



The European Oleochemicals & Allied
Products Group



European Committee of Organic Surfactants and their
intermediates

Press Release

APAG & Cesio reactions to the Provisional Deal between European Parliament and Council on the EU Regulation for deforestation-free supply chains

Brussels, 7 December 2022 – Following the provisional political agreement concluded between the European Parliament and Council on the EU Regulation for deforestation-free supply chains, APAG and Cesio, two sector groups of Cefic, would like to express their views.

APAG and Cesio acknowledge the efforts put in to set an ambitious EU framework that aims to tackle climate change, deforestation and forest degradation. We believe that regulatory intervention at EU level is appropriate to address these issues.

We are pleased to see that the scope of the proposal was extended to include part of the derivatives of palm oil and palm kernel. This will ensure a level playing field, meet the scope of the regulation – curb deforestation and forest degradation – and ensure the survival of two key European manufacturing industries.

We also support the **specific guidelines to ensure a proper traceability of the supply chain.** We believe that traceability to palm oil mills, complemented by relevant due diligence, is currently the most effective tool in place to secure a sustainable supply-chain and inclusive of all players, mainly smallholders who represent ca. 40% of the palm oil production in South-East Asia. One size does not fit all. Palm and palm kernel oils are liquid goods unlike wood, coffee and cocoa beans, making traceability requirements more complex.

However, **we regret to see that a country benchmarking system is being proposed.** Palm oil is strongly linked to deforestation, despite the many efforts put in place to move towards production of sustainable palm oil. Discouraging sustainable production in areas active on reversing this trend is a concern and will result in shifting deforestation to other areas considered as “low-risk”. It will create distortion of trade, affect the competitiveness of the European manufacturing industry and would not address deforestation and forest degradation.

APAG and Cesio will continue to engage in the upcoming steps and remain willing to work with the authorities on the implementation of the Regulation in order to make it work in practice and minimise the negative impacts.

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A sector group of Cefic 

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APAG – the European Oleochemical Industry is a long-established sector of the European bioeconomy. Since the early 19th century, the oleochemical industry has been using rendered animal fats to manufacture bio-based products used for candles, paints, detergents, cosmetics, pharmaceuticals and many other applications.

Our industry continues to invest in sustainable technologies enabling the development of a circular bioeconomy: for instance, oleochemical products are used to de-ink used paper to enable recycling and to de-ice airplanes as an alternative to fossil-based materials.

For more information visit our website www.apag.eu or visit our [LinkedIn](#) page

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CESIO (the European Committee of Organic Surfactants and their Intermediates) is an industry association that represents manufacturers and marketers in the European surfactants industry. CESIO contributes to better understanding of surfactants and the many ways in which they contribute to economic development and quality of life; and addresses specific issues relating to human health and the environment in order to sustain their beneficial contribution to society. Surfactants have a wide range of end-uses including in household detergents, personal care formulations, industrial and institutional washing and cleaning, as well as technical applications in textiles, leather and paper treatment, agrochemicals, the metal, mining and oil industries, and in plastics, lubricants, paints and coatings.

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