Supply of Animal Fats from A Buyer’s Perspective
Executive Summary of Apex Agricom

Apex Agricom Pte. Ltd. is a newly-registered Singapore-incorporated consultancy company, with a keen focus on the non-fossil waste and residues markets within the Asian region.

About Chong Jen Shen, Director, Apex Agricom

Having spent several years as a Supply Manager for feedstocks in the renewable diesel business, and several years prior in a multi-national trading company, Jen Shen has gained invaluable experiences in the field of sourcing, marketing and trading of the waste and residues products.

Content:
- What are Animal Fats?
- Simple Production Flowchart of Animal Fats
- Typical Quality of Animal Fats
- Trade Flows:
  - Estimates of Production
  - Factors Affecting Supply and Demand
  - A Buyer’s Perspective
What are Animal Fats?:

Animal Fats is a by-product of the meat industry, and in its liquid form, *is the oil derived from a rendering operation* and is that portion which is separated from the cooked bony and protein material.

**Many Types of Animal Fats:**
- Tallow / Cattle (Bovine)
- Tallow / Sheep (Ovine)
- Lard / Pigs (Porcine)
- Poultry Fats / Poultry
- Fish Fats / Fish

**Typical Uses of Animal Fats:**
- Soaps
- Candles
- Oleochemicals
- Pet Food
- Biofuels
Livestock

Slaughterhouses

Rendering houses / Waste animal parts

Choice meats / Packing houses

Approximate yields of:
- 30%
- 20%
- 50%

Animal Fats

Meat and Bone Meals

Moisture
Typical Quality of Animal Fats (Tallow) – **Selected Parameters:**

- Free Fatty Acids
- Moisture
- Polyethylene
- Titer
- Peroxide Value
- Insoluble Impurities
- Iodine Value
- Colour
Trade Flows - Estimates of Production of Bovine (and Porcine) Fats in Selected Regions:

Estimates of Average Annual Production over last 3 years ('000 MT)

Data from various trade sources and personal estimates
Factors Affecting Supply and Demand:

Factors Affecting Supply (of Tallow):
- Demand for meats
- Seasonal
- Weather-related
- Re-herding of cattle

Factors Affecting Demand:
- Biofuels
- Inelastic demand in certain industries
- Prices of competing substitutes (RBD Palm Stearin, Animal Fats from other origins)

Tallow has to go somewhere – there are limited tank storages, and the shelf life is within 3 months
A Buyer’s Perspective (some considerations in procuring feedstock / Animal Fats):

### Sustainability
- Traceability; compliance with laws and standards
- Sustainability is a journey - continuous efforts needed

### Safety
- Safety at the facilities and in workplaces

### Quality
- Quality of the feedstock as per contractual requirements

### Quantity
- Quantity of the feedstock as per contractual requirements

### Communication
- Regular communication - to update on the latest news and regulations

### Competitiveness
- Keep prices and other requirements competitive
- Buyers will always have options
Thank You!
谢谢！

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Disclaimer:
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