

1 JAN 2016

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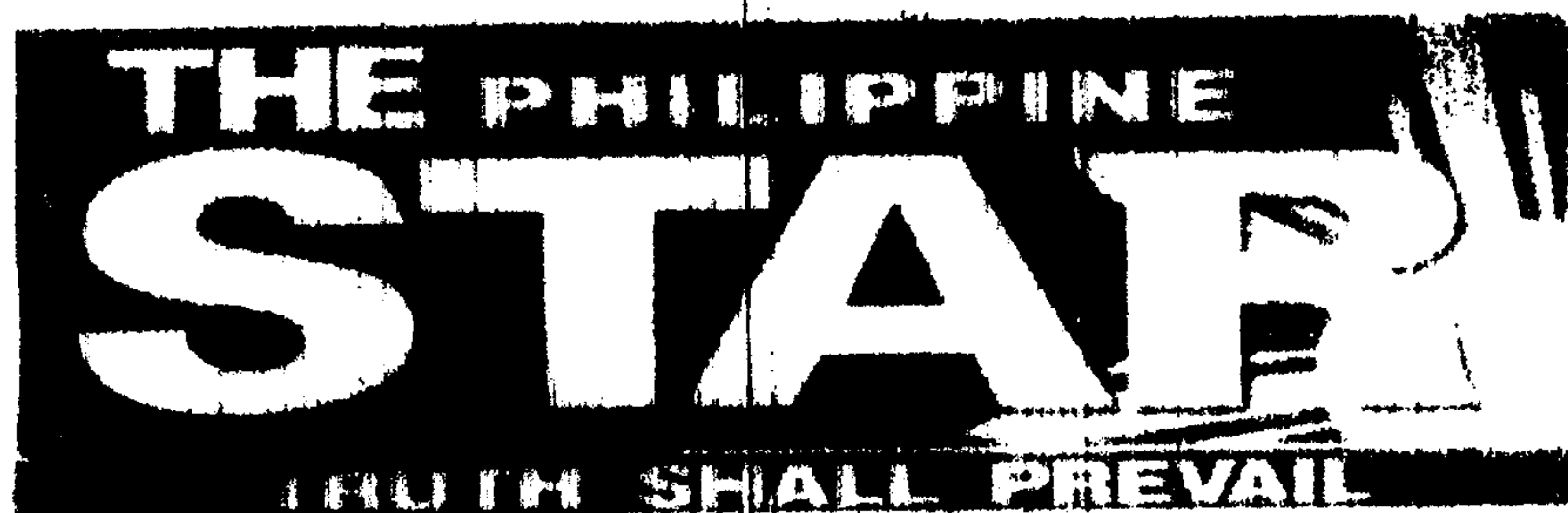
DAY

Friday

DENR

IN THE NEWS

1 JAN 2016



The only paper you read from cover to cover!

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

YEARENDER

Wildlife conservation, fighting illegal trade mark DENR year

Wildlife conservation, fighting the illegal wildlife trade and poaching and taking a strong stance on climate change marked the year 2015 for the Department of Environment and Natural Resources (DENR).

In the early part of the year, the DENR's Biodiversity Management Bureau (BMB) forged an agreement with Dreamland Nature and Adventure Park in Amlan town, Negros Oriental, for it to become a repository of animals rescued and confiscated from wildlife traffickers.

Owned and managed by the municipal government of Amlan, Dreamland attracts tourists and local folk with its nature and wildlife adventures. The 16-hectare park acquired wildlife species, including wild cats from the Middle East and camels from Australia.

BMB director Theresa Munda Lim and Amlan Mayor Bentham de la Cruz signed the agreement last March.

Lim said the partnership was part of the BMB's continuing management and improvement of its wildlife rescue centers, which rehabilitate injured, sick and orphaned native wildlife and release healthy animals to their natural habitat.

The BMB has the authority to dispose of some of the animals in its custody through different modes, including partnership with zoos and other animal centers.

"Some of our confiscated protected species cannot be released back to the wild, so one of our options is to turn them over to qualified institutions for co-management," Lim said.

DENR's collaboration with the municipal government of Amlan would boost government efforts to educate the public on the importance of preserving wildlife.

Under the agreement, the BMB will "loan" to Dreamland "certain species and quantity of wildlife fauna" from its other wildlife rescue centers. The bureau will also document and monitor Dreamland's care of the animals and provide the necessary technical assistance.

Dreamland, on the other hand, will assume full responsibility, including shouldering all expenses for the transfer and care of animals.

The facility will also be allowed to acquire additional species from authorized sources, but the loaned animals and their future progeny or offspring will remain as government property.

It was also in March when the DENR issued a directive requiring the use of cleaner fuel and imposing stricter emission

standards for all vehicles.

Environment Secretary Ramon Paje said the requirement for cleaner fuel and stricter emission standards was part of government efforts to improve air quality in the country, particularly Metro Manila.

DENR Administrative Order No. 2015-04 issued by Paje provides the new vehicle emission standards to be complied with by new and in-use vehicles. The order also enjoins the Department of Energy to ensure the availability of Euro 4 fuels.

By RHODINA VILLANUEVA

Considered the cleaner fuel, Euro 4 has sulfur content of only 50 parts per million (ppm) for both diesel and gasoline, compared with 500 ppm for Euro 2.

Benzene in Euro 4 gasoline, on the other hand, is only 1 percent by volume compared to 5 percent in Euro 2.

As for aromatics, Euro 4 fuel contains only 35 percent by volume compared to Euro 2 which prescribes no limit.

"Low sulfur fuels will lead to reduced emissions of particulate matter. These particulate matters, along with other pollutants, can penetrate deeply into sensitive parts of the lungs and can worsen existing respiratory and heart diseases," Paje explained.

The planned shift to Euro 4 was made possible through the support of oil players, car manufacturers and transport groups. Since 2009, the Philippines has been implementing the Euro 2 fuel standards.

DENR's order also provides more stringent emission standards for carbon monoxide (CO), hydrocarbon, oxides of nitrogen and particulate matter to be complied with by new passenger and light- and heavy-duty vehicles.

It also provides that all new vehicles to be used or introduced into the Philippine market by January 2016 shall be equipped with Euro 4 engine and compliant with Euro 4 emission standards.

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

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Wildlife conservation; Fighting illegal trade mark DENR year

DENR's Environmental Management Bureau shall issue Certificates of Conformity only to new vehicles that comply with the Euro 4 emission standards prescribed by the DENR. It is a requirement for initial registration of vehicles with the Land Transportation Office.

The implementation of vehicle emission limits, consistent with Republic Act No. 8749 or the Philippine Clean Air Act of 1999, took effect in July.

Algae in Boracay

At the height of vacation season last May, the DENR conducted an inventory of establishments in Boracay island that have no environmental permits and violate environmental laws and regulations, particularly the Clean Water Act.

The crackdown was triggered by the emergence of excessive green and slimy algae marring Boracay's shoreline.

Although the water samples indicate that the island remains safe for swimming, Paje said the boom in algae growth still points to water pollution in the area caused by poor waste management with sewage being dumped into the waters.

Resorts and other businesses that do not have their own sewage treatment plants were required to connect to the island's sewer lines. Violation notices were also sent out to erring establishments.

The appearance of green algae in Boracay has become a natural occurrence during summer months when there is high influx of tourists to the world-famous island.

A study by conservation group Global Coral Reef Alliance said the presence of green algae along Boracay's shoreline during the calm season is a strong indicator of very high nutrient pollution and they are typically found right around sewage outfalls.

According to the study, the algae die in the rough season because waves dilute nutrients to lower levels and wash away the algae and the suspended sediments reduce the light levels. The algae become visible again in the next calm season.

The study claimed that seasonal blooms are due to the uncontrolled explosion of population in the interior of the island, whose sewage is not connected to the sewage system.

Pamana dies

In August, sad news befell the DENR. Philippine Eagle "Pamana" was shot and killed by unidentified perpetrators.

The three-year-old female Philippine Eagle was found dead by biologists from the Philippine Eagle Foundation (PEF) and forest guards at the Mt. Hamiguitan Range Wildlife Sanctuary in Davao Oriental. A puncture and metal fragment on her right breast indicated she had died of a gunshot wound.

Paje condemned the killing and called on law enforcement units in the province to assist regional environment officials in hunting down the perpetrators. "We are distressed that, despite intensified awareness campaigns by various stakeholders, some people still

have a blatant disregard for our natural heritage, which, sadly, is what Pamana's name means," he lamented.

Paje also offered a P100,000 reward for the arrest of those responsible for Pamana's death.

The Philippine Eagle is protected under Republic Act No. 9147 or the Wildlife Resources Conservation and Protection Act. Anyone found guilty of killing wildlife species can be imprisoned from six to 12 years and fined an amount ranging from P100,000 to P1 million.

Moreover, illegal hunting within the Mt. Hamiguitan Range, which is a protected area, is also punishable by a jail term of six years and a fine of up to P500,000.

Even if Pamana's death was a setback to the country's biodiversity conservation program, the government would continue to pursue its breeding program for the raptor through the PEF.

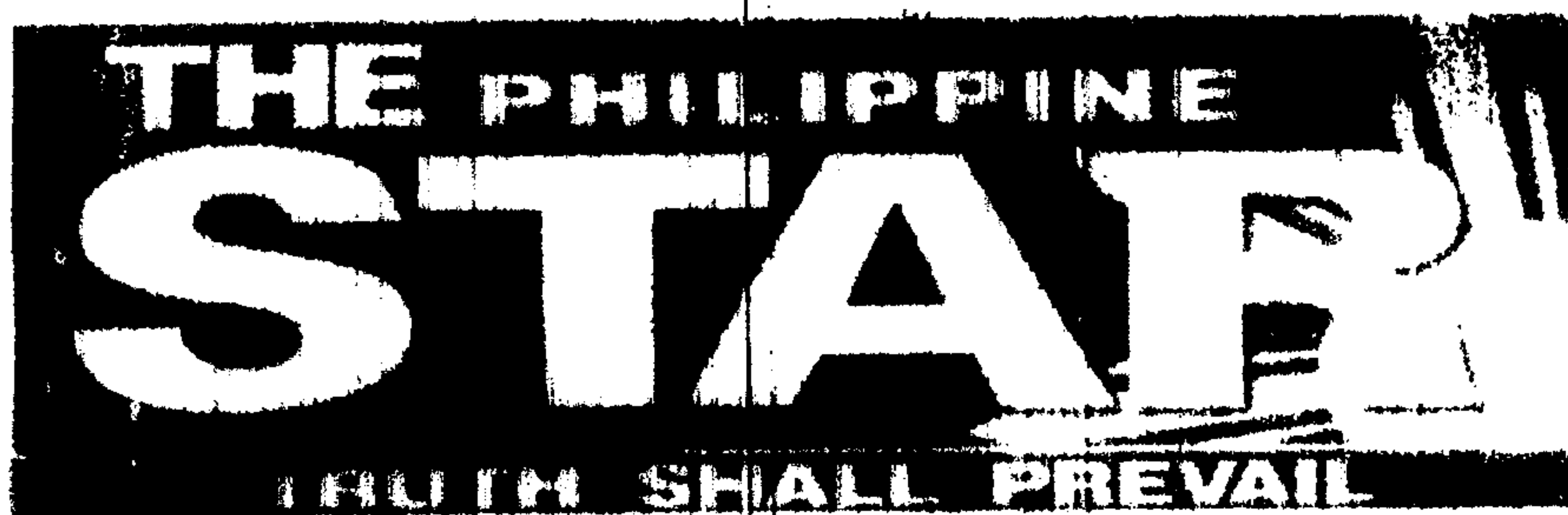
From the critically endangered eagle, the DENR's focus turned to monkeys after it decided to suspend the issuance of transport permits for these animals pending an investigation on how several captive monkeys in an undisclosed facility in the country were infected with Ebola Reston Virus.

The suspension last September aims to stop the spread of the Ebola virus.

A transport permit is being issued by the DENR, through the BMB, authorizing an individual to bring wildlife from one place to another within the country.

The DENR field offices nationwide were also advised not to issue transport permits until the interagency body tasked to probe the incident gives clearance.

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Wildlife conservation, Fighting illegal trade mark Davao year

The investigating team composed of representatives from the DENR, Department of Health (DOH) and the Bureau of Animal Industry of the Department of Agriculture is trying to determine the source of the virus and confirm which other living species could possibly have been infected by it.

"While the DOH ensures the safety of humans, we at the DENR also need to ensure that the virus would not threaten the rest of the monkey population nor infect other animal species," BMB's Lim said.

The DENR monitors local monkeys as they belong to the breed of *Macaca fascicularis* or the Philippine macaque, which is classified as "near threatened" in the Red List of Threatened Species of the International Union for the Conservation of Nature.

Capturing and transporting of Philippine macaque are strictly regulated and require government permits.

As to water supply problems being faced by the country because of the current El Niño, Paje urged the public to report cases of unauthorized extraction of water from deep wells, which results in groundwater depletion in Metro Manila and nearby areas.

Concerned officials said its full impact would be felt up to the early months of 2016.

Paje said the crackdown was a "preemptive measure" because the National Water Resources Board (NWRB), which he chairs, anticipates a rise in construction of illegal deep wells as the dry spell is affecting the country.

"Groundwater extraction is strictly prohibited throughout Metro Manila and certain parts of Bulacan and Cavite provinces, and extraction in other areas in the country is regulated by the NWRB," Paje said.

NWRB coordinates and regulates all water-related activities that have impact on the physical environment and the economy.

Paje instructed all DENR field offices nationwide to be ready to receive inquiries and complaints about illegal deep wells and coordinate with concerned local government units and district offices of the Local Water Utilities Administration for proper action.

Climate conference

In December, the DENR took part in the historic UN climate change conference in Paris, France.

More than 190 countries embarked on two weeks of negotiations to hammer out a new universal climate pact that will specify tracks of finance, mitigation and adaptation actions from 2020 and beyond.

The DENR chief, who was part of the Philippine delegation to the recently concluded climate talks, criticized other countries for failing to include crucial adaptation finance in the current draft of the Paris agreement.

"The Philippine delegation is seriously concerned about the fact that there is not enough provision in the draft Paris agreement that provides adaptation finance for the developing countries most vulnerable to the adverse effects of climate change," he said.

He pointed out that there was no reference to the amount of finance needed for adaptation in Article 6, which covers the element of finance in the new climate deal. Paje also said there should be a collective target for adaptation with a "solid quantitative goal," or a particular amount for adaptation finance that should be reviewed every five years.

He noted that predictable financing sources are critical for the implementation of initiatives like technology transfer and capacity-building innovations to enable the country to adapt effectively to climate change impacts.

He stressed that actions that would limit global warming to below 1.5 degrees Celsius, which now enjoy the support of 112 nations, must be fast-tracked and sustained despite the setback caused by the failure of countries to agree on the review of the 2-degrees Celsius goal.

Such review would have reportedly provided scientific evidence for the necessity of increasing mitigation targets.

The Climate Vulnerable Forum, an advocacy coalition of 43 middle income and developing small-island nations led by the Philippines, has pushed for the continued adoption of the 1.5-degree Celsius goal even after the setback.

Paje noted that it is important for the countries participating in the negotiations to work in solidarity in establishing the loss and damage mechanism, increasing national mitigation actions and accelerating capacity development for adaptation.

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

DENR exec: P500-million budget for coral rehab will go a long way

THE P500-million new budget allocation for coral-reef rehabilitation will go a long way in boosting the effort to protect and conserve the country's marine and coastal ecosystem, an official of the Department of Environment and Natural Resources (DENR) said on Thursday.

Director Theresa Mundita Lim of the DENR's Biodiversity Management Bureau (BMB) said the budget allocation is expected to jump-start a program that focuses on coral rehabilitation, which for years, have received no allocation despite the degradation of the country's network of coral reefs over the past decades.

Lim said multistakeholder support will be a major factor in planning the rehabilitation effort of the country's coral reef, utilizing such budget specifically for coral rehabilitation, including those found within Marine Protected Areas (MPAs).

The budget allocation was pushed by Sen. Loren Legarda, chairman of the Senate Commit-

tee on Finance, during the budget deliberations in the Senate, on top of the budget set aside for the protection and conservation of coastal and marine ecosystems from the DENR's annual budget.

This is the first time that a budget was set aside by the government specifically for coral-reef rehabilitation.

While the coral-rehabilitation project will be implemented by the DENR's field offices, the DENR-BMB will provide technical support and coordinate with various partners to help in the rehabilitation effort.

Lim said a science-based approach is needed to effectively rehabilitate the country's denuded corals, noting that part of the prob-

lem, aside from destructive human activities, such as illegal fishing activities and harvesting of corals, is the impact of climate change.

Lim said the country's rich marine biodiversity includes its diverse species of corals.

"With the help of the academe and civil society, we can build and expand our database and learn more about the problem to help us come up with policies to better protect our marine ecosystems," she said.

There are 240 protected areas in the country, 30 of which are MPAs. Across the archipelago, there are more than 1,000 locally declared MPAs, which include fish sanctuaries and marine parks considered as "no-take zones" or with strict fishing regulation, as they are specifically set aside for conservation.

The DENR-BMB is actively involved in the information, education and communication campaign to conserve marine biodiversity through the MPAs as mandated by the National Integrated Protected Areas System Act.

The DENR-BMB is pushing for an integrated approach to marine biodiversity conservation that includes sea grass and other habitat-forming species, such as mangroves and beach forests, seagrass and tidal flats, called mud flats.

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BusinessMirror

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A broader look at today's business

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DENR exec: ₱500-million budget for coral rehab will go along way

"Aside from corals, we also look at the importance of rehabilitating our mangroves, seagrass and tidal flats, because they form part of our network of marine and coastal ecosystems and they are all interconnected," she said.

Lim said the Philippines is committed to protecting and conserving its marine biodiversity along with other countries in the Southeast Asia and Asia-Pacific regions.

The Philippines is pursuing the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF), a multilateral partnership of six countries formed in 2007 to address the urgent threats facing the coastal and marine resources. Aside from the Philippines, countries committed to the CTI are Malaysia, Indonesia, Papua New Guinea, Solomon Islands and Timor Leste.

In the Asia-Pacific Economic Cooperation (Apec) recently held in Manila, Environment Secretary Ramon J.P. Paje underscored the need for stronger cooperation among Apec member-economies to achieve the full potential of the so-called Blue Economy in the Asia-Pacific region, further strengthening the country's commitment to the sustainable management of the country's rich marine biodiversity. *Jonathan L. Mayuga*

Friday, January 1, 2016

THE EXPONENTIAL OF PHILIPPINE PROGRESS
SINCE 1900

MANILA BULLETIN

THE NATION'S LEADING NEWSPAPER

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICES



MANGROVE REHAB DRIVE IN DINAGAT ISLAND - Residents, local government and Department of Environment and Natural Resources-Provincial Environment and Natural Resources Office officials take part in a mangrove propagule-planting activity recently to preserve and protect the marine ecosystem of Dinagat Island Province. (DENR Dinagat Island PENRO)

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THE PHILIPPINE STAR

TRUTH SHALL PREVAIL
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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

DEMAND AND SUPPLY

By BOO CHANCO



Fear of science

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ANAHEIM, California- Last Wednesday, I took up the banning of Bt *talong* or as it may seem from the court decision, any attempt at genetic engineering. The decision of the Court of Appeals which was sustained by the Supreme Court asserts that "we humans are not supposed to tamper with any one element in this swirl of interrelationships among living things in our ecosystems."

That sounds like a sentence right out of a manifesto of radical environmentalists who would want us to all live like the Amish. Following the logic of this decision, we should stop all efforts to kill mosquitoes and just bear the consequence of malaria and dengue.

The antibiotic, a miracle cure for a variety of life threatening infections also alter this interrelationship between living things in our ecosystem. Should we stop using antibiotics altogether? There had been some abuse in the use of antibiotics in the poultry and livestock industry but that should not stop us from properly using antibiotics to heal sick people and animals.

Pesticides is another concern. Should we should just let our farmers lose a good part of their crops because using pesticides alters the interrelationship of living creatures in our ecosystem?

We can go on citing the absurd consequences of the Court decision against the testing of Bt *talong*. Indeed, without Bt *talong*, humans are subjected to more risks from the use of insecticides. It seems to me that this fear of genetic engineering a manifestation of a fear of science a lot of ordinary people seem to have.

I wonder if the Supreme Court and the Court of Appeals understood the consequences of that decision on Bt *talong*. When the SC permanently stopped the further field testing of Bt eggplant, it also nullified administrative orders of the Department of Agriculture's (DA) which provide the rules and regulations for the importation and release into the environment of plants and plant products derived from the use of modern biotechnology.

This has disastrous immediate consequences to our food security. With the administrative orders nullified, there is no longer a valid basis for importing the millions of tons of GMO soybean meal which constitute a very significant part of the commercial feeds for our pigs, chickens and cows.

Unfortunately, as Dr. Emil Javier of UP Los Baños pointed out, practically all the soybean grown in the United States and Argentina from whom we import soybean meal are genetically modified. Our corn farmers will also no longer be allowed to plant GMO hybrid yellow corn which are very high yielding and profitable.

Last year, according to Dr. Javier, our farmers raised 830,000 hectares of GMO corn hybrids bio-engineered with the same Bt gene bred into Bt eggplant to protect the corn plants from the dreaded Asiatic corn borer insect. So, in addition to soybean meal, the livestock sector must also find alternative sources of feed corn to replace the estimated 3.5 million tons of domestic GMO feed corn.

There are other dire implications if the SC decision were immediately executory. Dr. Javier said it means it will be goodbye for the modern poultry and livestock sector. What will be left are the ORGANIC free-range chickens and the backyard native pigs fed with kitchen slops, coconut and occasional sweet potatoes and banana stalks.

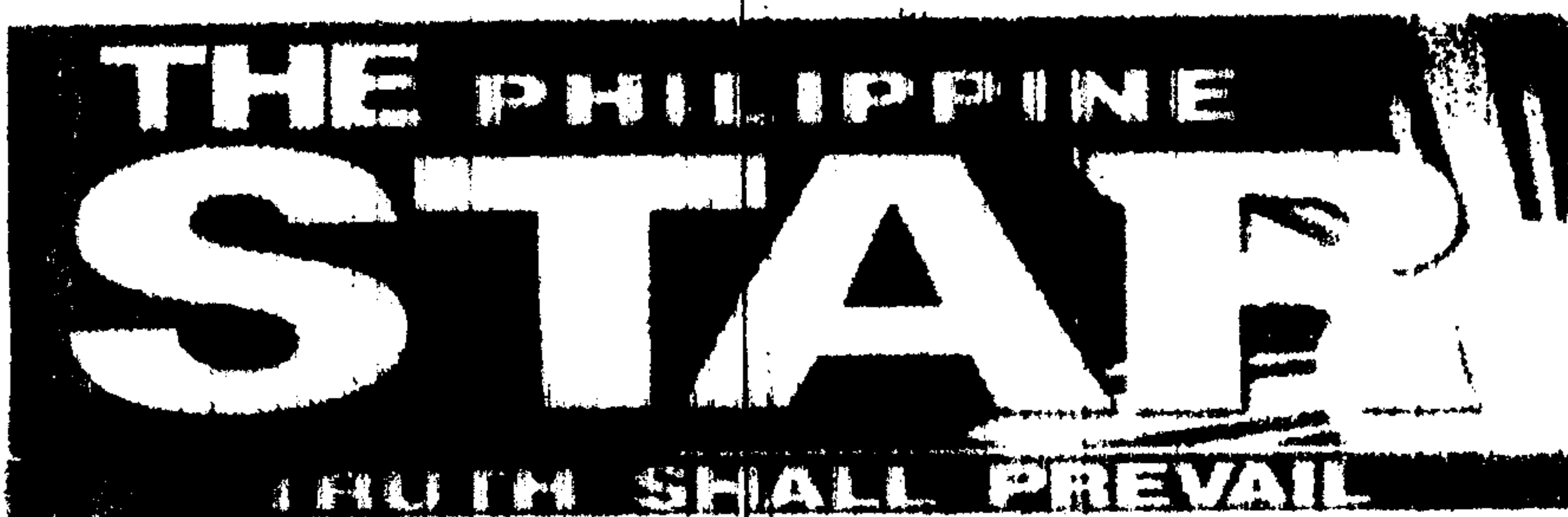
This is bad news, Dr. Javier said because with the most severe El Niño on record still in progress, affecting agriculture in most parts of the world, most agricultural commodities shall be in short supply. Indeed the UP scientist said, President Aquino should have declared a state of imminent (food insecurity) calamity like what Governor Joey Salceda did for Albay before Typhoon Nona.

Our judiciary overextended itself in handling an issue that is rightfully in the realm of the legislative and executive branches. How we deal with something as complex as agricultural research demands a wide public consultation and an extensive examination of the consequences of the ruling.

Congress must enact legislation — "to specifically address the concern for biosafety arising from the use of modern biotechnology which is deemed necessary to provide more permanent rules, institutions, and funding to adequately deal with this challenge."

But we know this is not going to happen in an election year. The earliest a GMO law can be crafted could very well be in late 2017. That's the bad news!

But Dr. Javier also said there is a not-as-bad news in the Supreme Court (SC) decision. "These not-as-bad news can be found in the concurring majority opinion of Associate Justice Marvic Leonen who clearly articulated that "... The results of this case



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Fear of Science...

are neither an endorsement nor a repudiation of genetically modified ingredients, processes and food products."

Dr. Javier observed that "In an admirable display of judicial restraint Justice Leonen added ... "We also need to be careful that the chambers of this Court do not substitute for the needed political debate or the analytical rigor required by truths in science."

I can understand the concern of the usually soft spoken Dr. Javier. For one thing, he knows what he speaks of. He was at one time, the Director General of the Asian Vegetable Research and Development Center in Taiwan. That is an agricultural think tank that helped make Taiwan a significant producer of vegetables, which we even now import.

Dr. Javier, together with his colleagues at UP Los Baños have been among the world's best in agricultural research. Indeed, sometime this year, it was reported that Bill Gates made a quiet visit to our country to specifically see what is going on in Los Baños, both the UP and IRRI.

Because of his exposure to world poverty through the work in the Gates Foundation, he is interested in feeding the world's teeming population. Gates saw hope in what is being done right here in our own country.

Ground breaking work in genetic engineering is always controversial and it is proper for regulations to be enacted based on our understanding of the ethics of it all. But we must not let fear of science to cloud our judgment.

Being at peace with the various forces in our environment is a good thing. But contrary to what the Court of Appeals decision pointed out, God has given us full dominion over all the earth's resources. Nowhere in Genesis did God say we cannot improve on what is already in nature. He gave us brains and we must use it to meet our needs. We just have to be wise and not cause undue damage overall.

Our problem now is that discussion on ecology and ecological balance has assumed a religious like tone. Environmental talibans have emerged and they are unreasonably uncompromising even on matters designed to serve humanity.

Often enough, it is difficult to get a decent conversation on matters like what were raised in Bt talong. I have seen such polarization in a similar discussion over nuclear power or reproductive

health or stem cell research.

I sense a fear of science lurking in our midst. This keeps some of our best scientists frustrated and end up doing their best work abroad. But in the end, we must make sure the needs of the world's growing population are met.

Or would it more desirable to have a severe famine kill off half of the world's population based on the theory that the earth's carrying capacity is finite and we have exceeded it? For our country, is it more ethical to ruin the livelihoods of our farmers by condemning them to traditional seeds for their crops?

Lucky for us we live in a country where we can have choices. No one is stopping anyone from buying so called organic vegetables and grains which would necessarily be more expensive. Our problem is that our food costs are already highest in the region, rendering the rest of our economy uncompetitive as higher labor costs must be paid the workers.

The irony is that the court decisions will inhibit our farmers from planting genetically engineered food crops but will force us to buy the same products abroad. We don't have much of a choice. The big agricultural countries like the US and Argentina have shifted a large part of their produce to these same crops our courts ban. Again, it is a manifestation of our pitifully arrogant attitude that we are the center of the world and we are a self contained island insulated from whatever else is going on around us.

I wonder if this is another issuance of a Writ of *Kalikasan* that is more like an expression of sentiment of the court like the one ordering concerned government officials to clean up Manila Bay. While the general objective is good, at least for a press release, it is almost impossible to implement. What is worse with this Writ on Bt Talong is that it is also misguided and uninformed.

The folks in Los Baños, who have made it their life commitment to use science to help our people enjoy better qualities of life ought to be supported and encouraged. Roadblocks as this judicial decision drafted from the pages of the environmental talibans are the last thing they or the country needs.

A Happy New Year to all our readers!

Boo Chanco's e-mail address is bchanco@gmail.com. Follow him on Twitter @boochanco



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PUBLIC AFFAIRS OFFICE NEWS CLIPPINGS

UN: El Niño to continue in AsPac

By CRISTINA
LEE-PISCO

THE ongoing El Niño weather pattern in Asia and the Pacific (AsPac) is likely to be one of the strongest since 1998 and will continue into early 2016, according to a new United Nations advisory.

Thus, the UN urged regional cooperation for early warning, in-season mitigation, and long-term adaptation strategies to curb climate risk.

"The impact of the 2015-2016 El Niño could be even more severe in certain locations, such as the uplands of Cambodia, central and southern India, eastern Indonesia, the central and southern Philippines, central and north-east Thailand..." stated the Third Advisory Note on El Niño issued jointly by the UN Economic and Social Commission for Asia and the Pacific (ESCAP) and the Regional Integrated Multi-Hazard Early Warning System for Africa and Asia (RIMES).

While many southeast Asian countries, particularly India and Sri Lanka, expect to face severe flood-

ing caused by heavy rain-falls, some Pacific islands -- Papua New Guinea, Timor-Leste and Vanuatu, among others -- have been experiencing a serious drought, causing water shortage and food insecurity, according to the report.

"One of the most significant impacts is on agriculture, which is a key component of the GDP (Gross Domestic Product) for many Pacific countries," warned

the report.

Noting that the current UN climate change conference (COP21) in Paris has discussed and addressed the impacts brought by El Niño, and that actions are being taken in some countries, the publication provided key guidance in this regard.

Regional cooperation, the note stressed, is of great importance, given the transboundary nature of El Niño risks.

Early warning and monitoring, pre- or in-season mitigation, adaptation and response, as well as long-term risk management, should be considered to tackle some shared vulnerabilities and risks.

"Only by coming together in the spirit of cooperation can the Asia-Pacific region hope to become truly disaster resilient and achieve sustainable development in the future," said the guidance.

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Palm oil registers biggest annual gain amid El Niño

By Anuradha Raghu

PALM oil is headed for the biggest annual gain in five years as the strongest El Niño in almost two decades parches crops in Southeast Asia and trims record stockpiles of the commodity used in food and biofuel.

Prices are up 9.4 percent this year, the first annual rise since 2013 and the most since 2010. Futures for March delivery on Bursa Malaysia Derivatives rallied to an 18-month high on Thursday before declining 0.6 percent to 2,480 ringgit by the midday break. Prices have surged 5.8 percent this month and 4.4 percent

this quarter.

Benchmark prices slumped to a six-year low in August as a slowdown in China's economy hurt demand and exacerbated a global glut of vegetable oils. Prices have since rallied 33 percent as the El Niño gathered strength and a haze from Indonesia's forest fires stoked concerns of a decline in output. The rally helped palm oil buck the rout in commodities from wheat to corn and crude oil.

"The rainmaker for the first quarter of 2016 will be the production more than any other variable," said Paramalingam Supramaniam, director at Selangor-based brokerage Pelindung

Bestari. "El Niño is like the black swan. We don't know for certain. Any drop in output exceeding 20 percent will be supportive."

The El Niño may curb oil palm yields in Indonesia and Malaysia, which account for 86 percent of supply, as the event can bake parts of Asia while bringing too much rain to Latin America. At the same time Indonesia, the world's biggest grower, is raising the mandated amount of palm blended with diesel to 20 percent from 15 percent. El Niño and the biofuel mandate will be a "powerful cocktail" that may drive up prices in 2016, Dorab Mistry, director of Godrej International

Ltd., said in November.

"The rebound in prices surpassed expectations in particular from November and December" even as demand from China declined, said Marcello Cultrera, a dealer at Oriental Pacific Futures in Kuala Lumpur.

Record stockpiles and slumping exports are still concerns for investors, Paramalingam said. Inventories in Malaysia rose to a record 2.9 million tons at the end of November as exports fell 12.4 percent, according to the nation's palm oil board. Shipments fell 5.4 percent in December from a month earlier, cargo surveyor Intertek Testing Services said on Thursday.