

From: [Art.4.1(b)] (TRADE)
Sent: 07 July 2017 18:55
To: KONIG Helena (TRADE); [Art.4.1(b)] (TRADE); [Art.4.1(b)] (TRADE);
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[Art.4.1(b)] (TRADE); [Art.4.1(b)] (TRADE); [Art.4.1(b)] (EEAS-JAKARTA); [Art.4.1(b)] (TRADE)
Cc: [Art.4.1(b)] (TRADE); [Art.4.1(b)] (TRADE); [Art.4.1(b)] (TRADE); [Art.4.1(b)] (TRADE)
Subject: Meeting with Mr Siregar (executive director of the Council of Palm Oil Producing Countries) and Indonesian Embassy, 3 July 2017 - Report

[Outside the scope of the request]

Participants

- Indonesia: Mahendra Siregar (executive director of the Council of Palm Oil Producing Countries; former Indonesian Deputy Trade Minister and Deputy Finance Minister), [Art.4.1(b)] Indonesian Embassy), [Art.4.1(b)] Indonesian Embassy), [Art.4.1(b)] Indonesian Embassy)
- DG TRADE: [Art.4.1(b)], [Art.4.1(b)], [Art.4.1(b)]

Summary

- The meeting took place at the request of the Indonesian Embassy, at the occasion of Mr Siregar's visit to Brussels – which seemed to be essentially aimed at preparing the ground for the visit of Minister Nasution (Indonesia Coordinating Minister for Economic Affairs), in the meantime re-scheduled for 17-18 July.
- Mr Siregar focused on two issues:
 - informing about ongoing work by Indonesia to "upgrade" the Indonesian Palm Oil Standard (ISPO): a draft "work plan" is under preparation, also including a number of horizontal measures going beyond palm oil (e.g. addressing forest management), and with a specific focus on credibility, enforcement and improving the access to the scheme for smallholders. If/when endorsed at political level, the intention would then be to seek comments and involvement by the EU on this draft, which could be addressed bilaterally and/or in the context of the FTA negotiations. Mr Siregar considered that the FLEGT VPA experience would not be replicable as such for palm oil, but it can be a reference point concerning cooperation between Indonesia and the EU, even if he noted that there are some notes of concern among part of the Indonesian business on the actual functioning/benefits of the VPA. Mr Siregar suggested that Minister Nasution would present the draft work plan during his visit to Brussels.
 - enquiring about the follow-up to the EP resolution on palm oil: Mr Siregar noted that there are various interpretations of the resolution and its possible impact, with some Indonesian stakeholders looking into enhancing sustainability while others consider that it would be better to refocus towards other ("less demanding") markets and skip the EU

– calls in the resolution for a ban on biofuels seemed to be the key concern in this regard. He was interested in understanding the timeline and nature of the Commission's follow-up to the resolution as well as of the ongoing studies on, respectively, deforestation and palm oil.

- DG TRADE welcomed the Indonesian engagement to address issues related to sustainable palm oil production and to work together with the EU in this regard, and gave an update on the two studies and on the Commission's reply to the EP resolution. In particular, the following points were stressed: the resolution is not part of a legislative procedure, there is however a strong interest and concern on palm oil among a number of EU constituencies, the Commission's reply to the EP resolution should become public in the coming weeks, non-discrimination remains a key WTO principle the EU abides by.
- [Art.4.1(b)] stressed that, once the Commission's reply is adopted, should there be a gap before its publication, it would be extremely useful for Indonesia to get an advance copy to get acquainted with its content.