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## EU-28

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### Oilseeds Market Update

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**Report Highlights:**

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

## Introduction

This report presents the outlook for the three major oilseeds (soybean, rapeseed and sunflower) in the EU-28. 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:

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The FAS EU-28 oilseeds reporting team would like to thank Agata Kingsbury 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-28	= European Union of 28 member states (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom)
FSU	= Former Soviet Union
f	= Forecast (of a value/number for the next, not yet started, marketing year)
ha	= Hectares
GE	= Genetically engineered / Genetically engineered organisms
GHG	= Greenhouse gas
GTA	= Global Trade Atlas
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 Arab Emirates
U.S.	= The United States of America

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

The marketing years used in this report are:

July-June

Rapeseed complex

October -September

Soybean complex

Sunflower complex

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### **1. Executive Summary**

Coordinator: Roswitha Krautgartner / FAS Vienna

#### **Production**

In MY 2016/17, overall production of EU-28 major oilseeds (rapeseed, sunflower and soybeans) is expected to be about 1 percent higher than in the previous year and will reach some 32.53 MMT. This is mainly an effect of higher average yield expectations for sunflower and somewhat higher for soybeans compared to the previous crop. Sunflower production is forecast to be up by more than 11 percent reaching 8.5 MMT. Major sunflower seeds producing EU countries increased their sunflower area, with the highest growth rates in Spain and Hungary, followed by Romania and Bulgaria. The leading producer France, however, reports a substantial decline in planted area due to unfavorable weather conditions. Overall, this results in a 0.5 percent increase in total sunflower area. Hungary, Romania, and Bulgaria have benefitted from favorable spring weather conditions promising an excellent sunflower crop. EU soybean production, which is still at a minor level but constantly increasing, is anticipated to be 2.7 percent up, totaling 2.3 MMT. Soybean area is revised down from previous forecasts and is expected to be 2.4 percent lower year-on-year. Bulgaria, Slovakia, Austria, Hungary, Italy, and to a lesser extent the Czech Republic report smaller acreages. With an expected production of 21.5 MMT, output of rapeseed is almost 3 percent lower compared to the previous year. Unfavorable growing conditions are expected to result in lower yields, especially in France, Germany, the UK, Estonia, Latvia and Lithuania. The outlook for rapeseed production in France is adjusted sharply downwards. Increased rapeseed acreage and favorable growing conditions in some eastern European countries like Hungary and Romania may not offset the reductions in major European producing countries.

#### **Consumption**

Higher output and availability of sunflower is expected to result in increased sunflower meal use in animal feed while rapeseed meal use will be reduced due to lower production. Together with an almost flat soybean meal use, total EU-28 consumption of major oilseeds meals in animal feed is forecast to remain almost flat in MY 2016/17 (plus 0.4 percent year-on-year).

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

Coordinator: Roswitha Krautgartner / FAS Vienna

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

Area Harvested	2012	2013	2014	2015	2016e
Rapeseed	6,317	6,800	6,746	6,515	6,550
Sunflower	4,236	4,620	4,290	4,200	4,220
Soybeans	431	480	571	850	830
Total	10,984	11,900	11,607	11,565	11,600

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

e = estimate

Source: FAS EU-28

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

Production	2012	2013	2014	2015	2016e
Rapeseed	19,631	20,978	24,586	22,100	21,500
Sunflower	7,131	9,060	9,000	7,650	8,520
Soybeans	957	1,230	1,840	2,240	2,300
Total	27,719	31,268	35,426	31,990	32,320

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

e = estimate

Source: FAS EU-28

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

Crush	MY 2012/13	MY 2013/14	MY 2014/15	MY 2015/16e	MY 2016/17f
Rapeseed	22,700	23,950	25,400	24,300	23,700
Soybeans	12,325	13,400	13,500	13,850	13,850
Sunflower	6,540	7,600	7,650	7,000	7,400
Total	41,565	44,950	46,550	45,150	44,950

e= estimate, f = forecast

Source: FAS EU-28

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

Feed, Waste Use Meals	MY 2012/13	MY 2013/14	MY 2014/15	MY 2015/16e	MY 2016/17f
Soybeans	26,000	28,300	29,300	29,700	29,800
Rapeseed	12,900	13,600	14,450	13,900	13,600
Sunflower	7,000	7,200	7,100	6,800	7,200
Total	45,900	49,100	50,850	50,400	50,600

e= estimate, f = forecast

Source: FAS EU-28

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

Food Use Oil	MY 2012/13	MY 2013/14	MY 2014/15	MY 2015/16e	MY 2016/17f
Rapeseed Oil	2,500	2,800	2,900	2,900	2,900
Soybean Oil	1,000	990	1,000	1,000	1,000
Sunflower Oil	3,300	3,400	3,450	3,510	3,620
Total Oils	6,800	7,190	7,350	7,410	7,520

e= estimate, f = forecast

Source: FAS EU-28

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

Industrial Use	MY 2012/13	MY 2013/14	MY 2014/15	MY 2015/16e	MY 2016/17f
Rape Oil	6,700	6,950	7,400	7,100	6,950
Soybean Oil	841	900	850	900	880
Sunflower Oil	220	250	240	230	230
Total	7,761	8,100	8,490	8,230	8,060

e= estimate, f = forecast

Source: FAS EU-28

**3. Soybean Complex**

Coordinator: Lucile Lefebvre / FAS Paris

Trade figures are revised according to the most recent data available from the Global Trade Atlas; harvest and crush estimates from producing countries.

Oilseed, Soybean Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Area Planted	580	580	810	860	900	840
Area Harvested	571	571	802	850	900	830
Beginning Stocks	623	623	656	765	587	685
Production	1831	1840	2201	2240	2450	2300
MY Imports	13388	13388	13200	13200	12600	13100
MY Imp. from U.S.	3500	3500	3450	3450	3000	3000
Total Supply	15842	15851	16057	16205	15637	16085
MY Exports	116	116	150	150	150	150
Crush	13600	13500	13800	13850	13300	13850
Food Use Dom. Cons.	170	170	170	170	170	170
Feed Waste Dom. Cons.	1300	1300	1350	1350	1400	1400
Total Dom. Cons.	15070	14970	15320	15370	14870	15420
Ending Stocks	656	765	587	685	617	515
Total Distribution	15842	15851	16057	16205	15637	16085

(1000 HA) ,(1000 MT)

Meal, Soybean Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	13600	13500	13800	13850	13300	13850
Extr. Rate, 999.9999	0.79	0.78	0.79	0.7798	0.79	0.7798
Beginning Stocks	254	254	252	238	212	226
Production	10744	10530	10902	10800	10507	10800
MY Imports	19158	19158	20700	19300	21700	19400
MY Imp. from U.S.	1124	1124	1000	1000	1000	1000
Total Supply	30156	29942	31854	30338	32419	30426
MY Exports	362	362	400	370	400	380
Industrial Dom. Cons.	10	10	10	10	10	10
Food Use Dom. Cons.	32	32	32	32	32	32
Feed Waste Dom. Cons.	29500	29300	31200	29700	31750	29800
Total Dom. Cons.	29542	29342	31242	29742	31792	29842
Ending Stocks	252	238	212	226	227	204
Total Distribution	30156	29942	31854	30338	32419	30426

(1000 MT) ,(PERCENT)

Oil, Soybean Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	13600	13500	13800	13850	13300	13850
Extr. Rate, 999.9999	0.19	0.1837	0.19	0.1841	0.19	0.1834
Beginning Stocks	366	366	242	188	164	238
Production	2584	2480	2622	2550	2527	2540
MY Imports	252	252	250	300	250	300
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	3202	3098	3114	3038	2941	3078
MY Exports	1010	1010	1000	850	800	900
Industrial Dom. Cons.	900	850	900	900	900	880
Food Use Dom. Cons.	1000	1000	1000	1000	1000	1000
Feed Waste Dom. Cons.	50	50	50	50	50	50
Total Dom. Cons.	1950	1900	1950	1950	1950	1930
Ending Stocks	242	188	164	238	191	248
Total Distribution	3202	3098	3114	3038	2941	3078

(1000 MT) ,(PERCENT)

**MY 2016/17**

In MY 2016/17, soybean production is expected to increase slightly compared to MY 2015/16 because of higher yields. However, the total area planted in soybeans is lower because of declines in Bulgaria, Slovakia, Austria, Hungary, Italy, and to a lesser extent in the Czech Republic.

A recovery in supply is expected because of higher South American plantings. Compared to MY 2015/16, crush is expected to remain stable and total soybean meal imports are expected to increase slightly, with a rise in the Netherlands and in Poland and a decline in all the other major importing countries. Feed use of soybean meal is expected to increase slightly as well.

#### MY 2015/16

Due to the damage to the soybean crop in Argentina and Uruguay, the availability of soybeans from South America will be limited in the coming months. In the Netherlands, part of the imports of meal from Argentina will be replaced with beans from the U.S. and to a lesser extent from Brazil to be crushed in the Netherlands. In spite of this new trend, total soybean imports in MY 2015/16 are expected to remain lower than in MY 2014/15.

Soybean meal imports and feed use are limited by the tight supply situation. In the Netherlands, which are the main importers of soybean meal in the EU, imports from third countries are expected to decline by ten percent compared to MY 2014/15. Soybean meal is partially substituted by other meals and in some countries, including Spain, there is an extensive use of wheat in the feed formula.

Compared to MY 2014/15, biofuel use of soybean oil increases by around 100,000 MT in Spain and decreases by around 110,000 MT in Germany.

#### 4. Rapeseed Complex

Coordinator: Leif Erik Rehder / FAS Berlin

Trade figures are revised according to the most recent data available from the Global Trade Atlas; harvest and crush estimates from producing countries.

Oilseed, Rapeseed Market Begin Year	2014/2015		2015/2016		2016/2017	
	Jul 2014		Jul 2015		Jul 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6760	6760	6580	6580	6400	6517
Area Harvested	6746	6746	6503	6515	6329	6517
Beginning Stocks	1890	1890	1890	1855	1686	1725
Production	24586	24586	22046	22100	21200	21500
MY Imports	2317	2317	3300	3300	2500	2600
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	28793	28793	27236	27255	25386	25825
MY Exports	588	588	350	330	300	350
Crush	25365	25400	24300	24300	23000	23700
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	950	950	900	900	900	900
Total Dom. Cons.	26315	26350	25200	25200	23900	24600
Ending Stocks	1890	1855	1686	1725	1186	875
Total Distribution	28793	28793	27236	27255	25386	25825
<b>(1000 HA) ,(1000 MT)</b>						

Meal, Rapeseed Market Begin Year	2014/2015		2015/2016		2016/2017	
	Jul 2014		Jul 2015		Jul 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	25365	25400	24300	24300	23000	23700
Extr. Rate, 999.9999	0.57	0.57	0.57	0.57	0.57	0.57
Beginning Stocks	173	173	219	241	170	192
Production	14458	14479	13851	13851	13110	13510
MY Imports	452	453	450	450	400	400
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	15083	15105	14520	14542	13680	14102
MY Exports	414	414	450	450	400	350
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	14450	14450	13900	13900	13100	13600
Total Dom. Cons.	14450	14450	13900	13900	13100	13600
Ending Stocks	219	241	170	192	180	152
Total Distribution	15083	15105	14520	14542	13680	14102
(1000 MT) ,(PERCENT)						

Oil, Rapeseed Market Begin Year	2014/2015		2015/2016		2016/2017	
	Jul 2014		Jul 2015		Jul 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	25365	25400	24300	24300	23000	23700
Extr. Rate, 999.9999	0.418	0.417	0.418	0.418	0.418	0.4169
Beginning Stocks	280	280	438	428	295	405
Production	10603	10593	10157	10157	9615	9880
MY Imports	261	261	250	210	300	230
MY Imp. from U.S.	2	2	2	2	0	0
Total Supply	11144	11134	10845	10795	10210	10515
MY Exports	356	356	350	340	300	350
Industrial Dom. Cons.	7400	7400	7250	7100	6850	6950
Food Use Dom. Cons.	2900	2900	2900	2900	2750	2900
Feed Waste Dom. Cons.	50	50	50	50	50	50
Total Dom. Cons.	10350	10350	10200	10050	9650	9900
Ending Stocks	438	428	295	405	260	265
Total Distribution	11144	11134	10845	10795	10210	10515
(1000 MT) ,(PERCENT)						

**MY 2016/17**

European rapeseed production is expected to decrease by nearly 3 percent to 21.5 MMT in MY 2016/17. Though farmers have increased acreage by 35,000 hectares, growing conditions have not been as good as in the previous MY. This will result in lower yields especially in France, Germany, the UK, Estonia, Latvia and Lithuania. The outlook for rapeseed production in France was adjusted sharply downwards, since heavy rainfalls in May and June favored the development of insects and fungi. The outlook for German production was also revised down due to a lack of rain in Northeastern Germany. The reductions in major European producing countries could not be offset by favorable growing conditions in some eastern European countries like Hungary and Romania. In those countries, fair weather conditions with abundant rainfall and mild temperatures led to adjustment upwards for rapeseed production with the possibility of record yields in Romania.

The smaller rapeseed crop in MY 2016/17 will lead to a smaller supply of domestic production on the European market. Imports are expected to decrease due to tight global supplies and competition with other importers like China, Mexico and Japan. In particular, there is less export potential in Ukraine since farmers planted less rapeseed. European exports are expected to increase a bit due to production gains in Romania which will partly be shipped to Turkey. Rapeseed crush is expected to decrease further, leading to a smaller production of rapeseed meal and oil. European ending stocks of rapeseed are expected to shrink significantly.

As substitutes for rapeseed, it is estimated that there will be a good supply and competitive prices for sunflowers and soybeans in the future. Demand for rapeseed meal is mainly driven by the European dairy sector with most major producers reducing herds due to long-lasting low milk prices. In total, sunflower meal, soybean meal and grains are expected to replace rapeseed meal in feed ratios to some extent. The shut-down of biodiesel plants in France, plus more profitable biodiesel production from waste oil, animal fat and lower price imported oils like palm oil, has reduced European demand for rapeseed oil. Therefore, demand projections for the European biodiesel industry were adjusted down.

**MY 2015/16**

EU rapeseed production for MY 2015/16 was revised slightly upwards to 22.1 MMT in MY 2015/16 due to the latest update of official numbers in France and the UK. This is still nearly 2.5 MMT lower than the record crop in the previous MY. The lower supply of domestic production led to imports from Australia, Ukraine and Canada, which will nearly reach record levels. High imports could not offset lower production so crushing of rapeseed in the European is expected to decrease to 24.3 MMT. Stocks are expected to be a little lower at the end of the MY. Consumption of rapeseed meal decreased mainly due to availability. The use of rapeseed oil for biofuels was revised downwards due to adjustments for France.

**5. Sunflower Complex**

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

Trade figures have been revised according to the most recent data available from the Global Trade Atlas; recent harvest and crush estimates from producing countries.

Oilseed, Sunflowerseed Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	4289	4290	4203	4200	4255	4220
Beginning Stocks	887	887	974	974	609	614
Production	9000	9000	7665	7650	8500	8520
MY Imports	266	266	370	390	300	320
MY Imp. from U.S.	40	0	40	0	40	0
Total Supply	10153	10153	9009	9014	9409	9454
MY Exports	519	519	380	380	350	370
Crush	7650	7650	7000	7000	7400	7400
Food Use Dom. Cons.	530	530	540	540	540	540
Feed Waste Dom. Cons.	480	480	480	480	485	480
Total Dom. Cons.	8660	8660	8020	8020	8425	8420
Ending Stocks	974	974	609	614	634	664
Total Distribution	10153	10153	9009	9014	9409	9454
(1000 HA) ,(1000 MT)						

Meal, Sunflowerseed Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	7650	7650	7000	7000	7400	7400
Extr. Rate, 999.9999	0.543	0.5438	0.543	0.5429	0.543	0.5432
Beginning Stocks	188	188	150	156	151	116
Production	4154	4160	3801	3800	4018	4020
MY Imports	3210	3210	3250	3200	3750	3400
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	7552	7558	7201	7156	7919	7556
MY Exports	302	302	200	210	200	230
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	7100	7100	6850	6800	7550	7200
Total Dom. Cons.	7100	7100	6850	6800	7550	7200
Ending Stocks	150	156	151	146	169	136
Total Distribution	7552	7558	7201	7156	7919	7556
(1000 MT) ,(PERCENT)						

Oil, Sunflowerseed Market Begin Year	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	7650	7650	7000	7000	7400	7400
Extr. Rate, 999.9999	0.4225	0.4248	0.4226	0.42	0.4226	0.4216
Beginning Stocks	289	289	225	243	193	183
Production	3232	3250	2958	2940	3127	3120
MY Imports	823	823	1150	1080	1300	1120
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	4344	4362	4333	4263	4620	4423
MY Exports	419	419	350	330	350	370
Industrial Dom. Cons.	240	240	230	230	230	230
Food Use Dom. Cons.	3450	3450	3550	3510	3850	3620
Feed Waste Dom. Cons.	10	10	10	10	10	10
Total Dom. Cons.	3700	3700	3790	3750	4090	3860
Ending Stocks	225	243	193	183	180	193
Total Distribution	4344	4362	4333	4263	4620	4423
<b>(1000 MT) ,(PERCENT)</b>						

## Sunflower Seeds

### MY 2016/17

Major producing countries of sunflower seeds in the EU-28 increased planted area in the current season with highest growth in Spain and Hungary, followed by Romania and Bulgaria. The leading producer France, however, reported a substantial decline in planted area due to adverse weather. This results in less than one percent higher total planted area for the EU-28.

Main producers (Hungary, Romania, Bulgaria) have benefitted from favorable spring weather with moderate temperatures and sufficient rainfall which promised an excellent crop, although current summer dryness in Central and Eastern Europe may moderate these expectations. France reported a mixed picture with negative effects on the crop caused by the rainy and cool weather (fungal diseases, slugs attacks) and any bird attacks. Areas under high oleic and confectionary sunflower are reported to decline slightly.

At present, average EU-28 yields are projected to be 8-10 percent higher than in MY 2015/16 and to lead to 11 percent annual growth in the sunflower seeds production reaching 8.5 MMT but still below the record crop in MY 2014/15.

Expected recovery of the EU-28 production, although uneven between member states, is projected to reduce the overall import demand. On the other hand, forecasted record world supply (Ukraine, Russia, Moldova, Argentina) is likely to offer more competitive options for EU crushers. Thus, we project about 20 percent reduction in imports. Exports to the third countries are estimated to be stable or slightly lower, discouraged by good domestic demand.

The most significant change is projected for the crush demand which is expected to increase by 6 percent (0.4 MMT) to 7.4 MMT. Crush margins are forecast to be lower on average compared to the previous marketing years but to improve gradually throughout the upcoming season, stimulated by improved demand both for sunflower meal and oil. All EU-28 member states expect flat or growing crush volumes (exception is Italy) with the most significant upward changes for France, Spain and Romania, followed by Hungary and Bulgaria.

The EU-28 domestic demand for sunflower oil is expected to be very favorable, conservatively estimated at 3 percent higher consumption, and at the highest level for the last three seasons. The demand for sunflower meal

is also likely to improve due to expected better competitiveness of the sunflower meal compared to competing rapeseed and soybean meals, and projected abundant Black Sea supply.

Higher total sunflower seeds supply may provide room for rebuilding stocks although the rebounding consumption may limit accumulation of stocks which are expected to remain below the levels in MY 2014/15.

### **MY 2015/16**

Little adjustments were made in area and production based on the latest statistical data.

Imports were revised upward due to new shipments from Argentina, Moldova and Russia in the spring of 2016, thus imports to date (October 2015- April 2016/World Trade Atlas) totaled 265,000 MT. Imports are forecast to grow slowly later in the season in order to compensate for lower domestic supply. On the other hand, further growth in imports may be prevented due to expected lower crush in the EU-28 compared to MY2014/15 as a result of falling crush margins and competition from soybeans. Some countries have revised downward their earlier estimates for crush (Spain, Romania, Italy, Germany) while Portugal and Hungary see small increases. In select countries, exports became a more profitable option than crush. Ending stocks and stocks to use ratio are likely to remain low.

### **Sunflower Meal**

#### **MY 2016/17**

EU-28 sunflower meal output is forecast to increase by 6 percent in line with higher crush. Despite better domestic availability, imports are projected to grow compared to the current year in order to meet the rising demand which is estimated to rebound due to price attractiveness of sunflower meal. Good and competitive regional supply is also likely to stimulate imports. France, Spain, Germany, Hungary and Romania expect higher use of sunflower meal compared to M Y2015/16 while other member states expect use to be flat. Sunflower meal exports are forecast to increase slightly due to better supply in the EU-28.

#### **MY 2015/16**

Imports of sunflower meal during October 2015 through April 2016 (Global Trade Atlas) were at 2.0 MMT or only 5 percent lower compared to the corresponding period in MY 2014/15, with the main suppliers Ukraine and Russia. Argentina, the third major supplier, shipped much higher volumes of sunflower meal to the EU-28 in 2016 (January - April), more than double compared to the previous season. We currently estimate annual imports to be stable compared to the previous year, although sunflower price attractiveness in the second half of the season (especially versus soybean meal) along with still good supply from major exporters may result in more purchases.

We estimate a reduced meal use at about 4.0 percent due to lower total supply. Sunflower meal exports during October 2015 through April 2016 decreased by more than 30 percent compared to the corresponding period in MY 2014/15. Thus annual exports are likely to be much lower than in the previous season.

### **Sunflower Oil**

#### **MY 2016/17**

The output of sunflower oil is expected to grow by 6 percent due to higher crush. Higher oil production is estimated in France, Romania, Spain, Hungary, Germany and Portugal. Local demand for food use is projected to be supportive as a result of shortage of rapeseed oil and may stimulate more imports despite better domestic supply. In addition, Black Sea region expects record high and price competitive supplies which will make imports attractive. Spain, Germany, Hungary, United Kingdom, Romania and Portugal expect higher food use of sunflower oil compared to MY 2015/16. Exports of oil are forecast to increase by 12 percent due to better supply in the EU-28.

#### **MY 2015/16**

Sunflower oil output is forecast to decline by 10 percent versus MY 2014/15 due to lower crush. Spain, Romania, Italy, and Germany have revised previous oil output estimates downward. Food consumption showed uneven trends. Some countries (France and Portugal) revised their consumption upward, although this was more than offset by declines in other countries (Spain, Hungary, Italy, Germany and United Kingdom) where food use was revised down. This brings total food use for the EU-28 to 1.7 percent more than in MY2015/16. Expectations for imports are for a 30 percent growth compared to MY 2014/15 to compensate for lower production. Leading importers are France and Spain. Imports to date are sourced from Ukraine. In 2016 (January – April / GTA), Ukraine's deliveries to the EU-28 have doubled and accounted for 94 percent of all imports. Currently, MY 2015/16 imports are estimated at 1.1 MMT with 730,000 MT imported between October 2015 and April 2016. Exports are expected to decline due to lower domestic supply.

## Related Reports

### Related EU-28 and Country Reports:

#### **Oilseeds Market Update|Oilseeds and Products|Sofia|Bulgaria|7/5/2016**

Bulgarian farmers increased rapeseed planted area by 5% and soybean area was reported to decline by 42%. Although official reports indicate no change in the sunflower area, industry sources and FAs/Sofia estimates see a slight increase at the expense of lower corn acreage. Sunflower planting has been done at a much faster rate than in the previous season and in the optimum timeframe and as of end-May planted area was reported at 10% higher than in 2015. The spring weather conditions to da...

[Oilseeds Market Update Sofia Bulgaria 6-30-2016](#)

#### **Only the Reduced Corn Area in Spain prevents from an otherwise Record|Grain and Feed Oilseeds and Products Biofuels|Madrid|Spain|6/15/2016**

Timely spring rains and mild temperatures have contributed to improve yields expectations after a rather dry winter. At the moment, all sources point to a large to average Spanish grains and oilseeds crop. Reduced corn plantings precluded an otherwise record grain crop. The sizeable projected crop and the ample pasture availability will result in somewhat reduced import needs compared to previous seasons, despite the stable demand.

[Only the Reduced Corn Area in Spain prevents from an otherwise Record Madrid Spain 6-2-2016](#)

#### **Oilseed production expected to rebound in Romania|Oilseeds and Products|Bucharest|Romania|4/18/2016**

Oilseed planted area is forecast to surge in Marketing Year (MY) 2016/17. Rapeseed area planted in the fall substantially increased and a large output is forecast. In the context of low corn profitability last year, farmers may choose to reduce corn area and replace it with sunflower. Financial incentives in the form of EU coupled support may stimulate farmers to expand further soybean area. Under the assumption of higher yields, Romanian oilseed exports are forecast to climb by 18 percent in MY...

[Oilseed production expected to rebound in Romania Bucharest Romania 4-13-2016](#)

#### **Oilseeds and Products Market Update|Oilseeds and Products|Sofia|Bulgaria|4/15/2016**

Following a double digit decline in total oilseed production in MY2015/16 due to summer heat and drought, Bulgarian farmers are ready to expand planted areas under sunflower and rapeseed in MY2016/17. The first attempt to grow soybeans in MY2015/16 brought disappointing results and areas are likely to decline in the next season. Provided that weather cooperates, total oilseed production may restore to its higher level and grow by 10% or more compared to MY2015/16. MY2015/16 data to date show...

[Oilseeds and Products Market Update Sofia Bulgaria 4-11-2016](#)

#### **Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Estonia|4/14/2016**

Total production of rapeseed in MY 2016/17 is forecast to decrease by 4 percent to 170,000 MT in comparison to MY 2015/2016. Although the planted area of rapeseed in MY 2016/2017 is expected to increase by 11 percent in comparison to the previous year and amount to 80,000 hectares, production per hectare is expected to return to an average level and result in lower crop. Please Note: This report is to be read in conjunction with the Annual 2016 EU28 Consolidated Report on Oilseeds and Products...

[Rapeseed and Oilseed Products. Warsaw Estonia 4-5-2016](#)

#### **Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Latvia|4/14/2016**

Total production of rapeseed in MY 2016/17 is forecast to decrease by 6 percent to 275,000 MT in comparison to MY 2015/2016. Rapeseed planted area in MY 2016/2017 is expected to increase by 23 percent in comparison to the previous year and amount to 110,000 hectares. After an exceptionally high yield of rapeseed in MY 2015/2016 production per hectare is expected to return to an average level in MY 2016/2017. Increase of planted area of rapeseed stems from growing demand for biofuel production...

[Rapeseed and Oilseed Products. Warsaw Latvia 4-5-2016](#)

**Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Lithuania|4/14/2016**

It is estimated that after reduction in MY 2015/2016, rapeseed planted area in MY 2016/2017 will increase to 200,000 hectares, and will be 20 percent higher than in the previous year. Lithuanian's total production of rapeseed in MY 2016/17 is forecast to increase by 1 percent to 510,000 MT in comparison to MY 2015/2016. Increase of planted area stems from growing demand for biofuel production and continuing demand for exports of rapeseed within the European Union. Please Note: This report is ...

[Rapeseed and Oilseed Products. Warsaw Lithuania 4-5-2016](#)

**Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Poland|4/14/2016**

It is estimated that in MY 2016/2017 rapeseed planted area amounts to 940,000 hectares, a one percent decline in comparison to the previous year due to unusually dry weather during the planting season in the fall of 2015. Despite low temperatures and lack of snow cover in December 2015, the development of rapeseed plantings was assessed as well in February 2016 with good prospects for the 2016 harvest. Poland's total production of rapeseed in MY 2016/17 is forecast to increase by 2 percent to ...

[Rapeseed and Oilseed Products. Warsaw Poland 4-5-2016](#)

**Select 2016|Oilseeds and Products|Vienna|EU-28|4/12/2016**

Total European Union oilseeds area in MY 2016/17 is forecast to increase by about 1.6 percent to almost 12 million hectares. The increase is explained by increasing area of all three major oilseeds – rapeseed, sunflower and soybeans. The higher acreage in combination with more average yields expectations compared to the low yields of sunflower and rapeseed due to drought in MY 2015/16 leads to a forecast of 33.4 MMT for total oilseeds. As of March 2016, planting and growing conditions for oil...

[Oilseeds and Products Annual Vienna EU-28 4-1-2016](#)

**Related EU-28 Topics****EU Biofuels Annual 2016|Biofuels|The Hague|EU-28|7/4/2016**

In 2015, the European Commission (EC) officially introduced a seven percent cap on food based biofuels thus limiting future production of these first generation or conventional biofuels and ensuring that only the most efficient plants will continue operating. Meanwhile, incentives to encourage second generation or advanced biofuels, such as the production of hydrogenated vegetable oils (HVO) have been very successful. The commercialization of cellulosic ethanol is lagging behind compared to the...

[Biofuels Annual The Hague EU-28 6-29-2016](#)

**Biofuel Mandates in the EU by Member State - 2016|Biofuels Trade Policy Monitoring|Berlin|EU-28|6/29/2016**

This report provides an overview on the biofuel use mandates in the various EU-28 member states. It supplements the EU-28 Biofuel Annual Report.

[Biofuel Mandates in the EU by Member State - 2016 Berlin EU-28 6-22-2016](#)

**EU's General Court rules against anti-dumping duty on U.S. ethanol|Biofuels|Brussels USEU|EU-28|6/22/2016**

On June 9, 2016, the European Union (EU) General Court ruled that the European Commission (EC) violated its own laws by issuing a country-wide anti-dumping (AD) duty on imports of U.S. ethanol. The exact interpretation of the ruling as well as its implications for U.S. bioethanol exports to the EU are currently unknown. The EC has two months to file an appeal of the ruling, during which time the AD duty will remain in place. Although there have been some developments since AD duties were imp...

[EU's General Court rules against anti-dumping duty on U.S. ethanol Brussels USEU EU-28 6-17-2016](#)

**Select 2016|Grain and Feed|London|EU-28|4/7/2016**

Following good planting conditions in the fall and a mild winter across the EU28, the current outlook for the MY2016/17 EU28 grain crop is positive. If there is any concern it is that the EU28 grain crop is ahead of normal and could be susceptible to damage from a cold snap. Spring planting is now under way. Total feed grain consumption in MY2016/17 is forecast marginally down on the high levels seen in the previous two seasons but with a partial reversal of the switch away from corn to wheat...

[Grain and Feed Annual London EU-28 4-1-2016](#)

**Poultry, Meat, Broiler EU-28 Broiler Meat Production to Increase Again in 2016|Poultry and Products|Paris|EU-28|3/3/2016**

The EU-28 broiler meat production is expected to increase in 2016. Consumers have been switching from other meats to broiler meat (cheaper and more convenient), due to difficult economic situation in the EU-28 region, driving increases in domestic poultry consumption. EU-28 broiler meat imports are still forecast to remain flat in 2016 with lower imports from Brazil and higher imports from Ukraine. EU-28 broiler meat exports in 2016 are expected to increase slightly despite lower exports to So...

[Poultry and Products Semi-annual Paris EU-28 2-29-2016](#)

**Select EU Pork Exports Forecast to Reach a New Record|Livestock and Products|The Hague|EU-28|2/24/2016**

Changes in EU livestock policies led to a surge of beef and pork production in 2015. This year, production is expected to remain high. As the domestic and export market is unable to absorb the additional supply, meat is being stockpiled. These quantities are impacting prices, and will support a further export growth of both beef...

[Livestock and Products Semi-annual The Hague EU-28 2-19-2016](#)