



**EUROPEAN UNION – CERTAIN MEASURES CONCERNING  
PALM OIL AND OIL PALM CROP-BASED BIOFUELS**

**REQUEST TO JOIN CONSULTATIONS**

*Communication from Malaysia*

The following communication, dated 23 December 2019, from the delegation of Malaysia to the delegation of the European Union, and the delegation of Indonesia, is circulated to the Dispute Settlement Body in accordance with Article 4.11 of the DSU.

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Pursuant to Article 4.11 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), the Government of Malaysia hereby requests to join the consultations requested by Indonesia in DS593 *European Union - Certain measures concerning palm oil and oil palm crop-based biofuels* (WT/DS593/1, G/L/1348, G/TBT/D/52, G/SCM/D128/1).

2. As the world's second largest producer of palm oil, Malaysia has a substantial trade interest in its palm oil trade with the EU market:

- On an average, the EU imported annually between 7-7.4 million tonnes of palm oil over the past 3 years. According to the Oil World, in 2018, Malaysia accounted for 27.1% of EU's total palm oil imports, while Indonesia accounted for 46.9%.
- The EU is the largest market for Malaysian palm oil and palm oil based products in 2018 and accounted for 14.7% of total export of Malaysian palm oil and palm oil based product. In the same year, Malaysia's export of palm oil and palm-based products to the EU totalled 3.8 million tonnes, valued at USD2.45 billion.
- Out of these amounts, Malaysia exported 1,828,880 tonnes of palm oil (Crude Palm Oil - CPO) valued at USD1.17 billion to the EU. 40% or 731,552 tonnes of these palm oil (CPO) exports are feedstock for biodiesel and renewable energy. In addition to the 140,340 tonnes of direct biodiesel exports, the total exposure to Malaysia would be 871,892 tonnes.

3. The request to participate in the consultations is made without prejudice to the rights of Malaysia to proceed independently in separate proceedings.

4. Malaysia looks forward to receiving the EU's favourable reply to this request and thereafter to be informed of the date and venue of the consultations to facilitate our participation.

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