

Palm Kernel Oil		2001		2002		2003		2004		2005*	
		Quantity (ton)	Value (000 US\$)	Quantity (ton)	Value (000 US\$)	Quantity (ton)	Value (000 US\$)	Quantity (ton)	Value (000 US\$)	Quantity (ton)	Value (000 US\$)
Production		1,675,676	n.a.	1,831,069	n.a.	2,363,404	n.a.	2,573,565	n.a.	2,704,218	n.a.
Stock		57,105		60,330		145,374		108,553		111,204	
Share (%) in the World	Production	56.9 (%)		60.2 (%)		70.8 (%)		72.1 (%)		69.2 (%)	
	Export	n.a.		n.a.		n.a.		n.a.		n.a.	
Domestic Consumption		1,154,237		1,175,672		1,695,499		1,758,930		1,780,688	
Export to Top 5 countries											
1. Netherlands		246,219	3,676	357,381	11,291	278,823	3,940	365,205	14,582	359,450	6,585
2. China		59,615	24	20,870	5,120	51,086	13,036	88,441	19,569	149,245	25,705
3. India		46,081	850	45,593	951	56,132	1,858	84,016	997	124,762	202
4. Malaysia		26,158	n.a.	59,924	1,035	72,261	1,414	93,322	9,441	84,645	22,638
5. Turkey		n.a.	10,780	3,250	13,528	600	14,234	2,000	7,386	17,704	15,952
6. Others		378,073	18,992	487,018	23,312	458,902	23,954	632,984	64,709	735,806	67,709
Total Export		464,334	34,322	595,067	55,237	522,531	58,436	706,082	116,684	812,326	138,791
Total Import		n.a.		15	29	0	0	0	0	0	0
Total Area (Ha)		4,713,435		5,067,058		5,283,557		5,447,562		5,508,219	
Mature Area (Ha)		2,956,113		3,307,415		3,428,580		3,733,384		3,906,175	
Opportunity for Investment											
Commodity value of kernel increases once it is processed into Palm Kernel Oil (PKO). PKO is a very suitable raw material for various kind of margarine since chemically PKO contains short chain glyceride which is healthy to be consumed. From the above table, with the area of mature field as big as 2.9 mill ha in year 2001, 1.7 mill ton was produced. Production kept increasing until it reached 2.6 mill ton in year 2004, and in year 2005 production was projected to reach 2.7 mill ton, meaning that in 5 years, there is quite a significant increase as much as 61.4% or average production 2.2 mill ton. This value is equal to 65% of world total production. High household consumption of PKO can be seen by its high yearly average domestic consumption which is 1.5 mill ton or 68.2% of total national production. Netherland is main destination for PKO product export with the 51.8% share of total export, followed by China 11.9 %, India 10.8%, Malaysia 0.8 % and other countries 24.7%. Meanwhile, PKO import value can be neglected because Indonesia is palm producer and quantity of its byproducts is number two in the world, below Malaysia. Although data are not sufficient, it can be concluded that estate crop, especially palm and its byproducts are quite interesting consider											

Note: * Preliminary Figures

Sources: Indonesian Palm Oil Statistics, 2005

Agricultural Statistics, 2005