

# World oilseed forecast: below last year's record

Preliminary forecasts are that world oilseed production for 1980-81 may not equal the 1979-80 record 178 million metric tons, but with a little help from the weather it could come close.

Much of the expected decline to 162-177 million metric tons will be in the U.S. where less acreage is planted in soybeans or sunflowers, and where soybean yields are not expected to match the above-trend yields of the 1979 crop. In the rest of the world, oilseed production is expected to decline moderately.

Even with decreased production, the record crop of the previous year will keep supplies at high levels.

The U.S. drop in soybean acreage is expected to be about 300,000 acres, down to 71,292,000, primarily attributable to lower prices at planting time contrasted to those of one year ago. Sunflower acreage is expected to be down one million acres, again reflecting lower prices. Decreased acreage in North Dakota and Minnesota is partially offset by increases in Texas.

Following this article is a series of reports on oilseed production, imports, exports and consumption of fats and oils for specific nations based on USDA reports. Most of these articles are based on reports by U.S. agricultural officers around the world and the statistics do not represent official USDA estimates. The data are pulled together by the ag officers from host government sources, industry sources and their own observations.

The USDA estimate for total world oilseed production for the past few years has been revised downward to reflect what USDA feels is more accurate data on oilseed production inside the People's Republic of China. The net result is a decrease of four million metric tons in the estimate of total world production. Thus, earlier this year USDA estimated 1979 production at 182 million metric tons but now says 178 million metric tons is a more accurate figure.



## United States

Record supplies of fats and oils have contributed to generally lower prices in the U.S. The price index for all fats and oils in March 1980 stood at 262, compared to 343 nine

months earlier (1967 = 100).

Prices for soybeans through the summer were expected to average about \$6 a bushel, down 20% from the same time last year.

The USDA says the former guideline that a 30- to 40-cent crushing margin (difference between the cost of a bushel of soybeans and the sale price of the oil and meal it yields) used to be considered profitable, but this no longer is necessarily true as labor and machinery costs have risen, along with materials such as hexane.

U.S. soybean production set a record 2.3 billion bushels in 1979 and, when combined with carryover stocks, provided a total supply for the 1979-80 marketing year of 2.44 billion bushels. Exports of soybeans are expected to total about 820 million bushels by the end of the marketing year. A record 1.1 billion bushels were crushed, providing 12.5 billion pounds of oil and 26.5 million tons of meal.

Domestic soy oil usage for the year is estimated at 9.27 billion pounds and exports at 2.4 billion pounds. Domestic meal usage is expected to total 19 million tons and exports should be 7.0 to 7.5 million tons.

Soybean production for 1980 is not expected to be as high. Anticipated acreage will be 71.3 million acres, about 300,000 fewer than 1979. Yields in 1979 also were larger than normal. Even so, a yield of 29 bushels per acre would produce a second consecutive crop of more than two billion bushels. For the past five seasons, the average yield has been 29.5 bushels per acre.

U.S. sunflower production during 1979 was 3.6 million metric tons; about two million metric tons were exported. Domestic crush was a record 550,000 tons, larger than the total crush for the three previous seasons combined. Of the 210,000 metric tons of oil produced, 150 were used in the U.S. and 35,000 tons exported. All 335,000 tons of meal produced were used domestically. The carry-over of sunflower seed in the 1980-81 crop year will be about one million metric tons.

Sunflower acreage planted this spring was about one million acres below the 1979 acreage, for a total of about 4.5 million acres.

U.S. cottonseed production for 1979-80 is estimated at 5.8 million tons, up 1.5 million tons. Crushings have been lower than the previous year. Lower prices have prompted more domestic use of cottonseed oil, but exports have declined.

U.S. peanut acreage for 1980 will be about the same as 1979, when production was 3.9 billion pounds. Domestic use of peanuts, particularly in peanut butter and peanut candies, has risen; exports have declined from the previous year reflecting improved supplies elsewhere in the world.

## International



### Mexico

The steady expansion of Mexico's oilseed crushing industry has resulted in a surplus capacity of 1 million tons annually over Mexico's needs, according to a report from assistant agricultural attache David Rosenbloom in Mexico City.

As a result, the Mexican government is considering restrictions on imports of such equipment, Rosenbloom announced in a report to Washington this past spring. Total crushing capacity as of late April was 3.96 million tons per

year, including 42 solvent extract plants with a combined capacity of 2.4 million tons annually. An additional 52 expeller or prepress solvent units had a combined annual capacity of 1.56 million tons.

Rosenbloom also said the government views soya protein as a resource to improve the protein-deficient diets of many Mexicans. Current use is less than 2% of total consumption, but the market for soya flour shows considerable promise, Rosenbloom said.

Mexican oilseed production is expected to decline in 1980-81 since water levels are very low in irrigation reservoirs of Sinaloa and Sonora. Soybean production is expected to be down more than 50% to about 300,000 tons. Vegetable oil consumption, however, is expected to rise on the strength of large imports of sunflower, soybean and coconut oils during 1980-81.

Sunflower appears to be gaining acceptance by Mexico's

Continued on page 588A.

### Mexico—Fats and Oils Statistics.

	Area harvested (1,000 ha)	Estimated production (1,000 MT)	Imports (1,000 MT)	Crush and domestic consumption (1,000 MT)	Oil (1,000 MT)	
					Domestic production	Imports
<b>Soybean</b>						
1979-80	380	680	700	1,280	225	25
1980-81	190	300	1,200	1,600	283	30
<b>Sunflower</b>						
1979-80	25	20	200	232	92	5
1980-81	30	25	250	265	106	5
<b>Cottonseed</b>						
1979-80	385	560	105	650	102	
1980-81	350	540	150	705	112	
<b>Safflower</b>						
1979-80	460	590	30	610	217	
1980-81	340	450	10	450	158	
<b>Sesame</b>						
1979-80	260	160		70	28	
1980-81	220	120		70	29	
<b>Peanut</b>						
1979-80	38	45				
1980-81	42	55				
<b>Copra</b>						
1979-80	105	110		110	69	
1980-81	105	120		120	76	15
<b>Rapeseed</b>						
1979-80	3	3	7	10	4	
1980-81	3	3	5	8	3	
<b>Linseed</b>						
1979-80	8	10	7	17	7	
1980-81	11	15	0	15	6	
<b>Castor</b>						
1979-80	8	6		6	3	
1980-81	8	6		6	3	
<b>Palm</b>						
1979-80	1	6		6	3	
1980-81	1	7		7	4	
<b>Totals</b>						
1979-80	1,673	2,199	1,020	2,900	756	30
1980-81	1,300	1,651	1,600	3,300	788	50

## International

farmers—they planted 30,000 hectares in 1980-81, up 5,000 hectares from the previous season.

Sesame is virtually Mexico's only oilseed export crop, with about 50,000 tons of a 120,000-ton crop during 1980-81 expected to be exported. Mexico is crushing increasing amounts of its sesame production. During 1978-79, Mexico exported 100,000 tons of a 130,000-ton crop and during 1979-80, exported 90,000 tons of a 160,000-ton crop.



### Brazil

Although Brazil's soybean production recovered dramatically this past season, unsettled government policy on pricing and exports has created confusion in Brazil's oilseed industry, agricultural officer Lyle Sebranek said in a spring report.

Brazilian soy producers believe their costs are higher than the prices they are receiving. Earlier this year, the government established export taxes on soybean, meal and oil. After producer protests and a government affirmation of the export taxes, the levies were dropped during April.

Sebranek suggested government policy has been aimed at protecting domestic supplies, rather than moving Brazil's crop into export markets. The large crop has made this a relatively good year for producers despite low prices, Sebranek said, and he expects there could be another 5 to 7% increase in soya acreage for the coming growing season.

Such acreage expansion is expected to come mainly in newer soy-producing regions, not in the traditional areas of Rio Grande do Sul, Parana and Sao Paulo. In those regions, Sebranek said, there could be less soy planted next season

as farmers diversify into corn, pasture, rice or sugar cane.

Castor bean production has risen in response to higher prices, Sebranek said. Anticipated decreases in export and domestic consumption may change that, he added, as less expensive substitutes are developed. During late June, forecasts were revised downward to 360,000-390,000 metric tons.

Cottonseed production is expected to stabilize whereas peanut production may drop because of low prices for peanuts, Sebranek said. Government support prices for peanuts are about 15% under what farmers say would be a break-even level.

Babassu oil, used primarily in the soap and related industries, is subject to being replaced by less expensive substitutes; consequently, future production is not expected to rise. Development of a rapeseed crop is still a few years away as present plantings are only enough to expand seed production operations. The crop's cold weather hardiness is seen as a desirable trait in such areas as Rio Grande do Sul, Sebranek said.



### Peru

A lower fish catch means Peru's fish oil production during 1980 will be about 30% lower than that of 1979, U.S. agricultural attache Richard Barnes reports from Lima.

The anticipated 1980 fish catch of 2.25 million tons will yield about 90,000 tons of fish oil, Barnes estimated, com-

Continued on page 590A.

### Brazil—Fats and Oils Statistics.

	Area harvested (1,000 ha)	Estimated production (1,000 MT)	Exports (1,000 MT)	Crush and domestic consumption (1,000 MT)	Oil (1,000 MT)		
					Domestic production	Domestic consumption	Exports
<b>Soybeans</b>							
1979	8,175	10,200	638	8,900	1,767	1,200	509
1980	8,730	15,200	1,500	12,700	2,618	1,500	1,000
<b>Cottonseed</b>							
1979		913		913	146	112	34
1980		996		996	144	95	49
<b>Peanuts</b>							
1979	286	460	30	441	94	13	81
1980	300	480	35	445	97	12	85
<b>Castor beans</b>							
1979	371	370	*	412	163	40	140
1980	380	465	*	450	191	35	130
<b>Babassu kernel</b>							
1979		275			151	130	21
1980		235			130	130	

\*Approximately 5,000 tons of castor beans imported in each year, 1979 and 1980.

## International

pared to 132,000 tons of fish oil from the 2.8-million-ton fish catch of 1979.

The result is that Peru will be importing edible oils, probably about 28,000 metric tons of fish oil, 35,000 metric tons of soy oil and 5,000 metric tons of tallow, Barnes forecast.

Total domestic consumption of fats and oils is estimated at 196,400 tons for 1980, or about 9.9 kilos per capita. Preliminary figures for 1979 indicate total domestic consumption of 200,800 tons, or about 10.6 kilos per person. In 1977, total domestic consumption was 224,700 tons, about 12.6 kilos per person.

Peru has undertaken a major palm oil production effort. By the end of 1980, about 5,250 hectares will be planted toward a goal of producing 20,000 tons of palm oil by 1984. The eventual goal is to have 40,000 hectares in oil palm plantations to produce about 160,000 tons of oil annually.

### Peru—Fats and Oils Statistics (in thousands of metric tons)

	Estimated production	Imports	Exports
Fish oil			
1979	132		
1980	90	27.8	56
Cottonseed			
1979	21		
1980	25		
Palm			
1979	5		
1980	6		
Other veg. oil			
1979	5		
1980	--		
Lard			
1979	8		
1980	8		
Tallow			
1979	5	5	
1980	4	5	
Soya oil			
1979		20	
1980		35	
Totals			
1979	176	25	56
1980	133	67.8	



### Argentina

With 6.6 million tons oilseed production for the 1979-80 season, Argentine oilseed exports for the marketing year are expected to be about 2.9 million tons, according to U.S. agricultural attache James V. Parker in Buenos Aires.

There should be increased exports of oil and meal, however, because (a) additional crushing facilities were scheduled to begin operation in mid-year, (b) there is increasing demand for sunflower and flaxseed products, and (c) the government is providing a 10% rebate on vegetable oil exports.

Sunflower seed yield for 1979-80 is estimated at a record 1 metric ton per hectare primarily because of increased use of hybrid seed. Sunflower seed crush is forecast at 1.65 million tons, or about 45% of the 3.7 million ton crush of all oilseeds.

Soybean crush also is expected to be a record 800,000 tons, about 30% more than the previous season, because of the new crushing facilities and the rebate for vegetable oil exports.

Parker estimated total vegetable oil exports at 688,000 tons, compared to the previous season's 608,000 tons. Total oilseed meal exports were forecast at 1.56 million tons, compared to 1.38 million tons the previous season.

Domestic consumption of edible vegetable oil is estimated at 342,000 tons, about 5% above the previous year. Sunflower accounts for 80% of the total.

### Argentina—Oilseed Statistics.

	Area planted (1,000 ha)	Estimated production (1,000 MT)	Exports (1,000 MT)	Crush and domestic consumption (1,000 MT)
Sunflower				
1978-79	1,770	1,430		
1979-80	2,000	1,700		1,480
1980-81				1,650
Soybean				
1978-79	1,650	3,700		625
1979-80	1,830	3,400	2,400	800
1980-81			2,860	800
Peanut				
1978-79	400	470		
1979-80	277	232	96	
1988-81			40	180
Cottonseed				
1978-79	690	330		
1979-80	600	360		
Rapeseed				
1978-79		40		
1979-80		50		
Flaxseed				
1978-79		600		
1979-80		751		
Tung				
1978-79		58		
1979-80		85		
Totals				
1978-79	4,700	6,600		
1979-80	5,200	6,600	2,500	3,300
1980-81			2,900	3,700

Continued on page 620A.



### Uruguay

Uruguay's domestic edible oil production and consumption will be about equal to 1979 during 1980, so no edible oil exports are forecast by U.S. agricultural attache James Parker, based in Argentina.

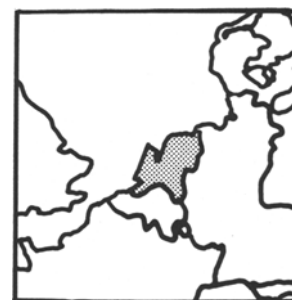
There could even be imports of 5,000 to 7,000 tons of edible oil, Parker estimates, mostly sunflower oil.

An improved flaxseed crop, however, means linseed oil exports should rise from about 9,000 tons during 1979 to 21,000 tons during 1980. Meal export forecasts for 1980 (with 1979 estimates in parentheses) are: linseed, 35,000 tons (18,000); sunflower seed pellets, 4,000 (4,468); soya meal 10,000 (12,200).

Inflation and rising production costs reduce incentives to farmers to produce more oilseeds, Parker said. The government could limit imports and set domestic prices paid to consumers above world market prices—or it could allow importing of less costly foreign oils and expect further cut-backs in plantings by farmers, Parker said.

Uruguay—Fats and Oils Statistics (in thousands of metric tons).

	Oilseed estimated production	Oil		
		Domestic production	Imports	Domestic consumption
Sunflower				
1979	51	13.5	4.19	17.69
1980	55	14	7	21
Soybean				
1979	35	6.125		5.125
1980	30	5		2
Peanut				
1980	2.5	4-5		
Olive				
1980		.075		
Corn				
1980		.18		
Grape seed				
1980		.25		
Flaxseed				
1979	31	8.37		1.7
1980	80	21		1.8



### The Netherlands

Dutch oilseed crushings are expected to continue during 1980 at the record-setting level of about 3.1 million metric tons achieved in 1979, according to a report from the U.S. embassy staff in The Hague.

Oilseed imports during 1979 totaled about 3.4 million metric tons, plus another 1 million tons of fats and oils. Those import levels are expected to continue through 1980, with perhaps more skewing toward oilseeds rather than fats and oils. The oilseed imports for 1979 were about 25% higher than in 1978; fats and oils imports were up 10% for the same period.

The U.S. provided about 79% of the Dutch oilseed imports and about 12% of the fats and oils imports during 1979.

Most Dutch exports move to European Economic Community (EEC) nations (about 71%) and another 7% goes to other developed nations. About 22% moves to Africa, Latin America, the Middle East and other developing nations.

Estimates for 1980 are that soybean crushings will be about 2.5 to 2.9 million tons. The report from The Hague said, "One development seems to be clear, The Netherlands is more and more becoming the crude oil and margarine supplier of surrounding West European countries."

A 250,000-ton sunflower seed plant being built by Cargill should be completed the last half of 1980 and begin full operation during 1981, the report said.

On the subject of policy matters, the report said adding Spain and Portugal to the EEC (by 1983) may revive proposals for a tax on fats and oils used to manufacture margarine and other high-fat products such as cooking oils and salad dressings. Growing dairy surpluses spur such talk, the report said.



### Greece

Greece's entry into the EEC on Jan. 1, 1981, will be the major development in the Greek oilseed industry during the next 12 months, according to a report from U.S. agricultural attache Wilferd L. Phillipsen in Athens.

"Domestic consumption of olive oil will decline because of a considerable price increase at the retail level, surpluses of olive oil will be bought by the EEC and excessive supplies of olive oil will become an EEC problem, an especially criti-

The Netherlands—Fats and Oils Statistics (in thousands of metric tons).

	Oilseed			Domestic production	Oil		
	Imports	Exports	Crush. and domestic consumption		Imports	Domestic consumption	Exports
Soybeans							
1978	2,557	218.3	2,368	430.4	72.7	168.1	282.4
1979	3,267	332	2,881	529.9	42.3	173.7	381.8
Copra							
1978	72.9	4.3	69.5	43.2	63.2	39.7	54.7
1979	54.3		60.9	37.7	54.8	33.3	48.2
Palm kernel							
1978	54.3	.7	47.3	22.4	57.3	23.5	28.6
1979	34.4		36.8	17.5	69.4	21.1	36.9
Palm							
1978					157.9	49.7	71.4
1979					169.5	38.2	78.3
Rapeseed							
1978	49.5	7.2	59.1	22.8	14.6	11.2	23.1
1979	83.6	9.6	85.6	33.7	31.9	29.2	28.8
Sunflower							
1978	7.0	1.1	4.1	1.6	35.5	18.8	8.9
1979	3.7	0.8	0.3	0.1	37.8	15.7	7.7
Flaxseed							
1978	27.7		27.9	10.5	31.6	23.7	
1979	7.0		5.1	1.9	3.4	18.3	
Other							
1978	2.7		6.4	1.4	22.8		
1979	.4		5.8	1.2	46.7		

cal one after the two Iberian (Spain and Portugal) countries join the EEC," Phillipsen wrote. "Under these circumstances, the EEC can be expected to take measures to restrict the importation of oilseeds and products because, without restrictions, there will be a rapid shift from olive oil consumption to consumption of other, lower-priced oilseeds."

Olive oil production for 1979-80 is estimated at 204,000 metric tons, compared to the previous year's 234,975 tons. Adverse weather is blamed for the drop. Olive oil exports are forecast at 20,000 tons, mostly to Italy. Year-ago exports were about 40,000 tons, an abnormal amount because of government programs to reduce government-held stocks. Domestic consumption of olive oil for 1979-80 is forecast at 215,000 metric tons, compared to 210,000 tons the previous year.

A second soybean processing plant has opened, which is expected to raise 1980 imports of soybeans to 140,000 tons, all from the United States, compared to 120,000 tons during 1979. Soybean oil exports for 1980 are forecast at 20,000 tons (14,000 tons in 1979).

Cottonseed oil production, from 200,000 tons domestic cottonseed and 35,000 tons imported, is expected to be about 28,500 tons during 1979-80.



Italy

Italy's olive oil crop for 1979 is estimated at 2,450,000 metric tons, about 7% above the previous year. Odd years are "on" years for the cyclical crop, whereas even years are "off" years.

The relatively low increase for an "on" year was attributed to poor growing conditions. For the 1979-80 marketing year, beginning stocks are estimated at 130 thousand metric tons, production at 450 thousand metric tons and imports at 110 thousand metric tons for a total supply of 690 thousand metric tons. Approximately 540 thousand metric tons will be used domestically and another 29 thousand tons exported, leaving stocks of about 120 thousand

---

## International

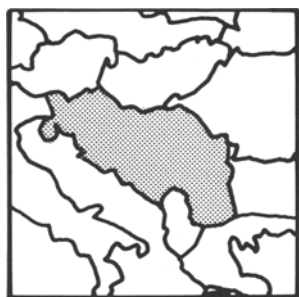
---

tons. That's a relatively low ending stock figure going into an "off" year.

Trade sources say domestic per capita consumption of olive oil is declining, mostly because oilseed oils are less expensive and family budgets are growing tighter. During March 1980, seed oil prices were about a third that of olive oil.

Italy's oilseed industry imported approximately 2.0 thousand metric tons of oilseeds during 1979, about 85% of that soybeans. Domestic oilseed production totaled about 286,000 tons; 56% of that was from rapeseed, 21% from corn germ.

Oil production from oilseeds totaled about 477,000 tons, of which 411,000 was from imported oilseeds. Domestic use of seed oils was about 740,000 tons. Consumption is not expected to rise significantly during 1980, as there were large stocks on hand at the start of the year and the Italian government is expected to promote use of olive oil. Peanut oil consumption may rise as cost drops, whereas sunflower oil use may fall.



### Yugoslavia

Yugoslavia produced a record 272,000 metric tons of oil during 1979, compared to the 266,000 tons in 1978, based on a report from Belgrade by U.S. agricultural attache James Freckmann.

The report said sunflower oil production was about 190,000 metric tons during 1979, compared to 196,000 tons during 1978. Adverse weather reduced sunflower yields despite increased acreage, the report said. The 1980 plantings are expected to increase to 270,000 hectares from the 257,000 hectares of 1979 and 249,000 hectares of 1978. A return to normal yields would mean an upturn in sun oil production.

Government forecasts of a near-doubling of soybean plantings to 50,000 hectares from 27,000 hectares are not likely to materialize without government subsidies, Freckmann said, because soy prices are low.

Consumption of edible vegetable oils is expected to continue rising, but at a slower rate. Consumption during 1979 was about 252,000 metric tons, including 175,000 tons of sun, 45,000 tons of soy, 30,000 tons of rapeseed oil and 2,000 tons of olive oil. Soybean and rapeseed oil usage is expected to rise.

Freckmann forecasts that Yugoslavia will import about 280,000 tons of soybeans during 1980 for crushing at the Zadar plant. A new soy processing plant at Becej has been delayed and is now expected to be ready during 1981; estimated capacity is 160,000 tons per year.



### Eastern Europe

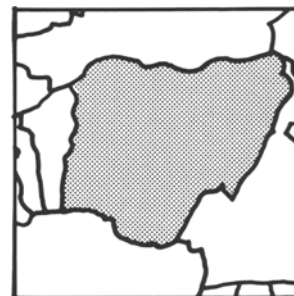
Eastern European oilseed production during 1979 is estimated by the USDA at 3.6 million tons, about 7% below the previous year. Increased winter rapeseed plantings and increased spring oilseed plantings are expected to mean an increase for 1980, the USDA says.

The low-erucic acid varieties of rapeseed are being introduced to farmers throughout Europe, but seed currently available yields less than the high-erucic varieties.

Eastern Europe's imports of soybeans and meal during 1980 should be about equal to 1979, the USDA says, when the U.S. provided 700,000 tons of the 760,000 tons of soybeans Eastern Europe imported and 1.6 million tons of that area's 3.5 million tons of soy meal imports.

Per capita consumption of vegetable oil in Eastern Europe during 1978, the last year for which data are available, range from 1.9 kilos in East Germany to 14.6 kilos in Bulgaria. Other nations: Hungary, 3.8 kilos; Czechoslovakia, 6.9 kilos and Poland, 7.0 kilos. Per capita consumption for 1977 in Yugoslavia was 10.8 kilos; the 1979 figure was unavailable.

Record production of sunflower and soybeans were recorded during 1979 at 2.3 million tons and 600,000 tons, respectively, the USDA said. Rapeseed production at 700,000 tons was the smallest of the decade. Hungary and Rumania had sizable gains in sunflower seed, whereas Bulgaria and Rumania had significant increases in soya.



### Nigeria

Nigeria remains an oils- and fats-importing nation, and only limited changes are expected during the coming year, according to a report from agricultural attache George Pope in Lagos.

Oilseed production declined in 1979-80 compared to the previous season, partially because of weather conditions, and a rebound to previous levels is forecast for 1980-81 by Pope.

Nigeria's only oilseed export crop is palm kernel; 220,000 tons of a 335,000-ton 1979-80 crop were exported and a forecast says 230,000 tons of a 345,000-ton crop in 1980-81 will be exported. Domestic production of palm kernel

---

Continued on page 624A.

---

## International

---

oil is forecast at 77,000 tons for 1980-81—35,000 will be used domestically and 45,000 tons exported.

Peanuts, the largest oilseed crop, totaled about 400,000 tons in 1979-80, all of that being used domestically along with 2,000 tons of peanut imports. For 1980-81, production is forecast at 550,000 tons for total domestic usage. Peanut oil production is forecast at 234,000 tons, all being consumed domestically, plus an additional 6,000 tons peanut oil imports.

Cotton production declined in 1979-80 because producers were dissatisfied with pricing, marketing and credit problems. Production was about 65,000 tons, expected to rise to 85,000 tons for 1980-81, all of which will be consumed domestically. Pope forecasts cottonseed oil imports of 35,000 tons for 1980-81, compared to 40,000 in 1979-80.



### USSR

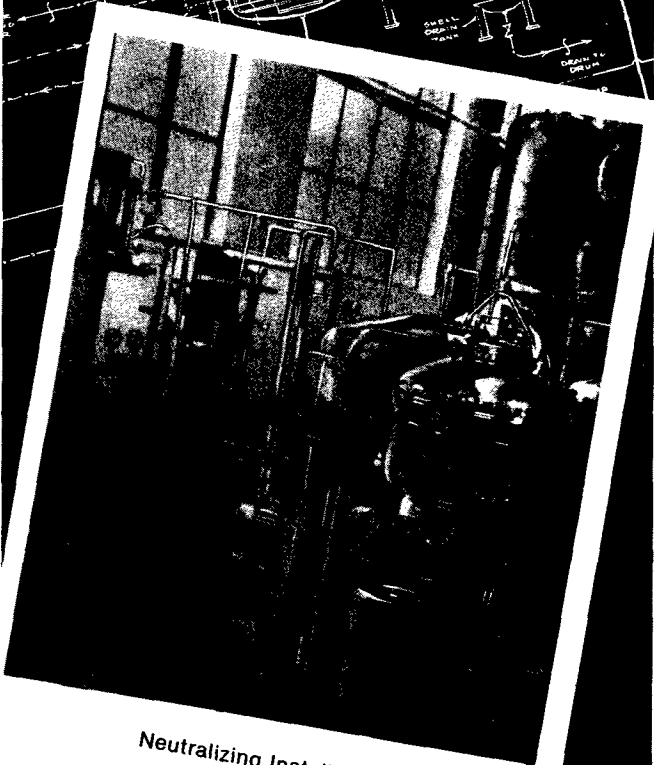
USDA estimates are that Soviet oilseed harvests during 1980 will be short of goals again, if only because it appears unlikely the sunflower crop can climb to 7.7 million metric tons (the goal) from the previous season's 5.37-million-ton production.

Articles in Soviet publications have attributed sunflower shortfalls to declining seed quality, insufficient fertilizer, herbicide and defoliant, and the failure of farmers to plant sunflower in better land, according to a review of Soviet agriculture published recently.

For 1979, other oilseed production figures were 600,000 tons of soybeans, down 40,000 tons; 5.17 million tons of cottonseed, up 370,000 tons and 20,000 tons of rapeseed, up 10,000 tons.

Vegetable oil production during 1979 fell to 2.8 million tons from 1978's 2.97 million tons. Per capita consumption of vegetable oils for 1978 was about 8.2 kilograms, about 10% below the goal set by the USSR Academy of Sciences, USDA said. Figures for 1979 were not yet available, but the 8.2 kilograms marked the highest annual total of the decade and compares to a 1971-75 average of 7.4 kilos per capita.

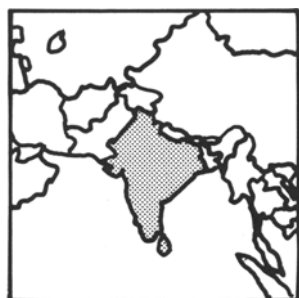
The Soviet crushing industry, which has crushed as much as 9.97 million tons per year (1977), does not have the sophisticated equipment in many Western plants. A lack of meal toasters, for example, means less protein is available because of deterioration. Similarly, soy meal produced from multi-seed plants contains a higher than optimal percentage of oil, which means it can lose the stable condition faster.



Neutralizing Installation







## India

India's imports of edible oils, already above one million metric tons per year, can be expected to rise to two million tons per year in 1980-81, according to a government planning document cited by U.S. agricultural officer John Davenport in a report to Washington this past spring.

"The demand for edible oils would be 5.5 million metric tons against an estimated domestic production of 3.5 million tons, leaving a gap of 2.0 million tons to be filled by import," Davenport said. His estimate of domestic oil pro-

duction for 1979-80 was 3.27 million tons compared to 3.4 million tons for 1978-79.

Per capita availability of edible oils has been declining in recent years, Davenport said. The figure was 15.6 pounds in 1977-78; 15.0 pounds in 1978-79; and 14.5 pounds in 1979-80. During the February 1980 meeting of the Oil Technologists Association of India (OTAI), the fats and oils industry was asked to invest in technological research and to develop marketing and processing facilities to increase availability. Large imports of vegetable oils in recent years have limited incentives for increased domestic production and reduced potential jobs in oilseed processing industries, OTAI registrants were told.

The federal agricultural agency is seeking more funds to develop higher yielding varieties of oilseeds, and asked for higher producer prices as a spur to increased production.

Fats and oils industry representatives, according to Davenport, want to import oilseeds, rather than finished oils, to make use of idle processing capacity. "The government is reported considering action along these lines which could

### India—Fats and Oils Statistics.

	Area harvested (1,000 ha)	Estimated production (1,000 MT)	Crush and domestic consumption (1,000 MT)	Oil (1,000 MT)	
				Domestic production	Imports
Peanut					
1978-79	7,500	6,400	6,351	1,487	1,472
1979-80	7,200	6,000	5,985	1,405	1,402
Cottonseed					
1978-79	8,100	2,800	2,800	200	200
1979-80	8,300	2,550	2,650	200	200
Rapeseed/mustard seed					
1978-79	3,560	1,877	1,877	563	167
1979-80	3,600	1,700	1,700	510	150
Sesame					
1978-79	2,441	540	530	162	162
1979-80	2,200	450	450	138	138
Flaxseed					
1978-79	2,025	514	454	139	139
1979-80	2,100	470	470	143	143
Castor					
1978-79	446	275	265	98	48
1979-80	550	280	290	108	48
Safflower					
1978-79	700	225	225	48	48
1979-80	670	200	200	43	43
Copra					
1978-79	1,086	850	880	225	225
1979-80	1,090	850	850	206	206
Soy					
1978-79					506
1979-80					550
Palm oil					
1978-79					237
1979-80					240
Palm olein					
178-79					125
1979-80					210
Totals					
1978-79	25,890	17,468	3,529	3,442	1,035
1979-80	25,710	12,500	3,158	3,273	1,150

---

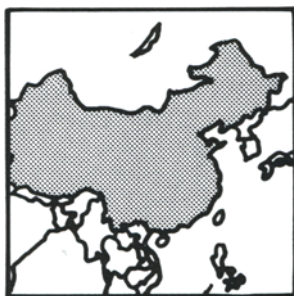
## International

---

result in large-scale imports of U.S. soybeans," Davenport said.

Limited availability also has meant higher prices to consumers, despite government opposition. The state trading corporation may try to maintain a buffer stock of 200,000 metric tons of imported oils—about 2.5 months' supply—to offset spot shortages, Davenport said.

Edible oil exports from India are negligible, about 3,000 tons of peanut oil in 1979-80. Castor oil exports were about 50,000 tons in 1977-78 and 60,000 tons in 1979-80.



### People's Republic of China

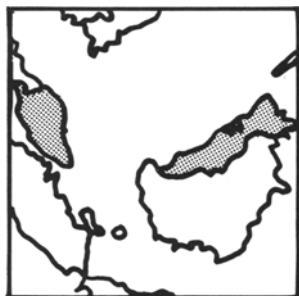
The USDA recently revised downward its past estimates of oilseed production in mainland China by about four million

metric tons annually, based on new data received from the PRC.

The new figures indicate total oilseed production there for 1979-80 was about 18.3 million metric tons, for 1978-79 was 17.2 million tons and for 1977-78, 14.9 million tons.

The 1979-80 figure includes about 8.3 million metric tons of soybeans from stable production during the past three years, USDA says. Other oilseed production figures for 1979-80: cottonseed, 4.41 million tons; peanuts, 2.82 million tons; sunflower seed, 360,000 tons; and rapeseed, 2.4 million tons.

To provide fats and oils for its population, China uses all of its domestic production plus some imports. Imports from the United States have risen steadily in recent years. In the 12-month fiscal year ending October 1978, China imported about 47,000 tons of U.S. soybeans; for the year ending October 1979, the total was 142,000 tons. The USDA estimates that, for the year ending October 1980, the total will be more than one million tons. From October 1979 through February 1980, the first five months of Fiscal Year 1980, exports of soybeans to China totaled about 471,000 tons, four times the amount during the same period the previous year.



### Malaysia

Processed palm oil continues to increase its share of Malaysia's export markets over crude oil. Approximately 80% of 1979 exports were processed oil and an estimated 85% will be processed oil during 1980, according to a report from U.S. agricultural attache Robert Svec in Kuala Lumpur.

Total 1979 palm oil production was estimated at 2,184,000 metric tons, of which 173,000 tons were consumed domestically, 360,000 tons were exported as crude oil and 1,530,000 tons were exported as processed oil. Svec estimated that for 1980 production will be about 2,400,000 tons; 180,000 tons of that will be consumed domestically, 340,000 tons of crude oil exported and 1,880,000 tons of processed oil exported.

Palm kernel oil production is expected to increase from 190,000 tons during 1979 to 220,000 tons during 1980; 1979 exports are estimated at 190,000 tons and forecast at 204,000 tons for 1980.

Malaysia's coconut oil production is used primarily for domestic purposes. Production during 1979 was 120,000 tons—65,000 tons were used domestically and 58,000 tons were exported. Forecast for 1980 is 115,000 tons production, 60,000 tons domestic use and 55,000 tons exported.

Malaysia's new five-year economic plan won't affect palm oil production through 1985, Svec said. Trade estimates are that palm oil production will be 4.8 million metric tons by 1985; government forecasts are for 5.0 million metric tons by 1985.

Continued palm oil expansion may be slower, Svec said, because much of the prime palm oil land has been planted, rising petroleum prices mean natural rubber trees may become more profitable and there is a growing shortage of labor to harvest the palm fresh fruit bunches.

Malaysia's coconut industry "remains in a depressed state," Svec said. Palm oil is used increasingly as a domestic edible oil; coconut usage is dropping, Svec said. Export markets for coconut oil have improved.

Malaysia has in recent years been importing soybean meal for its livestock industry, Svec said, but as new soybean crushing facilities are becoming available, "there will be a shift in imports from soybean meal to soybeans in the latter half of 1980," Svec said. Malaysia imported about 24,000 tons of soybeans during 1979, primarily for processing into food products.

### Philippines

Philippine copra and coconut oil production should rebound in 1980 from a five-year low in 1979 attributed to low rainfall and destructive typhoons, U.S. agricultural attache John E. Riesz said in a report from Manila.

The 1980 forecast for copra production is 2.44 million metric tons, compared to 1979's 2.12 million tons. Coco-

nut oil production for 1980 is forecast at 1.382 million tons, compared to 1.203 million tons during 1979.

Coconut oil exports during 1980 may reach 1.0 million tons, compared to 705,000 tons during 1979. Copra exports are forecast up slightly at 150,000 tons, compared to 145,000 the previous year.

The federal government has sought during the past year to support small farmers through control of subsidy payments only to oil mills and refineries owned or controlled by farmers, Riesz said. The government also has sought to reduce influence of middlemen in copra trading and also to establish more planning in the copra trading and milling industries.

The Philippines produce relatively small amounts of soybeans and peanuts. Oil palm plantings now cover about 3,250 hectares; about 12,000 tons of palm oil were produced during 1979. Castor bean production in 1979 was about 14,000 tons.

Domestic consumption of coconut oil for 1979 was about 250,000 tons, Riesz estimated, of which 84% was used in edible products and the rest in laundry and toilet soap or other uses. □

## American Oil Chemists' Society



## 1979 additions & revisions Official and Tentative Methods of Analysis

PRICES (postage and handling extra):

- 1979 additions and revisions (\$10 per set)
- Complete 2-volume set, including additions and revisions (\$110 per set)