

**ANNUAL REPORT
FOR THE YEAR ENDING
31st DECEMBER 2014**

TABLE OF CONTENTS	2
PORAM MANAGEMENT BOARD	3
REPORT FROM THE PORAM MANAGEMENT BOARD	5
LIST OF PORAM FULL MEMBERS	19
LIST OF PORAM ASSOCIATE MEMBERS	20
PORAM REPRESENTATIVES AT VARIOUS BOARDS AND WORKING COMMITTEES	23
LIST OF COMMITTEE MEMBERS	24
STATISTICS	26

CHAIRMAN: EN. WAN MOHD ZAIN WAN ISMAIL

VICE-CHAIRMAN: MR. D. CHANDRAMOHAN

2ND VICE-CHAIRMAN: MR. RAJ KUMAR SHAH

HONORARY TREASURER: MR. PRAKASH MATHAVAN

MEMBERS: Y. BHG. DATUK OTHMAN WALAT
MS. LINDA KEE SAW EAN
MR. V. CHANDRA NAIDU
MS. LEE YOKE HUI
EN. ZULKIFLEE ABDUL RAHMAN
MR. TORU MORINO
MR. ROBERT CHU
MR. RICHARD GOH MIN TUCK

ALTERNATE MEMBERS: Y.BHG. DATO' ZAKARIA ARSHAD
ALTERNATE TO EN. WAN MOHD ZAIN WAN ISMAIL
MR. RICHARD KANG
ALTERNATE TO MR. D. CHANDRAMOHAN
MS. BEATRICE TAI
ALTERNATE TO Y. BHG. DATUK OTHMAN WALAT
MR. TAN ENG HUN
ALTERNATE TO MR. V. CHANDRA NAIDU
MR. TAN WEE TECK
ALTERNATE TO MR. ZULKIFLEE ABDUL RAHMAN
MR. TAKEYUKI HAMAMOTO
ALTERNATE TO MR. TORU MORINO

BOARD OF TRUSTEES: EN. WAN MOHD ZAIN WAN ISMAIL
Y.BHG. DATO' ER KOK LEONG
MR. V. CHANDRA NAIDU

CEO/SECRETARY:	EN. MOHAMMAD JAAFFAR AHMAD
AUDITOR:	Y.M. WONG & CO/QMS TAX SERVICES SDN BHD 11-2-4, SUITE 1, BLOCK B MEGAN SALAK PARK, JALAN 1/125G DESA PETALING 57100 KUALA LUMPUR
BANKER:	CIMB BANK (M) BERHAD NO. 6, JALAN TUN PERAK 50400 KUALA LUMPUR
SOLICITORS:	M/S SHEARN DELAMORE & CO ADVOCATES & SOLICITORS FLOOR, WISMA HAMZAH-KWONG HING LEBOH AMPANG 50704 KUALA LUMPUR M/S NAZRI AZIZ & WONG ADVOCATES & SOLICITORS 8.8, 8 FL. HERITAGE HOUSE, 33 JALAN YAP AH SHAK 50300 KUALA LUMPUR
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**PORAM MANAGEMENT BOARD REPORT
FOR THE YEAR ENDING 31ST DECEMBER 2014**

A. GENERAL

The 36th Annual General Meeting (AGM) was held on 5th June 2014 at The Majestic Hotel, Kuala Lumpur. One of the key objectives of the AGM is to provide a platform for a review and interaction between the Board and PORAM Members. Reports on financial performance and activities of the Association were presented to Members for approval.

A total of four Board meetings were held in 2014. The Board meetings were convened on a scheduled basis in March, August, October and December to receive financial reports, for the Secretariat to apprise the Board on the operations of the Association and to discuss matters and issues arising under the purview of the Board.

Management Board Members	Attendance of Meetings
En. Wan Mohd Zain Wan Ismail (Chairman)	4 out of 4
Mr. D. Chandramohan	3 out of 4
Mr. Raj Kumar Shah	2 out of 4
Mr. Prakash Mathavan	3 out of 4
Y. Bhg. Datuk Othman Walat	3 out of 4
Ms. Linda Kee Saw Ean	2 out of 4
Mr. V. Chandra Naidu	4 out of 4
Ms. Lee Yoke Hui	3 out of 4
En. Zulkiflee Abdul Rahman	3 out of 4
Mr. Toru Morino	3 out of 4
Mr. Robert Chu	3 out of 4
Mr. Richard Goh Min Tuck	4 out of 4

B. MARKET REVIEW

The year 2014 saw a subdued performance of the Malaysian palm oil industry vis-à-vis 2013. In terms of total palm oil export market performance, the year 2014 saw a moderate decline over the previous year. There was a 2.5% decrease from 25.70 million tonnes in 2013 to 25.07 million tonnes in 2014. Despite lower export volume, the total export revenue increased marginally by 3.4% from RM61.36 billion in 2013 to RM63.61 billion in 2014, mainly due to higher overall export prices.

The total oil palm planted area had increased by 162,496 hectares to 5.39 million hectares in 2014. A total of 4.69 million hectares or 87% were matured area. The largest expansion in the planted area was in Sarawak which recorded an increase of 8.8% or 102,493 hectares. Sabah is still the largest oil palm planted state with 1.51 million hectares or 28% of total planted area.

Crude palm oil (CPO) production recorded an increase of 2.3% to 19.67 million tonnes in 2014 compared with 19.22 million tonnes in 2013. The increase was attributed to higher oil extraction rate (OER) yield by 1.8% as well as additional new matured areas in Sabah and Sarawak. The average OER improved to 20.62% in 2014 compared to 20.25% in 2013.

Total exports of palm oil decreased by 4.6% to 17.30 million tonnes while palm kernel oil decreased by 4.6% to 1.11 million tonnes in 2014. Overall, the total exports of palm oil, palm kernel oil, palm kernel cake, oleochemicals, biodiesel and finished products showed a decrease of 2.5% largely driven by lower export volume of palm oil and palm kernel oil. The positive turnaround of export performance in 2013 cannot be sustained in 2014 because of weaker demand for palm oil coupled with higher production and availability of other competing vegetable oils globally.

India overtook China PR as the Malaysia's largest palm oil export market in 2014, importing a total of 3.25 million tonnes or 18.7% of total palm oil exports, followed by China PR at 2.84 million tonnes (16.4%), the European Union (EU) at 2.41 million tonnes (13.9%), Pakistan at 815,618 tonnes (4.7%) and the United States (USA) at 783,105 tonnes (4.5%). These five countries imported a total of 10.10 million tonnes or almost 60% of total Malaysian palm oil export in 2014.

Overall there was a major decrease in palm oil export to many export markets. Malaysian palm oil exports to Pakistan, Iran, USA, China, Egypt, Bangladesh and Ukraine showed a drastic decline. Palm oil exports to Pakistan decreased by 43.2% to 815,618 tonnes from 1.43 million tonnes in 2013. This was mainly due to cost competitiveness and higher import of Indonesian palm oil. Export of palm oil to Iran declined by 29.6% to 447,058 tonnes from 635,258 tonnes in 2013 due to a ban imposed on palm oil import by the Iranian authorities. The USA imported 783,105 tonnes or 23.7% dropped from the high of 1.02 million tonnes in 2013. Meanwhile, export of palm oil to China PR dropped to 2.84 million tonnes or 23.3% from 3.70 million tonnes due to higher imports and stock availability of soya and rapeseed beans for domestic processing.

Export of palm kernel oil decreased by 4.6% to 1.11 million tonnes in 2014 from 1.17 million tonnes in 2013. There was a big surge in import by the Netherlands from 167,559 tonnes in 2013 to 216,480 tonnes in 2014. China PR was the second major export market with 207,866 tonnes (18.6%), followed by the USA with 185,163 tonnes (16.6%), India with 78,750 tonnes (7.0%), Japan with 61,231 tonnes (5.5%), and Egypt with 55,625 tonnes (5.0%). These are the six major buyers importing a total of 750,006 tonnes or one-third of the total Malaysian palm kernel oil export in 2014. It was noted that China, USA and Japan imported less palm kernel oil in 2014 compared to 2013.

The average CPO locally delivered price in 2014 was marginally higher at RM 2,383.50 per tonne compared to the average of RM 2,371 in 2013. As a result, the average export prices for major processed palm oils were also increased, namely RBD Palm Oil (FOB) at RM 2,502 per tonne and RBD Palm Stearin (FOB) at RM 2,446 per tonne. However, the price of RBD Palm Olein dropped to RM 2,494.50 per tonne or an average of RM 31 from RM 2,525.50 in 2013. The by-product, Palm Fatty Acid Distillate (PFAD) was traded higher at RM 2,269.50 per tonne or at 95% of the price of CPO.

The average price for locally delivered crude palm kernel oil (CPKO) increased the most by 31.5% or RM 838 to RM 3,497.50 per tonne in 2014. The higher price is attributed to the weaker world production and availability of coconut oil.

In 2014, palm oil opening stocks were 1.99 million tonnes compared to 2.63 million tonnes in 2013. By the end of 2014, palm oil closing stocks had increased slightly by 1.4% to 2.02 million tonnes. Despite an increase in CPO production and lowered export in 2014, the stock level was kept at a manageable level and thereby succeeded in holding the export price steady. The stock comprised of 1.0 million tonnes of CPO (49.4%) and 1.02 million tonne of processed palm oil (50.6%).

As at December 2014, 57 refineries were in operation with a total annual refining capacity of 27.05 million tonnes. The refining utilisation rate was 64.7% compared with 69.7% in 2013. There was a huge surge of CPO export amounting to 4.70 million tonnes in 2014 largely because of the suspension of CPO export duty levies (from September to December) compared to 3.99 million tonnes in 2013. There was a small amount of 216,298 tonnes of CPO being imported to supply the domestic market.

Despite Government efforts to stabilize palm oil prices and increase the competitiveness of Malaysian palm oil through restructuring of CPO export duty, full implementation of B5 programme in Peninsular Malaysia and the introduction of Malaysian Sustainable Palm Oil (MSPO), the refining industry continues to be under pressure of low refining utilisation rate and poor margins throughout the year.

C. LIAISON AND CONSULTATION WITH THE GOVERNMENT

PORAM continued to have a close rapport and cooperation with the Ministry and other Government agencies. PORAM and its Members supported and participated in various meetings and activities organized by the Ministry of Plantation Industries and Commodities (MPIC), Ministry of International Trade and Industry (MITI), Malaysian Palm Oil Board (MPOB) and Malaysian Palm Oil Council (MPOC).

I. Ministry of Plantation Industries and Commodities (MPIC)

MPIC has been supportive of PORAM's interests. Throughout the year, PORAM had participated in several meetings conducted by MPIC on:

- Issues on Weight Discrepancy in Pakistan
- Malaysia-EFTA Economic Partnership Agreement
- Trans Pacific Partnership Agreement (TPPA)
- Impact of the New CPO Export Tax Structure on Malaysia Palm Oil Refining Industry
- MPIC Lab on Strengthening Palm Oil Industry Performance.

II. Malaysian Palm Oil Board (MPOB)

PORAM continued to support MPOB in various programmes organized throughout the year namely the Palm Oil Familiarization Programme (POFP); Programme Advisory Committee (PAC); MPOB TAS Interaction Session with the Malaysian Palm Oil Industry; MPOB Transfer of Technology; MPOB Oil Palm Products Surveying Course and National Seminar on Palm Oil Milling, Refining, Technology, Quality and Environment (POMREQ). PORAM contribution was in terms of member's participation, in organising committees and presentation of papers at some of the events.

The Association was also represented in various committees and/or working groups in MPOB on:

- MPOB International Palm Oil Conference (PIPOC)
- MPOB Sub-Working Group on Palm Oil (SWGPO) on Malaysia-Indonesia Bilateral Cooperation.
- MPOB Working Group on Cooking Oil Price Stabilisation Scheme (COSS)
- MPOB Committee on Oils and Fats Standards
- MPOB Main Steering Committee for Oil Palm Products Surveying Course
- MPOB Surveyor's Examination Panel
- MPOB Committee on Code of Practices
- Jawatankuasa Sistem Pemantauan Sawit MPOB Bersama Industri

- National Committee on Malaysian Standard on Sustainable Palm Oil (MSPO)
- Technical Committee on Malaysian Standard on Sustainable Palm Oil (MSPO)
- MPOB Technical Committee on Palm Oil Milling, Refining, Environment & Quality (POMREQ).

PORAM Representative also sits in MPOB Board.

III. Malaysian Palm Oil Council (MPOC)

At MPOC, PORAM continued to forge regular cooperation and interaction with the Council especially on market development and promotional activities. Members were kept informed about palm oil market development through various publications disseminated by MPOC. The Council was a Silver sponsor for PORAM's Annual Dinner 2014 and provided assistance to PORAM in organizing the Malaysian Palm Oil Industry Golf Challenge 2014 and the Annual Forum 2014.

PORAM Members participated in various MPOC programmes including:

- Reach & Remind Friends of the Industry: Challenges and Opportunities (REACH)
- Palm Oil Industry Leadership Award (PILA).
- Malaysian Palm Oil Trade Fair & Seminar (POTS)
- Palm Oil Internet Seminar (POINTERS)
- Palm Oil Trade Awareness Programme (POTAP)

PORAM representative also sits in MPOC council.

IV. Ministry of International Trade and Industry (MITI)

PORAM was actively consulted by MITI and had attended several meetings/dialogues on:

- Trans Pacific Partnership Agreement (TPPA)
- Free Trade Areas (FTAs)
- ASEAN Trade in Goods Agreement (ATIGA)

D. LIAISON WITH INTERNATIONAL AND LOCAL ORGANIZATIONS

In order to keep abreast with developments within the vegetable oils and fats industry, PORAM maintained a close working relationship with several organizations both locally and internationally.

PORAM is actively involved in the activities of the Federation of Oils, Seeds and Fats Associations Limited (FOSFA International). As an affiliate member of the Roundtable on Sustainable Palm Oil (RSPO), the Association continues to monitor the discussion and the development of sustainable palm oil. PORAM also attended a meeting on ASEAN Sustainable Palm Oil Standard workshop organized by ASEAN Vegetable Oils Club (AVOC) in Kuala Lumpur in June 2014.

Consultation and work cooperation were continuously maintained with the Palm Oil Millers Association of Malaysia (POMA), Malaysian Edible Oil Manufacturers Association (MEOMA), Malaysian Palm Oil Association (MPOA), Malaysian Oleochemical Manufacturers Group (MOMG), Malaysian Biodiesel Association (MBA) and Malaysian Oils and Fats Technologists Association (MOSTA).

For the fifth year in running, Bursa Malaysia Derivatives (BMD) was the Titanium sponsor for the PORAM Annual Dinner and a contributive supporter of the PORAM Annual Forum 2014. For the third time, Exim Bank became the Gold sponsor of PORAM Annual Forum 2014 and presented a paper on “Exim Bank – Expanding Frontiers”.

During the year, PORAM presented the following papers;

1. “Industry Perspectives on Strengthening Palm Oil Exports” at MPIC Lab on Strengthening Palm Oil Industry Performance, Hotel The Westin, Kuala Lumpur on 14th -15th April 2014.
2. “Palm Oil Refining: Impact and Challenges” at AmResearch Luncheon Talk, Shangri La Hotel, Kuala Lumpur on 12th June 2014.
3. “Malaysian Sustainable Palm Oil Industry: Present and Future”. Panel Discussion organized by Business Times Insight, NSTP, Le Meridient Hotel, Kuala Lumpur on 19th June 2014.
4. “Addressing and Managing Palm Oil Downstream Products” at 11th ISP National Seminar 2014, Kuantan, Pahang on 23rd -24th June 2014.
5. “Roles of The Palm Oil Refiners Association of Malaysia” to the Delegation of Colombian Officials, MPOB Bandar Baru Bangi on 15th August 2014.
6. “Roles of The Palm Oil Refiners Association of Malaysia” at Palm Oil Trade Awareness Program (POTAP), Shangri La Hotel, Kuala Lumpur on 27th October 2014.

E. COMMITTEES

I. COMMERCIAL AND TECHNICAL COMMITTEE

A total of four scheduled Commercial and Technical Committee (C&T) meetings were held during the year in March, June, October and November. Representatives from the Malaysian Palm Oil Board (MPOB) and Malaysian Palm Oil Council (MPOC) attended these meetings regularly on the invitation of the Committee. Their respective participations were important particularly to update the Committee on new research developments, regulatory, environmental, market promotions and market issues. At the same time, both MPOB and MPOC were briefed on issues of concern affecting the progress of the industry that could be taken up and addressed by their respective agencies.

Mr. Cheah Ping Cheong tendered his resignation as Vice-Chairman of Commercial and Technical Committee and effectively as Chairman of Technical and Educational Working Group (TEWG) on 30th September 2014.

Minutes of each meeting were distributed to all Members of the Committee and matters of importance were referred to the Management Board.

Members/Alternate	Attendance of meetings
Mr. Tan Eng Hun PGEO Edible Oils Sdn. Bhd.	4 out of 4
Mr. Cheah Ping Cheong Indelab Sdn. Bhd. <i>(Vice Chairman till 30th September 2014)</i>	2 out of 2
Agri Asia Refinery Sdn. Bhd. – En. Haja Mansoor	1 out of 4
Cargill Palm Products Sdn Bhd – Ms. Ushalanee	1 out of 4
Carotino Sdn. Bhd. – Mr. Mario Johan	3 out of 4
Felda Vegetable Oil Products Sdn Bhd – En. Zainal Tuan Muda / En. Abu Mansur Md. Yasin	1 out of 4
Fuji Oil Co. Ltd / Palmaju Edible Oils Sdn. Bhd. – Mr. Arima Atsuhiro	1 out of 4
Golden Agri International (M) Sdn. Bhd. - Mr. Eric Nah	3 out of 4
Green Edible Oils Sdn. Bhd. - Mr. Alex Tan Hooi Huan	2 out of 3
IOI Edible Oils Sdn Bhd - Mr. Siew Ching Wai	4 out of 4
Intercontinental Specialty Fats Sdn. Bhd. - Ms. Khoo Yoke Lian	2 out of 4

Kirana Palm Oil Refinery Sdn Bhd – Mr. Alvin Lau / Ms. Carol Lim	3 out of 4
Lam Soon Edible Oils Sdn. Bhd. –Mr. AK Lim / Mr. Siew Yuen Heng	2 out of 4
Ngo Chew Hong Oils & Fats Sdn Bhd –Ms. Leong Lai Khuan	4 out of 4
Pal maju Edible Oils Sdn. Bhd. / Itochu Singapore Pte. Ltd. – Mr. Hoshino Takafumi	2 out of 4
Premium Oils & Fats Sdn. Bhd. - Mr. Francis Ng Kah Chin	3 out of 3
Southern Edible Oils Sdn Bhd – Ms. Linda Kee / Mr. Them Zher W yn	3 out of 4
Sime Darby Jomalina Sdn Bhd – Mr. Billy Tan / Mr. Sandeep Singh / Mr. L Kesavan	3 out of 4
Unitata Bhd. – Mr. Allan Loh	3 out of 4
Virgoz Oils & Fats Sdn. Bhd. – Mr. Francis Xavier	2 out of 4

Following are some of the important subject matters deliberated by the Committee during the year:

a) RBD Palm Kernel Oil Export Tax Structure

PORAM has reminded MPIC on the need for the closure of the study on the justification of removing the 5% RBD PKO export duty and the benefits resulting from it. YB Minister has acknowledged this request and had instructed MPOB to conduct the study as proposed.

MPOB informed that the preliminary study had been completed but it still needed further input before it can be finalized and submitted to MPIC. Based on the preliminary study, the result seems to favor PORAM's proposal to remove the 5% export duty on RBD PKO.

b) Weight Discrepancy Issues with Pakistan Vanaspati Manufacturers Association (PVMA)

Meetings continued to be held with PVMA and the Pakistan High Commission in Kuala Lumpur to resolve weigh discrepancy issues faced by Malaysian exporters to Pakistan. This issue arises when the Central Bank of Pakistan gave instructions to all commercial banks that all LCs established must contain the stipulation “Landed Weight, Landed Quality” to be final. This is in contradiction with the contract used, namely FOSFA 81 which stipulates “Shipped Weight, Shipped Quality” final.

Despite efforts by PORAM and PVMA to sort these issues, it was acknowledged that a firm commitment by both the governments of Malaysia and Pakistan to meet and address some of these impediments on a bilateral level or on G-to-G basis is also important. Both MPIC and their agencies have been informed on such approach.

c) ISIRI 4466 – Palm Olein Specifications

MPOB informed that the Institute of Standards & Industrial Research of Iran (ISIRI) is to revise their ISIRI 4466 Standard for RBD Palm Olein which stated the limit of total carotenoids (Beta Carotene) to be between 500-1200 mg/kg. PORAM has consulted MPOB to request ISIRI to remove the specification for Beta Carotene as this amount can only be found in CPO and crude palm olein and such level for RBD Palm Olein can cause trade restriction.

d) Goods and Services Tax (GST)

PORAM had organized meetings and briefings on GST. The objective was to understand the proposed GST model and its calculations; timeframe for registration and responsibility of companies to comply with GST; and GST treatment on products/sales by PORAM Members. PORAM is concerned over the implementation of GST which will in turn affect the palm oil industry especially the refiners and packers. The refiners/packers are required to pay 6% input tax for CPO but will not be able to pass the tax on any products being exported. Input tax can be claimed back from the Government. The issue raised by Members is how soon the Government can return the money on timely manner, as any delay in payment could affect cash flow of the companies.

PORAM had requested the Royal Customs Department of Malaysia and MPIC to consider exempting qualified Malaysian refiners and exporters from GST.

e) Malaysian Standard for Sustainable Palm Oil (MSPO)

YB Minister had announced that the Malaysian Palm Oil Certification Scheme (MPOCS) will be implemented. In principle, PORAM is in support of MSPO and looking forward to the implementation of MPOCS.

PORAM had stressed that the Government through MPOB and MPOC is to work closely to ensure a definite timeline for MSPO certification and to conduct aggressive promotion and publicity for its acceptance. PORAM has also agreed for the Government to decide whether MSPO is to be made voluntary or mandatory.

f) MPOB Dioxin Lab Fee Structure.

MPOB is now capable to conduct dioxin tests at their laboratory. The method of analysis used is using isomer specific isotope dilution technique applying Gas Chromatography High Resolution Mass Spectrometry (GC-HRMS). The cost of analysis per sample is RM 2,000. The turn-around time for a sample analysis is fourteen (14) working days.

PORAM main concerned is on the long turn-around time for testing and secondly whether MPOB lab is accredited and recognizable internationally. MPOB has been consulted and looking at a solution.

g) Palm Oil Ban in Iran

There is no total ban on palm oil imports into Iran. Currently, Iran has set a “silence limit” on import of palm oil products at 400,000 MT per year. As a result there were lots of uncertainties in palm oil exports to Iran. Buyers in Iran are not able to get approval to import and obtain health certification to clear goods with the Customs authority.

PORAM has requested MPIC and its Government agencies to work with the Iranian authorities to remove the limit and solve the problems faced by the Malaysian exporters.

II. ASSOCIATE MEMBERS COMMITTEE (AMC)

The Associate Member Committee (AMC) held a joint luncheon meeting with the Price Settlement Committee (PSC) on 25th September 2014. The meeting was chaired by Mr. Richard Goh. Both Committees were briefed on the current developments and activities being undertaken by PORAM. It was agreed that PORAM should continue to engage Associate Members for feedback and to consistently update them on PORAM activities and market developments. No substantial issue was raised by AMC.

III. PRICE SETTLEMENT COMMITTEE (PSC)

The Price Settlement Committee (PSC) held a joint luncheon meeting on 25th September 2014 with the Associate Member Committee (AMC). During the meeting Mr. Ling Chen Eng was appointed as the new Chairman of PSC. The Committee will continue to provide the settlement price requests from the trade as well as from arbitrators for the purpose of settlement of trade disputes.

F. TRAINING AND EDUCATION

Following were courses organized by PORAM and coordinated with others:

i. Short Course on Palm Oil Processing and Product Development

For the first time, PORAM organized this course which was held on 28th & 29th April 2014 at One World Hotel, Bandar Utama, Selangor Darul Ehsan. It was attended by 110 participants from Malaysia, Singapore, Indonesia and Sri Lanka. The objective of the course is to provide participants with the inner workings of the palm and palm kernel oil processing industry and its product development. This two-day course incorporated four case studies and workshop that exposed the participants to day-to-day realities in the operation, processing, quality control, product formulation and application of the refining industry.

The course gave an opportunity for the speakers to share their knowledge and experiences with the participants. Besides the great learning experience, the course was also an avenue for the participants to network with the speakers and other members of the industry. The feedbacks from the course and workshop were very positive and well received by the participants.

ii. Contracts & Arbitration Workshop

The workshop was conducted on 18th & 19th August at One World Hotel, Bandar Utama, Selangor Darul Ehsan. It was attended by 120 participants from Malaysia, Singapore and Indonesia. The objective of the workshop is to improve the understanding of the contract terms and dispute resolution process. The workshop also provided an opportunity for participants to seek clarifications and discuss important clauses in the PORAM contracts and rules.

iii. MPOB Oil Palm Products Surveying Course

The annual event of MPOB Oil Palm Products Surveying Course was held from 11th to 15th August 2014 at Sandakan, Sabah. PORAM was represented in the Steering Committee and Technical Sub-Committee set up by MPOB to assist in organising the MPOB Oil Palm Surveying Course. During the course, PORAM presented a paper on “The Importance of Surveying in Relation to Palm Oil Trade and Shipping Practices”. Several other papers were also presented by PORAM Members.

iv. PORAM Market Talk (PMT)

PORAM had initiated a series of PORAM Market Talk (PMT) in 2014. The objective of PMT is to provide a networking platform for the industry to interact with various agencies on specific market intelligence and opportunities that can be capitalised by Members. A total of four market talks were held on:

1. GST Treatment for Agriculture Sector on 25th April 2014.
2. USD RBD Palm Olein Futures (FPOL) on 26th June 2014
3. Market Opportunities of the Malaysian Palm Oil in China on 2nd October 2014
4. Market Developments, Updates and Opportunities in India on 2nd October 2014

v. PORAM Annual Forum

The Forum was held on 31st October 2014 at One World Hotel, Bandar Utama, Selangor Darul Ehsan. A total of 160 participants attended the event. A total of four papers were presented by speakers from Platinum Nanochem Sdn. Bhd., Malaysia Palm Oil Board, FCStone Asia Pte. Ltd., and Exim Bank Berhad

G. ARBITRATION AND APPEAL

A total of 11 new arbitration cases were filed with the PORAM Secretariat between January and December 2014. The total number of cases pending as of December 2014 is 16.

H. PORAM WEBSITE AND FACEBOOK

PORAM website (www.poram.org.my) continues to serve as a major channel for disseminating market information and activities undertaken by PORAM. Continued efforts are being made to improve the functionality of the website and to provide Members with exclusive on-line resources. PORAM website is also being promoted as a branded tool to inform the public about the roles and activities of PORAM.

PORAM Facebook is an extension of on-line communication channel with Members and the public. As of 31st December 2014, the Facebook had a total of 358 registered members. All registered members were pre-screened for acceptance.

I. MEMBERSHIP

The Association is pleased to welcome the following companies to the membership under the category of Full and Associate Members.

Full Member

1. Musim Mastika Oils & Fats (M) S/B

Associate Members

1. Indani Global GmbH, Switzerland
2. Promac Enterprises Sdn. Bhd.
3. AG Source (Singapore) Pte. Ltd.
4. Singapore Commodity Group Co. Pte. Ltd.
5. Sepang Dynamic Sdn. Bhd.

During 2014, PORAM accepted the withdrawal of the following members;

Associate Members

1. Ipalm (Malaysia) Sdn. Bhd.
2. Morgan Stanley Capital Group Singapore
3. Geo Chem Inspection (M) Sdn. Bhd.
4. Innomarket Pte. Ltd.

As of 31st December 2014, there were a total of 28 Full Members, 94 Associate Members and 2 Supplementary Members.

J. VISITORS

The Secretariat continued to receive local and overseas visitors seeking information on the Malaysian palm oil industry, palm oil products and Malaysian palm oil exporters.

K. SECRETARIAT

The Secretariat is headed by En. Mohammad Jaaffar Ahmad, the Chief Executive Officer. It strives to provide efficient secretarial support to the Board, the Committees, Working Groups and for the day-to-day management of the Association.

The Secretariat is manned by seven personnel as at the end of 2014. En. Norwin Ahmad Mahir, Manager Commercial and Technical tendered his resignation on 1st September 2014. Mr. Teoh Beng Chuan was appointed as the Deputy Chief Executive Officer with effect from 1st January 2015. A new recruitment for an Executive Commercial and Technical will be made in 2015.

L. ACKNOWLEDGEMENT

The Management Board wishes to thank all Members, the Malaysian Palm Oil Industry, Government Ministries and Agencies for their continuous support, contributions and participation in the activities organised by PORAM throughout the year.

The Board would like to thank the Secretariat staff for their hard work and commitment towards PORAM and the Malaysian Palm Oil Industry.

MANAGEMENT BOARD PORAM

Date: 15th May 2015

Place: Kelana Jaya, Selangor Darul Ehsan

	NAME OF COMPANY	DATE OF JOINING
1.	SIME DARBY KEMPAS SENDIRIAN BERHAD <i>(Formerly known as Kempas Edible Oil Sdn Bhd)</i>	10.09.1975
2.	SOUTHERN EDIBLE OIL INDUSTRIES (M) SDN. BHD	10.09.1975
3.	UNITATA BERHAD	10.09.1975
4.	FELDA VEGETABLE OIL PRODUCTS SDN. BHD.	29.07.1976
5.	SIME DARBY JOMALINA SDN. BHD. <i>(Formerly known as Golden Jomalina Food Industries Sdn. Bhd.)</i>	03.09.1976
6.	LAM SOON EDIBLE OIL SDN. BHD.	06.06.1979
7.	PGEO EDIBLE OILS SDN. BHD	26.06.1980
8.	KL-KEPONG EDIBLE OILS SDN. BHD	01.06.1981
9.	CARGILL PALM PRODUCTS SDN. BHD.	20.01.1982
10.	NGO CHEW HONG OILS AND FATS (M) SDN. BHD	28.06.1989
11.	KECK SENG (M) BERHAD	29.10.1991
12.	WILMAR EDIBLE OILS SDN. BHD	03.09.1999
13.	IOI EDIBLE OILS SDN. BHD./	17.02.2000
13.	IOI LODERS CROKLAAN OILS SDN. BHD	30.08.1979
13.	PAN-CENTURY EDIBLE OILS SDN. BHD.	12.01.1978
14.	PACIFIC OILS AND FATS INDUSTRIES SDN. BHD.	28.11.2002
15.	ASSAR REFINERY SERVICES SDN. BHD.	26.01.2007
16.	GLOBAL BIODIESEL SDN. BHD.	01.09.2007
17.	SIME DARBY AUSTRAL SDN. BHD. <i>(Formerly known as Austral Edible Oil Sdn. Bhd.)</i>	22.07.2008
18.	KIRANA PALM OIL REFINERY SDN. BHD.	01.11.2008
19.	KWANTAS OIL SDN. BHD.	01.01.2009
20.	KUNAK REFINERY SDN.BHD.	01.01.2009
21.	PALMAJU EDIBLE OIL SDN. BHD.	01.01.2010
22.	PREMIUM VEGETABLE OILS BERHAD	01.01.2010
23.	FELDA IFFCO SDN. BHD.	24.10.2010
24.	SOP EDIBLE OILS SDN. BHD.	24.10.2010
25.	GREEN EDIBLE OILS SDN. BHD.	14.09.2012
26.	AGRI ASIA REFINERY SDN. BHD.	01.03.2013
27.	INTERCONTINENTAL SPECIALTY FATS SDN. BHD.	08.05.2013
28.	MUSIM MASTIKA OILS & FATS (M) SDN. BHD.	01.06.2014

NAME OF COMPANY		DATE OF JOINING
1.	MATTHES AND PORTON (M) SDN. BHD	28.01.1986
2.	ITS TESTING SERVICES (M) SDN. BHD	25.02.1986
3.	SGS (M) SDN. BHD.	25.02.1986
4.	MITSUBISHI CORPORATION LED	25.02.1986
5.	EASTPORT MARITIME PTE. LTD.	08.04.1986
6.	CARGILL INTERNATIONAL TRADING PTE. LTD.	08.04.1987
7.	INSPECTORATE (MALAYSIA) SDN. BHD.	19.02.1987
8.	MITSUMI & CO. LTD.	19.05.1987
9.	MISC BERHAD	19.05.1987
10.	RITCHIE & BISSET SDN. BHD.	12.10.1988
11.	LOUIS DREYFUS ASIA PTE. LTD.	03.08.1988
12.	JOSOVINA COMMODITIES SDN. BHD.	09.08.1988
13.	STOLT-NIELSEN TRANSPORTATION GROUP PTE. LTD	17.08.1991
14.	AARHUSKARLSHAMN (M) SDN. BHD.	27.08.1991
15.	JAWALA CORPORATION SDN. BHD.	01.12.1992
16.	TROPICAL OIL ACI PTE. LTD (merged with Agri Commodities International)	01.04.1993
17.	LINK SURVEY (M) SDN. BHD.	01.06.1993
18.	WILMAR TRADING PTE. LTD.	17.09.1993
19.	ICOF (Malaysia) Sdn Bhd (<i>Formerly known as Musim Mastika Sdn Bhd</i>)	24.08.1995
20.	LADANG PETRI TENGGARA SDN. BHD.	12.07.1996
21.	GMS LINE CO. LTD. TOKYO	25.03.1997
22.	PACIFIC INTER-LINK SDN. BHD	20.11.1997
23.	SCHUTTER (MALAYSIA) SDN. BHD	04.09.1998
24.	PACIFIC RIM PLANTATION SERVICES PTE. LTD.	03.09.1999
25.	AAA OILS & FATS LTD.	11.01.2001
26.	GOLDEN AGRI INTERNATIONAL PTE. LTD.	11.01.2001
27.	FELCRA BERHAD	05.10.2001
28.	KL-MARITIME (M) SDN. BHD.	05.10.2001
29.	FELDA-JOHORE BULKERS SDN. BHD.	30.05.2002
30.	SINARAN PALM SERVICES PTE. LTD.	09.10.2002
31.	NOBLE RESOURCES PTE. LTD.	18.03.2004
32.	BIPORT BULKERS SDN. BHD.	03.05.2005
33.	WAWASAN AGRILIPIDS SDN. BHD.	01.01.2006

34.	TOKYO MARINE CO. LTD.	01.01.2006
35.	BONASABA SDN. BHD.	25.05.2006
36.	ADMIRAL TESTING SERVICES SDN. BHD.	01.09.2006
37.	INDELAB SDN. BHD.	01.12.2006
38.	MJ VEGEOILS SERVICES SDN. BHD.	02.04.2007
39.	OMEGA CHARTERING PTE. LTD.	01.09.2007
40.	BURSA MALAYSIA DERIVATIVES BERHAD	30.04.2008
41.	IFFCO (S.E.A) SDN. BHD.	30.04.2008
42.	UNIVERSAL MARITIME CARRIER SDN. BHD.	30.06.2008
43.	KL PALM SERVICES SDN. BHD.	30.06.2008
44.	SYARIKAT TIWAS SDN. BHD.	30.06.2008
45.	MALINDO PALM BROKERAGE SDN. BHD	01.07.2008
46.	JUST COMMODITY SOFTWARE SOLUTION PTE. LTD	01.07.2008
47.	ECOOILS LIMITED	18.07.2008
48.	CAROTINO SDN BHD	01.01.2009
49.	TAN SANG HUAT SDN BHD	01.01.2009
50.	VIRGOZ OILS & FATS PTE LTD	01.05.2009
51.	BELL CORPORATION BHD.	30.07.2009
52.	NESTE OIL SINGAPORE PTE LTD	30.07.2009
53.	BUNGE AGRIBUSINESS SINGAPORE PTE LTD	24.10.2009
54.	NGO CHEW HONG EDIBLE OIL PTE LTD	24.10.2009
55.	TIMURAN ENTERPRISE SDN. BHD.	01.01.2010
56.	ITOCHU SINGAPORE PTE. LTD.	24.05.2010
57.	ABLE PERFECT SDN. BHD.	02.08.2010
58.	PAKISTAN EDIBLE OIL REFINERS ASSOCIATION (PEORA)	02.08.2010
59.	BERG & SCHMIDT	01.01.2011
60.	EFKO FOOD INGREDIENTS LLC	01.01.2011
61.	FUJI OIL CO., LTD.	01.01.2011
62.	GLORY SHIP MANAGEMENT PTE. LTD.	01.01.2011
63.	J. ARON & COMPANY (SINGAPORE) PTE.	01.04.2011
62.	DITALI SDN. BHD.	09.05.2011
63.	FELDA MARKETING SERVICES SDN. BHD.	01.01.2012
64.	INNO-WANGSA OILS AND FATS SDN. BHD.	01.01.2012
67.	SAVOLA FOODS COMPANY	01.01.2012
68.	SINGAPORE JULONG INTERNATIONAL INVESTMENT PTE. LTD.	23.03.2012
69.	SPRINT EXIM PTE. LTD.	23.03.2012
70.	CONTINENTAL RESOURCES SDN. BHD.	02.05.2012

71.	EEZDEE INTRADE SDN. BHD.	02.05.2012
72.	EXPORT-IMPORT BANK OF MALAYSIA BERHAD	02.05.2012
73.	FIMA BULKING SERVICES BERHAD	02.05.2012
74.	FIRST RESOURCES TRADING PTE. LTD.	15.05.2012
75.	SIDHU BROTHERS TRANSPORT SDN. BHD.	05.06.2012
76.	TOEPHER INTERNATIONAL ASIA PTE. LTD.	05.06.2012
77.	UNILEVER ASIA PTE. LTD.	05.06.2012
78.	AGRI PALM FAR EAST SDN. BHD.	11.07.2012
79.	ARAB SUPPLIER FABRICATION AND RETAIL SDN. BHD.	28.08.2012
80.	ALEX STEWART (M) SDN. BHD.	01.03.2013
81.	TRISTAR GLOBAL SDN. BHD.	01.03.2013
82.	MAC WORLD INDUSTRIES SDN. BHD.	08.04.2013
83.	LIPIDS TERMINAL SDN. BHD.	08.04.2013
84.	AYINA SDN. BHD.	03.07.2013
85.	SARAFIAH NATURAL RESOURCES SDN. BHD.	08.05.2013
86.	TWIN WEALTH OILS AND FATS SDN. BHD.	08.05.2013
87.	SAWINDO AGRI PTE. LTD.	03.07.2013
88.	GULF ASIA OILS AND FATS SDN. BHD.	24.08.2013
89.	FELDA IFFCO OIL PRODUCTS SDN. BHD.	25.09.2013
90.	AG SOURCE (S) PTE. LTD.	01.09.2014
91.	IDANI GLOBAL GMBH	01.09.2014
92.	PROMAC ENTERPRISES SDN. BHD.	01.09.2014
93.	SEPANG DYNAMICS SDN. BHD.	01.08.2014
94.	SINGAPORE COMMODITIES GROUP CO., PTE. LTD.	01.06.2014

1.	MALAYSIAN PALM OIL BOARD (MPOB)	En. Wan Mohd Zain Wan Ismail Alt: Mr. Richard Goh Min Tuck
2.	MALAYSIAN PALM OIL COUNCIL (MPOC)	En. Wan Mohd Zain Wan Ismail
3.	MPOB MAIN STEERING COMMITTEE FOR OIL PALM PRODUCTS SURVEYING COURSE	Mr. Siow Seng Toh En. Mohammad Jaaffar Ahmad
4.	MPOB SURVEYOR'S EXAMINATION PANEL	En. Md. Saiful Md Husin En. Kamaraddin Selamat
5.	MPOB WORKING GROUP ON COOKING OIL PRICE STABILIZATION SCHEME (COSS)	En. Mohammad Jaaffar Ahmad
6.	MPOB TECHNICAL COMMITTEE ON PALM OIL MILLING, REFINING, ENVIRONMENT & QUALITY (POMREQ)	En. Mohammad Jaaffar Ahmad Alt: En. Md Saiful Md Hussin
7.	ASEAN VEGETABLE OILS CLUB (AVOC)	En. Wan Mohd Zain Wan Ismail Alt: En. Mohammad Jaaffar Ahmad
8.	NATIONAL CODEX COMMITTEE ON FATS AND OILS	En. Mohammad Jaaffar Ahmad
9.	MALAYSIA-INDONESIA BILATERAL COOPERATION – SUB WORKING GROUP ON PALM OIL (SWGPO)	En. Mohammad Jaaffar Ahmad
10.	JAWATANKUASA PERUNDING BAGI PELABUHAN JOHOR	En. Wan Mohd. Zain Wan Ismail
11.	MALAYSIAN STANDARD ON SUSTAINABLE PALM OIL (MSPO)	En. Mohammad Jaaffar Ahmad En. Norwin Ahmad Mahir
12.	JAWATANKUASA SISTEM PEMANTAUAN SAWIT MPOB BERSAMA INDUSTRI	En. Mohammad Jaaffar Ahmad
13.	JAWATANKUASA KECIL PINDAAN MS682: 2012 – SPECIFICATION FOR COOKING OILS	En. Mohammad Jaaffar Ahmad

ASSOCIATE MEMBERS COMMITTEE (AMC)		
1.	Mr. Richard Goh Min Tuck (Chairman)	KL-Maritime (M) Sdn Bhd
2.	Capt. JB Chiang	Admiral Testing Services Sdn Bhd
3.	En. Jamil Haron	Agri Asia Refinery Sdn. Bhd.
4.	Mr. Khoo Soon Tee	ITS Testing Services (M) Sdn Bhd
5.	Mr. Yap Eng Kwee	ICOF (Malaysia) Sdn Bhd <i>(Formerly known as Musim Mastika Sdn. Bhd.)</i>
6.	Mr. Tan Ah Hooi/ Mr. N Mahendran	Link Survey (M) Sdn Bhd
7.	Mr. Yoshihiko Iijima	Tokyo Marine Asia Pte. Ltd.

PRICE SETTLEMENT COMMITTEE (PSC)		
1.	Mr. Ling Chen Eng	KL Palm Services Sdn. Bhd.
2.	Mr. Ahmad Kamel Alami	Agri Asia Refinery Sdn. Bhd.
3.	En. Ahmad Salman Omar	Felda Marketing Services Sdn. Bhd.
4.	Mr. Liew Kok Wei	ICOF (Malaysia) Sdn Bhd
5.	Mr. Rachel Wong	IOI Edible Oils Sdn. Bhd.
6.	Mr. S.K. Mohta	Intra Oils & Fats Sdn. Bhd.
7.	Mr. Alvin Lau Lee Jen	Kirana Palm Oil Refinery Sdn. Bhd.
8.	Mr. Christopher Chai	Kwantas Oil Sdn. Bhd.
9.	Mr. Peter Wong Tat Kwai	Malindo Palm Brokerage Sdn. Bhd.
10.	Mr. Francis Xavier	Virgoz Oils & Fats Pte. Ltd.
11.	Madam. Ho See See	Keck Seng (M) Berhad

ARBITRATION RULES EXECUTION COMMITTEE (AREC)		
1.	En. Wan Mohd Zain Wan Ismail	
2.	Mr. Raj Kumar Shah	
3.	Mr. Mohamed Abd. Majed	
4.	Mr. Lim Liew King	
5.	Mr. Yap Eng Kwee	

CONTRACT WORKING GROUP (CWG)		
1.	Mr. P.R. Thakore (Chairman)	IFFCO (S.E.A.) Sdn. Bhd.
2.	Mr. Raj Kumar Shah	Josovina Commodities Sdn Bhd
3.	Mr. Yap Eng Kwee	ICOF (Malaysia) Sdn Bhd
4.	Mr. Siow Seng Toh	ITS Testing & Control (M) Sdn. Bhd.
5.	Mr. Joe Lim	KL Maritime (M) Sdn. Bhd.
6.	Mr. S. Sitambaram	Malindo Palm Brokerage Sdn Bhd
7.	Ms. Florence Wong	AAA Oils & Fats Pte. Ltd.

TECHNICAL & EDUCATIONAL WORKING GROUP (TEWG)		
1.	Mr. Cheah Ping Cheong (Chairman till 30 th September 2014)	Indelab Sdn. Bhd.
2.	Mr. Ang Chee Loong	PGEO Edible Oils Sdn. Bhd.
3.	Capt. Cyril Kenneth	Ritchie Bisset Sdn. Bhd.
4.	En. Shamsudin Idris	Indelab Sdn. Bhd.
5.	Mr. Law Chin Yee	Palmoleo Sdn. Bhd.
6.	Dr. B. Nagendran	MPOB

SOME IMPORTANT STATISTICS ON MALAYSIAN PALM OIL INDUSTRY

TABLE 1 - MALAYSIA: PLANTED AREA, PRODUCTION AND EXPORTS

YEAR	Oil Palm Planted Area (hectares)	Production of Crude Palm Oil (tonnes)	Exports of Palm Oil (tonnes)		
			Crude Palm Oil	Processed Palm Oil	Total
1960	54,634	91,793	97,568	-	97,568
1965	96,947	150,411	141,477	-	141,477
1970	291,263	431,069	401,930	-	401,930
1975	641,797	1,257,573	937,411	215,151	1,152,562
1980	1,023,306	2,573,173	197,659	2,073,563	2,271,222
1985	1,482,399	4,134,463	13,051	3,420,974	3,434,025
1990	2,029,464	6,200,000	93,949	5,633,502	5,727,451
1991	2,094,028	6,141,353	89,879	5,483,344	5,573,223
1992	2,197,660	6,373,461	71,624	5,493,408	5,565,032
1993	2,305,925	7,403,498	58,674	6,058,498	6,117,172
1994	2,411,999	7,220,631	55,114	6,695,124	6,750,238
1995	2,515,842	7,810,546	17,274	6,495,682	6,512,956
1996	2,692,286	8,385,886	68,999	7,142,910	7,211,909
1997	2,819,316	9,068,728	31,303	7,458,667	7,489,970
1998	3,078,116	8,319,682	41,418	7,423,507	7,464,925
1999	3,313,393	10,553,918	262,123	8,650,272	8,912,395
2000	3,376,664	10,842,095	398,352	8,683,201	9,081,553
2001	3,499,012	11,803,788	1,275,732	9,349,098	10,624,830
2002	3,670,243	11,909,298	1,165,881	9,720,378	10,886,259
2003	3,790,636	13,354,769	1,239,578	11,026,486	12,266,064
2004	3,875,327	13,976,182	1,324,479	11,257,313	12,581,792
2005	4,051,374	14,961,658	1,611,621	11,833,890	13,445,511
2006	4,165,215	15,880,487	2,376,542	12,046,626	14,423,168
2007	4,304,914	15,823,368	1,935,927	11,801,965	13,737,892
2008	4,487,957	17,734,439	2,336,577	13,075,935	15,412,512
2009	4,691,160	17,564,937	2,537,423	13,343,311	15,880,744
2010	4,853,766	16,993,717	2,739,786	13,924,282	16,664,068
2011	5,000,109	18,911,520	3,477,599	14,515,666	17,993,265
2012	5,076,929	18,785,030	4,642,171	12,933,316	17,575,487
2013	5,229,739	19,216,459	3,985,910	14,170,913	18,156,823
2014	5,392,235	19,667,016	4,700,603	12,605,644	17,306,247

TABLE 2 : PERFORMANCE OF THE MALAYSIAN OIL PALM INDUSTRY, 2014

INDICATOR	2014	2013	% DIFF
PLANTED AREA (MIL. HECTARES)	5.39	5.23	3.1
CPO PRODUCTION (MIL. TONNES)			
PENINSULAR MALAYSIA	10.17	10.33	(1.5)
SABAH	6.06	5.78	4.8
SARAWAK	3.44	3.11	10.5
MALAYSIA	19.67	19.22	2.3
FFB YIELD (TONNES/HECTARE)			
PENINSULAR MALAYSIA	18.23	19.26	(5.3)
SABAH	21.34	20.88	2.2
SARAWAK	16.13	16.23	(0.6)
MALAYSIA	18.63	19.02	(2.1)
OER (%)			
PENINSULAR MALAYSIA	20.19	19.86	1.7
SABAH	21.49	21.05	2.1
SARAWAK	20.43	20.12	1.5
MALAYSIA	20.62	20.25	1.8
CLOSING STOCK (MIL. TONNES)			
PALM OIL	2.02	1.99	1.4

Source: MPOB 2015

TABLE 3 : PERFORMANCE OF THE MALAYSIAN OIL PALM INDUSTRY, 2014

INDICATOR	2014	2013	% DIFF
EXPORT VOLUME (MIL.T)			
PALM OIL	17.31	18.15	(4.6)
PALM KERNEL OIL	1.11	1.17	(4.6)
PALM KERNEL CAKE	2.57	2.67	(3.5)
OLEOCHEMICALS	2.83	2.73	3.7
BIODIESEL	0.08	0.18	(50.1)
FINISHED PRODUCTS	0.45	0.37	22.5
OTHER PALM PRODUCTS	0.71	0.45	58.4
TOTAL EXPORT (MIL.T)	25.07	25.70	(2.5)
EXPORT REVENUE (RM BIL.)			
PALM OIL	44.50	45.27	(1.7)
PALM KERNEL OIL	4.20	3.41	23.4
PALM KERNEL CAKE	1.26	1.28	(1.2)
OLEOCHEMICALS	11.29	9.30	21.4
BIODIESEL	0.26	0.50	(48.8)
FINISHED PRODUCTS	1.72	1.36	26.7
OTHER PALM PRODUCTS	0.39	0.25	53.1
TOTAL EXPORT REVENUE (RM BIL)	63.61	61.36	3.4

Source: MPOB 2015

TABLE 4 : PERFORMANCE OF THE MALAYSIAN OIL PALM INDUSTRY, 2014

INDICATOR	2014	2013	% DIFF
PRICES (RM/TONNE)			
FRESH FRUIT BUNCHES (MILL GATE)	521.00	485.00	7.4
CRUDE PALM OIL (LOCAL DELIVERED)	2,383.50	2,371.00	0.5
PALM KERNEL (EX-MILL)	1,670.50	1,371.50	21.8
CRUDE PALM KERNEL OIL (LOCAL DELIVERED)	3,497.50	2,659.50	31.5
RBD PALM OIL (FOB)	2,502.00	2,478.50	0.9
RBD PALM OLEIN (FOB)	2,494.50	2,525.50	(1.2)
RBD PALM STEARIN (FOB)	2,446.00	2,257.00	8.4
PALM FATTY ACID DISTILALTE (FOB)	2,269.50	1,883.50	20.5

Source: MPOB 2015

TABLE 5 – MALAYSIA: EXPORTS TO SELECTED COUNTRIES

COUNTRY	2014		2013		Difference	
	Tonnes	%	Tonnes	%	Tonnes	%
China, P.R	2,839,283	16.41	3,699,638	20.39	-860,355	(23.3)
India	3,251,564	18.79	2,325,386	12.81	926,177	39.8
European Union	2,411,060	13.93	2,336,759	12.88	74,301	3.2
Pakistan	815,618	4.71	1,435,217	7.91	-619,600	(43.2)
USA	783,105	4.52	1,026,989	5.66	-243,885	(23.7)
Singapore	482,922	2.79	492,138	2.71	-9,216	(1.91)
Japan	513,508	2.97	501,452	2.76	12,056	2.4
Iran	447,058	2.58	635,258	3.50	-188,200	(29.6)
Vietnam	604,193	3.49	499,918	2.75	104,275	20.9
Egypt	349,172	2.02	450,634	2.48	-101,462	(22.5)
South Korea	374,091	2.16	353,843	1.95	20,248	5.7
Myanmar	207,615	1.20	262,528	1.45	-54,913	(20.9)
Philippines	493,742	2.85	206,871	1.14	286,871	2.4x
Benin	456,254	2.64	473,145	2.61	-16,891	(3.6)
Bangladesh	321,705	1.86	442,053	2.44	-120,348	(27.2)
Ukraine	105,528	0.61	327,752	1.81	-222,224	(67.8)
Ghana	96,077	0.56	124,595	0.69	-28,518	(22.9)
Togo	134,038	0.77	126,698	0.70	7,340	5.8
UAE	84,613	0.49	128,307	0.71	-43,693	(34.1)
Taiwan	194,561	1.12	168,640	0.93	25,921	15.4
Australia	96,336	0.56	93,520	0.52	2,816	3.0
Sri Lanka	95,238	0.55	56,674	0.31	38,564	68.0
Kenya	129,762	0.75	88,735	0.49	41,027	46.2
Tanzania	286,246	1.65	160,597	0.88	125,649	78.2
Nigeria	189,433	1.10	125,931	0.69	63,502	50.4
Angola	155,166	0.90	153,335	0.84	1,831	1.2
Saudi Arabia	121,837	0.70	60,639	0.33	61,199	2x
Mozambique	88,869	0.51	13,337	0.07	75,532	6.7x
Others	1,177,651	6.80	1,376,254	7.58	-108,583	(14.4)
TOTAL	17,306,247	100	18,146,823	100%	840,576	(4.6)

Source: MPOB 2015

TABLE 6: SELECTED EXPORT PRICES OF PROCESSED PALM OIL FOB (US\$/TONNE)

Month	RBD PALM OIL		RBD PALM OLEIN		RBD PALM STEARIN		PFAD	
	2013	2014	2013	2014	2013	2014	2013	2014
January	792.50	786	802.50	792.5	689.50	783.5	559.00	714.00
February	838.00	791	844.00	818	726.50	790	536.50	716.50
March	799.00	909.5	805.50	916.5	720.50	865.5	527.50	794.00
April	785.50	852	796.50	858	734.50	834	540.50	790.50
May	786.00	847	795.50	835	759.50	805	609.50	790.00
June	796.50	785	809.50	789.5	729.50	756.5	631.50	745.00
July	758.00	783	779.00	791	705.50	757	625.00	756.50
August	746.50	721.5	763.00	721.5	687.50	701	626.00	659.50
September	758.50	681.5	773.00	687.5	702.50	652.5	666.50	615.00
October	771.50	677.5	783.50	687.5	725.00	674.5	643.50	585.50
November	827.50	685	841.50	693	805.50	686	694.50	584.50
December	818.00	627	818.00	638.5	818.00	632.5	741.00	550.00
Average	791.00	763.50	805.00	762.00	723.00	750.50	600.00	694.50

Source: MPOB 2015

TABLE 7: STATUS OF REFINERIES AND CAPACITY AS AT END OF 2014 (TONNES/YEAR)

State	In Operation*		Not In Operation*		Under Planning**		Total	
	No.	Capacity	No.	Capacity	No.	Capacity	No.	Capacity
Johore	16	7,466,400	1	90,000	1	600,000	18	8,156,400
Perak	4	1,039,500	0	0	0	0	4	1,039,500
Penang	3	567,000	0	0	0	0	3	567,000
Selangor	12	4,674,000	2	555,000	2	1,114,500	16	6,343,500
Other States	2	1,759,500	0	0	1	140,000	3	1,899,500
Peninsular Malaysia	37	15,506,400	3	645,000	4	1,854,500	44	18,005,900
Sabah	14	8,614,800	1	214,500	9	3,274,000	24	12,103,300
Sarawak	6	2,930,000	0	0	2	690,000	8	3,620,000
Sabah/Sarawak	20	11,544,800	1	214,500	11	3,964,000	32	15,723,300
Malaysia	57	27,051,200	4	859,500	15	5,818,500	76	33,729,200

Source: MPOB 2015

**MIDA

TABLE 8: MONTHLY REFINING CAPACITY UTILIZATION RATE 2014 (%)

State	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Average
Johor	58.86	53.37	52.41	50.98	56.5	57.55	53.04	63.87	61.73	57.49	56.33	52.27	53.74
Perak	81.35	85.13	64.02	58.26	64.11	76.61	70.32	77.66	81.35	69.58	84.79	65.01	73.18
Penang	77.08	98.56	75.76	59.11	72.48	91.22	82.09	88.99	82.73	59.64	84.24	67.2	77.5
Selangor	85.71	82.85	89.35	83.62	89.57	89.13	86.21	88.84	92.92	89.72	74.7	84.9	86.46
Other States	87.37	62.5	74.31	77.72	72.68	73.04	64.91	67.01	57.16	72.13	67.76	60.79	69.78
P. Malaysia	73.15	67.81	68.27	65.45	70.2	71.89	66.84	74.17	72.89	70.01	66.29	64.69	67.84
Sabah	54.81	50.27	65.86	49.27	62.51	53.57	50.65	60.02	47.69	59.01	54.67	54.59	54.74
Sarawak	77.41	64.46	78.03	75.6	69.55	76.42	60.11	75.84	70.91	102.56	88.9	72.39	75.36
Sabah/Sarawak	60.77	54.01	69.17	55.99	64.5	59.6	53.31	64.45	53.58	70.73	63.87	59.37	60.28
MALAYSIA	67.81	61.85	68.64	61.41	67.83	66.64	61.34	70.12	64.57	70.31	65.28	62.47	64.68

Source: MPOB 2015

TABLE 9: STATUS OF OIL PALM PROCESSING SECTOR

SECTOR	NUMBER IN OPERATION	PROCESSING CAPACITIES (MIL.T/YR)	PROCESSING CAPACITIES UTILISATION RATE (%)
Mill	443	106.7	90.2
Palm Kernel Crushing Plant	44	6.9	68.7
Refinery	57	27.1	64.7
Oleochemical Plant	18	2.7	78.1
Biodiesel Plant	18	2.8	33.0

Source: MPOB 2015

