Encouraging Conducive Indonesian Palm in the Export Market,
Tom Lembong: Trade Attaché and ITPC Proactivity Essential

Jakarta, 20 October 2015 – The Minister of Trade Thomas T. Lembong called for all Indonesian representatives abroad, particularly the Trade Attaché and the Indonesian Trade Promotion Center (ITPC) to be more proactive in pushing Indonesian palm oil products to be more conducive in the export market. “The Indonesian representatives abroad must be capable of facing and overcoming the various obstacles which have become a hindrance for Indonesian palm products in a number of export target countries,” the Trade Minister emphasized in his opening speech at the 2015 “Palm Oil as an Indonesia Export Prime Mover” Export Forum, in Jakarta, on Tuesday (20/10).

According to Tom Lembong, the trade of palm oil commodity is currently facing various obstacles in several main export target countries. Such obstacles include non-tariff barrier regulation or policies which lead to technical barriers to trade (TBT), accusations of trade remedies (dumping, subsidy, and safeguard), and the mobilization of negative opinions regarding the usage of palm oil.

In order to facilitate the Trade Attaché and ITPC, the Indonesian representatives abroad, in performing their duties, in this 2015 Export Forum, the Ministry of Trade equipped them with a comprehensive diplomacy training on the export of palm oil products.

The Trade Minister also added that as the world’s biggest supplier of palm products and their derivatives, there is a large possibility that the various obstacles could be detrimental to the interests of Indonesia’s trade. “This diplomatic preparation is essential to maintain the market’s access, open more access to new markets, and increase the export of palm oil products which oftentimes face trade obstacles,” he emphasized.

In this forum, the Indonesian representatives were also given knowledge on how to handle challenges and obstacles in the form of tariff and non-tariff policies, trade remedies from the government of trade partners, and black campaigns from NGOs and foreign media. Also discussed in the forum were strategic issues such as opportunities for alternative markets for palm oil products and their derivatives, such as African, South Asian, Central Asian, and Mediterranean countries. In addition, the forum also discussed the optimalization of palm oil products as a leading product compared to other vegetable oils in order to support a sustainable development.

This forum also examined issues surrounding palm oil certification, such as the Indonesian Sustainable Palm Oil System (ISPO), as well as international palm oil certifications such as the Roundtable on Sustainable Palm Oil (RSPO), certified sustainable palm oil (CSPO), and others.
“We must take and solidify diplomatic strategies and actions in order to protect and maintain the access to international export markets for palm oil products and their derivatives,” Minister Lembong continued.

The Trade Minister expressed his hopes that following the 2015 Export Forum, coordination between the Government and stakeholders in the palm oil sector could be enhanced, in order to protect this commodity of export. “From the coordination, we hope to build a collaborative framework in the effort to enhance Indonesia’s bargaining power, protection of market access, exploration of new market potential, and promotion of palm oil products and their derivatives to the world market,” Minister Lembong emphasized.

The 2015 Export Forum presented a number of speakers who are representatives from Indonesian palm oil entrepreneurs’ associations, and the Agricultural Fund Management Agency (BPDP) for palm oil. Approximately 300 participants attended the forum, including Indonesian Ambassadors and representatives of Indonesian embassies and consulates, all the Trade Attachés and Indonesia Trade Promotion Centre (ITPC) abroad, and all echelon I and II officials from the Ministry of Trade and related institutions.

The Indonesian representatives abroad are also expected to be more proactive in carrying out their supervision or market intelligence to all potential obstacles that could hinder the export of palm oil products, as well as an effective counter diplomacy after gaining a comprehensive knowledge on palm oil products and their exports.

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