

THE PROGRESS OF PALM OIL IN EAST ASIA

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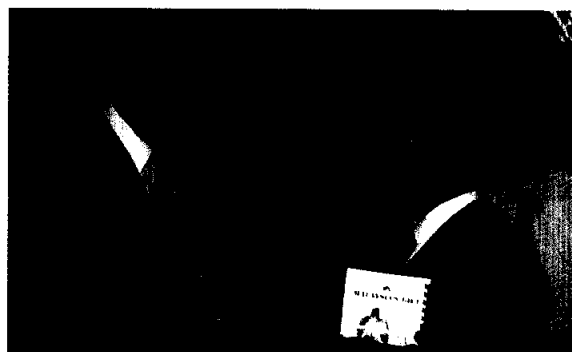
The East Asian market consists of China, Japan, South Korea, North Korea and Taiwan. Though these countries differ from each other in terms of area, population, income level and politics, the people, numbering some 1.3 billion, share certain cultural characteristics: their written languages use Chinese characters (of course to varying degrees); rice is the staple food over most of the region; chopsticks are used at the table.



The Chinese Premier being briefed by the Minister of Primary Industries, Malaysia.

These countries have similar patterns of consumption and usage of oils and fats, and they rely largely on imports to meet their domestic needs for these commodities. As their economies expand, the composition of the daily diet changes from the traditional practice, as also happened in the West. An increase in the consumption of fats is one of the major changes, already very noticeable in Taiwan, Japan and South Korea.

Palm oil has been used increasingly in these countries during recent years. The growth in imports by the region has been phenomenal, with



The Prime Minister of North Korea receives briefing from the Director-General, PORIM.

China emerging as the largest buyer of palm oil in 1990. Palm oil, with its bland flavour, pale colour and stability to oxidation can be made employed in a variety of preparations and formulations. With this versatility, it is widely used in cooking oils and frying fats, as the base material for vanaspati, margarines and spreads and as a fat component in confectionery.

The East Asian region is one of those showing the best prospects as a growing market for the Malaysian palm oil. Of the 10.33 million tonnes of palm oil used annually in the world today, about 1.68 million tonnes, or 16.2% of the total, are consumed in East Asia. As the economies develop, especially in China and North Korea, the consumption of palm oil is expected to increase further. Efforts directed to the technical promotion of Malaysian palm oil in this region, both for food and non-food applications, are to be intensified.