

Market Potential for CSPO in India

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India is among the world's leading agricultural producers. However, despite this potential, the sector is constrained by issues on supply sides in certain commodities. For instance, while food availability in terms of staple crops i.e. rice and wheat is relatively better, the country is marred by perpetual shortages in edible oil especially palm oil and pulses. As per some estimates, the financial burden on account of import of pulses and edible oil for year 2020/21 would be US \$ 15.3 billion and 28.7 billion respectively.

Despite being fourth largest edible oil economy in the world, India's share in total world production of palm oil is just 0.2%. Since domestic production of palm oil can meet just 1% of the requirement, India has today become the world's largest importer of Palm Oil with 19% share in world's total import followed by China 16% and EU-27 14%. Such Import burden is a major concern facing our nation and its high time to gear up to tackle this challenge through responsible procurement models.

This presentation looks at supply side issues of pulses and edible oil(palm oil) in India and examines the probable sustainable solutions to fill the supply- demand gap. India has been key player in driving sustainable agriculture agenda, especially in crops such as paddy. A case study of sustainable practices in oil palm cultivation promoted by one of the leading companies in India will be discussed in the presentation.