



INFORMATION

Update on the Reference Price of Crude Palm Oil (CPO) to 31 December 2023

The Ministry of Trade issued Regulation No. 1990 Year 2023 concerning the Reference Price of Crude Palm Oil Subject to Export Duty and Public Service Tariff Management Agency for Oil Palm Plantation Fund. This regulation is effective to **31 December 2023**.

Previously, the reference price of CPO was at USD **795.14** as referred to the Ministry of Trade No. 1965 Year 2023. Currently, the reference price of CPO is at **USD 767.51**. This price decreased by USD 27.63 or 3,47% compared to the previous period.

Meanwhile, the Export Duty (Bea Keluar/BK) of CPO is **USD 18/MT** as referring to the Ministry of Finance Regulation No. 39/PMK/0.10/2022 jo. No. 71 Year 2023. Meanwhile, the Export Levy of CPO is **USD 75/MT** as referring to the Ministry of Finance Regulation No. 103/PMK.05/2022 jo. No. 154/PMK.05/2022.

The export duty and export levy decreased significantly compared to the previous period due to the decline price of the CPO that approached the maximum threshold of USD 680/MT.

The increase in the CPO reference price was influenced by several factors including an increase in world CPO production that is unbalanced with the high demand; where there is a potential decrease in demand for CPO from India and China as well as a decrease in imports from the European Union, a decrease in the price of other vegetable oils such as soybean oil, and decline in world crude oil prices.

References:

- Ministry of Trade Regulation No. 1990 Year 2023
- Ministry of Finance Regulation No. 39/PMK/0.10/2022 jo. No. 71 Year 2023
- Ministry of Finance Regulation No. 103/PMK.05/2022 jo. No. 154/PMK.05/2022

If you require the copy of the reference documents above, please do not hesitate to contact research@ibai.or.id
Thank you for your attention and we hope this information would be valuable to you

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