



EPOA's position on Sri Lankan Government ban on palm oil

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The European Palm Oil Alliance (EPOA) would like to express its grave disappointment caused by the intention of the Sri Lankan government to ban palm oil.

EPOA is fully committed to promoting the use of sustainable palm oil as the alternative to conventional palm oil. Oil palm is, by far, the most widely-used and most productive oil crop in the world. If produced and sourced sustainably, palm oil can play an important role in providing for the growing global demand for vegetable oil while at the same time playing a key role in supporting the livelihoods of millions of smallholders worldwide (see this study by [University of Göttingen](#)).

The oil palm is an extremely efficient crop, which makes the oil widely available and relatively cheap. Palm oil and palm kernel oil together represent 40 per cent of the global vegetable oil production. Palm oil has the highest yield compared to other oil crops per hectare of land. One hectare of oil palm trees produce on average 3.8 tons of oil each year. Oil palm accounts for 7.4 per cent of all the cultivated land for vegetable oils globally, but has the highest output, producing 39.6 per cent of all oils and fats. About 73 million tons of palm oil is produced annually. To obtain the same amount of alternative oils, such as soybean or coconut oil, between four and 10 times more land would be required, according to the World Wildlife Fund ([WWF](#)).

As for deforestation, this seems to develop in the right direction. The [WWF](#) and [WRI](#) observe that 2020 is the fourth straight year that palm oil deforestation has been trending down to historical levels.

Palm oil has been used in food preparation for over 5,000 years. Today, it is consumed worldwide as cooking oil, in margarine and shortening. It is also used in fat blends and a vast array of food products. Palm oil is a healthy, affordable cooking oil and source of nutrition for millions of consumers in developing countries. It is also used in many household and personal care products. There is no realistic alternative for palm oil for most of the applications and countries.

Palm oil gives great livelihood opportunities for lots of farmers and also for the Sri Lankan farmers and workers while saving crucial foreign exchange for their country.

A ban on palm oil would most probably increase costs of food for the consumers in Sri Lanka and might mean that much more plantation land is needed for alternative edible oil production (see above). A blanket ban on palm oil production will take away the opportunity of the small producers to grow their own (profitable) products. Will they be able to find a good alternative?

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EPOA is very much in favor of promoting the growing of sustainable palm oil which will prove to be positive for all involved (including the **environment/deforestation, biodiversity and local economies**).

In the text of the recent order we noticed the following sentence as reason for banning palm oil: 'representations made to the President suggesting that palm oil production is causing soil erosion, drying of springs thus affecting biodiversity and life of the community'.

There are no scientific analyses to back up such claims, because as shown by e.g. the University of Göttingen, Wageningen University and RSPO, palm oil can be produced sustainably. Sri Lanka already proves that by having RSPO certified palm oil production sites and these will also be affected. If existing plantations have to be uprooted and the trees destroyed, this will mean an unprecedented waste of capital, which will not be easy to replace.

We strongly believe that promoting sustainable production and trade in palm oil, is a much more effective way than introducing a ban as an instrument of protectionism or a non-trade barrier. Any regulatory measures should create a level-playing field for all vegetable oils irrespective of the production area and should not particularly discriminate against palm oil.

EPOA would be willing to contribute to multi-country scientific research on the impact of palm oil production in Sri Lanka and would propose to lift the ban on sustainably produced palm oil imports at least for the time being.

The European Palm Oil Alliance – EPOA - is a business initiative of palm oil refiners and producers. We believe that sustainably produced palm oil is a key food ingredient that fits in a nutritionally balanced diet and helps feed the world, protect biodiversity and improve socio-economic development. We push for sustainable palm oil market transformation and support initiatives committed to sustainable palm oil across Europe.

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