

ABSTRACT

Foreign investment plays a vital role in strengthening national economic development. The Netherlands, as one of Indonesia's major and longstanding investment partners, has significantly reshaped trade and industry relations. Such examples visible in sectors like plantations and downstream industries, including palm oil. This research aims to examine how palm oil products derived from Dutch direct investment in Indonesia enter and are accepted in the European Union market. This research adopts a normative juridical method, focusing on legal principles and positive law, bilateral treaties, and European Union regulations. This research used secondary data such as primary and secondary legal materials to analyze the position of Dutch investment in Indonesia. Findings indicate that Dutch investors prioritize downstream industries, sustainability measures, and supply chain traceability, particularly in the palm oil sector. These strategies not only comply with Indonesian and international regulations but also support the ability of processed palm oil products to meet European Union market requirements. While these efforts enhance Indonesia's competitiveness, strict sustainability policies and compliance costs remain significant challenges for long-term market access. Therefore, continues adaptation to evolving international sustainability frameworks is necessary to ensure that investments remain effective in supporting both economic development and the marketing of Indonesian palm oil in global markets.

Keywords: *Dutch Direct Investment, Palm Oil, and European Union Market*