ASIAN PALM OIL ALLIANCE (APOA)

NEWSLETTER

VOLUME - 1
SEPTEMBER 2025

Solidaridad

Asian Palm Oil Alliance

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Chairman's Message

Palm oil plays a pivotal role in Asia's food security, trade, and livelihoods. As one of the most widely consumed edible oils, it connects farmers, industries, and consumers across the region. The Asian Palm Oil Alliance (APOA) was created to strengthen this connection—bringing together nations, policymakers, and businesses to ensure palm oil contributes not only to economic growth but also to sustainability and social well-being.

This newsletter aims to highlight APOA's initiatives, achievements, and future directions, showcasing our collaborative efforts in promoting responsible palm oil production, supporting smallholder farmers, and addressing critical sustainability challenges.

Today, our focus is on building a responsible and resilient palm oil sector—one that addresses climate challenges, supports smallholders, and promotes fair market practices. By working together, Asia's consuming nations can amplify their voice globally and secure a future where palm oil drives progress while safeguarding the environment.

Atul Chaturvedi
Chairman
Asian Palm Oil Alliance (APOA)

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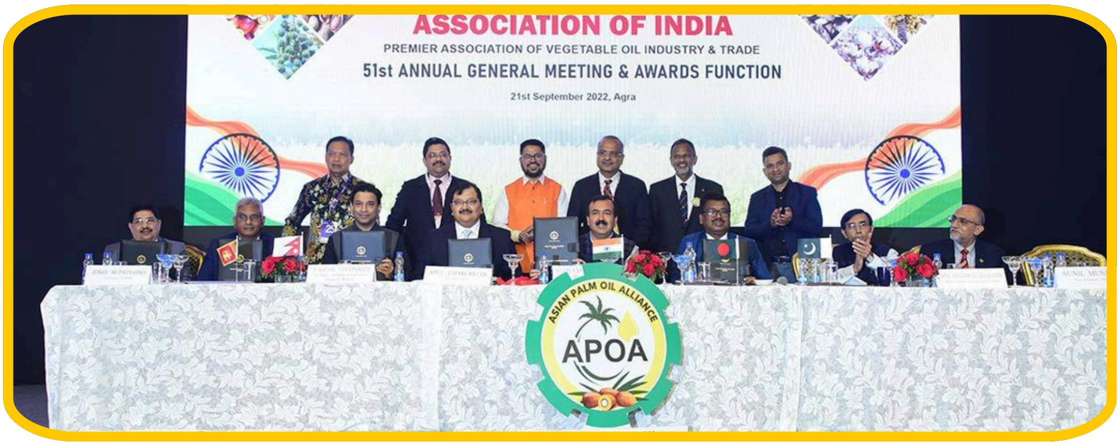
Asian Palm Oil Alliance at a Glance

The Asian Palm Oil Alliance (APOA) was launched in September 2022 to strengthen cooperation among palm oil-consuming nations in Asia. The alliance unites five core members—India, Nepal, Bangladesh, Sri Lanka, and Pakistan—major consumers of palm oil working to align policies, share best practices, and enhance the value chain while focusing on sustainable development and farmer livelihoods.



Key initiatives of APOA include:

- Promoting responsible certification programs
- Adoption of Good Agricultural Practices (GAPs)
- Supporting smallholder farmers
- Building collaborative frameworks between governments and industry

Since inception, APOA has advanced awareness on palm oil's economic importance, health benefits, and sustainability, ensuring the sector grows while balancing economic, environmental, and social goals.

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Spotlight on Member Nation

India: Leadership in APOA

As the largest importer of palm oil in Asia and the second-largest in the world, India plays a pivotal role in APOA. With a vast and growing population, palm oil is essential to India's food security due to its affordability and widespread use in cooking oils and processed foods. India's leadership in APOA is critical in driving the alliance's agenda for sustainable palm oil sourcing, market stabilization, and addressing health myths about palm oil.

India's key contributions include:

- **Market Leadership:** India represents a significant share of global palm oil consumption, making it a key player in international trade negotiations and sustainability efforts.
- **Policy Influence:** India's government plays an influential role in shaping import policies, and its stance on sustainability standards impacts the wider region.
- **Sustainability Advocacy:** Through APOA, India advocates for the integration of sustainable palm oil into the global supply chain while ensuring it remains affordable for consumers.

Palm Oil: Market Position & Outlook

Palm oil continues to be a significant player in the global edible oil market, with its market dynamics evolving in 2025.

- **Market Share & Growth:** The global palm oil market, valued at USD 72.84 billion in 2024, is projected to reach USD 98.90 billion by 2030, growing at a 5.30% CAGR
- **Price Trends:** As of September 2, 2025, palm oil prices rose to 4,474 MYR/T, up 2.22% from the previous day, reflecting a 6.88% increase over the past month.
- **Supply Chain Factors:** Palm oil faces inventory pressure in Malaysia, while the soy complex has gained strength from rising energy costs and renewed U.S.-China dialogue, creating divergent price trends across the oils complex.

Palm Oil & Sustainability Corner

India Palm Oil Sustainability (IPOS) Framework

What Is IPOS?

- **The Indian Palm Oil Sustainability (IPOS)** framework is a homegrown initiative crafted by the Indian industry (led by the Solvent Extractors' Association of India with support from Solidaridad, IIOPR, and SOPOPRAD). It establishes social, economic, environmental, and agronomic guidelines tailored to India's context.

- **Institutional Support & Regional Collaboration:** The SEA-IPOS Council has been established to coordinate implementation, stakeholder engagement, and foster regional cooperation. IPOS aligns with Malaysia's MSPO and Indonesia's ISPO, creating a more harmonized regional certification system.

- **Industry Adoption Milestone:** In January 2023, Godrej Agrovet became the first company in India to receive IPOS certification, applying the framework's principles and demonstrating its applicability.

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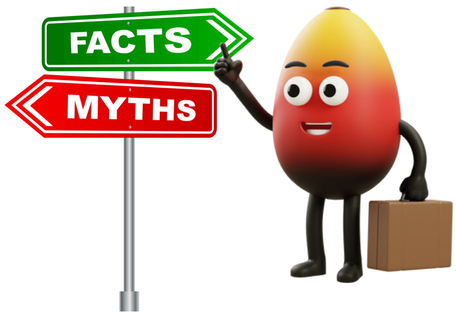
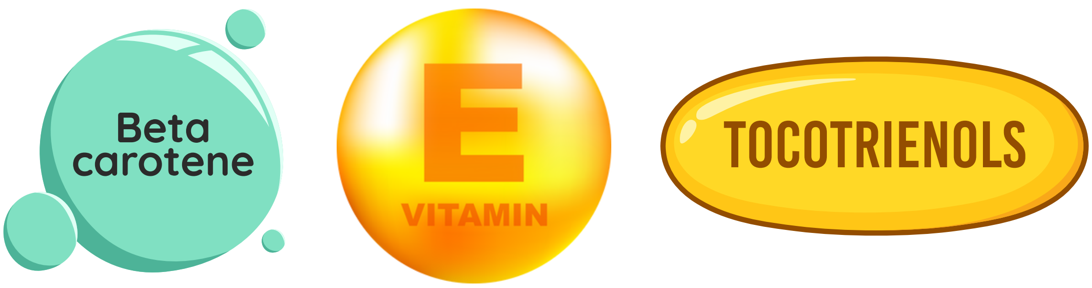
Countering Myths – Palm Oil Facts



Myth: Palm oil is just an unhealthy saturated fat.

Fact: While palm oil does contain saturated fats, it also offers beneficial nutrients such as vitamin E, beta-carotene, and tocotrienols—especially prevalent in red palm oil. These compounds support eye health, act as antioxidants, and may aid in tissue regeneration. Unlike trans fats, palm oil is naturally free from hydrogenation.



Inside everyday products

Ingredients:
Potato, **Refined Palmolein Oil**, Bengal Gram Flour (Besan), Potato Flakes, Potato Starch, Tapioca Starch, Tepary Beans (Moth Dal) Flour, Edible Common Salt, Red Chilli Powder, Black Salt, Acidity Regulator (INS 330), Black Pepper, Clove, Dried Ginger Powder, Dried Garlic Powder, Cumin Powder, Bay Leaf, Nutmeg, Cinnamon, Turmeric, Mint Leaves, Natural Flavouring Substances & Nature Identical Flavouring Substances
Allergen:
May Contains Peanut, Almond, Cashew, Sesame Seed, Milk, Soy, Mustard Seed & Wheat

FLAVOURED WITH PALM OIL

Haldiram's Aloo Bhujia, loved by millions, is made with palm oil. It's safe to consume, and people have been enjoying it for years.

Oil Palm Recipe

Chocochip cookies

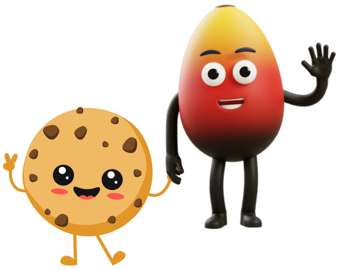
- **Ingredients**
- 1 cup + 2 tbsp of baking flour
- ¾ tsp of baking powder
- ½ tsp of salt
- ¼ cup of semi-sweet chocolate chips
- ¼ cup of dark brown sugar, packed firmly
- ¼ cup of maple syrup
- 1/3 cup of melted red palm oil
- 1 tsp of vanilla extract

Instructions

- Preheat oven to 350°F and line a baking sheet.
- Mix flour, baking powder, salt, and chocolate chips.
- In another bowl, mix sugar, maple syrup, melted palm oil, and vanilla.
- Combine both mixtures to form dough.
- Scoop dough (3 oz), place 2 inches apart, and flatten gently.
- Bake 10–12 minutes until edges turn golden.
- Cool for 10 minutes before serving.

Last Step

Sit back, relax, and enjoy some natural, delicious cookies.



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Press Clips 6.8.2025

ET Retail.com
From The Economic Times

'No Palm Oil' labels a marketing gimmick, not a health fact, says IFBA

The Indian Food and Beverage Association (IFBA) criticizes 'No Palm Oil' labels as misleading marketing, despite palm oil's long-standing use and nutritional benefits. IFBA emphasizes that these labels prioritize trends over science, potentially harming India's self-reliance efforts and impacting farmers. They advocate for a science-based approach, highlighting palm oil's role in a balanced diet and its contribution to economic progress.

ETRetail Desk • ETRetail
Published On Jul 8, 2025 at 08:17 PM IST • Read by 810 Professionals

Representative AI Image

New Delhi: The Indian Food and Beverage Association (IFBA) has raised concerns over the increasing use of 'No Palm Oil' labels on consumer products, calling them a misleading marketing gimmick.

Despite being widely consumed in India since the 19th century, palm oil continues to face perception challenges. IFBA said such labelling distracts from nutritional science and misguides consumers in favour of trend-driven choices. The association also cautioned against health claims made by unqualified influencers, particularly in the FMCG sector.

India consumes around 26 million tonnes of edible oil annually, of which 9 million tonnes is palm oil. IFBA believes the vilification of palm oil may have broader socio-economic consequences, particularly for farmers and producers.

Press Clips 9.7.2025

THE ECONOMIC TIMES, MUMBAI,09 JULY 2025

CAUTIONS CONSUMERS AGAINST SOCIAL MEDIA TRENDS

'No Palm Oil' Tag in Packaged Foods a Marketing Tool: IFBA

Our Bureau

New Delhi: The Indian Food and Beverage Association (IFBA), which counts McDonald's, Wingreens and Ferrero as members, has flagged "no palm oil" labels in packaged foods as "misleading marketing gimmicks", amid increasing number of brands using the tag claiming to be a differentiator.

"Labels like 'palm oil free' overshadow credible dietary guidance and have become a marketing tool. Food choices are often driven by social media trends rather than scientific evidence," IFBA said, Tuesday. The organisation further "cautioned consumers against taking health advice from influencers who amplify half-truths without nutritional expertise."

Dozens of biscuits, snacks and bakery products on retail shelves as well as selling direct-to-consumer have been promoting "no palm oil" on their labels. Some of these are higher priced than packs of similar quantities.

The note by IFBA further said palm oil "continues to be misunderstood due to selective branding tactics that exploit health-related fears", adding that it remains a widely-used affordable and accessible edible oil.

"In today's digital era, food choices are often driven by social media trends rather than scientific evidence. With India consuming 26 million tonnes of edible oil annually, including 9 million tonnes of palm oil, this trend has fuelled misconceptions," IFBA added in the note, stating that palm oil "has a well-rounded fatty acid profile with zero trans fats."

Shilpa Agrawal, director, scientific and regulatory affairs, IFBA, said: "The Dietary Guidelines for Indians – 2024 of the ICMR-National Institute of Nutrition clearly acknowledge the role of tocotrienols in palm oil in lowering cholesterol and supporting heart health. It recommends a rotation of edible oils, including palm oil, for a balanced fatty acid profile. This is science, not speculation."

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OIL PALM NEWS

Press Clips 27.6.2025

THE ECONOMIC TIMES, MUMBAI,27 JUNE 2025

Edible Oil Prices Dip as Iran-Israel Tensions Ease, Kandla Port Clears

In 3 days, palm oil prices fell by $30/tonne, soya by $20, and sunflower by $10

Sutanuka Ghosal

Kolkata: With the Israel-Iran ceasefire holding up and cargo congestion at Kandla port improving, prices of edible oils have started declining. Prices of imported palm oil have fallen by $30 per tonne to $1,160 per tonne, soya oil by $20 per tonne to $1,150 per tonne and sunflower oil by $10 per tonne to $1,200 per tonne in the past three days, said industry executives.

"Prices had gone up after tension escalated between Iran and Israel. Additionally, the congestion at Kandla port had further pushed up prices, as the domestic edible oil industry feared a shortage of imported oil. But the situation has eased now and prices have started falling," said Sandeep Bajoria, CEO of Sunvin Group, a Mumbai-based oil trading company.

"Prices have fallen by ₹3 per kg in the last two days for all categories of oil. There is no dearth of edible oil now. Prices are under pressure. For consumers, prices may fall by 2-3%," said Pradeep Chowdhary, managing director of Gemini Edibles and Fats.

Iran also buys palm oil from Indonesia and Malaysia, he said, adding, "Since tension escalated between Iran and Israel, exports of palm oil from Indonesia and Malaysia have taken a beating. Therefore, there is now sufficient palm oil in the two Southeast Asian nations. Automatically, that will put pressure on prices of palm oil, which is largely used by the hotel, restaurant and catering sector."

Import Woes Recede

INDUSTRY INSIGHTS

Domestic edible oil prices dropped ₹3/ Kg

Retail prices may fall 2-3% for consumers

No supply shortage anticipated

IMPORT TRENDS (May YoY)

Overall edible oil imports declined 22.36% to 1.19 mt

OIL IMPORTS DOWN	
Palm oil	22.3%
Soybean oil	23.0%
Sunflower oil	55.3%

Congestion at Kandla Port has reduced to five-six days from 15-20 days earlier.

"Two vessels are on berth, four vessels arrived and are waiting for berth, and 12 vessels are expected between June 27 and July 10," said Sudhakar Desai, CEO of Emami Agrotech and president of Indian Vegetable Oil Producers' Association.

While palm oil comes from Malaysia and Indonesia, India imports soya oil and sunflower oil from Argentina, Brazil, Russia and Ukraine.

India's edible oil imports fell for the sixth consecutive month in May by 22.36% year-on-year to 1.19 million tonnes, according to data released by the Solvent Extractors' Association of India (SEA).

As per the SEA data, palm oil imports declined 22.32% to about 592,000 tonnes in May from about 763,000 tonnes a year ago. Soybean oil imports fell 23% to about 398,000 tonnes, while sunflower oil imports plunged 55.30% to about 181,000 tonnes.

The share of palm oil has decreased to 42% from 58% in the past seven months of the current oil year, which began in November 2024, while that of soft oils such as sunflower and soybean oils has increased to 57% from 42%.

BUSINESS LINE MUMBAI,27 JUNE 2025

Malaysia mulls raising palm oil share in biodiesel

KEEPING PRICES ELEVATED. Move could tighten the availability of edible oils as other nations are also considering a biofuel push; India may pay more for the oil

FUELLING THE BUZZ. Geopolitical tensions and the resultant crude oil price surge typically spur interest in biofuels as an alternative energy source

Press Clip 6.6.2025

THE ECONOMIC TIMES, MUMBAI,06 JUNE 2025

CUSTOMS LEVY CUT IMPACT

Edible Oil Could Get Cheaper as Govt Asks Cos to Pass on Benefits

Industry association says retail price cuts will start to reflect in a couple of weeks

Jayashree Bhosale

Pune: The government has asked the edible oil industry to immediately pass on the benefits of a Customs duty cut to retail consumers. It has also directed the industry to share weekly updates of brand-wise maximum retail price of cooking oils with the Department of Consumer Affairs.

India reduced the basic Customs duty on imported crude palm oil, sunflower oil and soyabean oil to 10% from 20% on May 31, which effectively increased the import duty differential between crude and refined cooking oils to 19.25% from 8.75%.

In a letter addressed to the Solvent Extractors' Association (SEA), which represents the cooking oil industry, the department said: "This adjustment aims to address the escalating edible oil prices resulting from the September 2024 duty hike and concurrent increases in international market prices."

The SEA said it has asked its members to pass on the benefits to consumers. "There are 700,000-800,000 tonnes of cooking oils in the pipeline, which were imported by paying higher duties. The effect of the duty reduction will be seen in retail prices in a couple of weeks," SEA executive director BV Mehta told **ET**.

ET has seen the government's letter dated June 2. The SEA wrote to its members on June 4.

The edible oil industry had been urging the government to increase the duty difference between crude and refined oils to help domestic refiners compete with cheaper imported refined oil.

The duty cut "not only ensures a level playing field for domestic refiners but also contributes to the stabilisation of edible oil prices for Indian consumers. Therefore, it is imperative that the benefits from this duty reduction are promptly passed on to consumers", the department said in the letter.

"Industry stakeholders are expected to adjust the price to distributors and the MRP in accordance with the lower landed costs with immediate effect," it added. A high-level committee set up by the government is closely monitoring the prices of essential commodities, including edible oils, the letter said.

DUTY DIVIDE

Cooking oil industry has been urging govt to widen duty gap between crude and refined oils to support domestic refiners

Press Clips 5.7.2025 To 7.7.2025

BUSINESS LINE ,MUMBAI, 05 JULY 2025

Global palm oil prices to remain stable in 2025

AJ Vinayak

Mangaluru

Global palm oil prices will likely remain stable in 2025 on a slew of factors, such as consumption demand from India and China and biofuel policy measures by the US and Indonesia, despite forecasts of global production output increase.

Research agency BMI, a Fitch Solutions Company, has maintained its average annual price forecast for the Bursa Malaysia-listed crude palm oil (CPO) futures contracts at MYR (Malaysian ringgit) 4,150 a tonne in 2025. The BMI forecast expected palm oil prices to trade between MYR 3,800-4,000 a tonne for the remainder of 2025. It sees demand increase from India and China, and said biofuel policy measures by the US and Indonesia could help maintain this price.

OUTPUT TO TOP 80 MT

According to BMI, global palm oil production is likely to reach 80.6 million tonnes (mt) in the 2025-26 (October-September) season, representing a 2.4 per cent year-on-year (y-o-y) increase. It expects Malaysian palm oil output to reach 19.5 mt, a 0.5 per cent y-o-y increase, and Indonesian output to reach 47.5 mt, a 3.3 per cent increase, in the 2025-26 season.

The Malaysian Palm Oil Board had indicated a 5.9 per cent y-o-y reduction in CPO output during the first quarter of 2025. In its first quarter price forecast update, BMI said Malaysian CPO production would recover over the coming months.

The BMI report said the cumulative output in April and May 2025 totalled 3.5 mt, a y-o-y increase of 7.8 per cent. This recovery helped alleviate some of the recent tightness in the global market, exerting downward pressure on prices.

Strong Malaysian stockpiles are expected to cap any major rise in global prices. With ample inventories, short-term production dips are unlikely to trigger sustained rallies in 2025.

RISE IN OUTPUT PACE

Referring to a recent press release by the Indonesian Palm Oil Association, BMI said the data point to a recent acceleration in production. April's output of 4.5 mt marks a y-o-y increase of 8.8 per cent and a 2 per cent month-on-month gain.

"Overall, we expect that the combination of robust Indonesian production and subdued export demand will keep global palm oil prices contained, moderating any upward pressure arising from broader gains in the edible oils complex throughout 2025," it said. BMI expects global palm oil consumption to be higher by one per cent to reach 78.3 mt in the 2025-26 season. It expects the global production surplus to widen from 1.2 mt in the 2024-25 season to 2.3 mt.

Indian palm oil consumption is expected to increase by 1.6 per cent y-o-y and the carry-over stocks are set to decline sharply, with beginning stocks for the 2025-26 season forecast by the US Department of Agriculture to be 26.7 per cent lower y-o-y at 1.9 mt.

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