

## Oil prospects reviewed

*The following five reports on fats and oils outlook for specific nations are based on reports from U.S. Department of Agriculture observers whose reports were received too late to be included in the August JAOCS.*

### Peru

Richard L. Barnes, agricultural counselor in Lima, reports that Peru's output of edible fats and oils is forecast to drop 33% from 122,000 MT during 1980 to 91,000 MT in 1981, almost entirely due to an expected unfavorable fish catch.

Cottonseed oil production remained almost the same this year, and the production of palm oil increased from 6,000 to 8,000 MT. The total figure for fish oil, however, was only 50,000 MT, compared to 78,000 MT last year.

Blended oil prices were recently freed from government control, resulting in a jump in retail prices which, Barnes believes, will cause a major long-term shift from blended to pure vegetable oils. The import trade is expected to shift from fish to soy oil as demand for pure vegetable oil grows.

### France

Overall oilseed production showed a tremendous increase in 1980, according to Norval Francis, U.S., acting counselor for agricultural affairs in Paris. Total rapeseed production doubled in 1980/81 compared to the previous year because of (1) increased acreage and exceptional yields, (2) the development of a new variety and (3) good weather conditions. Production was 1,091,000 MT in 1980 compared to 510,400 MT in 1979, and the figure for 1981/82 is estimated at 1,120,000 MT. Rapeseed oil production was 260,000 MT, compared to 218,500 MT in 1979/80. French rapeseed crushers are now limited by the country's crushing capacity, Francis reports, and oil production is expected to remain the same next year. The 1980/81 rapeseed oil consumption is estimated to be up 9% from 1979/80, from 64,300 MT to 70,000 MT, and is forecast to be up 14% next year, partly due to a promotion campaign for the new rapeseed oil that is low in erucic acid.

Soybean yields were higher in 1980, reaching 14,200 MT from 7,500 ha rather than 17,000 MT from 16,600 ha as in 1979. Francis said that the change in the EEC aid system has encouraged better cultural practices. The area planted in soybeans for 1981/82 is forecast at 10,000 ha, which should produce around 20,000 MT. Soybean oil production was down 13% from 1979/80 to 143,400 MT this season—a result of lower imports of soybeans. A 13% drop in soy meal production (from 747,900 MT to 652,000 MT) is attributed by Francis to the competition from Brazilian soybean meal, sold on the French market at a lower price than domestically produced meal. Soybean oil consumption was 94,000 MT, up from 91,500 MT last season, but, Francis said, soy oil consumption is not high because of French restrictions of the use of soy oil for frying.

Favorable weather improved sunflower yields greatly in 1980/81 and production was 222,100 MT compared to 159,000 MT in 1979/80. Production of oil from sunflower is estimated at 57,400 MT, down from 83,200 MT. Francis said German crushers are paying a better price to French growers for sunflower than what French crushers could pay.

Peanut oil production totaled 41,400 MT in 1980 and is expected to drop to 22,500 MT in 1981, due to the short crop in the U.S. which is the only country able to provide sizable quantities of peanuts meeting the French quality requirements.

### Germany

Rapeseed acreage in Germany has been expanded, according to a report from Andrew Duymovic, U.S. acting agricultural counselor in Bonn. Production in 1979/80 was 377,000 MT and is forecast to rise to 410,000 MT in 1980/81. An increase of 30,000 MT of rapeseed in 1981/82 is forecast.

Soybean meal use has decreased from 2.045 million MT in 1980 to 1.730 million MT in 1981 because higher soybean prices made cheaper rapeseed meal and corn gluten feed attractive substitutes. Duymovic believes the situation will reverse with smaller rapeseed availabilities from Canada and the long-term growth of total protein feed requirements. The U.S. is the major supplier of Germany's soybeans, sunflower seed and peanuts (sunflower meal is popular for winter cattle feeding) but failure to deliver adequate peanut supplies this year has jeopardized future dependence on the U.S. market, Duymovic said.

### Syria

U.S. agricultural attache Pitamber Devgon in Damascus has reported that Syria's total vegetable oil production in 1980 rose to 99,600 MT, up 34% from 74,200 MT in 1979, as a result of the excellent olive crop.

According to Devgon, the increase in the price of olives and their by-products, resulting from an increase in demand, has led the Syrian farmers to plant more trees and to take better care of them. As a rule, approximately 85% of the annual crop is used for oil extraction. Olive oil production is estimated at 70,000 MT in 1980, while a drop in olive production is predicted for 1981 because of the "off" year phenomenon. Most of the olive and olive oil crop is consumed locally.

Cottonseed oil and meal production from the 1980/81 crop are projected at 29,600 MT and 86,000 MT, respectively. The 9% drop in production from the previous year resulted from reduced acreage, a shift from cotton to more profitable vegetables and grains, and pest damage. A decrease in peanut acreage, due to a labor shortage and heavy rains at sowing time, resulted in a 1980 crop of 8,000 MT (unofficial estimates) compared to 12,000 MT in 1979.

Similar problems affected the sesame crop, which was down to 14,000 MT in 1979 from 19,000 MT in 1978. All of Syria's soybean requirements are met by imports, which, in 1980, totaled 15,000 MT of oil and 78,000 MT of meal. Sunflower production has been increasing and reached 11,000 MT in 1979, with a projected increase to 12,000 in 1981.

## Indonesia

Alan Trick, U.S. agricultural counselor in Jakarta, has reported that coconut production increased from 635,000 MT in 1979 to 798,000 MT in 1980, and has estimated a figure of 793,000 MT for 1981.

He pointed out, however, that any discussion of the changes in coconut area and production must be extremely tentative, since it is very difficult to measure the area planted and the quantity harvested from this small holder crop. Optimistic predictions have stressed the increasing success of the new hybrids and the potential of coconuts as a crop for new settlers in tidal swamps and other lands in the outer islands. However, there could be problems with the allegedly advanced age of the trees in most producing

areas and with producers who have shown dissatisfaction with copra prices.

Palm oil production slipped in the first half of 1981, although it is expected to recover later in the year, and total production is forecast at 715,000 MT, up from the 691,000 MT last year. However, statistics on palm oil from different official sources change frequently, Trick said. Exports of crude palm oil were banned by the government from February to April in response to reduced production and increasing domestic demand.

Soybean production fell from 680,000 MT in 1979 to 642,000 MT in 1980, probably attributable to increased rice planting in an extended rainy season and to a dissatisfaction with yields and prices in 1979, according to Trick. The next season's production is expected to increase to 690,000 MT. Soybean imports, almost entirely from the U.S., have been increasing to meet demand and reached 194,000 MT in 1980. Even higher figures are predicted for 1981—perhaps as high as 500,000 MT. Trick believes that there are promising market development opportunities in the promotion of existing Indonesian and "borrowed" soy food products.

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## ASA Antwerp seminar draws 143

The American Soybean Association held its second Soybean Processing Seminar in Antwerp, Belgium, from June 2-4, 1981.

A total of 143 registrants from 23 countries attended the discussions, which drew the general conclusion that physical refining is feasible but very dependent on the pretreatment of the oil. Speakers stressed the need for extremely low phosphatide and iron content and to deactivate enzymes before extraction to simplify the process. Crude degummed soybean oil with a phosphorus content of less than 10 ppm can be obtained by simple water degumming after a heat treatment of the soybean flakes before extraction.

Speakers at the seminar were J. Ong, Central Institute for Food Research, The Netherlands; M. Kock, Noury-Van der Lande, West Germany; G. Penk, Lurgi, West Germany;

V. Young, Vernon Young Consultants, UK; J.M. Klein, Lesieur-Cottelle, France; M. Naudet, ITERG, France; J.B. Rossell, Food Research Assn., UK; R. Beal, A.S.A., U.S.A.; Herman Stage, Destillationstechnik, West Germany; Dr. Grothues, Neusser Öl und Fett A.G., West Germany; and A. Thomas, Unilever, West Germany.

The proceedings will be available this autumn and will be free to the fats and oils industry.

## DGF to meet Sept. 14-17

The Deutsche Gesellschaft für Fettwissenschaft (DGF) will hold its fall meeting from Sept. 14-17, 1981, in Freiburg, West Germany.

The technical program covers a wide range of topics from analysis through equipment on all major fats and oils areas, including edible fats and oils, protein, soaps and detergents, biochemistry of lipids, and others.

The annual meeting also will include presentation of the Normann Medal and H.P. Kaufmann awards.

AOCS member Vagn Jespersen has been re-elected president of the General Assembly of the Association of Edible Fats Manufacturers in Denmark. Jespersen's report stressed the rising costs of energy in all phases of fats and oils processing and the importance of environmental considerations. The group meets again in November.

The U.S. National Renderers Association reports Taiwan firms intend to buy 30,000 metric

tons of U.S. tallow during the next three years.

C.A. Grassas de Valencia, a major Venezuelan soy oil producer, has ordered its fourth steam refining deodorizing system from EMI Corporation of Des Plaines, Illinois. The new system will be a physical process, rather than chemical process, for deodorizing.

Emery Industries' expansion at

its Cincinnati facilities will include an electrolytical hydrogen and oxygen generator manufactured by Electrolyser Corporation of Toronto, Canada. Hydrogen produced will be used in production of industrial fatty acids, the Toronto firm said. The generator incorporates new features to reduce power consumption in production of hydrogen. The generator, now under construction in Canada, is scheduled to be installed during early 1982.

## Simon-Rosedowns new research and development center

Simon-Rosedowns, a part of the Simon Food Engineering Group, recently opened a new 600-square-meter research and development center to work on extraction and processing of vegetable oils. The new facility is equipped to examine and to analyze all types of oilseeds and fats and oils, and to do small scale work on pretreatment, extraction and refining. Variables affecting commercial extraction methods can be studied on the small scale equipment.

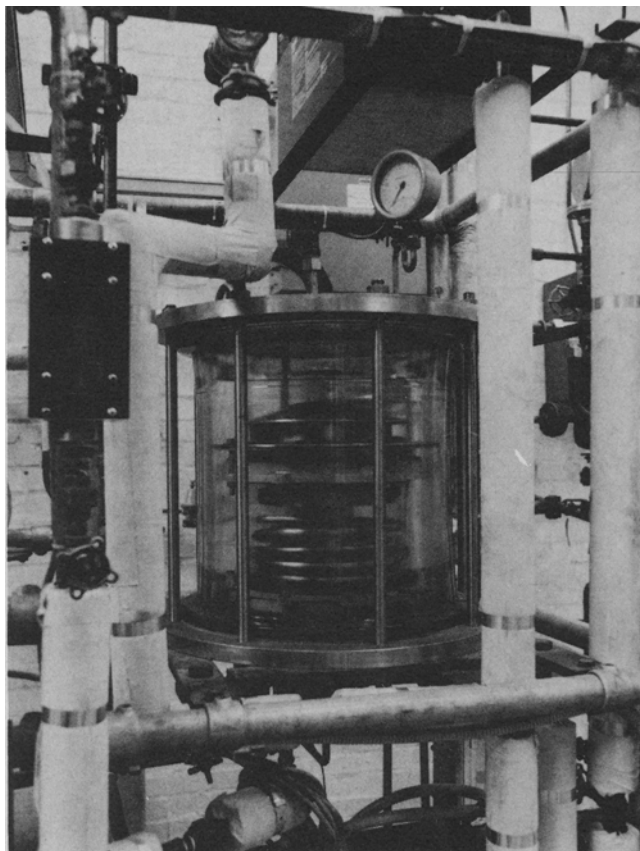
The facilities are available for studying improvements in existing operations and to determine the feasibility of expansion.

## Leepel succeeds Randag at VERNOF

H. Leepel, general director for Croklaan B.V., Wormerveer, has been chosen to succeed J.E.Th.M. Randag as president of VERNOF, the association for manufacturers of edible fats and oils in The Netherlands.

The group includes more than a dozen firms. Randag recently also stepped down as president of the International Association of Seed Crushers.

VERNOF has been a cosponsor and participating organization for and has helped organize AOCS world conferences related to edible fats and oils.



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