

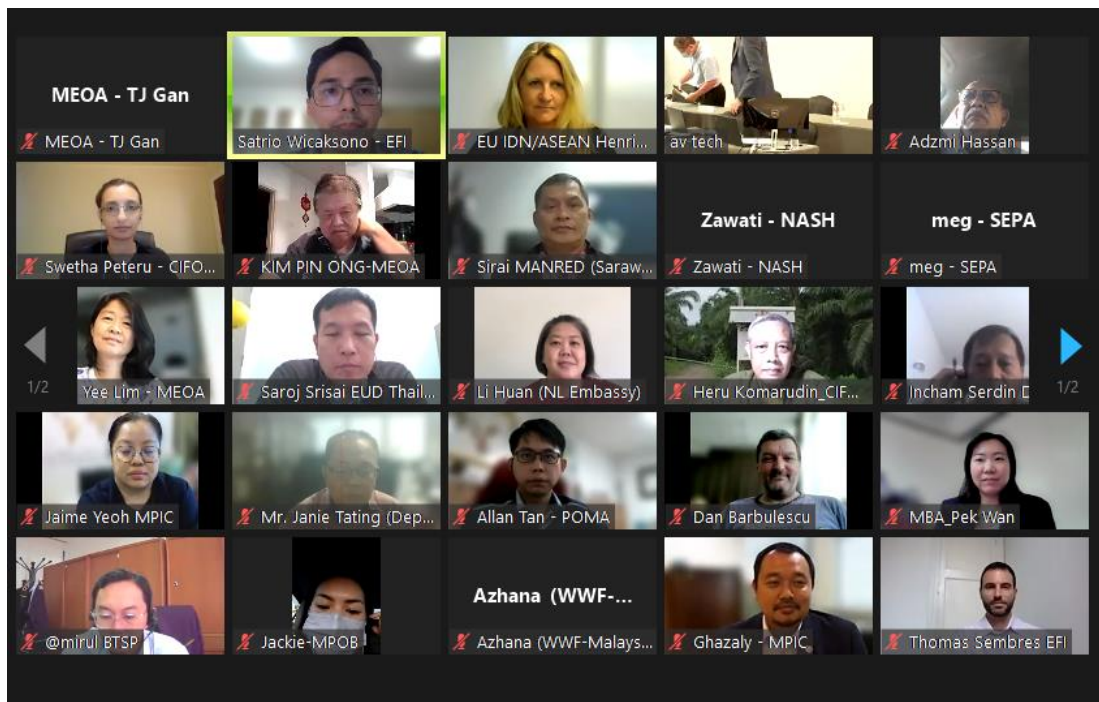
1st KAMI ADVISORY COMMITTEE MEETING

Wednesday, 8 June 2022

Hybrid: Marriot Putrajaya + Virtual

Malaysia time: 2:00pm-5:00pm

Attendance (As per Annex 1)



No.	Agenda
1.	<p>Welcome remarks by co-chairs</p> <ul style="list-style-type: none"> i. EU (Ms. Henriette Faergemann, First Counsellor – Environment, Climate Action, ICT) ii. Malaysia (Mr. Mohammad Hafezh Abdul Rahman, Chief Executive Officer, MPOCC)
2.	<p>The KAMI project in Malaysia (EFI) + Q&A</p>
3.	<p>Progress update on KAMI activities + Q&A</p> <ul style="list-style-type: none"> i. Jurisdictional support for sustainable palm oil in Malaysia (ISIS, UPM, CIRAD) ii. Assessment of legal framework for palm oil production in Malaysia (Preetha Sankar & Co.) iii. Jurisdictional palm oil supply chain traceability in Malaysia (Proforest, Segi Enam, Daemeter) iv. Sustainable commodity production approaches and support for transition to jurisdictional sustainability in Malaysia and Indonesia (CIFOR-ICRAF)
4.	<p>Break</p>
5.	<p>Discussion (Facilitated by EFI)</p> <ul style="list-style-type: none"> i. Proposed sustainability indicator development process and key considerations ii. KAMI AC Working Group establishment 4:15-4:50 Closing (10min) 4:50-5:00
6.	<p>Closing</p>

Minutes of Meeting

1 Welcome remarks by co-chairs

1.1 Opening remarks by Ms. Henriette Faergemann, First Counsellor – Environment, Climate Action, ICT

1.1.1 Ms. Henriette welcomed everyone to the first meeting of the KAMI Malaysia multi-stakeholder Advisory Committee. Ms. Henriette reminded the meeting about links that have been made between palm oil and illegal deforestation, degradation of peatland, and impacts on labour. Since 2015, there has been a lot of progress made by stakeholders to improve the palm oil sector in Indonesia and Malaysia including in relation to MSPO and ISPO certifications – with reported reduction in deforestation caused by the palm oil sector in both countries. However, deforestation and labour related concerns from civil society and from supply chain actors remain persistent. It is in this context that the KAMI project aims to support strengthened and constructive policy dialogue on palm oil sustainability between stakeholders in EU, Malaysia and Indonesia. In Indonesia, we have supported the Terpercaya initiative to help districts and provinces explore jurisdictional approaches to demonstrate the sustainability of palm oil production. KAMI works with Bappenas and the Terpercaya Advisory Committee in Indonesia and has developed 23 district level sustainability indicators. These indicators respond to many of the areas highlighted in proposed and existing global legislation, including the EU legislative proposal on deforestation. The KAMI project is proposing a few more indicators to fill gaps on information relevant to EU legislative proposal on deforestation. KAMI aims to build trust and understanding between palm oil stakeholders and to bridge the gap between the current situation and what future regulations require. Thank you all your support in strengthening sustainable palm oil supply chains in Malaysia

1.1.2 Ms. Henriette then proceeded to give her presentation on the EU deforestation regulation. See slides in Annex 2.

1.2 Opening remarks by Mr. Mohammad Hafezh Abdul Rahman, Chief Executive Officer, MPOCC

- 1.2.1 En. Mohd Hafezh thanked Ms. Henriette for her presentation on the new proposed EU regulation on deforestation. En. Mohd Hafezh welcomed distinguishes guests and members from the industry and said he looked forward to discussing together and improving effectiveness of sustainable palm oil production and trade in Malaysia. Further understanding of policies to promote sustainable palm oil is needed and there is a need to disseminate information on progress made by the sector. Various agencies in Malaysia are pushing to improve the image of the palm oil industry and the Malaysian palm oil industry commitment can be seen through the setup of the Malaysian Palm Oil Green Conservation Foundation (MPOGCF) which supports forest protection and environmental conservation related to the industry. There is also the newly launched Dasar Agricomodity Negara which shows the commitment of the country in pushing the sustainability agenda. We hope these efforts can be made known to the world through the KAMI project. MSPO is the platform to address many of the challenges / concerns. We are committed to improve MSPO to meet international requirements and MSPO already complied with many requirements such as the cut off dates and other issues to ensure it can be used in due diligence processes. Findings from the KAMI project in Malaysia will be able to promote sustainability of Malaysian Palm Oil and objectively communicate the hard work done by Malaysia.

2 Housekeeping (EFI):

- State your name and organization when taking the microphone
- For technical questions please contact presenters directly
- Minutes will be taken and approved by co-chairs before circulating and posting on KAMI webpage
- Group photos will be taken in the room and on Zoom

3 The KAMI project in Malaysia – Presented by Dr. Jeremy Broadhead, KAMI Project Manager, EFI (See slides in Annex 2.)

3.1 Key Presentation Points

- Brief introduction to EFI and the KAMI team
- KAMI Objectives: General objective of KAMI focuses on supporting National Processes and international dialogue on sustainable use of palm oil, and specific objectives to i) develop further understanding of relevant national, international and EU policies towards establishment of sustainable and inclusive value chains, ii) take stock of progress achieved in the palm oil sector, and iii) promote cooperation & exchange with Malaysian and Indonesian stakeholders, including palm oil producers, on aspects of sustainability at meaningful scale.
- KAMI Governance: KAMI is governed by a Strategic Country Board (SCB) in Malaysia and Indonesia. Board members for Malaysia include representatives from 6 EU Services and 10 Malaysian Ministries and agencies. The SCB is co-chaired by EU and MPOCC.
- KAMI Malaysia partners: Partners currently are ISIS-UPM-CIRAD, ProForest-Segi Enam-Daemeter Consulting, Preetha Sankar and Co. and CIFOR-ICRAF. They will present their work today.
- Current status: current implementation is based on the 2022 SCB approved workplan. Activities cover support to dialogue, jurisdiction sustainability, and palm oil traceability.

- KAMI activities:
 - Support for dialogue:
 - Joint Working Group on Palm Oil between the EU and relevant ASEAN Member States (on demand),
 - KAMI multi-stakeholder Advisory Committee and technical working groups,
 - Information exchange to EU for key stakeholders in Malaysia and Indonesia,
 - Assess developments of EU market expectations and develop options for future opportunities
 - KAMI Advisory Committee established and co-chaired by representatives of the EU and the Government of Malaysia
 - Support for jurisdictional sustainability:
 - Sustainable commodity production approaches and support for transitions to jurisdictional sustainability in Malaysia and Indonesia (CIFOR-ICRAF),
 - Assess institutional and legal frameworks for sustainable palm oil production in Malaysia (Preetha Sankar & Co.),
 - Develop sustainability indicators and collect indicator data (ISIS-UPM-CIRAD) and
 - Develop a Malaysian KAMI online data platform.
 - Support for palm oil supply chain transparency
 - Assess the extent to which it is possible to track palm oil supply chains from districts in Malaysia to consumer countries and determine how traceability data can help market actors conduct due diligence.
 - Communication support for project partners and stakeholders
 - Facilitate communication and dialogue between the EU and the Government of Malaysia.
 - Support dialogue and engagement among stakeholders

3.2 Questions and Answers

3.2.1 Question: Mr. Kim Pin Ong – MEOA (online)

What are the deliverables of the KAMI/Terpercaya project in Indonesia which has been running since 2018? What are the indicators developed for Indonesia and what is the difference between these indicators and those included in ISPO, MSPO, ISCC certifications.

3.2.2 Response from Dr. Jeremy

There are 23 social, economic, environmental and governance indicators developed under the Terpercaya initiative in Indonesia. Selection of indicators was based on sustainability issues and data availability. Indicators build on the Indonesian legal framework and as such are like those developed under ISPO. Terpercaya aims at a jurisdictional approach (district) to allow all forests and all producers, including smallholders, to be involved. Bappenas is now owner of the system and indicators are being embedded in domestic policy and regulations.

3.2.3 Follow up by Mr. Kim Pin Ong

Suggest the KAMI Secretariat to look at the revised MSPO Criteria and Guidelines of which are currently under public consultation, and provide comments to ensure there is no difference.

3.2.4 Response by En. Mohd Hafezh

The indicators from the KAMI project and MSPO are different. For the guidance and guidelines document, KAMI and MSPO has no real connection. MSPO can

use findings from KAMI and from the consultants to improve the Criteria and Guidelines. En. Mohd Hafezh suggested that further questions be put on hold until the consultants have presented to have a better understand about what KAMI has done and how it can contribute to the ongoing work in the sector.

3.2.5 Question from Dr. Ruslan, MPOC

The KAMI project in Malaysia is heavily based on the Indonesian model. We would like KAMI to provide a matrix of what indicators were used for Indonesia and for Malaysia, so the difference is clear.

3.2.6 Response by Dr. Jeremy

The aim is not to create the same indicators. The Malaysian indicators will not be identical or precisely the same as they should be based on the legal framework and data availability in the individual country. We will include global market indicators to help sector meet international market requirements such as the new EU proposed policy.

4 Progress update on KAMI activities

4.1 Jurisdictional Support for Sustainable Palm Oil in Malaysia - Presented by Mr. Alizan Mahadi, ISIS (See slides in Annex 2.)

4.1.1 Key Presentation Points

- Jurisdictional approach is more akin to landscape approach and in our case, indicators apply at the district level. Note that there are many other issues that go beyond the supply chain which will not be addressed.
- ISIS is a national think-tank, and an introduction was given to the team involved in the KAMI project
- Study objectives: i) to establish and support a Malaysian KAMI Multi-Stakeholder Advisory Committee and ii) Support the development of Sustainability Performance Indicators and Verifiers (SPIV) and assessment and collection of associated data in Malaysia
- Study period – 10 months.
- Key outputs: 1. Establishment, support and facilitation of the KAMI Advisory Committee and relevant working groups 2. List of potential SPIV and assessment of data availability 3. Two Policy Briefs 4. Report on adapting Terpercaya approach to Malaysia 5. Report on oil palm sustainability in Malaysia and international markets 6. SPIV data and guidance on data collection.
- SPIVs - 22 Sustainability indicators proposed - based on national legislation, 17 Sustainable Development Goals, Terpercaya indicators in Indonesia. These are: 7 Environmental Indicators, 5 Social indicators, 5 Economic indicators and 5 Governance indicators.
- All indicators are to be applied at the district level and dependent on data availability. Consultations with KAMI Advisory Committee (AC) members, Working Group/s and SCB members.
- Jurisdictional approach is a multistakeholder approach – this is a bottom-up process and the indicators according to information from AC members and stakeholders on what's available and feasible.

4.1.2 Questions and answers

4.1.2.1 Question by Mr. Benjamin Loh, WWF-Malaysia:

Has there been a consideration for a landscape focus for the jurisdictional approach such as developed in Sabah State for RSPO? This is key because a jurisdictional approach is not just a multi-stakeholder engagement approach as mentioned but one that considers a multi-faceted approach on governance, environment systems, and social considerations.

4.1.2.2 Response by Mr. Alizan:

Jurisdictional approach piloted in Sabah is for RSPO. What this study looks at is for application at the national level – a framework that can be acceptable and streamlined across the whole country. What I meant by a need for multi-stakeholder engagement is that jurisdictional approach tends to need involvement of more stakeholders beyond the supply chain.

4.2 Presentation by Preetha Sankar, Preetha Sankar & Co – Assessment of Institutional and Legal frameworks for Sustainable Palm Oil Production in Malaysia. (See slides in Annex 2.)

4.2.1 Key Presentation Points

- The is a 4-month on-going activity and a draft report will be submitted to EFI.
- Objective of the assessment was to look at institutional and legal frameworks for sustainable palm oil production in Malaysia. This includes in relation to sustainability issues arising from the EU Regulation on Deforestation Free Products & Directive on Corporate Sustainability Due Diligence. Findings aim to support better understanding of the legal, sustainable context of palm oil, support jurisdictional approach and synergies with EU policies towards establishment of sustainable value chains.
- Method – examination of laws at various government levels – federal, subnational and local jurisdictional / sub-national laws
- Legal Analysis key focus areas: law making power (federal constitution, federal policies, laws on land use and forest governance and other laws in the environment and sustainability ambit and how these are applied in the different states especially in Sabah and Sarawak). Understanding how these laws are developed and applied and what needs to be done to allow environmental, biodiversity and sustainability requirements to be integrated. National laws governing the palm oil industry. Institutions that are relevant to the sustainability context and how they are relevant to the sector.
- Non-environmental based – Human rights issues (generally linked to customary rights) – liberties and rights enshrined at the federal level and those adopted at the Human Rights commission. Focus on labor issues and laws that protect workers' rights.

4.2.2 Questions and Answers:

4.2.2.1 Question from Josh Hong, ILO

MPIC reports that there is close to 40,000 children working in palm oil plantations in Sabah and Sarawak. The issue of labour rights have been well captured but the issue of child labour needs to be considered and ILO is here if you would need any assistance in this regards.

4.2.2.2 Question from Mr. Kim Pin Ong, MEOA

How do you intend to address specific issues on deforestation in Sabah and Sarawak? What you are saying is not new to us but we want to know how to solve the problem.

4.2.2.3 Response from Preetha:

Deforestation issue is not new, but the legal assessment focuses on the limitations of the current laws in addressing deforestation. Curbing deforestation at state level is an issue because of how the law is structured. What needs to be done to incentivize states to address deforestation beyond the laws.

4.2.2.4 Follow up question by Mr. Kim Pin Ong, MEOA

How do we address issues related to definition? NGOs sometimes rely solely on aerial maps and make claims regarding deforestation.

4.2.2.5 Response from Preetha:

To address this, one options is increased transparency to provide more access to information so NGOs do not need to find alternative sources.

4.2.2.6 Question from Puan Wan Aishah, MPOC

Regarding MPIC data about 40,000 child labourers. Can MPIC verify?

4.2.2.7 Response from Jaime Yeoh, MPIC

Research from 2018, published the report on website as a response to US Department of Labour. Last meeting with US shows that current focus is on forced labour not child labour. The figures are correct and report has been consulted with relevant ministries and the findings published on the website and have been circulated to all ministries.

4.2.2.8 Question from Mr. Kim Pin Ong, MEOA:

At the end of the day, if we meet all the criteria (indicators) will the EU allow Malaysian palm oil to enter the EU? Can we get rid of all the other certifications?

4.2.2.9 Response from Ms. Henriette:

It is not the question of whether the KAMI indicators can address certification requirements. As I mentioned, the information gathered by KAMI and the indicators can help address the need, and information required for due diligence. It can be a source of information like certification schemes to help carry out due diligence. Similarly, with regards to risk assessments, if we can show low-, medium-, high-risk bands for districts it will help operators understand sourcing risks.

4.2.2.10 Response from En. Mohd Hafezh:

The KAMI indicators compliment current initiatives and are not aimed at replacing existing certification schemes. Operators in EU need information to prove low risk of their suppliers and demonstrate traceability along the supply chain. These indicators along with certification schemes can provide the information needed. We are not looking at reinventing the wheel. Certification schemes are important tools to be used when carrying out DD.

4.2.2.11 Follow up Questions from Mr. Kim Pin Ong

Who is going to do the due diligence? MPOCC or the plantations?

4.2.2.12 Response from Dr. Jeremy

Current legislative proposal puts responsibility on the operators in the EU. KAMI could help them find / provide information needed to demonstrate low risk in due diligence statements.

4.3 Presentation by Smita Jairam, Proforest - Jurisdictional Palm Oil Traceability in Malaysia (See slides in Annex 2.)

4.3.1 Objective of the study – to Assess the availability of existing palm oil traceability data and capacities for the purpose of developing a system to promote sustainable palm oil trade by enabling palm oil to be tracked from jurisdictions in Malaysia to consumer countries.

4.3.2 Key findings from desk-based research:

4.3.2.1 Most geographical information such as district boundaries is available, further disaggregation data such as to mukim or village may need different levels of access from Land & Survey Departments

4.3.2.2 Oil Palm Producer data: MPOB licensing data is confidential, key aggregator of producer data are FFB dealers, but they are not open to sharing these data due to potential competition. MPOB Sustainable Palm Oil Clusters (SPOC) have been sharing their data with dealers to inform supply chains. MPOCC – MSPO independent 3rd party audit requires data from producers with monthly reporting by MSPO members (MSPO Trace) as part of the certification process – but this stops at the dealers who are not keen to share information. Mills are also reporting to local refineries as required by buyers – using different reporting formats.

4.3.2.3 Importance of validation and verification – currently paper-based verification only with no resources for on-the-ground checks. Not all data are publicly available.

4.3.3 Key findings from stakeholder consultations:

4.3.3.1 Total of 17 stakeholders identified, 11 completed.

4.3.3.2 Stakeholders tend to make a cautious response to jurisdictional approach to oil palm traceability. Main concern surrounds data confidentiality and concern of growers sharing their Principles and Criteria data. Other concerns include the need to duplicate certification efforts, and who will own and manage a jurisdictional sustainability platform.

4.3.3.3 Consultations also raised concerns about the threat of significant exclusion of smallholders by lucrative markets due to traceability requirements and the fact that there is little to no ground truthing and that verification is difficult to achieve at scale due to resource limitations

4.4 Presentation by Swetha Peteru, CIFOR - Sustainable commodity production approaches and support for transition to jurisdictional sustainability (See slides in Annex 2.)

- 4.4.1 Objectives: (i) Examine existing tools, certifications, and approaches, esp. lessons learnt, best practices, and operational modalities, (ii) Assess support for jurisdictions/districts to transition to sustainability, (iii) Analyse challenges and key interventions to lift jurisdictions/districts to sustainability.
- 4.4.2 Many of the sustainability certifications and approaches consist of criteria and indicators that could incentivize the production of sustainable, deforestation-free palm oil
- 4.4.3 Certifications and other approaches could help address international sustainability requirements, such as traceability and cut-off date
- 4.4.4 Certifications and other sustainability approaches/tools cannot be the only mechanism used - need to be supported by additional regulations and initiatives
- 4.4.5 Key challenges for jurisdictional sustainability: Transparency and perception, conflicting interests and objectives, tenure conflict, weaknesses in the legal framework for sustainability implementation
- 4.4.6 Key interventions identified: capacity building of smallholders and other stakeholders towards sustainability, including staff at the state, improved branding and communication for external market, building and supporting more public-private partnerships

4.5 Questions and Answers for presentations by Preetha and Sweta

4.5.1 Question from Josh Hong, ILO

A lot of smallholders have problems meeting labour requirements. Problem lays with smallholders often being neglected. Training should include labour / child rights. ILO is ready to support and participate.

4.5.2 Question from Incham Serdin, DOPPA

With regards to the deforestation cut-off date of 31 Dec 2020 – DOPPA represent indigenous peoples of Sarawak. Deforestation is a big issue because natives have their own land and plant whatever crop brings in money. Cutting down rubber trees greater than 5m in height would be considered 'deforestation'. The cut-off date of 2020 by MSPO was subjected to state approval. The cut off date and definition of deforestation are not good for the natives of Sarawak. What is your solution?

4.5.3 Response from En. Mohd Hafezh

New planting should not be a problem based on the new planting guidelines. Issues with expansion into natural forests. At MSPO awareness meeting next week in Sibul experts will be there to discuss and invitation can be expanded to all members of DOPPA.

4.5.4 Comments by Mr. Kim Pin Ong, MEOA

Conversion of rubber to oil palm is considered 'deforestation' and this needs to be address at a higher level. Conversion of rubber into oil palm is done because rubber is considered a non-productive crop and smallholders would like to maximise their income. However, conversion if considered deforestation will impact smallholders. There is a need for a common definition for all oil palm and rubber producing countries.

4.5.5 Response from Dr. Jeremy

According to the FAO's definition, rubber is usually considered an agriculture crop and not forest as the main product is latex. FAO has been engaged in definition discussions for years and may be considering renewed efforts considering increasing importance of the definition in relation not legislation.

4.5.6 Mr. Shofi, National Association of Smallholders Malaysia (NASH)

This question is regarding the ownership of a traceability platform. Who is going to have access to the traceability system, and is there any chance for smallholders' association such as NASH to have access to it?

4.5.7 Response from Smita, Proforest

It is too early to say because the focus is now on data and verification, but this is a good question. Partaking and access to a future platform still needs to be determined and can be discussed further.

5 Discussion (Facilitated by EFI)

5.1 Proposed sustainability indicator development process and key considerations (See slides in Annex 2.)

- Sustainability Performance Indicators and Verifiers (SPIV) will be developed to support Malaysia to:
 - track and demonstrate district level progress towards sustainable palm oil production in relation to domestic legal frameworks, SDGs, and relevant global legislation on legal and sustainable commodity production;
 - inform the EU on Malaysia's progress in relation to sustainable palm oil production, including as biofuel in the context of the EU Renewable Energy Directive (RED), focusing on due diligence, traceability/geo-localisation and corporate governance
- Processes and consultations will be supported by ISIS
- A document on 'linking market developments and best practices on sustainability to the situation in Malaysia' will be developed and will identify the status of palm oil production in Malaysia in comparison with the anticipated international regulatory environment.
- Based on this and other KAMI supported work presented today, and through a consultation process, a potential set of sustainability indicators will be developed, and corresponding data will be collected.
- A document will be developed listing a potential set of SPIV for which data will be collected.

5.2 KAMI Advisory Committee Working Group establishment. (See slides in Annex 2.)

- Working group(s) will be established under the KAMI AC involving representatives from stakeholder groups in EU and Malaysia to guide and support implementation of technical tasks related to project activities.
- ISIS will be in contact regarding a Working Group on Indicators.

General questions and answer session:

Questions	Answers
Mr. Leslie Ong, MEOA	

<p>What is the difference between indicators in MSPO scheme and KAMI indicators and are these quantifiable?</p> <p>Does this mean the EU does not recognize the MSPO scheme? To me, everyone has certification fatigue. Why make people use different indicators. Why not put KAMI under MSPO but integrate the indicators?</p> <p>If we do not report against the KAMI indicator does it mean we cannot export to the EU because that's what the EU regulation is asking for?</p>	<p>Dr. Jeremy - MSPO based on palm oil production areas whereas KAMI indicators aim to look at jurisdiction level and providing information at the wider scale. MSPO information would feed into this landscape level indicators.</p> <p>Dr. Jeremy - KAMI aims to provide an additional risk information layer to help operators. We are not supposed to endorse individual certifications, KAMI indicators aim to give an overall picture.</p> <p>Ms. Henriette – the EU regulation is asking for due diligence. KAMI aims to facilitate due diligence by providing additional information needed / required by the regulation. EU proposal requires due diligence statements and information that is traceable all the way down to producer.</p>
<p>Mr. Kim Pin Ong, MEOA</p> <p>We do not see how these indicators are going to make a difference. Who is going to do the due diligence? If the buyers, then they should choose which scheme can provide them the necessary assurance. We feel like the palm oil sector is doing everything (RSPO, MSPO) but the EU is still not happy. EU keeps moving the goal posts and after developing mandatory and voluntary certification schemes, the EU is still not happy. NGOs and EU is just not happy to allow palm oil into the market. Remember that productivity of oil palm is 10 times more than other vegetable oils.</p> <p>If KAMI project will supersede MSPO then people will have a bad impression of MSPO. MSPO should have a position / internal view so the industry knows who needs to do KAMI.</p>	<p>En. Mohd Hafezh - the difference is that MSPO is mandatory for all producers, but the indicators of the KAMI project aim at aggregating information at the district level. All these studies and information from this project will be reviewed by experts from the Strategic Country Board (EU and Malaysia) to see how to use the information put forward to decide how to communicate to EU and use as part of the due diligence process.</p> <p>En. Mohd Hafezh - Industry does not need to 'do' KAMI. Industry only needs to provide information that feeds into data platform to support due diligence. KAMI aims to help the industry.</p> <p>Ms. Henriette - the statement that EU does not like palm oil is not true. The EU has developed a new regulation to address deforestation. The EU does not like deforestation. The work by KAMI aims to help Malaysia to demonstrate some of the progress that you have made and to help address the requirements of the new regulation.</p>
<p>Mr. A. Fadzli Abdul Aziz, PORAM</p> <p>The biggest concern is how will the product by KAMI be used. If this is not readily accepted by the EU then it will just duplicate what the certifications schemes are doing. When we are discussing forest – Malaysia has above 50% forest cover and</p>	<p>Mr. Francesco Floris, EU Delegation to Malaysia - This is in reaction to the trade issue addressed in the question. Yes, we import more electronics, but EU buys a lot of palm oil from Malaysia and is the third biggest import market. Important to note that the EU proposal is in relation to deforestation.</p>

<p>more forest than a few European countries combined. Back to what KAMI is doing, we have spent millions on RSPO yet not many are buying certified palm oil and export to the EU is small. We export much more to the EU from other industries yet there is not as much scrutiny compared to the palm oil sector.</p>	<p>Mr. Tan Chee Yong, MPOCC - We do not want to have another set of criteria for the industry. We are experiencing certification fatigue, but we accepted this project because we want to carry out this consultation and to get feedback from the industry. MPOCC will stand firm and protect the Malaysian industry. The findings from the studies will provide information we need to make decisions. We are confident that the Malaysian palm is sustainable, and we will be able to demonstrate this to the EU.</p>
<p>Ms. Pooi San Wong, Earthworm Foundation Deforestation trends might be different when viewed at the jurisdiction level – you might see that deforestation is not actually linked to palm oil but other drivers such as commercial logging. How will KAMI address this?</p>	<p>Dr. Jeremy - The aim is to use the different indicators to provide deforestation risk at the district level. As oil palm cannot be detected through remote sensing before four years after establishment then other indicators could be used in addition show that risk of deforestation by oil palm is low in a particular district, e.g. forest cover change and CPO production. We aim to look for and use existing data so as not to put pressure on producers, government or others.</p>
<p>Mr. Gan Tee Jin, MEOA I would like to respond to the comment by Ms. Henriette that the EU does not have an issue with palm oil. The EU has not banned soy or other oils. Does the EU have similar regulations for other oils? Has anyone assessed the indirect impacts of soy? Are the standards applied to palm oil also applied to other oils?</p>	<p>Ms. Henriette - EU has no ban on palm oil in the energy sector. We are just calculating which biofuels can qualify as renewables. Let's see how the WTO case is settled. What's important is how we can use the technical assistance provided by KAMI to help Malaysia demonstrate progress made in the palm oil sector.</p>
<p>Pn. Wan Aishah, MPOC Demand for palm oil is great and we do not have enough palm oil to sell and yet there is a negative narrative about palm oil but in reality, if you look at palm oil it is part of food security. 40% of global population calorie intake comes from oils and fats. How can we be realistic about palm oil and its benefits – its efficiency, importance in food security and importance to populations. Contributions of palm oil are very high in the national economy. In view of climate and deforestation – we need all these. There is not enough oil on the shelves. We really need to look at palm oil in terms of food security. Palm oil is good in many applications, and we need it and there is not enough of it. We need to engage with the EU and the US Customs and Border Protection if we are going to</p>	<p>En. Mohd Hafezh - Yes, let's repackaged to show to the EU. The Malaysian government will continue to promote MSPO, and this (KAMI) is an avenue to promote palm oil sustainability for Malaysia.</p>

move this and get MSPO accepted together with what we are doing here. We need EU's assistance to make Malaysia's standard "the standard".	
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6 Closing remarks

6.1 Concluding statement by Ms. Henriette:

- We are not planning to duplicate on-going effort in Malaysia
- We need to see how to take KAMI findings to help Malaysia demonstrate progress
- We have taken note of all the comments, and will take all of these on board.
- There is a lot of work to be done and all inputs are valuable. We will discuss the inputs provided with the KAMI team and the government to see how can move forward.

6.2 Concluding statement by En. Mohd Hafezh:

- There is some unavoidable misunderstanding about the KAMI project
- The project is to collate information about what the Malaysian palm oil sector has been doing and repackage to help demonstrate to the EU.
- Studies done by third parties provide some of the information needed
- This has been a good first meeting for the Advisory Committee. Once the Advisory Committee has a full understanding of what KAMI is doing it would be able to better contribute to KAMI and what it aims to achieve.

Annex 1: List of participants

No.	Name	Organisation	Position
1.	Mohammad Hafezh Abdul Rahman (co-chair)	MPOCC	CEO
2.	Henriette Faergemann (co-chair)	EU Delegation to Indonesia	First Counsellor
3.	Tan Chee Yong	MPOCC	Manager, Government Liaison
4.	Jaime Yeoh	MPIC	Deputy Undersecretary, Strategic Planning and International Division
5.	Tengku Muhammad Aiezuddin Shah	MPIC	Senior Assistant Secretary, Palm and Sago Industry Development Division
6.	Ahmad Ghazaly Bin Ahmad Hanbali	MPIC	Principal Assistant Secretary, Industrial Innovation and Human Capital Division
7.	Adrian Gires	MPIC	Principal Assistant Secretary, Palm and Sago Industry Development Division
8.	Wan Aishah Wan Hamid	MPOC	CEO
9.	Dr. Ruslan Abdullah	MPOC	Director, Science, Environment and Sustainability
10.	Jackie Chua	MPOB	Research Officer
11.	Sirai Daha	MANRED Sarawak	Senior Principal Assistant Secretary
12.	Janie Tating	Department of Agriculture, Sabah	Deputy Director
13.	David Johnny	Department of Agriculture, Sabah	Principal Assistant Director, Research
14.	Shreen Xaviar	Malaysian Palm Oil Association (MPOA)	Senior Manager
15.	Margaret Chin	Sabah Environmental Protection Association (SEPA)	Committee Member
16.	Incham Serdin	Dayak Oil Palm Planters Association (DOPPA)	DOPPA Secretary
17.	Low Kock Ching	Federation of Palm Oil Millers Association (POMA)	
18.	Allan Tan Choo Soon	Federation of Palm Oil Millers Association (POMA)	
19.	Dr. David Lim	Federation of Palm Oil Millers Association (POMA)	
20.	A. Fadzli Abdul Aziz	Palm Oil Refiners Association Malaysia (PORAM)	General Manager
21.	Mohammad Shofi bin Mustapa	National Association of Smallholders Malaysia (NASH)	
22.	Gan Tee Jin	Malaysian Estate Owners Association (MEOA)	Vice President II
23.	Lim Wan Yee	Malaysian Estate Owners Association (MEOA)	Council Member
24.	Ong Kim Pin	Malaysian Estate Owners Association (MEOA)	Council Member
25.	Leslie Ong	Malaysian Estate Owners Association (MEOA)	Council Member

26.	K Ilangovan	Malaysian Biodiesel Association	Member
27.	Chan Pek Wan	Malaysian Biodiesel Association	Secretariat
28.	Matej Dornik	EU FPI	FPI Project Manager
29.	Francesco Floris	EU Delegation to Malaysia	Head of the Trade and Economic Section
30.	Hanne Kelchtermans	EU Delegation to Malaysia	Trainee
31.	Saroj Srisai	EU Delegation to Thailand	Programme Officer – Cooperation Section
32.	Ines Perez-Durantez	Embassy of Spain	Economic and Commercial Counsellor
33.	Alex Foo	Embassy of Spain	Trade Analyst
34.	Yeray Lopez	Embassy of Spain	International Trade and Investment Advisor
35.	Mike Schamotzki	Embassy of Germany	3rd Secretary, Section for Economic, Commercial and Environmental Affairs
36.	Jan Jakub Uziębło	Embassy of Poland	Attaché
37.	Jonna Rajala	Embassy of Finland	Trainee
38.	Hoh Li Huan	Embassy of the Netherlands	Agricultural Advisor
39.	Sven Schneider	EUROCHAM	CEO
40.	Allie Subramanian	IDH	Deputy Country Manager Malaysia
41.	Vinita Ganesh	IDH	Program Office Landscapes
42.	Pooi San Wong	Earthworm Foundation	Sustainability Programme Manager
43.	Sivasankari Ranganathan	Earthworm Foundation	Head of Innovation
44.	Mitrah Thanabalan	Earthworm Foundation	Business Development and Environment team
45.	Benjamin Loh	WWF Malaysia	Sustainable Commodity-Sustainable Markets Programme
46.	Azhana Zakirah Ghozali	WWF Malaysia	Sustainable Commodity Executive
47.	Dr. Law Chu Chien	Solidaridad	Country Manager, Malaysia
48.	Dr. Wong Siew Yien	Solidaridad	Programme Manager
49.	Sean Andrew Labansing	Sabah Jurisdictional Approach Secretariat	Acting Secretariat Director
50.	Charmaine Chee	Forest Stewardship Council (FSC)	Country Manager
51.	Josh Hong	ILO	National Project Coordinator
52.	Mohala Santharamohana	Wild Asia	Partnerships Senior Manager
53.	Alizan Mahadi	ISIS	Senior Director (Research)
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55.	Dr. Marcel Djama	Institute of Tropical Agriculture and Food Security of Universiti Putra Malaysia (UPM)	Senior Research Fellow
56.	Ahmad Afandi	ISIS	Senior Analyst
57.	Syahaneem Mohamad Zainalabidin	Institute of Tropical Agriculture and Food Security of Universiti Putra Malaysia (UPM)	Research Officer

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60.	Smita Jairam	Proforest	Principal Project Manager
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66.	Dr. Jeremy Broadhead	EFI – KAMI	Project Manager
67.	Dr. Josil Murray	EFI – KAMI	Technical Expert, Malaysia
68.	Christine Cullen	EFI – KAMI	Communications Expert
69.	Rully Amrullah	EFI – KAMI	Stakeholder Engagement Expert, Indonesia
70.	Thomas Sembres	EFI – REDD	REDD Expert