



# COLOMBIAN PORTS

MAGAZINE

## SPECIAL REPORT

NAVIGATION OF THE MAGDALENA RIVER

# A CONTINUOUS BATTLE AGAINST NATURE



## INTERVIEW

**ALEJANDRA  
RUEDA**

DIRECTOR OF NES

PORT OF BARRANQUILLA WILL INVEST  
16 MILLION USD IN INFRASTRUCTURE

GRUPO DAABÓN, LEADER IN  
SUSTAINABLE PALM OIL PRODUCTION

NEWS, THE PALM CORNER  
DATA, FIGURES AND MORE





# ALEJANDRA RUEDA

Director of NES Naturaleza

SUSTAINABILITY IS A FIGURE  
THAT PROMOTES COLLABORATION AND  
THE WELFARE OF THE COMMUNITY



Her **18+ years experience** in the Latin American agribusiness of oil palm, which she has been supporting not only towards the adoption of sustainable practices for palm companies and, in developing tools and initiatives that promote the generation of value in rural communities. **She has also, supported the development of the Colombian biodiesel market and the implementation of sustainability standards in More than 100,000 hectares of Oil Palm plantations.**

With A Master's degree in Energy and Resources, complemented by Paz y Resolución de Conflictos (Peace and Conflict Resolution), **Alejandra has aided in strengthening knowledge of good agricultural, environmental and social practices, for more than 3000 small agricultural producers.** She is currently the Director of NES Naturaleza, A Colombian company whose main objective is to generate sustainable productive projects in the field, as well as promoting growth and development in rural communities.

## COLOMBIAN PORTS INTERVIEW

**CPM: From the sustainable development point of view, which are the main objectives that have been raised in the rural and agro-industrial sector in Colombia?**

**AR:** Basically, sustainable development is no different from working responsibly, so the goal is responsibility. Responsibility for what? Responsibility in environmental practices, responsibility in social practices and responsibility in productive practices, which, at the end of the day are the ones that lead the company to maintain itself in time. Therefore, sustainability basically reflects the appropriate

interactions between these three axes in such a way that there is a win-win relationship between the ecosystem and people and, the economic systems and people.

Regarding the benefits, for both agribusiness and the rural sector, I think there are many, starting with a subject as simple as organization. Agro-industry through sustainability has the opportunity, not only to understand, but to organize their processes, by organizing its processes it can compare costs, their expenses, income, practices, and improves continuously.

From the point of view of rural development and communities, sustainability is key because it encourages the role of good neighbors, where all of us in some way, are concerned with the



environment, be it the landscape, the ecosystem, or society. Sustainability is a figure that promotes collaboration and the welfare of the community.

**CPM:** In September last year, was there any resolution or certification on palm oil issued in the Netherlands?

**AR:** Certain countries in Europe and the European Parliament have started a discussion on the prohibition or non-importation of palm oil. It's not that any policy has entered in rigor, but there are European trends that seek to ban palm oil, mainly for biofuels. However, there are other trends that also consider palm oil from a health standpoint. In this line of thought, the most appropriate way to remain or enter the European market is through sustainability standards or sustainable certifications such as RSPO, ISCC, Rainforest, among others. They attest to the fulfillment of a series of requirements that ensure a responsibly produced palm oil.

**CPM:** Speaking small producers, what goals have been achieved in transferring knowledge and technology in the palm sector in our country, to contribute to the inclusion of small producers in the value chain?

**AR:** Regarding transfer of technology or knowledge there are different initiatives: a very important one is that of Fedepalma and Cenipalma through the UAATAS, (Units of Technical, Environmental and Social Auditing Assistance). This initiative seeks to reach small fruit producers, and transfer knowledge hand-in-hand with the plants, because it is the latter who become the palm core, where, in addition to receiving the fruit from different producers, they can also radiate information and knowledge.



There are other initiatives that have been developed directly with international palm oil buyers such as Wilmar International, with whom we are working on a program in Colombia called WISSCo in the eastern plains with 11 plants, and those who initially seek to generate technical capacity and train small and medium-sized producers on issues such as the ABC of sustainability, along with Wilmar's own non-deforestation, non-peat and non-exploitation policies. This initiative is carried out with Solidaridad, a Dutch NGO that also seeks to strengthen sustainable practices in the palm agro-industry, among others.

In addition, there are other private initiatives from both extractors and marketers seeking to strengthen sustainability in the sector.

**CPM:** On one occasion, a conference mentioned that the company Ferrero Rocher, which is a strong consumer, did not buy in Colombia. What do you think of that?

**AR:** I do not think that they do not buy Colombian oil, what happens is that Ferrero has a clear policy of buying sustainable oils. Although this company does not buy directly in



Colombia, there is a possibility that some percentage of sustainable Colombian oils that arrive in Europe, are part of Ferrero's supply chain.

**CPM: Ferrero Rocher buys in Malaysia?**

**AR:** Yes, I think it buys certified Malaysian palm oil. This is a company that buys mainly in Rotterdam. This port receives oil from Malaysia, Indonesia and Latin America so, I am hopeful that in addition to buying Malaysian certified oil, it also buys some Percentage of Colombian or Latin American certified oil. I was at a conference in November, I was just talking to small producers on a stage at the European Alliance for Palm Oil, and we were different stakeholders interested in clarifying and promoting the issue of sustainable palm oil, and presenting in some way, the existing interests and concerns. Ferrero was there, and its commitment was on 100% sustainable palm oil.

**CPM: We have been at the Rotterdam port and the transferring operation is very interesting, it has an direct physical distribution to the barges.**

**AR:** Yes, the truth is that everything is through direct pipes to the tanks.

**CPM: Shipments are sent to Switzerland, Germany, and all neighboring countries in a direct, mechanical and very well managed way. The professionalism at the Rotterdam port is outstanding.**

**AR:** It's spectacular. Latin America moves almost 20% of its palm oil entering Europe through that port, and only a very small percentage of it is sustainable oil, either RSPO or ISCC certified.



So, the question is, how do we move towards sustainability, to ensure that market? Because what we do not want is that, at some point, the European Parliament limits access of palm oil to Europe. Although I see it as a long shot because it would be discriminating against international trade standards. Anyways, the risk is there.

**CPM: How has the adoption and implementation of sustainability standards such as RSPO developed in Colombia?**

**AR:** That's an interesting topic. The truth is, that if you start thinking about when it began or when RSPO arrived in Colombia, you could say that it was a decade ago with the first Latin American RSPO Conference. 10 years later, there are about 10 companies certified under that international standard.

**CPM: Are the main stakeholders the ones that are certified?**





**AR:** Yes. But in Colombia there are 62 extraction plants and only 15 are RSPO or ISCC certified, then there is still a long way to go. The process has been difficult, initially it was all in English and the main documents had to be translated to move forward. Then, a national interpretation was made, and even before it, the first certified RSPO plant was Daabon and, from there, other companies started to work on the subject. What happened? From my perspective, the local biodiesel market along with bud rot disease reduced pressure on export, so resources were allocated for the new local market and to protect the palms from the disease.

In the past three or four years export begins to strengthen again, producers begin to work on RSPO along with another brand called ISCC. I spoke of brands, because to me, sustainability is a single one, no matter how you name it. Calling it ISCC, RSPO, or Rainforest, is the same, the only difference is that some emphasize more on certain specific topics than others. In Colombia, there is no Rainforest certified palm company, but in Honduras and Guatemala there are.

#### **CPM: What does ISCC mean?**

**AR:** ISCC means International Sustainability and Carbon Certification. ISCC has very interesting topics. ISCC was created primarily for the biofuels market in Europe, and ISCC is interested in reducing greenhouse gas emissions against fossil diesel.

#### **CPM: In the BLs emissions are allocated from the extraction plant to the docks**

**AR:** Exactly. What the buyer does is that it takes the emissions reported by the extraction plants, they add them to the process of production of biodiesel, and that turns out a number of emissions, and these emissions are compared with the emissions normally produced by the fossil fuel, and in order for you to enter the European market the emissions of the entire process to reach palm biodiesel have to be less than 50% of those emissions generated by the fossil fuel, therefore it is very interesting because you have to look at the issue of emissions as a whole.



**CPM: Is it a strict traceability?**

**AR:** It is a very strict traceability but not only that, in my personal experience, when having to strictly review fertilization, application of agrochemicals and the use of fuel in each farm, a system of comparison of the efficiencies of each of the farms immediately arises, becoming an amazing control instrument, that is, an impressive administrative tool. Through traceability, a producer that really does its task is going to realize where it can save or where it is having unnecessary expenses, then it is compensated for the effort made, and this should result in better financial indicators. This is a topic that I personally like it because it allows to work efficiently and effectively directly in the field.

**CPM:** According to data from the National Administrative Department of Statistics (Dane), during the year 2017 the palm oil agro-industry was, after coffee, the one that contributed most to the growth of the country's agricultural exports. What new scenarios and responsibilities pose for this recent dynamic in the palm sector?

**"FROM THE POINT OF VIEW OF RURAL DEVELOPMENT AND COMMUNITIES, SUSTAINABILITY IS KEY BECAUSE IT ENCOURAGES THE ROLE OF GOOD NEIGHBORS, WHERE ALL OF US IN SOME WAY, ARE CONCERNED WITH THE ENVIRONMENT, BE IT THE LANDSCAPE, THE ECOSYSTEM, OR SOCIETY.**

**ALEJANDRA RUEDA**

**AR:** From my perspective, there is a scenario where the sector becomes mainly an exporter, since there is no longer a major local consumption of palm. This is where palm could become a benchmark for responsible practices, and other crops could follow the different schemes that the palm industry has advanced in, which contribute to sustainability. For example, aspects related to labor formalization where there is a study by Fedesarrollo which compares the formalization of labor in the palm sector compared to other sectors. In environmental practices for example, the sector recently signed a statement of zero deforestation and on the other hand, it is currently seeking to grow via productivity and not by increasing cultivated areas.

**CPM: Are we far from Central America in terms of sustainability?**

**AR:** We have to know from what perspective we are looking at it, because all the countries have different conditions.

**CPM: Analyzing markets, how will that buyer, who is in Europe, look at Colombia, and look at Central America around certifications or use or sustainability?**

**AR:** I think that in some way, the European buyer is interested in whether it is certified. There are companies in Central America that are certified and have also done an important job. That region is mainly exporter except for Mexico, so it is obliged to maintain global markets.

**CPM: Considering this issue, how far are we from that?**

**AR:** I think there are different situations: if you look at Guatemala, it has a very important percentage of certified oil, but it has that



important percentage because they have really big companies where the fruit supply base belongs to them, therefore it is easier to handle, to reach certification. Thus, we see large RSPO certified companies in Guatemala. In Honduras there are two RSPO certified and three ISCC certified companies out of eleven. These companies have their own supply base, as well as some third-party supply. Costa Rica's largest oil producer is also RSPO certified. I believe that Colombia has been taking some important steps. It has been present in different RSPO scenarios, this year, such as the Latin American RSPO Conference held in Cali, Colombia. I would not compare Colombia with other countries in Central America because they all have completely different circumstances and models, and all have advanced.

**CPM: Do you see us as a sustainable country in terms of Palm in the near future?**

**AR:** Without a doubt. Perhaps we should strengthen a little more the development of sustainability within small fruit producers because they really represent a high percentage of the supply base for extraction plants. I think we need to look for innovative tools to reach that small producer who has difficulty acting in a sustainable way, and we need to assign responsibilities to them. I also think that there are oil extractors who just have to start taking steps towards sustainability and, at least in the next two years have 70% of the extraction plants certified.

**CPM: Could the rural SENA contribute?**

**AR:** You know, I think so. I think SENA can have a very important role in the transfer of knowledge.

**CPM: Because the rural SENA reaches more to the small producer than to large organizations.**

**AR:** Of course, as part of a comprehensive development program in oil palm. Fedepalma works many programs with SENA but I'm not sure if there is a specific sustainability program. However, their programs for responsible agricultural practices, point directly towards sustainability.

**CPM: It's an issue of consciousness rather than practice.**

**AR:** Of course, and that is one of the topics where from NES Naturaleza we make a lot of emphasis on the support that we do not only in Colombia but in Latin America. To raise awareness of the basics of what is right or wrong, like when we think of our daily living.

What happens is that when you give it a word as complicated as sustainability, people get scared or confused or think it's very expensive. We, at NES Naturaleza have certified more than 100,000 hectares of palm in different standards and really, certified companies will be able to talk about the costs not being high, as long as the companies can be sustainable as their possibilities allow, while the benefits have been many.