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Prepared By: Kubilay Karabina

Approved By: Michael Francom

Report Highlights:

Turkey's production of major oilseeds – sunflowerseeds, cottonseeds, and soybeans – in marketing year (MY) 2023/24 is projected to decrease year-over-year because of pre-earthquake market dynamics. The threat of a serious drought could further depress production, while the fallout from the recent earthquakes is expected to have a very minor impact on overall oilseed production and processing. Increased import volumes of sunflowerseeds sunflower meal, and soybeans are expected to partially offset the forecasted decrease in oilseed production. Meantime, among other market interventions to combat inflation, the government has slashed import duties on most oilseeds, meals, and oils. Imports of Ukrainian sunflowerseeds and sunflower oil have surged from September-December of MY 2022/23.

OILSEEDS

In MY2023/24, Turkey's total production of oilseeds – sunflowerseeds, cottonseeds and soybeans – is projected to decrease 17 percent year-over-year to nearly 3 million metric tons (MMT). Oilseed production is down across the three major oilseeds due to different market dynamics. Turkey also produces relatively small volumes of canola. Like the other major oilseeds, production of canola is also forecast to contract. [1]

The threat of record-breaking drought could also depress oilseed production volumes. According to the Turkish State Meteorological Service, cumulative rainfall from October 2022 through January 2023 was more than 40 percent below the national historical average and the driest period on record in more than 60 years. Post will reassess its oilseed production estimates after the spring rains, when the extent and impact of the drought will be more fully understood. See drought map at the end of the report.

Two devastating earthquakes in southeastern Turkey in early February may have a very minor impact on the country's oilseed production, especially cottonseed. In the case of cottonseed, the downturn in global cotton demand will have a far larger impact on production than the effects of the earthquake. With large displacements of people following the earthquake, there may be temporary shortages of labor that could lead to minimal reductions in the area planted in cotton and, to a lesser extent, soybeans. Meantime, as far as Post is aware, there was no significant damage reported to major oilseed processors in the earthquake zone, though labor shortages could cause a short-lived interruption in production. Post will revise its oilseed production and processing estimates, as the impact of the earthquakes on the country's agricultural sector becomes clearer. See earthquake map at the end of the report.

As part of its larger agricultural support program, the government continues paying a premium to farmers to incentivize oilseed production and also offers price supports to offset rising fuel and fertilizer costs. The 2022 production premiums increased for sunflowerseed and cottonseed but stayed unchanged for other oilseeds. At the same time, due to rising input costs, the government has nearly tripled its 2022/23 support payments for fuel and fertilizer. See tables 1 and 2. Notwithstanding these support payments along with the production premiums, total oilseed production is projected to fall in MY 2023/24, as noted above.

The government has instituted different measures to combat rising food inflation. One of these cost-cutting measures was to slash import tariffs on select oilseeds, meals, and oils to reduce inflation. See table 3. Despite these interventions, inflation remains a major concern.

Table 1: Oilseeds Production Premiums, Turkish Lira per Metric Ton

Crop	**2019**	**2020**	**2021**	**2022**
Sunflowerseed	400	400	500	700
Soybean	600	600	600	600
Canola	500	500	800	800
Cottonseed	800	1,100	1,100	1,600
Olive oil	800	800	800	800

Source: Official Gazette (Exchange Rate US$1=TL19 as of February 2023)

[1] MY 2023/24 canola area harvested is projected to decrease to 40,000 hectares, with production forecast to decline to 100,000 metric tons. Canola meal is used in feed and canola oil is used for cooking and biodiesel.

Table 2: Oilseeds Support Payments, Turkish Lira per Hectare				
Crop	**2019**	**2020**	**2021**	**2022**
Sunflowerseed	300	300	370	1,090
Soybean	300	300	380	1,460
Cottonseed	660	660	760	2,710
Olives	190	190	250	840

Source: Official Gazette

Table 3: Oilseed, Meal, and Oil Tariffs for Calendar Year 2023		
HTS	**Product**	**Tariff Rate 1/**
1201	Soybeans	0%
1206	Sunflowerseed (crushing)	0% until May 31. After this date, the tariff reverts to 27%.
120721 120729	Cottonseed	4% 10%
2304	Soymeal	5%
230640	Rapeseed meal	0%
230630	Sun meal	0%
230610	Cottonseed meal	0%
1507	Soybean Oil (food use)	0% until May 31. After this date, the tariff reverts to 31.2%.
1514	Rapeseed Oil	0% until May 31. After this date, the tariff reverts to 31.2%.
151221 151229	Sunflower Oil	0% until May 31. After this date, the tariff reverts to 36%.
151221 151229	Cottonseed Oil	10% 31.2%
1509 1510	Olive Oil	31.2%

Source: Ministry of Trade, Notice in the Official Gazette
1/Unless otherwise specified, tariff is zero for the entire calendar year.

Sunflowerseed

Table 4.
Sunflowerseed Production, Supply and Distribution

Oilseed, Sunflowerseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Sep 2021		Sep 2022		Sep 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	760	760	790	790	0	700
Area Harvested (1000 HA)	760	760	790	790	0	700
Beginning Stocks (1000 MT)	102	102	101	101	0	104
Production (1000 MT)	1750	1750	1900	1900	0	1600
MY Imports (1000 MT)	669	669	1250	1250	0	1300
Total Supply (1000 MT)	2521	2521	3251	3251	0	3004
MY Exports (1000 MT)	118	118	125	125	0	125
Crush (1000 MT)	2125	2125	2800	2800	0	2555
Food Use Dom. Cons. (1000 MT)	175	175	220	220	0	220
Feed Waste Dom. Cons. (1000 MT)	2	2	2	2	0	2
Total Dom. Cons. (1000 MT)	2302	2302	3022	3022	0	2777
Ending Stocks (1000 MT)	101	101	104	104	0	102
Total Distribution (1000 MT)	2521	2521	3251	3251	0	3004
Yield (MT/HA)	2.3026	2.3026	2.4051	2.4051	0	2.2857
(1000 HA) ,(1000 MT) ,(MT/HA)						

Area Harvested – Sunflowerseed:
MY 2023/24 sunflowerseed area harvested is projected to decrease from the previous year by a little more than 10 percent to 700,000 hectares. This forecasted decline is mainly based on the expectation that some farmers, who are discouraged by low farmgate prices, will switch to growing other crops, especially wheat, in hopes of better profit margins. In addition, worries about drought and high input costs are also expected to discourage some farmers from planting sunflowerseeds in marginal growing areas.

Of the forecasted 700,000 hectares of area harvested in MY 2023/24, an estimated 610,000 hectares will be sunflowerseeds for crushing, 60,000 hectares of confectionary sunflowerseeds, and 30,000 hectares of sunflowerseeds for planting purposes.

More than 40 percent of Turkey’s sunflower seed production is concentrated in the Thrace region in northeast Turkey, where sunflower area competes against wheat, malting barley, and canola. Other major production areas include Central Anatolia and the Cukurova region, located in the center and south-central part of the country, where sunflowerseed production competes with wheat, corn, sugar beets, and vegetables. The planting of the MY 2023/24 sunflower crop will begin in late March and finish by May.

Production – Sunflowerseed:
MY 2023/24 sunflowerseed production is forecast at 1.6 million metric tons (MMT), down year-over-year by 300,000 MT. This downturn in production is linked to the anticipated decline in area harvested.

The forecasted production amount is made up of about 1.4 MMT of sunflowerseeds for crushing, 150,000 MT of confectionary sunflowerseeds, and 70,000 MT of sunflowerseeds for planting purposes.

The MY 2022/23 production estimate remains unchanged at 1.9 MMT. This estimated amount consists of about 1.7 MMT of sunflowerseed for crushing, 150,000 MT of confectionary sunflowerseeds, and 70,000 MT of planting seeds.

Consumption – Sunflowerseed:
MY 2023/24 sunflowerseed consumption is forecast at about 2.8 MMT, a year-over decrease of 245,000 MT, due in large part to the reduction in domestic sunflowerseed production.

The MY 2022/23 consumption estimate remains unchanged at about 3.0 MMT, though up year to-year by about 700,000 MT because of higher domestic production and imports, especially from Ukraine.

Trade – Sunflowerseed:
Imports
Sunflowerseed imports in MY 2023/24 are projected at 1.3 MMT, up 50,000 MT from the previous year. This forecasted increase in imports is to partially compensate for the drop in domestic production and assumes continued availability of sunflowerseeds from Ukraine and other Black Sea suppliers.

The MY 2022/23 import estimate remains unchanged at 1.25 MT, while almost double the amount from the prior year due to strong crush demand. During the first four months of MY 2022/23 (Sep-Dec), import volumes more than doubled year-over-year to nearly 270,000 MT. This pace in imports is expected to continue through the rest of the marketing year. The leading reason for this surge in import volumes is attributed to skyrocketing shipments from Ukraine due to favorable prices and availability. Of the 205,000 metric tons of sunflowerseed imported from Ukraine during this four-month period, a little more than one-quarter was imported through the Black Sea Grain Initiative (BSGI). The remainder was imported from western Ukrainian ports or overland by truck. Moldova, Romania, and Bulgaria were the other leading suppliers.

The government has periodically adjusted the import duty on sunflowerseeds to offset some of the effects of record food inflation. The current duty on sunflowerseeds is zero from January through May of this calendar year. The tariff was 5 percent from about November through December of last year.

Table 5: Turkey Sunflowerseed Imports (September-August) (Metric Tons)

	2019/2020	2020/2021	2021/2022	09/21-12/21	09/22-12/22	%Δ
Ukraine	24,034	58,387	372,187	20,207	204,977	914.39
Moldova	135,013	163,465	144,509	49,252	20,215	-58.96
Romania	123,802	143,906	82,356	35,414	49,373	39.42
Bulgaria	86,921	171,716	33,049	11,378	7,647	-32.79
China	102,025	94,171	21,036	5,343	2,266	-57.59
Other	706,205	275,706	15,527	7,432	2,320	122
Total	**1,178,000**	**907,351**	**668,664**	**129,026**	**286,798**	**122.28**

Source: Turkish Statistical Institute (TUIK)

Exports
Sunflowerseed exports in MY 2023/24 are forecasted unchanged from the previous year at 125,000 MT, assuming stable export demand for both confectionary and planting sunflowerseeds.

Stocks – Sunflowerseed:
In MY 2022/23, sunflowerseed stocks are forecast nearly unchanged from the previous year at 102,000 MT.

Soybeans

Table 6.
Soybean Production, Supply and Distribution

Oilseed, Soybean	2021/2022		2022/2023		2023/2024	
Market Year Begins	Sep 2021		Sep 2022		Sep 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	32	32	35	35	0	34
Area Harvested (1000 HA)	32	32	35	35	0	34
Beginning Stocks (1000 MT)	247	247	222	237	0	257
Production (1000 MT)	125	125	140	145	0	140
MY Imports (1000 MT)	2949	2949	3000	3000	0	3100
Total Supply (1000 MT)	3321	3321	3362	3382	0	3497
MY Exports (1000 MT)	149	134	75	75	0	100
Crush (1000 MT)	1800	1800	1850	1850	0	1900
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	1150	1150	1200	1200	0	1250
Total Dom. Cons. (1000 MT)	2950	2950	3050	3050	0	3150
Ending Stocks (1000 MT)	222	237	237	257	0	247
Total Distribution (1000 MT)	3321	3321	3362	3382	0	3497
Yield (MT/HA)	3.9063	3.9063	4	4.1429	0	4.1176
(1000 HA) ,(1000 MT) ,(MT/HA)						

Area Harvested – Soybeans:
MY 2023/24 soybean area harvested is forecast to contract slightly to 34,000 hectares, down 1,000 hectares from the previous year as some farmers are expected to switch to growing other crops, especially vegetables, with higher profit margins.

Although domestic demand for soybeans is quite strong, area harvested has remained fairly constant for the last decade as many farmers still prefer planting cotton, corn, and certain vegetables since these crops often have better profit margins. In addition, area harvested has been limited due to farmers' perception that soybeans are only to be used as a rotation crop to improve soil health. The Cukurova region in south central Turkey, part of which was impacted by the earthquake, is the main soybean growing area, accounting for about 95 percent of total production.

Production – Soybeans:
MY 2023/24 soybean production is forecast to decline slightly year-over-year to 140,000 MT, due to a projected decrease in area harvested.

MY 2022/23 production is adjusted marginally higher to 145,000 MT based on better-than-expected yields. According to the Turkish Ministry of Agriculture and Forestry, Turkey produced about 5,000 MT of organic soybeans in this period.

Consumption – Soybeans:
MY 2023/24 soybean consumption is forecast up year-over-year to 3.15 MMT, an increase of 100,000 metric tons from the previous year. This anticipated increase is based on the growing demand for soybeans, especially for inclusion in poultry and aquaculture feed rations.

The MY 2022/23 soybean consumption estimate remains unchanged at 3.05 MMT due to steady demand, especially for poultry feed. According to industry sources, broiler feed production grew by nearly 9 percent in calendar year 2022, more than offsetting a 4 percent decline in production of layer feed.

Trade – Soybeans:
Imports
MY 2023/24 imports of soybeans are forecast to reach a near record high of 3.1 MMT, an increase of 100,000 MT from the previous year. This import forecast assumes growing poultry feed demand and, to a lesser extent aquaculture feed, both of which are primarily made from soybeans.

The MY 2022/23 import estimate for soybeans remains unchanged at 3.0 MMT, based on the latest available trade data. During the first four months of MY 2022/23 (Sep-Dec), imports totaled 552,000 MT. Ukraine and Brazil were the leading suppliers with 400,000 MT and 147,000 MT, respectively. About 40 percent of the soybeans from Ukraine came through the BSGI maritime corridor. Brazil has historically been the largest soybean supplier to Turkey.

For historical context, in a little more than a decade, the volume of soybean imports has doubled as Turkey's poultry industry has expanded. Import volumes will likely continue growing to support the growth of the poultry and aquaculture industries.

Exports
MY 2023/24 soybean exports are projected at 100,000 MT, up about one-third from the previous year. Based on historical trading patterns, the majority of this forecasted amount is expected to be transshipments.

The MY 2022/23 soybean export estimate remains unchanged at 75,000 MT. During the first four months of MY 2022/23 (Sep-Dec), soybean exports totaled 17,000 MT, most of which were destined to the United States. Based on U.S. trade statistics, soybeans exported from Turkey (including transshipments) to the United States are being certified as organic.

For historical reference, MY 2021/22 soybean exports totaled about 134,000, of which about 100,000 MT was transshipments. The United States was the leading destination, accounting for more than 85 percent of Turkey's total soybean exports.

Stocks – Soybeans:
In MY 2023/24, soybean stocks are forecast at 247,000 MT, marginally lower compared to the previous year.

Cottonseed

Table 7.
Cottonseed Production, Supply and Distribution

Oilseed, Cottonseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (Cotton) (1000 HA)	450	450	525	555	0	450
Area Harvested (Cotton) (1000 HA)	450	450	555	555	0	450
Beginning Stocks (1000 MT)	12	12	10	10	0	30
Production (1000 MT)	1241	1241	1600	1600	0	1250
MY Imports (1000 MT)	33	33	25	35	0	35
Total Supply (1000 MT)	1286	1286	1635	1645	0	1315
MY Exports (1000 MT)	6	6	5	5	0	5
Crush (1000 MT)	1260	1260	1600	1600	0	1300
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	10	10	10	10	0	0
Total Dom. Cons. (1000 MT)	1270	1270	1610	1610	0	1300
Ending Stocks (1000 MT)	10	10	20	30	0	10
Total Distribution (1000 MT)	1286	1286	1635	1645	0	1315
Yield (MT/HA)	2.7578	2.7578	2.8829	2.8829	0	2.7778
(1000 HA) ,(RATIO) ,(1000 MT) ,(MT/HA)						

Area Harvested – Cottonseed:
MY 2023/24 cottonseed area harvested is forecast to contract year-over-year by a little more than 100,000 hectares to 450,000 hectares. This contraction is primarily linked to weak international prices for cotton and a slowdown in global cotton demand. Considering these market conditions, some farmers in the southeastern part of Turkey, where about half of the country's cotton is grown, are expected to switch from cotton to double-cropping wheat and corn. Cotton planting will start in April and finish by May.

Area harvested for MY 2022/23 remains unchanged at 555,000 hectares.

Production – Cottonseed:
MY 2023/24 cottonseed production is forecast at 1.25 MMT, a year-over-year decrease of 350,000 metric tons due to the expected reduction in area harvested.

The MY 2022/23 cottonseed production estimate remains unchanged at 1.6 MMT.

Consumption – Cottonseed:
MY 2023/24 cottonseed consumption is projected at about 1.3 MMT, down year-to-year nearly 330,000 MT because of the expected decrease domestic production. Nearly all consumption originates from domestically grown cottonseeds.

The MY 2022/23 cottonseed consumption estimate remains fixed at 1.6 MMT.

Trade – Cottonseed:
MY 2023/24 cottonseed imports are projected unchanged from the previous year's newly revised figure of 35,000 MT.

The MY 2022/23 import estimate for cottonseed imports is revised upward to 35,000 MT, based on the latest available trade data. Almost all imported cottonseed is from Azerbaijan, which benefits from a zero duty under the Turkey-Azerbaijan bilateral trade agreement from 2021.

Stocks – Cottonseed:
MY 2023/24 cottonseed stocks are forecast down year-over-year to 10,000 MT, which is in line with a parallel decrease in production.

OILSEED MEALS

In MY 2023/24, the total production of oilseed meals – sunflowerseed meal, soybean meal and cotton seed meal – is forecast to increase seven percent year-over-year to about 3.0 MMT because of strong crush demand.

Oilseed meals are critical ingredients in manufacturing compound feed. According to industry sources, compound feed production in calendar year 2022 stayed relatively flat compared to the previous year at 27.1 MMT. Year-to-year increases in the production of compound feed for broilers and aquaculture, offset the decline in production of compound feed for ruminant and layers. See table 5. Although it is still early in the year, the production of ruminant feed in 2023 could decline as dairy and cattle farmers continue to struggle with high input costs and have sent their animals to slaughter earlier than usual. For details, please refer to Turkey: Livestock and Products Annual. In addition, the effects of the earthquakes could depress compound feed production for ruminants, but the decrease would likely be minimal.

A sizeable portion of compound feed depends on foreign raw materials, including both imported meals as well as meals derived from imported oilseeds. Given this dependence, compound feed prices tend to move in parallel with international commodity prices and the USD-Turkish Lira exchange rate. Over the past two years, owing to rising inflation and a weakening currency, the average price of feed in domestic currency terms has skyrocketed 2.5 to 3 times. See table 6. In MY 2023/24, total meal consumption on a soybean meal equivalent (SME) is expected to remain steady at about 4.8 MMT. See table 7.

Table 8: Compound Feed Production in Turkey by Sectors (Thousand MT)

	2018	**2019**	**2020**	**2021**	**2022**	**%2022/2021**
Broiler Feed	5,306	5,363	5,397	5,542	6,023	8.70%
Layer Feed	3,600	3,828	3,716	3,661	3,501	-4.40%
All Poultry Feed 1/	9,766	10,034	10,033	10,165	10,565	3.90%
Ruminant Total	13,742	14,076	15,115	15,505	15,036	-3.00%
Other Feeds (e.g., aquaculture)	636	828	1,123	1,333	1,528	14.60%
Total Compound Feed	**24,144**	**24,939**	**26,272**	**27,004**	**27,129**	**0.50%**

Source: Industry sources. 1/ Includes broilers, layers, turkeys, and breeding stock.

Table 9: Compound Feed Price (thousand TL/MT)

	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
Broiler feed	7.67	9.65	9.90	10.05	10.76	10.76	10.86	10.85	11.00	10.96	11.14	11.60
Layer Feed	5.65	7.10	7.30	7.41	7.93	7.92	7.78	7.72	7.88	7.99	8.03	8.40
Dairy Cattle Feed	4.10	5.35	5.62	5.96	6.28	5.92	6.02	6.01	6.30	6.40	6.34	6.70
Beef Cattle	3.84	4.85	5.10	5.40	5.69	5.40	5.57	5.55	5.85	5.95	5.87	6.21

Source: Industry sources

Table 10: Meal Consumption in Turkey by Soybean Meal Equivalent (SME) Conversion			
Product	**MY 2021/22**	**MY 2022/23**	**MY 2023/24**
Soy meal	1,950	1,750	1,850
Cottonseed meal	551	708	575
Sunflowerseed meal	1,367	1,384	1,401
Soybean full-fat	920	960	1,000
Total	**4,788**	**4,802**	**4,825**

Sunflowerseed Meal

Table 11.
Sunflowerseed Meal Production, Supply and Distribution

Meal, Sunflowerseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Sep 2021		Sep 2022		Sep 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	2125	2125	2800	2800	0	2555
Extr. Rate, 999.9999 (PERCENT)	0.544	0.544	0.5443	0.5443	0	0.544
Beginning Stocks (1000 MT)	223	223	113	113	0	112
Production (1000 MT)	1156	1156	1524	1524	0	1390
MY Imports (1000 MT)	820	820	850	650	0	750
Total Supply (1000 MT)	2199	2199	2487	2287	0	2252
MY Exports (1000 MT)	36	36	100	100	0	75
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	2050	2050	2300	2075	0	2100
Total Dom. Cons. (1000 MT)	2050	2050	2300	2075	0	2100
Ending Stocks (1000 MT)	113	113	87	112	0	77
Total Distribution (1000 MT)	2199	2199	2487	2287	0	2252
(1000 MT) ,(PERCENT)						

Production – Sunflowerseed Meal:
MY 2023/24 sunflowerseed meal production is forecast at about 1.4 MMT, down 134,000 MT from the previous year. This projected decline is based on reduced domestic sunflowerseed production and lower crush demand compared to the previous year.

The MY 2022/23 sunflowerseed meal production estimate remains at 1.5 MMT, which parallels both an increase in sunflowerseed production and imports.

Consumption – Sunflowerseed Meal:
MY 2023/24 sunflowerseed meal consumption is projected nominally higher from the previous year at 2.1 MMT. This forecasted amount assumes that the demand for sunflowerseed meal inclusion in ruminant and poultry feeds will remain steady.

The MY 2022/23 consumption estimate is cut to 2.1 MMT, down 225,000 MT from the official USDA figure due to weaker-than-expected compound feed demand, especially for ruminant feed.

Trade – Sunflowerseed Meal:
MY 2023/24 sunflower meal imports are forecast at 750,000 MT, up year-to-year by 100,000 MT. This projected increase in import volumes is mainly due to the projected decline in domestic sunflowerseed meal production.

The MY 2022/23 import estimate for sunflowerseed meal is revised downward by 200,000 MT to 650,000 MMT, based on weaker than expected livestock feed demand and the latest available import statistics. From September through December of MY 2022/23, sunflowerseed meal import volumes totaled about 173,000 MT, down by about one-third compared to the same period from the previous year. Ukraine, Russia, and Bulgaria were the main suppliers during this period.

Stocks – Sunflowerseed Meal:
In MY 2022/23, sunflowerseed meal stocks are forecast at 77,000 MT, down slightly from the previous year.

Soybean Meal

Table 12.
Soybean Meal Production, Supply and Distribution

Meal, Soybean	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1800	1800	1850	1850	0	1900
Extr. Rate, 999.9999 (PERCENT)	0.775	0.775	0.7751	0.7751	0	0.7753
Beginning Stocks (1000 MT)	301	301	392	392	0	276
Production (1000 MT)	1395	1395	1434	1434	0	1473
MY Imports (1000 MT)	1468	1468	1000	1150	0	1150
Total Supply (1000 MT)	3164	3164	2826	2976	0	2899
MY Exports (1000 MT)	822	822	700	950	0	850
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	1950	1950	1750	1750	0	1850
Total Dom. Cons. (1000 MT)	1950	1950	1750	1750	0	1850
Ending Stocks (1000 MT)	392	392	376	276	0	199
Total Distribution (1000 MT)	3164	3164	2826	2976	0	2899
(1000 MT) ,(PERCENT)						

Production – Soybean Meal:
Soybean meal production in MY 2023/24 is projected at nearly 1.5 MMT, a year-on-year increase of about 390,000 MT. This increase is based on expected near record soybean imports and strong crush demand.

Soybean meal production has grown in recent years due to favorable crushing margins and increased utilization in animal feed rations, mainly poultry and aquaculture feed. Most soybean meal is made from imported soybeans.

Consumption – Soybean Meal:
MY 2023/24 soybean meal consumption is forecast up year-over-year by 100,000 MT to 1.85 MMT because of an anticipated increase in demand for poultry and aquaculture feeds. MY 2022/23 soybean meal consumption remains unchanged at 1.75 MMT.

In addition to soybean meal, Turkey utilizes significant volumes of full-fat soybean in poultry rations. In MY 2022/23 and MY 2023/24, an estimated 1.2 MMT and 1.25 MMT of soybeans will be used to produce full-fat soy meals.

Trade – Soybean Meal:
Imports
MY 2023/24 soybean meal imports are forecast at 1.15 MMT, which is unchanged from the previous year's newly revised estimate. Almost all of the soybean meal imports are transshipped.

The MY 2022/23 soybean meal import estimate is revised higher 1.15 MMT. This upward adjustment is attributed to increased transshipment volumes. Import volumes during the first three months (Oct-Dec) of the current marketing year, totaled about 255,000 MT. Most of the imported soybean meal was sourced from Argentina.

Exports
MY 2023/24 soybean meal exports are forecast at 850,000 MT, lower than the previous year as the pace of transshipments is expected to taper off.

The MY2023/24 soybean meal export estimate is revised higher to 950,000, an increase of 250,000 MT over the official USDA figure. This adjustment is based on higher transshipment volumes. Most soybean meal exports are shipped to Iraq.

Cottonseed Meal

Table 13.
Cottonseed Meal Production, Supply and Distribution

Meal, Cottonseed	**2021/2022**		**2022/2023**		**2023/2024**	
Market Year Begins	**Oct 2021**		**Oct 2022**		**Oct 2023**	
Turkey	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Crush (1000 MT)	1260	1260	1600	1600	0	1300
Extr. Rate, 999.9999 (PERCENT)	0.5492	0.5492	0.5494	0.5494	0	0.5492
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	692	692	879	879	0	714
MY Imports (1000 MT)	18	18	15	5	0	5
Total Supply (1000 MT)	710	710	894	884	0	719
MY Exports (1000 MT)	35	30	75	10	0	10
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	675	680	819	874	0	709
Total Dom. Cons. (1000 MT)	675	680	819	874	0	709
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	710	710	894	884	0	719
(1000 MT) ,(PERCENT)						

Production – Cottonseed Meal
Cottonseed meal production in MY 2023/24 is forecast drop year-over-year by 165,000 MT to 714,000 MT. This decrease is based on the expected reduction in domestic cottonseed production.

Consumption – Cottonseed Meal
MY 2023/24 cottonseed meal consumption is forecast lower from the previous year to 709,000 metric tons, paralleling the drop in domestic cottonseed meal production. Almost all the cottonseed meal consumed is made from domestically grown cottonseed. There is no industrial consumption or food use of cottonseed in Turkey.

The MY 2022/23 cottonseed meal consumption estimate is revised higher to 874,000 MT, based on increased domestic cottonseed production.

Trade – Cottonseed Meal
Imports
MY 2023/24 cottonseed meal imports are projected at 5,000 MT, unchanged from the previous year's newly revised estimate.

The MY 2022/23 cottonseed meal import estimate is adjusted downward to 5,000 MT because demand for imports appears to have slackened. The bulk of cottonseed meal imports come from Azerbaijan.

Exports
MY 2023/24 cottonseed meal exports are forecast unchanged from the previous year's newly revised estimate of 10,000 MT.

The MY 2022/23 cottonseed meal export estimate was trimmed back to 10,000 MT, based on the latest available trade data and assumption that export demand is softening. Syria is the leading export destination, accounting for most of the country's cottonseed meal exports.

OILS

The MY 2023/24 total vegetable oil production forecast is down about eight percent to about 1.7 MMT, primarily due to a forecasted drop in oilseed production. This decrease in oil production will mostly be offset by large MY 2022/23 carryover stocks of sunflower oil, as importers build their inventories while the import duty is still zero. Sunflower oil is a major household staple.

Turkey continues to import large quantities of sunflowerseed oil for domestic consumption, as well as for refining and re-exporting to neighboring countries. Imports of crude sunflower oil from Ukraine have surged in recent months. A large percentage of this incoming Ukrainian oil is processed and re-exported. Turkey exports vegetable oil made from imported sunflowerseed and soybeans, and also exports olive oil.

Turkey has a large oilseed crushing and refining capacity and continues to invest in new and modern facilities. In CY 2023, total crushing capacity was about 9.0 MMT and refining capacity was 4.0 MMT.

Sunflowerseed Oil

Table 14.
Sunflowerseed Oil Production, Supply and Distribution

Oil, Sunflowerseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Sep 2021		Sep 2022		Sep 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	2125	2125	2800	2800	0	2555
Extr. Rate, 999.9999 (PERCENT)	0.4344	0.4344	0.4354	0.4354	0	0.4352
Beginning Stocks (1000 MT)	140	140	227	227	0	316
Production (1000 MT)	923	923	1219	1219	0	1112
MY Imports (1000 MT)	1308	1308	1050	1600	0	1500
Total Supply (1000 MT)	2371	2371	2496	3046	0	2928
MY Exports (1000 MT)	889	889	975	1450	0	1350
Industrial Dom. Cons. (1000 MT)	20	20	20	20	0	0
Food Use Dom. Cons. (1000 MT)	1225	1225	1250	1250	0	1300
Feed Waste Dom. Cons. (1000 MT)	10	10	10	10	0	10
Total Dom. Cons. (1000 MT)	1255	1255	1280	1280	0	1310
Ending Stocks (1000 MT)	227	227	241	316	0	268
Total Distribution (1000 MT)	2371	2371	2496	3046	0	2928
(1000 MT) ,(PERCENT)						

Production – Sunflowerseed Oil

The production of sunflowerseed oil in MY 2023/24 is projected at 1.1 MMT, down year-over-year by 100,000 MT. This decrease is mostly attributed to the expected reduction in local sunflowerseed production.

Consumption – Sunflowerseed Oil

MY 2023/24 sunflower oil consumption is forecast higher from the previous year at 1.3 MMT, assuming steady consumer demand. Sunflowerseed oil is the most widely consumed cooking oil in Turkey because of its affordability. The use of alternative vegetable oils made from genetically engineered crops is prohibited under the country's onerous biotech restrictions.

Trade – Sunflowerseed Oil

Imports

MY 2023/24 sunflowerseed oil imports are forecast at 1.5 MMT, down year-over-year by 100,000 MT as the pace of imports, especially from Ukraine is expected to cool down.

The MY 2022/23 sunflowerseed oil import estimate is revised sharply higher to 1.6 MMT, which is in large part based on a surge in cheap crude oil imports from Ukraine. Of this estimated import volume, 400,000 MT is expected to go for domestic consumption, 600,000 MT for refining and re-export, and 500,000 MT for transshipment.

From September to December in MY 2022/23, sunflowerseed oil imports reached nearly 486,000 MT, up more than 40 percent compared to the same period last year. Ukraine was the leading supplier followed by Russia. In recent years, Russia has increasingly preferred to ship value-added oil instead of sunflowerseeds to Turkey.

Table 15: Turkey Sunflowerseed Oil Imports (September-August) (Metric Tons)

	2019/2020	**2020/2021**	**2021/2022**	**09/21-12/21**	**09/22-12/22**
Russia	681,970	643,011	961,180	320,268	123,417
Ukraine	79,581	47,121	327,122	9,113	339,756
Bulgaria	22,618	38,654	14,397	9,075	12,319
Other	85,527	49,362	5,462	2,619	10,212
Total	**869,696**	**778,148**	**1,308,161**	**341,075**	**485,704**

Source: Turkish Statistical Institute (TUIK)

The Turkish government has taken various measures to curb record food inflation due to domestic pressures and international market uncertainties. As part of its cost-cutting efforts, the government has on several occasions in the last few years temporarily cut import tariffs on sunflower oil, sunflowerseeds, and other commodities. The current duty on imported sunflower oil is zero from January through June of this year.

In addition, to keep domestic sunflower oil prices stable, the Turkish Grain Board (TMO), a government-affiliated body, issued international tenders to purchase about 100,000 MT of crude sunflower oil from December last year through February. The TMO-purchased oil is typically sold to consumers at a discount. The current TMO retail price is 135 TL ($7.10) for 5 liters.

Exports

MY 2023/24 sunflowerseed oil exports are projected lower than the previous year at 1.35 MMT, assuming lower re-export and transshipment volumes. In order to ensure adequate local supplies at affordable prices, the government has prohibited sunflowerseed oil exports derived from domestic sunflowerseeds since March 2022.

The MY 2022/23 sunflowerseed oil export estimate is revised sharply higher to 1.45 MMT, based on the surge in re-exports and transshipments of Ukrainian oil. In the first four months of MY 2022/23 (Sep-

Dec), exports reached about 410,000 MT, up about 90 percent compared to the same time last year. The main export destinations were Iraq, Djibouti, and India.

Stocks
MY 2023/24 sunflowerseed oil stocks are forecast lower year-over-year at 268,000 MT.

The MY 2022/23 sunflowerseed oil stock estimate is revised higher to 316,000 MT, based on the assumption that importers will increase their holdings of oil to take advantage of the zero-import duty.

Soybean Oil

Table 16.
Soybean Oil Production, Supply and Distribution

Oil, Soybean	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1800	1800	1850	1850	0	1900
Extr. Rate, 999.9999 (PERCENT)	0.1789	0.1789	0.1789	0.1789	0	0.1789
Beginning Stocks (1000 MT)	4	4	6	6	0	4
Production (1000 MT)	322	322	331	331	0	340
MY Imports (1000 MT)	4	4	2	2	0	2
Total Supply (1000 MT)	330	330	339	339	0	346
MY Exports (1000 MT)	289	289	270	295	0	300
Industrial Dom. Cons. (1000 MT)	20	20	28	20	0	20
Food Use Dom. Cons. (1000 MT)	5	5	5	5	0	5
Feed Waste Dom. Cons. (1000 MT)	10	10	25	15	0	15
Total Dom. Cons. (1000 MT)	35	35	58	40	0	40
Ending Stocks (1000 MT)	6	6	11	4	0	6
Total Distribution (1000 MT)	330	330	339	339	0	346
(1000 MT) ,(PERCENT)						

Production – Soybean Oil
MY 2023/24 soybean oil production is projected to slightly increase from the previous year to 340,000 MT, based on continued strong domestic and export demand. Crushing imported soybeans and exporting the oil from those beans has taken off in recent years. Nearly 90 percent of soybean oil production is exported, which is primarily because Turkey's Biosafety Law prohibits soybean oil made from biotech soybeans.

Consumption – Soybean Oil
MY 2023/24 soybean oil consumption is expected to remain steady year-over-year at 40,000 MT. This figure would likely be higher given rising soybean imports, but the country's Biosafety Law prohibits oil from being made from genetically engineered (GE) soybeans. This effectively means that oil can only be made from non-GE soybeans that are grown locally or imported. Oil that is made from GE soybeans is only approved for feed and industrial end uses, such as biofuel (8,000 MT annually), paint, and ink production.

Trade – Soybean Oil
MY 2023/24 soybean oil exports are forecast slightly higher year-over-year at 300,000 metric tons, assuming steady crush demand and rising soybean imports.

The MY 2022/23 soybean oil export estimate adjusted higher to 295,000 MT, based on strong crush demand and the latest available trade data. Soybean oil exports during the first three months (Oct-Dec) of MY 2022/23 totaled nearly 87,000 MT, up about 35 percent from the prior year. Leading destinations were Algeria and Tunisia.

Stocks
MY 2023/24 soybean oil stocks are forecast slightly higher than the previous year at 6,000 MT.

Cottonseed Oil

Table 17.
Cottonseed Oil Production, Supply and Distribution

Oil, Cottonseed	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1260	1260	1600	1600	0	1300
Extr. Rate, 999.9999 (PERCENT)	0.181	0.181	0.18	0.18	0	0.18
Beginning Stocks (1000 MT)	6	6	14	14	0	23
Production (1000 MT)	228	228	288	288	0	234
MY Imports (1000 MT)	1	1	2	1	0	1
Total Supply (1000 MT)	235	235	304	303	0	258
MY Exports (1000 MT)	6	6	20	10	0	10
Industrial Dom. Cons. (1000 MT)	10	10	10	10	0	10
Food Use Dom. Cons. (1000 MT)	205	205	250	260	0	225
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	215	215	260	270	0	235
Ending Stocks (1000 MT)	14	14	24	23	0	13
Total Distribution (1000 MT)	235	235	304	303	0	258
(1000 MT) ,(PERCENT)						

Production – Cottonseed Oil
MY 2023/24 cottonseed oil production is forecast at 234,000 MT, down year-over-year based on the expected decrease in cottonseed production.

Consumption – Cottonseed Oil
MY 2023/24 consumption is forecast lower from the previous year at 235,000 MT, based on the expected decrease in domestic cottonseed production. Cottonseed oil is mainly used for making margarine. Small amounts are also used for industrial purposes.

Trade – Cottonseed Oil

Exports
MY 2023/24 cottonseed oil exports are forecast at 10,000 MT, similar with last year, assuming stable export demand.

Cottonseed oil exports during the first three months (Oct-Dec) of MY 2022/23 were about 2,200 MT, which was similar to amounts shipped the previous year. Leading export destinations were Australia and Japan.

Stocks – Cottonseed Oil
MY 2023/24 cottonseed oil stocks are forecast down from the previous year to 13,000 MT.

Olive Oil

Table 18.
Olive Oil Production, Supply and Distribution

Oil, Olive	2021/2022		2022/2023		2023/2024	
Market Year Begins	Nov 2021		Nov 2022		Nov 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0	0
Trees (1000 TREES)	154500	157800	154500	159000	0	160000
Beginning Stocks (1000 MT)	40	40	19	19	0	19
Production (1000 MT)	225	225	300	300	0	280
MY Imports (1000 MT)	22	22	40	40	0	40
Total Supply (1000 MT)	287	287	359	359	0	339
MY Exports (1000 MT)	78	78	125	125	0	110
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	190	190	215	215	0	210
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	190	190	215	215	0	210
Ending Stocks (1000 MT)	19	19	19	19	0	19
Total Distribution (1000 MT)	287	287	359	359	0	339
(1000 HA) ,(1000 TREES) ,(1000 MT)						

Production – Olive Oil:
After a bumper harvest the preceding year, olive oil production in MY 2023/24 is expected to contract to 280,000 MT. This anticipated contraction is in line with the cyclical nature of olive production.

MY 2022/23 olive oil production is estimated at a record 300,000 MT, paralleling an on-year, record olive harvest. Favorable weather and expansion in the number of fruit-bearing trees also contributed to record olive production. In this period, there were 160 million fruit-bearing olive trees, of which about 70 percent produced fruit to make olive oil.

Olive and olive oil production is forecast to expand in the future, due to continued government support, strong consumer demand, better farming practices, increased mechanization, and expanded access to drip irrigation. An estimated 1.5 million new olive trees are planted annually, with most being planted along the coastal regions in the southern and eastern sides of the country. New trees are being planted at a faster rate than those older trees that are being lost to encroachment from expanding cities, industrial centers, resorts, and other tourist destinations.

Consumption – Olive Oil:
MY 2023/24 olive oil consumption is expected to decrease year-on-year by about 5,000 MT to 210,000 MT, based on the cyclical decline in olive production.

Consumers consider olive oil to be superior to other cooking oils. Prices are about 3-4 times higher than sunflower oil, which is the most widely-consumed vegetable oil in Turkey. As a result of this price difference, olive oil is often adulterated with other, cheaper, vegetable oils and sold as "olive oil" at a more affordable price in the local market.

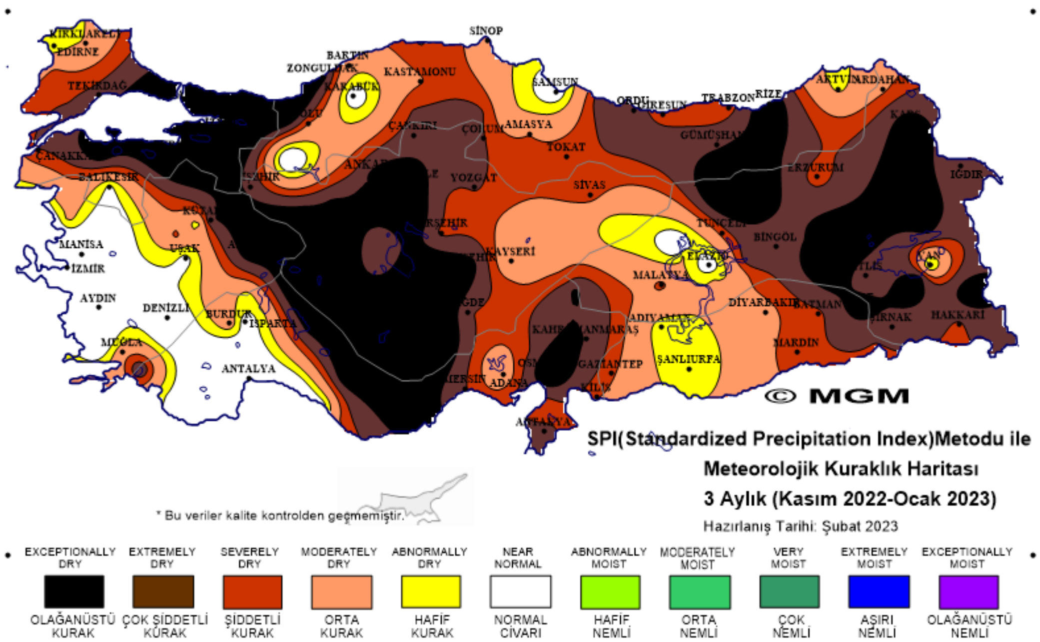
Trade – Olive Oil:
Exports
Olive oil exports in MY 2023/24 are projected to decrease to 210,000 MT, assuming a decline in domestic production.

The MY 2022/23 olive oil export estimate is held steady at 125,000 MT, though up year-to-year about 60 percent because of a bumper olive harvest.

Imports
MY 2023/24 olive oil imports are projected to remain unchanged from the previous year at 40,000 metric tons, assuming import volumes from Syria, the main source for imported olive oil, will remain stable. However, import volumes could shrink depending on the impact of the earthquakes near northwest Syria, which is where most of the Syrian olive oil is produced.

Stocks – Olive Oil:
MY 2023/24 olive oil stocks are forecast unchanged from the previous year at 19,000 MT.

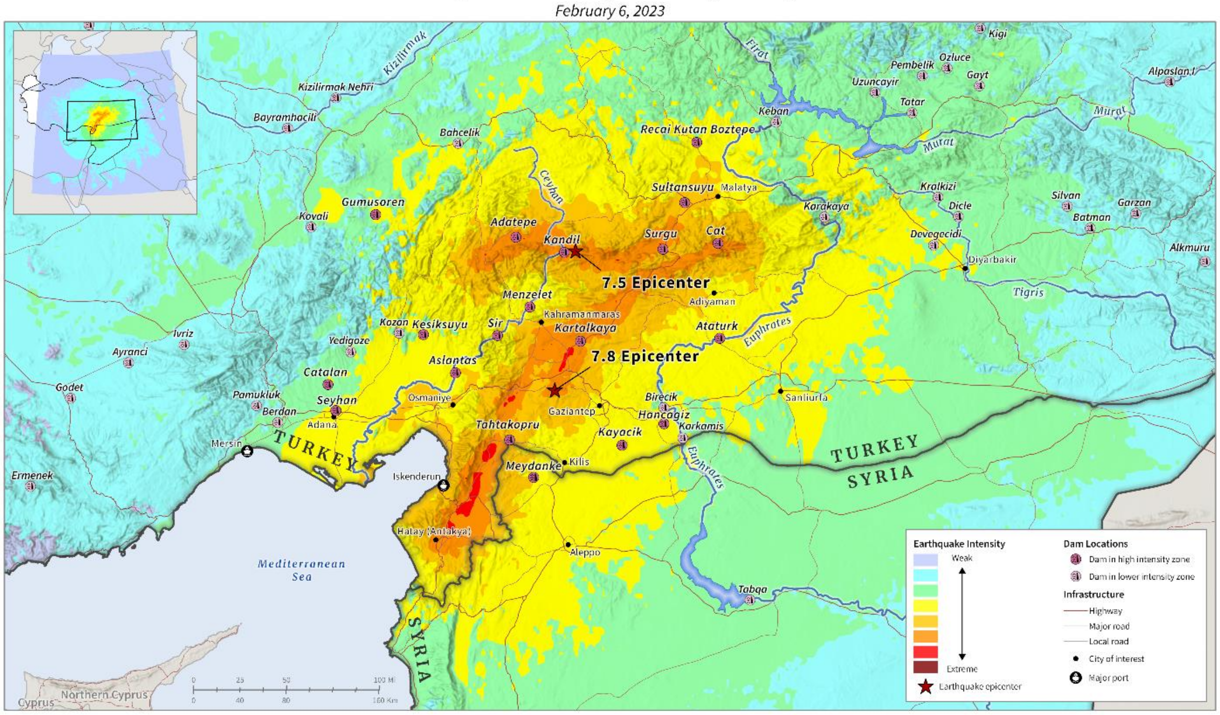
Standardized Precipitation Index Draught Map for Nov 2022 – Jan 2023 (3 MONTHS)



Source: Turkish State Meteorological Service

Earthquake Intensity in Turkey and Syria

February 6, 2023



USDA Foreign Agricultural Service
U.S. DEPARTMENT OF AGRICULTURE

Sources: NASA, Global Reservoir and Dam Database (GRanD); USGS, Earthquake Hazards Program; Esri Living Atlas; FAS-Ankara

Attachments:

No Attachments