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Report Highlights:

This report updates several sections of the European Union’s “Oilseeds and Products Annual” report released in April 2023. Updated sections include soybean, rapeseed, and sunflower. An area-increase of about 2 percent and increased average yields are forecast to result in a 6 percent higher production of total three major oilseeds in MY 2023/24. Compared to the previous MY, where heat and drought significantly reduced yields of especially late crops, soybean production is forecast to be over 16 percent up, sunflower production 12 percent up, and rapeseed production almost 2 percent up.

Executive Summary:

Total major EU oilseeds (rapeseed, sunflower, soybeans) production in marketing year (MY) 2023/24 is forecast to increase by about 6 percent. This increase in production is the result of a 2 percent area increase and increased average yields. An almost 4 percent increased rapeseed area and somewhat increased sunflower area more than offset an almost 2 percent decline in soybean area. Average yields of soybeans and sunflowers are expected to be at a more normal level compared to the low heat and drought affected yields of the previous MY. Year-on-year, soybean production is forecast to be over 16 percent higher, sunflower production 12 percent higher, and rapeseed production almost 2 percent higher.

Crush of soybeans and sunflowers is forecast to grow. Crush margins are favorable and there is increasing demand for vegetable oils in the food industry sector. In particular, food consumption of soybean oil and to some extent sunflower oil – partially substituting palm oil - is projected to increase significantly. Total feed use of meals is forecast to be flat in MY 2023/24. A recovering poultry sector is projected to use slightly more soybean meal which will make up for a decline in rapeseed and sunflower meal driven by a declining livestock sector.

Introduction

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

Important Notes:

- Ukraine is one of the world's top agricultural producers and exporters and plays a critical role in supplying grains and oilseeds to the global market and to the EU. Russia's invasion of Ukraine on February 24, 2022, and the ongoing war continue to impact the EU's grains and oilseeds markets.
- This report was finalized before the European Commission met to decide whether or not it would extend the ban on the import of select Ukrainian agricultural commodities to the EU past September 15, 2023.
- USDA official numbers in this report include the World Agricultural Supply and Demand Estimates (WASDE) August 2023 release.
- In this report the term "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."
- Trade figures are revised according to the most recent data available from Trade Data Monitor (May 2023).
- The term European Union (EU) refers to the current [EU27 member states](#).
- The term MS refers to the member states of the European union.
- Benelux refers to Belgium, Luxembourg, and the Netherlands.
- Units: MT = metric tons; MMT = million metric tons; HA = hectares; MHA = million hectares

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The marketing years used in this report are:

July-June

Rapeseed complex

October -September

Soybean complex

Sunflower complex

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1. Total of Major Oilseeds (Soybean, Rapeseed, Sunflower)

Note: Total oilseeds include different marketing years with different beginning and ending months.

Please find details for the specific commodities in the respective sections.

Table 1: EU Area of Major Oilseeds (in 1,000 HA)

Area	2018	2019	2020	2021	2022e	2023f
Soybeans	960	955	871	1,005	1,120	1,100
Rapeseed	6,901	5,079	5,324	5,325	5,867	6,100
Sunflower	4,100	4,320	4,400	4,378	4,970	5,000
Total	11,961	10,354	10,595	10,708	11,957	12,200

Note: The years refer to the calendar year in which the harvest occurs (e.g., 2023 = harvested in CY 2023, marketed in MY 2023/24)

e = estimate, f = forecast

Source: FAS EU

Table 2: EU Major Oilseeds Production (in 1,000 MT)

Production	2018	2019	2020	2021	2022e	2023f
Soybeans	2,780	2,754	2,600	2,820	2,600	3,030
Rapeseed	19,929	15,241	16,575	16,944	19,399	19,750
Sunflower	9,510	9,480	8,900	10,300	9,370	10,500
Total	32,219	27,475	28,075	30,064	31,369	33,280

Note: The years refer to the calendar year in which the harvest occurs (e.g., 2023 = harvested in CY 2023, marketed in MY 2023/24)

e = estimate, f = forecast

Source: FAS EU

Table 3: EU Major Oilseeds Crush (in 1,000 MT)

Crush	MY 2018/19	MY 2019/20	MY 2020/21	MY 2021/22	MY 2022/23e	MY 2023/24f
Soybeans	15,800	15,936	15,800	15,500	14,800	15,400
Rapeseed	23,500	21,200	22,300	21,800	24,200	24,400
Sunflower	8,700	8,654	8,200	10,300	9,850	10,050
Total	48,000	45,790	46,300	47,600	48,850	49,850

e = estimate, f = forecast

Source: FAS EU

Table 4: Feed, Waste Use of Major Oilseeds Meals in the EU (in 1,000 MT)

Feed, Waste Use Meals	MY 2018/19	MY 2019/20	MY 2020/21	MY 2021/22	MY 2022/23e	MY 2023/24f
Soybeans	30,400	27,898	28,250	27,800	27,000	27,294
Rapeseed	13,300	13,200	12,550	12,300	13,800	13,650
Sunflower	7,900	7,150	6,340	7,000	6,800	6,700
Total	51,600	48,248	47,140	47,100	47,600	47,644

e = estimate, f = forecast

Source: FAS EU

Table 5: Food Use of Major Oilseeds Oils in the EU (in 1,000 MT)

Food Use Oil	MY 2018/19	MY 2019/20	MY 2020/21	MY 2021/22	MY 2022/23e	MY 2023/24f
Soybean Oil	1,350	1,171	1,200	1,145	1,100	1,346
Rapeseed Oil	2,950	2,300	2,350	2,575	2,800	2,750
Sunflower Oil	4,550	4,400	4,200	4,900	4,850	4,950
Total Oils	8,850	7,871	7,750	8,620	8,750	9,046

e = estimate, f = forecast

Source: FAS EU

Table 6: Industrial Use of Major Oilseeds Oils in the EU (in 1,000 MT)

Industrial Use Oil	MY 2018/19	MY 2019/20	MY 2020/21	MY 2021/22	MY 2022/23e	MY 2023/24f
Soybean Oil	1,050	1,150	1,100	1,100	1,200	1,200
Rapeseed Oil	6,700	6,650	6,650	6,600	6,800	7,050
Sunflower Oil	500	510	500	500	430	450
Total	8,250	8,310	8,250	8,200	8,430	8,700

e = estimate, f = forecast

Source: FAS EU

2. Soybean Complex

PSDs have been revised according to the most recent data available from Trade Data Monitor (May 2023) and Eurostat. Recent harvest and crush estimates are from producing countries.

Table 7: Oilseed, Soybean – Production, Supply and Distribution

Oilseed, Soybean Market Year Begins	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Area Harvested (1000 HA)	1005	1005	1129	1120	1100	1100
Beginning Stocks (1000 MT)	1560	1560	1681	1295	1605	1000
Production (1000 MT)	2833	2820	2554	2600	3015	3030
MY Imports (1000 MT)	14549	14555	13900	14000	14100	14200
Total Supply (1000 MT)	18942	18935	18135	17895	18720	18230
MY Exports (1000 MT)	291	270	250	210	300	220
Crush (1000 MT)	15400	15500	14700	14800	15150	15400
Food Use Dom. Cons. (1000 MT)	220	220	230	225	240	220
Feed Waste Dom. Cons. (1000 MT)	1350	1650	1350	1450	1350	1450
Total Dom. Cons. (1000 MT)	16970	17370	16280	16685	16740	17290
Ending Stocks (1000 MT)	1681	1295	1605	1000	1680	720
Total Distribution (1000 MT)	18942	18935	18135	17895	18720	18230
Yield (MT/HA)	2.82	2.81	2.26	2.32	2.74	2.75

(1000 HA), (1000 MT), (MT/HA)

Source: FAS EU, TDM, Eurostat

Table 8: Meal, Soybean – Production, Supply and Distribution

Meal, Soybean Market Year Begins	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Crush (1000 MT)	15400	15500	14700	14800	15150	15400
Extr. Rate, 999.9999 (PERCENT)	0.79	0.79	0.79	0.79	0.79	0.79
Beginning Stocks (1000 MT)	537	537	595	770	466	670
Production (1000 MT)	12166	12245	11613	11692	11969	12166
MY Imports (1000 MT)	16704	16600	16000	16000	15570	15700
Total Supply (1000 MT)	29407	29382	28208	28462	28185	28536
MY Exports (1000 MT)	770	770	700	750	700	700
Industrial Dom. Cons. (1000 MT)	10	10	10	10	10	10
Food Use Dom. Cons. (1000 MT)	32	32	32	32	32	32
Feed Waste Dom. Cons. (1000 MT)	28000	27800	27000	27000	26950	27294
Total Dom. Cons. (1000 MT)	28042	27842	27042	27042	26992	27336
Ending Stocks (1000 MT)	595	770	466	670	493	500
Total Distribution (1000 MT)	29407	29382	28208	28462	28185	28536

(1000 MT), (PERCENT)

Source: FAS EU, TDM, Eurostat

Table 9: Oil, Soybean – Production, Supply and Distribution

Oil, Soybean Market Year Begins	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Crush (1000 MT)	15400	15500	14700	14800	15150	15400
Extr. Rate, 999.9999 (PERCENT)	0.19	0.19	0.19	0.19	0.19	0.19
Beginning Stocks (1000 MT)	440	440	549	565	492	532
Production (1000 MT)	2926	2945	2793	2812	2879	2926
MY Imports (1000 MT)	459	450	450	430	400	420
Total Supply (1000 MT)	3825	3835	3792	3807	3771	3878
MY Exports (1000 MT)	971	970	975	920	1100	900
Industrial Dom. Cons. (1000 MT)	1100	1100	1100	1200	1050	1200
Food Use Dom. Cons. (1000 MT)	1150	1145	1170	1100	1650	1346
Feed Waste Dom. Cons. (1000 MT)	55	55	55	55	55	55
Total Dom. Cons. (1000 MT)	2305	2300	2325	2355	2265	2601
Ending Stocks (1000 MT)	549	565	492	532	406	377
Total Distribution (1000 MT)	3825	3835	3792	3807	3771	3878
(1000 MT), (PERCENT)						

Source: FAS EU, TDM, Eurostat

Europe is the second-largest market for soybeans after China, consuming approximately 12 percent of global soybean production, and importing mainly soybean meal for feed and soybean oil to produce biofuel. Furthermore, many European countries are important trans-shipment hubs, and a portion of their imports is re-exported in the form of beans or processed and then exported as meal and oil.

Currently, the EU imports nearly 90 percent of the soybeans it consumes, mostly from the United States and Brazil. While some member states are implementing national campaigns to strengthen their soybean industry and close the local protein gap, non-EU countries continue to play a significant role in European soybean supply.

To reduce imported carbon and imported deforestation, the European Commission issued a plant protein strategy (European Commission, 2018) to reduce Europe's dependency on protein imported from overseas, most of which comes from Brazil, the United States, and Argentina. Key objectives of this strategy are to make cultivation of soybean and other protein crops in Europe more profitable, competitive, to expand crop rotation, and to meet the growing demand for regionally produced products. Several MS, including France, Belgium, Austria, Hungary, and Slovakia, have implemented support programs, and set targets for plant-based proteins and nitrogen-fixing crops, leading to mixed results.

Soybean acreage in the EU has been rising continuously for the past 20 years. The increase in the EU is fueled by a combination of different factors including the current high commodity prices, increased public demand for local non-GM soy, and limited access to fertilizers, making soybean production more favorable.

Feed demand is driving the EU soybean market. However, most MS are reporting decreasing livestock numbers and, subsequently, imports of soybeans and soybean meal year after year. The number of livestock farms in Europe with animals dropped by 40 percent over a 10-year period according to EU Commissioner for Agriculture, Janusz Wojciechowski. Furthermore, EU livestock farmers have recently experienced different crises, including the pork industry's soaring feed costs and falling producer prices, and one of the worst outbreaks of avian influenza ever recorded.

MY 2023/24

After a 2022/23 season marked by an increase in global soybean production (with production increasing in Brazil, Paraguay, China, and Russia more than offsetting declines in Argentina and Uruguay, which reached their lowest levels in decades due to droughts), the global soybean harvest for the 2023/24 season is once again expected to make significant progress, notably in the EU, due to the attractiveness of soybeans in the region. In addition to less dependency on fertilizers and more adaptability to the drier, hotter weather, Europe (and specifically Southern Europe) is experiencing because of climate change, European soy is also meeting a local demand for non-GMO feed. National and cross-national support programs for European sustainable protein such as [Donau Soja](#) have proved successful in developing regional, non-GMO soya production for European-based value chains.

The MY 2023/24 harvest is likely to amount to around 3 million metric tons (MMT), which would be over 16 percent year-on-year, and the EU's largest soybean harvest in six years. Yields are improving, but unstable weather (dry winter, cold and wet spring, and droughts in the summer) is preventing production from reaching MY 2021/22 levels.

Italy remains the largest producer within the EU, with more than 1.1 MMT currently projected.

European crushing margins for soybeans look attractive at the start of the new campaign. The global protein market remains highly concentrated, which is a source of price volatility. World soybean prices continued to fall, driven by record Brazilian supplies feeding the global market and relatively good start-of-cycle conditions in the United States.

As demand from the livestock sector is projected to decline and local production is high, imports of meals are set to fall too. Brazil remains the number one meal exporter to the EU and the United States took over Paraguay's third place as top supplier.

Soybean crushing volumes should increase again due to healthy demand for domestically produced oils.

Meal use increased by one percent. While the European herd is declining, the poultry sector is recovering from the MY 2022/23 avian influenza outbreak. This could be the driver of this limited increase.

Biofuel use of soybean oil is expected to plummet as the European Parliament's industry committee voted in July 2022 to restrict soybean oil as a feedstock for biofuel production, possibly entering into force as soon as 2023. The decision was taken due to concerns over the environmental impact of soy cultivation in countries outside of Europe where it is blamed for causing deforestation. Other industrial

uses of soybean oil (chemical and cosmetics industries) are counterbalancing dropping biofuels figures, but consumption is plateauing.

The presence of plant-based products could become more evident also outside the liquid market. Soya-based products are continuing to lose their prominent role and to satisfy requirements for taste and textures, other segments are gaining (e.g., almonds, oat, peas), and the food consumption of soybean food products is stagnating. Food and other industrial than biofuel use of soybean oil is momentarily rising, benefiting from diminishing use of palm oil in Europe.

MY 2022/23

Soybean acreage is up but production declined by 8 percent year-on-year. Yields were down due to severe droughts and heatwaves in most of the producing countries. Large parts of Europe have been afflicted by one of the driest, hottest summers ever recorded, including Spain, southern France, central and northern Italy, central Germany, northern Romania, and eastern Hungary. Heat stress impacted key crops, and water reservoir levels in many places were too low to meet the demand for irrigation. Nevertheless, Italy, France, and Romania remained the top soybean producers in the European Union. Germany, Spain, and the Netherlands are the top crushing countries.

In the first eight months of MY 2022/23 Brazil and the United States kept their positions as top suppliers to the EU. However, imports from Ukraine, formally the fourth largest supplier to the EU, soared and partially replaced dropping Canadian imports, taking over Canada's third place during that period. Ukrainian imports could continue to increase in 2023/24, depending on the status of the conflict in Ukraine, and access to export routes.

Soybean meal is mainly used for the European pork and poultry industries. The pork sector continued to struggle in the top producer countries (Germany, Belgium, and France). Moreover, with the current high energy and feed costs and producers closing their farms or retiring without a new owner, the industry is in decline. In 2022, the EU experienced the largest avian influenza (HPAI) epidemic ever recorded across its territory. The peak for infections was in November 2022. Since then, the number of new outbreaks in poultry has declined, according to the European Food Safety Authority and other agencies. In this context, meal use decreased by close to 3 percent.

There were major concerns over access to Ukrainian sunflower seed oil as the conflict has heavily impacted production and logistics. While soybean oil food and industrial uses increased, projected impact was finally limited.

3. Rapeseed Complex

PSDs have been revised according to the most recent data available from Trade Data Monitor (May 2023) and Eurostat. Recent harvest and crush estimates are from producing countries.

Table 10: Oilseed, Rapeseed – Production, Supply and Distribution

Oilseed, Rapeseed Market Year Begins	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Area Harvested (1000 HA)	5392	5325	5933	5867	6210	6100
Beginning Stocks (1000 MT)	718	718	830	434	1796	1637
Production (1000 MT)	17389	16944	19591	19399	20200	19750
MY Imports (1000 MT)	5570	5573	6850	7117	5100	5500
Total Supply (1000 MT)	23677	23235	27271	26950	27096	26887
MY Exports (1000 MT)	447	451	575	563	450	600
Crush (1000 MT)	21800	21800	24100	24200	24400	24400
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	600	550	800	550	800	600
Total Dom. Cons. (1000 MT)	22400	22350	24900	24750	25200	25000
Ending Stocks (1000 MT)	830	434	1796	1637	1446	1287
Total Distribution (1000 MT)	23677	23235	27271	26950	27096	26887
Yield (MT/HA)	3.22	3.18	3.30	3.31	3.25	3.24

(1000 HA), (1000 MT), (MT/HA)

Source: FAS EU, TDM, Eurostat

Table 11: Meal, Rapeseed – Production, Supply and Distribution

Meal, Rapeseed Market Year Begins	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Crush (1000 MT)	21800	21800	24100	24200	24400	24400
Extr. Rate, 999.9999 (PERCENT)	0.57	0.57	0.57	0.57	0.57	0.57
Beginning Stocks (1000 MT)	313	313	312	312	344	373
Production (1000 MT)	12426	12426	13737	13794	13908	13908
MY Imports (1000 MT)	576	576	760	822	550	450
Total Supply (1000 MT)	13315	13315	14809	14928	14802	14731
MY Exports (1000 MT)	703	703	740	755	700	670
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)	12300	12300	13725	13800	13725	13650
Total Dom. Cons. (1000 MT)	12300	12300	13725	13800	13725	13650
Ending Stocks (1000 MT)	312	312	344	373	377	411
Total Distribution (1000 MT)	13315	13315	14809	14928	14802	14731

(1000 MT), (PERCENT)

Source: FAS EU, TDM, Eurostat

Table 12: Oil, Rapeseed – Production, Supply and Distribution

Oil, Rapeseed Market Year Begins European Union	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	21800	21800	24100	24200	24400	24400
Extr. Rate, 999.9999 (PERCENT)	0.42	0.42	0.42	0.42	0.42	0.42
Beginning Stocks (1000 MT)	211	211	398	396	400	547
Production (1000 MT)	9156	9156	10122	10164	10248	10248
MY Imports (1000 MT)	593	591	400	401	375	750
Total Supply (1000 MT)	9960	9958	10920	10961	11023	11185
MY Exports (1000 MT)	337	337	700	664	750	750
Industrial Dom. Cons. (1000 MT)	6600	6600	6950	6800	7050	7050
Food Use Dom. Cons. (1000 MT)	2575	2575	2820	2800	2775	2750
Feed Waste Dom. Cons. (1000 MT)	50	50	50	50	50	50
Total Dom. Cons. (1000 MT)	9225	9225	9820	9750	9875	9850
Ending Stocks (1000 MT)	398	396	400	547	398	585
Total Distribution (1000 MT)	9960	9958	10920	10961	11023	11185
(1000 MT), (PERCENT)						

Source: FAS EU, TDM, Eurostat

The situation on the oilseeds market continues to be affected by the Russian invasion of Ukraine. It remains a key factor driving prices of oilseeds and products derived from them. EU production does not cover the local demand, which makes the EU import dependent. After the initial surge in rapeseed prices, peaking in the EU in April 2022, the prices are now bearish, having dropped significantly below the pre-invasion levels. Imports of Ukrainian rapeseed into Europe have slowed down in recent months for a variety of reasons including the European Commission's temporary import ban on grains and oilseed products from Ukraine that was adopted in May 2023 and extended through September 15, 2023.

MY 2023/24

Overall rapeseed crop expectations in the EU are positive. The forecast for MY 2023/24 production is expected to exceed MY 2022/23. The area is forecast slightly higher than in MY 2022/23 and may eventually offset the recent downward revisions of yields that started deteriorating in some regions due to adverse weather and/or pest conditions.

The leading producers within the EU remain France and Germany, each approximately accounting for 21 percent of total rapeseed production. They are followed by Poland with 18 percent, Romania, Lithuania, and the Czech Republic with 6 percent each, and Denmark and Hungary with 4 percent each. Several of these major players recently revised their harvest areas slightly up.

The revised EU rapeseed area is now estimated at 6.1 MHA, up by 4 percent from the previous MY 2022/23. When compared to the initial estimate for the current MY 2023/24 in the [Oilseeds and Products Annual Report](#) that was released in May 2023, the increase reaches 17 percent. Satisfactory prices for rapeseed and favorable weather conditions during planting were the main drivers for the area increase. The MS that increased their rapeseed areas the most in MY 2023/24 in comparison to MY 2022/23 are France (+ 10 percent), Germany (+ 7 percent), Czech Republic (+ 10 percent), and Romania (+ 44 percent).

It was an exceptional year for rapeseed in France, one of the two largest EU rapeseed producers. Increased plantings and a singular climatic year, with alternating periods of drought and surplus water is forecast to result in an exceptional crop, exceeding the French five-year average by 17 percent and previous MY production by 2 percent. Germany, on the other hand, revised its production forecast slightly down, by 4 percent below the previous MY, because of worsened weather conditions. While there was lack of rain in some regions in May and/or June, in others the harvest was frequently interrupted by rain. Thus, potential average yield forecast declined by approximately 11 percent. In Romania, increased area and higher yield are set to result in record production.

Overall EU production is now forecast at 19.8 MMT, up by 2 percent when compared to the previous marketing year. The largest year-on-year increases in production are now forecast in France, Romania, Hungary, and Poland.

With an abundant crop and partially restricted exports from Ukraine, historically one of the EU's top rapeseed suppliers, the imports are forecast to return to more average levels of around 5.5 MMT. Excessive stock buildup from the previous marketing year will allow for increased exports and processing. Elevated crushing will help satisfy demand for biofuels that has been generated by legislative mandates for biofuels blending.

MY 2022/23

After a few years of decline and stagnation, EU rapeseed production picked up again in this marketing year and is estimated to reach 19.4 MMT. This is due to expansion of the harvested area by 10 percent and because of higher yield, which improved by nearly 4 percent. MY 2022/23's production thus exceeded a five-year EU average. When compared to MY 2021/22, total EU rapeseed production increased by 14.5 percent. After closely trailing Canada, the EU has now emerged as the leading producer of rapeseed worldwide.

The largest increase in rapeseed area from MY 2021/22 to MY 2022/23 occurred in France, where the area increased by 247,000 hectares. This represents an increase of approximately 25 percent compared to the previous year. The second largest increase was in Poland, where the area increased by 85,000 hectares, or approximately 8.6 percent. The third largest increase was in Germany, where the area increased by 92,000 hectares, or approximately 9.2 percent.

The overall EU area increase suggests that there is a growing demand for rapeseed and its products in the EU. Prices during the planting period were encouraging, which played an important role in the farmers’ planting decisions. Some of the discouraged rapeseed farmers had started switching to other crops that require less plant protection products. This became one of the main challenges for farmers after the EU banned use of neonicotinoids. Another important challenge is increasingly variable climate conditions.

Despite these challenges, thanks to relatively favorable weather conditions, especially in some MS and regions the EU rapeseed yield in MY 2022/23 is estimated at 3.3 MT/HA. The highest yields were reported in Belgium, Luxembourg, Denmark, and Germany.

In MY 2022/23, the EU faced record imports of 7.1 MMT, up 28 percent when compared to previous marketing year. This is mostly the result of the Russian invasion of Ukraine and the following distortion of global commodities trade. After Australia, Ukraine is the second largest rapeseed supplier to the EU. Australian exports to the EU rose by approximately 30 percent, while Ukraine’s exports grew by 45 percent. The increase resulted in an unprecedented increase of EU rapeseed stocks, which more than doubled. This resulted in protests by farmers in the MS neighboring Ukraine and caused the extension of the European Commission’s import restriction on the select agricultural commodities, including rapeseed to September 15, 2023.

4. Sunflower Complex

PSDs have been revised according to the most recent data available from Trade Data Monitor (May 2023) and Eurostat. Recent harvest and crush estimates are from producing countries.

Table 13: Oilseed, Sunflowerseed – Production, Supply and Distribution

Oilseed, Sunflowerseed	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	4372	4378	4970	4970	5000	5000
Beginning Stocks (1000 MT)	401	401	692	734	449	589
Production (1000 MT)	10328	10300	9207	9370	10850	10500
MY Imports (1000 MT)	1794	1794	1900	1950	800	1100
Total Supply (1000 MT)	12523	12495	11799	12054	12099	12189
MY Exports (1000 MT)	396	396	550	550	650	600
Crush (1000 MT)	10400	10300	9775	9850	10000	10050
Food Use Dom. Cons. (1000 MT)	515	550	515	550	515	550
Feed Waste Dom. Cons. (1000 MT)	520	515	510	515	510	515
Total Dom. Cons. (1000 MT)	11435	11365	10800	10915	11025	11115
Ending Stocks (1000 MT)	692	734	449	589	424	474
Total Distribution (1000 MT)	12523	12495	11799	12054	12099	12189
Yield (MT/HA)	2.3623	2.3527	1.8525	1.8853	2.17	2.1
(1000 HA) ,(1000 MT) ,(MT/HA)						

Source: FAS EU, TDM, Eurostat

Table 14: Meal, Sunflowerseed – Production, Supply and Distribution

Meal, Sunflowerseed Market Year Begins	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Crush (1000 MT)	10400	10300	9775	9850	10000	10050
Extr. Rate, 999.9999 (PERCENT)	0.54	0.53	0.54	0.53	0.54	0.54
Beginning Stocks (1000 MT)	125	125	185	208	163	198
Production (1000 MT)	5621	5550	5283	5300	5405	5430
MY Imports (1000 MT)	2589	2587	2700	2600	2300	2350
Total Supply (1000 MT)	8335	8262	8168	8108	7868	7978
MY Exports (1000 MT)	990	994	1000	1050	675	1030
Industrial Dom. Cons. (1000 MT)	60	60	60	60	60	60
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	7100	7000	6945	6800	6950	6700
Total Dom. Cons. (1000 MT)	7160	7060	7005	6860	7010	6760
Ending Stocks (1000 MT)	185	208	163	198	183	188
Total Distribution (1000 MT)	8335	8262	8168	8108	7868	7978
(1000 MT) ,(PERCENT)						

Source: FAS EU, TDM, Eurostat

Table 15: Oil, Sunflowerseed – Production, Supply and Distribution

Oil, Sunflowerseed Market Year Begins	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Crush (1000 MT)	10400	10300	9775	9850	10000	10050
Extr. Rate, 999.9999 (PERCENT)	0.42	0.42	0.42	0.42	0.42	0.42
Beginning Stocks (1000 MT)	150	150	535	415	167	172
Production (1000 MT)	4394	4350	4130	4200	4225	4260
MY Imports (1000 MT)	2181	2180	1915	1950	2000	2100
Total Supply (1000 MT)	6725	6680	6580	6565	6392	6532
MY Exports (1000 MT)	852	852	1100	1100	800	950
Industrial Dom. Cons. (1000 MT)	500	500	500	430	500	450
Food Use Dom. Cons. (1000 MT)	4825	4900	4800	4850	4870	4950
Feed Waste Dom. Cons. (1000 MT)	13	13	13	13	13	13
Total Dom. Cons. (1000 MT)	5338	5413	5313	5293	5383	5413
Ending Stocks (1000 MT)	535	415	167	172	209	169
Total Distribution (1000 MT)	6725	6680	6580	6565	6392	6532
(1000 MT) ,(PERCENT)						

Source: FAS EU, TDM, Eurostat

Sunflower Seeds

MY 2023/24

Area planted under sunflower in the EU increased in MY 2023/24 compared to MY 2022/23 due to the [derogation](#) of the EU requirements for fallow land (EC 2022/1317); lower production costs/higher profitability compared to alternative crops (lower planting seed prices and fertilization requirements compared to corn and/or rapeseed at times of expensive inputs); the ban on neonicotinoids use on corn; and better drought and heat resilience relative to corn. Area planted grew in Romania, Hungary, and France where it reached its highest level for the last 25 years. This expansion exceeded the reductions reported in Spain, Germany, and Poland. Area planted in Italy remained stable. Romania, Bulgaria, and Spain expected bigger growth in area planted in the spring. However, due to a variety of reasons, such as larger rapeseed area expansion in the fall (Romania), rainy and cool weather preventing planting (Bulgaria, Romania, France), or spring drought (Spain), the area planted was revised marginally down compared to earlier expectations. Area to be harvested may decline due to losses caused by extreme summer heat waves in certain regions of Spain, Romania, and Bulgaria. Currently, area planted is estimated to reach 5.15 MHA, almost the same as in the previous season, and area harvested to be around 5.0 MHA, slightly above that in MY 2022/23.

Climatic growing conditions to date have been mixed. Some countries such as France, Romania, Hungary, and Bulgaria had an unusually rainy and cold spring that prolonged the planting to a late start and beyond the optimum time, while Spain witnessed an extreme dryness in its southern regions. In northern France, some early planted fields had to be reseeded due to adverse weather. At the same time, abundant spring rainfall was beneficial for the early crop development although it increased pest and disease pressure. In Spain, late spring precipitation encouraged the planting of short cycle varieties in the north (Castile and León) and contributed to the replenishment of soil moisture which is likely to support better yields despite the low amount of precipitation received in early spring.

Summer weather had a negative impact on expected yields in parts of the major producing countries. Romania (southeast regions), Bulgaria (northeast and south), Italy, Slovakia, and Greece suffered heat and drought waves in July which limited the yield potential. In contrast, Hungary's precipitation has been around the optimum in most parts of the country, with the exception of the Trans-Tisza region. In Germany, sunflower production has benefitted from July rains. Similarly, the central and western regions of Romania and Bulgaria, as well as southwestern France benefitted from abundant rainfall in June/July and a lower number of hot days. In countries affected by unfavorable summer weather the quality of seeds may be affected. Harvest started one to two weeks later than usual in Hungary, Romania, and Bulgaria. The average EU sunflower yield in MY 2023/24 is projected to recover to 2.1 MT/HA from the record low crop in the previous season but to remain below that in MY 2021/22.

Leading EU producers such as Romania, Bulgaria, and Hungary, followed by Italy, Slovakia, and Austria expect growth in production compared to the previous season. This compensates for a decline reported in Spain, France, Germany, and Poland. Overall, it is estimated that EU production will be by more than 1.0 MMT or 12 percent higher compared to the record-low crop in MY 2022/23 but stable relative to the previous conservative estimate. This projection is subject to revision based on the result of the final harvest.

Due to expected better domestic supplies, current projections are for lower imports compared to MY 2022/23. This estimate also depends on the European Commission's decision on the extension of the import ban on sunflower from Ukraine to five countries in Eastern Europe (Poland, Hungary, Romania, Bulgaria, and Slovakia) after September 15. We assume that Ukraine will make an effort to crush more sunflower seeds than to export due to logistical challenges and limited exports from its Black Sea ports. On the other hand, the EU's two other traditional suppliers, Moldova and Argentina, are projecting very good crops and better exportable supplies.

Exports are expected to increase marginally from MY 2022/23 due to better availabilities and likely weaker competition from Ukraine in traditional export markets. Exports to Türkiye may not be as competitive as in the current season due to the introduction of an import duty; depreciation of the Turkish currency; and better competitiveness of domestic sunflower seeds. Good domestic EU demand for crush may also prevent substantial growth in exports.

Crush demand is forecast to be strong based on currently projected crush margins and more favorable vegetable oil prices. Expected growth in consumer and industrial demand for sunflower oil due to softening prices as well as a better tourism and travel season are contributing to higher crush. Still, the margins will be very close to those for rapeseed and soybeans which curbs the potential for a significant sunflower crush growth. The competition between the three oilseeds is likely to be tight in France, and the Netherlands, especially in the second half of the marketing year with the arrival of a new soybean crop. Hungary, Romania, and Bulgaria forecast a significant increase in crush, followed by Portugal, the Netherlands, Austria, and Italy. France, Spain, and Greece expect a small decline, mainly due to their lower crops. This will drive the EU processing at or above 10.0 MMT or 2 percent more than in MY 2022/23.

The ending stocks in MY 2023/24 are estimated to go downward to their traditional level due to improved demand for crush, especially in Bulgaria and Romania, where stocks reached a record high in the previous season due to accelerated imports.

MY 2022/23

The EU area harvested and production are revised based on the latest data from the member-states. MY 2022/23 witnessed a poor crop due to record low average yields of 1.89 MT/HA caused by summer heat waves and drought in leading producer countries. This was despite the increase in area planted to a historically record high.

Imports of sunflower seeds are estimated to reach an all-time high of 1.95 MMT due to brisk exports from Ukraine, followed by Moldova. The estimate is revised down compared to earlier expectations due to (1) the introduction of an import ban on select Ukrainian agricultural goods, including sunflower, in five Eastern European countries at the beginning of May; and (2) the latest EU Customs import data and TDM data for trade from October 2022 through May 2023. Although late in the season, the most recent infrastructure damages in Ukraine (Black Sea ports of Chernomorsk and Odesa, and Danube ports of Izmail and Reni) are believed to lower its export ability for sunflower seeds to the EU due to increased logistical costs, especially to central or western Europe.

The EU's exports of sunflower seeds are estimated to grow versus MY 2021/22 due to favorable export demand to Türkiye and China which have accounted for about 60 and 12 percent of total exports to date (EU Customs data). The top EU exporters are Bulgaria and Romania.

Demand for crush has been favorable but below the level in MY 2021/22 due to lower availabilities despite higher sunflower seeds imports. Demand for sunflower oil has improved with the softening of prices and a better summer tourist and travel season. The use of sunflower meal has also increased due to its price competitiveness, especially versus limited supply of soybean meal from Argentina. Crush margins have been attractive but had to compete for those for rapeseed (France, Germany, the Netherlands). In some countries (Portugal, Romania) crush margins were not favorable enough and resulted in lower crush levels. An increase in crush compared to MY 2021/22 is expected in Bulgaria, France, Spain, Germany, the Netherlands and Greece while Hungary, Romania, Italy, Austria, and Portugal estimated a decline. Following the introduction of the import ban on sunflower seeds from Ukraine, imports of Ukrainian sunflower oil for refining in the five Eastern European countries expanded which also prevented higher crush. Current industry data (FedOil) indicates 12 percent lower crush in the first quarter of the MY (October-December 2022) compared to a year ago but 9 percent higher crush in January-June 2023, resulting in 1.1 percent growth to date (October 2022 – June 2023).

Ending stocks are revised marginally lower due to reduced imports since May but still at an evaluated level. The accumulation of stocks is heavier in Eastern Europe and it puts pressure on prices.

Sunflower Meal

MY 2023/24

Projected growth in crush is expected to translate into higher output of sunflower meal with estimated production at 5.4 MMT, 2.5 percent more than MY 2022/23. Leading the growth in meal output are Hungary, Bulgaria, Romania, and Portugal, followed by the Netherlands, and Austria, which report smaller increases while France and Spain expect declines due to their lower crush.

Larger output is likely to decrease the need for imports but not sharply. Imports from Ukraine might be challenged due to more complicated and expensive logistics while other EU suppliers such as Argentina, Russia, and Moldova are expected to have higher and price-competitive export availabilities. The main reason for reduced imports will likely be weaker EU demand for meal use.

Exports of sunflower meal are projected to be close to that in the current season. Export demand is likely to be attractive due to expected lower export shipments from Ukraine due to its challenging domestic crush situation.

Consumption of meal is projected to moderate and marginally decline compared to MY 2022/23. This is based on the current sunflower meal price ratio versus rival meals which shows better price competitiveness of both soybean and rapeseed meal from the end of MY 2022/23 and in the first quarter of MY 2023/24. The competition with soybean meal is expected to be heavy in the second half of the MY. This may lower the sunflower meal incorporation rate in feed. In addition, the overall feed demand in the EU is not projected to improve considerably. For these reasons, the MY consumption is forecast to be one percent below the level of MY 2022/23. Countries that project lower meal consumption are

France, Czech Republic, and Poland while Hungary, Spain, Romania, Austria, and the Netherlands anticipate some growth.

MY 2022/23

EU sunflower meal output is adjusted in line with the crush. Bulgaria, France, Spain, Germany, the Netherlands, Greece, and Croatia expect higher crush, but it is not enough to make up for the reductions in meal production in Hungary, Romania, Italy, Portugal, and Poland. As a result, meal production in MY 2022/23 is estimated to be 4.5 percent below the level of the previous season.

The demand for sunflower meal is estimated to be favorable but still below MY 2021/22 due to the overall drop in feed consumption in the EU. Sunflower meal prices fluctuated during the MY to date but in general the sunflower meal had a price advantage compared to other meals and its incorporation in feed increased although it had to compete hard with the rapeseed meal. In the last quarter of the MY, sunflower meal prices were raised due to the limitations on Ukrainian exports and deteriorating prospects for the new sunflower crop in MY 2023/24. Countries estimating growth in consumption are France, the Netherlands, Denmark, and Poland while Hungary, Spain, Romania, Italy, Greece, Austria, and Portugal had dominating reductions leading to 3.0 percent lower EU consumption compared to a year ago.

Due to lower domestic production, EU import demand for sunflower meal improved. The earlier import estimate was adjusted higher based on the latest EU Customs and TDM data indicating imports so far exceeding the levels in MY 2021/22. The EU has imported sunflower meal mainly from Ukraine, followed by equal shares from Argentina and Russia. Exports are revised upwards due to good export demand by the top markets – China, the United Kingdom, and Morocco.

Sunflower Oil

MY 2023/24

The EU output of sunflower oil is projected to grow to over 4.2 MMT or one percent higher than in MY 2022/23 due to an expected increase in crush. Leading producers of sunflower oil that are forecasting growth are Bulgaria, Hungary, Romania, the Netherlands, Portugal, and Austria. This growth exceeds projected declines in France and Spain.

It is believed that better domestic supply is not likely to result in lower imports. Ukraine, Russia, and Moldova expect higher crops, crush, and improved, price competitive export potential which may benefit the EU consumers. Imports are forecast to grow by about 7-8 percent compared to MY 2022/23 to 2.1 MMT. At the same time, higher exportable availability of Black Sea origin may curb EU exports to the top markets in Asia and Africa despite better domestic supplies, mainly due to higher EU export prices. Exports are forecast to decline by about 14 percent from MY 2022/23. EU export volumes, however, will depend on Ukrainian transit shipments and the country's ability to export to third countries in Asia and the Middle East.

Consumption of sunflower oil is projected to continue to recover driven by more affordable prices for consumers, higher demand by the food industry, and the rebound in tourism and travel. The estimate is for 4.95 MMT or 2.0 percent growth over MY 2022/23. All member states project stable and/or higher use with the exception of Germany and Slovakia which expect declines. At the same time, economic challenges, including inflation, may limit the growth in food consumption, especially in the first half of the MY.

MY 2022/23

Production of sunflower oil is revised slightly upwards due to adjustment in crush; however, it remains below the volume in MY 2021/22. Bulgaria, France, Spain, Germany, and the Netherlands report the most significant growth. Countries seeing a decline are Romania, Hungary, Italy, Portugal, Austria, and Poland. EU production is estimated at 4.2 MMT or 3.5 percent lower than in MY 2021/22.

Imports of sunflower oil are projected lower than the earlier estimates as well as compared to a year ago. The estimate is based on the latest EU Customs and TDM data that indicate an over 10 percent decrease in imports versus MY 2021/22. The current estimate is for 1.95 MMT, about 10 percent below previous year imports. It is believed that a large share of these imports were crude sunflower oil for further refining from Ukraine that is also reflected in higher EU exports, as well as transit shipments. Following the import ban on imports of sunflower seeds in early May in the five Eastern European countries, Ukraine switched to exports of more sunflower oil than seeds. However, EU Customs weekly data show that the imported volumes from Ukraine still remained lower than a year ago for the period May-July 2023 versus 2022.

Sunflower oil prices have softened and encouraged consumer demand. However, inflation and economic stagnation had an impact on food use. Rapeseed oil was very competitive and captured some of the sunflower oil market share. Most EU member states estimate stable or lower use of sunflower oil, with France, Italy, and Germany registering greater reductions, followed by Romania, Austria, and Czech Republic while stable use is seen in Spain, Hungary, Bulgaria, and Benelux. Marginal increases are reported in the Czech Republic and Portugal. The current estimate for food consumption is at 4.85 MMT or one percent below the previous season. Industrial use is estimated lower than in MY 2021/22, mainly due to economic challenges, along with use for biodiesel because of increased competition from waste feedstocks, e.g., recycled/used cooking oils and animal fats.

Exports are projected to grow from MY 2021/22 due to improved export demand to India, Iraq, and the United Kingdom and good price competitiveness of EU sunflower oil. Some of the countries - buyers of Ukrainian oils have shifted demand towards EU origin product, especially lately due to damages caused to Ukrainian export infrastructure. Larger exports also include transit shipments and re-exports of Ukrainian oil refined by EU refiners.

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