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Report Name: Oilseeds and Products Annual

Country: Tunisia

Post: Tunis

Report Category: Oilseeds and Products

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Report Highlights:

Tunisian MY 2024/25 soybean imports are expected to reach 555,000 MT, compared to 550,000 MT in MY 2023/24 as demand for animal feed increases slightly. Tunisian olive oil exports are forecast to drop to 150,000 MT in MY 2024/25, compared to 175,000 MT in MY 2023/24 reflecting the alternating high and low fruit bearing cycle of olive production.

OILSEEDS SECTION:

Table1: Soybean Production, Supply and Distribution

Oilseed, Soybean Market Year Begins Tunisia	2022/2023		2023/2024		2024/2025
	Oct 2022		Oct 2023		Oct 2024
	USDA Official	New Post	USDA Official	New Post	Post Estimate
Area Planted (1000 HA)	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0
Beginning Stocks (1000 MT)	16	16	31	33	36
Production (1000 MT)	0	0	0	0	0
MY Imports (1000 MT)	575	542	600	550	555
Total Supply (1000 MT)	591	558	631	583	591
MY Exports (1000 MT)	0	0	0	0	0
Crush (1000 MT)	475	425	490	447	455
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	85	100	105	100	100
Total Dom. Cons. (1000 MT)	560	525	595	547	555
Ending Stocks (1000 MT)	31	33	36	36	36
Total Distribution (1000 MT)	591	558	631	583	591

Area Harvested/Production: Tunisia does not produce soybeans. Although the Ministry of Agriculture encourages Tunisian producers to diversify into rapeseed and sunflower crops, there are no formal programs to support diversification. As a result, Tunisian oilseed production is focused on the olive industry.

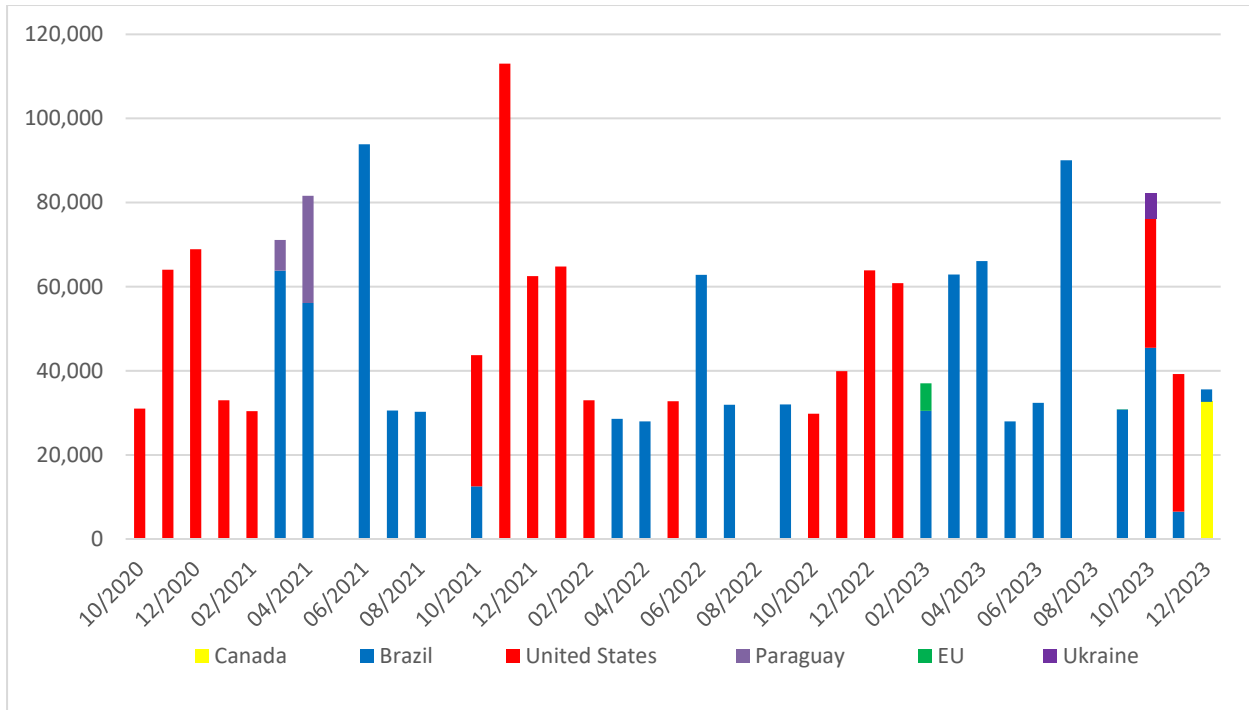
Consumption: For MY 2024/25, Post expects Tunisia's crushing facility demand to slightly increase compared to MY 2023/24 and MY 2022/23. This is due in part to an anticipated small rebound in Tunisia's food service sector, (a significant poultry, beef, and dairy consumer). Soybean total consumption in MY 2023/24 is lowered because of lower crush in MY 2023/24 as some domestic crushing was displaced by imports of soybean meal. Tunisian feed millers report that the industry directed more soybeans to the production of full fat soybean meal (direct feed use) in MY 2022/23, and this will alleviate in MY 2023/24 and MY 2024/25 as production capacities and demand for full fat soybean meal has stabilized. Post decreases soybean crush to reflect industry's final number for MY 2022/23.

Stocks: Industry strives to maintain at least 30 processing days of storage, or about 45,000 MT. Industry sources also confirm ending stocks in MY 2022/23 were 33,000 MT.

Trade: Post changed the MY 2022/23 import based on revised and finalized trade numbers. Change to the MY 2023/24 import estimate reflects estimated crush and consumption decrease and the MY 2024/25 import forecast reflects an anticipated slight increase in consumption compared to MY 2023/24. Tunisia imports soybeans from Brazil, U.S., Canada, and the U.E.

Tunisian importers typically import based on price and availability. However, Tunisia's soybean crusher reports their satisfaction with U.S. soybean quality and has stated their willingness to pay a premium for U.S. soybean over products from competing origins even when prices slightly lower from other origins

Figure 1: Soybean Exports to Tunisia (MT)



Source: Trade Data Monitor, LLC

MEALS SECTION:

Table 2: Soybean Meal Production, Supply and Distribution

Meal, Soybean Market Year Begins Tunisia	2022/2023		2023/2024		2024/2025
	Oct 2022		Oct 2023		Oct 2024
	USDA Official	New Post	USDA Official	New Post	Post Estimate
Crush (1000 MT)	475	425	490	447	455
Extr. Rate, 999.9999 (PERCENT)	0.7958	0.7859	0.7959	0.7964	0.7934
Beginning Stocks (1000 MT)	39	39	27	19	15
Production (1000 MT)	378	334	390	356	361
MY Imports (1000 MT)	115	115	120	120	125
Total Supply (1000 MT)	532	488	537	495	501
MY Exports (1000 MT)	10	10	10	10	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	495	459	505	470	480
Total Dom. Cons. (1000 MT)	495	459	505	470	480
Ending Stocks (1000 MT)	27	19	22	15	21
Total Distribution (1000 MT)	532	488	537	495	501

Production: No significant changes are currently seen or expected in extraction rates. Soybean meal production and ending stocks in MY 2022/23 are revised lower based on industry final production reports.

Consumption: In MY 2022/23 Post decreased soybean meal consumption to reflect trade final numbers, and production and ending stocks industry final numbers. Post estimates soybean meal consumption to increase slightly in MY 2023/2024 and in 2024/2025 compared to MY 2022/23. This increase reflects the assumption continued increase in the tourism industry demand on animal origin and assuming normal population growth. However, growth is not expected to be significant considering inflationary pressures. Note that 70 percent of soybean meal is destined for the poultry and egg sectors.

Table 3: Meals on a Soybean Meal Equivalent Basis

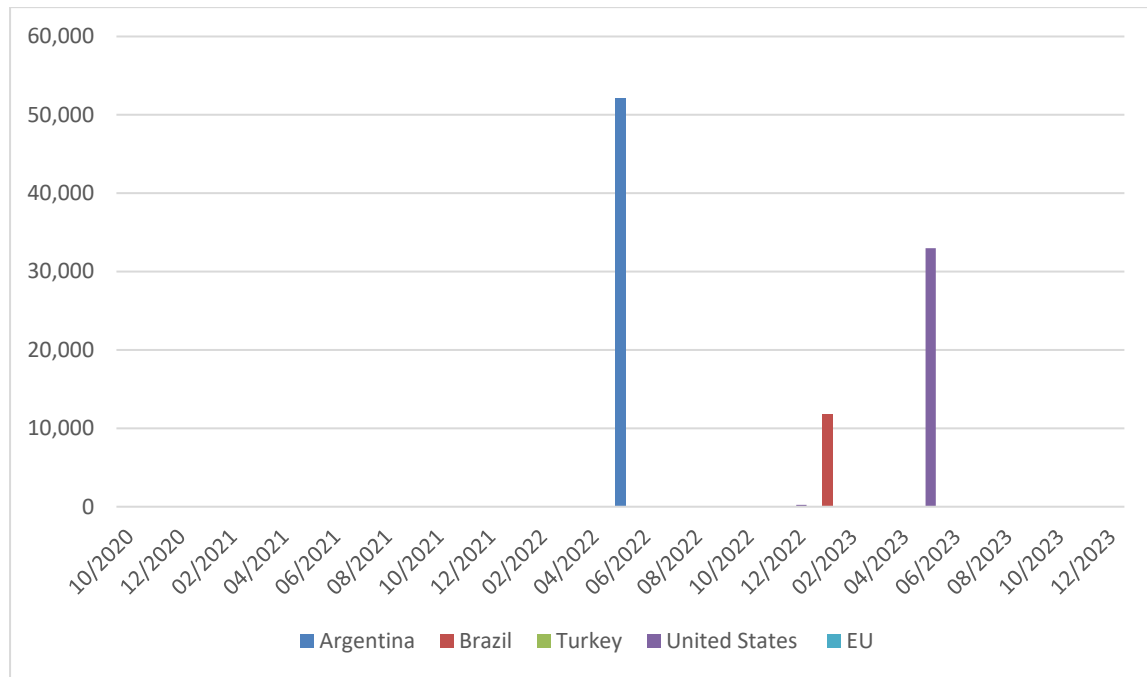
Meals on a Soybean Meal Equivalent Basis (1,000 MT)					
	Description	Conversion Factor	Marketing Year		
			2020/21	2021/22	2022/23
Production			335.8	325.3	340.5
	Soybean Meal ⁽¹⁾	1	334	321	334
	Fish Meal ⁽²⁾	1.445	10.8	4.3	6.5
Imports			96.7	177.9	138.7
	Soybean Meal ⁽¹⁾	1	87	164	115
	DDGS ⁽³⁾	0.58	8.6	9.3	18.3
	CGM & CGF ⁽³⁾	0.68	0.3	2.6	3.6
	Fish Meal ⁽³⁾	1.445	0.8	2	1.8
	Others ⁽³⁾	0.4515	0	0	0
Exports			10.1	10.2	10.2
	Soybean Meal ⁽¹⁾	1	10	10	10
	Fish Meal ⁽³⁾	1.445	0.1	0.2	0.2
Balance			422.4	493	489.4

Source: (1) PSD, (2) Industry, (3) Source: Trade Data Monitor, LLC derived data by calculating imports/exports by exporters or importers.

Stocks: Tunisia’s feed mills and crushing facility each target 30 days of soybean meal stocks. Post decreases soybean meal ending stocks to reflect industry’s final number for MY 2022/23. In MY 2023/24 Post decreases soybean meal ending stocks due a lower beginning stocks and crush.

Trade: Soybean meal imports in MY 2024/25 are forecast to slightly increase compared to MY 2023/24 to accommodate a projected small consumption increase.

Figure 2: Soybean Meal Exports to Tunisia (MT)



Source: Trade Data Monitor, LLC

OILS SECTION:

Table 4: Olive Oil Production, Supply and Distribution

Oil, Olive Market Year Begins Tunisia	2022/2023		2023/2024		2024/2025
	Nov 2022		Nov 2023		Nov 2024
	USDA Official	New Post	USDA Official	New Post	Post Estimate
Area Planted (1000 HA)	0	2020	2000	2040	2060
Area Harvested (1000 HA)	0	0	0	0	0
Trees (1000 TREES)	96000	96000	96000	98000	100000
Beginning Stocks (1000 MT)	43	43	40	20	22
Production (1000 MT)	200	180	200	210	180
MY Imports (1000 MT)	2	2	2	2	2
Total Supply (1000 MT)	245	225	242	232	204
MY Exports (1000 MT)	170	170	175	175	150
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	35	35	35	35	35
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0
Total Dom. Cons. (1000 MT)	35	35	35	35	35
Ending Stocks (1000 MT)	40	20	32	22	19
Total Distribution (1000 MT)	245	225	242	232	204

Table 5: Soybean Oil Production, Supply and Distribution

Oil, Soybean Market Year Begins Tunisia	2022/2023		2023/2024		2024/2025
	Oct 2022		Oct 2023		Oct 2024
	USDA Official	New Post	USDA Official	New Post	Post Estimate
Crush (1000 MT)	475	425	490	447	455
Extr. Rate, 999.9999 (PERCENT)	0.1853	0.1812	0.1837	0.179	0.1802
Beginning Stocks (1000 MT)	11	11	14	9	13
Production (1000 MT)	88	77	90	80	82
MY Imports (1000 MT)	65	65	75	73	73
Total Supply (1000 MT)	164	153	179	162	168
MY Exports (1000 MT)	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	150	144	165	149	154
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0
Total Dom. Cons. (1000 MT)	150	144	165	149	154
Ending Stocks (1000 MT)	14	9	14	13	14
Total Distribution (1000 MT)	164	153	179	162	168

Table 6: Palm Oil Production, Supply and Distribution

Oil, Palm Market Year Begins Tunisia	2022/2023		2023/2024		2024/2025
	Oct 2022		Oct 2023		Oct 2024
	USDA Official	New Post	USDA Official	New Post	Post Estimate
Area Planted (1000 HA)	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0
Trees (1000 TREES)	0	0	0	0	0
Beginning Stocks (1000 MT)	12	12	7	7	5
Production (1000 MT)	0	0	0	0	0
MY Imports (1000 MT)	75	75	75	80	85
Total Supply (1000 MT)	87	87	82	87	90
MY Exports (1000 MT)	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	80	80	75	82	84
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0
Total Dom. Cons. (1000 MT)	80	80	75	82	84
Ending Stocks (1000 MT)	7	7	7	5	6
Total Distribution (1000 MT)	87	87	82	87	90

Production: Post adjusted the MY 2022/23 production and ending stocks to reflect final official production number. MY 2024/25 olive oil production is forecast at 180,000 MT, reflecting the alternating high fruit bearing cycle which had high production in MY 2023/24. Post currently estimates MY 2023/24 production at 210,000 MT, based on official and industry sources. The 2023/24 harvest is ongoing (October 2023 - February 2024). Tunisia's olive area accounts for one-third of the country's total arable land, and area is expected to continue increasing in coming years (see policy section). The bulk of the olive harvest is processed into various grades of oil by 886 private olive mills scattered throughout the production area.

Soybean oil production in MY 2022/23 is revised lower based on industry-reported final data. In 2023/24 soybean oil production is also estimated lower due to a decrease in crushing.

Consumption: Given current policies, Post does not see significant changes to per capita consumption of soybean or palm oil. Soybean and corn oil are the most popular cooking oils with prices subsidized by the government to ensure their affordability on the retail market (see policy section). Palm oil is not well perceived by consumers and is generally limited to the food manufacturing sector.

Stocks: Industry sources confirm soybeans oil ending stocks in MY 2022/23 were 9,000 MT.

Table 7: Total Vegetable Oil Food Use

Total Non-Olive Vegetable Oil Food Use (1,000 MT)				
	Description	Marketing Year		
		2019/20	2021/22	2022/23
Production	Non-Olive Veg Oil	81	75	82
	Soybean Oil ⁽¹⁾	81	75	82
Imports ⁽²⁾	Non-Olive Veg Oil	197	222	212
	Soybean Oil	95	76	65
	Sunflower Oil	18	20	19
	Corn Oil	33	34	34
	Palm Oil	46	79	75
	Copra Oil	2	8	4
	Rapeseed	0	0	9
	Palm Kernel Oil	3	5	6
Exports ⁽²⁾	Non-Olive Veg Oil	0	0	0
	Soybean Oil	0	0	0
Balance	Non-Olive Veg Oil	278	297	294

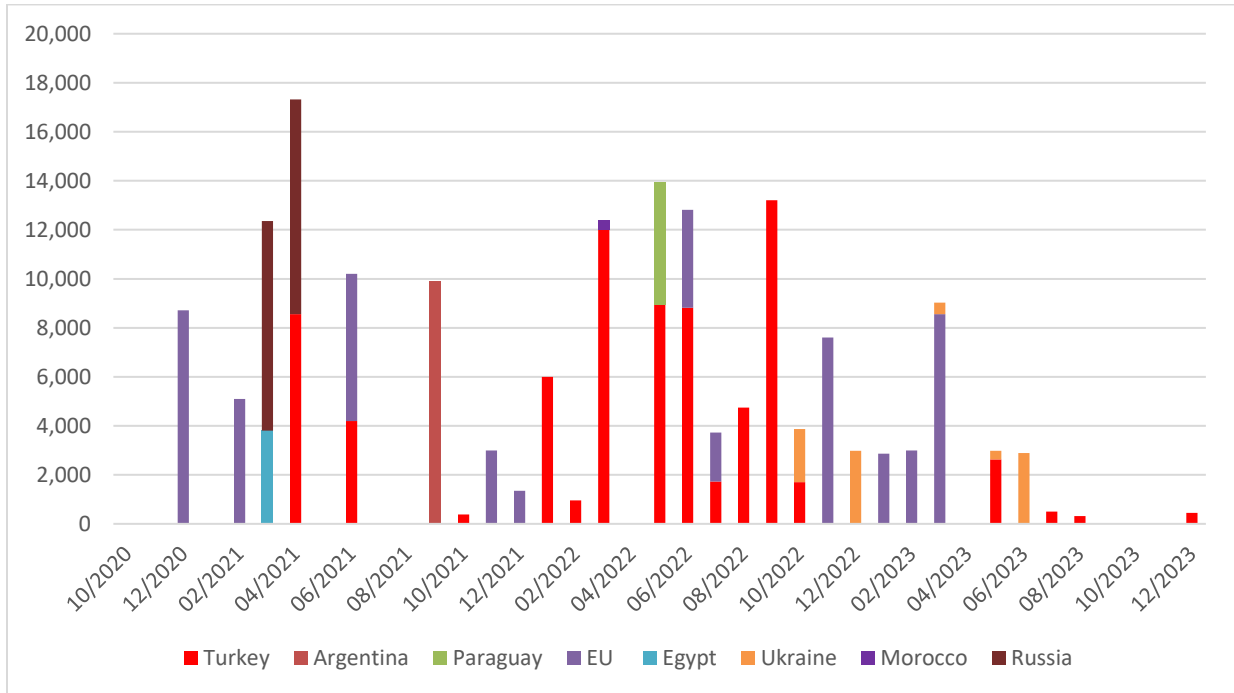
Source: (1) PSD, (2) Trade Data Monitor, LLC derived data by calculating imports/exports by exporters or importers.

Domestic olive oil prices have risen for local consumers due to price inflation in MY 2023/24. The average domestic price for Tunisian olive oil is currently \$6.75 per liter, compared to \$5.20 the same time last year. In MY 2023/24, Tunisia has marketed locally some olive oil at a subsidized price of \$4.8 per liter (see policy section). In MY 2024/25 olive oil consumption is forecast to reach the same level recorded in MY 2023/24.

Trade: Tunisia’s primary export markets for olive oil are Europe and the United States (65 percent and 21 percent respectively), with 15 percent of total production sold in bottles in MY 2022/23. However, the volume of bottled olive oil exports is increasing, as per the government priority to substitute more lucrative sales of branded product in place of bulk exports to intermediary processors in the EU. Most exports are facilitated by the National Oil Board (ONH).

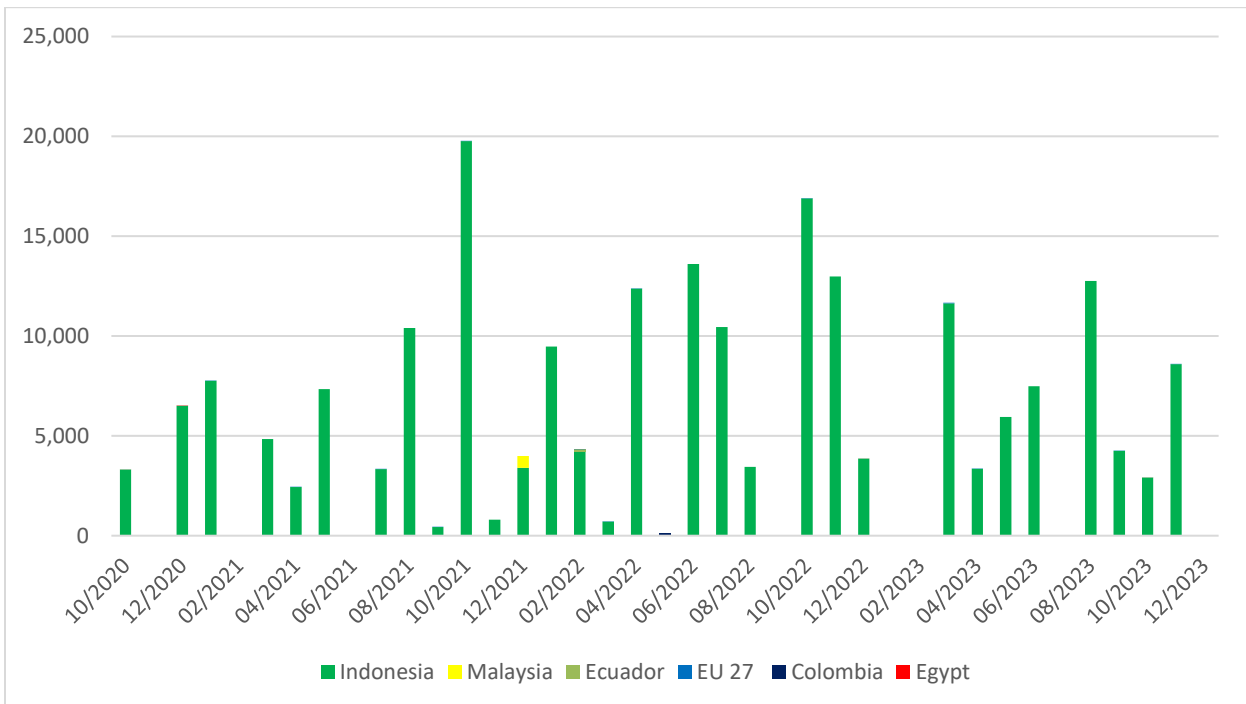
Soybean oil is Tunisia’s largest vegetable oil import, followed by palm, corn, and sunflower oils. Soybean, sunflower, and corn oil are imported crude, as supported by an advantageous tax structure (see policy section below). However, palm oil is generally imported refined. The majority of refined corn oil and significant volumes of refined soybean oil are then re-exported. While Libya is a major buyer of Tunisia’s refined and price-controlled vegetable oils, exact export volumes are difficult to estimate.

Figure3: Soybean Oil Exports to Tunisia (MT)



Source: Trade Data Monitor, LLC

Figure 4: Palm Oil Exports to Tunisia (MT)



Source: Trade Data Monitor, LLC

Policy: There have been no major changes in vegetable oil policy, and Tunisia maintains the following key objectives with regards to the sector:

1. To increase annual average production of olive oil from 205,000 MT to 250,000 MT by 2030 through (1) an aging olive tree renewal plan (representing 20 percent of olive trees) and (2) plans for new plantations in northwest Tunisia,
2. To increase olive trees yields from a low average of 0.1 MT of olive oil per hectare to no less than 0.12 MT per hectare through improvement of olive tree cultivation techniques and a national olive disease protection program,
3. To mitigate the large disparity of olive oil production during drought years, the government targets increasing irrigated area of olive trees from 120,000 HA to 170,000 HA. (Droughts occur two out of every five years on average). Expansion of irrigation would increase olive oil production from irrigated orchards to 130,000 MT and guarantee a minimum level of production during drought years,
4. To make a portion of olive oil affordable for Tunisians, in MY 2023/24, for the first time ever, Tunisia has marketed 10,5 MT of olive oil at a subsidized price of \$4.8 per liter.
5. To promote olive oil exports, a major source of the country's hard currency earnings.
6. To fulfill most of the domestic demand for imported vegetable oils at the lowest cost possible,
7. To continue subsidizing vegetable oil purchased by the state-run National Oil Board (ONH) to maintain relatively low market prices at the retail level [note: the Compensation Fund (Caisse Generale de Compensation) writes off losses incurred by ONH resulting from selling at prices below purchase costs],
8. To transition vegetable oil imports from ONH to private-run refiners via a refining quota system.

To maintain affordable prices of vegetable oils for consumers, the government continues to maintain reduced taxes and VAT on a list of edible oils (e.g., palm, soybean, corn, and sunflower) through the application of Decree 2014-002 of January 7, 2014.

Table 8: Custom Duties and Value Added Taxes on Vegetable Oils

Products	Custom Duties %	Value Added Taxes
Peanut Oil - Crude	0	0
Peanut Oil - Refined	10	0
Palm Oil - Crude	0	0
Palm Oil - Refined	10	0
Sunflower Oil - Crude	0	0
Sunflower Oil - Refined	10	0
Rapeseed Oil - Crude	0	0

Rapeseed Oil - Refined	10	0
Corn Oil - Crude	0	0
Corn Oil - Refined	10	0
Soybean Oil - Crude	0	0
Soybean Oil - Refined	10	0

Attachments:

No Attachments