

## **Malaysia, India Private Sectors Urged to Form Partnership Strategic Alliances**

**Bernama**

**June 26, 2014**

**By Zarul Effendi Razali**

MUMBAI, June 26 (Bernama) -- The Plantation Industries and Commodities Minister Datuk Amar Douglas Uggah Embas has urged the private sectors in Malaysia and India to redefine the business approaches to form partnership strategic alliances to discover new avenues to expand the edible oil and palm oil business.

He said there were plenty of investment opportunities in downstream, higher value-added palm derivatives, such as oleochemicals, pharmaceuticals, processed foods, specialty products and consumer brands.

"Palm oil has been an important component of the Malaysia-India trade relations and has long featured in the bilateral trade. Trade in palm oil between both countries has gone through various phases and stages.

"Last year, Malaysian palm oil imports by India was worth US\$1.96 billion, accounting for 27 per cent of the country's total palm oil imports, while from January to April 2014, the import of palm oil and its products recorded a 7.0 per cent increase compared to the same period last year," he said.

Douglas Uggah said this in his keynote address at the Malaysia-India Palm Oil Trade Fair and Seminar (POTS) 2014, here Thursday.

In terms of quantity, Douglas Uggah said a total of 2.5 million tonnes of palm oil products were exported to India last year, which was a decline of 11.5 per cent compared to 2012.

The major palm oil products exported included palm oil, palm kernel oil, oleochemicals and biodiesel.

India's oils and fats market has grown significantly and almost tripled from 7.2 million metric tonnes in 1993 to 19.7 million metric tonnes last year, with palm oil consumption in 1993 was only at 150,000 metric tonnes or just 2.0 per cent of the total oils and fats consumed by the country.

However, the minister said the volume had risen to 8.3 million metric tonnes and currently palm oil dominates the Indian consumer market, with a share of 42.3 per cent in 2013.

"I am optimistic of the future growth of palm oil export to India in the coming years, taking into account the framework provided under the Malaysia-India Comprehensive Economic Cooperation Agreement (CECA) signed in February 2011.

"The implementation of CECA since July 2011 has further strengthened bilateral trade, and it is envisaged that the bilateral trade will record US\$15 billion by 2015," he noted.

Themed "Managing Challenges and Creating Opportunities through Malaysia Palm Oil", the 33rd series of Malaysia-India POTS 2014 is aimed at highlighting issues of common interest, besides exploring new opportunities to expand their business activities.

The two-day event is jointly organised by the Malaysian Palm Oil Council and Malaysia Palm Oil Board, to address the oils and fats trade, with the support from the Solvent Extractors' Association of India.

-- BERNAMA

Copyright © 2014 BERNAMA

Source: <http://www.bernama.com/bernama/v7/newsindex.php?id=1049491>