

Asian Palm Oil Alliance (APOA)

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In news- The apex edible oil industry associations from five major palm oil importing countries in Asia have come together for the first time to form an alliance Asian Palm Oil Alliance (APOA).

About the APOA alliance-

- The APOA alliance is **initiated by the apex solvent extractors associations of India, Pakistan, Sri Lanka, Bangladesh and Nepal.**
- In the coming year, the membership would be further expanded to include other select companies or industry organisations operating in the production and/or refining of palm oil in Asia.
- The **APOA secretariat would be initially managed by The Solvent Extractors' Association (SEA) of India.**
- In the first General Body Meeting of the APOA, **Atul Chaturvedi, Director of Adani Wilmar Ltd** and the President of SEA, **was elected as the first Chairman of the APOAe.**
- The APOA is expected to safeguard the economic and business interests of the palm- oil consuming countries and create a level playing field for all fats and oils used in food, feed and oleochemicals in Asia
- It is to noted that together, **the Asian markets are responsible for about 40% of global demand.** Europe accounts for about 12% of the market, and the US for 2%.
- **India is the largest importer of Palm oil in the Asian region and accounts for 15% of global imports.**
- China with 9%, Pakistan with 4% and Bangladesh with 2% of the global imports are the other significant countries with a stake in palm oil production and trade.

- The next meeting of APOA is expected to be held in Indonesia early next year.

What is Palm Oil?

- Palm oil is **made from the fruit of the African oil palm.**
- Grown only in the tropics, the oil palm tree produces high-quality oil used primarily for cooking in developing countries.
- It is also used in food products, detergents, cosmetics and, to a small extent, biofuel.
- This is because palm oil is extremely versatile – **it's semi-solid at room temperature** so it can be used as a spread, **it's resistant to oxidation** so it can make products last longer, and it can withstand high temperatures making it perfect for frying food.
- The production of palm oil has **led to deforestation and habitat destruction for orangutans, elephants, and rhinos.**