

Required Report: Required - Public Distribution

Date: April 01, 2024

Report Number: SF2024-0007

Report Name: Oilseeds and Products Annual

Country: South Africa - Republic of

Post: Pretoria

Report Category: Oilseeds and Products

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Report Highlights:

Post forecasts that South Africa's oilseed area will be maintained at elevated levels in marketing year 2024/25. South Africa's summer rainfall oilseed crops in marketing year 2023/24 have been affected by an El Niño induced mid-summer drought, resulting in an expected major drop in crop volumes, creating an optimistic outlook for higher crop area in marketing year 2024/25. Oilseeds are important rotational crops. Stable local demand for oilseed crushing, coupled with potential export markets should motivate producers to maintain oilseed area. Despite major investments over the past 15 years to expand oilseed processing capabilities, production has exceeded crushing capacity, shifting excess oilseeds to export markets. South Africa's economic challenges, policy uncertainties, rolling blackouts, high interest rates, utility costs, and inflation are likely to delay significant investments to further expand crushing capacity.

Executive Summary

The Oilseed and Products annual report provides information regarding the production, supply, and distribution of soybean, sunflowerseed and rapeseed in South Africa for marketing year¹ (MY) 2022/23, MY 2023/24, and MY 2024/25.

South Africa's oilseed crop in MY 2023/24 has been affected by an El Niño induced mid-summer drought, resulting in an expected major drop in crop volumes. This will create an optimistic outlook for higher crop area in MY 2024/25. Soybean is an important rotational crop with corn, while rapeseed is typically rotated with wheat. With a stable local demand for oilseed crushing, coupled with potential export markets, Post foresees that the oilseed area in South Africa will be maintained at elevated levels in MY 2024/25. Considering trend yields, Post forecasts a 27 percent growth in oilseed production in South Africa in MY 2024/25 from the drought-reduced soybean and sunflowerseed crops in MY 2023/24.

Post forecasts that South Africa's oilseeds exports will recover to about 380,000 metric tons (MT) in MY2024/25 on higher production. On the contrary, a decline of more than 90 percent in oilseed exports are expected in MY 2023/24 due to the El Niño induced drought. In MY 2022/23, oilseed exports reached record high levels of more than 600,000 MT. In the past, South Africa's trade in oilseeds was generally limited, as the bulk of production was destined for local crushing. As a result, trade was directed to oils and meals. However, with the surge in the local production of soybean and rapeseed and crushing capacity reaching optimal levels, exports were pushed to historical high levels.

South Africa's economic growth outlook over the medium term remains lackluster as prevailing electricity supply shortages, policy uncertainty, and logistical infrastructure challenges continues. Economic woes have limited growth in consumer spending and relatively high food inflation and interest rates have further hampered growth in consumption of both oils and meats. This is expected to limit the growth in the demand for animal feed and plant oils.

¹ *The MY's used in the text refers to the USDA marketing years in the PS&D table, and do not necessarily correspond with the marketing years used by the South African oilseed industry.*

Total Oilseeds

Area Harvested

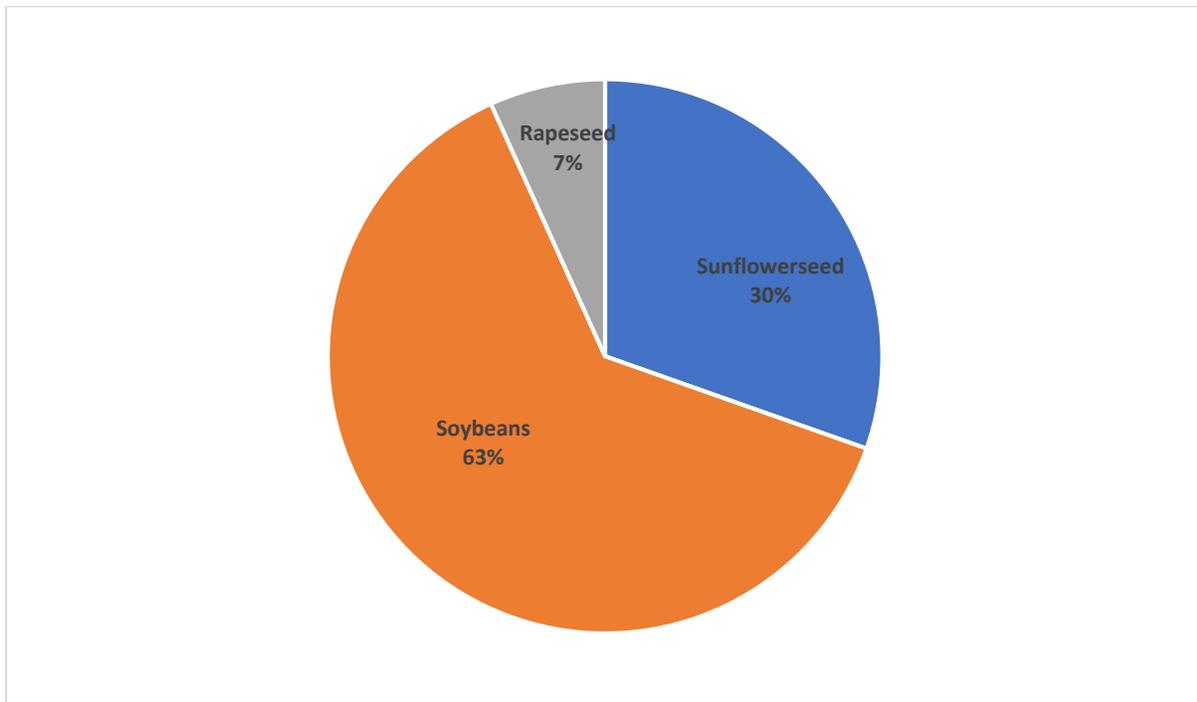
Post forecasts that South Africa's oilseed area will stay flat at elevated levels of 1.8 million hectares (MHa) in MY 2024/25. A drop in local oilseed production is expected in MY 2023/24 due to an El Niño induced mid-summer creating an optimistic outlook for higher crop area in MY 2024/25. In addition, soybean is an important rotational crop with corn and rapeseed with wheat, and with a stable local demand for oilseed crushing, coupled with potential export markets, Post foresees that the oilseed area in South Africa will be maintained in MY 2024/25.

However, corn area is projected to expand. With a corn crop of less than 14 million metric tons (MMT) likely in MY2023/24, a bullish outlook on local corn prices will trigger an expansion in the area to be planted with corn later in 2024 for MY 2024/25. The white corn area is projected to surge most significantly in MY2024/25, as a major drop in white corn production is estimated across the region. White corn is the staple food for many households in the region as it is an important source of carbohydrates.

South Africa's oilseed complex consists mainly of soybean, sunflowerseed and rapeseed grown mainly under rain-fed conditions. Soybean command the largest area or 63 percent of total oilseed plantings (see also Figure 1), followed by sunflowerseed (30 percent) and rapeseed (7 percent). Soybean and sunflowerseed are summer rainfall crops and are produced mainly in the northern parts of South Africa, while rapeseed is produced during the winter months. The Western Cape province in the south of South Africa, a winter rainfall region, accounts for the majority of South Africa's rapeseed production.

Figure 1

Contributions to South Africa's Total Oilseed Area



Source: South African Grain Information Services (Sagis)

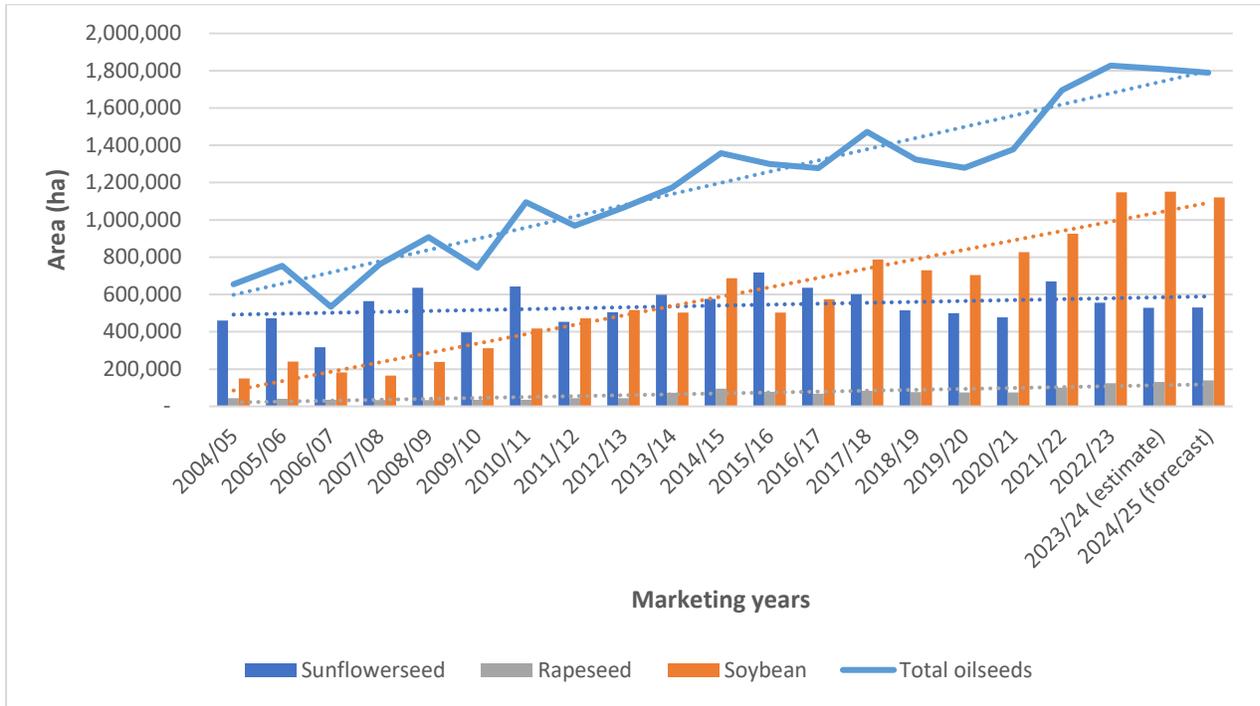
Over the past two marketing years, oilseed area stagnated at around 1.8 million hectares (MHa), after a period of extensive growth over the past 20 years (see also Figure 2). This surge was driven by a 7-fold expansion soybean area as producers realized the benefits in using soybean as a rotational crop with corn. In addition, a substantial local demand for soybean through sizable investments in oilseed processing plants were established. Although soybean is typically thought to be more susceptible to drought than corn, most South African farmers will base their planting decisions on price margins rather than weather predictions.

On the other hand, sunflower area stayed relatively flat over the past 20 years as the sunflower market in South Africa is mature and finely balanced. Producers point out that sunflower yields have not increased like that of other commodities, which is limiting interest in the crop.

Rapeseed production started in South Africa in the late 1990s after the opening of a rapeseed oil refinery in the Western Cape province. The opening of the processing facility's supplied farmers with a new market opportunity and expanded the number of crops in the rotation programs. The area under rapeseed expanded 3-fold over the past 20 years to the current record level. Constant yield growth from new cultivars combined with firm crush demand supported the expansion in rapeseed area.

Figure 2

Trends in the Oilseed Area in South Africa Over the Past 20 Years



Source: Sagis

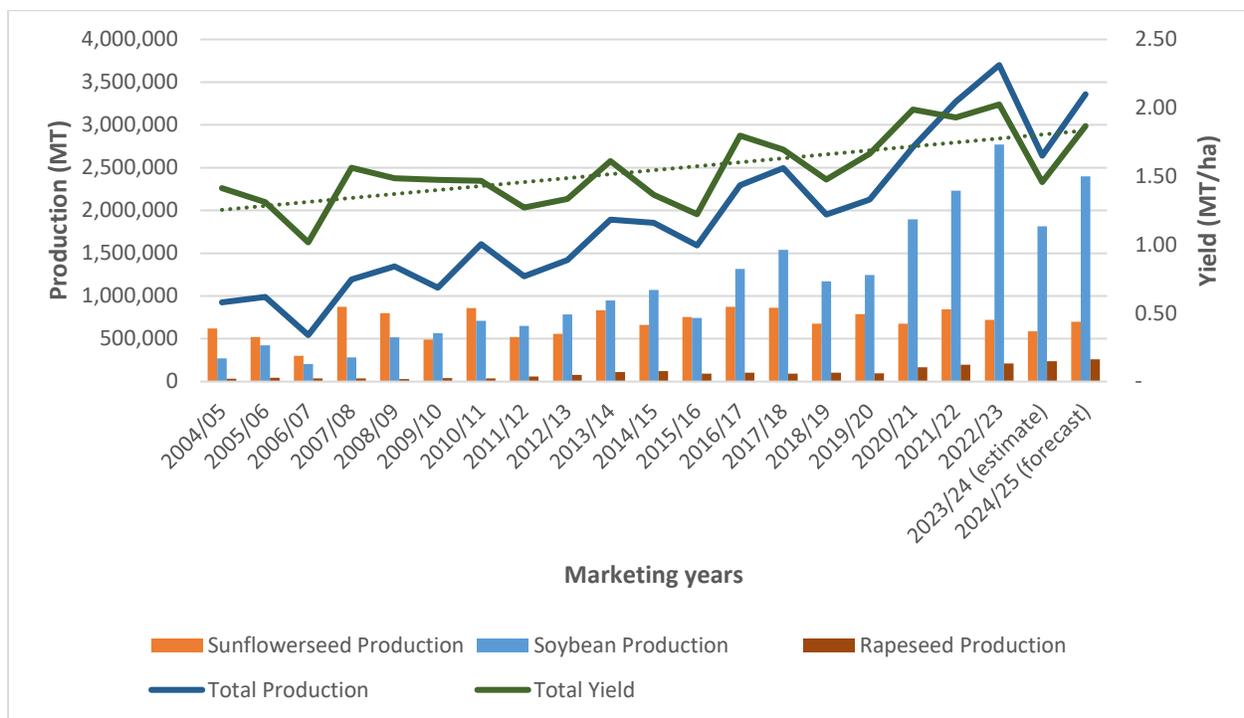
Production

Considering trend yields, Post forecasts a 27 percent growth in oilseed production in South Africa in MY 2024/25 from the drought-reduced soybean and sunflowerseed crops in MY 2023/24. Soybean production is expected to grow by 32 percent to 2.4 MMT, sunflowerseed by 19 percent to 700,000 MT and rapeseed by 10 percent to 260,000 MT (also see Figure 3).

South African producers benefit from international seed technology and investments into local multiplication of oilseed varieties that support yield gains over time. In addition, producers pay a statutory seed levy to the South African Cultivar and Technology Agency (SACTA) on an annual basis. SACTA was formed as a non-profit company to guarantee that breeding and technology levies are paid to seed breeding companies and plant breeder rights holders, ensuring continuous research and cultivar development.

Figure 3

Trends in Production and Yield of Oilseeds in South Africa



Source: Sagis

In MY 2023/24, soybean and sunflowerseed production was off to a reasonable start after decent rainfall was recorded between October and December 2023 over most of the summer rainfall producing areas. However, in the North West province, rainfall was limited and scattered during the first part of the rainy season resulting in low soil moisture. As a result, most producers in the North West province delayed planting until the middle of December after receiving some rain. Favorable conditions in most of South Africa’s oilseed-producing areas during the early parts of January provided conducive growing conditions and improved the likelihood of another bumper crop. However, excessive heat and limited rainfall across South Africa during the later parts of January and February deteriorated the yield potential of the crop.

In early March, Post visited the major oilseed producing areas of South Africa to interview industry analysts and producers and to assess crop conditions. In many areas, especially on the fields where sufficient groundwater is present, the potential for an average yield is still possible. However irreversible damage caused by the mid-summer drought and excessive heat is present in several areas. On these fields, the follow-up rains in March did not significantly improve yields.

This sentiment was shared by the South Africa’s Crop Estimates Committee (CEC) second commercial production estimate for summer rainfall crops on March 26, 2024 (see [Crop Estimates](#)). According to the CEC, South Africa soybeans crop could drop by 35 percent to 1.8 MMT, despite a new record planted area of 1.2 MHa, while the sunflowerseed crop could drop

by 18 percent to 589,000 MT. The CEC released its final estimate for winter rainfall crops on February 28, 2024. Rapeseed production grew by 13 percent to a new record of 237,450 MT. Favorable weather conditions throughout the production season in the Western Cape province pushed rapeseed yields up by 6 percent to 1.8 MT/ha.

On February 8, 2024, the CEC finalized South Africa’s soybeans and sunflowerseed crops for MY 2022/23 at 2.8 MMT and 720,000 MT, respectively. This final calculation considers total producer deliveries in the marketing year as well as on-farm usage. The soybean crop of 2.8 MMT is South Africa’s largest ever produced, driven by a combination of record yield and record area. In MY 2022/23, farmers in South Africa planted a record soybean area of 1.1 MHa, an upsurge of 24 percent from the previous marketing year, surpassing yellow corn area for the first time. The main drivers for the record yield were favorable weather conditions, the use of new production technologies, such as genetically engineered seed and more efficient and effective farming practices. Precision agriculture has been readily adopted by South African farmers who have been able to invest in new technology following consecutive bumper crops. Conservation farming is also gaining in popularity, with no-till practices now favored by famers particularly in Mpumalanga province.

The following table details area planted, yield and production figures for soybean, sunflowerseed and rapeseed for MY 2022/23 (actual), MY 2023/24 (estimate), and MY 2024/25 (forecast).

Table 1

Area (1,000 ha), Yield (MT/ha), and Production (1,000 MT) of Soybean, Sunflowerseed and Rapeseed in South Africa

Oilseeds	Area	Yield	Prod	Area	Yield	Prod	Area	Yield	Prod
	MY 2022/23 (actual)			MY 2023/24 (estimate)			MY 2024/25 (forecast)		
Soybeans	1,148	2.4	2,770	1,150	1.6	1,814	1,120	2.1	2,400
Sunflowerseed	556	1.3	720	529	1.1	589	540	1.3	700
Rapeseed	124	1.7	210	131	1.8	237	140	1.9	260
TOTAL	1,828	2.0	3,700	1,810	1.7	2,640	1,800	1.9	3,360

Source: CEC and Post estimates

Consumption

Crush

The bulk of soybean, sunflowerseed and rapeseed produced in South Africa are crushed to produce both edible oil for human consumption and protein meal for the inclusion in animal feed rations. Sunflower seed is a higher oil yielding seed, therefore more oriented towards human consumption. Sunflower meal, a by-product of the oil extraction process, is sold to local animal feed manufacturers. In contrast, soybeans yield higher protein meal and are mainly crushed to be used by the animal feed sector. Rapeseed is mainly grown to be consumed as an edible oil. The oil is low in saturated fats and high in monounsaturated fats, which makes it a healthier alternative to other plant base oils on the market. Besides cooking oil, rapeseed meal, a byproduct from the extraction process is also used as livestock feed as a respectable source of protein. Rapeseed meal has an ample offtake in dairy and pork production systems in the Western Cape province.

South Africa's total oilseed processing capacity is estimated at 2.7 MMT and is derived from a combination of dedicated soybean and sunflowerseed processing facilities, as well as crushing plants with the ability to switch between soybean and sunflowerseed. The rapeseed processing capacity is estimated at 175,000 MT per annum. Figure 4 illustrates the rising trend in oilseeds crushed in South Africa after investments in oilseed processing capacity over the past 15 years until it stagnated at crushing capacity in MY 2021/22. South Africa's unfavorable economic conditions and additional operational costs imposed by rolling blackouts prevent additional investments to expand crushing capacity. As a result, South Africa drastically expanded exports of soybean and rapeseed in MY 2021/22, when the local production of oilseeds exceeded the current processing capacity.

South Africa crushed a record 2.6 MMT of oilseeds in MY 2022/23. Post forecasts that South Africa will continue to crush around 2.6 MMT of oilseeds in MY 2023/24 and MY 2024/25 as stocks will ensure sufficient supply to fully utilize crushing capacity. Though, with the expected decline in local soybean and sunflowerseed production in MY2023/24, crushing limits will be reached through carry-over oilseed stocks combined with a major drop in soybean exports.

Food Use

The food consumption of soybeans and sunflower seed are relatively small in South Africa and Post does not foresee major growth in the human consumption of soybeans and sunflower seeds in MY 2024/25 and MY2023/24 as demand is limited.

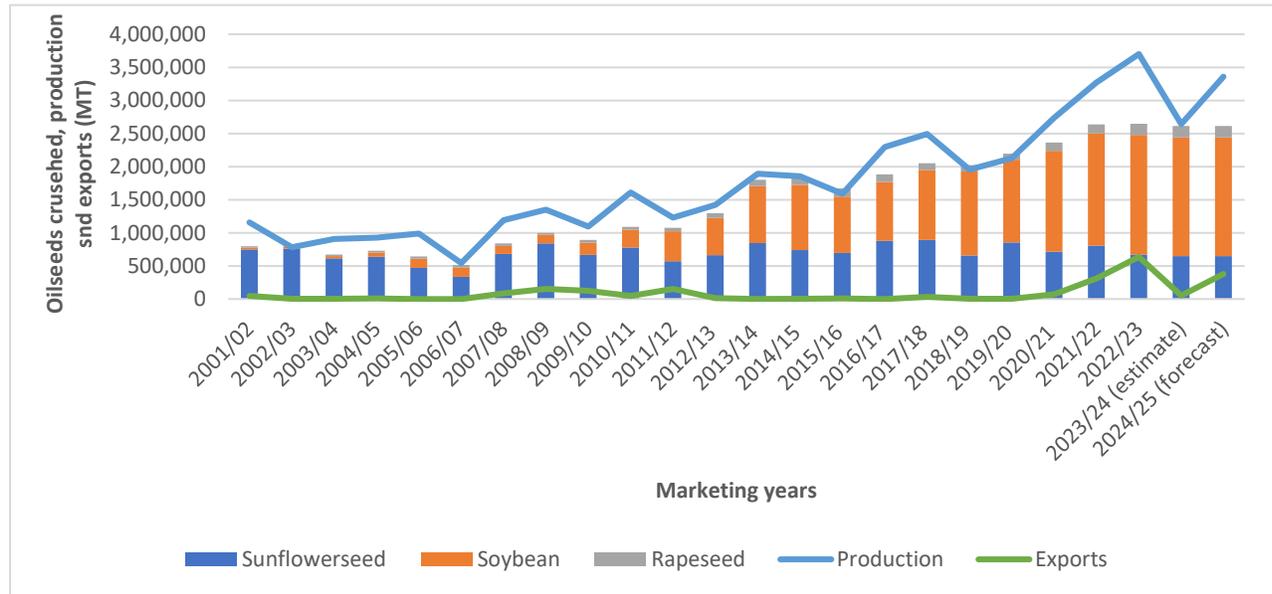
Food, Seed, Waste

Feed, seed, and waste consumption is estimated at around 215,000 MT. Full fat soybean usages for animal feed were 160,000 MT in MY 2022/23 and is expected to continue at the same level in MY 2024/25 and MY 2023/24 on stable local demand.

Table 2 illustrates the domestic utilization of sunflowerseed, soybean and rapeseed in South Africa for MY 2022/23 (actual), MY 2023/24 (estimate) and MY 2024/25 (forecast).

Figure 4

Trends in Oilseeds Crushed in South Africa



Source: Sagis

Table 2

The Utilization of Sunflower Seeds and Soybeans in South Africa

Oilseeds (1,000 MT)	Sun- flower	Soy- beans	Rape- seed	Total	Sun- flower	Soy- beans	Rape- seed	Total	Sun- flower	Soy- beans	Rape- seed	Total
	MY 2022/23 (actual)				MY 2023/24 (estimate)				MY 2024/25 (forecast)			
Crush	673	1,804	172	2,649	650	1,790	175	2,615	670	1,790	175	2,635
Food	2	22	0	24	2	25	0	27	2	25	0	27
Feed, seed & waste	9	202	6	217	10	200	6	216	10	200	6	216
Exports	0	597	39	636	0	0	50	50	0	300	80	380
TOTAL	684	2,625	217	3,526	662	2,015	231	2,908	682	2,315	261	3,258
Imports	13	3	0	16	15	5	0	20	15	5	0	20

Source: Sagis, Post estimates and forecasts

Trade

Post forecasts that South Africa's oilseeds exports will recover to about 380,000 MT in MY2024/25 on higher production following a decline of more than 90 percent in oilseed exports in MY 2023/24 on a major drop in soybean production due to the El Niño induced drought. In MY 2022/23, soybeans and rapeseed exports reached record high levels of 596,247 MT and 38,574 MT, respectively, with Malaysia and China the key destinations for soybean exports (see Table 3). At the end of 2022, South Africa completed export protocols to China, opening the market for exports to the world's largest soybean market. Belgium was the sole destination for rapeseed exports.

In the past, South Africa's trade in oilseeds was generally limited, as the bulk of production was destined for local crushing. However, with the surge in the local production of soybean and rapeseed exceeding crushing capacity, exports were pushed to historical high levels.

Table 3

South Africa's Exports of Oilseeds in MY 2022/23

MY 2022/23			
Countries	Soybean	Rapeseed	Total
	(Mar 1, 2023 – Feb 29, 2024)	(Oct 1, 2022 – Sept 30, 2023)	
Export Destinations			
Bangladesh	54,755	0	54,755
Belgium	0	38,574	38,574
China	147,497	0	147,497
Indonesia	501	0	501
Malaysia	269,972	0	269,972
Mozambique	3,586	0	3,586
Portugal	29,807	0	29,807
Thailand	33,000	0	33,000
Eswatini	2	0	2
Vietnam	56,380	0	56,380
Zimbabwe	1,545	0	1,545
Total Exports	597,045	38,574	635,619

Source: Sagis

Although the current tariff schedule on soybean and sunflowerseed allows tariff-free importation from neighboring countries and the European Union, Post expects that imports of oilseeds will be limited in MY 2023/24 and MY 2024/25, as domestic supply will meet demand.

Table 4*South Africa's Import Tariffs for Oilseeds*

Oilseeds	General	European Union (EU)	European Free Trade Association (EFTA)	Southern Africa Development Community (SADC)	Mercosur
Soybeans	8%	Free	8%	Free	8%
Sunflower seed	9.4%	Free	9.4%	Free	9.4%
Rapeseed	10%	Free	9.4	Free	9.4%

Source: South African Revenue Services (SARS), Sagis

Stocks

Ending stocks of soybeans and sunflowerseed are expected to decline in MY 2023/24 and remain lower in MY 2024/25, on reduced production while crushing facilities will continue to function near capacity. On the other hand, rapeseed ending stocks is expected to rise in MY 2023/24 and remain elevated in MY 2024/25 on higher production. All stocks are stored by producer-owned agribusinesses (formerly cooperatives), traders and processors. However, some famers are increasingly interested in cutting out the middlemen and are installing more on-farm storage to sell directly to crushers. South Africa's storage capacity for grains and oilseeds exceeds 20.0 MMT.

Table 5*Soybean Production, Supply, and Distribution*

Oilseed, Soybean Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	1150	1150	1200	1155	0	1120
Area Harvested (1000 HA)	1148	1148	1125	1150	0	1120
Beginning Stocks (1000 MT)	172	172	212	320	0	124
Production (1000 MT)	2755	2770	2140	1814	0	2400
MY Imports (1000 MT)	10	3	5	5	0	5
Total Supply (1000 MT)	2937	2945	2357	2139	0	2529
MY Exports (1000 MT)	650	597	250	0	0	300
Crush (1000 MT)	1750	1804	1650	1790	0	1790
Food Use Dom. Cons. (1000 MT)	25	22	25	25	0	25
Feed Waste Dom. Cons. (1000 MT)	300	202	275	200	0	200
Total Dom. Cons. (1000 MT)	2075	2028	1950	2015	0	2015
Ending Stocks (1000 MT)	212	320	157	124	0	214
Total Distribution (1000 MT)	2937	2945	2357	2139	0	2529
Yield (MT/HA)	2.4	2.4	1.9	1.6	0	2.1

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

Table 6*Sunflowerseed Production, Supply, and Distribution*

Oilseed, Sunflowerseed Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	560	560	615	530	0	540
Area Harvested (1000 HA)	556	556	615	529	0	540
Beginning Stocks (1000 MT)	54	54	28	103	0	45
Production (1000 MT)	724	720	670	589	0	700
MY Imports (1000 MT)	13	13	5	15	0	15
Total Supply (1000 MT)	791	787	703	707	0	760
MY Exports (1000 MT)	1	0	1	0	0	0
Crush (1000 MT)	750	673	650	650	0	670
Food Use Dom. Cons. (1000 MT)	2	2	2	2	0	2
Feed Waste Dom. Cons. (1000 MT)	10	9	10	10	0	10
Total Dom. Cons. (1000 MT)	762	684	662	662	0	682
Ending Stocks (1000 MT)	28	103	40	45	0	78
Total Distribution (1000 MT)	791	787	703	707	0	760
Yield (MT/HA)	1.3	1.3	1.1	1.1	0	1.3
(1000 HA) ,(1000 MT) ,(MT/HA)						

Table 7*Rapeseed Production, Supply, and Distribution*

Oilseed, Rapeseed Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	125	124	130	131	0	140
Area Harvested (1000 HA)	124	124	130	131	0	140
Beginning Stocks (1000 MT)	23	23	27	16	0	22
Production (1000 MT)	210	210	240	237	0	260
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	233	233	267	253	0	282
MY Exports (1000 MT)	45	39	50	50	0	80
Crush (1000 MT)	145	172	170	175	0	175
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	16	6	17	6	0	6
Total Dom. Cons. (1000 MT)	161	178	187	181	0	181
Ending Stocks (1000 MT)	27	16	30	22	0	21
Total Distribution (1000 MT)	233	233	267	253	0	282
Yield (MT/HA)	1.7	1.7	1.8	1.8	0	1.9
(1000 HA) ,(1000 MT) ,(MT/HA)						

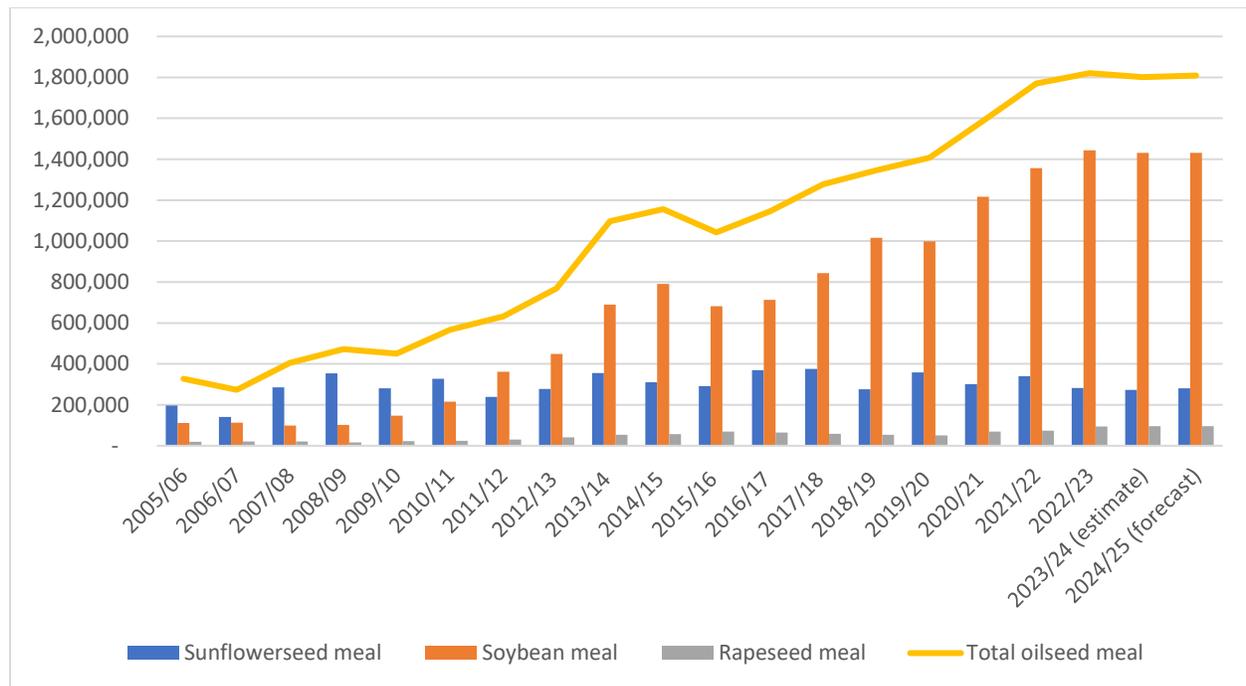
Total Meals

Production

Post forecasts that oilseed meal production will remain flat at record levels of 1.8 MMT in MY 2024/25 and MY 2023/24 as maximum crushing capacity has been reached. Figure 5 illustrates the expanding trend in oilseed meal production in South Africa after investments in oilseed processing capacity over the past 15 years till reaching the current capacity in MY2021/22. In Table 8, the production of soybean, sunflowerseed and rapeseed meal in South Africa is indicated for MY 2022/23 (actual), MY 2023/24 (estimate), and MY 2024/25 (forecast). The extraction rates for meal are estimated by the South African Animal Feed Manufacturers Association at 42 percent for sunflowerseed, 80 percent for soybean and 55 percent for rapeseed.

Figure 5

Trends in Oilseed Meal Production in South Africa



Source: Sagis, Post estimates and forecasts

Table 8*Oilseed Meal Production in South Africa*

Marketing years	Crushed (1,000 MT)			Meal produced (1,000 MT)		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Sunflowerseed (42% meal)	673	650	670	283	273	281
Soybean (80% meal)	1,804	1,790	1,790	1,443	1,432	1,432
Rapeseed (55% meal)	172	175	175	95	96	96
TOTAL	2,649	2,615	2,635	1,821	1,801	1,809

Source: Sagis, Post estimates and forecasts

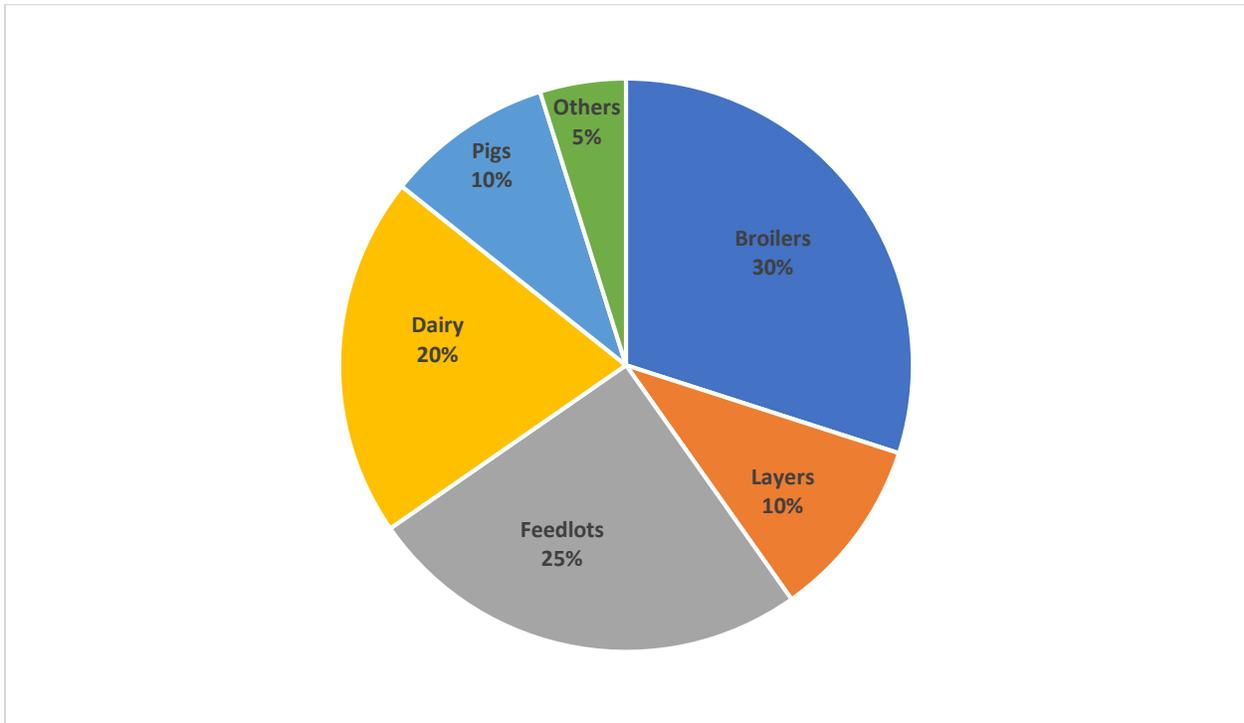
Feed Consumption

Soybean meal is the most common protein used by feed manufactures in South Africa and typically represents more than 70 percent of protein meal usage in animal feed. Soybean meal is followed by sunflowerseed meal, and together these two commodities represent about 85 percent of protein usage by feed manufactures in South Africa. The average inclusion rate of protein meal in feed rations is about 22 percent. Corn, as the key source of carbohydrates, is the main product used by feed manufacturers with more than 50 percent inclusion rate in feed rations. The use of fishmeal as a protein source in feed rations is determined by availability, product mix, and price in relation to other available protein sources. However, the inclusion rate of fishmeal by South African animal feed manufactures has been minimal in recent years at less than one percent.

The production of animal feed by type in South Africa is illustrated in Figure 6. Feed for broilers and layers represent about 40 percent of total feed manufactured in South Africa, followed by feed for cattle and sheep feedlots and the dairy industry.

Figure 6:

Animal Feed Production in South Africa by Type



Source: Animal Feed Manufacturing Association (AFMA)

Post projects a marginal growth in the feed consumption of soybean, sunflowerseed and rapeseed meal in MY 2024/25 over MY 2022/23 to 1.8 MMT (see Table 9). South Africa's economic challenges are likely to repress growth in consumer demand for meat and hamper growth in the poultry and livestock sectors, which will limit demand for animal feed. The country's Gross Domestic Product (GDP) grew by 0.6 percent in 2023 and is expected to expand by only 1 percent in 2024 and 2025. In addition, there is growing pressure on consumer spending due to relatively high inflation and interest rates, coupled with an unemployment rate of more than 30 percent.

South Africa's poultry industry is recovering from a major outbreak of Highly Pathogenic Avian Influenza in 2023, which is expected to hinder significant investments to expand the capacity of the broiler and feed manufacturing industries in the near term, making a major upsurge in the demand for animal feed unlikely.

Table 9*Consumption of Soybean Meal, Sunflowerseed Meal and Rapeseed Meal in South Africa*

Marketing year (1,000 MT)	2022/23	2023/24	2024/25
Soybean meal	1,400	1,410	1,420
Sunflowerseed meal	290	290	290
Rapeseed meal	90	95	95
TOTAL	1,780	1,795	1,805

Source: AFMA, Post estimates and forecasts**Table 10***Meal Demand in South Africa as Soybean Meal Equivalent (SME)*

Marketing year (1,000 MT)	2022/23	2023/24	2024/25
Soybean	1,400	1,410	1,420
Sunflower seed	193	193	193
Canola	64	68	68
Fish	19	18	18
Cotton	12	9	10
Copra	2	2	2
TOTAL	1,690	1,700	1,711

Source: AFMA, Post estimates and forecasts**Industrial Consumption**

South Africa does not consume any notable amount of meal for this purpose.

Food Use

South Africa does not consume any notable amount of meal for this purpose.

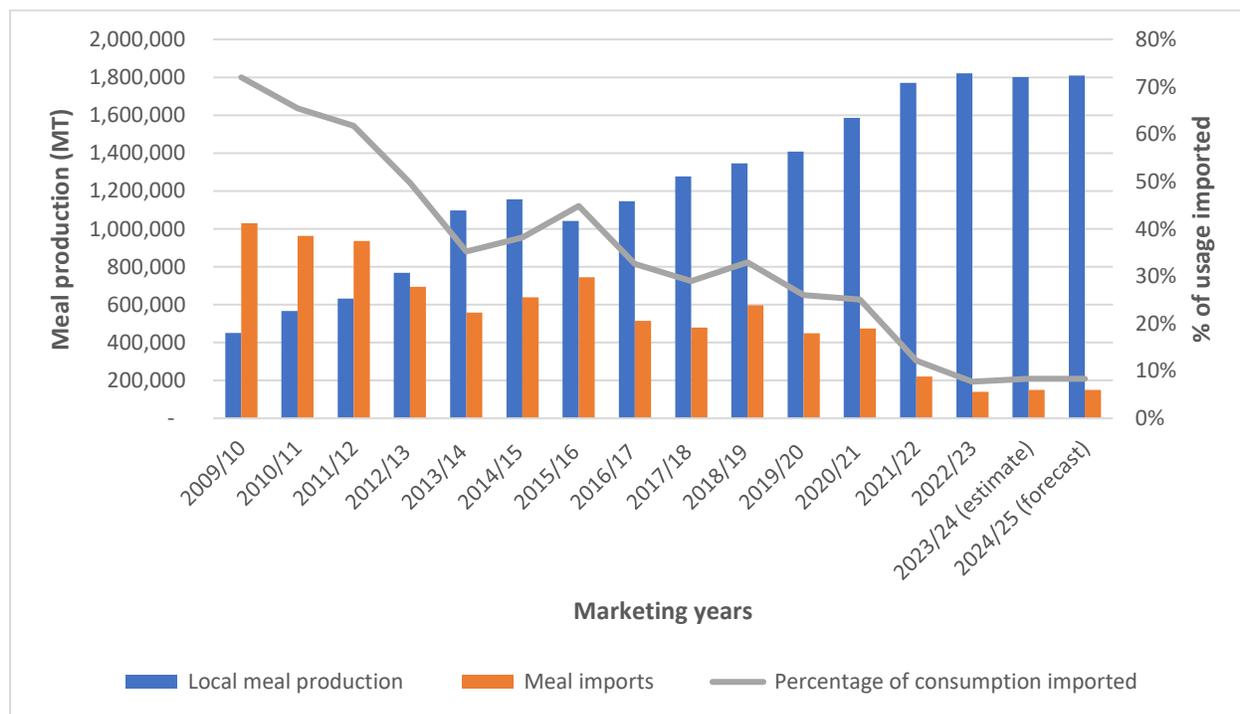
Trade

Post forecasts that South Africa’s oilseed meal imports will stay flat at about 150,000 MT in MY 2024/25 and MY 2023/24 as locally produced meal reached record levels at maximum crushing capacity, while marginal growth in domestic usage is expected. Figure 7 illustrates the trend in the replacement of oilseed meal imports with locally produced oilseed meal in South Africa, after investments that enlarged crushing capacity. Currently less than 10 percent of locally consumed oilseed meal originate from imports. However, the high cost of transportation (mainly by road) from South Africa’s summer rainfall regions in the north, to the Western Cape province in the south, implies that South Africa will continue importing soybean meal to the coastal regions. Most of South Africa’s oilseed meal imports originate from Argentina.

South Africa also exports oilseed meal to its neighboring countries. Post estimates that South Africa will advance oilseed meal exports in MY 2024/25 and MY 2023/24 on sustained local soybean meal production and higher demand in the region following the current drought conditions.

Figure 7

Trends in the Replacement of Oilseed Meal Imports with Locally Produced Meal in South Africa



Sources: Trade Data Monitor LLC, Sagis, and Post estimates and forecasts

Stocks

The stocks for oilseed meal will not fluctuate over the reporting period due to restricted storage capacity. Stocks are privately owned and are limited to about five to six weeks' worth of consumption.

Table 11

Soybean Meal Production, Supply, and Distribution

Meal, Soybean Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	1750	1804	1650	1790	0	1790
Extr. Rate, 999.9999 (PERCENT)	0.7886	0.7999	0.7885	0.8	0	0.8
Beginning Stocks (1000 MT)	132	132	82	160	0	162
Production (1000 MT)	1380	1443	1301	1432	0	1432
MY Imports (1000 MT)	165	120	325	120	0	120
Total Supply (1000 MT)	1677	1695	1708	1712	0	1714
MY Exports (1000 MT)	145	135	130	140	0	145
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	1450	1400	1480	1410	0	1420
Total Dom. Cons. (1000 MT)	1450	1400	1480	1410	0	1420
Ending Stocks (1000 MT)	82	160	98	162	0	149
Total Distribution (1000 MT)	1677	1695	1708	1712	0	1714
(1000 MT) ,(PERCENT)						

Table 12*Sunflowerseed Meal Production, Supply, and Distribution*

Meal, Sunflowerseed Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	750	673	650	650	0	670
Extr. Rate, 999.9999 (PERCENT)	0.4253	0.4205	0.4262	0.42	0	0.4194
Beginning Stocks (1000 MT)	33	33	27	32	0	25
Production (1000 MT)	319	283	277	273	0	281
MY Imports (1000 MT)	20	20	30	30	0	30
Total Supply (1000 MT)	372	336	334	335	0	336
MY Exports (1000 MT)	15	14	15	20	0	20
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	330	290	295	290	0	290
Total Dom. Cons. (1000 MT)	330	290	295	290	0	290
Ending Stocks (1000 MT)	27	32	24	25	0	26
Total Distribution (1000 MT)	372	336	334	335	0	336
(1000 MT) ,(PERCENT)						

Table 13*Rapeseed Meal Production, Supply, and Distribution*

Meal, Rapeseed Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	145	172	170	175	0	175
Extr. Rate, 999.9999 (PERCENT)	0.5862	0.5523	0.5824	0.5486	0	0.5486
Beginning Stocks (1000 MT)	7	7	7	12	0	13
Production (1000 MT)	85	95	99	96	0	96
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	92	102	106	108	0	109
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	85	90	100	95	0	95
Total Dom. Cons. (1000 MT)	85	90	100	95	0	95
Ending Stocks (1000 MT)	7	12	6	13	0	14
Total Distribution (1000 MT)	92	102	106	108	0	109
(1000 MT) ,(PERCENT)						

Total Oils

Production

Post forecasts that South Africa's locally produced oilseed oil remain flat at levels of about 650,000 MT in MY 2024/25 and MY 2023/24 as maximum crushing capacity of oilseeds has been reached. In Table 14, the production of soybean, sunflower and rapeseed oil in South Africa is indicated for MY 2022/23 (actual), MY 2023/24 (estimate), and MY 2024/25 (forecast). The extraction rates for oil are estimated at 38 percent for sunflowerseed, 18 percent for soybeans and 42 percent for rapeseed.

Table 14

Oilseed Oil Production in South Africa

Marketing years	Crushed (1,000 MT)			Oil produced (1,000 MT)		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Sunflower (38% oil)	673	650	670	256	247	255
Soybean (18% oil)	1,804	1,790	1,790	325	322	322
Rapeseed (42% oil)	172	175	175	72	74	74
TOTAL	2,649	2,615	2,635	653	643	651

Source: Sagis, Post estimates and forecasts

Food Consumption

Plant oil consumption in South Africa dropped in MY 2021/22 as prices surged to unprecedented levels, driven by global supply constraints, but returned to normal levels of around 1.3 MMT in MY2022/23. Post forecasts that plant oil consumption will remain at around this level in MY 2024/25 and MY 2023/24. The demand for plant oils is sensitive to changes in consumer purchasing power and as already mentioned there is growing pressure on consumer spending due to relatively high inflation and interest rates, coupled with an unemployment rate of more than 30 percent. These factors will limit the growth in the demand for plant oils in South Africa

Palm oil imports continue to play an important role in the South African edible oil consumption mix, due to its relatively affordability and favorable heating properties. Over the past 10 years, palm oil imports surged by 30 percent to 535,000 MT in MY 2022/23. As a result, the share of palm oil in the total plant oil consumption mix of South Africa accelerated to 40 percent. South Africa imports palm oil mainly from Indonesia and Malaysia. In Table 15, the estimated consumption of soybean oil, sunflower oil, rapeseed oil, palm oil, and other edible oils in South Africa are indicated for MY 2022/23, MY 2023/24, and MY 2024/25.

Table 15*The Estimated Consumption of Plant Oils in South Africa*

Marketing year (1,000 MT)	2022/23	2023/24	2024/25
Sunflower oil	390	390	400
Soybean oil	265	275	275
Rapeseed oil	70	70	70
Palm oil	515	520	525
Other oils	10	10	10
TOTAL	1,250	1,265	1,280

Source: Trade Data Monitor LLC, Post estimates and forecasts

Industrial Consumption

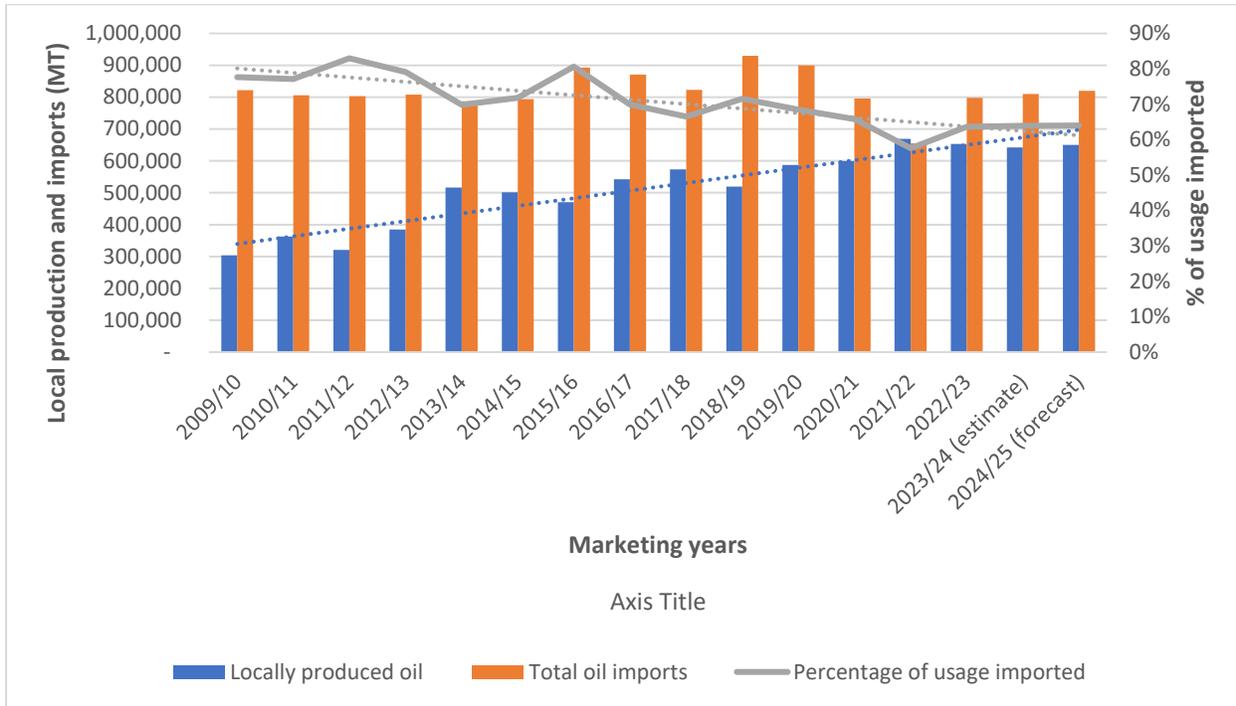
South Africa does not consume any notable amount of oil for this purpose.

Trade

Post forecasts that South Africa's soybean oil and sunflower oil imports will stay flat in MY 2024/25 and MY 2023/24 reflecting a limited growth in domestic use. The three major countries that supplied South Africa with sunflower oil in MY 2022/23 were Bulgaria, the Netherlands and Argentina, while South Africa imported most of its soybean oil from Argentina. The contribution of imported plant oils to local consumption are about 64 percent declining from about 80 percent 15 years ago (see Figure 8).

Figure 8

Trends in South Africa's Local Production and Imports of Edible Oils



Source: Trade Data Monitor LLC, and Post estimates and forecasts

Stocks

No significant fluctuations in sunflower oil, soybean oil rapeseed oil stocks are expected over the reporting period. Stocks represent to about five to six weeks' worth of consumption and are privately owned by food processors, retailers, and importers.

Table 16*Soybean Oil Production, Supply, and Distribution*

Oil, Soybean	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
South Africa						
Crush (1000 MT)	1750	1804	1650	1790	0	1790
Extr. Rate, 999.9999 (PERCENT)	0.1857	0.1802	0.1855	0.1799	0	0.1799
Beginning Stocks (1000 MT)	24	24	19	27	0	29
Production (1000 MT)	325	325	306	322	0	322
MY Imports (1000 MT)	50	28	125	25	0	25
Total Supply (1000 MT)	399	377	450	374	0	376
MY Exports (1000 MT)	80	85	80	70	0	70
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	300	265	350	275	0	275
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	300	265	350	275	0	275
Ending Stocks (1000 MT)	19	27	20	29	0	31
Total Distribution (1000 MT)	399	377	450	374	0	376
(1000 MT) ,(PERCENT)						

Table 17*Sunflower Oil Production, Supply, and Distribution*

Oil, Sunflowerseed	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
South Africa						
Crush (1000 MT)	750	673	650	650	0	670
Extr. Rate, 999.9999 (PERCENT)	0.4187	0.3804	0.4185	0.38	0	0.3851
Beginning Stocks (1000 MT)	35	35	19	36	0	38
Production (1000 MT)	314	256	272	247	0	258
MY Imports (1000 MT)	175	190	180	200	0	200
Total Supply (1000 MT)	524	481	471	483	0	496
MY Exports (1000 MT)	50	55	60	55	0	55
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	455	390	390	390	0	400
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	455	390	390	390	0	400
Ending Stocks (1000 MT)	19	36	21	38	0	41
Total Distribution (1000 MT)	524	481	471	483	0	496
(1000 MT) ,(PERCENT)						

Table 18*Rapeseed Oil Production, Supply, and Distribution*

Oil, Rapeseed Market Year Begins	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
South Africa						
Crush (1000 MT)	145	172	170	175	0	175
Extr. Rate, 999.9999 (PERCENT)	0.4207	0.4186	0.4176	0.4229	0	0.4229
Beginning Stocks (1000 MT)	7	7	8	6	0	7
Production (1000 MT)	61	72	71	74	0	74
MY Imports (1000 MT)	5	0	5	0	0	0
Total Supply (1000 MT)	73	79	84	80	0	81
MY Exports (1000 MT)	0	3	0	3	0	3
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	65	70	75	70	0	70
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	65	70	75	70	0	70
Ending Stocks (1000 MT)	8	6	9	7	0	8
Total Distribution (1000 MT)	73	79	84	80	0	81
(1000 MT) ,(PERCENT)						

Attachments:

No Attachments