

**OPENING REMARKS BY
YANG BERBAHAGIA DATO' LEE YEOW CHOR,
CHAIRMAN, MALAYSIAN PALM OIL COUNCIL**

**6TH GLOBAL OILS AND FATS FORUM
MONDAY, 5 OCTOBER, 2009
JW MARRIOTT HOTEL, NEW ORLEANS, LOUISIANA, USA**

Yang Berhormat Tan Sri Bernard Dompok,
Minister of Plantation Industries and Commodities, Malaysia

Yang Berbahagia Dato' Hj. Sabri Ahmad
Chairman of Malaysian Palm Oil Board

Yang Berbahagia Dato' Dr. Mohd Basri Wahid
Director-General of the Malaysian Palm Oil Board

Yang Berbahagia Tan Sri Datuk Dr. Yusof Basiron
Chief Executive Officer of the Malaysian Palm Oil Council

Madam Nurmalia Abd. Rahim
Deputy Secretary General 1, Ministry of Plantation Industries and Commodities, Malaysia

Honoured Guests, Distinguished Speakers, Ladies and Gentlemen,

A very good morning, everyone!

1. This is the 6th time that the Malaysian Palm Oil Council is organising the Global Oils and Fats Forum here in the United States. We are very happy to see both new and familiar faces back here today to make this forum a success. I consider the theme of this 6th forum - Future of Oils and Fats: Assessing Sustainability, Technology and Bioenergy - as timely and appropriate in light of the many challenges the industry has to face, especially on the issue of sustainability.

2. We are very pleased to have participants from all over the world coming together to share knowledge and experience in times when the palm oil industry faces new challenges. This forum also offers us a great opportunity to interact and enhance our knowledge related to the sciences, technical applications and recent rulings and regulations concerning oils and fats in the world market.

3. In this forum, we are fortunate to have with us respected and knowledgeable speakers to talk on several topics related to the oils and fats industry. Thank you to all the speakers from US and Malaysia, who I am sure will grace us with their share of knowledge and expertise in their respective fields and particularly the keynote speaker, Yg. Berhormat Tan Sri Bernard Dompok, the Malaysian Minister of Plantation Industries and Commodities, as well as all the session chairmen, Tan Sri Datuk Yusof Basiron, Dr. Pramod Khosla, Dato' Sabri Ahmad, Dr. James Fry and Mr. Brian Young.

4. With the current global attention on sustainability of not only palm oil but all the other oilseeds as well, we believe that given a fair chance, there are greater opportunities for palm oil to establish itself as the frontrunner in the sustainability race. I dare say this because from the productivity and sustainability point of view, oil palm is the most productive oilseed crop in the world. Compared with other oilseeds, oil palm needs a smaller area to produce a target quantity of oil. Oil palm requires only about 9.2 million hectares of agricultural land to produce 31.8% of the global oils and fats output. Soybean on the other hand, would require 92.5 million hectares of land to achieve the same amount of output, while rapeseed would require 27.3 million hectares.

5. In 2008, Malaysia produced 11% of the global vegetable oil output and accounted for 26% of the export trade in oils and fats. And this came from a mere 1.84% of the total 231 million hectares of oilseeds under cultivation globally. One must realise that to produce the current output level of vegetable oils, and if Malaysia were to grow soybean instead, this small, developing country will have to clear its whole land area to cultivate soybean. Therefore, given the scarce land availability, its climate and the economic advantages of oil palm, there is no better alternative for Malaysia than to grow oil palm, thereby using less land to produce more oil.

Ladies and Gentlemen,

6. We have all notice of late a heightened interest on the environment among people all over the world. The media worldwide has picked up the cue and began to look for newsworthy stories, wherever available. More often than not, stories about destructions, disintegrations and damages are the most prominently highlighted as these are the stories that immediately grab everyone's attention. Hence, it is not surprising to see the media readily reporting on illegal land clearing activities rather than to make some space about how Malaysia, for example, allocated about RM20 million (US\$5.75 million) for the Malaysian Palm Oil Conservation Fund to support conservation efforts related to palm oil production around the world. This fund is made available under a joint initiative between local industry players and government agencies working together for the benefit of everybody.

7. The Malaysian Palm Oil Conservation Fund is only one of the many steps taken by the Malaysian government to ensure the sustainability of Malaysian Palm Oil. The Malaysian Government has also been a good proponent of the Roundtable for the Sustainability of Palm Oil (RSPO). This year alone, the Government allocated RM50 million (US\$14.35 million) from the national budget to assist smallholders obtain certification. This can be seen as a small, yet encouraging progress made so far by the Malaysian Palm Oil industry. Nevertheless, all these developments failed to gain attention in the international news channels, and it is most unfortunate that palm oil has somehow become the target of unsubstantiated attacks on not only its sustainability but also, more recently, for destruction of the environment through open burning and illegal land clearing.

Distinguished Guests, Ladies and Gentlemen,

7. Coming back to where we are today, on behalf of the Malaysian Palm Oil Council, I sincerely hope that this seminar will provide a platform for industry players from different streams of activities within the oils and fats sector to have many meaningful discussions and perhaps shed some light on the challenges faced by palm oil in the world today. Looking at our theme for this edition's event, which is 'Future of Oils and Fats: Assessing Sustainability, Technology and Bioenergy', we are quietly optimistic about the prospects and the opportunities available for everyone, especially with respect to palm oil.

8. It is also hoped that this forum will bear the fruit of truth where palm oil, especially Malaysian Palm Oil, can be seen in its true colour and ultimately, close the gaps between the issues of perception, allegations and the realities of palm oil.

9. In concluding my address, I would like take this opportunity to urge delegates and attendees to make full use of this programme. Take this opportunity to get the facts right by inquiring from the experts present and facts presented in their papers during this forum.

10. Last, but certainly not the least, I wish to thank you, Yang Berhormat Tan Sri Bernard Dompok, the Minister of Plantation Industries and Commodities of Malaysia, not only for your kind attendance, but also for the continuous support you have shown to the development and promotion of the Malaysian Palm Oil sector as a whole.

I would also like to thank all and everyone involved for their relentless support for this event, especially to the Malaysian delegation that travelled across the globe to be with us today.

Have a meaningful and fruitful forum! And hope to see you again at our next Global Oils and Fats Forum.

Thank you.

Dato' Lee Yeow Chor
Chairman of Malaysian Palm Oil Council
Monday, 5 October 2009