

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Import Duty on CPO and RBD Palmolein Reduced Effective January 2019

Report Categories:

Agriculture in the Economy
Policy and Program Announcements
Oilseeds and Products

Approved By:

Mark Wallace

Prepared By:

Amit Aradhey

Report Highlights:

On December 31, 2018, the Ministry of Finance, Government of India (GOI) issued Customs Notification No 84/2018 and 82/2018, to lower the duty on import of crude palm oil (CPO) and RBD Palmolein from Indonesia and Malaysia.

General Information:

On December 31, 2018, the Ministry of Finance, GOI issued [Customs Notification No. 82/2018](#), lowering the basic duty on import of CPO and RBD Palmolein (and all specified goods) from ASEAN countries, under the India-ASEAN Free Trade Agreement, to 40 percent and 50 percent, respectively¹. The preceding notification amends notification No. 46/2011-Customs dated June 1, 2011 and takes effect January 1, 2019.

On the same day, the GOI issued another [Customs Notification No 84/2018](#), which provided deeper tariff concessions on imports of CPO and RBD Palmolein from Malaysia under the India-Malaysia comprehensive Economic Co-operation Agreement (IMCECA). Effective January 1, 2019, the basic duty on CPO and RBD Palmolein imported from Malaysia stand at 40 percent and 45 percent, respectively. This concession is not available to Palmolein imported from Indonesia or any other ASEAN nation.

Table 1. India: Revised Import Duty on Palm Oils

Edible Oils	Old Effective Duty			Revised Effective Duty			Change in Duty
	Basic Duty	Social Welfare Cess	Effective Duty	Basic Duty	Social Welfare Cess	Effective Duty	
Imported from Malaysia 							
Crude Palm Oil	44%	+ 10%	= 48.4%	40%	+ 10%	= 44.0%	- 4.4%
RBD Palmolein	54%	+10%	= 59.4%	45%	+10%	= 49.5%	-9.9%
Imported from Indonesia* 							
Crude Palm Oil	44%	+ 10%	= 48.4%	40%	+ 10%	= 44.0%	-4.4%
RBD Palmolein	54%	+10%	= 59.4%	50%	+10%	= 55.0%	-4.4%

Source: Adapted from Press Release, Solvent Extractors' Association (SEA) of India

Note: * imported from ASEAN countries. If imported from Philippines, CPO and RBD Palmolein will attract an import duty of 50 percent and 60 percent, respectively.

¹ Reference to CPO and RBD palmolein can be found at S.No 129 and S.No 130 at Customs Notification No: [65/2016](#).

