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Oilseeds Market Update

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Report Highlights:

This report provides EU-28 production, supply, and demand forecasts for major EU oilseeds, protein meals and related products.

Introduction

This report presents the outlook for the three major oilseeds (soybean, rapeseed and sunflower) in the EU-28 (EU-27 and Croatia, which joined the EU on July 1, 2013). The data in this report is based on the views of Foreign Agricultural Service (FAS) analysts in the EU and is not official USDA data.

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Abbreviations used in this report

Benelux	= Belgium, the Netherlands, and Luxembourg
CAP	= EU common agricultural policy
CY	= Calendar year
e	= Estimate (of a value/number for the current, not yet completed, marketing year)
EU-28	= European Union of 28 member states (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom)
FSU	= Former Soviet Union
f	= Forecast (of a value/number for the next, not yet started, marketing year)
ha	= Hectares
GE	= Genetically engineered / Genetically engineered organisms
GHG	= Greenhouse gas
MT	= Metric ton (1000 kg)
MMT	= Million metric tons
MS	= EU Member State(s)
MY	= Marketing year
NUTS2	= Nomenclature of Units for Territorial Statistics level 2 = code for regions within a country
SME	= Soybean meal equivalent
U.K.	= United Kingdom
U.A.E.	= United Arabic Emirates
U.S.	= The United States of America

In this report "**biofuel**" includes only biofuels used in the transport sector. Biomass/biofuel used for electricity production or other technical uses such as lubricants or in detergents are included in "**industrial use**".

The marketing years used in this report are:

July-June
Rapeseed complex

October -September
Soybean complex
Sunflower complex

November-October
Olive Oil

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1. Executive Summary

Coordinator: Roswitha Krautgartner / FAS Vienna

This report provides EU-28 production, supply, and demand forecasts for the three major oilseeds (rapeseed, sunflower and soybeans), protein meals and related products.

Production

In MY 2014/15 overall production of EU-28 major oilseeds (rapeseed, sunflower and soybeans) is expected to grow by 8.5 percent compared to the previous year and will reach some 32.4 MMT. This is mainy an effect of excellent yields of rapeseed and at a much lower level of soybeans due to favorable weather conditions. To a lesser extent the higher production is driven by increased acreage of the the two crops. Major increases of rapeseed production are reported by France, United Kingdom, Romania, Bulgaria, and Germany. Total EU rapeseed production in MY 2014/15 is estimated at 23 MMT. Soybean production is expected to increase in the leading producing countries Italy and Romania but also in Austria, France, and Hungary and will reach some 1.4 MMT. Reduced area (mainly in France, but also in Romania, Bulgaria, Hungary, Spain and the Czech Republic) and drought in major production areas of Spain result in 8.4 percent lower sunflower production expectations compared to the previous MY, when close to record yields were achieved. Estimates for the MY 2014/15 sunflower crop are at almost 8 MMT.

Consumption

Total EU-28 consumption of major oilseeds meals (rapeseed, sunflower and soybeans) in animal feed is forecast to remain almost flat in MY 2014/15 (slight increase of 0.3 percent). High availability of rapeseed meal due to bumper crop and increased crush favors the use of rapeseed meal to some extent in feed rations, whereas the use of sunflower meal in feed is forecast to decline. Nevertheless soybean meal remains number one protein source in animal feed and its use is expected to slightly increase. Despite lower production of sunflower oil in MY 2014/15, food use is forecast to increase through higher imports and decreased exports. Oilseeds oil demand from the biofuels industry is estimated to remain almost unchanged but increased use of rapeseed oil and soybean oil to the expense of sunflower oil is expected.

2. Total of Major Oilseeds (Soybean, Rapeseed, Sunflower)

Coordinator: Roswitha Krautgartner / FAS Vienna

EU-28 Area of Major Oilseeds (in 1,000 ha)

Area	2011	2012	2013	2014e
Rapeseed	6,745	6,317	6,800	6,875
Sunflower	4,280	4,236	4,387	4,331
Soybeans	445	431	470	560
Total	11,470	10,984	11,657	11,766

Note: The years refer to the calendar year in which the harvest occurs (e.g. 2013 = harvested in CY 2013, marketed in MY 2013/14)
e = estimate
Source: FAS EU-28

EU-28 Major Oilseeds Production (in 1,000 MT)

Production	2011	2012	2013	2014e
Rapeseed	19,240	19,631	21,200	23,000
Sunflower	8,400	7,131	8,705	7,970
Soybeans	1,220	957	1,230	1,400
Total	28,860	27,719	31,135	32,370

Note: The years refer to the calendar year in which the harvest occurs (e.g. 2013 = harvested in CY 2013, marketed in MY 2013/14)
e = estimate
Source: FAS EU-28

EU-28 Major Oilseed Crush (in 1,000 MT)

Crush	MY 2011/12	MY 2012/13	MY 2013/14e	MY 2014/15f
Rapeseed	21,900	22,700	23,000	23,500
Soybeans	11,070	12,325	12,500	12,500
Sunflower	7,000	6,540	7,200	6,950
Total	39,970	41,565	42,700	42,950

e= estimate, f = forecast
Source: FAS EU-28

Feed, Waste Use of Major Oilseeds Meals in the EU-28 (in 1,000 MT)

Feed, Waste Use Meals	MY 2011/12	MY 2012/13	MY 2013/14e	MY 2014/15f
Soybeans	28,431	26,000	27,800	28,000
Rapeseed	12,250	12,900	13,000	13,150
Sunflower	7,150	7,000	7,100	6,900
Total	47,831	45,900	47,900	48,050

e= estimate, f = forecast
Source: FAS EU-28

Food Use of Major Oilseeds Oils in the EU-28 (in 1,000 MT)

Food Use Oil	MY 2011/12	MY 2012/13	MY 2013/14e	MY 2014/15f
Rapeseed Oil	2,350	2,500	2,700	2,700
Soybean Oil	1,090	1,000	900	900
Sunflower Oil	3,320	3,300	3,400	3,450
Total Oils	6,760	6,800	7,000	7,050

e= estimate, f = forecast
Source: FAS EU-28

Biofuels Use of Major Oilseeds Oils in the EU-28 (in 1,000 MT)

Biofuels	MY 2011/12	MY 2012/13	MY 2013/14e	MY 2014/15f
Feedstock/Rape Oil	6,450	5,850	5,900	5,900
Feedstock/Soy Oil	500	430	650	700
Feedstock/Sunflower Oil	180	150	200	165
Total	7,130	6,430	6,750	6,765

e= estimate, f = forecast
Source: FAS EU-28

Other Industrial Use of Major Oilseeds Oils in the EU28 (in 1,000 MT)

Other Industrial Use	MY 2011/12	MY 2012/13	MY 2013/14e	MY 2014/15f
Rape Oil	600	850	850	850
Soy Oil	200	170	160	160
Sunflower Oil	70	50	60	60
Total	870	1,070	1,070	1,070

e= estimate, f = forecast
Source: FAS EU-28

3. Rapeseed Complex

Coordinator: Leif Erik Rehder / FAS Berlin

The EU is the world’s largest producer of rapeseed and products. The two largest producers of rapeseed in the EU are Germany and France, followed by the U.K., Poland, and the Czech Republic. Rapeseed meal is used in the livestock sector as the EU is a leading producer and exporter of meat and dairy products. Main driver for the demand of rapeseed oil is the biodiesel industry, but food use of rapeseed has also become a factor. Europe’s demand for rapeseed outstrips its domestic supply which leads to the import of large quantities of rapeseed for crushing.

PSDs have been revised according to the most recent data available from the Global Trade Atlas (May 2014), which provide imports and exports for MY 2013/14; recent harvest and crush estimates from producing countries.

Oilseed, Rapeseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,250	6,317	6,800	6,800	6,900	6,900
Area Harvested	6,334	6,317	6,814	6,800	6,875	6,875
Beginning Stocks	2,197	2,197	1,480	1,512	1,849	1,762
Production	19,628	19,631	21,159	21,200	22,400	23,000
MY Imports	3,378	3,378	3,450	3,300	2,900	2,600
MY Imp. from U.S.	0	0	7	7	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	25,203	25,206	26,089	26,012	27,149	27,362
MY Exports	93	94	320	300	400	400
MY Exp. to EU	0	0	0	0	0	0
Crush	22,680	22,700	22,950	23,000	23,400	23,500
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	950	900	970	950	1,070	1,100
Total Dom. Cons.	23,630	23,600	23,920	23,950	24,470	24,600
Ending Stocks	1,480	1,512	1,849	1,762	2,279	2,362
Total Distribution	25,203	25,206	26,089	26,012	27,149	27,362
1000 HA, 1000 MT						

Meal, Rapeseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	22,680	22,700	22,950	22,950	23,400	23,400
Extr. Rate, 999.9999	1	1	1	1	1	1
Beginning Stocks	141	141	89	134	140	154
Production	13,057	12,750	13,212	12,900	13,469	13,200
MY Imports	414	415	430	450	250	300
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	13,612	13,306	13,731	13,484	13,859	13,654
MY Exports	272	272	330	330	350	350
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	13,251	12,900	13,261	13,000	13,377	13,150
Total Dom. Cons.	13,251	12,900	13,261	13,000	13,377	13,150
Ending Stocks	89	134	140	154	132	154
Total Distribution	13,612	13,306	13,731	13,484	13,859	13,654
1000 MT, PERCENT						

Oil, Rapeseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: Jul 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	22,680	22,700	22,950	22,950	23,400	23,400
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	111	111	152	106	232	156
Production	9,424	9,l	9,537	9,600	9,720	9,800
MY Imports	210	210	300	300	300	200
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	9,745	9,801	9,989	10,006	10,252	10,156
MY Exports	445	445	350	350	400	500
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	6,700	6,700	6,900	6,750	7,000	6,750
Food Use Dom. Cons.	2,438	2,500	2,492	2,700	2,574	2,700
Feed Waste Dom. Cons.	10	50	15	50	20	50
Total Dom. Cons.	9,148	9,250	9,407	9,500	9,594	9,500
Ending Stocks	152	106	232	156	258	156
Total Distribution	9,745	9,801	9,989	10,006	10,252	10,156
1000 MT, PERCENT						

MY 2014/15

European rapeseed production is expected to increase by 8 percent to a record level of 23 MMT. The record production in the EU is mainly due to higher production in France (+0.9 MMT), the United Kingdom (+0.4 MMT), Romania (+0.3 MMT), Bulgaria and Germany. This more than offset lower production in the Czech Republic (-0.2 MMT) and Poland (-0.1 MMT). Favorable growing conditions throughout the season resulted in excellent yields in many countries. Good conditions during planting in autumn 2013 and a mild winter with the absence of winterkill in most countries led to overall good developed plants which could resist some dry periods. Another factor for the increased production was a 1 percent increase in EU rapeseed acreage.

An ample supply of domestic rapeseed is one of the driving factors of the European market in MY 2014/15. The bumper crop will also result in record crushing. And, crushers are expected to reduce imports significantly, especially from the Ukraine. EU rapeseed meal consumption will continue to increase with the expanding dairy sector as the trigger and rapeseed meal is projected to remain attractive to use in feed ratios. Demand by the European biodiesel industry for rapeseed oil is expected to remain stable with decreasing imports and increasing exports. Rapeseed oil is expected to stay price competitive and it is estimated that crushers ship more rapeseed oil to new non EU-markets. But, China, Norway, and Israel remain the most important destinations.

MY 2013/14

EU rapeseed production was nearly 1.6 million MT higher than the previous MY. However, rapeseed imports remained nearly flat at about 3.3. Million MT fuelled by the strong demand of the European crushing industry. The estimate for crushing was revised upwards. Due to a good crop the Ukraine became the major supplier of the European market with Australia delivering over a third less than the previous MY. Russia and Kazakhstan have also emerged as minor suppliers in MY 2013/14.

Rapeseed meal is used by the livestock sector as the EU is a leading producer and exporter of meat and dairy products. The popularity of rapeseed meal for animal feed varies among EU countries. Its use is most pronounced in countries that have a long rapeseed crushing history and high dairy production like Germany, France, the Benelux and the UK. Rapeseed meal production is following the crush numbers and was also increased slightly. Imports are a little bit higher than expected with Ukraine, Kazakhstan, and Belarus becoming minor suppliers besides Russia. Canada is no longer an important market player. Feed use of rapeseed meal is expected to increase to 13 million MT in MY 2013/14, driven by the expanding EU dairy sector.

Higher rapeseed crush in MY 2013/14 is estimated to result in higher rapeseed oil production. Imports of rapeseed oil are a bit higher than the previous MY since competitive prices led to high imports from the Ukraine, and Belarus. The EU remained an important exporter of rapeseed oil. In some countries food use of rapeseed oil is increasing since consumers switch to local products and respond to messaging campaigns regarding the health benefits of rapeseed oil.

4. Sunflower Complex

Coordinator: Mila Boshnakova / FAS Sofia and Monica Dobrescu / FAS Bucharest

PSDs have been revised according to the most recent data available from the Global Trade Atlas (May 2014), which provide imports and exports for MY 2013/14; recent harvest and crush estimates from producing countries.

Oilseed, Sunflowerseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	4,291	4,236	4,507	4,387	4,200	4,331
Beginning Stocks	631	631	222	260	798	530
Production	7,065	7,131	8,876	8,705	7,950	7,970
MY Imports	209	209	280	300	250	260
MY Imp. from U.S.	50	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	7,905	7,971	9,378	9,265	8,998	8,760
MY Exports	521	521	680	750	640	600
MY Exp. to EU	0	0	0	0	0	0
Crush	6,562	6,540	7,150	7,200	6,980	6,950
Food Use Dom. Cons.	250	250	290	265	290	290
Feed Waste Dom. Cons.	350	400	460	520	430	470
Total Dom. Cons.	7,162	7,190	7,900	7,985	7,700	7,710
Ending Stocks	222	260	798	530	658	450
Total Distribution	7,905	7,971	9,378	9,265	8,998	8,760
1000 HA, 1000 MT						

Meal, Sunflowerseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	6,562	6,540	7,150	7,200	6,980	6,950
Extr. Rate, 999.9999	1	1	1	1	1	1
Beginning Stocks	660	660	77	67	182	177
Production	3,570	3,500	3,850	3,850	3,784	3,750
MY Imports	3,030	3,030	3,600	3,500	3,400	3,200
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	7,260	7,190	7,527	7,417	7,366	7,127
MY Exports	123	123	150	140	150	125
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	7,060	7,000	7,195	7,100	7,061	6,900
Total Dom. Cons.	7,060	7,000	7,195	7,100	7,061	6,900
Ending Stocks	77	67	182	177	155	102
Total Distribution	7,260	7,190	7,527	7,417	7,366	7,127
1000 MT, PERCENT						

Oil, Sunflowerseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	6,562	6,540	7,150	7,200	6,980	6,950
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	175	175	118	108	156	200
Production	2,753	2,750	2,976	3,050	2,926	2,950
MY Imports	942	942	1,000	1,020	950	1,050
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	3,870	3,867	4,094	4,178	4,032	4,200
MY Exports	239	239	290	300	220	250
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	210	200	210	260	210	260
Food Use Dom. Cons.	3,300	3,300	3,435	3,400	3,460	3,450
Feed Waste Dom. Cons.	3	20	3	18	3	18
Total Dom. Cons.	3,513	3,520	3,648	3,678	3,673	3,728
Ending Stocks	118	108	156	200	139	222
Total Distribution	3,870	3,867	4,094	4,178	4,032	4,200
1000 MT, PERCENT						

Sunflower Seeds

MY 2014/15

Production of sunflower seeds is projected to decline compared to the record crop in MY 2013/14, due to both reduced area (mainly in France, but also in Romania, Bulgaria, Hungary, Spain and Czech Republic) and lower average yields in most member states. Currently, we forecast EU average yields to be at 1.84 MT/ha compared to 1.98 MT/ha in MY 2013/14. Total production is projected to decline to below/around 8.0 MMT or by 8 percent.

There has been a reduction in expected average yields mainly in Spain due to dry conditions prevailing over spring. The impact of the reduced rainfall during spring was partially offset by the mild summer temperatures registered The major production regions in Spain suffered from dryness and/or from a reduced area due to competition from grains while the overall summer conditions remained favorable with cooler temperatures and more rainfall. In Romania and Bulgaria, planted area declined due to an expansion of rapeseed area in fall, mild winter conditions leading to no re-seeding of rapeseeds, and difficult spring planting conditions (excess rains at planting time). However, a similar summer weather pattern (abundant rainfall, cool temperatures) gives hope for above average yields in both countries. Further developments in these two countries will determine wether or not sunflower yields will be close to the record of 2013. Higher average yields are also expected in France and Italy due to favorable weather.

Sunflower seeds crush is likely to decline due to lower availability and increased competitiveness of rapeseeds and soybeans due to bumper crop of rapeseeds in the EU and expected record soybean crop in the world. Crush margins are becoming less attractive, currently they stay below the levels seen a year earlier despite most recent improvements, and are projected to discourage growth in crush. Despite this decline, crush is projected to remain above the volume of MY 2012/13.

Lower EU local supply, especially in western EU countries, is likely to raise import demand from eastern EU and/or from the Black Sea suppliers. Despite expected abundant supply in the Black Sea region (from the new crop as well as higher old stocks), it is projected that record high EU rapeseeds crop will be more price competitive and this may position the sunflower complex to be traded at slightly higher price levels in the near future. Higher prices are projected to impact import demand. Imports from third countries are forecast to be lower due to likely reduction in imports from Moldova, Serbia, and Russia, and due to more depressed crush demand. Exports to third countries will be prevented by lower supply in the EU, price competition from other oilseeds, and expected lower import demand in some EU export markets such as Pakistan and South Africa.

MY 2013/14

Marginal adjustments were done in the PSD to reflect most recent trade changes. Imports from third countries until May 2014 were at 0.27 MMT mainly from Moldova, Serbia and Ukraine. We project annual imports to reach 0.3 MMT for the marketing year.

Crush levels remained record high for the year although crush margins began to weaken by the end of the season. Throughout the marketing year crush was stimulated by abundant availability and favorable margins, thus crush has reached historically high levels.

Sunflower Meal

MY 2014/15

Lower crush is likely to lead to lower supply of sunflower meal, which along with increased competition with rapeseed and soybean meal, may discourage consumption. Imports from third countries are forecast to be slightly lower than in the current year due to expected higher uses in some of the major producer countries (Russia) as well as expected lower export supply from Serbia and Moldova. This is expected to lower meal use by 0.2 MMT compared to record levels in MY 2013/14.

MY 2013/14

Imports of sunflower meal from third countries expanded in the second half of the season due to good availability in the Black Sea region and from Serbia, and along with the seasonal decline in crush and production in the EU. EU imports until May were at about 2.5 MMT and the estimate for the year is for 3.5 MMT to satisfy good local demand of the livestock industry. The main supplier of sunflower meal remains Ukraine, followed by Russia. EU exports are forecast to be good to Morocco, Egypt and Turkey and reach 0.14 MMT.

Consumption of sunflower meal has been record high to date despite recent stronger price competition with other meals. Most member states report higher use to record levels, with a substantial growth in France, Germany, Benelux, Spain, Poland, and the UK, and stable use in the other member states.

Sunflower Oil

MY 2014/15

Due to expected lower crush, production of sunflower oil is likely to decline to about 3.0 MMT. Demand is expected to be stable, or with a very moderate growth due to new market trends. The EU market currently sees a developing demand for high-oleic sunflower oil which has enjoyed excellent price premiums vs conventional sunflower oil. Demand is likely to be stable or slightly growing due to still limited production in the EU, and supports further sunflower oil market diversification. This new trend may seriously affect supply and demand in the near future. Industry reports reveal that the major supplier of this type of oil outside the EU is Argentina, followed by France. Regarding conventional sunflower oil, Ukraine is expected to be the major supplier. Imports from third countries are likely to be the same or slightly above the estimate for this current year to compensate for the reduced domestic supply in the EU.

MY 2013/14

Record crush has resulted in very good sunflower oil availability on the market, 10 percent more than in the previous year. Imports from third countries until May were recorded at 0.53 MMT and the forecast for the year is to reach about 1.0 MMT. It is expected that the major supplier Ukraine is likely to take advantage of the EU demand.
In July 2014, the Standing Committee of EU Member States agreed to lift import restrictions on sunflower oil from the Ukraine that has been in place since 2008. The import restrictions were imposed due to sunflower oil from the Ukraine being contaminated with paraffin. The decision to lift the import restrictions were published in the Official Journal on August 5, and will enter into force on August 25.
In early July, the European Commission lifted some import restrictions (a specific certification scheme to test contamination with mineral paraffin) on sunflower oil from Ukraine that has been in place since 2008. Exports to third countries, as of May, were at 0.26 MMT and we forecast annual exports to reach 0.3 MMT. Despite recent deterioration of price competitiveness of sunflower oil compared to other oils (soy), the demand for sunflower oil at EU export markets remained favorable, especially in South Africa and some Balkan countries.

5. Soybean Complex

Coordinator: Xavier Audran / FAS Paris

PSDs have been revised according to the most recent data available from the Global Trade Atlas (May 2014), which provide imports and exports for MY 2013/14; recent harvest and crush estimates from producing countries.

Oilseed, Soybean European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	480	431	480	470	550	560
Area Harvested	422	431	469	470	558	560
Beginning Stocks	537	537	246	750	635	800
Production	948	957	1,229	1,230	1,472	1,400
MY Imports	12,506	12,513	12,650	12,500	12,500	12,500
MY Imp. from U.S.	2,919	2,919	3,500	3,500	3,000	3,000
MY Imp. from EU	0	0	0	0	0	0
Total Supply	13,991	14,007	14,125	14,480	14,607	14,700
MY Exports	92	58	60	40	70	50
MY Exp. to EU	0	0	0	0	0	0
Crush	12,743	12,325	12,500	12,500	12,660	12,500
Food Use Dom. Cons.	130	150	130	160	130	160
Feed Waste Dom. Cons.	780	724	800	980	850	1,190
Total Dom. Cons.	13,653	13,199	13,430	13,640	13,640	13,850
Ending Stocks	246	750	635	800	897	800
Total Distribution	13,991	14,007	14,125	14,480	14,607	14,700
1000 HA, 1000 MT						

Meal, Soybean European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	12,743	12,325	12,500	12,500	12,660	12,500
Extr. Rate, 999.9999	1	1	1	1	1	1
Beginning Stocks	371	371	77	269	395	377
Production	10,194	9,675	9,938	9,800	10,063	9,800
MY Imports	16,943	16,809	18,700	18,500	19,800	18,400
MY Imp. from U.S.	1,396	1,936	1,300	1,300	1,300	1,300
MY Imp. from EU	0	0	0	0	0	0
Total Supply	27,508	26,855	28,715	28,569	30,258	28,577
MY Exports	537	544	350	350	650	200
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	10	10	10	10	10	10
Food Use Dom. Cons.	32	32	32	32	32	32
Feed Waste Dom. Cons.	26,852	26,000	27,928	27,800	29,102	28,000
Total Dom. Cons.	26,894	26,042	27,970	27,842	29,144	28,042
Ending Stocks	77	269	395	377	464	335
Total Distribution	27,508	26,855	28,715	28,569	30,258	28,577
1000 MT, PERCENT						

Oil, Soybean European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	12,743	12,325	12,500	12,500	12,660	12,500
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	148	148	102	89	121	39
Production	2,317	2,300	2,269	2,200	2,298	2,300
MY Imports	300	294	320	250	300	250
MY Imp. from U.S.	0	6	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	2,765	2,742	2,691	2,539	2,719	2,589
MY Exports	1,013	1,013	800	750	800	700
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	690	600	820	810	900	860
Food Use Dom. Cons.	910	1,000	900	900	830	900
Feed Waste Dom. Cons.	50	40	50	40	50	40
-	0		0	0	0	0
Total Dom. Cons.	1,650	1,640	1,770	1,750	1,780	1,800
Ending Stocks	102	89	121	39	139	89
Total Distribution	2,765	2,742	2,691	2,539	2,719	2,589
1000 MT, PERCENT						

MY 2014/15

EU soybean domestic production is expected to increase to 1.4 MMT, mainly due to higher production in Italy and Romania, two leading producers in Europe as well as in Austria, France and Hungary. As a significant portion of the production increase will go directly into feed usage, the import demand for soybean should remain flat from 2013/14 as no increase is expected from the crush demand.

The production of soybean meal in MY 2014/15 is expected to remain flat, as soybean meal competitiveness will be negatively impacted by the significant decrease in grain, especially feed wheat, prices, due to the large availability of feed wheat in Europe (especially in France) at discounted price as wheat quality problems in several EU countries are confirmed, in addition to a large EU-28 corn crop. Thus, with a global EU-28 feed production expected to increase in 2014/15, the share of soybean meal in animal feed will be slightly lower.

Another significant concern for EU-28 soybean and soybean meal importers is the Commission's failure to grant an authorization of imports for the GM soybeans MON87705, MON305423, BPSCV127-9 and MON87708 which are already cultivated in the western hemisphere. With the new Commission being in place on November 1st, 2014, the next Commission College meeting is likely to take place close to the end of the year, putting EU imports of soybeans and meals in limbo as the risk of the adventitious presence of those unapproved GM events is high.

6. Related EU-28 and Country Reports

Dry Spell Significantly Reduces Grain Yield Expectations in Spain |Grain and Feed Oilseeds and Products Sugar Cotton and Products|Madrid|Spain|7/3/2014

Dry weather conditions prevailing since mid-spring have driven down yield expectations in Spain. While precipitation levels remained at good levels until mid-spring, the combination of dry and warmer weather prevailing since mid-April has dried out the soil surface. The reduction of yields is expected to be significant in Central-East Spain, the North-West grain producing areas still hold yield potential. Southern regions only report small output reductions. Overall grain production is proj...
Dry Spell Significantly Reduces Grain Yield Expectations in Spain _Madrid_Spain_6-24-2014

Polish Producers Bullish on the Winter Crops|Agricultural Situation Grain and Feed Oilseeds and Products|Warsaw|Poland|5/28/2014

Poland's winter cereals crops are estimated to be in a very good shape after the mild 2013/14 winter. The Main Statistical Office released its preliminary field survey results which showed the majority of Polish farmers and growers optimistic about good winter crops and orchards. Heavy May rainfall did not damage crops nor lead to lower optimism for a large harvest. However, strawberry plantings are expected to be affected by dry weather in early spring followed by excessively wet conditions in ...
Polish Producers Bullish on the Winter Crops_Warsaw_Poland_5-27-2014

Olive Oil Annual 2014|Oilseeds and Products|Rome|Greece|5/20/2014

Greece is the world's third largest olive oil producer after Spain and Italy. According to industry contacts, Greece's MY2013/14 olive oil production is projected to decline by 57 percent compared to the previous campaign, because of the severe drought of the summer. More than 80 percent of the Greek annual production is extra virgin olive oil. Per capita consumption of olive oil in Greece (20 Kg/year) is one of the highest in the world. Ninety percent of Greek olive oil is exported to the E...
Olive Oil Annual 2014_Rome_Greece_5-14-2014

Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|5/2/2014

In 2014 wheat exports have set a sustained pace that will establish a record spurred on by export demand and deepening escalation of political tensions in the Black Sea region. After an unusually dry, warm fall/winter period the weather turned more favorable in March and April to date for development of the winter crops. Temperatures have been mild, above average in March and early April and slightly cooler in mid-end April. Most crops are estimated at advanced in development for this time...
Grains and Oilseeds Market Update_Sofia_Bulgaria_4-30-2014

Poland Established a New Record in Rapeseed Production|Agricultural Situation Biofuels Grain and Feed Oilseeds and Products|Warsaw|Poland|4/16/2014

In MY 2013/14, Poland's rapeseed planted area reached one million HA and produced a record crop of 2.8 million tons. Both a large increase in acreage and higher yields contributed to the crop's success. For MY 2014/15, planted area is expected to diminish 13 percent in response to declining rapeseed prices leading some producers to switch to grains. As of the first week of April, the rapeseed crop was reported behind in development as compared to the same period 2013.
Poland Established a New Record in Rapeseed Production_Warsaw_Poland_4-11-2014

Turn to Genetically Engineered Soymeal Highlights Market Reality|Biotechnology and Other New Production Technologies Oilseeds and Products|Berlin|Germany|4/10/2014

The availability of, and preference for, non-genetically engineered (GE) soybeans as an animal feed is again being debated in Germany. Interest has been rekindled by a recent decision by the German poultry famers association to end their 14 year old policy of only using non GE soybeans in poultry feed. This action opens a new 800,000 MT soybean meal market to U.S. suppliers. This report contains price spread information on GE versus non-GE soybean meal as reported by farm-level buyers in Germany...
Turn to Genetically Engineered Soymeal Highlights Market Reality_Berlin_Germany_4-3-2014

Select Record Rapeseed Production but Sunflower Production Down|Oilseeds and Products|Vienna|EU-28|4/4/2014

Total EU-28 oilseed production for marketing year (MY) 2014/15 is expected to reach 31.3 million metric tons (MMT), a decrease of 0.6 percent year-on-year. Rapeseed production is forecast to increase by 0.5 MMT and reach a record of 21.6 MMT whereas sunflower production is anticipated to be down by 0.8 MMT at 7.9 MMT. Ample global soy supplies, combined with a growing EU-28 poultry and recovering swine sector, are expected to favor the use of soybean meal in animal feed.
Oilseeds and Products Annual_Vienna_EU-28_3-31-2014

The Availability of Non GE Soymeal|Biotechnology and Other New Production Technologies Oilseeds and Products|Berlin|Germany|3/31/2014

The availability of non genetically engineered (GE) soybeans and soybean meal has just been subject of public discussion in

Germany. The discussion was stimulated by the withdrawal of the promise of the German poultry famers association (ZDG) to only use non GE soybeans in poultry feed. Three main reasons led to the decision of ZDG: Reliability of imports, danger of cross contamination and price spread between non GE and GE soybean meal. The Availability of Non GE Soymeal_Berlin_Germany_3-27-2014
Olive Oil Production in Spain Set to Rebound |Oilseeds and Products|Madrid|Spain|2/28/2014 After plummeting in MY2012/13, when prolonged dry weather halved yields, Spain's olive oil production is anticipated to recover to average levels in MY2013/14. The higher supply will allow for a recovery of exports and stocks. No major changes are anticipated in domestic consumption. Olive Oil Production in Spain Set to Rebound _Madrid_Spain_2-12-2014
Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|2/3/2014 The latest data for 2013 shows total crop production at a record high harvest of 10.4 MMT. Strong export demand sustained record exports through the end of calendar year 2013 but slowed in January 2014 with depletion of stocks and weakening of export demand. As of January 2014, potential annual export estimates have been updated based on most recent trade and consumption data which show increased potential exports for wheat at 3.3 MMT, corn at slightly below 2.0 MMT, and sunflower at 1.3 MMT.... Grains and Oilseeds Market Update_Sofia_Bulgaria_1-29-2014
Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|12/17/2013 Bulgaria 2013 total crops harvest exceeded 10 MMT with the latest individual crop estimates exceeding previous expectations. Strong export demand early in marketing year 2013/14 sustained into the fall. As of December 2013, year-over-year export data show wheat up 57 percent; corn 13 times higher, and barley up 16 percent. Oilseed exports are also strong with sunflower seeds up 84 percent higher; and rapeseeds 62 percent higher. Fall planting finished on schedule with planted areas higher ... Grains and Oilseeds Market Update_Sofia_Bulgaria_12-12-2013
Biodiesel Standing Report|Biofuels Oilseeds and Products|Madrid|Spain|12/13/2013 This report provides an overview of Spain's biodiesel sector including Member State specific policy, production supply and demand data. Spain is among the three top MS in terms of biodiesel production capacity and consumption; however, competition from imports forced the large majority of the biodiesel plants to run idle for the last three years. Biodiesel Standing Report_Madrid_Spain_11-26-2013
Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|11/4/2013 Bulgaria enjoyed a bumper crop with total production of grains and oilseeds exceeding 10 MMT. This is a new record and 20 percent more than recorded in MY 2012/13. Bumper crops, overall good quality, along with logistical and storage issues for farmers, and favorable export demand (especially for feed wheat), all resulted in extra high commodity exports early in the marketing year. As of October 2013, MY13/14 wheat exports are 50 percent higher than in the same period of 2012; barley exports ... Grains and Oilseeds Market Update_Sofia_Bulgaria_10-30-2013
2013 Romanian Grains Exports Positioned to Flourish |Agricultural Situation Grain and Feed Oilseeds and Products|Bucharest|Romania|10/17/2013 Romanian 2013 crop yields show significant improvement over 2012 due to more favorable growing conditions this year. Production is projected up by 26 percent for wheat, 50 percent for barley, and nearly 70 percent for corn this year as compared to last year. In addition to grains, the sunflower crop, a major crop in Romania, is expected to increase by 44 percent. The bumper supply has placed increased pressure on farmers with inadequate storage capacity to sell crops or schedule to return cre... 2013 Romanian Grains Exports Positioned to Flourish _Bucharest_Romania_10-9-2013
Olive Oil Update 2013|Oilseeds and Products|Rome|Greece|10/17/2013 Greece is the third largest olive oil producer in the world behind Spain and Italy. According to industry contacts, Greece's MY 2012/13 (November/October) olive oil production climbed to approximately 350,000 MT thanks to favorable weather. More than 80 percent of the Greek annual production is extra virgin olive oil. Per capita consumption of olive oil in Greece (20 Kg/year) is one of the highest in the world. Ninety percent of Greek olive oil is exported to the European Union: 80 percent i... Olive Oil Update 2013_Rome_Greece_10-2-2013
Update - Expectations for Bumper Sunflower Crop|Oilseeds and Products Grain and Feed Biofuels|Vienna|Austria|10/17/2013 This report provides EU-28 (EU-27 and Croatia, which joined the EU on July 1, 2013) production, supply, and demand forecasts for oilseeds, protein meals and related products. Update - Expectations for Bumper Sunflower Crop_Vienna_Austria_10-1-2013
Protesters block major soybean port|Biotechnology - GE Plants and Animals Oilseeds and Products Agricultural Situation|Berlin|Germany|8/26/2013

40 Protesters blocked the entrance of the port of Brake on Tuesday 20th of August to demonstrate against the import of biotech soybeans. The port of Brake is one of Germany's main entry points for soybean imports. Agriculture plays its role in the campaigns for the federal election in September since the Green party campaign against Large-Scale Agricultural Production and is openly advocating not just for an end on biotech cultivation in Europe but also for a ban on imports of biotech products.
Protesters block major soybean port_Berlin_Germany_8-21-2013

7. Related EU-28 Topic Reports

Corn, Wheat, Oil, Rapeseed, Oil, Palm, Sugar Beets EU Biofuels Annual 2014|Biofuels|The Hague|EU-28|7/8/2014

By October 2014, the European Commission (EC) aims to reach an agreement on the future policy for biofuels. Main features are a seven percent cap on conventional biofuels and further support of the transition to second generation biofuels. The EC has effectively cut off the imports from the most competitive suppliers but expansion of the domestic market for biofuels is dwindling. Lower fuel use, adjusted biofuels blending mandates and double counting towards these mandates have reduced demand...
Biofuels Annual_The Hague_EU-28_7-3-2014

Dairy, Milk, Fluid, Dairy, Milk, Fluid, Select, Dairy, Cheese, Dairy, Butter, Dairy, Milk, Nonfat Dry, Dairy, Dry Whole Milk Powder Semi-annual|Dairy and Products|Warsaw|EU-28|5/20/2014

Since fall of 2013 EU-28 milk deliveries are on a rise due to favorable world market conditions and growing domestic demand for dairy products, favorable feed conditions and expected discontinuation of the EU milk quota system in 2015. High cheese demand, both domestically (EU-28) and internationally (primarily Russia), is attracting fluid milk into that sector. In 2014, fluid milk output is expected to increase one percent over 2013 in response to projected lower feed costs and stronger deman...
Dairy and Products Semi-annual_Warsaw_EU-28_5-14-2014

Select 2014|Grain and Feed|London|EU-28|4/4/2014

The outlook for the MY2014/15 EU28 grain crop is positive. The winter crops benefitted from good planting conditions and a mild winter. While very wet weather was of concern in February, particularly in the western Member States, drier conditions have since prevailed and normal spring planting is now under way. If the forecast crop of 296 MMT is realized, it will be third largest crop in a decade, after last year's 302 MMT and the record harvest of 312 MMT in 2008. Feed grain consumption in ...
Grain and Feed Annual_London_EU-28_4-1-2014

Poultry, Meat, Broiler EU-28 poultry production to grow again in 2014|Poultry and Products|Paris|EU-28|3/5/2014

EU-28 broiler meat production forecasts for 2014 have been slightly revised upward from previous estimates due to higher production expected mainly in Benelux (driven by increased exports of broiler parts), Germany, UK and Romania more than offsetting lower forecasts in France (driven by declining exports) and Spain. Consumers' switch from other meats to broiler meat (cheaper and more convenient) in a recession-stricken EU-28 region will increase the EU-28 domestic consumption of broiler meat in...
Poultry and Products Semi-annual_Paris_EU-28_2-27-2014

Domestic Supply Will Ease|Livestock and Products|The Hague|EU-28|3/4/2014

Based on official statistics, both cattle and swine slaughter is revised downwards from previously anticipated. However, the forecast of a higher meat production in 2014 remains intact. A higher availability of animals and an abundance of feed are the main reasons for this projection to stand. As a result of the Russian ban, China is likely to become the main export market for EU pork.
Livestock and Products Semi-annual_The Hague_EU-28_2-27-2014

EU Agricultural Biotechnology Developments 2013 11 22|Biotechnology - GE Plants and Animals|Brussels USEU|EU-27|12/4/2013

The EU's authorization system for Genetically Modified Organisms (GMOs) remains extremely slow. Only two applications for import had been authorized by June, 2013. However, on September 26, the EU Court of Justice (ECJ) ruled in favor of Pioneer Hi-Bred International Inc, stating that the European Commission "had failed to meet its obligations." As a result, the College of the Commissioners requested the Environment Council to authorize the cultivation of Pioneer Bt 1507 corn. We understand tha...
EU Agricultural Biotechnology Developments 2013 11 22_Brussels USEU_EU-27_11-25-2013

Dairy, Milk, Fluid, Dairy, Cheese, Dairy, Butter, Dairy, Milk, Nonfat Dry, Dairy, Dry Whole Milk Powder Annual|Dairy and Products|Warsaw|EU-27|10/18/2013

In 2013, despite favorable world market conditions for dairy products, EU-28 milk deliveries should increase only slightly year-over-year due to higher production costs and unfavorable weather conditions earlier in the year. The latter half of the year shows an improving feed situation as reflected via rising on-farm fluid milk deliveries. High cheese demand, both domestically (EU-28) and internationally (primarily Russia), is attracting fluid milk to that sector at the expense of the Whole D... Dairy and Products Annual_Warsaw_EU-27_10-15-2013
Poultry, Meat, Broiler, Poultry, Meat, Turkey, Select EU-28 Poultry sector to grow again in 2013 and 2014|Poultry and Products|Paris|EU-27|9/27/2013 EU-28 broiler sector is expected to grow in 2013 and 2014, benefiting from slowly growing domestic demand (which is less affected than other meats by the economic recession). Brazil and Thailand will remain the largest suppliers of broiler meat to the EU-27. EU-28 broiler meat exports are expected to remain stable in 2013, mainly due to the suspension in July 2013 of all EU-28 poultry meat export restitutions not being offset by increased exports of low-priced cuts. On the other hand, EU-28 Turk... Poultry and Products Annual_Paris_EU-27_9-16-2013
Select Recovery of Production Ahead|Livestock and Products|The Hague|EU-27|9/11/2013 After significant production cuts in 2012, EU beef and pork production are expected to rebound. EU beef production is forecast to increase in 2014, and pork production in 2015. The main drivers are the increased efficiency of the sector, high carcass and milk prices, relatively low feed prices, and the abolishment of the milk quota in 2015. The recovery is however restricted to a minority of Member States, and exportable supplies are expected to be limited. Livestock and Products Annual_The Hague_EU-27_9-6-2013
Agricultural Biotechnology Annual|Biotechnology and Other New Production Technologies|Paris|EU-27|8/23/2013 In the European Union (EU), governments, the media, non-governmental organizations, consumer groups, and industry associations remain conflicted about the use of agricultural biotechnology. Acceptance varies greatly among adopters, the hesitant, and opposed Member States (MS). For example, the technology has been widely adopted in Spain, where genetically engineered (GE) corn accounts for 30 percent of total corn area. By contrast, France is conflicted between embracing (science community, fe... Agricultural Biotechnology Annual_Paris_EU-27_7-12-2013