

## The Trade Association, Pillar of Oil Palm Development in Colombia by Jens Mesa Dishington, Executive President of Fedepalma



Fifty years ago, seventeen oil palm entrepreneurs founded the National Federation of Oil Palm Growers, Fedepalma. Some of their plantations, with an area less than 500 hectares, had been established as part of the oil palm cultivation development program promoted by

the National Government through the Institute for Cotton Development (IFA, for its acronym in Spanish), to make Colombia a self-sufficient country in the production of oilseeds, in an import substitution context.

Other represented plantations had resulted from individual undertakings that joined the new agricultural activity, taking advantage of the conducive environment which encouraged it, both in Colombia and in other developing countries, as were two important cases: Coldesa and Indupalma, already participating in the industrial business of fats y oils, and for this reason sought to obtain raw materials for their mills.

Today, thanks to the work of many people, and especially to the joint efforts of producers and individual companies and the trade association as such, we have in our country almost half a million hectares of palm and our agro-industry is close to producing, for the first time, one million tons per year of palm oil. Colombia is the world's fourth largest producer of palm oil – after Indonesia, Malaysia, and Thailand– and the first in America; it has an important productive infrastructure in

different regions, in 110 Colombian municipalities, and a wide diversity of producers: entrepreneurs and peasants, large, medium, and small.

Upon completion of our first half century of life, we must recognize the values, behaviors and dynamics that have characterized our activity and have ensured the leading role of Fedepalma in the development and consolidation of Colombian oil palm agro-industry; basically, because these are the assets we count on to fulfill the promise that oil palm means in our country in terms of sustainable development, well-being, and progress for Colombia.

The aim of Fedepalma is not to do just something or to do it all. We do what definitely makes more sense and is collectively more efficient to do, for example, research and technology transfer. The trade organization provides the conditions towards the successful activities of its associates, and in this sense the association business is to foster conditions for its affiliates to have good business.

We are an entrepreneurial association and we are proud of it. And it is not the size that determines being an entrepreneur; many people wrongly consider that only the largest can be. However, there are producers who manage large areas and are not entrepreneurs; whereas others only have 10, 20, or 50 hectares, and are more entrepreneurs than anyone else. We are pointing out an attitude, a way of being and doing that distinguishes us, and also sets a formality in our sector that positively radiates and affects the labor market and the economy of the regions involving its activity.

The Oil Palm Research Center, Cenipalma, which recently completed 20 years of work; the

Comercializadora de Aceite de Palma, today C.I. Acepalma S.A., which has become one of the main companies in the country; the Oil Palm Development Fund and the Price Stabilization Fund for Palm Kernel, Palm Oil and its Fractions as a model of the parafiscal scheme for the development of a productive sector, are entities and mechanisms, models of sectoral solidarity, participation, and equity.

An important lesson of Fedepalma's attitude, policy and achievements has been to promote, from agriculture, productive activities with forward integration, towards the industry, without losing its producers' organization character. Likewise, the country has an industrial development linked to the oil palm, in edible and non-edible items, such as cooking oils, specialty margarines and fats, soaps, and more recently, biodiesel.

Another representative value and practice has been the permanent will of the trade association to build with a vision towards the future. This may be due to the perennial late yield nature of the oil palm crop that has required from its producers the development of a long term culture; because much of what is harvested today was planted twenty years ago, and a high percentage of what is being planted today will be harvested in the 2020s and 2030s.

We should mention the current decision of promoting oil palm with sustainable development criteria, associated to our pursuit of improving the competitiveness and growing demands of the international market. These have allowed us to observe the emphasis markets place on economic, environmental, and social sustainability. From Fedepalma we have wanted to arrive early to these tasks: we joined the Roundtable on Sustainable Palm Oil (RSPO), an international initia-

tive which promotes sustainable production and use of palm oil through compliance of the most stringent global standards; we lead the National Interpretation of its Principles and Criteria, a process which ended a couple of years ago; and we call on companies to produce sustainability reports and to obtain RSPO certification.

Fifty years are a significant point of arrival, but also a point of departure in the face of the great possibilities the future holds for us. Of course, it is not an assured future; it depends on our being able to confront the threats the agro-industry has faced and is facing, and the effort we make in doing things right as a country, as a sector, and as individuals.

So, to start this great adventure of the next fifty years of the Colombian oil palm sector, we need all players to assume their role. We insist on the configuration of a trilogy that brings together the efforts of entrepreneurs, the State and the trade association, in this case, Fedepalma, according to the major purposes of sectoral development. Oil palm growers, as entrepreneurs, are responsible for organizing their productive units to be highly productive and competitive. And by recognizing that wealth is generated in productive units and not elsewhere, it corresponds to the Government and the trade association to promote conditions so they can operate, and this be translated into employment, income, social responsibility programs, taxes, and development. To the extent everyone does their share, we will be more efficient and progress faster.

In words of President Santos, the National Government has renewed its commitment to the oil palm sector, producers will continue working day and night for their crops and Fedepalma will support them in building the countryside in Colombia, which is a dream we all have.