

**KEYNOTE ADDRESS
YB DATUK AMAR DOUGLAS UGGAH EMBAS
MINISTER OF PLANTATION INDUSTRIES AND COMMODITIES,
MALAYSIA**

**THE 17TH MEETING OF THE NATIONAL FOCAL POINTS FOR
ASEAN COCOA CLUB (ACC) ON ASEAN COOPERATION AND
JOINT APPROACHES IN AGRICULTURE AND FOREST
PRODUCTS PROMOTION SCHEME**

**WEDNESDAY, 7 MAY 2014
HOTEL PACIFIC SUTERA, KOTA KINABALU, SABAH, MALAYSIA**

Dr. Lee Choon Hui
Director General
Malaysian Cocoa Board and
Chairman of the ASEAN Cocoa Club (ACC)

Mr. Tan Beng Swee
Under Secretary
Cocoa and Pepper Industries Division
Ministry of Plantation Industries and Commodities (MPIC)

Mr. Brandon Tay Hoe Lian
Chairman
Cocoa Association of Asia (CAA) and
Chairman of the Cocoa Manufacturer's Group (CMG) Malaysia

Mr. Edward F. David
President
Cocoa Foundation of the Philippines

Distinguished Heads and Delegates of ASEAN Member Countries

Ladies and Gentlemen,

A very good morning, Salam Sejahtera and Salam Satu Malaysia to all
of you.

I would like to take this opportunity to express my appreciation to the Malaysian Cocoa Board for the invitation to deliver the keynote address and officiate the 17th Meeting of the National Focal Points for ASEAN Cocoa Club (ACC) on ASEAN Cooperation and Joint Approaches in Agriculture and Forest Products Promotion Scheme.

2. I also take this opportunity to extend a warm welcome and *Selamat Datang* to all the delegates from ASEAN Member Countries, in particular from Indonesia, Myanmar, Philippines, Singapore, Thailand and Vietnam. It is indeed a special occasion for me to be able to meet up with all of you here in Sabah, also known as *Land Below The Wind*, despite your hectic schedule.

3. I was informed that the 6th Meeting of the ASEAN Cocoa Club Technical Working Group on Food Safety (ACC TWGFS) and 3rd Meeting of the ASEAN Cocoa Club Technical Working Group on Good Agriculture Practices (ACC TWGGAP) was held yesterday. I am sure all of you had a fruitful discussion to strengthen the cocoa industry in ASEAN countries.

Ladies and Gentlemen,

4. The cocoa industry in ASEAN has been expanding rapidly and has attained significant recognition in the global market. Most of its member countries have been actively embarking and developing their cocoa industries. However, the cocoa industry in each of the ASEAN country varies from its developmental perspectives. Despite the differences, ASEAN remains as the world's foremost supplier of cocoa and cocoa products. Some members of the ASEAN countries are well

established as major producers and exporters of cocoa beans and cocoa products.

5. Currently, the ASEAN countries rank as the second largest producers of cocoa beans in the world and the largest in the Asia and Oceania region. According to the International Cocoa Organisation (ICCO), ASEAN countries with an estimated annual cocoa production of 436,200 tonnes, account for about 11.1% of the total world cocoa production for the period of 2012/2013. Indonesia and Malaysia contributed about 10.8% of the world total cocoa production, while the cocoa production in the Philippines accounts for 4,800 tonnes, Vietnam 4,000 tonnes and Thailand 400 tonnes.

6. Cocoa grinding activities in ASEAN countries have also been expanding rapidly. The current estimated capacity of 648,600 tonnes, accounts for 15.9% of the total world cocoa grinding capacity in 2012/2013. ASEAN as a region is the largest cocoa processors in the Asia and Oceania region, contributing about 76.7% of the total cocoa grindings. In this context, the cocoa industry in ASEAN has attained significant recognition in the global market both from the perspectives of cocoa beans production and marketing of cocoa products.

7. Looking at the performances of the cocoa industry in ASEAN, there are ample opportunities to further develop this industry to higher levels. The industry must continue to address challenges and synergise on the opportunities arising from trade liberalisation in the region. These include opportunities from market opening through the establishment of Free Trade Area Arrangements (FTAs) such as

ASEAN–Korea, ASEAN–Japan, ASEAN–India, ASEAN–China and ASEAN–Australia New Zealand Free Trade Agreements.

8. In this context, the cocoa industry in ASEAN needs to continue to strengthen cooperation to synergise on each others strength. This is an addition to adopting common approaches to address tariff and non-tariff measures that affects market access for cocoa products. At the same time, active involvement of both the private and government sectors should be encouraged and strengthened, especially in the areas of research and development.

9. It is important to have continuous cooperation and networking from all sectors of the ASEAN countries, as these will enable us to strengthen further our position in the global market and enhance the intra–ASEAN trade on cocoa and cocoa products that will benefit all ASEAN member countries. However, in implementing all these, we should also never forget to adhere to our ASEAN spirit by lending a helping hand to each other, especially in addressing trade barriers and restrictions that could affect the competitiveness of ASEAN as a whole.

Ladies and Gentlemen,

10. It has been 18 years since the ASEAN Cocoa Club (ACC) was launched on July 1996 at Kota Kinabalu, Sabah, Malaysia involving all 10 ASEAN member countries. The ACC was established in pursuant of the Memorandum of Understanding (MOU) on ASEAN Cooperation and Joint Approaches in Agriculture and Forest Products Promotion Scheme which was signed by the ASEAN Ministers responsible for

Agriculture and Forestry at their 16th Meeting in Langkawi, Malaysia on 25–27 August 1994. Malaysia is the lead country or national coordinator for the ASEAN Cooperation and Joint Approaches on Cocoa Promotion Scheme and the Malaysian Cocoa Board (MCB) was appointed as the coordinator for the ACC activities. The ACC was formed to enhance collaborative efforts among ASEAN member countries in strengthening and enhancing the Intra–ASEAN Trade on cocoa and cocoa products, in the international market as well as to collectively overcome tariff and non–tariff barriers (NTBs) and unfair trade practices imposed by the importing countries.

11. Given the present global economic and environmental scenario, all industries, including the cocoa industry is confronted with a number of challenges. Therefore, greater efforts must be taken to safeguard the future of our cocoa industry by ensuring the demand for cocoa continues to be sustained. Among others, we should always be responsive to consumer requirements by providing the best quality products and services to our consumers.

12. In this regard, I would like to strongly urge ASEAN Cocoa Club to work closely together and act collectively in coming up with the necessary measures that can be used to overcome issues and challenges facing the cocoa industries, as well as to strengthen and enhance further the intra–ASEAN trade on cocoa and cocoa products. I am confident the activities carried out through this regional cooperation will achieve results beneficial to ASEAN member countries as a whole. The establishment of a strong regional cooperation requires every member of the ASEAN country to give

their strong participation, commitment and cooperation in implementing the formulated strategies and activities.

Ladies and Gentlemen,

13. Lastly, I would like to record my appreciation and congratulate the ACC Secretariat, the Malaysian Cocoa Board and all the relevant agencies from both the public and private sectors, whom have worked diligently and tirelessly in ensuring the success of this 17th ACC Meeting.

14. I am optimistic that with the rich pool of ideas and vast practical experiences from both the public and private sector representatives of the ASEAN countries, I am sure the deliberations over the next two days will continue to be a forerunner towards a greater dimension in ASEAN cooperation on cocoa industry.

On that note, I hereby officially declare open the 17th ASEAN Cocoa Club Meeting.

Thank you.

Ministry of Plantation Industries and Commodities
7 May 2014