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Global Agricultural Information Network

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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 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-28	= European Union of 28 member states (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom)
FSU	= Former Soviet Union
f	= Forecast (of a value/number for the next, not yet started, marketing year)
ha	= Hectares
GE	= Genetically engineered / Genetically engineered organisms
GHG	= Greenhouse gas
MT	= Metric ton (1000 kg)
MMT	= Million metric tons
MS	= EU Member State(s)
MY	= Marketing year
NUTS2	= Nomenclature of Units for Territorial Statistics level 2 = code for regions within a country
SME	= Soybean meal equivalent
U.K.	= United Kingdom
U.A.E.	= United 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 2015/16 overall production of EU-28 major oilseeds (rapeseed, sunflower and soybeans) is expected to be almost 10 percent lower than in the previous year and will reach some 31.5 MMT. This is mainly an effect of lower acreage and more average yield expectations compared to the previous bumper crop. With an expected production of 21.3 MMT, output of rapeseed is more than 12 percent lower year-on-year. Sunflower is forecast to be about 7 percent down reaching 8.3 MMT. Only EU soybean production, which is still at a minor level but constantly increasing, is anticipated to be 10 percent up, totaling 1.9 MMT. Soybean production in some member states is higher than previously estimated. This is particularly the case for Romania, Croatia, Hungary, and Bulgaria. Lower acreage in almost all major European rapeseed producing countries (except for Lithuania) and drought in major production regions of Germany and Poland reduced rapeseed crop expectations. Less acreage and average yield expectations due to the neonicotinoid ban and drought in key producing countries (Spain, Bulgaria, partially France, Romania, and Hungary) lowered production estimates for sunflower.

### Consumption

Total EU-28 consumption of major oilseeds meals (rapeseed, sunflower and soybeans) in animal feed is forecast to remain almost flat in MY 2015/16 (plus 0.7 percent). High availability of soybean meal on the world market, together with tight supplies of rapeseed and sunflower meals, is expected to favor soybean meal in animal feed over other meals.

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

Coordinator: Roswitha Krautgartner / FAS Vienna

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

Area	2012	2013	2014	2015e
Rapeseed	6,317	6,800	6,800	6,600
Sunflower	4,236	4,620	4,283	4,176
Soybeans	431	480	570	690
Total	10,984	11,900	11,653	11,466

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	2015e
Rapeseed	19,631	20,978	24,250	21,300
Sunflower	7,131	9,060	8,940	8,300
Soybeans	957	1,230	1,700	1,870
Total	27,719	31,268	34,890	31,470

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 2014/15e	MY 2015/16f
Rapeseed	22,700	23,966	24,600	23,800
Soybeans	12,325	13,400	13,500	13,800
Sunflower	6,540	7,600	7,500	7,350
Total	41,565	44,966	45,600	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 2014/15e	MY 2015/16f
Soybeans	26,000	28,300	29,300	29,900
Rapeseed	12,900	13,570	13,800	13,600
Sunflower	7,000	7,200	7,170	7,110
Total	45,900	49,070	50,270	50,610

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 2014/15e	MY 2015/16f
Rapeseed Oil	2,500	2,800	2,850	2,850
Soybean Oil	1,000	990	990	990
Sunflower Oil	3,300	3,400	3,500	3,520
Total Oils	6,800	7,190	7,340	7,360

e= estimate, f = forecast

Source: FAS EU-28

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

Biofuels	MY 2012/13	MY 2013/14	MY 2014/15e	MY 2015/16f
Feedstock/Rapeseed Oil	5,850	6,200	6,400	6,300
Feedstock/Soybean Oil	430	750	750	750
Feedstock/Sunflower Oil	150	210	210	200
Total	6,430	7,160	7,360	7,250

e= estimate, f = forecast

Source: FAS EU-28

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

Other Industrial Use	MY 2012/13	MY 2013/14	MY 2014/15e	MY 2015/16f
Rapeseed Oil	850	750	800	850
Soybean Oil	170	150	160	160
Sunflower Oil	50	40	50	40
Total	1,070	940	1,010	1,050

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 (April 2015); harvest and crush estimates from producing countries.

Oilseed, Soybean Market Begin Year	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Area Planted</b>	480	480	580	570	680	690
<b>Area Harvested</b>	472	471	566	560	700	680
<b>Beginning Stocks</b>	302	302	279	100	248	130
<b>Production</b>	1209	1230	1689	1700	1980	1870
<b>MY Imports</b>	12985	12985	12950	12850	13100	13100
<b>MY Imp. from U.S.</b>	3647	3647	3500	3970	3450	3500
<b>Total Supply</b>	14496	14517	14918	14650	15328	15100
<b>MY Exports</b>	57	57	100	100	100	100
<b>Crush</b>	13400	13400	13750	13500	14100	13800
<b>Food Use Dom. Cons.</b>	160	160	170	170	170	170
<b>Feed Waste Dom. Cons.</b>	600	800	650	750	660	850
<b>Total Dom. Cons.</b>	14160	14360	14570	14420	14930	14820
<b>Ending Stocks</b>	279	100	248	130	298	180
<b>Total Distribution</b>	14496	14517	14918	14650	15328	15100

(1000 HA) ,(1000 MT)

Source: FAS EU-28

Meal, Soybean Market Begin Year	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Crush</b>	13400	13400	13750	13500	14100	13800
<b>Beginning Stocks</b>	120	120	142	157	275	255
<b>Production</b>	10586	10500	10865	10700	11140	10800
<b>MY Imports</b>	18175	18162	19550	19100	20100	19600
<b>MY Imp. from U.S.</b>	1230	1228	1300	1080	1200	1150
<b>Total Supply</b>	28881	28782	30557	29957	31515	30655
<b>MY Exports</b>	297	283	340	360	400	370
<b>Industrial Dom. Cons.</b>	10	10	10	10	10	10
<b>Food Use Dom. Cons.</b>	32	32	32	32	32	32
<b>Feed Waste Dom. Cons.</b>	28400	28300	29900	29300	30850	29900
<b>Total Dom. Cons.</b>	28442	28342	29942	29342	30892	29942
<b>Ending Stocks</b>	142	157	275	255	223	343
<b>Total Distribution</b>	28881	28782	30557	29957	31515	30655

(1000 MT)

Source: FAS EU-28

Oil, Soybean Market Begin Year	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b>	13400	13400	13750	13500	14100	13800
<b>Beginning Stocks</b>	202	202	322	271	315	321
<b>Production</b>	2546	2450	2613	2550	2680	2600
<b>MY Imports</b>	325	325	300	300	200	250
<b>MY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	3073	2977	3235	3121	3195	3171
<b>MY Exports</b>	771	766	850	850	900	850
<b>Industrial Dom. Cons.</b>	910	900	1000	910	900	910
<b>Food Use Dom. Cons.</b>	1000	990	1000	990	1000	990
<b>Feed Waste Dom. Cons.</b>	70	50	70	50	70	50
<b>Total Dom. Cons.</b>	1980	1940	2070	1950	1970	1950
<b>Ending Stocks</b>	322	271	315	321	325	371
<b>Total Distribution</b>	3073	2977	3235	3121	3195	3171

(1000 MT)

Source: FAS EU-28

**MY 2015/16**Soybeans

Area and production are raised. They will be higher than previously expected in Romania, Croatia, Hungary, and Bulgaria. Hungary is working on a national program that aims at reducing the country's dependence on imports. Hungarian soybean producers will receive around 200 euros per hectare in addition to already existing subsidies. Imports and crush are revised upwards due to expected high availability and better competitiveness compared to rapeseed and sunflower. Compared to 2014/15, imports and crush are expected to rise.

Soybean meal

Production and feed use are revised upwards. Soybean meal consumption is expected to increase compared to 2014/15 due to a high availability on the world market, whereas rapeseed and sunflower meal supplies are forecast to tighten. The rise in domestic soybean production will play a smaller part in the consumption increase.

Soybean oil

Production and exports are raised whereas imports are reduced slightly. Compared to 2014/15, production is expected to increase and imports to go down.

**MY 2014/15**Soybeans

Imports, exports and crush are raised. Compared to 2013/14, the increase in domestic soybean production (470 thousand MT) leads to a decrease in imports (- 135 thousand MT) and to a rise in exports. Soybean crush goes up because margins are higher than for rapeseed.

Soybean meal

Production, imports and feed use are adjusted upwards while exports are reduced slightly. Compared to 2013/14, a high availability on the world market and a rise in domestic production lead to an increase in the production and feed use of soybean meal.

Note: Bulgaria, which usually does not crush soybeans, has imported small quantities of soybeans in 2014/15 to perform tests. In 2015/16, the country is expected to crush domestic non-biotech soybeans as a consequence of the increase in local production.

Soybean oil

Production and exports are raised. Compared to 2013/14, production and exports increase while imports go down. Industrial use increases slightly.

**4. Rapeseed Complex**

Coordinator: Leif Erik Rehder / FAS Berlin

Trade figures have been revised according to the most recent data available from the Global Trade Atlas (April 2015); recent harvest and crush estimates from producing countries.

Oilseed, Rapeseed Market Begin Year	2013/2014		2014/2015		2015/2016	
	Jul 2013		Jul 2014		Jul 2016	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Planted</b>	6770	6800	6760	6800	6565	6600
<b>Area Harvested</b>	6767	6710	6758	6716	6560	6534
<b>Beginning Stocks</b>	2502	2502	2070	1778	2410	2158
<b>Production</b>	21299	20978	24255	24250	21400	21300
<b>MY Imports</b>	3495	3474	2500	2300	2400	2400
<b>MY Imp. from U.S.</b>	7	7	0	0	0	0
<b>MY Imp. from EU</b>	0	0	0	0	0	0
<b>Total Supply</b>	27296	26954	28825	28328	26210	25858
<b>MY Exports</b>	290	290	585	600	300	300
<b>MY Exp. to EU</b>	0	0	0	0	0	0
<b>Crush</b>	23966	23966	24700	24600	23700	23800
<b>Food Use Dom. Cons.</b>	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b>	970	920	1130	970	1000	950
<b>Total Dom. Cons.</b>	24936	24886	25830	25570	24700	24750
<b>Ending Stocks</b>	2070	1778	2410	2158	1210	808
<b>Total Distribution</b>	27296	26954	28825	28328	26210	25858

(1000 HA) ,(1000 MT)

Source: FAS EU-28



Meal, Rapeseed Market Begin Year	2013/2014		2014/2015		2015/2016	
	Jul 2013		Jul 2014		Jul 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Crush</b>	23966	23966	24700	24600	23700	23800
<b>Extr. Rate, 999.9999</b>	0.575	0.5654	0.575	0.565	0.5751	0.563
<b>Beginning Stocks</b>	89	89	215	165	218	275
<b>Production</b>	13780	13550	14203	13900	13630	13400
<b>MY Imports</b>	457	457	400	450	450	450
<b>MY Imp. from U.S.</b>	0	0	0	0	0	0
<b>MY Imp. from EU</b>	0	0	0	0	0	0
<b>Total Supply</b>	14326	14096	14818	14515	14298	14125
<b>MY Exports</b>	361	361	400	440	300	300
<b>MY Exp. to EU</b>	0	0	0	0	0	0
<b>Industrial Dom. Cons.</b>	0	0	0	0	0	0
<b>Food Use Dom. Cons.</b>	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b>	13750	13570	14200	13800	13800	13600
<b>Total Dom. Cons.</b>	13750	13570	14200	13800	13800	13600
<b>Ending Stocks</b>	215	165	218	275	198	225
<b>Total Distribution</b>	14326	14096	14818	14515	14298	14125

(1000 MT) ,(PERCENT)

Source: FAS EU-28

Oil, Rapeseed Market Begin Year	2013/2014		2014/2015		2015/2016	
	Jul 2013		Jul 2014		Jul 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Crush</b>	23966	23966	24700	24600	23700	23800
<b>Extr. Rate, 999.9999</b>	0.415	0.4168	0.415	0.4167	0.4156	0.416
<b>Beginning Stocks</b>	32	32	293	214	300	284
<b>Production</b>	9946	9990	10251	10250	9850	9900
<b>MY Imports</b>	296	303	255	260	270	280
<b>MY Imp. from U.S.</b>	2	0	2	0	2	0
<b>MY Imp. from EU</b>	0	0	0	0	0	0
<b>Total Supply</b>	10274	10325	10799	10724	10420	10464
<b>MY Exports</b>	306	311	340	340	300	300
<b>MY Exp. to EU</b>	0	0	0	0	0	0
<b>Industrial Dom. Cons.</b>	7450	6950	7675	7200	7400	7150
<b>Food Use Dom. Cons.</b>	2210	2800	2460	2850	2500	2850
<b>Feed Waste Dom. Cons.</b>	15	50	24	50	25	50
<b>Total Dom. Cons.</b>	9675	9800	10159	10100	9925	10050
<b>Ending Stocks</b>	293	214	300	284	195	114
<b>Total Distribution</b>	10274	10325	10799	10724	10420	10464

(1000 MT) ,(PERCENT)

Source: FAS EU-28

**MY 2015/16**

European rapeseed production is expected to drop by 13% to 21.3 MMT. One factor for the decrease is that European farmers planted nearly 200,000 hectares of rapeseed less than the previous marketing year. Drought in major production regions of Germany and Poland has further reduced expectations for the European rapeseed crop. Altogether, every major European producer, except for Lithuania, has decreased acreage and yields are expected to stay below the excellent levels in MY14/15.

The smaller rapeseed crop will lead to a tight supply of domestic produce on the European market. Supply on the world market is also tight which will result in stable imports from Ukraine and Australia, the two major outside origins. Exports and ending stock are expected to decrease significantly, but this will just partly offset the smaller supply. Rapeseed crush is expected to decrease leading to a smaller production of rapeseed meal and oil. As a substitute, it is estimated that there is an abundant supply of soybeans globally. With crushers preferring soybeans over rapeseed due to crash margins soybean meal and grains are expected to replace rapeseed meal in feed ratios to some extent. Demand by the European biodiesel industry for rapeseed oil is expected to remain stable overall.

**MY 2014/15**

EU rapeseed production reached a record high of 24.2 MMT in MY 2014/15. The abundant supply of domestic produce led to lower imports from Ukraine and Australia and higher exports to Turkey, United Arab Emirates and Israel. European crushing numbers of rapeseed also reached record levels. Stocks also increased. Demand for rapeseed meal was driven by the expanding European dairy industry. The use of rapeseed oil for biofuels was revised upwards due to strong demand in France, the UK and the Czech Republic.

### 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 (April 2015); recent harvest and crush estimates from producing countries.

Oilseed, Sunflowerseed Market Begin Year European Union	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	4597	4620	4284	4283	4165	4176
Beginning Stocks	780	780	879	896	994	931
Production	9008	9060	8935	8940	8200	8300
MY Imports	319	319	250	245	250	280
MY Imp. from U.S.	41	41	40	40	40	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	10107	10159	10064	10081	9444	9511
MY Exports	713	713	600	610	600	550
MY Exp. to EU	0	0	0	0	0	0
Crush	7605	7600	7500	7500	7300	7350
Food Use Dom. Cons.	350	430	400	550	450	580
Feed Waste Dom. Cons.	560	520	570	490	550	480
Total Dom. Cons.	8515	8550	8470	8540	8300	8960
Ending Stocks	879	896	994	931	544	551
Total Distribution	10107	10159	10064	10081	9444	9511
(1000 HA) ,(1000 MT)						

Source: FAS EU-28

Meal, Sunflowerseed Market Begin Year	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	7605	7600	7500	7500	7300	7350
Extr. Rate, 999.9999	0.5431	0.5434	0.544	0.5427	0.5445	0.5442
Beginning Stocks	77	77	198	198	148	148
Production	4130	4130	4080	4070	3975	4000
MY Imports	3364	3364	3350	3300	3400	3300
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	7571	7571	7628	7568	7523	7448
MY Exports	173	173	230	250	180	210
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	7200	7200	7250	7170	7225	7110
Total Dom. Cons.	7200	7200	7250	7170	7225	7100
Ending Stocks	198	198	148	148	118	128
Total Distribution	7571	7571	7628	7568	7523	7448

(1000 MT) ,(PERCENT)

Source: FAS EU-28

Oil, Sunflowerseed Market Begin Year	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	7605	7600	7500	7500	7300	7350
Extr. Rate, 999.9999	0.4195	0.4197	0.4193	0.42	0.4185	0.4218
Beginning Stocks	58	58	255	255	250	245
Production	3190	3190	3145	3150	3055	3100
MY Imports	1039	1039	950	1000	900	950
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	4287	4287	4350	4405	4205	4295
MY Exports	372	372	380	390	300	340
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	250	250	260	260	260	240
Food Use Dom. Cons.	3400	3400	3450	3500	3500	3520
Feed Waste Dom. Cons.	10	10	10	10	10	10
Total Dom. Cons.	3660	3660	3720	3770	3770	3770
Ending Stocks	255	255	250	245	135	185
Total Distribution	4287	4287	4350	4405	4205	4295

(1000 MT) ,(PERCENT)

Source: FAS EU-28



Sunflower Seeds**MY 2015/16**

The latest estimate for the EU-28 shows that planted area under sunflower was reduced by 2.5 percent (107,000 HA) compared to MY 2014/15. Hungary is the only country which opted for higher planted area while others, such as France, Spain, Romania and Bulgaria, reduced the plantings compared to the previous season for various reasons. Due to mild winter, re-seeding of winter crops was small and this limited expansion in area. In France, farmers expected lower margins compared to other crops such as winter wheat and barley while in Bulgaria the rainy and cold spring weather prevented farmers from further expansion in area. The new greening requirements and higher support for protein crops also affected the plantings in favor of other crops such as soybeans in select member-states (France, Bulgaria). Most of the other member states see planted areas flat (Italy, Austria, Croatia, Germany, Czech Republic, and Portugal). On the other hand, major producing countries (France, Hungary, Romania, Bulgaria) report higher areas planted under high oleic and confectionary seeds compared to conventional oil-bearing sunflower. France is a leader with two-thirds of its sunflower under oleic varieties, followed by Hungary while the market is still emerging in Romania and Bulgaria.

Expectations for average yields are more unified as the EU-28 is not likely to achieve the exceptional yields from MY 2014/15. The ban on neonicotinoids negatively affected the crop status. Romania and Bulgaria were granted derogations for application of neonicotinoids on sunflower and corn for MY 2015/16 but for a limited timeframe, and in Bulgaria the decision arrived late. The weather until the end of June was rather favorable for the sunflower development, however, in July it has been persistently dry and hot in most of the key producing countries (Spain, Bulgaria, partly France, Romania and Hungary) and this leads to lower estimates, closer to the average. Currently, we forecast EU- 28 production to decline by 7 percent vs. MY 2014/15 to 8.3 MMT.

Imports, most likely from the Black Sea, are forecast to be higher compared to the previous season in order to compensate for lower domestic supply and complement crush. On the other hand, further growth in imports may be prevented due to likely limited exports of seeds from Black Sea suppliers, as well as a result of expected lower crush in the EU-28.

Currently, we continue to forecast lower (by 2.0 percent) level of crush in the EU-28 due to likely reduced availabilities, generally declining crush margins, and expected stronger competition from soybeans. Still, the projected level of crush of 7.35 MMT is at higher level than in the years prior to MY 2013/14. Most countries are expected to reduce the crush (mainly Spain and France, followed by Romania, Italy and Greece) while Bulgaria, Benelux and Czech Republic see a growth in crush due to larger capacities and favorable demand. Currently, the crush margins are projected to be lower on average compared to the previous marketing years but with variations by member-states. On the other hand, crush is likely to be encouraged by favorable demand for sunflower oil including high oleic oil, and protein meals, including high protein meal. Currently, we expect very good domestic demand for sunflower oil with marginally higher consumption. The demand for sunflower meal is likely to be stable since it is projected to be more competitive than the rapeseed meal but at the same time it may face a very strong competition from the soybean meal.

Lower availability and good domestic demand are forecast to lead to a decline in exports of about 10 percent compared to the current season. Ending stocks are projected to decrease significantly and may support tighter stocks- to- use ratio.

**MY 2014/15**

We continue to keep our forecast for lower EU-28 imports vs MY 2013/14. The new estimate is based on trade data for October 2014 - April 2015 (source: World Trade Atlas) which shows a 34 percent reduction in imports. This is a result of reduced exports to the EU by Black Sea suppliers due to their lower stocks. Moldova is the main source of sunflower seeds for the EU, followed by Ukraine and the United States, while Serbia is not as active as in the previous marketing year. Declining crush margins and weakening competitiveness of sunflower meal compared to soybean meal is also behind lower import demand.

No changes have been made in our estimate regarding the crush demand. Food consumption was revised upwards based on member states latest data and higher use in select countries such as Bulgaria, followed by Romania.

EU-28 exports of sunflower seeds for October 2014-April 2015 were 20 percent lower compared to the corresponding period in the previous year with major exporters being Romania and Bulgaria. The main reason for this decline is weaker demand from traditional export markets and growth in crush in Bulgaria. Main export destinations remained Pakistan, followed by Turkey while South Africa imported much less this season. We estimate annual exports to be 15 percent lower in MY 2014/15 compared to MY 2013/14.

Sunflower Meal**MY 2015/16**

EU-28 sunflower meal output is forecast to have a 1.5-2.0 percent reduction in line with the decline in crush estimate. Imports are projected to be stable compared to the current year to compensate for lower domestic availabilities. However, weaker competitiveness compared to soybean meal may not lead to further growth in imports. Domestic EU-28 demand for sunflower meals is likely to be good and better than for rapeseed meal, but still the use is expected to decline slightly (1.0 percent) compared with the current season, likely due to more attractive use of soybean meal. The United Kingdom, Benelux and Romania expect higher use of meal while other member states expect flat or slightly lower use. High protein sunflower meal is expanding its market share (higher supply projected in Hungary and Bulgaria) and favorable demand may support a stable use of sunflower meal (better use expected in Germany). Sunflower meal exports of in MY 2015/16 are forecast to decline due to lower supply and stable domestic demand in the EU-28.

**MY 2014/15**

Imports of sunflower meal during October 2014 - April 2015 (World Trade Atlas) were flat compared to the corresponding period in the previous season with main suppliers Ukraine and Russia. As forecasted earlier, the competitiveness of sunflower meal for the rest of the year changes in favor of soybean meal, and thus affects imports. In addition, the usual suppliers have currently low exportable stocks. We estimate the annual imports for the season to be 2.0 percent lower than in MY 2013/14. This is likely to result in slightly reduced meal use at about 1.0 percent, with this estimate being under USDA official. Sunflower meal exports during October 2014-April 2015 more than doubled compared to the corresponding period in MY 2013/14 due to competitive prices and good demand by Saudi Arabia, South Africa and Turkey. Thus annual exports are likely to be much above the previous season.

Sunflower Oil

**MY 2015/16**

Sunflower oil output is forecast to decline by 1.5 percent due to lower projected crush. Select few countries expect higher output (Benelux, Bulgaria, Czech Republic), while most member states project a decline (Spain, France, Hungary, Romania). As a result, exports are expected to decline by 13 percent due to lower supply. Imports should offset lower domestic output and to meet favorable food use demand. Although we currently forecast imports above USDA official at 0.95 MMT, further revisions are likely depending on international and regional (Black Sea) price levels.

Demand for food use is forecast as favorable due to continued orientation of consumers towards “healthier” and oleic vegetable oils. Thus we currently forecast a modest growth in consumption of less than one percent. Industrial demand (biodiesel) is estimated to decline.

**MY 2014/15**

Imports of sunflower oil during October 2014 - April 2015 (World Trade Atlas) were 10 percent more than imports in MY 2013/14, with main suppliers Ukraine, Moldova and Serbia. Similar to the market situation with sunflower meal, we expect imports to slow down for the rest of the year due to declining stocks at exporters with the exception of Argentina. At present, our estimate for imports is above USDA official. Sunflower oil food consumption is estimated to be about 3 percent higher than in the previous season due to good health image of sunflower oil and partly as a result of the deficit of olive oil in the EU this year. Sunflower oil exports during October 2014 - April 2015 were 19.5 percent higher than in the previous season due to good demand from Turkey and South Africa. The annual exports are currently estimated to be slightly above USDA official data.

**6. Related EU-28 and Country Reports:**

**Crop Update|Grain and Feed Oilseeds and Products|Prague|Czech Republic|7/27/2015**

Dry weather with high temperatures resulted in slightly earlier start of grains and rapeseed harvest. Drought causes smaller grains and lower yields. MY2015/16 harvest is forecast to be average, with the sowing area remaining almost unchanged.  
[Crop Update Prague Czech Republic 7-22-2015](#)

**Sunflower Market Diversification and Development|Oilseeds and Products Product Brief|Sofia|Bulgaria|7/10/2015**

Over the last several years, the Bulgarian oilseeds industry has invested in expanding capacities, diversifying and adding value to some of the major field crops. This trend has been most pronounced with the sunflower crop. While until recently Bulgaria was a net exporter of sunflower seeds, lately the country has increased its crushing capacity. The industry also invested in new processing businesses such as production of bakery sunflower seeds for human consumption. In 2015 Bulgaria may e...  
[Sunflower Market Diversification and Development Sofia Bulgaria 7-6-2015](#)

**Warm Spring Drives Down Spanish Winter Grains Harvest|Grain and Feed Oilseeds and Products|Madrid|Spain|7/1/2015**

Good yields were expected for most of Spain’s grain growing regions until early May when high temperatures and lack of precipitation significantly reduced harvest expectations. Spain’s central plateau is the area most affected by the hot weather. The winter crop cycle had almost ended when the unusually high temperatures withered the grains in the South. Some Northern grain growing regions can still expect average yields thanks the milder prevailing temperatures and to rain during the first h...  
[Warm Spring Drives Down Spanish Winter Grains Harvest Madrid Spain 6-22-2015](#)



**Position Paper on the Future of Livestock Feeding |Biotechnology - GE Plants and Animals Biotechnology and Other New Production Technologies Oilseeds and Products Agriculture in the News Livestock and Products|Berlin|Germany|6/30/2015**

The Federal Association of the German Retail Grocery Trade (BVLH) has adopted a position paper on the feeding of livestock. The paper says that "the vast majority of companies" would support genetically engineered (GE) free protein feed. BVLH represents all food retailers in Germany,

[Position Paper on the Future of Livestock Feeding Berlin Germany 6-5-2015](#)

**Oilseeds and Products Annual 2015|Oilseeds and Products|Prague|Czech Republic|5/4/2015**

Marketing years 2013/14 and 2014/15 were both record breaking: in MY2013/14 rapeseed area in the Czech Republic exceeded the threshold of 400,000 hectares, while in MY2014/15 the yield reaching almost 4 MT/HA resulted in record high rapeseed production of 1.54 million MT. Sunflower production has been declining because of its lowering profitability.

[Oilseeds and Products Annual 2015 Prague Czech Republic 4-28-2015](#)

**Weather conditions impact Romanian oilseed crop|Oilseeds and Products|Bucharest|Romania|4/30/2015**

Weather conditions impacted rapeseed planting in the fall of 2014 leading to poor emergence. Excessive moisture contributed further to plant deterioration. Part of the rapeseed area to be replanted will be covered by sunflower seeds MY 2015/16, which was otherwise expected to fall more significantly as a result of low returns last year. The upward trend in the soybean area is boosted by the recent Romanian Government decision to include soybean among the crops eligible for EU couple support. Rom...

[Weather conditions impact Romanian oilseed crop Bucharest Romania 4-29-2015](#)

**Oilseeds and Products Sector Update|Oilseeds and Products|Sofia|Bulgaria|4/22/2015**

The first tentative official data on 2014 crop production published in late March showed a higher than previously expected area and production of oilseeds in MY2014/15. Based on the new data, total oilseeds area in MY2014/15 is increased by 4% and total production by 12%. Recent dynamic development of the oilseeds sector outlines key new trends in MY2014/15 and MY2015/16 as follows: Declining rapeseeds area due to lower profitability, the ban on neonicotinoids and current less optimistic pr...

[Oilseeds and Products Sector Update Sofia Bulgaria 4-17-2015](#)

**Poland - Rapeseed and Products Annual - Spring 2015|Oilseeds and Products Agricultural Situation Biofuels|Warsaw|Poland|4/21/2015**

For marketing year (MY) 2015/16, planted area of rapeseed is expected to diminish 2.3 percent in response to declining rapeseed prices as some producers switch to grains. As of the first week of April, the rapeseed crop development was assessed well with good prospects for abundant harvest. Poland's total production of rapeseed for MY 2015/16 is forecast to decline by 7 percent to 3 million metric tons (MMT). FAS Warsaw is forecasting the lower production number than in last (record) 2014 year ...

[Poland - Rapeseed and Products Annual - Spring 2015 Warsaw Poland 4-16-2015](#)

**Select Decreasing Production of Oilseeds, Except for Soybeans|Oilseeds and Products|Vienna|EU-28|4/3/2015**

Total EU-28 oilseeds production for marketing year (MY) 2015/16 is expected to decline by about 9 percent to 32 million metric tons (MMT). Following record yields in MY 2014/15 this is a result of lower and more average yields expectations and partially of reduced acreage. Rapeseed production is forecast to be more than 11 percent lower than in MY 2014/15 and may reach 21.3 MMT. Sunflower production is anticipated to be down by 5 percent at 8.5 MMT. Still at a relatively low level but increa...

[Oilseeds and Products Annual Vienna EU-28 3-31-2015](#)

**French plan for protein crops 2014-2020|Oilseeds and Products|Paris|France|1/7/2015**

In December 2014, the French Minister of Agriculture Stéphane Le Foll released a plan to increase the production of protein crops in France between 2014 and 2020. This plan mainly consists of direct subsidies to farmers that produce protein crops. It is expected to result in an increase in production in the short- to medium-term, which will probably lead to a decrease in soybean imports. However, protein crops are not competitive in France and, if subsidies are removed, production will rever...

[French plan for protein crops 2014-2020 Paris France 1-5-2015](#)

## 7. Related Topics

<p><b>2015 Biotechnology and Other New Production Technologies Paris EU-28 7/27/2015</b></p> <p>In the European Union, governments, the media, non-governmental organizations, consumers, and industry associations remain conflicted about the use of agricultural biotechnology. Acceptance varies widely across countries. A complex policy framework developed under pressure from anti-biotech activists has limited research, development, and production. The EU produces very few genetically engineered (GE) plants and animals but, with the growing adoption of biotechnology around the globe by lea...</p> <p><a href="#">Agricultural Biotechnology Annual Paris EU-28 7-23-2015</a></p>
<p><b>EU Biofuels Annual 2015 Biofuels The Hague EU-28 7/22/2015</b></p> <p>On April 28, 2015, the European Parliament approved the reform of the RED, which includes a 7 percent cap on food crop based biofuels for the transport sector. The current blending of food crop based ethanol and biodiesel is estimated at respectively 3.3 and 4.3 percent. Further growth in the use of conventional biofuels will mainly depend on the successful introduction of the higher blends such as E10 and E85. But widespread use of these blends is hampered by the low fossil fuel prices and i...</p> <p><a href="#">Biofuels Annual The Hague EU-28 7-15-2015</a></p>
<p><b>Crop update - all eyes are on the weather Grain and Feed London EU-28 7/22/2015</b></p> <p>The grain harvest is now under way in most Member States. Following an extended period of dry weather across much of the EU28 in the spring, which continued and worsened into the early summer in the west, attention is focusing on the size and quality of the wheat and barley crops as well as the development of the corn crop. With the weather over the coming weeks remaining a key influencing factor, the total MY2015/16 EU28 grain crop is revised to just over 305 MMT, down nearly 21 MMT on the re...</p> <p><a href="#">Crop update - all eyes are on the weather London EU-28 7-20-2015</a></p>
<p><b>Biofuel Mandates in the EU by Member State Biofuels Trade Policy Monitoring Berlin EU-28 7/16/2015</b></p> <p>This report provides an overview on the biofuel use mandates in the various EU-28 member states.</p> <p><a href="#">Biofuel Mandates in the EU by Member State Berlin EU-28 7-13-2015</a></p>
<p><b>Select 2015 Grain and Feed London EU-28 4/10/2015</b></p> <p>The outlook for the MY2015/16 EU28 grain crop is positive with another sizeable crop forecast, albeit down from the record volume achieved in MY2014/15. With the exception of some challenges in Romania and Bulgaria, winter crops benefitted from good planting conditions. A mild winter has seen crops develop well although recent conditions have been a little wet, notably in Hungary and its near neighbors. Spring planting is now under way, albeit subject to some weather-related delays in the sou...</p> <p><a href="#">Grain and Feed Annual London EU-28 3-27-2015</a></p>
<p><b>Animal Numbers, Cattle, Meat, Beef and Veal, Animal Numbers, Swine, Meat, Swine EU meat sector withstands Russian ban Livestock and Products The Hague EU-28 2/25/2015</b></p> <p>Despite the Russian ban on pork and beef, the EU meat sector is forecast to retain production and export levels. The sector further improved its efficiency and benefitted from low feed prices. The competitiveness of the sector is, however, combined with record low prices and tight or negative profit margins. Supported by the limited global supply of beef and pork, exports have been re-directed to alternative markets. Based on the favorable exchange rate of the Euro, EU exports of beef and pork...</p> <p><a href="#">Livestock and Products Semi-annual The Hague EU-28 3-16-2015</a></p>
<p><b>Biotechnology and Other New Production Technologies Biotechnology and Other New Production Technologies Paris EU-28 1/13/2015</b></p> <p>In the European Union (EU), governments, the media, non-governmental organizations, consumers, and industry associations remain conflicted about the use of agricultural biotechnology. Acceptance varies widely across countries. A complex policy framework developed under pressure from anti-biotech activists has limited research, development, and production. The EU produces very few genetically engineered (GE) plants and animals but, with the growing adoption of biotechnology around the globe b...</p> <p><a href="#">Agricultural Biotechnology Annual Paris EU-28 1-9-2015</a></p>