



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Required Report - public distribution

Date: 7/13/2001

GAIN Report #E21088

European Union

Oilseeds and Products

Annual

2001

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Report Highlights:

Agenda 2000 reforms were implemented as of marketing year 2000/01, which resulted in a decrease in oilseeds production and challenges commitments made under the Blair House Agreement. In 2001, oilseeds production is forecast to rise by 5 percent, but record levels of 1999 will be far from reached. In the EU, like elsewhere in the world, supply-demand balances for soft seeds will become much tighter in 2001/02.

Includes PSD changes: No
Includes Trade Matrix: No
Annual Report
Brussels USEU [BE2], E2

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Executive Summary

The 2000 EU oilseeds crop amounted to 13.6 MMT of rapeseed, sunflower seed, and soybeans, a 14-percent-drop from the record production of the previous year. Marketing year 2000/01 was the first year of implementation of Agenda 2000 reforms in the arable crop sector. In the first year, these reforms brought about a shift into grain cultivation by a large number of oilseeds producers. In 2001, oilseeds production is forecast to rise by 5 percent, but record levels of 1999 will be far from reached. In the EU, like elsewhere in the world, supply-demand balances for soft seeds will become much tighter in 2001/02. Prices for oilseeds and vegetable oils are generally expected to improve from current levels.

On January 1, 2001, the European Commission implemented a ban on the manufacture and use of meat and bone meal (MBM) in the EU. As predicted, the MBM ban resulted in an increase in the use of soybean meal as the most efficient replacement for the protein previously supplied by MBM. In 2000/01, the increase has, however, remained limited due to the price competitiveness of domestically-grown feed grains such as wheat and barley. Additional increases in soybean meal use are expected in 2001/02, both from direct imports and through crushing of imported soybeans.

After years of decreasing vegetable oil prices, driven by very low prices of palm oil, it is generally expected that prices will improve in the short term. In 2001/02, the growth rate for world output of vegetable oils is forecast

to be significantly below the growth rate of demand. In the EU, a rise in rapeseed oil prices may come from expanding demand for non-food use of rapeseed oil, biodiesel in particular. The strength of domestic demand is expected to result in a drop in EU rapeseed oil exports to only 100,000 MT in 2001/02.

Like in 1999/2000, the Blair House limit with regard to oilseeds acreage for food use was not exceeded in 2000/01, and no penalties were applied to the EU oilseeds compensatory payments. Agenda 2000 reforms have an impact on both oilseed payment rates and EU Commission Blair House calculations.

EU olive oil production is forecast to rise above the 2-MMT-level in 2000/01, representing an increase in Spanish output, partly offset by a production decline in Italy. EU exports of olive oil have risen in 2000/01 without the use of export subsidies. On the olive oil regime, the EU Commission decided to extend the current production policy for another 3 marketing years, i.e. through to marketing year 2003/04.

I. OILSEEDS (EXCL. OLIVES)

Rapeseed, sunflower seed, and soybeans together represent about 93 percent of total oilseeds production in the EU, with the remainder consisting of cottonseed, linseed, and groundnuts. The supply-demand analysis in this report will focus on rapeseed, sunflower seed, and soybeans. Total trade data for the other oilseeds are also included.

Production

The EU oilseeds crop of 2001 looks set to increase by 5 percent from the previous year, to 14.25 MMT. On average, yields have improved in comparison with last year, and total oilseeds area has risen by 3 percent. The recovery in area and yields is too small to make up for the significant decline in oilseeds production in 2000. During that year, a large number of oilseeds producers shifted to grain cultivation in view of better profit margins for grains resulting from Agenda 2000 policy reforms. See Policy.

For rapeseed, the production increase in 2001 (estimated at 5 percent) is primarily due to an improvement in yields in all EU member states except Scandinavia. Total EU harvested area for rapeseed is forecast to decline by 1 percent. The German rapeseed crop, representing more than 40 percent of total EU rapeseed production, is forecast to grow considerably resulting from higher plantings and good yields related to favourable weather conditions. On the other hand, France, the second largest rapeseed producer in the EU, has significantly decreased its plantings because of rain delays.

Total EU sunflower seed production is expected to rise from 3.33 MMT in 2000 to 3.4 MMT in 2001. The area increase and good crop prospects in Spain are forecast to offset the bad results of the French sunflower crop.

EU soybean production in 2001 is also forecast to grow above last year's levels, increasing by nearly 9 percent from 1.15 MMT to 1.25 MMT. The growth is primarily resulting from a 12-percent rise in planted area, mainly in France. Over the last three years, an increasing number of French soybean producers have registered under the "Soja de Pays" program. Participants to the program, for which the legal framework was set up in 1999, agree to hold on to strict quality criteria throughout the whole chain of production until end use of the soybeans concerned. In compensation for higher costs, "Soja de Pays" soybeans receive a premium towards conventional soybeans available on the market.

During the first half year of 2001, a price recovery took place in the international (and EU) soft seed market. The price strengthening reflects the tightening in the rapeseed and sunflower seed balances already observed during marketing year 2000/01, and expected to worsen in 2001/02. Due to economic incentives in certain member states, the growing demand for rapeseed will come particularly from biodiesel manufacturers. This factor, in addition to the fact that oilseeds will remain a good crop for rotation purposes, constitutes an important element in EU growers' annual crop planting decisions.

Consumption

Consumption-Oilseeds

Crushing margins for soybeans improved considerably during MY 2000/01, one reason being the prohibition of the production and use of meat and bone meal (MBM) in the EU (see under Oilmeals). As a result, soybean crushing is forecast to have increased from 15 MMT in 1999/2000 to 16 MMT in 2000/01. Given that the MBM ban will remain in place during the second half of 2001, oilmeal prices will continue to be supported by strong demand, and soybean crushing margins will remain favourable in 2001/02. Therefore, it is forecast that soybean crushings will increase to 16.8 MMT in 2001/02.

EU rapeseed crushings are expected to have decreased by 5 percent, from 9.4 MMT in 1999/2000 to 8.9 MMT in 2000/01. The decrease is relatively small in relation to the 2.4 MMT-drop in rapeseed output in 2000/01. In order to secure supplies, crushers increased the imports of rapeseed from third countries, and drew on carry-over stocks from the previous marketing year. In 2001/02, rapeseed crushing is expected to partially recover, increasing by 3 percent as strengthening rapeseed oil prices may improve crushing margins.

Sunflower seed crushings dropped by 4 percent in 2000/01, and are expected to slightly decrease again in 2001/02. Import dependency is high for sunflowerseed, imports representing about 37 percent of total domestic use. Given the tightness in sunflower seed supplies around the world, raw material prices to crushers are expected to go up in 2001/02. It remains to be seen whether processed products will also strengthen in price in order to keep crushing margins attractive.

Consumption - Oilmeals

As of January 1, 2001, the EU Agricultural Council implemented a ban on the manufacture and use of meat and bone meal (MBM) in the EU. The ban constituted a measure to deal with a new BSE crisis outbreak during the fall of 2000. Market analysts forecast that the ban would lead to a rise in demand for high-protein soybeanmeal as the most logical and most efficient replacement for the protein previously supplied by MBM. Although a 1.7 MMT-increase in the use of soybean meal is forecast for 2000/01, the rate of increase is lower than originally anticipated. Furthermore, demand for rapeseed meal and sunflowermeal decreased by a total of 0.5 MMT, restricting the net increase in oilmeal demand to 1.2 MMT. Several factors played a role in this development. First, Agenda 2000 reforms (see Policy) have led to improved competitiveness of cereals vis-a-vis oilseeds. Attractive prices for EU feed grains have led to an increase in cereal incorporation rates in compound feed, a development which began a number of years ago. Furthermore, the strength of the \$U.S. versus the EURO has made imported oilmeals more expensive than domestic feed grains. Also, the various crises related to food safety in the EU have prevented total meat production, and therefore compound feed output, from rising.

In 2001/02, the MBM ban will continue to have an effect on soybeanmeal use, as the EU agricultural ministers extended the ban beyond June 30, 2001 for an indefinite period. At the same time, new legislation is underway which will regulate the disposal of animal waste. In 2002 this may result in a partial lifting of the current MBM ban, for example allowing again the feeding of meat and bone meal from pigs to poultry and vice versa. Consumption of soybean meal is expected to rise by 3 percent in 2001/02, i.e. at a lower rate of increase than in 2000/01. Although oilmeal prices are expected to also profit from the forecast price strengthening of oilseeds and vegetable oils, the price increase will remain modest. Soybean meal in particular will remain the dominant oilmeal, whose price will continue to be low as a result of abundant supplies on the world market.

Consumption - Oils

EU vegetable oil prices are to a large extent driven by world prices, i.e., by developments in world supply and demand. Market analysts forecast that vegetable oil prices will considerably improve in marketing year 2001/02, the growth rate for world output being significantly below the growth rate of demand. Vegetable oil prices have started to rise since the end of 2000, but the availability of plentiful supplies of low-priced palm oil has until now prevented a real surge in prices. The increase in palm oil output will reportedly be subdued in 2001/02, while the world tightness in soft seed will necessitate more crushings of soybeans, which have a lower oil content.

In the EU, a rise in rapeseed oil prices may come from expanding demand for non-food use of rapeseed oil. The main part of the forecast rise in rapeseed oil consumption (from 3.2 MMT in 1999/2000 to 3.35 MMT in 2000/01, and to 3.7 MMT in 2001/02) is expected to come from non-food industry applications. Rising fossil fuel prices and falling oilseed prices have in the recent past accelerated the interest in alternative sources of fuel in many countries. Germany is the leading EU member state in terms of increased production capacity of biodiesel. Fiscal stimuli from the German government have encouraged biodiesel producers to plan several new biodiesel projects in the near future. In a couple of years, EU biodiesel production capacity may amount to as much as 1.6 MMT. Given that there are no EU-wide tax incentives, individual member states' fiscal measures will be the driving force behind biodiesel production. Domestic output of rapeseed, the raw material for EU biodiesel, will be insufficient to provide the additional quantities of industrial rapeseed oil. Furthermore, increased imports of rapeseed will be limited (and expensive) owing to a world tightness in soft seeds. The resulting rise in rapeseed oil prices will keep demand in check.

Sunflower oil consumption is expected to remain stable in 2000/01 at 2.1 MMT, dropping slightly to 2.075 MMT in 2001/02. EU soybean oil use is forecast to increase from 1.8 MMT in 1999/2000 to 1.875 MMT in 2000/01, and to 1.9 MMT in 2001/02. Lower prices for soybean oil will encourage users of vegetable oils in the food sector to purchase soybean oil rather than sunflower oil.

Trade

Note: Import and export statistics for 1999/2000 are annexed.

Trade - Oilseeds

Given the large deficit of soybeans in the EU, increased crushings of soybeans in 2000/01 ran concurrently with a rise in soybean imports from the Americas. EUROSTAT statistics for October-September 1999/2000 show the U.S. as the leading supplier of soybeans to the EU (6.737 MMT), closely followed by Brazil (6.075 MMT). The U.S. and Brazil accounted for 91 percent of total EU soybean imports in 1999/2000. In 2000/01, until the end of June 2001, the U.S. is running 300,000 MT in sales behind the previous marketing year. It is generally forecast that the bulk of additional EU soybean imports in 2000/01 will come from Brazil.

In 2000/01 EU imports of sunflower seed are expected to decrease by about 250,000 MT from the previous year. Argentina continued to reduce its sales of sunflower seed to the EU, while Russia and the Ukraine increased

their share of EU imports. With lower than expected sunflower seed output in Argentina, EU sunflower seed crushers will become increasingly dependent on Eastern European supplies in the near future. EU imports from Bulgaria and Romania were down in 2000/01 owing to bad crop results. It remains uncertain whether these countries will be able to resume exports in the next marketing year.

In 1999/2000, when the EU had a bumper rapeseed crop, imports of Australian rapeseed were zero. In 2000/01, it is expected that about 350,000 MT of Australian canola will be imported. Like EU rapeseed, Australian rapeseed varieties do not contain genetically modified organisms (GMO). On the other hand, Canadian canola contains GMOs, undoubtedly an important factor in EU crushers' decisions to almost completely refrain from importing canola from Canada since 1996/97. The main part of EU rapeseed imports originates in Central and East Europe, Czech Republic and Hungary accounting for 78 percent of total rapeseed imports in 1999/2000. Like Australia, Hungary and Russia have increased their share of the EU rapeseed market in 2000/01. EU imports are forecast to rise from 838,000 MT in 1999/2000 to 1MMT in 2000/01, and to 1.1 MMT in 2001/02.

EU exports of sunflowerseed and soybeans to third countries are negligible. On the other hand, rapeseed exports amounted to 1.2 MMT in 1999/2000, mainly destined to Far Eastern countries. Over the past two years, the strength of the \$U.S. versus the EURO has made imports from the EU relatively attractive. China alone accounted for 521,000 MT of EU rapeseed exports in 1999/2000. Given the lower domestic rapeseed output in 2000/01, it is estimated that rapeseed exports will drop to 0.6 MMT. However, potential sales to China at the end of the summer of 2001 remain uncertain at present.

Trade - Oilmeals

Soybean meal represents the major oilmeal imported into the EU. In 1999/2000, imports equalled 14.9 MMT, of which 7.715 MMT from Argentina, 6.622 MMT from Brazil, and 304,000 MT from the U.S. As expected, the MBM ban (see Oilmeal Consumption) has resulted in a rise in soybeanmeal imports from America. 2000/01 soybean meal imports are forecast to rise by 3 percent to 15.4 MMT. So far this marketing year (October 1, 2000-June 21, 2001), U.S. export sales of soybeanmeal to the EU equal 529,000 MT, far above the 170,000 MT sold during the same period of 1999/2000. Like for soybeans, the net effect of the MBM ban on total oilmeal imports is in fact smaller when taking into account the decrease of imports recorded for sunflower seed meal and rapeseed meal.

Exports of oilmeals are relatively small and consist of soybean meal, primarily shipped to Eastern Europe, and fish meal. No major changes are expected for the marketing years 2000/01 and 2001/02.

Trade - Oils

Contrary to oilmeals, where EU exports represent only about 7 percent of production, EU exports of vegetable oils are far more important. During 1999/2000, the three main export destinations for the main vegetable oils were as follows:

Soybean oil: Russia, Morocco, Turkey

Rapeseed oil: Algeria, Switzerland, Cuba

Sunflower seed oil: India, Russia, Turkey

For rapeseed oil, China has disappeared from the top-three-list of export destinations in 1999/2000. In 2000/01 and 2001/02, chances are small that China will resume buying rapeseed oil from the EU. First, Chinese demand for rapeseed oil is forecast to be lower due to the expansion of the Chinese rapeseed crop and the continued policy of the Chinese government to encourage an increase in domestic crushing capacity. More importantly, however, EU rapeseed oil exports are expected to plunge because of higher domestic requirements, insufficient production, and high prices. Therefore, it is forecast that rapeseed oil exports will decrease from 628,000 MT in 1999/2000 to 375,000 MT in 2000/01, and to only 100,000 MT in 2001/02.

EU soybean oil exports are expected to increase slightly from 1.021 MMT in 1999/2000 to 1.1 MMT in 2000/01, and to 1.15 MMT in 2001/02. Additional output resulting from increased EU soybean crushings will be sold both on the domestic market and to third countries. In the mid term, outlays for EU soybean oil may diminish as 10 new crushing plants in the Middle East become operational. Like the Chinese government, governments in countries such as Egypt, Tunisia, Jordan, Turkey, Dubai, and Iran may decide to set an import policy aiming at increased imports of raw materials for domestic crushing plants rather than imports of processed products.

On the vegetable oil import side, palm oil continues to be the principal vegetable oil imported into the EU. During calendar year 2000, imports amounted to 1.988 MMT, up from 1.704 MMT in 1999. Palm oil prices have continued to plunge owing to a glut in output in Indonesia and Malaysia. Average FOB prices for Malaysian palm oil have continued to decrease from \$309/MT in 1999/2000 to \$213/MT so far in 2000/01. It remains to be seen whether the forecast slow down in production increase will reverse the trend of decreasing palm oil prices in 2001/02.

Policy

Policy - Production Policy

As of marketing year 2000/01, Agenda 2000 reform brought about several amendments to the EU arable crops support system. Although the basic calculation method for producing data on the Blair House Agreement was not touched upon, Agenda 2000 reform has resulted in a number of changes which the EU maintains will nullify the Blair House Agreement in 2002/03.

Marketing years 2000/01 and 2001/02

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One of the main elements in Agenda 2000 reform is the gradual decrease in the level of compensatory payments for oilseeds, reaching EUR 63/MT from marketing year 2002/03 onwards, when compensatory payments for cereals and oilseeds will be aligned. During the transition period, i.e., during 2000/01 and 2001/02, hectare payments under the main scheme will be calculated in the same manner as before: by multiplying a fixed amount (EUR 81.74/MT in 2000/01 and EUR 72.37/MT in 2001/02) by the regional historical yields. The option of using either cereals or oilseeds yield remains, whereby the multiplication by a factor of 1.95 in case of oilseeds yield is kept in place. The system of adjusting the compensatory payments to take account of changes in oilseed prices was abolished. Unlike before, producers under the simplified scheme (small producers) also get the oilseeds-specific payment, i.e., the same amount as oilseed producers under the main scheme.

As small producers receive the same payments as the main scheme producers in marketing years 2000/01 and 2001/02, the European Commission, for these years only, includes small producers in the Blair House calculations. Given that Agenda 2000 has provided small producers with a higher oilseeds payment than before, it is not surprising that oilseeds area of small producers in the EU has risen from about 90,000 HA in 1999/2000 to about 558,000 HA in 2000/01.

For the transition period 2000/01-2001/02, the European Commission would set penalties if the total EU oilseeds area for which crop-specific payments have been made exceeds the Blair House limit of 4.933 million HA (5.482 million HA minus 10 percent). Table I below summarizes the Blair House calculations for 2000/01; data were received from the European Commission. In 2000/01, the total EU oilseeds area, including small producers, amounted to 4.415 million HA, or about 518,000 HA below the Blair House limit. Given the undershoot, the European Commission did not apply any Blair House penalties in 2000/01. While limits were not exceeded this year, it should be mentioned that Council Regulation 1251/1999, which sets out Agenda 2000 reform in the arable crops sector, limits the penalty rates in case of a Blair House overshoot to EUR 23.07/MT in 2000/01 and EUR 9.37/MT in 2001/02. Limits to the penalties are not foreseen by the Blair House Agreement.

With regard to the other part of the Blair House Agreement, i.e., the ceiling on industrial oilseeds production, it is expected that, during marketing year 2000/01, the EU remained within its limits. The Blair House Agreement of 1992 restricts the production of oilseeds on set aside land for industrial (non-food and non-feed) purposes. Production of by-products is limited to 1 MMT of soybean meal equivalent annually. To date, the 1 MMT-limit has not been breached by the EU. Commission Regulation 827/2000 of April 25, 2000 sets out the rules for an ex ante calculation of total output of by-products from industrial oilseeds in the EU, and makes reference to corrective measures to be taken in case the 1 MMT-limit is expected to be exceeded.

As of marketing year 2002/03

Compensatory payments for EU oilseeds producers, both under the main scheme and under the simplified scheme, will be based on EUR 63/MT from 2002/03 onwards. Hectare payments will be calculated on the basis of the average cereal yield in each production region. The option of using the oilseeds yield as a basis will no longer exist. According to the European Commission, the equalisation of compensatory payments for both cereals and oilseeds will do away with the crop-specificity of oilseeds payments and Blair House. Consequently, the Blair House Agreement will no longer be valid as of 2002/03. The U.S. position remains that, as the Blair House Agreement on oilseeds was incorporated into the EU's WTO schedule, it is a multilateral commitment, and the EU will continue to be bound by the provisions of the Blair House Agreement.

Table 1: EU oilseeds plantings: Maximum Guaranteed Area (MGA) under Blair House versus actual plantings in 2000/01; data in 1,000 HA

	MGA	adjusted MGA 1/	Area 2000/01, main scheme (a)	Area 2000/01, simplified scheme (b)	Total oilseeds area (a)+(b)	Difference oilseeds area minus adjusted MGA

Belgium	6.000	5.400	3.607	0.417	4.024	-1.376
Denmark	236.000	212.400	71.596	4.713	76.309	-136.091
Germany	929.000	836.100	717.975	47.431	765.406	-70.694
Greece	26.000	23.400	5.660	16.182	21.842	-1.558
France	1,730.000	1,557.000	1,515.043	64.308	1,579.351	22.351
Ireland	5.000	4.500	1.481	0.095	1.576	-2.924
Italy	542.000	487.800	337.288	203.277	540.565	52.765
Luxemb.	2.000	1.800	1.839	0.306	2.145	0.345
Netherl.	7.000	6.300	0.582	0.105	0.687	-5.613
U.K.	385.000	346.500	319.848	1.152	321.000	-25.500
Spain	1,168.000	1,051.200	688.032	180.816	868.848	-182.352
Portugal	93.000	83.700	49.786	5.501	55.287	-28.413
Austria	147.000	132.300	66.156	16.024	82.180	-50.120
Finland	70.000	63.000	35.815	15.974	51.789	-11.211
Sweden	137.000	123.300	42.595	2.209	44.804	-78.496
Total EU-15	5,482.000	4,933.800	3,857.303	558.510	4,415.813	-517.987

1/ equals total Maximum Guaranteed Area minus 10 percent

Source: European Commission

Policy - Trade Policy

Oilseeds and oilmeals can be imported duty-free into the EU, while import duties for vegetable oils are at levels generally lower than 10 percent. EU internal prices for oilseeds fluctuate with the world market.

The WTO schedule of the European Communities includes subsidy quantity and outlay commitment levels for rapeseed exports. See Table 2. However, since the implementation of the Uruguay Round, the EU has not used export subsidies for rapeseed.

Table 2: WTO annual and final outlay and quantity commitment levels of the European Communities for rapeseed, 1995/96-2000/01 (July/June basis)

	Maximum outlay commitment levels Million EURO	Maximum quantity commitment levels 1,000 MT rapeseed
1995/96	40.7	126.8

1996/97	38.1	122.2
1997/98	35.5	117.6
1998/99	32.9	113.0
1999/00	30.3	108.4
2000/01	27.7	103.8

Source: Schedule CXL: European Communities, Part IV-Agricultural Products: Commitments limiting subsidization

OLIVE OIL

Olive oil - Production

Olives are grown on about 2 million farms throughout the EU. Small olive oil producers (producing maximally 500 kg of olive oil annually) account for over 60 percent of producers and for about 20 percent of production.

Generally, EU olive oil production represents about 75 percent of world production. During marketing year 1997/98, the EU's share amounted to 86 percent, a consequence of both a record-high EU output and below average production levels in Syria, Turkey and Tunisia. In marketing year 1998/99, EU olive oil production decreased by 19 percent to 1.951 MMT, and about the same level is forecast for 1999/2000.

The development of EU olive oil production over the last 5 years is shown in Table 3. The large increases in production during marketing years 1996/97 and 1997/98 have mainly been on account of Spain. The resulting overshoot of the EU Maximum Guaranteed Quantity of 1.35 MMT for olive oil production aid has, until 1998/99, led to a reduction in aid in all olive-growing EU Member States. The policy amendments applicable in marketing years 1998/99, 1999/2000 and 2000/2001 have, however, led to a change in the calculation of aid penalties. In 1998/99, overruns of the National Guaranteed Quantities occurred in Spain and Greece. Preliminary calculations show that in 1999/2000 overruns of the National Guaranteed Quantities are expected to have occurred in Greece and Italy. By consequence, producers in these countries will suffer curtailments to production aid levels. See POLICY section.

Output in the current marketing year 2000/01 is expected to rise again above the 2 MMT-level. Spanish production is forecast to increase by 350,000 MT, partially offset by declining production in Italy due to anticipated penalties in 1999/2000. On a world level, production is forecast to increase by 16 percent. Apart from the EU, other countries such as Syria, Turkey, and Algeria will contribute towards this development.

Table 3: EU production of olive oil 1/

Marketing year	Production eligible for production aid (MT)
1994/95	1,463,228
1995/96	1,481,450
1996/97	1,930,278
1997/98	2,394,291

1998/99	Total EU: 1,951,070 of which Spain: 899,991 France: 2,364 Greece: 562,493 Italy: 452,286 Portugal: 33,936
1999/2000 2/	Total EU: 1,945,243 of which Spain: 754,500 France: 2,752 Greece: 441,000 Italy: 700,000 Portugal: 46,991
2000/01 Estimate	Total EU: 2,090,000

Source: Commission Regulations 1463/96, 1478/97, 1483/98, 1542/99, 1642/2000, and 2236/2000.

1/ includes production of table olives, expressed as olive oil equivalent.

2/ estimated production of olive oil, for which production aid may be paid in advance.

Olive oil - Consumption

Traditionally, the majority of olive oil produced around the world is consumed in the countries where it is produced. In the EU, per capita levels of olive oil consumption are highest in producer countries such as Greece (18 kg/year), Spain (10 kg/year), and Italy (10 kg/year), while in Northern European countries average consumption levels remain below 1 kg/year. Over the last five years, olive oil consumption in the EU has slowly increased at an annual growth rate of 1-2 percent, an increase mainly on account of Northern European countries. Relatively low olive oil prices, spurred by plentiful supplies, have resulted in increased domestic demand, estimated at 1.855 MMT and 1.875 MMT in 1999/2000 and 2000/01, respectively.

Two years ago, the EU budgeted EUR 45 million for a three-year-promotion campaign starting at the beginning of 1999. About EUR 5 million of this was to be spent on promotion measures for the international market, the remainder was to be used to promote olive oil in the EU. Given that, in the recent past, the domestic market has been characterized by an oversupply of olive oil, the promotion campaign was to contribute towards balancing the market. The messages to be conveyed were the nutritional values of olive oil, its unique taste and the different qualities available. Emphasis was to be put on the use of olive oil in cooking, whereby the messages had to be adapted to the situation in terms of attitudes, knowledge and the present use of the product in each EU member state.

In recent years olive oil consumption in the U.S., Australia, and Japan has risen concurrently with the rise in per capita income in those countries. In the Middle East also, olive oil has become popular. Given its price premium vis-a-vis other vegetable oils, and its image of healthy, highly nutritional product, olive oil is, to a large extent, perceived as a luxury product.

Olive oil - Trade

During 1999/2000, EU olive oil imports from third countries amounted to 117,000 MT (213,000 MT in 1998/99). The main countries of origin were Tunisia (103,000 MT versus 145,000 MT in 1998/99) and Turkey (12,000 MT versus 56,000 MT in 1997/98). Since the EU is self-sufficient in olive oil, imports represent only a small part of domestic consumption. Preferential regimes with reduction of duties are in place for some Mediterranean basin countries (see Trade Policy section).

Total olive oil exports to third countries in 1999/2000 equalled 276,000 MT, a 48-percent increase from 1998/99 (186,000 MT). Exports to the U.S. (132,000 MT) represented 48 percent of total EU exports, the remainder was shipped to Japan (25,000 MT), Australia (23,000 MT), Brazil (18,000 MT), Canada (17,000 MT), and other countries (61,000 MT).

EU olive oil exports are expected to increase in 2000/01. During the first half of marketing year 2000/01, total export licenses awarded by the European Commission equalled 133,471 MT, 25 percent more than the 106,701 MT exported during the first half of marketing year 1999/2000. The gradual elimination of tariff barriers in countries where olive oil consumption is growing, as well as the increasing acceptance of olive oil as a health oil, constitute supporting factors. Also, in 2000/01 olive oil prices have been particularly attractive, leading to a narrowing of the price premium vis-a-vis sunflower oil.

Olive oil - Policy

Olive oil - Production policy

The main objectives of the EU olive oil regime are the prevention of large price fluctuations, and providing income security to farmers in the poorer regions of the EU where olives are mainly grown.

Since the implementation of the Uruguay Round on July 1, 1995, the support system in the olive oil sector has been based on a number of institutional prices. In 1997, the European Commission communicated to the European Council and the European Parliament the necessity to reform the common market organization of the olive sector. In working out reform proposals for the production-based subsidy system in place, the European Commission was mainly thinking about a system linking subsidies to the number of productive trees.

A structural reform of the EU olive oil regime is, however, postponed until the European Commission obtains reliable information, particularly with regard to the number of olive trees, planted area and yields. The original Commission intent was to create, during the period 1998/99-2000/01, a Geographic Information System (GIS) based on aerial photograph technology. The GIS would allow cross-checks between the area and production declared by growers and the actual area visible on photo. The information gathered would provide sufficient data to base a future common market organization on.

By the end of the year 2000, the European Commission had to present a reform proposal, which would apply from the 2001/02 marketing year. For the interim period, covering the 3 marketing years 1998/99, 1999/2000, and 2000/01, the European Commission made some adjustments to the system which was in place until the end

of 1997/98. The details are set out below. In the meantime, since progress on the GIS was insufficient at the end of 2000 for drawing up concrete reform proposals, the European Commission proposed to simply extend the existing aid scheme for two further marketing years, continuing aid payments per MT of production within limits of maximum guaranteed quantities per member state. The political agreement reached in the end, during the June 2001 EU Agricultural Council, went even further by extending the existing aid scheme through to marketing year 2003/04.

Current production policy in the olive oil sector

The current production policy, covering the 3 marketing years 1998/99, 1999/2000, and 2000/01, is set out in Council Regulation 1638/98 of July 20, 1998. The three-year extension of this policy, as decided on in the June 2001 Agricultural Council, has not yet been published in the Official Journal of the European Communities.

The EU maximum guaranteed quantity (MGQ), for which olive growers can receive production aid, is set at 1,777,261 MT of olive oil per marketing year (compared to the EU-wide limit of 1.35 MMT until the end of 1997/98). The total is apportioned among the olive-producing EU Member States as follows: Spain (760,027 MT), France (3,297 MT), Greece (419,529 MT), Italy (543,164 MT), and Portugal (51,244 MT).

Production aid is granted to olive growers on the basis of the quantity of olive oil they actually produce. The former provisions relating specifically to aid for small producers were deleted. While the production target price was kept unchanged from the 1997/98 level of EUR 3837.7/MT, the production aid level was lowered from EUR 1422/MT to EUR 1322.5/MT. The EUR 1322.5/MT aid level is a fixed subsidy applicable during marketing years 1998/99, 1999/2000 and 2000/01. Production aids make up the bulk of the total EU budget for olive oil. In its 2001 budget, the European Commission estimates expenditures on production aids to equal EUR 2.391 billion, i.e. 96.7 percent of the total budget. Unit amounts of production aid paid since 1994/95 are listed in Table 4.

EU member states may allocate part of their olive oil national guaranteed quantities (NGQ) to support for table olives. If actual production of a member state is lower than its NGQ in any marketing year, 20 percent of the shortfall will be distributed among the member states that exceeded their NGQs during the same period. The remainder of the shortfall will be added to the member state's NGQ of the following year. Member states that exceeded their NGQs will see their production aid levels lowered by the application of a reduction coefficient. The coefficient is arrived at by dividing the NGQ, plus any increase resulting from the redistribution of other EU member states' shortfall, by the actual production of olive oil.

The system of public buying-in (intervention) was discontinued in 1998/99 and replaced by a system of private storage contracts. The conclusion of private storage contracts is authorized when the average market price falls below 95 percent of the 1997/98 intervention price of EUR 1805.8/MT. In its 2001 budget, the European Commission estimates expenditures on total storage measures to equal EUR 26 million. Consumption aid was abolished.

Production refunds exist in order to facilitate the sale of olive oil for the manufacture of preserved foods. For example, for the months of July and August 2001 the amount of the production refund was set at EUR 44/100 kg. In its 2001 budget, the European Commission estimates expenditures on production refunds to amount to EUR 24 million.

The 2001 budget also foresees to spend EUR 34 million on measures to improve the quality of olive oil production.

Table 4: Unit amounts of production aids to EU olive growers, 1994/95-1999/2000

Marketing year	Unit amount of production aid (EUR/100 kg)
1994/95	Spain+Portugal 98.57 others 108.65
1995/96	129.57
1996/97	99.44
1997/98	80.17
1998/99	Average EU: 112.95 of which: Spain: 112.16 France: 130.40 Greece: 99.05 Italy: 130.40 Portugal: 130.40
1999/2000	Production aid payable in advance 1/: Spain: 117.36 France: 117.36 Greece: 103.38 Italy: 84.98 Portugal: 117.36

Source: Commission Regulations 1463/96, 1478/97, 1483/98, 1542/99, 1642/2000, and 2236/2000.

1/ based on estimated production of olive oil, for which production aid may be paid in advance. In determining the amount of the advance, account was taken of the amount withheld for measures to improve the quality of olive oil.

Olive oil - Trade policy

Trade Policy - Imports of olive oil

With the implementation of the GATT Uruguay Round Agreement, olive oil imports into the EU are subject to a fixed tariff/duty system, reduced by 20 percent over the six-year period of July 1, 1995-June 30, 2001. The Common Customs Tariffs (CCT), which have been applicable since the second half of 2000, are listed in Table 5.

Imports from the Overseas Countries and Territories, Andorra, San Marino, Romania, Bulgaria, and the Western

Balkan countries (including Albania, Bosnia and Herzegovina, Croatia, Former Yugoslav Republic of Macedonia, and Yugoslavia) are duty-free. The Cooperation Agreements between the European Community, and Lebanon and Algeria, provide for a flat-rate deduction of EUR 0.7245/100 kg from the applicable levy. The applicable rate of customs duty can be further reduced by an amount equal to a special charge imposed by those countries on exports of olive oil to the European Union. The maximum amount of this special charge equals EUR 14.60/100 kg for Algeria and EUR 5.796/100 kg for Lebanon.

Both Turkey and Morocco benefit from a 10-percent duty reduction on imports into the EU. Also, the Euro-Mediterranean Association Agreement between the EU and Tunisia provides a special regime for olive oil originating in Tunisia. As of calendar year 2001, further trade liberalization measures have been agreed on between the EU and Tunisia, allowing 50,000 MT of duty-free imports of untreated olive oil originating in Tunisia, whereby license issuance is subject to monthly quantitative limits during the period January-October. No duty reductions apply outside of the quota. Details can be found in Commission Regulation 312/2001 of February 15, 2001.

Table 5: Common Customs Tariff on imports of olive oil into the EU

Product	Import duty (EUR/100 kg net) since July 1, 2000
1509 10 10 (Lampante Virgin)	122.6
1509 10 90 (Other Virgin)	124.5
1509 90 00 (Other olive oil)	134.6
1510 00 10 (Other crude oil from olives)	110.2
1510 00 90 (all other oil from olives)	160.3

Source: EU Tariff Schedule 2001, Official Journal of the European Communities, L 264 of October 18, 2000.

Trade Policy - Exports of olive oil

When olive oil prices within the EU are higher than world market prices, the difference may be covered by an export refund. Export licenses may be applied for through the Common Right system or via a tendering system. The European Commission decides on the level of the export refunds and the number of licenses to award. When EU prices are close to world market prices, the European Commission may opt for not setting any refunds and/or rejecting the bid from exporters.

Exports during both marketing years 1998/99 and 1999/2000 took place without making use of export subsidies. It is expected that no export subsidies will be awarded in 2000/01. EU commitments with regard to subsidized exports of olive oil, as well as actual levels of subsidies notified to the WTO during 1995/96-1999/2000, are

listed in Table 6.

Table 6: GATT ceilings on subsidized exports of olive oil versus actual notifications

Year (November-October)	Annual commitment levels		Actual subsidized exports	
	Outlays (Million EURO)	Quantity (1,000 MT)	Outlays (Million EURO)	Quantity (1,000 MT)
1995/96	79.8	140.5	62.1	135.5
1996/97	74.7	135.4	39.0	140.4
1997/98	69.6	130.3	7.8	94.6
1998/99	64.5	125.2	0.0	0.0
1999/2000	59.4	120.1	0.0	0.0
2000/01	54.3	115.0	not yet available	not yet available

Sources: 1) Schedule CXL: European Communities, Part IV - Agricultural Products: Commitments limiting subsidization, 2) Notifications by the European Communities to the WTO

PRODUCTION - SUPPLY - DEMAND TABLES

Note: all figures are expressed in 1,000 MT, except for area, which is expressed in 1,000 HA

TOTAL OILSEEDS (Rapeseed, soybeans, sunflower seed)

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Area planted	6035	6035	5570	5333	0	5507
Area harvested	6035	6035	5570	5333	0	5507
Beginning stocks	936	936	931	1598	0	1828
Production	15650	15800	14450	13580	0	14250
MY imports (extra-EU)	17500	17192	17800	18600	0	18600
MY Imports from U.S.	7050	6851	7300	7300	0	7650
Tot.MY imp (intra+ extra)	22800	21236	23100	22400	0	22600
TOTAL SUPPLY	39386	37972	38481	37578	0	38678
MY Exports (extra-EU)	2055	1249	1255	650	0	550
Tot. MY exp (intra+ extra)	7355	5474	6555	4450	0	4550
Crushing domest. consumpt.	29700	29450	29700	29750	0	30800
Food use dom. consumption	1300	1350	1350	1450	0	1400
Feed, Seed, Waste Dom. cons.	100	100	100	100	0	100
TOTAL domestic consumption	31100	30900	31150	31300	0	32300
Ending stocks	931	1598	776	1828	0	1828
TOTAL DISTRIBUTION	39386	37972	38481	37578	0	38678
Calendar Year Imports (extra-EU)	15413	15413	17800	17269	0	18000
Calendar Yr Imp. U.S.	5693	5693	7300	6980	0	7375
Calendar Year exports(extra-EU)	1797	1797	1955	834	0	550
Calendar yr exports to U.S.	0	0	0	0	0	0

TOTAL OILMEALS (Rapeseed, soybeans, sunflowerseed)

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Crushing	29700	29450	29700	29750	0	30800
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning stocks	295	295	435	314	0	309
Production	20170	20000	20320	20350	0	21075

MY imports	15950	17600	14050	17650	0	17700
MY Imports from U.S.	275	324	375	820	0	720
Tot.MY imp (intra+ extra)	22700	23374	20800	23625	0	23775
TOTAL SUPPLY	43165	43669	41555	44289	0	45159
MY Exports (extra-EU)	1480	1410	1480	1370	0	1370
Tot. MY exp (intra+ extra)	8230	7890	8230	7345	0	7445
Industrial domest. consumption	34500	35465	32950	36635	0	37470
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	34500	35465	32950	36635	0	37470
Ending stocks	435	314	375	309	0	244
TOTAL DISTRIBUTION	43165	43669	41555	44289	0	45159
Calendar Year Imports (extra-EU)	15740	15740	15950	17429	0	17800
Calendar Yr Imp. U.S.	484	484	225	204	0	1035
Calendar Year exports(extra-EU)	1493	1493	1480	1516	0	1370
Calendar yr exports to U.S.	0	0	0	0	0	0

TOTAL OILS (Rapeseed, soybeans, sunflower seed)

	Revised 1999 10/99		Prelim 2000 10/00		Forecast 2001 10/01	
	Old	New	Old	New	Old	New
Crushing	29700	29450	29700	29750	0	30800
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning stocks	825	825	580	758	0	683
Production	8870	8880	8700	8700	0	8925
MY imports	285	139	285	185	0	160
MY Imports from U.S.	3	3	5	60	0	50
Tot.MY imp (intra+ extra)	3085	2631	3085	2685	0	2760
TOTAL SUPPLY	12780	12336	12365	12143	0	12368
MY Exports (extra-EU)	1900	1842	1700	1635	0	1400
Tot. MY exp (intra+ extra)	4700	4478	4500	4135	0	4000
Industrial domest. consumption	7500	7100	7350	7325	0	7675
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	7500	7100	7350	7325	0	7675
Ending stocks	580	758	515	683	0	693
TOTAL DISTRIBUTION	12780	12336	12365	12143	0	12368
Calendar Year Imports (extra-EU)	243	243	310	150	0	190
Calendar Yr Imp. U.S.	2	2	3	4	0	60

Calendar Year exports(extra-EU)	1972	1972	1850	1678	0	1660
Calendar yr exports to U.S.	2	2	2	1	0	0

RAPSEED

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Area planted	3575	3575	3200	3070	0	3040
Area harvested	3575	3575	3200	3070	0	3040
Beginning stocks	346	346	346	1119	0	799
Production	11400	11500	10000	9100	0	9600
MY imports (extra-EU)	700	838	800	1000	0	1100
MY Imports from U.S.	100	0	100	0	0	0
Tot. MY Imports (intra+ extra)	3500	2902	3600	2800	0	3100
TOTAL SUPPLY	15246	14748	13946	13019	0	13499
MY Exports (extra-EU)	2000	1188	1200	600	0	500
Tot. MY exp (intra+ extra)	4800	3399	4000	2400	0	2500
Crushing domest. consumpt.	9300	9400	9000	8900	0	9200
Food use dom. consumption	800	830	850	920	0	870
Feed, Seed, Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	10100	10230	9850	9820	0	10070
Ending stocks	346	1119	96	799	0	929
TOTAL DISTRIBUTION	15246	14748	13946	13019	0	13499
Calendar Year Imports (extra-EU)	983	983	700	829	0	1000
Calendar Yr Imp. U.S.	1	1	100	0	0	0
Calendar Year exports(extra-EU)	1741	1741	1900	771	0	500
Calendar yr exports to U.S.	0	0	0	0	0	0

RAPSEED MEAL

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Crushing	9300	9400	9000	8900	0	9200
Extr. Rate, 999.9999	5699	5691	5778	5674	0	5652
Beginning stocks	143	143	128	170	0	110
Production	5300	5350	5200	5050	0	5200
MY imports (extra-EU)	500	890	300	700	0	600
MY Imports from U.S.	0	2	0	0	0	0
Tot. MY Imports (intra+ extra)	2500	2604	2300	2400	0	2400
TOTAL SUPPLY	7943	8097	7628	7620	0	7710

MY Exports (extra-EU)	15	7	15	10	0	10
Tot.MY exp (intra+ extra)	2015	1927	2015	1710	0	1810
Industrial domest. consumption	5800	6000	5500	5800	0	5800
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	5800	6000	5500	5800	0	5800
Ending stocks	128	170	113	110	0	100
TOTAL DISTRIBUTION	7943	8097	7628	7620	0	7710
Calendar Year Imports (extra-EU)	598	598	500	839	0	650
Calendar Yr Imp. U.S.	7	7	0	10	0	10
Calendar Year exports(extra-EU)	13	13	15	9	0	10
Calendar yr exports to U.S.	0	0	0	0	0	0

RAPESEED OIL

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Crushing	9300	9400	9000	8900	0	9200
Extr. Rate, 999.9999	4140	4128	4056	4129	0	4130
Beginning stocks	410	410	365	317	0	272
Production	3850	3880	3650	3675	0	3800
MY imports (extra-EU)	5	6	5	5	0	5
MY Imports from U.S.	0	0	0	0	0	0
Tot. MY Imports (intra+ extra)	1305	1186	1305	1205	0	1305
TOTAL SUPPLY	5565	5476	5320	5197	0	5377
MY Exports (extra-EU)	700	628	550	375	0	100
Tot.MY exp (intra+ extra)	2000	1959	1850	1575	0	1400
Industrial domest. consumption	3200	3200	3100	3350	0	3700
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	3200	3200	3100	3350	0	3700
Ending stocks	365	317	370	272	0	277
TOTAL DISTRIBUTION	5565	5476	5320	5197	0	5377
Calendar Year Imports (extra-EU)	7	7	5	4	0	5
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year exports(extra-EU)	706	706	650	464	0	350
Calendar yr exports to U.S.	0	0	0	0	0	0

SOYBEANS

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Area planted	360	360	340	340	0	380
Area harvested	360	360	340	340	0	380
Beginning stocks	92	92	217	293	0	913
Production	1150	1200	1200	1150	0	1250
MY imports (extra-EU)	14600	14095	15000	15600	0	15500
MY Imports from U.S.	6750	6737	7000	7150	0	7500
MY Imports(intra+ extra)	16350	15517	16750	17000	0	16900
TOTAL SUPPLY	17592	16809	18167	18443	0	19063
MY Exports (extra-EU)	25	31	25	30	0	30
MY Exports (intra+ extra)	1775	1416	1775	1430	0	1430
Crushing domest. consumpt.	15500	15000	15800	16000	0	16800
Food use dom. consumption	0	0	0	0	0	0
Feed, Seed, Waste Dom. cons.	100	100	100	100	0	100
TOTAL domestic consumption	15600	15100	15900	16100	0	16900
Ending stocks	217	293	492	913	0	733
TOTAL DISTRIBUTION	17592	16809	18167	18443	0	19063
Calendar Year Imports (extra-EU)	11904	11904	15000	14438	0	15000
Calendar Yr Imp. U.S.	5473	5473	7000	6908	0	7200
Calendar Year exports(extra-EU)	24	24	25	34	0	30
Calendar yr exports to U.S.	0	0	0	0	0	0

SOYBEAN MEAL

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Crushing	15500	15000	15800	16000	0	16800
Extr. Rate, 999.9999	7903	7967	7911	7938	0	7917
Beginning stocks	143	143	293	132	0	182
Production	12250	11950	12500	12700	0	13300
MY imports (extra-EU)	13700	14893	11900	15400	0	15600
MY Imports from U.S.	250	304	350	800	0	700
MY Imports(intra+ extra)	17700	18393	15900	19100	0	19300
TOTAL SUPPLY	30093	30486	28693	31932	0	32782
MY Exports (extra-EU)	1450	1392	1450	1350	0	1350
MY Exports (intra+ extra)	5450	5354	5450	5050	0	5050
Industrial domest. consumption	24350	25000	23000	26700	0	27600

Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	24350	25000	23000	26700	0	27600
Ending stocks	293	132	243	182	0	132
TOTAL DISTRIBUTION	30093	30486	28693	31932	0	32782
Calendar Year Imports (extra-EU)	13353	13353	13700	14817	0	15700
Calendar Yr Imp. U.S.	441	441	200	183	0	1000
Calendar Year exports(extra-EU)	1472	1472	1450	1494	0	1350
Calendar yr exports to U.S.	0	0	0	0	0	0

SOYBEAN OIL

	Revised 1999 10/99		Prelim 2000 10/00		Forecast 2001 10/01	
	Old	New	Old	New	Old	New
Crushing	15500	15000	15800	16000	0	16800
Extr. Rate, 999.9999	1852	1867	1835	1813	0	1801
Beginning stocks	235	235	110	255	0	185
Production	2870	2800	2900	2900	0	3025
MY imports (extra-EU)	5	9	5	5	0	5
MY Imports from U.S.	0	0	0	0	0	0
MY Imports(intra+ extra)	755	637	755	605	0	605
TOTAL SUPPLY	3860	3672	3765	3760	0	3815
MY Exports (extra-EU)	1000	1021	950	1100	0	1150
MY Exports (intra+ extra)	1750	1617	1700	1700	0	1750
Industrial domest. consumption	2000	1800	2000	1875	0	1900
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	2000	1800	2000	1875	0	1900
Ending stocks	110	255	65	185	0	165
TOTAL DISTRIBUTION	3860	3672	3765	3760	0	3815
Calendar Year Imports (extra-EU)	3	3	5	8	0	5
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year exports(extra-EU)	1060	1060	1000	1029	0	1150
Calendar yr exports to U.S.	2	2	2	1	0	0

SUNFLOWER SEED

	Revised 1999	Prelim 2000	Forecast 2001
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	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Area planted	2100	2100	2030	1923	0	2087
Area harvested	2100	2100	2030	1923	0	2087
Beginning stocks	498	498	368	186	0	116
Production	3100	3100	3250	3330	0	3400
MY imports (extra-EU)	2200	2259	2000	2000	0	2000
MY Imports from U.S.	200	114	200	150	0	150
Tot.MY imp (intra+ extra)	2950	2817	2750	2600	0	2600
TOTAL SUPPLY	6548	6415	6368	6116	0	6116
MY Exports (extra-EU)	30	30	30	20	0	20
Tot. MY exp (intra+ extra)	780	659	780	620	0	620
Crushing domest. consumpt.	4900	5050	4900	4850	0	4800
Food use dom. consumption	500	520	500	530	0	530
Feed, Seed, Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	5400	5570	5400	5380	0	5330
Ending stocks	368	186	188	116	0	166
TOTAL DISTRIBUTION	6548	6415	6368	6116	0	6116
Calendar Year Imports (extra-EU)	2526	2526	2100	2002	0	2000
Calendar Yr Imp. U.S.	219	219	200	72	0	175
Calendar Year exports(extra-EU)	32	32	30	29	0	20
Calendar yr exports to U.S.	0	0	0	0	0	0

SUNFLOWER SEED MEAL

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Crushing	4900	5050	4900	4850	0	4800
Extr. Rate, 999.9999	5347	5347	5347	5361	0	5365
Beginning stocks	9	9	14	12	0	17
Production	2620	2700	2620	2600	0	2575
MY imports (extra-EU)	1750	1817	1850	1550	0	1500
MY Imports from U.S.	25	18	25	20	0	20
Tot.MY imp (intra+ extra)	2500	2377	2600	2125	0	2075
TOTAL SUPPLY	5129	5086	5234	4737	0	4667
MY Exports (extra-EU)	15	11	15	10	0	10
Tot. MY exp (intra+ extra)	765	609	765	585	0	585
Industrial domest. consumption	4350	4465	4450	4135	0	4070
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	4350	4465	4450	4135	0	4070

Ending stocks	14	12	19	17	0	12
TOTAL DISTRIBUTION	5129	5086	5234	4737	0	4667
Calendar Year Imports (extra-EU)	1789	1789	1750	1773	0	1450
Calendar Yr Imp. U.S.	36	36	25	11	0	25
Calendar Year exports(extra-EU)	8	8	15	13	0	10
Calendar yr exports to U.S.	0	0	0	0	0	0

SUNFLOWER SEED OIL

	Revised		Prelim		Forecast	
	1999		2000		2001	
	10/99		10/00		10/01	
	Old	New	Old	New	Old	New
Crushing	4900	5050	4900	4850	0	4800
Extr. Rate, 999.9999	4388	4356	4388	4381	0	4375
Beginning stocks	180	180	105	186	0	226
Production	2150	2200	2150	2125	0	2100
MY imports (extra-EU)	275	124	275	175	0	150
MY Imports from U.S.	3	3	5	60	0	50
Tot.MY imp (intra+ extra)	1025	808	1025	875	0	850
TOTAL SUPPLY	3355	3188	3280	3186	0	3176
MY Exports (extra-EU)	200	193	200	160	0	150
Tot. MY exp (intra+ extra)	950	902	950	860	0	850
Industrial domest. consumption	2300	2100	2250	2100	0	2075
Food use dom. consumption	0	0	0	0	0	0
Feed Waste Dom. cons.	0	0	0	0	0	0
TOTAL domestic consumption	2300	2100	2250	2100	0	2075
Ending stocks	105	186	80	226	0	251
TOTAL DISTRIBUTION	3355	3188	3280	3186	0	3176
Calendar Year Imports (extra-EU)	233	233	300	138	0	180
Calendar Yr Imp. U.S.	2	2	3	4	0	60
Calendar Year exports(extra-EU)	206	206	200	185	0	160
Calendar yr exports to U.S.	0	0	0	0	0	0

TRADE STATISTICS

Product: Rapeseed, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	0	U.S.	0
Czech Republic	469	China	521
Hungary	182	Pakistan	385
Russia	57	Bangladesh	146
Lithuania	50	Mexico	56
Slovakia	25	India	39
Poland	16	Morocco	26
Croatia	11	Israel	5
Ukraine	9	Turkey	5
Other	19	Other	5
TOTAL	838	TOTAL	1,188

Product: Rapeseed meal, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	2	U.S.	0
China	328	Switzerland	5
Poland	176	Norway	2
Czech Republic	161		
Canada	74		
Hungary	64		
Slovakia	39		
Ukraine	14		
Pakistan	9		
Other	23	Other	0
TOTAL	890	TOTAL	7

Product: Rapeseed oil, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	0	U.S.	0
Poland	4	India	145
Hungary	2	Russia	71
		Turkey	46
		Pakistan	38
		Algeria	33
		Tunisia	28
		Lithuania	26
		Hong Kong	22
Other	0	Other	219
TOTAL	6	TOTAL	628

Product: Soybeans, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	6,737	U.S.	0
Brazil	6,075	Norway	7
Argentina	536	Czech Republic	6
Paraguay	385	Switzerland	5
Canada	324	Malta	5
Bulgaria	11	Poland	3
Hong Kong	10	Croatia	3
Ukraine	4	Slovakia	1
Uruguay	4	Slovenia	1
Other	9	Other	0
TOTAL	14,095	TOTAL	31

Product: Soybean meal, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	304	U.S.	0
Argentina	7,715	Poland	591
Brazil	6,622	Czech Republic	309
Norway	121	Slovakia	133
Belize	29	Hungary	77
India	28	Switzerland	54
Serbia & Montenegro	16	Algeria	39
Liberia	12	Malta	25
Trinidad & Tobago	10	Nigeria	20
Other	36	Other	144
TOTAL	14,893	TOTAL	1,392

Product: Soybean oil, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	0	U.S.	0
Norway	7	Russia	144
Switzerland	1	Morocco	123
		Turkey	114
		Tunisia	88
		Senegal	78
		Egypt	71
		Poland	64
		Hong Kong	45
Other	1	Other	294

TOTAL	9	TOTAL	1,021
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Product: Sunflowerseed, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	114	U.S.	0
Russia	488	Morocco	20
Romania	383	Switzerland	5
Ukraine	346	Norway	2
Argentina	254		
Bulgaria	223		
Hungary	164		
Slovakia	80		
Moldova	53		
Other	154	Other	3
TOTAL	2,259	TOTAL	30

Product: Sunflowerseed meal, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	18	U.S.	0
Argentina	1,499	Morocco	3
Ukraine	54	Malta	3
Hungary	47	Cyprus	2
Lithuania	47	Slovenia	1
Romania	43	Former Yug.Rep.Maced.	1
Russia	22	Albania	1
Czech Republic	17		
Slovakia	17		
Other	53	Other	0

TOTAL	1,817	TOTAL	11

Product: Sunflowerseed oil, Period: October 1999- September 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	3	U.S.	0
Argentina	90	Algeria	32
Ukraine	17	Switzerland	25
Turkey	7	Cuba	15
Paraguay	3	Czech Republic	11
Hungary	2	Egypt	10
		Morocco	10
		Jordan	8
		Slovenia	7
Other	2	Other	75
TOTAL	124	TOTAL	193

Product: Olive oil, Period: November 1999- October 2000

EU imports from:	1,000 MT	EU exports to:	1,000 MT
U.S.	0	U.S.	132
Tunisia	103	Japan	25
Turkey	12	Australia	23
Senegal	1	Brazil	18
		Canada	17
		Switzerland	7
		Taiwan	5
		Mexico	3
		Morocco	3

Other	1	Other	43
TOTAL	117	TOTAL	276

Total extra-EU trade, Period: October 1999-September 2000 (1,000 MT)

	Imports into the EU	Exports from the EU
Shelled peanuts	389	24
Peanut meal	159	0
Peanut oil	144	7
Fish meal	815	279
Fish oil	147	43
Palm oil	2,027	100

EU trade with third countries, Period: Calendar year 2000 (1,000 MT)

	Imports from third countries	Imports from the U.S.	Exports to third countries	Exports to the U.S.
Soybeans	14,438	6,908	34	0
Soybean meal	14,817	183	1,494	0
Soybean oil	8	0	1,029	1
Shelled peanuts	394	133	21	1
Peanut meal	167	2	0	0
Peanut oil	140	1	4	0
Olive oil	108	0	287	136
Fish meal	845	5	254	1
Fish oil	159	7	46	0

Palm oil	1,988	2	101	0
Sunflowerseed	2,002	72	29	0
Sunflowerseed meal	1,773	11	13	0
Sunflowerseed oil	138	4	185	0
Rapeseed	829	0	771	0
Rapeseed meal	839	10	9	0
Rapeseed oil	4	0	464	0