



MEDIA RELEASE

BURSA MALAYSIA DERIVATIVES INKS STRATEGIC PARTNERSHIP WITH MALAYSIAN PALM OIL CERTIFICATION COUNCIL

AIMS TO ADVANCE SUSTAINABILITY ADOPTION IN THE PALM OIL INDUSTRY

Kuala Lumpur, 14 January 2022 - Bursa Malaysia Derivatives Berhad or (“Bursa Malaysia Derivatives”) and the Malaysian Palm Oil Certification Council (“MPOCC”) today signed a Memorandum of Understanding (“MoU”) to establish a mutually beneficial partnership that promotes sustainability and responsible practices amongst palm oil players across the supply chain.

The MoU will commit both Bursa Malaysia Derivatives and MPOCC to a framework of co-operation and collaboration in the areas of information exchange, including exploring opportunities to develop and promote sustainability-related initiatives in the palm oil industry.

“We are committed to sustainability initiatives that go beyond standard-setting and certification by building a conducive environment for sustainability to grow and making MSPO as one of the globally accepted certified sustainable palm oil,” said Mohammad Hafezh Abdul Rahman, Chief Executive Officer of MPOCC. “We are working towards the continuous improvement of our systems, standards and governance to ensure credible schemes with high integrity are available in the market. This strategic partnership will intensify our efforts together with Bursa Malaysia Derivatives in the relevant sector.”

“As the ESG agenda gains prominence, it is critical that the local palm oil industry mainstreams the adoption of environmental-friendly practices and compliance with the Sustainability Audit Standards,” said Samuel Ho, Chief Executive Officer of Bursa Malaysia Derivatives. “The MoU signed with MPOCC today not only reinforces our commitment to drive sustainable development in the palm oil supply chain through our product offerings, but also to collaborate closely with MPOCC to enhance the overall competitiveness and appeal of the Malaysian palm oil to importing countries.”



The Malaysian Sustainable Palm Oil (MSPO) certified Crude Palm Oil (CPO) is integrated into the derivatives market delivery process through Bursa Malaysia Derivatives' Crude Palm Oil Futures (FCPO) and East Malaysia Crude Palm Oil Futures (FEPO) contracts. Since the implementation of this requirement for FCPO physical delivery took effect on 1 April 2021, approximately 897,075 metric tonnes were delivered through the Exchange from April to December 2021. This represents a significant increase of 65.8% over the 540,975 metric tonnes traded via FCPO during the same period in 2020, showcasing strong industry demand for derivatives products.

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About Bursa Malaysia

Bursa Malaysia is an exchange holding company incorporated in 1976 and listed in 2005, and has grown to be one of the largest bourses in ASEAN today. Bursa Malaysia operates and regulates a fully-integrated exchange offering a comprehensive range of exchange-related facilities, and is committed to *Creating Opportunities, Growing Value*. Learn more at www.bursamalaysia.com.

About Malaysian Palm Oil Certification Council

The Malaysian Palm Oil Certification Council (MPOCC) is an independent non-profit organisation established in December 2014 to operate the Malaysian Sustainable Palm Oil (MSPO) Certification Scheme and is responsible for developing certification standards and scheme documents, training of auditors, notification of accredited certification bodies, issuance of MSPO logo usage licenses, and handling of complaints. By 1st January 2020, all Malaysian palm oil producers must be MSPO certified to offer concrete assurance to palm oil producers, importers and consumers of a credible sustainable value chain, from the production to consumption.

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