

New White Paper Charts India's Path to Palm Oil Self-Sufficiency by 2047

Mumbai, SolidaridadAsia, in collaboration with The Solvent Extractors' Association of India (SEA) and the Asian Palm Oil Alliance (APOA), released a research-backed white paper titled Path to Palm Oil Self-Sufficiency in India. The white paper provides a comprehensive strategy to reduce India's heavy reliance on palm oil imports, boost domestic production, and achieve up to 50% self-sufficiency by 2047, potentially saving trillions of dollars in import costs while enhancing farmer income and environmental sustainability.

India, the world's largest importer of palm oil, sourced 8.9 million metric tonnes (mmt) in 2023—accounting for 21% of the global imports—while the domestic output met less than 5% of the demand. With the projected vegetable oil demand reaching 66.8 mmt by 2047, driven by rising incomes, urbanisation and growing reliance on processed and packaged foods, the white paper warns of a potential 40 mmt supply gap if production lags.

"India's pursuit of self-sufficiency in edible oils is both a national imperative and a collective responsibility.

Among vegetable oils, palm oil stands out for its affordability, versatility, and critical role in meeting both nutritional and industrial needs. Yet, domestic production of Palm Oil fulfils only a small fraction of our demand, leaving the nation heavily dependent on its import," said Dr B.V. Mehta, Executive Director, SEA.

Economic resilience: Oil palm is a highly profitable crop, delivering a Benefit-Cost Ratio (BCR) of 1.49, compared to 1.03 for rice and 1.13 for cotton. In states like Andhra Pradesh, transitioning from low-return crop cycles, such as rice-rice, rice-maize, and groundnut-based systems to oil palm can boost farmer profits by INR 30,000 to INR 1,50,000 per hectare per year.

Multi-sectoral growth: An expanded palm oil value chain is projected to create an additional cumulative output of INR 15 trillion by 2047, creating an estimated 6.9 lakh new employment opportunities per year. These multi-sectoral opportunities hold potential to empower rural households, enhance livelihood security and drive regional economic development. Environmental bene-

fits: Palm oil's high yield per hectare translates into lower emissions per unit of oil compared to soybean, sunflower, and rapeseed oils. When cultivated on non-peatland areas—as is the case in India—emissions are among the lowest globally at 1.44 kg CO₂ per kg of oil, versus 3.45 kg for soybean and 3.32 kg for sunflower. With better land-use planning and the adoption of POME (Palm Oil Mill Effluent) methane-capture technologies, India can further minimise emissions, positioning palm oil as a climate-smart oilseed option.

Food security: Palm oil plays a vital role in food security, particularly in developing economies. Studies from Indonesia and Costa Rica show that switching to oil palm cultivation increased household calorie intake by 13 percent and improved access to nutritious foods.

"India's push for palm oil self-sufficiency is not just about economic resilience—it's a bet on home-grown innovation that can transform rural livelihoods and secure food security for billions," said Dr. Shatadru Chattopadhyay, Managing Director, Solidaridad Asia.