

Required Report: Required - Public Distribution

Date: March 04, 2022

Report Number: TU2022-0010

Report Name: Oilseeds and Products Annual

Country: Turkey

Post: Ankara

Report Category: Oilseeds and Products

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Report Highlights:

Turkey's production of major oilseeds – sunflowerseeds, cottonseeds, and soybeans – in MY 2022/23 is projected to rebound from the previous year as strong prices are expected to spur increased plantings. Notwithstanding these forecasted increases in production, Turkey is expected to continue its heavy reliance on imported oilseeds and meal. Meal and oil consumption is expected to increase year-over-year as Turkey's economic situation stabilizes. Meanwhile, the government continues its efforts to combat inflation, such as eliminating the import duty and reducing the VAT on sunflower oil, which is an important household staple.

OILSEEDS

In MY 2022/23, Turkey's total production of oilseeds - sunflowerseeds, cottonseeds, and soybeans - is projected to increase about eight percent year-over-year to nearly 3.4 MMT. This increase is predicted based on the expectation that farmers will increase oilseed plantings in response to anticipated higher profit margins compared to alternative crops.

Farmers are expected to still face higher input costs for seed, fertilizer, electricity, fuel, and crop protectants. While these higher costs will temper larger oilseed production gains in MY 2022/23, production is still expected to increase as oilseed prices are projected to remain strong enough to offset these higher input costs. Additionally, continued government support payments are expected to help incentivize production and take some of the edge off of higher input prices.

The government of Turkey continues to support the production of 21 strategic crops, among which are the major oilseeds, under the "agricultural basins" concept. Various kinds of support are provided to farmers growing these strategic crops within these geographic basins. As announced in [the Official Gazette](#) last November, overall support for CY2021 was nearly 25 billion Turkish Lira (\$1.8 billion), similar to the previous year's amount, but with relatively less purchasing power because of high inflation. CY2021 support payments will be paid out in CY2022. overall support for CY2021 was nearly 25 billion Turkish Lira (\$1.8 billion), similar to the previous year's amount. CY2021 support payments will be paid out in CY2022.

As part of this larger support program, the government pays a premium to farmers to incentivize oilseed production and also offers price supports to offset fuel and fertilizer costs. The 2021 production premiums increased for sunflowerseed and canola, while the incentives for the other oilseeds remained unchanged. See table below for details. Canola saw the highest year-on-year increase with the premium going from 500 Turkish Lira (TL)/MT to 800 TL/MT. This increase is expected to trigger increased canola production.

The government also increased the 2020/21 fuel and fertilizer support payments in response to the higher costs for these inputs. Cottonseed producers now receive 760 TL/HA, up from 620 TL/HA the year prior. Sunflowerseed and soybean producers are receiving 370 TL/HA and 380 TL/HA, compared to 260 TL/HA the year before. Meanwhile, olive producers are getting 250 TL/HA, versus 150 TL/HA the previous year.

Table: Turkey Oilseed Production Premiums (TL/MT)
Exchange Rate:US\$1=TL 14 as of February 2022

Crop	2018	2019	2020	2021
Sunflowerseed	400	400	400	500
Soybean	600	600	600	600
Canola	500	500	500	800
Cottonseed	800	800	1100	1100
Olive Oil	800	800	800	800

Despite the government’s effort to increase overall oilseed production, Turkey remains dependent on oilseed imports since domestic production is insufficient to meet demand. Oilseed imports are forecast to rebound in MY 2022/23 based on the expectation that demand from the food and feed sector will remain strong, and economic conditions in the country will stabilize. In the final quarter of 2021, the Turkish Lira depreciated sharply against the USD, exacerbating the country’s rising inflation. Owing to these unstable conditions, oilseed imports in MY 2021/22 are expected to contract.

The government has instituted various measures to curb inflation, as described in our [Grain & Feed Update from January](#). Among these measures was a cut to the import tariffs on sunflowerseed and sunflowerseed oil. The tariffs on other oilseeds remain unchanged.

Besides the major oilseeds produced in Turkey, canola is becoming increasingly popular among farmers, especially in central Anatolia, where some growers are switching from sugar beets and corn to canola. Some of the rising popularity is linked to an increase in the canola production incentive, as described above. MY 2022/23 canola area harvested is projected to increase to 60,000 hectares, an increase of 25,000 hectares from the previous year. Canola production for this period is forecast at 160,000 metric tons, up year-over-year nearly 100,000 metric tons. Canola meal is used in feed and canola oil is used for cooking and biodiesel.

Sunflowerseed

Sunflowerseed PSD (1000 Hectares, 1000 MT)

Oilseed, Sunflowerseed	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
Market Year Begins	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Turkey						
Area Planted (1000 HA)	730	730	760	760	0	790
Area Harvested (1000 HA)	720	720	760	760	0	790
Beginning Stocks (1000 MT)	220	220	52	52	0	90
Production (1000 MT)	1560	1560	1750	1750	0	1850
MY Imports (1000 MT)	907	907	1350	850	0	950
Total Supply (1000 MT)	2687	2687	3152	2652	0	2890
MY Exports (1000 MT)	123	123	130	100	0	120
Crush (1000 MT)	2300	2300	2700	2250	0	2470
Food Use Dom. Cons. (1000 MT)	210	210	215	210	0	215
Feed Waste Dom. Cons. (1000 MT)	2	2	2	2	0	2
Total Dom. Cons. (1000 MT)	2512	2512	2917	2462	0	2687
Ending Stocks (1000 MT)	52	52	105	90	0	83
Total Distribution (1000 MT)	2687	2687	3152	2652	0	2890
Yield (MT/HA)	2.1667	2.1667	2.3026	2.3026	0	2.3418

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

Area Harvested – Sunflowerseed:

MY 2022/23 sunflowerseed total area harvested is projected to increase marginally to 790,000 hectares based on the expectation that some farmers will switch from growing wheat to sunflowers in hopes of better profit margins.

This anticipated increase in area is expected to entirely come from oilseed sunflowers, while the area harvested for confection sunflower seed and planting seeds is expected to remain steady from the previous year. Of the MY 2022/23 forecasted area harvested, an estimated 700,000 hectares will be oilseed sunflower, 60,000 hectares of confection sunflowerseed, and 30,000 hectares of planting seed.

More than 40 percent of Turkey's sunflower seed production is concentrated in the Thrace region, where sunflower area competes against wheat, malting barley, and canola. Other major production areas include Central Anatolia and the Cukurova region, where sunflowerseed competes with sugar beets, corn, vegetables, and wheat.

The planting of the MY 2022/23 sunflower crop will begin in April and finish by May.

Production – Sunflowerseed:

MY 2022/23 sunflower seed production is forecast at 1.85 MMT, up year-over-year by 100,000 MT, based on the expectation that the area harvested will marginally expand. This forecasted amount is made up of 1.64 MMT of oilseed sunflower, 140,000 MT of confection sunflower seeds, and 70,000 MT of planting seeds.

MY 2021/22 production remains unchanged at 1.75 MMT. This amount is made up of 1.55 MMT of oilseed sunflowerseed, 130,000 MT confection sunflowerseed, and 70,000 MT planting seeds.

Consumption – Sunflowerseed:

MY 2022/23 total sunflowerseed consumption is projected at 2.687 MMT, up higher from the previous year. This forecasted increase is based on the expectation that local sunflowerseed production will increase and crush demand will expand as economic conditions stabilize.

The MY 2021/22 consumption estimate is cut back by 455,000 MT to 2.462 MMT because of weaker than expected demand, resulting from a depreciating currency and rising inflation.

Trade – Sunflowerseed:

Sunflower seed imports in MY 2022/23 are projected at 950,000 MT, up 100,000 MT from the previous year's new estimate based on stronger crush demand.

The MY 2021/22 import estimate is revised downward by 500,000 MT to 850,000 MT because of weaker than expected demand. As evidence of this weakening, sunflowerseed imports fell by 50 percent from September through December of MY 2021/22, compared to the same period the previous year. Moldova, Romania, and Bulgaria were the main suppliers during this period. Russia was formerly the largest supplier in MY19/20, but Russian imports fell sharply after Russia imposed an export tax on sunflowerseed shipments in 2021.

In response to rising food inflation, the government reduced the tariffs on certain imports, including sunflowerseeds and sunflower oil last year. The duty on sunflowerseeds has been zeroed out from March 2021 through June 2022.

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

	2018/19	2019/20	2020/21	2021/22* (Sep-Dec)
Moldova	391,891	135,014	163,465	49,252
Bulgaria	85,811	86,923	171,718	11,378
Romania	203,127	123,802	143,907	35,415
Argentina	31,651	56,454	39,296	560
Russia	209,213	608,188	58,387	20,207
Other	193,855	167,619	330,539	12,215
Total	1,115,548	1,178,000	907,312	129,027

Source: Turkish Statistics Institute

Stocks – Sunflowerseed:

In MY 2022/23, sunflowerseed stocks are forecast at 83,000 MT, which is similar with the previous year's amount.

Soybeans

Soybean PSD (1000 Hectares, 1000 MT)

Oilseed, Soybean Market Year Begins	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Turkey						
Area Planted (1000 HA)	30	30	30	32	0	35
Area Harvested (1000 HA)	29	29	30	32	0	35
Beginning Stocks (1000 MT)	378	378	122	222	0	127
Production (1000 MT)	110	110	110	125	0	140
MY Imports (1000 MT)	2745	2745	2750	2450	0	2900
Total Supply (1000 MT)	3233	3233	2982	2797	0	3167
MY Exports (1000 MT)	61	61	50	70	0	70
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	1700	1700	1500	1450	0	1700
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	1350	1250	1300	1150	0	1300
Total Dom. Cons. (1000 MT)	3050	2950	2800	2600	0	3000
Ending Stocks (1000 MT)	122	222	132	127	0	97
Total Distribution (1000 MT)	3233	3233	2982	2797	0	3167
Yield (MT/HA)	3.7931	3.7931	3.6667	3.9063	0	4

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

Area Harvested – Soybeans:

MY 2022/23 soybean area harvested is forecast at 35,000 hectares, slightly up from the previous year's newly revised figure of 32,000 hectares due to anticipated favorable returns relative to other crops.

The Cukurova region is the main soybean growing area, accounting for about 95 percent of total production. Overall yields are fairly high since growers are technically proficient and the crop is

irrigated. However, despite strong domestic demand, many farmers continue to prefer planting cotton, corn, and vegetables instead of soybeans. This tendency limits greater production gains. In addition, soybeans are still largely seen as a rotation crop to improve soil health.

Production – Soybeans:

MY 2022/23 soybean production is forecast at 140,000 MT, up slightly compared to a year ago, due to a projected increase in area harvested. MY 2021/22 production is raised slightly higher to 125,000 MT as farmers are expected to respond to strong soybean prices compared to other crops.

Consumption – Soybeans:

MY 2022/23 soybean consumption is forecast up year-over-year to 3.0 MMT, an increase of 400,000 metric tons from the previous year's new estimate. This anticipated increase is based on the assumption that crush demand will strengthen as economic conditions stabilize.

The MY21/22 consumption estimate is trimmed back by 200,000 MT to 2.6 MMT because of an anticipated softening in feed demand due to unstable economic conditions resulting from rising inflation and a weakening currency.

Soybean consumption is largely dependent on feed utilization, especially poultry feed. The poultry industry uses large amounts of full fat soy in feed rations produced on farm. According to Turkish official statistics, total feed production increased nearly 3 percent year-on-year in 2021, while poultry feed production increased by 1.3 percent.

Trade – Soybeans:

MY 2022/23 imports of soybeans are forecast up year-over-year to 2.9 MMT, an increase of 450,000 MT from the past year's new estimate based on the expectation that economic conditions will stabilize.

The MY 2021/22 import estimate for soybeans is lowered to 2.45 MMT because of weaker than expected feed demand. After Brazil, Ukraine is the second leading supplier of soybeans to Turkey, supplying about 13 percent of total imports in CY 2021. It is too early to predict the effects of the Ukraine crisis on the availability of imports of Ukrainian soybeans.

Imports of U.S. soybeans for feed use have benefitted from the Turkish government's approval of new biotech soybean traits over the last year. Imports of U.S. soybeans reached about 225,000 MT in 2021, up from zero the preceding year. The most recent approval of a new soybean trait was announced in the Official Gazette in early January 2022. The latest list approved soybean (and corn) traits can be found in our recent [voluntary GAIN report](#) on this subject.

Stocks – Soybeans:

In MY 2022/23, soybean stocks are forecast at 97,000 MT, marginally lower compared to the previous year.

Cottonseed

Cottonseed PSD (1000 Hectares, 1000 MT)

Oilseed, Cottonseed Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (Cotton) (1000 HA)	400	400	450	450	0	515
Area Harvested (Cotton) (1000 HA)	350	350	450	450	0	515
Seed to Lint Ratio (RATIO)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	17	17	12	15	0	15
Production (1000 MT)	947	947	1241	1241	0	1375
MY Imports (1000 MT)	37	37	10	40	0	35
Total Supply (1000 MT)	1001	1001	1263	1296	0	1425
MY Exports (1000 MT)	4	1	3	1	0	1
Crush (1000 MT)	975	975	1235	1270	0	1398
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	10	10	10	10	0	10
Total Dom. Cons. (1000 MT)	985	985	1245	1280	0	1408
Ending Stocks (1000 MT)	12	15	15	15	0	16
Total Distribution (1000 MT)	1001	1001	1263	1296	0	1425
Yield (MT/HA)	2.7057	2.7057	2.7578	2.7578	0	2,6699
(1000 HA) ,(RATIO) ,(1000 MT) ,(MT/HA)						

Area Harvested – Cottonseed:

MY 2022/23 cottonseed area harvested is forecast upward to 515,000 hectares, an increase of 65,000 hectares, based on expected strong returns for cotton.

In the southeastern region of Turkey, where about half of the country's cotton is grown, some farmers are expected to switch to cotton instead of double cropping wheat and corn for the current and future marketing years. This anticipated switch is because of anticipated strong cotton prices. Cotton planting will start in April.

Production – Cottonseed:

MY 2022/23 cottonseed production is forecast upward to 1.375 MMT, a year-over-year increase of a little more than 130,000 metric tons. This increase is based on the anticipated expansion in area harvested.

Consumption – Cottonseed:

MY 2022/23 total consumption of cottonseed is projected at 1.408 MMT up year-to-year nearly 130,000 metric tons. This projected increase is based on the expected increase in domestic cottonseed production. Nearly all consumption is made up of domestically produced cottonseed.

Trade – Cottonseed:

MY 2022/23 cottonseed imports are estimated at 35,000 MT. The MY 2021/22 import figure is revised upward to 40,000 MT. Almost all imported cottonseeds are from Azerbaijan. In years prior to the

signing of the Turkey-Azerbaijan bilateral trade agreement in 2021, Turkey's imports of cottonseed were negligible. The duty on imported cottonseed from Azerbaijan is zero.

Stocks – Cottonseed:

In MY 2022/23, cottonseed stocks are forecast to remain nearly unchanged from the previous year at 16,000 MT.

OILSEED MEALS

In MY 2022/23, the total production of oilseed meals – sunflowerseed meal, soybean meal and cotton seed meal – is forecast to increase seven percent to 3.032 MMT because of strong crush demand.

According to Turkish official statistics, CY 2021 feed production increased nearly 3 percent year-over-year to 27 MMT. Production of broiler, dairy cattle, and beef cattle feed all increased, more than offsetting a decrease in the production of layer feed. Broiler and layer feed production was about 9.2 MMT. Dairy and beef cattle feed production was about 13.9 MMT and other feed was around 3.9 MMT.

The Turkish feed sector depends on imported raw materials, such as meals and meals derived from imported oilseeds. Given this dependence, the price of feed tends to move in parallel with the FOB price of the raw materials and the USD-Turkish Lira exchange rate. Over the past two years, average feed prices have shot up between 2.5 to 3 times, while the Turkish Lira has depreciated against other major currencies. In just 2021 alone, the Lira lost more than 44 percent of its value against the USD. The Lira's depreciation has exacerbated overall inflation, which was up about 36 percent year-over-year in 2021.

Total meal consumption is expected to rebound in MY 2022/23 reaching nearly 5.0 MMT after a modest contraction the previous year. See table below. According to industry sources, there's been a slowdown in compound feed production in response to depressed demand resulting from the sharp depreciation of the Turkish Lira in the last quarter of 2021 and rising inflation. In addition, the Ukraine crisis has added additional uncertainty in the short term.

Compound Feed Production in Turkey by Sectors (Thousand MT)

Average Compound Feed Prices in Turkey, by Type of Feed (TL/MT)										
	Feb-20	May-20	Aug-20	Nov-20	Feb-21	May-21	Aug-21	Nov-21	Dec-21	Jan-22
Broiler Feed	2,300	2,490	2,670	3,400	3,595	4,240	4,320	5,750	7,475	7,300
Layer Feed	1,925	2,070	2,170	2,600	2,510	3,140	3,160	4,180	5,487	5,360
Dairy Cattle Feed	1,490	1,650	1,725	2,210	2,205	2,720	2,670	3,400	4,135	3,925
Beef Cattle Feed	1,390	1,550	1,625	2,030	2,025	2,480	2,480	3,100	3,930	3,700
Price Index in last 24 Months (February 2020 =1)										
Broiler Feed	1.00	1.08	1.16	1.48	1.56	1.84	1.88	2.50	3.25	3.17
Layer Feed	1.00	1.08	1.13	1.35	1.30	1.63	1.64	2.17	2.85	2.78
Dairy Cattle Feed	1.00	1.11	1.16	1.48	1.48	1.83	1.79	2.28	2.78	2.63
Beef Cattle Feed	1.00	1.12	1.17	1.46	1.46	1.78	1.78	2.23	2.83	2.66

Meal Consumption in Turkey by Soybean Meal Equivalent (SME) Conversion

SME TABLE (1000 MT)			
	2020/21	2021/22	2022/23
Soybean meal	1725	1575	1791
Cottonseed meal	443	556	567
Sunflowerseed meal	1668	1501	1561
Soybean full-fat	1000	920	1040
TOTAL	4836	4552	4959

Note: these are forecasts based on PSD tables in this report.

Sunflowerseed Meal

Meal, Sunflowerseed Market Year Begins	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Turkey						
Crush (1000 MT)	2300	2300	2700	2250	0	2470
Extr. Rate, 999.9999 (PERCENT)	0.5443	0.5443	0.5444	0.5684	0	0.5445
Beginning Stocks (1000 MT)	585	585	132	132	0	141
Production (1000 MT)	1252	1252	1470	1279	0	1345
MY Imports (1000 MT)	813	813	1200	1000	0	1000
Total Supply (1000 MT)	2650	2650	2802	2411	0	2486
MY Exports (1000 MT)	18	18	15	20	0	20
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)	2500	2500	2600	2250	0	2340
Total Dom. Cons. (1000 MT)	2500	2500	2600	2250	0	2340
Ending Stocks (1000 MT)	132	132	187	141	0	126
Total Distribution (1000 MT)	2650	2650	2802	2411	0	2486
(1000 MT) ,(PERCENT)						

Production – Sunflowerseed Meal:

MY 2022/23 sunflowerseed meal production is forecast upward to 1.345 MMT, assuming larger sunflowerseed production as well as sunflowerseed imports for crushing.

MY2021/22 sunflowerseed meal production is estimated at 1.279 MMT due to an expected weakening in feed demand.

Consumption – Sunflowerseed Meal:

MY 2022/23 cottonseed consumption is projected at 2.34 MMT, up year-to-year nearly 90,000 metric tons assuming stronger feed demand.

Consumption for MY 2021/22 is reduced 350,000 MMT to 2.25 MMT because of weaker than expected feed demand.

Trade – Sunflowerseed Meal:

Sunflower meal imports in MY 2022/23 are forecast at 1.0 MMT, unchanged from the previous year's new estimate. While imports of other oilseed meals are projected to increase during this period, sunflowerseed meal imports are expected to hold steady because of increased domestic sunflowerseed production.

The MY 2021/22 import estimate is revised downward by 200,000 MT to 1.0 MMT because of weaker than expected demand. A softening is evident in the latest import statistics. From September through December of MY 2021/22 imports were down by 50,000 MT compared to the same period from the previous year. Ukraine, Russia, and Bulgaria were the main suppliers during this period. It is too early to predict the effects of the Ukraine crisis on the availability of imports of Ukrainian and Russian sunflowerseed meal.

Stocks – Sunflowerseed Meal:

In MY 2022/23, sunflowerseed meal stocks are forecast at 126,000 MT, down slightly from the previous year.

Soybean Meal

Soybean Meal PSD (1000 MT)

Meal, Soybean Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1700	1700	1500	1450	0	1700
Extr. Rate, 999.9999 (PERCENT)	0.7747	0.7747	0.7753	0.7766	0	0.7747
Beginning Stocks (1000 MT)	423	423	221	221	0	172
Production (1000 MT)	1317	1317	1163	1126	0	1317
MY Imports (1000 MT)	796	796	850	1000	0	1050
Total Supply (1000 MT)	2536	2536	2234	2347	0	2539
MY Exports (1000 MT)	590	590	500	600	0	575
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)	1725	1725	1575	1575	0	1791
Total Dom. Cons. (1000 MT)	1725	1725	1575	1575	0	1791
Ending Stocks (1000 MT)	221	221	159	172	0	173
Total Distribution (1000 MT)	2536	2536	2234	2347	0	2539

(1000 MT) ,(PERCENT)

Production – Soybean Meal:

Domestic production of soybean meal in MY 2022/2023 is projected upward to 1.317 MMT, an increase of about 190,000 metric tons. This increase is based on a higher expected crush.

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

Consumption – Soybean Meal:

MY 2022/23 soybean meal consumption is forecast up year-over-year to 1.791 MMT because of an anticipated increase in feed demand. MY 2021/22 soybean meal consumption remains unchanged at 1.575 MMT.

Besides soybean meal, Turkey continues to utilize a significant amount of full-fat soybeans in poultry rations. Accordingly, in MY 2021/22 and MY 2022/23, an estimated 920,000 MT and 1.04 MMT of soybeans will be used to produce full-fat soy meals.

There is no industrial or food use of soy meal in Turkey.

Trade – Soybean Meal:

Soybean meal imports are forecast slightly up year-over year at 1.05 MMT in MY 2022/23.

The MY2021/22 estimate is raised 150,000 MT to 1.0 MMT because of favorable import prices compared to other alternatives. Most imported meal comes from Argentina.

Stocks – Soybean Meal:

In MY 2022/23, soybean meal stocks are forecast at 173,000 MT, which is similar with the previous year.

Cottonseed Meal

Cottonseed Meal PSD (1000 MT)

Meal, Cottonseed Market Year Begins	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Turkey						
Crush (1000 MT)	975	975	1235	1270	0	1398
Extr. Rate, 999.9999 (PERCENT)	0.5518	0.5518	0.5498	0.548	0	0.5114
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	538	538	679	696	0	715
MY Imports (1000 MT)	18	18	20	20	0	20
Total Supply (1000 MT)	556	556	699	716	0	735
MY Exports (1000 MT)	9	9	30	30	0	35
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)	547	547	669	686	0	700
Total Dom. Cons. (1000 MT)	547	547	669	686	0	700
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	556	556	699	716	0	735

(1000 MT) ,(PERCENT)

Production – Cottonseed Meal

Cottonseed meal production in MY 2022/23 is forecast to marginally increase year-over-year to 715,000 MT, assuming an increase in domestic cottonseed production.

Consumption – Cottonseed Meal

MY 2022/23 cottonseed meal consumption is forecast slightly higher from the previous year to 700,000 metric tons. Nearly all of the cottonseed meal consumed in Turkey is made from domestically grown cottonseed.

There is no industrial consumption or food use of cottonseed in Turkey.

Trade

MY 2022/23 cottonseed meal imports are projected at 20,000 MT, unchanged from the previous year.

Turkey imported 6,300 MT of cottonseed meal between October and December of MY 2021/22, a little more than double the amount from the same period the previous year. Azerbaijan (5,000 MT) and Benin (1,3000 MT) were the suppliers.

OILS

Total vegetable oil production in MY 2022/23 is forecast about eleven percent higher year-over-year to 1.630 MMT, with increases in all major vegetable oils, including sunflowerseed, soybean, and cottonseed oil.

Turkey has significant oilseed crushing and refining capacity, but some of this capacity is currently underutilized. Crushing capacity is about 8 MMT, of which an estimated 5 MMT is being used. Oil refining capacity is about 4 MMT, of which an estimated about 3 MMT is being used.

Turkey continues to import large quantities of sunflowerseed oil for domestic consumption, and for refining and re-exporting to neighboring countries. Most sunflowerseed imports come from the Black Sea region countries and are crushed domestically, with the resulting oil used domestically and for exports. Turkey also imports soybeans for crushing and oil.

Sunflowerseed oil prices in the retail market doubled year-on-year in 2021, primarily because of the rising international cost for imported sunflowerseeds and rising inflation in Turkey. In order to help curb inflation, the government adjusted the duty on sunflowerseed oil imports twice in 2021. The government also cut the value-added tax from eight percent to one percent on most food products, including oil to help fight against rising inflation.

According to market sources, about 110,000 metric tons of biodiesel was produced in 2021, which was nearly the same amount produced the preceding year. Biodiesel is mainly made from used vegetable oil, as well as cottonseed oil and canola oil. Total biodiesel production is less than half of current production capacity of about 240,000 MT. In the future, as Turkey's capacity to collect used vegetable oil increases, biodiesel production will likely increase. According to a government regulation (06/16/2017, 30098), 0.5 percent of biodiesel is required to be blended with diesel fuel starting from January 2018.

In contrast to vegetable oil, olive oil production is estimated lower in MY 2022/23 since the growing year is an "off-year". In late January 2022, [the Ministry of Agriculture & Forestry was authorized to restrict exports of certain agricultural items](#), among which was olive oil, to address rising food inflation. The government has not imposed export restrictions on olive oil or other oils to date.

Sunflowerseed Oil

Sunflowerseed Oil PSD (1000 MT)

Oil, Sunflowerseed Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	2300	2300	2700	2250	0	2470
Extr. Rate, 999.9999 (PERCENT)	0.4348	0.4348	0.4344	0.4347	0	0.4348
Beginning Stocks (1000 MT)	242	242	166	166	0	174
Production (1000 MT)	1000	1000	1173	978	0	1074
MY Imports (1000 MT)	778	778	870	870	0	820
Total Supply (1000 MT)	2020	2020	2209	2014	0	2068
MY Exports (1000 MT)	639	639	750	630	0	680
Industrial Dom. Cons. (1000 MT)	20	20	20	20	0	20
Food Use Dom. Cons. (1000 MT)	1185	1185	1180	1180	0	1190
Feed Waste Dom. Cons. (1000 MT)	10	10	10	10	0	10
Total Dom. Cons. (1000 MT)	1215	1215	1210	1210	0	1220
Ending Stocks (1000 MT)	166	166	249	174	0	168
Total Distribution (1000 MT)	2020	2020	2209	2014	0	2068
(1000 MT) ,(PERCENT)						

Production – Sunflowerseed Oil

The production of sunflowerseed oil in MY 2022/23 is projected to increase marginally from the previous year to 1.074 MMT in response to steady demand from the domestic and export markets.

Consumption – Sunflowerseed Oil

MY 2022/23 sunflower oil consumption is forecast at 1.22 MMT, with a marginal increase, assuming steady consumer demand. Sunflowerseed oil is the most widely consumed cooking oil in Turkey because of its affordability. The lack of biotech approvals of corn and soy for use in food also limits options of alternative oils.

Sunflowerseed oil prices in the retail market doubled in 2021, primarily because of the rising international cost for imported sunflowerseeds and the depreciation of the Turkish Lira.

Trade – Sunflowerseed Oil

MY 2022/23 sunflowerseed oil *imports* are forecast at 820,000 MT, slightly down year-over-year assuming a slackening in import demand in response to better domestic sunflower seed production.

MY 2021/22 sunflowerseed oil imports are forecast to remain unchanged at 870,000 MT. Russia is the largest supplier of sunflowerseed oil to Turkey. It's too early to predict the impact that the Ukraine crisis might have on flows of Russian sunflowerseed oil into Turkey.

From September to December in MY 2021/22, sunflowerseed oil imports reached nearly 302,000 MT. Russia was the leading supplier. In CY 2021, nearly 88 percent of Turkey's sunflower oil imports came from Russia. Import volumes of Russian sunflowerseed oil have increased in recent years as Russia increasingly prefers to ship value-added oil instead of seed. Some of this imported oil from Russia is refined and re-exported.

In response to rising food inflation, the government reduced the tariffs on certain imported products, including sunflowerseed oil and sunflowerseeds, during 2021. Amid skyrocketing sunflower oil prices, the tariff on crude sunflower oil was cut to zero between March and June of last year. The tariff was subsequently raised to 10 percent, still below the normal rate of 27 percent, from July through November 2021. The tariff was again zeroed out in December through June 2022. Meantime, the tariff on imported sunflowerseed was cut from 67.5 percent to zero from last March through June 2022.

Turkey's sunflowerseed oil *exports* in MY 2022/23 are projected higher than the previous year at 680,000 MT assuming stable refined oil trade.

The MY 2021/22 sunflowerseed oil export estimate is cut by 120,000 MT to 630,000 MT due to a slowdown in demand resulting from higher prices. Turkey exported 221,600 MT of sunflower oil between September and December of MY 2021/22, down 20,000 MT during the same period the previous year. Djibouti and Iraq were the main export destinations.

Stocks

In MY 2022/23, soybean meal stocks are forecast at 170,000 MT, which are similar with the previous year.

Soybean Oil

Soybean Oil PSD (1000 MT)

Oil, Soybean Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1700	1700	1500	1450	0	1700
Extr. Rate, 999.9999 (PERCENT)	0.1788	0.1788	0.1787	0.1786	0	0.1788
Beginning Stocks (1000 MT)	34	34	4	4	0	4
Production (1000 MT)	304	304	268	259	0	304
MY Imports (1000 MT)	0	0	2	0	0	0
Total Supply (1000 MT)	338	338	274	263	0	308
MY Exports (1000 MT)	264	264	175	184	0	230
Industrial Dom. Cons. (1000 MT)	30	30	40	30	0	30
Food Use Dom. Cons. (1000 MT)	5	5	5	5	0	5
Feed Waste Dom. Cons. (1000 MT)	35	35	45	40	0	39
Total Dom. Cons. (1000 MT)	70	70	90	75	0	74
Ending Stocks (1000 MT)	4	4	9	4	0	4
Total Distribution (1000 MT)	338	338	274	263	0	308
(1000 MT) ,(PERCENT)						

Production – Soybean Oil

MY 2022/23 soybean oil production is projected to increase to 304,000 MT assuming stronger demand for oil exports and local consumption. Crushing imported soybeans and exporting the oil from those beans has taken off in recent years. About two-thirds of production is currently exported.

Consumption – Soybean Oil

MY 2022/23 consumption is expected to remain steady year-over-year at 74,000 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 paint and ink production.

Trade – Soybean Oil

MY 2022/23 soybean oil exports forecast at 230,000 metric tons, up from last year by nearly 45,000 metric tons, due to better crush expectations and a parallel projected increase in soybean imports.

In MY 2021/22 soybean oil export is forecast at 184,000 MT due to a possible decrease in demand. Export trade for soybean oil during the first three months (Oct-Dec) of MY 2021/22 were at about 65,000 MT, compared to 68,000 MT during the same period in MY 2020/21. Leading destinations were Algeria and India.

About two-thirds of soybean oil production is exported, which is primarily because Turkey’s Biosafety Law prohibits soybean oil made from biotech soybeans.

Stocks

In MY 2022/23, soybean oil stocks are forecast at 4,000 MT, which is similar with the previous year.

Cottonseed Oil

Cottonseed Oil PSD (1000 MT)

Oil, Cottonseed Market Year Begins	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Turkey						
Crush (1000 MT)	975	975	1235	1270	0	1398
Extr. Rate, 999.9999 (PERCENT)	0.1795	0.1795	0.1806	0.1795	0	0.1803
Beginning Stocks (1000 MT)	17	17	8	8	0	20
Production (1000 MT)	175	175	223	228	0	252
MY Imports (1000 MT)	2	2	0	1	0	1
Total Supply (1000 MT)	194	194	231	237	0	273
MY Exports (1000 MT)	11	11	12	12	0	12
Industrial Dom. Cons. (1000 MT)	8	8	10	10	0	10
Food Use Dom. Cons. (1000 MT)	167	167	180	195	0	230
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	175	175	190	205	0	240
Ending Stocks (1000 MT)	8	8	29	20	0	21
Total Distribution (1000 MT)	194	194	231	237	0	273
(1000 MT) ,(PERCENT)						

Production – Cottonseed Oil

In MY 2022/23, cottonseed oil production is estimated at 252,000 MT, up marginally year-over-year based on the expected increase in cottonseed production.

Consumption – Cottonseed Oil

MY 2022/23 consumption is forecast marginally higher from the previous year at 240,000 MT based on the expected increase in domestic cotton production. Food use accounts for most cottonseed oil consumption, with just a small amount goes for industrial purposes. Cottonseed oil is mainly used to make margarine.

Trade

MY 2022/23 cottonseed oil exports are forecast at 12,000 MT, similar with last year, assuming stable export demand.

Exports of cottonseed oil during the first three months (Oct-Dec) of MY 2021/22 were at about 2,000 MT, nearly the same from the same period the previous year. Leading destinations were Australia, Malaysia and Syria.

Stocks

In MY 2022/23, cottonseed oil stocks are forecast at 21,000 MT, which similar with previous years assuming same exports.

Olive Oil

Olive Oil PSD (1000 MT)

Oil, Olive Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Nov 2020		Nov 2021		Nov 2022	
	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	159500	154500	157800	0	159000
Beginning Stocks (1000 MT)	38	38	30	33	0	30
Production (1000 MT)	210	210	250	236	0	180
MY Imports (1000 MT)	37	37	45	35	0	37
Total Supply (1000 MT)	285	285	325	304	0	247
MY Exports (1000 MT)	60	55	75	70	0	55
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	195	197	220	204	0	162
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	195	197	220	204	0	162
Ending Stocks (1000 MT)	30	33	30	30	0	30
Total Distribution (1000 MT)	285	285	325	304	0	247

(1000 HA) ,(1000 TREES) ,(1000 MT)

Production – Olive Oil:

MY 2022/23 is considered an “off-year” for olive oil production, which is projected to decline year-over-year to 180,000 MT. Higher input costs are also expected to impact production. Compared to other oilseeds, olive oil production is more sensitive to higher input costs. In the coming years, an increase in the numbers of fruit bearing trees and better farming practices is expected to lead to higher production levels.

MY 2021/22 production, which is considered an “on-year” for olive oil production, is estimated at 236,000 MT. In MY 2021/2022, the number of olive trees reached nearly 188 million, of which 158

million were fruit bearing trees. Of the total number of olive trees, about 50 million trees were for table olives and 108 million for olive oil.

The Turkish government supports olive tree orchards and olive oil production. With this support and because of favorable olive oil prices, the number of orchards is expected to continue expanding in the future. An estimated 1.5 million new trees are planted annually, with trees mostly being planted along the coastal regions in Marmara, Aegean, Mediterranean areas and in the Southeast Anatolian region.

Consumption – Olive Oil:

Consumption in MY2022/23 is expected to decrease year-on-year by about 40,000 MT to 162,000 MT based on the anticipated decline in 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:

Olive oil exports in MY 2022/23 are projected to decrease to 55,000 MT assuming a decline in local production.

MY 2021/22 olive oil exports are revised slightly lower to 70,000 MT, but still up year-over-year. Export volumes tend to rise and fall in parallel with the on- and off-year production cycles.

Meanwhile, olive oil imports for MY 2022/23 are nearly unchanged from the previous year at 37,000 metric tons. Nearly all of the imported olive oil is expected to come from neighboring Syria.

Stocks – Olive Oil:

In MY 2022/23, olive oil stocks are forecast at 30,000 MT, which is similar with the previous year.

Attachments:

No Attachments