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2020

OILCROPS COMPLEX

POLICY CHANGES AND INDUSTRY MEASURES

Annual compendium

FILIÈRE OLÉAGINEUSES

ÉVOLUTION DES POLITIQUES ET DES MESURES SECTORIELLES

Recueil annuel

SECTOR OLEAGINOSAS

CAMBIOS DE POLÍTICAS Y DE MEDIDAS DEL SECTOR INDUSTRIAL

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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 2020.

The compendium reproduces, in tabular form, all the policy and industry news items published throughout 2020 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 2020 are summarized in bullet form. More detailed information is available in the ensuing tables (available in English only).

GOVERNMENT POLICIES

National responses to COVID-19: In 2020, countries implemented a variety of measures to protect public health and secure domestic food supplies amid the COVID-19 crisis, some of which have directly affected markets for oilcrops and derived products. In [Argentina](#), [Brazil](#), the [People's Republic of China](#) (hereafter "China"), [India](#) and [Malaysia](#), movement restrictions and other health measures to contain the spread of the disease temporarily disrupted oilcrop production and processing as well as transport/port logistics and, thus, international trade flows. To prevent potential supply shortfalls and stabilize domestic prices, a number of countries temporarily facilitated imports of specific oilcrops and derived products, while others resorted to temporary export restrictions. On the other hand, [Malaysia](#) temporarily suspended its palm oil export tax, to facilitate the recovery of its oil palm plantations from the COVID-19 crisis. To mitigate labour shortages at plantations, which were accentuated by COVID-19-related movement restrictions, the country also enacted policies aimed at attracting migrant workers. Meanwhile, some countries regulated their domestic markets for edible oils to halt surges in consumer prices. The [United States of America](#) (hereafter "US") and the [European Union](#) (hereafter "EU") launched comprehensive farm support programmes to help rebalance supply and demand in the hardest hit sectors, including grains and oilcrops. [China](#) issued plans on how to ensure domestic food security in both the short and medium-to-long term, whereas [India](#) leveraged the COVID-crisis to launch wide-ranging market reforms intended to raise the competitiveness of the farm sector. Moreover, [Brazil](#), the [EU](#), [Indonesia](#) and [Malaysia](#) temporarily lowered their biodiesel consumption targets in response to sudden drops in fuel demand triggered by country-wide lockdowns.

Farmer support: In 2020, [India](#) launched sweeping market reforms aimed at raising the competitiveness of the agricultural sector, while enhancing farmers' incomes. With a view to foster private sector participation in agribusiness, measures were introduced to deregulate the marketing of agricultural products and the management of stocks. While minimum support prices for oilcrops remained in place, the scale of public procurement operations continued to be limited. In [Brazil](#), the customary package of subsidized farm loans and marketing support measures was renewed, maintaining the accent on small- and medium-scale farmers and further expanding the crop insurance component. [Argentina](#) launched a support scheme for small and medium-sized soybean farms, in an effort to promote production outside the country's core growing regions, while [Mexico](#) curtailed the support it provided to large commercial farms. In [China](#), while measures to promote soybean cultivation remained in place, the COVID-19 crisis prompted new initiatives to secure domestic food supplies in the medium-to-long term. Meanwhile, the Government of the [Russian Federation](#) set the nation's self-sufficiency rate for vegetable oil at 90 percent. [Canada](#) promoted the production of food-grade protein products from rapeseed, while the [Philippines](#), [Indonesia](#) and [Fiji](#) launched new measures to support the rejuvenation of coconut plantations, and [Italy](#) made available guaranteed loans to olive oil producers affected by unfavourable market conditions. [Malaysia](#) embarked in programmes aimed at fostering mechanization in its plantation sector and stepped up efforts to recruit and train local plantation workers, to address chronic labour shortages afflicting in particular the oil palm sector. Meanwhile, special relief packages to compensate farmers affected by extreme weather events or pest outbreaks were implemented in [India](#), [Italy](#), the [Philippines](#) and the [US](#).

Sector development: Numerous countries, especially in Africa, implemented a variety of sector development measures, pursuing the following long-term objectives: i) raising productivity; ii) supporting crop diversification; iii) promoting more sustainable production methods; iv) fostering local value addition; v) supporting employment creation; and vi) reducing the dependence on vegetable oil imports or raising export earnings. Coconut, sesame, oil palm and olive tree cultivation attracted particular attention. The Government of [France](#) launched a plan aimed at developing domestic production of plant-based proteins, with a view to reduce the country's dependence on imported protein feed, notably soybean meal.

Pest control measures: Approvals of individual pesticides and norms to regulate their use remained under the scrutiny of policy makers in several countries, revealing increased concerns about potential environmental and health risks. With regard to glyphosate, the herbicide's non-carcinogenicity was reaffirmed in the [US](#), whereas [France](#) confirmed its ban of specific uses from January 2021 onward and introduced economic incentives for

farmers that voluntarily refrain from using the product. Elsewhere, Thailand made the use of glyphosate conditional upon specific permissions and introduced zero-tolerance levels for residues on food products for various other pesticides, while Viet Nam postponed a ban on glyphosate that was scheduled to come into force in June 2020. Dicamba, another herbicide widely used on soybeans, was re-approved in Brazil and the US, subject to control measures aimed at ensuring effective use and adequate protection of the environment, including non-target plants. The US also supported the development of new herbicides aimed at providing soybean farmers with new tools to control weeds that became resistant to traditional herbicides. Meanwhile, in the EU, the decision not to renew the permit for thiacloprid further limited the choice of pesticides available to rapeseed growers. As for measures to control *xylella fastidiosa* in olive trees, the EU eased its tree eradication policies in favour of general containment measures and strict control of high-risk product movement.

Biofuel policies: In 2020, mandatory blending rates for transport diesel were raised in Brazil, Indonesia, Malaysia and Thailand – further supporting the growth in national uptake of palm and soy oils as biofuel feedstock. However, during the course of the year, implementation of such programmes incurred into a number of problems. Brazil decided to temporarily suspend its higher blending obligations due to insufficient availabilities of biodiesel, resulting from scarce domestic supplies of soyoil. To alleviate the situation, biodiesel producers were allowed to also use imported raw materials. In Indonesia, where palm oil-based biodiesel production continued to be subsidized, the rise in blending rates coincided with a widening in the gap between biodiesel and mineral oil prices – straining public finances and eventually leading to a rise in the levy collected on palm oil exports. Furthermore, considering that domestic biodiesel uptake dropped below target in 2020, the Government preferred to defer planned shifts to higher blending rates. Likewise, in Malaysia, where the outbreak of COVID-19 curbed domestic fuel demand, the gradual rollout of a higher blending mandate was temporarily put on hold, with nationwide implementation possibly sliding to 2022. In the meantime, Canada released an ambitious medium-term biofuel policy, aimed at encouraging investment into the country's green energy sector, while the US backed infrastructure investments required to support higher biofuel blends and promoted research on the use of oilseeds as feedstock for renewable jet fuel, and India continued to encourage the conversion of used cooking oil into biodiesel. Meanwhile, several countries revised their fuel standards and conducted engine tests with high biofuel blends. Concerning international trade, Indonesia, the world's leading supplier of palm oil, asked the World Trade Organization (WTO) to establish a panel to assess the compliance of certain measures taken by the EU regarding palm oil-based biofuel with international trade rules – an initiative followed by analogous steps by Malaysia in January 2021. Furthermore, the US kept in place its anti-dumping and countervailing duties on biodiesel imported from Argentina, while the EU retained its corrective duties on US biodiesel imports.

Trade policies: Regarding *import measures*, Brazil, India, Turkey and the Russian Federation temporarily suspended their import duties on selected oilseeds, oils and meals in an effort to limit consumer price rises triggered by tightening domestic and global supplies. In a bid to improve its commercial ties with Malaysia, India also lifted the safeguard duty on refined Malaysian palm oil introduced in September 2019. Meanwhile, Brazil eased its import requirements for genetically modified products used as animal feed, including soymeal. On the other hand, a number of countries, including India, Sri Lanka and Turkey, raised their import tariffs on selected oilcrop products in an effort to protect local farmers, encourage domestic oilcrop production and/or support domestic processors and refiners. Elsewhere, Thailand explored means to halt illegal imports of palm oil (for use as biodiesel feedstock), while the US banned palm oil imports from selected Asian suppliers on the grounds of labour rights concerns.

As for *export measures*, amid falling international palm oil prices (caused by a drop in global demand following worldwide COVID-19-related lockdowns), Indonesia and Malaysia temporarily suspended their palm oil export taxes to stimulate shipments and safeguard growth in their palm industries. Malaysia also stepped up its export promotion efforts, focusing on new markets in the Middle East, Africa and Southeast Asia, while Indonesia revoked its requirement that palm oil be shipped exclusively by Indonesia-flagged vessels. In addition, Indonesia converted a fixed levy collected from palm oil exporters (to finance in particular the country's biodiesel support scheme) into a progressive levy tied to the commodity's price. Elsewhere, driven by fiscal and monetary policy considerations, Argentina raised its export taxes on soybeans and derived products, and tightened the foreign exchange controls applying to proceeds from exports. Subsequently, however, the Government decided to temporarily reduce its soy export taxes with the aim to stimulate exports and raise the country's foreign exchange earnings. To contain rises in domestic food prices, the Russian Federation temporarily raised its export tax on sunflowerseed and rapeseed, while Senegal and the Sudan restricted their groundnut exports in an effort to stabilize domestic prices and encourage local value addition.

Regarding *regional trade agreements*, a free trade accord signed between the [EU](#) and [Viet Nam](#) envisages the liberalization of EU oilseed product exports to Viet Nam and a 3-year phase-out for Viet Nam's import tariff for EU olive oil. Furthermore, following the signature of the [US-Japan Trade Agreement](#), as of January 2020, US exports of oils and fats to Japan have benefited from preferential tariff access. Meanwhile, the members of [MERCOSUR](#) agreed on a set of rules governing trade in food products that contain traces of genetically modified organisms (GMOs). Concerning *bilateral trade agreements*, the trade accord reached between the [US](#) and [China](#) in December 2019 took effect on 14 February 2020. Accordingly, the two countries lowered certain additional tariffs charged on each other's imports, although China retained the 25 percent special tariff on imports of US soybeans. However, in March, in view of its pledge to scale up imports of US agricultural goods over the 2020-2021 period, the Chinese Government decided to grant temporary waivers from its special soy tariff. As for *oilcrop-specific trade initiatives*, [China](#) renewed its import accords with [Argentina](#) and established contacts with [Myanmar](#) regarding the purchase of soybeans and derived products.

With regard to the *trade differences* between the [EU](#) and the [US](#) over subsidies granted by both countries to their respective aviation industries, the US upheld its countervailing tariffs on selected EU goods, including olive oil imported from Spain, whereas the EU introduced special tariffs on certain US products, including groundnuts and selected minor vegetable oils. Meanwhile, the differences between [China](#) and [Canada](#) over rapeseed trade remain unresolved.

Market regulation: In 2020, countries continued using a variety of instruments to regulate domestic markets. With the aim to shield local markets from potential supply disruptions linked to the COVID-19 pandemic, [China](#) mobilized state-owned and private trading firms and processors to scale up the procurement and storage of grains and oilseeds and took steps to streamline the management of its strategic reserves. Meanwhile, the release of oilcrops and vegetable oil from the country's state reserves exceeded the volumes recorded in 2019. Elsewhere, measures to regulate the markets of edible oils and stabilize retail prices were reported from [Bangladesh](#), [Pakistan](#), the [Russian Federation](#), the [Sudan](#) and [Thailand](#). In the [EU](#), Spain's main agricultural cooperative was authorized to withdraw olive oil from the domestic market in years of surplus production, while in [Ukraine](#) the value added tax for oilseeds and other agricultural products was lowered in a bid to support the country's food manufacturing sector. To counter negative product perceptions among palm oil consumers in certain countries, [Malaysia](#) launched several new initiatives geared to protecting the commodity's image and safeguarding the interests of the country's palm oil industry.

Food standards: While [Brazil](#), [Colombia](#) and [Mexico](#) reported fresh initiatives to promote healthy diets, including lower intake of saturated fats, [Saudi Arabia](#) joined the list of countries that forbid the use of partially hydrogenated oils/fats in the food industry. Numerous countries also introduced new MRLs (maximum residue limits tolerated in food or feed products) for specific pesticides used in oilcrop cultivation. Moreover, to combat edible oil adulteration and contamination with hazardous materials, [India](#) directed concerned agencies to ensure compliance with existing regulations that prohibit the sale of edible oil in loose packets and restrict the reuse of tin and plastic containers. Meanwhile, in the [EU](#), rapeseed meal-based food ingredients were approved for human consumption.

GMO policies: Marking a departure from past policies, [China's](#) regulators approved two locally developed genetically modified (GM) events – including a new soybean variety – for domestic cultivation. As for imported soybean varieties, the country also authorized two new traits and renewed an already existing permit. Meanwhile, [Canada](#) cleared a new GM rapeseed event for domestic cultivation, while the [EU](#) approved three new soybean events for food and feed use, but not for cultivation, underlining that the new varieties fall under the bloc's stringent labelling and traceability requirements.

Production sustainability: The political debate on the need to move towards more sustainable crop production methods continued unabated in 2020. Amid growing public interest, [Indonesia](#) and [Malaysia](#) intensified their efforts to promote sustainable palm oil production practices, in a bid to help raise the commodity's acceptance and competitiveness in the global marketplace. To realize a sustainable oil palm management system able to support national economic development, Indonesia overhauled its nearly 10-year-old palm oil certification system. The scheme's principles and criteria were reformulated with a view to guarantee the social, economic and environmental viability of production. In addition, mandatory certification was extended to smallholder growers, along with financial support packages. At the same time, Malaysia proceeded with the implementation of its certification programme, including among organized smallholders, while efforts to prepare independent smallholders for eventual admission to tailor-made group certification schemes continued. Meanwhile, following up on its action plan on worldwide forest preservation, the [EU](#) launched a public consultation on initiatives aimed at i) minimizing the bloc's contribution to deforestation and forest degradation worldwide, and ii) promoting the

consumption of products from deforestation-free supply chains. On a related note, in the [United Kingdom of Great Britain and Northern Ireland](#), as a means to tackle ‘imported deforestation’, a draft environment bill included provisions requiring domestic businesses and retail chains to prove where products such as cocoa, rubber, palm oil and soybeans come from and whether they were produced in compliance with local laws on environmental protection. At intergovernmental level, [FAO](#) launched a geospatial on-line tool to help countries preserve critical carbon stores known as peatland. The tool is aimed at halting peatland degradation and effectively planning peatland restoration through enhanced mapping and monitoring activities.

INDUSTRY INITIATIVES

Sustainable production: In 2020, 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, efforts by industry associations to promote sustainable practices and improved traceability across domestic supply chains – in part in collaboration with the public sector – continued, as did private sector initiatives to train smallholders on sustainable production methods and support their inclusion in formal certification schemes. Meanwhile, downstream buyers remained under strong pressure from customers, investors and policy makers in a number of European countries to source palm oil more responsibly. Buyers across the world responded with pledges to adopt more stringent sourcing policies, concentrating their efforts on i) improving product traceability throughout their supply chains via the introduction of enhanced mapping and monitoring tools, ii) requiring that all their suppliers – direct ones as well as subsidiary or third-party suppliers – abide by their policies, iii) improving transparency and accountability by publishing data on suppliers and using independent auditors, and iv) setting up transparent processes for managing and resolving grievance cases. Some companies continued working directly with smallholder farmers on productivity improvement measures, and others strived for better alignment of their initiatives with local government programmes. All these activities suggest increased awareness among companies that shifts in market demand can translate into significant reputational and regulatory risks for their businesses.

Regarding the enforcement of voluntary industry standards, concerned private sector bodies endeavoured to further strengthen their monitoring and verification systems, which, in some instances, led to the withdrawal of individual member’s sustainability certificates or the divestment of lenders from companies involved in alleged breaches of standards. The globally recognized, industry-led Roundtable on Sustainable Palm Oil (RSPO), in 2020, took steps to improve the enforcement of its human rights related standards (especially regarding the prevention of child labour) and revised its guidelines on gender aspects and on Free, Prior and Informed Consent (FPIC) by indigenous groups, while at the same time enhancing its grievance mechanism. Other activities conducted by RSPO include: i) the promotion of certification among independent smallholder farmers; ii) fostering the use of sustainable palm in major consuming countries (notably in China); and iii) providing guidance on how to balance conservation with economic development in high forest cover countries in Africa. The RSPO also backed efforts of EU governments to promote deforestation-free commodity supply chains.

Overall, notwithstanding these multiple initiatives, total supply of certified sustainable product increased only modestly in 2019–2020, while, similar to past years, close to half of the available certified produce did not find a buyer. Discerning an excessive reliance on ‘green certification’, a number of third party studies found that many palm oil buyers, consumer goods manufacturers and retailers were struggling to meet their self-imposed targets. Initiatives to actively protect forests, support forest-friendly development and secure land tenure for local communities were suggested as more cost-effective solutions. Calls for concerted actions by all stakeholders – including engagement with governments – across producing and importing countries also garnered general consensus. Meanwhile, the notion that oil palm is one of the most efficient crops in terms of oil yield per hectare and that attempts to replace palm oil with other vegetable oils would likely entail unintended environmental effects gained increasing acceptance among experts.

Also with regard to [soybean](#), sustainability issues continued to attract attention. In particular, an alliance of international food companies urged the world’s key commodity trading houses to source soybeans responsibly in Brazil’s Cerrado region (where soybean expansion is reported to have been in part associated with the conversion of native vegetation areas), implying that traders step up their own commitments and implement robust monitoring, verification and reporting mechanisms in the region. In this regard, local grower associations recommended to consider schemes that rewarded farmers for voluntary preserving native vegetation. Meanwhile, a number of downstream buyers committed to adhere to the voluntary sustainable sourcing principles of the Roundtable on Responsible Soy, a global multi-stakeholder platform, whereas some companies launched their own initiatives to enhance traceability in their supply chains.

Industry efforts to set up sustainable coconut/coconut oil supply chains in the Asia-Pacific region also continued, focusing on sustainable productivity improvements, enhanced access to markets, harmonization of buyer requirements and improved product traceability.

Biofuel measures: 2020 saw continued efforts by private companies regarding the use of non-edible oilseeds and agricultural waste materials – including used cooking oil – for conversion into transportation biodiesel. Furthermore, the coming into force of the International Maritime Organization's new shipping fuel standard generated interest in biodiesel as low-sulphur marine fuel. Fresh initiatives were also reported concerning the production of hydro-treated vegetable oil, known as 'renewable diesel'. Companies in Brazil and Indonesia conducted advanced tests with such high-quality fuels, which, being chemically identical to mineral oil, are considered suitable for a variety of uses including direct blending with jet fuel. Furthermore, in China, where production and use of biofuels remained discretionary, state-owned oil refining company Sinopec stepped up its involvement in the domestic biodiesel market by expanding its production of transportation diesel with 5 percent bio-content. Meanwhile, Italy's leading oil and gas company (Eni) announced plans to phase out the use of palm oil and its derivatives as biodiesel feedstock.

Research & Development: In 2020, fresh industry-led and academic research initiatives across the world resulted in the development of i) new oilseed varieties offering improved performance, disease tolerance, herbicide resistance and climate change resilience, and ii) oils and meals with better functionality and improved nutritional/health profiles. Regarding varietal research, rapeseed, soybeans, oil palm and olive trees attracted particular attention. Special attention continued to be given to genome mapping and gene-editing technologies, which in several countries are regulated less stringently than breeding activities based on genetic modification. Meanwhile, food manufacturers worldwide continued to replace both hydrogenated oil and saturated oils/fats in food products. In Canada and the European Union, research on omega3-rich camelina seed, food-grade rapeseed meal, and shea-based cocoa butter equivalents also continued to attract funding from the industry. Furthermore, efforts to replace petroleum derivatives with renewable, biodegradable substances continued to stimulate research into new industrial applications of oils/fats, with raw materials, such as used cooking oil and waste generated in oil palm and olive cultivation, receiving particular attention.

Marketing practices & other industry initiatives: In the EU, plans to introduce a nutritional scoring system for voluntary display on food product labels met with criticism from the vegetable oil industry, which claimed that the proposed method failed to distinguish between different types and grades of vegetable oil. On a separate note, a number of suppliers of oils and fats took steps to reduce the presence of specific contaminants that form during vegetable oil/fat refining processes – with a view to enable food manufacturers to comply with specific forthcoming EU regulations. With a view to strengthen product authentication and prevent fraudulent practices along the olive oil value chain, industry stakeholders in Spain, Argentina and Tunisia set up verifiable transaction chains with the support of blockchain technology. Digital ledger tools were also used by a group of global trading houses to track the movement of grains and oilseeds across Brazil. With respect to palm oil, a number of food companies continued to offer 'palm oil free' products, prompting formal complaints by industry associations in palm oil producing countries, which described such practices as discriminatory and in contrast with producers' declared policies. Concerning futures markets, 2020 saw the issuing of, or preparations for, several new hedging and price discovery tools, including an options contract for palm olein in Malaysia, a soybean futures contract in Brazil, and a futures contract for degummed soyoil in India. Furthermore, in China, foreign investors' access to trade in palm oil futures was improved further, while an agricultural commodity exchange covering vegetable oils was established in Egypt.

COVID-19-related measures: In numerous countries, oilcrop producers and processors were affected by government measures to contain the spread of COVID-19. Most notably, in Malaysia, where temporary movement restrictions aggravated the plantation sectors' chronic labour shortage, oil palm companies stepped up their efforts to make plantation jobs more attractive to locals, while also promoting mechanized harvesting methods and automation of mill operations.

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 2020.

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 2020 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 2020 sous forme de liste à puces. Des informations plus détaillées sont fournies dans les deux tableaux qui suivent (disponibles en anglais seulement).

POLITIQUES PUBLIQUES

Mesures prises au niveau national face à la covid-19: En 2020, les pays ont mis en œuvre de nombreuses mesures visant à protéger la santé publique et à sécuriser les approvisionnements alimentaires nationaux dans le contexte de la crise liée à la covid-19, qui pour certaines ont eu une incidence directe sur les marchés des oléagineux et de leurs produits dérivés. En Argentine, au Brésil, en République populaire de Chine (ci-après dénommée «Chine»), en Inde et en Malaisie, les restrictions imposées en matière de déplacements et d'autres mesures d'ordre sanitaire visant à contenir la propagation de la maladie ont perturbé temporairement la production et la transformation des oléagineux, de même que la logistique portuaire et de transport, et de ce fait les flux commerciaux internationaux. Afin de prévenir des pénuries potentielles et de stabiliser les prix intérieurs, un certain nombre de pays ont facilité temporairement les importations d'oléagineux et de leurs produits dérivés, tandis que d'autres ont introduit des restrictions temporaires à l'exportation. Par ailleurs, la Malaisie a provisoirement suspendu ses taxes à l'exportation d'huile de palme, afin d'aider ses plantations de palmiers à huile à sortir de la crise liée à la covid-19. Face à une pénurie de main-d'œuvre dans les plantations, que les restrictions imposées aux déplacements du fait de la pandémie ont accentuée, le pays a également adopté des politiques visant à attirer les travailleurs migrants. Parallèlement, un certain nombre de pays ont réglementé leurs marchés intérieurs des huiles comestibles en vue de freiner la flambée des prix à la consommation. Les États-Unis d'Amérique (ci-après dénommés «États-Unis») et l'Union européenne (ci-après dénommée «UE») ont lancé des programmes complets d'aide à l'agriculture visant à rééquilibrer l'offre et la demande dans les secteurs les plus durement touchés, y compris ceux des céréales et des oléagineux. La Chine a présenté des plans indiquant la voie à suivre pour assurer la sécurité alimentaire nationale, à court terme comme à moyen et long terme, alors que l'Inde a fait fond sur la crise liée à la covid-19 pour lancer des réformes du marché de grande envergure visant à améliorer la compétitivité du secteur agricole. Par ailleurs, le Brésil, l'Indonésie, la Malaisie et l'UE ont temporairement réduit leurs objectifs de consommation d'agrocarburant face à la contraction soudaine de la demande de carburant, induite par les mesures de confinement mises en place au niveau national.

Appui aux agriculteurs: En 2020, l'Inde a lancé de profondes réformes du marché visant à renforcer la compétitivité du secteur agricole, tout en améliorant les revenus des cultivateurs. Afin d'encourager la participation du secteur privé dans l'agroalimentaire, le pays a introduit des mesures visant à libéraliser la commercialisation des produits agricoles et la gestion des stocks. Les prix de soutien minimaux pour les oléagineux ont été maintenus, mais les achats publics sont restés limités. Au Brésil, le programme habituel de prêts agricoles subventionnés et de mesures de soutien à la commercialisation a été renouvelé. Il demeure axé sur les petits et moyens exploitants agricoles et la composante assurance-récolte a été renforcée. L'Argentine a mis en œuvre un nouveau programme de soutien en faveur des petites et moyennes exploitations de soja, en vue d'encourager la production en dehors des principales régions productrices du pays, tandis que le Mexique a réduit ses mesures d'appui aux grandes exploitations commerciales. En Chine, où les mesures visant à promouvoir la culture du soja ont été maintenues, la crise liée à la covid-19 a donné lieu à de nouvelles initiatives visant à sécuriser les approvisionnements alimentaires intérieurs à moyen et à long terme. Parallèlement, le Gouvernement de la Fédération de Russie a fixé à 90 pour cent le taux d'autosuffisance du pays pour les huiles végétales. Le Canada a encouragé la production de produits protéiques de qualité alimentaire issus du colza, tandis que les Philippines, l'Indonésie et les Fidji ont introduit de nouvelles mesures destinées à favoriser le rajeunissement des plantations de cocotiers. L'Italie, pour sa part, accordait des prêts garantis aux producteurs d'huile d'olive touchés par des conditions de marché défavorables. La Malaisie a lancé des programmes visant à promouvoir la mécanisation dans le secteur des plantations et a intensifié ses efforts pour recruter et former des travailleurs locaux pour les plantations, et remédier ainsi aux pénuries chroniques de main-d'œuvre qui affligent en particulier le secteur du palmier à huile. Parallèlement, des programmes de secours spéciaux destinés à indemniser les agriculteurs touchés par des

phénomènes météorologiques extrêmes ou par des infestations de ravageurs, ont été mis en œuvre aux États-Unis, en Inde, en Italie et aux Philippines.

Développement du secteur: De nombreux pays, notamment en Afrique, ont mis en œuvre une série de mesures de développement du secteur, visant à atteindre les objectifs à long terme suivants: i) augmenter la productivité; ii) favoriser la diversification des cultures; iii) promouvoir des méthodes de production plus durables; iv) accroître la valeur ajoutée au niveau local; v) soutenir la création d'emplois; et vi) réduire la dépendance à l'égard des importations d'huile végétale ou augmenter les recettes d'exportation. Une attention particulière était donnée à la noix de coco, au sésame, à l'huile de palme et à la culture de l'olivier. En France, le gouvernement a lancé un plan visant à développer la production intérieure de protéines d'origine végétale, afin de réduire la dépendance du pays à l'égard des importations d'aliments protéiques pour animaux, en particulier de farine de soja.

Mesures de lutte phytosanitaire: Dans plusieurs pays, les décideurs ont continué à suivre de très près les autorisations relatives aux pesticides ainsi que les normes régissant l'utilisation de ces produits, mettant ainsi en évidence des inquiétudes croissantes quant aux risques que ceux-ci peuvent présenter pour l'environnement et la santé. S'agissant du glyphosate, la non-cancérogénicité de cet herbicide a été réaffirmée aux États-Unis, tandis que la France a confirmé l'interdiction de certaines utilisations du produit à compter de janvier 2021, introduisant par ailleurs des incitations économiques en faveur des exploitants qui s'abstiennent volontairement de l'employer. Ailleurs, en Thaïlande, l'utilisation du glyphosate est maintenant subordonnée à des autorisations spécifiques et des niveaux de tolérance zéro ont été introduits pour les résidus d'autres pesticides dans les produits alimentaires, alors que le Viet Nam a reporté à plus tard l'interdiction d'utilisation du glyphosate qui devait entrer en vigueur en juin 2020. Le Dicamba, un autre désherbant largement utilisé pour le soja, a été approuvé de nouveau au Brésil et aux États-Unis, sous réserve de l'application de mesures de contrôle visant en assurer une utilisation efficace et à garantir une protection adéquate de l'environnement, notamment pour les végétaux non visés. Les États-Unis ont également soutenu le développement de nouveaux herbicides visant à offrir aux producteurs de soja de nouveaux moyens de lutte contre les adventices devenues résistantes aux désherbants classiques. Parallèlement, dans l'UE, la décision qui a été prise de ne pas renouveler l'autorisation relative au thiaclopride a contribué à réduire davantage le nombre de pesticides dont disposaient les producteurs de colza. S'agissant des mesures de lutte contre *Xylella fastidiosa* qui s'attaque aux oliviers, l'UE a assoupli ses politiques d'éradication des arbres, privilégiant des mesures de confinement générales et un contrôle strict de la circulation des produits à haut risque.

Politiques relatives aux biocarburants: En 2020, les taux de mélange obligatoires applicables au gazole utilisé dans le secteur des transports ont été augmentés au Brésil, en Indonésie, en Malaisie et en Thaïlande – contribuant ainsi à soutenir davantage la croissance de l'utilisation des huiles de palme et de soja en tant que matière première pour la fabrication de biocarburants. Néanmoins, dans le courant de l'année, un certain nombre de problèmes ont freiné la mise en œuvre de ces programmes. Le Brésil a décidé de suspendre temporairement ses obligations de mélange à plus forte concentration en raison de disponibilités insuffisantes d'agrogazole, résultant de l'affaiblissement des stocks nationaux d'huile de soja. Afin de remédier à la situation, les producteurs d'agrogazole ont été autorisés à utiliser aussi des matières premières importées. En Indonésie, où la production d'agrogazole à base d'huile de palme demeurait subventionnée, l'augmentation des taux de mélange a coïncidé avec une accentuation de l'écart de prix entre l'agrogazole et l'huile minérale – ce qui a mis à rude épreuve les finances publiques, finissant par conduire à une augmentation des taxes perçues sur les exportations d'huile de palme. Par ailleurs, l'utilisation intérieure d'agrogazole ayant été inférieure à l'objectif en 2020, le gouvernement a préféré reporter le passage prévu à des taux de mélange plus élevés. De même, en Malaisie, où l'épidémie de covid-19 a fait chuter la demande intérieure de carburant, le passage progressif à un taux de mélange plus élevé a été provisoirement suspendu et la mise en œuvre de ces nouvelles obligations au niveau national pourrait être reportée à 2022. Parallèlement, le Canada a annoncé une politique à moyen terme ambitieuse en matière de biocarburants, visant à encourager les investissements dans le secteur national de l'énergie verte, tandis que les États-Unis ont soutenu les investissements infrastructurels nécessaires à l'appui de mélanges à plus forte concentration en biocarburants, et ont encouragé la recherche sur l'utilisation des graines oléagineuses comme matière première pour la production de kérosène renouvelable. D'autre part, l'Inde a continué d'encourager la transformation des huiles de cuisson usagées en agrogazole. Par ailleurs, plusieurs pays ont révisé leurs normes en matière de carburants et procédé à des essais moteur avec des mélanges à plus forte concentration en biocarburants. S'agissant du commerce international, l'Indonésie, qui est le premier fournisseur mondial d'huile de palme, a demandé à l'Organisation mondiale du commerce (OMC) de mettre en place une équipe spéciale chargée d'évaluer la conformité de certaines mesures prises par l'UE concernant les biocarburants à base d'huile de palme avec les règles du commerce international – initiative suivie d'une démarche analogue de la part de la Malaisie en janvier 2021. Par ailleurs, les États-Unis ont maintenu les mesures antidumping et les

droits compensateurs appliqués aux biocarburants importés d'Argentine, tandis que l'UE a confirmé les droits compensateurs visant les importations d'agrogazole en provenance des États-Unis.

► **Mesures de politique commerciale:** S'agissant des *mesures visant les importations*, le Brésil, l'Inde, la Turquie et la Fédération de Russie ont temporairement suspendu les droits à l'importation appliqués à un certain nombre de graines oléagineuses, d'huiles et de farines, dans l'objectif de contenir la hausse des prix à la consommation due à la contraction des disponibilités intérieures et mondiales. En vue d'améliorer ses liens commerciaux avec la Malaisie, l'Inde a aussi levé les droits de sauvegarde sur l'huile de palme raffinée malaisienne qui avaient été introduits en septembre 2019. Parallèlement, le Brésil a assoupli les exigences à l'importation visant les produits génétiquement modifiés entrant dans la composition des aliments pour animaux, en particulier le tourteau de soja. Par ailleurs, un certain nombre de pays, dont l'Inde, Sri Lanka et la Turquie, ont augmenté leurs droits sur les importations de divers produits à base d'oléagineux, dans le souci de protéger les cultivateurs locaux, d'encourager la production intérieure d'oléagineux ou encore de soutenir les transformateurs et les raffineurs nationaux. Ailleurs, la Thaïlande a étudié des moyens permettant de mettre fin aux importations illégales d'huile de palme (à utiliser comme matière première pour la production d'agrogazole), tandis que les États-Unis ont interdit les importations d'huile de palme en provenance d'un certain nombre de fournisseurs asiatiques, en raison d'inquiétudes liées au droit du travail.

S'agissant des *mesures visant les exportations*, face à la chute des cours internationaux de l'huile de palme (due au repli de la demande mondiale à la suite des mesures de confinement mises en place en lien avec la covid-19, partout dans le monde), l'Indonésie et la Malaisie ont temporairement suspendu leurs taxes sur les exportations d'huile de palme dans le but d'encourager les expéditions et de préserver la croissance du secteur. La Malaisie a aussi intensifié ses efforts de promotion des exportations, en misant sur de nouveaux marchés au Moyen-Orient, en Afrique et en Asie du Sud-Est, tandis que l'Indonésie a révoqué l'obligation visant les expéditions d'huile de palme, qui devaient être effectuées exclusivement au moyen de navires battant pavillon indonésien. Par ailleurs, l'Indonésie a remplacé la taxe forfaitaire perçue auprès des exportateurs d'huile de palme (destinée à financer en particulier le programme national d'aide au secteur de l'agrogazole) par un prélèvement progressif lié au prix de la matière première. Ailleurs, animée par des considérations de politique budgétaire et monétaire, l'Argentine a augmenté ses taxes à l'exportation pour le soja et ses produits dérivés et a resserré les mesures de contrôle des changes applicables aux recettes d'exportation. Cependant, le gouvernement a décidé par la suite de réduire temporairement ses taxes à l'exportation de soja dans le but de stimuler les expéditions et d'accroître les recettes en devises du pays. Afin de contenir la hausse des prix des produits alimentaires, la Fédération de Russie a augmenté, à titre temporaire, la taxe frappant les exportations de graines de tournesol et de colza, tandis que le Sénégal et le Soudan ont réduit leurs exportations d'arachides dans le but de stabiliser les prix intérieurs et d'accroître la valeur ajoutée au niveau local.

Concernant les *accords commerciaux régionaux*, l'accord de libre-échange signé entre l'UE et le Viet Nam prévoit la libéralisation des exportations de produits oléagineux de l'Union vers le Viet Nam, ainsi que la suppression graduelle, sur trois ans, des droits que le Viet Nam applique aux importations d'huile d'olive en provenance de l'UE. Par ailleurs, suite à la signature d'un accord commercial entre les États-Unis et le Japon, des droits préférentiels sont appliqués, depuis janvier 2020, aux exportations d'huiles et autres matières grasses des États-Unis vers le Japon. Parallèlement, les membres du MERCOSUR sont convenus d'un ensemble de règles applicables au commerce des produits alimentaires contenant des traces d'organismes génétiquement modifiés (OGM). En ce qui concerne les *accords commerciaux bilatéraux*, l'accord commercial conclu en décembre 2019 entre les États-Unis et la Chine est entré en vigueur le 14 février 2020. Au titre de cette entente, les deux pays ont abaissé certains des droits supplémentaires perçus sur leurs importations respectives, la Chine ayant néanmoins maintenu le prélèvement spécial de 25 pour cent appliqué aux importations de soja en provenance des États-Unis. Toutefois, en mars, en vertu de son engagement à accroître les importations de produits agricoles venant des États-Unis au cours de la période 2020-2021, le Gouvernement chinois a décidé d'accorder des dérogations temporaires à l'application des tarifs spéciaux visant le soja. S'agissant des *initiatives commerciales visant spécialement les oléagineux*, la Chine a renouvelé ses accords d'importation avec l'Argentine et a établi des contacts avec le Myanmar concernant l'achat de soja et de ses produits dérivés.

S'agissant des *différends commerciaux* qui opposent l'UE et les États-Unis concernant les subventions que les deux pays accordent à leur industrie aéronautique respective, les États-Unis ont maintenu les tarifs compensatoires appliqués à un certain nombre de produits en provenance de l'UE, y compris l'huile d'olive importée d'Espagne, tandis que l'UE a introduit des tarifs spéciaux pour plusieurs produits provenant des États-Unis, en particulier les arachides et certaines huiles végétales de moindre importance. Parallèlement, les différends commerciaux entre la Chine et le Canada persistent pour ce qui est du colza.

Réglementation du marché: En 2020, les pays ont continué de réguler leurs marchés intérieurs à l'aide d'un large éventail d'instruments. Dans le but de protéger les marchés locaux contre des ruptures d'approvisionnement potentielles en lien avec la pandémie de covid-19, la Chine a mobilisé les sociétés commerciales et les entreprises de transformation, publiques et privées, afin qu'elles intensifient les achats et le stockage de céréales et de graines oléagineuses, et des mesures ont été prises pour rationaliser la gestion des réserves stratégiques nationales. Parallèlement, le volume des prélèvements d'oléagineux et d'huiles végétales sur les réserves de l'État a été supérieur aux chiffres enregistrés en 2019. Ailleurs, des mesures visant à réglementer les marchés des huiles comestibles et à stabiliser les prix de détail auraient été mises en place au Banladesh, dans la Fédération de Russie, au Pakistan, au Soudan et en Thaïlande. Dans l'UE, la principale coopérative agricole de l'Espagne a été autorisée à retirer de l'huile d'olive du marché intérieur dans les années où des excédents de production étaient enregistrés, tandis qu'en Ukraine, la taxe sur la valeur ajoutée appliquée aux graines oléagineuses et à d'autres produits agricoles a été abaissée pour soutenir le secteur de la transformation de produits alimentaires dans le pays. Afin de changer la perception négative que les consommateurs ont de l'huile de palme dans certains pays, la Malaisie a lancé de nouvelles initiatives visant à protéger l'image de ce produit et à préserver les intérêts du secteur de l'huile de palme dans le pays.

Normes alimentaires: Alors que le Brésil, la Colombie et le Mexique ont fait état de nouvelles initiatives visant à promouvoir une alimentation saine, notamment une diminution de la consommation de gras saturés, l'Arabie Saoudite s'est ajoutée à la liste des pays qui interdisent l'utilisation, par l'industrie alimentaire, d'huiles ou autres matières grasses partiellement hydrogénées. De nombreux pays ont également introduit de nouvelles LMR (limites maximales de résidus tolérées dans les produits destinés à la consommation humaine ou à l'alimentation des animaux) pour certains pesticides utilisés dans la culture des oléagineux. Par ailleurs, afin de lutter contre le frelatage des huiles comestibles et leur contamination par des substances dangereuses, l'Inde a imposé aux organismes compétents de veiller au respect des règlements en vigueur interdisant la vente en vrac des huiles comestibles et limitant la réutilisation des récipients en métal et en plastique. Parallèlement, l'UE a approuvé l'utilisation d'ingrédients alimentaires à base de tourteaux de colza, pour la consommation humaine.

Politiques en matière d'OGM: En Chine, s'écartant des politiques passées, les régulateurs ont approuvé deux événements de transformation génétique mis au point localement – dont une nouvelle variété de soja –, pour la culture domestique. S'agissant des variétés de soja importées, le pays a également autorisé deux nouveaux caractères et renouvelé une autorisation déjà existante. Parallèlement, le Canada a autorisé un nouvel événement de transformation du colza pour la culture domestique, alors que l'UE a approuvé trois nouveaux événements de transformation du soja pour la consommation humaine et l'alimentation des animaux, mais pas pour la culture, précisant que les nouvelles variétés étaient visées par les exigences rigoureuses de l'Union en matière d'étiquetage et de traçabilité.

Durabilité de la production: Le débat sur la nécessité d'évoluer vers des méthodes de production plus durables s'est poursuivi sans relâche en 2020. Face à un intérêt croissant de la part du grand public, l'Indonésie et la Malaisie ont intensifié leurs efforts visant à promouvoir des pratiques de production durable de l'huile de palme, afin de contribuer à améliorer l'acceptation et la compétitivité de ce produit sur le marché mondial. Dans l'objectif de mettre en place un système de gestion durable du palmier à huile, à l'appui du développement économique national, l'Indonésie a révisé son dispositif de certification de l'huile de palme, en vigueur depuis près de 10 ans. Les principes et les critères du système ont été reformulés, afin de garantir la viabilité sociale, économique et environnementale de la production. Par ailleurs, la certification obligatoire a été étendue aux petits producteurs, mesure accompagnée d'aides financières. Parallèlement, la Malaisie a poursuivi la mise en œuvre de son programme de certification, y compris pour les petits exploitants organisés, ainsi que les initiatives visant

INITIATIVES SECTORIELLES

Production durable: En 2020, les mesures et les normes d'application volontaire du secteur privé en faveur de la production durable d'huile de palme n'ont cessé d'évoluer sous l'œil attentif du public, ainsi qu'en témoignent plusieurs initiatives récentes favorisant l'adoption de pratiques responsables le long de la chaîne de valeur de l'huile de palme. Dans les pays producteurs, les efforts déployés par les associations sectorielles afin de promouvoir des pratiques durables ainsi qu'une meilleure traçabilité tout au long des filières d'approvisionnement nationales – en collaboration avec le secteur public, dans certains cas – se sont poursuivis, tout comme les initiatives du secteur

privé visant à former les petits exploitants à des méthodes de production durable et à faciliter leur inclusion dans les systèmes de certification officiels. Parallèlement, dans plusieurs pays européens, les consommateurs, les investisseurs et les décideurs ont continué d'exercer une forte pression sur les acheteurs opérant en aval afin qu'ils s'approvisionnent en huile de palme de manière plus responsable. Partout dans le monde, les acheteurs ont répondu à cet appel en s'engageant à adopter des politiques plus rigoureuses en matière d'approvisionnement et en s'efforçant: i) d'améliorer la traçabilité des produits tout au long de leurs chaînes d'approvisionnement, et cela par la mise en place d'outils de cartographie et de surveillance plus efficaces; ii) d'exiger de tous leurs fournisseurs – directs, auxiliaires ou tiers –, qu'ils se plient à leurs politiques; iii) d'améliorer la transparence et de renforcer la responsabilisation en communiquant des données sur les fournisseurs et en faisant appel à des vérificateurs indépendants; et iv) de mettre en place des processus transparents pour la gestion et le règlement des doléances. Un certain nombre d'entreprises ont continué à s'adresser directement aux petits exploitants agricoles afin d'améliorer la productivité, alors que d'autres se sont efforcées de mieux aligner leurs initiatives sur les programmes des collectivités locales. Toutes ces activités semblent indiquer une sensibilisation accrue des entreprises à l'importance des risques, aussi bien d'ordre réglementaire que pour leur réputation, que l'évolution de la demande du marché peut faire peser sur leurs opérations.

S'agissant du respect des normes sectorielles d'application volontaire, les organismes du secteur privé concernés ont cherché à renforcer davantage leurs systèmes de surveillance et de vérification, ce qui a parfois conduit au retrait des certificats de durabilité de certaines entreprises ou au désinvestissement des bailleurs de fonds au détriment des entreprises soupçonnées d'avoir violé les normes. En 2020, la Table ronde sur la production durable de l'huile de palme (RSPO), qui est l'organisme sectoriel mondialement reconnu de normalisation et de certification de l'huile de palme, a pris des mesures visant à assurer une meilleure application de ses normes en matière de droits humains (en particulier, pour la prévention du travail des enfants), et a révisé ses directives concernant la problématique hommes-femmes et le consentement préalable, donné librement et en connaissance de cause par les groupes autochtones, tout en renforçant son mécanisme de règlement des doléances. D'autres activités ont été menées, visant en particulier à: i) promouvoir la certification auprès des petits exploitants indépendants; ii) encourager l'utilisation d'huile de palme compatible avec le développement durable dans les principaux pays consommateurs (surtout en Chine); et iii) donner des indications sur la voie à suivre pour concilier conservation et développement économique dans les pays d'Afrique à forte couverture forestière. La Table ronde a également soutenu les efforts déployés par les gouvernements de l'UE afin de promouvoir des chaînes d'approvisionnement qui ne contribuent pas au déboisement.

Dans l'ensemble, en dépit de ces nombreuses initiatives, l'offre totale de produits certifiés durables n'a augmenté que faiblement en 2019-2020, alors que, tout comme dans les années précédentes, près de la moitié des produits certifiés disponibles n'ont pas trouvé d'acheteur. Constatant un recours excessif à la certification «verte», un certain nombre d'études réalisées par des tiers ont permis d'établir que de nombreux acheteurs d'huile de palme, fabricants de biens de consommation et détaillants avaient du mal à atteindre les objectifs qu'ils s'étaient eux-mêmes fixés. Des initiatives visant à assurer une protection active des forêts, à favoriser un développement qui soit respectueux de la forêt ainsi qu'à garantir la sécurité des droits fonciers pour les communautés locales, ont été proposées pour obtenir de meilleurs résultats de manière plus économique. Les appels à une action concertée de la part de l'ensemble des parties prenantes – y compris en collaboration avec les pouvoirs publics –, dans les pays producteurs comme dans les pays importateurs, ont également recueilli un consensus général. Par ailleurs, l'idée que le palmier à huile soit l'une des cultures qui offrent le meilleur rendement en huile par hectare et que toute tentative de remplacer l'huile de palme par d'autres huiles végétales aurait probablement des incidences indésirables sur l'environnement, recueille de plus en plus l'adhésion des spécialistes.

S'agissant du soja, une attention particulière a aussi continué d'être portée aux enjeux de durabilité. En particulier, une alliance d'entreprises alimentaires internationales a engagé vivement les principaux distributeurs mondiaux de produits de base à s'approvisionner en soja de manière responsable dans la région du Cerrado au Brésil (où la croissance de la production de soja semblait avoir été associée en partie à la conversion de zones de végétation autochtone), invitant ainsi les négociants à renforcer leurs propres engagements et à mettre en place des mécanismes solides de surveillance, de vérification et de notification dans la région. À cet égard, les associations locales de cultivateurs ont recommandé que soit envisagé un système de récompenses en faveur de ceux qui s'emploient de manière volontaire à préserver la végétation autochtone. Parallèlement, un certain nombre d'acheteurs opérant en aval se sont engagés à se conformer aux principes d'application volontaire pour un approvisionnement durable, définis par la Table ronde sur la production responsable de soja (RTRS), qui est une plateforme mondiale à parties prenantes multiples, tandis que plusieurs entreprises ont lancé leurs propres initiatives en vue d'améliorer la traçabilité tout au long de leurs chaînes d'approvisionnement.

Les efforts du secteur visant à mettre en place des chaînes d'approvisionnement durables pour la noix de coco et l'huile de coco dans la région Asie-Pacifique se sont également poursuivis et ont été concentrés sur le renforcement viable de la productivité, l'accès facilité aux marchés, l'harmonisation des exigences des acheteurs et l'amélioration de la traçabilité des produits.

Mesures relatives aux biocarburants: En 2020, les efforts déployés par les entreprises privées se sont poursuivis en ce qui concerne la transformation de graines oléagineuses non comestibles et de déchets agricoles – y compris les huiles de cuisson usagées – en agrogazole destiné au secteur des transports. Par ailleurs, l'entrée en vigueur de la nouvelle norme de l'Organisation maritime internationale en matière de carburants pour moteurs marins, a suscité un intérêt pour l'agrogazole comme fuel marin à faible teneur en soufre. Des initiatives récentes concernant la production d'huile végétale hydrotraitée, dite «gazole renouvelable», ont également été signalées. Au Brésil et en Indonésie, des entreprises ont procédé à des essais avancés sur ces carburants de qualité élevée qui, ayant une composition chimique identique à celle de l'huile minérale, sont considérés comme étant adaptés à des utilisations diverses, y compris le mélange direct au kérosène. Par ailleurs, en Chine, où la production et l'utilisation de biocarburants sont restées discrétionnaires, la société pétrolière publique Sinopec a renforcé sa participation sur le marché intérieur de l'agrogazole en augmentant sa production de gazole à 5 pour cent de biocarburants, destiné au secteur des transports. Parallèlement, en Italie, la principale société pétrolière et gazière (Eni) a annoncé des plans visant à mettre progressivement fin à l'utilisation d'huile de palme et de ses dérivés comme matière première pour la production d'agrogazole.

Recherche et développement: En 2020, les nouvelles activités de recherche menées par les entreprises du secteur et par les universités ont abouti au développement: i) de nouvelles variétés de graines oléagineuses plus performantes, en particulier du point de vue de la tolérance aux maladies, de la résistance aux herbicides et de la résilience face au changement climatique; et ii) d'huiles et de farines offrant de meilleures performances fonctionnelles et des bénéfices accrus sur le plan nutritionnel et de la santé. S'agissant de la recherche variétale, une attention particulière a été donnée au colza, au soja, au palmier à huile et à l'olivier. Les technologies de cartographie du génome et d'édition génomique qui, dans plusieurs pays, font l'objet d'une réglementation moins stricte que les activités de sélection basées sur la modification génétique, ont continué à bénéficier d'une attention particulière. Parallèlement, partout dans le monde, les fabricants de produits alimentaires ont continué à remplacer les huiles hydrogénées et les huiles et autres matières grasses saturées dans les aliments. Au Canada et dans l'Union européenne, les activités de recherche sur les graines de caméline riches en oméga 3, le tourteau de colza de qualité alimentaire et les équivalents du beurre de cacao à base de karité, ont également continué à bénéficier de financements de la part d'entreprises du secteur. Par ailleurs, les efforts mis en œuvre afin de remplacer les dérivés du pétrole par des substances renouvelables et biodégradables ont continué à stimuler la recherche de nouvelles applications industrielles des huiles et autres matières grasses, une attention particulière étant donnée aux matières premières telles que les huiles de cuisson usagées et les déchets issus de la culture du palmier à huile et de l'olivier.

Pratiques de commercialisation et autres initiatives sectorielles: Dans l'UE, les plans visant à introduire un système d'étiquetage nutritionnel sur base volontaire pour les aliments ont été contestés par les entreprises du secteur des huiles végétales, au motif que la méthode proposée ne permettait pas d'établir une distinction entre les différents types et qualités d'huile végétale. Par ailleurs, un certain nombre de fournisseurs d'huiles et autres matières grasses ont pris des mesures afin de réduire la présence de contaminants spécifiques découlant du raffinage de l'huile végétale – et cela, pour permettre aux fabricants de produits alimentaires de se conformer aux réglementations spécifiques attendues de l'UE. En Espagne, en Argentine et en Tunisie, en vue d'améliorer l'authentification des produits et de prévenir les pratiques frauduleuses tout au long de la chaîne de valeur de l'huile d'olive, les parties prenantes du secteur ont adopté la technologie des chaînes de blocs pour mettre en place des chaînes de transactions vérifiables. Les outils du registre numérique ont également été utilisés par un groupe d'entreprises commerciales mondiales pour suivre la circulation des céréales et des oléagineux au Brésil. S'agissant de l'huile de palme, un certain nombre d'entreprises alimentaires ont continué d'offrir des produits «sans huile de palme» ce qui, dans les pays producteurs d'huile de palme, a poussé les associations du secteur à déposer des plaintes en bonne et due forme contre de telles pratiques, jugées discriminatoires et contraires aux politiques déclarées des producteurs. Pour ce qui est des marchés à terme, 2020 a vu le lancement ou la préparation de plusieurs nouveaux outils de couverture et de détermination des prix, en particulier un contrat d'options pour l'oléine de palme en Malaisie, un contrat à terme pour le soja au Brésil et un contrat à terme pour l'huile de soja dégommée en Inde. Par ailleurs, en Chine, l'accès des investisseurs étrangers à la négociation de contrats à terme pour l'huile de palme s'est encore amélioré, tandis qu'une bourse des matières premières agricoles couvrant les huiles végétales a été mise en place en Égypte.

▶ **Mesures liées à la covid-19:** Dans de nombreux pays, les producteurs et les transformateurs d'oléagineux ont été touchés par les mesures gouvernementales mises en place pour limiter la propagation de la covid-19. En particulier, en Malaisie, où les mesures temporaires de restriction des déplacements ont encore aggravé la pénurie de main-d'œuvre chronique dans le secteur des plantations, les entreprises productrices d'huile de palme ont intensifié leurs efforts afin de rendre le travail dans les plantations plus attrayant pour la population locale, tout en encourageant des méthodes de récolte mécanisées ainsi que l'automatisation des opérations de broyage.

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 2020.

El compendio reproduce, en forma tabular, todas las políticas y noticias del sector industrial aparecidas durante 2020 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 2020. En los cuadros que figuran a continuación (disponibles sólo en inglés) se proporciona información más detallada.

POLÍTICAS GUBERNAMENTALES

Respuestas nacionales frente a la COVID-19: En 2020, los países pusieron en marcha diversas medidas para proteger la salud pública y asegurar el suministro alimentario nacional ante la crisis originada por la enfermedad por coronavirus (COVID-19); algunas de ellas han afectado directamente a los mercados de cultivos oleaginosos y sus productos derivados. En la [Argentina](#), el [Brasil](#), la [India](#), [Malasia](#) y la [República Popular China](#) (en adelante “China”), las restricciones de movimiento y otras medidas de salud para contener la propagación de la enfermedad interrumpieron temporalmente la producción y el procesado de los cultivos oleaginosos, así como la logística de transporte y portuaria y, por lo tanto, los flujos comerciales internacionales. Para evitar la posible escasez de suministros y estabilizar los precios nacionales, varios países facilitaron temporalmente las importaciones de determinados cultivos oleaginosos y sus productos derivados, mientras que otros recurrieron a restricciones temporales a las exportaciones. Por otra parte, [Malasia](#) suspendió temporalmente su impuesto a la exportación de aceite de palma, a fin de propiciar que sus plantaciones de palma aceitera se recuperaran de la crisis de la COVID-19. Para mitigar la escasez de mano de obra en las plantaciones, acentuada por las restricciones de movimiento relacionadas con la COVID-19, el país también promulgó políticas destinadas a atraer trabajadores migrantes. Entretanto, algunos países han regulado sus mercados de aceites comestibles para frenar el vertiginoso aumento de los precios al consumidor. Los [Estados Unidos de América](#) (en adelante, “los EE.UU.”) y la [Unión Europea](#) (en adelante, “la UE”) pusieron en marcha amplios programas de apoyo a las explotaciones agrícolas para ayudar a reequilibrar la oferta y la demanda en los sectores más afectados, incluidos el de los cereales y el de los cultivos oleaginosos. [China](#) estableció planes sobre cómo garantizar la seguridad alimentaria nacional a corto, medio y largo plazo, mientras que la [India](#) aprovechó la crisis de la COVID-19 para poner en marcha amplias reformas de mercado destinadas a aumentar la competitividad del sector agrícola. Además, el [Brasil](#), la [UE](#), [Indonesia](#) y [Malasia](#) redujeron temporalmente sus metas de consumo de biodiésel en respuesta a las bruscas caídas de la demanda de combustible provocadas por los confinamientos nacionales.

Apoyo a los agricultores: En 2020, la [India](#) acometió profundas reformas de mercado destinadas a aumentar la competitividad del sector agrícola y, al mismo tiempo, mejorar los ingresos de los agricultores. Con el fin de fomentar la participación del sector privado en el agronegocio, se introdujeron medidas para desregular la comercialización de los productos agrícolas y la gestión de las existencias. Aunque se mantuvo el incentivo de precio mínimo para los cultivos oleaginosos, la escala de las operaciones de compras públicas siguió siendo limitada. En el [Brasil](#) se renovó el paquete tradicional de préstamos agrícolas subvencionados y medidas de apoyo a la comercialización y se siguió haciendo hincapié en los pequeños y medianos agricultores y ampliando en mayor medida la prestación del seguro de cosechas. La [Argentina](#) puso en marcha un plan de apoyo a las pequeñas y medianas explotaciones de soja, en un esfuerzo por promover la producción más allá de las principales regiones productoras del país, mientras que [México](#) redujo el apoyo que prestaba a las grandes explotaciones comerciales. En [China](#), si bien se mantuvieron las medidas de fomento del cultivo de la soja, la crisis de la COVID-19 impulsó nuevas iniciativas para asegurar el suministro nacional de alimentos a medio y largo plazo. Mientras tanto, el Gobierno de la [Federación de Rusia](#) fijó la tasa de autoabastecimiento del país para el aceite vegetal en un 90 %. El [Canadá](#) fomentó la producción de productos proteínicos de calidad alimentaria a partir de la colza, mientras que [Filipinas](#), [Indonesia](#) y [Fiji](#) pusieron en práctica nuevas medidas para apoyar el rejuvenecimiento de las plantaciones de coco e [Italia](#) puso a disposición de los productores de aceite de oliva afectados por las condiciones desfavorables del mercado préstamos garantizados. [Malasia](#) emprendió programas destinados a fomentar la mecanización en su sector de plantación e intensificó los esfuerzos para contratar y formar a los trabajadores de las plantaciones locales, con el fin de hacer frente a la escasez crónica de mano de obra que afecta, en particular, al sector de la palma aceitera. Mientras tanto, en los [EE. UU.](#), [Filipinas](#), la [India](#) e [Italia](#) se pusieron en marcha paquetes especiales de socorro para indemnizar a los agricultores afectados por fenómenos meteorológicos extremos o brotes de plagas.

Desarrollo del sector: Numerosos países, en especial en África, pusieron en práctica diversas medidas para impulsar el 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; iv) fomentar la adición de valor en el plano local; v) apoyar la creación de empleo; vi) reducir la dependencia de las importaciones de aceite vegetal o aumentar los ingresos de exportación. El cultivo del coco, el sésamo, la palma aceitera y el olivo atrajeron una atención especial. El Gobierno de Francia puso en marcha un plan destinado a fomentar la producción nacional de proteínas de origen vegetal, con el fin de reducir la dependencia del país de los piensos proteínicos importados, especialmente la harina de torta de soja.

Medidas de control de las plagas: Las aprobaciones de plaguicidas concretos y de normas para reglamentar su uso siguieron siendo objeto de examen en varios países por parte de los encargados de formular las políticas, lo que revela una creciente preocupación por los posibles riesgos ambientales y de salud. Por lo que respecta al glifosato, los EE.UU. confirmaron que no es cancerígeno, mientras que Francia revalidó su prohibición para usos específicos a partir de enero de 2021 y ofreció incentivos económicos a los agricultores que se abstuvieran voluntariamente de utilizar el producto. Por su parte, Tailandia condicionó el uso del glifosato a la obtención de permisos específicos a tal efecto e introdujo niveles de tolerancia cero para los residuos de otros plaguicidas en los productos alimenticios, mientras que Viet Nam aplazó la prohibición del glifosato, que debía entrar en vigor en junio de 2020. En el Brasil y los EE.UU. se volvió a aprobar el uso del dicamba, otro herbicida muy utilizado para la soja, sujeto a medidas de control destinadas a asegurar un uso eficaz y una protección adecuada del medio ambiente, incluidas las especies vegetales no objetivo. Los EE.UU. también apoyaron el desarrollo de nuevos herbicidas destinados a proporcionar a los agricultores que cultivan la soja nuevas herramientas para eliminar las malas hierbas resistentes a los herbicidas tradicionales. Mientras tanto, en la UE, la decisión de no renovar el permiso para el tiacloprid limitó aún más los plaguicidas disponibles para los productores de colza. En cuanto a las medidas de control de la *xylella fastidiosa* en los olivos, la UE suavizó sus políticas de erradicación de árboles en favor de medidas generales de contención y un control estricto del movimiento de productos de alto riesgo.

Políticas en materia de biocombustibles: En 2020, el Brasil, Indonesia, Malasia y Tailandia elevaron las tasas de mezcla obligatorias para el gasóleo empleado en los transportes, lo que supone un apoyo adicional al crecimiento de la incorporación nacional de los aceites de palma y de soja como materia prima para la producción de biocombustible. No obstante, en el transcurso del año, la ejecución de estos programas generó diversos problemas. El Brasil decidió suspender temporalmente sus obligaciones de mezclas con un porcentaje más elevado de biodiésel debido a la insuficiente disponibilidad del biocarburante, derivada de la escasez de suministros nacionales de aceite de soja. Para aliviar la situación, se permitió a los productores de biodiésel utilizar también materias primas importadas. En Indonesia, donde siguió subvencionándose la producción de biodiésel a base de aceite de palma, el aumento de las tasas de mezcla coincidió con un aumento de la brecha entre los precios del biodiésel y los del aceite mineral, lo que puso en aprietos las finanzas públicas y tuvo como consecuencia un aumento de la recaudación procedente de las exportaciones de aceite de palma. Además, habida cuenta de que en 2020 el consumo de biodiésel en el país cayó por debajo del objetivo previsto, el Gobierno prefirió aplazar los cambios que preveían unos porcentajes más elevados en la mezcla. Asimismo, en Malasia, donde el brote de la COVID-19 frenó la demanda interna de combustible, se suspendió temporalmente la implantación gradual de una obligación de porcentajes más elevados en la mezcla, cuya aplicación en todo el país podría retrasarse hasta 2022. Entretanto, el Canadá puso en marcha una ambiciosa política de biocombustibles a medio plazo, destinada a fomentar la inversión en el sector de la energía verde del país, mientras que los EE.UU. respaldaron las inversiones en infraestructura necesarias para apoyar mezclas de biocombustibles más elevadas y promovió la investigación sobre el uso de semillas oleaginosas como materia básica para el combustible renovable para aviones, y la India siguió fomentando la conversión del aceite de cocina usado en biodiésel. Mientras tanto, varios países revisaron su normativa para combustibles y realizaron ensayos de motores con mezclas de biocombustible elevadas. En cuanto al comercio internacional, Indonesia, primer proveedor mundial de aceite de palma, solicitó a la Organización Mundial del Comercio (OMC) el establecimiento de un grupo especial para evaluar la conformidad de determinadas medidas impuestas por la UE en relación con los biocombustibles basados en cultivos de aceite de palma con las normas del comercio internacional, iniciativa a la que siguieron medidas análogas por parte de Malasia en enero de 2021. Además, los EE.UU. mantuvieron sus derechos antidumping y compensatorios sobre el biodiésel importado de Argentina, mientras que la UE mantuvo sus derechos correctivos sobre las importaciones de biodiésel procedentes de los EE.UU.

Políticas comerciales: En cuanto a las *medidas de importación*, el Brasil, la Federación de Rusia, la India, y Turquía suspendieron temporalmente sus derechos de importación sobre determinadas semillas oleaginosas, aceites y harinas en su empeño por limitar las subidas de precios al consumidor provocadas por la escasez de

suministros nacionales y mundiales. En un intento de mejorar sus lazos comerciales con Malasia, la India también levantó el derecho de salvaguardia sobre el aceite de palma refinado de Malasia, introducido en septiembre de 2019. Mientras tanto, el Brasil atenuó los requisitos relativos a la importación de productos genéticamente modificados utilizados como pienso, incluida la harina de soja. Por otra parte, varios países, entre ellos la India, Sri Lanka y Turquía, aumentaron sus tarifas de importación sobre determinados cultivos oleaginosos, en un esfuerzo por proteger a los agricultores locales, fomentar la producción nacional de cultivos oleaginosos y/o apoyar a los elaboradores y refinadores nacionales. Por otra parte, Tailandia analizó los medios para detener las importaciones ilegales de aceite de palma (para su uso como materia básica del biodiésel), mientras que los EE.UU. prohibieron las importaciones de aceite de palma de determinados proveedores asiáticos por motivos relacionados con los derechos laborales.

En cuanto a las *medidas de exportación*, en el marco de la caída de los precios internacionales del aceite de palma (causada por un descenso de la demanda mundial tras el confinamiento provocado por la COVID-19), Indonesia y Malasia suspendieron temporalmente sus impuestos a la exportación de aceite de palma para estimular los envíos y salvaguardar el crecimiento de sus industrias de palma. Malasia también intensificó sus esfuerzos de promoción de las exportaciones y se centró en nuevos mercados de Oriente Medio, África y Asia sudoriental, mientras que Indonesia revocó el requisito de que el aceite de palma se transportara exclusivamente en buques de pabellón indonesio. Además, Indonesia transformó un gravamen fijo cobrado a los exportadores de aceite de palma (para financiar, en particular, el plan nacional de apoyo al biodiésel) en un gravamen progresivo vinculado al precio del producto. Por otra parte, por motivos de política fiscal y monetaria, la Argentina aumentó sus impuestos a la exportación de soja y productos derivados, y endureció los controles al cambio de divisas aplicables a los ingresos procedentes de las exportaciones. No obstante, posteriormente, el Gobierno decidió reducir de forma provisional sus impuestos a la exportación de soja, con el objetivo de estimular las exportaciones y aumentar los ingresos en divisas. Para contener la subida de los precios de los alimentos a escala nacional, la Federación de Rusia aumentó temporalmente su impuesto a la exportación de semillas de girasol y colza, mientras que el Senegal y el Sudán restringieron sus exportaciones de cacahuete con el objetivo de estabilizar los precios internos y fomentar la adición de valor local.

En cuanto a los *acuerdos comerciales regionales*, un acuerdo de libre comercio firmado entre la UE y Viet Nam prevé la liberalización de las exportaciones de productos oleaginosos de la UE a Viet Nam, así como un período de tres años de eliminación gradual de las tarifas que aplica Viet Nam a la importación de aceite de oliva de la UE. Además, tras la firma del acuerdo comercial entre los EE.UU. y el Japón, a partir de enero de 2020, las exportaciones estadounidenses de aceites y grasas al Japón se han beneficiado de un acceso arancelario preferencial. Por su parte, los miembros del Mercado Común del Sur (MERCOSUR) acordaron establecer una serie de normas para regular el comercio de aquellos productos alimentarios que contengan restos de organismos modificados genéticamente (OMG). En lo que concierne a los *acuerdos comerciales bilaterales*, el acuerdo comercial alcanzado entre los EE.UU. y China en diciembre de 2019 entró en vigor el 14 de febrero de 2020. En consecuencia, ambos países redujeron algunas tarifas adicionales aplicadas a las importaciones de cada uno, aunque China mantuvo el arancel especial del 25 % sobre las importaciones de soja estadounidense. No obstante, en marzo, en vista de su compromiso de aumentar las importaciones de productos agrícolas estadounidenses durante el período 2020-21, el Gobierno de China decidió conceder exenciones temporales a su arancel especial sobre la soja. En cuanto a las *iniciativas comerciales específicas relativas a los cultivos oleaginosos*, China renovó sus acuerdos de importación con la Argentina y estableció contactos con Myanmar para la compra de soja y productos derivados.

Por lo que respecta a las *desavenencias comerciales* entre la UE y los EE.UU. en relación con las subvenciones concedidas por ambos países a sus respectivos sectores aeronáuticos, los EE.UU. mantuvieron sus aranceles compensatorios sobre determinados productos de la UE, incluido el aceite de oliva importado de España, mientras que la UE introdujo aranceles especiales sobre determinados productos estadounidenses, incluidos los cacahuetes y una reducida selección de aceites de origen vegetal. Paralelamente, las desavenencias entre China y el Canadá con respecto al comercio de la colza siguen sin resolverse.

Regulación de los mercados: En 2020, los países continuaron utilizando diversos instrumentos para regular los mercados nacionales. Con el fin de proteger los mercados locales de posibles interrupciones del suministro relacionadas con la pandemia de la COVID-19, China movilizó a empresas comerciales y elaboradores estatales y privados para aumentar la adquisición y el almacenamiento de cereales y oleaginosas y tomó medidas para racionalizar la gestión de sus reservas estratégicas. Mientras tanto, la comercialización de cultivos oleaginosos y aceite vegetal de las reservas estatales del país superó los volúmenes registrados en 2019. Por otra parte, Bangladesh, la Federación de Rusia, el Pakistán, el Sudán y Tailandia informaron sobre medidas para regular los

mercados de aceites comestibles y estabilizar precios al por menor. En la UE se autorizó a la principal cooperativa agrícola española a retirar el aceite de oliva del mercado nacional en los años que registraran excedente de producción, mientras que en Ucrania se redujo el impuesto sobre el valor agregado para las semillas oleaginosas y otros productos agrícolas, en un intento de apoyar al sector nacional de producción alimentaria. Para contrarrestar las percepciones negativas del producto entre los consumidores de aceite de palma de algunos países, Malasia puso en marcha varias iniciativas innovadoras orientadas a proteger la imagen del producto y salvaguardar los intereses de la industria del aceite de palma del país.

▶ **Normas alimentarias:** Si bien el Brasil, Colombia y México anunciaron nuevas iniciativas para promover dietas saludables, incluido un menor consumo de grasas saturadas, la Arabia Saudita se unió a la lista de países que prohíben el uso de aceites/grasas parcialmente hidrogenados en la industria alimentaria. Numerosos países también implantaron nuevos LMR (límites máximos de residuos tolerados en productos alimenticios o piensos) para plaguicidas específicos utilizados en los cultivos oleaginosos. Además, para luchar contra la adulteración del aceite comestible y su contaminación con materiales peligrosos, la India ordenó a los organismos interesados que garantizaran el cumplimiento de la normativa vigente, que prohíbe la venta de aceite comestible a granel y restringe la reutilización de envases de hojalata y plástico. Mientras tanto, en la UE se aprobaron los ingredientes alimentarios a base de harina de colza para el consumo humano.

▶ **Políticas relativas a los OMG:** Apartándose de las políticas anteriores, la autoridad reguladora de China aprobó la producción en el país de dos cultivos locales modificados genéticamente, uno de los cuales era una nueva variedad de soja. En cuanto a las variedades de soja importadas, la autoridad reguladora también autorizó dos nuevos rasgos y renovó un permiso ya existente. Por su parte, el Canadá autorizó la producción interna de un nuevo cultivo de colza modificada genéticamente, mientras que la UE aprobó tres nuevos cultivos de soja para su uso en alimentos y piensos, pero no para su producción, y subrayó que las nuevas variedades cumplen con los estrictos requisitos de etiquetado y rastreabilidad del bloque.

▶ **Sostenibilidad de la producción:** El debate político sobre la necesidad de avanzar hacia métodos de producción de cultivos más sostenibles prosiguió su curso en 2020. En medio del creciente interés público, Indonesia y Malasia intensificaron sus esfuerzos para promover las prácticas de producción de aceite de palma sostenible, en un intento de contribuir a mejorar la aceptación y la competitividad de este producto en el mercado mundial. Para lograr un sistema de gestión sostenible de la palma aceitera que respalde el desarrollo económico nacional, Indonesia reformó su sistema de certificación del aceite de palma, que tenía casi 10 años de antigüedad. Los principios y criterios del sistema se reformularon con el fin de garantizar la viabilidad social, económica y ambiental de la producción. Además, la certificación obligatoria se extendió a los pequeños productores, y se acompañó de paquetes de apoyo financiero. Al mismo tiempo, Malasia prosiguió con la aplicación de su programa de certificación, que incluye a los pequeños agricultores organizados, y continuó con la labor de preparación de los pequeños agricultores independientes para su inclusión definitiva en los sistemas de certificación adaptados a cada grupo. Entretanto, para dar continuidad a su plan de acción sobre la preservación de los bosques en todo el mundo, la UE planteó una consulta pública sobre iniciativas destinadas a i) minimizar la contribución del bloque a la deforestación y la degradación de los bosques en todo el mundo, ii) promover el consumo de productos procedentes de cadenas de suministro libres de deforestación. En la misma línea, en el Reino Unido de Gran Bretaña e Irlanda del Norte, como medio para hacer frente a la “deforestación importada”, un proyecto de ley de medio ambiente incluía disposiciones que obligaban a las empresas nacionales y las cadenas de distribución al por menor a demostrar la procedencia de productos como el cacao, el caucho, el aceite de palma y la soja, y si se habían producido respetando la legislación local vigente en materia de medio ambiente. A nivel intergubernamental, la FAO puso en marcha una herramienta geoespacial en línea para ayudar a los países a preservar los depósitos de carbono esenciales conocidos como turberas. El objetivo de esta herramienta es detener la degradación de las turberas y planificar eficazmente su restauración mediante la mejora de las actividades de catalogación y seguimiento.

INICIATIVAS SECTORIALES

▶ **Producción sostenible:** En 2020, las medidas del sector privado y las normas voluntarias para la producción sostenible de aceite de palma siguieron evolucionando bajo un estrecho control público, como demuestran varias iniciativas recientes que promueven la adopción de prácticas responsables a lo largo de la cadena de valor del aceite de palma. En los países productores, las asociaciones industriales prosiguieron sus actividades dedicadas a

promover prácticas sostenibles y mejorar la rastreabilidad en las cadenas de suministro nacionales –en colaboración parcial con el sector público–, así como las iniciativas del sector privado para formar a los pequeños agricultores en métodos de producción sostenibles y apoyar su inclusión en los sistemas de certificación oficiales. Mientras tanto, los compradores en fases posteriores de la cadena siguieron recibiendo fuertes presiones de los clientes, los inversores y los encargados de formular las políticas de varios países europeos para abastecerse de aceite de palma de forma más responsable. Los compradores de todo el mundo respondieron comprometiéndose a adoptar políticas de aprovisionamiento más estrictas y concentraron sus esfuerzos en i) mejorar la rastreabilidad de los productos a lo largo de sus cadenas de suministro mediante la implantación de herramientas mejoradas de catalogación y seguimiento, ii) exigir que todos sus proveedores –directos, subsidiarios o terceros– cumplan sus políticas, iii) mejorar la transparencia y la rendición de cuentas mediante la publicación de datos sobre los proveedores y la contratación de auditores independientes, iv) establecer procesos transparentes para tramitar y solucionar las reclamaciones. Algunas empresas siguieron trabajando directamente con los pequeños agricultores en medidas destinadas a mejorar de la productividad, y otras se esforzaron por armonizar mejor sus iniciativas con los programas de las administraciones locales. Todas estas actividades sugieren una mayor sensibilización entre las empresas de que los desplazamientos en la demanda del mercado pueden verse reflejados en importantes riesgos de reputación y reglamentarios para su actividad.

En cuanto a la aplicación de las normas voluntarias del conjunto de la industria, los organismos afectados del sector privado procuraron reforzar sus sistemas de control y verificación, lo que, en algunos casos, condujo a la retirada de la certificación de sostenibilidad otorgada a algunos miembros o a la desinversión de los prestamistas en empresas implicadas en presuntos incumplimientos de la normativa vigente. En 2020, la Mesa redonda sobre el aceite de palma sostenible (RSPO), reconocida a nivel mundial, tomó medidas para mejorar la aplicación de sus normas relacionadas con los derechos humanos (en especial, por lo que respecta a la prevención del trabajo infantil) y revisó sus criterios sobre aspectos de género y sobre el consentimiento libre, previo e informado (CLPI) de los pueblos indígenas, al tiempo que mejoró su sistema de tramitación de quejas. Otras actividades llevadas a cabo por la RSPO son: i) la promoción de la certificación entre los pequeños agricultores independientes; ii) el fomento del uso de la palma sostenible en los principales países consumidores (sobre todo en China); iii) el suministro de orientación sobre cómo compaginar la conservación con el desarrollo económico en los países de África con una cubierta forestal extensa. La RSPO también respaldó las actividades de los gobiernos de la UE encaminadas a promover cadenas de suministro de productos libres de deforestación.

En general, a pesar de estas múltiples iniciativas, la disponibilidad total de productos sostenibles certificados apenas aumentó ligeramente en 2019-2020, mientras que, de forma similar a los años anteriores, cerca de la mitad de los productos certificados disponibles no encontraron comprador. Tras percibir una excesiva dependencia de la “certificación verde”, varios estudios de terceros concluyeron que muchos compradores de aceite de palma, fabricantes de bienes de consumo y minoristas tenían dificultades para cumplir con los objetivos que ellos mismos se habían impuesto. Se propusieron iniciativas para proteger activamente los bosques, apoyar el desarrollo respetuoso con los bosques y asegurar la tenencia de la tierra para las comunidades locales como soluciones más rentables. En los países productores e importadores también obtuvieron un consenso general los llamamientos a la acción concertada de todas las partes interesadas, incluida la colaboración con los gobiernos. Mientras tanto, la noción de que la palma aceitera es uno de los cultivos oleaginosos más eficientes en términos de rendimiento por hectárea y que los intentos de sustituir el aceite de palma por otros aceites de origen vegetal probablemente conllevarían efectos ambientales no deseados ganó cada vez más adeptos entre los expertos.

Asimismo, por lo que respecta a la soja, las cuestiones de sostenibilidad siguieron suscitando atención. En particular, una alianza de empresas alimentarias internacionales instó a las principales casas comerciales de productos básicos del mundo a abastecerse de soja de forma responsable en la región brasileña de El Cerrado (donde, según se informa, la expansión de la soja ha estado parcialmente asociada a la conversión de zonas de vegetación autóctona), lo que implica que los comerciantes intensifiquen sus propios compromisos y apliquen sólidos mecanismos de seguimiento, verificación y presentación de informes en la región. A este respecto, las asociaciones de productores locales recomendaron que se estudiaran planes para recompensar a los agricultores por la conservación voluntaria de la vegetación autóctona. Al mismo tiempo, varios compradores en fases posteriores se comprometieron a adherirse a los principios voluntarios de abastecimiento sostenible de la Mesa redonda sobre la soja responsable, una plataforma mundial de múltiples partes interesadas, mientras que algunas empresas pusieron en marcha sus propias iniciativas para mejorar la rastreabilidad en sus cadenas de suministro.

La industria también prosiguió su labor para establecer cadenas de suministro de coco/aceite de coco sostenibles en la región de Asia y el Pacífico, centrándose en el fomento de la productividad sostenible, la facilitación del acceso a los mercados, la armonización de los requisitos de los compradores y la mejora de la rastreabilidad de los productos.

Medidas relativas a los biocombustibles: En 2020 continuaron los esfuerzos de las empresas privadas en relación con el uso de semillas oleaginosas no comestibles y residuos agrícolas –como el aceite de cocina usado– para su conversión en biodiésel para el transporte. Además, la entrada en vigor de la nueva norma sobre combustible marítimo de la Organización Marítima Internacional generó interés por el biodiésel como combustible marino de bajo contenido en azufre. También se informó de nuevas iniciativas relacionadas con la producción de aceite vegetal tratado con hidrógeno, conocido como “diésel renovable”. Empresas del Brasil e Indonesia realizaron pruebas avanzadas con los combustibles de alta calidad que, al ser químicamente idénticos al aceite mineral, se consideran adecuados para diversos usos, incluida la mezcla directa con el combustible para aviones. Además, en China, donde la producción y el uso de biocombustibles siguen siendo discrecionales, la empresa estatal de refinado de petróleo Sinopec intensificó su participación en el mercado nacional del biodiésel ampliando su producción de diésel destinado al transporte con un 5 % de contenido biológico. Mientras tanto, la principal empresa italiana de petróleo y gas (Eni) anunció sus planes de eliminar el uso de aceite de palma y sus derivados como materia básica para el biodiésel.

Investigación y desarrollo: En 2020, los resultados de las nuevas iniciativas industriales y de investigación académica en todo el mundo fueron i) el desarrollo de nuevas variedades de semillas oleaginosas que ofrecen un mayor rendimiento, tolerancia a las enfermedades, resistencia a los herbicidas y resiliencia frente al cambio climático, ii) aceites y harinas con una mayor funcionalidad y mejores perfiles nutricionales y de salud. En cuanto a la investigación de variedades, la colza, la soja, la palma aceitera y el olivo suscitaron especial atención. Se siguió prestando atención particular a las tecnologías de cartografía genómica y de edición de genes, que en varios países están reguladas de forma menos estricta que las actividades de mejoramiento basadas en la modificación genética. Entretanto, los fabricantes de alimentos de todo el mundo siguieron sustituyendo tanto el aceite hidrogenado como los aceites/grasas saturados en los productos alimenticios. En el Canadá y la Unión Europea, las investigaciones sobre semillas de camelina ricas en omega 3, harina de colza de calidad alimentaria y equivalentes de manteca de cacao a base de karité continuaron atrayendo fondos del sector. Asimismo, los esfuerzos por sustituir los derivados del petróleo por sustancias renovables y biodegradables siguieron estimulando la investigación de nuevas aplicaciones industriales de los aceites y las grasas, con materias primas entre las cuales se presta especial atención al aceite de cocina usado y los residuos generados en el cultivo de la palma aceitera y el olivo.

Prácticas de comercialización y otras iniciativas del sector: En la UE, los planes para introducir un sistema de puntuación nutricional que pueda mostrarse voluntariamente en las etiquetas de los productos alimenticios se toparon con las críticas de la industria del aceite vegetal, que alegó que el método propuesto no distinguía entre los diferentes tipos y clasificaciones del aceite vegetal. Por otra parte, varios proveedores de aceites y grasas tomaron medidas para reducir la presencia de contaminantes específicos que se forman durante los procesos de refinado de aceites y grasas vegetales, con el fin de que los fabricantes de alimentos puedan cumplir con la futura reglamentación específica de la UE. Con el fin de reforzar la autenticación de los productos y evitar las prácticas fraudulentas a lo largo de la cadena de valor del aceite de oliva, las partes interesadas del sector en España, la Argentina y Túnez establecieron cadenas de transacciones verificables con el apoyo de la tecnología de cadena de bloques. Un grupo de empresas de comercio mundial también utilizó las herramientas de registro digital para seguir el movimiento de cereales y semillas oleaginosas en el Brasil. En cuanto al aceite de palma, varias empresas alimentarias siguieron ofreciendo productos “sin aceite de palma”, lo que provocó denuncias formales de las asociaciones del sector con sede en países productores de aceite de palma, que calificaron esas prácticas como discriminatorias y contrarias a las políticas decretadas por los productores. En lo que respecta a los mercados de futuros financieros, en 2020 se publicaron o se prepararon varias herramientas nuevas de cobertura y determinación de precios, entre las que cabe citar un contrato de opciones para la oleína de palma en Malasia, un contrato de futuros de soja en el Brasil y un contrato de futuros para el aceite de soja desgomado en la India. Además, en China se mejoró el acceso de los inversores extranjeros al comercio de futuros de aceite de palma, mientras que en Egipto se creó una bolsa de productos básicos agrícolas que incluye los aceites vegetales.

Medidas relacionadas con la COVID-19 En muchos países, los productores y elaboradores de cultivos oleaginosos se vieron afectados por las medidas gubernamentales destinadas a contener la propagación de la COVID-19. En particular, en Malasia, donde las restricciones temporales a los desplazamientos agravaron la escasez crónica de mano de obra en el sector de las plantaciones, las empresas de palma aceitera intensificaron sus esfuerzos para que el empleo en las plantaciones resultara más atractivo para la población local y, al mismo tiempo, promovieron los métodos de aprovechamiento mecanizado y la automatización de las operaciones de molienda.

Detailed news items / Articles détaillés / Noticias detalladas



Table 1. Overview of domains covered

| Government policies | Industry measures and initiatives |
|---|---|
| <p>AGRICULTURAL SUPPORT POLICIES</p> <ul style="list-style-type: none"> • Production support (incl. procurement schemes) • Relief measures • Sector development measures • Pest control measures & regulations | <p>SUSTAINABILITY STANDARDS</p> <ul style="list-style-type: none"> • Oil palm • Soybean • Coconut • Cross-commodity |
| <p>BIOENERGY POLICIES</p> | <p>BIOFUEL / BIOENERGY</p> |
| <p>TRADE POLICIES</p> <ul style="list-style-type: none"> • Import measures — non-tariff • Import measures — tariffs & levies • Export measures — tariff & non-tariff • Trade disputes • Comprehensive trade agreements • Sector-specific bilateral initiatives | <p>RESEARCH & DEVELOPMENT</p> <ul style="list-style-type: none"> • Pest control • Varietal research & seed releases • Product development |
| <p>MARKET REGULATION & PROMOTION</p> | <p>OTHER MEASURES</p> <ul style="list-style-type: none"> • Marketing practices & selected industry initiatives • Blockchain applications • Transports & logistics • Futures markets • COVID-19 related measures |
| <p>FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES</p> | |
| <p>SEED & GMO POLICIES</p> | |
| <p>OTHER POLICIES</p> <ul style="list-style-type: none"> • Production sustainability / environmental policies • Transport infrastructure & regulations • Labour policies • COVID-19 measures | |

Table 2. Government policies implemented in 2020

| No. | Domain | Country | Month | Product | Description * |
|-----|--|-----------|----------|-----------------------|---|
| 1 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Argentina | November | Soybeans | On 2 November, the Agricultural Ministry launched a stimulus and compensation scheme for small and medium-scale soybean farmers. Reportedly, around 40 percent of Argentina's soybean producers would receive compensation payments that will be calculated based on declared tonnage sold and hectares planted in 2019, with caps of ARS 20 million (USD 234 thousand) and 400 hectares per farmer. A total of ARS 11 550 million (USD 135 million) has been allocated to the programme. |
| 2 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Brazil | July | Agricultural products | In July, the Government presented its agricultural support programme for 2020/21, highlighting the package's renewed focus on small and medium-sized farms, fresh incentives for sustainable forms of production, a further expansion in the crop insurance programme, and the inclusion of commercial fishing/aquaculture into the public loan schemes. Overall, in the new season, producers will have access to different types of loans adding up to BRL 236.3 billion (USD 43.5 billion) – about 6 percent more than last season. Roughly 65 percent of the funds will be provided on concessional terms, with average interest rates ranging below those applied in 2019/20. Marketing assistance loans will account for three quarters of public credit, with the remainder being earmarked for various types of on-farm investment. Total government outlays for interest rate subsidies have been set at BRL 11.5 billion (USD 2.1 billion), or 15 percent above last year's level. At BRL 1.3 billion (USD 239 million), public outlays for crop insurance are set to expand sizeably for the third consecutive year. In 2020/21, 300 thousand insurance policies worth a total of BRL 52 billion (USD 9.6 billion) are expected to cover some 21 million hectares of farmland. |
| 3 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Canada | June | Rapeseed | The federal Government provided CAD 100 million (USD 74 million) to a Winnipeg-based agricultural processing firm planning to produce food-grade protein powders from peas and rapeseed. (See also <i>MPPU Jan. '18 & Mar./Sep. '19 on related R&D work conducted in Canada and the European Union.</i>) |
| 4 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | China | February | Soybeans | The Government's 2020 crop production policy envisages the continued promotion of soybean cultivation. Reportedly, the 2020 policy priorities would include increased support for high-yielding soybean traits and new incentives for intercropping maize with soybeans – two measures aimed at helping reduce the country's dependence on soybean imports. In 2019, government outlays for producer subsidies in China's North-eastern soybean growing provinces totalled CNY 17 billion (USD 2.4 billion) – up by CNY 4 billion (USD 564 million) from the preceding year. According to industry estimates, in 2019, the per hectare subsidy for soybean farmers amounted to CNY 3 825 (USD 539), which compared to CNY 4 800 and CNY 2 595 (USD 676 and 366) in, respectively, 2018 and 2017. |
| 5 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | China | May | Agricultural products | The Government announced that in 2020 it would develop and implement a response plan to ensure domestic food security amid the COVID-19 crisis, while also setting out a plan to secure food supplies in the medium-to-long term. Measures envisaged under the medium term plan will be aimed at: i) stabilizing the area and output of major crops by providing incentives to key producing regions; ii) supporting the recovery in pig production; iii) raising the volume of domestic inventories and improving the management of public grain reserves; and iv) diversifying imports of major agricultural commodities and inputs. |

| No. | Domain | Country | Month | Product | Description * |
|-----|--|---------------|----------|--------------------------|---|
| 6 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Côte d'Ivoire | May | Oil palm | The country's oil palm sector features among the agricultural industries earmarked under a XOF 250 billion (USD 434 million) Government programme to help the agricultural, fishing and aquaculture sectors recover from the effects of the coronavirus pandemic. |
| 7 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Fiji | May | Coconut | For 2020, the Fijian Government allocated FJD 1.6 million (USD 744 000) to its coconut development programmes, focusing on the rehabilitation of existing fields and plantations. Reportedly, senile plantations are the main reason for the country's falling production, along with fluctuating copra prices, high production costs, shortage of copra cutters, cyclones and other extreme weather events. |
| 8 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | February | Agricultural commodities | On 1 February, India announced its federal budget for 2020/21, allocating about USD 30.8 billion to domestic support to agriculture. About 40 percent of the funds would be earmarked for income and crop insurance programmes, while the remainder would be used for short-term credit interest subsidies, irrigation projects and price stabilization schemes. |
| 9 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | April | Rabi crops | Amid nationwide lockdowns imposed to halt the spread of COVID-19, procurement of Rabi crops by government agencies has begun in the country's major agricultural states on the scheduled date (15 April), despite logistical hurdles including labour shortages. Reportedly, during the first 7 days a total of 111 638 tonnes of oilseeds were procured at minimum support prices. Procurement is expected to continue through 30 June. |
| 10 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | May | Agricultural commodities | Market reforms: The Indian Government leveraged the COVID-19 crisis to launch a series of market reforms and long-term measures aimed at raising the competitiveness of the country's agricultural sector and enhancing the income of farmers. In May, after supply chain disruptions during COVID-19 lockdowns revealed critical gaps in agricultural infrastructure, the Government set up a farm infrastructure fund as part of its economic stimulus package. Subsequently, in June, the Government announced major reforms concerning agricultural marketing, the management of marketable surpluses, and access of farmers to institutional credit – thus combining short-term fiscal relief payments with extensive market liberalization policies. In particular, it planned to amend the Essential Commodities Act (ECA) of 1955 – which authorized the Government to regulate prices as well as stocks of commodities – to deregulate the marketing of selected products, including cereals, pulses, oilseeds and edible oils, onions and potatoes. The amendment would empower farmers to seek contract farming arrangements and engage directly with potential buyers (i.e. retailers, food aggregators and processors) prior to harvest. Furthermore, food processors and value chain participants would no longer be subject to stock limits (except under extraordinary circumstances), while traders would be free to enter into export commitments. Moreover, to provide adequate choices to farmers to sell their produce at attractive prices, the country's Agricultural Produce Marketing Committee (APMC) Act would be complemented by laws permitting free inter-state trade and e-trading of agricultural goods. As a result, farmers will no longer be required to sell their produce on selected, regulated wholesale markets – a development expected to reduce their reliance on middlemen. |

| No. | Domain | Country | Month | Product | Description * |
|-----|--|-----------|-----------|-----------------------|---|
| 11 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | June | Kharif crops | On 1 June, to ensure remunerative prices for growers, the Union Cabinet approved increases in the minimum support prices (MSP) for all Kharif crops for marketing year 2020/21. The support prices for soybeans, groundnuts, sunflowerseed, sesameed and nigerseed were set at, respectively, INR 38 800, 52 750, 58 850, 68 550 and 66 950 per tonne (or USD 516, 701, 782, 911 and 890). Compared to last season, the support prices for the two key oilcrops, soybeans and groundnuts, have been raised by 5 percent and 4 percent, respectively. |
| 12 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | September | Agricultural products | Market reforms: In September, the Indian Parliament passed a number of sweeping market reforms and long-term measures aimed at raising the competitiveness of the country's agriculture sector and enhancing farmer's incomes (see also MPPU July'20). Key innovations include: the freedom of farmers to market their produce at other outlets in addition to government-regulated local wholesale markets; the right to practice contract farming and engage directly with processors, wholesalers, large-scale retailers and exporters; and the removal of price and stockholding limits for strategic commodities, including oilseeds. Through the wide-ranging reforms, the Government intends to encourage private sector participation in agribusiness, build efficient agri-food supply chains, prevent wastage of agricultural products, and attract private and foreign direct investment in value-addition, storage and marketing infrastructure. Reportedly, some market experts raised questions regarding the process of implementing the sweeping reforms, while other expressed concern that the farmers' bargaining power could be weakened by the reforms. Furthermore, some farmer groups called for assurances that the Government would continue buying their products at guaranteed prices. |
| 13 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | September | Rabi crops | In September, the Government announced the new minimum support prices for Rabi (winter) crops. For rape and mustardseed, the support price was raised by 5 percent to INR 46 500 per tonne (USD 627), while the safflowerseed price saw a 2 percent increase to INR 53 270 per tonne (USD 719). With the new price levels, farmer returns are estimated to exceed production costs by 93 percent in the case of rape/mustardseed and 50 percent for safflowerseed – which compares to margins of 106 percent for wheat and 65–78 percent for pulses. |
| 14 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | November | Kharif crops | Public crop procurement: In November, the Government continued procuring Kharif crops from farmers at fixed minimum support prices. Reportedly, based on proposals received from individual states, central authorities approved the procurement of 4.5 million tonnes of pulses and oilseeds and 123 thousand tonnes of copra. |
| 15 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | India | November | Rabi crops | Fertilizer subsidy: As part of a stimulus package to boost the country's economy and with a view to encourage farmers to increase plantings in the impending Rabi crop season, on 13 November, India's Ministry of Finance earmarked an additional INR 650 billion (USD 8.89 billion) in fertilizer subsidies for the ongoing 2020-21 fiscal year – reversing a previous Government decision to reduce the fertilizer subsidy allocation by 11 percent. |
| 16 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Indonesia | February | Coconut | Replanting support: The Indonesian Ministry of Agriculture plans to rejuvenate 11 405 hectares of coconut plantations in 10 provinces across the country, with North Sulawesi destined to be the largest recipient under the 4-year programme. |

| No. | Domain | Country | Month | Product | Description * |
|-----|--|--------------------|-----------|-----------------------------------|--|
| 17 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Indonesia | May | Oil palm | Under a deregulation bill currently being debated by the Indonesian Parliament, palm oil companies would no longer be required to allocate a fifth of their land for smallholder farmers, according to media reports. The requirement under review – known as 'plasma requirement' – was introduced in 2007 to ensure that the sector's growth would benefit rural communities, including through the provision (by large plantations) of input supplies, training, purchase guarantees and eventual access to land titles. According to the country's oil palm business associations, plantation companies are facing difficulties in finding land for the smallholder programme, amid complex government regulations and recently introduced bans on plantation expansion. |
| 18 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Italy | September | Olive oil | The Government made available guaranteed loans worth EUR 140 million (USD 166 million) to associations of olive oil and table olive producers to support their operations throughout the 2020/21 season, reflecting efforts to correct current market imbalances caused by unfavourable weather conditions, the COVID-19 crisis, and the spread of xylella fastidiosa. |
| 19 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Malaysia | November | Palm oil | According to media reports, the Government's 2021 budget proposal features a number of items concerning the palm oil sector. First, the draft budget includes an allocation to support implementation of the Malaysian Sustainable Palm Oil (MSPO) scheme, in particular the adoption of certification by smallholders. Second, the budget proposes a matching grant for investment in the mechanization of the plantation sector. Third, the budget envisages incentives to encourage the recruitment and training of locals in the plantation sector – a measure aimed at reducing persistent labour shortages. And fourth, the Government proposed a revolving fund for forest farming development. On the other hand, industry calls to rescind or revise a windfall profit levy collected from oil palm growers (see <i>MPPU Jan. '20</i>) have not been considered in the budget. |
| 20 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Mexico | April | Selected agricultural commodities | Mexico's Federal Expenditure Budget for 2020 includes significant cuts in support to agriculture. In particular, the support programmes for large commercial growers – notably the Target Income and Forward Contract programmes – have been replaced by schemes excluding elements of public subsidy elements. On the other hand, support programme earmarked for small and medium producers of selected row crops (including oilseeds) remained in place, with direct payments rates remaining unchanged compared to 2019. |
| 21 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Philippines | February | Coconut | The Government has launched a new public-private partnership to provide assistance to the country's coconut farmers. Under the programme, coconut agribusiness centres serving as one-stop-shops for coconut growers would be set up in each of the country's 67 provinces. The centres will allow partner agencies to channel assistance to small coconut growers, while investors would link up directly with producer groups for the supply of raw materials or finished products. |
| 22 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Philippines | July | Coconut | The country's coconut authority, PCA, launched a project in the country's Western Visayas province, to pilot the replacement of traditional coconut trees with high-yielding hybrids said to bear fruit in less than four years and to produce up to three times more than local varieties. |
| 23 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | Russian Federation | January | Vegetable oils | Under the Russian Federation's new Food Security Doctrine released in January 2020, the nation's self-sufficiency rate for vegetable oils has been set at 90 percent. In addition, the Government confirmed its long-term import ban for genetically modified crop and livestock products. |

| No. | Domain | Country | Month | Product | Description * |
|-----|--|--|-----------|--------------------------------|---|
| 24 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | United Kingdom of Great Britain and Northern Ireland | January | Agricultural products | On 9 January, the United Kingdom introduced the Direct Payment to Farmers Bill regulating farmer support payments in 2020. While the bill preserves the level of payments granted in 2019 under the EU's Common Agricultural Policy, support to farmers will be increasingly linked to the delivery of public goods such as the enhancement of air and water quality, the improvement of animal welfare and measures to mitigate the impact of climate change. The bill envisages a seven-year transition period for farmers to adjust to the phasing-out of a number of subsidies. |
| 25 | AGRICULTURAL SUPPORT POLICIES – Production support (incl. procurement schemes) | United Kingdom of Great Britain and Northern Ireland | November | Agricultural products | On 11 November, the UK Parliament approved the Agriculture Act that paves the way for a 7-year transition to a new compensation mechanism centred on the delivery of public goods, notably environmental protection, fostering biodiversity, sustainable soil management, and improving air and water quality. At the same time, productivity improvements and technological uptake will be encouraged. Direct payments under the EU Common Agricultural Policy will be phased out between 2021 and 2027. |
| 26 | AGRICULTURAL SUPPORT POLICIES – Relief measures | India | July | Coconut | In Maharashtra, state officials authorized compensation payments for coconut farmers affected by cyclone Nisarga. Reportedly, farmers will be entitled to receive INR 250 (USD 3.37) per destroyed coconut tree. |
| 27 | AGRICULTURAL SUPPORT POLICIES – Relief measures | Italy | August | <i>Xylella fastidiosa</i> | The Italian Government approved payments of over EUR 68 million (USD 80) to farmers in its Puglia region who suffered damage by <i>xylella fastidiosa</i> in 2016 and 2017. Reportedly, additional funds might be made available for post-2017 damage. In addition, the local Government earmarked EUR 40 million (USD 47 million) for investments to support plantings of tolerant or resistant olive tree varieties. |
| 28 | AGRICULTURAL SUPPORT POLICIES – Relief measures | Philippines | January | Coconut | The Philippine Coconut Authority released relief payments to coconut farmers affected by ashfall from the Taal volcano eruption in mid-January. The aid package includes the distribution of seedlings and salt fertilizer for damaged trees. |
| 29 | AGRICULTURAL SUPPORT POLICIES – Relief measures | United States of America | February | Agricultural products | Trade mitigation measure: In February, the USDA announced the release of a third and final tranche of payments worth USD 3.6 billion under its Market Facilitation Program. The scheme is part of the Government's 2019/20 relief package to compensate farmers negatively impacted by the US-China trade differences (see also <i>MPPU July/Sep. '19 & Jan. '20</i>). On a related note, government officials did not rule out the possibility that farmers would be granted additional support until the United States' trade deals with China, Mexico and Canada are fully implemented. |
| 30 | AGRICULTURAL SUPPORT POLICIES – Relief measures | United States of America | August | Maize, soybeans | On 17 August, the US Government approved a Federal Disaster Declaration following the impact of a derecho windstorm, which, according to USDA estimates, impacted 37.7 million acres (15.3 million hectares) of farmland across the Midwest, including a substantial part of Iowa's maize and soybean crops, infrastructure and storage facilities. USDA assistance will be made available to impacted farmers through various farm programmes. |
| 31 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | France | September | Protein crops (incl. soybeans) | In September, the Government announced – as part of a larger economic recovery plan to overcome the COVID-19 crisis – the allocation of EUR 100 million (USD 119 million) to develop France's production of plant-based proteins. The initiative will contribute to reducing the nation's dependence on imported vegetable proteins intended for animal husbandry – notably soybeans and soymeal. |

| No. | Domain | Country | Month | Product | Description * |
|-----|---|---------|-----------|--------------------------------|---|
| 32 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | France | December | Protein crops (incl. soybeans) | The Ministry of Agricultural presented a strategy for the development of the country's protein crop production (see also MPPU Nov '20). Under the plan, the area sown with protein-rich crops would rise by 40 percent (from 1 million to 1.4 million hectares) in 2022 and double by 2030 (reaching 2 million hectares) – thus helping to lower the country's reliance on soybean/soybean imports used as livestock feed. The plan also aims to address the issue that soybean imports can contribute to deforestation in supplying countries. Reportedly, the Government set aside a total of EUR 100 million over two years to encourage farmers to plant more protein crops and support relevant research. |
| 33 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Ghana | February | Coconut | According to media reports, coconut palm has been added to the purview of Ghana's National Tree Crop Development Authority (NTCDA), a body set up under the country's National Tree Crops Development Bill of December 2019. Accordingly, NTCDA will be mandated to develop and regulate production, processing, marketing and export of coconut products. Reportedly, the agency would focus its attention on business development, employment creation and livelihood opportunities along the country's coconut value chain. On a separate note, in February, Trade Ministry officials and representatives of the country's coconut associations and banks paid a visit to an Indonesian supplier of coconut products with a view to develop commercial ties. (See also MPPU May '19) |
| 34 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Ghana | September | Oil palm | Ghana's Food and Drugs Authority and the country's local environmental and health units set out to promote – with support from international civil society organization <i>Solidaridad</i> – high food safety and quality standards among the country's artisanal palm oil producers, with a view to positioning them to expand their market base. Under the new partnership, supply chain participants will be offered training on both food safety and good manufacturing practices along the palm oil production process. Eventually, the introduction of standards recognized by the market is expected to translate into higher economic returns along the value chain. (See also MPPU May '20) |
| 35 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | India | June | Oil palm | India's Telangana State sought Malaysia's expert assistance in the development of the state's oil palm industry. Reportedly, the two parties agreed to work together in the transfer of relevant technologies in oil palm cultivation and palm oil processing. While Malaysia is eyeing an expansion in its exports, Telangana's Government envisages a rise in local oil palm cultivation from the current 20 000 hectares to 690 000 hectares, <i>inter alia</i> by offering subsidies and other incentives to growers. |
| 36 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | India | November | Oil palm | An oil palm development project has been launched in the country's northeastern state of Manipur, where the responsible departments identified more than 66 000 hectares of land suitable for oil palm cultivation. The project is part of the National Mission on Oilseed and Palm Oil that aims to make the country self-sufficient in edible oils. Central government funding has been provided for the procurement of seedlings. |
| 37 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Morocco | April | Olive tree | The European Bank for Reconstruction and Development (EBRD) pledged to loan up to MAD 55 million (USD 5.6 million) to the Moroccan olive oil sector in a bid to boost its productivity. Reportedly, the funds are earmarked for the construction of an olive oil mill in the Fez-Meknes region as well as other projects aimed at increasing the number of farmers involved in olive tree cultivation. The initiative complements efforts by the Moroccan Government to increase the sector's capacity and output, with special attention given to export oriented operations. (See also MPPU June '17) |

| No. | Domain | Country | Month | Product | Description * |
|-----|---|--------------------------|-----------|---------------------------------|---|
| 38 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Mozambique | June | Soybeans, sunflowerseed, sesame | The Mozambican Government expanded the remit of the country's Cotton Institute to include oilseeds. The move is meant to step up efforts to promote the nation's production, marketing, processing and export of oilseeds, notably soybean, sunflowerseed and sesame. |
| 39 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | South Africa | November | Olive oil | With a view to improve the viability of the country's olive industry, in November, the Government raised the levy imposed on importers, processors and producers of olives and olive oil when they first sell their product. The new levy amounts to ZAR 0.08/kg for olives and ZAR 0.40/litre for olive oil (respectively 5.3 US cents and 2.6 US cents). Collected by a local industry body, the assessment will be used to fund research projects, quality control and certification, consumer education and other related activities. |
| 40 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Tanzania | September | Oil palm | The Government allocated public funds to the country's Agricultural Research Institute to accelerate production and distribution of improved oil palm seedlings and to foster awareness of best cultivation practices among oil palm growers. Ultimately, the measures are expected to help reduce the country's dependence on edible oil imports. (See also MPPU Mar.'19) |
| 41 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Tanzania | December | Oil palm, annual oilcrops | The country's Agricultural Research Institute informed that it produced and distributed over 3 million oil palm seedling, all belonging to tenera hybrid varieties with yield potentials of 8–9 tonnes of oil per hectare, which compares to average yields of 1.6 tonnes for traditional dura varieties. Reportedly, the state institute is also conducting research on improved sunflower, sesame and groundnut varieties, with a view to improve domestic production and reduce the country's dependence on edible oil imports. |
| 42 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | Uganda | January | Palm oil | The Government of Uganda set up, with support from the UN's International Fund for Agricultural Development, an entity tasked to oversee the management and expansion of oil palm cultivation across the country. The body will collaborate closely with farmers and operators from the private sector and draw on a parallel programme that promotes the introduction of improved crop varieties, including varieties resilient to climate change. |
| 43 | AGRICULTURAL SUPPORT POLICIES – Sector development measures | United States of America | November | Annual oilcrops | In the state of Montana, oilseed growers, industry stakeholders and the Department of Agriculture are considering to establish 1 percent checkoff for rapeseed, flaxseed, mustard, safflower, soybeans and sunflower crops, with a view to fund sector-specific research activities as well as market development and education programmes. Assessments would be voluntary and would be collected at the first point of sale. |
| 44 | AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations | Australia | October | Soybeans | In October, the Government introduced emergency measures to safeguard the country against the entry, establishment and spread of the khapra beetle (<i>trogoderma granarium</i>) to plant hosts such as rice, wheat and soybeans. |
| 45 | AGRICULTURAL SUPPORT POLICIES – Pest control measures & regulations | Brazil | July | Dicamba | In July, the Government approved several dicamba-based herbicides used in the cultivation of genetically engineered soybean and maize. Recently, possible environmental risks arising from the chemical's use came under scrutiny in the US (see MPPU July'20). |

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| 46 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | European Union | January | Thiacloprid | The European Commission decided not to renew the approval of thiacloprid – a pesticide belonging to the neonicotinoids group and used predominantly in rapeseed cultivation – due to identified insect and human health risks. The chemical's approval is set to expire on 30 April 2020. The decision follows the prohibition of three other neonicotinoid-based insecticides in all outdoor-uses in April 2018. |
| 47 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | European Union | August | <i>Xylella fastidiosa</i> | Based on recent research carried out by EFSA and experience gathered in the different EU outbreak areas, the European Commission amended its regulations regarding the control of <i>Xylella fastidiosa</i> , the disease that has affected olive groves across the bloc. Under the new rules, the size of “infection zone”, i.e. the area around infected plants where trees must be uprooted, has been reduced by half, as has the “buffer zone” (around affected areas), which is aimed at preventing the spread of the disease to unaffected areas. In addition, individual “buffer zones” will be determined based on whether the disease is actively spreading and what eradication measures have been taken. Furthermore, Member States will be required to i) intensify their surveillance activities in order to identify outbreaks more rapidly; ii) develop contingency plans and protocols to be applied in case of outbreaks; and iii) conduct awareness building activities. In regions where eradication of the disease is no longer feasible, concerned authorities should concentrate their efforts on containment measures. The new regulations also envisage increased scrutiny of high-risk product movement within the EU, along with strict criteria for third country imports. |
| 48 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | France | October | Glyphosate | France's health and environment agency ANSES, confirmed that certain uses of glyphosate – a controversial herbicide widely used in the cultivation of perennial and annual crops, including soybeans – would be banned from January 2021 onwards. In general, the chemical's use will only be allowed in situations where there is no substitute in the short term. In the case of arable crops, the use of glyphosate will be prohibited when a plot has been mechanically ploughed between two crops (with some exceptions). In addition, an upper limit on glyphosate use of 1 080 grams per hectare per year would be introduced – which represents a 60 percent reduction from the current maximum permitted level. Farm associations warned that, given the lack of alternative innovative weed control methods, the planned restrictions would threaten the competitiveness of domestic products vis-à-vis imported goods that are not subject to such limitations. (See also <i>MPPU Sep. '19</i>) |
| 49 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | France | December | Glyphosate | Following its decision to restrict – rather than outrightly ban – the use of glyphosate (see <i>MPPU Nov. '20</i>), the Government announced that farmers voluntarily ending the chemical's use would receive financial support in the form of temporary tax breaks. In addition, public funding to help farmers change their agricultural equipment will be increased. France's National Research Institute for Agriculture, Food and Environment estimated that grain farms halting glyphosate use would face a loss in gross operating profits of up to 16 percent, amounting to extra annual costs of up to 80 euro per hectare. Reportedly, the Government is aiming for a 50 percent reduction in the chemical's use by the year 2022. At EU level, the approval for glyphosate expires in December 2022, although the industry already submitted a dossier for its renewal. |
| 50 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Italy | January | <i>Xylella fastidiosa</i> | With regard to <i>Xylella fastidiosa</i> , the bacterial disease that affects in particular olive cultivation, the Government of Italy approved a plan to deploy EUR 300 million (USD 332 million) over the 2020–2021 period both as compensation for farmers and for activities aimed at restoring olive oil production while containing the spreading of the disease. |

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| 51 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Mexico | August | Glyphosate | In August, the President of Mexico announced that the use of glyphosate – a herbicide widely used in soybean cultivation – would be gradually phased out by late 2024 due to safety concerns. Reportedly, the Federal Ministries of Environment and Agriculture and Rural Development are working jointly to establish a schedule for the chemical's gradual withdrawal. The herbicide's use will be prohibited within government agencies and projects with immediate effect. |
| 52 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Thailand | April | Paraquat, chlorpyrifos, glyphosate | The Thai Government plans to introduce, from 1 June 2020, zero-tolerance for residues of two agro-chemicals, paraquat and chlorpyrifos, in food ingredients and food products. The new requirement would apply to production, possession, importation and exportation. The use of glyphosate, on the other hand, continues to be allowed, although it remains subject to permission and several restrictions will continue to apply to its use in crop cultivation. |
| 53 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Thailand | November | Paraquat, chlorpyrifos | After banning the domestic use of paraquat and chlorpyrifos – two pesticides used on a variety of arable crops including oilseeds – from June 2020, Thailand's Health Ministry announced that, as of June 2021, the MRLs for the two pesticides on imported food products would be zero, with specific limits of detection applying to different categories of food. The ban is expected to affect the imports of several agricultural commodities, including soybeans and soybean meal. |
| 54 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | United States of America | January - February | Glyphosate | In January, the Environmental Protection Agency reaffirmed that glyphosate-based herbicides are not carcinogenic when used according to instructions provided on product labels. Meanwhile, US pesticide manufacturers continue facing lawsuits concerning alleged health issues and off-site damage to non-targeted crops resulting from the use of, respectively, glyphosate and dicamba. |
| 55 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | United States of America | March | Isoxaflutole | The U.S. Environmental Protection Agency (EPA) cleared the use of the herbicide isoxaflutole on genetically modified soybeans, allegedly providing soy farmers with a new tool to control weeds that have become resistant to many other herbicides. Isoxaflutole has been classified as a restricted-use pesticide, meaning that users must receive special training in order to use it. Furthermore, its use will only be allowed in certain parts of the country. The registration is limited to five years, during which time EPA would evaluate any potential weed resistance that may develop. |
| 56 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | United States of America | June | Dicamba | A US federal Appeals Court blocked domestic sales of dicamba (– a pesticide widely used in the cultivation of GM soybeans and cotton –), thereby suspending a federal regulator's permit regarding the product (see <i>MPPU Oct. & Dec. '18</i>). According to the ruling, the Environmental Protection Agency (EPA) underestimated the environmental and other risks arising from the use of dicamba-based herbicides. After the court's ruling, EPA determined that farmers who had already purchased dicamba products can legally use them until end-July 2020. On a separate note, a different Appeals Court permanently blocked California from requiring producers of glyphosate-based herbicides to label their products with a cancer warning. The court argued that the state's requirement was not supported by regulatory findings. |

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| 57 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | United States of America | October | Dicamba | On 27 October, the US Environmental Protection Agency (EPA) announced that it approved the use of three herbicides containing dicamba for a period of five years. The registrations, which are limited for use on dicamba-tolerant soybeans and cotton, comprise new control measures to ensure the products can be used effectively while protecting the environment, including non-target plants, animals and other crops not tolerant to the chemical. The agency informed that it had reviewed substantial amounts of new information and conducted scientific assessments to address the concerns raised by a US Appeals Court with regard to possible damage resulting from off-site movement of dicamba (see <i>MPPU July '20</i>). |
| 58 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Viet Nam | May | Glyphosate | Viet Nam's Ministry of Agriculture extended the authorization of herbicide products containing glyphosate until end-June 2021, thereby postponing a ban scheduled to take effect on 10 June 2020. |
| 59 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Multiple countries (Brazil, Canada, Japan, United States of America) | September - October | Selected pesticides | MRL revisions: During the September-October period, the competent authorities of Brazil, Canada, Japan and the United States of America introduced new MRLs (– maximum residue levels tolerated in food or feed products –) for a number of specific pesticides used on arable crops including soybeans and other oilseeds. |
| 60 | AGRICULTURAL SUPPORT POLICIES – <i>Pest control measures & regulations</i> | Multiple countries (Brazil, Canada, Japan) | November | Selected pesticides | MRL revisions: In November, Brazil announced revised MRLs – i.e. maximum residue levels tolerated in food or feed products – for a pesticide used in soybean cultivation; while Canada and Japan established MRLs for a number of pesticides used on soybeans and other food crops. |
| 61 | BIOENERGY POLICIES | Brazil | March | Biodiesel | In line with past announcements, on 1 March, the Government raised the nationwide mandatory biodiesel blend to 12%, compared to the 11% rate in place since September 2019 (see also <i>MPPU Sep. '19 & Jan. '20</i>). |
| 62 | BIOENERGY POLICIES | Brazil | June | Biodiesel | In May, citing insufficient planned deliveries of biodiesel, the country's federal petroleum, oil and biofuel agency (ANP) approved an exceptional 5-day reduction in the mandatory blending rate of biodiesel from 12 percent to 10 percent. Reportedly, the production shortfall was linked to the recent record pace of soybean exports and unexpectedly robust demand for diesel fuel during the COVID-19 lockdowns. |

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| 63 | BIOENERGY POLICIES | Brazil | August | Biodiesel | In August, concerned about potential shortages in soyoil and soyoil-based biodiesel amid a faster than expected rebound in domestic diesel consumption (following the slowdown caused by the coronavirus outbreak), Brazil's National Petroleum Agency decided to temporarily lower mandatory admixture of biodiesel blended with transport diesel from 12 percent to 10 percent (see also <i>MPPU July'20</i>). Reportedly, the lower blending requirement will remain in place until end-October. Industry sources estimate that each 1 percent increase in the country's biodiesel-diesel blend corresponds to about 600 million litres of additional production per year. |
| 64 | BIOENERGY POLICIES | Brazil | September | Biodiesel | Market deregulation: The country's Energy Ministry revealed plans to deregulate the country's biodiesel market from January 2022, moving from the current system of regular procurement auctions (which is in place since 2008) to a regime where – similar to the country's ethanol market – contracts would be freely negotiated between producers and distributors, including limited participation of foreign suppliers. The rigidity of the current auction-trading model is said to raise costs to consumers. The requirement that biodiesel producers source part of their feedstock from local certified-independent farmers would remain in place under the new regime. |
| 65 | BIOENERGY POLICIES | Brazil | October | Biodiesel | Following a number of earlier brief reductions in the country's mandatory biodiesel blending rate, on 7 October, Brazil's regulatory agency for petroleum, biofuel and gas (ANP) approved a cut in the blending rate from 12 percent to 11 percent from 1 November through December 2020, citing continued concerns about possible shortfalls in biodiesel supplies stemming from reduced domestic soybean availabilities. (See also <i>MPPU July & Sep.'20</i>) |
| 66 | BIOENERGY POLICIES | Brazil | November | Biodiesel | On 18 November, concerned about dwindling domestic supplies of soyoil (the primary raw material for biodiesel production in Brazil) and high food and beverage prices fuelling consumer inflation, the National Energy Policy Council determined that biodiesel producers may use imported raw material in addition to locally produced oils and fats. The resolution does not specify how long the measure will remain in effect. (See also <i>MPPU Sep./Nov.'20 on other measures introduced to address Brazil's exceptional shortage in soyoil supplies.</i>) |
| 67 | BIOENERGY POLICIES | Canada | December | Biodiesel | In December, the Government published draft regulations for a Clean Fuel Standard (CFS), inviting public comments. Reportedly, final regulations to address the transportation sector's rising emissions will be released in late 2021, with regulatory requirements scheduled to come into force in December 2022. Canada's CFS is expected to drive investment and growth in the country's 'clean fuel' sector by providing incentives for the development and adoption of low-carbon fuels, including hydrogen and biofuels. Under the CFS biofuel producers will be allowed to create and sell credits, thereby providing opportunities for farmers and other feedstock suppliers. The Canola Council of Canada (CCC) views the CFS as an opportunity to diversify the domestic rapeseed market and increase value-added processing, while reducing reliance on volatile global markets. According to the industry body, the CFS will allow using rapeseed for biofuel production without complex and costly on-farm regulatory burden, since the absence of increased net land use would be sufficient to satisfy sustainability criteria. The CCC estimates that under the CFS the biofuel content in transport diesel could rise to 11 percent by 2030, compared with the current 2 percent national requirement. |

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| 68 | BIOENERGY POLICIES | India | January | Biodiesel | The Food Safety Department of Tamil Nadu state intends to expand its repurpose used cooking oil project (RUCO) aimed at recycling edible oil from the food sector into biodiesel. Reportedly, the initiative would contribute to reducing health hazards associated with prolonged use of cooking oil. |
| 69 | BIOENERGY POLICIES | Indonesia | January - February | Biodiesel | The Government confirmed that – following the successful launch of mandatory B30 transport diesel (i.e. diesel blends including 30 percent of palm-oil-based diesel) in January 2020 – road test with 40 percent blends would start in April. The newly introduced B30 requirement is expected to raise the fuel industry's annual uptake of palm oil to 8.5 million tonnes. |
| 70 | BIOENERGY POLICIES | Indonesia | May | Biodiesel | In May, the Government approved a subsidy of IDR 2.78 trillion (USD 188 million) in support of the country's recently introduced B30 biodiesel programme (see <i>MPPU Jan.'20</i>). An additional IDR 760 billion (USD 52 million) would be contributed by the oil palm industry this year via an increase – with effect from 1 June – in the export levy collected on crude palm oil exports from USD 50 per tonne to USD 55. The levy on refined palm oil exports would range USD 25–45 per tonne, compared to the previous USD 20–40 range. The need to raise fresh funds to support biodiesel production – and thereby promote domestic palm oil uptake – arose from the recent plunge in crude mineral oil prices and the worldwide disruption in fuel demand caused by the coronavirus pandemic, which resulted in a widening of the price gap between biodiesel and regular diesel. According to data from Indonesia's Energy Ministry, in May, the per litre cost of producing palm oil-based diesel and regular diesel stood at IDR 8 494 and IDR 3 083 (USD 0.58 and 0.21) respectively, entailing a price gap of more than double the level recorded in January 2020. The country's Trade Ministry estimates domestic consumption of oil palm-based biodiesel at 8 million kiloliters in 2020, falling short of the initial target of 9.6 million kiloliters. Government officials informed that the shift in mandatory blending from 30 percent to 40 percent – originally planned for 2021 (see <i>MPPU Jan.'2020</i>) – would be postponed to 2022. Furthermore, the target year for producing fuel entirely made from palm oil would be delayed from 2023 to 2026. |
| 71 | BIOENERGY POLICIES | Indonesia | July - August | Biodiesel | Contrary to recent statements that the planned shift to 40 percent mandatory blending of biodiesel into regular diesel (B40) would be postponed to 2022 (see <i>MPPU July'20</i>), in July, the Indonesian Government announced that policies to raise the national blending mandate were back on track, with B40 implementation scheduled for July 2021. Reportedly, the gradual recovery in mineral oil prices contributed to the change in plans, as it helped improve the competitiveness of palm-oil based biodiesel. Indonesia's biofuel policy is aimed at absorbing a growing share of domestic palm oil production, while reducing the country's GHG emissions and cutting diesel fuel imports. On a separate note, in August, a Finance Ministry official stated that further increases in the country's palm oil export levy to support the government's biodiesel programme could not be excluded in the future. Furthermore, official sources reiterated that – different from B30 biodiesel, which contains 30 percent of fatty-acid-methyl-ester (FAME) – B40 biodiesel would combine 30 percent of FAME with 10 percent of 'renewable diesel' derived from palm oil using hydro-treatment (see also <i>below</i>). The new formulation, which entails higher production costs, is said to be more suitable for vehicle engines due to a higher cetane value. Blends with FAME content above 30 percent faced resistance from car makers, as such fuels require special handling and equipment, can corrode engine gaskets, and tend to solidify at low temperatures. |

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| 72 | BIOENERGY POLICIES | Indonesia | December | Biodiesel | The revision in the structure of Indonesia's levy on palm oil exports (implemented in December 2020) was introduced to increase fund raising in support of the country's ambitious biodiesel policy, which includes plans for lifting the country's mandatory blending rate from 30 percent to 40 percent in 2021 (see also <i>MPPU Sep. '20</i>). Proceeds from the levy collection are used to subsidize biodiesel producers when the cost of palm oil-based diesel exceeds that of regular diesel. In 2020, as the price gap between the two fuels increased markedly, Indonesia spent more on biodiesel subsidies than it collected through the export levy (IRP 25.7 trillion versus IRP 17–18 trillion, respectively USD 1.83 billion and USD 1.21–1.28 billion), according to official estimates. Owing to the revision in the levy's structure, the Government expects to raise IRP 36 to 45 trillion (USD 2.56–3.2 billion) in 2021 to fund both the its biodiesel programme and an oil palm replanting scheme for smallholder farmers. Regarding the allocation of biodiesel to the country's 20 biofuel companies, the Government distributed about 8.5 million tonnes in 2020, compared with the 9.6 million tonnes planned originally. In 2021, the Government expects to allocate 9.2 million tonnes, which points to a postponement of the planned rise in the mandatory blending rate – from 30 percent to 40 percent – to after 2021. Reportedly, the Government's more cautious approach results from an uncertain fuel consumption outlook due to the COVID-19 pandemic. |
| 73 | BIOENERGY POLICIES | Italy | January | Biodiesel | Market regulation: The Italian Competition and Market Authority (AGCM) fined the country's leading oil and gas company for allegedly disseminating misleading advertising messages to promote the sale of certain biodiesel products. The agency challenged the company's assertions regarding i) the positive environmental impact associated with the concerned products' use, and ii) the fuel's characteristics in terms of fuel economy and GHG emission reduction. |
| 74 | BIOENERGY POLICIES | Malaysia | February | Biodiesel | In January, Malaysia introduced mandatory B20 transportation fuel (i.e. diesel containing 20 percent of palm oil-based diesel) in the states of Langkawi and Labuan, with Sarawak and Sabah expected to follow in, respectively, April and August of this year. Reportedly, the shift to B20 will be happen in stages as fuel blending facilities and petrol stations need to be equipped to handle the higher blends. Nation-wide B20 use is expected to be achieved by mid-2021. Once fully implemented, the Government expects palm oil uptake by biodiesel producers to increase by 534 000 tonnes annually from the 760 000 tonnes currently used for the B10 programme (NB: the estimate, in addition to the B20 programme, includes the switch to B7 fuels in the industrial sector). Meanwhile the country's standard setting body has developed and deployed new fuel standards in support of the B20 programme. Moreover, the Government announced the launch of field tests with B30, in line with plans to shift to B30 fuels by 2025 at the latest. |
| 75 | BIOENERGY POLICIES | Malaysia | April | Biodiesel | The Government decided to temporarily suspend its recently launched B20 programme, which envisaged a gradual, countrywide shift towards transportation diesel containing 20 percent palm oil-based biodiesel – compared to the B10 mandate in place since February 2019 (see also <i>MPPU Mar. '20</i>). The decision was prompted by a sharp decline in domestic fuel demand resulting from temporary movement restrictions to halt the spread of COVID-19 and reflects Government efforts to channel public resources towards measures to contain the pandemic. Reportedly, the B20 rollout will be paused in those states where the new policy was yet to be implemented and would resume once the need for COVID-19 related measures ceases. |

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| 76 | BIOENERGY POLICIES | Malaysia | May | Biodiesel | The Government announced that the nationwide rollout of its B20 biodiesel programme, which requires the blending of regular transport diesel with 20 percent of palm oil-based diesel, would be resumed in September of this year. Implementation had been temporarily suspended due to the country's COVID-19 related lockdown (see <i>MPPU May'20</i>). The programme's nationwide rollout is still expected to be completed by mid-2021 (see also <i>MPPU Mar.'20</i>). |
| 77 | BIOENERGY POLICIES | Malaysia | September | Biodiesel | The Government announced that nationwide rollout of the country's B20 biodiesel scheme (which requires the blending of regular transport diesel with 20 percent of palm oil-based diesel) would be resumed in September 2020 – following the programme's temporary suspension in April 2020 due to the outbreak of COVID-19 (see <i>MPPU May'20</i>). While B20 biodiesel is already available in Sarawak state, sales in Sabah state and Peninsular Malaysia are set to begin on 1 January and 15 June 2021, respectively. The shift in the mandatory blending rate from its current level of 10 percent to 20 percent is expected to help expand local uptake of palm oil and reduce Government outlays for fuel cost subsidies. Once fully implemented, the B20 scheme is estimated to absorb 1.06 million tonnes of palm oil annually. In addition, some 240 000 tonnes are being absorbed by the country's industrial sector, which is required to use diesel containing 7 percent of biodiesel. |
| 78 | BIOENERGY POLICIES | Thailand | October | Biodiesel | The government confirmed that B10 (i.e. transport diesel including 10 percent of palm oil-based biodiesel) would become the country's primary diesel effective 1 October 2020, while voluntary sales of B7 and B20 blends would also be allowed. To encourage the use of higher blends, the Government continues to subsidize the pump prices of B10 and B20, with both blends sold at a THB 3 per litre (USD 0.10) discount relative to B7 blends – while the law envisages a gradual phase-out of subsidies for all types of biofuels. Thailand's 2019 biodiesel consumption has been estimated at 1.58 million tonnes and is forecast to rise to 1.74 million tonnes in 2020, despite subdued diesel consumption due to the outbreak of COVID-19. Currently, the country's biodiesel industry absorbs roughly 40 percent of domestic palm oil output. Earlier this year, concerned over possible future shortages in the supply of palm oil, the principal biodiesel feedstock, the Government lowered the country's biodiesel consumption target for 2037 from originally 4.5 million tonnes to 2.6 million tonnes. At the same time, the target for oil palm cultivation was increased to 1.63 million hectares, which compares to a mature area of about 960 000 ha today. |
| 79 | BIOENERGY POLICIES | United States of America | January - February | Biodiesel | To set up infrastructure required to supply higher biofuel blends across the country, USDA will make available grants worth USD 100 million through its newly created Higher Blends Infrastructure Incentive Program. Moreover, to promote the use of environmentally friendly fuels and ensure that the 2020 consumption targets for ethanol, biodiesel and other renewable fuels are met, USDA committed to increase the number of biofuel capable vehicles in its own fleet. Furthermore, USDA's National Institute for Food and Agriculture awarded a grant aimed at expanding the use of oilseeds and other oil-rich crops in renewable jet fuel production. Under the grant, new, cost-effective manufacturing technologies would be developed and crop feedstocks with vegetable oil compositions tailored for such technology would be identified. Initially, attention would focus on camelina seed oil, though other feedstocks such as genetically modified soybeans and oil-rich sorghum would also be considered. On a separate note, USDA informed that the rules governing its Advanced Biofuel Payment Program (which also applies to producers of biodiesel) have been amended. |

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| 80 | BIOENERGY POLICIES | United States of America | June | Biodiesel | In Iowa – the United States' leading producer of biodiesel – legislators approved a six-year extension of the state's Fuel Tax Differential that expired in June 2020. The differential reduces the taxes on the cost of diesel blends containing at least 11 percent of soy oil-based biodiesel by about 3 US cents per gallon. Reportedly, roughly half of the transportation fuel sold in Iowa consist of B11 blends or higher. |
| 81 | BIOENERGY POLICIES | United States of America | July | Biodiesel | The US Department of Agriculture confirmed that it was making available up to USD 100 million in competitive grants for activities designed to expand the availability and sale of renewable fuels. The funds are part of the USDA's recently launched Higher Blends Infrastructure Program, which is aimed at increasing the sale and use of higher ethanol and biodiesel blends by expanding the infrastructure for renewable fuels derived from US agricultural products. Funds will be used to assist transportation fuelling and biodiesel distribution facilities with converting to higher blends by contributing to relevant costs and/or offering sales incentives for the installation of fuel pumps, related equipment and infrastructure. (See also <i>MPPU May'20</i>) |
| 82 | TRADE POLICIES – <i>Import measures – non-tariff</i> | Brazil | November | Soybeans, maize | As part of efforts to facilitate imports of soybeans (and derived products) and maize from countries outside the South American Mercosur trade bloc and in particular from the United States of America (see <i>MPPU Nov.'20</i>), on 3 November 2020, the Government simplified the information requirements on import licences for genetically modified (GM) products intended to be used in animal feed. However, the USDA cautioned traders that there was no evidence to suggest that the new rules established approval for GM soy and maize varieties that have not been explicitly authorized by Brazil's Technical Biosafety Commission (CTNBio). According to trade sources, Brazil – the world's number one supplier of soybeans – could import up to 1 million tonnes of soybeans in CY 2020, the highest volume in at least 12 years. |
| 83 | TRADE POLICIES – <i>Import measures – non-tariff</i> | European Union | October | Selected pesticides | Following the detection of high levels of ethylene oxide in consignments of sesame seed originating from India together with the recent occurrence of food safety incidents, the European Commission decided to tighten the applicable regulations on pesticide residues and on the frequency of checks at EU's borders, underlining that ethylene oxide contamination constituted a serious risk to human health. As of 26 October, batches originating from India are required to be officially certified as complying with all relevant regulations. |
| 84 | TRADE POLICIES – <i>Import measures – non-tariff</i> | India | January | Palm oil | In January, concerned about the adverse effect of recent adjustments in the country's palm oil duty structure on domestic oil refiners (see <i>MPPU Sep.'19 & Jan.'20</i>), the Government placed refined palm oil and palm olein on the list of goods requiring special import licences. Maintaining that the restriction was the equivalent of an import ban, traders anticipated a rise in the country's imports of crude palm oil – a development expected to alter the competitive position of Malaysia (India's main supplier of refined palm oil) and Indonesia (India's main source for crude palm oil). |
| 85 | TRADE POLICIES – <i>Import measures – non-tariff</i> | India | April | Palm oil | In April, the Indian Government eased the strict licensing requirements for refined palm oil imports that it had introduced at the beginning of the current year (see <i>MPPU March '20</i>). According to industry sources, the decision was prompted by concerns that the recently imposed COVID-19 lockdowns could curtail domestic edible oil supplies and drive up consumer prices. |

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| 86 | TRADE POLICIES – <i>Import measures – non-tariff</i> | India | May | Palm oil | In a bid to protect the domestic refining industry from surging imports of refined palm oil, in May, India's Department of Commerce suspended a number of import licences. The affected permits related to imports from neighbouring countries such as Nepal and Bangladesh, which do not produce palm oil but enjoy duty-free access to India based on the South Asian Free Trade Agreement. (See also <i>MPPU Aug.'18</i>) |
| 87 | TRADE POLICIES – <i>Import measures – non-tariff</i> | Thailand | January | Palm oil | Reportedly, the Government of Thailand plans to implement a set of measures aimed at halting illegal imports of palm oil for use as biodiesel feedstock. Smuggling is reckoned to strongly affect domestic prices. Planned measures include i) the use of advanced scientific and statistical tools to determine the origin of palm oil stocked across the country, and ii) the installation of gauges on storage tanks of biodiesel manufacturers. |
| 88 | TRADE POLICIES – <i>Import measures – non-tariff</i> | United States of America | September | Palm oil | Effective 30 September 2020, the U.S. Customs and Border Protection (CBP) issued a ban on imports of palm oil products from an Asian supplier, based on an investigation indicating multiple instances of forced labour in the company's supply chain. The concerned company created unfair competition for legitimately sourced goods and exposed the public to products that fail to meet ethical standards, stated CBP, adding that importers of detained shipments may re-export the merchandise or submit proof that the goods were not produced with forced labour. The affected company informed that, over the past several years, it had taken concrete steps demonstrating its commitment to respect human rights and to uphold labour standards. Reportedly, CBP was willing to consider revoking its ban if the company could provide evidence that it does not use forced labour. Meanwhile, palm oil industry groups in Malaysia and Indonesia questioned the justification for CBP's action and pointed out that the initiative had damaged the image of the palm oil sector as a whole (see also <i>MPPU Sep.'20</i>). |
| 89 | TRADE POLICIES – <i>Import measures – non-tariff</i> | United States of America | December | Palm oil | Following investigations into alleged labour abuses, in December, the U.S. Customs and Border Protection (CBP) issued a withhold release order that allows the agency to detain shipments of palm oil and palm oil products originating from a specific supplier in Asia. An analogous measure concerning another Asian palm oil supplier was reported in September (see <i>MPPU Nov.'20</i>). |
| 90 | TRADE POLICIES – <i>Import measures – non-tariff</i> | Viet Nam | February | Selected feed ingredients | The Government of Viet Nam published new requirements regarding quality control of imported feed ingredients, including soybean, oilmeals, vegetable oil and animal fat. Inter alia, sales certificates must clearly state that the concerned goods are manufactured and authorized for sale in the country of origin. The new requirements would come into force on 3 March 2020. |
| 91 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Brazil | August | Soybeans, maize, rice | In August, concerned about increasingly tight domestic supplies of soybeans, maize and rice (and corresponding price increases), the Agriculture Ministry considered to temporarily suspend the 8 percent tariff on imports of the said commodities from countries outside the Mercosur trading bloc. |

| No. | Domain | Country | Month | Product | Description * |
|-----|---|--------------------|----------|-----------------------------|--|
| 92 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Brazil | October | Soybeans, soyoil, soymeal | On 16 October, the Government announced that Brazil's tariffs on soybeans, soyoil and soymeal imported from countries outside the Mercosur trade bloc would be suspended until 15 January 2021. Since 1995, Brazil has applied the common Mercosur external tariffs, i.e. 8 percent for soybeans, 10 percent for soyoil, and 6 percent for soymeal. Primarily intended to help reduce domestic food prices, the measure is expected to facilitate imports by Brazil's crushing, animal feed and biodiesel industries, which are faced with exceptionally high commodity prices. Regarding the possibility of Brazil turning to the USA for imports, the United States Department of Agriculture (USDA) identified several hurdles to substantial transactions, including a number of regulatory and logistical challenges as well as the prevailing price spreads. (See also <i>MPPU Sep. '20</i>) |
| 93 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Ecuador | January | Soybean meal, wheat | The Government of Ecuador extended the country's tariff exemption for imports of soybean meal and wheat from all origins for five years, effective 1 January 2020. |
| 94 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | India | February | Palm oil | In an attempt to encourage domestic oilseed production and reduce the country's dependence on imported oils, India's federal budget document for 2020 raised the standard import duty for crude palm oil from 37.5 percent to 44 percent, while the duty for unrefined soy and sunflowerseed oil remained at 35 percent and that for rapeseed oil at 45 percent. However, for palm oil exporters from the ASEAN bloc – which includes Indonesia and Malaysia – the preferential rate of 37.5 percent for palm oil would remain in place. |
| 95 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | India | March | Palm oil | In March, the Indian Government decided not to extend the temporary safeguard duty imposed in September 2019 on refined palm oil imports from Malaysia (see <i>MPPU Sep. '19</i>). Malaysia's new Government welcomed the decision and confirmed its interest in strengthening the commercial ties between the two countries. |
| 96 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | India | November | Palm oil | Concerned about rising food price inflation, the Government lowered import duties on crude palm oil from 37.5 percent to 27.5 percent, effective 27 November 2020. Reportedly, local palm oil prices increased strongly on the back of surging world market prices. The tariff reduction is expected to favour imports of palm oil, which, due to the coronavirus crisis, experienced lower demand from the hospitality sector. Meanwhile, the import duty for competing vegetable oils has been left unchanged at 35 percent. Domestic prices for sunflower and soybean oil also recorded sharp rises, as demand for these oils – which are primarily consumed within households – increased in the wake of the COVID-19 epidemic. Market experts didn't exclude upward corrections in the various edible oil import duties in the near future, in time to encourage domestic oilseed plantings for the forthcoming season. |
| 97 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Russian Federation | January | Sunflowerseed | With effect from 1 January 2020, the Russian Federation cancelled duties on selected agricultural imports from Moldova, including sunflowerseed. The duties were in place since 2014, when the Republic of Moldova signed an association agreement with the European Union. |
| 98 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Sri Lanka | April | Palm, soy and sunflower oil | With effect from 10 April, the special commodity levy imposed on imported palm oil was raised from LKR 200 per kg to LKR 300 per kg (USD 1.08 and 1.62 respectively), while the import levy on soyoil and sunflower oil was raised to LKR 275 per kg (USD 1.48). |

| No. | Domain | Country | Month | Product | Description * |
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| 99 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Turkey | April | Sunflowerseed oil | In a bid to facilitate imports and thus prevent increases in consumer prices of edible oil, the Government temporarily lowered the import tariff for sunflowerseed oil from 36 percent to 30 percent. At the same time, the reference price on which tariffs are applied would be reduced from USD 1 000 to USD 800 per tonne. The measures will remain in place from 1 February to 30 June 2020. Reportedly, the need to secure import flows arose after the Eurasian Economic Union (which includes the Russian Federation, i.e. Turkey's principal supplier of sunflowerseed) decided to temporarily ban sunflowerseed exports on the backdrop of the COVID-19 emergency. |
| 100 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | Turkey | November | Sunflowerseed, sunflower oil | On 5 November 2020, the Government announced that the 3 percent tariff and the flat duty of EUR 100 per tonne (USD 121) applied to sunflowerseed imports would be suspended for eight months until end-June 2021. Towards end-November, to secure sufficient supplies for local refiners amid surging international prices, the Government also lowered the import duty on sunflowerseed oil from 36 percent to 3 percent, while the applicable EUR 100 flat rate would be reduced to EUR 60 per tonne (USD 73). |
| 101 | TRADE POLICIES – <i>Import measures – tariffs & levies</i> | United States of America | May | Biodiesel | Import restrictions: The U.S. Department of Commerce determined – with respect to the anti-dumping and countervailing duties applied to imports of biodiesel from Argentina – that circumstances warranting the termination of such levies do not exist and hence confirmed the duty rates already in place since 2017–2018. The decision in part reverses preliminary findings announced in July 2019 (see <i>MPPU Sep. '19</i>). |
| 102 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Argentina | February | Grains, oilseeds | On 26 February, the Government of Argentina temporarily suspended the customs reporting mechanism tracking export registrations for agricultural products, effectively halting the country's grain and oilseed shipments. The measure was taken in view of planned adjustments in the export tax for a number of commodities, notably oilseeds and derived products. |
| 103 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Argentina | March | Soybeans, sunflower and groundnut, and their respective oils/meals | A revised export duty structure for agricultural commodities has come into force on 5 March, along with the reactivation of the export registration mechanism that had been suspended on 26 February (see also <i>MPPU Jan. & Mar. '20</i>). Citing fiscal policy reasons, the Government raised the duty for soybean, soymeal and soyoil to 33% (compared to the 30% rate in place since December 2019), thus retaining a uniform tax rate for primary and secondary/value-added products. Under the revised duty scheme, larger/commercial farms will be subject to higher duties than smaller-scale farms: the 33% rate will only apply to farmers producing more than 1000 tonnes of soybeans per year, while farmers harvesting between 500 and 1000 tonnes will continue to pay 30%, and producers with an output of less than 500 tons will be charged duties ranging between 20% and 29%. Reportedly, the top duty rate will apply to about one quarter of the country's soybean farmers, who account for three-quarters of total production. As for other agricultural commodities, the export duties for wheat, maize, sorghum, beef and poultry have been left unchanged, while those for sunflowerseed, groundnut and their respective crude oils were lowered from 12% to 7% and those for confectionary sunflowerseed/groundnuts, refined sunflowerseed/groundnut oil and sunflowerseed/groundnut meal from 12% to 5%. The export tax for biodiesel was raised from 27% to 30%. |

| No. | Domain | Country | Month | Product | Description * |
|-----|--|-----------|-----------------------|------------------------------|--|
| 104 | TRADE POLICIES – Export measures – tariff & non-tariff | Argentina | October | Soybeans, soyoil, soymeal | In October, the Government reduced the export taxes for soybeans and derived products in a bid to accelerate the pace of exports and increase foreign exchange earnings. While the export tax on soybeans was cut by 3 points to 30 percent, the duty on soyoil and meal was lowered by 5 points to 28 percent – which re-introduces a tax differential between primary and derived products. Furthermore, the duty for soyoil-based biodiesel was reduced by 4 points to 26 percent. The lower rates have come into effect on 5 October 2020. During the ensuing three months, the tax rates will be raised incrementally, returning to 33 percent, 31 percent and 29 percent for soybeans, soyoil/meal and biodiesel, respectively, by 1 January 2021. In an effort to support small farms located outside the country's core production regions, together with the tax rate revisions the Government implemented a temporary tax reduction scheme for small-scale soybean growers that offers compensation payments based on farm size and farm location. The measure is aimed at incentivizing – during the remainder of 2020 – crop sales by smaller scale farmer, which are estimated to account for about one fourth of total production. Trade sources questioned whether the two temporary measures would be sufficient to stimulate a substantial release of soybeans for export, given that producers could prefer holding on to their produce as a hedge against possible future devaluations of the local currency against the US dollar. As for the restoration of the tax differential between soybeans and derived products, the measure could encourage crushers to step up their operations and increase oil/meal exports. |
| 105 | TRADE POLICIES – Export measures – tariff & non-tariff | Argentina | December | Grains, oilseeds | In December, the Government tightened its foreign exchange control regulation mandating the conversion of proceeds from exports of agricultural products – including from soybeans and derived products – into Argentine Pesos within 15 days (counted from the time the sale takes place). Based on a new decree, companies that do not respect the deadline will see their export permits suspended. The measure is aimed at encouraging businesses to keep savings in Pesos rather than US dollar, thereby supporting the country's currency. |
| 106 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | January - February | Palm oil | Variable export duties: With palm oil benchmark prices rising – for the first time in 33 months – above the trigger-level of USD 750 per tonne, in February, Indonesia reactivated its palm oil export tax. While, in February, exports will be taxed at a rate of USD 18 per tonne, the rate for March will be USD 15, in line with recent downward corrections in market prices. As for the export levy, which was reactivated on 1 January 2020 (see MPPU Jan. '20), the Government considered increasing its level to support the expansion of its biodiesel support programme, given the recent widening in the gap between the price of standard diesel and palm oil-based biodiesel. (NB: Currently set at a maximum of USD 50 per tonne, the levy was introduced in 2015 to finance government programmes on palm oil, notably biodiesel subsidies and an oil palm replanting scheme). |
| 107 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | March | Palm oil | With a view not to disrupt the country's palm oil exports, the Indonesian Government decided to revoke rules that would require exporters of palm oil to use exclusively Indonesia-flagged vessels for their shipments. Based on announcements made in 2018, the requirement was due to come into force in May 2020 (see also MPPU May'18). |

| No. | Domain | Country | Month | Product | Description * |
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| 108 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | March - April | Palm oil | Variable export duties: In line with recent falls in palm oil reference prices, Indonesia's export tax on crude palm oil for March was lowered to USD 3 per tonne (compared to the USD 18 per tonne rate applied in February). During the months of March and April, the palm oil reference price dropped further, falling below the USD 750 per tonne threshold that triggers export taxation; consequently, during April and May, the tax on crude palm oil shipments will be zero. On the other hand, the export levy of USD 50 per tonne remains in place, given that palm oil reference prices fared above the USD 619 per tonne threshold that activates the levy. |
| 109 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | June - July | Palm oil | Variable export tax: For June and July, Indonesia's progressive export tax for palm oil has been set at zero, as the respective reference prices remained below the USD 750 per tonne threshold level that triggers taxation. July marks the fourth consecutive month of tax suspension. |
| 110 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | July - August | Palm oil | Variable export duties: For August and September, Indonesia's progressive export tax for palm oil will stay at zero, as the respective reference price remained below the USD 750 per tonne threshold that triggers taxation. September marks the sixth consecutive month of tax suspension. Meanwhile, the USD 55 per tonne palm oil export levy remains in place. |
| 111 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | October | Palm oil | Variable export duties: In October, triggered by a rebound in marked prices, Indonesia's palm oil export tax was reintroduced at a rate of USD 3 per tonne – following the tax' suspension between March and September 2020. Eventually, the USD 3 rate was retained for the month of November. Meanwhile, Indonesia's palm oil export levy remained unchanged at USD 55 per tonne. Local media reported that the Government was considering to turn the fixed levy into a variable one linked to the price of palm oil, with every USD 25 rise in price triggering a USD 5 increase in the levy. |
| 112 | TRADE POLICIES – Export measures – tariff & non-tariff | Indonesia | November - December | Palm oil | Variable export duties: The marked rise in world palm oil prices recorded since mid-2020 has led to adjustments in Indonesia's export tariffs. On 30 November, the tax on crude palm oil exports was raised from USD 3 per tonne to USD 33, while, on 10 December 2020, the levy charged on crude palm oil exports changed from a fixed amount of USD 55 per tonne to a variable rate ranging from USD 55 to USD 255 depending on the commodity's price. The USD 55 rate kicks in when the benchmark price reaches USD 670, with every additional USD 25 price rise triggering a USD 15 levy increase – up to a maximum of USD 255 when the price exceeds USD 995 per tonne. The levies on refined palm oil products have also been raised progressively. For December, based on a reference price of USD 871 per tonne, the combined export tariff applied to crude palm oil cargoes amounted to USD 213 per tonne, composed of a USD 33 tax and a USD 180 levy. |
| 113 | TRADE POLICIES – Export measures – tariff & non-tariff | Kyrgyzstan | November | Vegetable oils | Export restriction: The Government banned for a period of six months the export of selected agricultural products – including vegetable oils – outside of the Eurasian Economic Union (EAEU). The restriction has come into effect on 19 November 2020. An analogous ban was introduced in March 2020 with a view to secure domestic supplies during the COVID-19 crisis. |
| 114 | TRADE POLICIES – Export measures – tariff & non-tariff | Malaysia | February | Palm oil | Variable export tax: Following further gains in benchmark prices, Malaysia's variable export tax on crude palm oil has been set at 6 percent for February and March, up from the 5 percent tax rate introduced last January. |

| No. | Domain | Country | Month | Product | Description * |
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| 115 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Malaysia | February | Palm oil | Export promotion: In response to the recent slowdown in Malaysia's palm oil exports to India, the Government stepped up its trade promotion efforts, focusing on markets in the Middle East, Africa and Southeast Asia (NB: India has been Malaysia's single largest buyer for the last five years, accounting for roughly one quarter of Malaysia's exports in 2019). Trade differences: Senior officials informed that the Government decided to drop its plans to file a WTO complaint against the European Union's restrictions on palm oil-based fuels (see <i>MPPU June'19</i>) – thus diverging from Indonesia's stance in this regard (see <i>MPPU Jan'20</i>). Instead, Malaysia would advocate changing the treatment of palm oil during the review of the EU's policy scheduled for 2021. |
| 116 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Malaysia | February | Palm oil | Variable export tax: In line with the recent gradual fall in crude palm oil prices, Malaysia's export tax on crude palm oil has been lowered to 5 percent and 4.5 percent in April and May respectively (compared to the 6 percent rate applied in March). |
| 117 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Malaysia | March - April | Palm oil | Variable export tax: For the month of June, Malaysia's progressive export tax for palm oil was lowered to zero, as the respective benchmark price fell below the RM 2 250 per tonne (USD 527) threshold that triggers taxation. World palm oil prices plunged by about 35 percent between January and May 2020, when they lingered around 10-month lows, due to a decline in global demand resulting from worldwide lockdown measures to slow the spread of COVID-19. In June, the Government decided to exempt all palm oil products (including crude palm oil and crude/refined palm kernel oil) from the export duty from July to December 2020, in a bid to stimulate exports and thus accelerate the sector's recovery from the COVID-19 crisis. The measure is part of an economic stimulus package to assist industries hit by the pandemic. |
| 118 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Malaysia | May - June | Palm oil | Variable export tax: In January 2021, ending a 7-month duty free period (see <i>MPPU July'20</i>), an 8 percent tax will be applied to the country's exports of crude palm oil. The tax scheme's maximum rate was established after the palm oil reference price rose above the MYR 3 450 (USD 855) threshold. The payable duty will amount to MYR 278 (USD 69) per tonne. |
| 119 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Malaysia | December | Palm oil | Concerned about a sharp rise in the country's sunflowerseed exports since the beginning of the 2019/20 marketing year, the Government proposed to temporarily raise export taxes on sunflowerseed, in a bid to support the country's oilseed crushing industry. |
| 120 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Russian Federation | February | Sunflowerseed | In December, driven by concerns about rising domestic prices for staple foods, the Government revised the export duties for several oilcrops and derived products. The export duties on sunflowerseed and rapeseed were hoisted from 6.5 percent to 30 percent but not less than EUR 165 per tonne (USD 199). The higher duties came into effect on 9 January 2021 and will remain in place until end-June 2021. Expected to reduce shipments and lower local prices of the two commodities, the measures could also favour exports of the crops' derived products. Reportedly, the Government also considered introducing a 15 percent export duty on sunflowerseed oil. Meanwhile, the Government brokered price agreements between crushers and retailers, which capped sunflower oil retail prices at RUB 110 per kg (USD 1.50) until March 2021. Toward end-December, the Government also decided to institute a temporary tax of 30 percent (but not less than EUR 165 per tonne) on soybean exports to secure domestic supplies amid rising global prices. The soybean duty will come into effect on 1 February 2021 and remain in place for five months. Observers expected the measure to affect producers in the country's far eastern regions, which rely on selling soybeans to neighbouring China. |
| 121 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Russian Federation | December | Sunflowerseed, sunflower oil, rapeseed, soybeans | |

| No. | Domain | Country | Month | Product | Description * |
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| 122 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Senegal | February | Groundnuts | Concerned about a surge in the country's groundnut shipments to China, in January, the Government decided to limit Senegal's groundnut exports to 200 000 tonnes per year, in a bid to guarantee adequate supplies for domestic processors. Reportedly, local groundnut prices surged to FCFA 325 000 per tonne (USD 551), which compares to an official maximum price of FCFA 210 000 (USD 356). In 2018/19, China sourced about 250 000 tonnes of groundnuts (or about two thirds of its imports) from Senegal. |
| 123 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Sudan | March | Groundnuts | The Sudanese Government banned groundnut exports as of 1 April 2020. Furthermore, local storage of groundnuts for the purpose of influencing prices was prohibited. Reportedly, the measures are aimed at stabilizing domestic consumer prices and maximizing the added value of Sudanese groundnuts. |
| 124 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Ukraine | January | Rapeseed | In line with previous announcements, on 1 January 2020, Ukrainian traders lost access to VAT refunds on their rapeseed exports. However, on 16 January, the Ukrainian Parliament voted to reverse the policy, reintroducing the refunds. |
| 125 | TRADE POLICIES – <i>Export measures – tariff & non-tariff</i> | Ukraine | May | Soybeans, rapeseed | At the end of May, VAT export refunds for soybeans and rapeseed were re-established for all exporters, i.e. farmers, crushers and trading companies (see also <i>MPPU Mar '20</i>). The new regulation is expected to trigger a decrease in domestic crush in the 2020/21 marketing year. |
| 126 | TRADE POLICIES – <i>Trade disputes</i> | European Union, United States of America | August - September | Biodiesel | Biodiesel anti-dumping/subsidy duties: Following a request of the European Biodiesel Board, the European Commission decided to re-examine and possibly extend the anti-dumping/subsidy duties the bloc applies to biodiesel imported from the US. First introduced in 2009 and subsequently extended in 2015 (see <i>MPPU Sep '09, Nov '14 & Oct '15</i>), the corrective duties were set to expire on 16 September 2020. The Commission now has 15 months to conduct its review, during which time the current duties will remain in place. On a separate note, the Government of the United Kingdom of Great Britain and Northern Ireland (UK) is considering to transpose the corrective duties the EU currently applies to biodiesel originating from both the US as well as from Argentina and Indonesia once the UK ceases to apply the bloc's Common External Tariff. |
| 127 | TRADE POLICIES – <i>Trade disputes</i> | European Union, United States of America | November | Selected goods | Retaliatory import tariffs: Following the WTO ruling, on 13 October 2020, that the European Union may take countermeasures against the United States for providing illegal subsidies to aircraft maker Boeing, the European Commission introduced additional tariffs on a number of US products, including civilian aircraft, food, agricultural and industrial goods. Bulk agricultural imports from the United States subject to an additional duty of 25 percent as of 10 November 2020 include unshelled/shelled groundnuts and selected, minor vegetable oils like tung, jojoba and oiticica oil. As for groundnuts, in 2017–2019, annual EU imports of unshelled and shelled US groundnuts averaged 23 000 and 99 000 tonnes respectively, accounting for 29 percent and 16 percent of the EU's total imports. (See also <i>MPPU May/Nov '19 & July/Sep '20</i>) |
| 128 | TRADE POLICIES – <i>Trade disputes</i> | Indonesia, European Union | July | Palm oil, palm oil-based biofuels | On 29 July, at the request of Indonesia, the WTO established a panel to review certain measures taken by the EU on palm oil and palm oil-based biofuels, citing alleged possible inconsistencies with provisions under the GATT 1994, the Agreement on Subsidies and Countervailing Measures, and the Agreement on Technical Barriers to Trade. Eighteen countries, including Malaysia and other producers and exporters of palm oil and palm oil-based fuel, reserved their third-party rights to participate in the proceedings. (See also <i>MPPU Jan '20</i>) |

| No. | Domain | Country | Month | Product | Description * |
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| 129 | TRADE POLICIES – <i>Trade disputes</i> | Malaysia, European Union | July | Biodiesel | Reversing its earlier stance on the matter, the Malaysian Government announced that it would formally request WTO dispute consultations with the European Union regarding measures adopted by the EU and its Member States in the renewable energy sector – notably the classification of palm oil as a biofuel feedstock with 'high indirect land use change (ILUC)-risk' (see <i>MPPU Mar.'19 & Mar.'20</i>). The Malaysian Government views the EU's policy as a discriminatory action that restricts free trade practices, while lacking transparency and scientific credibility and disregarding Malaysia's sustainability efforts. Malaysia would thus embrace Indonesia's position and act as third party in the WTO case filed by Indonesia in December 2019 (see <i>MPPU Jan.'20</i>). |
| 130 | TRADE POLICIES – <i>Trade disputes</i> | United States of America, China | February | Selected goods | China's State Council Tariff Commission announced that, on 14 February, the additional tariffs imposed on selected US goods last September (see <i>MPPU Sep.'19</i>) would be cut by half. The announcement, which came in addition to the trade truce agreed between the two countries in December (see <i>MPPU Jan.'20</i>), also concerns oilcrops and derived products, whose tariff rates would be reduced by 5 percentage points, except for soybeans, whose tariffs would see a reduction of 2.5 percentage points. All other retaliatory tariffs – notably the 25% soybean tariff introduced in July 2018 – would remain in force. |
| 131 | TRADE POLICIES – <i>Trade disputes</i> | United States of America, China | February | Selected goods | On 18 February, in view of its pledge to scale up imports from the United States over the 2020–2021 period, the Government invited importers to apply for exemptions from the remaining retaliatory tariffs for US products – the most substantial tariff relief offered so far. Eligible goods include soybeans, other oilseeds and their derived products. In the case of soybeans, exempted importers would only pay the 'most favoured nation' tariff rate of 3%, which puts US soybeans on par with beans from other origins – allowing companies to submit their applications based on market conditions and commercial considerations. Applications including purchase amounts (in value) will be accepted from 2 March onward. All authorizations will be company specific and remain valid for one year. |
| 132 | TRADE POLICIES – <i>Trade disputes</i> | United States of America, China | February | Selected goods | In compliance with the recently signed "phase one" agreement, on 14 February, the U.S. Government cut by half its retaliatory tariffs on selected Chinese goods. Furthermore, with regard to China's agreed purchases of U.S. goods and services, senior government officials reckoned that, due to the coronavirus outbreak, China's purchases could proceed at a slower pace than originally planned. Reportedly, the trade agreement includes a clause dealing with a party's inability to comply in case of unforeseeable external shocks. |
| 133 | TRADE POLICIES – <i>Trade disputes</i> | United States of America, China | September | Selected goods | WTO panel: On 15 September 2020, the WTO panel considering China's challenge to certain additional import duties on its products imposed by the United States in 2018 concluded that: i) the measures at issue were <i>prima facie</i> inconsistent with the United States' tariff bindings and most favoured nation obligations under GATT 1994; and ii) the United States had not met its burden of demonstrating the necessity of the concerned measures to protect public morals. Chinese products affected by the United States' additional duties included a number of oilcrops and oilmeals, US imports of which have, however, been negligible traditionally. |

| No. | Domain | Country | Month | Product | Description * |
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| 134 | TRADE POLICIES – Trade disputes | United States of America, China | October | Selected agricultural products (incl. soybeans) | Phase-one implementation: USDA issued a report analysing the progress made in implementing the agricultural provisions in the US-China Phase One Economic and Trade Agreement signed in January 2020 (see <i>MPPU Jan.'20</i>). According to the report, China has, inter alia, substantially raised its purchases of US agricultural products. Reportedly, by early October 2020, the country had purchased over USD 23 billion in agricultural products (including soybeans), fulfilling approximately 71 percent of its target under the Phase-one agreement. According to observers, it remained unclear to which period the estimate referred to. |
| 135 | TRADE POLICIES – Trade disputes | United States of America, European Union | June | Selected goods | The office of the U.S. Trade Representative (USTR) is considering whether to increase the existing 'corrective tariffs' on selected goods imported from the European Union – in retaliation for illegitimate subsidies the trading bloc granted to its aviation industry (see also <i>MPPU May & Nov.'19</i>). Reportedly, the goods under review include individually packed olive oil from Spain, the tariffs of which could be raised from their current level (of 25 percent) up to 100 percent. In addition, USTR is considering to impose tariffs on bulk and packaged olive oil from the rest of the EU. |
| 136 | TRADE POLICIES – Trade disputes | United States of America, European Union | July - August | Selected agricultural products | On 12 August, following a bi-annual review, the US Trade Representative decided to leave unchanged the 'corrective tariffs' the US charges on selected agricultural imports from the EU, including packaged olive oil from Spain (see <i>MPPU May/Nov.'19 & July'20</i>). In July, the European Commission had called on the US to lift its countermeasures on the grounds that, in the meantime, EU Member States had taken action to ensure full compliance with the WTO aircraft dispute ruling. |
| 137 | TRADE POLICIES – Comprehensive trade agreements | ASEAN, Australia, China, Japan, New Zealand, Republic of Korea | November | Selected commodities | On 15 November, Australia, China, Japan, New Zealand, the Republic of Korea and the 10 members of ASEAN (Association of Southeast Asian Nations) signed the Regional Comprehensive Economic Partnership (RCEP) agreement. Overall, the agreement will significantly facilitate trade and reduce tariffs on goods among the 15 participating countries over the next ten years. The RCEP also strengthens rules on state-owned enterprises, competition, rules of origin, and product standards. |
| 138 | TRADE POLICIES – Comprehensive trade agreements | European Union, Viet Nam | April | Olive oil | The Free Trade Agreement between the European Union and Viet Nam, which is set to come into force during the course of 2020, is expected to benefit EU olive oil producers: under the agreement, the average tariff of 8.7 percent that Viet Nam applies to olive oil imports from the EU will be eliminated. The southeast Asian country is viewed as a lucrative market due to its large population and steadily rising wages and consumer spending. (See also <i>MPPU July'19</i>) |
| 139 | TRADE POLICIES – Comprehensive trade agreements | European Union, Viet Nam | August | Oilseeds, olive oil | The Free Trade Agreement between the European Union and Viet Nam has come into force on 1 August, entailing the full liberalization of EU oilseed and oilseed product exports to Viet Nam and a 3-year phase-out for Viet Nam's tariff on EU olive oil imports (see also <i>MPPU July'19 & May'20</i>). |
| 140 | TRADE POLICIES – Comprehensive trade agreements | Mercosur | January | GM food products | Mercosur members agreed on a set of rules governing trade in food products that contain traces of GMOs. The initiative is aimed at protecting food trade among the bloc's members from asynchronous trade barriers concerning low level presence (LLP) of GMOs. Reportedly, Mercosur is the first regional bloc to adopt regulations in this field. |

| No. | Domain | Country | Month | Product | Description * |
|-----|--|---------------------------------|---------|--------------------------|--|
| 141 | TRADE POLICIES – <i>Comprehensive trade agreements</i> | United States of America, Japan | January | Oils/fats | Under the US-Japan Trade Agreement that entered into force on 1 January 2020, US exports of oils and fats to Japan will benefit from preferential tariff access. Depending on the type of oil/fat, imports will be either duty-free or subject to preferential tariff rates set to be phased out over a period of three years. |
| 142 | TRADE POLICIES – Sector-specific bilateral initiatives | China | July | Soybeans | Import diversification (Myanmar): In line with previous efforts to diversify the country's import sources for feed ingredients, in July, China's General Administration of Customs initiated talks with the Agriculture Ministry of Myanmar about import procedures and food safety requirements for selected commodities, including soybeans, the media reported. While soybean cultivation can be found in Myanmar's Shan State, which borders China, limited access to quality seed, advanced pest management techniques and modern marketing tools are said to hamper the crop's expansion. |
| 143 | TRADE POLICIES – Sector-specific bilateral initiatives | China, Argentina | October | Soybeans, soyoil | China's state-owned grain corporation Sinograin confirmed its interest to renew the two-year old agreement regulating purchases of soybeans and soybean oil from Argentina (see also <i>MPPU Dec.'18</i>). For 2021, Sinograin agreed to raise its soybean purchases from 3 to 4 million tonnes and those of soybean oil from 300 to 400 thousand tonnes. For Argentina, at current average prices, the deal would translate into export revenues of USD 2 billion, compared to the USD 1.5 billion earned from sales to Sinograin in 2019. |
| 144 | TRADE POLICIES – Sector-specific bilateral initiatives | China, Canada | April | Rapeseed | The two countries allowed a phytosanitary agreement regulating the shipment of Canadian rapeseed to China to expire on 31 March (see also <i>MPPU Nov.'16</i>). Notwithstanding, China would continue to accept imports of Canadian rapeseed, provided that a reduced dockage limit of 1% of foreign material is respected – a requirement allegedly linked to concerns about the transmission of blackleg disease through dockage. Since the required dockage limit is lower than the 2.5% standard set out Canada's Grain Commission, processing costs for Canadian rapeseed shippers are expected to rise. At the same time, China's import licenses for Canada's two largest rapeseed suppliers would remain suspended (see <i>MPPU May'19</i>), according to trade officials. Market observers expect bilateral talks aimed at restoring full access for all Canadian exporters to continue – in line with Chinese efforts to diversify its oilseed imports amid the ongoing COVID-19 pandemic. |
| 145 | TRADE POLICIES – Sector-specific bilateral initiatives | China, European Union | July | Soybeans | In July, China and the EU signed an agreement on the protection of geographical indications for a range of agricultural products, including soybean from Muling, a county in China's Heilongjiang province. |
| 146 | MARKET REGULATION & PROMOTION | Argentina | May | Grains, oilseeds | In a bid to encourage producers to sell their recently harvested grain and oilseed crops, in May the country's Central Bank issued a resolution barring agricultural companies holding on to more than 5 percent of their harvest from accessing soft loans introduced to support small and medium-sized firms affected by the coronavirus pandemic. |
| 147 | MARKET REGULATION & PROMOTION | Bangladesh | March | Agricultural commodities | With a view keep prices of basic foodstuffs stable during the month of Ramadan, the Central Bank of Bangladesh temporarily capped the interest rate for import financing of essential agricultural commodities – including edible oils – at 9 percent. |
| 148 | MARKET REGULATION & PROMOTION | Bangladesh | October | Soy, palm oil | In October, the Commerce Ministry and importers/processors of edible oils reached an agreement to lower the price of loose non-branded soyoil and palm oil at mill gate by BDT 2 per litre, in a bid to give relief to consumers as local prices of essential food items have risen amid the COVID-19 crisis. Reportedly, the per-litre price of soy and palm oil has been fixed at BDT 90 and BDT 80 (USD 1.06 and USD 0.94), respectively. |

| No. | Domain | Country | Month | Product | Description * |
|-----|-------------------------------|---------|---------------|---|--|
| 149 | MARKET REGULATION & PROMOTION | China | April | Soybeans | According to industry sources, since the start of the current year, China's state-owned grain corporation Sinograin released 1 million tonnes of soybeans from state reserves to the country's state-owned crusher <i>Cofco</i> . Reportedly, the move was prompted by supply concerns amid low levels of commercial stocks following temporary slowdowns in imports. On a separate note, unofficial sources reported that the Government was considering to add up to 10 million tonnes of soybeans to state reserves with a view to i) help shield domestic markets from potential supply disruptions linked to the COVID-19 pandemic, and ii) honour pledges to increase purchases of agricultural goods from the United States of America (see <i>MPPU Jan. '20 on the US-China "Phase-one" trade deal</i>). |
| 150 | MARKET REGULATION & PROMOTION | China | May | Agricultural products | With a view to secure agricultural supplies during the coronavirus pandemic, the Chinese Government urged both state-owned and private trading firms and food processors to step up procurement of grains, oilseeds and livestock products. Reportedly, a possible second wave of global infections raised concerns about potential supply chains disruptions, for instance regarding the supply of soybeans and derived products from South America. |
| 151 | MARKET REGULATION & PROMOTION | China | June - August | Soybeans, soyoil, rapeseed oil, sunflower oil | Government auctions: Domestic auctions of oilseeds and oils from state reserves resumed in June 2020 and led – up to end-August – to the sale of about 1.56 million tonnes of soybeans, 145 thousand tonnes of soybean oil, 104 thousand tonnes of rapeseed oil, and 6 thousand tonnes of sunflowerseed oil. Soybean sales consisted of about 700 thousand tonnes of domestically produced, non-GM beans and 900 thousand tonnes of imported GM beans, which, respectively, fetched an average per tonne price of CNY 5 057 and CNY 3 120 (USD 744 and 459). |
| 152 | MARKET REGULATION & PROMOTION | China | October | Soybeans, soyoil, rapeseed oil, sunflower oil | Government auctions: As distinct from past years, in 2020, domestic auctions of oilseeds and oils from state reserves continued throughout the months of September, October and November, though complete sales records are yet to be released. Based on available data, up to mid-November, cumulative sales of soybeans, soybean oil, rapeseed oil and sunflowerseed oil stood at, respectively, 2.35 million tonnes, 155 thousand tonnes, 168 thousand tonnes and 8 thousand tonnes – thus significantly exceeding the volumes recorded in 2019. Soybean sales consisted of around 1.14 million tonnes of domestically produced non-GM beans and 1.21 million tonnes of imported GM beans, which, respectively, fetched an average per-tonne price of CNY 4 844 and CNY 3 245 (USD 735 and 492). |
| 153 | MARKET REGULATION & PROMOTION | China | December | Grains, oilseeds | Public stockholding: Reflecting growing food security concerns, on 3 December, China's National Development and Reform Commission (NDRC) published a draft law aimed at ensuring national food security and reforming the management of the country's strategic grain reserves. The initiative comes after a marked rise in the Government's grain purchases – especially of maize and soybeans – in 2020 (see also <i>MPPU July'20</i>). Reflecting concerns about the management of public food reserves, the initiative aims at promoting the complementarity and efficient coordination of central and local reserves. The draft law introduces comprehensive guidelines on storage, usage and rotation of central, local and 'social' reserves. Reportedly, local governments would be required to set up reserves of processed grains and vegetable oils in cities and regions where markets are prone to volatility. |

| No. | Domain | Country | Month | Product | Description * |
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| 154 | MARKET REGULATION & PROMOTION | European Union | February | Olive oil | On 27 February, the European Commission closed the private olive oil storage support scheme activated last November to protect producers from price declines (see also <i>MPPU Nov.'19 & Jan.'20</i>). Reportedly, a total of 213 500 tonnes of olive oil were absorbed under the scheme, representing about one fourth of the bloc's olive oil reserves. Support to individual producers ranged from EUR 0.83 to EUR 1.10 (USD 0.92 to 1.22) per tonne per day of storage. The bulk of the storage aid went to producers in Spain. |
| 155 | MARKET REGULATION & PROMOTION | European Union | July | Olive oil | To address problems arising from excess supplies and persistently low prices in the European olive oil market, EU policy makers are considering to allow olive oil producing Member States to regulate production and supply through measures that improve the operation of the market without distorting competition. Reportedly, corresponding provisions could be included in a set of transitional regulations that will govern the bloc's agricultural policies until a new Common Agricultural Policy is introduced in 2022. |
| 156 | MARKET REGULATION & PROMOTION | European Union | November | Olive oil | In November, the European Commission approved voluntary self-regulation of the Spanish olive-oil market by the country's main agricultural cooperative, Cooperativas Agro-alimentarias. The decision, which will be formally codified into the bloc's Common Market Organization, will allow members of the cooperative to withdraw surplus olive oil from the domestic market in years when production exceeds local demand and exports. (See also <i>MPPU July/Nov.'19 & July'20</i>) |
| 157 | MARKET REGULATION & PROMOTION | Italy | January | Biodiesel | The Italian Competition and Market Authority (AGCM) fined the country's leading oil and gas company for allegedly disseminating misleading advertising messages to promote the sale of certain biodiesel products. The agency challenged the company's assertions regarding i) the positive environmental impact associated with the concerned products' use, and ii) the fuel's characteristics in terms of fuel economy and GHG emission reduction. |
| 158 | MARKET REGULATION & PROMOTION | Malaysia | June | Palm oil | Market promotion (Myanmar): The Malaysian Palm Oil Council encouraged the country's palm oil traders to set up joint ventures in Myanmar in a bid to raise Malaysia's market share in that country. In addition to seeking partnerships with Myanmar companies in the consumer and hotel-restaurant-café sector, Malaysian traders have been directed to invest in storage and processing facilities to facilitate the distribution and refining of palm oil in Myanmar. |
| 159 | MARKET REGULATION & PROMOTION | Malaysia | July | Palm oil | Product image protection: Malaysia announced a number of new initiatives to fight growing criticism, in certain countries, about palm oil's alleged negative environmental impact. To promote the commodity's qualities at local and international level, the Government launched the slogan "Palm oil is God's gift", which is set to replace a domestic pro-palm oil campaign launched in 2019 (see <i>MPPU May&Nov.'19</i>). Reportedly, Government actions to safeguard the oil palm industry will concentrate on: i) promoting the nutritional benefits of palm oil internationally; ii) sponsoring scientific studies on the product's properties; iii) supporting R&D activities to create new value-added products; iv) strengthening selected export markets, particularly India, China, Pakistan and the US; v) penetrating the African and Middle Eastern regional markets; and vi) pursuing regional trade consultations and bilateral free trade agreements. In July, Malaysia also announced that it was ready to follow Indonesia's path of requesting WTO disputes consultations with the European Union regarding the latter's planned ban on palm oil-based biofuel (see <i>MPPU July'20</i>). |

| No. | Domain | Country | Month | Product | Description * |
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| 160 | MARKET REGULATION & PROMOTION | Pakistan | June | Vegetable oils | Pakistan's Ministry of Industries and Production requested the country's Competition Commission to initiate an inquiry regarding domestic cooking oil and ghee prices, local media reported. Reportedly, the Ministry was concerned that since the beginning of the year retail prices of vegetable oil had remained unchanged – notwithstanding i) the recent decline in the price of imported palm oil, ii) the partial suspension of customs duties for oilcrops products implemented to secure imports of essential goods during the COVID-19 crises (see <i>MPPU May'20</i>), and iii) a decrease in transportation costs following the recent plunge in world mineral oil prices. |
| 161 | MARKET REGULATION & PROMOTION | Pakistan | July | Cooking oil, ghee | The Government is considering to take action against domestic cooking oil and ghee producers who – contrary to recent agreements – failed to lower the retail price of these essential commodities, local media reported (see also <i>MPPU July'20</i>). |
| 162 | MARKET REGULATION & PROMOTION | Russian Federation | December | Selected oilcrops and derived products, sunflower oil | In December, driven by concerns about rising domestic prices for staple foods, the Government revised the export duties for several oilcrops and derived products. At the same time, the Government brokered price agreements between crushers and retailers, which capped sunflower oil retail prices at RUB 110 per kg (USD 1.50) until March 2021. |
| 163 | MARKET REGULATION & PROMOTION | Spain | May | Olive oil | After the completion of the European Commission's olive oil storage aid scheme for the 2019/20 season that benefited in particular Spanish growers (see <i>MPPU Mar'20</i>), in May, the Spanish Government called for an extension of the scheme to raise market prices and facilitate the sector's recovery prior to the start of the next marketing year – explaining that the COVID-19 pandemic had aggravated the crisis of the olive oil market. In order to prevent future price collapses, Spain also proposed to include the olive oil sector in the EU's Common Market Organization (CMO) regulation, which provides for the use of public intervention and other market tools to overcome temporary market disturbances. Meanwhile, the Government reached agreement with national industry associations over a series of corrective measures at domestic level. |
| 164 | MARKET REGULATION & PROMOTION | Sudan | March | Groundnuts | The Sudanese Government banned groundnut exports as of 1 April 2020. Furthermore, local storage of groundnuts for the purpose of influencing prices was prohibited. Reportedly, the measures are aimed at stabilizing domestic consumer prices and maximizing the added value of Sudanese groundnuts. |
| 165 | MARKET REGULATION & PROMOTION | Thailand | May | Palm oil | Thailand's Energy Ministry held discussions with the country's palm oil trade to explore the possibility of applying blockchain technologies along the palm oil supply chain, local media wrote. Reportedly, the proposal is aimed at i) stabilizing farm gate prices of fresh fruit branches, ii) simplifying palm oil trade by curbing the role of middlemen, and iii) preventing smuggling. Adoption of the digital ledger technology would remain voluntary. A first round of trials involving selected biodiesel plant operators is expected to be implemented soon. |
| 166 | MARKET REGULATION & PROMOTION | Thailand | September | Palm oil | The Government agreed to provide temporary support payments to exporters of palm oil and ordered state-owned energy companies to purchase palm oil for energy generation, in a bid to accelerate the absorption of surplus supplies and raise domestic prices of palm oil. |
| 167 | MARKET REGULATION & PROMOTION | Ukraine | December | Oilseeds and selected agricultural commodities | With a view to support domestic food manufacturers, the Ukrainian Parliament agreed to cut the country's value added tax on selected agricultural products – including sunflowerseed, rapeseed, soybeans, linseed and other oilcrops – to 14 percent from the current level of 20 percent. VAT refunds on exports of the concerned commodities would be reduced proportionally. |

| No. | Domain | Country | Month | Product | Description * |
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| 168 | MARKET REGULATION & PROMOTION | United States of America | June | Olive oil | Product standards: The North American Olive Oil Association petitioned the U.S. Food and Drug Administration (FDA) to regulate extra-virgin and virgin olive oils to address recurrent mislabelling of grades, adulteration and other unfair business practices. The petition follows a similar request filed in November 2019 by the American Olive Oils Producers Association (see <i>MPPU Jan. '20</i>). |
| 169 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | Brazil | August | Flupyradifurnone | Pesticide residues: In August, Brazil's competent authorities proposed new MRLs (i.e. maximum residue levels tolerated in food or feed products) for flupyradifurnone, a pesticide used in soybean cultivation. |
| 170 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | Brazil | October | Food products | The country's health authority ANVISA published new regulations on nutrition labelling of packaged, solid, semi-solid and liquid food products, including the requirement to alert for high levels of sugar, saturated fat and sodium. The new regulation, which sets maximum levels for solid, semi-solid and liquid foods, is scheduled to come into effect in October 2022. |
| 171 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | China | January | Selected pesticides | Pesticide residues: In January, China invited comments by WTO member countries on a set of proposed new maximum residue levels (MRLs) for 65 pesticides in selected food products, comprising oilcrops, meals, oils and animal fats. |
| 172 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | Colombia | February | Oils/fats | In February, the Colombian Ministry of Health announced that, from November 2022, warning labels would be required on food products that are high in saturated fats, salt and added sugars. In addition, regulations regarding nutrition-related labels would be made more stringent. Reportedly, the final adoption of the new labelling standards is scheduled for May 2021. |
| 173 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | European Union | August | Rapeseed meal | The European Food Safety Authority (EFSA) determined that food-grade rapeseed meal can be safe for human consumption. Traditionally used as animal feed, the by-product from oil extraction becomes edible upon removal of the anti-nutrients typical for rapeseed. Following EFSA's favourable opinion, the product's commercialization will have to be authorized by the European Commission and Member States. (See also <i>MPPU Mar.'19 & July'20</i>) |
| 174 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | European Union | October | Selected pesticides | Following the detection of high levels of ethylene oxide in consignments of sesame seed originating from India together with the recent occurrence of food safety incidents, the European Commission decided to tighten the applicable regulations on pesticide residues and on the frequency of checks at EU's borders, underlining that ethylene oxide contamination constitutes a serious risk to human health. As of 26 October, batches originating from India are required to be officially certified as complying with all relevant regulations. |
| 175 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | European Union | December | Rapeseed meal | Following clearance by the European Food Safety Authority (see <i>MPPU Sep'20</i>), rapeseed meal-based food ingredients have been approved for human consumption by the European Commission in December. According to industry sources, the new plant protein and fibre powder can be used as an ingredient in a variety of food applications and complies with numerous dietary claims. |

| No. | Domain | Country | Month | Product | Description * |
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| 176 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | India | July | Edible oils | The country's state governments were advised to ensure strict compliance with existing food standards, notably provisions that restrict the reuse of tin and plastic containers for edible oils and fats to prevent contamination with hazardous materials. In this regard, industry associations pointed out that the relevant regulation was generally disregarded because of its impracticality, adding that – if implemented – the measure would lead to sharp increases in the cost of new tin containers. |
| 177 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | India | November | Edible oils | The country's Food Safety and Standards Authority released for comment a set of new standards and modified existing standards for a variety of food products, including raw edible oils and multi-source edible vegetable oils. |
| 178 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | India | December | Edible oils | Adulteration control: The High Court of Tamil Nadu state passed an interim order banning the sale of edible oil in loose packets, citing concerns that such oil is widely adulterated, for instance by adding portions of cashewnut shell liquid and palmolein. India's national Food Safety and Standards Regulations actually prohibit the sale of edible oils as loose oil. |
| 179 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | Japan | July | Pyrimidifen | Pesticide residues: In July, Japan's competent authorities proposed new MRLs (i.e. maximum residue levels tolerated in food or feed products) for pyrimidifen, a pesticide used in soybean cultivation. |
| 180 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | Mexico | April | Food product labels | New mandatory front-of-package nutrition label requirements are set to be implemented across the country in three stages. Reportedly, from 1 October 2020, food product labels are required to include: i) warnings regarding nutritional content that could affect certain health conditions among the population; ii) cautionary legends; and iii) the prohibition of characters, graphics or pictures intended to promote consumption among children. |
| 181 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | Saudi Arabia | January | Partially hydrogenated oils/fats | In the Kingdom of Saudi Arabia, a regulation banning the use of partially hydrogenated oils/fats in the food industry has come into force on 1 January 2020. The measure complements trans-fatty acids limits of 2 percent for oils/fats and 5 percent for all other foods that were introduced back in 2017. |
| 182 | FOOD STANDARDS & FOOD SAFETY/HEALTH POLICIES | United States of America | August | Pethoxamid | Pesticide residues: In August, the competent US authorities introduced new MRLs (i.e. maximum residue levels tolerated in food or feed products) for pethoxamid, a pesticide used in soybean and maize cultivation. |
| 183 | SEED & GMO POLICIES | Canada | July | GM rapeseed | Canadian authorities approved a GM rapeseed rich in omega-3 fatty acids for cultivation, stating that the new variety posed no increased environmental risk compared to conventional rapeseed. The oil and the meal derived from the seed were deemed safe for human/animal consumption. Reportedly, the company that developed the variety is still seeking regulatory approval in other relevant markets. (See also <i>MPPU Sep. '19</i>) |
| 184 | SEED & GMO POLICIES | China | January | Soybeans | In January, marking a departure from past policies, China's regulators confirmed that biosafety certificates for domestic cultivation of two locally developed GM events had been granted (see also <i>MPPU Jan '20</i>). The authorizations concern a GM maize and a GM soybean variety and will be valid through December 2024. Reportedly, cultivation of both varieties is expected to begin in the forthcoming season. |
| 185 | SEED & GMO POLICIES | China | June | Soybeans | China's Agricultural Ministry issued biosafety certificates for two new imported soybean varieties and renewed the permits for six other GM crops, including one soybean variety. The concerned crops are to be used as animal feed. The authorizations came into effect on 11 June and will remain valid for five years. (See also <i>MPPU Jan. & Mar. '20</i> .) |

| No. | Domain | Country | Month | Product | Description * |
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| 186 | SEED & GMO POLICIES | European Union | August | Rapeseed | The European Food Safety Agency (EFSA) issued a positive safety assessment regarding the use of a newly developed GM herbicide-tolerant rapeseed. The new variety's use as food and feed was deemed as safe as that of conventional rapeseed. Taking into account the agency's opinion, the European Commission and Member States are called to decide about the variety's formal approval. |
| 187 | SEED & GMO POLICIES | European Union | September | Soybeans | After clearance by the European Food Safety Authority and the European Commission, the marketing of three new GM soybean varieties has been authorized for food and feed use – but not for domestic cultivation – for a period of 10 years. The three varieties are characterized by their resistance to herbicides containing glyphosate, dicamba and glufosinate-ammonium, which are widely used in the Americas. All products derived from the GM varieties will be subject to the EU's stringent labelling and traceability requirements. The company that developed the varieties now expects to launch sales in North America next year. |
| 188 | SEED & GMO POLICIES | France | May | Rapeseed | Triggered by a ruling of the European Court of Justice regarding gene-editing/mutagenesis technologies (see <i>MPPU Aug. '18</i>), France notified the European Commission of its intention to prohibit the use of seven herbicide resistant rapeseed varieties – a measure that would comprise zero-contamination requirements. Observers expect the measure to negatively impact rapeseed and planting seed imports from Canada, other EU countries and South America. Reportedly, the use of sunflowerseed varieties developed via identical techniques will continue to be allowed. |
| 189 | SEED & GMO POLICIES | India | August | Maize, wheat, rice, soybeans | On 21 August, the Food Safety and Standards Authority of India (FSSAI) issued an interim order requiring traders to declare, from 1 January 2021 onward, that major imported crop products – including maize, wheat, rice and soybeans – are not genetically modified and are of non-GM origin. The required GM-free certificates will have to be issued by the competent national authorities of exporting countries. Subsequently, the agency clarified that the new order will not apply to processed food products prepared with the concerned commodities nor to products imported for use as animal feed. The interim order is expected to lead to stricter inspection of imported consignments at Indian ports. |
| 190 | SEED & GMO POLICIES | Russian Federation | April | Soybeans, soymeal | The Government informed that, from 20 April 2020 through 1 December 2021, imports of GM soybeans and soymeal products used as feed whose registration has expired would not require renewed state registration. |
| 191 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | European Union | February | Forests | As a follow-up to its action plan for the preservation of the world's forests (see <i>MPPU Sep. '19</i>), the European Commission launched a public consultation on initiatives aimed at i) minimizing the EU's contribution to deforestation and forest degradation worldwide, and ii) promoting the consumption of products from deforestation-free supply chains within the EU. Reportedly, the consultation will be followed by an impact assessment of regulatory options and demand-side measures. |

| No. | Domain | Country | Month | Product | Description * |
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| 192 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | Indonesia | February | Oil palm | Land governance & production sustainability: A senior government official stated that the approval of new oil palm plantations permits would be suspended in the country's West Papua and Papua provinces, on the grounds that such investments wouldn't necessarily benefit local people. Reportedly, instead of oil palm, crops such as nutmeg, coffee and cacao would be promoted. The concerned region is home to the world's third largest swath of tropical rainforest (after the Amazon and Congo basins). Civil society groups argued that the problem with large-scale plantations in the region was not the commodity but insufficient attention to the needs and (land) rights of the indigenous communities. Advocacy groups also reiterated their calls for stricter enforcement of the 2018 moratorium on new plantation permits as well as greater scrutiny of existing permits (see <i>MPPU Oct.'18</i>). |
| 193 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | Indonesia | February | Oil palm | Land governance & production sustainability: Following a request filed by Greenpeace Indonesia, a state administrative court requested the Agricultural Ministry to release plantation maps and data about concession holders in the Papua region. Civil society groups welcomed the ruling, saying that greater transparency could help address land title issues faced by indigenous communities. Reportedly, an earlier, similar ruling concerning Kalimantan prompted work on guidelines to regulate the release of plantation information, with a view to protect the interests of concerned stakeholders. |
| 194 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | Indonesia | March | Palm oil | Certified sustainable palm oil: A Presidential Regulation overhauling the Indonesian Sustainable Palm Oil (ISPO) certification system was published on 13 March, ending a lengthy reform process meant to address a variety of implementation obstacles faced since the scheme's launch in 2011 (see <i>MPPU Aug.'11, Apr./Dec.'13, Mar.'16, Apr.'17, May'18 & Nov.'19</i>). The initiative's declared objective is to create an effective, efficient, fair and sustainable oil palm management system that is able to support national economic development. More specifically, the reform of the existing certification system is directed at i) improving the management of the country's oil palm plantations in line with reformulated ISPO principles and criteria guaranteeing socially, economically and environmentally viable production; ii) raising the acceptance and competitiveness of palm oil products in both the national and international market; and iii) enhancing the reduction of GHG emissions. Accordingly, reform efforts would concentrate on: introducing more stringent ISPO standards and requirements; raising attention to deforestation and peatland conversion issues; making certification mechanisms more accountable and transparent, while allowing the participation of public, private and civil society stakeholders; and introducing sanctions for business players violating the system's provisions. Furthermore, the new regulation will extend mandatory certification to smallholder growers, who will be given 5 years to achieve certification and are entitled to receive support including financial assistance. In Indonesia, smallholders manage about 40% of the country's total oil palm plantation area. According to observers, to date small producers have lacked access to government support, training and high-yielding seedlings. Reportedly, to make up for the resulting low levels in productivity, smallholders continue to clear new land for planting, using slash-and-burn methods – a problem that the revised ISPO scheme tries to address. |

| No. | Domain | Country | Month | Product | Description * |
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| 195 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | Malaysia | August | Palm oil | Mandatory palm oil certification: Official sources provided the following update regarding the implementation of the country's mandatory sustainability certification: as of 30 July, more than 85 percent of Malaysia's 5.9 million hectares of oil palm plantations and around 90 percent of the country's 452 palm oil mills obtained the Government-sponsored Malaysian Sustainable Palm Oil (MSPO) certification. In addition, nearly all of the country's organized smallholders, who cultivate 679 thousand hectares of plantations, have been certified. Meanwhile, the training of independent smallholders in implementing best agricultural practices for eventual admission to MSPO's group certification schemes continued. Meanwhile, as of July, 162 clusters of independent smallholders involving 62 thousand growers with 238 thousand hectares managed to obtain certification. In regard to independent smallholders, certification proves particularly challenging due to the absence of valid land titles and/or the use of temporary land titles and part-time or contract farming. |
| 196 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | Malaysia | November | Palm oil | National sustainability certification: According to media reports, the Government's 2021 budget proposal features a number of items concerning the palm oil sector, including i) an allocation to support implementation of the Malaysian Sustainable Palm Oil scheme (with a focus on the adoption of certification by smallholders), and ii) a proposal to establish a revolving fund for forest farming development. |
| 197 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | United Kingdom of Great Britain and Northern Ireland | August | Soybeans, palm oil | The UK Government invited comments from local and international stakeholders about a proposed measure that would prohibit large businesses to use commodities grown on land that has been deforested illegally. Under the proposal, businesses and retail chains above a certain size would be required to prove where products such as cocoa, rubber, palm oil and soybeans came from and whether they were produced in line with local laws on environmental protection. (See also MPPU Sep. '19 on comparable initiatives at EU-level) |
| 198 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | United Kingdom of Great Britain and Northern Ireland | November | Soybeans, palm oil | After completion of a public comment period (see also MPPU Sep. '20), in November, the UK Environment Bill resumed passage through Parliament. Inter alia, the proposed legislation would support Government efforts to tackle "imported deforestation" stemming from UK imports of products like cocoa, rubber, soybeans and palm oil. Under the draft bill, greater due diligence would be required from the country's businesses, while the use of commodities that have not been produced in compliance with local laws protecting forests and other natural ecosystems would be banned. Furthermore, businesses would need to be more transparent about where they source products from, and companies failing to comply would be subject to fines. |
| 199 | OTHER POLICIES – <i>Production sustainability / environmental policies</i> | Global | March | Peatlands | Peatland conservation: The UN Food and Agriculture Organization (FAO) launched a geospatial on-line tool to help countries preserve critical carbon stores known as peatland. To halt peatland degradation and effectively plan peatland restoration, the agency called for urgent mapping and monitoring activities at national level and offered recommendations on how to manage peatlands. According to FAO, locating and accurately mapping peatlands – via a mix of satellite and ground-based tools – allows to effectively monitor changes in peatland conditions, notably their water level, thus spotting risks of fires and harmful GHG emissions. To facilitate countries' access to high-quality imagery, the agency developed a state-of-the-art, open-source monitoring module. Reportedly, the tool is being successfully used in Indonesia, where it provides timely information about soil moisture trends to help detect drainage and monitor restoration efforts. Similar applications are planned in the Congo Basin and in Peru. |

| No. | Domain | Country | Month | Product | Description * |
|-----|---|------------|---------------|------------------|---|
| 200 | OTHER POLICIES – <i>Transport infrastructure & regulations</i> | Brazil | January | Grains, oilseeds | In January, Brazil's transport regulator ANTT revised the rules used to calculate minimum freight rates. Reportedly, the rules have been simplified compared to the version in place since mid-2019. Key parameters now include haul distance and the type of cargo, truck and loading operation. (See also <i>MPPU July'19</i>) |
| 201 | OTHER POLICIES – <i>Transport infrastructure & regulations</i> | Brazil | October | Grains, oilseeds | According to a study published by CONAB, the country's federal agency overseeing the procurement and supply of agricultural products, the recent paving of the BR-163 highway connecting grain producing regions in the Centre-West to ports in the 'Arco Norte' region (see <i>MPPU Mar.'19</i>) reduced road freight costs by up to 11 percent. Together with other infrastructure improvements, the upgrade of BR-163 has been instrumental for the northern export corridor's rising relevance relative to the country's traditional southern ports. In 2019/20, aggregate maize and soybean exports via 'Arco Norte' ports have been pegged at about 70 million tonnes, which compares to only 27 million tonnes in the 2017/18 marketing year. At present, roughly 30 percent of the country's soybean exports are estimated to be shipped via the 'Arco Norte'. |
| 202 | OTHER POLICIES – <i>Labour policies– Transport infrastructure & regulations</i> | Malaysia | November | Oil palm | Migrant labour policies: In November, the Government opened a six-and-a-half month window to regularize undocumented foreign migrants, with a view to address chronic labour shortages in certain sectors that have been aggravated by travel restrictions introduced in the wake of the COVID-19 crises. The country's plantation industry is among the sectors most affected by manpower shortages (see also <i>MPPU Sep./Nov.'20</i>). The Malaysian Palm Oil Board and the sector's Palm Oil Association welcomed the Government's initiative, confirming that the move would help plantation owners deal with the acute lack of labour force – provided the newly regularized workers possessed the required skills or received appropriate training. Industry stakeholders are waiting to see the details of the regularization programme. |
| 203 | OTHER POLICIES – <i>COVID-19 measures</i> | Argentina | March - April | Grains, oilseeds | Grain logistics: Although the country's agricultural sector and foreign trade were essentially exempt from compliance with nationwide anti-coronavirus lockdowns, in the second half of March, movement restrictions and sanitation activities imposed temporarily by municipal authorities, together with preventive measures enforced by truckers associations and port workers unions, resulted in momentary disruptions of i) truck movements and grain deliveries, ii) grain handling, crushing and storage activities; and iii) vessel docking, unloading/loading operations. The localized, transitory disturbances lasted about 2–3 three weeks, after which domestic grain flows and export operations normalized again. |
| 204 | OTHER POLICIES – <i>COVID-19 measures</i> | Bangladesh | October | Soy, palm oil | Market regulation: In October, the Commerce Ministry and importers/processors of edible oils reached an agreement to lower the price of loose non-branded soyoil and palm oil at mill gate by BDT 2 per litre, in a bid to give relief to consumers as local prices of essential food items have risen amid the COVID-19 crisis. Reportedly, the per-litre price of soy and palm oil has been fixed at BDT 90 and BDT 80 (USD 1.06 and USD 0.94), respectively. |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|---------|---------------|-----------------------------|---|
| 205 | OTHER POLICIES – COVID-19 measures | Brazil | March - April | Grains, oilseeds, biodiesel | Grain logistics & biodiesel market: Distribution, storage and shipment of agricultural commodities and food products were declared as 'essential' by the Federal Government, along with the transportation of cargos more generally. Notwithstanding, in the second half March, a number of municipal authorities enforced quarantine measures that affected grains and oilseeds flows. In particular, two towns in Mato Grosso, the country's largest soybean and maize producing state, placed curbs on industrial activities including agricultural processing facilities, thereby threatening to disrupt the harvesting, processing and movement of grains to markets and ports. However, most such measures were reversed swiftly, after companies agreed to adopt stringent health protocols to protect workers. Reportedly, the ultimate impact on the production and movement of grains was limited, while the enforcement of health protection policies at riverine and coastal ports left export logistics unaffected. With respect to vegetable oil-based biodiesel, in April, Brazil's National Agency of Petroleum Natural Gas and biofuels (ANP) – which holds auctions to ensure that mandatory blends of diesel with biodiesel are met – announced that, fuel distributors would be requested to withdraw only 80% of the settled volume (rather than the customary 95%), given that biodiesel consumption had dropped significantly as a result of nationwide lockdowns. |
| 206 | OTHER POLICIES – COVID-19 measures | China | March | Grains, oilseeds | Port operations: Reportedly, docking operations in Chinese ports, which had slowed down temporarily as a result of stringent sanitary inspection procedures applied to incoming vessels, reverted to normality towards mid-March. |
| 207 | OTHER POLICIES – COVID-19 measures | China | May | Agricultural products | Agricultural policy: The Government announced that in 2020 it would develop and implement a response plan to ensure domestic food security amid the COVID-19 crisis, while also setting out a plan to secure food supplies in the medium-to-long term. Measures envisaged under the medium term plan will be aimed at: i) stabilizing the area and output of major crops by providing incentives to key producing regions; ii) supporting the recovery in pig production; iii) raising the volume of domestic inventories and improving the management of public grain reserves; and iv) diversifying imports of major agricultural commodities and inputs. In the meantime, the Chinese Government urged both state-owned and private trading firms and food processors to step up procurement of grains, oilseeds and livestock products, with a view to secure agricultural supplies during the coronavirus pandemic. Reportedly, a possible second wave of global infections raised concerns about potential supply chains disruptions, for instance regarding the supply of soybeans and derived products from South America. |
| 208 | OTHER POLICIES – COVID-19 measures | China | June | Agricultural products | Import policy: The country's customs authority asked exporters supplying food products to China to officially certify that their produce is not contaminated with the virus that causes COVID-19, according to the media. Meanwhile, after a fresh outbreak in a wholesale food market, Beijing Municipality started testing all imported foods for coronavirus. Regulatory authorities and private sector associations in exporting countries pointed out that there was no evidence that coronavirus could be transmitted via food products. A U.S. agricultural export group started issuing letters stating that their cargoes were harvested, processed and handled consistent with industry safety standards, specifying that exporters cannot guarantee that their shipments remain contamination-free after they leave their facilities. |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|-------------------------|---------------|--------------------------------------|--|
| 209 | OTHER POLICIES – COVID-19 measures | China | July | Grains, oilseeds | Cargo safety certificates: Argentine and Brazilian grain and oilseed exporters expressed concern about China's request that incoming cargoes be accompanied by official documentation certifying coronavirus-free status (see <i>MPPU July'20</i>). South American exporters also held talks with counterparts in the US and Canada to agree on a common response to China's request. Reportedly, instead of guaranteeing that cargoes are virus-free at the time of delivery, traders offered to certify that all sanitary precautions to prevent contamination in their facilities and at ports were taken. |
| 210 | OTHER POLICIES – COVID-19 measures | China | July - August | Agricultural cargoes, incl. soybeans | Health measures: After port authorities found that crew members on several soybean cargoes arriving in China's eastern seaports tested positive for COVID-19, the concerned vessels were detained, preventing cargoes from being unloaded. Ship owners were required to either replace the concerned crews or quarantine them for at least 14 days. The measures stoked fears among traders and crushers about potential, significant slowdowns in the overall clearing process at Chinese ports. |
| 211 | OTHER POLICIES – COVID-19 measures | Colombia | April | Soybeans, maize, sorghum | Import liberalization: On 7 April, the government suspended the import tariffs for maize, soybeans and sorghum in a bid to reduce domestic feed production costs (and hence consumer prices for meat) amid the COVID-19 emergency. The tariff suspension is due to remain in place until end June 2020. |
| 212 | OTHER POLICIES – COVID-19 measures | Côte d'Ivoire | May | Oil palm | Agricultural support: The country's oil palm sector features among the agricultural industries earmarked under a XOF 250 billion (USD 434 million) Government programme to help the agricultural, fishing and aquaculture sectors recover from the effects of the coronavirus pandemic. |
| 213 | OTHER POLICIES – COVID-19 measures | Eurasian Economic Union | March - April | Sunflowerseed, soybeans | Export policy: In response to the coronavirus pandemic, the customs union comprising Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation banned exports of a number of agricultural products, including sunflowerseeds and crushed and uncrushed soybeans. Aimed at stabilizing prices within the customs union, the measure came into force on 12 April and was set to last through 30 June. Regarding the Russian Federation, unofficial sources reported delays in the issuance of export certificates for sunflowerseed from the last week of March onward. |
| 214 | OTHER POLICIES – COVID-19 measures | Eurasian Economic Union | June | Soybeans, sunflowerseed | Export policy: On 2 June, the Eurasian Economic Commission freed soybeans from the temporary, COVID-19 related export restrictions introduced last April (see <i>MPPU May'20</i>). At the same time, to stabilize the price of sunflowerseed on internal markets, the Commission envisaged to extend the export restrictions for sunflowerseed until 31 August 2020 (from the original expiry date 30 June). However, the export ban for seeds would be lifted in favour of a less restrictive regime, while exports of sunflower oil would be entirely freed from restrictions. |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|----------------|---------------|----------------------------------|---|
| 215 | OTHER POLICIES – COVID-19 measures | European Union | March - May | Olive oil, biodiesel | Producer support & biodiesel market support: On 4 May, the European Commission announced several support measures to enable – based on the schemes available under the Common Agricultural Policy and Common Market Organization – the hardest hit sectors to help re-balance supply and adjust to demand shifts caused by the COVID-19 crisis. The measures include increased flexibility in the implementation of sectoral market support programmes for selected products, including olive oil. As for biodiesel, according to media reports, some EU member states considered calling for derogations of biodiesel blending obligations following both the plunge in international petroleum prices and the decline in local biodiesel uptake as road fuel demand collapsed in the wake of national lockdown measures. |
| 216 | OTHER POLICIES – COVID-19 measures | India | March - May | Vegetable oils | Import & processing disruptions: Reportedly, lack of trucks and labour force at ports and refining facilities during the extended nationwide lockdown led to localized disruptions in the country's vegetable oil supply chain. |
| 217 | OTHER POLICIES – COVID-19 measures | India | May | Agricultural commodities | Agricultural support: The Indian Government leveraged the COVID-19 crisis to launch a series of market reforms and long-term measures aimed at raising the competitiveness of the country's agricultural sector and enhancing the income of farmers. In May, after supply chain disruptions during COVID-19 lockdowns revealed critical gaps in agricultural infrastructure, the Government set up a farm infrastructure fund as part of its economic stimulus package. Subsequently, in June, the Government announced major reforms concerning agricultural marketing, the management of marketable surpluses, and access of farmers to institutional credit – thus combining short-term fiscal relief payments with extensive market liberalization measures. |
| 218 | OTHER POLICIES – COVID-19 measures | Indonesia | May | Biodiesel | Biofuel policy: In May, the Government approved a subsidy of IDR 2.78 trillion (USD 188 million) in support of the country's recently introduced B30 biodiesel programme (see MPPU Jan.'20). An additional IDR 760 billion (USD 52 million) would be contributed by the oil palm industry this year via an increase – with effect from 1 June – in the export levy collected on palm oil exports. The need to raise fresh funds to support biodiesel production – and thereby promote domestic palm oil uptake – arose from the recent plunge in crude mineral oil prices and the worldwide disruption in fuel demand caused by the coronavirus pandemic, which resulted in a widening of the price gap between biodiesel and regular diesel. The country's Trade Ministry estimates domestic consumption of oil palm-based biodiesel at 8 million kiloliters in 2020, falling short of the initial target of 9.6 million kiloliters. Government officials informed that the shift in mandatory blending from 30 percent to 40 percent – originally planned for 2021 (see MPPU Jan.'2020) – would be postponed to 2022. |
| 219 | OTHER POLICIES – COVID-19 measures | Kazakhstan | March - April | Sunflowerseed, sunflowerseed oil | Export policy: With a view to guarantee uninterrupted domestic supplies and stabilize consumer prices during the COVID-19 emergency, on 22 March, the Government banned the exportation of selected staple foods, including sunflowerseed and sunflower oil, until 1 September 2020. On 3 April, Government officials announced that, in the case of crude sunflower oil, the export ban would be replaced by an export quota – while the ban would remain in place for refined sunflower oil and sunflowerseed. |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|------------|-------------|---------------------|---|
| 220 | OTHER POLICIES – COVID-19 measures | Kyrgyzstan | March | Vegetable oils | Export policy: On 23 March, the Government banned exports of selected food and feed products, including vegetable oil, for a period of 6 months. The measure was aimed at securing domestic supplies of the concerned commodities. |
| 221 | OTHER POLICIES – COVID-19 measures | Kyrgyzstan | November | Vegetable oils | Export policy: The Government banned for a period of six months the export of selected agricultural products – including vegetable oils – outside of the Eurasian Economic Union (EAEU). The restriction has come into effect on 19 November 2020. An analogous ban was introduced in March 2020 with a view to secure domestic supplies during the COVID-19 crisis. |
| 222 | OTHER POLICIES – COVID-19 measures | Malaysia | March - May | Palm oil, biodiesel | Production/trade disruptions & biodiesel policy: On 18 March, to avoid disruptions in palm oil production, the Federal Government agreed to exempt the palm oil sector from a six-weeks nationwide lockdown enforced to halt the spread of COVID-19. However, on 24 March, after several estate workers tested positive for the disease, Sabah, the country's largest palm oil producing state, ordered harvest and milling operations to cease and restricted movement of staff in three out of seven districts. Eventually the ban was extended to another three districts and prolonged by two weeks, affecting a total of 100 000 workers. After 17 days, plantations and mills that were free of infections were allowed to resume operations at half capacity, provided strict health protocols were applied. Reportedly, on 19 April, a single palm oil plantation complex in Sabah was ordered to close temporarily because of violations of Covid-19 movement control orders and several fresh infections. COVID-19 related curbs also led to the temporary shutting of 16 private port jetties used by Sabah plantation companies to export their products. Although the various closures were only temporary, they led to tens of thousands of Indonesian migrant workers returning home. It was unclear how the resumption of operations would be impacted by the resulting labour shortages. On a separate note, in March, the Federal Government also announced that, for a two-week period, vessels arriving from certain countries would not be accepted at Malaysian ports – a measure said to have hampered the palm oil supply flow out of Malaysia. Furthermore, in April, the Government decided to temporarily suspend its recently launched B20 programme, which envisaged a gradual, countrywide shift to transportation diesel containing 20 percent palm oil-based biodiesel – compared to the B10 mandate in place since February 2019 (see also MPPU Mar.'20). The decision was prompted by a sharp decline in domestic fuel demand resulting from temporary movement restrictions and reflects Government efforts to channel public resources towards measures to contain the coronavirus epidemic. Reportedly, the B20 rollout will be paused in those states where the new policy was yet to be implemented and would resume once the need for COVID-19 related measures ceases. |
| 223 | OTHER POLICIES – COVID-19 measures | Malaysia | May | Biodiesel | Biofuel policy: The Government announced that the nationwide rollout of its B20 biodiesel programme, which requires the blending of regular transport diesel with 20 percent of palm oil-based diesel, would be resumed in September of this year. Implementation had been temporarily suspended due to the country's COVID-19 related lockdown (see MPPU May'20). |
| 224 | OTHER POLICIES – COVID-19 measures | Malaysia | May - June | Palm oil | Variable export tax: In June, the Government decided to exempt all palm oil products (including crude palm oil and crude/refined palm kernel oil) from the export duty payments between July and December 2020 – a measure aimed at stimulating exports and thus accelerating the sector's recovery from the COVID-19 crisis. The measure was part of an economic stimulus package to assist industries hit by the pandemic. |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|-----------------|---------------|---------------------------|--|
| 225 | OTHER POLICIES – COVID-19 measures | Malaysia | June - August | Palm oil | Labour market issues: The country's oil palm industry is affected by temporary restrictions on hiring migrant workers that were introduced in the wake of the COVID-19 epidemic. Reportedly, Malaysia's palm oil industry relies on foreign workers – primarily from Indonesia, India and Bangladesh – for around three-quarters of its labour force. When the Government closed its borders following the COVID-19 outbreak, many foreign workers left the country's oil palm plantations, and now plantations owners are struggling to locally recruit the required labour force, according to industry sources. Apparently, the Government's hiring restrictions worsened the sector's chronic labour shortage. The Malaysian Palm Oil Association estimated that the country could lose up to 25 percent of its potential palm oil yield. In August, to address the issue, the Malaysian Palm Oil Board announced that it was working on a plan to incentivize Malaysians, especially the youths, to join the plantation industry. In the meantime, as the September-November peak production season approaches, the country's producers stepped up their efforts to i) make plantations jobs more attractive to locals, and ii) accelerate the mechanization of harvesting and other field work and the automation of mill operations so as to reduce reliance on labour. |
| 226 | OTHER POLICIES – COVID-19 measures | Malaysia | September | Palm oil | Disease containment measures: In September, to contain fresh outbreaks of COVID-19, the Government announced new, temporary movement restrictions in four districts of Sabah state, which accounts for roughly one quarter of the country's palm oil output. The provision was revoked after the concerned palm oil plantations and mills guaranteed that operations would be carried out in compliance with the standard safety procedures, including a 50 percent reduction in workforce. Industry sources warned that restrictions to contain COVID-19 have exacerbated the sector's chronic labour shortage, putting at risk harvesting and related operations. |
| 227 | OTHER POLICIES – COVID-19 measures | Malaysia | November | Oil palm | Migrant labour policies: In November, the Government opened a six-and-a-half month window to regularize undocumented foreign migrants, with a view to address chronic labour shortages in certain sectors that have been aggravated by travel restrictions introduced in the wake of the COVID-19 crises. The country's plantation industry is among the sectors most affected by manpower shortages (see also <i>MPPU Sep./Nov.'20</i>). The Malaysian Palm Oil Board and the sector's Palm Oil Association welcomed the Government's initiative, confirming that the move would help plantation owners deal with the acute lack of labour force – provided the newly regularized workers possessed the required skills or received appropriate training. Industry stakeholders are waiting to see the details of the regularization programme. |
| 228 | OTHER POLICIES – COVID-19 measures | Mauritania | March | Edible oils | Import liberalization: On 26 March, the Government exempted selected food products, including edible oils, from taxes and customs duties in a bid to guarantee adequate domestic supplies during the COVID-19 emergency. The exemption was scheduled to remain in force until the end of 2020. |
| 229 | OTHER POLICIES – COVID-19 measures | North Macedonia | March | Selected food commodities | Market regulation: To protect consumers and prevent market speculation during the COVID-19 emergency, in March, the Government froze the prices of certain food commodities, including olive oil. |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|--------------|-------------|--|---|
| 230 | OTHER POLICIES – COVID-19 measures | Pakistan | April | Soybean, rapeseed, palm and sunflower oils, and respective seeds | Import liberalization: On 7 April, the government suspended the additional customs duty of 2 percent for imports of soybean, rapeseed, palm and sunflower oil (and their respective seeds) in a bid to reduce the costs for consumers during the COVID-19 crisis. The import duty would remain suspended until 30 June. |
| 231 | OTHER POLICIES – COVID-19 measures | Paraguay | March | Grains, oilseeds | Grain logistics: Reportedly, in the second half of March, operations at the country's grain terminals experienced delays due to logistics issues arising from coronavirus lockdowns. |
| 232 | OTHER POLICIES – COVID-19 measures | Romania | April | Grains, oilseeds | Export policy: Triggered by concerns over possible supply shortages amid the COVID-19 emergency, on 10 April, the Government banned exports of grains, oilseeds and derived products to non-EU markets. The measure was lifted again after one week. |
| 233 | OTHER POLICIES – COVID-19 measures | Saudi Arabia | April - May | Agricultural products, soybeans | Import incentives: To ensure food security during the nation's coronavirus emergency, the country's Agriculture Development Fund announced direct and indirect loans to facilitate imports of a range of agricultural products, including soybeans. |
| 234 | OTHER POLICIES – COVID-19 measures | Serbia | March | Sunflowerseeds and derived products | Export policy: On 14 March, the Government imposed a 30-day export ban for sunflowerseed and derived products, in a bid to prevent critical shortages of these products during the COVID-19 emergency. |
| 235 | OTHER POLICIES – COVID-19 measures | Spain | May | Olive oil | Market regulation: After the completion of the European Commission's olive oil storage aid scheme for the 2019/20 season that benefited in particular Spanish growers (see <i>MPPU Mar'20</i>), in May, the Spanish Government called for an extension of the scheme to raise market prices and facilitate the sector's recovery prior to the start of the next marketing year – explaining that the COVID-19 pandemic had aggravated the crisis of the olive oil market. |
| 236 | OTHER POLICIES – COVID-19 measures | Sri Lanka | April | Oilmeals, selected edible oils | Import policy: The Government suspended, from 16 April to 15 July, imports of certain non-essential goods to counter the economic impact of the COVID-19 crisis. Products concerned include oilcrop flours and meals and selected oils. At the same time, commercial banks were directed to facilitate imports of certain commodities, including palm, safflowerseed and cottonseed oil. |
| 237 | OTHER POLICIES – COVID-19 measures | Thailand | April | Palm oil | Market regulation: With a view to shield consumers from price rises during the COVID-19 emergency, the Government took steps to reduce the retail price of palm oil. On 7 April, the Department of Internal Trade requested entrepreneurs to lower the price for one-litre bottles to THB 39–40 (USD 1.22–1.25), depending on brands. Furthermore, the Commerce Ministry would step up collaboration with refiners to ensure that palm oil deliveries to factories remain adequate during COVID-19 related movement restrictions. At the same time, the farmgate price for fresh fruit branches would remain guaranteed at THB 4 per kg (USD 0.13). |

| No. | Domain | Country | Month | Product | Description * |
|-----|------------------------------------|--------------------------|-------------|---------------------------|---|
| 238 | OTHER POLICIES – COVID-19 measures | United States of America | March - May | Selected crops, biodiesel | Farmer assistance & biofuel industry support: On 20 April, the Government announced a relief programme worth USD 19 billion to help U.S. farmers cope with the impact of coronavirus. The programme targets farmers who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production and disruptions to shipping patterns and the orderly marketing of commodities. The package includes USD 3.9 billion for pay-outs to producers of selected row crops, including soybeans, rapeseed and sunflowerseed. On 19 May, USDA informed that producers would receive a single payment based on 50 percent of a producer's 2019 total production or on unsold inventory as of 15 January 2020, whichever is smaller. For soybeans, rapeseed and sunflower, the applicable payment rates would be, respectively, USD 0.45–0.50 per bushel, USD 0.01 per pound and USD 0.02 per pound. A payment limitation of USD 250 000 per person or entity will apply, for all commodities combined. Furthermore, farmers financially hurt by the COVID-19 epidemic will also be provided access to more flexible federal loans. Moreover, with regard to biofuels, USDA announced plans to make available up to USD 100 million in competitive grants for activities designed to expand the availability and sale of renewable fuels. The measure is expected to benefit ethanol and biodiesel producers that have been affected by decreased energy demand due to nationwide lockdowns. |
| 239 | OTHER POLICIES – COVID-19 measures | United States of America | September | Agricultural products | Agricultural support: The US announced additional financial assistance of up to USD 14 billion for farmers who continue to face market disruptions and associated costs due to the COVID-19 pandemic. The package follows a first relief programme worth USD 19 billion launched in April 2020 (see <i>MPPU May'20</i>). According to media reports, under the first package, payments to farmers total less than USD 10 billion to date. In the new package, eligible row crops include the following oilseeds: soybean, sunflower seed, rapeseed/mustard seed, groundnut, safflower and sesame. Payments will be calculated based on both crop yields and the impact of COVID-19 on relevant commodity prices, with per-farm disbursements subject to specific upper limits. In the case of soybeans, farmers are set to receive USD 0.31 per bushel (USD 11.40 per tonne), with total government outlays amounting to almost USD 1.4 billion (based on official harvest projections). |
| 240 | OTHER POLICIES – COVID-19 measures | Uzbekistan | April | Vegetable oils | Import liberalization: In a bid to protect consumers from economic hardship during the coronavirus crisis, on 3 April, the Government reduced import duties on selected consumer goods, including vegetable oils. The measure is scheduled to remain in place until the end of 2020. |
| 241 | OTHER POLICIES – COVID-19 measures | Global | May | Vegetable oils | Trade disruptions: According to the Malaysian Palm Oil Council, transport restrictions put in place since the beginning of the year by several countries to curb the spread of COVID-19 led to serious disruptions to trade in vegetable oils and fats, notably palm oil. In particular, control requirements and other regulatory measures introduced by port authorities in China and India were said to have hampered palm oil trade flows. |

* 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 2020

| No. | Domain | Month | Country | Description * |
|-----|--|----------|---------|---|
| 1 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | January | Global | RSPO news – partnerships: The global, industry-led palm oil certification body Roundtable on Sustainable Palm Oil (RSPO) and the Global Green Growth Institute signed a MoU to enhance collaboration and funding for key activities and organizations supporting sustainable palm oil production. Inter alia, the two entities will work together to help their respective stakeholders secure access to the global market and assist responsible palm oil entrepreneurs in obtaining price premiums for their certified sustainable products. |
| 2 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | January | Global | RSPO news – production and sales of certified palm oil: Global supplies of RSPO-certified palm oil currently stand at 15.4 million tonnes annually, which is equivalent to about 19 percent of world palm oil production. As for sales, RSPO statistics for calendar year 2019 confirm the customary gap between total supplies and actual sales of certified material: similar to past years, in 2019, roughly half of the available certified products did not find a buyer and thus had to be sold as conventional palm oil without capturing a price premium – a problem the group is trying to tackle through its newly launched ‘shared responsibility principle’ (see <i>MPPU Jan. 20</i>). With regard to sale channels used, in 2019, the three methods involving physical supply chains – i.e. ‘identity-preserved’, ‘segregated’ and ‘supply-mass-balanced’ transactions – accounted for 75 percent of total sales (compared to 70 percent in the previous year), while the remaining 25 percent were marketed via book&claim mechanisms, which contribute only indirectly to sustainable production systems. As for palm kernel oil, about 82 percent of RSPO-certified material found a buyer in 2019. |
| 3 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | January | Global | Third party report – environmental impact: According to a study carried out by UK researchers, the establishment of new oil palm plantations – and the associated draining and clearing of peatlands – causes more environmental stress and GHG emissions than maintaining mature plantations. The research was driven by reports that, to expand their operations, growers across Southeast Asia are increasingly turning to peat swamps as other suitable palm oil acreage is becoming scarce and the means to raise productivity on existing plantations are lacking. |
| 4 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | January | Global | Third party report – industry pledges: The latest global survey of palm oil buyers conducted by the Worldwide Fund for Nature (WWF) confirmed that many large food companies continue to lag on their self-imposed pledges to eliminate environmentally harmful practices from their palm oil supply chains. The advocacy group maintains that sourcing exclusively RSPO-certified palm oil is the best approach for concerned companies to honour their commitments. |
| 5 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | February | Global | RSPO news – standards revisions: The RSPO integrated and updated three of its standards, namely the Supply Chain Certification Standard, the Supply Chain Certification Systems and the Supply Chain Requirements for Mills (see <i>also MPPU Nov. 19</i>). |
| 6 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | February | Global | Company news – responsible sourcing: Food manufacturing company Kellogg amended its palm oil sourcing policy to improve traceability throughout its supply chains (see <i>also MPPU Apr. 11 & Mar. 14</i>). The company pledged to phase out, by 2025, the sourcing of palm oil through RSPO credits, focusing instead on RSPO ‘mass balanced’ transactions (NB: ‘mass-balanced’ transactions are one of the three physical supply chain schemes offered by RSPO; different from ‘identity preserved’ and ‘segregated’ palm oil, ‘mass balanced’ transactions consists of blends of certified sources and ordinary palm oil). To oversee its efforts, the company partnered with independent auditor Proforest. Furthermore, Kellogg joined the Palm Oil Transparency Coalition and signed up to the No Deforestation-No Peat-No Exploitation (NDPE) Implementation Reporting Framework and committed to work more directly with smallholder farmers on productivity improvement measures. Reportedly, the company also extended its NDPE commitment to cover other commodities like paper, sugar and soybeans. |

| No. | Domain | Month | Country | Description * |
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| 7 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | February | Global | Company news – responsible sourcing: Food and drinks company <i>PepsiCo</i> strengthened its sourcing rules for palm oil (see also <i>MPPU May 14, Oct. '17 & Aug./Oct. '18</i>). The company now requires that, with retrospective effect to 2015, all its suppliers – direct ones as well subsidiary or third-party suppliers – abide by the NDPE principle. According to media reports, <i>PepsiCo</i> 's new requirement could affect the firm's relationship with a number of suppliers in Indonesia. Advocacy group <i>Rainforest Action Network</i> participated in shaping the company's new policy. |
| 8 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | March | Global | Third party report – palm oil substitution possibilities: UK researchers conducted a study on the desirability and viability of replacing palm oil – on the grounds of production sustainability concerns – with plant oils like rapeseed, sunflower oil, shea butter and tropical oils like coconut oil or microbial single-cell oils derived from algae or yeast. The different options have been reviewed from a technical, environmental and economic perspective, including the option of improving the sustainability of existing oil palm cultivation practices. Allegedly, attempts to raise output of alternative existing crop oils would present their own technical and environmental challenges. The only possible large-scale direct replacement would be single-cell oils, but these are said to require significant further development before becoming commercially viable. On a related note, it appears that a number of start-ups are currently working on synthetic replacements for palm oil. According to media reports, one start-up is developing bioreactors to convert – via a fermentation process – food waste and industrial by-products into oil-producing yeast. |
| 9 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | March | Global | RSPO news – trademark use: Pointing to a rise in the use of its trademark on consumer products at the global level, RSPO claimed that the market started to demand RSPO-certified sustainable palm products. Allegedly, mainstream consumers are increasingly taking note of where ingredients are sourced and what impact these have on the environment and human right issues. |
| 10 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | March | Global | RSPO news – gender equality: RSPO reported a high number of female field facilitators in a pilot project helping smallholder oil palm growers in Indonesia's Riau province to adopt sustainable management practices while improving productivity. Reportedly, the project supports the active participation of women. Based on an analysis of their role in farming operations, their access to training and capacity building activities has been facilitated and their involvement in farmers groups promoted. |
| 11 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | March | Global | RSPO news – grievance case: A new grievance case has been opened by the Roundtable on Sustainable Palm Oil (RSPO), the global, industry-led certification body. In March, the organization accepted to review third party claims that one of its member companies has been involved in unlawful deforestation in Indonesia's Central Kalimantan province. Reportedly, the complainant used public records and satellite imagery to spot deforestation on the concerned company's plantations and to detect encroachment on protected areas. |
| 12 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | March | Guatemala | Growers initiative – sustainable production: The Palm Grower Association of Guatemala (GREPALMA) reported that the number of signatories to its sustainable production principles has grown steadily and now covers three-quarters of the organization's total associated land. In 2020, the association plans to launch a zero-deforestation agreement involving the public sector. Reportedly, the initiative would include provisions for third party satellite-based verification of compliance. |
| 13 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | March | Indonesia | Company news – responsible sourcing: A global trading company with palm oil operations in Indonesia's Papua province committed to a policy of 'No Deforestation, No Peatland, No Exploitation' (NDPE), including pledges to protect the rights of local indigenous communities and to compensate for the deforestation caused by its activities in the region. In recent years, the company faced scrutiny over a local subsidiary's forest clearing activities and disputes with local communities. Reportedly, an environmental advocacy group contributed to the development of the company's new NDPE-policy. |

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| 14 | SUSTAINABILITY STANDARDS – Oil palm | March | Malaysia | Supply chain traceability: The Malaysian Palm Oil Council (MPOC) started to actively promote the use of blockchain technology to enhance traceability, accountability and transparency across the country's palm oil supply chain – with the ultimate objective to raise the level of trust in Malaysian palm oil. The technology is meant to complement the country's mandatory sustainability certification and standards. Reportedly, a blockchain-based mobile application and web interface will be made available to oil palm growers (plantations as well as smallholders) and palm oil processors. Detailed information would be collected to enable stakeholders and consumers to efficiently track palm oil from production to final distribution. (See also <i>MPPU Sep. '19</i>) |
| 15 | SUSTAINABILITY STANDARDS – Oil palm | March | Norway | Investor response – sustainability concerns: A Norwegian sovereign wealth fund opted to divest from a Peruvian consumer goods company over alleged human rights violations and deforestation activities in its palm oil supply chain. |
| 16 | SUSTAINABILITY STANDARDS – Oil palm | April | Global | Traders initiative – withdrawal from forest protection platform: Citing concerns over governance and financial matters, a global palm oil trading firm chose to resign as a member of the High Carbon Stock Approach (HCSA) organization. Created in 2014, the body developed a methodology that helps agribusinesses identify forest areas that should be protected – as opposed to degraded lands with low carbon and biodiversity values that may be developed. The concerned company informed that, despite its withdrawal, it remains firmly committed to using – across its supply chain – the HCSA toolkit. |
| 17 | SUSTAINABILITY STANDARDS – Oil palm | April | Global | RSPO news – government cooperation: In response to the European Commission's communication on stepping up EU action to protect and restore the world's forests (see <i>MPPU Sep. '19 & Mar. '20</i>), the RSPO released a position paper on how the group and its members could support the efforts of EU governments to protect forests and promote deforestation-free supply chains. Welcoming the Commission's call for measures allowing to lower the climate impact of European consumers across commodities, including palm oil, RSPO stated that close collaboration with governments is urgently needed. The group sees regulatory actions as an opportunity for governments to be part of the solutions that RSPO is already promoting. Reportedly, RSPO believes that governments have a critical role to play in i) educating the public, ii) ensuring company compliance and due diligence in meeting voluntary industry standards, and iii) creating a level playing field for agribusinesses. Close collaboration across commodity industries and supply chains as well as with governments and NGOs is seen as fundamental in halting deforestation and protecting forests. Offering to collaborate with the Commission and the EU Parliament, the certification body called for the introduction of binding rules to ensure companies act responsibly and follow high standards to address pressing environmental and social issues. |
| 18 | SUSTAINABILITY STANDARDS – Oil palm | May | Global | RSPO news – grievance mechanism: RSPO committed to enhance the workflow of its Grievance Unit to better serve stakeholders, further improve the processing of complaints, and reduce the current backlog of cases. The unit receives complaints regarding labour, social, environmental and land-related issues. Reportedly, cases can be complex and involve various parties and stakeholders, while all parties are required to follow RSPO's Complaints and Appeals Procedure and respect the independence of the Complaints Panel. |
| 19 | SUSTAINABILITY STANDARDS – Oil palm | June | Global | RSPO news – fire prevention efforts: In view of the approaching dry season, which typically sees an increase in the number of forest and peatland fires, the Roundtable for Sustainable Palm Oil (RSPO) activated a number of precautionary measures. Underlining that the use of fires to clear land, manage waste or control pests is banned within certified members' concessions, the organization contacted all members to ensure their certified units follow specific fire prevention and control measures and engage with adjacent stakeholders on similar actions. Furthermore, the group started to monitor fire hotspots within both RSPO certified and non-certified concessions, using a variety of tools including satellite information. In case hotspots are detected within a member's concession area, RSPO would call for timely ground verification and corrective action. Reportedly, in 2019, RSPO detected a total of 1 403 hotspots within member concessions from a total of 464 000 hotspots identified across Malaysia and Indonesia. |

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| 20 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | June | Global | Third party report – trade impact: A study released by <i>CDP</i> , a not-for-profit organization that supports companies and governments to measure and disclose their environmental impact, examined China's potential role in transforming the global palm oil value chain and protecting Asia's tropical forest. China was chosen because it is the world's third largest buyer of the commodity (after India and the EU) and because its industry is highly consolidated, which is said to give its companies particular leverage power. <i>CDP's</i> report stresses that companies in China and worldwide have come under pressure from customers, investors and policymakers to source palm oil more sustainably, especially by decoupling deforestation from their operations. While the ongoing shifts in market demand can translate into significant reputational and regulatory risks for businesses, opportunities available to those who adopt sustainable sourcing practices can be substantial, including access to funding tied to a company's sustainability performance, says <i>CDP</i> . On the regulatory side, the Chinese Government has advocated for sustainable commodity sourcing and introduced policies that require companies to manage the environmental impact of their business, according to the study. Nonetheless, the report also underscored that direct cooperation between consuming and producing countries is crucial to achieve sustainable palm oil production. |
| 21 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | June | China | RSPO news – market promotion: Renewing its efforts to promote the awareness and consumption of certified sustainable palm oil in China, RSPO held a webinar aimed at fostering collaboration with and between local stakeholders, comprising government agencies, industry associations, NGOs and Chinese and foreign companies. Although China is the world's third largest importer of palm oil after India and the EU, certified palm oil only accounts for a small portion of the domestic market. |
| 22 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | June | European Union | Private sector initiative – market promotion: The European Palm Oil Alliance (EPOA), a coalition of companies and organizations supporting initiatives committed to sustainable palm oil across Europe, estimated that in 2018 – although 83 percent of the palm oil imported for food by European refiners was certified sustainable – only 60 percent was bought as such by the European food industry and retail sector. Therefore, EPOA and other groups advocating the use of sustainable palm oil renewed their calls on EU food manufacturers and retailers to replace conventional palm oil with certified sustainable produce and communicate about it through specific labelling on packaging. |
| 23 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | July | Global | Company news – responsible sourcing: In its annual report on sustainable palm oil, global agribusiness firm <i>Cargill</i> claimed to be on track to eliminate deforestation from its supply chain by the end of 2020. Reportedly, by end-2019, over 90 percent of the company's palm oil volume globally was covered by 'No Deforestation, No Peat and No Exploitation' (NDPE) policies and some 60 percent of direct traders/refiners had put in place a credible NDPE implementation plans covering their supply chains. Furthermore, the company stated that it established a clear and transparent process for managing and resolving NDPE grievances. It also highlighted its work with individual smallholder palm farmers in several countries to help them produce palm oil sustainably. Over the next five years, the company plans to renew its sustainability efforts, focusing on the following areas: ensuring compliance, addressing leakage, supporting smallholders, protecting human rights, aligning with local government programmes, and improving transparency. |
| 24 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | July | Indonesia | Growers initiative – fire prevention efforts: Reportedly, in Indonesia, a group of independent smallholders certified by RSPO intensified its efforts to ensure fire mitigation procedures are fully implemented, in compliance with RSPO's standards. According to RSPO, the organization's members continue to strive to prevent fire and monitor hotspots within and around their concessions as the dry season is approaching in Southeast Asia. (See also <i>MPPU July '20</i>) |

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| 25 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | July | Indonesia | Third party report – national certification scheme: Following a recent Presidential Regulation announcing the overhaul of Indonesia's mandatory certification for sustainable palm oil, ISPO (see <i>MPPU May'20</i>), in May 2020, a set of revised draft principles & criteria and implementing regulations has been circulated to stakeholders for comment. Reportedly, civil society groups found that the following aspects require further consideration: i) in regard to the conversion of indigenous lands to palm oil plantations, the fact that a large part of the country's indigenous lands is not legally recognized is said to undermine efforts to protect the right of local communities to 'Free, Prior and Informed Consent' (FPIC); ii) it remains controversial whether the programme's ban on forest conversion should only apply to primary forests and peatland or be extended to all types of natural forest, i.e. including secondary forests; and iii) detailed provisions for independent monitoring and oversight of ISPO are considered paramount to guarantee the system's credibility. |
| 26 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | July | United States of America | Advocacy group initiative – grievance case: A US-based anti-trafficking NGO filed a petition against one of the world's largest palm oil suppliers based on alleged evidence about instances of unlawful wage policies and recruitment practices. Filed with the US Customs and Border Protection agency, the petitioner called for a ban on US imports of palm oil produced by the concerned company. Acknowledging that the industry's complex supply chain poses important challenges, the company said it hoped to work with the NGO to investigate the allegations and, if warranted, take corrective action, the media reported. Reportedly, two similar petitions were filed last year against the world's top producer of crude palm oil. Earlier this year, Malaysia's press reported that the country's Minister of Primary Industries urged palm oil industry players and relevant associations to promote good labour practices and organize awareness programmes on forced and child labour, adding that an in-depth study on the sector's labour practices was being conducted. |
| 27 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | August | Global | Third party report – sustainability criteria: A new study on the expansion of oil palm cultivation in Southeast Asia since the mid-1980s and its progressive impact on the environment sparked a debate on whether or not it is appropriate to certify plantations as 'sustainable' on account of their on-going production methods – while ignoring past loss of forests and wildlife on the concerned concessions. The study suggests that certified palm oil might not be as sustainable as previously believed because often deforestation rates are measured in certified plantations that included little remaining forest at the start of the assessment. According to the media, in this regard, RSPO acknowledged that it does not account for past deforestation when certifying plantations and stressed that its standards focus on making members adopt sustainable practices that avoid the recurrence of past problems. |
| 28 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | August | Global | Company news – responsible sourcing: Global consumer goods company <i>Unilever</i> announced that it would test, in partnership with a US tech company, a new geo-location technology, in a bid to further enhance transparency in its soy and palm oil supply chains. Reportedly, the company is redesigning its approach to traceability to ensure that the land cultivated by its suppliers wasn't connected to deforestation. In the case of palm oil, satellite images will be combined with geo-fencing and anonymous cell-phone data using artificial intelligence and scalable data science, <i>Unilever</i> said. Allegedly, the new approach will allow to determine the individual farms or plantations that are most likely to be supplying the palm oil mills in the company's extended supply chain, in turn facilitating the detection of possible deforestation issues. The pilot programme, which will be applied to a small number of palm oil mills and refineries in Indonesia and soy warehouses in Brazil, is meant to complement the company's existing monitoring tools, notably the radar-based monitoring system introduced last year (see <i>MPPU Nov. '19</i>). Other initiatives include new partnerships with direct suppliers to help local mills and smallholders move towards NDPE production and the introduction of a transparent grievance procedure to foster the detection and resolution of critical cases. To promote transparency, the company started releasing detailed lists of its palm oil suppliers, records of grievance cases, and lists of suspended growers, mills and suppliers. |
| 29 | SUSTAINABILITY STANDARDS – <i>Oil palm</i> | August | China | RSPO news – market promotion: Together with CFNA, China's Chamber of Commerce of Foodstuffs and Native Produce, and the World Wildlife Fund, RSPO organized two public events in China, renewing its efforts to promote certified sustainable palm oil in China and transform the Chinese palm oil market. While until now the share of certified palm oil in the Chinese market has not grown much, the organizers share the view that China will play a critical role in driving the global market transformation of sustainable palm oil. According to the certification body, the number of Chinese RSPO members has increased to 222, of which three-quarters are from mainland China. (See also <i>below</i>) |

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| 30 | SUSTAINABILITY STANDARDS – Oil palm | August | Indonesia | RSPO news – market promotion: RSPO co-hosted a virtual event with Indonesian media focusing on the organization's Shared Responsibility concept (see <i>MPPU Jan. '20</i>). Market participants discussed about means to achieve a better balance between supply and uptake of certified sustainable palm oil in Indonesia. Reportedly, in the world's largest palm oil producing country only 13 percent of certified production finds a local buyer, suggesting that, for the time being, sustainable forms of palm oil consumption are not a major concern for Indonesian consumers. Company news – responsible sourcing: In a bid to help eliminate deforestation and protect human rights, global packaged foods company <i>Mondelez International</i> pledged to introduce more stringent palm oil sourcing policies and renew its efforts to enhance transparency across its supply chain. In particular, the company will require suppliers to confirm their sustainable practices across their entire operations, not just relating to goods produced for <i>Mondelez</i> . Furthermore, suppliers will be asked to demonstrate their adherence in a third party assessed monitoring process. Reportedly, in 2019, <i>Mondelez</i> suspended 89 mills due to non-compliance with its policies. |
| 31 | SUSTAINABILITY STANDARDS – Oil palm | September | Global | Company news – responsible sourcing: In October, the global snack food and pet care company <i>Mars</i> claimed to have eliminated deforestation and human rights violation from its palm oil supply chain after radically simplifying its procurement operations. Reportedly, the company reduced the number of mills it works with from 1 500 to a few hundred and plans to reduce the number to 50 over the next two years. The use of satellite mapping to monitor land-use, together with third-party validation, allowed the company to select the suppliers and mills it sources from, <i>Mars</i> reported. To achieve greater impact, the company is also asking its suppliers to apply the company's principles to all the palm oil they market, i.e. not just to the material supplied to <i>Mars</i> . |
| 32 | SUSTAINABILITY STANDARDS – Oil palm | September | Global | Company news – responsible sourcing: In October, the global snack food and pet care company <i>Mars</i> claimed to have eliminated deforestation and human rights violation from its palm oil supply chain after radically simplifying its procurement operations. Reportedly, the company reduced the number of mills it works with from 1 500 to a few hundred and plans to reduce the number to 50 over the next two years. The use of satellite mapping to monitor land-use, together with third-party validation, allowed the company to select the suppliers and mills it sources from, <i>Mars</i> reported. To achieve greater impact, the company is also asking its suppliers to apply the company's principles to all the palm oil they market, i.e. not just to the material supplied to <i>Mars</i> . |
| 33 | SUSTAINABILITY STANDARDS – Oil palm | September | India | RSPO news – consumer campaign: In an effort to educate consumers in India, the world's leading importer of palm oil, RSPO launched – with support from local organizations – a consumer campaign aimed at raising awareness among consumers about the importance of the production and consumption of certified sustainable palm oil. |
| 34 | SUSTAINABILITY STANDARDS – Oil palm | September | Japan | Company news – responsible sourcing: Japanese instant noodles producer <i>Nissin</i> informed that it revised its palm oil procurement policy. From 2030, in addition to the procurement of RSPO-certified palm oil, the company plans to procure only palm oil that is proven to be sustainable under the group's own assessment. |
| 35 | SUSTAINABILITY STANDARDS – Oil palm | October | Global | RSPO news – human rights protection: The global, industry-led palm oil certification body RSPO (Roundtable on Sustainable Palm Oil) renewed its efforts to ensuring the protection of human rights – and especially the prevention of child labour and exploitation – among its members. The group explained that for human rights-related issues, notably labour-related compliances, the evidence tends to very subjective, as it involves a lot of paperwork and verification with workers on the ground. To facilitate the enforcement of its human rights-related standards, RSPO recently developed a series of child rights guidance documents for different stakeholder groups. Moreover, the group is working on a gender guidance document and on a revision of its Free, Prior and Informed Consent (FPIC) guidance. |
| 36 | SUSTAINABILITY STANDARDS – Oil palm | October | Indonesia | RSPO news – smallholder certification: RSPO reported that a group of 30 independent smallholders in south Sumatra, Indonesia, became the first such group to be certified under the recently adopted RSPO Independent Smallholder (ISH) standard (see <i>MPPU Jan. '20</i>). |
| 37 | SUSTAINABILITY STANDARDS – Oil palm | November | Global | Third party report – certification impact: A recently published study examining the impact of palm oil development and certification on village well-being across Indonesia found that communities living near oil palm plantations are impacted in different ways. Tracking changes from before oil palm plantations were first established to several years after plantations were certified, researchers noticed that certification was associated with reduced poverty in villages with primarily market-based livelihoods, but not in those where subsistence livelihoods were dominant before switching to oil palm. The study also asserts that oil palm certification in certain village contexts may require additional resources to ensure socioeconomic objectives are realized. |

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| 38 | SUSTAINABILITY STANDARDS – Oil palm | November | Global | <p>Company news – responsible sourcing: Global agri-trading firm <i>Cargill</i> announced that it was expanding its supply of segregated RSPO-certified palm oil in North America, in an effort to help customers meet their sustainability commitments. Segregation – as opposed to mass-balanced products – requires certified products to be kept separate from ordinary palm oil throughout the supply chain. Out of the four sale channels offered by RSPO, the segregated supply chain approach ranges below the ‘identity preservation’ model, which guarantees that products from a single identifiable certified source are kept separate and traceable throughout the supply chain.</p> <p>RSPO news – oil palm development in high forest cover countries (Africa): RSPO looked into how to balance conservation with economic development in high forest cover countries (HFCCs) such as the Democratic Republic of Congo, the Republic of Congo, Gabon and Liberia. While recognizing that HFCCs urgently need economic opportunities that deliver socio-economic benefits and safeguards to concerned communities, RSPO stressed that any interest in oil palm development within these nations needed to be pursued sustainably. The industry body defines HFCCs as countries with i) more than 60 percent forest cover and less than one percent of oil palm cover, ii) a deforestation trajectory that is historically low but increasing in recent years, and iii) a known frontier of palm oil, or where major areas have been earmarked for oil palm development.</p> <p>RSPO news – smallholder training: RSPO reported on on-going efforts to help oil palm smallholders and their supporting organizations to get access to high quality training aimed at achieving sustainable livelihoods. Reportedly, RSPO-trained individuals have been using creative approaches to train and engage smallholders globally to promote their understanding of sustainable practices.</p> <p>Third party report – company risks & opportunities: According to a report by environmental advocacy group Carbon Disclosure Project (<i>CDP</i>), a group of companies linked to the Indonesian palm oil supply chain estimated forest-related risks to have costed them a total of USD 10 billion in 2020. Brand damage was perceived as the greatest risk, with a potential financial impact totalling US\$ 4.2 billion. Risks of reduced demand and disruptions in sales and production capacity accounted for the remainder. In order to mitigate these risks and access the financial opportunities that deforestation-free value chains offer, companies need to pair clear target-setting with collaborative implementation on the ground, the NGO wrote. <i>CDP</i>'s study is based on a questionnaire compiled by 125 companies that produce, source or use palm oil from Indonesia. The report finds that specific ‘No Deforestation–No Peatland–No Exploitation’ commitments are still lacking, particularly amongst downstream companies, while only a minority of companies supports ecosystem restoration and conservation projects. Acknowledging that companies willing to remove deforestation from their value chains are hampered by the inherent complexity of the palm oil supply chain, <i>CDP</i> urged businesses to i) strive for full product traceability, ii) improve accountability, iii) promote collaborative action, and iv) provide financial incentives to help scale sustainable practices and remove barriers to certification. Recommended multi-stakeholder initiatives include the use of certification methods that are based on jurisdictional approaches (see also <i>MPPU Dec. '17, Aug./Oct. '18, July/Sep. '19</i>). According to media reports, the Indonesian Palm Oil Association questioned <i>CDP</i>'s findings, underlining that local companies had complied with domestic industry standards.</p> |
| 39 | SUSTAINABILITY STANDARDS – Oil palm | November | Global | <p>Third party report – company performances: An analysis of 100 producers and traders of palm oil carried out by international conservation group Zoological Society of London (<i>ZSL</i>) showed that companies made progress in setting clear commitments to tackle deforestation, protect peatland and safeguard human rights. However, <i>ZSL</i> also found that a low percentage of companies provided detailed information on how they actually monitored deforestation, forest fire management, peatland conservation etc. The NGO called on palm oil producers, their investors, banks and downstream buyers to ensure that all targets are met, enforced and reported on. <i>ZSL</i> also underlined the importance of all stakeholders coming together to ensure appropriate action is taken on the ground. The group underlined that palm oil is still regarded as one of the most efficient vegetable oil crops in terms of yield per hectare, meaning that a complete rejection of the product would only likely shift demand to less-efficient alternatives and lead to greater habitat destruction.</p> |
| 40 | SUSTAINABILITY STANDARDS – Oil palm | November | Global | |
| 41 | SUSTAINABILITY STANDARDS – Oil palm | November | Global | |
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| 42 | SUSTAINABILITY STANDARDS – Oil palm | November | China | RSPO news – market promotion: RSPO intensified its efforts to promote the consumption of sustainable palm oil in China. In November, the group participated in a Chinese retail trade fair to raise the awareness of retailers and consumers about certified sustainable palm oil and encourage them to support conservation efforts. Although China is the world's third largest importer of palm oil, certified palm oil continues to account for a small portion of the domestic market. (See also <i>MPPU May/Aug. '18, Sep. '19 & July/Sep. '20</i>) |
| 43 | SUSTAINABILITY STANDARDS – Oil palm | November | Indonesia | RSPO news – smallholder income diversification: RSPO reported that independent oil palm smallholders in Indonesia have been diversifying their income to reduce exposure to fluctuating palm oil prices and production by engaging in activities such as cattle grazing, producing compost (from cow manure and palm oil waste) for use in plantations, and planting cassava and other food crops between palms (in either young or aging plantations). |
| 44 | SUSTAINABILITY STANDARDS – Oil palm | December | Indonesia | RSPO news – smallholder certification: RSPO recorded an increase in membership from groups of independent smallholders in Indonesia. Reportedly, in 2020, 2 149 new smallholders joined the certification body, raising the total number to 5 914 smallholders across 29 groups, with a total certified area of about 15 000 hectares. (On RSPO's separate standard for independent smallholders see <i>MPPU Jan.'20</i> .) |
| 45 | SUSTAINABILITY STANDARDS – Oil palm | December | Indonesia | Third party report – labour rights issues: A coalition of NGO reported alleged labour abuses in a number of oil palm plantations in Indonesia. Reportedly, the palm oil from the concerned plantations was certified by the RSPO and entered the global supply chain, although provisions to protect labour and human rights feature clearly in RSPO standards. The NGOs invited the concerned companies to independently verify the allegations and, if warranted, publish plans for corrective action, including measurable targets that can be monitored by the public. Furthermore, the NGOs recommended that global palm oil buyers request plantations companies to systematically collaborate with labour unions. |
| 46 | SUSTAINABILITY STANDARDS – Oil palm | December | Thailand | RSPO news – producer support & market promotion: RSPO co-hosted a business forum with the German Agency for International Cooperation (GIZ) to discuss the role of Thai policy makers, business actors, and consumers in supporting the production and consumption of certified sustainable palm oil in Thailand, as well as encouraging Thai smallholders to gain better access to international markets through RSPO certification. |
| 47 | SUSTAINABILITY STANDARDS – Soybean | January | Global | Third party report – trade leverage: Analyses conducted by environmental non-profit group <i>CDP</i> together with the supply chain mapping initiative <i>Trace</i> suggest that China, as the largest market for Brazilian soy, is exposed to imported GHG emission risks from deforestation linked to soybean expansion. The authors of the study argued that Chinese companies and the Government could use their influence in the market to drive moves towards deforestation-free soy in Brazil. |
| 48 | SUSTAINABILITY STANDARDS – Soybean | January - February | Global | Company news – responsible sourcing & RTRS: U.S. meat processing firm <i>Tyson Foods</i> partnered with advocacy group <i>Proforest</i> to conduct a deforestation risk assessment examining the firm's supply chain for palm oil, soybean, beef timber and paper products. The assessment would form the basis for the company's commitment to adhere to the NDPE principle. Reportedly, the company's initiative has been triggered by requests from a group of shareholders. Furthermore, the company announced that it would work with the Roundtable on Responsible Soy (RTRS) to purchase credits for soybean meal destined for the firm's poultry operations – particularly in regions where soy is sourced from areas subject to environmental and social risks. Reportedly, <i>Tyson Foods</i> was one of seven companies that recently joined the RTRS to contribute to the expansion of sustainable soy production practices. Others included a Canadian restaurant chain, a European livestock company, a Finnish trader, an international non-profit environmental organization, a Brazilian certification institute, and an agronomic consultancy firm, also based in Brazil. |

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| 49 | SUSTAINABILITY STANDARDS – Soybean | March | Brazil | Responsible production – external funding mechanism: A fund management company launched the Responsible Commodities Facility (RCF), a mechanism aimed at incentivising farmers in Brazil's Cerrado region to grow soybeans on degraded lands such as former cattle pastures – as opposed to clearing forests and other native vegetation. Under the facility, farmers would be offered tailored crop financing and land restoration loans that combine low interest rates and long repayment terms. The Cerrado biome is estimated to include 18 million hectares of degraded land suitable for row crop farming. The new funding facility aims at reaching more than 600 medium-sized farms over the next 10 years, potentially restoring 1.2 million hectares of that land. To be eligible, farmers would be required to give up their right to legally deforest their land. Reportedly, the new supply chain would be constantly monitored by employing a range of traceability systems, while the sustainably sourced commodities would be marketed through a dedicated selling platform linked to a blockchain registry. The fund would be operated around blended finance, mixing finance from international agencies with private finance and investments. Green bonds issued by RCF are expected to begin trading on the London Stock Exchange later this year. RCF has been developed with support from the UK Government and includes a collaboration agreement with the UN Environment Programme. The facility is expected to act as a delivery mechanism for the Cerrado Manifesto, signed by 50 civil society organizations and nearly 150 consumer good companies to reduce deforestation from soy production (see <i>MPPU Dec. '18</i>). |
| 50 | SUSTAINABILITY STANDARDS – Soybean | June | Brazil | Responsible production – private sector support: The <i>Soft Commodities Forum of the World Business Council for Sustainable Development (WBCSD)</i> , which is composed of the world's leading grain and oilseed traders, partnered with civil society group <i>Solidaridad</i> to engage farmers in Brazil's Cerrado region to expand and improve soy production through efficient and sustainable land use. Focusing on areas characterized by high rates of native vegetation conversion, the project would collaborate with farmers and co-develop approaches that promote profitable soy production along with low-carbon and climate-smart practices. After an initial phase to assess current practices and understand land-use dynamics in the region, the project would reach out to key partners to jointly develop action plans. |
| 51 | SUSTAINABILITY STANDARDS – Soybean | July | Global | Company news – responsible sourcing: In an effort to better understand the sustainability profile of its suppliers, China's global grain trading company <i>COFCO</i> plans to track 100 percent of the soybeans it sources in Brazil by 2023. The project will in part be funded by a large, sustainability-linked loan the company took out last year (see <i>MPPU July '19</i>). |
| 52 | SUSTAINABILITY STANDARDS – Soybean | August | Global | Company news – responsible sourcing: Global consumer goods company <i>Unilever</i> announced that it would test, in partnership with a US tech company, a new geo-location technology, in a bid to further enhance transparency in its soy and palm oil supply chains. Reportedly, the company is redesigning its approach to traceability to ensure that the land cultivated by its suppliers was not connected to deforestation. Satellite images will be combined with geo-fencing and anonymous cell-phone data using artificial intelligence and scalable data science, <i>Unilever</i> said. Allegedly, the new approach will allow to determine the individual farms that are most likely to be supplying soybean within the company's extended supply chain, in turn facilitating the detection of possible deforestation issues. The pilot programme will be applied to a small number of soy warehouses in Brazil and palm oil mills and refineries in Indonesia. |
| 53 | SUSTAINABILITY STANDARDS – Soybean | October | Global | Company news – responsible sourcing: After joining the Round Table on Responsible Soy (RTRS) earlier this year, Japanese food company <i>Fuji Oil Holdings</i> informed that it intends to adopt a sustainable soy sourcing policy by 2021. The company's soybean processing and ingredients business procures soybean raw materials from North America, China and Japan, all of which are non-GM soybeans. |

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| 54 | SUSTAINABILITY STANDARDS – Soybean | December | Brazil | Company news – responsible sourcing: Global food companies issued a joint call asking the world's key commodity trading houses to stop sourcing, directly or indirectly, soybeans associated with deforestation in Brazil's Cerrado region, where about 60 percent of the country's soybeans are grown. Traders were urged to step up their own commitments and implement robust monitoring, verification and reporting systems within the region. According to the food producer alliance, none of the trading companies contacted agreed to the requests made. Furthermore, Brazil's soybean industry rejected a sudden introduction of zero-deforestation obligations in the region, arguing that national law allows Cerrado farmers to clear up to 80 percent of native vegetation on land owned. On the other hand, industry representatives said they were open to the idea of offering farmers financial compensation for protecting native vegetation beyond their legal obligations. Reportedly, to date, only a few companies agreed to provide funding for such an initiative. (On related private/public initiatives targeting Cerrado farmers see MPPU May/Dec.'18, Jan./May'19 & Jan./May/July'20). |
| 55 | SUSTAINABILITY STANDARDS – Coconut | January | Philippines, Indonesia | Public-private partnership: Reportedly, a public-private partnership set up to promote sustainable production of coconut oil in the Philippines and Indonesia resulted in a 26% improvement in productivity and a 47% increase in earnings for participating certified farmers. Out of 4 100 farmers that received training in good agricultural practices and farm management tools, about 1 600 were certified against the Rainforest Alliance's Sustainable Agricultural Standard. Participating farmers were mostly smallholders or tenants with less than four hectares of land and limited access to know-how and financing. The project enjoys the support of local government agencies, the German Agency for International Cooperation (GIZ), Procter&Gamble, BASF, and Cargill (see also MPPU Aug.'17, May/July'19 & Jan.'20). |
| 56 | SUSTAINABILITY STANDARDS – Coconut | July | Global | Public-private partnerships: One year after an inaugural roundtable meeting on sustainable coconut production (see MPPU July'19), cocoa/chocolate company Barry Callebaut and the U.S. Agency for International Development (USAID) reconvened coconut buyers to continue their discussions about how to achieve sustainable expansion in global production. Participants agreed to concentrate their efforts on the following activities: i) replanting of aged trees and promotion of intercropping; ii) improvement of farmers' access to markets, finance and technology; and iii) harmonization of buyer requirements and enhancement of product traceability. Reportedly, Barry Callebaut committed to engage all its suppliers in the design of adequate interventions, while global foods and drinks company Nestlé pledged to identify the origin of 80 percent of coconut in its supply chain and achieve responsible sourcing of at least 70 percent. In addition, 10 companies joined a public-private partnership set up last year to promote sustainable production of coconut oil in the Philippines and Indonesia (see MPPU Jan./Mar.'20). |
| 57 | SUSTAINABILITY STANDARDS – Coconut | July | Thailand | Civil society initiative: A civil society group in the UK claimed that, in Thailand, monkeys used to pick coconuts are mistreated. The NGO invited consumers to refrain from buying coconut products, putting at risk Thailand's sales in Britain and other European countries. According to the media, Thailand's Commerce Minister rejected the NGO's allegations, and underscored that coconut harvesting by monkeys is not a major part of the industry, adding that the animals are mostly a tourist attraction and are not mistreated in the process. The Government has met with representatives of the industry to discuss about possible solutions. Reportedly, one way to reassure importers would be to introduce traceability of coconut products, which would allow buyers to track products back to individual growers and their respective harvesting practices. |

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| 58 | SUSTAINABILITY STANDARDS – Cross-commodity | September | Global | Industry initiative – deforestation-free supply chains: The Consumer Goods Forum (CGF), a group comprising household goods manufacturers and retailers from across the world, has launched a fresh initiative aimed at accelerating systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains. The 'Forest Positive Coalition of Action' envisages the formulation of specific action (including performance indicators) for palm oil, soy, and pulp, paper and fibre-based packaging. The first edition of a palm oil roadmap has been released in September 2020. In general, coalition members are expected to engage with producers, suppliers, traders as well as governments and civil society in both producer and importing nations. Reportedly, government engagement efforts are already underway in Brazil, China, the EU and Indonesia and include efforts to promote the introduction and enforcement of appropriate legislation. The initiative has been met with scepticism by some environmental groups, which pointed out that CGF is likely to miss its 2020 target to achieve zero-deforestation and purchase exclusively sustainably produced commodities. In this regard, CGF conceded that, while progress had been made, the past emphasis on green certification was not agile enough to address the many drivers of commodity-driven deforestation. Reportedly, the solutions currently under consideration are taking into account the socio-economic dimensions of deforestation and the complexities of and linkages between commodity chains. Furthermore, special emphasis will be placed on better stakeholder collaboration, complete member accountability, and full supply chain transparency and traceability. |
| 59 | SUSTAINABILITY STANDARDS – Cross-commodity | October | Global | Third party report – deforestation-free supply chains: The Carbon Disclosure Project (CDP), a not-for-profit group supporting companies and governments to measure and disclose their environmental footprint, analysed to which extent some of the largest and high-impact producers and traders of palm oil, timber, soy and cattle are managing risks and seeking opportunities to tackle deforestation within their supply chains. The initiative is aimed to help individual companies assess the likelihood of being exposed to deforestation. In general, the study found that palm oil and timber companies are held to higher standards for tackling deforestation than soy and cattle companies. Furthermore, a significant proportion of companies' soy supply chains continued to be unmapped and thus were at risk of sourcing from areas where deforestation has occurred, according to CDP. |
| 60 | SUSTAINABILITY STANDARDS – Cross-commodity | October | Global | Third party report – private sector forest protection: Environmental advocacy group Forest Conservation Fund urged companies buying palm oil, soybeans, paper and other commodities contributing to deforestation to actively protect forests – in addition to on-going efforts to free supply chains from unsustainable production practices. According to the NGO, currently available solutions for companies who want to offer deforestation-free products – primarily relying on certification schemes – have proven to be complex, costly and time-consuming and generally less effective than expected. Parallel company initiatives to actively protect forests, support forest-friendly development options and fund land tenure for local forest communities could be more cost-effective, the NGO argued. |
| 61 | SUSTAINABILITY STANDARDS – Cross-commodity | November | Global | Investors initiative: Aimed at slowing down deforestation, a group of institutional investors called on companies to improve transparency in their sourcing of palm oil, soybean, beef and other agricultural commodities. Reportedly, the investors' alliance plans to use satellite imagery and artificial intelligence to detect forest cover changes and identify companies whose supply chains involve deforestation. |
| 62 | SUSTAINABILITY STANDARDS – Cross-commodity | November | Indonesia | Third party report – indigenous peoples rights: A coalition of Indonesian human rights organizations and international NGO <i>Forest Peoples Programme</i> called on the UN Committee on the Elimination of Racial Discrimination (UN-CERD) to consider the situation of indigenous groups following the recent passage of Indonesia's Job Creation Act – an omnibus bill introduced to stimulate economic recovery in the wake of the COVID-19 crisis. According to the claimants, the new law rolls back already limited protection of indigenous peoples, while further privileging the interests of the business community, specifically plantation companies and extractive industries. Passed in October 2020, the Act has come under scrutiny of numerous civil society groups, who expressed concerns that the new law would weaken not only labour rights but also undermine existing provisions to protect forests and environmental safeguards applying to the plantation sector. |

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| 63 | SUSTAINABILITY STANDARDS – Cross-commodity | December | Global | Company news – responsible sourcing: As part of its ‘Sustainability Roadmap 2025’, global aquafeed and animal nutrition group Nutreco reported that it was reviewing its soybean and palm oil sourcing policy, with a view to remove deforestation from its supply chains and ensure that the rights of local communities are respected. Committed to only source ingredients that are free from both illegal and legal deforestation by 2025, the company strived to simplify complex certification schemes used by procurement teams. |
| 64 | BIOFUEL / BIOENERGY | January | Republic of Korea | Biodiesel-enriched marine fuel: Following the recent implementation of the International Maritime Organization’s modified shipping fuel standard, a Korean company set out to explore the use of biodiesel in low-sulphur marine fuel. As biodiesel feedstock the company intends to use primarily palm fatty acid distillate (PFAD). (See also http://www.imo.org/en/MediaCentre/PressBriefings/Pages/34-IMO-2020-sulphur-limit-.aspx) |
| 65 | BIOFUEL / BIOENERGY | February | European Union, Ukraine | Environmental credentials – trade requirements: According to industry sources, insufficient data on GHG emissions in farming could threaten Ukraine’s ability to supply rapeseed to EU biodiesel manufacturers. In order to qualify under the EU’s renewable energy directive, biodiesel producers are required to demonstrate that life-cycle GHG emissions of feedstock used fall within certain permissible levels. |
| 66 | BIOFUEL / BIOENERGY | February | United States of America | Biodiesel manufacturing technology: In the United States, private transport companies and soybean industry associations joined forces to conduct an in-depth validation of new biodiesel technologies, in an effort to assess their viability in real-world, high-mileage fleet applications. The project aims at assisting transport companies switch to renewable fuels that are compatible with their infrastructure while minimizing disruptions and reducing overall operating costs. |
| 67 | BIOFUEL / BIOENERGY | May | Italy | Company news – biodiesel feedstock options: Italy’s leading oil and gas company announced that, as part of its 2020–2023 decarbonization strategy, it plans to phase out, by 2023, the use of palm oil and its derivatives as biodiesel feedstock. Reportedly, in 2019, the company used the following biodiesel feedstock: palm oil (242 000 tonnes), palm oil mill effluent (23 000 tonnes), used cooking oil (31 000 tonnes), and other oils (8 000 tonnes). The company’s imports of palm oil and derivatives in 2018 and 2019 amounted to, respectively, 280 thousand tonnes and 700–800 thousand tonnes. (See also <i>MPPU May’20</i>) |
| 68 | BIOFUEL / BIOENERGY | June | China | Company news – waste oil-based biodiesel: According to local media, China’s largest oil refiner, state-owned company Sinopec, plans to step up its involvement in the domestic biofuel market by expanding its B5 production and accelerating research on B10 – i.e. diesel blends containing, respectively, 5 and 10 percent of biodiesel derived from used cooking oil. Reportedly, the company also intends to raise the number of its gas stations selling biodiesel. |
| 69 | BIOFUEL / BIOENERGY | July | India | Research on non-edible feedstock: A group of Indian researchers is working on the production of biofuels from various oil-rich non-edible seeds from plants and trees such as neem, castor, <i>cascabela thevetia</i> , <i>madhuca longifolia</i> and <i>delonix regia</i> . Reportedly, the concerned production processes still require improvement to make the end-products suitable for use as transportation fuel. |

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| 70 | BIOFUEL / BIOENERGY | July - August | Brazil | Company news – renewable diesel: Following the successful completion of tests on an industrial scale, Brazilian refiner <i>Petrobras</i> announced that the company is ready to launch production of oils/fats-based 'renewable diesel' (also known as 'green diesel' and 'hydro-treated vegetable oil' or HVO), once approval is granted by the competent national authority. Produced under high temperature and hydrogen pressure via catalytic hydrogenation of a blend of diesel fractions and vegetable oil, renewable diesel is considered chemically identical to mineral diesel. According to industry estimates, the new type of fuel reduces GHG emissions by 70 percent compared to mineral diesel and 15 percent compared to conventional, esterification-based biodiesel. Reportedly, compared to conventional biodiesel, renewable diesel offers the following benefits: i) improved combustion quality due to an elevated cetane number; ii) high stability to oxidation and low water absorption; and iii) low contaminant levels. Furthermore, the fuel can be added at any proportion to high-performance diesel. Currently, Brazil's refining industry produces an estimated 5.35 million tonnes of conventional biodiesel per year, with soyl accounting for more than 70 percent of the feedstock employed. Reportedly, the introduction of renewable diesel remains controversial within the country as it could affect domestic soybean demand. |
| 71 | BIOFUEL / BIOENERGY | July - August | Indonesia | Company news – renewable diesel: In Indonesia, state-owned energy company <i>Pertamina</i> reported that it successfully conducted trial production of renewable diesel made entirely from refined palm oil (as opposed to palm oil-based fatty-acid-methyl-ester), using catalytic cracking and hydrogenation. According to <i>Pertamina</i> , additional work will be required to make the new type of fuel economically viable. Meanwhile, the company plans to test the production of jet fuel containing 3 percent renewable diesel. |
| 72 | BIOFUEL / BIOENERGY | July - August | United States of America | Company news – renewable diesel: In the US, in the coming years, a number of refineries in California and North Dakota are expected to shift from refining petroleum to producing renewable diesel from various vegetable oils, animal fat as well as used cooking oil. Reportedly, the refiners expect to benefit from a variety of federal and state subsidies for climate-friendly fuels as well as policies specifically mandating the use of low-carbon fuels. As a result, market observers do not exclude future supply shortages in animal fats and used cooking oil – two feedstock that qualify for additional credits under California's Low Carbon Fuel Standard. |
| 73 | BIOFUEL / BIOENERGY | October | Australia | Research on waste-based biodiesel: In Australia, a group of researchers is working on a low-cost method for recycling used cooking oil and agricultural waste into biodiesel. Reportedly, the method is based on a new type of catalysts that allow low-cost production of biodiesel and other valuable complex molecules from a variety of impure raw materials – as opposed to conventional catalyst technologies that depend on high purity feedstock and require costly engineering tools. |
| 74 | BIOFUEL / BIOENERGY | October | United States of America | Company news – corporate business model: <i>Microsoft</i> has entered into an aviation biofuel deal with carrier Alaska Airlines covering the tech company's business travel to selected USA destinations (NB: under preparation since early-2020, the deal is based on metrics of <i>Microsoft's</i> business travel prior to the outbreak of COVID-19). Under the innovative partnership, <i>Microsoft</i> will buy sustainable aviation fuel credits from a fuel company, with a view to reduce the environmental impact of its employees' trips. Reportedly, the fuel will be made out of waste oil from sources like cooking oil. |
| 75 | BIOFUEL / BIOENERGY | November | India | Used cooking oil-based biodiesel – public-private initiative: To ensure food safety and prevent health hazards linked to the prolonged consumption of used cooking oil, food business operators in Kerala state decided to join the Repurpose Used Cooking Oil (RUCO) initiative launched by India's Food Safety and Standards Authority (FSSAI). The concerned companies committed to provide used cooking oil to an FSSAI accredited service provider for conversion into biodiesel. (See also <i>MPPU Mar '20</i>) |
| 76 | RESEARCH & DEVELOPMENT – <i>Pest control</i> | March | Canada | Rapeseed pests: Six new rapeseed research projects are expected to receive funding under the agronomic research programme of the industry-owned Canola Council of Canada. Reportedly, matching funds will be made available by the farmer-funded Western Grains Research Foundation. The selected projects will cover various aspects of varietal research and pest control. |

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| 77 | RESEARCH & DEVELOPMENT – Pest control | April | Italy | Olive tree pest (<i>Xylella fastidiosa</i>): Italian olive oil producer <i>Filippo Berio</i> announced plans to partner with Italy's National Research Council (CNR) on a three-year project on <i>Xylella fastidiosa</i> , the bacterial disease threatening the country's olive cultivation. Reportedly, research activities would concentrate on varietal resistance, vector control, and soil and plant management techniques. On a separate note, according to research and field trials conducted by Italy's Council for Agricultural Research and Agro-economic Analysis, an organic treatment combined with appropriate agronomic practices can help trees affected by the deadly disease recover. Reportedly, a compound based on zinc, copper and citric acid is able to reach and damage the <i>Xylella</i> bacterium inside the olive tree xylem. Accompanying farming practices include the removal of weeds and other wild plants hosting vectors such as spittlebug. |
| 78 | RESEARCH & DEVELOPMENT – Pest control | June | Global | Glyphosate: As part of a settlement process to end litigation by U.S. users of glyphosate-based herbicides who claim to have developed a form of blood cancer, global agro-chemical company <i>Bayer</i> proposed to set up an independent panel of scientific experts tasked to determine whether or not glyphosate can cause cancer. |
| 79 | RESEARCH & DEVELOPMENT – Pest control | October | Italy | Olive tree pest (<i>Xylella fastidiosa</i>): In Italy's Apulia region, where olive groves have been exposed to infection with <i>Xylella fastidiosa</i> since 2013, growers reported encouraging results from replanting an allegedly resistant cultivar called Fs-17, also known with the name 'Favolosa'. |
| 80 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | January | Global | Rapeseed – genome sequencing: An international research consortium coordinated by Canada's University of Saskatchewan completed the full assembly and mapping of 10 rapeseed genomes. Reportedly, the material will be made widely available to allow breeding for disease and climate change resistance. |
| 81 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | January | Global | Rapeseed – variety withdrawal: Global agrosience company <i>Bayer</i> announced the removal of two recently launched hybrid rapeseed varieties (DEKALB DKTF 92 SC and DKTF 94 CR) from the marketplace, based on inconsistency performance. |
| 82 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | January | Canada | Rapeseed – hybrid varieties: A group of Canadian agrosience and agribusiness firms joined resources to work on the improvement of the protein content in rapeseed hybrids. The initiative is aimed at turning Canadian rapeseed into both a high-value oil and a high-value meal crop. |
| 83 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | March | Canada | Rapeseed varieties: Six new rapeseed research projects are expected to receive funding under the agronomic research programme of the industry-owned Canola Council of Canada. Reportedly, matching funds will be made available by the farmer-funded Western Grains Research Foundation. The selected projects will cover various aspects of varietal research and pest control. |
| 84 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | April | United States of America | Soybean varieties: A group of U.S. researchers is working on how to make soybeans become resistant to specific herbicides using the CRISPR gene editing technology. Their work is supported by the North Central Soybean Research Program, an initiative supported by 13 state soybean grower associations. In the United States, varietal traits generated through gene editing techniques are not regulated as GMOs. |
| 85 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | June | Global | Soybean – nitrogen fixation: In the United States of America, a group of researchers used drone photography data to track soybean plants featuring the genotype responsible for high rates of nitrogen fixation. Reportedly, access to genetic markers indicating a plant's ability to fix nitrogen will greatly enhance the capability of breeders to develop high-yielding soybean varieties. |

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| 86 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | June | Global | Oil palm genome: With the aim of accelerating scientific work by research centres and industry players worldwide, <i>Sime Darby</i> , one of the world's largest palm oil producers, publicly released its research data on a high-yielding oil palm genome. Reportedly, the move will help curb deforestation, as access to more performant palms would reduce the current pressure to expand plantation sizes. Furthermore, research conducted by the company is expected to help identify genetic markers for climate resilience, disease tolerance and ease of harvesting. |
| 87 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | June | China | Soybean genome: Reportedly, Chinese researchers produced high-quality graph-based genome maps for 26 soybean varieties, including three wild varieties, nine farm species and 14 cultivated varieties. The detailed information is expected to help improve soybean breeding and cultivation in China. |
| 88 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | June | United States of America | Soybean – high-oleic low-linolenic variety: In the United States of America, a new soybean variety high in oleic acids and low in linolenic acids has been classified as a 'non-regulated article', clearing the way for the variety's commercial launch in 2022, reported the company that developed the seed. The new variety has been generated using gene-editing technologies, i.e. without introducing foreign genetic material into the plant. Allegedly, the healthful oil derived from the new variety will deliver formulation advantages, including improved stability. |
| 89 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | August | Global | Rapeseed transcriptome: A gene transcriptome, consisting of reference transcripts of over 100 000 rapeseed genes, has been released by a team of Chinese researchers working for the Oil Crops Research Institute of the Chinese Academy of Agricultural Sciences (CAAS). The database is expected to open new opportunities for functional genomic research on rapeseed. (See also <i>MPPU Sep. '19 & Mar. '20</i>) |
| 90 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | August | United States of America | Rapeseed varieties: Using gene editing techniques, a USA biotech firm has developed new rapeseed varieties said to offer both better yields and higher oil content. Being genome-edited (as opposed to genetically modified), the USDA-APHIS Biotechnology Regulatory Services determined that the new varieties will not be subject to the requirements applying to GM-trait – which enables an expedited timeline for conducting field tests and eventually commercializing the varieties in the USA market. Reportedly, the edited traits of the new varieties may also be used to improve the performance of other oilcrops, including soybean and camelina. |
| 91 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | September | Global | Regulation of gene-edited crops: A coalition comprising several civil society groups and one food retailer in Europe presented a new test capable to detect rapeseed developed via gene-editing techniques in food products – a circumstance that, according to the group, warrants the extension of regulatory oversight to gene-edited crops. Hitherto, the biotech industry and some national regulators argued that crops engineered with gene-editing technologies are indistinguishable from similar non-engineered crops and therefore cannot be regulated. Reportedly, until now only two gene-edited oilcrops – grown in North America – have entered the market. Meanwhile, in 2018, the EU determined that crops obtained via gene-editing fall under the union's laws regulating the use of GMOs – entailing strict approval and monitoring processes. (On relevant regulations applied in different countries see also <i>MPPU Aug. & Oct. '18</i> .) |
| 92 | RESEARCH & DEVELOPMENT – Varietal research & seed releases | December | Global | Olive tree varieties: A team of scientists identified genetic variations that allow certain olive tree varieties to be resistant to verticillium wilt, a fungal disease for which no cost-effective treatment is currently available. Reportedly, the discovery could pave the way for the development of new resistant cultivars. |
| 93 | RESEARCH & DEVELOPMENT – Product development | January | Global | Fermented rapeseed meal: Researchers from two Danish universities claimed that fermented rapeseed meal is at least as effective as zinc oxide used in feed for weaner piglets to improve growth, intestinal development and health. |
| 94 | RESEARCH & DEVELOPMENT – Product development | January | Global | Saturated fat substitution: In Brazil, agribusiness firm <i>Cargill</i> launched a new ingredient that allegedly allows reducing the saturated fat content in ice cream and other dairy products by up to 30 percent. Reportedly, the blend of emulsifiers and liquid vegetable oils (primarily soybean oil) can be used to replace traditional fats without changing product formulations. |

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| 95 | RESEARCH & DEVELOPMENT – <i>Product development</i> | January | Global | Palm oil-based surfactant: Specialty chemicals firm BASF launched a new surfactant for uses in a range of personal care products. The surfactant, which is produced using RSPO-certified ingredients, is said to be fully biodegradable and suitable for replacing surfactants containing sulphate. |
| 96 | RESEARCH & DEVELOPMENT – <i>Product development</i> | February | Global | Used cooking oil-based resins: In Canada, a group of researchers developed a technology for turning used cooking oil into a commercially viable, high-quality and biodegradable resin used for 3D printing. |
| 97 | RESEARCH & DEVELOPMENT – <i>Product development</i> | February | United States of America, Canada | High-oleic soybean – market uptake: In the United States and Canada, the introduction of bans on the use of partially hydrogenated oils in food manufacturing (see <i>MPPU Oct. '17 & Aug. '18</i>) led to extensive product reformulation efforts. In particular, food producers started replacing conventional soybean oil (which requires hydrogenation for increased functional stability) with vegetable oils like palm, rapeseed and sunflower oil (which, due to a different fatty acid composition, do not require hydrogenation). At the same time, the soybean industry invested in the development of soybean varieties carrying a different fatty acid profile – in particular a high content of oleic fatty acid, which naturally raises the oil's stability. Although GM and non-GM high-oleic soybean varieties suitable for a variety of food and non-food applications are commercially available since a couple of years, cultivation has fallen behind expectations. In the United States, where farmers can avail of contract farming agreements and where high-oleic soybeans are reported to earn average premiums of USD 18 per tonne, annual plantings are estimated to fall short of 0.5 million hectares – which compares to industry projections of 6.5 million hectares for 2026. (See also <i>MPPU May '18</i>) |
| 98 | RESEARCH & DEVELOPMENT – <i>Product development</i> | April | Global | Omega3-rich camelina seed: Two-year field trials with <i>camelina sativa</i> genetically modified to produce omega3 fatty acids normally sourced from marine oils have shown that it can be successfully grown in the UK, Canada and the United States of America. Allegedly, modified camelina is economically superior to competing strains of modified rapeseed as it features a higher content of omega-3 fatty acids when calculated as a percentage of oil yield. The research has been conducted by universities in the UK and Norway, in collaboration with a global fish feed manufacturer. (See also <i>MPPU July '19</i>) |
| 99 | RESEARCH & DEVELOPMENT – <i>Product development</i> | April | European Union | Olive waste recycling: Spanish researchers are developing value-added compostable bioplastic compounds using olive pit, a by-product normally used for energy production. The project has been set up by a plastics technology institute and a cooperative of olive oil producers, with funding from the Spanish Government, the European Agricultural Fund for Rural Development, and the European Innovation Partnership. The target application for the new compounds is packaging material for olive oil related products. (See also <i>MPPU Mar. '19</i>) |
| 100 | RESEARCH & DEVELOPMENT – <i>Product development</i> | May | Global | Palm oil-based beverage: Reportedly, researchers at the Malaysian Palm Oil Board developed a cost-effective palm oil-based fermented drink that could replace lassi, a popular traditional milk fat-based beverage originating from India. The drink is produced through a direct acidification process that is said to i) be less time consuming than the conventional fermentation process, and ii) significantly extend the product's shelf life. |
| 101 | RESEARCH & DEVELOPMENT – <i>Product development</i> | June | Global | Safflower oil-based lubricant: Reportedly, in Australia, a group of researchers produced a high-performing safflower oil based lubricant suitable to replace petroleum based engine oils. In addition to being fully recyclable and biodegradable, the oil is said to require limited refining. The oil is obtained from genetically modified seeds with a high content of oleic acid. |
| 102 | RESEARCH & DEVELOPMENT – <i>Product development</i> | July | Global | Rapeseed-based food protein: In the EU, a manufacturer of animal feed and a nutritional company set up a joint venture to develop – as an alternative to meat and dairy products – plant-based protein using non-GM rapeseed for the global food market. Allegedly, the new products will have enhanced functional properties, a high nutritional value and a balanced taste profile. |
| 103 | RESEARCH & DEVELOPMENT – <i>Product development</i> | October | Global | Dairy product substitutes: A specialty oils/fats company presented a vegetable oil-based alternative to dairy ingredients in bakery applications. To offer a plant-based cheese, the company created a blend of non-GM organic coconut and sunflower oils. Reportedly, the new product provides similar functionality to dairy products, including good slicing and shredding characteristics. |

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| 104 | RESEARCH & DEVELOPMENT – <i>Product development</i> | November | Global | Palm oil-based film: A group of researchers developed a technology converting hemicellulose from palm oil waste into biodegradable film for food packaging. Hemicellulose is the main component of empty oil palm fruit bunches, a waste product of palm oil production. Reportedly, the inclusion of additives to make hemicellulose-based films electronically or photocatalytically active could expand the range of applications in the future. |
| 105 | RESEARCH & DEVELOPMENT – <i>Product development</i> | December | Global | Shea-based cocoa butter equivalent: A specialty oils and fats solutions company launched a sheanut-based cocoa butter equivalent (CBE) said to offer superior heat stability, fast crystallization and good sensory properties. The product is more abundant in stearic acid and has lower levels of saturated fats compared to cocoa butter and other more commonly used CBEs, the company informed. The sheanuts used are imported from the West Africa region. |
| 106 | OTHER MEASURES – <i>Marketing practices & selected industry initiatives</i> | January | Global | Olive oil marketing – quality control and fraud prevention: A study conducted by researchers in Australia and the United States claims that paucity of official testing schemes favours widespread adulteration, mislabelling and counterfeiting of olive oil. According to the authors, the main reason why regulators pay insufficient attention to quality controls in olive oil is that olive oil adulteration mostly poses quality issues rather than health risks. |
| 107 | OTHER MEASURES – <i>Marketing practices & selected industry initiatives</i> | January | European Union | Nutritional scoring of oils & fats – industry concerns: FEDIOL, the federation representing Europe's vegetable oil industry, criticized the government-backed voluntary nutrition label 'Nutri-Score', stating that the scheme makes it impossible for single-ingredient foods, such as vegetable oils and fats, to obtain a high score. Reportedly, according to the scheme's energy-based criteria, all vegetable oils carry the same score, irrespective of their fatty acid composition – even though the latter is known to result in different nutritional and health properties for each type of oil/fat. |
| 108 | OTHER MEASURES – <i>Marketing practices & selected industry initiatives</i> | February | European Union, Malaysia | Palm oil – contamination control: According to media reports, some European food companies expressed concern about traces of mineral oil hydrocarbons in palm oil, drawing attention to alleged health risks. Arguably, the preferred way to avoid those contaminants would be to use food-grade lubricants in palm oil milling facilities of producing countries. Reportedly, in the absence of EU norms regulating the presence of hydrocarbons in food products, some traders and food manufacturers have set up their own standards about acceptable hydrocarbon levels. Meanwhile, the Malaysian Palm Oil Board is said to be considering the introduction of national limits for hydrocarbon residues, along with wider efforts to regulate the presence of contaminants in the palm oil refining process (see <i>MPPU Jan. '20</i>). On a related note, a large palm producer in Indonesia informed that it switched to using food-grade lubricants in its processing operations, according to press reports. |
| 109 | OTHER MEASURES – <i>Marketing practices & selected industry initiatives</i> | February | United States of America | Dietary guidelines – saturated fat limits (third party report): In the United States, a group of nutrition academics invited the Government to drop its recommended limit on saturated fat intake in the forthcoming revision of the nation's Dietary Guidelines. Since 2005, the guidelines include a specific limit of 10 percent of calories from commonly consumed saturated fats. According to the researchers, evidence that the population-wide upper limits help prevent cardiovascular disease or reduce mortality is insufficient. Allegedly, the approach to treat saturated fats as one group, and to predict health effects on individual foods, meals and diets based on the total content of such fats is prone to lead to erroneous conclusions. The opinion of an official advisory committee on this matter is due by mid-May this year. |
| 110 | OTHER MEASURES – <i>Marketing practices & selected industry initiatives</i> | April | Global | Food safety standards – company initiative: Reportedly, global oils and fats supplier <i>Bunge Loders Croklaan</i> set out to significantly lower the presence of 3-monochloropropanediol esters (3-MCPDE) – a group of toxic contaminants formed during vegetable oil/fat refining processes – across its European oil portfolio, in line with apposite EU legislation coming into force in January 2021 (see also <i>MPPU Sep. '19 & Jan. '20</i>). The initiative is meant to ensure that food manufacturers can comply with the forthcoming regulations. Reportedly, the new regulations will impact primarily food companies operating in the bakery, confectionary, and infant food sectors. |
| 111 | OTHER MEASURES – <i>Marketing practices & selected industry initiatives</i> | June | United States of America | Olive oil standards – private sector initiative: The North American Olive Oil Association petitioned the U.S. Food and Drug Administration (FDA) to regulate extra-virgin and virgin olive oils to address recurrent mislabelling of grades, adulteration and other unfair business practices. The petition follows a similar request filed in November 2019 by the American Olive Oils Producers Association (see <i>MPPU Jan. '20</i>). |

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| 112 | OTHER MEASURES – Marketing practices & selected industry initiatives | September | Australia | Marketing policy – palm oil: Citing customer preferences, Australian confectionary company <i>Darell Lea</i> announced that, from November 2020, all its products would be free from palm oil. Accordingly, the company reformulated about 100 of its products. |
| 113 | OTHER MEASURES – Marketing practices & selected industry initiatives | November | Indonesia | Palm oil production chain – management tools: A developer of AI-based solutions and software joined forces with a company that develops mobile-based enterprise resource planning technology to assist Indonesian palm oil players – farmers, transporters, aggregators and processors – in verifying their sales transactions through formal contracts and data digitalization. Applications include the creation of accurate earning ledgers for workers, who, in order to access basic banking services, need to build detailed income and credit histories. |
| 114 | OTHER MEASURES – Marketing practices & selected industry initiatives | November | Malaysia | Marketing policy – palm oil: According to media reports, the Malaysian Palm Oil Association (MPOA) filed a formal complaint demanding that global food company <i>Kraft Heinz</i> – a member of the global, industry-led palm oil certification body Roundtable on Sustainable Palm Oil (RSPO) – refrains from using ‘No palm oil’ product labels. Allegedly, the company’s practice violates the RSPO’s member code of conduct, which requires members to coherently promote the production, use and uptake of certified sustainable palm oil. |
| 115 | OTHER MEASURES – Marketing practices & selected industry initiatives | November | Spain, Argentina | Olive oil marketing – quality control and fraud prevention: To strengthen authentication of their products and prevent fraudulent practices typical for the olive oil industry, a Spanish olive oil cooperative and an Argentinian olive oil supplier joined the <i>IBM Food Trust</i> platform, which uses blockchain technology to trace products to their source, thus creating a verifiable transaction chain and allowing consumers to scan a QR code for information on a product’s origin and subsequent processing. (On recent, comparable initiatives see MPPU May/July’19 & Mar.’20.) |
| 116 | OTHER MEASURES – Marketing practices & selected industry initiatives | December | Brazil | Advanced information technology in soybean cultivation – industry initiative: According to the media, in the Brazilian state of Goias, information technology company <i>Huawei</i> joined a pilot project aimed at helping soy farmers raise productivity and enhance disease control. Reportedly, sensors placed in the fields, drones and on combine harvesters collect meteorological and other agronomical information for delivery to farmers in real time, using 5G communication and data processing technology. |
| 117 | OTHER MEASURES – Marketing practices & selected industry initiatives | December | European Union | Nutritional scoring of oils & fats – industry concerns: The Nutri-Score food labelling system proposed for EU-wide implementation in 2021 underwent critical scrutiny by both industry and government officials in Spain. According to officials, the health benefits of extra virgin olive oil are not adequately reflected under the proposed scheme, which – by failing to distinguish between different types and grades of vegetable oil – is said to misinform and confuse consumers. (See also MPPU Mar.’20) |
| 118 | OTHER MEASURES – Blockchain applications | January | Tunisia | Quality control and fraud prevention (olive oil): In Tunisia, a large olive oil producer invested in blockchain technology to strengthen authentication of its products and prevent fraudulent practices. Reportedly, the technology allows consumers to track products from harvest to the final point of retail (see also MPPU May & July 2019). |
| 119 | OTHER MEASURES – Blockchain applications | March | Malaysia | Supply chain traceability (palm oil): The Malaysian Palm Oil Council (MPOC) started to actively promote the use of blockchain technology to enhance traceability, accountability and transparency across the country’s palm oil supply chain – with the ultimate objective to raise the level of trust in Malaysian palm oil. The technology is meant to complement the country’s mandatory sustainability certification and standards. Reportedly, a blockchain-based mobile application and web interface will be made available to oil palm growers (–plantations as well as smallholders–) and palm oil processors. Detailed information would be collected to enable stakeholders and consumers to efficiently track palm oil from production to final distribution. (See also MPPU Sep.’19) |

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| 120 | OTHER MEASURES – <i>Blockchain applications</i> | October | Global | Supply chain traceability (grains & oilseeds): Global trading houses <i>Bunge, Cargill, Glencore Agriculture, COFCO</i> and <i>Louis Dreyfus</i> set up a consortium named 'Covantis' to test the use of blockchain technologies for tracking the movement of grains and oilseeds across Brazil. Aimed at facilitating the flow of information between supply chain participants and streamlining logistics processes, the initiative is expected to enhance the security of shared data and help prevent mistakes and fraudulent actions. Reportedly, the companies plan to extend the digitization of their operations to the USA and Argentinian market. |
| 121 | OTHER MEASURES – <i>Transport & logistics</i> | May | Global | Trade flow disruptions: According to the Malaysian Palm Oil Council, transport restrictions put in place since the beginning of the year by several countries to curb the spread of COVID-19 led to serious disruptions to trade in vegetable oils and fats, notably palm oil. In particular, control requirements and other regulatory measures introduced by port authorities in China and India were said to have hampered palm oil trade flows. |
| 122 | OTHER MEASURES – <i>Transport & logistics</i> | August | Brazil | Inland transport disruptions: Protesting indigenous tribes temporarily blocked Brazil's highway BR-163, the artery that connects Mato Grosso state to grain and oilseed trans-shipment ports in the Amazon basin. The tribe's grievances against the Government include insufficient protection from COVID-19 outbreaks, the lack of consultation over the planned construction of the Ferrogrão railway running parallel to the highway, and overdue environmental reparation payments. The country's Vegetable Oil Industries Association estimated that the blockage can affect the shipment of up to 50 000 tonnes of maize and soybean per day. |
| 123 | OTHER MEASURES – <i>Futures markets</i> | January | Malaysia | Palm olein options: Reportedly, in January, Malaysian commodity exchange <i>Bursa Malaysia</i> launched an options contract on palm olein, as a complement to its existing palm olein futures contract. The new contract is aimed at improving price discovery and providing refiners as well as importers and end-users of palm olein with an additional tool to hedge against adverse price movements. |
| 124 | OTHER MEASURES – <i>Futures markets</i> | June | Brazil | Soybean futures: The derivatives exchanges <i>CME Group</i> and <i>Brasil Bolsa Balcão</i> agreed to jointly develop risk management products for the Brazilian market, including a futures contract for Brazilian soybeans, tied to export prices in Brazil. Meant to cater for customers' demand for regional hedging and price discovery tools, the initiative could lead to the launch of a new contract in the third quarter of 2020, subject to regulatory approval. |
| 125 | OTHER MEASURES – <i>Futures markets</i> | September | Egypt | Vegetable oil exchange: In September, the Egyptian Government announced the creation of an exchange for agricultural commodities, including vegetable oils. Set to start operating in the first half of 2021, the exchange was established to help protecting small farmers and making their produce available to the wider market through an electronic platform. Reportedly, at a later stage, the exchange could also develop options and futures contracts for the commodities on offer. |
| 126 | OTHER MEASURES – <i>Futures markets</i> | December | China | Palm oil futures: In December, overseas investors gained access to palm oil futures trade in China. Access has been opened on the <i>Dalian Commodity Exchange</i> . China relies strongly on palm oil imports and currently is the world's third-largest importer (after the EU and India) and the fourth largest palm oil consumer. |
| 127 | OTHER MEASURES – <i>Futures markets</i> | December | India | Soyoil futures: On 1 December, the National Stock Exchange of India launched its first agricultural commodity futures contract on crude degummed soybean oil. The contract, which will be available on both the National Commodity and Derivative Exchange (NCDEX) and the Multi Commodity Exchange (MCX), is expected to help India's soybean oil processing and allied industries hedge price risks. India is the world's leading importer of vegetable oils, with imports accounting for about 60 percent of domestic consumption. |
| 128 | OTHER MEASURES – <i>COVID-19 related measures</i> | May | Global | Trade flow disruptions: According to the Malaysian Palm Oil Council, transport restrictions put in place since the beginning of the year by several countries to curb the spread of COVID-19 led to serious disruptions to trade in vegetable oils and fats, notably palm oil. In particular, control requirements and other regulatory measures introduced by port authorities in China and India were said to have hampered palm oil trade flows. |

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| 129 | OTHER MEASURES – COVID-19 related measures | June - August | Malaysia | Labour market disruptions: The country's oil palm industry is affected by temporary restrictions on hiring migrant workers that were introduced in the wake of the COVID-19 epidemic. Malaysia's palm oil industry is known to rely on foreign workers – primarily from Indonesia, India and Bangladesh – for around three-quarters of its labour force. When the Government closed its borders following the COVID-19 outbreak, many foreign workers left the country's oil palm plantations, and now plantations owners are struggling to locally recruit the required labour force, according to industry sources. Reportedly, the Government's hiring restrictions worsened the sector's chronic labour shortage. The Malaysian Palm Oil Association estimated that the country could lose up to 25 percent of its potential palm oil yield. In August, to address the issue, the Malaysian Palm Oil Board announced that it was working on a plan to incentivize Malaysians, especially the youths, to join the plantation industry. In the meantime, as the September-November peak production season approaches, the country's producers stepped up their efforts to i) make plantations jobs more attractive to locals, ii) accelerate the mechanization of harvesting and other field work, and iii) foster the automation of mill operations so as to reduce reliance on labour. |
| 130 | OTHER MEASURES – COVID-19 related measures | July | Argentina | Temporary production halts: In July, global grains trading and processing companies COFCO, Bunge and Renova decided to temporarily halt production in selected facilities in Argentina as a result of increased instances of COVID-19 among workers. Soybean deliveries were redirected to other ports and third-party facilities within Argentina. |
| 131 | OTHER MEASURES – COVID-19 related measures | August | Global | Palm oil certification adjustments (RSPO): The global, industry-led palm oil certification body RSPO (Roundtable on Sustainable Palm Oil) reported that it has been working closely with its members, certification bodies and accreditation agency to adapt to the COVID-19 pandemic by modifying its various audit regimes, while maintaining their integrity and credibility. Under RSPO's Supply Chain Certification system, annual surveillance and recertification audits are now conducted remotely, while a combination of remote and on-site checks has been introduced for Principles & Criteria audits. Furthermore, the validity of licences under the RSPO's traceability system 'PalmTrace' has been extended beyond the customary duration. |
| 132 | OTHER MEASURES – COVID-19 related measures | August | Indonesia | Farmer support: Chemical group BASF, cosmetic products company Estée Lauder and civil society group <i>Solidaridad</i> , which jointly implement a project to promote sustainable palm oil production among independent smallholders in Lampung, Indonesia (see <i>MPPU July '19</i>), informed that they provided COVID-19 hygiene kits to participating farmers and their families. |
| 133 | OTHER MEASURES – COVID-19 related measures | September | Malaysia | Labour recruitment efforts (oil palm sector): According to media reports, Malaysian palm oil companies started collaborating with drug rehabilitation centres and prisons to recruit locals to work in plantations. Reportedly, the initiative was prompted by the severe labour shortage that emerged after the Malaysian Government restricted the movement of foreign workers in a bid to contain the spread of COVID-19 (see also <i>MPPU Sep. '20</i>). Based on industry estimates, the sector has lost up to 30 percent of its yield potential as labour shortages slowed down harvesting operations. |

* 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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CONTACT | CONTACT | CONTACTO

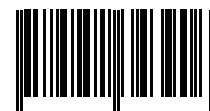
FAO-oilcropsmarkets@fao.org

Markets and Trade Division - Economic and Social Development
Division des marchés et du commerce - Développement économique et social
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