

OILSEEDS

World oilcrop production could climb to an all-time high, supported by record soybean crops in South America. While large soybean crops point to a healthy expansion in world supplies of meals/cakes, global supplies of oils/fats should also rise thanks to a recovery in high oil-yielding seed output and steady growth in palm oil. Moderate growth in world consumption of oils and meals is expected to continue.

Global output of oilseed products should match world utilization for the second consecutive year, although a sizeable surplus is possible in the case of meals/cakes. As a result, further replenishments in world stocks should be achievable, especially with regard to oilmeals. Based on current prospects, the stock-to-use ratio is projected to improve significantly from last season for meals, but to remain unchanged for oils/fats.

The present 2013/14 outlook suggests there is scope for international meal prices to finally come down from their record high levels. Additional downward pressure on meal prices is likely to come from rising global supplies of feedgrains. As to the oils/fats market, adequate supplies and ample stocks are expected to keep prices stable at their current relatively low level.

This season's outlook relies heavily on the realization of bumper soybean harvests in South America. Any unexpected weather problem in the region would have a direct, strong impact on the global supply and demand situation. With traders closely monitoring weather developments in South America, prices in the oilseed complex are likely to remain volatile.

While international trade in oils/fats is expected to keep expanding moderately, growth in meal transactions should rebound after last season's slowdown. As meal prices become more affordable meal import demand should increase – although the abundance of feedgrains may temper such growth.

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OILSEEDS, OILS AND MEALS¹

Major Oilseed Exporters and Importers



PRICES²

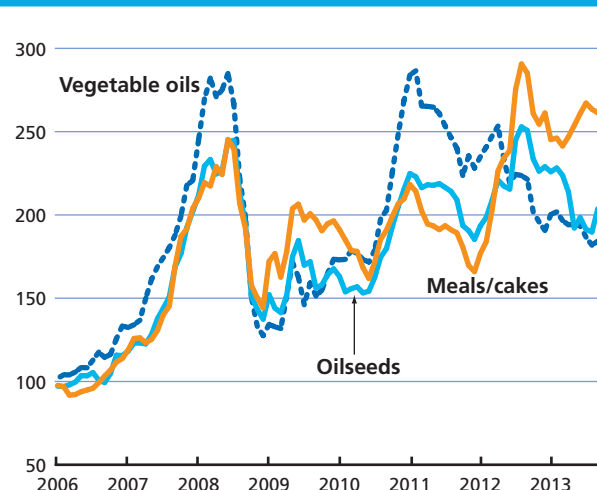
2013/14 market fundamentals likely to lend relief to prices throughout the oilseed complex

The 2012/13 (October/September) marketing year saw an improvement in fundamentals for the oilseed complex as a whole. While markets for oilseeds and oils/fats responded with a softening in prices, meal quotations remained conspicuously high due to continued tightness in the world soybean balance. By the end of 2012/13, the FAO price indices for oilseeds and vegetable oils had dropped by, respectively, 47 and 37 points compared to the corresponding values of one year earlier. By contrast, FAO's meal price index fell by only 24 points.

International oilseed quotations remained high in historic term and only started easing around March 2013, when prospects of an improvement in global soybean production started to firm. International vegetable oil prices fell more gradually and ended 2012/13 with three-year lows. The prominent drop in vegetable oil values

reflects continual production increases, in particular in palm oil, which coincided with protracted weakness in global demand for oils/fats. With palm oil inventories climbing to unprecedented levels in Malaysia and Indonesia, international palm oil quotations – and consequently the overall vegetable oil index – quickly lost strength. Regarding international meal prices, export quotations for soymeal (which carry an 80 percent weight in FAO's price index) ended the 2012/13 season at around USD 560 per tonne, only 10 percent below the all-time highs registered in late 2012. Persistent price strength has been caused by

Figure 1. FAO monthly international price indices for oilseeds, vegetable oils and meals/cakes (2002-2004=100)



¹ Almost the entire volume of oilcrops harvested worldwide is crushed to obtain oils and fats for human nutrition or industrial purposes, and to obtain cakes and meals which are used as feed ingredients. Therefore, rather than referring to oilseeds, the analysis of the market situation is mainly undertaken in terms of oils/fats and cakes/meals. Hence, production data for oils (cakes) derived from oilseeds refer to the oil (cake) equivalent of the production estimates for the relevant oilseeds, i.e. they do not reflect the outcome of actual oilseed crushing. Furthermore, the data on trade in and stocks of oils (cakes) refer to the sum of trade in and stocks of oils (cakes) plus the oil (cake) equivalent of oilseed trade and stocks.

² For details on prices and corresponding indices, see appendix Table 24.

Figure 2. FAO monthly price index for oilseeds (2002-2004=100)

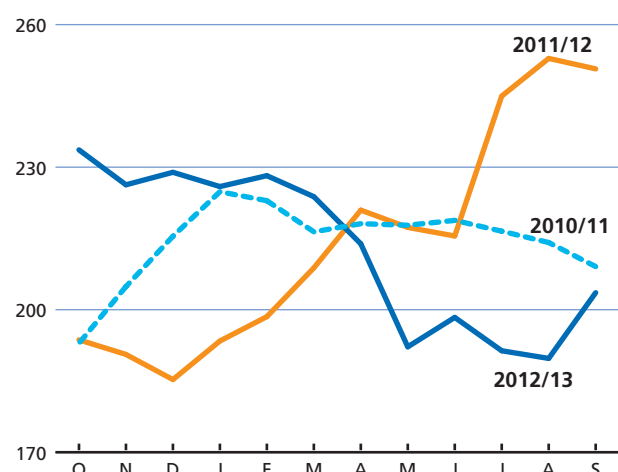


Figure 3. FAO monthly price index for vegetable oils (2002-2004=100)

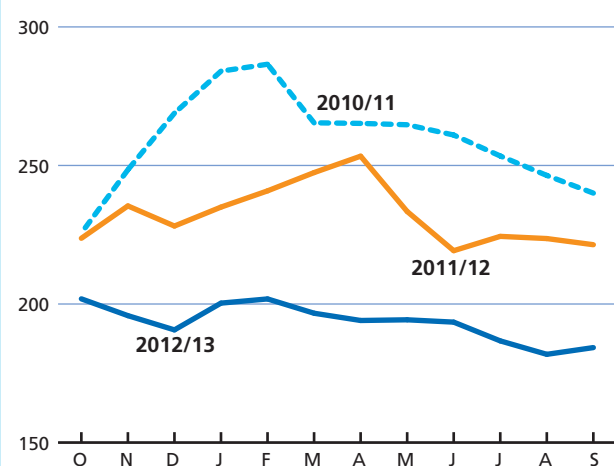


Figure 4. FAO monthly price index for oilmeals/cakes (2002-2004=100)

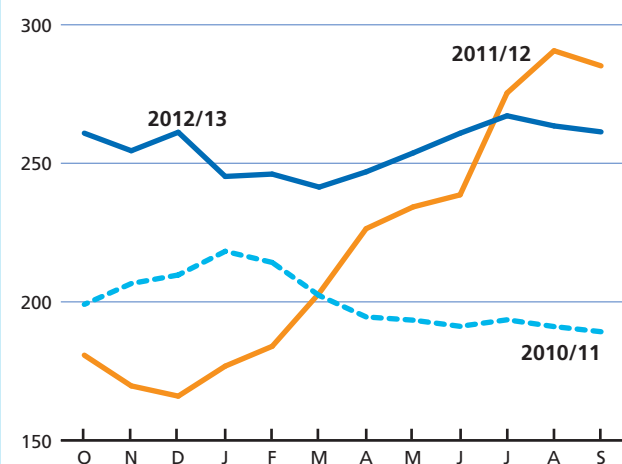
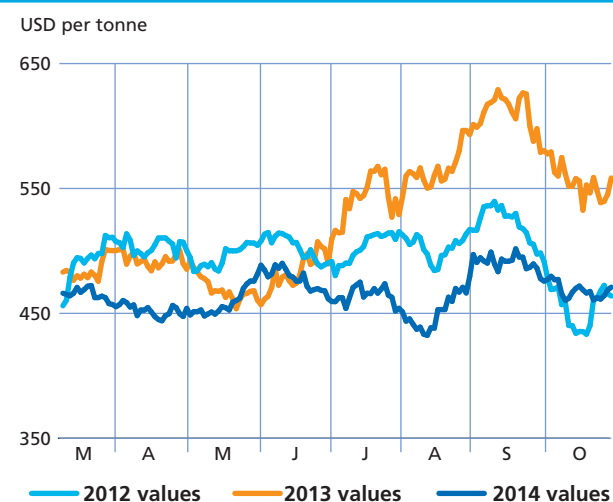


Figure 5. CBOT soybean futures for March



protracted tightness in the global soybean balance, marked by two consecutive seasons of below average inventory levels.

The current supply and demand outlook for 2013/14 points to a further improvement in oilcrop fundamentals. With global output of oilseed products expected to outpace world utilization – possibly including a sizeable surplus of meals/cakes – a marked replenishment in global stocks should be achievable. The resulting marked improvement in the global stock-to-use ratio for meals suggest that there is considerable scope for international meal prices to soften – also because additional downward pressure is expected to come from rising global supplies of feedgrains. The recent easing in Chicago Board of Trade (CBOT) soybean futures prices (from around USD 500 per tonne in end-August to USD 460 in mid-October) seems to point in the same direction. However, it could take some time for meal values to ease. This is because until early next year, i.e. when the new South American crop gets harvested, the United States will be the world's only main supplier of soybeans (considering that South America's old crop has basically been sold out due to supply tightness in the United States earlier this year). In other words, for a lasting relaxation in global meal prices to occur, the market's confidence in the level and regional distribution of global soybean stocks needs to be restored first.

As to the oils/fats market, the prospect of adequate global supplies, abundant stocks and a stable stock-to-use ratio suggests a stabilization of international prices at their current relatively low level.

As the outlook for 2013/14 relies heavily on the realization of a bumper soybean harvest in South America, any unexpected weather (or disease) problem in that region

would have a direct, strong impact on the global supply-and-demand situation. With the trade closely monitoring weather developments in South America, prices in the oilseed complex can be expected to remain volatile during the coming months.

OILSEEDS

Oilseed production likely climbing to all-time record in 2013/14

In 2013/14, global oilseed production is projected to rise by 4 percent, possibly exceeding 500 million tonnes for the first time. Production should expand markedly for all major oilcrops except cottonseed. In volume terms, soybeans are expected to lead the expansion, followed by rapeseed and sunflowerseed.

After last year's record-breaking output, 2013/14 global soybean production is tentatively forecast to rise another 5–6 percent, to an all-time high of 282 million tonnes. The forecast largely rests on prospective production increases in Argentina, Brazil and the United States, which, combined, are projected to harvest 15 million tonnes more than last season. In the **United States**, where harvesting is still underway, prolonged spells of dry weather have compromised the crop yield potential. Despite a relatively modest average yield level of 2.75 tonnes/ha, US output should still rise – thanks to record high plantings. If confirmed, the latest available production estimate of 85.7 million tonnes (3.7 million tonnes more than last year) would end the downward trend of the last three years. For South America, where sowings have only just started, another record-breaking crop is possible: aggregate output

Figure 6. Soybean/maize price ratio (CBOT March 2014 futures contract)



is tentatively set at 156 million tonnes, a sweeping 7–8 percent above 2012/13. With average yield levels projected on-trend at 2.8–2.9 tonnes/ha (assuming normal weather conditions throughout the growing season), the production boost would be driven by a hefty rise in area planted. The region's total soybean area is tentatively put at 54 million ha, 5 percent up from last season – and 40 percent higher than 10 years ago. Firm domestic and international soy prices, especially relative to maize (see Figure 6), are driving the hike in plantings. Considering that soybean is a predominantly export-oriented product in both Brazil and Argentina, weakness in the two countries' currencies should also contribute to higher plantings. Production is projected to increase 8 percent in **Brazil**, reaching a staggering 88 million tonnes, which would make Brazil the world's leading soybean producer, ahead of the United States. Brazilian farmers are expected to expand plantings by additional conversion of pasture land as well as by limiting maize sowings. **Argentina** is forecast to harvest 52.5 million tonnes, similar to the record level registered in 2010. In the region's third biggest producer, **Paraguay**, the expansion in production could come to a halt if the government decides to pursue its plans to tax soybean production and exports. In other parts of the world, **China** has reported a further contraction in output, while **India's** production is seen climbing to a record level thanks to higher plantings.

Global rapeseed production is anticipated to rise for the third consecutive year, possibly climbing to an all-time high of 68 million tonnes. Record or near-record crops have been harvested in the key producing countries of the Northern Hemisphere, with most of the rise occurring in Canada and Europe. In **Canada**, almost

Table 1. World production of major oilseeds

	2011/12	2012/13 estim.	2013/14 f'cast	Change 2013/14 over 2012/13 %
<i>million tonnes</i>				
Soybeans	240.0	267.0	281.6	5.5
Rapeseed	61.7	64.1	67.6	5.5
Cottonseed	47.2	45.2	43.7	-3.4
Groundnuts (unshelled)	37.2	38.3	39.6	3.5
Sunflower seed	39.0	36.1	38.7	7.2
Palm kernels	13.3	13.9	14.4	4.1
Copra	5.3	5.5	5.5	-0.2
Total	443.8	470.1	491.1	4.5

Note: The split years bring together northern hemisphere annual crops harvested in the latter part of the first year shown, with southern hemisphere annual crops harvested in the early part of the second year shown. For tree crops, which are produced throughout the year, calendar year production for the second year shown is used.

ideal weather conditions lifted production to 16 million tonnes, 10 percent above the 2011/12 record. Sizeable year-on-year improvements are also reported from the **EU, CIS countries** and **China**. By contrast, in **Australia**, insufficient rainfall has led to a reduction in area planted, possibly leading to a decline in production. With regard to sunflowerseed, global production should recover fully from last year's drop. Concentrated in the **EU** and **CIS countries**, the prospective rise is driven mainly by improved yields. Global cottonseed production is set to fall for the second consecutive year, as higher production in parts of South America and South Asia might not be sufficient to offset reduced harvests in **China**, the **United States** and **Australia**.

OILS AND FATS³

Oils/fats supplies set to expand sizeably in 2013/14

Preliminary crop forecasts for 2013/14 translate into a global oil/fat production estimate of 199 million tonnes – up almost 5 percent from last season and thus growing faster than in the last two years. Oil extraction from the group of annual oilcrops is estimated to rise by 5.3 million tonnes, under the lead of soy, rape and sunflowerseed oil. As to perennial oilcrops, palm oil is forecast to add 2.6 million tonnes to global oil/fat production. Palm oil share in total oil/fat output should remain around 30 percent, in spite of a small slowdown in production growth. With regard to the two leading producers, production is expected to continue expanding at a faster pace in **Indonesia** than in **Malaysia**. The two countries are projected to account for 52 and 33 percent, respectively, of world palm oil production. Global copra oil production should remain about unchanged, while olive oil and fish oil production could recover from their recent falls.

Global oil/fat supplies (comprising 2013/14 production and 2012/13 carry-out stocks) are forecast to rise to 232 million tonnes, which would exceed last season's record by 4–5 percent. Growth is sustained by higher carry-over inventories from 2012/13. Domestic availability of oils/fats is set to climb to all-time highs in nearly all main producing countries. The exceptions are the **United States** and **Malaysia**, where supplies should remain close to last season's level on account of reduced opening stocks, and **Australia**, where domestic production may fall as a result of poor harvests. Commodity-wise, the prospective

improvement in global oil/fat supplies will be led by palm oil, followed by soy and rapeseed oil. As for sunflower oil, supply growth will likely be curtailed by low carry-in stocks.

Global oils/fats consumption to reach new record

After last season's slowdown, a rebound in global oil/fat consumption is possible in 2013/14. Continued economic growth in selected countries in Asia (and in parts of South America and Northern Africa), combined with higher

Table 2. World oilseed and product market at a glance

	2011/12	2012/13 estim.	2013/14 f'cast	Change: 2013/14 over 2012/13
	million tonnes			%
TOTAL OILSEEDS				
Production	454.7	481.4	502.2	4.3
OILS AND FATS ¹				
Production	183.6	190.2	199.3	4.8
Supply ²	214.7	221.8	232.1	4.6
Utilization ³	184.5	190.1	197.9	4.1
Trade ⁴	98.2	101.9	105.2	3.2
Stock-to-utilization ratio (%)	17.1	17.2	17.2	
Major exporters stock-to- disappearance ratio (%) ⁵	10.2	9.9	10.1	
MEALS AND CAKES ⁶				
Production	111.2	119.5	125.9	5.3
Supply ²	132.3	136.9	143.7	5.0
Utilization ³	117.5	118.8	122.5	3.2
Trade ⁴	72.7	73.2	78.0	6.7
Stock-to-utilization ratio (%)	14.7	15.0	16.8	
Major exporters stock-to- disappearance ratio (%) ⁷	5.9	7.5	9.5	
FAO PRICE INDICES (Oct/Sept) (2002-2004=100)	2010/11	2011/12	2012/13 Oct-Sept	Change: Oct-Sept 2012/13 over Oct-Sept 2011/12 %
Oilseeds	214	214	213	-0.7
Oilmeals/cakes	200	219	255	16.4
Vegetable oils	259	232	193	-16.7

¹ Includes oils and fats of vegetable, animal and marine origin.

² Production plus opening stocks.

³ Residual of the balance.

⁴ Trade data refer to exports based on a common October/September marketing season and relate to the sum of trade in oils (meals) plus the oil (meal) equivalent of oilcrops traded.

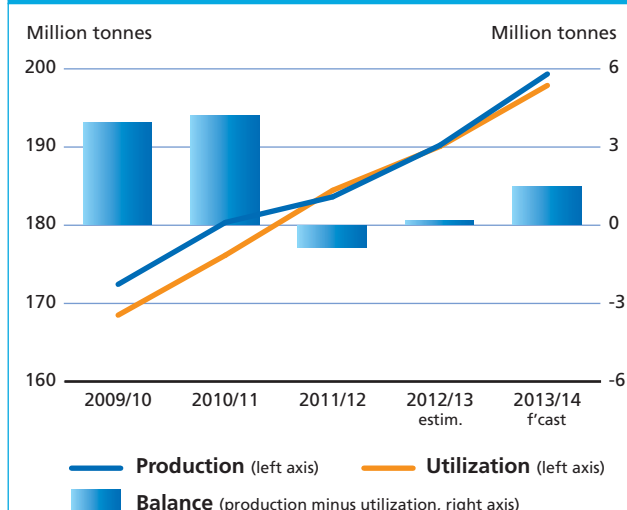
⁵ Major exporters include Argentina, Brazil, Canada, Indonesia, Malaysia and the United States.

⁶ All meal figures are expressed in protein equivalent; meals include all meals and cakes derived from oilcrops as well as meals of marine and animal origin.

⁷ Major exporters include Argentina, Brazil, Canada, India, Indonesia, Malaysia, Paraguay and the United States.

³ This section refers to oils from all origins, which – in addition to products derived from the oil crops discussed under the section on oilseeds – include palm oil, marine oils as well as animal fats.

Figure 7. Global production and utilization of oils/fats

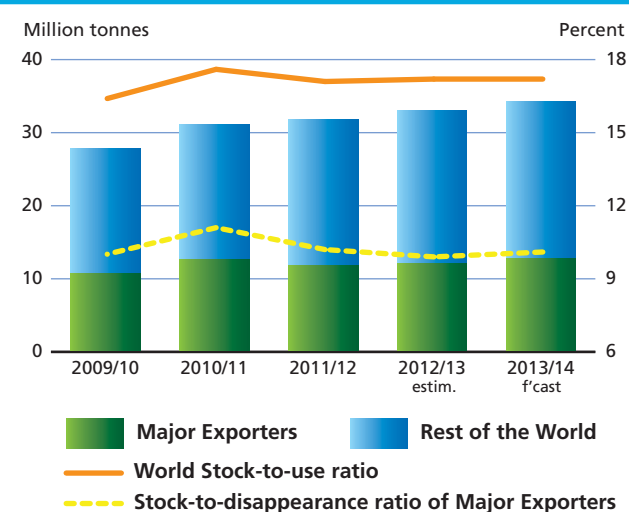


supplies and the gradual fall in international prices for oils/fats should stimulate demand. Total consumption is pegged at a record 198 million tonnes in 2013/14, up 4 percent year-on-year. Given its competitive price relative to other oils, palm oil would remain the growth leader, followed by soy, rape and sunflowerseed oil.

Among developing countries, which together account for two-thirds of global demand, utilization should expand by another 4–5 percent. Growth would remain concentrated in Asia under the lead of **China**, but consumption gains are also expected in **India**, **Indonesia** and other Asian nations, where steady economic and population growth keeps stimulating demand for food and oleochemical products. In Africa and Latin America, annual consumption growth is expected to remain below 3 percent. Among developed nations, demand could improve after several years of subdued growth, driven by a recovery in supplies.

Regarding the uptake of oils/fats by the biodiesel industry, demand growth is expected to remain below that recorded in recent years. In several biodiesel producing countries, factory utilization rates are likely to remain well below nominal capacity levels. Growth potential is mostly limited to developing countries where national policies continue to encourage production for either domestic use or export. Countries that may implement higher biodiesel consumption targets next year include **Brazil**, **Indonesia**, **Malaysia** and the **Philippines**, which may raise the importance of palm oil and other tropical oils as feedstock. Among developed countries – which include the world's leading producers and consumers of biodiesel – longer term prospects for oils/fats as biodiesel feedstock remain bleak, given growing concerns about the overall sustainability of

Figure 8. World stocks and ratios of oils/fats (including the oil contained in seeds stored)



crop-based biofuels. The **EU**, for instance, is considering lowering its medium-term consumption targets for crop-based biofuels from the levels that were announced in 2009. In the meantime, national biofuel regulations, border measures and certification requirements will continue to influence markets for biodiesel and their feedstock. EU measures regarding the importation of biodiesel from certain origins are one case in point. Biodiesel production levels also continue to depend on the vegetable/mineral oil price relation; a further narrowing in the crude oil/palm oil discount, for instance, would make palm-oil-based biodiesel production more profitable.

Supply and demand balance for oils/fats to improve gradually

After two seasons of tight supplies, total 2013/14 production is anticipated to exceed total demand – albeit by a relatively small margin of 1.5 million tonnes, or less than 1 percent. The anticipated consumption and production levels should allow a further rise in global inventories, notably of soybean, rape and sunflower oil. Presently forecast at 34 million tonnes (measured as oil/fat inventories plus the oil contained in stored oilseeds), ending stocks are set to reach a multi-year high. The exception is palm oil, where, unlike in the last three seasons, demand may exceed production, leading to a drawdown in inventories. In the majority of stockholding countries, inventory levels are anticipated to grow, mainly reflecting improved domestic output. In the **United States**, however, the expected production rise may not be sufficient to meet domestic and export demand, possibly leading to a further contraction in reserves.

Based on the expectation of rising global oil/fat demand, the projected stock increases would not lead to a

noticeable improvement in global stock-to-use ratios. Year-on-year, the global stock-to-use ratio is forecast to remain unchanged, whereas a minimal increase is expected in the stock-to-disappearance ratio for major exporters.

Moderate growth expected in global oils/fats trade

In 2013/14, global trade in oils/fats (including the oil contained in traded oilseeds) is forecast to increase by little more than 3 million tonnes, or 3 percent. The rise will mainly be on account of soy oil, followed by palm oil – with record transactions anticipated for both oils. Trade in rape and sunflowerseed oil should recover from the contractions experienced last season.

Figure 9. Oil/fat exports by major exporters (including the oil contained in seed exports)

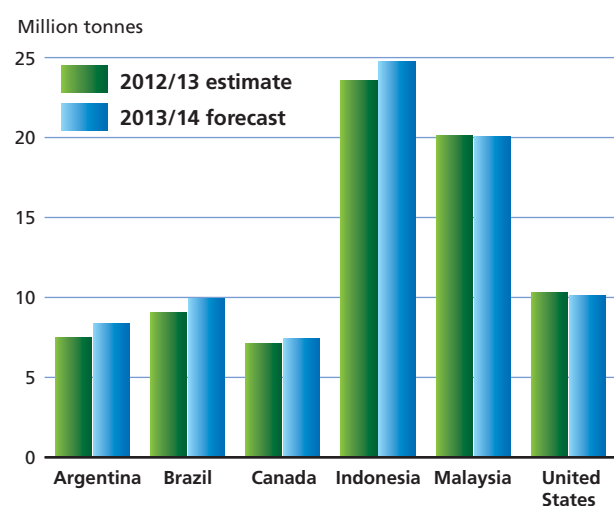
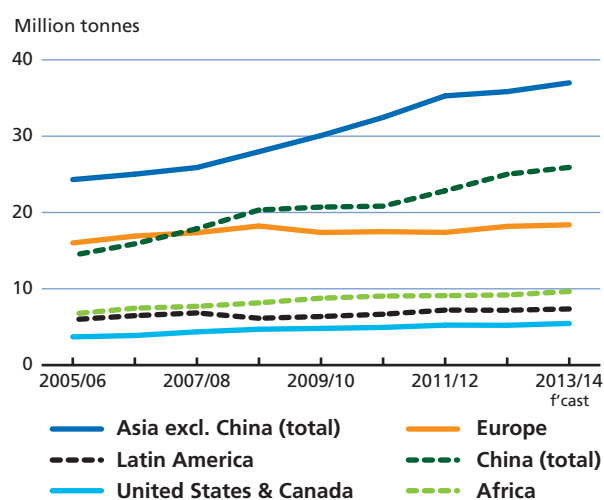


Figure 10. Total oil/fat imports by region or major country (including the oil contained in seed imports)



Concerning exports, **Indonesia** is expected to boost its palm oil shipments by almost one million tonnes to a record 22 million tonnes – nearly one-fourth of global oils/fats trade. Palm oil sales by **Malaysia**, by contrast, should remain flat at 18 million tonnes, in line with the country's only modest production increase. Incremental sales from the soy complex would originate exclusively from **Argentina** and **Brazil**, based on booming domestic production. In the **United States**, where supplies should remain tight despite this year's production recovery, exports could contract for the fourth consecutive season, falling to a 6-year low. Reduced shipments are also likely in **Australia** (rapeseed) and the **Philippines** (copra) on account of poor harvests, while higher sales are anticipated in **Ukraine** and **Canada** (rapeseed), as well as in the **Russian Federation** (sunflower).

With respect to imports, buyers in Asia, led by **China**, continue to account for much of the growth in global import demand. Although China is estimated to expand its purchases by 1 million tonnes, imports would grow less than in the past, reflecting weak domestic consumption growth and only minor stock replenishment. In the **EU**, the world's second largest import market after China, import requirements could fall because of record domestic availabilities. In **India**, incremental import requirement should be small relative to past years, thanks to abundant harvests.

MEALS AND CAKES⁴

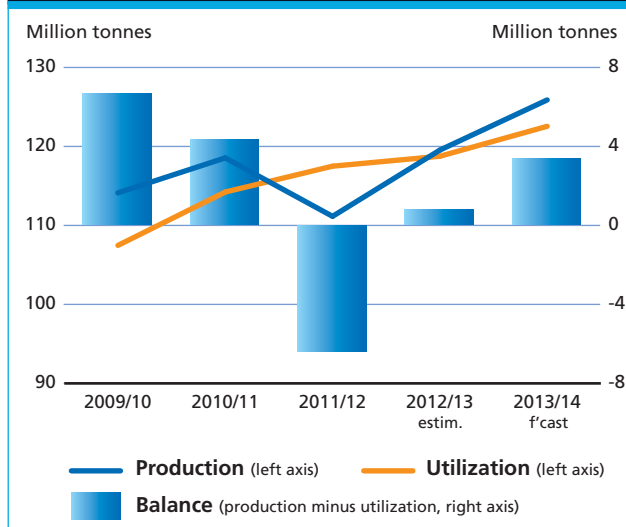
Global meal supplies to rise markedly in 2013/14

Provided the current crop forecasts for 2013/14 materialize, global meals/cakes production would grow to 126 million tonnes (expressed in protein equivalent), improving last year's record by about 5 percent. Soymeal should account for most of the increase: mirroring the projected boost in global production, incremental soymeal output is estimated at 5 million tonnes. The remainder would come from rape and sunflower meal, production of which could rise by, respectively, 0.7 and 0.4 million tonnes.

Global oilmeal supplies, which comprise 2013/14 production and 2012/13 carry-out stocks, should climb to an all-time record of 144 million tonnes (expressed in protein equivalent), also thanks to last season's stock replenishment. Supply expansion is expected to be concentrated in South America, notably Argentina

⁴ This section refers to meals from all origins. In addition to products derived from the oil crops discussed under the section on oilseeds, this also includes fish meal and meals of animal origin.

Figure 11. Global production and utilization of meals/cakes (in protein equivalent)



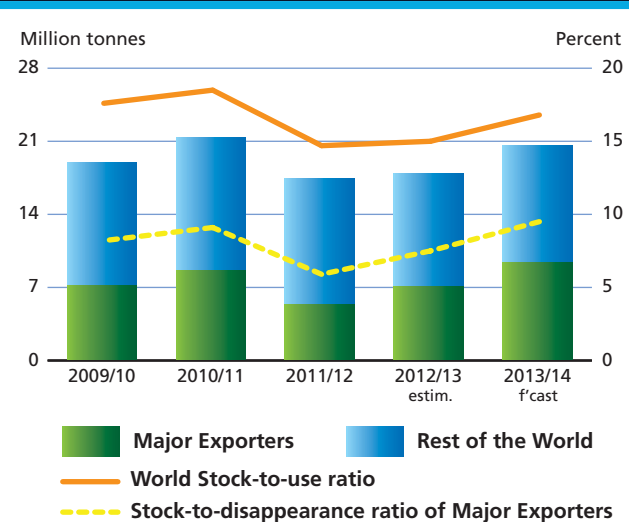
and Brazil. In the region, total supplies could surge by 10 percent (year-on-year), climbing to an all-time record and propelling the region's share in global supplies to 41 percent. In the **United States**, domestic availabilities should partially recover from the massive drops of the last two years but remain well below past records. Sizeable improvements in meal supplies are also expected in **Canada**, the **EU**, **India** and **Ukraine**. By contrast, marked drops are likely in **China**, where supplies could fall for the third consecutive season, reflecting both low 2012/13 carry-out stocks and a further decline in domestic soy production. Also in **Australia**, domestic availabilities could fall as a result of poor harvests.

Global meal consumption expected to expand in 2013/14

After stagnating in 2012/13, world meal consumption is forecast to resume growing, possibly reaching a record 122.5 million tonnes (expressed in protein equivalent). Soymeal should be the growth leader, followed by rape and sunflower meal.

Current forecasts rest on the assumption that demand by the livestock sector could grow based on improved economic growth in some countries and a softening in international meal prices. It should be noted, however, that improved global grain availabilities, notably maize and feed-quality wheat, could limit the growth in meal demand. Among developing countries, where about two-thirds of global consumption takes place, growth in meal demand should go on, albeit at a lower rate than in the past five years. In **China** and the rest of Asia, which is the world's top consuming region, consumption is projected to rise by

Figure 12. World stocks and ratios of meals/cakes (in protein equivalent and including the meal contained in seeds stored)



3–4 percent. In developed countries, meal demand should recover almost entirely from the sizeable fall recorded last season. Although meal use is expected to recover in both the **United States** and the **EU**, consumption levels could remain well below the respective historic records.

Global meal production likely to exceed demand

Unlike last year, when global meal production exceeded consumption by only 0.6 percent causing continued tightness in the world meal balance, world production in 2013/14 is forecast to surpass consumption by 3.4 million tonnes (in protein equivalents) or almost 3 percent. Based on this production surplus, which would apply primarily to soybean meal, a pronounced replenishment of inventories should be achievable this season: global meal stocks are anticipated to increase by a hefty 15–16 percent or around 2.7 million tonnes (expressed in protein equivalents and comprising the meal contained in stored oilseeds). The stock build-up should be concentrated in key producing and exporting countries, especially in **Argentina**, **Brazil**, but also in **Canada**, **India** and the **EU** – all countries that are set to benefit from higher meal production based on good harvests. In the **United States**, by contrast, meal inventories are expected to be kept at last season's record-low level, mainly to allow a recovery in domestic consumption. The sizeable build-up of stocks in some key meal exporting countries is partly attributed to the prospective higher availabilities of feedgrains, which are bound to compete with oilmeals on the international market.

Assuming the projected rise in stocks materializes, stock-to-use ratios can be expected to improve significantly

in 2013/14: the global stock-to-use ratio and the major exporters stock-to-disappearance ratio are set to jump to 3 and 6-year highs, respectively. With these improvements, especially among the leading exporting countries, international meal prices can be expected to lose some of their recent strength.

Global meal trade expected to resume expanding

After last season's dismal growth, in 2013/14, world trade in meals/cakes is projected to climb to an all-time record of 78 million tonnes (expressed in protein equivalents and including the meal contained in oilseeds traded) – about 6–7 percent up from last season. The possible fall in international meal prices from their current record level is expected to underpin global appetite for imported meals – although import growth might be attenuated by higher global availabilities of feedgrains.

The rise in global trade will be strongly driven by higher meal demand in China and other importing countries in Asia. After last season's exceptional stagnation, **China's** import demand could expand by as much as 13 percent in 2013/14. With soybean imports tentatively put at an all-

time record of 67 million tonnes, China remains the world's leading meal buyer, accounting for one third of global import demand. Aggregate imports by the rest of Asia are seen rising by about 4 percent. The **EU**, until recently the world's leading buyer, could see an increase in meal imports, after two successive years of decline. However, the rise should be small, considering that domestic meal availabilities as well as feedgrain supplies are set to grow.

Export growth is seen almost exclusively in soybean meal from South America. Assuming current crop forecasts materialize, **Argentina** and **Brazil** as well as **Paraguay** are poised to ship record or near-record volumes in 2013/14. The three countries' combined share in global shipments could rise to 54 percent – mostly at the expense of the **United States**. Indeed, US shipments are forecast to remain close to last season's subdued level, because much of this year's output increase should be absorbed by the domestic feed sector. Meal sales by **Ukraine**, other **CIS countries**, **India** and **Canada** should increase, underpinned by higher domestic supplies, whereas, in **Australia**, harvest setbacks could curb export availabilities.

Figure 13. Meals/cake imports by region or major country (in protein equivalent and including the meal contained in seed imports)

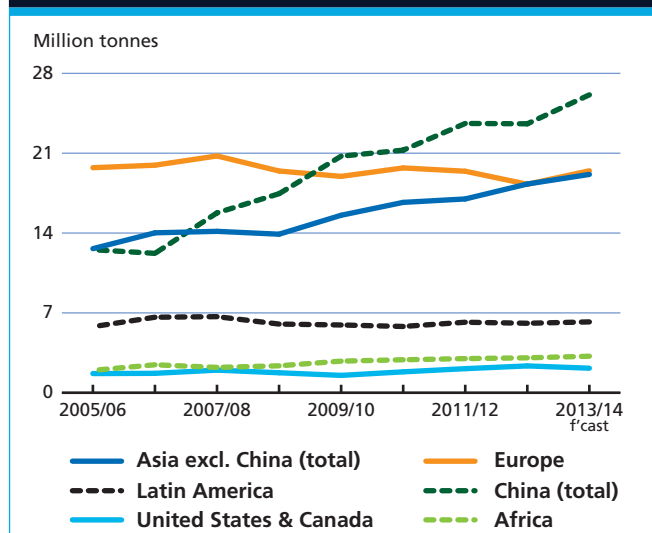
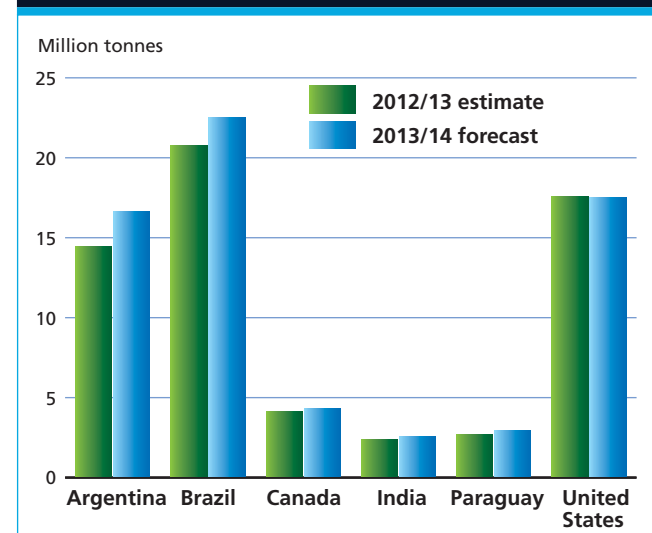


Figure 14. Meal/cake exports by major exporters (in protein equivalent and including the meal contained in seed exports)



OILSEEDS: MAJOR POLICY DEVELOPMENTS: APRIL - MID OCTOBER 2013 *

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Brazil	Soybeans	Jul-13	Phytosanitary measures	Continued implementation of 90-day soybean-free period, meant to check spread of diseases.
	Arable crops, including oilseeds	Aug-13	Agricultural policy	Renewed agricultural support programme for the 2013/14 campaign, focusing on investment aid, support to family-based farming, marketing loans, and the expansion of public and private warehouse facilities.
Bulgaria	All edible oils	Jul-13	Competition policy	Sanctioned group of vegetable oil producers and retailers for creating a price cartel.
Canada	Rapeseed and Soybeans	Jul-13	Sector development assistance	Supported R&D programmes to enhance competitiveness and sustainability of the country's rapeseed and soybean industries.
	Camelina seed and mustard seed	Sept-13	Sector development assistance	Supported research and development of new varieties of minor oilseeds.
China	Soybeans	Apr and Aug to Oct 2013	State reserves	Released state reserves with view to ease supply tightness, thus checking the rise in domestic oil/meal prices.
	Rapeseed	Jul-13	State reserves	Tightened procurement policies to prevent imported rapeseed oil from entering public reserves.
	Soybeans	Jul-13	GMO trade and marketing policies	Approved three varieties of genetically modified soybeans for importation.
	Rapeseed	Jun-13	State reserves	Resumed procurement of rapeseed to reconstitute state reserves for future market interventions and to support domestic farm gate prices.
	Rapeseed	May-13	Import policy	Relaxed restrictions of importation of rapeseed from Canada.
	Rapeseed	May-13	Import policy	Agreed on new strict shipment protocol that allowed resumption of India's rapeseed meal exports to China.
Egypt	Rapeseed	Sept-13	Import policy	Liberalized imports of rapeseed from Russia with a view to help meet domestic demand.
European Union	Sunflower oil	May-13	South-South cooperation	Signed a joint agricultural project with Sudan that would secure Egypt's import requirement in sunflower oil.
	Arable crops, including oilseeds	Jul-13	Agricultural policy	Agreed on the direction of the block's common agricultural policy during 2014–2020, including the continuation of direct payments to farmers and the application of stringent environmental requirements.
	Biofuel	Aug-13	Environmental policy	Considered proposal to cap the use of crop-based fuels for transportation at 6 percent (as opposed to the 10 percent rate set in 2009), with a view to spur the development of 'clean fuels' derived from non-food sources.
	Biodiesel	Oct-13	Import policy	Decided to impose definitive anti-dumping duties on biodiesel imports from Argentina and Indonesia from November 2013.
France	Palm oil	Jul-13	Sales taxes	Provided assurance that domestic palm oil sales would not be subject to tax hikes on environmental or health grounds.
India	Arable crops, including oilseeds	Jul-13	Support prices	Raised minimum support prices for oilseeds and other arable crops, with a view to stimulate production and protect farm incomes.
	Coconut	Jul-13	Sector development assistance	Extended support for replanting and rejuvenation of coconut palm to entire country, with a view to raise productivity levels and thus farm incomes.
	Coconut	Jul-13	Sector development assistance	Considered measures to increase farmer uptake of the country's Coconut Palm Insurance Scheme.
	Basic foodstuffs	Aug-13	Food subsidy scheme	Approved a food bill that renews and expands the distribution of subsidized wheat, rice and coarse grains; edible oils remain excluded, but could be added in the future.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
India	Edible oils and oilseeds	Sept-13	Consumer protection	Extended restrictions on private stock holding until September 2014 by 1 year, in a bid to curb surges in retail prices.
	Oilseeds and oil palm	Oct-13	Sector development assistance	Established National Mission on Oilseeds and Oil Palm charged to promote oilseed production and bring additional area under oil palm.
	Edible oils	Oct-13	Export policy	Adjusted minimum export price for branded/packaged edible oil to reflect developments in international market prices
	Palm oil	Apr to Oct 2013	Export tax	Continued implementation of sliding export tax regime used to stimulate growth in downstream palm oil processing and to regulate domestic supplies and prices.
Indonesia	Soybeans	Jul-13	State reserves	Resumed state purchases with a view to stabilize domestic prices of soy food products.
	Agricultural land	May-13	Environmental policy	Approved a two-year extension of country-wide ban on clearing primary rain forest and carbon-rich peat land.
	Palm oil	Aug-13	Preferential trade agreement	Implemented free trade agreement with Pakistan that reduces Pakistan's import duty on Indonesian palm oil.
	Biodiesel	Aug-13	Environmental policy	Confirmed plans to raise the mandatory biodiesel blending rate for transportation fuels from currently 7.5 percent to 10 percent.
	Agricultural crops	Aug-13	Agricultural policy	Approved a comprehensive bill aimed at stimulating agricultural production and improving incomes from agriculture.
	Soybean	Sept-13	Import policy	Liberalized importation of soybeans to ensure domestic demand is met.
Malaysia	Palm oil	Apr to Oct 2013	Export tax	Continued implementation of sliding export tax regime used to stimulate growth in downstream palm oil processing and to regulate domestic supplies and prices.
	Biofuel	Aug-13	Environmental policy	Confirmed plans to raise mandatory biodiesel blending rate first to 7.5 percent and then to 10 percent, with a view to spur domestic demand for palm oil and to prevent stockpiles from rising.
	Palm oil	Aug-13	Environmental policy	Confirmed introduction of national certification scheme for sustainable palm oil production in 2014; initially on a voluntary basis but with certification bound to become mandatory at stages.
	All oilseeds	May-13	Sector development assistance	Signed agreement with the national oilseeds industry federation aimed at tripling the country's area seeded with oilseeds by 2020.
Pakistan	Rapeseed	Jul-13	Import policy	Introduced tax on rapeseed imports with a view to encourage domestic production of oilseeds.
	Palm oil	Aug-13	Preferential trade agreement	Implemented free trade agreement with Indonesia that reduces Pakistan's import duty on Indonesian palm oil.
Paraguay	Soybeans	May-13	Export tax	Considered introduction of export taxation for soybeans, soyoil, soymeal and other grains.
Peru	Fish meal and fish oil	Oct-13	Resource management	Increased fishing quotas for 2013/14, thus raising the country's export availabilities.
Russia	All oilseeds	Aug-13	Export tax	Implemented reductions in export taxes on oilseeds in line with the country's WTO accession agreement.
Senegal	All edible oils	Jul-13	Market regulation	Imposed caps on edible oil retail prices in the Dakar region to protect consumers.
South Africa	Biodiesel	Oct-13	Renewable energy	Set October 2015 as beginning date for mandatory blending of petrol and diesel with biofuels.
Sudan	Sunflower oil	May-13	South-South cooperation	Agreed to implement a joint agricultural project with Egypt that would help meeting Egypt's import requirement in sunflower oil.
Turkey	Rapeseed	May-13	GMO imports	Suspended entry of selected genetically modified products, including rapeseed, into the country, based on concerns about product safety.
Vietnam	Soy and palm oil	May-13	Import policy	Applied temporary duty surcharges to imports of refined soy and palm oil imports.
	Soy and palm oil	Sep-13	Import policy	Imposed anti-dumping duty on imports of refined soya and palm oil, so as to protect local producers from competition from imported products.

* A collection of major policy developments starting in January 2011 is available at: <http://www.fao.org/economic/est/est-commodities/commodity-policy-archive/en/7/groupANDcommodity=Oilseeds,%20oil%20and%20meals>

APPENDIX TABLE 10: TOTAL OILCROPS STATISTICS (million tonnes)

	Production ¹			Imports			Exports		
	09/10-11/12 average	2012/13 estim.	2013/14 f'cast	09/10-11/12 average	2012/13 estim.	2013/14 f'cast	09/10-11/12 average	2012/13 estim.	2013/14 f'cast
ASIA	130.1	134.8	138.0	79.4	87.3	96.1	2.5	2.4	2.5
China	59.4	60.5	60.1	59.1	66.2	73.8	1.1	1.0	0.9
of which Taiwan Prov.	0.1	0.1	0.1	2.4	2.4	2.4	-	-	-
India	36.6	38.0	40.9	0.2	0.1	0.1	0.7	0.6	0.8
Indonesia	9.4	10.4	10.9	2.0	2.3	2.5	0.1	0.1	0.1
Iran, Islamic Republic of	0.8	0.9	0.9	0.7	0.8	0.9	-	-	-
Japan	0.3	0.3	0.3	5.7	5.5	5.6	-	-	-
Korea, Republic of	0.2	0.2	0.2	1.6	1.4	1.4	-	-	-
Malaysia	4.7	4.9	5.1	0.7	0.8	0.9	-	-	0.1
Pakistan	5.2	5.3	5.4	1.3	1.0	1.4	0.1	-	-
Thailand	0.7	0.8	0.8	2.0	2.4	2.5	-	-	-
Turkey	2.4	2.7	2.8	2.4	2.0	1.9	0.1	0.1	0.1
AFRICA	17.1	17.3	17.5	3.2	3.3	3.5	0.9	0.8	0.8
Nigeria	4.8	5.0	5.0	-	-	-	0.2	0.1	0.2
CENTRAL AMERICA	1.2	1.3	1.3	6.2	6.0	6.3	0.2	0.2	0.2
Mexico	0.8	0.8	0.8	5.5	5.4	5.6	-	-	-
SOUTH AMERICA	137.9	154.3	165.5	1.3	1.7	1.7	49.2	59.4	66.8
Argentina	51.8	53.1	57.3	0.1	0.3	0.3	10.4	9.4	12.8
Brazil	73.7	84.5	91.7	0.2	0.3	0.3	31.7	41.2	45.0
Paraguay	7.0	9.6	9.3	-	-	-	4.7	5.3	5.3
NORTH AMERICA	116.5	113.6	116.0	2.0	2.3	2.0	52.0	48.0	50.0
Canada	18.8	20.4	22.2	0.6	0.5	0.6	11.3	11.6	12.1
United States of America	97.7	93.2	93.8	1.3	1.8	1.4	40.8	36.4	37.8
EUROPE	52.7	54.2	58.8	18.9	18.5	18.9	4.2	4.1	4.9
European Union	29.5	28.0	31.0	17.2	17.6	16.6	0.9	0.7	1.0
Russian Federation	9.4	11.4	11.8	1.1	0.9	1.0	0.3	0.3	0.2
Ukraine	11.6	12.5	14.7	-	-	-	2.7	2.8	3.6
OCEANIA	4.3	6.0	5.2	0.1	-	-	2.2	4.2	3.3
Australia	3.9	5.6	4.8	-	-	-	2.1	4.1	3.2
WORLD	459.9	481.4	502.2	111.1	119.0	128.4	111.1	119.0	128.4
Developing countries	281.1	302.3	316.9	83.4	91.8	100.9	52.6	62.6	70.1
Developed countries	178.8	179.2	185.4	27.7	27.3	27.5	58.6	56.4	58.3
LIFDCs	133.7	138.2	141.3	63.9	70.9	79.4	3.3	3.1	3.1
LDCs	11.0	11.1	11.0	0.5	0.3	0.4	0.4	0.5	0.5

¹ The split years bring together northern hemisphere annual crops harvested in the latter part of the first year shown, with southern hemisphere annual crops harvested in the early part of the second year shown; for tree crops which are produced throughout the year, calendar year production for the second year shown is used.

APPENDIX TABLE 11: TOTAL OILS AND FATS STATISTICS (*million tonnes*)

	Imports			Exports			Utilization		
	09/10-11/12 average	2012/13 <i>estim.</i>	2013/14 <i>f'cast</i>	09/10-11/12 average	2012/13 <i>estim.</i>	2013/14 <i>f'cast</i>	09/10-11/12 average	2012/13 <i>estim.</i>	2013/14 <i>f'cast</i>
ASIA	38.4	43.5	44.1	43.3	48.7	49.9	87.7	98.1	102.7
Bangladesh	1.4	1.6	1.6	-	-	-	1.7	1.8	1.8
China	10.5	12.4	12.1	0.6	0.7	0.7	32.1	36.5	38.1
of which Taiwan Prov.	0.4	0.4	0.4	-	-	-	0.8	0.9	0.9
India	9.4	11.0	11.3	0.5	0.6	0.7	18.9	20.4	21.3
Indonesia	0.1	0.1	0.1	20.0	23.4	24.6	7.7	9.6	10.4
Iran	1.4	1.9	1.7	0.2	0.2	0.3	1.7	2.0	2.1
Japan	1.2	1.3	1.3	-	-	-	3.1	3.1	3.2
Korea, Republic of	1.0	1.0	1.0	-	-	-	1.3	1.3	1.4
Malaysia	2.5	1.7	2.1	18.7	20.0	20.0	3.9	4.2	4.4
Pakistan	2.3	2.5	2.6	0.1	0.1	0.1	4.0	4.1	4.4
Philippines	0.6	0.7	0.7	1.1	1.1	0.9	1.1	1.2	1.4
Singapore	0.8	0.8	0.9	0.3	0.2	0.2	0.6	0.7	0.7
Turkey	1.3	1.6	1.8	0.4	0.6	0.7	2.4	2.6	2.7
AFRICA	8.4	8.6	9.0	1.7	1.8	1.8	13.9	14.4	14.8
Algeria	0.6	0.5	0.7	-	-	-	0.7	0.6	0.7
Egypt	1.9	1.8	1.9	0.3	0.4	0.4	2.0	2.0	2.1
Nigeria	1.0	1.0	1.1	0.1	0.1	0.2	2.7	2.8	2.9
South Africa	0.8	0.9	0.9	0.1	0.1	0.1	1.2	1.3	1.4
CENTRAL AMERICA	2.4	2.5	2.5	0.7	1.0	1.0	4.7	4.9	5.0
Mexico	1.3	1.4	1.4	0.1	0.1	0.1	3.1	3.2	3.4
SOUTH AMERICA	2.6	2.9	3.0	8.7	8.7	9.2	14.3	15.8	16.2
Argentina	0.1	0.1	-	5.5	5.5	5.7	2.8	3.3	3.4
Brazil	0.5	0.6	0.6	1.9	1.6	1.8	7.4	8.0	8.1
NORTH AMERICA	4.5	4.7	4.9	6.8	6.8	6.4	18.2	18.8	19.7
Canada	0.5	0.6	0.6	3.1	3.2	3.3	1.1	1.2	1.3
United States of America	3.9	4.1	4.3	3.8	3.6	3.1	17.1	17.6	18.4
EUROPE	13.1	13.8	14.0	6.9	7.9	8.0	36.5	37.1	38.2
European Union	10.6	10.9	10.9	2.5	3.2	2.7	30.1	29.6	30.8
Russian Federation	1.1	1.2	1.2	1.0	1.5	1.7	4.0	4.4	4.5
Ukraine	0.4	0.4	0.4	3.0	3.2	3.5	1.0	1.1	1.2
OCEANIA	0.6	0.7	0.7	1.8	1.9	1.9	1.0	1.1	1.1
Australia	0.4	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.8
WORLD	69.9	76.7	78.2	70.0	76.8	78.2	176.4	190.1	197.9
Developing countries	49.4	55.0	56.1	55.0	60.8	62.6	115.4	127.8	133.3
Developed countries	20.5	21.7	22.2	15.0	16.0	15.7	61.0	62.3	64.6
LIFDCs	32.9	37.6	38.0	24.5	28.5	29.7	80.0	89.0	93.1
LDCs	5.0	5.3	5.5	0.5	0.4	0.5	8.0	8.5	8.6

¹ Includes oils and fats of vegetable, marine and animal origin.

APPENDIX TABLE 12: TOTAL MEALS AND CAKES STATISTICS¹ (million tonnes)

	Imports			Exports			Utilization		
	09/10-11/12	2012/13	2013/14	09/10-11/12	2012/13	2013/14	09/10-11/12	2012/13	2013/14
	average	estim.	f'cast	average	estim.	f'cast	average	estim.	f'cast
ASIA	29.5	31.7	32.9	14.4	15.7	15.9	124.4	137.2	142.1
China	3.5	2.4	2.8	1.4	2.0	1.8	67.2	75.4	78.3
of which Taiwan Prov.	0.4	0.5	0.5	-	-	-	2.3	2.4	2.5
India	0.2	0.2	0.2	5.1	5.1	5.5	12.0	12.1	12.6
Indonesia	3.2	3.8	4.0	3.1	3.6	3.8	4.6	5.9	6.1
Japan	2.8	2.3	2.5	-	-	-	6.9	6.4	6.5
Korea, Republic of	3.4	3.7	3.8	0.1	0.1	0.1	4.6	4.7	4.8
Malaysia	1.1	1.2	1.4	2.4	2.5	2.6	1.9	2.0	2.2
Pakistan	0.6	0.6	0.8	0.2	0.1	0.1	3.2	3.5	3.6
Philippines	1.8	2.0	2.1	0.5	0.8	0.5	2.2	2.1	2.4
Saudi Arabia	0.6	0.8	0.6	-	-	-	0.6	0.8	0.7
Thailand	3.0	3.5	3.7	0.1	0.1	0.1	5.1	6.0	6.2
Turkey	1.3	1.8	1.8	0.2	0.1	0.2	3.6	4.3	4.2
Viet Nam	3.3	3.6	3.7	0.1	0.1	0.1	3.7	4.5	4.8
AFRICA	4.3	4.6	4.7	0.9	0.9	0.9	10.7	11.3	11.4
Egypt	0.9	0.9	1.0	-	-	-	2.3	2.6	2.6
South Africa	1.2	1.3	1.2	0.1	0.1	0.1	1.9	2.1	2.1
CENTRAL AMERICA	3.4	3.4	3.4	0.2	0.2	0.2	8.1	8.2	8.3
Mexico	1.8	1.8	1.9	0.1	0.1	0.1	5.9	6.1	6.2
SOUTH AMERICA	4.8	4.9	4.9	44.6	42.7	46.6	23.3	25.9	25.2
Argentina	-	-	-	26.9	24.9	27.0	2.4	3.8	3.1
Bolivia	-	-	-	1.3	1.4	1.5	0.2	0.2	0.1
Brazil	0.2	-	-	13.8	13.5	14.3	14.4	14.9	14.9
Chile	1.0	1.2	1.1	0.3	0.4	0.3	1.4	1.5	1.6
Paraguay	-	-	-	0.9	1.5	2.1	0.5	0.8	0.7
Peru	0.8	0.9	0.9	1.3	0.8	1.1	1.0	1.1	1.0
Venezuela	1.3	1.2	1.3	-	-	-	1.4	1.4	1.4
NORTH AMERICA	3.6	4.6	4.6	13.1	14.8	13.7	34.3	33.6	35.3
Canada	1.2	1.1	1.2	3.6	4.3	4.6	2.2	2.2	2.3
United States of America	2.4	3.6	3.4	9.5	10.5	9.1	32.1	31.4	33.0
EUROPE	31.5	29.8	32.0	6.0	6.9	7.5	61.9	59.8	62.5
European Union	28.8	26.3	28.0	1.3	1.3	1.3	54.3	51.9	52.6
Russian Federation	0.6	0.7	0.8	1.3	1.8	2.0	4.0	4.6	4.9
Ukraine	0.1	-	-	2.9	3.3	3.8	0.8	0.9	0.9
OCEANIA	2.3	2.5	2.6	0.2	0.2	0.3	2.9	3.2	3.3
Australia	0.7	0.8	0.8	0.1	0.1	0.1	1.3	1.5	1.5
WORLD	79.3	81.5	85.1	79.4	81.4	85.2	265.5	279.2	288.0
Developing countries	37.5	40.4	41.7	59.9	59.3	63.5	155.8	172.2	176.5
Developed countries	41.8	41.1	43.4	19.5	22.2	21.7	109.8	107.0	111.5
LIFDCs	13.1	13.4	14.1	11.5	12.8	12.9	98.7	109.3	113.2
LDCs	0.5	0.6	0.6	0.4	0.4	0.4	3.7	3.8	3.7

¹ Expressed in product weight; includes meals and cakes derived from oilcrops as well as fish meal and other meals from animal origin.

APPENDIX TABLE 24: SELECTED INTERNATIONAL PRICES FOR OILCROP PRODUCTS (USD/tonne)

Period	International prices (USD per tonne)					FAO indices (2002-2004=100)		
	Soybeans ¹	Soybean oil ²	Palm oil ³	Soybean cake ⁴	Rapeseed meal ⁵	Oilseeds	Vegetable oils	Oilcakes/ meals
Annual (Oct/Sept)								
2003/04	322	632	488	257	178	121	114	123
2004/05	275	545	419	212	130	104	103	101
2005/06	259	572	451	202	130	100	107	96
2006/07	335	772	684	264	184	129	150	128
2007/08	549	1 325	1 050	445	296	216	246	214
2008/09	422	826	627	385	196	157	146	179
2009/10	429	924	806	388	220	162	177	183
2010/11	549	1 308	1 147	418	279	214	259	200
2011/12	562	1 235	1 051	461	295	214	232	219
2012/13	563	1 099	835	539	345	213	193	255
Monthly								
2011 - October	502	1 216	995	378	243	194	224	181
2011 - November	491	1 228	1 054	353	224	191	235	170
2011 - December	476	1 163	1 026	346	227	185	228	166
2012 - January	500	1 223	1 062	371	234	193	235	177
2012 - February	512	1 245	1 100	385	255	199	241	184
2012 - March	542	1 283	1 152	426	287	209	247	203
2012 - April	575	1 308	1 182	474	335	221	253	226
2012 - May	570	1 210	1 081	492	330	217	233	234
2012 - June	570	1 187	996	503	315	216	219	239
2012 - July	660	1 234	1 010	584	353	245	224	275
2012 - August	682	1 254	994	619	365	253	224	291
2012 - September	669	1 276	960	604	374	251	221	285
2012 - October	617	1 183	844	555	359	234	202	261
2012 - November	595	1 148	816	539	378	226	196	255
2012 - December	603	1 153	772	553	396	229	191	261
2013 - January	591	1 192	838	512	367	226	200	245
2013 - February	597	1 164	862	513	381	228	202	246
2013 - March	588	1 117	853	503	367	224	197	241
2013 - April	559	1 099	841	521	300	214	194	247
2013 - May	498	1 077	849	527	404	192	194	254
2013 - June	523	1 036	858	551	321	198	193	261
2013 - July	514	997	838	568	304	191	187	267
2013 - August	514	995	824	564	277	190	182	263
2013 - September	554	1 028	823	557	291	204	184	261
2013 - October	544	989	866	555	318	202	188	262

¹ Soybeans: US, No.2 yellow, c.i.f. Rotterdam.

² Soybean oil: Dutch, fob ex-mill.

³ Palm oil: Crude, c.i.f. Northwest Europe.

⁴ Soybean cake: Pellets, 44/45 percent, Argentina, c.i.f. Rotterdam.

⁵ Rapeseed meal: 34 percent, Hamburg, f.o.b. ex-mill.

Note: The FAO indices are calculated using the Laspeyres formula; the weights used are the average export values of each commodity for the 2002-2004 period. The indices are based on the international prices of five selected seeds, ten selected vegetable oils and five selected cakes/meals.

Please note that in November 2013 some modifications have been introduced to the way the indices are calculated, the most significant one being the following changes in commodity coverage: the new oils index refers only to vegetable oils, i.e. fish oil and tallow have been removed; the new meals index only refers to soybean, sunflowerseed, rapeseed, copra and palmkernel meal, i.e. fishmeal and groundnut meal have been removed. The coverage of the oilseed index has remained unchanged. Except for the meal index, the changes introduced did not significantly alter the values of the series.

Sources: FAO and Oil World.