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EU-27

Oilseeds and Products Annual

Modest Rebound in EU-27 Oilseeds Production

Approved By:
Paul Spencer

Prepared By:
Roswitha Krautgartner, Marie-Cecile Henard, Sabine Lieberz, Mila Boshnakova, Bob Flach, Jennifer Wilson, Asa Wideback, Ornella Bettini, Marta Guerrero, Karin Bendz, and the group of FAS oilseeds specialists in the EU

Report Highlights:
This report provides EU-27 production, supply, and demand forecasts for oilseeds, protein meals and related products.

Executive Summary:

Consumption

Total MY 2011/12 EU-27 oilseeds consumption, including meal and oil, is expected to rebound in part due to strong demand for biofuels. EU-27 soybean meal use is expected to reach 32 million metric tons (MMT) on stronger demand for feed for poultry, available supplies of meal in North and South America, and higher relative prices for other feed ingredients. Biofuels policy is the most important demand driver for rapeseed and biofuels use accounts for about two thirds of total EU-27 rapeseed oil consumption. There was a temporary decline of rapeseed oil use for biofuels in MY 2010/11 but the long term upward trend is expected to return in MY 2011/12. The dip in consumption was due to the introduction of E10 bioethanol on the German market, implementation of new 'sustainability' requirements for biofuels and, in France, strikes at bio-refineries.

Production

Total EU-27 oilseeds production in MY 2011/12 is expected to increase 1.5 percent to around 29.4 MMT (20.8 MMT of rapeseed, 7 MMT of sunflower seeds, and 1.1 MMT of soybeans). The increase is largely due to an anticipated rebound to average yields. Production of all major oilseeds is forecast to rise while total oilseeds area will remain flat at 11.5 million ha. Rapeseed remains by far the most important oilseed grown in the EU-27, followed by sunflowers and soybeans. A decrease in rapeseed area in MY 2011/12 is offset by an increase in planted area for sunflowers (in Hungary, Italy, Romania and Spain) and soybeans (in Italy, Romania and France). High prices for sunflower seed and soybeans encourage acreage increases whereas unfavorable sowing conditions and competition from winter grains resulted in a lower rapeseed area. Despite the fact that soybean production is expected to show a large percentage increase, domestic soybean production is still small compared to total EU-27 demand. Slightly higher oilseeds production and an increase in imports of rapeseed for biofuels are expected to increase total MY 2011/12 EU-27 crush volumes by almost 1 percent to 41.1 MMT.

Policy

In order to count against mandated use levels and to qualify for financial supports, biofuels in the EU must comply with the sustainability criteria outlined in the Renewable Energy Directive (RED). The criteria apply to both domestic and imported biofuels and feedstocks. However, so far only Germany and Austria apply RED-related sustainability criteria. As a result, trading patterns for oilseeds have been temporarily distorted. For example, German-grown rapeseed from the MY 2010/11 crop was mostly used for biodiesel while rapeseed for food use was imported into Germany. France is expected to export more sustainable rapeseed in the second half of the MY 2010/11, when producers come into conformity with German RED requirements. Conversely, imported soybeans, which are generally not yet RED compliant, are currently being refined in Germany but the resulting soybean oil is exported to EU countries that have not yet implemented the RED. In another policy area, the EU approval process for new biotech crop varieties is still not functioning. However, the adoption of a "Technical Solution" for feed will authorize trace levels of biotech varieties not yet approved in the EU (subject to conditions). This is primarily intended to help reduce the regulatory risk associated with importing soybean meal.

Introduction

This report presents the outlook for oilseeds in the EU-27. 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.

This report was a group effort of the following FAS analysts:

Stefano Baldi	FAS/Rome covering Italy
Karin Bendz	USEU/FAS Brussels covering EU policy
Ornella Bettini	FAS/Rome covering Greece
Mila Boshnakova	FAS/Sofia covering Bulgaria
Bob Flach	FAS/The Hague covering the Benelux Countries
Marta Guerrero	FAS/Madrid covering Spain and Portugal
Marie-Cecile Henard	FAS/Paris covering France
Monica Dobrescu	FAS/Bucharest covering Romania
Agata Kingsbury	FAS/Warsaw covering Poland, Estonia, Latvia, and Lithuania
Roswitha Krautgartner	FAS/Vienna covering Austria, and Slovenia

Sabine Lieberz	FAS/Berlin covering Germany
Jana Mikulasova	FAS/Prague covering the Czech Republic and Slovakia,
Ferenc Nemes	FAS/Budapest covering Hungary
Asa Wideback	FAS/Stockholm covering Sweden, Finland, and Denmark
Jennifer Wilson	FAS/London covering the U.K. and Ireland

The FAS EU-27 oilseeds reporting team would like to thank Yoonhee Macke from FAS/OGA for her valuable input and support.

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-27	= European Union of 27 member states (Austria, Belgium, Bulgaria, 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)
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:

January - December
Copra complex
Palm Kernel complex
Palm Oil
Fish Meal

July-June
Rapeseed complex

October -September
Soybean complex
Sunflower complex
Cottonseed complex
Peanut complex

November - October
Olive Oil

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1. Total Oilseeds and Summary

Coordinator: Roswitha Krautgartner, FAS/Vienna

Total Oilseeds PSD

Commodity:	Total Oilseeds (1000 HA / 1000 MT)				
Marketing Year	MY 2009/10	MY 2009/10	MY 2010/11	MY 2010/11	MY 2011/12
	USDA official	Post New	USDA official	Post New	Post New
Area	11,025	10,988	11,362	11,432	11,526
Beginning Stocks	3,199	3,196	2,697	2,516	2,071
Production	29,689	29,530	28,625	29,020	29,444
Extra EU27 imports	15,925	15,492	16,601	14,576	14,970
TOTAL SUPPLY	48,813	48,218	48,643	46,842	47,225
Extra EU27 exports	814	812	756	765	714
Crush	41,695	41,721	42,390	40,811	41,130
Food Use	1,092	1,078	1,022	1,029	1,034
Feed, Seed, Waste	2,648	2,226	2,591	2,304	2,449
TOTAL DOMESTIC USE	45,352	44,931	45,909	44,036	44,504
Ending Stocks	2,697	2,526	2,014	2,076	2,041
TOTAL DISTRIBUTION	48,813	48,218	48,643	46,842	47,225

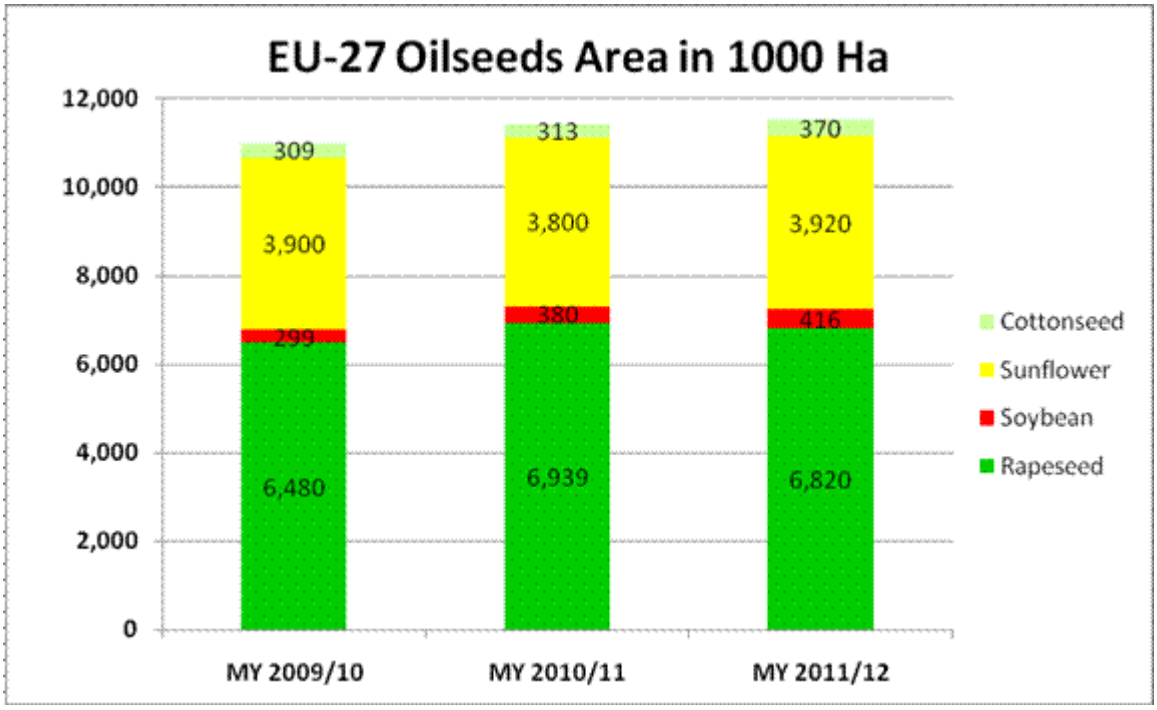
Source: FAS EU-27

EU-27 Total Oilseeds Area

Total EU-27 oilseeds area in **MY 2011/12** is forecast to remain almost flat (+ 0.8 percent) and is expected to total 11.5 million ha. The decrease in rapeseed area is offset by an increase in sunflower and soybean area. High prices for sunflower and soybeans will lead to an increase of acreage for those oilseeds, whereas unfavorable sowing conditions and competition from winter grains resulted in lower rapeseed area. Rapeseed remains by far the most important oilseed grown in EU-27, followed by sunflowers and soybeans.

In **MY 2010/11,** total EU-27 oilseeds area increased by 4 percent compared to the previous marketing year, mainly due to an increase of rapeseed area.

EU-27 Area of Major Oilseeds (in 1,000 ha)



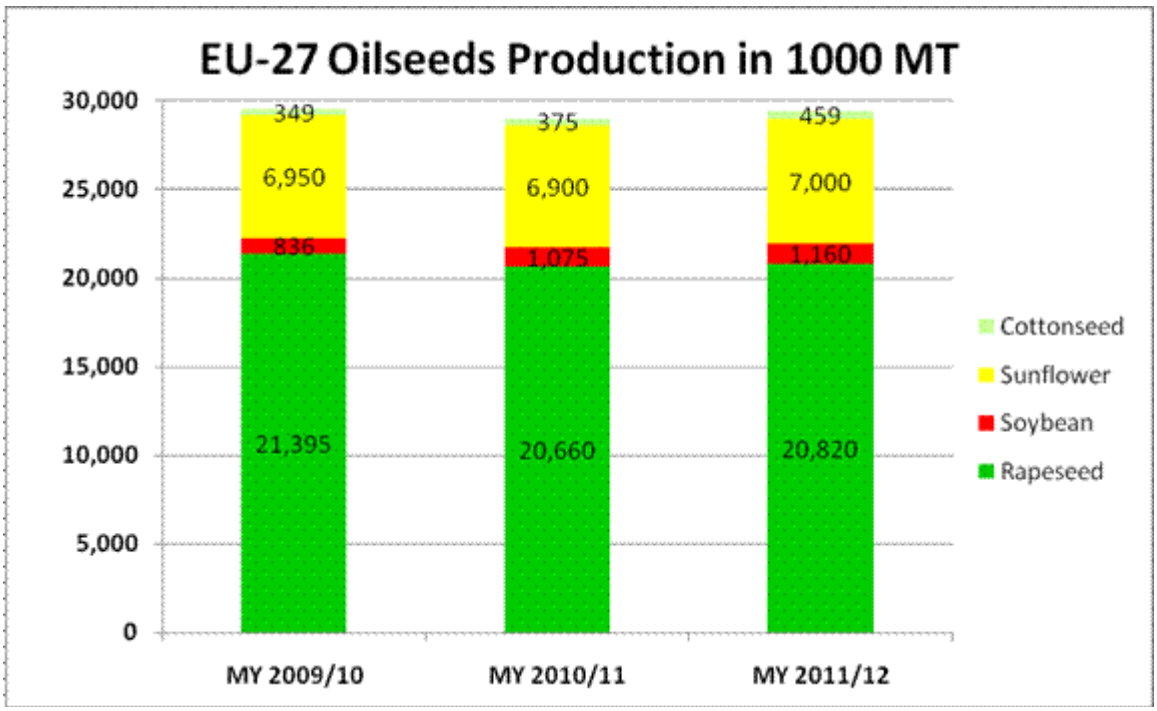
Note: The years refer to the calendar year in which the harvest occurs (e.g. 2009 = harvested in CY 2009, marketed in MY 2009/10)
Source: FAS EU-27

EU-27 Total Oilseeds Production

Expectations for total EU-27 oilseeds production in **MY 2011/12** are for a production increase of 1.5 percent, reaching 29.4 MMT. The increase is largely due to a rebound to average yields compared to lower yields in MY 2010/11. Production of all major oilseeds is forecast to rise. Although soybean production will show a large percentage increase, EU-27 domestic soybean production is still small compared to overall demand.

In **MY 2010/11** total oilseeds production declined by 1.8 percent year-on-year. The main reason for that were lower yields due to less favorable weather conditions compared to relatively high yields in MY 2009/10.

EU-27 Major Oilseeds Production (in 1,000 MT)



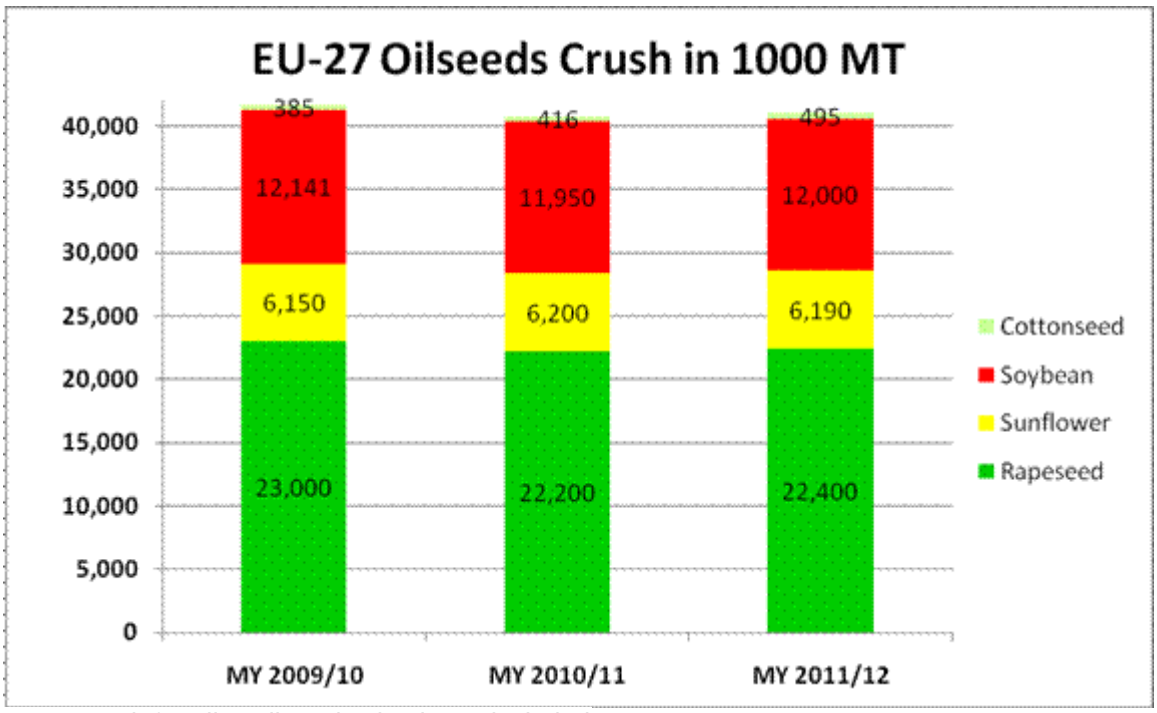
Note: The years refer to the calendar year in which the harvest occurs (e.g. 2009 = harvested in CY 2009, marketed in MY 2009/10)
Source: FAS EU-27

EU-27 Total Oilseeds Crush

Total oilseeds crush in **MY 2011/12** is forecast to rise marginally by 0.8 percent to 41.1 MMT. The increased crushing is in line with slightly higher oilseed production and expected increases in imports of rapeseed for biodiesel.

MY 2010/11 shows a lower crush for all major oilseeds except sunflower seed. The decrease in crush results from lower production together with lower imports.

EU-27 Major Oilseeds Crush (in 1,000 MT)



Note: Crush for olive oil production is not included
Source: FAS EU-27

Total oilseed meals PSD

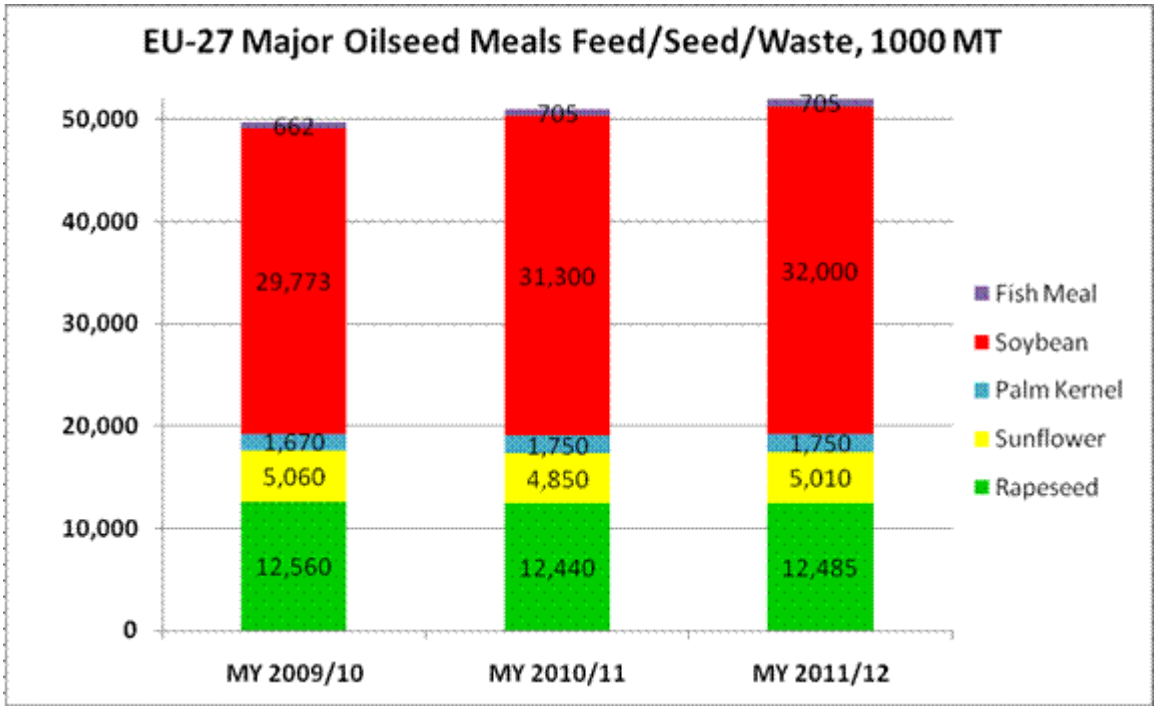
Commodity:	Total Meals (1000 MT)				
Marketing Year	MY 2009/10	MY 2009/10	MY 2010/11	MY 2010/11	MY 2011/12
	USDA official	Post New	USDA official	Post New	Post New
Crush	41,695	41,721	42,390	40,811	41,130
Extraction Rate					
Beginning Stocks	561	561	282	727	695
Production	26,954	26,399	27,562	25,735	25,903
Extra EU27 imports	25,297	25,290	28,269	27,158	27,868
TOTAL SUPPLY	52,812	52,250	56,113	53,620	54,466
Extra EU27 exports	1,028	1,016	970	1,045	1,000
Industrial	580	525	581	565	565
Food Use	32	32	32	32	32
Feed, Seed, Waste	50,949	50,009	53,931	51,353	52,306
TOTAL DOMESTIC USE	51,529	50,534	54,514	51,912	52,858
Ending Stocks	282	727	629	695	643
TOTAL DISTRIBUTION	52,812	52,250	56,113	53,620	54,466

Source: FAS EU-27

The marginally higher crush in **MY 2011/12** will cause total oilseeds meal production to go up by about 0.7 percent to 25.9 MMT. The higher meal production and even higher imports of meals, mainly soybean meal, are expected to be absorbed by the expanding poultry sector. Total feed use for oilseed meals is forecast to be 52.3 MMT (SME: 47.3 MMT). The increased use of soybean meal is driven by the good availability in the United States, Brazil, and Argentina. In Argentina, for example, the crush is being expanded by soybean oil demand for biofuels. Total EU-27 oilseed meals production is projected to reach 54.4 MMT.

In **MY 2010/11,** oilseeds meal production is estimated to decline by 2.5 percent, a result of lower production and lower imports compared to the previous marketing year.

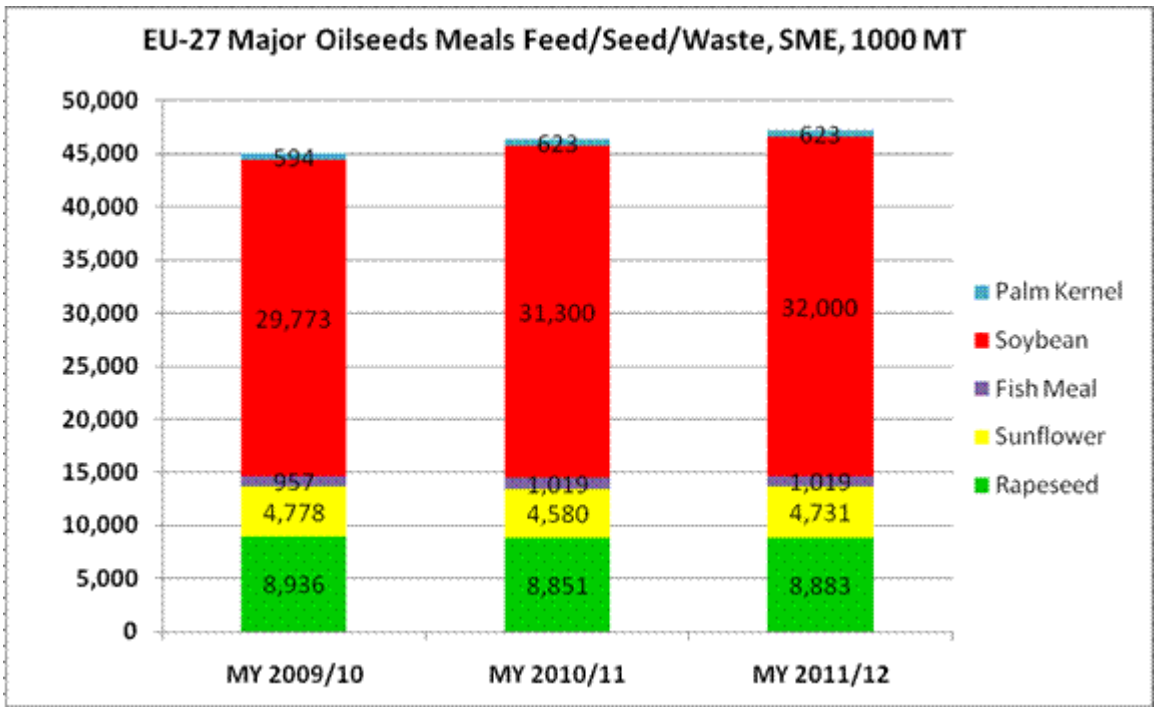
Feed, Seed, Waste Use of Major Oilseed Meals in the EU-27 (in 1,000 MT)



Source: FAS EU-27

Feed, Seed, Waste Use of Oilseeds Meals in the EU-27 (in 1,000 MT of SME)

SME = soybean meal equivalent



Source: FAS EU-27

Total Oils PSD

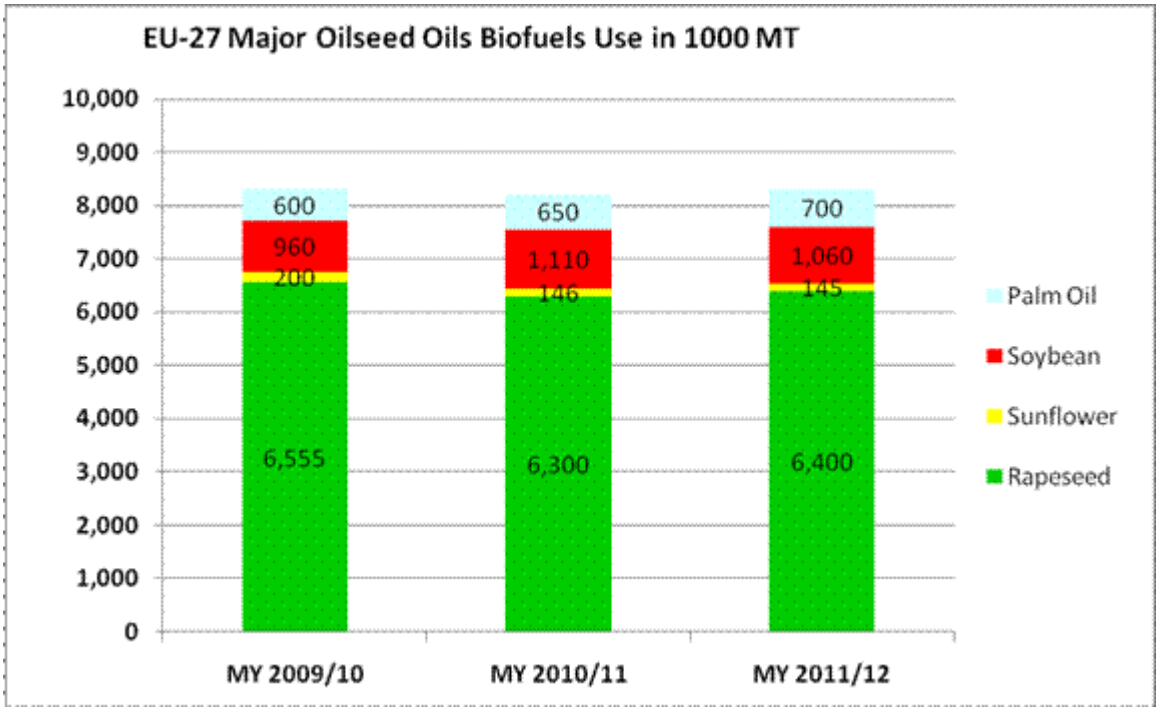
Commodity:	Total Oils (1000 MT)				
Marketing Year	MY 2009/10	MY 2009/10	MY 2010/11	MY 2010/11	MY 2011/12
	USDA official	Post New	USDA official	Post New	Post New
Crush	41,695	41,721	42,390	40,811	41,130
Extraction Rate					
Beginning Stocks	2,275	2,275	2,249	2,057	1,685
Production	16,699	16,790	16,629	16,496	16,630
Extra EU27 imports	8,627	8,645	8,831	8,746	8,916
TOTAL SUPPLY	27,603	27,709	27,709	27,299	27,231
Extra EU27 exports	1,305	1,101	1,164	1,233	1,204
Industrial	10,494	3,520	11,273	3,505	3,476
Biofuels	0	8,320	0	8,212	8,313
Food Use	13,110	12,183	13,103	12,279	12,306
Feed, Seed, Waste	440	377	464	385	380
TOTAL DOMESTIC USE	24,049	24,400	24,845	24,381	24,469
Ending Stocks	2,249	2,057	1,700	1,685	1,558
TOTAL DISTRIBUTION	27,603	27,709	27,709	27,299	27,231

Source: FAS EU-27

While food use of vegetable oils is a fairly stable parameter, biofuels use is forecast to increase again in **MY 2011/12** after a year-on-year decline. In 2010/11, uncertainty caused by tentative implementation of sustainability criteria by, and lower rapeseed availability, led to a decrease in biofuels use. The use of oils for biofuels is expected to increase by 1.2 percent in MY 2011/12 following a decrease of 1.3 percent in MY 2010/11. Rapeseed oil remains to be the primary feedstock for biodiesel processing in MY 2011/12, accounting for about 77 percent of raw plant oil feedstock, while the percentage of soybean oil is estimated at 12.8 percent and palm

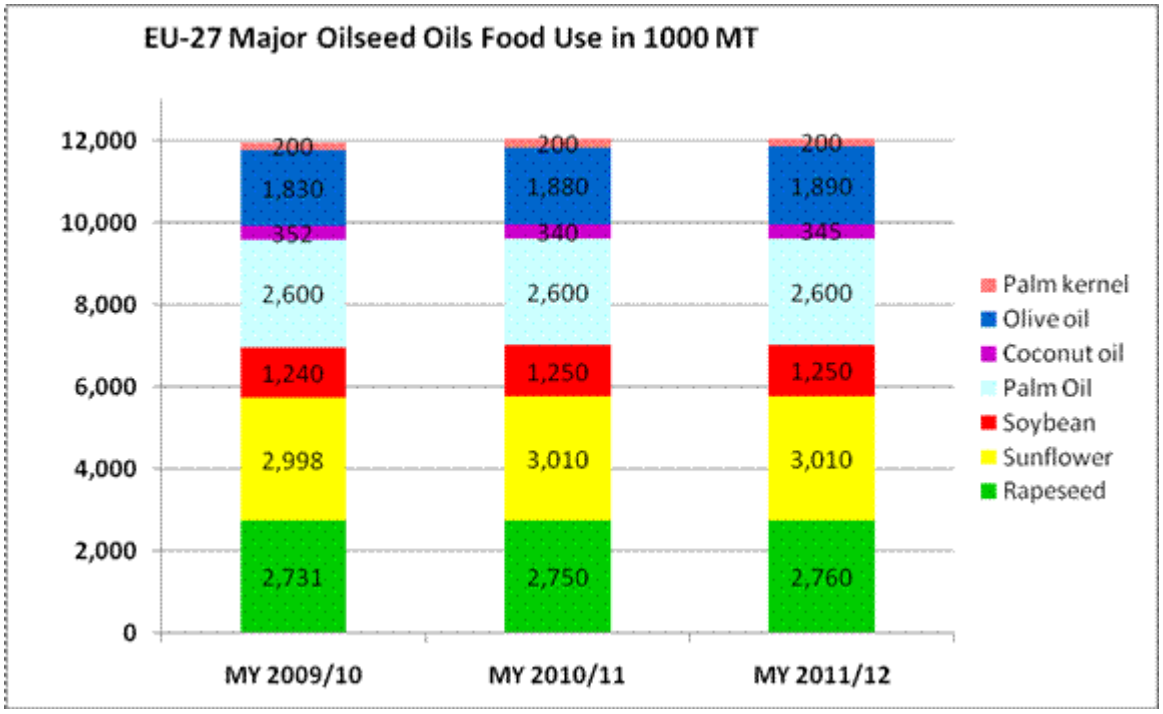
oil at 8.4 percent. Recycled waste oils of animal and plant origin are estimated to play an increasing role as biodiesel feedstock. Their use is forecast to amount to 1 MMT in CY 2011 and CY 2012, compared to 820,000 MT in CY 2010.

EU-27 Oilseed Oils Biofuels Use (in 1,000 MT)



Source: FAS EU-27

EU-27 Oilseed Oils Food Use (in 1,000 MT)



Source: FAS EU-27

2. Soybean Complex
Coordinator: Marie-Cecile Henard/FAS Paris

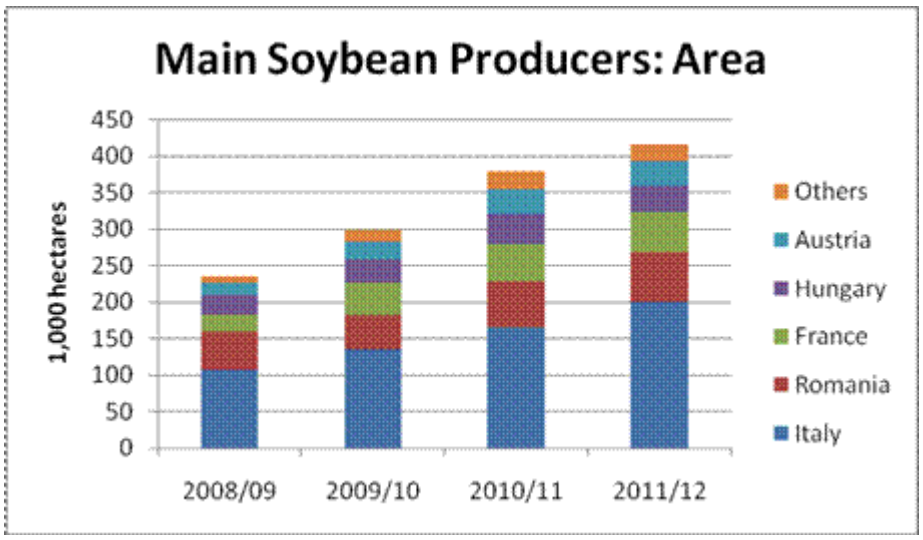
Soybeans

Oilseed, Soybean EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	350	299	350	380		416
Area Harvested	299	299	375	380		416
Beginning Stocks	558	558	375	332		367
Production	835	836	1,025	1,075		1,160
MY Imports	12,609	12,301	14,000	12,200		12,200
MY Imp. from U.S.	2,700	2,499	2,600	2,600		2,600
MY Imp. from EU	0	0	0	0		0
Total Supply	14,002	13,695	15,400	13,607		13,727
MY Exports	36	36	30	50		60
MY Exp. to EU	0	0	0	0		0
Crush	12,510	12,141	13,600	11,950		12,000
Food Use Dom. Cons.	131	136	120	140		140
Feed Waste Dom. Cons.	950	1,050	1,100	1,100		1,250
Total Dom. Cons.	13,591	13,327	14,820	13,190		13,390
Ending Stocks	375	332	550	367		277
Total Distribution	14,002	13,695	15,400	13,607		13,727
1000 HA, 1000 MT						

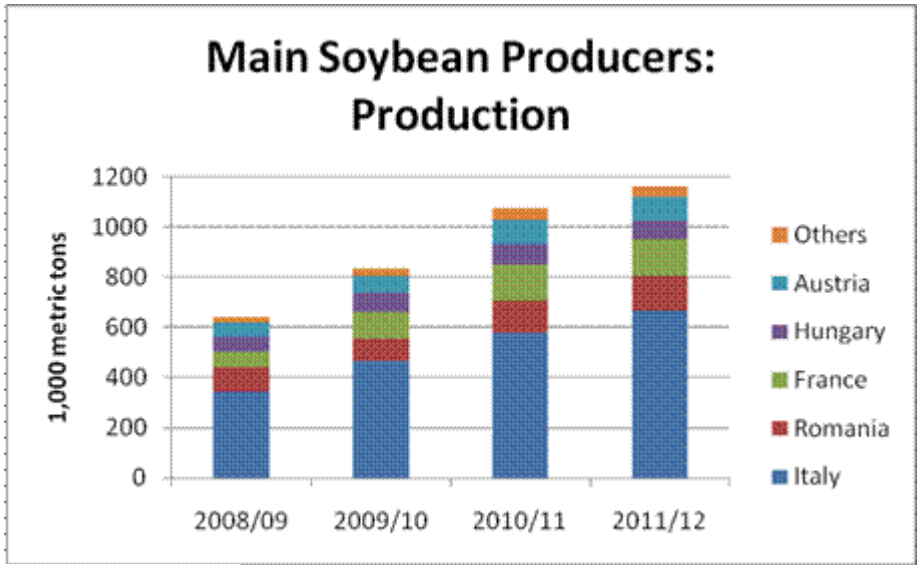
Source: FAS EU-27

MY 2011/12
EU-27 domestic soybean production is anticipated to grow to 1.16 million MT in 2011/12, due to higher planted acreage in all of the major producing countries. Despite this increase, the EU domestic supply of soybeans remains quite small relative to imports, and mainly consists of non-biotech soybeans for food use.

The leading soybean producer in the EU-27, with more than half of production, is Italy. Romania and France rank second and third, respectively.



Source: FAS EU-27

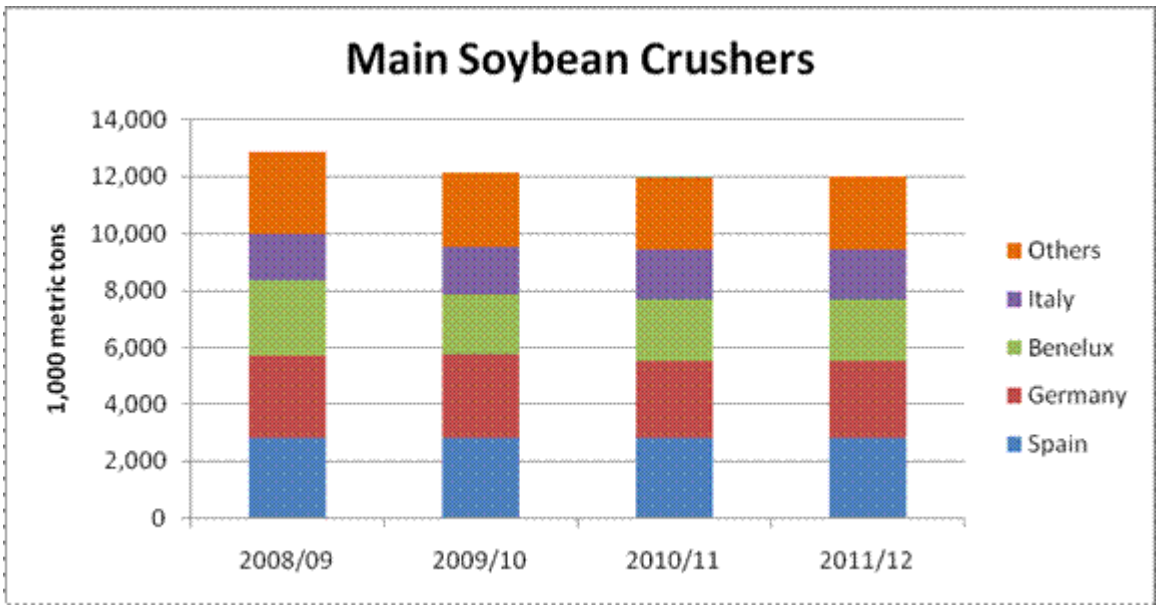


Source: FAS EU-27

Despite growing demand for soybean meal in animal feed, EU soybean imports in MY 2011/12 are expected to remain stable at 12.2 million MT, while EU soybean meal imports are projected to be 600,000 MT higher compared to the previous year. One reason for this is that soybean meal is likely to be more available than soybeans on the world market. There are also fewer regulatory risks to importing soybean meal compared to soybeans (specifically, thresholds for unapproved biotech varieties are expected to be applied to feeds [soybean meal] but not commodities also used for foods [soybeans]). Higher domestic production and stable imports of soybeans are projected to lead to slightly increased crush at 12 million MT.

The higher availability of soybean meal than that of soybeans on the world market, strong demand for soybeans by China, and the strong crush anticipated in Brazil and Argentina, will lead to ample exportable supplies of soybean meal.

Spain, Germany, the Benelux countries, and Italy account for roughly 80 percent of the EU-27 soybean crush.



Source: FAS EU-27

MY 2010/11
Despite higher imports of soybeans during the first quarter of MY 2010/11 (October-December 2011), EU soybean imports are estimated down 100,000 MT to 12.2 million MT, in response to the lower demand for crushing, expected in Germany, the United Kingdom, and France. Similar to 2011/12, the higher demand for soybean meal in feed use is likely to result in rising soybean meal imports rather than soybean imports.

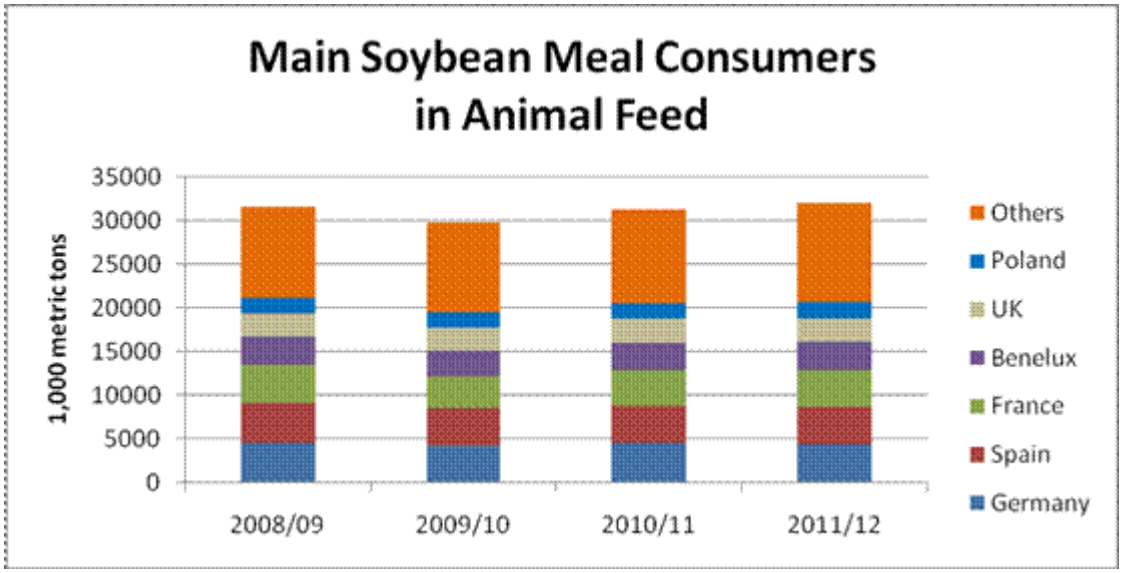
Soybean Meal

Meal, Soybean EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	12,510	12,141	13,600	11,950		12,000
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	130	130	130	251		289
Production	9,880	9,679	10,714	9,430		9,470
MY Imports	20,730	20,722	23,250	22,400		23,000
MY Imp. from U.S.	150	1,033	200	1,100		1,100
MY Imp. from EU	0	0	0	0		0
Total Supply	30,740	30,531	34,094	32,081		32,759
MY Exports	472	465	450	450		440
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	10	10	10	10		10
Food Use Dom. Cons.	32	32	32	32		32
Feed Waste Dom. Cons.	30,096	29,773	33,214	31,300		32,000
Total Dom. Cons.	30,138	29,815	33,256	31,342		32,042
Ending Stocks	130	251	388	289		277

Total Distribution	30,740	30,531	34,094	32,081		32,759
1000 MT, PERCENT						

Source: FAS EU-27

The largest EU users of soybean meal are also the major producers of livestock and poultry. Germany, Spain and France total more than 40 percent of total EU-27 consumption.



Source: FAS EU-27

MY 2011/12
Feed demand for soybean meal is anticipated up, totaling 32 million MT in MY 2011/12. This is due to a variety of factors, including a stronger feed demand from the poultry sector and the limited use of feed grains in animal feed due to high prices and supply constraints. As a result, EU soybean meal imports are raised to 23 million MT, supported by good availability and favorable relative prices.

MY 2010/11
Lower domestic supplies of rapeseed meal and sunflower meal used in animal feed (due to short rapeseed and sunflower seed crops in 2010), combined with short supplies of grains and high feed grain prices are increasing the EU demand for soybean meal in MY 2010/11. In some countries (for example, in France), high grain prices hampered on-farm grain use for feed, to the benefit of compound feed sales. In fact, compound feed prices were generally been than on-farm feed in the fall of 2010 and winter of 2011.

Soybean Oil

Oil, Soybean EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	12,510	12,141	13,600	11,950		12,000
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	140	140	155	180		140
Production	2,252	2,310	2,448	2,290		2,300
MY Imports	543	550	950	600		560

MY Imp. from U.S.	1	1	1	1		1
MY Imp. from EU	0	0	0	0		0
Total Supply	2,935	3,000	3,553	3,070		3,000
MY Exports	380	380	337	330		320
MY Exp. to EU	0	0	0	0		190
Industrial Dom. Cons.	1,010	1,160	1,400	1,310		1,250
Food Use Dom. Cons.	1,260	1,240	1,386	1,250		1,250
Feed Waste Dom. Cons.	130	40	130	40		40
Total Dom. Cons.	2,400	2,440	2,916	2,600		2,540
Ending Stocks	155	180	300	140		140
Total Distribution	2,935	3,000	3,553	3,070		3,000
1000 MT, PERCENT						

Source: FAS EU-27

Breakout of Industrial Uses for Soybean Oil in 1000 MT

	MY 2009/10	MY 2010/11	MY 2011/12
Biofuels use	960	1100	1060
Other industrial uses	200	200	190
Total industrial use	1160	1300	1250

Source: FAS Posts in the EU-27

MY 2011/12

Soybean oil production follows the same trends as the soybean crush and is expected to increase slightly to 2.3 million MT in MY 2011/12.

While food demand for soybean oil is overall stable, demand for biodiesel use varies. In MY 2011/12, increased availabilities of domestically processed rapeseed oil, as well as the implementation of the Renewable Energy Directive, are expected to favor rapeseed oil use at the expense of soybean oil use to process biodiesel in the EU. As a result, soybean oil use for biofuels is expected to decline to 1.06 million MT. Spain, France, and Italy are the three leading consumers of soybean oil to process biodiesel, as they total 80 percent of the total EU consumption of soybean oil for biodiesel. Lower domestic demand is anticipated to result in lower imports.

MY 2010/11

The higher price-competitiveness of soybean oil compared to rapeseed oil is estimated to result in higher use of soybean oil for biodiesel in the three leading member states consuming soybean oil to process biodiesel. As a result, imports were increased by 50,000 MT to 600,000 MT, in line with the trend of the first three months of MY 2010/11, when EU soybean oil imports more than doubled.

3. Rapeseed Complex

Coordinator: Sabine Lieberz/FAS Berlin

The demand for rapeseed oil from the biodiesel sector continues to be the main market driver.

EU-27 Rapeseed PSD

Oilseed, Rapeseed EU-27	**2009/2010**	**2010/2011**	**2011/2012**

	Market Year Begin: Jul 2009		Market Year Begin: Jul 2010		Market Year Begin: Jul 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,500		6,900			
Area Harvested	6,512	6,480	6,900	6,939		6,820
Beginning Stocks	1,831	1,831	1,904	1,675		1,335
Production	21,566	21,395	20,300	20,660		20,820
MY Imports	2,198	2,106	2,200	2,000		2,400
MY Imp. from U.S.	0	0	0	0		
MY Imp. from EU	0	0	0	0		
Total Supply	25,595	25,332	24,404	24,335		24,555
MY Exports	157	157	220	200		160
MY Exp. to EU	0	0	0	0		
Crush	22,550	23,000	22,280	22,200		22,400
Food Use Dom. Cons.	0	0	0	0		
Feed Waste Dom. Cons.	984	500	870	600		595
Total Dom. Cons.	23,534	23,500	23,150	22,800		22,995
Ending Stocks	1,904	1,675	1,034	1,335		1,400
Total Distribution	25,595	25,332	24,404	24,335		24,555

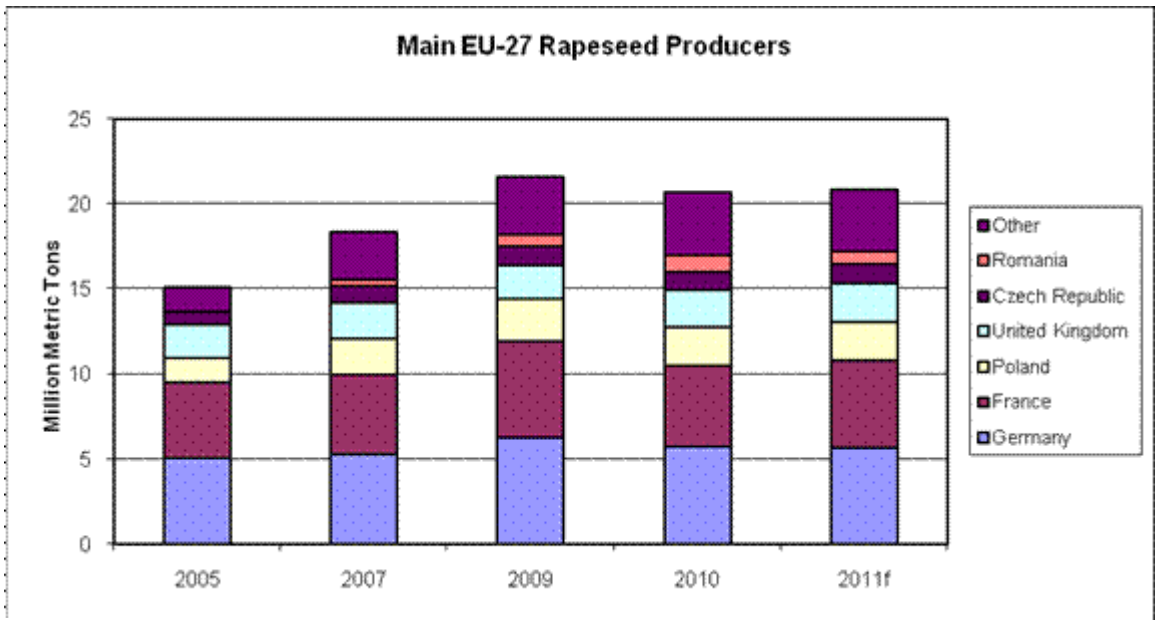
1000 HA, 1000 MT

Source: FAS EU-27

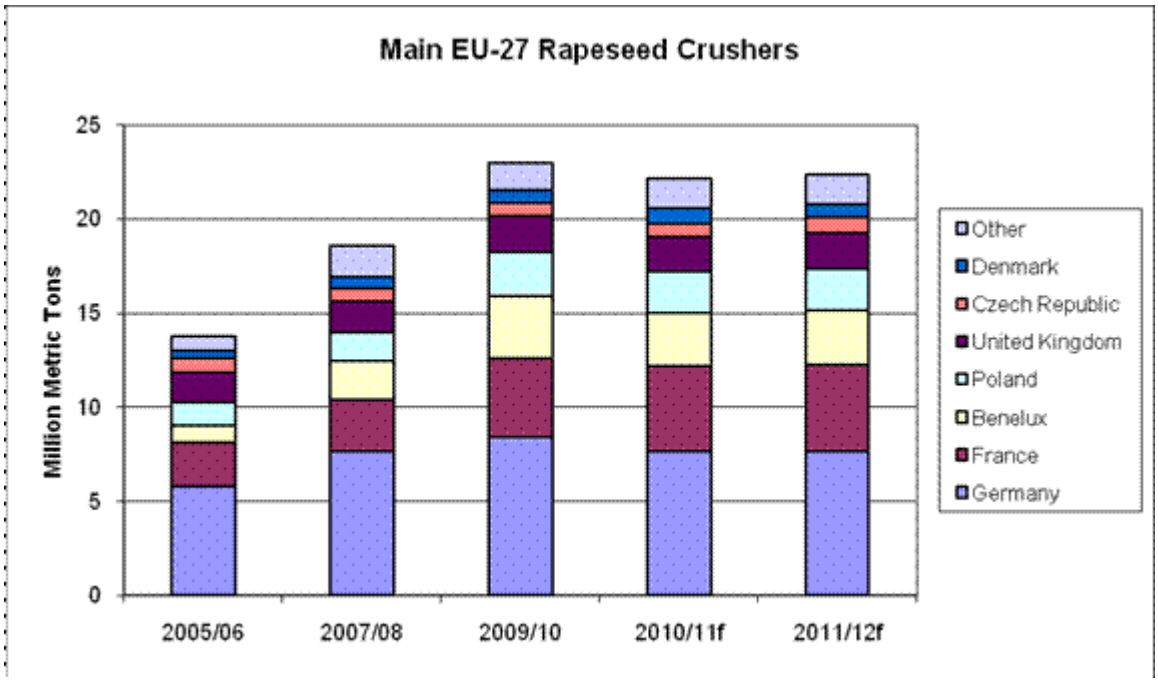
MY 2011/12

The forecast for EU-27 rapeseed area to be harvested in the summer of 2011 is reduced by two percent, or 119,000 ha, compared to 2010. This is a result of reductions in Romania, Poland, Denmark, Germany, Latvia and Italy. These were mostly due to unfavorable planting conditions (Romania and Germany) and competition from winter grains (Poland). In France, the Czech Republic, and Bulgaria farmers increased their rapeseed area but the increase is too small to fully compensate for the reductions that occurred elsewhere.

Total EU-27 rapeseed production is forecast at 20.8 MMT, which is a one percent increase over 2010.
So far winter kill has only been reported in some regions of Eastern Germany and Poland. In general, rapeseed plantings seem to be in good condition. However, some areas of France, Germany, Austria, and Poland need rain in the coming weeks to secure good yields. Over all, yields are expected to be better than in 2010, where they were abnormally low, and return to average levels.
Rapeseed crush volumes are forecast to rebound slightly, driven by demand from the biodiesel sector, larger availability of rapeseed domestically, and improved crops in the Ukraine, which will lead to significant EU imports. Imports from Canada are not expected to increase due to regulatory risks from unapproved biotech rapeseed varieties. However, an increase in rapeseed oil imports from Canada is likely.



The years refer to the calendar year in which the harvest occurs (e.g. 2009 = harvested in CY 2009, marketed in MY 2009/10)
Source: FAS EU-27



F = forecast
Source: FAS EU-27

MY 2010/11
Preliminary final data shows EU-27 rapeseed production slightly higher than estimated in November 2010 but still 4 percent below the record crop of MY 2009/10. The year-on-year decrease in production was most pronounced in France, Germany, Poland, and Denmark. Wet weather during spring (France and Hungary) and dry weather in late spring/early summer (Central and Eastern Europe) resulted in lower yields. Only the UK, Romania, Bulgaria, and Finland showed increased production.

Imports are estimated to decline compared to MY 2009/10 despite lower domestic EU-27 production as the Ukraine, a major regional source, had lower exportable supplies.

Rapeseed crush is expected to be 3.5 percent below the record set in MY 2009/10 because of lower domestic availability, lower imports, and the implementation of sustainability criteria for biofuels in Germany and Austria.

Since January 2011, Germany and Austria require sustainability certificates for biofuels and their feedstock, for them to be eligible for tax incentives and counting against minimum use mandates. Industry estimates that about 90-95 percent of the German and non-quantified portions of the Czech, Hungarian, and Austrian rapeseed production are certified sustainable. Nonetheless, these combined volumes are estimated to remain lower than what Germany used to crush for the industrial sector in previous years.

Sustainability certification is expected to temporarily change intra EU rapeseed trade flow. Countries that require sustainability certification will be limited in their choice of imports to origins where sustainable rapeseed is available; i.e., where farmers signed self declarations concerning the sustainability of their production and the government has submitted NUTS2 standard values for greenhouse gas emissions (i.e. standard values for GHG emission on a regional basis). Countries where there is no sustainable rapeseed available are limited in their export destinations to countries that do not require certification yet, or to food use in countries that do. For example, in MY 2009/10, Germany imported 2.7 MMT of rapeseed from other EU member states including 840,000 MT from France, 420,000 MT from Poland and Hungary each, and 380,000 MT from the Czech Republic. Reportedly, French farmers were reluctant to sign the required self-declaration in the first half of MY 2010/11, while the Polish Government has not yet submitted the NUTS2 standard values. As a result, less rapeseed from Poland and France could be used for biodiesel production for use in Germany. As a consequence, German importers might try to source more rapeseed from the Czech Republic and Hungary and reduce imports from France and Poland to what is needed for food use, while France and Poland might need to find export markets that do not have the sustainability certification in place yet.
Once more and more countries implement certification, trade will return to traditional patterns. France for example, expects to export more sustainable rapeseed in the second half of the MY 2010/11, when their producers are in conformity with German requirements.

The same limitations concerning sustainability certification also apply to imports from countries outside the EU.

EU-27 Rapeseed Meal PSD

Meal, Rapeseed EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jul 2009		Market Year Begin: Jul 2010		Market Year Begin: Jul 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	22,550	23,000	22,280	22,200		22,400
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	95	95	75	300		200
Production	12,982	12,850	12,827	12,400		12,500
MY Imports	134	134	170	170		170
MY Imp. from U.S.	0	0	0	0		
MY Imp. from EU	0	0	0	0		
Total Supply	13,211	13,079	13,072	12,870		12,870
MY Exports	213	214	200	225		180
MY Exp. to EU	0	0	0	0		
Industrial Dom. Cons.	0	5	0	5		5
Food Use Dom.	0	0	0	0		

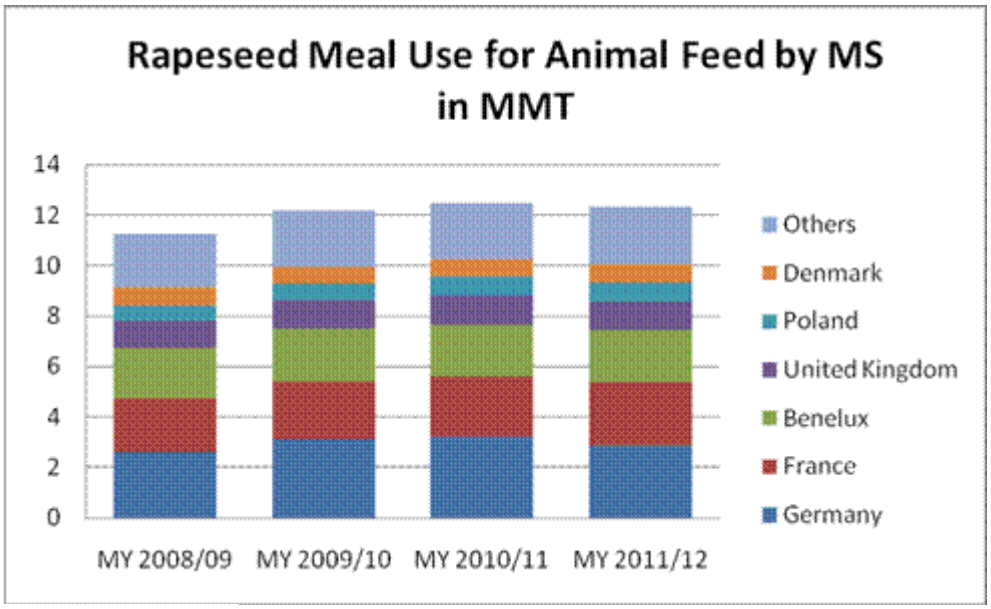
Cons.						
Feed Waste Dom. Cons.	12,923	12,560	12,770	12,440		12,485
Total Dom. Cons.	12,923	12,565	12,770	12,445		12,490
Ending Stocks	75	300	102	200		200
Total Distribution	13,211	13,079	13,072	12,870		12,870

1000 MT, PERCENT

Source: FAS EU-27

Rapeseed meal production is projected to rebound in MY 2011/12 after a 3.5 percent decline in MY 2010/11. 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, such as Germany, France, the Benelux, and the UK. In Germany for instance, rapeseed meal comprises 10 percent of compound feed ingredients compared to 15 percent for soybean meal and 44 percent for grains. In Poland, the campaign to convince farmers of the benefits of rapeseed meal is showing positive results and rapeseed meal use for animal feed is expected to increase in MY 2010/11 and MY 2011/12. In South-Eastern countries, rapeseed meal use is only gradually picking up.

Industrial use of rapeseed meal for heating purposes is currently only occurring in Hungary. It is expected to remain stable in MY 2011/12 and MY 2010/11.



Source: FAS EU-27

EU-27 Rapeseed Oil PSD

Oil, Rapeseed EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jul 2009		Market Year Begin: Jul 2010		Market Year Begin: Jul 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	22,550	23,000	22,280	22,200		22,400
Extr. Rate, 999.9999	0	0	0	0		0

Beginning Stocks	474	474	559	378		190
Production	9,370	9,540	9,258	9,200		9,300
MY Imports	441	441	500	500		600
MY Imp. from U.S.	80	24	80	12		10
MY Imp. from EU	0	0	0	0		0
Total Supply	10,285	10,455	10,317	10,078		10,090
MY Exports	111	111	150	150		130
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	6,810	7,195	7,370	6,940		7,020
Food Use Dom. Cons.	2,800	2,731	2,650	2,750		2,760
Feed Waste Dom. Cons.	5	40	5	48		48
Total Dom. Cons.	9,615	9,966	10,025	9,738		9,828
Ending Stocks	559	378	142	190		132
Total Distribution	10,285	10,455	10,317	10,078		10,090

1000 MT, PERCENT

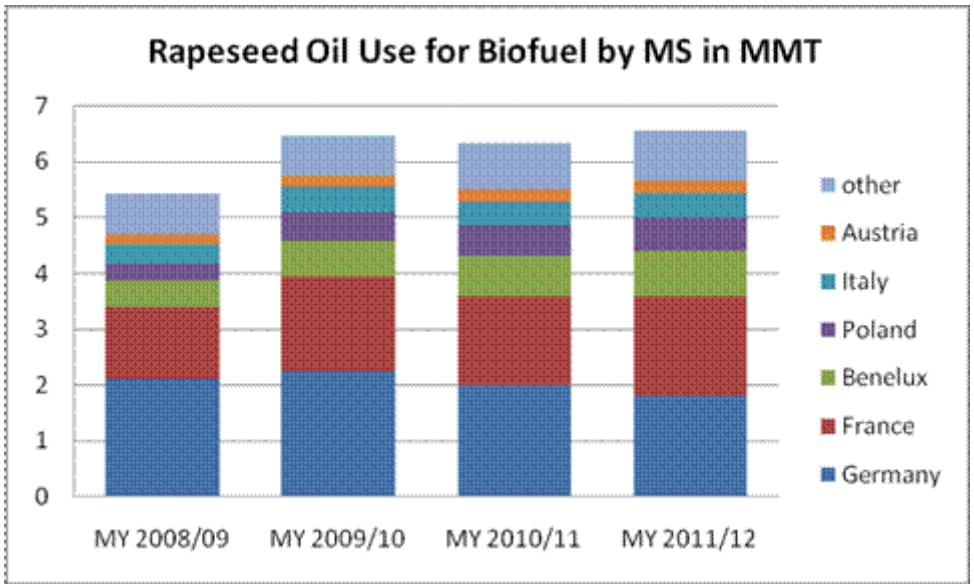
Source: FAS EU-27

Breakout of Industrial Uses for Rapeseed Oil in 1000 MT

	MY 2009/10	MY 2010/11	MY 2011/12
Biofuels use	6555	6300	6400
Other industrial uses	640	640	620
Total industrial use	7195	6940	7020

Note: Other industrial use includes but is not limited to use in detergents, lubricants, and heating.

Source: FAS EU-27



Source: FAS EU-27

Biofuel production is the major use of rapeseed oil in the EU-27 and the most important driver of the market. In MY 2011/12, 63 percent of the total rapeseed oil supply is expected to be used for biofuel. However, rapeseed

oil use for biofuels is expected to take a small dip in MY 2010/11 before returning to the long term trend of increasing consumption. The dip is caused by reductions in Germany and France. In Germany, the expected reduction is a result of the introduction of E10 (gasoline with a 10 percent share of bioethanol) on the German market. Germany has a 6.25 percent minimum use mandate for biofuels in place. In the past, standard diesel consisted of a B7 blend and standard gasoline of E5. The gap to the minimum use mandate was filled with B100. With the introduction of E10 that gap is a lot smaller and biodiesel use and production is expected to decline to the B7 blend wall. In France, the reduction is only temporary as total biodiesel production in MY 2010/11 is expected to be lower than in MY 2009/10 because of strikes in biorefineries. In addition, high rapeseed oil prices in MY 2010/11 prompted French biodiesel producers to increase the soybean oil share of their feedstock. With expected lower prices in MY 2011/12, rapeseed oil becomes more competitive again and use is forecast to rebound. Higher mandates in Poland add to the increase in EU-27 biofuel use in MY 2011/12.

EU-27 rapeseed oil imports have shown a steady increase in recent years as the increase in demand from the biodiesel sector outpaces domestic rapeseed oil production. The U.A.E., Russia, and Belarus were the main sources for EU-27 rapeseed oil imports in MY 2009/10. The United States ranked fourth on the list of suppliers. In the first half of MY 2010/11, Canada became a major supplier and ranked third.

Food use is expected to continue its slow but steady increase. In Germany, the UK, and France, this is a result of reported health benefits associated with the consumption of rapeseed oil. In Austria, one brand markets its rapeseed oil as “GMO free”. In Poland rapeseed oil is popular with consumers because there is it cheaper than sunflower and olive oil.

4. Sunflower Complex
Coordinator: Mila Boshnakova/ FAS Sofia

Oilseed, Sunflowerseed EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	3,950	3,900	3,900	3,900		3,920
Area Harvested	3,908	3,900	3,775	3,800		3,920
Beginning Stocks	780	780	396	487		347
Production	6,940	6,950	6,950	6,900		7,000
MY Imports	269	268	300	300		300
MY Imp. from U.S.	70		70			
MY Imp. from EU	0		0			
Total Supply	7,989	7,998	7,646	7,687		7,647
MY Exports	543	541	450	450		430
MY Exp. to EU	0		0			
Crush	6,180	6,150	6,050	6,200		6,190
Food Use Dom. Cons.	290	290	250	230		230
Feed Waste Dom. Cons.	580	530	490	460		460
Total Dom. Cons.	7,050	6,970	6,790	6,890		6,880
Ending Stocks	396	487	406	347		337
Total Distribution	7,989	7,998	7,646	7,687		7,647

1000 HA, 1000 MT

Source: FAS EU-27

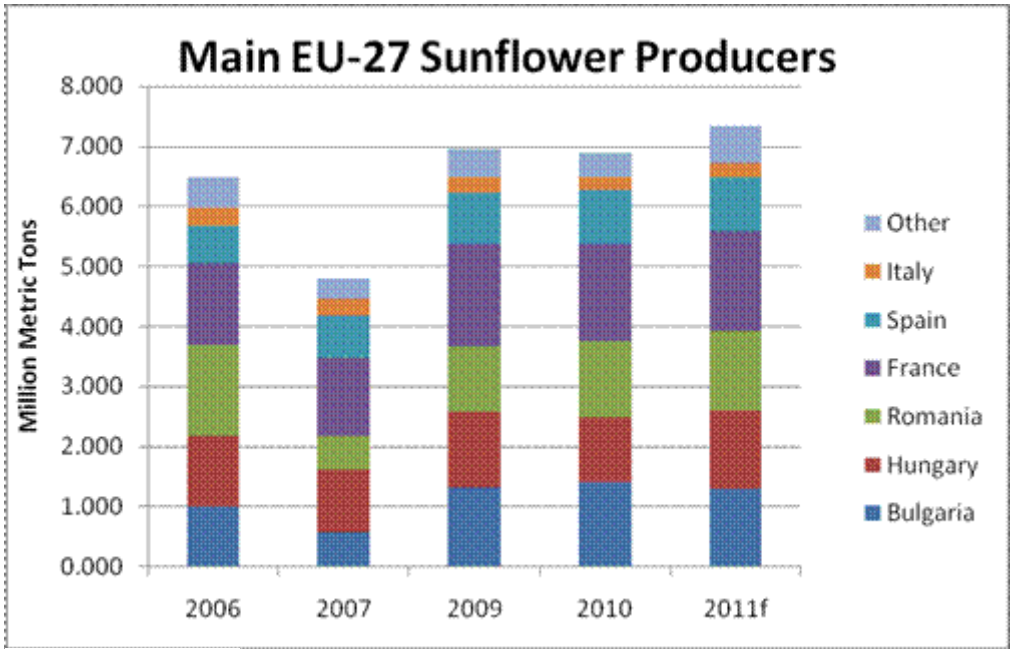
MY 2011/12

In MY 2011/12, farmers, stimulated by high prices and good profit margins, will increase sunflower area by 3 percent. Assuming average yields production should 7 million MT, about 1 percent higher than last year. Notable growth is expected in Hungary, Italy, Romania and Spain. In some countries such as France and Bulgaria, farmers have not decided yet whether they will choose to focus on higher sunflower or corn plantings. There are currently weather risks related to spring dryness in some countries (Austria, Romania, Bulgaria, and France).

Imports are likely to remain stable to sustain good supply and meet EU-27 demand. Exports to outside markets may decline slightly due to projected better regional (Russia, Ukraine) supply and competition. Due to forecasted stronger competition for crush with rapeseeds within EU and improved global supply of sunflower meal/oil, crush may decline from current high levels. Other uses, for food and feed, are likely to remain flat. In this situation, ending stocks are projected to marginally drop by 3 percent.

MY 2010/11

In MY 2010/11, EU-27 production of sunflower was less than 1 percent below its level in MY 2009/10. This was a result of overall lower harvested area and a mixed yield picture among EU member states. While in Bulgaria, Romania and Spain farmers enjoyed favorable weather and higher production, adverse climate conditions seriously affected output in Hungary, France, Italy, Slovakia and Austria. The top 4 producers (Bulgaria, Hungary, France, and Romania) accounted for almost 80 percent of EU sunflower seed production.

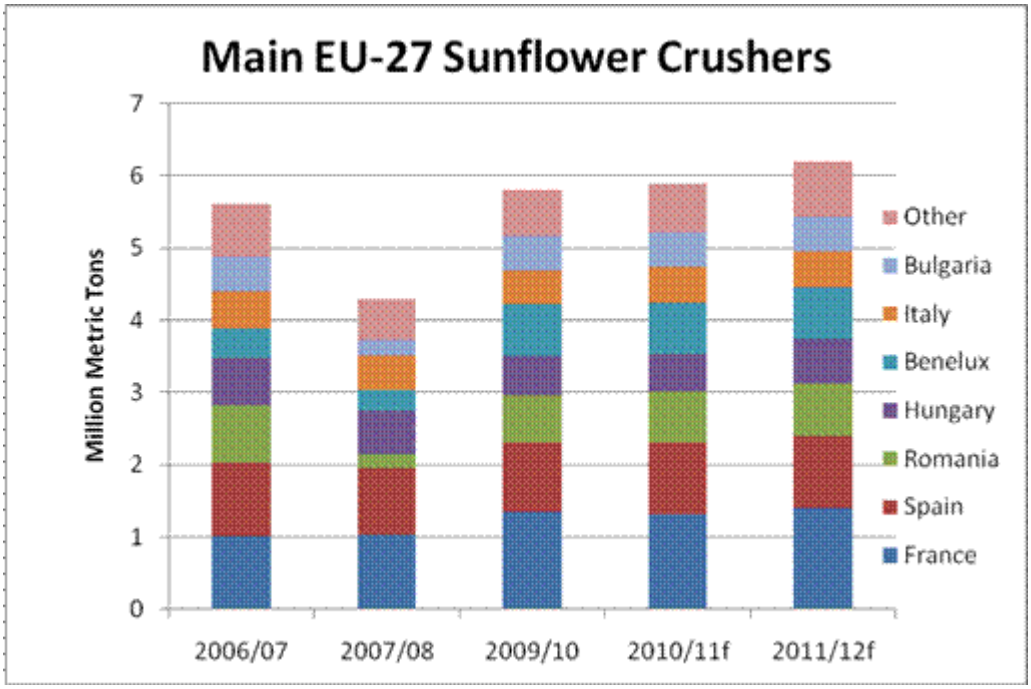


Source: FAS EU-27

Imports of sunflower seeds in MY 2010/11 are estimated to be 12 percent higher compared to the previous season as a result of lower availability in the EU (less production and beginning stocks compared to MY 2009/10) and good demand for crush. In the current marketing year, the EU-27 has been able to sustain its effective demand for crush, sourced mainly from Ukraine, despite record high international prices. For the same reason, EU exports are projected to decline, additionally discouraged by higher availability in traditional export markets (Turkey) and regional competition. In the first quarter of the marketing year, exports ran at half of last year's pace.

Crush use in MY 2010/11 is estimated to be about 1 percent more than MY 2009/10, driven by record high prices for sunflower oil and attractive crush margins. In some countries (such as Spain), some facilities can switch to

sunflower crushing if it is more competitive. In the second half of the marketing year the EU-27 crush is expected to be stable and profitable.



Source: FAS EU-27

MY 2010/11 ending stocks are estimated to decline substantially compared to MY 2009/10 as a result of lower supply and extensive demand for crush.

MY 2009/10
Marginally lower exports and feed use resulted in an upward revision of ending stocks, which nonetheless remain well below normal.

Sunflower Meal

Meal, Sunflowerseed EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	6,180	6,150	6,050	6,200		6,190
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	309	309	70	170		200
Production	3,373	3,260	3,300	3,280		3,270
MY Imports	2,007	2,007	2,050	2,000		2,100
MY Imp. from U.S.	0		0			
MY Imp. from EU	0		0			
Total Supply	5,689	5,576	5,420	5,450		5,570
MY Exports	92	86	90	100		100
MY Exp. to EU	0		0			
Industrial Dom. Cons.	170	260	120	300		300

Food Use Dom. Cons.	0		0			
Feed Waste Dom. Cons.	5,357	5,060	5,078	4,850		5,010
Total Dom. Cons.	5,527	5,320	5,198	5,150		5,310
Ending Stocks	70	170	132	200		160
Total Distribution	5,689	5,576	5,420	5,450		5,570

1000 MT, PERCENT
Note: Extraction rates in the EU crushing industry vary significantly amongst member states from 0.51 to 0.55. We accept an average rate of 0.53 for MY 2010/11.
Source: FAS/EU-27

MY 2011/12

In MY 2011/12, output of sunflower meal is estimated to be 1 percent less than in the current year. It is expected that in the first half of MY 2011/12, regional supplies will be more ample, allowing for a 5 percent increase in imports. Demand for feed use is projected to rebound by 3.3 percent due to improvements in the pork sector and rebounding demand from poultry. Ending stocks will remain low, similar to levels in MY 2009/10.

MY 2010/11

Meal production in MY 2010/11 is about 1 percent more than in the previous season due to higher crush. Four major suppliers in the EU (France, Spain, Benelux, and Romania) account for 64 percent of total output.

Imports are projected to be at the same level as in MY 2009/10. In the first quarter of the marketing year, imports were 12 percent lower while exports were 20 percent higher. Exports for the year are likely to be about 16 percent more than in MY 2009/10. These trends in trade are related to the diminishing demand in the EU.

Meal use in feed is revised to be 4.2 percent lower vs. MY 2009/10 as a result of decline in demand from the pork sector and higher sun meal prices. Most recently, some countries excluded sun meal from poultry rations (e.g., Benelux), other countries (e.g., France, Germany, Romania, Spain) increased the share of rapeseeds meal and soy meal versus sun meal. Overall use of sunflower meal is becoming more evenly distributed within EU while Benelux, France, Italy, and Spain account for 61 percent of total feed use. Lower estimates for feed use allow for marginal rebuilding of ending stocks.

Industrial use in MY 2010/11 and MY 2011/12 is stable due to its use as a source of energy, mainly in Poland.

MY 2009/10

The industrial use estimate increased primarily based on new data from Poland.

Sunflower Oil

Oil, Sunflowerseed EU-27	**2009/2010**		**2010/2011**		**2011/2012**	
	Market Year Begin: Oct 2009		**Market Year Begin: Oct 2010**		**Market Year Begin: Oct 2011**	
	USDA Official	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Crush	6,180	6,150	6,050	6,200		6,190
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	437	437	412	410		420
Production	2,591	2,575	2,536	2,630		2,600
MY Imports	936	936	900	850		800

MY Imp. from U.S.	0		0			
MY Imp. from EU	0		0			
Total Supply	3,964	3,948	3,848	3,890		3,820
MY Exports	150	150	130	140		130
MY Exp. to EU	0		0			
Industrial Dom. Cons.	350	360	350	290		290
Food Use Dom. Cons.	3,050	2,998	3,022	3,010		3,010
Feed Waste Dom. Cons.	2	30	3	30		30
Total Dom. Cons.	3,402	3,388	3,375	3,330		3,330
Ending Stocks	412	410	343	420		360
Total Distribution	3,964	3,948	3,848	3,890		3,820

1000 MT, PERCENT

Note: Extraction rates in the EU crushing industry vary amongst member states from 0.40 to 0.43. We use an average rate of 0.42 for MY 2010/11.

Source: FAS/EU-27

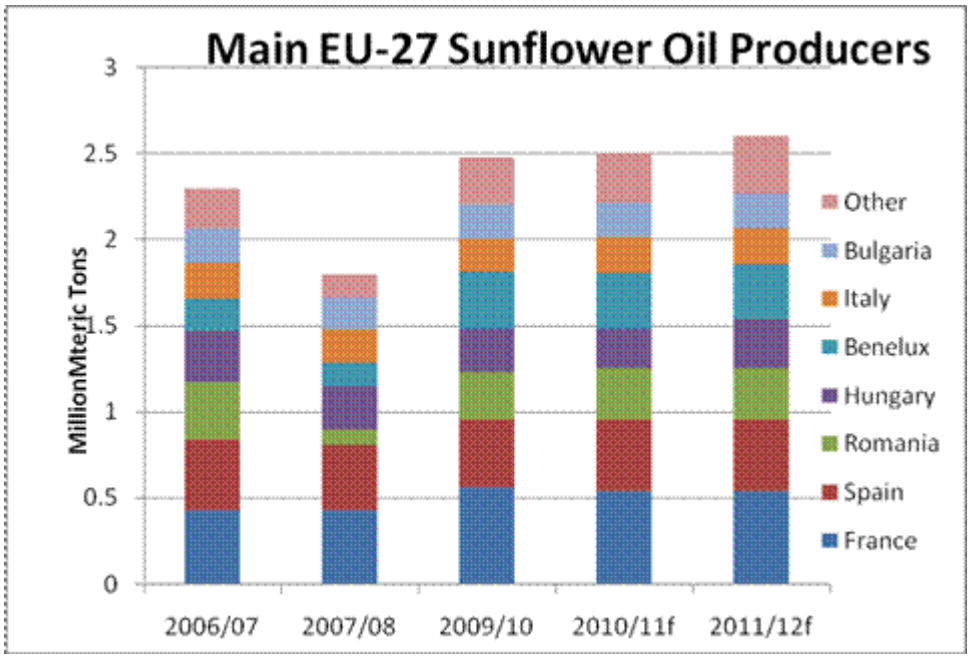
Breakout of Industrial Uses for Sunflower Oil in 1000 MT

	MY 2009/10	MY 2010/11	MY 2011/12
Biofuels use	150	140	140
Other industrial uses	100	110	110
Total industrial use	250	250	250

Source: FAS EU-27

MY 2011/12

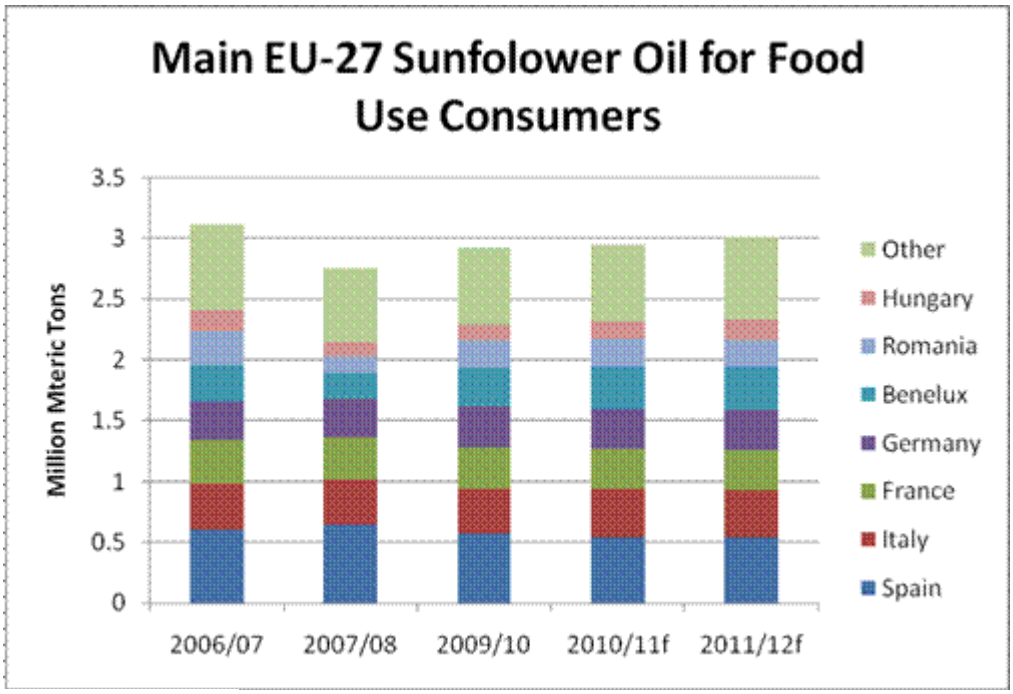
Slightly higher beginning stocks and stable output (only 1.2 percent less compared to MY 2010/11) are likely to result in lower imports. Consumption is currently estimated to be flat at the MY 2010/11 level but changes are possible as consumer preferences are developing throughout the year. Other uses as well as exports are forecast to not change substantially.



Source: FAS EU-27

MY 2010/11
Higher crushing volumes in MY 2010/11, driven by stable demand for sunflower oil, resulted in a 2.1 percent increase in sunflower oil production. Increased EU production and high global prices are forecast to lead to a 9 percent reduction in imports. Exports are likely to be marginally lower than in MY 2009/10.

Consumption in the EU-27 continues to be steady at a slightly higher level than in the previous years. Consumption trends vary among member states and are being influenced by consumer preferences towards health and perceived nutritional advantages of particular vegetable oils. In Benelux, Denmark, Romania, Bulgaria, Hungary, and Italy, consumption of sunflower oil tends to be stable and/or growing while in France, Greece, Germany, Spain, and UK, the trend is toward a marginal decline with substitution by either olive oil or rapeseed oil, based on consumer health perceptions. In some countries, such as Poland, local producer associations and the government promote rapeseed oil for food use. In other member states, consumption of rapeseed oil and/or olive oil is being encouraged by the EU due to its health and dietary benefits to consumers. These policies may lead to lower relative share of the sunflower oil in total vegetable oils consumption in the future and could start to change the pattern of EU consumption in MY 2011/12. Currently, main the EU consumers of sunflower oil are France, Spain, Italy, Benelux, and Germany, all accounting for 66 percent of total sunflower oil consumption.



Source: FAS EU-27

Sunflower oil for industrial and biofuel use is marginal and forecast stable throughout MY 2010/11 and MY 2011/12.

5. Palm Kernel Complex
Coordinator: Bob Flach/FAS The Hague

Oilseed, Palm Kernel EU-27	2009/2010	2010/2011	2011/2012
	Market Year Begin: Jan	Market Year Begin: Jan	Market Year Begin: Jan

	2010		2011		2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	25	0	25	0		0
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	25	0	25	0		0
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	25	0	25	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	25	0	25	0		0
Ending Stocks	0	0	0	0		0
Total Distribution	25	0	25	0		0

1000 HA, 1000 TREES, 1000 MT

Source: FAS EU-27

Meal, Palm Kernel EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	25	0	25	0		0
Extr. Rate, 999.9999	1	0	1	0		0
Beginning Stocks	0	0	0	0		0
Production	14	0	14	0		0
MY Imports	1,920	1,920	2,250	2,000		2,000
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	1,934	1,920	2,264	2,000		2,000
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	400	250	451	250		250
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	1,534	1,670	1,813	1,750		1,750
Total Dom. Cons.	1,934	1,920	2,264	2,000		2,000
Ending Stocks	0	0	0	0		0
Total Distribution	1,934	1,920	2,264	2,000		2,000

1000 MT, PERCENT						

Source: FAS EU-27

EU palm kernel meal use in 2010, 2011, and 2012 will be about 1.7 to 1.8 MMT, significantly lower than the volume of 2.0 MMT during 2009. Analogous to lower palm oil imports, the reduction in meal use is mainly a result of the limited supply from Asia. Although world supply is expected to grow, EU imports and feed use of palm kernel meal are forecast to stabilize in 2011 and 2012 as a result of increased demand from other markets. Another factor is the increased availability of rapeseed meal and soybean meal on the world market in 2011. About half of the palm kernel meal is used in the Benelux countries, predominantly as an ingredient in cattle feed. During the past five years, its use in cattle feed has been about twenty-five percent. Germany and France also use palm kernel meal in livestock feed. Also, the import and use of palm kernel oil dropped during 2010 due to the lower supplies in Asia. In 2011 and 2012, imports are forecast to improve slightly as supply is expected to recover.

Oil, Palm Kernel EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	25		25			
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	39	39	27	26		17
Production	11	0	11	0		0
MY Imports	529	529	610	535		545
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	579	568	648	561		562
MY Exports	10	10	10	12		12
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	174	320	203	320		320
Food Use Dom. Cons.	352	200	399	200		200
Feed Waste Dom. Cons.	16	12	16	12		12
Total Dom. Cons.	542	532	618	532		532
Ending Stocks	27	26	20	17		18
Total Distribution	579	568	648	561		562
1000 MT, PERCENT						

Source: FAS EU-27

6. Palm Oil

Coordinator: Bob Flach/ FAS The Hague

Oil, Palm EU-27	2009/2010	2010/2011	2011/2012
	Market Year Begin: Jan 2010	Market Year Begin: Jan 2011	Market Year Begin: Jan 2012

	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	0	0	0	0		0
Beginning Stocks	643	643	555	479		364
Production	0	0	0	0		0
MY Imports	5,206	5,206	5,200	5,300		5,450
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	5,849	5,849	5,755	5,779		5,814
MY Exports	140	140	150	135		135
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	1,880	2,380	1,900	2,430		2,480
Food Use Dom. Cons.	2,997	2,600	2,988	2,600		2,600
Feed Waste Dom. Cons.	277	250	300	250		250
Total Dom. Cons.	5,154	5,230	5,188	5,280		5,330
Ending Stocks	555	479	417	364		349
Total Distribution	5,849	5,849	5,755	5,779		5,814

1000 HA, 1000 TREES, 1000 MT

Source: FAS EU-27

Breakout of Industrial Uses for Palm Oil in 1000 MT

	MY 2009/10	MY 2010/11	MY 2011/12
Biofuels use	600	650	700
Other industrial uses	1780	1780	1780
Total industrial use	2380	2430	2480

Source: FAS EU-27

During the past ten years, EU imports of palm oil increased from about 2 MMT to over 5 MMT per year. This growth is mainly attributable to the increased imports of crude palm oil through the port of Rotterdam. Currently, the refining capacity in this port is estimated at about 1.5 MMT per year. While EU imports of crude palm oil increased from 1.1 MMT to 4.0 MMT annually, refined palm oil imports fluctuated between 1.0 and 1.5 MMT since 2000. Although the price of palm oil has more than doubled since the beginning of 2009, the price relationship to soybeans, rapeseed, and sunflower oil generally remained intact. Currently, the FOB Rotterdam palm oil price is about fifteen to twenty-five percent lower than that of these other main vegetable oils. This margin makes palm oil an economical alternative in the growing EU oils and fats market.

In 2010, EU imports of palm oil are expected to have declined temporarily from 5.5 MMT in 2009 to about 5.2 MMT. The import of crude oil stabilized at about 4.0 MMT, while imports of refined palm oil declined about 0.3 MMT to 1.2 MMT. This reduction of refined palm oil imports can be explained by the limited supply from Indonesia and Malaysia and increased demand from China and India. During the second half of 2011, the supply of palm oil is expected to recover significantly due to increased production in Asia. As a result, 2011 and 2012 EU imports are expected to rebound back to the level in 2009. EU exports of refined palm oil are expected to stagnate or decline slightly as more refined oil will be sourced directly from refineries in Asia.

Palm oil use for industrial purposes, including combustion for combined heat and power (CHP) and production of biofuels, declined from 1.81 MMT in 2009 to 1.78 MMT in 2010. On the short term, the use of palm oil for CHP is not expected to increase.

Biodiesel production is forecast to remain a growth market for palm oil. For 2010, the use of palm oil for biodiesel production is estimated at 600,000 MT, and is expected to grow to about 700,000 MT in 2012. Lower price levels could, however, boost the use for biodiesel production to a higher level during 2011 and 2012. Sustainability certification requirements and elevated prices of palm oil are believed to have restricted the use during 2010. Some biodiesel plants reportedly switched to the use of waste fats and oils as feedstock. The use of palm oil for biodiesel production is forecast to increase particularly in Spain, Italy and the Netherlands. For example, in the Dutch Renewable Energy Action Plan, the Dutch government is planning to use 3 MMT of palm oil for renewable energy production in 2020. It is, however, questionable if these volumes will ever be reached.

During the past ten years, palm oil use by the food processing and feed compound industry steadily increased due to further market penetration. The main factor on which these sectors are choosing palm oil as ingredient is the beneficial price compared to other vegetable oils. The use of palm oil for food and feed is expected to stagnate at 2.85 MMT.

7. Peanut Complex
Coordinator Jennifer Wilson/ FAS London

Peanuts

Oilseed, Peanut EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Beginning Stocks	5	5	0	10		5
Production	0	0	0	0		0
MY Imports	740	730	720	700		700
MY Imp. from U.S.	75	60	75	60		60
MY Imp. from EU	0	0	0	0		0
Total Supply	745	735	720	740		745
MY Exports	28	27	20	30		30
MY Exp. to EU	0	0	0	0		0
Crush	45	45	45	45		45
Food Use Dom. Cons.	669	650	650	657		662
Feed Waste Dom. Cons.	3	3	3	3		3
Total Dom. Cons.	717	698	698	705		710
Ending Stocks	0	10	2	5		5
Total Distribution	745	735	720	740		745
1000 MT, PERCENT						

Source: FAS EU-27

Imports of whole peanuts are forecast down 4 percent over the previous marketing year due to quality problems in several key supplying countries. Quality issues make it more difficult to meet EU requirements for very low aflatoxin levels, and the EU has recently introduced aflatoxin testing on 50 percent of all Indian peanut shipments. Price is usually a limiting factor to U.S. peanut sales in the EU market.

Peanut Meal

Meal, Peanut EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	45	45	45	45		45
Extr. Rate, 999.9999	0.	0.4444	0.	0.4444		0.4444
Beginning Stocks	0	0	0	0		0
Production	20	20	20	20		20
MY Imports	39	39	10	50		60
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	59	59	30	70		80
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	59	59	30	70		80
Total Dom. Cons.	59	59	30	70		80
Ending Stocks	0	0	0	0		0
Total Distribution	59	59	30	70		80
1000 MT, PERCENT						

Source: FAS EU-27

The main supplier of peanut meal to the EU, Senegal, is expected to have plentiful supply in MY 2011/12. Although some EU buyers express concerns with regard to the quality, there continues to be a market for the product. Almost 40,000 MT of peanut meal was imported from Senegal in MY 2009/10, and this is expected to increase to around 60,000 MT in MY 2011/12.

Peanut Oil

Oil, Peanut EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	45	45	45	45		45
Extr. Rate, 999.9999	0.	0.3556	0.	0.3556		0.3556
Beginning Stocks	5	5	5	5		5
Production	16	16	16	16		16
MY Imports	79	79	75	75		70
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	100	100	96	96		91
MY Exports	4	4	2	2		2
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0

Food Use Dom. Cons.	91	91	89	89		84
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	91	91	89	89		84
Ending Stocks	5	5	5	5		5
Total Distribution	100	100	96	96		91
1000 MT, PERCENT						

Source: FAS EU-27

Following more successful harvests, Senegal has recovered its position as a key supplier of peanut oil to the EU, along with Argentina and Brazil. Demand for peanut oil is stagnating, given the sufficient supply of local oils.

8. Fish Meal

Coordinator: Asa Wideback/ FAS Stockholm

Meal, Fish EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Catch For Reduction	1,620	0	1,620	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	27	27	7	6		6
Production	500	405	500	405		405
MY Imports	427	428	500	500		500
MY Imp. from U.S.	1	1	2	2		2
MY Imp. from EU	0	0	0	0		0
Total Supply	954	860	1,007	911		911
MY Exports	192	192	200	200		200
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	755	662	800	705		705
Total Dom. Cons.	755	662	800	705		705
Ending Stocks	7	6	7	6		6
Total Distribution	954	860	1,007	911		911

1000 MT, PERCENT

Source: FAS EU-27

The EU is dependent on fishmeal imports to fulfill domestic demand. More than half of EU imports originate in Peru. In 2010, however, the sharp decline in Peruvian production led to lower imports than previously expected. Imports decreased from about 560 thousand tons in 2009 to about 430 thousand tons in 2010. Germany and the UK are the biggest markets for fishmeal in the EU. Together these countries account for about 75 percent of total EU imports. Due to the tight supply and high demand on the world market, fishmeal prices were extremely high in 2010. In 2011, Peruvian production is expected to recover and EU imports are expected to increase as a result. A major part of EU fishmeal exports go to Norway and its aquaculture industry.

9. Copra Complex
Coordinator: Sabine Lieberz/ FAS Berlin

Copra is not produced and no longer processed in the EU-27. The EU-27 satisfies all its copra meal and coconut oil demand with imports.

Meal, Copra EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	33	33	35	34		34
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	33	33	35	34		34
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	33	33	35	34		34
Total Dom. Cons.	33	33	35	34		34
Ending Stocks	0	0	0	0		0
Total Distribution	33	33	35	34		34

1000 MT, PERCENT
Source: FAS EU-27

In CY 2010, the EU saw a steep increase in coconut oil imports especially from the Philippines, which increased market share from 45 to 78 percent of total EU-27 imports.

Oil, Coconut EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	22	22	117	30		20
Production	0	0	0	0		0
MY Imports	814	825	720	810		810
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	836	847	837	840		830

MY Exports	14	14	12	14		15
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	220	370	250	371		365
Food Use Dom. Cons.	475	428	483	430		430
Feed Waste Dom. Cons.	10	5	10	5		0
Total Dom. Cons.	705	803	743	806		795
Ending Stocks	117	30	82	20		20
Total Distribution	836	847	837	840		830

1000 MT, PERCENT

Source: FAS EU-27

10. Cottonseed Complex

Coordinator: Ornella Bettini/ FAS Rome

EU-27 Cottonseed PSD

Cottonseed EU-27	**2009/2010**		**2010/2011**		**2011/2012**	
	Market Year Begin: Oct 2009		**Market Year Begin: Oct 2010**		**Market Year Begin: Oct 2011**	
	USDA Official	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area	306	309	312	313		370
Beginning Stocks	22	22	22	22		22
Production	348	349	350	375		459
MY Imports	84	87	76	76		70
MY Imp. from U.S.	7	7	5	5		5
MY Imp. from EU	0	0	0	0		0
Total Supply	457	458	448	473		551
MY Exports	50	51	36	35		34
MY Exp. to EU	0	0	0	0		0
Crush	385	385	390	416		495
Food Use Dom. Cons.	2	2	2	2		2
Feed Waste Dom. Cons.	131	143	128	141		141
Total Dom. Cons.	435	436	426	451		529
Ending Stocks	22	22	22	22		22
Total Distribution	458	458	448	473		551

1000 HA, 1000 MT

Source: FAS EU-27

EU-27 Cottonseed Meal PSD

Cottonseed Meal EU-27	**2009/2010**	**2010/2011**	**2011/2012**
	Market Year Begin: Oct	**Market Year Begin: Oct**	**Market Year Begin: Oct**

	2009		2010		2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	385	385	390	416		495
Extraction Rate	0.533	0.533	0.533	0.533		0.533
Beginning Stocks	5	5	5	5		5
Production	185	185	187	200		238
MY Imports	7	7	4	4		4
MY Imp. from U.S.	1	1	1	1		1
Total Supply	192	192	191	204		242
MY Exports	0	0	0	0		0
MY Exp. to U.S.	0	0	0	0		0
Industrial	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed, Seed Waste Dom. Cons.	192	192	191	204		242
Total Dom. Cons.	192	192	191	204		242
Ending Stocks	5	5	5	5		5
Total Distribution	192	192	191	204		242

1000 MT

Source: FAS EU-27

EU-27 Cottonseed Oil PSD

Source: FAS EU-27

Cottonseed Oil EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	385	385	390	416		495
Extraction Rate	0.200	0.200	0.200	0.200		0.200
Beginning Stocks	5	5	5	5		5
Production	69	69	70	75		89
MY Imports	3	3	1	1		1
MY Imp. from U.S.	0	0	0	0		0
Total Supply	71	71	71	76		90
MY Exports	1	1	0	0		0
MY Exp. to U.S.	0	0	0	0		0
Industrial	0	0	0	0		0
Biofuels	5	5	5	6		8
Feed, Seed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	70	70	71	76		90
Ending Stocks	5	5	5	5		5
Total Distribution	71	71	71	76		90

1000 MT

Source: FAS EU-27

Production

The EU-27 is a minor producer of cotton. EU-27 cotton production has declined by more than 50 percent following Common Agricultural Policy (CAP) reforms effective in 2006 that decoupled payments and reduced support and market barriers for a number of crops, including cotton (see "*Study on the Cotton Sector in the European Union"* at www.lmc.co.uk). Production may stabilize through 2013 when additional reforms are expected to be implemented that could further reduce incentives to produce cotton.

The EU-27 does not permit farmers to cultivate biotech cotton. Only two EU-27 Members States, Greece (80 percent) and Spain (20 percent), grow significant amounts of cotton commercially.

Cotton is a major agricultural crop in Greece, accounting for more than 8 percent of total agricultural output. More than 75,000 farmers grow cotton, producing about 90 percent of the EU crop. Cotton is planted from March 1 to April 15; the harvest occurs from October 1 to November 30. Most cotton is irrigated and machine harvested. Thessaly, Macedonia, and Mainland Greece are the major cotton-producing areas.

Spain's cotton area is concentrated in the region of Andalusia, with minor production in Murcia and Extremadura. Cotton is grown on some of the best agricultural land, competing with other irrigated crops such as corn and, to a lesser extent, forage. Approximately 6,500 farmers grow cotton.

MY 2011/12 EU-27cotton area and production is forecast to expand in response to near-record world prices of cotton. According to unofficial estimates, the cotton acreage in Greece will increase by 25 percent during MY 2011/2012, while Spain's area planted to cotton is expected to increase about 10 percent compared to the previous season. Greek seed cotton prices have increased from $0.90/lb at the beginning of the season to nearly $1.30/lb in mid-November.

Crush

In Greece, about 50 percent of cottonseed production is crushed for oil (and oilseed cake) or retained for seed. In Spain, cottonseed production is not crushed, but used directly as animal feed (mostly dairy cows).

Trade

Italy continues to be the main destination for Greek cottonseed exports. Spanish cottonseed domestic demand is also satisfied by imports. Cote d'Ivoire, Brazil, and Greece are the main suppliers to the Spanish cottonseed market. EU-27 cottonseed exports are almost totally destined to Saudi Arabia. Cote d'Ivoire, Brazil, and Benin continue to be the main suppliers to the EU-27 cottonseed market.

11. Olive Oil
Coordinator: Marta Guerrero/ FAS Madrid

Oil, Olive EU-27	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Nov 2009		Market Year Begin: Nov 2010		Market Year Begin: Nov 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0		0			
Area Harvested	0		0			
Trees	6,750		6,750			
Beginning Stocks	515	515	419	549		529

Production	2,390	2,280	2,290	2,285		2,325
MY Imports	79	76	75	75		80
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	2,984	2,871	2,784	2,909		2,934
MY Exports	495	442	410	450		460
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	50	50	50	50		50
Food Use Dom. Cons.	2,020	1,830	2,020	1,880		1,890
Feed Waste Dom. Cons.	0		0			
Total Dom. Cons.	2,070	1,880	2,070	1,930		1,940
Ending Stocks	419	549	304	529		534
Total Distribution	2,984	2,871	2,784	2,909		2,934

1000 HA, 1000 TREES, 1000 MT

Source: FAS EU-27

Production

As the world's largest olive oil producer, Spain represents over 50 percent, on average, of the total EU-27 olive oil production. Italy and Greece are respectively the second and third olive oil producing EU Member States.

In marketing year 2009/10 Spain registered an output that amounted to 1.4 million MT. In MY2010/11, rains delayed olive harvest in the main producing regions of Spain and Portugal. Whereas Portuguese production is expected to remain fairly stable, Spain's final production is forecast to decline marginally compared to the previous season.

While Andalusia represents about 80 percent of total Spain's olive oil production, there are significant production levels in other regions such as Castile-La Mancha and Extremadura. A large percentage of Spain's olive oil production is managed by farmer's cooperatives.

In Italy, MY 2009/10 olive oil production was significantly lower than the previous years due to bad weather conditions occurred during the harvesting, and to falling prices which forced farmers to leave olives on trees. Olive oil production in MY2010/11 is estimated over previous marketing year levels.

In Greece, according to unofficial estimates, MY 2010/11 olive oil production is forecast at 336,000 MT, slightly up from the previous marketing year when it totaled 320,000 MT. Although olive oil production is scattered all over the country, the Peloponnese and Crete account for over 65 percent of total production.

Overall EU-27 olive oil production is expected to increase only marginally in MY 2010/11. Rough estimates indicate that production in MY2011/12 could be slightly higher mainly based on Italy and Spain's better production prospects.

Trade

Other EU Member States, lead by Italy and followed by France and Portugal, remain the main destination for Spain's olive oil exports. In MY2009/10 Spain's olive oil exports to other EU countries represented over 75 percent of total exports. However, extra EU exports have shown a steady increase over the last four marketing years, with the United States and Australia being the main destinations.

Italy imports mainly bulk olive oil both from other EU countries, Spain and Greece but also from extra-EU countries such as Tunisia and Morocco. In MY 2009/10 imports grew significantly to offset the domestic

production fall. Italy mainly exports olive oil to the United States and Germany. Italian olive oil exports started to increase between the end of MY 2009/10 and beginning of MY 2010/11 and are forecast to further increase in current MY.

More than half of the annual Greek olive oil production is exported. MY 2011/12 Greek olive oil exports are forecast to remain steady from the previous year. Italy and Germany continue to be the main destination for Greek olive oil. Greek olive oil exports to third countries are not expected to grow.

Despite the fact that the EU-27 as a whole is self-sufficient in olive oil, it imports from third countries, mainly from Mediterranean countries. EU-27 olive oil exports to third countries have followed an upward trend in the last marketing years. This overall tendency is expected to continue based on the emphasis of the European industry in exports promotion to third countries. As per extra EU imports, a minor increase is anticipated in MY2011/12 driven by increased imports mainly to Italy.

Policy

Pertaining to market management, the only tool available is the private storage, implemented by contracts only when there is a serious market disturbance. According to Regulation 1234/2007, The Commission may decide to authorize bodies offering sufficient guarantees to be granted with an aid for private storage, provided that the average price recorded on the market during a representative period is less than 1,779 Euros/MT for extra virgin olive oil, or 1,710 Euros/MT for virgin olive oil, or 1,524 Euros/MT for pomace olive oil having 2 degrees of free acidity.

12. Policy

Coordinator: Karin Bendz/ FAS USEU Brussels

Aid system for oilseed

With the Agenda 2000 CAP reform, support for EU oilseeds farmers became decoupled from production and ceased to be crop-specific. The impact of the elimination of production linked subsidies on the EU oilseeds market is marginal compared to the market impact of the growing biofuels sector.

The high demand for rapeseed for the production of biofuels has lead to increased prices which were large enough incentives for farmers to increase rapeseed production over the last few years. As of January 1, 2010, the €45/ha “energy premium” is no longer available for farmers producing crops for the production of energy.

There is no intervention buying, export subsidy or other market support available for oilseeds in the EU.

Set- Aside

The obligatory set-aside was introduced in the EU in the 1992 CAP reform, as a supply-side management tool for food/feed crops. to reduce overproduction. In order to receive their direct payments farmers were obliged to put a proportion of the land cultivated with cereals, oilseeds and protein crops into “set-aside” This set-aside land either had to be kept fallow or used to grow crops that were not intended to be used for human or animal consumption (e.g. energy crops). The obligatory set-aside rate was kept between 10-15 percent of the cereal, oilseed, and protein crop planted areas until 2008. For crops harvested in 2008 and in 2009 the obligatory set-aside rate was set at 0 percent. In the CAP Health Check of December 2008, the set-aside mechanism was abolished

Protein Deficiency

The EU suffers from a structural protein deficiency. Martin Haeusling, a member of the European Parliament (MEP) for The Greens/Europena Free Alliance party, has drafted an own-initiative report called “*EU Protein deficit: what solution for a long standing problem”* on the protein deficiency and this draft report has reinvigorated the debate on how to increase domestic production of vegetable proteins.

According to the report, EU production only provides 30 percent of the protein crops consumed as animal feed. The trend is for the shortfall to increase. The remaining 70 percent of protein crops consumed in the EU today, especially soybeans, are imported mainly from Brazil, Argentina, and the United States. These imports are estimated to represent the equivalent of 20 million hectares cultivated outside the EU, or more than 10 percent of the EUs arable land. Currently around three percent of the EUs arable land is cultivated with protein crops.

Blair House Agreement

The 1992 Blair House Memorandum of Understanding on Oilseeds (or Blair House Agreement) between the United States and the EU was contained in the EU WTO schedule of commitments and resolved a GATT dispute over EU domestic support programs that impaired access to the EU oilseeds market.

Under the Blair House Agreement, EU oilseed plantings, mainly rapeseed, sunflower seed, and soybeans, for food/feed purposes were limited to an adjusted Maximum Guaranteed Area (MGA) for producers benefiting from crop specific oilseed payments. This limited the EU oilseeds production area and penalized overproduction.

The Blair House Agreement also limited the production of oilseeds not intended for human or animal consumption planted on set-aside land. Output from these oilseeds was limited to 1 MMT of byproducts expressed in soybean meal equivalent annually.

It is noteworthy that the Commission website asserts that "the gradual alignment of payments per hectare with the aid planned for cereals and set-aside will eventually eliminate their specific character, thus freeing producers of the hectare limits set out in the Blair House agreement" (DG Agri website on arable crops 03/23/2011).

EU Climate and Energy Package

On April 6, 2009, the EU Council adopted the EU Climate and Energy Package, the implementing legislation aimed at achieving Europe's "20-20-20 in 2020" goals: 20 percent emissions reduction from 1990 levels, 20 percent share of energy consumption from renewable sources, and a 20 percent improvement in energy efficiency by 2020. The 20 percent renewable energy goal is for the EU level. To meet the EU-wide target, different MS have individual targets depending on their specific situation. For example, Sweden will have a 49 percent renewable energy target whereas Belgium only 13 percent. As part of the 20 percent renewable energy goal, every MS will have to meet a 10 percent renewable energy target for transport.

The EU Climate and Energy Package has the potential to impact the oilseeds market. In the absence of second generation biofuels, the 10 percent minimum goal for biofuels in transport has increased, and will lead to a higher demand for vegetable oils to produce biodiesel.

For biofuels to be eligible for financial supports they must comply with the sustainability criteria that are outlined in the Renewable Energy Directive (RED). These sustainability criteria have to be met by all biofuels whether produced within the EU or imported from another country.

Biofuel must have a GHG emissions saving of at least 35 percent. For installations that went into operation prior to January 23, 2008, and have not undergone major changes since, this only applies from April 1, 2013 onwards (grandfathering clause). From 2017, the GHG emission saving has to be 50 percent. For biofuels produced in installations for which production starts from 2017 and onwards, the GHG savings must be 60 percent. GHG emission savings are calculated using lifecycle analysis and following methodologies described in RED annexes. The "default GHG emission saving" for biodiesel made from rapeseed oil was set at 38 percent. The respective value for biodiesel made from soy oil was set 31 percent. These values represent the minimum savings that can be applied to rapeseed and soybean feedstock unless an actual value is provided by suppliers. The EU's Joint Research Center (JRC) is currently working on updating the default values in the RED Annex, however there are no indications on whether or not the GHG value for biodiesel from soybeans will be changed, or when this update will be published.

Related EU-27 and Country Reports:

Oilseeds Reports

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Green Party Plan To End Soybean Imports | Oilseeds and Products | Berlin | Germany | 11/5/2010 The German Green Party has developed a proposal to replace imported soybeans with domestically produced protein crops. The Greens are advancing the proposal using a clear EU parliamentary strategy and ties to sweeping environmental themes but technical challenges remain. If successfully implemented, the 'Protein Strategy for Agriculture' could jeopardize roughly $500 million in U.S. soybean sales to Germany. Green Party Plan To End Soybean Imports_Berlin_Germany_11-2-2010	11/02/2010
| Oilseeds Crop Update - Use of Soybean Products Up | Oilseeds and Products | Vienna | EU-27 | 8/30/2010 The competitive price situation of soybeans in MY 2010/11 is forecast to increase the use of soybean meal in feed and the use of soybean oil for biofuels production more than expected in the previous EU-27 Oilseeds and Products Annual Report. The high demand in animal feed will lead to higher imports of soybean meal. Rapeseed and sunflower production in MY2010/11 is revised down mainly because of lower than expected average yields caused by unfavorable weather conditions. Oilseeds Crop Update - Use of Soybean Products Up_Vienna_EU-27_8-23-2010	08/23/2010
| 2010 | Oilseeds and Products | Berlin | EU-27 | 4/29/2010 EU-27 oilseeds area in MY 2010/11 is forecast to increase by 4 percent. This is largely a result of an increasing rapeseed area. It is expected that the increase in area will not translate into higher EU-27 oilseeds production which assumes more normal yields rather than the exceptional yields in MY 2009/10. Total EU-27 oilseeds crush is expected to remain flat in MY 2010/11. Because of the demand from the biodiesel sector, rapeseed crush is forecast to continue its upward trend, but at a m... Oilseeds and Products Annual_Berlin_EU-27_4-19-2010	04/19/2010

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| EU Annual Biofuels Report | Bio-Fuels | The Hague | EU-27 | 6/29/2010 The EU as a whole is not expected to achieve its Directive 2003/30 target of 5.75 percent in 2010. Next year, blending is even expected to stagnate, mainly due to reduced biodiesel use in Germany. In contrast to biodiesel, bioethanol production and consumption is anticipated to trend further upwards during 2011 driven by the introduction of E10. The biofuel targets for 2020, laid down in the EU Energy and Climate Change Package (CCP), were adopted by the European Council on April 6, 2009. Th... Biofuels Annual_The Hague_EU-27_6-11-2010	06/11/2010
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