

Centre aims to triple palm oil output by 2030



PALM OIL EXPANSION MISSION



Source: Trade

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THE GOVERNMENT IS aiming to increase domestic palm oil production from current level of 0.35 million tonne (MT) to a MT by 2030 under the national oil palm mission through adding at least 0.1 million hectare (MH) of new plantation annually in the five to six years, according to a leading industry official.

"While in FY23, 42,000 hectare of new palm plantation was added while in the current fiscal at least 70,000 hectare of plantation is likely to be added," Sougata Niyogi, head, Godrej Agrovet, palm oil division, which owns a third of total palm plantation in the country told *FE*. He said that in FY25, the country is expected to add 0.1 MH of additional plantation.

An agriculture ministry official said the plan is to increase total area under palm by several companies including Godrej Agrovet, Patanjali Food and 3Foil palm agrotech industries to 0.65 MH in the next 5 – 6 years from current level of 0.3 MH.

"While the domestic production of palm oil is likely to increase to a

MT by 2030, because of the projected rise in annual domestic consumption of edible oil from the current level of 24 MT to 30 MT by 2030, the country's import dependence would continue," an official with a palm oil processor said.

Currently India imports around 14 MT of edible oil and in the current oil year (October-September), the imports are likely to touch a record 17 MT because of the sharp fall in global prices of palm, soybean and sunflower oil prices. Around 8 MT of palm oil is imported from Indonesia and Malaysia, while other oils, such as soya and sunflower, come from Argentina, Brazil, Ukraine and Russia.

In August 2021, the national oil palm mission was launched with an investment of ₹11,040 crore. Out of which the centre's share is ₹8,844 crore, while the rest is contributed by the state government for providing viability gap funding and financial assistance for planting material.

"Through bringing in more area under palm plantation in the next three years especially in Andhra Pradesh, Telangana, Assam, Tripura and Mizoram we are aiming to boost domestic output and reduce import dependence," an official said.