Market summaries

OILCROPS

SUMMARY: The 2016/17 season saw an easing in the global oilseeds and oilmeal supply and demand situation, while vegetable oil fundamentals remained relatively tight. Accordingly, during the recently ended October/September marketing year, international prices for oilseeds and oilmeals remained subdued, while those of oils/fats maintained their strength.

Preliminary forecasts for 2017/18 point to a broadly balanced global supply and demand situation, in both the oilseed and meal markets as well as in the oils/fats segment. Global oilseed production is forecast to match last season's record level, with small year-on-year contractions in soybean and sunflowerseed compensated by improvements in other oilcrops. While the global area of the seven major oilseeds is anticipated to expand further, average yields are expected to retreat to trend levels, following last season's unparalleled highs. For soybeans, individual countries' prospects are mixed, with year-on-year gains concentrated in the Northern Hemisphere, notably the United States, China and Canada, while, in South America, possible drops are looming in Brazil and Argentina.

World oils/fats production is forecast to expand moderately in 2017/18. Growth would be led by palm oil, with production in Southeast Asia reverting to average growth, after the last two seasons' El Niño-related swings. Global oils/fats utilization could grow less than last season, assuming moderate income growth in a number of countries and only limited expansion in demand from the biodiesel sector. International meal output, on the other hand, is forecast to remain flat, given the anticipated drop in soybean production. Based on current forecasts, global supplies of both meals and oils/fats would be adequate to meet global demand, thus allowing end-of-season stocks to remain at comfortable levels. World trade in oils/fats and meals/cakes is anticipated to keep expanding in 2017/18, albeit at a somewhat reduced pace compared with the previous season.

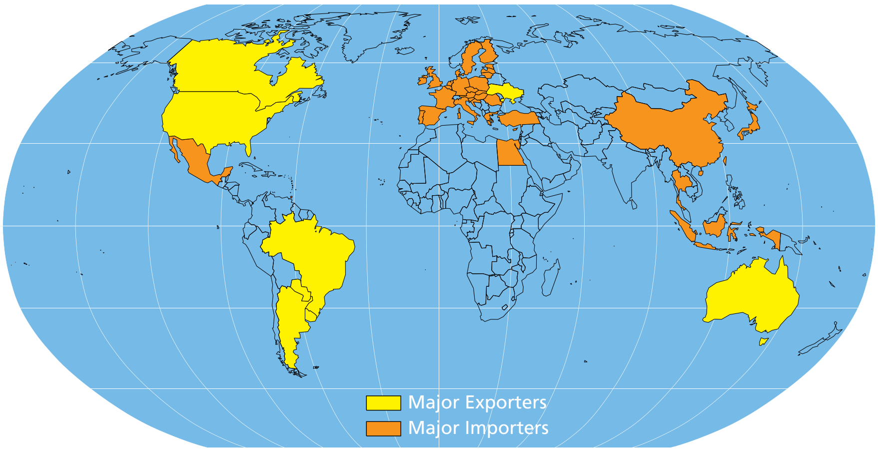
In the coming months, international prices of oilseeds, oils and meals will be influenced by changes in the production forecasts for soybeans in South America and palm oil in Southeast Asia. Uncertainties remain regarding the actual course of global oil and meal demand, including, in the case of oils/fats, the impact of recent policy changes concerning the biodiesel market.

Contact:

Peter.Thoenes@fao.org

OILCROPS, OILS AND MEALS [1]

Major Oilseed Exporters and Importers



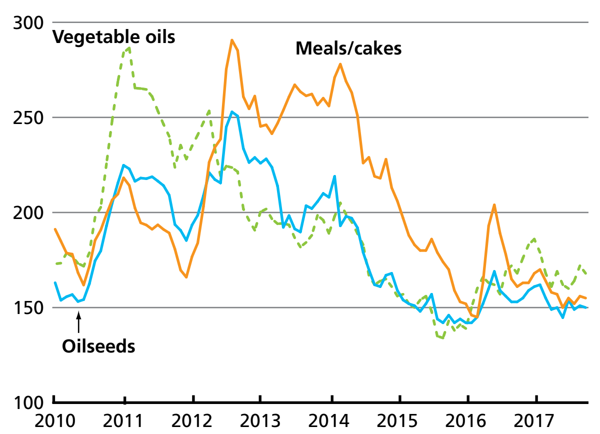
PRICES [2]

Current supply and demand forecasts point to steady prices

The 2016/17 season saw an easing in the global oilseeds and oilmeal supply and demand situation, while vegetable oil fundamentals remained relatively tight. Accordingly, during the recently ended season, international prices for oilseeds and oilmeals remained close to the previous season's subdued level, whereas oils/fats values maintained their strength – as reflected by FAO's price indices trailing the oilseed complex.

FAO's price index for oilseeds averaged 154 points 2016/17, close to the subdued level witnessed in 2015/16 and well below the 2011/12 peak. The index' course level primarily reflects developments in the soybean market that saw bumper soy crops from the world's two key suppliers, Brazil and the United States, concur with moderate growth in global demand – a situation that drove global soy inventories to unprecedented highs. Moreover, early forecasts for the forthcoming 2017/18 season pointed to another record-breaking soy crop in the Northern Hemisphere, raising the chances for a further expansion in world soybean supplies, hence adding to downward pressure on prices. FAO's price index for oilmeals, which primarily reflects soymeal values, followed the path of the

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 that 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. Production data for oils and meals are derived from domestic production of the relevant oilseeds in a specific year, i.e. they do not reflect the outcome of actual oilseed crushing in a given country and period. Regarding oilseed trade, situations where oilseeds are produced in one country but crushed in another one are reflected in national oil/meal consumption figures. It is important to note that data on trade in oils (meals) refer to the sum of trade in oils (meals) plus the oil (meal) equivalent of oilseeds traded. Similarly, stock figures for oils (meals) refer to the sum of oil (meal) stocks plus the oil (meal) equivalent of oilseed inventories.

[2] For details on prices and corresponding indices, see Statistical appendix table 23

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

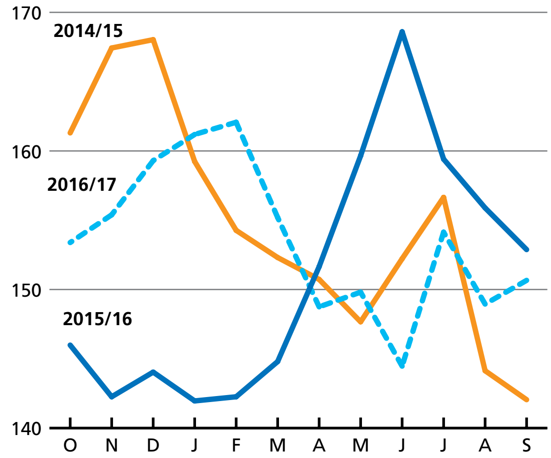


Figure 3. FAO monthly price index for oilmeals/cakes (2002-2004=100)

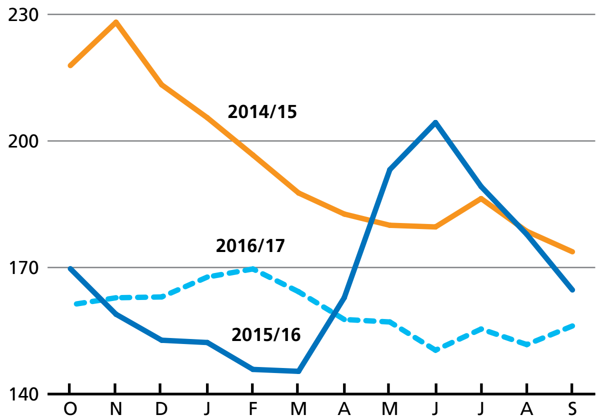


Figure 4. FAO monthly price index for vegetable oils (2002-2004=100)

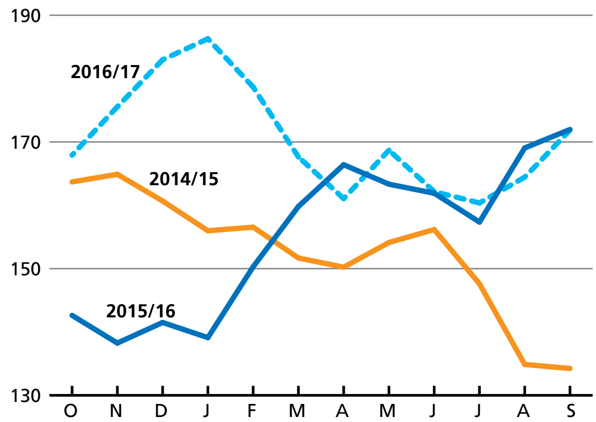
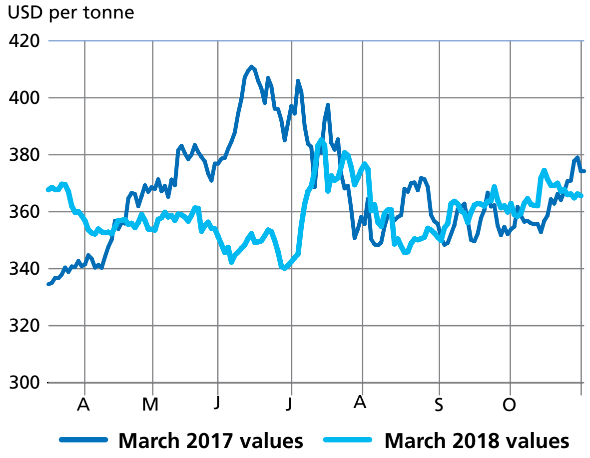


Figure 5. CBOT soybean futures for March



oilseeds index very closely, recording a slight fall compared with 2015/16. Besides spill-over weakness from soybeans, the softening in meal prices was driven by developments in two closely related markets. Firstly, in 2016/17, meal-rich soybeans were predominantly crushed for oil rather than meal, a situation that has led to burdensome soymeal supplies. Secondly, strong competition from competitively priced feedgrains weighed on oilmeal prices throughout 2016/17.

FAO's price index for vegetable oils averaged 171 points in 2016/17, up 16 points compared with 2015/16, though well below the peaks recorded earlier in the decade. The overall supply and demand balance of oils/fats remained relatively tight, especially during the first half of 2016/17, driving prices upward. International quotations for palm oil, the world's most consumed oil, climbed to two-and-a-half year highs, underpinned by a slower than anticipated recovery in palm oil production. This, combined with robust global import demand, slowed the replenishment of stocks in the world's top suppliers, Indonesia and Malaysia.

Preliminary forecasts for 2017/18 point to a broadly balanced global supply and demand situation in both the oilseed and meal market as well as in the oils segment. If confirmed, this would provide limited scope for marked upward or downward movements in prices. Stock-to-use ratios similar to those observed in the last two seasons and the convergence, during the last two to three months, of the current Chicago Board of Trade futures price for soybeans with that recorded last year seem to confirm this picture. In the coming months, international oilseed, oil and meal values will be influenced in particular by changes in the production forecasts for soybeans in South America and palm oil in Southeast Asia. Uncertainties

remain regarding the actual course of global oil and meal demand, including, in the case of oils/fats, the impact of recent policy changes concerning the market for biodiesel.

OILSEEDS

2017/18 production forecast marginally above last season's record level

After surging by 9 percent in 2016/17, global oilseed production is tentatively pegged at 586 million tonnes in 2017/18 – marginally above last season's level. Based on current forecasts, year-on-year contractions in global soybean and sunflowerseed production would be offset by sizeable gains in cottonseed and, to a lesser extent, groundnut, rapeseed and palmkernel.

Global 2017/18 soybean production is forecast at 346 million tonnes — 1 percent below last season's all-time high, but still the second largest output on record. The anticipated drop would stem from a return to trend yields, after near optimal weather propelled yields to record-highs last season. Global plantings, on the other hand, are projected to expand by about 4 percent. In the Northern Hemisphere, where harvests are about to near completion, production is pegged at record or near-record levels in all key producing countries except India. In the **United States**, the world's leading soybean producer, latest estimates peg production at an unprecedented 121 million tonnes. The increase would mainly originate from record-high soy plantings (as farmers trimmed wheat and coarse grains acreage), while yields would retreat from last season's peak. In **China**, production is anticipated to rise for the second consecutive year. The reversal from the prior, downward trend was supported by reforms of China's maize policy regime, with lower support payments for maize enticing farmers to shift to alternative crops, in particular soybeans. A record-breaking harvest is also reported from **Canada**, where farmers raised soy plantings on the back of attractive prices. In **India**, by contrast, production is poised to drop sharply, following a sizeable contraction in area sown and less favourable weather conditions than last year. In South America, where sowings of the 2017/18 crop are now underway, aggregate output is anticipated to drop by almost 5 percent from last season's record level on expectations of only modest gains in plantings and a return to trend yields, assuming average weather conditions. Based on these forecasts, **Brazil**'s output could retreat by 6 percent, albeit the country would still harvest the second-largest crop on record. On the other hand, in **Argentina**, area planted could decline further, influenced by crop rotation requirements and government policies favouring competing crops as well as poor weather, which, together, could drive production to a four-year low.

Table 1. World production of major oilcrops

	2015/16	2016/17 *estim.*	2017/18 *f'cast*	Change 2017/18 over 2016/17
		million tonnes		%
Soybeans	314.7	348.7	346.4	-0.7
Rapeseed	69.9	71.4	72.1	1.0
Cottonseed	37.7	39.8	42.5	6.8
Groundnuts (unshelled)	37.9	40.7	41.7	2.5
Sunflower seed	43.2	49.1	48.4	-1.4
Palm kernels	14.6	16.2	17.1	5.5
Copra	5.2	5.3	5.8	9.4
Total	**523.2**	**571.3**	**574.1**	**0.5**

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.

Global rapeseed production is currently forecast to exceed last season's all-time high by a small margin. While global area planted would be close to record levels, average yields could trail behind last season's top level, thus limiting production gains. The anticipated production rise would stem from larger crops in the **EU** and **CIS** countries, reflecting yield improvements in the case of the EU and the Russian Federation, and higher plantings in Ukraine. Meanwhile, in **Canada**, plantings surged but yields remained low, keeping production about unchanged. By contrast, production is forecast to fall in **India** and **China**, where farmers have cut plantings in response to, respectively, low domestic prices and the termination of public support programmes. In **Australia**, production is expected to drop sharply, following unfavourable weather.

Global sunflowerseed production is projected to trail behind last season's record. Based on current forecasts, sizeable contractions in the **CIS** and the **United States** would be partly offset by gains in the **EU**, **Argentina** and **Turkey**. Meanwhile, global cottonseed production is set to expand under the lead of the **United States**, **Pakistan** and **India**, underpinned by higher plantings. Also global groundnut production could grow, boosted by top yields, with production gains in the **United States** and **China** expected to more than offsett losses in **India**.

OILS AND FATS [3]

2017/18 oils/fats production to grow less than last season

FAO's current 2017/18 crop forecasts translate into a further, albeit modest, expansion in global oils/fats production to 226.5 million tonnes, as opposed to last season, when global output increased sharply due to palm oil's recovery from the 2015 El Niño episode.

As for individual oils, in 2017/18, further growth in palm oil production and, to a lesser extent, rape, cottonseed and lauric oils, would compensate a fall in soybean and sunflowerseed oil. Global palm oil production is expected to revert to an average growth pace. In **Indonesia**, palm oil production would keep expanding, allowing the country to consolidate its position as the world's leading producer. By contrast, **Malaysia**'s output is pegged only marginally above the country's 2014/15 record, as growth continues to be affected by slow expansion in mature area and limited productivity gains, partly stemming from a protracted shortage in plantation workers.

Global oils/fats supplies in 2017/18, which comprise 2017/18 production and 2016/17 carry-out stocks, are forecast to outstrip last season's level by 2–3 percent, with last year's rise in global inventories contributing to this season's supply growth.

Supply improvements will be concentrated in **Indonesia**, **Malaysia**, the **United States** and the **EU**, mostly reflecting good crops. Conversely, domestic availabilities are projected to expand only scantily in **Argentina**, **Canada** and **China**, and to drop compared with last season in **Australia**, **Brazil**, the **CIS** and **India**, due to either poor harvests or reduced carry-in stocks.

Global oils/fats utilization set to keep expanding

World consumption of oils/fats in 2017/18 is pegged at 226 million tonnes, implying a year-on-year growth of about 3 percent, slightly less than in the past three seasons.

With regard to individual oils, soy and palm oil are expected to lead consumption growth, supported by ample supplies and by price discounts relative to other vegetable oils. The two oils' joint share in total consumption is set to increase further, reaching 57 percent. Moderate consumption improvements are expected for the other oils/fats, except for rapeseed oil, which could fall on the back of reduced 2016/17 carry-out stocks.

[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 – includes palm oil, marine oils as well as animal fats.

While population and economic growth remain the key drivers behind the rising uptake of oils/fats for food and other traditional uses, especially in Asia, subdued economic growth in a number of countries, together with limited growth in oils/fats demand by the biodiesel industry could temper growth in oils/fats consumption in 2017/18. Biodiesel production and, with it, oils/fats uptake would depend primarily on mandatory national consumption targets, which are anticipated to remain unchanged in most countries, except for **Brazil** and the **United States**, where higher consumption targets are set to be introduced in 2018. Meanwhile, demand for feedstock other than vegetable oil – especially used cooking oil – continues to gain ground in several countries, aided by policy incentives.

Table 2. World oilcrops and product market at a glance

	2015/16	2016/17 *estim.*	2017/18 *f'cast*	Change: 2017/18 over 2016/17
		million tonnes		%
TOTAL OILCROPS				
Production	534.8	582.6	585.7	0.5
OILS AND FATS [1]				
Production	206.1	223.3	226.5	1.4
Supply [2]	244.9	257.7	263.5	2.2
Utilization [3]	212.1	219.8	226.0	2.8
Trade [4]	115.1	122.8	125.3	2.1
Global stock-to-use ratio (%)	*16.2*	*16.8*	*16.6*	
Major exporters stock-to-disappearance ratio (%) [5]	*10.0*	*10.5*	*10.8*	
MEALS AND CAKES [6]				
Production	137.8	151.5	150.8	-0.4
Supply [2]	163.9	176.6	179.2	1.5
Utilization [3]	139.2	145.6	150.4	3.3
Trade [4]	90.3	96.2	99.0	2.9
Global stock-to-use ratio (%)	*25.1*	*28.3*	*28.6*	
Major exporters stock-to-disappearance ratio (%) [7]	*11.1*	*13.0*	*12.1*	
FAO PRICE INDICES (Oct-Sept) (2002-2004=100)	**2014/15**	**2015/16**	**2016/17**	**Change: Oct-Sept 2016/17 over Oct-Sept 2015/16 %**
Oilseeds	155	151	154	1.8
Oilmeals/cakes	194	168	160	-5.0
Vegetable oils	153	155	171	10.0

Note: Refer to footnote 1 on page 40 for overall definitions and methodology.
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.
5 Major exporters include Argentina, Brazil, Canada, Indonesia, Malaysia, Ukraine 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, the Russian Federation, Ukraine, Uruguay and the United States.

Figure 6. Global production and utilization of oils/fats

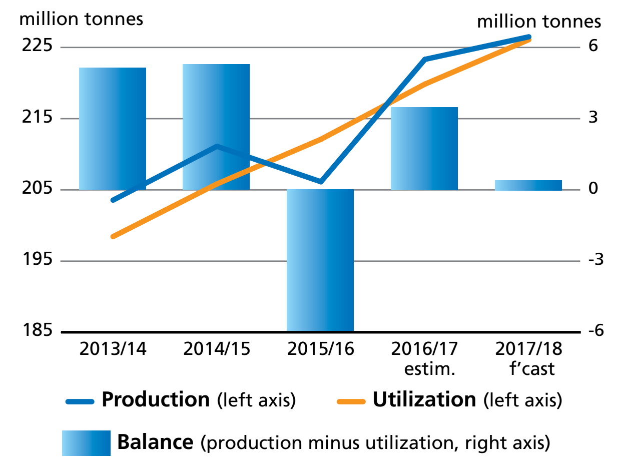
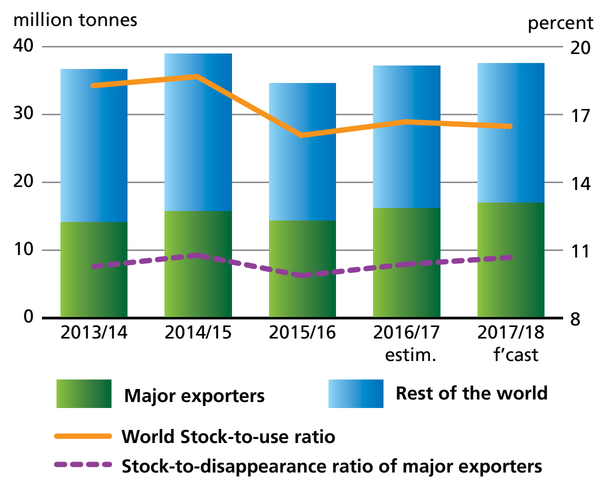


Figure 7. World stocks and ratios of oils/fats (including the oil contained in seeds stored)



Furthermore, discretionary blending of transport fuels with biodiesel is anticipated to remain negligible, as its profitability continues to be eroded by persistently high price premiums of vegetable oils relative to crude mineral oils.

Developing nations in Asia are anticipated to continue driving growth in global oils/fats uptake. While average or above-average growth is anticipated in **China**, **Indonesia**, **Malaysia** and **Pakistan**, a slowdown is possible in **India**, given the projected drop in local supplies. In the United States, Brazil, the EU and Argentina, changes in biodiesel policies could affect oils/fats demand. In the **United States** and **Brazil**, biodiesel production and, with it, oils/fats uptake could expand as higher domestic consumption targets are introduced. Furthermore, the United States recently restricted biodiesel imports from its main foreign supplier, **Argentina**, a measure that, in turn, could hit Argentina's biodiesel production. By contrast, the **EU**'s recent decision to lift its import barriers on Argentine biodiesel could weigh on the bloc's biodiesel production, as local refiners are affected by competitively priced imports.

Global oils/fats inventories to remain ample in 2017/18

In 2017/18, overall production is forecast to essentially match global utilization. Accordingly, global inventories – including the oil contained in stored oilseeds – would remain close to last season's above-average level. Commodity-wise, palm oil stocks are projected to rise (although inventories would remain below the level observed before El Niño hit production) and more than offset drops in soyoil inventories. As for the other oils, reserves of groundnut oil could climb to record levels while sunflower oil inventories may drop, mirroring the respective crop outturns. Among main stock-holding countries, sizeable draw-downs in inventories are forecast for **India**, **Brazil** and **Argentina** due to reduced harvests and, in Argentina's case, also in order to support exports. By contrast, noticeable stock replenishments are expected in **Indonesia**, **Malaysia**, the **United States** and the **EU**.

While the above forecasts would lead to a fractional drop in the global stock-to-use ratio in 2017/18, the stock-to-disappearance ratio for the major exporting countries[4] would inch up, hence remaining at near-record levels.

Growth in oils/fats transactions to slowdown in 2017/18

Global trade in oils/fats – including the oil contained in traded oilseeds – is forecast to expand less strongly than last season, when a rebound in palm oil shipments propelled global transactions upward. Palm and soybean oil, the two most traded oils, would lead the year-on-year expansion in global trade, backed by production gains in palm and record-large opening stocks in soy. On the other hand, sunflower and rapeseed oil shipments could fall on reduced national availabilities. Aided by its more competitive price, palm oil should be able to regain market share lost to other oils, especially soyoil, in the last two seasons.

On the import side, demand growth will remain concentrated in developing countries in Asia, led by **China** and **India**, reflecting relatively slow growth in domestic supplies. In India, imports would rise despite recent hikes in the country's import tariffs, as steady population and

[4] Argentina, Brazil, Canada, Indonesia, Malaysia, Ukraine and the United States.

Figure 8. Oils/fats imports by region or major country (including the oil contained in seed imports)

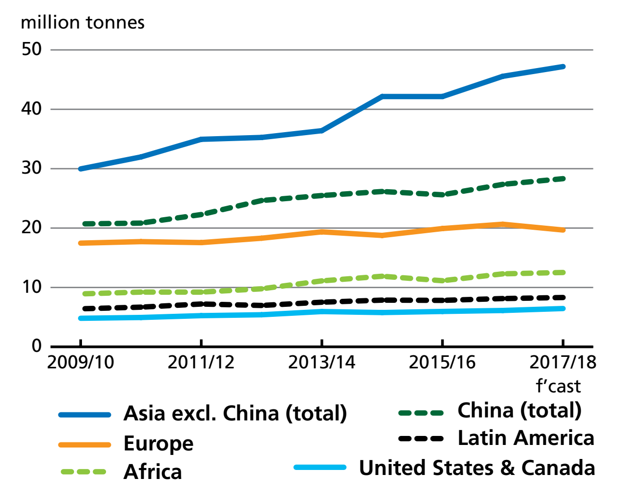
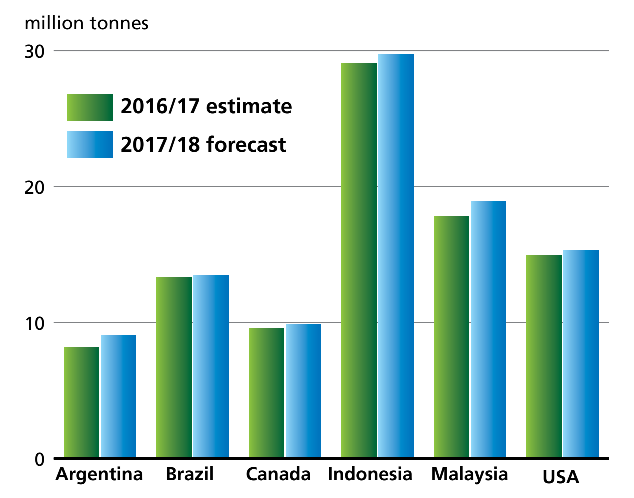


Figure 9. Oils/fats exports by major exporters (including the oil contained in seed exports)



income growth underpin food demand. Among developed countries, net purchases by the **EU** are forecast to drop by almost 1 million tonnes on account of improved domestic availabilities.

Global export growth would rest primarily on record sales of palm oil by **Indonesia** and a marked rebound in shipments from **Malaysia**. Modest increases in deliveries are also expected in **Argentina**, **Brazil**, the **United States** and **Canada**, in part entailing inventory drawdowns. In Argentina, the rise in exportable supplies would also stem from possible cuts in domestic biodiesel production. On the other hand, export contractions are expected in **Ukraine** and **Australia**, reflecting prospective declines in oils/fats production.

MEALS AND CAKES [5]

Global meal production to remain flat in 2017/18

Based on current crop forecasts, 2017/18 global meal production is pegged at 151 million tonnes (expressed in protein equivalent), which would be fractionally below last season's all-time record. Contractions in soymeal and, to a lesser extent, sunflower meal, would be offset by rises in other meals/cakes.

Notwithstanding the portended stagnation in production, global oilmeal supplies would grow by 1 to 2 percent, reflecting a conspicuous rise in carry-in stocks. The most sizeable supply gain would occur in the **United States**, the world's leading meal supplier. Underpinned by record-large opening stocks and another bumper crop, US supplies are set to swell to an unprecedented 47 million tonnes (expressed in protein equivalent), marking the fifth consecutive year-on-year growth. Following good crop outturns, moderate expansions are also expected in **China**, the world's top consumer, **Canada** and the **EU**. Conversely, availabilities could contract in **India**, **Brazil**, **Ukraine** and **Australia**, mirroring drops in domestic output. **Argentina**'s supplies are forecast to decrease only marginally, as ample carry-in stocks would compensate prospective production drops.

Meal consumption set to expand further in 2017/18

Tentatively pegged at 150 million tonnes (expressed in protein equivalent), global consumption would expand further in 2017/18, albeit at a lower rate than last season. In many countries, livestock and aquaculture industries are expected to continue expanding, with a parallel expansion in oilmeal uptake. However, global meat production could grow at a reduced pace, which, combined with record-large supplies of competitively priced feed grains, could weigh on growth in meal utilization.

As in previous years, prospective utilization growth would be mainly covered by soybean meal, with smaller gains also forecast for cottonseed, rapeseed and groundnut meal. Developing countries in Asia – led by China – should remain the main engine of overall growth. However, in **China**, the world's largest meal consumer, uptake by feed millers could grow less than last season, when domestic soymeal consumption received a boost from the government's decision to restrict imports of DDGs (distiller's

[5] This section refers to meals from all origins; in addition to products derived from the oil crops discussed under the section on oilseeds, also fishmeal and meals of animal origin are included.

Figure 10. Global production and utilization of meals/cakes (in protein equivalent)

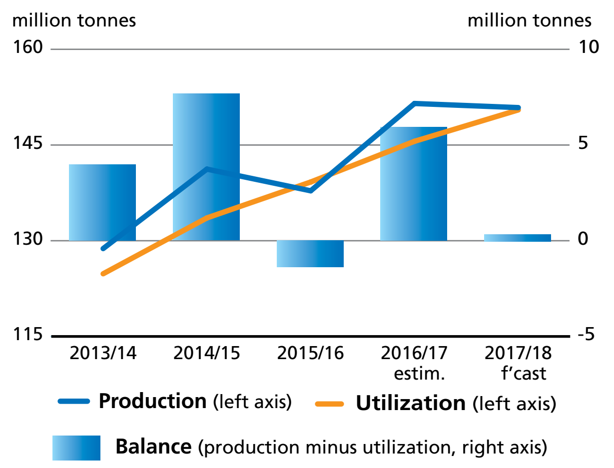
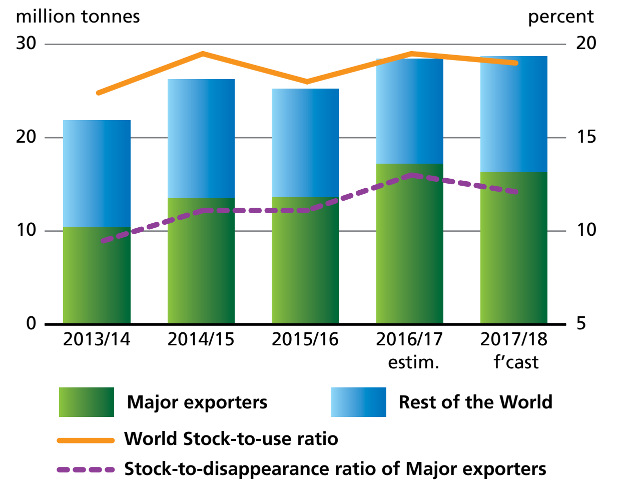


Figure 11. World stocks and ratios of meals/cakes (in protein equivalent and including the meal contained in seeds stored)



dried grains). Domestic meal demand could also be trimmed by sluggish growth in the country's pig and poultry sectors, where oilmeal use is concentrated. Elsewhere in Asia, consumption is anticipated to rise at about average rates, including in **India**, **Indonesia**, the **Islamic Republic of Iran**, **Pakistan**, the **Philippines**, **Thailand**, **Viet Nam** and **Turkey**.

In the **EU** and the **United States**, the world's second and third largest consumers, meal consumption is forecast to expand further, sustained by ample domestic supplies. In **Brazil**, the prospective drop in domestic supplies could constrain meal uptake.

Global meal inventories to remain about unchanged

Based on current forecasts, in 2017/18, global meal output would essentially match consumption, as opposed to last season, when production outstripped demand, triggering a sizeable rise in inventories. Therefore, in the current season, global oilmeal stocks (including the meal contained in stored seeds) are forecast to remain close to last season's record level, including stable reserves of soymeal, the world's dominant meal.

In **Brazil** and **Argentina**, sizeable stock drawdowns could be required to make up for poor domestic supplies as well as to support higher exports. The above reductions would be offset by additional replenishments in the **United States** where, boosted by another bumper soybean crop, carry-out stocks are forecast to climb to an 11-year high. In **China**, where inventories have fallen in the last two years, in part aided by government efforts to cut state reserves, inventories could expand again, given the prospective rebound in local soybean production and further increases in imports.

Based on the above forecasts, both the global stock-to-use ratio and the stock-to-disappearance ratio for the major exporting countries[6] would drop only slightly from last season's high level.

Expansion in global meal transactions could slow down

International meal trade (including the meal contained in traded oilseeds) is forecast to grow at a below-average pace in 2017/18. As in previous years, soybean meal would continue to drive growth. Sustained by record-high supplies and, hence, competitive prices, soymeal transaction would rise for the tenth consecutive year. Trade in all other meals/cakes would advance marginally, except for global sunflower meal shipments, which could contract following this season's reduced crops.

With regard to imports, Asian countries would continue to dominate demand. In contrast to past years, **China** could account for only around one-third of Asia's anticipated import expansion, with purchases by the world's top importer forecast to rise by only 2 percent. Factors contributing to such below-average growth include the anticipated rebound in local soy production, relatively weak growth in domestic meal demand, the continued release of state reserves, and a marked acceleration of imports in the final stretch of the 2016/17 marketing season. Elsewhere in Asia, steady growth in import demand is expected,

[6] Argentina, Brazil, Canada, India, Indonesia, Malaysia, Paraguay, the Russian Federation, Ukraine, the United States and Uruguay.

Figure 12. Meal/cake imports by region or major country (in protein equivalent and including the meal contained in seed imports)

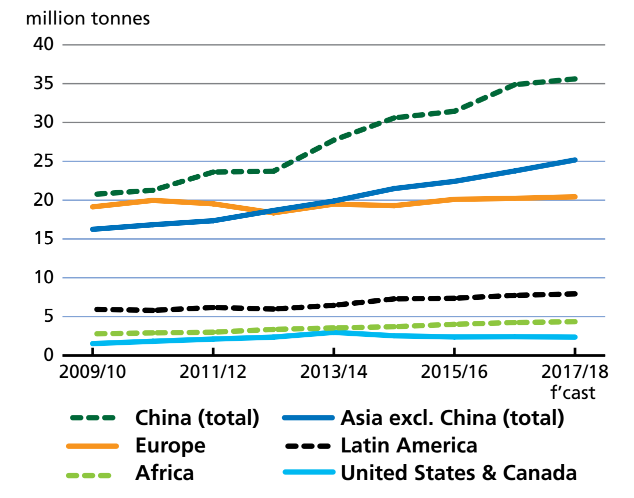
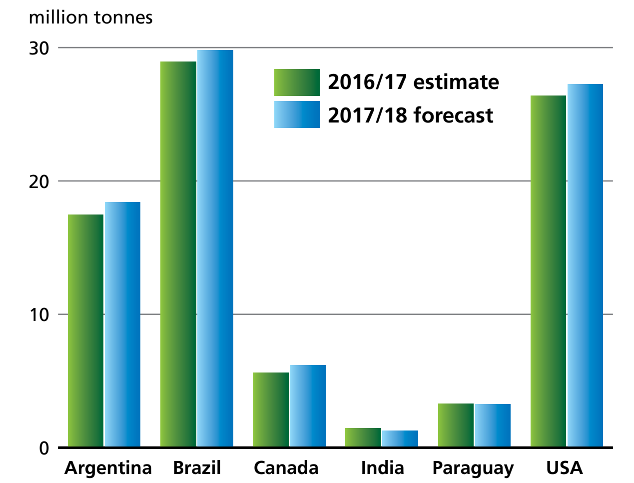


Figure 13. Meal/cake exports by major exporters (in protein equivalent and including the meal contained in seed exports)



especially in **Thailand**, **Pakistan**, the **Republic of Korea**, the **Philippines** and **Viet Nam**. As for developed countries, in the **EU**, the world's second largest buyer, imports would record only a small increase, as domestic supply gains would help meet local requirements.

Export growth is expected to concentrate in the United States, Canada and, providing current production forecasts materialize, also in Brazil and Argentina – the world's four largest suppliers. Compared with last season, sales by the **United States** and **Canada** are projected to expand by, respectively, 2.0 million tonnes and 1.2 million tonnes (expressed in product weight and including the meal contained in seed shipments), supported by bumper crops as well as, in the case of the United States, largest-ever opening stocks. South America's export expansion is pegged at 4.2 million tonnes, divided about equally between **Argentina** and **Brazil**. In both countries, the rise in shipments would rest on the release of domestic stocks. Similar to last season, Brazil, the United States and Argentina, the world's top three suppliers of soybean meal, can be expected to strongly compete for market share. With regard to other suppliers, deliveries by **Paraguay**, **Uruguay** and the **Russian Federation** could remain about unchanged, whereas the contraction in sales forecast for **India**, **Ukraine** and **Australia** mainly reflects poor domestic crops. In the case of India, soy processors continue to face difficulties in exporting soymeal at internationally competitive prices.

OILCROPS: MAJOR POLICY DEVELOPMENTS MID-MAY TO MID-OCTOBER 2017*

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
Argentina	Agricultural Policy	May-17	Soybeans	Set the level of subsidies provided to soybean farmers in the country's disadvantaged northern regions at ARS 290 per tonne.
	Seed policy	Jun-17	Agricultural crops	Urged farmers to declare the quantity and origin of seeds kept on-farm for planting, so as to ensure full transparency in the domestic seed market and facilitate the collection of royalties by seed producers.
	Biofuel policy	June-17 to Oct-17	Biodiesel	Temporarily suspended the country's export duty on biodiesel, with a view to improve the competitiveness of Argentine biodiesel on the world market.
Australia/ European Union	Free trade agreement	May-17	Rapeseed	Conducted a joint scoping exercise on a future free trade agreement between Australia and the European Union, which could facilitate exports of Australian rapeseed to the EU.
Australia	GMO policy	Jun-17	Rapeseed	Issued a parliamentary petition calling for compensation of farmers when GM-rapeseed contamination causes them to lose their GM-free or organic certification.
Bolivia	Export policy	May-17	Soybeans	Raised annual soybean export quota, in a bid to promote foreign sales while continuing to guarantee that domestic consumption requirements are met.
Brazil	Pest control	May-17	Soybeans	Set up a working group with counterparts from Paraguay and Bolivia to develop joint programmes on controlling the spread of Asian soybean rust in South America.
Brazil/China	Bilateral cooperation	May-17	Soybeans	Set up a Brazilian-Chinese investment fund for infrastructure projects, with a view to allow China to invest in Brazilian railroad, highway and port ventures that would lower the cost of shipping raw agricultural products such as soybeans to China.
Brazil	Agricultural Policy	Jun-17	Agricultural crops	Presented the agricultural support programme for 2017/18 that grants increased loans for commercial farming (focusing on investments in on-farm stock-holding facilities and improved production technologies) and raises public outlays for crop insurance subsidies.
	Pest control	Jul-17	Soybeans	Envisaged to extend an annual soybean-free period to the State of Mato Grosso do Sul. This is meant to help control the spread of Asian soybean rust from one growing season to the next.
	Transport infrastructure	Aug-17	Soybeans, grains	Allocated funds for upgrading the last unpaved stretch of highway BR163, the key artery linking the State of Mato Grosso to Brazil's newly opened ports on the north-Atlantic coast.
	Biofuel policy	Sep-17	Biodiesel	Considered raising mandatory blending of biodiesel into regular transport diesel from 8 percent to 10 percent in March 2018, one year earlier than originally planned.
Canada	Feed standards	May-17	Camelina oil	Approved the use of mechanically extracted camelina oil as a feed ingredient for farmed fish.
	GMO policy	May-17	GM food	Rejected a draft parliamentary bill calling for mandatory labelling of genetically modified foods.
	Health policy	May-17	Hydrogenated vegetable oils	Announced plans to prohibit the use of partially hydrogenated oils by summer 2018, in a bid to reduce the population's trans-fat intake to the lowest level possible.
	Sector development measures	May-17	Rapeseed	Set up a public-private research partnership to develop advanced high-yielding rapeseed varieties, with a view to uphold the competitiveness of the country's rapeseed sector.
	Market regulation	May-17	Grains and oilseeds	Planned extending, beyond its expiry date of 1 August 2017, a temporary revenue cap on rail transports of grains and oilseeds from Canada's Western regions to the country's main ports.
	Pesticide regulation	Sep-17	Insecticide 'Matador'	Proposed, based on safety concerns, the complete phase-out of Matador, an insecticide widely used in rapeseed cultivation.
	Health policy	Sep-17	Hydrogenated vegetable oils	Confirmed a country-wide ban on partially hydrogenated oils. With entry into force in September 2018, the ban will include imported products and foods prepared and served in restaurants.
Canada/European Union	Free trade agreement	Sep-17	Rapeseed oil	Announced the provisional implementation, from 21 September 2017, of the Comprehensive Economic Trade Agreement (CETA), which entails the elimination of the EU's tariffs on Canadian rapeseed oil imports.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
China	Agricultural Policy	May-17	All crops	Planned introducing new agricultural insurance programmes in selected counties to compensate farmers for crop losses resulting from natural disasters.
	Food standards	May-17	Edible oilmeals	Announced that a new safety standard for edible oilmeals would come into force on 23 June 2017.
	Agricultural Policy	May-17	Arable crops	Issued guidelines concerning the future distribution of arable land as part of the country's national food security strategy, with a view to optimize the country's agricultural production pattern, while making agricultural support programmes more effective.
China/Brazil	Bilateral cooperation	May-17	Soybeans	Set up a Brazilian-Chinese investment fund for infrastructure projects, with a view to allow China to invest in Brazilian railroad, highway and port ventures that would lower the cost of shipping raw agricultural products such as soybeans to China.
China/Indonesia	Bilateral cooperation	Jun-17	Biodiesel	Conducted bilateral talks to explore the possibility of i) Indonesia assisting China in its efforts to raise domestic biodiesel consumption, and ii) China investing in Indonesia's downstream palm oil processing sector.
China	Import policy	Jun-17	GM rapeseed, soybean	Renewed import approvals for 14 GMO crops (including three rapeseed and four soybean varieties) and approved two new GMO crops (including a new soybean variety), under broader efforts to promote economic and trade ties with the United States.
	Agricultural Policy	Jun-17	Soybeans	Announced an increase in public outlays for farmer subsidy payments meant to encourage crop rotation, notably between maize and soybeans.
	Import policy	Aug-17	Soybean oil	Agreed to resume imports of soybean oil from Argentina, as part of comprehensive bilateral talks on balancing trade between the two countries.
	Import policy	Sep-17	Vegetable oil	Granted a two-year transitional period – until 30 September 2019 – for the implementation of new food import regulations requiring importers of bulk vegetable oils to review relevant health certificates and conduct on-site inspections of foreign establishments from which products are sourced.
	Public stock policy	Sep-17	Soybeans	Resumed sales of old-crop soybeans from state reserves.
	Agricultural policy	Sep-17	Soybeans	Set subsidy payments granted to soybean producers in Heilongjiang Province for the 2016/17 season at CNY 118.58 per mu (USD 267 per ha).
China/Ukraine	Trade standards	Sep-17	Sunflowerseed cake	Agreed on sanitary and biosafety protocols regulating imports of Ukrainian sunflowerseed cake into China.
China	Agricultural policy	Oct-17	Maize, soybeans	Lowered subsidy payments provided to maize growers in an effort to curb national maize production and eventually cut domestic stocks, simultaneously encouraging farmers to plant alternative crops, including soybeans.
	Public stock policy	Oct-17	Soybeans, maize	Suspended, from end October 2017, public auctions of old-crop maize and soybeans from state reserves, with a view not to interfere with the marketing of the new 2017/18 crop.
European Union	Pesticide regulation	May-17	Neonicotinoid-based insecticides	Considered converting the EU's temporary moratorium on neonicotinoid-based insecticides (which used to be widely employed in rapeseed cultivation) into a permanent ban.
European Union/ Australia	Free trade agreement	May-17	Rapeseed	Conducted a joint scoping exercise on a future free trade agreement between Australia and the EU, which could facilitate exports of Australian rapeseed to the EU.
European Union	Sector development measures	Jul-17	Soybeans	Launched an EU-wide initiative promoting the production of non-GM soybeans and other legume crops for food and feed. The programme is meant to contribute to the development of more sustainable and resilient agricultural systems, while taking into account growing demand for GM-free foods and possibly curbing the EU's dependence on imported soybeans.
	Import policy (anti-dumping duties)	Sep-17	Biodiesel	Lowered, effective 19 September 2017, the EU's anti-dumping duties on biodiesel imports from Argentina from 22.0–25.7 percent to 4.5–8.1 percent.
	Pesticide regulation	Sep-17	Herbicide 'Glyphosate'	Postponed the decision on the proposed 10-year renewal of the license for glyphosate-based herbicides, which are widely used in oilseed cultivation.
European Union/ Canada	Free trade agreement	Sep-17	Rapeseed oil	Announced the provisional implementation, from 21 September 2017, of the Comprehensive Economic Trade Agreement (CETA), which entails the elimination of the EU's tariffs on Canadian rapeseed oil imports.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
France	Environmental policy	Jul-17	Palm oil	Considered introduction of measures restricting the use of palm oil in biofuels, based on the alleged prevalence of unsustainable production methods in countries of origin.
Germany	Sector development measures	Jul-17	Coconut palm	Supported a public-private initiative aimed at enhancing the production of coconut oil in selected regions of the Philippines and Indonesia, focusing on the establishment of certified sustainable coconut supply chains.
Ghana	Sector development measures	Sep-17	Palm oil	Contracted the national association of small-scale palm oil producers to supply palm oil to schools for cooking oil use, as part of the government's free education programme.
India	Sector development measures	May-17	Oil palm	Stepped up efforts to promote oil palm cultivation across the country, in a bid to reduce reliance on imported edible oils. Measures included granting oil palm plantations access to public support programmes.
	Sector development measures	May-17	Oil palm	Expanded the distribution of subsidized palm seedlings in the State of Telangana, with a view to promote the establishment of oil palm plantations.
	Agricultural policy	Jun-17	Farm loans	Announced agreement by the States of Maharashtra, Punjab and Uttar Pradesh to partially waive farm loans to address growing rural distress caused by low crop prices, as last year's record harvest led to burdensome food grain supplies.
	Agricultural policy	Jun-17	Agricultural input prices	Urged private companies to lower the prices of pesticides, seeds and other agricultural inputs to support public initiatives taken to assist farmers affected by low crop prices.
	Agricultural policy	Jun-17	Kharif oilcrops	Raised the minimum support prices for Kharif oilcrops, with a view to protect farmers from fresh price declines and to prevent a shift in plantings away from soybeans and other oilseeds to competing crops.
	Food standards	Jul-17	Vegetable oils	Invited public comments on proposed regulatory amendments concerning i) the removal of test requirements for blended edible vegetable oils, and ii) provisions regulating the sale of hydrogenated vegetable oils/fats.
	Food standards	Jul-17	Oils and fats	Confirmed that a revised standard for edible oils and fats would come into force on 1 July 2017, including a redefinition of inter-esterified vegetable fat and new rules regarding the use of food grade enzymes in oil refining processes.
	Food standards	Jul-17	Food product labels	Postponed to 30 September 2017 the compliance date for mandatory declaration of trans-fat and saturated fat content on food product labels, with a view to allow manufacturers to utilize existing stocks of packaging material.
	Public procurement	Aug-17	Oilseeds, pulses	Announced the launch of an electronic platform for countrywide procurement of oilseeds and pulses, with a view to help growers obtain more remunerative prices, while also containing consumer prices.
	Import policy	Aug-17	Vegetable oils	Raised import duties on selected crude and refined oils with a view to protect local farmers and oil processors from low-priced imports and thereby encourage domestic oilseed production and refining.
	Price support	Aug-17	Oilseeds, pulses	Announced the launch of a nationwide scheme to compensate farmers for distress sales at prices below the official minimum support prices. The scheme would only apply to oilseeds and pulses, where physical procurement by public entities tends to be limited.
	Sector development measures	Sep-17	Coconut palm	Granted financial support to 30 projects promoting development of the coconut sector in five different states, focusing on research initiatives and projects on processing and product diversification.
	Sector development measures	Sep-17	Coconut palm	Announced a 10-year plan to foster the development of coconut production in the State of Kerala, and considered setting up a committee to coordinate coconut-related activities of central and state-level agencies.
	GMO policy	Sep-17	GM oilseeds	Postponed a decision on the commercial release of GM oilseeds, notably of a locally developed mustard seed variety, stating that more time was required to examine newly released expert studies on the subject.
	Public procurement	Oct-17	Groundnuts, soybeans	Initiated public procurement of i) groundnuts in the State of Gujarat, and ii) soybeans and groundnuts in the State of Rajasthan.
Indonesia	Public procurement	May-17	Soybeans	Released public funds for the procurement – on either the domestic or import market – of rice, soybeans and sugar, with the aim of stabilizing domestic consumer prices.
	Environmental policy	May-17 / July-17	Oil palm	Approved a two-year extension (until May 2019) of a moratorium on issuing new licenses for the use of land designated as primary forest and peatland, thereby curbing plantation development in the oil palm wood and paper sectors. Subsequently proposed to turn the temporary moratorium into a permanent ban.
	Export policy	June-17 to Oct-17	Palm oil	Left in place the country's sliding export tax regime for palm oil, which is aimed at protecting the interests of domestic producers and consumers.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
Indonesia/China	Bilateral cooperation	Jun-17	Biodiesel	Conducted bilateral talks to explore the possibility of i) Indonesia assisting China in its efforts to raise domestic biodiesel consumption, and ii) China investing in Indonesia's downstream palm oil processing sector.
Indonesia/Nigeria	Bilateral cooperation	Jun-17	Oil palm	Jointly explored possibilities for Indonesia to collaborate in the development of Nigeria's palm oil industry. Furthermore, Indonesia encouraged Nigeria to join the Council of Palm Oil Producing Countries, a body set up by Indonesia and Malaysia to promote price stabilization and sustainable palm oil production.
	Bilateral cooperation	Jul-17	Palm oil	Initiated talks with Nigerian counterparts to relax restrictions on imports of Indonesian crude palm oil into Nigeria.
Indonesia	Export promotion	Jul-17	Palm oil	Promoted business between Indonesia and Viet Nam, aiming at, inter alia, increased shipments of Indonesian palm oil to the Vietnamese market.
Indonesia/ Malaysia	Bilateral cooperation	Jul-17	Palm oil	Announced that Malaysia and Indonesia would consider a joint challenge at WTO level of any measure the EU might take to restrict palm oil imports on sustainability grounds.
Indonesia	Sector development measures	Aug-17	Oil palm	Released a long-term nationwide oil palm replanting plan involving up to 4.7 million ha, with a view to boost productivity in the sector.
Indonesia/ Malaysia	Bilateral cooperation	Aug-17	Palm oil	Agreed to jointly explore the possibility of i) supplying China, India and other countries with palm oil for their nascent biodiesel industries, and ii) conducting joint campaigns in key import markets to publicize palm oil's environmental credentials.
Indonesia/Russian Federation	Bilateral trade arrangements	Aug-17	Palm oil, copra	Informed that a preliminary deal to barter Russian military jets for Indonesian commodities – including palm oil and copra – had been signed between the countries' state trading companies.
Indonesia/ Uzbekistan	Bilateral cooperation	Sep-17	Coconut, palm oil, soybeans	Agreed to strengthen bilateral cooperation in the agriculture and fisheries sectors. Reportedly, Indonesia viewed Uzbekistan as a potential export market for palm oil and coconut, while Uzbekistan was interested in Indonesia's expertise in soybean cultivation.
Indonesia	Sector development measures	Oct-17	Oil palm	Launched an oil palm rejuvenation scheme for small oil palm growers, in a bid to improve yields in smallholder plantations.
Islamic Republic of Iran	Sector development measures	Jun-17	Oilseeds, soybeans	Launched a two-year project on the promotion of sustainable oilseed production, with particular attention given to the soybean value chain.
Jamaica	Biofuel policy	Jun-17	Biodiesel	Supported the development and commercial launch of castor oil-based biodiesel, with a view to cut the country's energy import bill and contribute to the reduction of GHG emissions.
Japan	Feed standards	May-17	Oilmeals	Allowed the mixing of selected oilmeals with feed maize in the production of compound feed.
Malawi	Tax policy	Sep-17	Vegetable and animal oils/fats	Exempted, effective 1 July 2017, vegetable and animal oils/fats and their derived products from paying value-added tax, with a view to help the indigenous edible oil industry grow and domestic oilseed production expand.
Malaysia	Trade standards	May-17	Palm oil	Considered revising the principles and criteria for MSPO, the government-backed sustainability certification scheme for oil palm, with a view to make it more compatible with international standards.
	Export promotion	May-17	Palm oil	Signed a Memorandum of Understanding with Indian government officials, aimed at helping raise the presence of Malaysian palm oil in the Indian market.
	Export policy	June-17 to Oct-17	Palm oil	Left in place the country's sliding export tax regime for palm oil, which is aimed at protecting the interests of domestic producers and consumers.
Malaysia/ Indonesia	Bilateral cooperation	Jul-17	Palm oil	Announced that Malaysia and Indonesia would consider a joint challenge at WTO level of any measure the EU might take to restrict palm oil imports on sustainability grounds.
Malaysia/ Philippines	Bilateral trade arrangements	Jul-17	Palm oil, biodiesel	Conducted bilateral talks with the Philippines, agreeing to target a 50 percent increase in Malaysian shipments of palm oil and palm oil-based products (including biodiesel) to the Philippines over the next three years.
Malaysia	Trade standards	Aug-17	Palm oil	Confirmed that certification through the Malaysian Sustainable Palm Oil (MSPO) scheme would become mandatory for all palm oil growers by the end of 2019, and agreed to subsidize audit costs so as to help palm oil producers comply with the new standard.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
Malaysia/ Indonesia	Bilateral cooperation	Aug-17	Palm oil	Agreed to jointly explore the possibility of i) supplying China, India and other countries with palm oil for their nascent biodiesel industries, and ii) conducting joint campaigns in key import markets to publicize palm oil's environmental credentials.
Malaysia/ Philippines	Bilateral cooperation	Sep-17	Oil palm	Conducted bilateral talks with the Philippines to examine the possibility of setting up joint ventures for oil palm plantations in the Philippines, with a view to cater to the country's rising demand for vegetable oil for both food and industrial uses.
Mexico	Agricultural Policy	May-17	Agricultural crops, oilseeds	Announced cuts in the amount of subsidies provided to farmers in 2017, including reduced payments under the country's specific support programme for oilseeds.
Morocco	Sector development measures	May-17	Olive oil	Backed a multilateral technical cooperation project aimed at strengthening Morocco's olive oil sector, in particular by setting up inter-professional organizations and promoting production of high-quality olive oil.
Nigeria	Sector development measures	Jun-17	Oil palm	Distributed seedlings of a high-yield oil palm variety to farmer associations and cooperatives, as part of efforts to boost the country's production of raw materials, diversify agricultural production, and lower reliance on commodity imports.
Nigeria/Indonesia	Bilateral cooperation	Jun-17	Oil palm	Jointly explored possibilities for Indonesia to collaborate in the development of Nigeria's palm oil industry. Nigeria was also encouraged to join the Council of Palm Oil Producing Countries, a body set up by Indonesia and Malaysia to promote price stabilization and sustainable palm oil production.
	Bilateral cooperation	Jul-17	Palm oil	Initiated talks with Indonesian counterparts to relax restrictions on imports of Indonesian crude palm oil into Nigeria.
Norway	Biofuel policy	Jun-17	Biodiesel	Released a parliamentary resolution recommending to end – on environmental grounds – public procurement of palm oil-based biodiesel, while promoting the use of sustainably produced, advanced biofuels.
Peru	Land rights policy	May-17	Oil palm	Committed to consult indigenous people prior to approving oil palm development concessions that would affect them.
Philippines/ Malaysia	Bilateral trade arrangements	Jul-17	Palm oil, biodiesel	Conducted bilateral talks with Malaysia, agreeing to target a 50 percent increase in Malaysian shipments of palm oil and palm oil-based products (including biodiesel) to the Philippines over the next three years.
	Bilateral cooperation	Sep-17	Oil palm	Conducted bilateral talks with Malaysia to examine the possibility of setting up joint ventures for oil palm plantations in the Philippines, with a view to cater to the country's rising demand for vegetable oil for both food and industrial uses.
Philippines	Sector development measures	Sep-17	Coconut palm	Renewed public funding for the country's Coconut Authority in calendar year 2018, with the bulk of funds earmarked for countrywide coconut palm replanting programmes.
Russian Federation/ Indonesia	Bilateral trade arrangements	Aug-17	Palm oil, copra	Informed that a preliminary deal to barter Russian military jets for Indonesian commodities – including palm oil and copra – had been signed between the countries' state trading companies.
Sri Lanka	Import policy	May-17	Coconut products	Considered liberalizing the importation of husked coconut and fresh coconut kernel, given the prevailing shortage of coconut in the domestic market.
	Market regulation	Sep-17	Coconut products	Informed that public stocks of coconut would be released into the market in an effort to check fresh surges in domestic prices.
	Sector development measures	Sep-17	Coconut palm	Released funds for the development of coconut production in the country's Northern and Eastern Provinces, with a focus on i) identifying suitable land, ii) setting up nurseries and distributing seedlings, iii) creating model coconut gardens, and iv) developing local infrastructure.
Thailand	Market regulation / biofuel policy	May-17	Biodiesel	Reinstated the country's mandatory biodiesel blending rate of 7 percent, in a bid to reduce burdensome domestic palm oil supplies.
	Market regulation / biofuel policy	Jun-17	Biodiesel	Urged retailers of palm oil-based biodiesel to raise their stocks of the fuel by 40 percent so as to help absorb excess palm oil supplies and lend support to domestic palm oil prices.
Turkey	Import policy	May-17	Sunflower oil and meal	Readmitted the Russian Federation to Turkey's list of accepted import tax-free origins for agricultural products, including sunflower oil and sunflower meal.
	GMO policy	Aug-17	Soybeans	Approved the importation of three genetically modified soybean varieties and their products for domestic feed use.
	Food standards	Oct-17	Vegetable oils	Postponed implementation of new labelling rules for selected agricultural commodities, including vegetable oils, to 31 December 2017.
	Import policy	Oct-17	Sunflower oil and meal	Introduced non-tariff measures applying to the importation of selected agricultural commodities (including sunflower oil and meal) from the Russian Federation.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
Ukraine	Price control	Jun-17	Sunflower oil, butter	Discontinued, from 1 July 2017, state controls of food prices (including prices of sunflower oil and butter) that were meant to check rises in local retail prices.
Ukraine/China	Trade standards	Sep-17	Sunflowerseed cake	Agreed on sanitary and biosafety protocols regulating imports of Ukrainian sunflowerseed cake into China.
United Arab Emirates	Biofuel policy	Sep-17	Biodiesel	Launched a biodiesel blend destined for the country's commercial and industrial segment, in a bid to help reduce the country's GHG emissions. The fuel contains 5 percent biodiesel produced from vegetable oil, used cooking oil or animal fat.
United Kingdom	Biofuel policy	Sep-17	Biodiesel	Published a long-term strategy for raising the supply and sustainability of renewable transport fuels in the country, with a view to lower the GHG intensity of transport fuels, while providing a stable policy environment for investments into renewable low-carbon fuels.
United States	Biofuel policy	Jun-17	Biodiesel	Announced mandatory 5 percent biodiesel blends in home heating oil in New York City and downstate New York counties.
	Biofuel policy	Jul-17	Biofuels	Published proposals for mandatory consumption of total, conventional and advanced renewable fuels in 2018, as well as biomass-based diesel in 2019.
	Biofuel policy	Jul-17	Biodiesel	Released a US court rule establishing that the methodology used by the country's Environmental Protection Agency to justify past reductions in biofuel consumption mandates was incorrect.
	Import policy (countervailing duties)	Aug-17	Biodiesel	Introduced preliminary countervailing duties on imports of biodiesel from Argentina and Indonesia, claiming that Argentina and Indonesia received subsidies of, respectively, 50–64 percent and 41–68 percent. Final duty determinations would be due on 7 November 2017.
	Biofuel policy	Aug-17	Biodiesel	Announced that, in the state of Minnesota, the mandatory biodiesel blending rate would be raised from 10 to 20 percent in May 2018.
	Health policy	Aug-17	Soybean oil	Allowed food manufacturers and restaurants to make qualified health claims linking soybean oil consumption to a reduced risk of coronary heart disease.
	Pesticide regulation	Sep-17	Herbicide 'Dicamba'	Considered restricting the use of dicamba-based herbicides, which are extensively used in soybean cultivation. This consideration came after reports of possible damage to crops not resistant to the chemical.
	Biofuel policy	Sep-17 / Oct-17	Biodiesel	Considered lowering the mandatory renewable fuel consumption targets for 2018–2019 proposed in July 2017, on concerns that the originally proposed targets could lead to inadequate domestic supplies of biofuel to consumers. In October 2017, after meeting resistance from lawmakers, the initiative was abandoned.
	Import policy (countervailing duties)	Oct-17	Biodiesel	Introduced (in addition to the preliminary countervailing duties imposed in August 2017) anti-dumping duties on imports of biodiesel from Argentina and Indonesia, claiming that Argentina and Indonesia sold this merchandise in the United States at dumping margins of 70 and 51 percent respectively. Final duty determinations would be due on 3 January 2018.
Uzbekistan/ Indonesia	Bilateral cooperation	Sep-17	Coconut, palm oil, soybeans	Agreed to strengthen bilateral cooperation in the agriculture and fisheries sectors. Reportedly, Indonesia viewed Uzbekistan as a potential export market for palm oil and coconut, while Uzbekistan was interested in Indonesia's expertise in soybean cultivation.
Uzbekistan	Market regulation	Oct-17	Vegetable oils, cottonseed meal	Instructed state agencies to step up efforts to combat unreasonable and artificial overstating of prices for a number of basic food and feed stuffs, including vegetable oil and cottonseed meal.
Vanuatu	Sector development measures	Aug-17	Coconut palm	Committed to support the planting of 1 million coconut trees by 2026, in an effort to revive the country's coconut industry.
Zambia	Sector development measures	Sep-17	Palm oil	Allocated public funds to a local palm oil venture in a bid to help reduce the country's dependence on imports of crude palm oil and cooking oils.
Zimbabwe	Sector development measures	Jul-17	Oilseeds, soybeans	Considered launching, jointly with the private sector, a loan facility to support local oilseed farmers, with a view to stimulate domestic production, especially of soy.
	Market regulation	Aug-17	Soybeans	Fixed the price for soybeans delivered to the state-owned Grain Marketing Board above the prevailing market price, in a bid to stimulate domestic soybean production and reduce the country's dependence on imported edible oil.
	Import policy	Sep-17	Soybeans	Lifted a temporary ban on soybean imports, in an effort to ensure adequate supplies of cooking oil in the country.
Global	WTO/FAO Codex Alimentarius Commission	Jul-17	Fish oil	Issued a detailed standard for fish oil intended for human consumption, including provisions for differentiating certain wild origin fish oils from their farmed counterparts.

* A detailed description of major policy developments from January 2011 onwards is available at http://www.fao.org/economic/est/est-commodities/commodity-policy-archive/en/?groupANDcommodity=Oilseeds,%20oils%20and%20meals.

APPENDIX TABLE 10: TOTAL OILCROPS STATISTICS (*million tonnes*)

	Production [1]			Imports			Exports		
	13/14-15/16 average	2016/17 *estim.*	2017/18 *f'cast*	13/14-15/16 average	2016/17 *estim.*	2017/18 *f'cast*	13/14-15/16 average	2016/17 *estim.*	2017/18 *f'cast*
ASIA	**130.5**	**135.0**	**136.9**	**111.1**	**131.7**	**136.8**	**3.3**	**3.9**	**3.4**
China	58.7	58.6	61.2	82.5	98.1	100.5	1.1	1.0	1.0
of which Taiwan Prov.	0.1	0.1	0.1	2.5	2.6	2.7	-	-	-
India	34.7	38.9	35.9	0.4	0.3	0.3	0.8	1.3	1.0
Indonesia	11.2	11.4	12.3	2.5	2.8	3.0	0.1	0.1	0.1
Iran, Islamic Republic of	0.7	0.7	0.7	1.3	2.2	2.5	0.1	0.1	0.1
Japan	0.3	0.3	0.3	5.8	6.1	6.2	-	-	-
Korea, Republic.of	0.2	0.1	0.2	1.6	1.5	1.7	-	-	-
Malaysia	4.8	5.0	5.2	0.8	0.9	1.1	0.1	0.1	0.1
Pakistan	4.9	4.3	4.9	1.8	2.9	3.2	-	-	-
Thailand	0.8	1.1	1.2	2.4	2.8	3.3	-	-	-
Turkey	3.2	3.2	3.6	3.0	3.3	3.3	0.1	0.1	0.1
AFRICA	**17.9**	**18.0**	**18.5**	**3.8**	**4.9**	**4.9**	**0.7**	**0.7**	**0.7**
Nigeria	5.1	5.0	5.0	-	-	0.1	0.1	0.1	0.1
CENTRAL AMERICA	**1.7**	**2.0**	**1.9**	**6.5**	**6.6**	**6.7**	**0.2**	**0.2**	**0.2**
Mexico	1.3	1.5	1.4	5.7	5.9	5.9	-	-	-
SOUTH AMERICA	**174.7**	**196.2**	**188.8**	**2.3**	**3.8**	**4.2**	**69.6**	**81.3**	**83.2**
Argentina	61.9	61.1	60.6	0.2	1.6	1.6	10.4	8.1	9.7
Brazil	96.1	117.1	110.5	0.4	0.3	0.4	50.8	63.9	64.4
Paraguay	9.4	10.6	10.1	-	-	-	5.0	6.0	5.7
Uruguay	3.3	3.6	3.4	-	-	-	3.0	3.1	3.3
NORTH AMERICA	**136.1**	**154.8**	**162.0**	**3.0**	**2.3**	**2.3**	**65.5**	**76.6**	**80.3**
Canada	25.2	27.3	29.2	0.6	0.7	0.6	14.4	16.4	18.0
United States of America	110.9	127.5	132.8	2.4	1.7	1.7	51.1	60.2	62.3
EUROPE	**66.5**	**70.6**	**72.9**	**21.3**	**23.8**	**22.2**	**6.1**	**6.9**	**6.9**
European Union	33.7	31.7	34.9	18.5	21.1	19.6	1.1	1.0	1.0
Russian Federation	13.4	16.0	16.3	2.1	2.0	1.9	0.5	1.0	1.0
Ukraine	17.0	20.7	19.4	-	-	-	3.9	4.4	4.3
OCEANIA	**4.9**	**6.0**	**4.7**	**-**	**-**	**-**	**2.8**	**3.7**	**2.4**
Australia	4.5	5.6	4.2	-	-	-	2.7	3.6	2.3
WORLD	**532.3**	**582.6**	**585.7**	**147.9**	**173.2**	**177.2**	**148.1**	**173.2**	**177.1**
Developing countries	325.0	351.3	346.2	117.8	140.9	146.5	73.8	86.1	87.6
Developed countries	207.3	231.3	239.5	30.1	32.3	30.7	74.3	87.1	89.5
LIFDC	58.5	62.3	59.8	4.0	5.4	6.3	1.6	2.1	1.8
LDC	10.8	11.0	10.9	1.1	1.5	2.1	0.5	0.5	0.5

[1] The split years bring together northern hemisphere annual crops harevested 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** [1] *(million tonnes)*

	Imports			Exports			Utilization		
	13/14-15/16 average	2016/17 *estim.*	2017/18 *f'cast*	13/14-15/16 average	2016/17 *estim.*	2017/18 *f'cast*	13/14-15/16 average	2016/17 *estim.*	2017/18 *f'cast*
ASIA	**44.7**	**48.3**	**50.0**	**49.5**	**50.9**	**52.6**	**105.8**	**115.7**	**121.4**
Bangladesh	1.9	2.3	2.5	-	-	-	2.3	2.7	2.9
China	9.4	8.5	9.0	0.4	0.4	0.3	36.7	38.8	40.7
of which Taiwan Prov.	0.5	0.5	0.5	-	-	-	0.9	1.0	1.0
India	13.8	15.5	16.2	0.3	0.2	0.2	22.9	25.3	26.0
Indonesia	0.1	0.1	0.1	26.4	28.9	29.5	10.7	12.1	13.3
Iran, Islamic Republic of	1.3	1.5	1.5	0.2	0.1	0.2	1.8	2.0	2.1
Japan	1.3	1.3	1.4	-	-	-	3.2	3.3	3.3
Korea, Republic.of	1.1	1.2	1.3	-	-	-	1.4	1.6	1.7
Malaysia	1.4	1.4	1.4	18.5	17.7	18.8	4.6	4.6	5.3
Pakistan	3.0	3.5	3.6	0.1	0.1	0.1	4.7	5.2	5.5
Philippines	0.9	1.2	1.3	0.8	0.8	0.9	1.7	2.0	2.2
Singapore	0.8	0.8	0.9	0.2	0.2	0.2	0.7	0.7	0.7
Turkey	1.8	2.0	2.0	0.7	0.7	0.7	3.1	3.4	3.3
AFRICA	**10.6**	**11.3**	**11.6**	**1.8**	**1.7**	**1.8**	**16.9**	**18.1**	**18.2**
Algeria	0.8	0.9	1.0	0.1	0.1	0.1	1.0	1.0	1.1
Egypt	2.0	2.2	2.3	0.3	0.2	0.2	2.3	2.8	2.7
Nigeria	1.5	1.6	1.6	0.2	0.1	0.1	3.4	3.5	3.5
South Africa	0.9	0.9	0.8	0.1	-	-	1.3	1.5	1.5
CENTRAL AMERICA	**2.6**	**2.6**	**2.7**	**1.2**	**1.4**	**1.4**	**5.1**	**5.3**	**5.4**
Mexico	1.5	1.5	1.6	0.1	-	-	3.4	3.6	3.7
SOUTH AMERICA	**3.2**	**3.2**	**3.3**	**9.8**	**10.5**	**11.4**	**17.5**	**18.5**	**18.5**
Argentina	0.1	0.1	0.1	5.8	6.4	7.0	4.0	4.3	4.0
Brazil	0.6	0.7	0.6	1.8	1.7	1.8	8.7	9.1	9.3
Paraguay	-	-	-	0.7	0.7	0.7	0.1	0.1	0.1
Uruguay	0.1	0.1	0.1	-	-	-	0.1	0.1	0.2
NORTH AMERICA	**5.1**	**5.5**	**5.8**	**6.6**	**7.4**	**7.4**	**20.4**	**21.2**	**22.0**
Canada	0.5	0.5	0.5	3.3	3.8	3.8	1.5	1.5	1.6
United States of America	4.7	5.0	5.4	3.4	3.5	3.6	18.9	19.7	20.4
EUROPE	**14.3**	**14.7**	**14.5**	**10.5**	**12.6**	**11.9**	**38.6**	**39.7**	**39.2**
European Union	11.7	12.0	11.7	3.3	3.2	3.1	31.9	32.6	32.2
Russian Federation	1.3	1.3	1.4	2.3	2.9	2.8	4.5	4.7	4.7
Ukraine	0.3	0.3	0.3	4.5	6.1	5.5	1.0	0.9	0.8
OCEANIA	**0.6**	**0.7**	**0.7**	**1.9**	**1.9**	**1.9**	**1.2**	**1.3**	**1.3**
Australia	0.5	0.5	0.6	0.7	0.7	0.7	0.8	0.9	0.9
WORLD	**81.1**	**86.4**	**88.5**	**81.4**	**86.4**	**88.5**	**205.5**	**219.8**	**226.0**
Developing countries	59.8	64.1	66.1	63.0	65.2	67.9	142.2	154.5	160.3
Developed countries	21.3	22.2	22.3	18.4	21.2	20.5	63.2	65.3	65.7
LIFDC	26.2	29.2	30.3	2.2	2.1	2.1	42.7	46.7	48.0
LDC	6.9	7.7	8.0	0.6	0.7	0.7	9.8	10.7	11.1

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

APPENDIX TABLE 12: **TOTAL MEALS AND CAKES STATISTICS** [1] (*million tonnes*)

	Imports			Exports			Utilization		
	13/14-15/16 average	**2016/17** *estim.*	**2017/18** *f'cast*	**13/14-15/16** average	**2016/17** *estim.*	**2017/18** *f'cast*	**13/14-15/16** average	**2016/17** *estim.*	**2017/18** *f'cast*
ASIA	**35.1**	**37.7**	**38.8**	**14.2**	**14.0**	**14.3**	**152.0**	**171.7**	**179.2**
China	2.3	3.0	2.9	2.3	1.9	2.0	80.8	93.4	96.6
of which Taiwan Prov.	0.5	0.5	0.5	-	-	-	2.5	2.5	2.6
India	0.2	0.4	0.5	2.6	2.6	2.4	12.8	13.9	14.3
Indonesia	4.2	4.5	4.6	4.3	4.5	4.7	6.5	7.0	7.4
Iran, Islamic Republic of	2.1	2.0	1.9	0.1	0.1	0.1	3.4	3.8	4.1
Japan	2.3	2.2	2.2	-	-	-	6.4	6.4	6.6
Korea, Republic.of	3.9	3.5	3.8	0.2	0.1	0.1	5.0	4.8	4.9
Malaysia	1.3	1.4	1.5	2.6	2.6	2.8	2.0	2.1	2.4
Pakistan	0.7	0.7	0.8	0.2	0.3	0.3	3.6	4.1	4.6
Philippines	2.5	2.9	3.1	0.5	0.4	0.4	3.0	3.5	3.8
Saudi Arabia	0.9	1.1	1.1	0.1	0.1	0.1	1.4	1.5	1.7
Thailand	3.2	3.2	3.4	0.2	0.2	0.2	5.7	6.4	6.6
Turkey	1.9	2.2	2.2	0.1	0.1	0.1	5.1	5.9	6.3
Viet Nam	4.7	5.5	6.0	0.3	0.3	0.3	5.9	7.3	7.7
AFRICA	**5.8**	**6.0**	**6.2**	**1.0**	**1.0**	**1.0**	**13.1**	**14.2**	**14.6**
Egypt	1.6	1.5	1.7	-	-	-	3.0	3.4	3.5
South Africa	1.0	1.0	0.9	0.1	0.1	0.1	2.1	2.3	2.3
CENTRAL AMERICA	**4.0**	**4.4**	**4.5**	**0.2**	**0.2**	**0.2**	**9.1**	**10.1**	**10.1**
Mexico	2.2	2.4	2.5	0.1	0.1	0.1	6.7	7.5	7.5
SOUTH AMERICA	**5.5**	**5.4**	**5.4**	**49.1**	**51.7**	**54.4**	**28.4**	**30.9**	**31.9**
Argentina	-	-	-	29.2	32.6	33.4	4.1	5.0	5.2
Bolivia	-	-	-	1.8	1.6	1.8	0.2	0.4	0.4
Brazil	-	-	-	14.3	13.8	15.2	16.6	17.6	18.2
Chile	1.2	1.2	1.2	0.2	0.2	0.2	1.6	1.7	1.7
Paraguay	-	-	-	2.6	2.3	2.5	0.4	0.5	0.6
Peru	1.0	1.2	1.3	0.8	1.0	1.0	1.3	1.6	1.7
Uruguay	0.2	0.2	0.2	-	-	-	0.2	0.2	0.2
Venezuela	1.2	0.7	0.7	-	-	-	1.4	1.0	0.9
NORTH AMERICA	**5.1**	**5.1**	**5.0**	**16.3**	**16.5**	**16.8**	**37.1**	**39.0**	**39.5**
Canada	1.0	0.9	0.8	4.8	5.5	5.5	2.2	2.2	1.9
United States of America	4.1	4.2	4.1	11.5	11.0	11.3	34.9	36.8	37.5
EUROPE	**30.5**	**30.8**	**32.3**	**7.9**	**8.9**	**8.6**	**67.5**	**70.6**	**72.0**
European Union	27.9	28.0	29.5	1.3	1.4	1.4	57.5	59.0	60.5
Russian Federation	0.6	0.5	0.5	2.2	2.0	2.0	5.6	6.8	6.9
Ukraine	-	-	-	3.9	5.1	4.7	1.7	1.8	1.7
OCEANIA	**3.1**	**3.2**	**3.3**	**0.3**	**0.2**	**0.2**	**3.8**	**4.0**	**4.3**
Australia	1.1	1.2	1.2	0.1	0.1	0.1	1.8	1.9	2.0
WORLD	**89.0**	**92.5**	**95.4**	**89.1**	**92.6**	**95.5**	**311.1**	**340.5**	**351.6**
Developing countries	48.1	51.3	52.7	64.7	67.0	70.0	196.3	220.5	229.4
Developed countries	40.9	41.2	42.7	24.4	25.5	25.5	114.8	120.0	122.2
LIFDC	3.0	3.5	3.6	3.8	3.9	3.6	24.3	26.7	27.9
LDC	0.8	1.0	0.9	0.5	0.5	0.5	4.4	5.0	5.3

[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 23: **SELECTED INTERNATIONAL PRICES FOR OILCROP PRODUCTS AND PRICE INDICES**

Period	International prices[1]					FAO indices[7]		
	Soybeans [2]	Soybean oil [3]	Palm oil [4]	Soybean cake [5]	Rapeseed meal [6]	Oilseeds	Vegetable oils	Oilcakes/meals
	(USD per tonne)					*(2002-2004=100)*		
Annual (Oct/Sept)								
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	1325	1050	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	1308	1147	418	279	214	259	200
2011/12	562	1235	1051	461	295	214	232	219
2012/13	563	1099	835	539	345	213	193	255
2013/14	521	949	867	534	324	194	189	253
2014/15	407	777	658	406	270	155	153	194
2015/16	396	773	655	351	232	151	155	168
2016/17	404	806	729	336	225	154	160	171
Monthly								
2015 - October	377	743	581	351	255	146	143	170
2015 - November	367	726	561	328	232	142	138	159
2015 - December	372	757	568	317	215	144	141	153
2016 - January	368	722	564	316	217	142	139	152
2016 - February	370	762	639	303	203	142	150	146
2016 - March	379	761	694	301	219	145	160	145
2016 - April	398	797	723	339	242	152	166	163
2016 - May	425	790	708	406	261	160	163	193
2016 - June	455	797	679	430	259	169	162	204
2016 - July	429	790	652	400	234	159	157	189
2016 - August	414	812	736	375	228	156	169	178
2016 - September	403	825	755	344	219	153	172	165
2016 - October	404	853	712	340	214	153	168	161
2016 - November	409	875	755	343	218	155	176	163
2016 - December	420	902	783	344	211	159	183	163
2017 - January	425	879	806	355	216	161	186	168
2017 - February	428	838	779	357	241	162	179	170
2017 - March	408	809	735	346	238	155	168	164
2017 - April	389	788	693	331	240	149	161	158
2017 - May	392	827	732	329	239	150	169	157
2017 - June	379	821	681	313	238	144	162	150
2017 - July	409	836	665	326	220	154	160	155
2017 - August	391	854	678	318	216	149	164	152
2017 - September	395	879	729	329	209	151	172	156
2017 - October	397	869	721	331	207	151	170	157

[1] Spot prices for nearest forward shipment

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

[3] Soybean oil: Dutch, fob ex-mill.

[4] Palm oil: Crude, c.i.f. Northwest Europe.

[5] Soybean cake: Pellets, 44/45 percent, Argentina, c.i.f. Rotterdam.

[6] Rapeseed meal: 34 percent, Hamburg, f.o.b. ex-mill.

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

Sources: FAO and Oil World.