector-specific bilateral initiatives	Uruguay, China	November	Non-GM soybeans	The two countries initiated talks on a technical protocol that would open China's markets to imports of non-GM soybeans from Uruguay. Besides importing large volumes of GM-soy for subsequent crushing into meal and oil, China also purchases limited quantities of non-GM soy for direct human consumption. Allegedly, Uruguay has the potential to supply up to one million tonnes of certified non-GM soy annually.
174	MARKET REGULATION & PROMOTION	Argentina	April	Selected food products	With a view to curb soaring inflation, on 17 April, the Government decided to freeze the retail price of selected food items, including cooking oils, for a six-month period.
175	MARKET REGULATION & PROMOTION	Brazil	May	Grains, oilseeds	CONAB, Brazil's national procurement and supply company belonging to the Ministry of Agriculture, informed that – to streamline its operations – it would reduce the number of public grain storage facilities operated across the country from 92 to 65, adding that the closures were envisaged in locations where ample private storage capacity was available.
176	MARKET REGULATION & PROMOTION	China	April	Grains, cooking oils	In April, the Beijing Municipal Government released an emergency plan to regulate the supply and prices of grains and cooking oil such as soybean oil. Under the measure, municipal authorities will monitor wholesale and retail prices and may resort to price control mechanisms, including the release of grains/cooking oil from state-owned stockpiles.

No.	Domain	Country	Month	Product	Description *
177	MARKET REGULATION & PROMOTION	China	June	Soybeans, rapeseed oil	Government sales: National auctions of soybean and rapeseed oil from state reserves were resumed on 17 June 2019. By end-June, 399 000 tonnes of soybean and 105 000 tonnes of rapeseed oil were sold, achieving average prices of, respectively, CNY 3 057 and CNY 6 277 per tonne (USD 445 and USD 913). While all rapeseed oil on offer found a buyer, in the case of soybeans, 30 percent remained unsold.
178	MARKET REGULATION & PROMOTION	China	August	Soybeans, soyoil, rapeseed oil	Government sales: From mid-June to end-August 2019, auctions of soybeans and rapeseed oil from state reserves led to sales of, respectively, 560 000 tonnes and 125 000 tonnes, achieving average prices of CNY 3 022 per tonne for soybeans and CNY 6 289 for rapeseed oil (respectively USD 424 and USD 882). As to soybean oil auctions, which only resumed in early August, total sales amounted to 23 450 tonnes, at an average price of CNY 5 000 (USD 701). In the case of soybeans, the quantities sold remained well below the amounts offered.
179	MARKET REGULATION & PROMOTION	China	September	Soybeans, soyoil, rapeseed oil	Government sales: Domestic auctions of oilseeds and related oils from state reserves drew to a close in early-September for soybeans, end-August for soyoil, and mid-August for rapeseed oil. For all three commodities, overall volumes sold fared significantly below last year's levels. Total sales and average prices achieved for the three commodities in 2019 were as follows: 581 000 tonnes of soybean at CNY 3 030 per tonne (USD 432); 28 500 tonnes of soyoil at CNY 5 000 per tonne (USD 713); and 125 000 tonnes of rapeseed oil at CNY 6 289 per tonne (USD 896).
180	MARKET REGULATION & PROMOTION	European Union	October	Olive oil	The European Commission is considering to activate the temporary private storage mechanism for olive oil, in a bid to assist producers – especially in Spain – to overcome the recent decline in market prices stemming from an EU-wide glut in supplies. The EU's Common Market Organization regulation includes provisions for the said price stabilization mechanism, which was last used in 2012 (see also <i>MPPU Sep. '09, Oct. '11 &amp; Jan. '12</i> ).
181	MARKET REGULATION & PROMOTION	European Union	November	Olive oil	In November, the European Commission activated a private storage aid mechanism for EU-produced olive oil, in a bid to bring down the bloc's supplies and thus support prices (see also <i>MPPU Nov. '19</i> ). Private sector operators participating in the programme are required to store their product for at least 180 days.
182	MARKET REGULATION & PROMOTION	Indonesia	August	Food and cosmetic products	Indonesia's National Drug and Food Control Agency (BPOM) ordered retailers to remove food and cosmetic products carrying 'palm oil-free' labels from their shelves. BPOM reckons that the term's use constitutes misleading labelling in that it could lead consumers to perceive products labelled 'palm oil-free' as being superior. The move reflects efforts to protect the image of palm oil and safeguard the commodity's competitiveness. Industry officials welcomed the measure, claiming that trade policies and industry initiatives introduced in a number of countries have led to negative consumer sentiments about palm oil, increasingly threatening global trade in the commodity. (See also <i>MPPU May &amp; July '19</i> )
183	MARKET REGULATION & PROMOTION	Islamic Rep. of Iran	December	Selected oilseeds and oils/fats	To ensure adequate domestic supplies, the Iranian Government decided to subsidize the importation of a number of basic goods, including edible oils and oilseeds. Reportedly, importers will be provided with USD 14 billion in the form of official-rate foreign exchange.
184	MARKET REGULATION & PROMOTION	Malaysia	March	Palm oil	Ministry officials advised companies participating in the distribution of palm oil at controlled prices to add 'pro-palm oil' labels on product packages, as part of a year-long government campaign aimed at raising consumer awareness of the commodity's perceived benefits. The initiative is aimed at counterweighing the arrival of imported food products carrying 'palm oil free' labels on domestic markets.

No.	Domain	Country	Month	Product	Description *
185	MARKET REGULATION & PROMOTION	Malaysia	October	Food products	Similar to a ban introduced earlier this year in Indonesia (see <i>MPPU Sep '19</i> ), the Malaysian Government is set to ban food products carrying “no palm oil” or “palm oil free” labels from the domestic market, in a bid to stem the development of negative perceptions among consumers. Aimed at protecting the interests of the country's oil palm industry, the ban will complement the “pro-palm oil” campaign launched earlier this year (see <i>MPPU May '19</i> ). According to local media reports, in September, the country's leading supermarket chain decided to voluntarily ban “palm oil free” labels from its shelves. On a related note, the Government announced that, as part of its 2020 budget, MYR 27 million (USD 6.5 million) have been allocated to MPOB in support of the agency's activities promoting foreign palm oil sales and countering alleged anti-palm oil campaigns in importing countries.
186	MARKET REGULATION & PROMOTION	Spain	June	Olive oil	The Agriculture Ministry sought advice from the European Commission regarding the feasibility of Spain's olive oil industry self-regulating the domestic olive oil market. Aimed at stabilizing supplies and prices at national level, the proposed mechanism would include market interventions when surplus/shortage conditions develop. Details will be defined once assurance has been obtained that the measure conforms to the EU's agricultural and competition policies.
187	MARKET REGULATION & PROMOTION	Spain	October	Olive oil	The Government approved the collection of a cess from local producers and market operators across the olive oil industry (see also <i>MPPU July '19</i> ). Reportedly, 80 percent of the funds collected will be used to finance promotional activities, while the remainder will be devoted to the assembly and analysis of market data and to R&D activities related to technological innovation. Triggered by a prolonged decline in market prices, the initiative's main objective is to promote the consumption and export of olive oil. The new scheme, which will remain in place until 30 September 2024, provides for the collection of EUR 6 per tonne of olive oil (USD 6.64). A first instalment of EUR 3 is due when olive oil leaves the mill (or storage facilities), while a second payment of the same amount will apply to all olive oil marketed or packaged in the country. The marketing/packaging quota also accrues when olive oil is exported in bulk by mills both within the EU and overseas. On a related note, the Agriculture Ministry also committed to issue, in 2020, a new quality standard for olive oil centred on product traceability and quality.
188	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Argentina	November	Coconut oil products	Argentina's food and drugs authority suspended the sale of certain coconut oil products originating from Indonesia, citing infringement of national food product regulations.
189	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Australia	August	Vegetable oils	The Australian Government is considering to revise the ranking of individual vegetable oils under the country's rating system for packaged foods, which is aimed at guiding consumers to make healthy choices. More specifically, officials are debating proposals to give a top score to olive oil – based on its proven health benefits. Currently, olive oil is rated below rapeseed and sunflower oil due to its slightly higher saturated fat content.
190	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Brazil	October	Olive oil	In October, the Agriculture Ministry suspended and removed from the market 33 brands of olive oil found to be adulterated with soybean oil of unknown origin.

No.	Domain	Country	Month	Product	Description *
191	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	China	June	Selected oilseeds and derived products, oils/fats	China notified the World Trade Organization of a draft national standard on maximum mycotoxin levels in food products. The proposed standard determines maximum levels for, inter alia, soybean, groundnuts, sesame and their derived products as well as for vegetable oils and fats.
192	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	China	July	Oils/fats, salt, sugar	In an effort to prevent adverse effects on human health, China's health authorities released a set of nutritional guidelines including ambitious targets for lowering peoples' dietary intake of oils, salt and sugar by 2030. According to government officials, the oil/fat intake should be reduced by 30–40 percent by introducing consumption limits of 25–30 grams per person per day versus an average level of 42 grams in 2012. Reportedly, adherence to these limits will be encouraged in restaurants, schools, institutions and at household level, while manufacturers of packaged food will be required to display them on labels.
193	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	European Union	April	Trans fat	The proposal to set an EU-wide maximum limit for harmful trans fats in food product received final approval by the European Commission (see <i>MPPU Dec.'18</i> ). Under the new regulation, as of April 2021, the amount of industrially-produced trans fats in processed foods may not exceed 2 grams per 100 grams of fat.
194	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	European Union	May	Olive oil	Collaboration between the national judicial authorities of Italy and Germany lead to the dismantling of an organized crime group trading counterfeit olive oil between the two countries. Reportedly, low quality oil was adulterated with various substances and subsequently sold as extra virgin oil.
195	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	European Union	September	Soybeans, cereals	The European Union notified the WTO about newly established maximum residue limits for selected fungicides and insecticides in soybeans and cereals.
196	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	European Union	October	Oils/fats, salt, sugar, fibre	According to a study released by the European Commission, food products sold on the EU market contain too much sugar, fat, salt and too little fibre. The authors, who assessed packaged foods against nutrition standards developed by European public and private sector organizations, maintain that the marketing of foods abounding in saturated fat, sugar and salt counters efforts to promote healthy eating habits and can lead to poor diets, especially in children. They called for a comprehensive reformulation and innovation of food products – including upper limits for salt, fat and sugar – as a key strategy to improve the nutrient balance of the food supply. To address these issues, the Commission released a directive requiring member states to foster the use of co- and self-regulation that limits children's exposure to advertisements for foods and beverages that are high in salt, sugar, saturated fats and trans-fatty acids or otherwise disregard nutritional guidelines.
197	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	January	Vegetable oils	India's Food Safety and Standards Authority has published revised standards for refined vegetable oil and blended edible vegetable oil. It also lowered the maximum permitted content of trans fatty acid from currently 5 percent (by weight) to 3 percent and 2 percent starting in, respectively, January 2021 and January 2022.



No.	Domain	Country	Month	Product	Description *
198	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	India	June	Vegetable oils	Tamil Nadu state authorities warned consumers about the continued presence of adulterated edible oil in local markets. Food safety agencies reported that they discovered groundnut and sesame oil adulterated with lower-priced palm oil. To counter such practices, in December 2018, the Food Standard and Safety Authority of India (FSSAI) amended the country's labelling regulations, determining that packaged vegetable oil blends had to be labelled as such, including mention of both the type of oils included and the percentage of each oil by weight. The new regulation has come into force on 1 July 2019. (See also <i>MPPU Aug.'18</i> )
199	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Indonesia	September	All food	Dietary impact assessment: A study on the nutritional and dietary impact of oil palm plantation development on farm households in Indonesia suggests that oil palm cultivation positively affects household dietary diversity, calorie consumption and the intake of fruit, vegetables and micronutrients both in transmigrant and local communities.
200	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Malaysia	November	Palm oil products	The Malaysian Government set out to ensure that its palm oil producers meet international standards for toxic contaminants in refined oils and fats (see also <i>MPPU Sep.'19</i> ). More specifically, the Government is working on regulations to ensure that palm oil products adhere to specific safety levels for 3-MCPDE (3-monochloropropanediolester) and GE (glycidylester) that are in place or under consideration in the European Union. The two compounds, which are formed during edible oil refining and are difficult to remove after formation, can be found in high levels in processed palm/palmkernel oil. To pre-empt EU legislation, Malaysia is planning to limit, from 2021, the 3-MCPDE content in refined palm oil and palmkernel oil to, respectively, 2.5 ppm and 1.25 ppm, while setting a 1 ppm threshold for GE in processed palm/palmkernel oil. From 2022, the 1.25 ppm 3-MCPDE limit would also apply to refined palm oil.
201	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Pakistan	September	Edible oils	Pakistan's Punjab Food Authority declared a large number of fluid and solid edible oil brands sold in the state as unsafe for human consumption, removed them from the market and banned their production and distribution until all applicable food standards are met.
202	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Singapore	May	Partially hydrogenated oil	Partially hydrogenated oil (PHO) is set to be banned as an ingredient in all food products sold in Singapore, whether manufactured locally or imported. The ban will come into force in June 2021, though a number of companies have pledged to make all of their products PHO-free by June 2020. Generated when plant oils are processed to increase their stability and functionality, PHOs represent the primary dietary source of harmful trans-fat in processed foods.
203	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Sri Lanka	February	Coconut oil	To combat adulteration and reduce intoxication risks, the country's Coconut Development Authority informed that all coconut oil sold in the domestic cooking oil market would be subject to strict quality controls as well as mandatory certification and labelling.
204	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Ukraine	January	Sunflower oil	In Ukraine, the standard for sunflower oil has been revised. The new norm requires producers to add information on shelf life and after-opening life on packaged product labels.
205	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	United States of America	September	Olive oil	The Olive Oil Commission of California (OOC) announced new mandatory labelling requirements for large-scale producers. The new standard is aimed at better informing consumers about the provenance and quality of olive oil produced in the state. With regard to shelf life, the Commission will allow producers to choose a 'best before' method to estimate shelf life from among several scientifically cleared protocols. On a separate note, the OOC informed that it set aside funding to support research on pests and diseases affecting olive production as well as projects on improved cultivation practices and quality enhancement measures.

No.	Domain	Country	Month	Product	Description *
206	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Pan American Health Organization (PAHO)	October	Trans fat	Under the auspices of the Pan American Health Organization (PAHO), the countries of the Americas agreed to develop an action plan aimed at banning, from 2025, harmful trans fats from the food supply chains of their respective territories. Reportedly, planned actions would include the establishment of regulatory enforcement mechanisms. PAHO reiterated that the elimination of trans fats from industrial food production was a necessary, feasible and effective policy measure with significant long-term health benefits. The organization also called on the food industry to contribute to the ongoing regulatory efforts by voluntarily avoiding the use of partial hydrogenation of oils and removing partially hydrogenated oils/fats from their products. Reportedly, regulations limiting or prohibiting trans fats are currently in place in Argentina, Canada, Chile, Colombia, Ecuador, Peru, the United States of America and Uruguay, whereas in Bolivia, Brazil and Paraguay regulations are currently at the formulation stage.
207	FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES	Global, European Union	July	Vegetable oils	In July 2019, the WHO/FAO Codex Alimentarius Commission approved a number of revisions to its 'Standard for Named Vegetable Oils', concerning, inter alia, high-oleic palm oil, virgin palm oil, crude palm kernel oil, palm superolein, and flax/linseed oil. Moreover, the body issued a code of practice for the reduction of 3-monochloropropanediol (3-MCPD esters) and glycidyl esters (GEs) in refined oils and food products made with refined oils. Although Codex standards and codes of practice are not binding, the WTO recognizes them as international reference in trade disputes concerning food safety and consumer protection. With regard to GEs, in February 2018, the <a href="#">European Union</a> , introduced maximum levels for the esters in selected foodstuffs, including vegetable oils/fats used as an ingredient in food. Reportedly, the introduction of limits for 3-MCPDs is under consideration.
208	SEED & GMO POLICIES	Argentina	February	GM soybeans	Argentina's seed regulation agency has approved a new GM soybean trait that was developed jointly by Chinese and Argentine companies. Reportedly, the new variety thrives well under dry conditions and is both herbicide-tolerant and pest-resistant.
209	SEED & GMO POLICIES	Australia	August	GM crops	Aligning its policies with those of the other Australian states, South Australia announced that, from next year, farmers would be given the choice to plant GM food crops, including GM rapeseed varieties (see also <i>MPPU Sep. '16 &amp; July '17</i> ). According to the local government, a review had found that the existing GM moratorium provided no price premium compared with GM crops grown in the neighbouring states. The moratorium will be lifted across the state, except in Kangaroo Island, where a group of producers has an established market for non-GM rapeseed in Japan.
210	SEED & GMO POLICIES	Bolivia	June	GM soybeans	To assist soybean farmers affected by both adverse weather conditions and the recent decline in international soybean prices, the Government decided to i) derestrict up to 60 percent (or 1.6 million tonnes per year) of the country's soybean exports, and ii) authorize the cultivation of two new genetically engineered soybean events. The new export regime will replace a permit system that required producers to sell soybeans at regulated prices until domestic demand was satisfied. Furthermore, banks were invited to review and possibly renegotiate the terms of outstanding farm loans. The measures aim at raising the export competitiveness of the country's soybean industry, which accounts for 45 percent of agricultural land and dominates the country's agricultural exports.

No.	Domain	Country	Month	Product	Description *
211	SEED & GMO POLICIES	Brazil	May	GM soybeans	Following last year's approval in Argentina (see <i>MPPU Oct.'18</i> ), in May 2019, Brazil's National Biosafety Commission (CTNBio) authorized the cultivation of transgenic soybean variety HB4. The new trait is characterized by both drought tolerance and resistance to two widely used herbicides, glyphosate and glufosinate-ammonium. The variety's commercial distribution will start once approval in key importing countries has been secured. Reportedly, regulatory submissions are currently under consideration in China, Bolivia, Paraguay and Uruguay. In the United States of America, HB4 has been approved by the Food and Drug Administration (FDA) and is now awaiting authorization by the Department of Agriculture (USDA).
212	SEED & GMO POLICIES	Brazil	September	GM soybeans	A global seed company was ordered by a Brazilian court to deposit royalties collected on sales of GM soybean variety 'IntactaRR2Pro' into an escrow account, pending the outcome of litigation over a patent dispute. The decision follows an analogous order issued last year (see <i>MPPU Aug.'18 &amp; May'19</i> ).
213	SEED & GMO POLICIES	China	January	GM oilcrops	In January, China approved the importation of five new GM crop varieties, including two new soybean traits ('Enlist E3' and 'SYHTOH2') and two new rapeseed traits ('RF3' and 'MON88302') that were developed by seed firms in North America and Europe. In addition to the new approvals, the import permits for another 26 GM crops have been renewed for three years. China's move follows repeated calls by exporting countries for improved market access (see also <i>MPPU June &amp; July'17</i> ). In a separate note, China's agriculture ministry informed that, starting next year, domestic entities researching and developing GM products may be granted financial support. The announcement reinforces earlier government efforts to move towards the commercialization of domestically developed GM crops (see <i>MPPU Mar./May'15, Sep'16 &amp; Jan.'17</i> ).
214	SEED & GMO POLICIES	China	December	GM crops	On 30 December, China approved for importation two GM-crops developed in the United States of America, including one soybean variety. Furthermore, import permissions for four GM soybean varieties and three GM rapeseed varieties were renewed. The latest approvals, which are valid for a three-year period, expand the opportunities for agricultural imports from the United States of America. Separately, the country's Agriculture Ministry revealed plans to issue, for the first time, biosafety certificates for a number of locally developed GM crops – including one GM soybean variety – for domestic cultivation. To date, while research on GM varieties has been gradually derestricted, GM food grains were held back from commercial production due to consumer concerns over perceived health risks (see also <i>MPPU Mar./May'15, Sep.'16, Jan.'17 &amp; Mar.'19</i> ).
215	SEED & GMO POLICIES	European Union	July	GM crops	The European Commission has approved the importation of new genetically-modified crops for processing and use in food and feed, including one new insect-resistant soybean variety. Moreover, the import permit for a glufosinate-tolerant GM rapeseed variety has been renewed. Any product developed from these imported events will be subject to the EU's labelling and traceability regulations.
216	SEED & GMO POLICIES	Japan	March	Genome-edited organisms	Japan's Ministry of Environment released a policy for the regulation of genome editing technologies. The policy document, defines the conditions under which genome edited organisms will not be considered 'living modified organisms' (LMO) and hence fall outside the purview of the Cartagena Act, the international treaty regulating the use of LMOs. (See also <i>MPPU Aug. &amp; Oct.'18</i> )
217	SEED & GMO POLICIES	Paraguay	November	GM soybeans	In November, Paraguay – the world's fourth largest exporter of soybeans – joined the list of countries that approved GM-soy variety 'HB4' for commercial use (see <i>MPPU July'19</i> ). Industry sources reckon that farmer access to the drought and herbicide tolerant variety has the potential to almost double the country's area under soybean cultivation. Reportedly, the variety's commercial launch will be delayed until China, the world's largest buyer of soybeans, authorizes its importation.

No.	Domain	Country	Month	Product	Description *
218	SEED & GMO POLICIES	Philippines	February	GM soybeans	The Philippines' seed regulatory body has approved GM soybean variety 'Enlist E3', which has been developed in the U.S. to resist three popular herbicides. The Philippines and China being the only two export markets where approval remained pending, the variety is now ready for commercial launch.
219	SEED & GMO POLICIES	United States of America	June	GM crops	In June, the Government directed concerned federal agencies (including USDA, FDA and EPA) to ease rules for approving genetically-modified crops and other agricultural biotechnology. The modified review process is aimed at eliminating delays, reducing developer costs, enabling predictability and facilitating the development of genetically-modified plants that do not pose plant pest risks.
220	SEED & GMO POLICIES	United States of America	August	GM soybeans, GM rapeseed	The USDA approved the commercialization of drought-tolerant soybean variety 'HB4' developed in Argentina. The authorization follows approvals in Argentina and Brazil, while approval is still pending in China – the world's leading soybean importer (see also <i>MPPU May '15 &amp; July '19</i> ). Furthermore, USDA also granted the approval to cultivate a rapeseed variety that produces omega-3 fatty acids and as such can help reduce the aquaculture industry's reliance on fish oil-based feed (see also <i>MPPU Oct. '18</i> ).
221	SEED & GMO POLICIES	Viet Nam	September	GM soybeans	The Agriculture Ministry approved the importation of two new GM herbicide-tolerant soybean events, thereby providing assurance to producers in exporting countries that trade in these varieties can continue.
222	OTHER POLICIES – Production sustainability/ environmental policies	Brazil	April	Arable crops, livestock products	The Government launched a six-year programme focusing on environmental conservation/ restoration initiatives and on the adoption of low-carbon farming practices by agricultural producers in the country's ecologically fragile Cerrado region. Jointly coordinated by the country's Forestry Service and the Ministry of Agriculture, the new programme will be implemented jointly with farmer organizations and specialized national institutes, with financial and technical support from the World Bank and the German International Cooperation Agency (GIZ). Under the programme, some 4 000 farmers will be assisted in the adoption of environmentally friendly, economically viable production systems. (See also <i>MPPU Dec '18 &amp; Jan./Mar. '19</i> )
223	OTHER POLICIES – Production sustainability/ environmental policies	Cote d'Ivoire, Ghana, Liberia, Sierra Leone	March	Oil palm	The governments of Cote d'Ivoire, Ghana, Liberia and Sierra Leone joined forces with NGO <i>Solidaridad</i> to implement the Sustainable West Africa Palm Oil Programme (SWAPP). The objective of the 5-year project, which is funded by the Dutch and Swiss Governments, is to promote socially responsible and environmentally sustainable oil palm expansion in the four countries. Concentrating on sustainable growth across the palm oil value chain, the programme aims at improving the livelihoods of smallholder farmers.



No.	Domain	Country	Month	Product	Description *
224	OTHER POLICIES – Production sustainability/ environmental policies	European Union	July	Forest, plantation and farm products	<p>The European Commission released a communication setting out a plan of action aimed at contributing to the protection and rehabilitation of the world's forests. The document identifies demand for food, feed, biofuel, timber and other goods – and hence EU imports of commodities such as grains, oilseeds, vegetable oils, beef or paper – as a main driver of global deforestation. Consequently, the approach set out by the Commission includes the following commodity-related objectives:</p> <ul style="list-style-type: none"> <li>i) reducing the EU consumption footprint on land; ii) encouraging the consumption of products from deforestation-free supply chains; and iii) enhancing the availability of and access to information on forests and commodity supply chains. In particular, the Commission committed to search for means to strengthen certification schemes for deforestation-free products, and to consider possible demand-side legislative measures and other incentives to minimise the risk of deforestation and forest degradation associated with the bloc's commodity imports. Civil society groups welcomed the initiative and called on the Commission to back it up with actionable commitments, including specifically targeted investments.</li> </ul>
225	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	July	Forests, peatland	<p>Indonesia's Supreme Court upheld a ruling holding the government liable over forest fires and the resultant haze that covered a large part of the country in 2015, causing health issues. The court ordered the Government to implement stringent measures to prevent fires from recurring. Actually, following the widespread fires of 2015, the Government enacted nation-wide programmes to restore damaged peatland and minimize harmful peatland conversion involving fires (see <i>MPPU Feb. '16 &amp; Mar. '18</i>). The Government also imposed fines on companies found to have fires on their plantations. According to civil society groups, despite these efforts, the practice of setting fire to clear land continues to be widely used, also (or especially) by smallholders and often involving carbon-rich peat forests (see also <i>MPPU July '17, Oct. '18 &amp; May '19</i>).</p>
226	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	July	Peatland	<p>According to unofficial sources, the Indonesian Government issued a regulation revising the definition of carbon-rich peat landscapes that must be protected when plantations are developed – raising concerns among civil society groups about a possible step backward in the government's recent comprehensive peatland protection policies (see <i>MPPU Feb. '16 &amp; Mar. '18</i>).</p>
227	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	August	Forests, peatland	<p>Indonesia's President made permanent a temporary moratorium – first introduced in 2011 – on concessions to clear primary forest and convert peatland for any type of plantation development or logging activity. Based on official data, the 8-year old moratorium has contributed significantly to slowing deforestation and peatland conversion across the country. Notwithstanding, a number of civil society organizations voiced doubts about the measure's effectiveness, pointing to alleged gaps in the moratorium such as i) the lack of protection for degraded (or 'secondary') forests, and ii) recurrent revisions – by local administrations – in the moratorium's regional boundaries. Critics also pointed out that, for the moratorium to be effective, its geographic scope ought to i) expand beyond new permits to include existing concessions, and ii) also address deforestation outside concessions and protected areas. (See also <i>MPPU Oct. '18</i>)</p>

No.	Domain	Country	Month	Product	Description *
228	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	August	Oil palm	Indonesia's audit agency BKP determined that a large part of the country's oil palm plantations are in breach of a range of state regulations, notably regarding cultivation permits, access to protected areas, the allocation of land to smallholder farmers, the rights of indigenous communities, and national sustainability standards. BKP's findings confirm the results of a recent audit conducted by the country's Corruption Eradication Commission KPK (see <i>MPPU Dec. '18</i> ). Reportedly, to address the issues raised, the Government is considering legal actions, including fines against non-compliant companies. BKP also recommended the involvement of law enforcement officials to follow up on the audit's findings.
229	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	October	Forests, peatland	An Indonesian court fined an oil palm estate for fires that razed forest land on its concession. Market observers have noted a rise in the number of cases where companies are held liable for fires that occurred on their land – regardless of who started the fires.
230	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	October	Palm oil	According to the media, the Government plans to set up an agency responsible for conducting independent audits of palm oil businesses – in a bid to improve the credibility, and eventually the markets' acceptance of the country's mandatory palm oil sustainability certification known as ISPO (Indonesian Sustainable Palm Oil). Regarding the certification programme's implementation, the latest official figures put plantations availing of ISPO certificates at 5.5 million hectares, which compares to a total oil palm area of close to 12 million hectares.
231	OTHER POLICIES – Production sustainability/ environmental policies	Indonesia	November	Oil palm	In November, the Indonesian Government renewed its commitment towards sustainable palm oil production by issuing a presidential instruction ordering multiple ministries to coordinate a campaign aimed at: i) improving data management within the oil palm industry; ii) enhancing farmers' capacities; iii) managing and protecting the environment; iv) resolving farm land conflicts; and v) fostering international recognition of Indonesia's palm oil sustainability standard. While civil society groups welcomed the initiative, some claimed that the sector's potential to help reduce overall carbon emissions was overestimated, while others perceived risks that illegal plantations could be legitimized and that new plantations could be favoured over reforestation obligations.
232	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	February	Oil palm	According to the media, the Malaysian Government is contemplating a temporary moratorium on all expansion of oil palm plantations to address growing consumer concerns over alleged links of oil palm to rainforest and peatland conversion. At the same time, the Government would focus on enhancing productivity and yields on existing plantations. Reportedly, the nation's oil palm area could be capped at 6 million hectares – slightly above the area recorded at the end of last year, in order to allow for expansion that is already underway. A moratorium would require collaboration from state governments as land use allocation issues fall under their jurisdiction.
233	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	March	Palm oil	Ministry sources confirmed that sustainability certification would become mandatory across the palm oil industry by end-2019. To help independent smallholders (i.e. small growers that are not part of the various land schemes) meet the various certification requirements and associated costs, the Government contributes MYR 135 per ha (USD 32) to the audit costs smallholders are expected to pay when applying for certification. (See also <i>MPPU Mar. &amp; Oct. '18</i> )

No.	Domain	Country	Month	Product	Description *
234	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	April	Oil palm	Ministry officials confirmed that plans for a moratorium on all expansion of oil palm plantations are under consideration (see also <i>MPPU Mar.'19</i> ). Reportedly, the country's area under oil palm plantations could be capped at 6.5 million hectares by 2023. Observers pointed out that – with total planted area currently estimated at 5.85 million hectares – there would be room for plantations to expand by another 650 000 hectares, involving either untouched or already logged-over forest land. In this regard, environmentalists underlined the urgency of shedding light on current land use and called on the government to proceed with the planned mapping of oil palm concessions throughout the country, guaranteeing public access. Moreover, observers reiterated concerns over the divergence of objectives between federal and state governments, which are said to give rise to enforcement issues. Meanwhile, the Federal Government informed that it was working on new initiatives to promote forest restoration activities in collaboration with both state governments and plantation companies.
235	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	June	Palm oil	Concerned about delays in the implementation of Malaysia's mandatory Sustainable Palm Oil standard (MSPO), the Government announced additional support measures to speed up the certification process (see also <i>MPPU Dec.'17 &amp; May'19</i> ). MYR 100 million (USD 24 million) have been set aside to entirely cover the auditing fees incurred by small and medium-sized estates (defined as holdings cultivating, respectively, less than 40 and between 40 and 1000 hectares). In addition, the said estates can now apply for a 50 percent reimbursement – up to a maximum of MYR 10 000 (USD 2 432) – of costs incurred while preparing for MSPO certification. As for organised smallholders (i.e. farmers operating under one of the various land schemes), support payments have been raised from MYR 10 to MYR 55 per hectare (respectively USD 2.43 and 13.48). Eligible applicants will receive the various payments once they have obtained the MSPO certificate.
236	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	July	Palm oil	In Malaysia, where sustainability certification is set to become mandatory for all producers by end-year, the slow uptake of Malaysian Sustainable Palm Oil (MSPO) certification by growers remains a cause of concern to the Government. According to official sources, as of 30 June, only 2.45 million hectares, or 42 percent of the land planted with oil palm, had achieved certification – in spite of a range of financial incentives and training activities offered to farmers, especially small and medium-sized producers (see <i>MPPU Mar./Oct. '18 &amp; May/July'19</i> ). Government officials reminded producers that sustainability certification is essential to raise the crop's profile in the global market and warned that, from January 2020 onward, uncertified produce would be i) rejected by factories, especially those producing for export markets, and ii) regarded as second-class palm oil, implying lower prices. Especially the low rate of certification among small producers is giving rise to concern. Reportedly, slow adoption by smallholders is due to cost considerations, concerns over possible tax charges, and issues with land titles and cultivation permits.
237	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	September	Palm oil	The Malaysian Palm Oil Board (MPOB) urged all smallholders, estates and palm oil mills to obtain the Malaysian Sustainable Palm Oil (MSPO) certification that will become mandatory on 1 January 2020, adding that businesses not complying with the requirement may incur fines and penalties. Reportedly, by end-August 2019, barely 51 percent of the country's total oil palm plantation area had been certified, while among mills the certification rate amounted to 64 percent (see also <i>MPPU July&amp;Sep.'19</i> ).
238	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	October	Palm oil	To promote output growth via productivity improvements rather than land expansion, the Malaysian Government will assist smallholders to replace old palms with more performant ones. As part of its FY 2020 budget, the Government committed to provide MYR 550 million (USD 135 million) in soft loans to some 650 000 smallholder growers to undertake replanting activities. Reportedly, the loans would carry a 2% interest rate, would not require a guarantor, and would include four repayment-free years.

No.	Domain	Country	Month	Product	Description *
239	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	November	Palm oil	According to official sources, one third of the country's oil palm plantations have yet to meet the sustainability standard set to become mandatory in January 2020. Reportedly, as of 6 January, 3.65 million hectares out of 5.85 million hectares had obtained MSPO (Malaysian Sustainable Palm Oil) certification. In the processing sector, one quarter of the country's 452 mills has yet to be certified. Government officials reiterated that non-compliant growers and mill owners would be penalized, warning that non-certified mills and producers with plantations exceeding 40 hectares could see their licenses revoked.
240	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	November	Palm oil	From 1 January 2020, all oil palm growers will be required to pay MYR 1 (USD 0.25) per tonne of crude palm oil produced in support of the Government's environmental agenda. Reportedly, proceeds will be used to fund public reforestation and wildlife protection schemes. The initiative is expected to help raise the industry's environmental credentials.
241	OTHER POLICIES – Production sustainability/ environmental policies	Malaysia	December	Palm oil	In a bid to make oil palm supplies fully traceable by 2025, the country's sustainability-certification body, MPOCC (Malaysian Palm Oil Certification Council), announced plans to make concession maps accessible to the general public. By fostering transparency about the operations of individual industry players, the Government hopes to demonstrate to the international community that Malaysian palm oil is produced responsibly. On a related note, the Government granted the international industry standards group RSPO (Roundtable on Sustainable Palm Oil) permission to make its members' concession maps public for Peninsular Malaysia and Sarawak. Previously, such permission had been denied, based on ambiguity and legality concerns.
242	OTHER POLICIES – Production sustainability/ environmental policies	Norway, Indonesia	February	Forests, peatland	Government officials from the two countries agreed to release a first tranche from a USD 1 billion fund created by Norway in 2010 to assist Indonesia in preserving its tropical rainforests (see <i>MPPU Aug. '10</i> ). The delay in releasing the funds has been attributed to the need to put in place both appropriate legislation and policy frameworks and a reliable measurement, reporting and verification system. Reportedly, the payment, the amount of which still has to be determined, recognizes Indonesia's success in lowering domestic CO2 emissions, following a reduction in the national deforestation rate in 2017.
243	OTHER POLICIES – Transport infrastructure & regulations	Brazil	January	Grains, oilseeds	In January, the Brazilian Government unveiled a new plan to modernize and expand the country's transportation infrastructure. Planned activities are expected to substantially benefit the grain and oilseed export sectors in the long term. To facilitate access to the newly opened northern ports, the plan envisages new railway infrastructure in Mato Grosso, a significant soybean and maize producing state. Reportedly, transportation logistics will be enhanced by way of private investments, including from abroad, notably China. Separately, government officials informed that paving of BR-163, the highway that links Mato Grosso to northern ports, will be completed by the end of 2019 (see also <i>MPPU Sep. '17</i> ). Reportedly, once completed, the highway would be put up for auction with a view to privatize its operations by the year 2020.
244	OTHER POLICIES – Transport infrastructure & regulations	Brazil	April	Grains, oilseeds	According to industry experts, Brazil's policy makers are considering to raise the government-set minimum truck freight rates in response to recent surges in the wholesale price of diesel (see also <i>MPPU Oct. '18</i> ). Trade sources pointed out that the rates currently under consideration could add BRL 50–80 per metric tonne (USD 12–20) to the cost of shipping grains from the country's interior to the ports.



No.	Domain	Country	Month	Product	Description *
245	OTHER POLICIES – Transport infrastructure & regulations	Brazil	April	Grains, oilseeds	In April, Brazil's Land Transportation Agency (ANTT) raised the government-set truck freight rates by 4.1 percent (on average) to compensate drivers for increases in the price of transport diesel. The agency also announced new efforts to ensure that the minimum rates were enforced. The country's national association of grain exporters continued to maintain that mandatory freight rates were both inefficient and illegitimate.
246	OTHER POLICIES – Transport infrastructure & regulations	Brazil	December	Grains, oilseeds	According to media reports, the Brazilian Government postponed to the second half of 2020 the auction of two major railway projects of special relevance for grain/oilseed exports – the 'Ferrogrão' project (see <i>MPPU Jan.'18 &amp; Jan./Mar.'19</i> ) and the FIOL railroad designed to link the country's interior to a port in Bahia State. At the same time, the Government confirmed that plans to repave highway BR-319 (running through the Amazon basin from Porto Velho to Manaus) would go ahead.
247	OTHER POLICIES – Transport infrastructure & regulations	Canada	August	Grains, oilseeds	The Federal Government is set to invest CAD 4.8 million (USD 3.6 million) to upgrade the infrastructure of the Port of Johnstown, which handles grain from 1 600 farms in Ontario and Quebec that is destined for international markets. Reportedly, the concerned township will match the Government's investment. Under the plan, aging grain spouts will be replaced and the storage capacity of the port's elevators will be increased. The Government also announced significant investments to i) improve rail capacity in British Columbia, ii) expand terminals in the Port of Vancouver, and iii) ensure the continued competitiveness and efficiency of rail transportation networks. The measures are aimed at ensuring that goods move efficiently to market and should help Canadian businesses compete globally.
248	OTHER POLICIES – Tax policies	Malaysia	December	Palm oil	With palm oil reference prices rising above the MYR 2 500 (USD 613) per tonne mark that triggers windfall profit taxation, on 1 January 2020, tax authorities resumed collecting 3% and 1.5% tax from growers in, respectively, Peninsular Malaysia and Sabah/Sarawak (NB: Malaysia's palm oil windfall taxation was introduced in 2008, together with changes in the country's Cooking Oil Price Stabilization Scheme). Planters cultivating less than 40 hectares will remain exempt from taxation. In response to calls from the industry to withhold the levy's reactivation, the Government pledged to channel at least 50% of the proceeds back to the oil palm industry. Reportedly, the proceeds would be set aside to subsidize palm oil-based biodiesel production once mandatory B20 consumption enters into force at the end of 2020 (see also <i>MPPU Mar.&amp;July'19</i> ).
249	OTHER POLICIES – Tax policies	Russian Federation	July	Palm oil	The Government announced that, from 1 October 2019, palm oil sales will be subject to the regular VAT rate of 20 percent, thus ending the current preferential taxation at 10 percent. According to the media, the measure is aimed at supporting the country's dairy industry, given that, in recent years, rising supplies of low-priced imported palm oil has led to reduced demand for locally produced dairy products among food manufacturers.
250	OTHER POLICIES – Social policies	Uzbekistan	March	Cottonseed oil	The Government decided to stop regulating the price of cottonseed oil intended for socially vulnerable parts of the population. Likewise, strategic reserves of the commodity will be dismantled.

\*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 2019

No.	Domain	Month	Country	Description *
1	SUSTAINABILITY STANDARDS – <i>Oil palm</i>	January	Global	<b>Third party study – impact assessment:</b> A study published in the WHO Bulletin analyses the palm oil industry's direct and indirect impacts on human and planetary health and draws attention to the sector's mutually profitable relationship with the processed food industry. While, according to the authors, the direct health effects of palm oil remain contested, the indirect impacts of oil palm cultivation are manifold and include respiratory illnesses caused by air pollution from slash-and-burn clearing of forests. The study calls for a multifaceted approach to address these issues, while acknowledging that replacing palm oil with other vegetable oils could have a greater detrimental impact on the environment given higher natural resource requirements.
2	SUSTAINABILITY STANDARDS – <i>Oil palm</i>	January	Global	<b>Third party study – deforestation drivers:</b> A study exploring the link between forest loss and plantation expansion (in particular oil palm plantations) in the island of Borneo during 2000–2017 found a positive correlation between the two parameters. The finding contrasts with the position of industry and government officials that plantation expansion does not contribute to deforestation as it takes place on already cleared land. The study was conducted by researchers at the Center for International Forestry Research (CIFOR).
3	SUSTAINABILITY STANDARDS – <i>Oil palm</i>	January	United Kingdom of Great Britain and Northern Ireland	<b>Third party study – consumer awareness:</b> Researchers at the University of Cambridge found very low consumer awareness in the United Kingdom of Roundtable on Sustainable Palm Oil (RSPO) and similar labels showing that a product contained sustainably-produced palm oil; they suggested that low recognition of labels might be linked to their scarce use by consumer good companies and retailers. To promote a more rapid shift towards sustainable palm oil consumption, the researchers recommended that governments require companies to i) only buy identity-preserved certified palm oil, and ii) publicly disclose their supply sources.
4	SUSTAINABILITY STANDARDS – <i>Oil palm</i>	February	Global	<b>Company news – RSPO withdrawal:</b> A large Southeast Asian oil palm plantation company decided to withdraw from the Roundtable on Sustainable Palm Oil (RSPO), the self-regulating industry body for world-wide palm oil certification, citing disagreement over allegations that the company had violated the RSPO's principles and criteria as well as local labour laws. RSPO informed that certificates and trademark licences held by the company were no longer valid.
5	SUSTAINABILITY STANDARDS – <i>Oil palm</i>	February	Global	<b>Company news – industry divestment:</b> A globally integrated plantation company informed it could reconsider its palm oil and rubber operations in Liberia, citing lower than anticipated returns on investment. Reportedly, the company managed to develop only a fraction of the land for which it had signed long-term concessions due to a variety of reasons, including increasingly stringent international environmental standards. The Liberian Government assured the company of its continued support and cooperation.
6	SUSTAINABILITY STANDARDS – <i>Oil palm</i>	February	Global	<b>RSPO news – production &amp; sales volumes:</b> Reportedly, supplies of RSPO-certified palm oil currently amount to 13.85 million tonnes annually, which is equivalent to about 19 percent of global palm oil production. As for sales, RSPO statistics for 2018 confirm the customary gap between total supplies and actual sales of certified sustainable palm oil; similar to past years, in 2018, roughly half of the available certified product did not find a buyer and hence was sold as conventional palm oil, i.e. without capturing a price premium. As for the different sale channels, last year, the three methods involving physical supply chains – i.e. identity-preserved, segregated and supply-mass-balanced transactions – accounted for almost 70 percent of total sales, while the remaining 30 percent were marketed via book&claim mechanisms (which contribute only indirectly to sustainable production systems). Compared to 2017, last year has seen an increase in both identity-preserved and book&claim sales. As for palm kernel oil, over 85 percent of RSPO-certified product have found a buyer in 2018.

No.	Domain	Month	Country	Description *
7	SUSTAINABILITY STANDARDS – Oil palm	February	Indonesia	<b>Third party assessment – peatland conversion:</b> The Center for International Forestry Research (CIFOR) set out to analyse how smallholder oil palm cultivation – which accounts for about 40 percent of total oil palm acreage in Indonesia – affects the local environment. When examining the types of land use change associated with independent smallholder oil palm expansion in Indonesian Borneo, the institute detected a rise in the conversion of peat soils – a process that entails high rates of GHG emission, often giving rise to spontaneous combustion. CIFOR's researchers also found that landowners involved in peatland conversion are less likely to be skilled farmers – although peat is known to be one of the most complex soils to farm responsibly and effectively. Moreover, many farmers cultivating former peat forest plots were found to be in compliance with ISPO, Indonesia's certification scheme designed to foster sustainable practices. To address these issues, CIFOR's study calls for increased support to district level governments in i) mapping out existing peatlands, ii) providing technical support in peat soil management, iii) enhancing land use planning, and iv) enforcing ISPO standards. The importance of improving smallholder land-conversion practices is evidenced by CIFOR projections suggesting that the share of small independent growers in total national acreage will rise to 60 percent by 2030 – with most of the expansion involving peat soils, given the rising scarcity of suitable land on mineral soils.
8	SUSTAINABILITY STANDARDS – Oil palm	February	Norway	<b>Company news – market responses:</b> In 2018, Norway's sovereign pension fund divested from a number of companies, including four companies involved in allegedly unsustainable oil palm operations in Southeast Asia. On a separate note, the <i>Dow Jones Sustainability Index</i> removed a large Southeast Asian palm oil plantation company from its list of sustainable companies, following allegations of unsustainable production practices.
9	SUSTAINABILITY STANDARDS – Oil palm	March	Global	<b>RSPO news – workers' rights:</b> Following similar work in Indonesia, RSPO started extending to Malaysia its efforts to encourage the reporting of worker's incidents and potential abuses as well as to monitor employee satisfaction and social investments across its members' oil palm plantations.
10	SUSTAINABILITY STANDARDS – Oil palm	March	Global	<b>RSPO news – membership termination:</b> RSPO terminated the membership of two Indonesian oil palm companies for failures to comply with the organization's principles on workers' rights and conditions. Consequently, certificates and trademark licenses held by the two companies have become invalid and their trade of certified sustainable palm oil had to cease.
11	SUSTAINABILITY STANDARDS – Oil palm	April	Global	<b>RSPO news – smallholder standards:</b> The globally recognized standard setting/certification body for palm oil, RSPO, invited public comments on its draft Independent Smallholder Standard. The new standard will apply exclusively to independent smallholders, taking into account their specific production context and needs. Reportedly, the development of a separate standard for smallholders has been guided by the need to strike a balance between promoting greater inclusion of smallholders and ensuring that core sustainability requirements are upheld. On a related note, RSPO informed that during the last 5 years it provided funding to programmes supporting 18 100 smallholders in Indonesia, Malaysia, Thailand, Africa and Latin America to achieve certification.

No.	Domain	Month	Country	Description *
12	SUSTAINABILITY STANDARDS – Oil palm	April	Global	<b>Third party assessment – supply chain mapping:</b> In recent months, amid rising pressure from consumers and civil society groups to source raw materials more responsibly, several large palm oil buyers and suppliers as well as the RSPO ventured into using satellite technology to track deforestation in their respective palm oil supply chains (see <i>MPPU May, Aug., Oct. &amp; Dec. '18</i> ). In April, global foods and drinks company Nestlé (and its two partners, aerospace company Airbus and non-profit organization The Forest Trust/Earthworm) reported about progress made in leveraging such technologies. To date, Nestlé was in a position to trace almost the entirety of its palm oil purchases back to the mill level, but the company could only trace half of its supply back to the plantation level – mainly reflecting difficulties in locating smallholder producers. However, recent progress in integrating satellite imagery with other relevant data is making it possible to spot deforestation occurring across sourcing areas, thus allowing Nestlé to engage directly with individual suppliers. Reportedly, inability to account for the spotted deforestation would lead to temporary suspension of concerned suppliers from the company's order books, especially when large plantation owners are involved. In the case of smallholders, on the other hand, the company reckons that – in a bid to assist smallholder transition to sustainable practices – a more flexible approach is required, notably focusing on replanting initiatives that would allow farmers to raise yields without resorting to deforestation. Nestlé informed that it is considering to extend satellite-based monitoring of land-use changes to its other supply chains, including soybeans. Meanwhile, industry experts cautioned that dividing the supply chain in sustainable versus unsustainable producers carries the risk of driving harmful practices elsewhere rather than curbing deforestation – at least when, as in the case of palm oil, global demand for uncertified produce remains strong.
13	SUSTAINABILITY STANDARDS – Oil palm	April	Indonesia	<b>Third party assessment – poverty alleviation:</b> A group of researchers examined the association between the development of oil palm plantations and change in objective and material well-being across villages in Indonesian Borneo. The study suggests that plantations developed in villages with low to moderate forest cover, where communities previously mostly relied on market-oriented livelihoods, are associated with increased physical and financial well-being. However, the opposite was found in remote villages with high forest cover where communities used to rely on subsistence-based livelihoods. Regardless of the baseline conditions of villages, unsustainable livelihoods, increased socio-economic disparity and environmental issues are said to remain major challenges. To address these issues, the study calls for i) careful evaluation and planning when oil palm is developed in remote forested areas, and ii) well-coordinated fiscal and other policies allowing for the collection and redistribution of revenues.
14	SUSTAINABILITY STANDARDS – Oil palm	May	Cote d'Ivoire	<b>National standard:</b> RSPO has endorsed Cote d'Ivoire's national interpretation of its Principles and Criteria. Consequently, certification bodies and RSPO member companies operating in the country are encouraged to start using the adapted standards for new audits.
15	SUSTAINABILITY STANDARDS – Oil palm	May	Gabon	<b>RSPO certification:</b> A Southeast Asian agri-business firm reported that it achieved RSPO certification for a plantation it manages in Gabon. Reportedly, the plantation has been developed entirely on grassland, and roughly half of the total land concession will remain protected as high conservation value (HCV) area including forests, wetland and savannah.
16	SUSTAINABILITY STANDARDS – Oil palm	May	Global	<b>RSPO news – peatland inventory:</b> In compliance with its recently revised standards (see <i>MPPU Dec. '18</i> ), RSPO invited its members to list and report all peatland – planted, unplanted and rehabilitated – existing within their managed area.
17	SUSTAINABILITY STANDARDS – Oil palm	May	Indonesia	<b>Industry &amp; civil society initiatives – smallholder support/certification:</b> Two palm oil users, cosmetic products company Estée Lauder and chemical group BASF, partnered with RSPO and civil society organization <i>Solidaridad</i> on a three-year project to promote sustainable palm oil production among independent smallholder farms in Lampung, Indonesia. The project's target is to help small farmers achieve RSPO certification.
18	SUSTAINABILITY STANDARDS – Oil palm	May	India	<b>Industry initiative – national standard:</b> India's Sustainable Palm Oil Coalition reported progress on the adaptation of RSPO's Principles and Criteria to the country's context (see also <i>MPPU Dec. '18</i> ). Reportedly, the initiative focuses on: i) on the definition of smallholders, and ii) the applicability of the RSPO's Principles and Criteria, Independent Smallholder Standard and Group/Supply Chain Certification to the Indian context.



No.	Domain	Month	Country	Description *
19	SUSTAINABILITY STANDARDS – Oil palm	May-June	United Kingdom of Great Britain and Northern Ireland	<p><b>Production and marketing – public debate:</b> UK retailer Selfridges announced that it made its own-brand food products free of palm oil as part of the company's sustainability strategy, adding that the move was intended to offer customers the option to buy palm oil-free products until certified palm oil would guarantee zero deforestation. The decision of certain companies to include palm oil-free items in their supply chain (see also <i>MPPU May '18</i>) has given rise to intense public debate, with opponents proposing renewed efforts in the promotion of responsibly produced palm oil. Some quarters stressed that, when responsibly managed, oil palm development creates employment, improves incomes and generates investment in services and infrastructure. Furthermore, concerns have been raised that blanket bans fail to recognize that the environmental and other effects of palm oil are case-specific and largely dependent on circumstances. Some papers sustain that initiatives excluding palm oil indiscriminately can frustrate efforts to move towards more sustainable forms of production. Moreover, in the longer term, restrictions can be expected to prompt shifts towards other vegetable oils, which, however, could result in a net increase in adverse environmental effects. Such considerations suggest that management/consumer decisions and the public debate about palm oil need to allow for more nuance and take into account a variety of aspects.</p>
20	SUSTAINABILITY STANDARDS – Oil palm	June	European Union	<p><b>Industry initiative – traceability issues:</b> A survey conducted by a group of EU retail companies suggests that leading EU palm oil importers are unlikely to meet their self-imposed goal of selling exclusively sustainably produced palm oil by 2020. Reportedly, while much of the palm oil imported can be traced to the mills it came from, traceability to the plantation level can be provided for only one-third of traded volumes – making it hard to determine whether third-party suppliers conform to sustainable production principles.</p>
21	SUSTAINABILITY STANDARDS – Oil palm	June	Global	<p><b>Industry &amp; civil society initiative – deforestation monitoring tool:</b> Global Forest Watch (GFW), an initiative set up by the non-profit <i>World Resources Institute</i>, has launched a forest monitoring tool to help companies involved in commodities trade monitor deforestation within their supply chains. The new application consists of interactive maps that provide detailed, up-to-date tree cover change information. Reportedly, the platform enables users to: i) monitor deforestation and fires both on individual farms and across portfolios of suppliers, ii) verify compliance with environmental laws and company commitments, and iii) engage with and request action from non-compliant suppliers.</p>
22	SUSTAINABILITY STANDARDS – Oil palm	June	Global	<p><b>Third party study – comparison of standards:</b> The International Union for the Conservation of Nature (IUCN) conducted a review of different palm oil sustainability standards focusing on two benchmarks, biodiversity protection and the level of assurance. The six voluntary standards analysed are: RSPO (Roundtable on Sustainable Palm Oil), SAN (Sustainable Agricultural Network), International Sustainability and Carbon Certification - EU and Plus (ISCC), ISPO (Indonesia Sustainable Palm Oil), and MSPO (Malaysia Sustainable Palm Oil).</p>
23	SUSTAINABILITY STANDARDS – Oil palm	June	Global	<p><b>RSPO news – wage rules:</b> RSPO launched a guidance document for the oil palm industry on the payment of 'decent living wages' (DLW) for workers employed in RSPO-certified units. To assist members in calculating DLW, benchmark estimates have been provided for several regions in the following countries: Indonesia, Malaysia, Colombia and Ghana.</p>
24	SUSTAINABILITY STANDARDS – Oil palm	June	Global	<p><b>RSPO news – jurisdictional certification:</b> The RSPO has opened a public consultation period on its so-called 'jurisdictional approach' to certification. Aimed at extending the geographical reach of certification beyond that of individual producers, jurisdictional level certification will be piloted in the State of Sabah (Malaysia), the district of Seruyan in Kalimantan (Indonesia) and across Ecuador's national territory (see also <i>MPPU July '15, Feb./Dec. '17 &amp; Aug./Oct. '18</i>). Building on RSPO's environmental and social principles, the approach focusses on ensuring widespread stakeholder engagement, smallholder inclusion and strong government involvement.</p>
25	SUSTAINABILITY STANDARDS – Oil palm	June	Global	<p><b>RSPO news – smallholder certification:</b> RSPO informed that a third and final public consultation on a draft independent smallholder standard was underway, along with field tests in Malaysia and Indonesia. Simplifications and adaptations to different contexts are expected to facilitate the inclusion of smallholders – while pursuing the dual objective of raising the level of productivity and reducing the risk of land conversion and other unsustainable practices (see also <i>MPPU May '19</i>).</p>

No.	Domain	Month	Country	Description *
26	SUSTAINABILITY STANDARDS – Oil palm	June	Global	<b>Company news – sustainability certification (POIG):</b> A Singapore-based palm oil business has become the first Southeast Asian company to meet the strict standards developed by the 'Palm Oil Innovation Group' (POIG), which claims to be the most rigorous platform for sustainably produced palm oil globally (see also <i>MPPU Apr.'16</i> ).
27	SUSTAINABILITY STANDARDS – Oil palm	July	Africa	<b>Industry &amp; civil society initiative – sustainable palm oil promotion:</b> In August, RSPO hosted, jointly with environmental advocacy group Proforest, Africa's third 'Sustainable Palm Oil Conference' to advance the discussion about long-term sustainable oil palm development in the region.
28	SUSTAINABILITY STANDARDS – Oil palm	July	China	<b>Industry initiative – certified palm oil promotion:</b> In July, RSPO hosted its third 'China Forum' focused on expanding the country's market for certified sustainable palm oil. The event was organized jointly with the China Chamber of Commerce of Foodstuffs and Native Products and the World Wildlife Fund for Nature. (See also <i>MPPU Aug.'16 &amp; May/Aug.'18</i> )
29	SUSTAINABILITY STANDARDS – Oil palm	July	Global	<b>Company news – traceability efforts:</b> Global consumer goods company Nestlé announced that it will trial open blockchain technology to achieve better transparency and independently verifiable sustainability in its palm oil supply chain. Initially, the pilot programme will focus on suppliers in Latin America. The initiative is primarily aimed at sharing reliable information with consumers in an accessible way.
30	SUSTAINABILITY STANDARDS – Oil palm	July	Global	<b>Industry initiatives – lending policies:</b> Reportedly, three financial institutions have cancelled their loans to a large palm oil company on the ground of sustainability concerns. The banks decided to end their relationship with the concerned company following its withdrawal from RSPO, which was triggered by reports from civil society groups claiming the presence of unsustainable production practices. (See also <i>MPPU Apr.'16 &amp; Feb./Apr./Aug.'17</i> )
31	SUSTAINABILITY STANDARDS – Oil palm	July	Indonesia	<b>Third party study – jurisdictional certification:</b> According to civil society observers, the jurisdictional certification approach promoted by RSPO in Kalimantan, Indonesia (see <i>MPPU July'19</i> ) has led to a number of promising innovations, namely: a facility that provides technical support to smallholders while managing funds received from companies; the implementation of jurisdiction-wide environmental protection plans; mechanisms for resolving land conflicts; and the mapping and registration of independent smallholders.
32	SUSTAINABILITY STANDARDS – Oil palm	July	Honduras	<b>Industry &amp; civil society initiative – sustainable palm oil production:</b> Local media reported that the Honduran palm oil industry (with support from the local government) committed to a de-forestation-free palm oil supply chain. The sector-wide initiative brings together private corporations, smallholder cooperatives and environmental advocacy groups. The stakeholders' commitments include: minimizing the development of new plantations, applying best practices to raise yields, ensuring crop traceability, and restoring degraded areas. The Honduran Forest Conservation Institute (ICF) will be responsible for monitoring adherence to the commitment.
33	SUSTAINABILITY STANDARDS – Oil palm	July	Malaysia	<b>Industry initiative – oil palm replanting support:</b> Local media reported that Malaysian palm oil companies and the Malaysian Palm Oil Council (MPOC) engaged in concerted efforts towards the rejuvenation of existing oil palm plantations. Reportedly, MPOC has set aside MYR 1.5 million to replace, over the next 10 years, one million unproductive oil palm trees on 2 500 hectares of land in Sabah state. Reportedly, the replanting project includes the establishment of a wildlife reserve and wildlife food corridors.
34	SUSTAINABILITY STANDARDS – Oil palm	July	Peru	<b>Industry initiative – sustainable palm oil production:</b> Peru's palm oil producers association <i>Junpalma</i> committed to move towards sustainable and deforestation-free palm oil production – in partnership with the local government and civil society organizations and in close collaboration with indigenous communities.

No.	Domain	Month	Country	Description *
35	SUSTAINABILITY STANDARDS – Oil palm	July	Sierra Leone	<b>RSPO &amp; civil society initiative – land rights recognition:</b> RSPO, the globally known standard setting/certification body for palm oil, reported about its collaboration with a small palm oil mill in Sierra Leone that assists its smallholder suppliers in achieving RSPO certification. As RSPO's standards pay special attention to land tenure issues, the mill (with support from civil society organization <i>Solidaridad</i> ) initiated a process of obtaining the required land rights documentation for concerned smallholders. Reportedly, each land title is signed by the family who owns the plantation, the land user as well as the customary and legal chiefdom authorities.
36	SUSTAINABILITY STANDARDS – Oil palm	August	Global	<b>Industry assessment – environmental benefits of certification:</b> A life cycle assessment (supported by RSPO and funded by companies buying RSPO-certified palm oil) analysed the environmental profile of certified sustainable palm oil compared to non-certified produce. According to the study, compared to non-certified palm oil produced in Malaysia and Indonesia, certified palm oil has a 35 percent lower global warming impact and a 20 percent lower biodiversity impact from land use changes.
37	SUSTAINABILITY STANDARDS – Oil palm	August	Global	<b>Company news – responsible sourcing:</b> Confectionary group <i>Ferrero</i> claims to have achieved full traceability of its palm oil supplies and published the complete list of its suppliers, including their geographical coordinates. In future, the group expects to publish such lists bi-annually. The company also committed to follow RSPO's stringent High Carbon Stock Approach (see <i>MPPU Dec. '18</i> ) and to adhere to the standards of the International Labour Organization. Furthermore, <i>Ferrero</i> started collaborating with the Palm Oil Innovation Group (POIG), enlisting a third-party verifier to check its suppliers' compliance with POIG's strict sustainability standards (see also <i>MPPU Apr. '16</i> ).
38	SUSTAINABILITY STANDARDS – Oil palm	September	Africa	<b>Civil society study – small scale production vs. industrial plantation development:</b> Data gathered by a group of NGOs suggest that, in Africa, industrial oil palm development – as opposed to traditional, small-scale production systems – slowed down significantly in recent years. Reportedly, land concessions awarded for industrial oil palm development in West and Central Africa declined from 4.7 million to 2.7 million hectares over the past 5 years, and only a small part of the existing concession areas have actually been converted into oil palm plantations or replanted with new palms. According to the NGO report, resistance by affected local communities contributed strongly to the observed slowdown. Reportedly, people living inside the concession areas are increasingly concerned about losing access to farmland and forest they relied on for food, fuel and building supplies. According to the study, the circumstance that many industrial oil palm plantation projects are faced with acute land conflicts has discouraged companies from pursuing investments.
39	SUSTAINABILITY STANDARDS – Oil palm	September	Global	<b>RSPO news – supply chain certification:</b> RSPO, the global industry led palm oil certification body, launched a public consultation process for the review of its Supply Chain Certification Standard (SCCS). The standard covers requirements related to the control of RSPO-certified oil palm products along the supply chain, including flows of certified products and associated claims. Reportedly, main topics addressed during the consultation process included the requirements related to transaction registration, auditable data issues, the capacity and competency of auditors, the certification cycle, and the possible inclusion of shared responsibility requirements.
40	SUSTAINABILITY STANDARDS – Oil palm	October	Global	<b>Industry initiative – deforestation detection:</b> Some of the world's largest palm oil producers and buyers joined forces to finance the development of a radar-based forest monitoring system aimed at detecting deforestation. By spotting forest clearing events in near-real time and with greater accuracy, participating companies hope to more quickly mobilize follow-up actions on the ground, thus contributing to improve sustainability in the palm oil supply chain. Allegedly, the new tool (called Radar Alerts for Detecting Deforestation, RADD) can detect tropical deforestation several weeks earlier than optical-based systems, thanks to its ability to penetrate cloud cover. Reportedly, RADD-based deforestation alerts will be publicly available, thus allowing companies, governments, civil society groups and concerned stakeholders to use the same information source and standards. Wageningen University and Satellite Intelligence, which developed RADD in collaboration with the <i>World Resources Institute</i> , expect to refine the technology over the next two years.



No.	Domain	Month	Country	Description *
41	SUSTAINABILITY STANDARDS – Oil palm	October	Indonesia	<b>Company news – RSPO Principles &amp; Criteria 2018:</b> A palm oil mill in Indonesia has become the first mill to be successfully audited against the RSPO's updated, more stringent set of environmental and social standards launched in late 2018 (see <i>MPPU Dec. '18</i> ).
42	SUSTAINABILITY STANDARDS – Oil palm	October	Global	<b>RSPO – impact report 2019:</b> The RSPO's latest 'impact report' describes progress made by the organization's members in relation to: i) the inclusion of smallholders; ii) growth in certified land, especially in Africa; and iii) the avoidance of GHG emissions both by staying away from land clearance and planting on peat soils and setting aside conservation areas in new developments. RSPO also reported combined investments in excess of USD 23 million in restoration projects. In presenting the results, RSPO highlighted the group's efforts to promote a greater inclusion of smallholder growers while ensuring that core sustainability requirements are upheld. As for the uptake of RSPO-certified palm oil on global markets, the report confirms that sales have risen only minimally in recent years – a development of increasing concern to RSPO and its members.
43	SUSTAINABILITY STANDARDS – Oil palm	November	Global	<b>RSPO news – smallholder certification:</b> In November, RSPO launched a separate standard for palm oil produced by smallholders (see also <i>MPPU Dec. '18 &amp; May/July '19</i> ). Although smallholders account for about 40 percent of global palm oil output, at present just a fraction of their production is certified sustainable because most small growers find it difficult to comply with RSPO's generic principles and criteria – a situation RSPO hopes to correct through its new, tailor-made standard. Designed for 'independent smallholders' (as opposed to 'scheme smallholders'), the new standard simplifies the generic requirements through a flexible, step-by-step approach, which gradually takes producers to full compliance. RSPO explained that cooperatives of smallholders will be granted three years to achieve certification, during which time participants would start to reap the agricultural and financial benefits of certification. On a related note, RSPO also launched a new training facility that, by adopting a 'train-the-trainer' approach, is aimed at reaching larger numbers of small-scale oil palm farmers through agricultural best practices training.
44	SUSTAINABILITY STANDARDS – Oil palm	November	Global	<b>RSPO news – shared responsibility principle:</b> In November, RSPO approved a new set of guidelines and specific obligations aimed at fostering market uptake of sustainable palm oil by the organizations' members. The new guidelines focus on RSPO's downstream players (as opposite to grower members), i.e. retailers, consumer goods manufacturers, processors, traders and banks/investors. Under the new guidelines, members belonging to these categories are expected to actively participate and work together to increase the demand for sustainable palm oil, with mutual accountability across the supply chain. In particular, during a pilot period, buyers and other supply chain actors will be subject to specific volume requirements, comprising annual percentage point uptake targets – a concept introduced to help ensure that all available certified palm oil produced by RSPO's grower members will eventually be met by demand from end users (NB: since the launch of RSPO certified palm oil, available global supplies consistently exceeded actual demand, forcing growers to accept falling certification premiums).
45	SUSTAINABILITY STANDARDS – Oil palm	December	Global	<b>Third party study – profitability gains:</b> A study undertaken by an international conservation charity to investigate the business case for producing, sourcing and financing certified sustainable palm oil claims that palm oil companies with stronger disclosure on the sustainability of their operations clearly outperform those with weaker sustainability disclosure, over a five-year period.
46	SUSTAINABILITY STANDARDS – Soybean	February	Brazil	<b>Industry initiatives – Cerrado:</b> The <i>Soft Commodities Forum</i> , a global platform of leading trade firms interested in advancing collective action on sustainability challenges, launched a common framework for reporting and monitoring progress on transparent and traceable soy supply chains in Brazil's Cerrado region. Participating companies (who also contribute to the activities of the <i>Cerrado Working Group</i> – see <i>MPPU Jan. '19</i> ) pledged to start reporting, from June 2019 onward, volumes sourced in the Cerrado as well as to closely monitor municipalities presenting high risk of conversion of native vegetation to soy. Environmental advocacy groups noted that the newly launched framework lacks concrete provisions for excluding offending producers from the supply chain. On a related note, a group of global food manufacturers has called for an extension of Brazil's Soy Moratorium – which permanently bans the sourcing of soybeans grown on illegally cleared areas in the Amazon basin – to the Cerrado region. (See also <i>MPPU Dec. '18</i> )



No.	Domain	Month	Country	Description *
47	SUSTAINABILITY STANDARDS – Soybean	April	United Kingdom of Great Britain and Northern Ireland	<b>Company news – responsible sourcing:</b> UK retailer <i>The Co-operative</i> pledged to use 100% certified sustainable soy in its supply chain by 2025, in a bid to halt deforestation and loss of native vegetation associated with the expansion of soybean cultivation. As part of its effort, the retailer would purchase Roundtable on Responsible Soy (RTRS) credits to offset the soy used in its own-brand products – with credits directly supporting responsible, conversion-free soy production in, for example, Brazil's Northern Cerrado region.
48	SUSTAINABILITY STANDARDS – Soybean	May	Global	<b>Civil society study – responsible lending:</b> According to a study conducted by environmental advocacy group <i>CDP</i> , Chinese financial institutions active in the soy sector tend to have limited awareness about land conversion and deforestation risks present in the global soybean supply chain. China's market was analysed because the country accounts for over 60 percent of global soybean imports, with large volumes sourced from regions presenting land conversion/deforestation risks, particularly in Latin America. The study claims that none of the financial institutions analysed had assessed their exposure to deforestation risks, nor acquired the data and tools needed to quantify such risks.
49	SUSTAINABILITY STANDARDS – Soybean	June	Global	<b>Industry concerns – lack of consumer awareness:</b> Among global soybean players, concerns are on the rise that – as has happened to palm oil – the public image of soy may suffer because also soybean production, when irresponsibly managed, can be associated with land use changes (including deforestation) and loss of biodiversity. The main reason why, to date, soy has not received the same attention as palm oil on the consumer side is that soybeans are mostly used in feed production – which implies that soy is only indirectly present in food products like meat, eggs and dairy products, making it less visible. According to industry experts, limited consumer awareness is responsible for the current lack of demand for sustainably produced soy. Today, just two percent of the global soybean market adheres to the zero-deforestation/conversion standards of the Roundtable for Responsible Soy (RTRS), while supplies of certified sustainable soy continue to outstrip demand. To pre-empt the entire soy supply chain from being discriminated on environmental grounds, experts advised industry players to proactively inform the public about responsibly produced soy. Meanwhile, raising awareness on product packaging was discouraged, given that soy content in food products is either minimal or only indirect. (See also <i>MPPU Feb.'15, June'16, Dec.'18 &amp; Jan./May'19</i> ).
50	SUSTAINABILITY STANDARDS – Soybean	June	Global	<b>Company news – responsible sourcing:</b> Global consumer goods company <i>Nestlé</i> , which pledged to eliminate deforestation from its global chain by end 2020, estimated that, in 2018, 75 percent of its soy transactions were responsibly sourced, with 78 percent traceable to source. While confirming its objective to achieve 100 percent traceability as well as biodiversity protection and zero deforestation, the company identified a number of challenges, notably: i) a long and complex supply chain where the company lacks direct contact to farmers; ii) country-specific environmental regulations, which, for example in Brazil, allow for legal conversion of native vegetation into cropland (see also <i>MPPU Dec.'18 &amp; Jan.'19</i> ); and iii) the need to coordinate efforts among all stakeholders (in this regard, see <i>MPPU Dec.'18 &amp; Jan./Mar.'19</i> on recent multi-stakeholder initiatives).
51	SUSTAINABILITY STANDARDS – Soybean	November	Brazil	<b>Amazon soybean moratorium:</b> In November, Brazil's leading soybean growers association proposed ending the longstanding voluntary moratorium that bans sourcing soybeans grown on illegally cleared land in the Amazon basin (NB: established in 2006 by major commodity traders with support from civil society groups and the Government, the moratorium was renewed indefinitely in 2016 – see also <i>MPPU June'16, June'17 &amp; Jan.'18</i> ). Reportedly, Brazil's soybean growers contest the moratorium, arguing that the country's Forest Code entitles them to clear up to 20 percent of the concerned area for agriculture – a position shared by the current Government. On the other hand, the country's association of soy crushers and traders (ABIOVE) has come out in defence of the moratorium, warning that the EU's purchases of Brazilian soy would be put at risk if the moratorium were suspended. Reportedly, a number of European food groups and investors joined ABIOVE's position, mindful of their pledges to eliminate deforestation from their supply chains.

No.	Domain	Month	Country	Description *
52	SUSTAINABILITY STANDARDS – Soybean	November	Brazil	<b>Cerrado soybean moratorium (proposal):</b> A number of environmental groups called for a duplication of the Amazon Soy Moratorium in Brazil's Cerrado region, arguing that the Amazon basin's successful preservation is contributing to the crop's rapid expansion in the fragile savannah region. The calls met with opposition from Brazil's association representing major grain traders (ANEC), which flagged that under Brazil's Forest Code farmers are allowed to expand plantings within certain limits – a provision that ANEC considers to be at odds with a moratorium. Alternatively, ANEC recommends seeking for ways to reward growers for voluntarily preserving land they could otherwise convert.
53	SUSTAINABILITY STANDARDS – Soybean	December	Brazil	<b>Company news – sustainable production incentive (Cerrado):</b> UK supermarket chain Tesco, which sources a large portion of the soy it uses in its agricultural supply chains from the Brazilian Cerrado, announced that it would support an initiative to halt deforestation in the region with a GBP 10 million (USD 13.1 million) grant. Under the five-year project (called 'Funding for Soy Farmers in the Cerrado'), which also enjoys the support of an animal nutrition business and a fish farming company, farmers that plant soy exclusively on existing agricultural land are provided with rewards – thereby removing the need to expand into the native vegetation. Reportedly, Tesco also launched a programme with the Worldwide Fund for Nature (WWF) to measure the environmental impact of various food products. ( <i>On past soybean-specific initiatives in the Brazil's Cerrado region see MPPU May/Dec. '18 &amp; Jan./Mar./May '19</i> )
54	SUSTAINABILITY STANDARDS – Coconut	April	Global	<b>Company news – responsible sourcing:</b> Global agribusiness firm Cargill informed that its cocoa and chocolate business exclusively uses Rainforest Alliance-certified coconut oil sourced through a mass balance scheme, in line with company efforts to meet rising consumer demand for sustainably sourced ingredients ( <i>see also MPPU Apr. '13 &amp; Aug. '17</i> ). Rainforest Alliance-certified farms are required to meet a set of sustainability standards. Allegedly, participating farms have seen a significant increase in their income following certification.
55	SUSTAINABILITY STANDARDS – Coconut	April	Global	<b>Industry initiative:</b> With a view to establish a platform for sustainable coconut/coconut oil production, cocoa/chocolate company Barry Callebaut (for which coconut oil is an important ingredient) partnered with the U.S. Agency for International Development (USAID) to bring together buyers, processors and other private industry actors involved in the coconut supply chain. The forum found that, despite rising global demand for coconut products, smallholder growers continue struggling to achieve a sustainable livelihood because of low yields (due to ageing trees) and poor farming practices. To address these issues, the group proposed to: i) test the effectiveness of replanting projects and productivity schemes, such as intercropping with cocoa; ii) promote initiatives to distribute seedlings; iii) develop farmer financing schemes; and iv) enhance product traceability. Participants agreed to meet annually to share best practices, facilitate coordination among industry players and stakeholders, and develop complementary sustainability programmes.
56	SUSTAINABILITY STANDARDS – Coconut	November	Indonesia, The Philippines	<b>Industry initiative:</b> Global consumer goods/food companies BASF, Cargill and Procter&Gamble established, with support from Germany's International Cooperation Agency GIZ, a certified coconut oil supply chain to assist farmers in the Philippines and Indonesia. The scheme is aimed at driving improvements in environmental protection, social equality and economic viability. Reportedly, farmers who have been trained and certified are enjoying higher productivity and income levels. To date, 1 600 growers have been certified against the relevant Rainforest Alliance Sustainable Agriculture Standard. The certified products are marketed through a transparent supply chain relying on a 'mass balance' approach. ( <i>See also MPPU Aug. '17 &amp; May/July '19</i> )

No.	Domain	Month	Country	Description *
57	SUSTAINABILITY STANDARDS – Cross-commodity	March	Global	<b>Third party assessment – industry commitments:</b> An NGO-conducted study reviewed the pledges of multinational consumer good manufacturers and retailers, as well as financial institutions supporting them, to become ‘deforestation-free’. The review found that only half of the assessed companies set time-bounds targets on the topic. Allegedly, the majority of corporations that do have self-imposed targets for eliminating commodity-driven deforestation from their supply chains and portfolios was not on-track and failed to consistently report corrective action across all of their supply chains. Overall, the companies’ performance varied depending on the commodity sourced, with more extensive commitments and higher rates of achievement observed in palm oil relative to soybean, livestock products and other sectors. The study identified complex and difficult-to-trace supply chains as a key obstacle to implementing and documenting ‘zero deforestation’ initiatives. Therefore, stakeholders have been urged to focus on mapping supply chains to determine where deforestation occurs, which would allow them to engage directly with their suppliers. The NGO also advised industry players to collaborate more closely with governments, with a view to work along jointly developed guidelines and action plans.
58	SUSTAINABILITY STANDARDS – Cross-commodity	July	China	<b>Industry initiative – responsible lending:</b> In July 2019, China’s state-owned grain trading group COFCO signed an agreement with a consortium of 20 banks for a 3-year USD 2.1 billion loan tied to sustainability performance – allegedly the largest sustainability-linked loan ever secured by a commodity trader. Reportedly, the loan’s interest rates will be linked to distinct targets, notably: i) year-on-year improvement in environmental, social and corporate governance performance; and ii) increasing traceability of agri-commodities (as a prerequisite to building sustainable supply chains), with a focus on directly sourced soy in Brazil. COFCO’s performance will be assessed by an independent third party. <i>(On sustainable financing arrangements concerning both the soybean and palm oil sector see also MPPU May’11, Feb.’15 &amp; Feb./Apr./Aug./Oct.’17)</i>
59	SUSTAINABILITY STANDARDS – Cross-commodity	July	Global	<b>Civil society initiative – private company accountability:</b> A group of 14 civil society organizations launched the ‘Accountability Framework Initiative’ (AFI), consisting of a set of common norms and guidance for independently establishing, implementing, and demonstrating progress at corporate level on ethical supply chain commitments in agriculture and forestry. One of the initiative’s main objectives is to assist private companies make progress – and hold them accountable – on their zero-deforestation pledges and related commitments.
60	SUSTAINABILITY STANDARDS – Cross-commodity	October	Global	<b>Company news – responsible packaging:</b> Global agri-trading firm Cargill informed that it managed to reduce the amount of plastic used in its vegetable oil packaging, highlighting plastic packaging reductions achieved in its bottling lines and processing facilities around the world.
61	SUSTAINABILITY STANDARDS – Cross-commodity	December	Global	<b>Company news – sustainability-linked loans:</b> Global agri-trading firm Bunge joined the list of agribusiness companies taking loans tied to their environmental performance. According to the company, part of its loan repayments will be subject to premiums/discounts depending on the achievement of specific sustainability targets related to i) GHG emission levels, ii) traceability in its commodity trade, and iii) the promotion of sustainable production practices in its palm and soybean supply chains. On a related note, global agri-trader Louis Dreyfus announced the renewal of three regional sustainability-linked revolving credit facilities. <i>(On similar sustainability-linked financing mechanisms, see also MPPU Apr./Aug.’17 &amp; July’19)</i>
62	INTERNATIONAL TRADE INITIATIVES	February	Argentina, India	<b>Private sector initiative – trade promotion:</b> Associations representing the two countries’ vegetable oil industry and trade have signed a MoU to facilitate sales of Argentine soy and sunflowerseed oil to India. Areas of cooperation will include the following: i) regular exchange of relevant business and technical information; ii) engaging with governments, industry bodies and relevant stakeholders to reduce trade barriers; and iii) assisting in the development of India’s vegetable oil processing industry.



No.	Domain	Month	Country	Description *
63	INTERNATIONAL TRADE INITIATIVES	February	Brazil, China	<b>Private sector initiative – trade promotion:</b> According to media reports, Brazilian oilseed crushers conducted talks with Chinese government officials to explore possibilities of enhancing sales of Brazilian soymeal and other value-added oilseed products to China. According to industry sources, in 2018, around 30 percent of Brazil's crushing capacity remained unused.
64	INTERNATIONAL TRADE INITIATIVES	March	China	<b>Company news – overseas investment:</b> According to media reports, China's state-controlled grain trading group COFCO moved into investing in agricultural assets and port infrastructure with the purpose of serving markets outside China. For instance, the company has plans to expand its presence in the Black Sea region, with a view to supply Western European markets. Globally, COFCO intends to raise its annual transactions of maize and soybean to over 60 million tonnes by 2022, compared to about 40 million tonnes today, the media reported. (See also MPPU Aug., Oct. & Dec.'18)
65	INTERNATIONAL TRADE INITIATIVES	March	Malaysia, China	<b>Private sector initiative – trade promotion:</b> Chinese and Malaysian companies have signed several purchase agreements for palm oil and derived products. Reportedly, the contracts are related to cooperation accords signed last year (see MPPU Oct. & Dec.'18).
66	INTERNATIONAL TRADE INITIATIVES	April	Indonesia, India	<b>Private sector initiative – trade promotion:</b> Trade partners in Indonesia and India joined forces to promote trade in ISPO (Indonesian Sustainable Palm Oil) certified palm oil. The Indonesian Palm Oil Board (IPOB), India's Solvent Extractors Association (SEA) and non-profit organization <i>Solidaridad</i> Network proposed the introduction, in India, of preferential import tariffs for certified sustainable Indonesian palm oil.
67	INTERNATIONAL TRADE INITIATIVES	June	China	<b>Company news – overseas investment:</b> Reportedly, China's state-owned grain trading group COFCO is set to renew its efforts to increase the company's origination capabilities in Brazil. According to media sources, the trader plans to invest at least USD 200 million in local transport and storage infrastructure over the next two years, with a view to expand COFCO's shipments by 5–7 percent annually for the next five years. COFCO's latest investment of USD 30 million in four storage facilities in Mato Grosso state is expected to raise the group's total grain storage capacity to 300 000 tonnes. In the 2018/19 marketing year, the company plans to export 5.5 million tonnes of soybeans, of which 85 percent will be destined to China and the remainder to other markets. Besides Brazil, the company plans to increase its presence in Ukraine, Romania and the Russian Federation. (See also MPPU Aug./Dec.'18 & May'19)
68	INTERNATIONAL TRADE INITIATIVES	August	China	<b>Company news – overseas investment:</b> Reportedly, China's state-owned grain trading group COFCO managed to increase its soybean shipments from Brazil to nearly 11 million tonnes in 2018 – an almost 20 percent rise compared to 2017. The increase, which is closely related to the ongoing Sino-US trade differences, was made possible by past efforts to increase the company's origination capabilities in Brazil. Meanwhile, China's state-owned construction company CCCC is considering to bid for a concession to dredge Argentina's Paraná River, the key transport artery for the delivery of maize and soybeans to the country's ports. (See also MPPU Aug./Dec.'18 & May/July'19)
69	INTERNATIONAL TRADE INITIATIVES	September	European Union, Mercosur	<b>EU-Mercosur free trade agreement – olive oil industry perspective:</b> According to market observers, olive oil producers in Europe and South America are eagerly awaiting the ratification and implementation of the recently signed agreement (see MPPU Sep.'19), which is set to gradually remove import tariffs and quotas on olive oil trade between the two blocs, while creating the world's largest community of olive oil producers and consumers. Reportedly, exporters in the EU expect to obtain better access to Mercosur's deficit market for olive oil. As for Mercosur countries, industry experts pointed out that Argentina's export-oriented olive oil sector could gain from improved access to EU markets, whereas, in Brazil, producers could be hurt by increased import competition, while consumers would benefit from lower prices.
70	INTERNATIONAL TRADE INITIATIVES	October	India	<b>Palm oil trade – importers concerns:</b> Linked to recent diplomatic discords between India and Malaysia, a slowdown in India's imports of Malaysian palm oil has been observed in recent weeks, amid advisories by India's Solvent Extractors' Association (SEA) inviting members to refrain from such transactions. Reportedly, importers were concerned over the possible introduction of trade restrictive measures, although the Indian Government made no announcements to this effect.



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71	INTERNATIONAL TRADE INITIATIVES	November	China	<b>Company news – overseas investment:</b> China's state-owned infrastructure company CCCC signed a MoU with Brazil's Pará State for the construction of a railway that would connect the state's main port with grain producing areas in the northern half of Mato Grosso (see also <i>MPPU Sep. '19</i> ). Once completed, the new rail-link would contribute to the ongoing rise in grain shipments from Brazil's land-locked centre-west states through a network of new ports in the so-called 'Arco Norte' region. (See also <i>MPPU Aug./Dec. '18 &amp; May/July/Sep. '19</i> )
72	MARKETING PRACTICES & INDUSTRY NORMS	February	France, Germany	<b>Seed markets – GMO contamination:</b> Farmers in France and Germany opted to destroy part of their rapeseed fields after traces of un-authorized GMOs were detected in planting material sold by seed firm Bayer. Reportedly, the company has offered to assist affected farmers by compensating them for related income losses in the current and following season.
73	MARKETING PRACTICES & INDUSTRY NORMS	February	United Kingdom of Great Britain and Northern Ireland	<b>Seed markets – royalty payments:</b> To mitigate grower risks associated with the establishment of rapeseed crops, a UK seed firm has offered growers to only pay royalties on the planted area that actually establishes, hence exempting failed areas from payment (NB: recently imposed bans on certain pesticides are said to have greatly increased pest pressure in rapeseed cultivation, leading to lower crop establishment rates).
74	MARKETING PRACTICES & INDUSTRY NORMS	March	Brazil	<b>Seed markets – patent dispute:</b> Emulating action taken by farmers in Mato Grosso state last year (see <i>MPPU Aug. '18</i> ), farmers' associations from 10 other states filed a legal petition requesting seed company Bayer AG to deposit royalties collected on soybean variety 'IntactaRR2Pro' into an escrow account – pending the outcome of litigation over a patent dispute.
75	MARKETING PRACTICES & INDUSTRY NORMS	March	Global	<b>Palm oil – industry diversification:</b> To reduce exposure to volatile crude palm oil prices, one of the world's largest oil palm plantation companies plans to i) expand its palm oil refining capacity, and ii) diversify into higher-margin animal nutrition products, the media reported.
76	MARKETING PRACTICES & INDUSTRY NORMS	March	United Kingdom of Great Britain and Northern Ireland, global	<b>Private price insurance scheme:</b> Available in several countries as a government-backed service, an alternative, entirely private platform to insure agricultural crops against price volatility has been developed by a UK-based startup. The platform is based on a wide variety of niche commodity indexes in many different countries and is targeted at midsize farmers of the top 200 crops produced around the world. Reportedly, the new approach to price risk management was made possible by recent advances in data science and the reduced cost of computational power.
77	MARKETING PRACTICES & INDUSTRY NORMS	March	Portugal, global	<b>Olive oil industry initiatives – authentication techniques:</b> In Portugal, researchers combined genomic, gas chromatography and spectroscopy techniques to authenticate and trace extra virgin olive oil. Among other things, the new method can be used to uncover fraudulent practices and to discriminate among different types of oil, such as organic and non-organic, the researchers informed.
78	MARKETING PRACTICES & INDUSTRY NORMS	March	United States of America, global	<b>Olive oil industry initiatives – fraud detection method:</b> In the United States, researchers discovered that, compared to counterfeited oil, pure olive oil reacts rather differently when it is chilled with liquid nitrogen – hence offering a simple authentication test method that does not require sophisticated equipment.
79	MARKETING PRACTICES & INDUSTRY NORMS	April	Global	<b>Olive oil industry initiatives – organic cultivation:</b> Reportedly, the organic land area used for olive cultivation across the globe has almost tripled since 2004. The country with the largest organic area dedicated to olive cultivation is Tunisia, followed by Italy, Spain Turkey and Greece. Globally, about 8 percent of the world's olive groves are under organic production. Reportedly, another 18 percent of agricultural land used for olives is currently being converted to organic cultivation methods.

No.	Domain	Month	Country	Description *
80	MARKETING PRACTICES & INDUSTRY NORMS	April	Italy, global	<b>Olive oil industry initiatives – blockchain-based quality verification:</b> An Italian olive oil company started applying blockchain technology to strengthen authentication of extra virgin olive oil certificates throughout its production and distribution chain. Reportedly, the technology allows buyers to cost-effectively trace a bottle back to its origin, thereby rising consumer confidence in product quality.
81	MARKETING PRACTICES & INDUSTRY NORMS	April	United States of America	<b>Olive oil industry initiatives – national quality standard:</b> In the United States, the olive oil industry is drafting a regulatory standard for olive oil that it intends to submit to the Food and Drug Administration for adoption. Allegedly, the current lack of a mandatory US standard defining olive oil has led to misinformed and inaccurate reporting about product quality as well as to repeated cases of product adulteration.
82	MARKETING PRACTICES & INDUSTRY NORMS	May	China	<b>Futures markets:</b> China's <i>Dalian Commodities Exchange</i> announced plans to open several of its contracts – including its soybean, soybean meal, soybean oil and palm oil futures – to foreign investors in 2019. The move reflects efforts to allow more foreign involvement in the country's futures market, while improving control over the pricing of its major commodity imports, market experts said.
83	MARKETING PRACTICES & INDUSTRY NORMS	May–June	United Kingdom of Great Britain and Northern Ireland	<b>Marketing initiative – ‘palm oil-free’ product labels:</b> UK retailer <i>Selfridges</i> announced that it made its own-brand food products free of palm oil as part of the company's sustainability strategy, adding that the move was intended to offer customers the option to buy palm oil-free products until certified palm oil would guarantee zero deforestation. The decision of certain companies to include palm oil-free items in their supply chain (see also <i>MPPU May '18</i> ) has given rise to intense public debate, with opponents proposing renewed efforts in the promotion of responsibly produced palm oil. Some quarters stressed that, when responsibly managed, oil palm development creates employment, improves incomes and generates investment in services and infrastructure. Furthermore, concerns have been raised that blanket bans fail to recognize that the environmental and other effects of palm oil are case-specific and largely dependent on circumstances. Some papers sustain that initiatives excluding palm oil indiscriminately can frustrate efforts to move towards more sustainable forms of production. Moreover, in the longer term, restrictions can be expected to prompt shifts towards other vegetable oils, which, however, could result in a net increase in adverse environmental effects. Such considerations suggest that management/consumer decisions and the public debate about palm oil need to allow for more nuance and take into account a variety of aspects.
84	MARKETING PRACTICES & INDUSTRY NORMS	June	Spain	<b>Olive oil industry initiatives – sourcing policy:</b> A Spanish olive oil company has partnered with producer cooperatives to guarantee the traceability and quality of its extra virgin olive oil. Reportedly, olive oil mills participating in the agreement are required to adhere to protocols related to the environment and to sustainability, including biodiversity preservation, the safeguard of native varieties, responsible labour practices, and the promotion of local communities.
85	MARKETING PRACTICES & INDUSTRY NORMS	June	United States of America	<b>Olive oil industry initiatives – blockchain-based quality verification:</b> A US olive oil business has adopted a blockchain traceability protocol that will allow the company to track its entire supply chain by recording real time information about shipments. The new application will allow controlling product quality by monitoring parameters like temperature, humidity and light exposure.
86	MARKETING PRACTICES & INDUSTRY NORMS	July	United States of America	<b>Futures markets:</b> The US futures exchange operator <i>CME Group</i> announced the launch of Black Sea sunflower oil futures, referring to rising client demand for risk management tools to handle price volatility in the global sunflower oil market. The contract will be settled based on Ukrainian FOB prices. The first listed month will be the November 2019 contract.
87	MARKETING PRACTICES & INDUSTRY NORMS	August	Global	<b>Marketing initiative – ‘palm oil-free’ certification:</b> POFCAP, the voluntary international ‘Palm Oil-Free Certification Accreditation Programme’ launched in Australia in 2017, reported that, following the approval of its palm oil-free certification trademark in Belgium, Luxembourg and the Netherlands, its label is now used in 20 countries. Reportedly, to date, POFCAP has certified more than 1 000 products as palm oil-free. (See also <i>MPPU Sep. '17 &amp; Oct. '18</i> )

No.	Domain	Month	Country	Description *
88	MARKETING PRACTICES & INDUSTRY NORMS	October	United States of America	<b>Marketing initiative – organic groundnuts:</b> An association for organic groundnuts has been set up in the US state of Georgia. The main objective of the Georgia Organic Peanut Association (GOPA) is to promote and market its members' certified organic groundnuts.
89	MARKETING PRACTICES & INDUSTRY NORMS	November	China	<b>Futures markets:</b> In November, China's Securities Regulatory Commission approved the launch of rapeseed meal option contracts, which would start trading on 16 January 2020.
90	MARKETING PRACTICES & INDUSTRY NORMS	November	United States of America	<b>Olive oil industry initiatives – national quality standard:</b> The United States' Olive Oil Producers Association, AOOPA, formally requested the U.S. Food and Drug Administration (FDA) to set and enforce federal grading standards for different types of olive oil. The group claims that the present lack of industry regulation is causing mislabelling of grades, adulteration and other unfair business practices as well as consumer mistrust. Reportedly, at present olive oil trade is subject to overlapping, partly unenforced guidelines set by various domestic and international stakeholders. AOOPA would favour the adoption of the standards currently in place in California (see also MPPU Nov.'19), whereas the North American Olive Oil Association (NAOOA), which represents olive oil importers, recommended following the standards developed by the FAO/WHO Codex Alimentarius Commission. (See also MPPU June'16 on related initiatives by U.S. lawmakers)
91	RESEARCH & DEVELOPMENT – Pest control	May	Global	<b>Glyphosate resistance:</b> The utility of glyphosate seems to be increasingly threatened by the emergence of weeds resistant to the herbicide. A scientific study found that almost forty different weed species have developed resistance to the herbicide – with weeds found in glyphosate-resistant crops (such as soybeans) having the largest economic impact. According to the authors, weed control in major crops is at a precarious point due to over-reliance on glyphosate-resistant traits (see also MPPU Feb.'11 & Feb./Nov.'14).
92	RESEARCH & DEVELOPMENT – Pest control	July	Italy	<b>Xylella fastidiosa – integrated pest management:</b> Field trials conducted in Italy suggest that the <i>beauveria bassiana</i> fungus could be beneficial in combatting the meadow spittlebug, a known carrier of <i>xylella fastidiosa</i> . The EU-funded research concentrates on the development of sustainable agronomic practices to enhance the resilience of trees to the pest.
93	RESEARCH & DEVELOPMENT – Pest control	December	Italy	<b>Xylella fastidiosa – control measures:</b> A study undertaken by researchers in Italy tracks populations on movements of spittlebugs, a major carrier of the <i>xylella fastidiosa</i> disease affecting olive trees. The research led to recommendations to help farmers and local governments to curb the spread of the pest. In particular, the study's findings can be used to assess the risk of the disease's establishment and spread as well as to design effective control programmes in infected areas, notably with regard to insecticide treatments and other agronomic measures, the researchers said.
94	RESEARCH & DEVELOPMENT – Varietal research & seed releases	February	Australia, Pacific	<b>Coconut – cloning method:</b> In Australia, researchers are developing high-performance clones of coconut palms with a view to facilitate urgently required rejuvenation in existing plantations in Australia and across the Pacific region. Reportedly, compared with conventional breeding methods, cloning techniques allow to make available – in a fast and cost-effective manner – high-yielding, disease resistant and drought tolerant plantlets that turn into fruit-bearing trees after three years.
95	RESEARCH & DEVELOPMENT – Varietal research & seed releases	March	Australia	<b>Rapeseed – release of improved seed:</b> Following the Chinese Government's approval of a new herbicide-resistant trait, two new rapeseed varieties offering growers better weed management possibilities are said to be ready for sale in Australia. China is Australia's largest export market for rapeseed.

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96	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	March	Uganda	<b>Breeding for climate adaptation:</b> Reportedly, in Uganda, national agricultural research institutions are breeding oilseed varieties that mature quickly, can resist drought and are specifically designed for the country's changing climatic conditions. A sunflowerseed variety that also features increased resistance to insect and disease pressure is expected to be released soon.
97	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	April	China	<b>Locally adapted oil palm:</b> The Chinese Academy of Tropical Agricultural Sciences has selected an oil palm species suitable for large-scale domestic production – marking a first step towards creating a palm oil industry in China's southern provinces. Currently, China is the world's second-largest importer of palm oil, with purchases amounting to 5.4 million tonnes in 2018.
98	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	April	Singapore	<b>Breeding for high oil content:</b> In Singapore, researches are working on a new technique that, by genetically modifying a protein that regulates seed oil production, allegedly has the potential to raise oil content in rapeseed, sunflowerseed and soybean by 15 percent.
99	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	July	United States of America, Belgium	<b>Heat-tolerant soybean:</b> Researchers in the US and Belgium are jointly conducting studies to identify heat-tolerant soybean varieties, in a bid to boost the crop's resilience to weather-related stresses linked to climate change.
100	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	August	China	<b>High-yielding rapeseed:</b> Chinese researchers developed a high-yielding rapeseed variety using gene-editing technology. Reportedly, the yield per plant exceeds that of traditional varieties by approximately 30 percent.
101	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	August	Global	<b>Olive tree cultivars:</b> Industry experts reported that in Italy and other olive producing countries farmers are showing interest in a large variety of olive tree cultivars. Reportedly, the need for varieties that are more resistant to pests and environmental stress has pushed growers to experiment with new strains and re-introduce ancient lines that had been abandoned amid exclusive attention to high yields.
102	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	August	Global	<b>Rapeseed genome:</b> An international consortium of over 30 research institutes succeeded in deciphering the complex polyploid genome of rapeseed, paving the way for accelerated breeding efforts on the crop. Rapeseed is a relatively recent species with a high potential for diversification and adaptation, the researchers pointed out. Reportedly, the sequencing of the rapeseed genome offers great opportunities to identify genes of agronomic interest for rapid use in breeding programmes.
103	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	August	India	<b>High-oleic groundnut:</b> Two high-oleic groundnut varieties – developed through marker-assisted breeding techniques – are ready for commercial release in India. Featuring an oleic acid content of about 80 percent (as against 40–45 percent in conventional groundnut kernels), the new lines are said to offer improved health benefits and superior functionality, in particular longer shelf life. Reportedly, also the new lines' agronomic performance is significantly superior to that of the local, popular varieties.
104	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	September	China	<b>High-yielding soybean:</b> Reportedly, the Heilongjiang Academy of Agricultural Science has achieved yields of 450 kg per mu (6 tonnes per ha) in trials of a new soybean variety obtained through molecular design and radiation breeding methods. In addition to high and stable yields, the variety is said to be characterized by good adaptability.



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105	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	October	Canada	<b>Frost-resistant rapeseed:</b> In Canada, a group of scientists developed a genetically engineered rapeseed variety that allegedly can withstand frost without producing green seeds. The presence of green seeds, which typically occurs in late-season, frost-damaged harvests, lowers the commercial value of rapeseed crops as it leads to reduced storability and quality of the oil.
106	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	October	India	<b>Coconut – tissue culture propagation:</b> Reportedly, in India, researchers succeeded in reliably and repeatedly producing coconut plantlets using tissue culture, a technique that uses parts of plants to re-generate whole plants. Currently, coconut palm is exclusively propagated through seeds, which makes crop improvement programmes time consuming and complex – a situation that could be overcome by tissue culture techniques.
107	RESEARCH & DEVELOPMENT – <i>Varietal research &amp; seed releases</i>	October	United States of America	<b>Breeding for edible cottonseed meal:</b> US scientists developed a cottonseed variety characterized by a very low gossypol content in the seed. Naturally present in the plant, gossypol protects the crop from insects and other pests, but is toxic for humans and animals (expect ruminants). Reportedly, in the new, genetically modified variety, the chemical has been suppressed in the seed but retained in the rest of the plant. As a result, in addition to yielding fibre and oil, the new variety also allows to produce a protein-rich meal suitable for a wide range of applications in both human and animal diets. Following its recent clearance for use in food products by the U.S. Food and Drug Administration, the new variety is expected to become commercially available in about five years. Meanwhile regulatory approval will be sought in other countries.
108	RESEARCH & DEVELOPMENT – <i>Product development</i>	February	Germany	<b>Edible rapeseed meal:</b> In Germany, researchers developed a technology to turn rapeseed meal – which currently is used exclusively as animal feed – into a viable source of protein for human nutrition (see also <i>MPPU Jan. '18</i> ).
109	RESEARCH & DEVELOPMENT – <i>Product development</i>	February	Japan	<b>Palm waste recycling:</b> A Japanese biotechnology firm is exploring means to produce high-value chemicals such as alanine and valine (which are used in the production of detergents and animal feed) from oil palm waste, notably empty fruit bunches and palm trunks.
110	RESEARCH & DEVELOPMENT – <i>Product development</i>	February	Spain	<b>Contaminant-free oils/fats:</b> In Spain, an oils/fats refining company has launched a new set of products with low levels of 3-monochloropropanediol (3-MCPD) and glycidol esters, contaminants formed during vegetable oil processing that are believed to be genotoxic and carcinogenic.
111	RESEARCH & DEVELOPMENT – <i>Product development</i>	February	Turkey	<b>Olive waste recycling:</b> Turkish scientists developed a process to create biodegradable plastic from waste products of the olive oil production process. Reportedly, the technology allows to produce 3.5 tonnes of bioplastics from 5 tonnes of olive pips.
112	RESEARCH & DEVELOPMENT – <i>Product development</i>	February	United States of America	<b>Bakery ingredients:</b> In the United States, bakery industry suppliers have developed shortenings that contain less hydrogenated and saturated fats and include natural antioxidants while retaining product functionality.
113	RESEARCH & DEVELOPMENT – <i>Product development</i>	March	United States of America	<b>High-oleic soyoil release:</b> A new soybean oil rich in oleic fatty acid, with zero trans fat and 20 percent less saturated fatty acids, has been launched in the United States. Targeted at health-conscious consumers, the new oil is extracted from a gene-edited soybean, i.e. a variety developed through mutagenesis rather than transgenesis. Reportedly, the new product passed the voluntary review process of the U.S. Food and Drug Administration.
114	RESEARCH & DEVELOPMENT – <i>Product development</i>	March	United States of America	<b>Butter substitute:</b> A hydrogenated oil-free butter alternative for food producers – made from sunflower and palm oil – has been launched in the United States. Reportedly, customers can add the ingredient at high temperatures.

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115	RESEARCH & DEVELOPMENT – <i>Product development</i>	March	United States of America	<b>Sunflowerseed-based protein:</b> A US company has launched a food-grade fibre-rich protein flour produced from defatted sunflower seed, the dry matter left after oil extraction.
116	RESEARCH & DEVELOPMENT – <i>Product development</i>	May	Germany	<b>Vegetable oil-based industrial agents:</b> In Germany, researchers are developing renewable adhesives, coatings and foam resins derived from vegetable oils rich in unsaturated fatty acids. Reportedly, the project is driven by rising demand for agents derived from organic substances rather than petroleum derivatives.
117	RESEARCH & DEVELOPMENT – <i>Product development</i>	May	Indonesia	<b>Palm oil mill waste recycling:</b> Indonesia plans to adopt a technology developed in Japan that permits to convert liquid palm oil waste (known as palm oil mill effluent or POME) into valuable products such as essential omega3 fatty acids and aquatic/animal feed, thus allowing to address environmental issues while raising economic returns. Reportedly, Indonesia's mills annually produce at least 100 million m <sup>3</sup> of POME, which can be highly polluting when discharged into the environment. (See also <i>MPPU Dec. '16 &amp; Oct. '18</i> )
118	RESEARCH & DEVELOPMENT – <i>Product development</i>	May	Spain	<b>Olive oil classification:</b> In Spain, researchers developed a new method to classify olive oil using its chemical fingerprint. Allegedly, the new technique reduces the amount of data that must be processed and ends the need for sensory analysis, thus making classification faster and less costly.
119	RESEARCH & DEVELOPMENT – <i>Product development</i>	May	United Kingdom of Great Britain and Northern Ireland	<b>Plant oil-based omega3 fatty acids:</b> According to research published in the United Kingdom, omega3 fatty acids obtained from genetically modified plant oils – for example camelina oil – are absorbed and processed by humans in the same way as omega3 derived from fish oil. To date, apart from limited use as feed ingredient in aquaculture and in pharmaceutical/cosmetic applications, camelina oil has been primarily blended into civil and military aviation fuel. The oil's introduction into human diets is said to open new market opportunities. (See also <i>MPPU Feb. '14, Oct. '17 &amp; Oct. '18</i> )
120	RESEARCH & DEVELOPMENT – <i>Product development</i>	June	Global	<b>Specialty rapeseed oil:</b> Commodity trader <i>Cargill</i> patented a process for manufacturing rapeseed oil that combines low saturated fat content with acceptable frying stability and improved flavour.
121	RESEARCH & DEVELOPMENT – <i>Product development</i>	July	European Union	<b>Rapeseed-based protein:</b> Two European companies joined forces to work on the development of non-GM rapeseed-based protein for use in a variety of food products – from meat and dairy alternatives to baked goods and beverages. Allegedly, the new protein will combine superior functional properties with a high nutritional profile. On a related subject, in Scotland, researchers are conducting work on possible uses of rapeseed press cake as a food source containing valuable anti-oxidants. At present, rapeseed cake continues to be used exclusively as animal feed. (See also <i>MPPU Mar./May '19</i> )
122	RESEARCH & DEVELOPMENT – <i>Product development</i>	July	Malaysia	<b>Palm oil-based vitamins:</b> In Malaysia, a phytonutrients company opened a plant specialized in the extraction and purification of carotenes (pro-vitamin A) and tocotrienols (vitamin E) from palm oil, using technology developed by the Malaysian Palm Oil Board.
123	RESEARCH & DEVELOPMENT – <i>Product development</i>	August	Germany	<b>Vegetable oil-based polymers:</b> German researchers are working on how to replace mineral oil with vegetable oil-derived linoleic acid in the production of polymers. The project is concentrating on sunflower and safflower oil (which contain up to 70 percent linoleic acid) as a new source of bio-based polymers intermediates, for further processing into polyamides and polyesters. (See also <i>MPPU Feb. '11 &amp; Jan. '19</i> )
124	RESEARCH & DEVELOPMENT – <i>Product development</i>	September	India	<b>Edible linseed oil:</b> Traditionally used for a variety of industrial applications, a linseed/flaxseed oil suitable for human consumption – in both pure and blended form – is being developed by the Indian Council of Agricultural Research (ICAR). Reportedly, ICAR researchers succeeded in improving the quality and shelf-life of the oil by lowering its content of linolenic acid, thus making it suitable for cooking. Reportedly, linseed oil offers important health benefits thanks to its high content of omega-3 fatty acids and antioxidants.

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125	RESEARCH & DEVELOPMENT – <i>Product development</i>	October	Global	<b>Vegetable oil in tire production:</b> After conducting extensive research on the incorporation of soybean oil in the production of rubber compounds for tires (see also <i>MPPU Oct.17</i> ), global tire producer <i>Goodyear</i> is aiming for a full replacement of petroleum-based oils with soybean oil in its tire production by 2040 and announced an increase in the company's soybean oil uptake by 25 percent in 2020. According to the company, the inclusion of soybean oil allows to improve tire performance at low temperatures, while raising manufacturing efficiency.
126	RESEARCH & DEVELOPMENT – <i>Product development</i>	October	Palestine	<b>Olive oil waste recycling:</b> Reportedly, in the Gaza Strip, a group of engineers succeeded in turning pomace – the solid, non-biodegradable residue left when olives are crushed for edible oil – into flammable, environmentally friendly pellets that households can use safely as heating material. Olive pomace is generally classified as an environmental pollutant and in some countries is subject to strict disposal regulations.
127	RESEARCH & DEVELOPMENT – <i>Product development</i>	November	United States of America	<b>Soyoil-based motor oil:</b> A US biotech company announced the commercial launch of a bio-based synthetic motor oil using high-oleic soyoil. Reportedly, the product is recognized as a USDA Certified Biobased Product under the agency's BioPreferred Program.
128	RESEARCH & DEVELOPMENT – <i>Product development</i>	November	United States of America	<b>Soy/palm oil-based bakery ingredients:</b> New shortening products (i.e. fats that are solid at room temperature) using soy and palm oil have been launched in the United States. Reportedly, in addition to being free of partially hydrogenated oils, the new products offer improved versatility and temperature tolerance to customers in the bakery industry.
129	RESEARCH & DEVELOPMENT – <i>Product development</i>	November	United States of America	<b>Soyoil in asphalt production:</b> A team of US researchers developed an asphalt paving material containing high-oleic soybean oil. Allegedly, the new substance improves the performance of asphalt pavements and is both cost-efficient and more environmentally friendly than conventional asphalt.
130	BIOFUEL / BIOENERGY	January	Indonesia, Italy	<b>Biodiesel joint venture:</b> Indonesia's state-owned energy company Pertamina entered into a joint venture with Italian oil company Eni to set up 'green refineries' in Indonesia for the production of palm oil-based biodiesel as well as to advance the production of hydro-treated vegetable oil (also called 'renewable diesel fuel' – see <i>MPPU Nov.15</i> ) in both countries.
131	BIOFUEL / BIOENERGY	February	India	<b>Used cooking oil-based biodiesel:</b> Reportedly, a Mumbai-based biodiesel manufacturing facility, which was set up under the government's National Used Cooking Oil Collection Mission, is ready to gather used cooking oil for conversion into 100% water-based biodiesel. The project is expected to help prevent the re-entry of used oil in the food chain and reduce disposal of used oil in rivers or drainage systems.
132	BIOFUEL / BIOENERGY	March	United States of America	<b>Aviation biofuel:</b> In the United States, aircraft company Boeing informed that it will offer airlines the option of powering freshly delivered jets with biofuel for their flight home. On a similar note, San Francisco Airport reported that it started supplying sustainable aviation fuel produced from used cooking oil to three international carriers.
133	BIOFUEL / BIOENERGY	April	Global	<b>Maritime biofuel:</b> Reportedly, waste cooking oil is being used in a maritime biofuel project launched jointly by a group of consumer good companies and a leading container ship and supply vessel operator. The initiative aims at addressing the problem of harmful emissions related to shipping. Sustainably sourced second-generation biofuels are seen as one possible solution for decarbonizing the sector.
134	BIOFUEL / BIOENERGY	May	China	<b>Used cooking oil certification:</b> In China, a restaurant chain achieved International Sustainability and Carbon Certification (ISCC) for the recycling of its used cooking oil as biofuel feedstock. Reportedly, the company has set up a comprehensive tracking system covering its restaurants, waste collection companies, used oil storage sites and biodiesel plants.

No.	Domain	Month	Country	Description *
135	BIOFUEL / BIOENERGY	September	Indonesia	<b>Palm oil-based biodiesel technology:</b> In Indonesia, a public-private research partnership is working on a new chemical catalyst said to allow accelerated conversion of palm oil into biofuels. Reportedly, the new technology is currently being tested in a diesel refinery unit, while trials to produce palm oil-gasoline blends and palm oil-based jet fuel are envisaged in a subsequent phase. Supported by Indonesia's Oil Palm Estate Fund, the research draws on funds collected from the industry via a levy applied to the country's palm oil exports.
136	BIOFUEL / BIOENERGY	October	Global	<b>Aviation biofuel:</b> At a recent assembly of the International Civil Aviation Organization (ICAO), a vision for a "zero climate impact" international aviation pathway towards 2050 was presented, including the goal of reducing net aviation CO2 emissions by 50 percent by 2050 relative to 2005 – without limiting the sector's growth. Central to this vision, which is shared by the International Air Transport Association (IATA), is a gradual shift from conventional aviation fuel to alternative, more environmentally friendly fuels. In this regard, a civil society group claimed that the only technology currently available to produce aviation bio-fuels at commercial scale is the HEFA (hydro-processed esters and fatty acids) process that uses vegetable oils and fats as feedstock. Identifying soybean and palm oil as the most attractively priced and readily available raw materials for HEFA jet fuel, the group predicted a sharp rise in global demand for the two oils over the coming years – drawing attention to potential sustainability issues. In this respect, sustainability criteria currently applied to jet bio-fuels concentrate on i) net GHG emissions reduction on a life cycle basis, ii) a positive contribution to local social and economic development, and iii) no competition with food and water – although additional criteria are currently under consideration by ICAO's technical committees.
137	TRANSPORTS & LOGISTICS	March	Brazil	<b>Infrastructure investment:</b> According to media reports, leading national and international grain trading firms are exploring the possibility of jointly bidding for a 10-year concession to operate a 1 000 km section of BR-163, the highway that connects Mato Grosso state to transshipment ports in the Amazon basin. The move follows earlier expressions of interest to invest in the construction and subsequent operation of 'Ferrogrão', a grain railroad which would link Mato Grosso to the said ports (see also <i>MPPU Jan. '18 &amp; Jan./Mar.'19</i> ).
138	TRANSPORTS & LOGISTICS	April	Brazil	<b>Infrastructure disruption:</b> A bridge connecting Brazil's Para state to ports in the Belém region has been damaged seriously, temporarily affecting grain shipments through one of the country's northern export routes.

\*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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